

NOTICE OF MEETING

The regular meeting of the Incline Village General Improvement District will be held starting at **6:00 p.m.** on **November 10, 2021** via Livestream/Zoom.

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 November 10, 2021) or via telephone (the telephone number will be posted to our website on the day of the meeting). The meeting will be available for viewing at <https://livestream.com/accounts/3411104>.

In addition, if a member of the public wishes to hear, observe, participate in and provide public comment at the meeting, using Livestream/Zoom, they may do so by coming to the Boardroom at 893 Southwood Boulevard, Incline Village, Nevada. In accordance with the Governor's Emergency Directive, all those in attendance will be required to wear a mask. Thank you, in advance, for your compliance. A notification of this attendance would be greatly appreciated by telephoning the District Clerk at (775) 832-1207 or sending an e-mail to info@ivgid.org. We appreciate your help with this process. (Reference is made to Assembly No. 253)

- A. PLEDGE OF ALLEGIANCE*
- B. ROLL CALL OF TRUSTEES*
- C. INITIAL PUBLIC COMMENTS* - *Unless otherwise determined, the time limit shall be three (3) minutes for each person wishing to make a public comment. Unless otherwise permitted by the Chair, no person shall be allowed to speak more than once on any single agenda item. Not to include comments on General Business items with scheduled public comment. The Board of Trustees may address matters brought up during public comment at the conclusion of the comment period but may not deliberate on any non-agendized item.*

D. APPROVAL OF AGENDA (for possible action)

The Board of Trustees may make a motion for a flexible agenda which is defined as taking items on the agenda out of order; combining agenda items with other agenda items; removing items from the agenda; moving agenda items to an agenda of another meeting, or voting on items in a block.

~~-OR-~~

The Board of Trustees may make a motion to accept and follow the agenda as submitted/posted.

- E. PUBLIC HEARING (TIME CERTAIN FOR 6 P.M.) – Medium-Term Installment Purchase Agreement for golf carts for the Championship Golf Course in the not-to-exceed amount of \$644,352.00 – **pages 4 - 6**
- F. DISTRICT GENERAL MANAGER UPDATE (for possible action)
 - 1. Verbal report to the Board of Trustees by the District General Manager's Golf Advisory Committee
- G. REVIEW OF THE LONG RANGE CALENDAR (for possible action) – **page 7**
- H. REPORTS TO THE BOARD* - Reports are intended to inform the Board and/or the public.
 - 1. Treasurers Report – Requesting Trustee: Treasurer Michaela Tonking – **page 8**
 - A. Payment of Bills (For District payments exceeding \$10,000 or any item of capital expenditure, in the aggregate in any one transaction, a summary of payments made shall be presented to the Board at a public meeting for review. The Board hereby authorizes payment of any and all obligations aggregating less than \$10,000 provided they are budgeted and the expenditure is approved according to District signing authority policy)

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.yourtahoepace.com

NOTICE OF MEETING

Agenda for the Board Meeting of November 10, 2021 - Page 2

2. Presentation: District Pricing Policy - Review of Framework for Establishing District-wide Pricing Policy (Requesting Staff Member: Director of Finance Paul Navazio/Requesting Trustee: Trustee Kendra Wong) – **pages 9 - 24**
 3. Mountain Golf Course Cart Path Replacement Project Verbal Update by Director of Public Works Brad Underwood – **pages 25 - 37**
 4. Effluent Pipeline Project Verbal Update by Director of Public Works Brad Underwood – **pages 38 - 39**
- I. **CONSENT CALENDAR** (*for possible action*) (In cooperation with the Chair, the General Manager may schedule matters for consideration on a Consent Calendar. The Consent Calendar may not include changes to budget, user rates or taxes, adoption or amendment of ordinances, or any other action which is subject to a public hearing. Each consent item shall be separately listed on the agenda, under the heading of "Consent Calendar". A memorandum containing all relevant information will be included in the packet materials for each Consent Calendar item. The memorandum should include the justification as a consent item in the Background Section. Any member of the Board may request the removal of a particular item from the Consent Calendar and that the matter shall be removed and addressed in the General Business section of the meeting. A unanimous affirmative vote shall be recorded as a favorable motion and approval of each individual item included on the Consent Calendar.)
1. Award of Purchase Order for the purchase of one Toro Reelmaster 5010 Fairway Mower – 2019/2020 Capital Improvement Project (CIP): Fund: Community Service; Cost Center: Golf; Project # 3142LE1760; One Toro Reelmaster 5010 Fairway Mower – 2021/2022 Capital Improvement Project (CIP): Fund: Community Service; Cost Center: Golf; Project # 3142LE1746; One Toro Groundsmaster 4000 Rough Mower – 2021/2022 Capital Improvement Project (CIP): Fund: Community Service; Cost Center: Golf; Project # 3142LE1747; Vendor: Turf Star Inc.; GSA Contract Pricing (Requesting Staff Members: Director of Public Works Brad Underwood and Director of Golf/Community Services Darren Howard) – **pages 40 - 46**
 2. Review, discuss and possibly approve: - **pages 47 - 100**
 - a. Ratification of Board action from October 30, 2019 awarding a multi-year janitorial contract with CC Cleaning in the amount of not-to-exceed \$67,340 per year, with annual CPI adjustment, for the period from, October 31, 2019 through October 30, 2024
 - b. Authorization of additional contract with CC Cleaning for janitorial services at Diamond Peak Ski Resort, in the amount of \$42,250 per year, with annual CPI adjustment, through October 2024
 - c. Authorization of a janitorial contract with Alta Vista Janitorial in the amount of not-to-exceed \$95,000 for the period of July 1, 2021 to June 30, 2022(Requesting Staff Member: Director of Finance Paul Navazio)
 3. Reject all bids for the Wetlands Effluent Disposal Facility Improvements 2021/2022 Capital Improvement Project – 2599SS1103 - Fund: Utility; Division: Sewer, in accordance with NRS 338.1385, paragraph 6, subparagraph (d). (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 101 - 105**

NOTICE OF MEETING

Agenda for the Board Meeting of November 10, 2021 - Page 3

J. GENERAL BUSINESS (*for possible action*)

1. Receive a presentation from HDR's Shawn Koorn and provide input/direction on the preliminary results of the Public Utility Rate Study for Provision of Water and Sewer Services (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 106 - 108**
2. Review, discuss and possibly authorize an Additional Service Amendment #1 to the professional design services contract for the Mountain Golf Cart Path Replacement Project – Fund: Community Services; Division: Golf; CIP# 3241LI2001; Vendor: Lumos and Associates in the amount of \$44,500.00 (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 109 121**
3. Review, discuss and possibly approve a sole source finding **and** a Short Form Agreement including replacement parts and repairs for Diamond Peak C950 Snowmaking Air Compressor – 2021/2022 Operating Expense; Fund: Community Services; Division: Ski; Account# 340.34.630.7510 - Repairs and Maintenance; Vendor: Cisco Air Systems. in the amount of \$71,680.13 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin) – **pages 122 - 140**
4. Review, discuss and possible approval of format, structure, and contents of Board packets (Requesting Trustee: Sara Schmitz) – **pages 141 - 146**
5. Review, discuss, and possibly adopt Resolution No. 1890 authorizing a Medium-Term Installment Purchase Agreement (via DLL Finance, LLC) for a lease term of 54-months, in the amount not to exceed \$379,469, through a Fair Market Value Lease Agreement to procure eighty (80) Club Car Tempo lithium battery-powered golf carts for the Championship Golf Course (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 147 - 167**

K. MEETING MINUTES (*for possible action*)

1. Meeting Minutes of October 13, 2021 – **pages 168 - 237**

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

M. ADJOURNMENT (*for possible action*)

CERTIFICATION OF POSTING OF THIS AGENDA

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

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

/s/ Susan A. Herron, CMC

Susan A. Herron, CMC

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

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

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

M E M O R A N D U M

TO: Board of Trustees

THROUGH: Indra Winquest
District General Manager

FROM: Susan A. Herron, CMC
District Clerk

SUBJECT: PUBLIC HEARING (TIME CERTAIN FOR 6 P.M.) – Medium-Term
Installment Purchase Agreement for golf carts for the
Championship Golf Course in the amount not-to-exceed to
\$644,352.00

DATE: November 3, 2021

On November 10, 2021, the Board of Trustees will hold a public hearing on the above subject matter. Following is an outline for the public hearing:

1. Chairman Callicrate will ask the Board for a motion and a second to officially open the public hearing.
2. Chairman Callicrate will call for the question and the Board will take a vote to open the public hearing.
3. Once the public hearing is open, Chairman Callicrate will state that the District is holding a public hearing as required by the Nevada Revised Statutes.
4. Chairman Callicrate will then ask Director of Finance Paul Navazio, for the record, if the District complied with the required notice. (*Affidavit is attached*).
5. Following confirmation, Director of Finance Paul Navazio will then provide an overview, which may include a PowerPoint presentation, of the proposed installation purchase plans.
6. Chairman Callicrate will state the comments made during the public hearing are governed by the Chair and Chairman Callicrate should state the rules he wants to use.
7. Chairman Callicrate will then ask for public comment on the installation purchase plans as included in the Board packet.
8. The duration of the public hearing is at the Board's discretion.
9. After all public comments have been made, a Board member will need to make a motion to close the public hearing, which will need a second, and then Chairman Callicrate will call for the question and a vote will be taken on this motion. Chairman Callicrate will then move onto the remaining agenda items.

NEVADA COUNTY
PUBLISHING COMPANY
South Lake Tahoe, CA

AFFIDAVIT OF PUBLICATION



Proof and Statement of
Publication

Ad #: 59606

See Proof on Next Page

Customer Account #:

Reference: 4CD01 Champ Course Golf Carts

Legal Account

IVGID- PUBLIC WORKS

County of El Dorado, State of California. The undersigned, **Bailee Liston**, being the principal clerk of the **Nevada County Publishing Co.** declares that the **Nevada County Publishing Co.** now is, and during all times herein named, was a corporation duly organized and existing under the laws of the State of California, and now is, and during all times herein named was the printer of **Tahoe Daily Tribune**, a newspaper of general circulation, as defined by section 6000 of the Government Code of the State of California, printed and published daily (Sundays excepted) in the City of South Lake Tahoe, County of El Dorado, State of California, and that affiant is the principal clerk of said Nevada County Publishing Co.

That the printed advertisement hereto annexed was published in the said Tahoe Daily Tribune, for the full required period of 1 time(s) commencing on **29 Oct 2021**, and ending on **29 Oct 2021**, all days inclusive.

I certify, under penalty of perjury, the forgoing is true and correct.

Signed: *Bailee Liston*

Legals Advertising Clerk

**NOTICE OF INTENTION TO AUTHORIZE
A MEDIUM-TERM INSTALLMENT PURCHASE
AGREEMENT**

Notice is hereby given that the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT, State of Nevada, will hold a public hearing at a regular meeting to be held on November 10, 2021 at the hour of six o'clock (6 P.M. PST) in the CHATEAU, 955 FAIRWAY BLVD, INCLINE VILLAGE, NV to act upon a Resolution Authorizing a Medium-Term Installment Purchase Agreements in the amount not exceed a total of \$644,352.00, to enable the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT to acquire eighty (80) Club Car Tempo - Lithium Battery Golf carts, including Global Positioning (GPS) units, for the Championship Golf Course.

The proposed obligation is to be repaid by revenues of the Community Services Enterprise Fund, which is a part of the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT. The Community Services Enterprise Fund will budget for the payments each year as an operating expenditure for the venue using the equipment. The installment purchase agreement will be in the form of an Equipment Lease/ Purchase Agreement with Club Car, LLC for a term not to exceed five (5) years, and may include a purchase option balloon payment, to be exercised at sole discretion of the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT. The agreement includes a non-appropriation clause.

All persons are invited to attend and to be heard regarding the proposed action. Prior to the hearing, written comments may be filed with the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT District Clerk, and will be considered.

Published: October 29, 2021

DATE	DAY OF THE WEEK	TIME	LOCATION	TYPE OF MEETING - 2021	COMPLETED MEMORANDUMS WITH ALL BACK UP MATERIALS FOR AGENDA ITEMS FROM BOARD MEMBERS/STAFF DUE DATES	ITEMS SLATED FOR CONSIDERATION
TBD	TBD	TBD		Special Board Meeting		GM's Ordinance 7 Committee recommendations
12/08	Wednesday	6 p.m.		Regular Board Meeting	11/29/2021 8 a.m.	Public Records Update (in GM report) Policy 15.1.0 Revisions - Review and Possible Approval Golf Season Wrap Update (Howard) Dillon's Rule Policy (for employees and non-profits) review (Nelson) Effluent Pipeline Project – Contract Amendment with HDR (Underwood) 1 st Quarter Budget Update (Navazio) Review of the Community Services Master Plan (Winquest/Underwood/K. Nelson/Howard)
				2022		
01/12	Wednesday	6 p.m.				Dillon's Rule Policy (for employees and non-profits) for adoption (Nelson) Key Rates (Golf and Facilities) Review of draft Board of Trustees handbook (Schmitz)
01/25	Tuesday	6 p.m.				
02/09	Wednesday					
02/22	Tuesday					
03/09	Wednesday					
03/29	Tuesday					
04/13	Wednesday					
04/26	Tuesday					
05/11	Wednesday					
05/24	Tuesday					
06/08	Wednesday					Have a discussion about the date of the General Manager's Performance Evaluation (Schmitz) (10/04/2021)
06/28	Tuesday					
07/13	Wednesday					
07/26	Tuesday					
08/10	Wednesday					
08/23	Tuesday					
09/14	Wednesday					
09/27	Tuesday					
10/12	Wednesday					
10/25	Tuesday					
11/09	Wednesday					
12/14	Wednesday					

<i>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</i>
Revisions to Ordinance 7 (allow 45 days ahead of action)
Tyler Technologies project status report will be in the General Manager's report – To be determined
Possible discussion on IVGID needs as it relates to potential land use agreement with DPSEF (Request by Trustee Schmitz – 01/18/2021)
Develop a policy and criteria for Professional Services (see Moss Adams 1 Report) (Request by Trustee Schmitz – 03/10/2021; asked again on 4/29/2021)
Framework for pricing across the District (Request by Trustee Schmitz – 03/10/2021)
Tax implications for benefits for employees (Request by Trustee Schmitz – 03/10/2021 – District General Counsel Nelson is working on an opinion)
Review of service levels – Golf will be coming first – date to be determined
Trustee Tonking asked for a Policy 3.1.0 review (5/26/2021)
Next step on Diamond Peak parking lot/Ski Way
Incline Beach House – revisit where we have been, revisit financing options and how does the Board want to move forward (tentative)
Code of Conduct
List of contracts, etc. that need annual Board Review – District General Manager and District Clerk
Request that the Board discuss a strategy for dealing with e-mails and correspondence that the Board receives. Need to have a strategy and approach on who responded – come up with a consensus by the Board on who responds. (Request by Trustee Schmitz – 11/03/2021) Related to Policy 20.
Retaining special legal counsel for construction contracts, Staff member suggested, review and discuss as a Board and decide how to move (Request by Trustee Schmitz – 11/03/2021)
Meeting Minutes: Do we want our meeting minutes to have more alignment with what is said at the meeting or are these summaries acceptable? (Request by Trustee Schmitz – 11/03/2021)

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

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

Date	Check	Payment Type	Vendor	Amount	Status
10/07/2021	777210	Check	Clean Tahoe Program	\$ 10,000.00	Paid
10/07/2021	777245	Check	Rapid Construction, Inc	38,000.00	Paid
10/07/2021	777257	Check	Thomas Petroleum, LLC	12,242.71	Paid
10/07/2021	777261	Check	Ward-Young Architecture and Planning	12,840.00	Paid
10/07/2021	5295	EFT	ARMAC Construction, LLC	25,320.00	Paid
10/07/2021	5324	EFT	Tri Sage Consulting	10,766.96	Paid
10/14/2021	0	Auto Pay	AT&T	13,611.89	Paid
10/14/2021	0	Auto Pay	Acushnet Company	47,468.97	Paid
10/14/2021	777269	Check	Core West, INC DBA Core Construction Serv. of NV	488,258.45	Paid
10/14/2021	777277	Check	First Nonprofit Companies, Inc.	103,250.00	Paid
10/14/2021	777294	Check	NV Energy	90,734.91	Paid
10/14/2021	777301	Check	Reno Disposal/DbA:Waste Management of Nevada	11,636.91	Paid
10/14/2021	777311	Check	Turf Star, Inc.	14,987.37	Paid
10/21/2021	777347	Check	Robert R Lochridge Estate Paula M Lochridge EX	63,031.47	Paid
10/21/2021	777354	Check	Turf Star, Inc.	12,252.70	Paid
10/27/2021	0	Auto Pay	AT&T	13,460.80	Paid
10/27/2021	777361	Check	Agrono-Tec Seed Co., Inc.	12,817.80	Paid
10/27/2021	777379	Check	Industrial Software Solutions I, LLC	10,265.00	Paid
10/27/2021	777404	Check	Turf Star, Inc.	12,903.66	Paid
10/27/2021	5387	EFT	Doppelmayr USA, Inc.	19,986.67	Paid
				\$ 1,023,836.27	



**INCLINE
VILLAGE**

GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM

Framework for District Pricing Policy

Board of Trustees November 10, 2021

Objectives of Pricing Policy
Considerations in Pricing
Setting and Administering Pricing

SAMPLE Cost-Recovery Analysis



Overview of Pricing Policy Presentation

- Board Policy 6.1 (current)
- Developing a Formal District Pricing Policy
 - Objectives of Pricing Policy
 - Considerations in Pricing
- Setting and Administering Pricing

NEXT STEPS:

- Cost-of-Service Analysis – Foundation for Applying Pricing Policy



Board Policies & Practices

Budget and Fiscal Management

Financial Practices – Policy 6.1.0

- **2.0 Revenues**
 - *2.1 Revenue Diversification*

 - *2.2 Fees and Charges. The District shall adopt process that identifies the manner in which fees and charges for services are set and the extent to which they cover the cost of the service provided.*

Objectives of District Pricing Policy

GLOBAL OBJECTIVES

District Pricing Structure should ensure that revenues are sufficient to cover full cost of providing services to its residents, guests and visitors.

Pricing should be based on sound financial planning principles to avoid volatility from year-to-year

To the extent possible, pricing principles should be applied consistently across all venues and programs

	Picture-Pass Holders	Guest	Non-Resident
Charges for Service:			
	Provide maximum discount in relation to annual Facility Fees assessed on parcels within the District.	Guest rates should be established to recover direct cost of services (less capital and debt)	Rates for Non-resident use of facilities and programs should be set to cover (no less than) 100% of full cost of services.
	Where Charges for Services are paid by Picture Pass Holders: <ul style="list-style-type: none"> Rates should be set to cover 100% of Operating Costs 	Guest rates may provide for discounts over Non-Resident Rates (Discounted to Resident Rate): <ul style="list-style-type: none"> With Punch Cards When accompanied by Picture-Pass Holders 	Pricing for Profit Centers should include specified minimum margin over cost. Management should retain flexibility to utilize DYNAMIC pricing in response to market conditions (within parameters)
Facility Fees:	Community Services – covers cost of Capital Outlay and Debt Service Payments Beach – covers cost of Capital Outlay, Debt Service AND Operating Costs (No cost for PPH Beach access)		
	Resident Pricing (Charges and Facility Fees) should be established so as to ensure that revenue from residents does not subsidize Non-Resident use of facilities or programs.		



Consideration in District Pricing Policy

- Need for consistent Cost-of-Service Analysis for District venues and programs
 - Operating Costs (Programs and Services)
 - Capital Outlay / Depreciation / Replacement Costs
 - Non-capital costs associated with Upkeep of District FACILITIES
 - Overhead cost burdens allocated to District Community Services and Beach venues

- Role of Facility Fees in Resident Pricing (Discounted Charges for Services)
 - Consider STANDARD Picture-Pass Holder Discount (as % of Non-Resident Rate)
 - Consider VARIABLE Picture-Pass Holder Discount, by venue, based on annual on level of Facility Fee

- How SURPLUS funds from profit-generating activities are applied to support other venues
 - Diamond Peak
 - Food & Beverage / Retail

- Dynamic Pricing for Non-Resident Rates

- Recreation and Community Programming
 - Cost-Recovery Pyramid -> Differing levels of Cost Recovery
 - Role of Facility Fees in covering “subsidies”
 - Role of General Fund in covering “subsidies”

Framework for Pricing Policy – GOLF

	Picture-Pass Holder	GUEST	NON-RESIDENT
Charges for Services	100% of Variable Operating Costs	100% of Variable Operating Costs	100% of Variable Operating Costs
	100% of Fixed Operating Costs	100% of Fixed Operating Costs	100% of Fixed Operating Costs
	100% of Total Operating Costs / Round	100% of Total Operating Costs / Round	100% of Total Operating Costs
	0% of Capital Costs (Depreciation)	% of Capital Costs (Depreciation)	100% of Capital Costs (Depreciation)
	0% of Debt Service Costs	% of Debt Service Costs	100% of Debt Service Costs
	% of Total Costs (Oper., Capital, Debt)	% of Total Costs (Oper., Capital, Debt)	100% of Total Costs / Round
Facility Fee			
Operating Costs	0.0% of Operating Costs		
Capital Improvements	100% of Capital Costs (Depreciation)		
Debt	100% of Debt Service Costs		

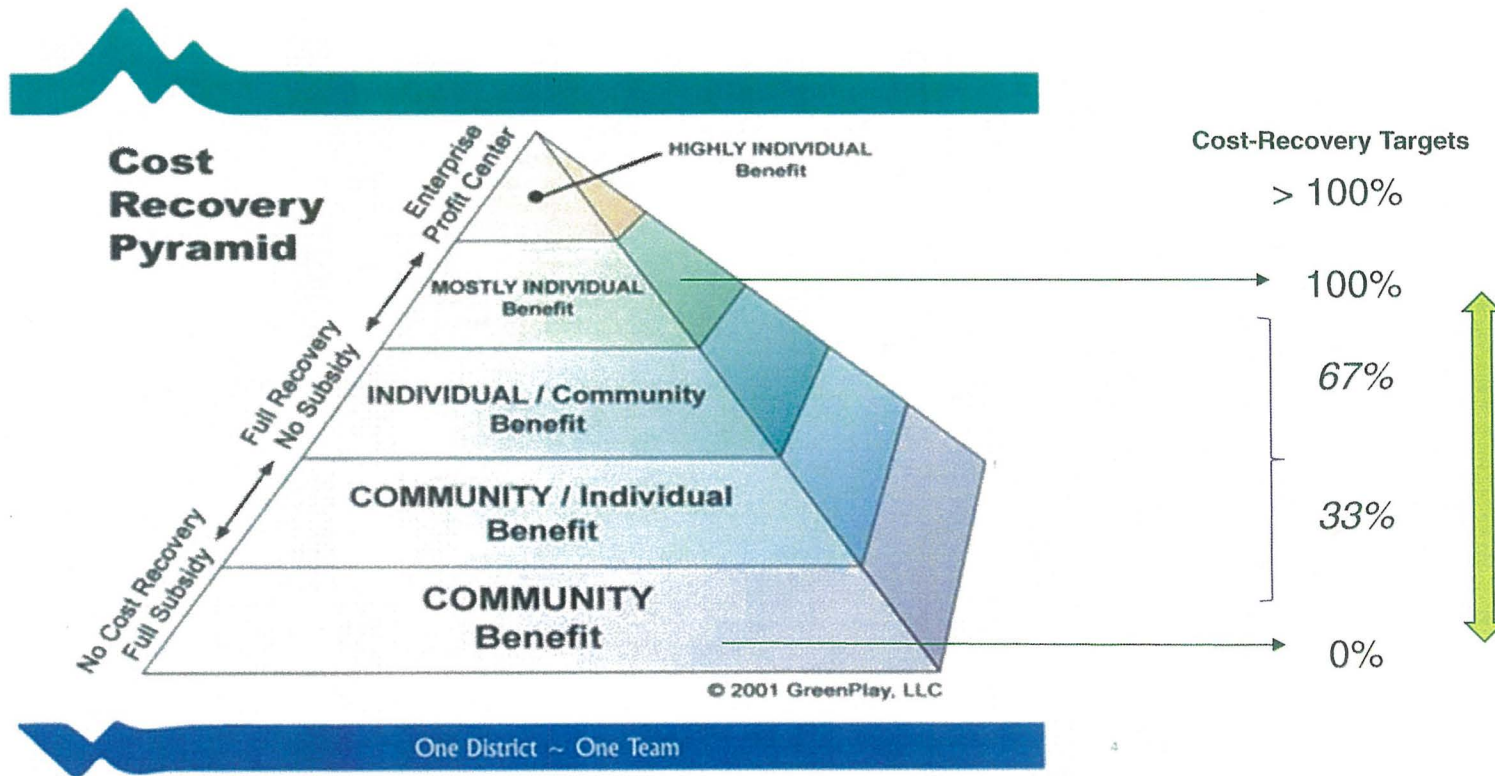
Framework for Pricing Policy - BEACH

	Picture-Pass Holder	GUEST	NON-RESIDENT
Charges for Services	0% of Variable Operating Costs	X % of Variable Operating Costs	
	0% of Fixed Operating Costs	X % of Fixed Operating Costs	
	0% of Total Operating Costs / Round	X % of Total Operating Costs / Round	
	0% of Capital Costs (Depreciation)	% of Capital Costs (Depreciation)	
	0% of Debt Service Costs	% of Debt Service Costs	
	% of Total Costs (Oper., Capital, Debt)	% of Total Costs (Oper., Capital, Debt)	
Facility Fee			
Operating Costs	100% of Operating Costs		
Capital Improvements	100% of Capital Costs (Depreciation)		
Debt	100% of Debt Service Costs		

Framework for Pricing Policy - SKI

	Picture-Pass Holder	GUEST	NON-RESIDENT
Charges for Services	100% of Variable Operating Costs		100% of Variable Operating Costs
	100% of Fixed Operating Costs		100% of Fixed Operating Costs
	100% of Total Operating Costs / Round		100% of Total Operating Costs
	0% of Capital Costs (Depreciation)		100% of Capital Costs (Depreciation)
	0% of Debt Service Costs		100% of Debt Service Costs
	% of Total Costs (Oper., Capital, Debt)		\$\$\$ Dynamic Pricing - Market Market-driven Pricing (2x-3x Cost)
Facility Fee			
Operating Costs	0% of Operating Costs		
Capital Improvements	0% of Capital Costs (Depreciation)		
Debt	0% of Debt Service Costs		

Framework for Pricing Policy - RECREATION





Setting and Administering Pricing

- District Pricing Policy should set clear roles / expectations

- Board:
 - Set Pricing Policy and Parameters
 - Approval of KEY Rates (to be defined)
 - Resident Rates

- Staff:
 - Propose KEY Rates for Board-approval – through Budget Process
 - Set and COMMUNICATE Rates to Board and Public
 - Manage DYNAMIC Pricing – (market-driven rates); as defined in Board Policy



District-Wide Pricing Policy - Outline

- Objective
- District-wide Pricing Guidelines
- Venue Pricing Guidelines
 - Golf
 - Facilities
 - Ski
 - Recreation / Tennis
 - Beaches
- Dynamic Pricing
- Discounts
 - Marketing / Promotions
 - Non-Profits
 - Employees
- Administration of Pricing Policy – Roles



Background Information

COST-OF-SERVICE ANALYSIS

Framework for Pricing Policy – CHAMP GOLF

	Picture-Pass Holder	GUEST	NON-RESIDENT
Charges for Services	100% of Variable Operating Costs	100% of Variable Operating Costs	100% of Variable Operating Costs
	100% of Fixed Operating Costs	100% of Fixed Operating Costs	100% of Fixed Operating Costs
	100% of Total Operating Costs / Round	100% of Total Operating Costs / Round	100% of Total Operating Costs
	0% of Capital Costs (Depreciation)	% of Capital Costs (Depreciation)	100% of Capital Costs (Depreciation)
	0% of Debt Service Costs	% of Debt Service Costs	100% of Debt Service Costs
	% of Total Costs (Oper., Capital, Debt)	% of Total Costs (Oper., Capital, Debt)	100% of Total Costs / Round
Facility Fee			
Operating Costs	0.0% of Operating Costs		
Capital Improvements	100% of Capital Costs (Depreciation)		
Debt	100% of Debt Service Costs		

Cost Per Round	Residents		
	Mon-Thurs	Avg.	
Operating Costs	\$ 78.09		
Operating Costs + OVHD	\$ 94.90		
Oper. Costs, OVHD, Capital	\$ 125.60		
Oper. Costs, OVHD, Capital, Debt	\$ 133.25		
	7am - 2pm \$ 90.00		
	2pm - 4pm \$ 65.00		
	After 4pm \$ 45.00		
	After 5:30pm (9 holes) \$ 30.00		
		\$ 64.22	
	Fri-Sun & Holiday		
	7am - 2pm \$ 95.00		
	2pm - 4pm \$ 75.00		
	After 4pm \$ 55.00		
	After 5:30pm (9 holes) \$ 37.00		
		\$ 62.19	
	Play Pass		
		\$ 62.19	

Cost Per Round	Guests		
	Mon-Thurs	Avg.	
	7am - 2pm \$ 127.00		
	2pm - 4pm \$ 99.00		
	After 4pm \$ 79.00		
	After 5:30pm (9 holes) \$ 50.00		
		\$ 118.19	
	Fri-Sun & Holiday		
	7am - 2pm \$ 132.00		
	2pm - 4pm \$ 110.00		
	After 4pm \$ 88.00		
	After 5:30pm (9 holes) \$ 57.00		

Cost Per Round	Non-Residents		
	Mon-Thurs	Avg.	
	7am - 2pm \$ 199.00		
	2pm - 4pm \$ 140.00		
	After 4pm \$ 95.00		
	After 5:30pm (9 holes) \$ 60.00		
		\$ 148.18	
	Fri-Sun & Holiday		
	7am - 2pm \$ 220.00		
	2pm - 4pm \$ 150.00		
	After 4pm \$ 105.00		
	After 5:30pm (9 holes) \$ 75.00		

Framework for Pricing Policy – MOUNTAIN GOLF

	Picture-Pass Holder	GUEST	NON-RESIDENT
Charges for Services	100% of Variable Operating Costs	100% of Variable Operating Costs	100% of Variable Operating Costs
	100% of Fixed Operating Costs	100% of Fixed Operating Costs	100% of Fixed Operating Costs
	100% of Total Operating Costs / Round	100% of Total Operating Costs / Round	100% of Total Operating Costs
	0% of Capital Costs (Depreciation)	% of Capital Costs (Depreciation)	100% of Capital Costs (Depreciation)
	0% of Debt Service Costs	% of Debt Service Costs	100% of Debt Service Costs
	% of Total Costs (Oper., Capital, Debt)	% of Total Costs (Oper., Capital, Debt)	100% of Total Costs / Round
Facility Fee			
Operating Costs	0.0% of Operating Costs		
Capital Improvements	100% of Capital Costs (Depreciation)		
Debt	100% of Debt Service Costs		

Rounds of Golf	18,920
Cost Per Round	
Operating Costs	\$ 41.22
Operating Costs + OVHD	\$ 50.49
Oper. Costs, OVHD, Capital	\$ 62.13
Oper. Costs, OVHD, Capital, Debt	\$ 62.23

Residents		
	Mon-Thurs	Avg.
7am - 12pm	\$ 44.00	\$ 29.80
12pm - 4pm	\$ 44.00	
After 4pm	\$ 26.00	
Fri-Sun & Holiday		
7am - 12pm	\$ 48.00	
12pm - 4pm	\$ 48.00	
After 4pm	\$ 29.00	
Play Pass		\$ 19.27

Guests		
	Mon-Thurs	
7am - 12pm	\$ 59.00	\$ 47.07
12pm - 4pm	\$ 52.00	
After 4pm	\$ 29.00	
Fri-Sun & Holiday		
7am - 12pm	\$ 64.00	
12pm - 4pm	\$ 58.00	
After 4pm	\$ 32.00	

Non-Residents		
	Mon-Thurs	
7am - 12pm	\$ 70.00	\$ 54.43
12pm - 4pm	\$ 65.00	
After 4pm	\$ 45.00	
Fri-Sun & Holiday		
7am - 12pm	\$ 75.00	
12pm - 4pm	\$ 70.00	
After 4pm	\$ 50.00	

Framework for Pricing Policy - BEACH

	Picture-Pass Holder	GUEST	NON-RESIDENT
Charges for Services	0% of Variable Operating Costs	X % of Variable Operating Costs	
	0% of Fixed Operating Costs	X % of Fixed Operating Costs	
	0% of Total Operating Costs / Round	X % of Total Operating Costs / Round	
	0% of Capital Costs (Depreciation)	% of Capital Costs (Depreciation)	
	0% of Debt Service Costs	% of Debt Service Costs	
	% of Total Costs (Oper., Capital, Debt)	% of Total Costs (Oper., Capital, Debt)	
Facility Fee			
Operating Costs	100% of Operating Costs		
Capital Improvements	100% of Capital Costs (Depreciation)		
Debt	100% of Debt Service Costs		

Cost Per Beach Visit-	Beach Visits =	199,802	
	Operating Costs		\$ (7.98)
	Operating with Ovhd		\$ (10.81)
	Operating, OVHD & Capital		\$ (12.03)
	Operating, OVHD Capital & Debt		\$ (12.06)

BEACH PRICING				
	Picture Pass Holder	Punch Card Holder	Daily Guest *	Peak
		\$12.00	\$12.00	\$15.00
DAILY ADMISSION	FREE ADMISSION	PUNCH CARD DEDUCT 12.00		
		NET ADMISSION FEE → \$0.00		

* MUST BE ACCOMPANIED BY PICTUREPASS HOLDER

Framework for Pricing Policy - SKI

	Picture-Pass Holder	GUEST	NON-RESIDENT
Charges for Services	100% of Variable Operating Costs		100% of Variable Operating Costs
	100% of Fixed Operating Costs		100% of Fixed Operating Costs
	100% of Total Operating Costs / Round		100% of Total Operating Costs
	0% of Capital Costs (Depreciation)		100% of Capital Costs (Depreciation)
	0% of Debt Service Costs		100% of Debt Service Costs
	% of Total Costs (Oper., Capital, Debt)		\$\$\$ Dynamic Pricing - Market Market-driven Pricing (2x-3x Cost)
Facility Fee			
Operating Costs	0% of Operating Costs		
Capital Improvements	0% of Capital Costs (Depreciation)		
Debt	0% of Debt Service Costs		

Resident Rates

Skier Visist	110,000
Cost Per Skier Visit	
Operating Costs	\$ 33.03
Operating Costs + OVHD	\$ 43.89
Oper. Costs, OVHD, Capital	\$ 56.33
Oper. Costs, OVHD, Capital, Debt	\$ 56.51

	Value	Weekend	Peak
Adult	\$ 25.00	\$ 25.00	\$ 35.00
Youth	\$ 20.00	\$ 20.00	\$ 30.00
Senior	\$ 20.00	\$ 20.00	\$ 30.00
Child	\$ 15.00	\$ 15.00	\$ 25.00
Beginner	\$ 18.00	\$ 18.00	\$ 28.00
Under 6 / Over 80	Free	Free	Free

Non-Resident Rates

	Value	Weekend	Peak
Adult	\$ 109.00	\$ 124.00	\$ 134.00
Youth	\$ 89.00	\$ 104.00	\$ 129.00
Senior	\$ 89.00	\$ 104.00	\$ 129.00
Child	\$ 44.00	\$ 54.00	\$ 64.00
Beginner	\$ 59.00	\$ 59.00	\$ 89.00
Under 6 / Over 80	Free	Free	Free

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
District General Manager

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

SUBJECT: Mountain Cart Path Informational Memo

DATE: November 10, 2021

The following information is provided to the Board in addressing a contract change approved by the Engineer/Owner.

Timeline

- *Specifications and Drawings titled "Mountain Golf Course Path" for bidding were received from Design Engineer (Lumos) on July 21, 2021.*
- The bid was setup for the Contractors to bid on two segments:
 - Base Bid to reconstruct the pathway along holes #3, #4, and most of #5 (Sta. 0+00 to Sta. 19+58 per Drawings).
 - Alternate Bid to reconstruct the pathway along the remainder of hole #5, holes #6, #7, and most of #8. (Sta. 19+58 to Sta. 41+40 per Drawings).

The bidding was set up this way to ensure that some of the intended work could be awarded for construction as the Engineer's estimate totaled \$684,916.54 (see attached - Lumos), which exceeded the construction budget for the project of \$405,000.

- Public Works (PW) Staff Advertised for Bid on July 23, 2021.
- PW Staff held a Non-Mandatory Pre-Bid meeting on August 3, 2021, but no contractors attended. PW Staff was notified that a representative of MKD Construction was looking at the site later that afternoon.
- PW Staff received 5 questions during the bidding phase and an Addendum (prepared by Lumos) was issued on August 24, 2021 (no questions regarding the use Recycled Type I Base or request for additional subsurface reports).

- Bid opening was held on August 26, 2021 and two (2) bids were received. The Bids were opened and read aloud in front of PW Staff, representative of Cruz Construction and a representative of FW Carson. Both contractors submitted bids on both the Base Bid and Alternate Bid as set forth in the bid documents. PW Staff asked if FW Carson felt comfortable with their bid and they were. No protests were received within the 5 business days (as allowed for by NRS 338.142). FW Carson did not request to pull their bid within the 24 hours as allowed in the contract documents.
- The bids were reviewed and all documents and calculations were verified by PW Staff. The Board memo was finalized by inserting the bid results late in the afternoon on August 26, 2021 (to meet posting requirements for the Board Meeting on September 2, 2021).
- *August 31, 2021, Lumos added a note on the plans that provided earthwork quantities for both the Base and Alternate Bids. And also added the following:*
 1. *The Contractor anticipates pulverizing AC pavement and re-using as base material. Therefore, the anticipated haul-off volume is less than 50 cubic yards.*
 2. *Quantities listed on this sheet include all quantities for the entire project.*
 3. *All material that is not reused is to be hauled to 1064 Tahoe Blvd., Incline Village, NV 89451.*
- *August 31, 2021 to September 1, 2021, email exchange (attached) between FW Carson and Lumos on which IVGID PW staff was not included. Lumos was requested to initiate contact with the Contractor by IVGID PW staff to finalize the SWPPP document necessary for construction to begin.*
- A Construction Contract was awarded to the low bid, FW Carson (Contractor), by the Board of Trustees at the meeting of September 2, 2021. Both the Base Bid and Alternate Bid were awarded as the total of the two (\$357,138.80) was lower than the project construction budget of \$405,000.
- On September 7, 2021, a Purchase Order (PO) was created and fully approved on September 9, 2021 based upon the Board of Trustees approvals.
- A preconstruction meeting was held on September 8, 2021 with PW Staff, the Contractor, and Golf Staff). A request was made by the Contractor to get a copy of the geotechnical report. The geotechnical report was emailed to the Contractor on the afternoon of September 8, 2021 (see attached email correspondence).

- On September 9/10, 2021, FW Carson verbally requested to use Recycled Type I Base per the geotechnical report (attached), bring in a pulverizing machine recycle material on-site. PW Staff spoke with Lumos, who concurred that Recycled Type I Base material was an acceptable alternative. PW Staff contacted Reno Tahoe Geo (Geotechnical Firm performing material testing) September 13, 2021 to advise them that Recycled Base was approved and they will need to obtain material samples to facilitate field testing.
- September 16, 2021, a Notice to Proceed was issued to the Contractor to begin the work.
- September 17, 2021, the Contractor mobilized to the site and began placing BMPs, and potholing.
- September 20, 2021, the Contractor mobilized the pulverizing machine.
- *October 7, 2021, meeting between PW staff and the Contractor to discuss the construction process:*
 - *The Contractor indicated that after the bid date but before the award of contract there was an email exchange between himself and Lumos (see above August 31, 2021 to September 1, 2021).*
 - *The Contractor said his bid was based upon the design as advertised in the plans and specifications.*
 - *The Contractor said from this email exchange, he assumed that he was being directed to do the work via pulverizing in place.*
 - *The Contractor indicated that there was no cost savings in performing the work by this means and method.*
- *October 12, 2021, meeting with Lumos to discuss the construction process:*
 - *Lumos was requested by PW staff to contact the Contractor directly to complete the efforts in obtaining the SWPPP for the project.*
 - *Lumos confirmed the email exchange after the bid date but before the award of contract between himself and the Contractor (see above August 31, 2021 to September 1, 2021).*
 - *Lumos stated from this email exchange that he thought the Contractor was requesting to perform the work with an alternate means and methods of pulverizing in place.*
 - *Lumos stated that the result of pulverizing in place yielded an equivalent end product as long as the specifications were met, i.e. materials testing.*
- *October 26, 2021, meeting with Lumos (Design Engineer and Engineering Manager) to discuss project:*

- *The Engineering Manager confirmed that IVGID should have been included on the email correspondence prior to awarding the Contract.*
- *The Engineering Manager stated that since they were not contracted to provide construction services they did not know what transpired after this email exchange.*
- *The Engineering Manager stated that Lumos would provide a summary of the project construction with information on the construction method (attached).*

Changes to Work/Amending the Contract

The Engineer and/or Owner have the right to authorize changes of work per the contract documents. Which changes are to be documented as amending the contract. This is supported per the following contract document excerpts:

Section 9

- *Article 10.04 Engineer's Authority – Article 10.04.D – Engineer's authority as to changes in the Work is set forth in Article 11.*
- *Article 10.06.A – Engineer will render decisions regarding the requirements of the Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth herein for initial interpretations, Change Proposals, and acceptance of the Work.*
- *Article 11.01 Amending and Supplementing the Contract – Article 11.01.A – The Contract may be amended or supplemented by Change Order, a Work Change Directive, or a Field Order.*
- *Article 11.03 Work Change Directives – Article 11.03.A – Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the modification ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order, following negotiations by the parties as to the Work Change Directive's effect, if any, on the Contract Price and Contract Times; or*
- *Article 11.04 Field Orders – Article 11.04.A – Engineer may authorize minor changes in the Work if the changes do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such changes will be accomplished by a Field Order*

and will be binding on Owner and also on Contractor, which shall perform the Work involved promptly.

- *Article 11.05 Owner-Authorized Changes in the Work – Article 11.05.A – Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work. Changes involving the design (as set forth in the Drawings, Specifications, or otherwise) or other engineering or technical matters will be supported by Engineer’s recommendation.*
- *Article 11.05.B – Such changes in the Work may be accomplished by a Change Order, if Owner and Contractor have agreed as to the effect, if any, of the changes on Contract Times or Contract Price; or by a Work Change Directive. Upon*

As detailed in the timeline above, the PW Staff met the requirements that are outlined specifically in these referenced sections of the contract documents. The PW Staff is currently working to finalize the appropriate change order to reflect the approval of using recycled base as agreed to with the contractor.

Revised Work

- From conversations with previous engineering staff as well as golf staff, a major concern with golf cart path replacement projects is the damage to the existing turf and irrigation system components that occur during construction. In observing the contractor’s method of utilizing a pulverizing machine, very little damage to the adjacent turf and irrigation system components was observed. In fact, to date only one (1) un-marked irrigation box was damaged as part of the installation of rip rap.
- The pulverization method reduced the amount of heavy equipment (loader, dump truck, backhoe) trips that were required in a one-way-in/one-way-out travel path; which in turn reduced the amount of damage to adjacent turf and irrigation system components as stated above.
- Recycled Type I Base is used throughout the construction industry in roadway construction and is a sustainable product. The sustainability aspects are the re-use of existing on-site materials and less trucking activity resulting in less traffic impacts, less resources used and less impacts to greenhouse gas.
- The recycled materials were tested by Reno Tahoe Geo to ensure specifications of the Standards of Public Works Construction (Orange Book) were met as required by the contract documents, and any identified

- unsuitable material was removed and replaced per the project plans and specifications.
- Material testing frequency recommendations are included in the Standards of Public Works Construction. The testing frequency was met or exceeded by Reno Tahoe Geo.
- Based on the end product, PW Staff will be evaluating whether this method should be preferred over removal and replacement for future phases of the work.

Opportunities for Improvement

- Include within the Contract Documents, any report associated with the project that is pertinent in developing the project documents (i.e. geotechnical, environmental, historical, etc.).
- Review timeframes for execution of the contract and make improvements to contract processing.
- Develop a process to ensure contract documents are fully executed prior to issuing a notice to proceed to the contractor.
- Follow up verbal changes/directives with written documentation in a timely manner.
- Initiate internal design review meetings at critical points (i.e. 60% and 90%) in the project design process.

Troy Carson

From: Justin Sand, P.E. <jsand@LumosInc.com>
Sent: Wednesday, September 1, 2021 12:27 PM
To: Troy Carson
Subject: RE: IVGID Golf Course Path

Sounds good to me. Thanks Troy.



Justin Sand, P.E.
Project Manager
Engineering Division
P.O. Box 3570, 225 Kingsbury Grade
Stateline, NV 89449
775.588.6490
jsand@LumosInc.com



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From: Troy Carson <troy@fwcarsonco.com>
Sent: Wednesday, September 1, 2021 12:24 PM
To: Justin Sand, P.E. <jsand@LumosInc.com>
Subject: RE: IVGID Golf Course Path

Hey Justin,

Yes we will still plan on pulverizing in place so long as we agree on the means and methods to achieve finish grades and compaction.

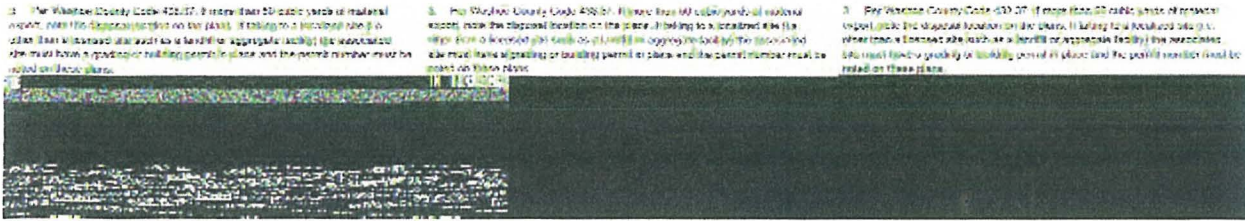
Compliance with the county comment is noted.

From: Justin Sand, P.E. <jsand@LumosInc.com>
Sent: Wednesday, September 1, 2021 12:21
To: Troy Carson <troy@fwcarsonco.com>
Subject: RE: IVGID Golf Course Path

Troy,

Just following up as it pertains to permitting requirements....with the information I provided, would you still plan to pulverize in place?

We will need to comply with this comment from Washoe County, so pulverizing in place may help in this circumstance:



Justin Sand, P.E.
 Project Manager
 Engineering Division
 P.O. Box 3570, 225 Kingsbury Grade
 Stateline, NV 89449
 775.588.6490
jsand@LumosInc.com



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From: Justin Sand, P.E.
Sent: Tuesday, August 31, 2021 2:58 PM
To: Troy Carson <troy@fwcarsonco.com>
Subject: RE: IVGID Golf Course Path

Troy,

Thanks for the follow up. The applicable section from the geotech investigation addressing your question is below. The full report is attached for reference. Please let me know if additional clarification is needed.

Section taken from Geotech Report:

PAVEMENT DESIGN

The pavement structural section was determined for the asphalt concrete utilizing an R value of 51 for the native silty sands (laboratory test results) and an R-value of 70 for the aggregate base course, (Standard Specifications for Public Works Construction (SSPWC)). Refer to Table 2, "Recommended Asphalt Pavement Section". We recommend removing the upper seven (7) inches of asphalt and underlying soil to allow for the recommended asphalt and Type 2, Class B aggregate base to be placed. The area exposed should be scarified in place to a depth of at least 12 inches, particles larger than three (3) inches removed, moisture conditioned to within two percent (2%) of optimum, and compacted to at least ninety percent (90%) of ASTM D1557. Aggregate base should consist of Type 2, Class B material and meet the requirements of the SPPWC. The existing asphalt, base, and/or decomposed granite may be pulverized and reused as aggregate base, provided it meet the requirements of Type 1 Recycled Aggregate Base. Aggregate base material (Type 2, Class B or Type 1 Recycled) should be compacted to at least ninety-five percent (95%) of the laboratory maximum density as determined by the ASTM D1557 standard.

Continued...

**Table 2
Recommended Asphalt Pavement Section**

	Minimum Asphalt Pavement Thickness	Minimum Aggregate Base Thickness	Properly Prepared Suitable Subgrade
Cart Path	3"	4"	2"

The recommendation for the three inches of asphalt is to help mitigate against the heavy freeze thaw cycles that happen in this area and the four inches of aggregate base is to help maintain a way in which water can move under the path and not pool up to help with the fatigue cracking.

The asphalt concrete shall contain PG64-28NV oil and Type 3 asphalt aggregate per the SSPWC. We recommend a 50-blow Marshall mix that targets three percent (3%) air voids. Asphalt concrete, placed in cart paths, should be compacted to between ninety-three percent (93%) and ninety-eight percent (98%) of the Rice theoretical maximum density.

All mix designs for asphalt concrete should be submitted to the Geotechnical Engineer for review and approval a minimum of seven (7) days prior to paving.

...End of section in Geotech Report

Thank you,



Justin Sand, P.E.
Project Manager
Engineering Division
P.O. Box 3570, 225 Kingsbury Grade
Stateline, NV 89449
775.588.6490
jsand@LumosInc.com



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From: Troy Carson <troy@fwcarsonco.com>
Sent: Tuesday, August 31, 2021 1:24 PM
To: Justin Sand, P.E. <jsand@LumosInc.com>
Subject: IVGID Golf Course Path

Hey Justin,
Got a message from our office regarding the path project.

Maybe some question....

where are we taking the material- ?
FW Carson Co.- 1064 Tahoe Blvd. Incline Village, NV 89451 or out of the basin.

On-Site emergency contact info.-
Troy Carson 530.214.6273
Doug Whipple- 415.521.0586

Let me know what else you may need.

Additionally,

We would like to discuss with you option to pulverize the existing AC and base in place. We would then process, regrade and recompact. This would drastically reduce the disturbance of adjacent improvements and reduce traffic impact on the project and neighborhood.

Thanks,
Troy Carson



Lake Tahoe
312 Dorla Court, Suite 202 | PO Box 890
Zephyr Cove, Nevada 89448
775.588.6490

November 2, 2021
Via email: ksn@ivgid.org

Kate Nelson
Incline Village GID
Public Works Department
1220 Sweetwater Road
Incline Village, NV 89541

***Subject: IVGID Mountain Golf Course Cart Path Reconstruction - Phase 1
Construction Methods Review***

Dear Kate:

Lumos and Associates, Inc. is providing this letter to Incline Village General Improvement District (IVGID) as a response to questions by the IVGID board regarding whether there was any issues of bid impropriety, questions regarding the construction methods/materials, and whether there are modifications to the process of bidding/construction management that could result in a more clear portrayal of how the activities will be completed to alleviate misunderstandings and improve communication.

First in terms of bid impropriety, we can unequivocally say that we did not witness nor have any knowledge of any impropriety or any advantage given to any contractor during the bid process. Only two bids were received for the project. Both contractors had access to the same bid documents and no communication or direction that could give one or the other an advantage prior to submitting their bids was provided by Lumos. Communication between Lumos and the awarded contractor regarding inquiries regarding means and methods occurred post bid submittal; therefore, the awarded contractor could not have changed or modified his bid based on said communication.

Next, in regards to construction methods and materials, it is our understanding that there is concern that the "design" changed after the bidding process and IVGID received a substandard product due to changes in means/methods/materials through the use of recycled asphalt base material. The design of the project is based on material qualities, thickness, and completed facilities. The design does not dictate means and methods. In terms of the bid documents the design intent of the project is described as:

The Base Bid scope of work includes reconstruction of approximately 15,320 SF of existing asphalt pavement and base along a portion of the IVGID Mountain Golf Course cart path. The Alternate Bid Schedule includes an additional 12,888 SF of asphalt pavement and base reconstruction, as well as 3,688 SF of 3" asphalt pavement surface replacement.

The Drawings provide details for two repair methods, one requiring replacement of the existing asphalt and base section, the other only requiring reconstruction of the asphalt surface. These items of work are described in the Bid Item Clarification section of the Contract Documents as:

Method 1: *Full Depth AC Pavement & Base Removal and New Full-Depth AC Pavement Section*
Method 2: *Remove Asphalt Surface and New 3" Asphalt Surface.*

The Bid Item Clarification descriptions identify items that the contractor shall include in his pricing of each bid item. The descriptions call for the removal and replacement of the existing asphalt pavement and base material, where applicable, to provide the pavement sections shown on the Drawings.

In coordination with Lumos and IVGID staff, F.W. Carson requested if pulverizing the existing asphalt and base in place and using recycled asphalt material as base material would be acceptable for the project. F.W. Carson was referred to the section of the Geotechnical Report prepared for the project that addresses this question. The section applicable to the use of recycled base states the following:

" an R-value of 70 for the aggregate base course.... The existing asphalt, base, and/or decomposed granite may be pulverized and reused as aggregate base, provided it meet the requirements of Type 1 Recycled Aggregate Base..."

F.W. Carson proceeded with the understanding that pulverizing and recycling the existing asphalt surface was an acceptable method of construction if they were able to condition the recycled asphalt to meet the specifications of Orange Book Type 1 Recycled Aggregate Base and meet an R-value of 70.

Lumos & Associates designed the proposed pavement section based on a resistance value, or "R-value," of 70 for the aggregate base course. The R-value indicates the ability of a material to resist lateral spreading due to an applied vertical load, which indicates structural integrity. Orange Book Type 2, Class B and Type 1 Recycled Aggregate Base both provide a minimum R-value of 70. Therefore, there is no structural difference between the two materials and both meet the design for the project. The use of one base material versus the other did not change the design. These two base materials are used interchangeably on public works projects throughout the region as well as nationally.

Based on the information provided above, the resulting finished product in the field was in compliance with the geotechnical report and Standard Specifications for Public Works Construction requirements for recycled materials. Therefore, using a recycled asphalt aggregate base for the pavement section did not change the design and provides a final product of equal quality as importing a "new" Type 2, Class B aggregate base. IVGID received a quality product meeting the design.

Pending final negotiations, the final project price, including Change Orders #1, 2, and 3 is anticipated to be \$380,919.17, as opposed to the Engineer's Opinion of Probable Cost of \$684,916.54 for the Base and Alternate Bid Schedules that was generated prior to bidding. The bidder implication for pricing on the project is the proximity of F.W. Carson's staging yard and their ability to recycle aggregate at the yard. These two factors allowed them to bid lower than other bidders for this project by eliminating the need to haul any material out of the Tahoe Basin regardless of whether recycled pulverizing was used or not. For this reason, we feel that IVGID received a quality final product for a competitive price in an otherwise inflated construction market, saving approximately \$290,000 from the other bid that was received.

All these things being said, if desired we can work with staff to come up with additional processes/steps to ensure more information is available with future phases. Some options to improve the process moving forward would be:

- Bid multiple bid alternatives for specific means and methods (ie. Bid pulverizing as an alternative to remove and replace).
- Engage in further pre-bid coordination meetings with contractors to elicit further questions and addenda to clarify the project further.

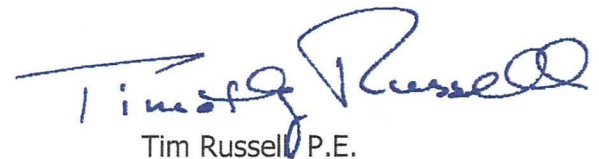
In summary, IVGID has received a quality project constructed in conformance with standards, which was obtained through a bid process compliant with all standards. If there are ways to help improve the process in future phases based on feedback from IVGID staff and board we are more than happy to help modify and adjust to improve.

Please do not hesitate to call me if you have questions.

Sincerely,



Justin Sand, P.E.
Senior Project Manager – Engineering



Tim Russell P.E.
Director - Engineering

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
District General Manager

FROM: Brad Underwood
Director of Public Works

SUBJECT: Reports to the Board - Effluent Pipeline Project

DATE: November 10, 2021

Public Works Staff, Granite Construction and HDR continue to work towards a 30% design effort. HDR is currently assessing surge pressures that may occur in the system which will be used by Granite Inliner to assess lining possibilities.

The team has also collaborated on a preliminary cost estimate of approximately \$45.6 million (attached), which includes including contingency and soft costs. The cost estimate was based upon constructing a parallel pipeline in new trench excavation, traffic control limitations and restrictions from Nevada Department of Transportation (NDOT) provided in 2011/2012. The excavation, backfill and paving amounts were re-calculated to reflect Granite's assumptions of trench width resulting in increases in these quantities. The pricing was then updated to reflect current labor, equipment and material values.

Various options to lower costs are being vetted as part of the 30% design effort. Some of these efforts include meeting with NDOT to discuss permits to limit restrictions, potential elimination of open-grade paving and slurry cement backfill, replacing the pipeline in the same trench location to avoid rock excavation, double shifting operations, and working during the months of July and August to reduce the overall schedule.

Public Works Staff will provide a project update to the Board of Trustees upon completion of the 30% design effort.

Computation

<i>Project</i>	IVGID Export Pipeline CMAR Project	<i>Computed</i>	K. Calderwood
<i>Subject</i>	Estimate of Probable Construction Cost - 16 inch Effluent Pipeline	<i>Date</i>	10/21/2021
<i>Task</i>	PreDesign Cost Estimate	<i>Reviewed</i>	
<i>File Name</i>	IVGID Export Pipeline CMAR Pre-Design Cost Estimate_102121 - with soft costs.xls	<i>Date</i>	

	QUANTITY	UNITS	UNIT PRICE	TOTAL COST
DIVISION 1 - GENERAL REQUIREMENTS				
Mobilization and Demobilization	1	LS	\$3,854.828	\$3,854.828
Insurance and Bonds	1	LS	\$176.818	\$176.818
SUBTOTAL				\$4,031,646
DIVISION 2 - SITE WORK				
Mitigation and Environmental Controls	1	LS	\$250,000	\$250,000
Asphalt Cutting	59,400	LF	\$4.97	\$295,218
Repaving - Trench Section	222,750	SF	\$10.68	\$2,378,970
Asphalt Overlay (1 inch open-graded) and Rotomill	475,200	SF	\$1.76	\$836,352
Asphalt Stripping	59,400	LF	\$1.00	\$59,400
Excavation (Soil)	31,185	CY	\$105.65	\$3,294,695
Excavation (Rocks)	3,465	CY	\$320.30	\$1,109,840
Hauling and Disposal (Soil and Rocks)	34,650	CY	\$76.90	\$2,664,585
Shoring	29,700	LF	\$12.65	\$375,705
Backfill and Compaction (Intermediate)	10,560	CY	\$152.88	\$1,614,413
Backfill and Compaction (Initial Backfill)	10,311	CY	\$148.95	\$1,535,834
Bedding Material	1,650	CY	\$351.40	\$579,810
Aggregate Base	4,950	CY	\$149.55	\$740,273
Grout Existing Effluent Pipeline	1,536	CY	\$293.59	\$450,922
Traffic Control	1	LS	\$1,921,919.31	\$1,921,919
Blow off Valves (Installation and Miscell.)	5	EACH	\$2,417.56	\$12,088
AVRV manholes	11	EACH	\$6,859.25	\$75,452
SUBTOTAL				\$18,195,475
DIVISION 3 - CONCRETE				
Concrete Pipe Cover	2,475	CY	\$231.51	\$572,987
SUBTOTAL				\$572,987
DIVISION 15 - MECHANICAL				
PIPES				
8 inch DI (Blowoff)	75	LF	\$196.94	\$14,771
2 inch HDPE pipe	176	LF	\$129.29	\$22,755
16-inch DIP Pipe	29,700	LF	\$190.71	\$5,664,087
FITTINGS				
DIP Fittings (Assume 3.5% of Pipe Cost)	1	LS	\$206,616.58	\$206,617
VALVES				
2 inch AVRV	11	EACH	\$4,058.24	\$44,641
2 inch Gate Valve	11	EACH	\$757.51	\$8,333
8 inch Gate Valve (Blowoff)	5	EACH	\$1,888.90	\$9,445
16 inch Butterfly Valves	2	EACH	\$9,173.81	\$18,348
Valve Boxes (Blowoff)	10	EACH	\$900.26	\$9,003
Valve Extension Rod and Casing (Blowoff)	5	EACH	\$2,478.55	\$12,393
Tie-in	2	EACH	\$10,743.05	\$21,486
Pipeline Pressure Testing	29,700	LF	\$4.42	\$131,274
SUBTOTAL				\$6,163,150
Subtotal 1 (Division Total)				\$28,963,258
Contractor Overhead and Profit (14% of Subtotal 1)				\$4,054,856
Subtotal 2				\$33,018,115
Construction Contingencies				\$6,603,623
Design				\$2,641,449
Administrative Costs				\$660,362
Construction Management				\$2,641,449
Subtotal 3				\$45,564,998
TOTAL ESTIMATED PROJECT COST				\$45,564,998

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
General Manager

Darren Howard
Director of Golf/Cummmunity Services

Brad Underwood
Director of Public Works

FROM: Richard Allen
Fleet Superintendent

SUBJECT: Award of Purchase Order for the purchase of One Toro Reelmaster 5010 Fairway Mower – CIP Project # 3142LE1760; One Toro Reelmaster 5010 Fairway Mower – CIP Project # 3142LE1746; One Toro Groundsmaster 4000 Rough Mower – CIP Project # 3142LE1747; 2021/2022 Capital Improvement Budget: Fund: Community Services Fund; Cost Center: Golf; Vendor: Turf Star Inc.; GSA Contract Pricing

DATE: November 10, 2021

I. RECOMMENDATIONS

1. That the Board of Trustees approves the purchase of two Fairway Mowers and one Rough Mower for use by the Golf Ground Maintenance Department. Funding for these scheduled equipment replacement items are included in Board-approved FY2021/22 Capital Improvement Budget.
2. That the Board of Trustees awards a purchase order to Turf Star Inc. through GSA Contract Pricing, for the total amount of \$253,183.38 for the two Reelmaster 5010 Fairway mowers and one Groundsmaster 4000D Rough Mower. The individual vehicle price breakdown is shown in the bid results portion of this memorandum.

II. BACKGROUND

The golf grounds maintenance equipment purchases are part of a comprehensive program to replace the maintenance equipment for use at the Championship and

Mountain golf courses. This ongoing program replaces daily use equipment on a scheduled cycle identified by maintenance cost records, oil analysis, visual inspection and overall condition. This is a vital link in assuring quality turf and grounds condition at the District golf courses and allow current Fleet Mechanic staffing levels to provide the service and support needed for operations

Replace Fairway Mower #1: The Toro Fairway Mower to be purchased from Turf Star Inc. is the replacement for #641 (2010 John Deere fairway mower). The unit is 11-years old, having been moved back in the CIP replacement program several times. Our extensive maintenance tracking and history has shown elevated wear in hydraulic oil samples and the decreased reliability of this equipment. Advanced technology of the new mowers cut more acreage per hour while providing a superior cut. This unit will be replaced with a new model Toro 5010 unit. Over the years, we have seen a decline in parts availability and service with John Deere products along with new new models requiring proprietary software to troubleshoot and repair machines with new emissions standards. Parts and service availability has been much better from Turf Star Inc. with no special software requirements for troubleshooting and service support dedicated to our area.

Replace Fairway Mower #2: The Toro Fairway Mower to be purchased from Turf Star Inc. is the replacement for #670 (2012 John Deere fairway mower). The unit is 10-years old and no longer provides the level reliability and product that our customers require. Advanced technology of the new mowers cut more acreage per hour while providing a superior cut. This unit will be replaced with a new model Toro 5010 unit. Over the years, we have seen a decline in parts availability and service with John Deere products along with new new models requiring proprietary software to troubleshoot and repair machines with new emissions standards. Parts and service availability has been much better from Turf Star Inc. with no special software requirements for troubleshooting and service support dedicated to our area.

Replace Rough Mower: The Toro Rough Mower to be purchased from Turf Star Inc. is the replacement for #650 (2011 Toro 4000D Rough mower). The unit is 10-years old, and no longer provides the level of reliability our customers require. It has accumulated over 3300 hours usage and our extensive maintenance tracking and history has shown the reliability goes down and repair cost increase on similar equipment after 3000 hours of operation. This unit will be replaced with a new model Toro 4000D Teir 4 emissions compliant unit.

III. BID RESULTS

Government Services Administration (GSA), in partnership with the Department of Treasury, launched Federal Strategic Sourcing Initiative (FSSI) in November 2005 requiring agencies to identify commodities that could be purchased more efficiently through strategic sourcing.

FSSI encourages cross-government collaboration and adoption of industry best practices. This allows the government to aggregate requirements; streamline processes; and leverage its buying power. As a result, best value and repeatable processes are created that can be used in any acquisition environment to drive down the cost of commonly purchased commodities.

The Federal Strategic Sourcing Initiative webpage provides a centralized source for many government-wide and agency specific Blanket Purchase Agreements (BPAs). GSA establishes long-term government wide contracts with commercial firms to provide access to millions of commercial products and services at volume discount pricing. These can be ordered directly from GSA Schedule contractors. Multiple authorized programs also allow state and local governments the eligibility to use GSA Schedules for select purchases, saving taxpayers money.

Turf Star Inc. has exclusive GSA contract sales rights for equipment brand and model therefore Staff did not seek competitive bids.

Description	Turf Star Inc.	Budget
Reelmaster 5010 Fairway Mower	\$ 93,486.17	\$ 92,000
Reelmaster 5010 Fairway Mower	\$ 93,486.17	\$ 93,500
Groundsmaster 4000D	<u>\$ 66,211.04</u>	<u>\$ 68,400</u>
Totals	\$253,183.38	\$253,900

IV. FINANCIAL IMPACT AND BUDGET

Approval of the recommendation contained in this memo would result in a combined expenditure of \$253,183.38. Funding in support of these purchases, totaling \$253,900, is included in the amended FY2021/22 Capital Improvement Budget, through appropriations in the Community Services Enterprise/Golf fund.

Award of Purchase Order for the
Purchase of one Toro Fairway Mower –
CIP Project #3142LE1760; Purchase of
one Toro Fairway Mower – CIP Project
#3142LE1746; Purchase of one Toro
Rough Mower – CIP Project #3142LE1747
Vendor: Turf Star Inc. GSA Contract Pricing

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November 1, 2021

One of the pieces of equipment (CIP Project #3142LE1760, Replacement of 2010 John Deere 8500 #641) has a bid price which is \$1,486 over the current budget of \$92,000 (carried-over from the FY2019/20 budget and again from FY2020/21). Conversely, CIP Project #3142LE1747, 2011 Toro Groundsmaster 4000D #650 has a bid price which is \$2,189 under the current budget of \$68,400.

V. ALTERNATIVES

Defer or eliminate replacing this equipment and risk higher maintenance cost and increased down time.

VI. COMMENTS

Replaced equipment will be disposed of through equipment auction this year. Although it is impossible to determine the exact revenue that will be generated from the sale, we estimate the value of the John Deere Fairway mowers at \$3,500 and the Toro Rough Mower at \$3,000. Revenues from equipment sales are credited to the operating area where the funds were appropriated for the original equipment purchase.

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:	3142LE1746
Title:	2012 JD 8500 Fairway Mower #670
Project Type:	F - Rolling Stock
Division:	42 - Championship Maintenance
Budget Year:	2021
Finance Option:	
Asset Type:	LE - Light Duty Service Equipment
Active:	Yes

Project Description				
This is a comprehensive program to purchase replacement equipment for both Golf courses. The CIP equipment replacement program is a scheduled cycle ranging from five (5) to fifteen (15) years. This program is a vital link in meeting turf maintenances standards, assuring top quality playing conditions and keeping up with the latest in maintenance practices and equipment technology. This fairway mower is on a 8-year replacement schedule, subject to accumulated mileage, accrued maintenance cost, oil analysis reports, visual inspection and overall condition.				
Project Internal Staff				
Fleet Maintenance Staff will manage this project				
Project Justification				
This equipment is a vital link in meeting turf maintenances standards, assuring top quality playing conditions and keeping up with the latest in maintenance practices and equipment technology. This mower will be replaced with a Toro Fairway mower. the move to Toro Mowers will increase Vender parts and service support and standardize our equipment spare parts inventory already owned by golf.				
Forecast				
Budget Year	Total Expense	Total Revenue	Difference	
2022				
Fairway Mower	92,000	0	92,000	
Year Total	92,000	0	92,000	
2030				
Fairway Mower	95,500	0	95,500	
Year Total	95,500	0	95,500	
2038				
Fairway Mower	98,500	0	98,500	
Year Total	98,500	0	98,500	
	286,000	0	286,000	
Year Identified	Start Date	Est. Completion Date	Manager	Project Partner
2013			Fleet Superintendent	



Project Summary

Project Number:	3142LE1747
Title:	2011 Toro Groundskeeper 4000D #650
Project Type:	F - Rolling Stock
Division:	42 - Championship Maintenance
Budget Year:	2021
Finance Option:	
Asset Type:	LE - Light Duty Service Equipment
Active:	Yes

Project Description				
This is a comprehensive program to purchase replacement equipment for both Golf courses. The CIP equipment replacement program is a scheduled cycle ranging from five (5) to fifteen (15) years. This program is a vital link in meeting turf maintenance standards, assuring top quality playing conditions and keeping up with the latest in maintenance practices and equipment technology. This rough mower is on a 6-year replacement schedule, subject to accumulated mileage, accrued maintenance cost, oil analysis reports, visual inspection and overall condition.				
Project Internal Staff				
Fleet Maintenance Staff will manage this project				
Project Justification				
History tells us that after this equipment type reaches 3000 hours of usage we may expect increased maintenance cost, elevated down time and a high probability of component failure. This equipment is a vital link in meeting turf maintenance standards, assuring top quality playing conditions and keeping up with the latest in maintenance practices and equipment technology. The final replacement date is subject to accumulated usage (hours), accrued maintenance cost, oil analysis reports, visual inspection and overall condition. Replacement will be moved back in the CIP if indicators reveal that increased maintenance cost or elevated down time will not result by deferring the replacement date.				
Forecast				
Budget Year	Total Expense	Total Revenue	Difference	
2022				
Toro Groundskeeper Mower	69,000	0	69,000	
Year Total	69,000	0	69,000	
2028				
Toro Groundskeeper Mower	71,000	0	71,000	
Year Total	71,000	0	71,000	
2034				
Toro Groundskeeper Mower	73,000	0	73,000	
Year Total	73,000	0	73,000	
2040				
Toro Groundskeeper Mower	75,500	0	75,500	
Year Total	75,500	0	75,500	
	288,500	0	288,500	
Year Identified	Start Date	Est. Completion Date	Manager	Project Partner
2013	Feb 1, 2021	Apr 1, 2021	Fleet Superintendent	



Project Summary

Project Number:	3142LE1760
Title:	Replacement of 2010 John Deere 8500 #641
Project Type:	F - Rolling Stock
Division:	42 - Championship Maintenance
Budget Year:	2020
Finance Option:	Lease Eligible
Asset Type:	LE - Light Duty Service Equipment
Active:	Yes

Project Description			
<p>This is a comprehensive program to purchase replacement equipment for both courses. The CIP equipment replacement program is a scheduled cycle ranging from five (5) to fifteen (15) years. This program is a vital link in meeting turf maintenances standards, assuring top quality playing conditions and keeping up with the latest in maintenance practices and equipment technology. This fairway mower is on a 8-year replacement schedule, subject to accumulated mileage, accrued maintenance cost, oil analysis reports, visual inspection and overall condition.</p> <p>This new mower will be used at the Championship Course, and the oldest current Championship Course fairway mower will become the new Mountain Course fairway mower.</p>			
Project Internal Staff			
Fleet Maintenance Staff will manage this project			
Project Justification			
The final replacement date is subject to accumulated usage (hours), accrued maintenance cost, oil analysis reports, visual inspection and overall condition. Replacement will be moved back in the CIP if indicators reveal that increased maintenance cost or elevated down time will not result by deferring the replacement date.			
Forecast			
Budget Year	Total Expense	Total Revenue	Difference
2020			
John Deere 8500	92,000	0	92,000
Year Total	92,000	0	92,000
2030			
John Deere 8500	100,000	0	100,000
Year Total	100,000	0	100,000
	192,000	0	192,000
Year Identified	Start Date	Est. Completion Date	Manager
2012			Fleet Superintendent
			Project Partner

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra S. Winquest
General Manager

FROM: Paul Navazio
Director of Finance

SUBJECT: Janitorial Services:

- 1) Ratify prior Board action authorizing a contract with CC Cleaning for Janitorial services at the Recreation Center, for the five-year period from October 2019 through October 2024, per base bid (\$67,340 per year) plus annual CPI factor; and
- 2) Authorize a contract with CC Cleaning for janitorial services at Diamond Peak Ski Resort, in the amount not-to-exceed \$42,250 per year, with option to extend for three additional one-year terms, and
- 3) Authorize a contract with Alta Vista for janitorial services at selected District venues, in an amount not-to-exceed \$95,000 per year.

DATE: November 10, 2021

I. RECOMMENDATION

Staff recommends that the Board of Trustees:

- 1) Ratify prior Board action authorizing a contract with CC Cleaning for Janitorial services at the Recreation Center, for the five-year period from October 2019 through October 2024, per base bid plus annual CPI factor; and
- 2) Authorize a contract with CC Cleaning to include janitorial services at Diamond Peak Ski Resort, in the amount not-to-exceed \$42,250 per year, with option to extend for three additional one-year terms.

Janitorial Services – 1) Authorize contracts with CC Cleaning Service for janitorial services provided to the Recreation Center and Diamond Peak Ski Resort, and 2) authorize Contract with Alta Vista for janitorial services to other venues, in the amount not-to-exceed \$95,000, and 3) allowing for annual extensions.

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- 3) Authorize a contract with Alta Vista for janitorial services at selected District venues, in an amount not-to-exceed \$95,000 per year, with annual CPI factor, through October 2024; and
- 4) Authorize the General Manager to execute the above contracts subject to a review as to form by the District Counsel.

II. **BACKGROUND**

The District has historically provided janitorial services for its public venues and offices through a combination of in-house janitorial staff and contracts with janitorial vendors. This agenda item has been prepared to ensure that all janitorial services are provided consistent with the District's procurement and purchasing policies.

Janitorial Services – Recreation Center

At their meeting of October 10, 2019, the Board approved a contract with CC Cleaning for janitorial services at the Recreation Center, in an amount not-to-exceed 67,340. This contract award followed a bid process in accordance with NRS 332.115. Following Board approval, a formal contract was executed with CC Cleaning consistent with the scope and cost outlined in the Board memo; however, the executed contract includes a provision whereby the District, at its sole discretion, has the option to extend the term of the contract for up to five additional one-year terms, with the base bid adjusted per specified annual CPI (inflation) factor.

Janitorial Services – Diamond Peak

At the same meeting, and as a result of a separate bid, the Board approved a one-year contract with CC Cleaning for janitorial services for Diamond Peak. This contract was for an amount not-to-exceed \$42,250 and covered the term of the planned 130-day 2019/20 ski season.

For the 2020/21 ski season, informal bids were solicited for janitorial services at Diamond Peak Ski Resort and a Purchase Order was issued under General Manager authority provided in Board Policy 3.1.0, in the amount of \$40,260, to CC Cleaning. However, for the current ski season, Board approval is being sought to authorize the a new contract with CC Cleaning for janitorial services provided to Diamond Peak, as the combined cost of the two contracts with the same vendor

Janitorial Services – 1) Authorize contracts with CC Cleaning Service for janitorial services provided to the Recreation Center and Diamond Peak Ski Resort, and 2) authorize Contract with Alta Vista for janitorial services to other venues, In the amount not-to-exceed \$95,000, and 3) allowing for annual extensions.

exceed the General Manager’s contract authority.

Janitorial Services – Other District Venues

During the FY2021/22 budget process, Building Maintenance Division staff looked for opportunities to reduce overall costs of providing janitorial services and, as a result, recommended to the Board that a vacant full-time janitorial position be eliminated and that janitorial services for the District’s Administration Building, Public Works complex (including Wastewater Treatment Plant), the Chateau, Aspen Grove, and the Mountain Golf Course Clubhouse be contracted out. The approved FY2021/22 budget provides for these services to be provided via an outside contract.

Bids were solicited from qualified vendors and staff’s recommendation is to award the contract for janitorial services for these sites to Alta Vista, in an amount not-to-exceed \$95,000.

This agenda item seeks Board approval to a) ratify the existing multi-year contract with CC Cleaning, b) authorize a separate contract with CC Cleaning to provide janitorial services provided to Diamond Peak, and c) authorize a new contract with Alta Vista for provision of janitorial services to offices and venues, exclusive of the Recreation Center and Diamond Peak.

III. FINANCIAL IMPACT

Funding to cover the costs of the existing and proposed contracts for janitorial services are included in the District’s approved FY2021/22 budget, as follows:

<u>Venues</u>	<u>Budget</u>	<u>Fund</u>
Recreation Center	\$ 77,030	Recreation (350)
Diamond Peak Ski Resort (CC Cleaning)	\$ 40,625*	Ski (340)
Other venues / extra services (Alta Vista)	\$ 106,000	Var. (100,200,320)

* The approved budget for the Diamond Peak Ski Resort contemplated a 125-day ski season, whereas the updated quote for janitorial services covers up to 130-days. Should additional funding be required to support the proposed janitorial contract, funding will be re-allocated from other supplies and services within the Ski Fund (340) budget.

Funding to cover the annual costs of services to be provided through these

Janitorial Services – 1) Authorize contracts with CC Cleaning Service for janitorial services provided to the Recreation Center and Diamond Peak Ski Resort, and 2) authorize Contract with Alta Vista for janitorial services to other venues, In the amount not-to-exceed \$95,000, and 3) allowing for annual extensions.

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November 10, 2021

contracts upon the District exercising its option for annual extensions will be covered through baseline budget appropriations, subject to Board approval.

IV. 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.

V. CONCLUSION

It is recommended that the Board 1) ratify the existing contract with CC Cleaning for janitorial services at the Recreation Center, 2) authorize a contract with CC Cleaning for janitorial services to be provided to the Diamond Peak Ski Resort, for FY2021/22, with the option to extend contract for three additional one-year terms, and 3) authorize a contract with Alta Vista for janitorial services provided to District venues exclusive of the Recreation Center and Diamond Peak, in an amount not to exceed \$95,000 per year, with an option to extend the term through October 2024.

Attachments:

- 1) Current contract with CC Cleaning for janitorial services (Recreation Center)
- 2) Proposed contract with CC Cleaning for janitorial services at Diamond Peak
- 3) Proposed contract with Alta Vista for janitorial services (Other venues)

SECTION 4 - AGREEMENT

THIS AGREEMENT is dated as of the 31st day of October in the year 2019 by and between Incline Village General Improvement District (IVGID) (hereinafter called OWNER) and CC Cleaning Services, LLC (hereinafter called CONTRACTOR).

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1 – WORK

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

Janitorial services at the Incline Village Recreation Center, located at 980 Incline Way in Incline Village, Nevada. Services include cleaning of basketball court, gymnasium, cardio fitness equipment, trash and recycling collection, vacuuming, general cleaning, replacement of restroom supplies, dusting, restroom, showers and locker room cleaning, and other services as described in the Service Specifications.

ARTICLE 2 – CONTRACT ADMINISTRATOR

The Work has been described by the IVGID Administrative Division, hereinafter called Contract Administrator and who is to act as OWNER's representative, assumes all duties and responsibilities and has the rights and authority assigned to Contract Administrator in the Contract Documents in connection with completion of the Work in accordance with the Contract Documents. Interpretation of specification documents shall be made by the Contract Administrator.

ARTICLE 3 – CONTRACT TIME

3.1 This contract shall be one year in duration, beginning on the date established in the Notice to Proceed issued by the OWNER's Contract Administrator. The OWNER has the option of extending the contract for a one year period on the second, third, fourth, and fifth years. Such extension shall occur unless the OWNER notifies the CONTRACTOR prior to 30 days before the contract expires (i.e., end of the first year) that the OWNER will not exercise the option for a second, third, fourth, and/or fifth year extension. Upon contract extensions the contract price can increase by up to Consumer Price Index (CPI) and is agreed to by both parties.

3.1.1 The annual contract extensions will use the following terms for CPI increases. CPI will be determined by using the percentage of change between the annual average from the previous year to the annual average for the current year for all urban customers (CPI-U). The CPI adjustment cannot exceed 5 %.

3.2 Notice of Award and Notice to Proceed

The OWNER anticipates issuing Notice of Award on or about November 1, 2019 and issuing Notice to Proceed on or about November 15, 2019.

3.3 Liquidated Damages

OWNER and CONTRACTOR recognize that time and performance is of the essence in the Agreement, and that OWNER will suffer financial loss if the Work is not completed within the times and to the performance requirements specified in the Janitorial Services Specifications and General Conditions. The parties herein also recognize that delays, expenses, and difficulties involved in proving in a legal or arbitration proceeding, the actual loss suffered by OWNER if the Work is not completed on time and to the requirements of the contract. Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that, as liquidated damages for impacts (but not as a penalty), CONTRACTOR shall pay OWNER \$200, at each location as determined by Contract Administrator, for each day that expires after a failure to perform and upon receipt of correction notice in accordance with General Conditions Article 7.1.7.

ARTICLE 4 – CONTRACT PRICE

4.1 OWNER shall pay CONTRACTOR for Work in accordance with the Contract Documents in current funds as follows:

Payment will be monthly, based on weekly charges as shown on Bid Form. The estimated total annual price will be Sixty-Seven Thousand Three Hundred Forty Dollars (\$67,340.00), subject to actual time of work for the IVGID Recreation Center, and other adjustments.

ARTICLE 5 – PAYMENT PROCEDURES

CONTRACTOR shall submit an Invoice in accordance with Article 8 of the General Conditions. The Invoice will be processed by Contract Administrator as provided in the General Conditions.

ARTICLE 6 – INTEREST

All monies not paid when due as provided in the General Conditions shall bear interest at the maximum rate of six percent (6%) annually.

ARTICLE 7 – CONTRACTOR'S REPRESENTATIONS

In order to induce OWNER to enter into this Agreement, CONTRACTOR makes the following representations:

7.1 CONTRACTOR has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and Laws and Regulations that in any manner may affect cost, progress, performance, or furnishing of the Work.

- 7.2 CONTRACTOR has given Contract Administrator written notice of all conflicts, errors, or discrepancies that he has discovered in the Contract Documents and the written resolution thereof by Contract Administrator is acceptable to CONTRACTOR.

ARTICLE 8 – CONTRACT DOCUMENTS

The Contract Documents which comprise the entire Agreement between OWNER and CONTRACTOR concerning the Work consist of the following:

- 8.1 This Agreement (pages 1 to 4, inclusive).
- 8.2 Contractor's bid, dated September 24, 2019.
- 8.3 General Conditions.
- 8.4 Specifications bearing the title, "Janitorial Service Specifications."
- 8.5 The following, which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto:
- All Written Amendments and other documents amending, modifying, or supplementing the Contract documents pursuant to the General Conditions.
- 8.6 The documents listed in Paragraphs 8.2, *et seq.*, above are attached to this Agreement (except as expressly noted otherwise).

There are no Contract Documents other than those listed above in this Article 8. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

ARTICLE 9 – MISCELLANEOUS

- 9.1 Terms used in this Agreement which are defined in Article 1 of the General Conditions will have the meanings indicated in the General Conditions.
- 9.2 No assignment by a party hereto of any rights under or interest in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, monies that may become due and monies that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.
- 9.3 OWNER and CONTRACTOR each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents.
- 9.4 Extent of Agreement. This Agreement, including all exhibits and any and all amendments, modifications, and supplements duly executed by the parties in accordance with this Agreement, govern and supersede any and all inconsistent or contradictory terms, prior oral or written representations or understandings,

conditions, or provisions set forth in any purchase orders, requisition, request for proposal, authorization of services, notice to proceed, or other form or document issued by OWNER with respect to the project of CONTRACTOR's services.

ARTICLE 10 – OTHER PROVISIONS

10.1 None.

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

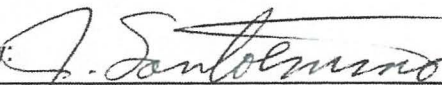
INCLINE VILLAGE GID

**CONTRACTOR
CC CLEANING SERVICES LLC**

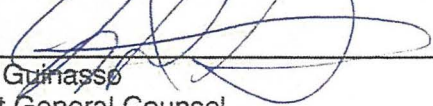
Reviewed as to Form:

By: 

Indra S. Winquest
Interim General Manager

By: 

Signature of Authorized Representative

By: 

Jason Guinasso
District General Counsel

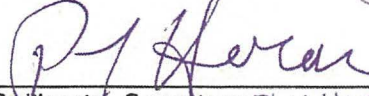
John Santoemma, GM
Type or Print Name & Title

If Company is a Corporation, attach Authorization to Sign.

Agreed to:

By: 

Kendra Wong, Chairperson

By: 

Tim Callicrate, Secretary *Phil Horan
vice chair*

Address for Giving Notice:

Federal Tax ID No. 47-2871313

Business License No. W040796A-LIC

INCLINE VILLAGE G. I. D.
893 Southwood Boulevard
Incline Village, Nevada 89451

SECTION 5 – GENERAL CONDITIONS

ARTICLE 1 - DEFINITIONS

- 1.1 Wherever used in these General Conditions or in the other Contract Documents, the following terms have the meanings indicated, which are applicable to both the singular and plural thereof:
- 1.1.1 Addenda. Written or graphic instruments issued prior to the opening of Bids, which clarify, correct or change the Bidding Requirements or the Contract Documents.
 - 1.1.2 Agreement. The written contract between OWNER and CONTRACTOR covering the Work to be performed; other Contract Documents are attached to the Agreement and made a part thereof as provided therein.
 - 1.1.3 Application for payment. The form accepted by the Contract Administrator which is to be used by CONTRACTOR in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
 - 1.1.4 Bid. The offer or proposal of the Bidder submitted on the prescribed form, setting forth the prices for the Work to be performed.
 - 1.1.5 Bidding Documents. The advertisement or invitation to Bid, instructions to bidders, the Bid form and the proposed Contract Documents (including all Addenda issued prior to receipt of Bids).
 - 1.1.6 Bidding Requirements. The advertisement or invitation to Bid, instructions to bidders, and the Bid form.
 - 1.1.7 Change Order. A document recommended by the Contract Administrator, which is signed by CONTRACTOR and OWNER and authorizes an addition, deletion or revision in the Work, or an adjustment in the Contract Price or the Contract Times, issued on or after the Effective Date of the Agreement.
 - 1.1.8 Contract Administrator. The OWNER employee appointed by the OWNER, to administer the contract and review the work of the CONTRACTOR.
 - 1.1.9 Contract Documents. The Agreement, Addenda (which pertain to the Contract Documents), CONTRACTOR's Bid (including documentation accompanying the Bid and any post Bid documentation submitted prior to the Notice of Award) when attached as an Exhibit to the Agreement, the Notice to Proceed, the Bonds, these General Conditions, the Specifications as the same are more specifically identified in the Agreement, together with all written Amendments and/or Change Orders.
 - 1.1.10 Contract Price. The monies payable by OWNER to CONTRACTOR for completion of the Work in accordance with the Contract Documents.

- 1.1.11 CONTRACTOR. The person, firm or corporation with whom OWNER has entered into the Agreement.
- 1.1.12 Defective. An adjective which, when modifying the word Work, refers to Work that is unsatisfactory, faulty or deficient, in that it does not conform to the Contract Documents, or does not meet the requirements of any inspection, reference standard, test or approval referred to in the Contract Documents.
- 1.1.13 Hazardous Waste. The term Hazardous Waste shall have the meaning provided in Section 1004 of the Solid Waste Disposal Act (42 USC Section 6903) as amended from time to time.
- 1.1.14 Normal Business Hours.
- Recreation Center: Monday through Friday, 6 a.m. - 9 p.m.; Saturday and Sunday, 7 a.m. - 8 p.m. Open everyday except Christmas.
- 1.1.15 OWNER. The public body or authority, corporation, association, firm or person with whom CONTRACTOR has entered into the Agreement and for whom the Work is to be provided.
- 1.1.16 Specifications. Those portions of the Contract Documents consisting of written technical descriptions of materials, equipment, standards and workmanship as applied to the Work and certain administrative details applicable thereto.
- 1.1.17 Work. The entire completed construction or the various separately identifiable parts thereof required to be furnished under the Contract Documents. Work includes and is the result of performing or furnishing labor, materials and equipment and performing services.
- 1.1.18 Work Change Directive. A written directive to CONTRACTOR issued on or after the Effective Date of the Agreement and signed by the OWNER, ordering an addition, deletion or revision in the Work.
- 1.1.19 Written Amendment. A written amendment of the Contract Documents, signed by OWNER and CONTRACTOR, on or after the Effective Date of the Agreement.

ARTICLE 2 - CONTRACT DOCUMENTS: INTENT, AMENDING

2.1 INTENT

The Contract Documents comprise the entire agreement between OWNER and CONTRACTOR concerning the Work.

2.2 REFERENCE TO STANDARDS AND SPECIFICATIONS OF TECHNICAL SOCIETIES; REPORTING AND RESOLVING DISCREPANCIES

2.2.1 Reference to standards, specifications, manuals or codes of any technical society, organization or association, or to the Laws or Regulations of any governmental authority, whether such reference be specific or by implication, shall mean the latest standard, specification, manual, code or Laws or Regulations in effect at the time of opening of Bids (or, on the Effective Date of the Agreement if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.

2.2.2 If, during the performance of the Work, CONTRACTOR discovers any conflict, error, ambiguity or discrepancy within the Contract Documents or between the Contract Documents and any provision of any such law or regulation applicable to the performance of the Work, CONTRACTOR shall report it to Contract Administrator in writing at once, and CONTRACTOR shall not proceed with the Work affected thereby (except in an emergency as authorized by OWNER) until an amendment or supplement to the Contract Documents has been issued.

2.2.3 Whenever in the Contract Documents the terms "as ordered," "as directed," "as required," "as allowed," "as approved" or terms of like effect or import are used, or the adjectives "reasonable," "suitable," "acceptable," "proper," or "satisfactory" or adjectives of like effect or import are used to describe a requirement, direction, review or judgement of Contract Administrator as to the Work, it is intended that such requirement, direction, review or judgement will be solely to evaluate, in general, the completed Work for compliance with the requirements of and information in the Contract Documents and conformance with the Service Specification indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective shall not be effective to assign to Contract Administrator any duty or authority to supervise or direct the furnishing or performance of the work.

2.3 AMENDING AND SUPPLEMENTING CONTRACT DOCUMENTS

2.3.1 The Contract Documents may be amended to provide for additions, deletions and revisions in the Work or to modify the terms and conditions thereof in one or more of the following ways:

- A formal Written Amendment,
- A Change Order, or
- A Work Change Directive

ARTICLE 3 - PRELIMINARY MATTERS

3.1 GENERAL SCOPE OF WORK

3.1.1 The following information is provided to assist the CONTRACTOR in understanding the scope of services needed by OWNER for all facility groupings.

As the public agency for Incline Village, Nevada, IVGID takes pride in providing an exceptionally clean and safe environment at all times for its patrons and employees and expects the janitorial services to demonstrate this same pride in their work performed.

3.1.2 Scheduling Work: The CONTRACTOR shall submit a schedule of performing the Work to the Contract Administrator for approval. Such approval shall not be unreasonably withheld.

3.2 STAFFING

The CONTRACTOR shall provide adequate personnel, trained in proper cleaning and janitorial methods and techniques to properly and satisfactorily maintain the facilities on a day-to-day basis during the scheduled times indicated.

3.3 EMPLOYEE RECRUITMENT

3.3.1 The CONTRACTOR must demonstrate the ability to provide trustworthy, reliable employees and shall make a good faith effort to retain the same employees on the same schedule in the same area for as long as possible. If a change of staff is to occur, the Contract Administrator shall be notified prior to the change when possible or as quickly as possible thereafter. In addition, staff shall have the ability to:

- Have the necessary public relations skills to deal with employees and customers in a professional, courteous, businesslike manner.
- Understand written and oral rules and regulations and apply them in a tactful and non-confrontational manner.
- Maintain poise and self-control under stress.

3.4 EMPLOYEE ACCEPTANCE BY OWNER

OWNER will be the sole judge of the efficiency and acceptability of each janitorial employee's performance while on site. OWNER reserves the right to require the CONTRACTOR to remove any janitorial personnel from further duty at IVGID, without cause and without the right to recover damages by such janitorial employee or by the CONTRACTOR from OWNER. If OWNER requires the removal of any janitorial personnel from duty, OWNER will attempt to provide the CONTRACTOR reasons for the removal demand. However, OWNER is not required to provide such reasons, the CONTRACTOR may not challenge such reasons, and the CONTRACTOR shall promptly remove and replace an individual janitorial employee when requested to do so by OWNER.

3.5 UNIFORM AND APPEARANCE STANDARDS

The selected CONTRACTOR's employees shall be neat and clean in appearance.

ARTICLE 4 - SECURITY AND ACCESS TO FACILITIES

- 4.1 OWNER shall provide reasonable access to the facility for CONTRACTOR's successful completion of the Work.
- 4.2 Keys to various areas of the facility will be made accessible to the CONTRACTOR. All costs accrued by OWNER in reinstating facility security occasioned by the loss of facility keys due to the CONTRACTOR's and/or its employee's negligence will be charged to the CONTRACTOR and shall be deducted from monthly payment to CONTRACTOR, or otherwise collected.
- 4.3 The CONTRACTOR will be given instructions on OWNER's sign-in/out procedures. It shall be the CONTRACTOR's responsibility to assure procedures are strictly followed. Upon completion of activities each day, the CONTRACTOR shall be responsible for securing all entries to offices and to buildings prior to departure.
- 4.4 The CONTRACTOR shall ensure that only their properly identified employees, as listed with the Contract Administrator, are permitted on IVGID premises during the performance of duties. The CONTRACTOR will be held strictly accountable for damages or breaches of security caused by its employees, including costs of loss to the OWNER caused by its employees.

ARTICLE 5 -INSURANCE REQUIREMENTS

- 5.1 **Commercial Insurance:** CONTRACTOR shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by the CONTRACTOR, his/her agents, representatives, employees, or SUBCONTRACTORS. CONTRACTOR shall purchase General Liability, Auto Liability, Workers' Compensation, and Professional Liability Insurance (if applicable) coverage as required. CONTRACTOR shall have a Certificate of Insurance issued to the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT naming it as additional insured, indicating coverage types amounts and duration of the policy. All certificates shall provide for a minimum written notice of thirty (30) days to be provided to OWNER in the event of material change, termination or non-renewal by either CONTRACTOR or carrier.
- 5.2 **General Liability:** CONTRACTOR shall purchase General Liability including appropriate Auto Liability with a \$1,000,000 combined single limit per occurrence, for bodily injury, personal injury and property damage.
- 5.3 **Workman's Compensation:** It is understood and agreed that there shall be no Industrial Insurance coverage provided for the CONTRACTOR or any SUBCONTRACTOR by the OWNER; and in view of NRS 616.280 and 617.210 requiring that CONTRACTOR comply with the provisions of Chapters 616 and 617 of NRS, CONTRACTOR shall, before commencing work under the provisions of this

Agreement, furnish to the OWNER a Certificate of Insurance from an admitted insurance company in the State of Nevada.

- 5.4 PROPERTY INSURANCE.** The OWNER shall maintain appropriate property insurance for the project, including the CONTRACTOR's work. CONTRACTOR shall be liable for OWNER's deductible, up to \$1,000, for claims for CONTRACTOR's work or property associated with that work. OWNER shall maintain until final payment property insurance upon the Work at the site to the full insurable value thereof (subject to such deductible amounts as may be provided in these Supplementary Conditions or required by Laws and Regulations). This insurance shall include the interest of OWNER, Contract Administrator, CONTRACTOR, SUBCONTRACTORS, and Contract Administrator's consultants in the Work, shall insure against the perils of fire and extended coverage, shall include "all-risk" insurance for physical loss and damage including theft, vandalism and malicious mischief, collapse and water damage, and such other perils as may be provided in these General Conditions, and shall include damages, losses and expenses arising out of or resulting from any insured loss or incurred in the repair or replacement of any insured property (including but not limited to fees and charges of engineers, architects, attorneys, and other professionals).

If not covered under the "all-risk" insurance or otherwise provided in these General Conditions, CONTRACTOR shall purchase and maintain similar property insurance on portions of the Work stored off the site or in transit when such portions of the Work are to be included in an Application for Payment. The policies of insurance required to be purchased and maintained by CONTRACTOR in accordance with this Paragraph 5.1 shall comply with the requirements of Paragraph 5.5.

- 5.5 INSURANCE NOTIFICATION.** All the policies of insurance (or the certificates or other evidence thereof) required to be purchased and maintained by CONTRACTOR in accordance with Paragraph 5.1 will contain a provision or endorsement that the coverage afforded will not be canceled or materially changed nor renewal refused until at least thirty (30) days' prior written notice has been given to OWNER by certified mail.

ARTICLE 6 - CONTRACTOR RESPONSIBILITY

- 6.1** The CONTRACTOR shall be responsible for all coordination, and supervision of personnel associated with the janitorial service at the OWNER'S facilities. These activities include, but may not be limited to, the following:

6.1.1 Recruit, screen, and train personnel.

6.1.2 Provide a Project Manager who shall be responsible for the performance of the contract and remain the CONTRACTOR's contact person for the duration of the contract. The Project Manager shall establish a routine for communications with OWNER's Contract Administrator to provide a prompt and timely response to any concerns or problems that may arise. Time and frequency of direct meetings may vary as determined by the Contract Administrator. The Project Manager shall contact the Contract Administrator to review overall performance, receive special instructions regarding

cleaning items, or discuss other pertinent items regarding the contract and the CONTRACTOR's performance.

- 6.1.3 CONTRACTOR shall furnish all durable supplies, materials, and equipment necessary for the proper performance of the work. These include but are not limited to brooms, brushes, dust cloths, wet and dry mops, sponges, squeegees, buffing machines, industrial type vacuum cleaners, carpet extractors, etc. Such items will remain the property of the CONTRACTOR and are to be maintained in good working condition. Equipment shall be of the size and type customarily used in work of this kind and shall meet the approval of the Contract Administrator, which shall not be unreasonably withheld. Equipment deemed by the Contract Administrator(s) to be of improper type or design or inadequate for the purpose intended shall be replaced by the CONTRACTOR.
 - 6.1.4 CONTRACTOR shall furnish all disposable/expendable supplies, materials, and equipment necessary for the proper performance of the work. These include but are not limited to porcelain ware cleaner, liquid and powder detergents, disinfectants, glass cleaner, floor polish, waxes, stripper, metal and furniture polish, and any other compounds necessary to properly maintain the premises. As a minimum, these supplies and materials shall be of a quality to conform to applicable federal specifications.
 - 6.1.4.6 Refer to Section 7.1.3 for items provided by OWNER.
 - 6.1.5 The CONTRACTOR shall not use any material or supplies which the Contract Administrator determines would be unsuitable for the purpose, or offensive or harmful to any part of the facility, its contents, equipment, employees, or patrons.
 - 6.1.6 Provide to the Contract Administrator and post in janitorial closets Material Safety Data Sheets (MSDS) for all chemicals used or stored in the building.
 - 6.1.6 Provide hazardous chemical communications training to CONTRACTOR's personnel.
 - 6.1.7 Provide adequate field supervision to ensure janitorial staff arrive at assigned post on time, perform their duties throughout their assigned shift, and provide backup as needed during all required hours.
 - 6.1.8 Report vandalism and/or damage of OWNER's property to the Contract Administrator immediately upon discovery.
- 6.2 CONTRACTOR shall conform with the Nevada Revised Statutes 332 & 338 in the performance of public work in the State of Nevada, including, but not limited to, the requirements of the following:
- 6.2.1 Labor Discrimination: In connection with the performance of work under this Contract, the CONTRACTOR agrees not to discriminate against any employee or applicant for employment because of race, creed, color,

national origin, or sex. Such agreement shall include, but not be limited to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

6.2.2 The CONTRACTOR further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

6.3 INDEMNIFICATION

6.3.1 The CONTRACTOR agrees to hold harmless, indemnify and defend OWNER, his employees, agents, consultants, or representatives from any loss or liability, financial or otherwise resulting from any claim, demand, suit, action or cause of action based on bodily injury, including death, or property damage, including damage to CONTRACTOR's property caused by any action, either direct or passive, the omission, failure to act, or negligence on the part of the CONTRACTOR, his employees, agents, representatives or SUBCONTRACTORS arising out of the performance of work under these Contract Documents by the CONTRACTOR, or by others under the direction or supervision of the CONTRACTOR.

6.3.2 In determining the nature of the claim against OWNER, the incident underlying the claim shall determine the nature of the claim, notwithstanding the form of the allegations against OWNER.

6.3.3 In the event of a claim or lawsuit against OWNER, CONTRACTOR shall reimburse OWNER for cost of OWNER's personnel in defending such actions. Reimbursement for the time spent by such personnel shall be the rate charged for such services by the private sector.

ARTICLE 7 - OWNER'S RESPONSIBILITY

7.1 OWNER will be responsible for providing direction to the CONTRACTOR. These activities include, but may not be limited to, the following:

7.1.1 Identify a Contract Administrator at the time of award. The Contract Administrator will submit in writing to the CONTRACTOR the names of OWNER's personnel that will have authority to make changes or additions to the contracted items. Changes or additions made by anyone other than OWNER authorized personnel will not be accepted or paid for by OWNER.

7.1.2 Furnish electrical power at existing power outlets for the CONTRACTOR's use to operate equipment as is necessary in the conduct of the required work. Hot and cold water will also be made available as necessary for that purpose.

7.1.3 OWNER will supply all consumable supplies for restrooms. This to include hand soaps, paper towels, toilet tissue, sanitary napkins and tampons, toilet

seat covers, shower curtains and paper cups. OWNER will also supply all liners for trash cans and recycle totes.

- 7.1.4 Provide storage for the CONTRACTOR to store any necessary supplies, materials and equipment.
- 7.1.5 Establish time and frequency of direct meetings with the CONTRACTOR's Project Manager.
- 7.1.6 Schedule inspections with the CONTRACTOR's Project Manager on a monthly basis or as otherwise directed by the facility Administrator. Quality service and strict adherence to the contract will be expected from the CONTRACTOR.
- 7.1.7 OWNER representatives will develop an internal monitoring system that will be used to ensure service quality, which shall include regularly, scheduled written inspections with a copy to the Contract Administrator. Contract Administrator may choose to inspect with the CONTRACTOR, or without. Any deviation from the Janitorial Service Specifications noted by the Contract Administrator shall be documented with a correction notice and include a correction time period of not less than 24 hours from the time of the work deviation for remedy by the CONTRACTOR.
 - If the correction notice is submitted to the CONTRACTOR and corrections are not made within the specified amount of time, the CONTRACTOR shall be assessed \$200.00 liquidated damages, per location, per day until the problem is rectified, as established by the Contract Administrator.

ARTICLE 8 - PAYMENTS TO CONTRACTOR AND COMPLETION

8.1 REVIEW OF INVOICING FOR PROGRESS PAYMENT

Contract Administrator will, within ten days after receipt of each Invoice, either indicate in writing a recommendation of payment, or return the Invoice to CONTRACTOR indicating in writing reasons for refusing to recommend payment. In the latter case, CONTRACTOR may make the necessary corrections and resubmit the Application.

8.2 INVOICING FOR PROGRESS PAYMENT

At least fourteen days before the date established by the Contract Administrator for each progress payment (but not more often than once a month), CONTRACTOR shall submit to Contract Administrator for review an Invoice filled out and signed by CONTRACTOR covering the Work completed as of the date of the Application.

ARTICLE 9 - NON-ASSIGNABILITY

No CONTRACTOR shall assign any interest in this Contract by assignment, transfer or novation without prior written consent of the OWNER. This provision shall not be construed

to prohibit the CONTRACTOR from assigning his bank, trust company or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to OWNER.

ARTICLE 10 - TERMINATION

10.1 TERMINATION FOR CAUSE

10.1.1 OWNER may terminate this Contract for cause based upon the failure of the CONTRACTOR to comply with the terms and/or conditions of the Contract; provided that the OWNER shall give the CONTRACTOR:

- A. A written warning specifying the CONTRACTOR's failure. If, within ten days after receipt of such a written warning, CONTRACTOR shall not have either corrected such failure and thereafter proceeded diligently to complete and/or maintain such correction, then the OWNER may, at its option, issue a written notice.
- B. A written notice will place the CONTRACTOR in default and the Contract shall terminate on the date specified in such notice, or the OWNER may, at its option, place the CONTRACTOR in default and the Contract shall terminate at some later date specified should CONTRACTOR not have either corrected such failure and thereafter proceed diligently to complete and/or maintain such correction.

10.1.2 The CONTRACTOR may exercise any rights available to it under Nevada law to terminate for cause upon the failure of the OWNER to comply with the terms and conditions of this Contract; provided the CONTRACTOR shall give the OWNER written notice specifying the OWNER's failure and a reasonable opportunity for the OWNER to cure the defect.

10.2 TERMINATION FOR CONVENIENCE

OWNER may terminate the Contract at any time by giving thirty days' written notice to the CONTRACTOR. CONTRACTOR shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

ARTICLE 11 - ARBITRATION

11.1 This Agreement so to engage in alternate dispute resolution ("ADR") pursuant to NRS 338.150 and any other Agreement or consent to engage in ADR entered into in accordance herewith as provided in this Article 16 will be specifically enforceable under the prevailing Nevada law in the Second Judicial District Court of the State of Nevada in and for the County of Washoe. Any dispute arising under this contract will be sent to mediation. Any mediation shall occur in Incline Village, Washoe County, Nevada. The mediation shall be conducted through the American Arbitration Association (AAA) and be governed by the AAA's Mediation Procedures.

11.2 The mediator is authorized to conduct separate or ex parte meetings and other communications with the parties and/or their representatives, before, during and

after any scheduled mediation conference. Such communications may be conducted via telephone, in writing, via email, online, in person or otherwise.

- 11.3 OWNER and CONTRACTOR are encouraged to exchange all documents pertinent to the relief requested. The mediator may request the exchange of memorandum on all pertinent issues. The mediator does not have the authority to impose a settlement on the parties but such mediator will attempt to help OWNER and CONTRACTOR reach a satisfactory resolution of their dispute. Subject to the discretion of the mediator, the mediator may make oral or written recommendations for settlement to a party privately, or if the parties agree, to all parties jointly.
- 11.4 OWNER and CONTRACTOR shall participate in the mediation process in good faith. The mediation process shall be concluded within sixty (60) days of a mediator being assigned.
- 11.5 In the event of a complete settlement of all or some issues in dispute is not achieved within the scheduled mediation session(s), the mediator may continue to communicate with the parties, for a period of time, in an ongoing effort to facilitate a complete settlement. Any settlement agreed upon during mediation shall become binding if within thirty (30) days after the date that any settlement agreement is signed, either the OWNER or CONTRACTOR fails to object or withdraw from the agreement. If mediation shall be unsuccessful, either OWNER or CONTRACTOR may then initiate judicial proceedings by filing suit. OWNER and CONTRACTOR will share the cost of mediation equally unless agreed otherwise.

END OF GENERAL CONDITIONS

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SECTION 6 – JANITORIAL SERVICES SPECIFICATIONS

ARTICLE 1. GENERAL

- 1.01 Specifications are set forth herein for the purpose of establishing minimum standards. Variations which, in the opinion of the OWNER, fall below the standards of the specifications will not be allowed or accepted. CONTRACTOR may propose in writing any material or process equal to those specified herein, but each deviation from the specifications listed herein must be set forth in detail, and OWNER shall be the sole judge as to whether such deviations are, in fact, equal to those set forth herein.
- 1.02 CONTRACTOR'S bid shall include all labor, equipment, vehicles, materials and travel to and from locations to complete the Work in accordance with these Specifications.
- 1.03 Important items to be aware of include:
- CONTRACTOR shall provide his own cleaning equipment and supplies where not provided, as detailed in the General Conditions, Articles 6 and 7.
 - No desk tops or computers are to be cleaned.
 - No kitchen sinks or dishes are to be cleaned.
 - All mopping shall be completed with a clean mop and clean water.
 - CONTRACTOR shall provide an itemized checklist indicating all tasks have been completed. This checklist shall be left on the front counter or similar visible location each time the work is completed as scheduled. Contract Administrator will provide the blank checklists to CONTRACTOR.

ARTICLE 2. SCHEDULE OF WORK

- 2.01 All items are to be cleaned on a daily basis unless specifically stated below.
- 2.02 No work during normal business hours unless specifically requested in advance. Normal business hours are Monday through Friday, 6 a.m.-9 p.m. and Saturday and Sunday, 7 a.m. - 8 p.m.

ARTICLE 3. LOCATION OF WORK

- 3.01 IVGID Recreation Center, 980 Incline Way; approximately 30,300 square feet.

ARTICLE 4. SPECIFICATIONS

3.01 RECREATION CENTER

- All floors to be vacuumed, and edges cleaned
 - Except basketball court (see "Additional Scheduled Cleanings," below)
- Upstairs General Administration Areas
 - Dust and clean counter tops, window ledges
 - Vacuum all offices and open areas
 - Collect all trash and recycling, replace liners

- Upstairs Copy Room
 - Sweep and mop floor
 - Empty trash and recycling and replace liners
 - Clean behind copy machine
- Upstairs Bathrooms (2)
 - Clean, mop and disinfect floors
 - Refill paper products and soap
 - Clean towel and soap dispenser exteriors
 - Wipe down walls and partitions, switches, door knobs and closures
 - Clean and disinfect all toilets and urinals
 - Clean bathroom mirrors
 - Clean and scrub sinks
 - Collect trash from sanitary napkin receptacles
 - Empty trash and replace liners
 - Clean and vacuum return air grills
- Foyer
 - Sweep and vacuum floor and entry way grates
 - Monthly:
 - Mop edges of foyer floor
- Lobby
 - Move furniture, sweep and mop all floors (including office reception area, lobby and guest areas), return furniture to original locations
 - Clean and disinfect drinking fountains
 - Trashcans and recycling cans in public areas are to be emptied and wiped down on the outside, replace liners
- Snack Bar Area
 - Sweep and mop floor
 - Clean and disinfect all countertops
- Child Care Room
 - Clean, mop and disinfect floors
 - Refill paper products and soap
 - Clean towel and soap dispenser exteriors
 - Wipe down all walls and partitions
 - Clean and disinfect all toilets and urinals
 - Clean bathroom mirrors
 - Clean and disinfect sinks
 - Collect trash from sanitary napkin receptacles
 - Empty trash and recycling and replace liners
 - Empty diaper pails
- Stairwells
 - Clean and wipe all walls
 - Clean all railings
 - Remove any stains or spills
 - Sweep and mop stairs

- Wet-wipe black strip along carpet in main stairwell
- Dust and clean all window ledges

- Group Fitness Room
 - Clean all mirrors
 - Sweep floors, then damp mop with clean water only, using anti-microbial cloth mop
 - Vacuum dust from corners behind weight stands
 - Refill paper products

- Elevator
 - Vacuum floor
 - Clean stainless steel panels
 - Clean walls and handrails

- Downstairs General Areas
 - Dust and clean countertops, windows and window ledges
 - Trashcans and recycling cans in public areas are to be emptied and wiped down on the outside

- Downstairs Locker Rooms (2)
 - Sweep and scrub floors
 - Clean, mop and disinfect floors with bleach
 - Refill paper products, soap and shower soap
 - Clean towel dispensers and "Suitmate" with stainless steel cleaner
 - Scrub shower and toilet partitions, benches and tops with disinfecting cleaner
 - Clean and disinfect all toilets and urinals
 - Clean bathroom mirrors
 - Clean and disinfect sinks and faucets
 - Collect trash from sanitary napkin receptacles
 - Empty trash and replace liners
 - Clean and vacuum return air grills
 - Clean lockers, including fronts and tops
 - Close all lockers
 - Clean walls above lockers
 - Clean out all shower drains
 - Empty towel bins (5) and replace towel bags

- Gymnasium
 - Pick up all garbage
 - Clean wall by chin-up bar and peg board

- Downstairs Fitness Room
 - Clean and disinfect all cardio fitness equipment
 - Vacuum floor
 - Every Other Day:
 - Mop floors
 - Clean all mirrors
 - Dust and sweep small equipment closet
 - Wipe down wood ledge between gym and hallway
 - Clean and disinfect drinking fountains

- Trashcans and recycling cans in public areas are to be emptied and wiped down on the outside, replace liners

- Downstairs Sports and Aquatics Offices
 - Empty trash and recycling and replace liners
 - Weekly:
 - Clean windows
 - Mop floors

- Additional Scheduled Cleanings
 - All items are to be done as indicated:
 - Weekly:
 - Clean basketball backboards
 - Monthly:
 - Clean light globes in main lobby
 - Vacuum viewing stands in natatorium
 - Clean gym windowsills, both sides

- At Completion
 - Dumpster: Close lid and secure
 - Recycling to be placed in proper containers, located outside of building near service road
 - Lock all doors and alarm building

END OF SERVICE SPECIFICATIONS

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
PROFESSIONAL SERVICES AGREEMENT
FOR SERVICES TO BE PROVIDED
ON A TASK ORDER BASIS**

PURCHASE ORDER NUMBER: _____

1. PARTIES AND DATE.

This Agreement is made and entered into this ____ day of November, 2021, by and between the Incline Village General Improvement District, a Nevada general improvement district (“District”) and **CC Cleaning Services, LLC** a Nevada limited liability company, with its principal place of business at 9115 Hummer Drive, Reno, Nevada 89521 (“Consultant”). The District and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 District. District is a general improvement district organized under the laws of the State of Nevada, with power to contract for services necessary to achieve its purpose.

2.2 Consultant. Consultant desires to perform and assume responsibility for the provision of certain professional services required by the District on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing janitorial services to public clients, is licensed in the State of Nevada, and is familiar with the plans of District.

2.3 Project. District desires to engage Consultant to render professional services on a task order basis for various projects within the District. The term “Project”, as used herein, shall mean the project described in the Task Orders (defined below in Section 3.1.1).

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the District, on a task order basis, all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply janitorial services to **Diamond Peak Ski Resort** (“Services”). The types of services to be provided are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. **No Services shall be performed unless authorized by a task order executed by the District and Consultant (“Task Order”).** All Services shall be subject to, and performed in accordance with this Agreement, the relevant Task Order, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from the duration of the 2021/22 ski season as determined by District with notice to Consultant, estimated to be for a term of 130 days, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines set forth in the Task Order. The District shall have the unilateral option, at its sole discretion, to renew this Agreement annually for no more than three (3) additional one-year terms for the 2022/23, 2023/24, and 2024/25 ski seasons. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement and such directions and amendments from District as herein provided. The District retains Consultant on an independent contractor basis and not as an employee. No employee or agent of Consultant shall become an employee of District. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of the District and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the specific schedule that shall be set forth in the Task Order ("Schedule of Services"). **Consultant will be required to commence work within five days of receiving a fully executed Task Order.** Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with each Schedule, the District shall respond to Consultant's submittals in a timely manner. Upon the District's request, Consultant shall provide a more detailed schedule of anticipated performance to meet the relevant Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the District's approval.

3.2.4 Substitution of Key Personnel. Consultant has represented to the District that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence subject to the District's written approval. In the event that the District and Consultant cannot agree as to the substitution of key personnel, the District shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the District, or who are determined by the District to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly

removed from the Project by the Consultant at the request of the District. The key personnel for performance of this Agreement are as follows:

3.2.5 District's Representative. The District hereby designates [Mike Bandelin, Ski Resort General Manager](#), or his or her designee, to act as its representative for the performance of this Agreement ("District's Representative"). The District's Representative shall have the power to act on behalf of the District for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than the District's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates [John Santoemma](#), or his or her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with the District staff in the performance of Services and shall be available to the District's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of Nevada. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a Washoe County Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the District, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the District to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the District, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, and shall give all notices required by law. If required, Consultant shall assist District, as requested, in obtaining and maintaining all permits required of Consultant by federal, state and local regulatory agencies. Consultant shall be liable

for all violations of local, state and federal laws, rules and regulations in connection with the Project and the Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the District, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold the District, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence the Services under this Agreement until it has provided evidence satisfactory to the District that it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the District that the subcontractor has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance meeting the requirements set forth herein. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 combined single limit (each accident) for bodily injury and property damage; and (3) *Industrial Insurance*: Workers' Compensation limits as required by the Labor Code of the State of Nevada. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease; and (4) *Professional Liability/Errors and Omissions*: Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Services, professional liability/errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$1,000,000 per claim, and shall be endorsed to include contractual liability. "Covered Professional Services" as designated in the Professional Liability/Errors and Omissions policy must specifically include work performed under this Agreement.

Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as additional insured pursuant to this Agreement. Defense costs shall be payable in addition to the limits.

3.2.10.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by the District to add the following provisions to the insurance policies:

(A) Commercial General Liability. The commercial general liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Consultant to waive its right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(B) Automobile Liability. The automobile liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Consultant to waive its right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(C) Industrial (Workers' Compensation and Employers Liability) Insurance. The insurer shall agree to waive all rights of subrogation against the District, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the District, its directors, officials, officers, employees, agents and volunteers.

3.2.10.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the District, its directors, officials, officers, employees, agents and volunteers.

3.2.10.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the District. Consultant shall guarantee that, at the option of the District, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its directors, officials, officers, employees, agents and volunteers; or (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.10.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VII, admitted to transact in the business of insurance in the State of Nevada, or on the Insurance Commissioner's approved but not admitted list.

3.2.10.7 Verification of Coverage. Consultant shall furnish the District with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the District if requested. All certificates and endorsements must be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.10.8 Subconsultants. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the District that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the District as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, District may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

3.2.10.9 Compliance With Coverage Requirements. If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Consultant or District will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, District may terminate this Agreement for cause.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth

in Exhibit "B" attached hereto and incorporated herein by reference. The total compensation to be provided under this Agreement shall not exceed forty-two thousand two hundred and fifty dollars (\$42,250) ("Annual Compensation Limit") without Board approval ("Total Compensation Amount"). **The total compensation per Task Order shall be set forth in the Task Order, and shall not exceed such amount without written approval of the District's Representative.** Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement. In the event this Agreement is extended as provided for in Section 3.1.2, the Total Compensation Amount shall be increased by an amount equal to the Annual Compensation Limit and an increase to reflect the percentage change to the Consumer Price Index [need to know which index] for the prior twelve (12) month period ending in October.

3.3.2 Payment of Compensation. Consultant shall submit to District a monthly itemized invoice which indicates work completed and hours of Services rendered by Consultant. The invoice shall describe the amount of Services and supplies provided since the initial commencement date of Services under this Agreement, and since the start of the subsequent billing periods, through the date of the invoice. Invoices shall be sent to [insert]. Consultant shall include a Project Task Tracking Sheet with each invoice submitted. District shall, within forty-five (45) days of receiving such invoice and Project Task Tracking Sheet, review the invoice and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized under Exhibit "B" or otherwise in writing by the District.

3.3.4 Extra Work. At any time during the term of this Agreement, the District may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by the District to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from the District's Representative. Where Extra Work is deemed merited by the District, an amendment to this Agreement shall be prepared by the District and executed by both Parties before performance of such Extra Work, or the District will not be required to pay for the changes in the scope of work. Such amendment shall include the change in fee and/or time schedule associated with the Extra Work. Amendments for Extra Work shall not render ineffective or invalidate unaffected portions of this Agreement

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a District representative during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. The District may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to the District, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause. Consultant shall not be entitled to payment for unperformed Services, and shall not be entitled to damages or compensation for termination of this Agreement by District except for the amounts authorized herein.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, the District may require Consultant to provide all finished or unfinished Documents and Data (defined below) and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, the District may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

District

Incline Village General Improvement
District
893 Southwood Blvd.
Incline Village, NV 89451
Attn: Justin Bluhm

Consultant

Alta Vista Janitorial
985 Tyner Way
Incline Village, NV 89451
Attn: Sammie Santiago

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data. All source code, reports, programs, manuals, disks, tapes, and any other material prepared by or worked upon by Consultant for the Services shall be the exclusive property of the District, and the District shall have the right to obtain from Consultant and to hold in District's name copyrights, trademark registrations, patents, or whatever protection Consultant may appropriate to the subject matter. Consultant shall provide District with all assistance reasonably required to perfect the rights in this subsection.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of the District, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use the District's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of the District.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.5 Attorney's Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.6 Indemnification. To the fullest extent permitted by law, Consultant shall defend, indemnify and hold the District, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or relating to any negligence or willful misconduct of Consultant, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Services, the Project, this Agreement, or any Task Order, including without limitation the payment of all consequential damages, expert witness fees, and attorney's fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against District, its directors, officials, officers, employees, agents, or volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against District or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse District and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided, including correction of errors and omissions. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, its directors, officials officers, employees, agents or volunteers.

3.5.7 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both Parties.

3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of Nevada. Venue shall be in Washoe County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.10 District's Right to Employ Other Consultants. The District reserves right to employ other consultants in connection with this Project.

3.5.11 Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each Party.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the District. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Subcontracting. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of District. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

3.5.14 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subcontractors of Consultant, except as otherwise specified in this Agreement. All references to the District include its officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

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

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

3.5.17 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.18 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.22 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.23 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.5.24 Limitation of Liability. The District does not and will not waive and expressly reserves all available defenses and limitations contained in Chapter 41 of the Nevada Revised Statutes.

3.5.25 Non-Appropriations. The District may terminate this Agreement, effective immediately upon receipt of written notice on any date specified if for any reason the District's funding source is not appropriated or is withdrawn, limited, or impaired.

[Signatures on Following Page]

**SIGNATURE PAGE
TO
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
PROFESSIONAL SERVICES AGREEMENT
FOR SERVICES TO BE PROVIDED
ON A TASK ORDER BASIS**

**INCLINE VILLAGE GENERAL
IMPROVEMENT DISTRICT**

CC Cleaning Services, LLC

By: _____
Indra Winqest
General Manager

By: _____
John Santoemma
General Manager

Attest:

By: _____

EXHIBIT “A”
SCOPE OF SERVICES
[INSERT SCOPE]

EXHIBIT “B”

COMPENSATION

[INSERT RATES & AUTHORIZED REIMBURSABLE EXPENSES]



CLEANING SERVICE

Commercial & New Construction

CC Cleaning Service is proud to be a locally owned business of Reno, Nevada offering the highest quality service in Commercial & New Construction cleaning throughout northern Nevada. We are a certified DBE/WMBE, an NV State Approved Vendor and a proud member of the Nevada Builders' Alliance.

Nov. 03, 2021

REFRESHED !!

CC Cleaning Bid #606R-IV-DPSR Annual Pricing for: Diamond Peak Ski Resort

Job Site Location: 1210 Ski Way, Incline Village, NV 89451
~ 40,500 sq. ft. of interior space

Recommended Cleaning Schedule: Everyday (7 days per week)
Employees per shift: 4 person crew daily for 3 hrs. minimum – 4.5 hrs. maximum

Daily Scope of Work
As provided by Diamond Peak Ski Resort

Price per Visit (Daily Service Rate):	\$325.00
*Projected Seasonal Cost: (130 service day season)	\$42,250.00
2021-2022 Season Cost Projection:	\$42,250.00

***Note: Pricing is Valid for 18 months from initial start date. Additional service days will be invoiced at the same daily rate as noted above, if ski season runs less than 130 days, then contract total will be reduced accordingly at the same daily rate as noted above. Conversely, if ski season is extended, the same rate applies.**

ALL Cleaning Supplies, Equipment & Toiletries provided by Diamond Peak Ski Resort.

Invoicing: Monthly (via e-mail) **Terms of Payment:** Net 20 **Payment Options:** Check of ACH

All service is provided with our 100% Customer Satisfaction Guarantee. We promise to re-do any service within 24 hours which was not initially completed to your satisfaction.

*Thank you for time in considering this proposal.
We look forward to providing you with excellent service.*

John Santoemma, GM / CFO
Elsa Calderon, Owner / Founder
CC Cleaning Service, LLC
775-233-8374 (John)
775-843-0698

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
PROFESSIONAL SERVICES AGREEMENT
FOR SERVICES TO BE PROVIDED
ON A TASK ORDER BASIS**

PURCHASE ORDER NUMBER: _____

1. PARTIES AND DATE.

This Agreement is made and entered into this ____ day of November, 2021, by and between the Incline Village General Improvement District, a Nevada general improvement district (“District”) and **Alta Vista Janitorial, Inc.** a **CORPORATION**, with its principal place of business at **985 Tyner Way Incline Village, Nevada.** (“Consultant”). The District and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 District. District is a general improvement district organized under the laws of the State of Nevada, with power to contract for services necessary to achieve its purpose.

2.2 Consultant. Consultant desires to perform and assume responsibility for the provision of certain professional services required by the District on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing janitorial services to public clients, is licensed in the State of Nevada, and is familiar with the plans of District.

2.3 Project. District desires to engage Consultant to render professional services on a task order basis for various projects within the District. The term “Project”, as used herein, shall mean the project described in the Task Orders (defined below in Section 3.1.1).

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the District, on a task order basis, all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the janitorial services to various District offices and venues as necessary for the Project (“Services”). The types of services to be provided are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. **No Services shall be performed unless authorized by a task order executed by the District and Consultant (“Task Order”).** All Services shall be subject to, and performed in accordance with this Agreement, the relevant Task Order, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from November 15, 2021 to October 31, 2022, unless earlier terminated as provided herein. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines set forth in the Task Order. The District shall have the unilateral option, at its sole discretion, to renew this Agreement annually for no more than 3 additional one-year terms. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement and such directions and amendments from District as herein provided. The District retains Consultant on an independent contractor basis and not as an employee. No employee or agent of Consultant shall become an employee of District. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of the District and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the specific schedule that shall be set forth in the Task Order ("Schedule of Services"). **Consultant will be required to commence work within five days of receiving a fully executed Task Order.** Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with each Schedule, the District shall respond to Consultant's submittals in a timely manner. Upon the District's request, Consultant shall provide a more detailed schedule of anticipated performance to meet the relevant Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the District's approval.

3.2.4 Substitution of Key Personnel. Consultant has represented to the District that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence subject to the District's written approval. In the event that the District and Consultant cannot agree as to the substitution of key personnel, the District shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the District, or who are determined by the District to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly

removed from the Project by the Consultant at the request of the District. The key personnel for performance of this Agreement are as follows:

3.2.5 District's Representative. The District hereby designates [Justin Bluhm, Buildings Superintendent](#), or his or her designee, to act as its representative for the performance of this Agreement ("District's Representative"). The District's Representative shall have the power to act on behalf of the District for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than the District's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates [Sammie Santiago](#), or his or her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with the District staff in the performance of Services and shall be available to the District's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of Nevada. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a Washoe County Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the District, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the District to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the District, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, and shall give all notices required by law. If required, Consultant shall assist District, as requested, in obtaining and maintaining all permits required of Consultant by federal, state and local regulatory agencies. Consultant shall be liable

for all violations of local, state and federal laws, rules and regulations in connection with the Project and the Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the District, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold the District, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence the Services under this Agreement until it has provided evidence satisfactory to the District that it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the District that the subcontractor has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance meeting the requirements set forth herein. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 combined single limit (each accident) for bodily injury and property damage; and (3) *Industrial Insurance*: Workers' Compensation limits as required by the Labor Code of the State of Nevada. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease; and (4) *Professional Liability/Errors and Omissions*: Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Services, professional liability/errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$1,000,000 per claim, and shall be endorsed to include contractual liability. "Covered Professional Services" as designated in the Professional Liability/Errors and Omissions policy must specifically include work performed under this Agreement.

Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as additional insured pursuant to this Agreement. Defense costs shall be payable in addition to the limits.

3.2.10.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by the District to add the following provisions to the insurance policies:

(A) Commercial General Liability. The commercial general liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Consultant to waive its right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(B) Automobile Liability. The automobile liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Consultant to waive its right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(C) Industrial (Workers' Compensation and Employers Liability) Insurance. The insurer shall agree to waive all rights of subrogation against the District, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the District, its directors, officials, officers, employees, agents and volunteers.

3.2.10.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the District, its directors, officials, officers, employees, agents and volunteers.

3.2.10.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the District. Consultant shall guarantee that, at the option of the District, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its directors, officials, officers, employees, agents and volunteers; or (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.10.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VII, admitted to transact in the business of insurance in the State of Nevada, or on the Insurance Commissioner's approved but not admitted list.

3.2.10.7 Verification of Coverage. Consultant shall furnish the District with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the District if requested. All certificates and endorsements must be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.10.8 Subconsultants. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the District that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the District as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, District may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

3.2.10.9 Compliance With Coverage Requirements. If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Consultant or District will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, District may terminate this Agreement for cause.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth

in Exhibit "B" attached hereto and incorporated herein by reference. The total compensation to be provided under this Agreement shall not exceed one hundred and ten thousand dollars (\$110,000) without Board approval. **The total compensation per Task Order shall be set forth in the Task Order, and shall not exceed such amount without written approval of the District's Representative.** Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to District a monthly itemized invoice which indicates work completed and hours of Services rendered by Consultant. The invoice shall describe the amount of Services and supplies provided since the initial commencement date of Services under this Agreement, and since the start of the subsequent billing periods, through the date of the invoice. Invoices shall be sent to [insert]. Consultant shall include a Project Task Tracking Sheet with each invoice submitted. District shall, within forty-five (45) days of receiving such invoice and Project Task Tracking Sheet, review the invoice and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized under Exhibit "B" or otherwise in writing by the District.

3.3.4 Extra Work. At any time during the term of this Agreement, the District may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by the District to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from the District's Representative. Where Extra Work is deemed merited by the District, an amendment to this Agreement shall be prepared by the District and executed by both Parties before performance of such Extra Work, or the District will not be required to pay for the changes in the scope of work. Such amendment shall include the change in fee and/or time schedule associated with the Extra Work. Amendments for Extra Work shall not render ineffective or invalidate unaffected portions of this Agreement

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a District representative during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. The District may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by

giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to the District, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause. Consultant shall not be entitled to payment for unperformed Services, and shall not be entitled to damages or compensation for termination of this Agreement by District except for the amounts authorized herein.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, the District may require Consultant to provide all finished or unfinished Documents and Data (defined below) and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, the District may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

District

Incline Village General Improvement
District
893 Southwood Blvd.
Incline Village, NV 89451
Attn: Justin Bluhm

Consultant

Alta Vista Janitorial
985 Tyner Way
Incline Village, NV 89451
Attn: Sammie Santiago

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data. All source code, reports, programs, manuals, disks, tapes, and any other material prepared by or worked upon by Consultant for the Services shall be the exclusive property of the District, and the District shall have the right to obtain from Consultant and to hold in District's name copyrights, trademark registrations, patents, or whatever protection Consultant may appropriate to the subject matter. Consultant shall provide District with all assistance reasonably required to perfect the rights in this subsection.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of the District, be used by Consultant

for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use the District's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of the District.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.5 Attorney's Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.6 Indemnification. To the fullest extent permitted by law, Consultant shall defend, indemnify and hold the District, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or relating to any negligence or willful misconduct of Consultant, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Services, the Project, this Agreement, or any Task Order, including without limitation the payment of all consequential damages, expert witness fees, and attorney's fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against District, its directors, officials, officers, employees, agents, or volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against District or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse District and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided, including correction of errors and omissions. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, its directors, officials officers, employees, agents or volunteers.

3.5.7 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both Parties.

3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of Nevada. Venue shall be in Washoe County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.10 District's Right to Employ Other Consultants. The District reserves right to employ other consultants in connection with this Project.

3.5.11 Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each Party.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the District. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Subcontracting. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of District. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

3.5.14 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subcontractors of Consultant, except as otherwise specified in this Agreement. All references to the District include its officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

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

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

3.5.17 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.18 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.22 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.23 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.5.24 Limitation of Liability. The District does not and will not waive and expressly reserves all available defenses and limitations contained in Chapter 41 of the Nevada Revised Statutes.

3.5.25 Non-Appropriations. The District may terminate this Agreement, effective immediately upon receipt of written notice on any date specified if for any reason the District's funding source is not appropriated or is withdrawn, limited, or impaired.

[Signatures on Following Page]

**SIGNATURE PAGE
TO
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
PROFESSIONAL SERVICES AGREEMENT
FOR SERVICES TO BE PROVIDED
ON A TASK ORDER BASIS**

**INCLINE VILLAGE GENERAL
IMPROVEMENT DISTRICT**

Alta Vista Janitorial

By: _____
Indra Winqest
General Manager

By: _____
Sammie Santiago
Owner

Attest:

By: _____

EXHIBIT "A"
SCOPE OF SERVICES

EXHIBIT “B”
COMPENSATION

Fees to be charged for baseline janitorial services shall be per the fees listed in Exhibit A, “Scope of Services.”

Fees to be charged for additional services, subject to specific Task Orders to be issued by the District, shall be billed on a times and material basis.

Total compensation to be paid to contractor under the terms of this contract shall not exceed a total of \$95,000.

ALTA VISTA JANITORIAL

RE: informal bid

To whom it may concern,

This is to inform you that Alta Vista Janitorial will do the following, upon approval, for the Incline Village General Improvement District:

Cleaning of the following buildings

Chateau (2 times a week for 6 months, 7 times a week for 6 months)

Admin (once a week, all year)

Mountain golf (7 times a week for 6 months)

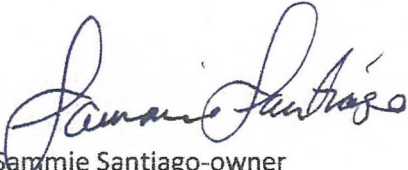
Public works A, Public Works B and Treatment plant (2 times a week, all year)

Aspen Grove (once a week, all year)

On-Call apartments (once a week, all year)

The estimated yearly cost for this service would be: \$79,890.

Thank you for your consideration.



Sammie Santiago-owner

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest
General Manager

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

SUBJECT: Reject all bids for the Wetlands Effluent Disposal Facility Improvements 2021/2022 Capital Improvement Project – 2599SS1103 - Fund: Utility; Division: Sewer, in accordance with NRS 338.1385, paragraph 6, subparagraph (d).

DATE: November 10, 2021

I. RECOMMENDATION

Staff recommends that the Board of Trustees make a motion, in accordance with NRS 338.1385, paragraph 6, subparagraph (d), to reject the bids received for the Wetlands Effluent Disposal Facility Improvements Project; 2021/2022 Capital Improvement Project: Fund: Utility; Division: Sewer; Project # 2599SS1103 due to the early winter storm the wetland area is too wet to safely proceed with the proposed construction.

EXCERPT FROM NRS 338.1385

6. *Any bids received in response to an advertisement for bids may be rejected if the **public body or its authorized representative** responsible for awarding the contract determines that:
(d) *The public interest would be served by such a rejection.**

II. BACKGROUND

The Wetlands Effluent Disposal Facility owned by IVGID is located in the Carson Valley, Nevada and was built in 1984. General maintenance of the facility is completed each year, and this larger project was identified as a FY 2021-22 Capital Improvement Project. Due to the proposed nature of the grading work proposed, the wetlands need to be as dry as possible for the construction equipment to be able to enter the wetland cells. It was anticipated that this work would occur during the fall which tends to be the driest part of the year. With the early winter storm bringing unusual amounts of precipitation to our area, the wetlands are now too wet to safely perform the proposed construction activities. Staff recommends that the funding for this project be carried over to FY 2022/2023, and combine with the proposed FY 2022/2023 capital improvement funds and create a larger improvement project to be completed late summer/early fall 2022.

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

III. **BID RESULTS**

The District publicly advertised this project for bidding on August 27, 2021 with a bid submittal due date of September 23, 2021, a 4-week bid period. A mandatory project walk was held on September 9, with five (5) qualified contractors present. The District advertised the work as required by NRS 338, and posted all construction documents on PlanetBids. Contractors, vendors and Plan Rooms on PlanetBids can access all of the District's documents at no cost. The online portal also tracks questions, addenda to the documents (none issued), plan holders and interested vendors.

The District received and opened two (2) bids. The Engineer's Estimate for the project was \$155,000. The bid results are as follows (Attachment A).

Contractor	Total Bid Amount
RaPiD Construction	\$196,691.00
F. W. Carson, Co.	\$133,438.00

IV. **FINANCIAL IMPACT AND BUDGET**

The Wetlands Effluent Disposal Facility Improvement Project (CIP #2599SS1103) is included in the FY 2021-22 CIP Budget, with a total project budget of \$183,500 (Attachment B). Staff recommends this budget be carried over to the FY 2022/2023 Budget.

V. **ALTERNATIVES**

Award the construction contract and not defer the Wetlands Effluent Disposal Facility Improvements project.

VI. **BUSINESS IMPACT**

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

Attachments:

A – Construction Bid Summary Sheet

B – CIP 2599SS1103 Data Sheet

RaPiD

F W Carson

Item No.	Description	Quantity	Unit	Unit Price	Total Price	Unit Price	Total Price
1	Mobilization/Demobilization	1	LS	\$12,666.00	\$ 12,666.00	\$ 9,800.00	\$ 9,800.00
2	Re-establish north channel (500' long x 12' wide) – Sheet 2/3	445	CY	\$ 33.00	\$ 14,685.00	\$ 29.00	\$ 12,905.00
3	Construct channel outlets – Sheet 2/3	9	CY	\$ 350.00	\$ 3,150.00	\$ 419.00	\$ 3,771.00
4	Remove fill from within existing drainage channel – Sheet 2/3	20	CY	\$ 75.00	\$ 1,500.00	\$ 103.00	\$ 2,060.00
5	Re-establish channel in Cell 1A – Sheet 3/3	1,140	CY	\$ 30.00	\$ 34,200.00	\$ 17.00	\$ 19,380.00
6	Clear, grub, moisture condition, and re-compact top 12" of levee material	1	LS	\$22,000.00	\$ 22,000.00	\$18,500.00	\$ 18,500.00
7	Moisture condition and compact 12" of channel material on top of levee	825	CY	\$ 45.00	\$ 37,125.00	\$ 30.00	\$ 24,750.00
8	Use Owner-provided Type 2 base, moisture condition and compact 6" on top of levee	411	CY	\$ 90.00	\$ 36,990.00	\$ 52.00	\$ 21,372.00
9	Class 300 Stone Rip Rap	275	TON	\$ 125.00	\$ 34,375.00	\$ 76.00	\$ 20,900.00
Total Bid:					\$196,691.00		\$133,438.00



Project Summary

Project Number:	2599SS1103
Title:	Wetlands Effluent Disposal Facility Improvements
Project Type:	E - Capital Maintenance
Division:	99 - General Administration - Sewer
Budget Year:	2022
Finance Option:	
Asset Type:	SS - Sewer System
Active:	Yes

Project Description				
The District owns and maintains 900 acres of land in Douglas County for the disposal of WRRF effluent, at the discharge of the effluent export pipeline. The facility was constructed in 1983 as a beneficial reuse project by creating wetland cells for wildlife habitat. The effluent is distributed through the various cells via channels and pipes for transportation, evaporation and percolation. The property also contains a large area of warm water springs that is kept separate from the effluent cells. The underlying geology of the site poses challenges as the alkali dissolves causing short circuiting of flows from cell to cell. There is an extensive system for the wetland cells and surrounding levees to protect the facility from flooding. There is a road network of over 10.5 miles within the wetlands facility, with an additional 4.5 miles of levees, a control building and infrastructure for controlling the flow of effluent to and between cells.				
Project Internal Staff				
Public Works staff performs some of the maintenance and repairs at the facility, while larger projects may be contracted out with design and inspection being provided by staff.				
Project Justification				
The levees and roadways need to be maintained and resurfaced due to years of wear and tear as well as sub-grade subsidence. With the continued subsidence along levees and roadways we are installing barriers in the levees and roadways to reduce and/or eliminate the short circuiting of underground water between cells. With the facility being 37 years old, there are infrastructure improvements that need to be addressed in order to keep the facility in good working order such as replacement of piping, valves, vegetation control, invasive weed mitigation, junction boxes, flow control boxes, master inflow meter and sample locations.				
Forecast				
Budget Year	Total Expense	Total Revenue	Difference	
2022				
Resurface roadways, replace valves and install cut-off barriers in levees.	183,500	0	183,500	
Year Total	183,500	0	183,500	
2023				
Resurface roadways, replace valves and install cut-off barriers in levees.	100,000	0	100,000	
Year Total	100,000	0	100,000	
2024				
Resurface roadways, replace valves and install cut-off barriers in levees.	100,000	0	100,000	
Year Total	100,000	0	100,000	
2025				
Resurface roadways, replace valves and install cut-off barriers in levees.	50,000	0	50,000	
Year Total	50,000	0	50,000	
2026				
Resurface roadways, replace valves and install cut-off barriers in levees.	50,000	0	50,000	
Year Total	50,000	0	50,000	
	483,500	0	483,500	
Year Identified	Start Date	Est. Completion Date	Manager	Project Partner
2012	Jul 1, 2020	Jun 30, 2021	Utility Maintenance Specialist	

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
District General Manager

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

SUBJECT: Receive a presentation and provide input/direction on the preliminary results of the Public Utility Rate Study for Provision of Water and Sewer Services performed by HDR

DATE: November 10, 2021

I. RECOMMENDATION

To inform the next level of work to be done in finalizing the utility rate model and report, it is recommended that the Board of Trustees receive a presentation on the preliminary utility rate model, and provide general input/direction on the following:

1. The revenue requirements to meet the anticipated operating and capital expenditure needs of the District's water and sewer utilities;
2. Financing approach within the utility rate model to support the 5-year Capital Improvement Plan(s) for the water and sewer utility;
3. Approach in meeting current (and proposed) financial policy targets;
4. Phasing of required rate increases over the multi-year planning horizon of the rate model.
5. Approach to customer classes of service, cost of service and rate structure.

II. BACKGROUND

The District provides water and sewer utility services through its Utility Fund (Fund 200). These utility operations are supported through annual revenues of \$12.3 million per year collected from utility customers based on Board-approved rate schedules for each utility.

The last approved water and sewer rate increase was passed by the Board of Trustees in 2019 (April 10, 2019). The Board considered the proposed 2020 utility rate increase at their meeting of February 26, 2020, and at the time, the Board of Trustees approved a motion to set the required public hearing for April 14, 2020. At the conclusion of the April 2020 public hearing, the Board considered public testimony, as well as the impacts of the emerging COVID-19 pandemic, and the Board collectively decided to defer the proposed 2020/21 utility rate increase to a future date. At that time, the recommended rate increase, which was not approved, was 4.2% for water rates and 6.4% for sewer rates, for a total average utility

increase of 5.5%. The projections at that time also reflected a proposed utility rate increase at an average of 4.2% for the next five years.

At the January 13, 2021 Board of Trustees meeting, the Board considered options relative to implementing the 2020 utility rate increases to support ongoing operations and capital program requirements. The options included resuming the process for implementing the originally proposed 2020/21 utility rates or deferring action, pending completion of a utility rate study. The Board's preference was to proceed with an update of the District's utility rate model through a third-party rate study. In order to achieve the Board's preference, funds were added to the sewer and water operating budgets for FY 2021/22 to hire a consultant to perform a rate analysis for utility operations and capital program requirements. In anticipation of required utility rate increases needed to support the utility operations and capital improvement projects, the Utility Fund budget for FY 2021/22 assumes a rate increase of 8% for the non-capital utility rate(s), to begin in September 2021.

During the rate study process staff has reviewed the estimated budget amounts for operating and the 5-year capital plan. Adjustments have been made to the projected budget amounts, but these updates will be brought to the Board for approval through the budget and CIP approval process.

Following issuance of an RFP and review of proposals from qualified firms, a contract was awarded by the Board of Trustees to HDR to perform the rate study at the September 2, 2021 Board meeting.

The Public Utility Rate Study for Provision of Water and Sewer Services is intended to establish 5-year water and sewer utility rates for all customer types. Their findings will be documented in a final written report and presentation to the Board of Trustees.

HDR will be presenting the preliminary results of their analysis of the sewer and water rates, to include the following:

1. Meeting financial policies (reserves, DSC, etc.)
2. Capital funding analysis
 - a. Overall level of annual capital
 - b. Capital funding (rates, reserves, debt)
3. Overall rate revenue adjustments
 - a. Rate transition plan
4. Customer classes of service (rate schedules)
5. Costs of service results
 - a. Cost adjustments
6. Rate structure
 - a. Status quo
 - b. Alternative structures
 - c. Cost of service adjustments

III. BID RESULTS

There are no bid results associated with this Memorandum.

IV. FINANCIAL IMPACT AND BUDGET

As this is an informational presentation, this agenda item does not result in a direct fiscal impact. However, the water and sewer utility rates subject of this presentation combine to provide \$12.3 million (FY2021/22) collected from the District's water and sewer customer via monthly utility bills.

The update to the District's utility rate model is intended to evaluate the revenue required to support current and future operating and capital expenses, and contemplates increases over the next five years, pending Board direction and final approval of water and sewer rates at a future meeting.

V. ALTERNATIVES

Only general input/direction from the Board is sought so there are no alternatives to present at this time. This general input/direction will inform establishment of the customer rates to be identified in the final report and final rate presentation to the Board of Trustees at a future meeting.

VI. COMMENTS

There are no comments associate with this Memorandum.

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.

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
District General Manager

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

SUBJECT: Review, discuss and possibly authorize Additional Service Amendment #1 to the professional design services contract for the Mountain Golf Cart Path Replacement Project – Fund: Community Services; Division: Golf; CIP# 3241LI2001; Vendor: Lumos and Associates in the amount of \$44,500.00.

DATE: November 10, 2021

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Authorize Additional Service Amendment #1 – Additional Engineering Design Services Contract for the Mountain Golf Cart Path Replacement Project – Fund: Community Services; Division: Golf; CIP# 3241LI2001; Vendor: Lumos and Associates in an amount not to exceed \$44,500.00.
2. Authorize Staff to execute change orders for additional work not anticipated at this time of up to approximately 10% of the contract; up to the amount of \$4,450.00.
3. Authorize Staff to execute the contract documents.

II. BACKGROUND

The Mountain Golf Course has approximately 14,440 linear feet of cart pathways which equates to ~110,000 square feet of pavement. In addition, there is approximately 5,000 linear feet of asphalt curb. The last major path project was over 15 years ago. The District has performed replacements at various locations each year based on areas of greatest need and within the allotted budget. Due to issues of base material, overgrowth of sod, and intrusion by tree roots and other material, the current assessment of the condition of the paths suggests substantial remediation and reconstruction is needed.

Previous work performed by Lumos and Associates included preparation of a base map and 50% construction drawings for the entire Mountain Golf Pathway system, final construction documents for the Phase 1 Reconstruction Improvements Project, Washoe County permitting, and support during the bid process. Phase 1 construction was completed in October 2021.

Additional Service Amendment #1 is for work associated with the progressing Phase 2 and Phase 3 from 50% design to 100% design, TRPA, Washoe County, and NDEP permitting, as well as bidding assistance (Attachment A). Based on lessons learned during the Phase I construction, additional design and collaboration efforts have been requested by PW Staff. This includes Lumos providing plans and specification documents at the 60% and 90% design level and participating in a design review meeting with IVGID Staff at each design level. In addition, modifications to the existing contract documents additional construction details and modification to existing details will be completed during the design process. These additional efforts requested by PW Staff resulted in a slight increase of \$4,900.00 over Lumos's original proposal.

III. 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.

IV. FINANCIAL IMPACT AND BUDGET

The FY 2021-22 CIP budget is \$550,000 which includes the construction improvements being completed for Phase I of the Mountain Golf Cart Path Replacement Project.

The table below presents the expenditures, encumbrances, and the design contract amendments for the Mountain Golf Cart Path Replacement Project.

Task	Approved FY 21-22 Project Budget	Amount Requested	FY 21-22 Budget Amount Remaining
Mtn Golf Cart Path Replacement Construction – Phase 1	\$405,000.00	\$357,138.80*	\$47,861.20
Design/Permit Fees/Internal Staff	\$65,000.00	\$48,950.00**	\$16,050.00
Construction Reserves (~ 10%)	\$40,000.00	\$37,500.00*	\$4,300.00
Construction Management	\$40,000.00	\$7,248.00	\$32,752.00
Total	\$550,000.00	\$449,036.80	\$100,963.20
Mountain Golf Cart Path Replacement Project CIP #3241LI2001, 2021/2022 FY Budget \$550,000.00			

*Approved by Board of Trustees 9/2/2021

**Additional Service Amendments #1 plus 10% Design Contingency

V. ALTERNATIVES

Not authorize ASA #1 for the final design contract of Phase 2 and/or Phase 3 of the Mountain Golf Cart Path Replacement Project.

VI. BUSINESS IMPACT

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

Attachments:

- A – Short Form Agreement (Amendment #1)
- B – 3241LI2001 CIP Data Sheet

⌘ **ADDITIONAL SERVICES ADDENDUM (ASA) #1** ⌘
to **SHORT FORM AGREEMENT** dated **March 11, 2021**
between
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
and
LUMOS & ASSOCIATES, INC.
for **PROFESSIONAL SERVICES**

This ASA, dated **date**, shall amend the referenced agreement to include the following project with relevant description, compensation, and schedule addressed herein.

PROJECT DESCRIPTION

Consultant shall provide engineering design services to bring project plans for Phases 2 and 3, shown on the attached Exhibit A, from 50% design to 100% design, including permitting and bid assistance for both phases. Work is more fully described in the attached Exhibit B, Consultant's "Addendum No. 1 to Consultant Agreement, Extra Work Authorization Form," dated November 2, 2021.

PAYMENT TO CONSULTANT

Payment to be as follows:

1. Compensation shall be as indicated in Attachment A, with a total Not to Exceed amount of **Forty-Four Thousand Five Hundred Dollars (\$44,500.00)**. Tasks 6 through 10 to be billed on a time and materials basis, and Task 11 will be billed as a lump sum, as indicated in Attachment "A." In no event shall compensation for any Activity identified in Attachment A exceed the amount set forth in the attachment. The fixed fee shall include Reimbursable Expenses, and Consultant shall not request or receive any additional payments for such expenses.
2. All invoices and correspondence are to reference PO **TBD**.

PERIOD OF SERVICE

It is anticipated that services shall be substantially completed by **August 1, 2023** subject, however, to the exercise of a generally-accepted standard of care for the performance of services.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

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

CONTRACTOR:
LUMOS & ASSOCIATES
Agreed to:

By: _____
Brad B. Underwood, P. E.
Director of Public Works

By: _____
Signature of Authorized Agent

Print or Type Name and Title

Date

Date

Reviewed as to Form:

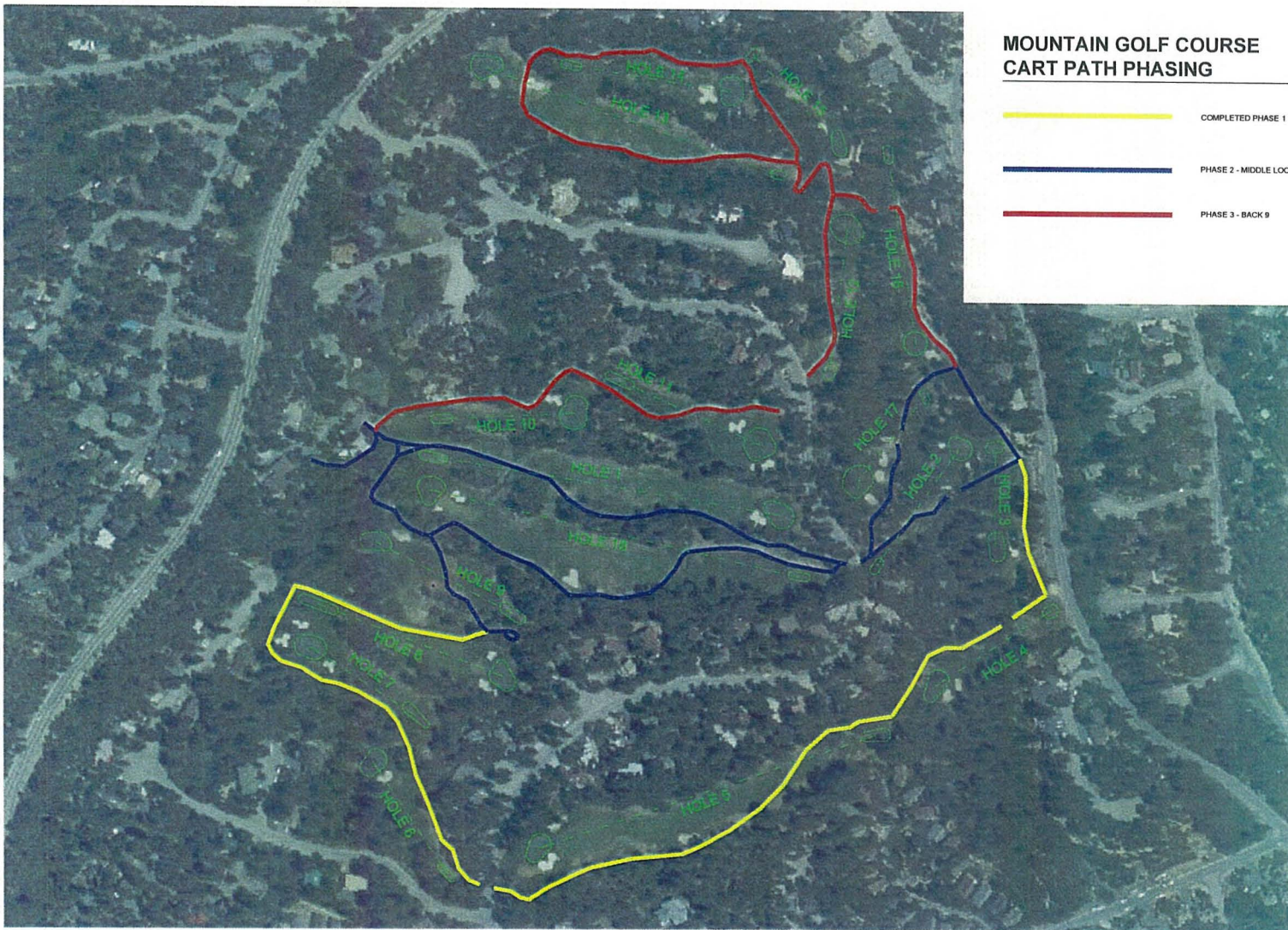
Joshua Nelson
District General Counsel

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

Date

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

Contractor's address for giving notice:
Lumos & Associates
225 Kingsbury Grade, Ste. A
Stateline, Nevada 89449
775-588-6490



MOUNTAIN GOLF COURSE CART PATH PHASING

- COMPLETED PHASE 1
- PHASE 2 - MIDDLE LOOP
- PHASE 3 - BACK 9



INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

EXHIBIT A



Carson City • Fallon • Lake Tahoe • Reno

EXHIBIT B

www.LumosInc.com

Lake Tahoe
225 Kingsbury Grade, Suite A | P.O. Box 3570
Stateline, Nevada 89449
775.588.6490

November 2, 2021

Via email: ksn@ivgid.org

Kate Nelson, P.E.
Incline Village GID
1220 Sweetwater Road
Incline Village, NV 89451

**Subject: Mountain Golf Course Cart Path Reconstruction – Phase 1
Addendum #1 - Additional Engineering Services to Agreement Scope
under LA21.138**

Dear Kate:

Lumos and Associates, Inc. is pleased to provide you with this proposal for engineering and related services for Phases 2 & 3 of the Mountain Golf Course Cart Path Reconstruction Project (Project).

Project Understanding

The proposed project is located on an approximately 68.22 acre site (APNs: 128-351-01, 128-352-01, 128-220-02), located at 690 and 687 Wilson Way, Incline Village, NV 89451. As part of our initial scope, we have designed a three-phase approach to a complete cart path reconstruction project, as recommended under Alternative #2 in the Pavement Evaluation & Recommendations report prepared by Lumos & Associates, dated February 2021. Phase 1 has been designed and was bid for construction in the fall of 2021. This additional scope is specifically for progression of the Phase 2 & 3 designs to be progressed from 50% to 100% design and producing the associated bid documents. Phases 2 & 3 will involve cart path circulation improvements in six locations in order to improve circulation of golf cart traffic and will also include implementation of best management practices (BMPs) for water quality.

Existing site conditions, access, permitting requirements, IVGID budget, and impacts to the golf course will be evaluated to determine the exact construction limits for Phases 2 & 3. It is anticipated that improvements exceeding the thresholds defined in IVGID's Memorandum of Understanding (MOU) with TRPA will be constructed in Phases 2 & 3. Therefore, permitting will be required through TRPA, Washoe County, and NDEP Stormwater Division.

We propose to add the following tasks to our Agreement in order to assist you with Phases 2 & 3 of this project:

Project Scope

Task 6 – Phase 2 Civil Improvement Plans

This task will include progression of the Phase 2 50% design plans to 100% completion for the reconstruction of Phase 2 of the cart path system. This also includes the design of all proposed realignments for circulation improvements under the limits of this phase and selected BMPs identified in the Pavement Evaluation & Recommendations report. We will submit draft plans to IVGID at 60% completion and 90% completion. Design review meetings will be held between IVGID and Lumos

following the 60% and 90% submittals. Feedback from IVGID on the plans during these meetings will be incorporated at each step, prior to finalizing them for permit submittals and bidding. One site visit during the design phase is included in this scope to evaluate existing conditions.

These plans will be submitted to TRPA and Washoe County for permitting. The drawings will be prepared on 24"x36" format sheets and at a standard engineering scale as required by Washoe County. Engineer's estimates of probable construction costs will be provided for the 100% design improvements.

Construction drawings will include the in-place cart path reconstruction areas, select BMP improvements, and proposed cart path realignments for circulation improvements. Based on feedback from Phase 1, adjustments will be made to the construction details in coordination with IVGID. Dimensions and grading will be provided as required for construction. The design or relocation of any utilities, including irrigation lines is not included in this fee proposal.

Task 7 – Phase 3 Civil Improvement Plans

This task will include progression of the Phase 3 50% design plans to 100% completion for the reconstruction of Phase 3 of the cart path system. This also includes the design of all proposed realignments for circulation improvements under the limits of this phase and selected BMPs identified in the Pavement Evaluation & Recommendations report. We will submit draft plans to IVGID at 60% completion and 90% completion. Design review meetings will be held between IVGID and Lumos following the 60% and 90% submittals. Feedback from IVGID on the plans during these meetings will be incorporated at each step, prior to finalizing them for permit submittals and bidding. One site visit during the design phase is included in this scope to evaluate existing conditions.

These plans will be submitted to TRPA and Washoe County for permitting. The drawings will be prepared on 24"x36" format sheets and at a standard engineering scale as required by Washoe County. Engineer's estimates of probable construction costs will be provided for the 100% design improvements.

Construction drawings will include the in-place cart path reconstruction areas, select BMP improvements, and proposed cart path realignments for circulation improvements. Based on feedback from Phase 1, adjustments will be made to the construction details in coordination with IVGID. Dimensions and grading will be provided as required for construction. The design or relocation of any utilities, including irrigation lines is not included in this fee proposal.

Task 8 – Phase 2 Bid Assistance

Under this task, Lumos will prepare bid/contract documents for contractor bidding for the second phase of construction. Bid documents will include technical specifications and bid items descriptions as necessary for Phase 2 of construction. Bid item clarifications will be updated from Phase 1 descriptions based on feedback from IVGID. We will also provide assistance with public project advertisement, bid evaluation, recommendation for award, as requested. Lumos will also be available to answer bidder questions during the bid phase. Shop drawing review, plan revisions, field changes, and other construction services are not included, but can be included in a separate construction services proposal.

Task 9 – Phase 3 Bid Assistance

Under this task, Lumos will prepare bid/contract documents for contractor bidding for the third phase of construction. Bid documents will include technical specifications and bid items descriptions as necessary for Phase 3 of construction. Bid item clarifications will be updated from Phase 1 descriptions based on feedback from IVGID. We will also provide assistance with public project advertisement, bid evaluation, recommendation for award, as requested. Lumos will also be available to answer bidder questions during the bid phase. Shop drawing review, plan revisions, field changes, and other construction services are not included, but can be included in a separate construction services proposal.

Task 10 – Phase 2 & 3 Permitting & TRPA Compliance

Under this task, Lumos will provide all TRPA required submittals, coordination, mapping, checklists, and notifications required for the proposed project. Washoe County coordination and processing of requested revisions of the civil improvement plans will be completed under this task. This scope includes mapping of land classification, land capability, and coverage, BMP infiltration calculations (if necessary), permitting requirements, and submittals required for qualified exempt work related to TRPA permitting.

Due to the uncertainty in phased limits of disturbance and permitting requirements, the efforts required under this task cannot be anticipated and will be performed on a time and materials (T&M) basis, with an initial allowance of \$5,000. We have assumed that if this amount is exhausted during permitting efforts, we can utilize any used balance from Task 4 of our original agreement for these efforts.

Task 11 – Erosion Control & SWPPP

The Nevada Department of Environmental Protection (NDEP) requires that all grading operations greater than one acre, or within a ¼ mile radius of receiving waters or tributaries, to have a SWPPP in place prior to beginning work. NDEP has determined that this project requires a SWPPP because it is within ¼ mile of Third Creek, which is a tributary of Lake Tahoe. Under this task, Lumos can prepare the SWPPP for the contractor's use, utilizing NDEP requirements. Our work will include a Notice of Intent, a Storm Water Pollution Prevention Plan, and a Best Management Plan for Phases 2 & 3 combined.

Schedule

Lumos will have 100% Bid Documents for Phase 2, including Construction Drawings completed by April 30, 2022 for construction beginning July 1, 2022 or later, barring any unforeseen delays. It is our understanding that Phase 3 Construction Drawings will be generally designed concurrently with Phase 3, but bid for construction in 2023. Therefore, the schedule for 100% Bid Documents may be adjusted to ensure readiness of Phase 2 for bidding and construction as stated above.

Assumptions / Exceptions

Lumos has made the following assumptions in preparation of this proposal:

- Proposed improvements will be located entirely within APNs 128-351-01, 128-352-01, 128-220-02.
- Any proposed TRPA land coverage purchase, sale, or transfer is excluded.
- Submittals to agencies other than IVGID, Washoe County and TRPA are excluded.
- This scope does not include preparation of a drainage report.
- Utility extensions are not included in the scope of this proposal.
- Landscape, irrigation, lighting and electrical design are excluded from this proposal.
- Design of underground storm drain improvements, retention, or detention areas is not included in this proposal.
- Lumos will use boiler plate general conditions and contract documents provided by IVGID for bidding purposes.
- IVGID will award and manage the project during construction. Upon request, Lumos can provide a separate proposal for these services.
- This proposal does not include scope for construction administration/assistance/management, construction staking, inspection, or materials testing.
- Delays resulting from agency permitting may impact the Schedule identified above.

Fees

The tasks described in the Scope of Work will be completed for the following fees:

Task	Description	Fee
Task 6	Phase 2 Civil Improvement Plans T&M (NTE)	\$15,700
Task 7	Phase 3 Civil Improvement Plans T&M (NTE)	\$14,900
Task 8	Phase 2 Bid Assistance T&M (NTE)	\$3,100
Task 9	Phase 3 Bid Assistance T&M (NTE)	\$3,100
Task 10	Phase 2 & 3 Permitting & TRPA Compliance T&M (NTE)	\$5,000
Task 11	Erosion Control & SWPPP Lump Sum	\$2,700
Total:		\$44,500

Tasks 6 through 10 will be billed on a T&M basis, with a not-to-exceed amount as indicated above and Task 11 will be a Lump Sum task.



**LA21.138 Mountain Golf Course Cart Path Reconstruct
Addendum #1 - Level of Effort Fee Estimate 10/29/21**

Task	Description	LUMOS				Total
		Director	Sr. Project Manager	Sr. Engineer	Project Designer	
		\$240	\$195	\$165	\$130	
6	Phase 2 Civil Improvement Plans					
	SUBTOTAL	2	30	4	67	\$15,700
7	Phase 3 Civil Improvement Plans					
	SUBTOTAL	2	28	4	64	\$14,920
8	Phase 2 Bid Assistance					
	SUBTOTAL	0	12	0	6	\$3,120
9	Phase 3 Bid Assistance					
	SUBTOTAL	0	12	0	6	\$3,120
10	Phase 2 & 3 Permitting & TRPA Compliance					
	SUBTOTAL	0	12	2	18	\$5,010
11	Erosion Control & SWPPP					
	SUBTOTAL	0	3	5	10	\$2,710
	TOTAL					\$44,580



Project Summary

Project Number:	3241LI2001
Title:	Mountain Golf Cart Path Replacement
Project Type:	D - Capital Improvement - Existing Facilities
Division:	41 - Mountain Operations
Budget Year:	2022
Finance Options:	
Asset Type:	LI - Land Improvements
Active:	Yes

Project Description				
The Mountain Golf Course has approximately 14,440 linear feet of cart pathways which equates to 110,000 square feet of pavement. In addition, there are approximately 5,000 linear feet of asphalt curb. The last major path project was over 15 years ago. The District has performed replacements at various points each year based on areas of greatest need and within the allotted budget. Due to issues of the base material, overgrowth of sod, and intrusion by tree roots and other material, the current assessment of the condition of the paths suggests substantial remediation and reconstruction is needed. A design consultant has completed a review of the cart paths and provided recommendations for replacement. In accordance with the recommendation, the cart paths will be reconstructed in a multi-phase, multi-year manner to minimize impacts to users of the facility.				
Project Internal Staff				
Engineering staff will contract with outside civil and geotechnical engineering firms to provide support as necessary throughout the design. The project will be publically bid and constructed by a licensed contractor.				
Project Justification				
Cart paths are to the point where yearly replacement of faulty areas no longer makes financial sense. Condition of paths has become a nuisance for golfers and not within District standards. The District will practice perpetual asset renewal, replacement, and improvement to provide safe and superior long-term utility services and recreation activities. Maintain, renew, expand, and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.				
Forecast				
Budget Year	Total Expense	Total Revenue	Difference	
2022				
Construction	405,000	0	405,000	
Construction Management	40,000	0	40,000	
Construction Reserves	40,000	0	40,000	
Design, Permit Fees, and Internal Services	65,000	0	65,000	
Year Total	550,000	0	550,000	
2023				
Construction	405,000	0	405,000	
Construction Management	40,000	0	40,000	
Construction Reserves	40,000	0	40,000	
Design, Permit Fees, and Internal Services	65,000	0	65,000	
Year Total	550,000	0	550,000	
2024				
Construction	405,000	0	405,000	
Construction Management	40,000	0	40,000	
Construction Reserves	40,000	0	40,000	
Design, Permit Fees, and Internal Services	65,000	0	65,000	
Year Total	550,000	0	550,000	
	1,650,000	0	1,650,000	
Year Identified	Start Date	Est. Completion Date	Manager	Project Partner
2020	Jul 1, 2020	Jun 30, 2023	Director of Golf/Community Services	

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Windquest
District General Manager

Paul Navazio
Director of Finance

FROM: Mike Bandelin
Diamond Peak General Manager

SUBJECT: Review, discuss and possibly approve a sole source finding and a Short Form Agreement including replacement parts and repairs for Diamond Peak C950 Snowmaking Air Compressor – 2021/2022 Operating Expense; Fund: Community Services; Division: Ski; Account# 340.34.630.7510 - Repairs and Maintenance; Vendor: Cisco Air Systems. in the amount of \$71,680.13

DATE: November 1, 2021

I. RECOMMENDATIONS

That the Board of Trustees makes a motion to:

A. Make the following sole source finding:

IVGID's purchase of a replacement parts, and professional services from Cisco Air Systems (Ingersoll Rand) is exempt from competitive bidding for the following reasons:

1. This purchase is for items which may only be contracted from a sole source (NRS 332.115.1.a). Cisco Air Systems (Ingersoll Rand) is the exclusive dealer for Ingersoll Rand Centrifugal Air Compressor Systems.
2. This purchase is for additions to and repairs and maintenance of equipment which may be more effectively added to, repaired or maintained by a certain person (NRS 332.115.1.C). Diamond Peak's snowmaking air compressor fleet is exclusively Ingersoll Rand which are sold exclusively by Cisco Air Systems Inc.
3. The equipment proposed for purchase, by virtue of the training of the personnel or of any inventory of replacement parts maintained by the local government is compatible with existing equipment (NRS 332.115.1.d).

Diamond Peak's Snowmaking centrifugal air compressor fleet of three are exclusively of the Ingersoll Rand manufacturer.

- B. Award a short form agreement including replacement parts and repairs for Diamond Peak C950 Snowmaking Air Compressor – 2021/2022 Operating Expense; Fund: Community Services; Division: Ski; Account # 340.34.630.7510 Repairs and Maintenance; Vendor: Cisco Air Systems Inc. in the amount of \$71,680.13.
- C. Authorize Staff to execute all purchase documents based on a review by Legal Counsel and Staff.

II. **BACKGROUND**

Diamond Peak operates and maintains three Ingersoll Rand Centac three stage centrifugal snowmaking air compressors, the largest of fleet is the C90 air compressor which provides 9,000 cubic feet of air per minute (cfm), the C950 provides 6,300 cfm, and the C45 provides 4,500 cfm for a total of 19,800 cfm to supply the air/water snowmaking system through 41,982 linear feet of steel pipe and 250 hydrants. The Centac C950 air compressor which is recommended for replacement parts and repair was installed at Diamond Peak in 2010 and supplies 32% of the ski area's compressed air capacity.

Recent vibration analysis (conducted annually and recently on October 22, 2021) by Cisco Air Systems technicians indicated the C950 air-end (stage 2) has a rotating vibration above and beyond the preset nominal operating values of the compressor. The compressor is currently inoperable until the repairs to the machine have been completed. Stage 2 of the machine was professionally disassembled on October 23, 2021 to identify the components and parts related to the failure and also to provide a proposed cost analysis of repairs and availability of components from the manufacturer.

It should be noted that the C950 has been in service for 5,000 hours and inspected annually by the manufacture's service technicians. Prior to this failure to the machine in stage 2 there has been no indications, reports or recommendations of repairs needed to aid Staff in planning and budgeting for this proposed repair to the C950 air compressor.

III. **BID RESULTS**

The proposed agreement, in compliance with NRS 332.115, is a sole source and Staff did not seek competitive bids for the proposed repairs to the air compressor.

IV. **FINANCIAL IMPACT AND BUDGET**

The estimated project expense based on a proposal provided by Cisco Air Systems to make the necessary repairs including complete testing and commissioning of the air compressor is \$71,680.13

A total of \$47,700 is included in the 2021/2022 Slope Maintenance – Repairs and Maintenance operating budget identified for repairs and maintenance of equipment not related to the proposed repairs to the C950 air compressor. To date, approximately \$24,822 has been expensed in Repairs and Maintenance of snowmaking equipment.

Estimated Project Expense

Description	Vendor	Amount
Replacement parts	Cisco Air Systems	\$40,105.13
Supplies / Safety fee	Cisco Air Systems	\$2,800.00
Transportation	Cisco Air Systems	\$725.00
Technician labor	Cisco Air Systems	\$28,050
Estimated Project Total		\$71,680.13

At this time, Staff is proposing to re-allocate funding from within the existing budget to cover this unplanned cost, and will monitor expenditures throughout the fiscal year. Should the need arise at a later date, Staff will return to the Board for consideration of any necessary budget augmentation.

V. **ALTERNATIVES**

The Board of Trustees could not award the contract and defer or eliminate the proposed project. Doing so will impact the compressed air capacity of the snowmaking system and limit the production capabilities of snowmaking at Diamond Peak.

VI. **BUSINESS IMPACT**

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

Attachments

- 1) Cisco Air Systems - air compressor repair proposal dated 10/29/2021
- 2) Ingersoll Rand – Diamond Peak – product inspection report
- 3) District - Short Form Agreement - between Cisco Air Systems and IVGID



214 27th Street
 Sacramento, CA 95816
 p. (800) 813-6763

Proposal	
Proposal Date 10/29/2021	Proposal Number Service Request - 1907716 (Pending)
Customer Number 6146	

SOLD TO:

Diamond Peak Ski Resort/ Incline Village *
 893 Southwood Blvd.
 Incline Village , NV 89451

SHIP TO:

Diamond Peak Ski Resort
 1210 Ski Way
 Incline Village , NV 89451

Contact:

Matt Melilli

PO Number	Order Date	Salesperson	Proposal Number
	10/29/2021	Dave Hall	Service Request - 1907716 (Pending)

Terms

Net 15

Mfg	Model	Serial #	Description	Quantity	Unit Price	Subtotal	Tax	Total
	C95055M3	C13099	CENTAC UNIT					
Description								
CB9502	ROTOR-C&B-C950-S2	1.00		1.00	\$1,862.85	\$1,862.85	\$0.00	\$1,862.85
22519961	PINION, C950/2ACII STAGE 2	1.00		1.00	\$19,067.43	\$19,067.43	\$0.00	\$19,067.43
00329771	KIT,GSKT,MAX/3S C1250/2A	1.00		1.00	\$2,077.71	\$2,077.71	\$0.00	\$2,077.71
00400606	KIT,BEARING-PLN,2A/2ND	1.00		1.00	\$2,469.71	\$2,469.71	\$0.00	\$2,469.71
67750752	KIT,SEAL,AIR/OIL-2ND-HP	1.00		1.00	\$3,915.43	\$3,915.43	\$0.00	\$3,915.43
68117647	BEARING-TH,THRUST 2ACII	1.00		1.00	\$10,497.14	\$10,497.14	\$0.00	\$10,497.14
85664902	KIT,ROTOR PACK,SMALL	1.00		1.00	\$214.86	\$214.86	\$0.00	\$214.86
TSF	TAXABLE SUPPLIES, HAZ & SAFETY FEE	1.00		1.00	\$2,800.00	\$2,800.00	\$0.00	\$2,800.00
TC	TRUCK CHARGE	1.00		1.00	\$725.00	\$725.00	\$0.00	\$725.00
LABOR	LABOR	1.00		1.00	\$28,050.00	\$28,050.00	\$0.00	\$28,050.00
Total						\$71,680.13	\$0.00	\$71,680.13

Disassemble second stage.

Return second stage pinon assembly to factory for rework.

Reinstall pinon assembly.

Perform vibration analysis and adjust controls

Approximate time for repair completion 3 weeks ARO

Any other parts or labor required will be additional charges and performed only with customer approval.



214 27th Street
Sacramento, CA 95816
p. (800) 813-6763

Proposal	
Proposal Date 10/29/2021	Proposal Number Service Request - 1907716 (Pending)
Customer Number 6146	

Freight: FOB Factory To approve this estimate, sign the bottom, provide a PO# & email or fax back.
Fax# 916-444-7619 This quote is valid for 30-days.

PRODUCT INSPECTION REPORT

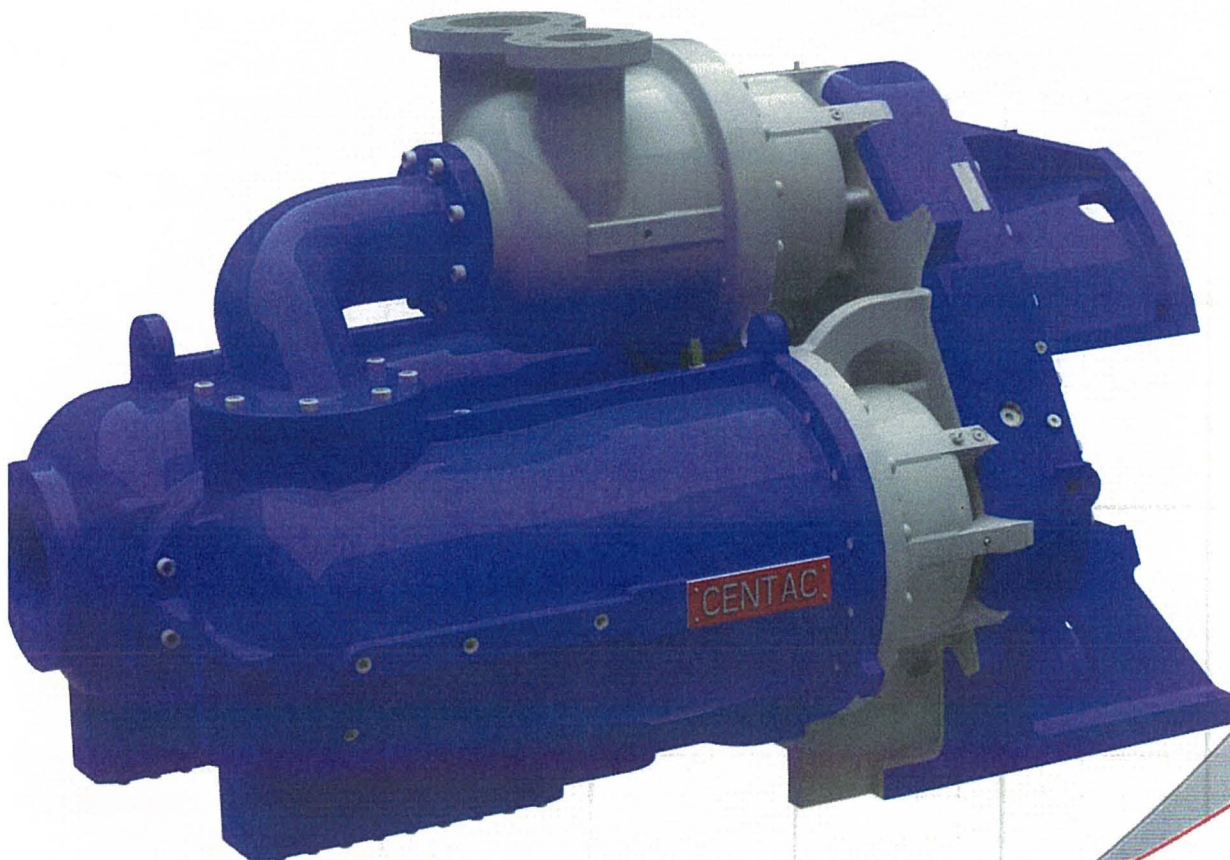
Customer: Diamond Peak Ski

RMA: 91545617

Compressor Model: C950

Serial Number: C13099

Date: 10/29/2021



Don Bauch
Engineer

Table of Contents

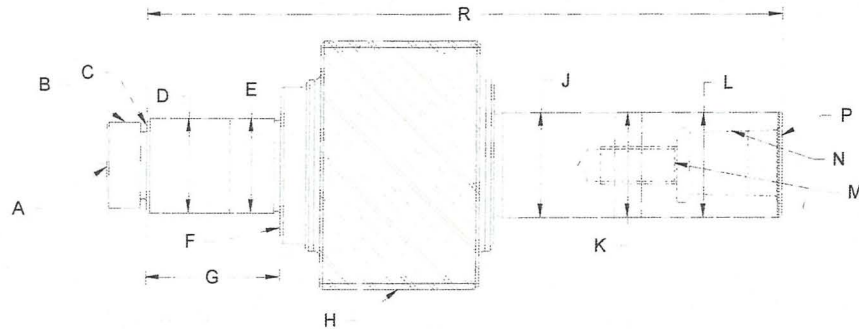
<u>Product Inspection Report Purpose</u>	<u>Pg. 3</u>
<u>2nd Stage Pinion</u>	<u>Pg. 4</u>
<u>2nd Stage Impeller</u>	<u>Pg. 5</u>

Product Inspection Report Purpose

The following Product Inspection Report is a recommended restoration to Original Equipment Manufacturer's standards of the Disassemble, Clean and Inspection results performed on the components.

2nd Stage Pinion

Description: Pinion	Recommended Disposition: ▶ REPLACE REPAIR USE AS IS RETURN TO VENDOR
Part Number: 22519961	
Serial Number: 21425	



Feature: Pinion

Disposition Remarks: Replace pinion due to scratched and seal rub on the pinion bearing journal

Engineering Note:

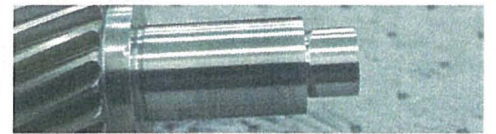
“GO” attachment pinions cannot be rechromed.



Pinion Overview



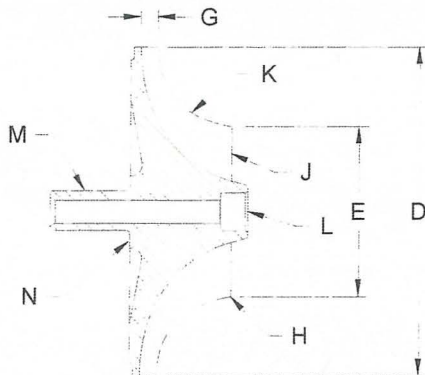
Gear Teeth



Bearing Journals

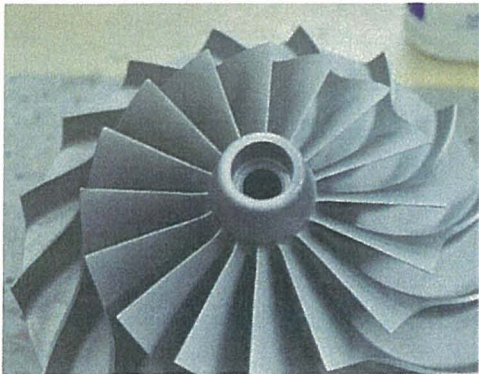
2nd Stage Impeller

Description: Impeller	Recommended Disposition: REPLACE REPAIR ► USE AS IS RETURN TO VENDOR
Part Number: 22520522	
Serial Number: 52719-6	

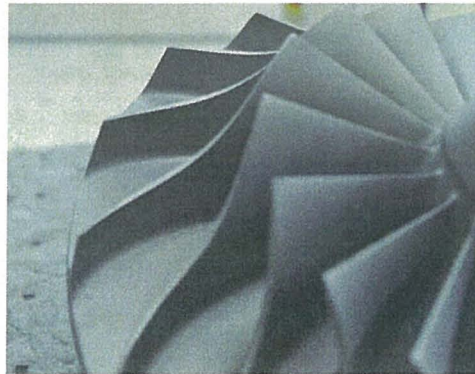


Feature: Impeller

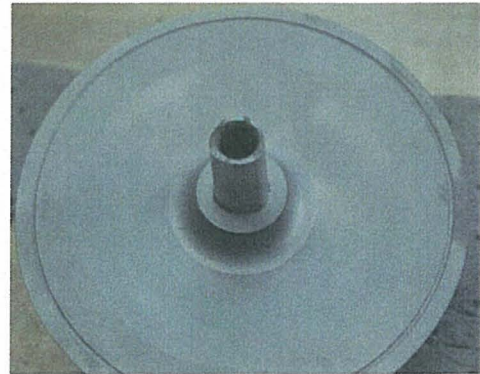
Disposition Remarks: The impeller is suitable for reuse.



Impeller Overview



Impeller Vanes



Impeller Rear

Remanufacturing & Technology Center

For more than 100 years, professionals have relied on Ingersoll Rand for quality and performance on the toughest jobs. Our advanced engineering and manufacturing have a standard of excellence often copied, but never matched.

The Ingersoll Rand Remanufacturing & Technology Center (RTC) provides services to support and maintain the reliability of your Ingersoll-Rand Centac, Turbo-Air, MSG, and oil-flooded and oil-free rotary compressors. As the original equipment designer and manufacturer, only Ingersoll Rand has complete access to all engineering data, design specifications, and upgrades associated with your compressor. Trust your equipment to the experts at Ingersoll Rand. We know how best to meet your requirements and ensure safe, reliable, and efficient operation for years to come.



SHORT FORM AGREEMENT
Between
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
and
CISCO AIR SYSTEMS INC.
for
CONSTRUCTION SERVICES

This Agreement is made as of date between **INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (IVGID)**, hereinafter referred to as "Owner," and **CISCO AIR SYSTEMS INC.**, hereinafter referred to as "Contractor." Owner intends to complete the Project(s) as described in the Contract Documents and as amended from time to time, hereinafter referred to as the "Project."

ARTICLE 1 – PRELIMINARY MATTERS

1.1 Contractor shall perform the following tasks:

Services as described in the Contract Documents included with this Agreement, basically consisting of repairs to stage 2 of the Centac model # C95055M3 serial # C13099 snowmaking air compressor unit including start up commissioning, testing of the compressor machine at Diamond Peak Ski Resort, 1210 Ski Way, Incline Village, Washoe County, Nevada.

1.2 The Project will begin on or about November 11, 2021 and be completed by December 11, 2021.

ARTICLE 2 – CONTRACT DOCUMENTS: INTENT, AMENDING, REFUSE

2.1 This Agreement consists of the following Contract Documents:

- A. This Short Form Agreement, pages 1 through 8, inclusive
- B. Contractor's proposal submitted on October 29, 2021
- C. By reference herein, Contractor to follow requirements of the Incline Village Ordinances and the *Standard Specification for Public Works Construction* (aka the Orange Book)

2.2 In order to induce Owner to enter into this Agreement, Contractor makes the following representations:

- A. Contractor has examined and carefully studied the project details and technical specifications, and any other related data identified in the Contract Documents.

- B. Contractor has visited the site and become familiar with and is satisfied as to the general, local, and site conditions that may affect cost, progress, and performance of the Project.
- C. Contractor is familiar with and is satisfied as to all federal, state, and local laws and regulations that may affect cost, progress, and performance of the Project.
- D. Contractor has obtained and carefully studied (or assumes responsibility for having done so) all examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface, and underground facilities) at or contiguous to the site which may affect cost, progress, or performance of the Project or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, including applying the specific means, methods, techniques, sequences, and procedures of construction, if any, expressly required by the Contract Documents to be employed by Contractor, and safety precautions and programs incident thereto.
- E. Contractor does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Project at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.
- F. Contractor is aware of the general nature of work to be performed by Owner and others at the site that relates to the work, as indicated in the Contract Documents.
- G. Contractor has correlated the information known to Contractor, information and observations obtained from visits to the site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.
- H. Contractor has given Owner's representative written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Owner's representative is acceptable to Contractor.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the work.

ARTICLE 3 – INSURANCE REQUIREMENTS

- 3.1 **Commercial Insurance:** Contractor shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by the Contractor, his/her agents, representatives, employees, or subcontractors. Contractor shall purchase General Liability, Auto Liability, Workers' Compensation, and Professional Liability Insurance (if applicable) coverage as required.
- 3.2 **General Liability:** Contractor shall purchase General Liability including appropriate Auto Liability with a \$1,000,000 combined single limit per occurrence, for bodily injury, personal injury and property damage. Contractor shall have a Certificate of Insurance issued to the

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT naming it as additional insured, and indicating coverage types, amounts and duration of the policy.

- 3.3 **Workman's Compensation:** It is understood and agreed that there shall be no Industrial Insurance coverage provided for the Contractor or any Subcontractor by the District; and in view of NRS 616.280 and 617.210 requiring that Contractor comply with the provisions of Chapters 616 and 617 of NRS, Contractor shall, before commencing work under the provisions of this Agreement, furnish to the District a Certificate of Insurance from an admitted insurance company in the State of Nevada.
- 3.4 All certificates shall provide for a minimum written notice of thirty (30) days to be provided to District in the event of material change, termination or non-renewal by either Contractor or carrier.

ARTICLE 4 – CONTRACTOR’S RESPONSIBILITIES

4.1 Equal Employment and Non-Discrimination

In connection with the Services under this Agreement, Contractor agrees to comply with the applicable provisions of State and Federal Equal Opportunity statutes and regulations.

4.2 Construction Dumpsters

Contractor is to be aware of District’s Ordinance 1, the Solid Waste Ordinance, and pay specific attention to Section 4.5, Dumpster Use, Location and Enclosure. Any construction dumpster on the job site that is not properly enclosed shall be a fully locking roll-top, and is to remain locked and secured at all times.

4.3 Working Hours

Working hours, including equipment “warm up,” shall occur between 8 a.m. and 7 p.m. Monday through Friday. Only emergency work may occur on Saturdays, with prior approval of Owner.

4.4 Changes and Modifications

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, and made a part of this Agreement. The execution of the change shall be authorized and signed in the same manner as this Agreement.

4.5 Contractor’s General Warranty and Guarantee

- A. Contractor warrants and guarantees to Owner that all work will be in accordance with the Contract Documents and will not be defective. Owner’s representative and its Related Entities shall be entitled to rely on representation of Contractor’s warranty and guarantee.
- B. Contractor’s warranty and guarantee hereunder excludes defects or damage caused by:

1. Abuse, modification, or improper maintenance or operation by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
 2. Normal wear and tear under normal usage.
- C. Contractor's obligation to perform and complete the Project in accordance with the Contract Documents shall be absolute. None of the following will constitute an acceptance of work that is not in accordance with the Contract Documents or a release of Contractor's obligation to perform the work in accordance with the Contract Documents:
1. Observations by Owner's representative;
 2. Recommendation by Owner's representative or payment by Owner of any progress or final payment;
 3. The issuance of a certificate of substantial completion by Owner's representative or any payment related thereto by Owner;
 4. Use or occupancy of the Project or any part thereof by Owner;
 5. Any review and approval of a shop drawing or sample submittal or the issuance of a notice of acceptability by Owner's representative;
 6. Any inspection, test, or approval by others; or
 7. Any correction of defective work by Owner.

4.6 Correction Period

- A. If within one year after the date of substantial completion (or such longer period of time as may be prescribed by the terms of any applicable special guarantee required by the Contract Documents) or by any specific provision of the Contract Documents, any work is found to be defective, or if the repair of any damages to the land or areas made available for Contractor's use by Owner or permitted by laws and regulations as contemplated in Article 8.5 is found to be defective, Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:
1. Repair such defective land or areas; or
 2. Correct such defective work; or
 3. If the defective work has been rejected by Owner, remove it from the Project and replace it with work that is not defective, and
 4. Satisfactorily correct or repair or remove and replace any damage to other work, to the work of others or other land or areas resulting therefrom.
- B. If Contractor does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective work corrected or repaired or may have the rejected work removed and replaced. All claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including

but not limited to all costs of repair or replacement of work of others) will be paid by Contractor.

- C. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Project, the correction period for that item may start to run from an earlier date if so provided in the Specifications.
- D. Where defective work (and damage to other work resulting therefrom) has been corrected or removed and replaced under this Article 4.7, the correction period hereunder with respect to such work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.
- E. Contractor's obligations under this Article 4.7 are in addition to any other obligation or warranty. The provisions of this Article 4.7 shall not be construed as a substitute for or a waiver of the provisions of any applicable statute of limitation or repose.

4.7 Indemnification

- A. Indemnification of Owner by Contractor: To the extent permitted by law, Contractor agrees to indemnify and hold Owner and each of its officers, employees, agents, and representatives harmless from any claims, damage, liability, or costs (including reasonable attorneys' fees and costs of defense) stemming from this project to the extent such claims, damage, liability, or costs are caused by Contractor's negligent acts, errors or omissions or by the negligent acts, errors, or omissions of Contractors, subcontractors, agents, or anyone acting on behalf of or at the direction of Contractor.
- B. Contractor's obligation to hold harmless and indemnify Owner shall include reimbursement to Owner of the loss of personnel productivity, incurred as a result of that defense. Reimbursement for the time spent by Owner's personnel shall be charged to Contractor at the then-current rate charged for such services by the private sector.
- E. Nothing herein shall prevent Owner or Contractor from relying upon any Nevada statute or case law that protects Owner or Contractor with respect to liability or damages. This Provision shall survive the termination, cancellation, or expiration of the Agreement.

ARTICLE 5 – OWNER'S RESPONSIBILITIES

- 5.1 Owner shall do the following in a timely manner so as not to delay the services of Contractor:
 - A. Designate in writing a person to act as Owner's representative with respect to services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, and interpret and define Owner's policies and decisions with respect to Contractor's services for the Project.
 - B. Assist Contractor by placing at Contractor's disposal existing data, plans, reports, and other information known to, in possession of, or under control of Owner which

are relevant to the execution of Contractor's duties on the PROJECT. Also, provide all criteria and full information as to Owner's requirements for the Project, including design criteria, objectives, and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations.

ARTICLE 6 – PAYMENT TO CONTRACTOR AND COMPLETION

6.1 Basis and Amount of Compensation for Basic Services

A. Lump Sum. Owner shall pay Contractor for the Project as follows:

1. A Lump Sum amount of **Seventy One Thousand Six Hundred Eighty Dollars and Thirteen Cents (\$71,680.13)** ("Contract Price").
2. In addition to the Lump Sum amount, reimbursement of the following expenses: None.
3. The portion of the compensation amount billed monthly for Contractor's services will be based upon Contractor's estimate of the percentage of the total services actually completed during the billing period.

6.2 Payment Procedures

A. Submittal and Processing of Payments:

1. Invoices shall be sent to invoices@ivgid.org with a copy to rlr@ivgid.org.
2. Upon final completion and acceptance of the Project, Owner shall pay the Contract Price, as recommended by Owner's representative.

ARTICLE 7 – DISPUTE RESOLUTION

7.1 Arbitration

This Agreement to engage in alternate dispute resolution ("ADR") pursuant to NRS 338.150 and any other Agreement or consent to engage in ADR entered into in accordance herewith as provided in this Article 16 will be specifically enforceable under the prevailing Nevada law in the Second Judicial District Court of the State of Nevada and for the County of Washoe. Any dispute arising under this contract will be sent to mediation. Any mediation shall occur in Incline Village, Washoe County, Nevada. The mediation shall be conducted through the American Arbitration Association (AAA) and be governed by the AAA's Mediation Procedures.

The mediator is authorized to conduct separate or ex parte meetings and other communications with the parties and/or their representatives, before, during and after any scheduled mediation conference. Such communications may be conducted via telephone, in writing, via email, online, in person or otherwise.

Owner and Contractor are encouraged to exchange all documents pertinent to the relief requested. The mediator may request the exchange of memorandum on all pertinent issues. The mediator does not have the authority to impose a settlement on the parties but such mediator will attempt to help Owner and Contractor reach a satisfactory resolution of their dispute. Subject to the discretion of the mediator, the mediator may

make oral or written recommendations for settlement to a party privately, or if the parties agree, to all parties jointly.

Owner and Contractor shall participate in the mediation process in good faith. The mediation process shall be concluded within sixty (60) days of a mediator being assigned.

In the event of a complete settlement of all or some issues in dispute is not achieved within the scheduled mediation session(s), the mediator may continue to communicate with the parties, for a period of time, in an ongoing effort to facilitate a complete settlement. Any settlement agreed upon during mediation shall become binding if within thirty (30) days after the date that any settlement agreement is signed, either the Owner or Contractor fails to object or withdraw from the agreement. If mediation shall be unsuccessful, either Owner or Contractor may then initiate judicial proceedings by filing suit. Owner and Contractor will share the cost of mediation equally unless agreed otherwise.

ARTICLE 8 – MISCELLANEOUS

8.1 Successors and Assigns

- A. The parties hereby bind their respective partners, successors, executors, administrators, legal representatives, and, to the extent permitted by law, their assigns, to the terms, conditions, and covenants of this Agreement.
- B. Neither Owner nor Contractor shall assign, sublet, or transfer any rights under or interest in this Agreement (including, but without limitation, monies that may become due or monies that are due) without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated by law or the effect of this limitation may be restricted by law.
- C. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Contractor from employing such independent professional associates, subcontractors, and Contractors as Contractor may deem appropriate to assist in the performance of Services.
- D. Except as may be expressly stated otherwise in this Agreement, nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than Owner and Contractor, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Contractor and not for the benefit of any other party.

8.2 Severability

In the event any provision of this Agreement shall be held invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties.

8.3 Waiver

One or more waivers by either party of any provision, term, condition, or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.

8.4 Extent of Agreement

This Agreement, including all Exhibits, and any and all amendments, modifications, and supplements duly executed by the parties in accordance with this Agreement, govern and supersede any and all inconsistent or contradictory terms, prior oral or written representations or understandings, conditions, or provisions set forth in any purchase orders, requisition, request for proposal, authorization of services, notice to proceed, or other form or document issued by Owner with respect to the Project or Contractor's services.

8.5 Controlling Law

This Agreement is to be governed by and construed in accordance with the Laws of the State of Nevada.

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

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

CONTRACTOR:
CISCO AIR SYSTEMS INC.
Agreed to:

By: _____
Mike Bandelin
General Manager
Diamond Peak

By: _____
Signature of Authorized Agent

Print or Type Name and Title

Date

Date

Reviewed as to Form:

Joshua Nelson
District General Counsel

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

Date

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

Contractor's address for giving notice:
Cisco Air Systems Inc.
214 27th street
Sacramento, California 95816
(800) 813-6763

MEMORANDUM

TO: Board of Trustees

FROM: Sara Schmitz
Board of Trustees, Secretary

SUBJECT: Review, discuss and possible approval of format, structure, and contents of Board packets

DATE: October 20, 2021

I. RECOMMENDATION

That the Board of Trustees have a discussion about the format, structure, and contents of board memorandums and related Board packet materials and provide guidance to Staff to make changes in the future.

II. BACKGROUND

Staff provided a master memorandum template and a checklist that they use as a guiding document to prepare Board memorandums for the Board of Trustees packets. I have reviewed those documents and have attached my recommended updates.

One goal is to make our meetings as streamlined and affective as possible.

III. FISCAL ANALYSIS

There is no direct fiscal impact from the recommendations contained in this memorandum.

Attachments

1. Board Master Memorandum Template as revised
2. Board Master Checklist Template as revised

MEMORANDUM

TO:

THROUGH:

FROM:

SUBJECT:

**RELATED STRATEGIC
PLAN INITIATIVE(S):**

**RELATED DISTRICT POLICY, PRACTICES, RESOLUTIONS or
ORDINANCES:**

DATE:

I. RECOMMENDATION

II. BACKGROUND

If this item is going on the Consent Calendar, please include this statement:

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

If a presentation is included, provide the full presentation in the packet with an executive summary. At the meeting, only present the executive summary and inquire if there are questions. You'll have the answer in the detailed section of the presentation. This provides the details to the Trustees and the community, but reduces the meeting presentation time.

Clearly cover the highlights of the project and provide a schematic or other summary/diagrams that ties to the bid to the plans.

III. BID RESULTS

If this is a contract award and competitive bidding does not apply, please include one of the following statements

This item is not subject to competitive bidding within the meaning of Nevada Revised Statutes 332.115 as described in subsection (*insert the appropriate subsection letter or letters, as listed below, along with the wording of the subsection, i.e. (b) Professional services.*)

- (a) Items which may only be contracted from a sole source
- (b) Professional services
- (c) Additions to and repairs and maintenance of equipment which may be more efficiently added to, repaired or maintained by a certain person
- (d) Equipment which, by reason of the training of the personnel or of an inventory of replacement parts maintained by the local government is compatible with existing equipment
- (e) Perishable goods
- (f) Insurance
- (g) Hardware and associated peripheral equipment and devices for computers
- (h) Software for Computers
- (i) Books, library materials and subscriptions
- (j) N/A
- (k) N/A
- (l) N/A
- (m) Supplies, materials or equipment that are available from the General Services Administration or another governmental agency in the regular course of its business
- (n) Items for resale through a retail outlet operated in this state by a local government or the State of Nevada

Provide the detailed bid results from the recommended vendor and the financial bid results from the second bidder. The information contained in the Background section should include schematic or other relevant information to clearly explain the scope of the project and if applicable tie the bid to the plans.

IV. FINANCIAL IMPACT AND BUDGET

Provide information on the ongoing operational costs/impacts of the project and the financial impact related to pricing of the service.

If applicable, provide return on investment analysis along with risk analysis related to the project.

V. ALTERNATIVES

Identify cost benefit analysis related to the potential for outsourcing.

VI. COMMENTS

~~VII. STRATEGIC PLAN REFERENCE(S)~~

VIII. BUSINESS IMPACT

Explain how this project/initiative improves service, reduces costs or improves productivity.

Include one of the five following statements: ("Rule" means an ordinance, regulation, resolution or other type of instrument by the adoption of which the governing body of a local government (IVGID Board of Trustees) exercises legislative powers. This does not include items which are authorized pursuant to Chapters 271 (local improvements districts) or Chapters 278, 278A or 278B (zoning and planning) of the Nevada Revised Statutes.)

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

or

This item is a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, but it does not impose a direct and significant economic burden on a business, or

directly restrict the formation, operation or expansion of a business, and therefore does not require a Business Impact Statement.

or

This item is a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, but IVGID does not have the authority under federal or state law or a contract into which it has entered, to consider less stringent measures.

or

This item is a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, but emergency action is necessary to protect the public health and safety (requires unanimous vote of the Board and cannot be in effect more than six months).

or

This item is a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and a Business Impact Statement is attached. (Note: A business impact statement must be prepared and made available to any interested person before a hearing is held to adopt the rule.)

Master Checklist for Board Memorandums

Font	Arial 13, Normal (not condensed)
Titles	Ensure all titles are current i.e. District General Manager
Recommendation	The text used is as follows: <i>That the Board of Trustees makes a motion to:</i>
Data Sheet	If you reference a data sheet, review to ensure it's up to date and accurate and include it with your attachments and place it in the Board memorandum folder
Contract	If you reference a contract, it must be reviewed by Legal Counsel before being included as an attachment and place it in the Board memorandum folder. If applicable, include the schematic design and exclude contract templates that have been Board approved.
Spell Check	Run spell check on Word documents (Review, Spelling & Grammar)
Review	Read your memorandum like a Board member and always assume it is a brand new Board member
Finance	If you need help with the numbers, ensure that you circulate/share your memorandum with the Director of Finance well in advance of its due date.
Due Dates	Please adhere to them.
Attachments	Let's start listing all the attachments required at the end of the memorandum

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra S. Winqest
Interim General Manager

FROM: Darren Howard
Director of Golf/Community Services

Paul Navazio
Director of Finance

SUBJECT: Review, discuss, and possibly adopt Resolution No. 1890 authorizing a Medium-Term Installment Purchase Agreement (via DLL Finance, LLC) for a lease term of 54-months, in the amount not to exceed \$379,469, through a Fair Market Value Lease Agreement to procure eighty (80) Club Car Tempo lithium battery-powered golf carts for the Championship Golf Course.

DATE: November 10, 2021

I. RECOMMENDATION

1. Review, discuss and possibly approve Resolution No. 1890 authorizing a Lease Agreement with DLL Finance, LLC for 80 (eighty) Club Car Tempo lithium battery-powered golf carts in the amount of \$379,469, which will be repaid through 54 (fifty-four) monthly payments of \$7,027.20.
2. Authorize Staff to execute all documents based on a review as to form by General Counsel and Staff and after determining compliance with the State of Nevada Department of Taxation Guidance Letter 16-004 relative to leasing agreements and medium-term obligations.

II. BACKGROUND

At its meeting of October 13, 2021, Staff presented to the Board of Trustees several options for replacement of the current fleet of 80 golf carts serving the Championship Golf Course, based on the proposals received in response to a Request for Proposal issued by the District. The information provided to the Board

included quotes for the purchase of 80 battery-powered replacement golf carts, as well as several lease financing options provided by the two vendors who responded to the Districts' RFP. Options presented included: straight purchase, 48-month leases, 60-month leases, and a 48-month lease with a purchase option.

The Board of Trustees took action at the October 13, 2021 meeting to authorize Staff to accept the low-bid quote from Club Car, LLC. for the manufacture and delivery of 80 Tempo - Lithium Battery electric golf carts.

The Board of Trustees further directed Staff to return to the Board with the option of a 54-month lease as well as the possibility of including purchase options under each of the lease terms.

Finally, the Board of Trustees provided direction to Staff to return to the Board of Trustees with a Resolution of Intent to enter into a medium-term obligation financing, subject to approval by the State of Nevada Department of Taxation, pursuant to NRS 350.089.

III. DISCUSSION

This agenda item has been prepared so as to be responsive to the Board's direction at October 13, 2021.

Financing Options for 80 Club Car Tempo - Lithium Battery Electric Golf Carts

The following table summarizes the available options for procurement of 80 Tempo-lithium battery golf carts, to include additional financing options requested by the Board of Trustees at their meeting of October 13, 2021. (*See Attachment 4 for additional information related to each financing options*).

(Note – the pricing for the 60-month lease has been revised from the October 13th Board agenda item upon clarification from Club Car).

Review, discuss, and possibly adopt Resolution No. -3-
 1890 authorizing a Medium-Term Obligation via a
 Lease Agreement with DLL Finance, LLC, in the
 Amount not to exceed \$379,469, to procure eighty (80)
 Club Car Tempo lithium battery-powered golf carts
 serving the Championship Golf Course

November 10, 2021

Championship Golf Course Cart Replacement Proposals			
Purchase Options	CLUB CAR		
	Base	w/ GPS Package Visage 10.1	Salvage Value
Lithium Batteries	\$ 533,360.00	\$ 533,360.00	Y
48-Month Lease Term			
Lithium Batteries	\$ 191,116.80	\$ 352,396.80	N
Annual Cost	\$ 47,779.20	\$ 88,099.20	
<i>Note: Provides for OPTION to purchase at Fair Market Value (TBD) at end of Least Term</i>			
54-Month Lease Term			
Lithium Batteries	\$ 176,025.60	\$ 379,468.80	N
Annual Cost	\$ 44,006.40	\$ 84,326.40	
<i>Note: Provides for OPTION to purchase at Fair Market Value (TBD) at end of Least Term</i>			
60-Month Lease Term			
Lithium Batteries	\$ 218,832.00	\$ 420,432.00	N
Annual Cost	\$ 43,766.40	\$ 84,086.40	
<i>Note: Provides for OPTION to purchase at Fair Market Value (TBD) at end of Least Term</i>			
48-Month Installment Purchase Lease Term			
Lithium Batteries			
Total Cost	\$ 420,825.60	\$ 582,185.60	Y
Annual Cost		\$ 145,546.40	
Ballon Payment (\$1.00)		\$ 80.00	
Total Cost	\$ 435,718.40	\$ 596,998.40	Y
Annual Cost		\$ 84,249.60	
Ballon Payment (\$3,025)		\$ 260,000.00	
54-Month Installment Purchase Lease Term			
Lithium Batteries			
Total Cost	\$ 438,158.40	\$ 619,598.40	Y
Annual Cost		\$ 137,688.53	
Ballon Payment (\$3,000)		\$ 240,000.00	
60-Month Installment Purchase Lease Term			
Lithium Batteries			
Total Cost	\$ 442,752.00	\$ 644,352.00	Y
Annual Cost		\$ 128,870.40	
Ballon Payment (\$3,000)		\$ 240,000.00	

Staff Recommendation for Preferred Financing Option:

Based on a review of the financing options available to the District for procurement of the 80 Club Car Tempo lithium-battery electric golf carts, staff recommends that the Board of Trustees authorize the District to enter into a 54-month Fair Market Value Lease, in the amount not to exceed \$379,469, with monthly payments of \$7,027,20.

Note: This option would provide for an option for the District to purchase the golf carts at the end of the least term at the “fair market value” to be determined at that time.

Pursuing this option requires that the District follow the requirements of NRS 350.089, related to medium-term financing obligations. These include Board action to approve Resolution No. 1890, with final approval pending review by the State of Nevada Department of Taxation. (*This process must be completed prior to first lease payment, estimated to be May 2022*).

Alternative Procurement Option – Outright Purchase

Should the Board favor a financing option that results in ownership of the golf carts, staff would recommend the Board authorize procurement of the 80 Club Car Tempo Lithium Battery electric carts through an outright purchase, rather than any of the lease-purchase options presented in this memo.

An outright purchase of replacement carts for the Championship Course golf cart fleets represents the lowest-cost option when compared to any of the lease-purchase options. However, this option requires a significant up-front payment (\$533,360) which exceeds the funding currently budgeted for this purpose, and thus would require Board approval of a supporting budget augmentation appropriating \$155,360 from available funding within the Community Service Enterprise Fund reserves.

This option nonetheless would have the advantage of the District owning the golf carts which would carry a significant trade-in value at the end of their use.

IV. FISCAL IMPACT

The overall cost and budget implications of replacing the Championship Course golf carts is dependent on a number of factors, and deserve due consideration.

The FY2021/22 Capital Improvement Budget includes appropriations carried-over from the FY2020/21 CIP budget, in the amount of \$378,000 (Golf Fund 340).

Staff's recommendation to lease 80 Club Car Tempo - Lithium Battery electric golf carts through a 54-month lease would result in total cost over the term of the lease of \$379,469 (or \$84,326 per year). This option would provide the District with the option to purchase the golf carts at the end of the lease term, based on the "fair market value" of the carts, to be determined at that time.

Alternative options considered for the replacement of the Championship Course golf carts include out-right purchase, lease-financing options (to include 48-, 54, and 60-month terms), and lease-purchase options (including fully-amortized level annual costs for a four-year term, or lump-sum balloon payment at end of 48- 54- or 60-month terms).

The financial analysis of all of the options considered support the staff recommendation for procuring the Club Car Tempo Lithium-battery electric golf carts through a 54-month Fair Market Value lease, based on total payments over the term of the lease, and the expected useful life of the lithium-battery carts.

As noted, should the Board prefer any of the procurement options that result in District ownership of the golf carts, staff would recommend pursuing an outright purchase as this represents lower-cost option in comparison to any of the lease-purchase options.

V. ALTERNATIVES

The Board could choose any of the financing options presented in this report, as an alternative to the staff recommendation to procure the 80 Club Car Tempo lithium battery electric carts through a 54-month fair-market lease. Should the Board prefer a procurement option that results in District ownership of the 80 Club Car Tempo Lithium battery electric golf carts, staff recommends the Board approve the following:

- 1) Authorize purchase of 80 Club Car Tempo Lithium Battery Electric Golf Carts through lump-sum purchase payment of \$533,360, per bids received September 15, 2021 (and again on October 15, 2021); and
- 2) Authorize budget augmentation appropriating of \$155,360 to the Golf Fund (320) from available resources within the Community Services Enterprise Fund unrestricted net position.

VI. BUSINESS IMPACT

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

VII. COMMENTS

The Nevada Department of Taxation issued Guidance Letter 16-004 on September 27, 2016 relating to lease agreements that could be considered alternative financing. Under that guidance, the District will be filing a request for approval of any Board-approved lease agreement with the Department of Taxation.

Once approval is received from the State, Staff will notify the Board of Trustees, at their next regular meeting, and proceed with executing remaining portion of the transaction.

Attachments:

- 1) Resolution No, 1890
- 2) Sample Lease Agreement
- 3) Club Car Financing Proposals (Updated)
- 4) Club Car Golf Cart Replacement – Fiscal Analysis (Summary)
- 5) Club Car Golf Cart Replacement – Fiscal Analysis (Cash Flows)



**RESOLUTION NUMBER 1890
A RESOLUTION AUTHORIZING A MEDIUM-TERM OBLIGATION
INSTALLMENT PURCHASE AGREEMENT**

WHEREAS, the Incline Village General Improvement District serving the communities of Incline Village and Crystal Bay, Nevada, at a regular meeting held on November 10, 2021 at 6 P.M. PST determined that the public interest requires a Medium-Term Installment Purchase Agreement; and the following findings of fact determined: the Incline Village General Improvement District operates the Championship Golf Course which utilizes a eighty (80) cart fleet of golf carts and has determined that the best use of public funds is to acquire this replacement of this equipment, for a period of **fifty-four (54) months** through the use of an **Equipment Lease/Purchase Agreement** with DLL Finance, LLC, which by its terms is deemed an installment purchase agreement.

WHEREAS, proper notice was given of the intention to act upon the Resolution Authorizing a Medium-Term Obligation (**Installment Purchase Agreement**) pursuant to Nevada Revised Statutes 350.087 and Nevada Administrative Code 350.100 through 350.160.

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT THE BOARD OF TRUSTEES OF THE INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT proposes to enter an **Installment Purchase Agreement** with a principal amount not to exceed **\$379,469**, at an annual interest rate not to exceed 4% as of the time of closing the equipment’s lease, and to be repaid over **fifty-four** months.

The purpose for which the funds are to be used is the acquisition of eighty (80) Club Car Tempo - lithium-battery powered golf carts for use at the Championship Golf Course.

The obligation will be repaid from operating revenues of the Community Services Enterprise Fund, through scheduled payments under an Equipment Lease/Purchase Agreement with DLL Finance, LLC. The dollar amount available to repay the obligation is from lease payments made in **54** monthly installments, subject to annual budget appropriations. This form of acquiring the use of this equipment is considered the best net outflow of resources to the operations of the Community Services Enterprise Fund.

IT IS FURTHER RESOLVED that the District Clerk forward the necessary documents to the Executive Director, Department of Taxation, Carson City, Nevada.

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted at a regularly held meeting of the Board of Trustees of the Incline Village General Improvement District on the 10th day of November, 2021, by the following vote of the Incline Village General Improvement District Board of Trustees (consisting of five (5) members):

AYES, and in favor thereof, Trustees:
NOES:
ABSENT:
(Two-thirds vote required)

Tim Callicrate
IVGID Board of Trustees Chairman

ATTEST By _____
Susan A. Herron
District Clerk

LEASE AGREEMENT (Golf and Turf) (Use in FL only for Irregular Payments; Not for use in AZ)

DLL FINANCE LLC ("Lessor")

LESSEE	LEASE #	Case ID #	FA-210704	EQUIPMENT LOCATION (if different from Lessee's address)	
	NAME	INCLINE VILLAGE G.C.			
	ADDRESS	INCLINE VILLAGE, NEVADA			
	CITY & STATE				
	ZIP CODE				
EMAIL ADDRESS	TELEPHONE NO.	858-675-8450			

**MAKE PAYMENTS TO:
DLL FINANCE LLC
P.O. Box 77122
Minneapolis, MN
55480-7702**

SUPPLIER INFORMATION:	Supplier Name:	CLUB CAR NATIONAL ACCOUNT	Telephone Number:	706-228-2636
Supplier Address:	PO BOX 204658, AUGUSTA, GA 30917			

DESCRIPTION OF LEASED EQUIPMENT

Pursuant to the terms of this contract (this "Lease"), the undersigned Lessee (if more than one, jointly and severally), hereby agrees to lease the property described below (the "Equipment") from the Lessor on the terms and conditions hereof.

Make and Model of Equipment	Serial Number (s)	Minimum Insurance Required	Hours at Delivery	Hours During Lease Term	Rate per Excess Hour

If box is checked, see the attached Exhibit titled "Equipment/Trade-In Addendum" incorporated herein by reference for a full description of the Equipment.

LEASE TERM AND PAYMENT SCHEDULE

This Lease shall become effective upon execution by Lessor and shall be for the Term provided herein. Lessee shall make Payments at the times and in the amounts as follows:

LEASE TERM: This Lease shall commence on: OR the 1st day of the month immediately following Lessee's signature on the Delivery and Acceptance Certificate and Lessor's receipt thereof (the "Commencement"). The Initial Term ("Term") shall be 61 months from the Commencement.

LEASE PAYMENT SCHEDULE - EQUAL PAYMENTS:

IRREGULAR PAYMENTS:

Monthly - <input checked="" type="checkbox"/>	Quarterly - <input type="checkbox"/>	Semiannual - <input type="checkbox"/>	Annual - <input type="checkbox"/>
Number of Payments		Amount of Each Payment	
First Payment Due On:		the 1st day of the month following the Commencement	
All other Payments due on:		The 1st day of each month	

PURCHASE OPTION

If no Default exists under this Lease or under any other agreement between Lessee and Lessor or Lessor's affiliates or related parties, Lessee will have the option (if checked by Lessor below) at the end of the Term or any Renewal Term to purchase all (but not less than all) of the Equipment for:

Fixed price of \$1
Plus any applicable taxes. The Amount Financed is \$524,896.00, Interest / Finance Charge is \$55,038.60 (assuming all Payments are made on their due date) and Total Amount of Payments, including any advance payments, is \$579,933.60.

TERMS AND CONDITIONS

Taxes. Property Taxes are not included in the Lease Payment set forth above. Sales and use tax may be, depending on state law, collected at the time this Lease is entered into or added to each Payment. Property tax will be billed annually and is due on invoice; however, if a purchase option for a Fixed Price of \$1 is selected above, Lessee shall be responsible for filing and payment of all property taxes.

Administration Fee / Third Party Fees. Lessee agrees to pay a fee of \$0.00. Lessee understands that Lessor may make a profit on this fee. Lessee shall also pay a UCC fee of \$0.00 Lessee shall be responsible for all 3rd party fees incurred by Lessor in connection with this Lease, including without limitation, UCC filing fees.

Late Payments and Dishonored Payments. Each Payment past due more than 10 days shall be subject to a late charge accrued at an interest rate equal to 1.75% per month from the due date until paid or \$1, whichever is greater. In the event any check or other form of payment made by Lessee is returned for any reason, Lessee agrees to pay Lessor the lesser of \$30 or the maximum amount permitted by law. Such amount shall, as specified by Lessor, be paid on demand or be added to the Payments payable hereunder and Lessee promises to pay the resulting increase in the Payments. In no event shall amounts due hereunder exceed the amount permitted under applicable law.

Prepayment Fee. If a purchase option for a Fixed Price of \$1 is selected above and in the event of Lessee's prepayment in whole or in part prior to the end of the Term, a prepayment fee may be assessed in an amount of up to \$100. Lessee understands Lessor may make a profit on this fee. Lessor may offset such amount from any amounts owed to Lessee including, without limitation, any applicable prepayment refund.

Net Lease. THIS LEASE IS NON-CANCELABLE. LESSEE'S OBLIGATION TO PAY IN FULL THE PAYMENTS HEREUNDER IS ABSOLUTE, IRREVOCABLE AND UNCONDITIONAL AND IS NOT SUBJECT TO AND ANY ABATEMENT, SET-OFF, DISPUTE, CLAIM, COUNTERCLAIM, DEDUCTION, DEFENSE OR OTHER RIGHT WHICH LESSEE MAY HAVE AGAINST ANY SUPPLIER, DEALER OR MANUFACTURER OF ANY EQUIPMENT OR ANY OTHER PARTY FOR ANY REASON WHATSOEVER, ALL OF WHICH LESSEE HEREBY EXPRESSLY WAIVES AS AGAINST LESSOR. LESSEE AGREES NOT TO ASSERT AGAINST LESSOR ANY CLAIMS OR DEFENSES LESSEE MAY HAVE WITH RESPECT TO ANY EQUIPMENT.

Delivery and Acceptance; DISCLAIMER OF WARRANTIES. Lessee will acknowledge receipt of the Equipment in good order and condition and, to the extent permitted by applicable law, waive any and all rights Lessee may have to rescind this Lease, reject the Equipment or revoke acceptance of the Equipment. Lessee agrees to accept each item of Equipment in its as-is condition when delivered and to execute the Delivery and Acceptance Certificate supplied by Lessor as evidence thereof. **You acknowledge that Lessor makes NO WARRANTY, EITHER EXPRESS OR IMPLIED WITH RESPECT TO ANY EQUIPMENT, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.** Lessee also agrees that neither the manufacturer nor the supplier identified in this Lease ("Supplier") is an agent of Lessor's and any representations or warranties or modification of any term or condition of this Lease purportedly made by Supplier are not binding on Lessor. If any Equipment is covered by a manufacturer's warranty, such warranty shall be extended to Lessee if automatically assignable. Lessee agrees that there shall be no abatement of any Payment obligation because of unavailability of the Equipment during periods of its warranted or non-warranted repair. **IN NO CASE SHALL LESSOR BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES BASED UPON ANY LEGAL THEORY, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, LOSS OF USE OF THE EQUIPMENT, THE CLAIMS OF THIRD PARTIES AND INJURY TO THE EQUIPMENT.**

Insurance. Lessee shall purchase and maintain, at Lessee's expense, standard all-risk type property damage insurance for the full replacement value of the Equipment, and in no event less than the Minimum Equipment Insurance Amount Required, with a maximum deductible equal to the greater of \$500.00 or five percent (5.0%) of the adjusted loss in a form and from an insurer satisfactory to Lessor and shall keep such insurance in effect until all Payments have been made. **There is no insurance coverage for personal liability or property damage caused to others.**

Default. Lessee is in default of this Lease if any of the following occurs (each a "Default"): a) failure to pay any Lease payment or other sum when due; b) Lessee's breach of any warranty or other obligation under this Lease, or any other agreement with Lessor; c) Lessee or any partner or guarantor dies; Lessee becomes insolvent or unable to pay its debts when due; Lessee stops doing business as a going concern; Lessee transfers all or substantially all of its assets; Lessee makes an assignment for the benefit of creditors; or d) Lessee or any guarantor or partner voluntarily file or have filed against it or if involuntarily, a petition for liquidation, reorganization, adjustment of debt or similar relief under the Federal Bankruptcy Code or any other present or future federal or state bankruptcy or insolvency law, or a trustee, receiver or liquidator is appointed for Lessee or a substantial part of its assets.

Additional Terms and Conditions. Lessee acknowledges and agrees that in addition to the terms and conditions contained on this page, the terms and conditions as set forth at www.seernyterms.com: 433L28K ("Additional Terms and Conditions"): (i) were read and understood by Lessee prior to signing below; (ii) are incorporated herein by reference as if fully set forth herein; and (iii) any capitalized terms not defined herein shall have the meaning given them in the Additional Terms and Conditions. The Additional Terms and Conditions address the following items, among others: insurance, taxes, default conditions, default remedies, maintenance, risk of loss, purchase options and automatic renewal, governing law and assignment of the lease.

BY SIGNING BELOW, LESSEE AGREES TO THE TERMS AND CONDITIONS SET FORTH ON THIS PAGE AND IN THE ADDITIONAL TERMS AND CONDITIONS. This Lease may be executed and accepted in any number of counterparts, including facsimile or electronic mail counterparts.

LESSEE	INCLINE VILLAGE G.C.			LESSOR	Accepted by DLL FINANCE LLC in Johnston, Iowa		
	Signature				Signature		
	Print Name	Title	Date		Print Name	Title	Date

Equipment/Trade-In Addendum

MAKE AND MODEL NUMBER	SERIAL NUMBER	DESCRIBE PROPERTY LEASED	METERED UNITS OF USE			Minimum Insurance Amount Required
			At Delivery	During Lease Term	Rate per Excess Unit	
CLUB CAR TEMPLION		ELEC GOLF CAR (QTY 80)	N/A	N/A	N/A	
			N/A	N/A	N/A	
			N/A	N/A	N/A	
Minimum Insurance Amount Required						\$524,896.00

Lessee, by signing below, represents and warrants:

1. It has reviewed and acknowledges and agrees that the information in the table(s) above is accurate and complete;
2. Except as described above, any trade-in property is free and clear of all security agreements, liens and encumbrances;
3. If any trade-in property is listed above, Lessee hereby trades-in and transfers all of its right, title and interest in and to the trade-in equipment described above.

A facsimile or electronic signature of this addendum may be treated as an original.

LESSEE	INCLINE VILLAGE G.C.			LESSOR	Accepted by DLL FINANCE LLC in Johnston, Iowa		
	Signature				Signature		
	Print Name	Title	Date		Print Name	Title	Date

DLL FINANCE LLC

DELIVERY AND ACCEPTANCE CERTIFICATE

TO: DLL FINANCE LLC

RE: CONTRACT NO. _____ WITH CASE ID FA-210704 ("THE "CONTRACT")

The undersigned ("Customer") hereby certifies that Customer has financed all items described below ("Equipment") pursuant to the Contract and further certifies that:

- (i) the Equipment has been delivered to and has been received by Customer;
- (ii) all installation or other work necessary prior to the use thereof has been completed;
- (iii) all Equipment has been examined by Customer, is in good operating order and condition, and is in all respects satisfactory to Customer;
- (iv) the Equipment is accepted by Customer for all purposes under the Contract; and
- (v) a facsimile or electronic signature of this Delivery and Acceptance Certificate may be treated as an original.

New or Used	Make, Model Number(s), and Description	Serial Number(s)
NEW	CLUB CAR, TEMPLION, ELEC GOLF CAR (QTY 80)	
NEW		
NEW		

CUSTOMER	INCLINE VILLAGE G.C.		
	Signature		
	Print Name	Title	Date

Please return signed copy via email at golf@dllgroup.com or fax to: (515) 334-7897

**DLL FINANCE LLC
CUSTOMER AGREEMENT TO PROVIDE PHYSICAL DAMAGE INSURANCE**

Date: 10/21/2021

Customer's Name INCLINE VILLAGE G.C.
Address INCLINE VILLAGE, NEVADA RE: City SAN MARCOS State CA ZIP 92069-1163
Agreement dated 04/01/2022 with DLL FINANCE LLC, P.O. BOX 3000, JOHNSTON, IA 50131-0300
as Assignee, Lender, or Lessor (the "Lender").

I have entered into the above agreement under which I am responsible for providing insurance against ALL RISKS of direct physical loss or damage for the actual cash value of the equipment listed in the Agreement set forth above, subject to common exclusions such as damage caused by corrosion, rust, mechanical or electrical breakdown, etc. The minimum amount of coverage required by Lender is \$524,896.00.

Make	Model	<u>EQUIPMENT</u> Description	Serial Number
SEE EQUIPMENT ADDENDUM			

I affirm that I will be providing my own physical damage insurance coverage through the BELOW LISTED INSURANCE AGENT.
TO DEBTOR'S INSURANCE AGENT

I hereby instruct you to add DLL FINANCE LLC as a payee through a Lender's Loss Payable Clause or similar clause which provides that any acts of the Customer will not void the policy as to the Loss Payee.

To my existing policy number _____ with _____
which now provides the coverage required.

Lender must be given written notice within 30 days of any cancellation or non-renewal. It is also understood and agreed that a breach of the insuring conditions by the customer, or any other person, shall not invalidate the insurance to Lender.

PLEASE FORWARD A COPY OF THE POLICY, ENDORSEMENT, OR CERTIFICATE EVIDENCING COVERAGE TO DLL FINANCE LLC, P.O. BOX 3000, JOHNSTON, IA 50131-0300. FAX (515) 334-5831, CALL (800) 863-3660 OR EMAIL DSMinsurance@DLLgroup.com.

PLEASE ATTACH A COPY OF THIS NOTICE TO THE PROOF OF INSURANCE.

ACKNOWLEDGEMENT OF CUSTOMER: I acknowledge that copies of this document sent to Lender are for informational purposes only. I am responsible for notifying my agent of my obligation to obtain physical damage insurance.

I understand I am responsible for insurance coverage for personal liability or property damage caused to others.

PLEASE BE SURE TO COMPLETE THE INFORMATION BELOW

Insurance Agency/Agent's Name _____ Agent's E-Mail Address _____

Mailing Address / PO Box _____ Agent's Phone Number _____ Agent's Fax Number _____

City _____ State _____ Zip Code _____

This Proposal is Designed
Especially for:

Incline Village GC



Incline Village, Nevada

October 15, 2021

By
Allen Lee
Territory Manager
Club Car, LLC
530-624-1106 cell
951-735-4675 work



This proposal shall expire thirty days from its date, unless Club Car, LLC agrees to extend the time frame. In consideration of receipt of this proposal, Incline Village GC agrees that it will hold its contents in confidence and will not disclose, use or copy the same in whole or in part for any purpose other than to evaluate this proposal.

Tempo "LITHIUM" Fleet Proposal - LEASE

To: Incline Village GC - Championship
955 Fairway Drive - Incline Village, NV 89451

Date: October 15, 2021

Quantity	Description	Unit Price	Extension
80	2022 Club Car TEMPO – LITHIUM Visage 10.1" Screen (Through Rental Program) AC Drive System w/ E.R.I.C. Automatic Charger Lithium Battery Configuration LED Battery Indicator Dupont Surlyn® Body: Sapphire Blue MonsoonTop™: Black Premium Seat: Choice Color Sweater Basket Tow Package Sand Bottle (2 each) Soft-grip Steering Wheel Split Windshield CaddyMaster Cooler Custom Logo Information Holder USB (Dual Port) Freight from Augusta	\$7,017.00 Included	\$561,360.00 Included
	Sub-Total:	\$7,017.00	\$561,360.00
	Less Trades: (80) 2017 Club Car Electric	(\$2,050.00)	(\$164,000.00)
		\$4,967.00	\$397,360.00
Terms	F.O.B.	Delivery Date	Shipped Via
TBD	Incline Village, Nevada	July 2022	Club Car Truck

Prices quoted are those in effect at the time of quotation and are guaranteed subject to acceptance within 1 year. All credit terms must be approved by CLUB CAR, LLC prior to delivery. Tax Exempt. The lease rates are quoted herein and are subject to IRFS's normal credit approval. After 90 days should interest rates fluctuate, the quoted rates will be adjusted accordingly.

Term	Quantity	Unit Price	Extension
54 Month - FMV	80 cars	\$45.84*	\$3,667.20*

Visage Technology - RENTAL

Term	Quantity	Unit Price	Extension
54 Month – Visage (Car Control/Tracking; Golf Experience)	80 cars	\$42.00*	\$3,360.00*

*Tax Exempt

Accepted By:
Incline Village GC

Club Car, LLC

By: _____

By: Allen Lee

Title: _____

Title: Territory Manager

Date: _____

Date: 10-15-21

This proposal shall expire thirty days from its date, unless Club Car, LLC agrees to extend the time frame. In consideration of receipt of this proposal, Incline Village GC agrees that it will hold its contents in confidence and will not disclose, use or copy the same in whole or in part for any purpose other than to evaluate this proposal.

Tempo "LITHIUM" Fleet Proposal - LEASE

To: Incline Village GC - Championship
955 Fairway Drive - Incline Village, NV 89451

Date: October 15, 2021

Quantity	Description	Unit Price	Extension
80	2022 Club Car TEMPO – LITHIUM Visage 10.1" Screen (Through Rental Program) AC Drive System w/ E.R.I.C. Automatic Charger Lithium Battery Configuration LED Battery Indicator Dupont Surlyn® Body: Sapphire Blue MonsoonTop™: Black Premium Seat: Choice Color Sweater Basket Tow Package Sand Bottle (2 each) Soft-grip Steering Wheel Split Windshield CaddyMaster Cooler Custom Logo Information Holder USB (Dual Port) Freight from Augusta	\$7,017.00 Included	\$561,360.00 Included
	Sub-Total:	\$7,017.00	\$561,360.00
	Less Trades: (80) 2017 Club Car Electric	(\$2,050.00)	(\$164,000.00)
		\$4,967.00	\$397,360.00
Terms	F.O.B.	Delivery Date	Shipped Via
TBD	Incline Village, Nevada	July 2022	Club Car Truck

Prices quoted are those in effect at the time of quotation and are guaranteed subject to acceptance within 1 year. All credit terms must be approved by CLUB CAR, LLC prior to delivery. **Tax Exempt**. The lease rates are quoted herein and are subject to IRFS's normal credit approval. After 90 days should interest rates fluctuate, the quoted rates will be adjusted accordingly.

Club Car Fleet - Capital Lease - 2.85%

Term	Quantity	Unit Price	Extension
54 Month - \$3,000 Balloon Per Car	80 cars	\$45.87*	\$3,669.60*

Visage Technology - RENTAL

Term	Quantity	Unit Price	Extension
54 Month – Visage (Car Control/Tracking; Golf Experience)	80 cars	\$42.00*	\$3,360.00*

*Tax Exempt

Accepted By:
Incline Village GC

Club Car, LLC

By: _____

By: Allen Lee

Title: _____

Title: Territory Manager

Date: _____

Date: 10-15-21

This proposal shall expire thirty days from its date, unless Club Car, LLC agrees to extend the time frame. In consideration of receipt of this proposal, Incline Village GC agrees that it will hold its contents in confidence and will not disclose, use or copy the same in whole or in part for any purpose other than to evaluate this proposal.

Tempo "LITHIUM" Fleet Proposal - LEASE

To: **Incline Village GC - Championship**
955 Fairway Drive - Incline Village, NV 89451

Date: **October 15, 2021**

Quantity	Description	Unit Price	Extension
80	2022 Club Car TEMPO – LITHIUM Visage 10.1" Screen (Through Rental Program) AC Drive System w/ E.R.I.C. Automatic Charger Lithium Battery Configuration LED Battery Indicator Dupont Surlyn® Body: Sapphire Blue MonsoonTop™: Black Premium Seat: Choice Color Sweater Basket Tow Package Sand Bottle (2 each) Soft-grip Steering Wheel Split Windshield CaddyMaster Cooler Custom Logo Information Holder USB (Dual Port) Freight from Augusta	\$7,017.00 Included Included Included Included Included Included Included Included Included Included Included Included Included Included Included Included Included Included Included	\$561,360.00 Included Included Included Included Included Included Included Included Included Included Included Included Included Included Included Included Included Included Included
	Sub-Total:	\$7,017.00	\$561,360.00
	Less Trades: (80) 2017 Club Car Ele	<u>(\$2,050.00)</u>	<u>(\$164,000.00)</u>
		\$4,967.00	\$397,360.00
Terms	F.O.B.	Delivery Date	Shipped Via
TBD	Incline Village, Nevada	July 2022	Club Car Truck

Prices quoted are those in effect at the time of quotation and are guaranteed subject to acceptance within 1 year. All credit terms must be approved by CLUB CAR, LLC prior to delivery. **Tax Exempt.** The lease rates are quoted herein and are subject to IRFS's normal credit approval. After 90 days should interest rates fluctuate, the quoted rates will be adjusted accordingly.

Term	Quantity	Unit Price	Extension
60 Month - FMV	80 cars	\$45.59*	\$3,647.20*

Visage Technology - RENTAL

Term	Quantity	Unit Price	Extension
60 Month – Visage (Car Control/Tracking; Golf Experience)	80 cars	\$42.00*	\$3,360.00*

***Tax Exempt**

Accepted By:
Incline Village GC

Club Car, LLC

By: _____

By: Allen Lee

Title: _____

Title: Territory Manager

Date: _____

Date: 10-15-21

This proposal shall expire thirty days from its date, unless Club Car, LLC agrees to extend the time frame. In consideration of receipt of this proposal, Incline Village GC agrees that it will hold its contents in confidence and will not disclose, use or copy the same in whole or in part for any purpose other than to evaluate this proposal.

Tempo "LITHIUM" Fleet Proposal - LEASE

To: **Incline Village GC - Championship**
955 Fairway Drive - Incline Village, NV 89451

Date: **October 15, 2021**

Quantity	Description	Unit Price	Extension
80	2022 Club Car TEMPO – LITHIUM Visage 10.1" Screen (Through Rental Program) AC Drive System w/ E.R.I.C. Automatic Charger Lithium Battery Configuration LED Battery Indicator Dupont Surlyn® Body: Sapphire Blue MonsoonTop™: Black Premium Seat: Choice Color Sweater Basket Tow Package Sand Bottle (2 each) Soft-grip Steering Wheel Split Windshield CaddyMaster Cooler Custom Logo Information Holder USB (Dual Port) Freight from Augusta	\$7,017.00 Included	\$561,360.00 Included
	Sub-Total:	\$7,017.00	\$561,360.00
	Less Trades: (80) 2017 Club Car Ele	<u>(\$2,050.00)</u>	<u>(\$164,000.00)</u>
		\$4,967.00	\$397,360.00
Terms	F.O.B.	Delivery Date	Shipped Via
TBD	Incline Village, Nevada	July 2022	Club Car Truck

Prices quoted are those in effect at the time of quotation and are guaranteed subject to acceptance within 1 year. All credit terms must be approved by CLUB CAR, LLC prior to delivery. **Tax Exempt**. The lease rates are quoted herein and are subject to IRFS's normal credit approval. After 90 days should interest rates fluctuate, the quoted rates will be adjusted accordingly.

Club Car Fleet - Capital Lease - 2.85%

Term	Quantity	Unit Price	Extension
60 Month - \$3,000 Balloon Per Car	80 cars	\$42.24*	\$3,379.20*

Visage Technology - RENTAL

Term	Quantity	Unit Price	Extension
60 Month – Visage (Car Control/Tracking; Golf Experience)	80 cars	\$42.00*	\$3,360.00*

*Tax Exempt

Accepted By:
Incline Village GC

Club Car, LLC

By: _____

By: Allen Lee

Title: _____

Title: Territory Manager

Date: _____

Date: 10-15-21

This proposal shall expire thirty days from its date, unless Club Car, LLC agrees to extend the time frame. In consideration of receipt of this proposal, Incline Village GC agrees that it will hold its contents in confidence and will not disclose, use or copy the same in whole or in part for any purpose other than to evaluate this proposal.

Tempo "Lead Trade Valuation

To: **Incline Village GC - Championship**
955 Fairway Drive - Incline Village, NV 89451

Date: **October 15, 2021**

Model Year	Quantity	Unit Price	Extension
2017 Club Car Ele w/Visage	80 cars	\$2,050.00	\$164,000.00

1. All trade-ins must be in fleet running condition, with operating chargers if electric, and canopy tops. Any cars not running or damaged will be reduced in value accordingly.
2. Club Car, LLC will remove the canopy tops from trade-ins to make them ready for transport at no cost to the club.
3. All trade-ins must be free and clear of any liens and encumbrances.

Accepted By:
Incline Village GC

Club Car, LLC

By: _____

By: Allen Lee

Title: _____

Title: Territory Manager

Date: _____

Date: 10-15-21

This proposal shall expire thirty days from its date, unless Club Car, LLC agrees to extend the time frame. In consideration of receipt of this proposal, Incline Village GC agrees that it will hold its contents in confidence and will not disclose, use or copy the same in whole or in part for any purpose other than to evaluate this proposal.

Warranties and Special Considerations

Warranty

Club Car, Inc.'s sole warranty will be its standard warranty for golf cars, Club Car Limited Lifetime Warranty for 2022 Fleet Golf Cars in the United States and Canada, as attached hereto. Club Car warrants that the goods are fit for the purpose only to the extent stated in the attached warranty and owner's manuals accompanying the vehicle.

Special Considerations

Club Car, LLC includes the following with the lease/purchase of (80) new 2022 Club Car Tempo golf cars:



Club Car will provide **Incline Village GC** with the following parts package

- Five (5) Tow Bars
- Ten (10) Spare Wheel/Tire Assembly
- Five (5) CaddyMaster Cooler's
- Two (2) Diagnostic Tools
- Ten (10) Logo's
- One (1) Service & Parts Manuals

Accepted By:
Incline Village GC

By: _____

Title: _____

Date: _____

Club Car, LLC

By: Allen Lee

Title: Territory Manager

Date: 10-15-21

REPLACEMENT PARTS AND SERVICE

Factory authorized replacement parts; service and warranty work is handled through the local, Club Car authorized dealer &/or factory trained technician. It is Club Car's objective that **Incline Village GC's** fleet will receive professional, timely and systematic service

This proposal shall expire thirty days from its date, unless Club Car, LLC agrees to extend the time frame. In consideration of receipt of this proposal, Incline Village GC agrees that it will hold its contents in confidence and will not disclose, use or copy the same in whole or in part for any purpose other than to evaluate this proposal.

CLUB CAR

Purchase Price Proposal		Qty	Unit \$	Total \$	Min. Addtl. Order Quantity	w/ Visage Pricing 10.1 Screen		
Purchase Price - Lithium Batteries with Trade Credit (@ \$2,050)		80	\$ 8,717.00	\$ 697,360.00		Included	\$ 8,717.00	\$ 697,360.00
		80	\$ (2,050.00)	\$ (164,000.00)			\$ (2,050.00)	\$ (164,000.00)
			\$ 6,667.00	\$ 533,360.00			\$ 6,667.00	\$ 533,360.00
Lease Option Proposals		w/ Visage Rental Pricing 10.1 Screen						
48-month Fair Market Vaue Lease - Lithium with Trade Credit (@ \$2,050)		80	\$ 49.77	\$ 3,981.60		\$ 42.00	\$ 91.77	\$ 7,341.60
		80	\$ 49.77	\$ 3,981.60	per month	Monthly	\$ 91.77	\$ 7,341.60
				\$ 47,779.20	per year	Annual	\$ 88,099.20	
				\$ 191,116.80	48 months	48-month term	\$ 352,396.80	
54-month Fair Market Value Lease - Lithium with Trade Credit (@ \$2,050)		80	\$ 45.84	\$ 3,667.20		\$ 42.00	\$ 87.84	\$ 7,027.20
		80	\$ 45.84	\$ 3,667.20	per month	Monthly	\$ 87.84	\$ 7,027.20
				\$ 44,006.40	per year	Annual	\$ 84,326.40	
				\$ 176,025.60	54 months	54-month term	\$ 379,468.80	
60-month Fair Market Vaue Lease - Acid with Trade Credit (@ \$2,050)		80	\$ 38.49	\$ 3,079.20		\$ 42.00	\$ 80.49	\$ 6,439.20
		80	\$ 38.49	\$ 3,079.20	per month	Monthly	\$ 80.49	\$ 6,439.20
				\$ 36,950.40	per year	Annual	\$ 77,270.40	
				\$ 184,752.00	60 months	60-month term	\$ 386,352.00	
60-month Fair Market Vaue Lease - Lithium with Trade Credit (@ \$2,050)		80	\$ 45.59	\$ 3,647.20		\$ 42.00	\$ 87.59	\$ 7,007.20
		80	\$ 45.59	\$ 3,647.20	per month	Monthly	\$ 87.59	\$ 7,007.20
				\$ 43,766.40	per year	Annual	\$ 84,086.40	
				\$ 218,832.00	48 months	60-month term	\$ 420,432.00	
Lease/Purchase Option Proposals		w/ Visage Rental Pricing 10.1 Screen						
48-month Installment Purchase Lease - Lithium with Trade Credit (@ \$2,050)		80	\$ 109.59	\$ 8,767.20		\$ 42.00	\$ 151.59	\$ 12,127.20
		80	\$ 109.59	\$ 8,767.20	per month	Monthly	\$ 151.59	\$ 12,127.20
				\$ 105,206.40	per year	Annual	\$ 145,526.40	
				\$ 420,825.60	48 months	48-month term	\$ 582,185.60	
w/ Balloon Payment		80	\$ 45.76	\$ 3,660.80		\$ 42.00	\$ 87.76	\$ 7,020.80
		80	\$ 45.76	\$ 3,660.80	per month	Monthly	\$ 87.76	\$ 7,020.80
				\$ 43,929.60	per year	Annual	\$ 84,249.60	
				\$ 175,718.40	48 months	48-month term	\$ 336,998.40	
		Balloon payment	\$ 3,250.00	\$ 260,000.00		\$ 3,250.00	\$ 260,000.00	
				\$ 435,718.40			\$ 596,998.40	
54-month Installment Purchase Lease - Lithium with Trade Credit (@ \$2,050)		80	\$ 45.87	\$ 3,669.60		\$ 42.00	\$ 87.87	\$ 7,029.60
		80	\$ 45.87	\$ 3,669.60	per month	Monthly	\$ 87.87	\$ 7,029.60
				\$ 49,539.60	per year	Annual	\$ 84,355.20	
				\$ 198,158.40	54 months	54-month term	\$ 379,598.40	
w/ Balloon Payment		Balloon payment	\$ 3,000.00	\$ 240,000.00		\$ 3,000.00	\$ 240,000.00	
				\$ 438,158.40			\$ 619,598.40	
60-month Installment Purchase Lease - Lithium with Trade Credit (@ \$2,050)		80	\$ 42.24	\$ 3,379.20		\$ 42.00	\$ 84.24	\$ 6,739.20
		80	\$ 42.24	\$ 3,379.20	per month	Monthly	\$ 84.24	\$ 6,739.20
				\$ 50,688.00	per year	Annual	\$ 80,870.40	
				\$ 202,752.00	60 months	60-month term	\$ 404,352.00	
w/ Balloon Payment		Balloon payment	\$ 3,000.00	\$ 240,000.00		\$ 3,000.00	\$ 240,000.00	
				\$ 442,752.00			\$ 644,352.00	

Championship Golf Course Cart Replacement Proposals

			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total Cost
		FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY 2025/26	FY2026/27	FY2027/28	Net Future Trade-In
Purchase Options - Lithium Batteries									
Club Car									
Quantity	80								
Unit Price	\$ 8,717.00	quote	\$ 697,360.00						
Trade-in value	\$ (2,050.00)	quote	\$ (164,000.00)						
Net Purchase Price	\$ 6,667.00		\$ 533,360.00						
Future Trade In Value	\$ (2,615.10)	est.						\$ (209,208.00)	\$ (209,208.00)
Net Cash Flow			\$ 533,360.00	\$ -	\$ -	\$ -	\$ -	\$ (209,208.00)	\$ 324,152.00

48-Month Lease Term - Lithium Batteries

Club Car									
Quantity	80								
Unit Price	\$ 49.77	quote	\$ 47,779.20	\$ 47,779.20	\$ 47,779.20	\$ 47,779.20			
Trade-in value	incl.	quote							
Net Payment	\$ 49.77		\$ -	\$ 47,779.20	\$ 47,779.20	\$ 47,779.20	\$ 47,779.20		\$ 191,116.80
Visage Technology Rental	\$ 42.00	quote	\$ -	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00		\$ 161,280.00
			\$ -	\$ 88,099.20	\$ 88,099.20	\$ 88,099.20	\$ 88,099.20	\$ -	\$ 352,396.80
Future Trade In Value	N/A								\$ -
Net Cash Flow			\$ -	\$ 88,099.20	\$ 88,099.20	\$ 88,099.20	\$ 88,099.20	\$ -	\$ 352,396.80

54-Month Lease Term - Lithium Batteries

Club Car									
Quantity	80								
Unit Price	\$ 45.84		\$ 44,006.40	\$ 44,006.40	\$ 44,006.40	\$ 44,006.40	\$ 22,003.20		
Trade-in value	incl.								
Net Payment	\$ 45.84		\$ -	\$ 44,006.40	\$ 44,006.40	\$ 44,006.40	\$ 22,003.20		\$ 198,028.80
Visage Technology Rental	\$ 42.00		\$ -	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00	\$ 20,160.00		\$ 181,440.00
			\$ -	\$ 84,326.40	\$ 84,326.40	\$ 84,326.40	\$ 42,163.20	\$ -	\$ 379,468.80
Future Trade In Value	N/A								\$ -
Net Cash Flow			\$ -	\$ 84,326.40	\$ 84,326.40	\$ 84,326.40	\$ 22,003.20	\$ -	\$ 379,468.80

60-Month Lease Term - Lithium Batteries

Club Car									
Quantity	80								
Unit Price	\$ 45.59	quote	\$ 43,766.40	\$ 43,766.40	\$ 43,766.40	\$ 43,766.40	\$ 43,766.40		
Trade-in value	incl.	quote							
Net Payment	\$ 45.59		\$ -	\$ 43,766.40	\$ 43,766.40	\$ 43,766.40	\$ 43,766.40		\$ 218,832.00
Visage Technology Rental	\$ 42.00	quote	\$ -	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00		\$ 201,600.00
			\$ -	\$ 84,086.40	\$ 84,086.40	\$ 84,086.40	\$ 84,086.40	\$ -	\$ 420,432.00
Future Trade In Value	N/A								\$ -
Net Cash Flow			\$ -	\$ 84,086.40	\$ 84,086.40	\$ 84,086.40	\$ 84,086.40	\$ -	\$ 420,432.00

Championship Golf Course Cart Replacement Proposals

			<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>	<i>Year 6</i>	<i>Total Cost</i>
		<i>FY2021/22</i>	<i>FY2022/23</i>	<i>FY2023/24</i>	<i>FY2024/25</i>	<i>FY 2025/26</i>	<i>FY2026/27</i>	<i>FY2027/28</i>	<i>Net Future Trade-In</i>
48-Month Installment Purchase Lease Term Lithium Batteries									
Club Car									
Quantity	80								
Unit Price	\$ 109.59 <i>quote</i>	\$ 105,206.40	\$ 105,206.40	\$ 105,206.40	\$ 105,206.40	\$ 105,206.40			
Final Payment (\$1)	<i>quote</i>					\$ 80.00			
Trade-in value	<i>incl. quote</i>								
Net Payment	\$ 109.59	\$ -	\$ 105,206.40	\$ 105,206.40	\$ 105,206.40	\$ 105,286.40			\$ 420,905.60
PACE 10EX Teck Pkg.	\$ 42.00 <i>quote</i>	\$ -	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00			\$ 161,280.00
		<u>\$ -</u>	<u>\$ 145,526.40</u>	<u>\$ 145,526.40</u>	<u>\$ 145,526.40</u>	<u>\$ 145,606.40</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 582,185.60</u>
Future Trade In Value	\$ (2,615.10) <i>est.</i>						\$ (209,208.00)		\$ (209,208.00)
Net Cash Flow		\$ -	\$ 145,526.40	\$ 145,526.40	\$ 145,526.40	\$ 145,606.40	\$ (209,208.00)	\$ -	\$ 372,977.60
Club Car w/ Balloon Payment									
Quantity	80								
Unit Price	\$ 45.76 <i>quote</i>	\$ 43,929.60	\$ 43,929.60	\$ 43,929.60	\$ 43,929.60	\$ 43,929.60			
Final Payment (\$3,250)	<i>quote</i>					\$ 260,000.00			
Trade-in value	<i>incl. quote</i>								
Net Payment	\$ 45.76	\$ -	\$ 43,929.60	\$ 43,929.60	\$ 43,929.60	\$ 303,929.60			\$ 435,718.40
Visage Technology Rental	\$ 42.00 <i>quote</i>	\$ -	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00			\$ 161,280.00
		<u>\$ -</u>	<u>\$ 84,249.60</u>	<u>\$ 84,249.60</u>	<u>\$ 84,249.60</u>	<u>\$ 344,249.60</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 596,998.40</u>
Future Trade In Value	\$ (2,615.10) <i>est.</i>						\$ (209,208.00)		\$ (209,208.00)
Net Cash Flow		\$ -	\$ 84,249.60	\$ 84,249.60	\$ 84,249.60	\$ 344,249.60	\$ (209,208.00)	\$ -	\$ 387,790.40
54-Month Installment Purchase Lease Term									
Club Car w/ Balloon Payment									
Quantity	80								
Unit Price	\$ 45.87 <i>quote</i>	\$ 44,035.20	\$ 44,035.20	\$ 44,035.20	\$ 44,035.20	\$ 44,035.20	\$ 22,017.60		
Final Payment (\$3,250)	<i>quote</i>						\$ 240,000.00		
Trade-in value	<i>incl. quote</i>								
Net Payment	\$ 45.87	\$ -	\$ 44,035.20	\$ 44,035.20	\$ 44,035.20	\$ 44,035.20	\$ 262,017.60		\$ 438,158.40
Visage Technology Rental	\$ 42.00 <i>quote</i>	\$ -	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00	\$ 20,160.00		\$ 181,440.00
		<u>\$ -</u>	<u>\$ 84,355.20</u>	<u>\$ 84,355.20</u>	<u>\$ 84,355.20</u>	<u>\$ 84,355.20</u>	<u>\$ 282,177.60</u>	<u>\$ -</u>	<u>\$ 619,598.40</u>
Future Trade In Value	\$ (2,615.10) <i>est.</i>							\$ (209,208.00)	\$ (209,208.00)
Net Cash Flow		\$ -	\$ 84,355.20	\$ 84,355.20	\$ 84,355.20	\$ 84,355.20	\$ 52,809.60	\$ (209,208.00)	\$ 410,390.40
60-Month Installment Purchase Lease Term									
Club Car w/ Balloon Payment									
Quantity	80								
Unit Price	\$ 42.24 <i>quote</i>	\$ 40,550.40	\$ 40,550.40	\$ 40,550.40	\$ 40,550.40	\$ 40,550.40	\$ 40,550.40		
Final Payment (\$3,250)	<i>quote</i>						\$ 240,000.00		
Trade-in value	<i>incl. quote</i>								
Net Payment	\$ 42.24	\$ -	\$ 40,550.40	\$ 40,550.40	\$ 40,550.40	\$ 40,550.40	\$ 280,550.40	\$ -	\$ 442,752.00
Visage Technology Rental	\$ 42.00 <i>quote</i>	\$ -	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00	\$ 40,320.00		\$ 201,600.00
		<u>\$ -</u>	<u>\$ 80,870.40</u>	<u>\$ 80,870.40</u>	<u>\$ 80,870.40</u>	<u>\$ 80,870.40</u>	<u>\$ 320,870.40</u>	<u>\$ -</u>	<u>\$ 644,352.00</u>
Future Trade In Value	\$ (2,615.10) <i>est.</i>							\$ (209,208.00)	\$ (209,208.00)
Net Cash Flow		\$ -	\$ 80,870.40	\$ 80,870.40	\$ 80,870.40	\$ 80,870.40	\$ 71,342.40	\$ (209,208.00)	\$ 435,144.00

MINUTES

REGULAR MEETING OF OCTOBER 13, 2021

Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairman Tim Callicrate on Wednesday, October 13, 2021 at 6:00 p.m. via Zoom.

A. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

B. ROLL CALL OF TRUSTEES*

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

Members of Staff present were Director of Finance Paul Navazio, Controller Marty Williams, Director of Public Works Brad Underwood, Director of Human Resources Erin Feore, General Manager Diamond Peak Ski Resort Mike Bandelin and Director of Golf/Community Services Darren Howard and District General Counsel Joshua Nelson.

Board Chairman Callicrate said that there were some compliance issues from the last meeting and that has been taken care of and our next meeting will be in person. Also, there will be a robust discussion regarding the Mountain Golf Course cart path project during the District General Manager report.

C. INITIAL PUBLIC COMMENTS*

Dick Warren said on page 43 of the Board Packet for the 9/30/2021 BOT meeting is the Community Services Capital Projects Fund. Under the column labeled "Current YTD Actual", Professional Services and Services & Supplies are listed as "Uses"; however, these are not capitalizable and should be expensed. Why are they listed here? The Finance Director is quite aware that these should be expensed; however, he continues to park them here in a capital projects fund. In addition, any Facility Fees associated with Professional Services and Services & Supplies should be similarly removed and listed as Facility Fees associated with Operations and not Capital Projects. Additionally, under "Sources" we see "Funded Capital Resources" as a source of funds under the column labeled "Current YTD Budget". This Funded Capital Resources of 5,594,546 is really an illegal transfer of funds from the Special Revenue Fund. This is in direct violation of NRS 354.570 "Special Revenue Fund" defined. "Special Revenue Fund" means a fund used to account for specific revenue sources, other than sources for major capital projects,

which are restricted by law to expenditures for specified purposes. Furthermore, GASB #54, para 30, states "...Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects..." It is disingenuous for the Finance Director to deliberately mislead readers of these financials. He does not know whether the Finance Director is purposely misleading readers of the financials, or he simply doesn't know what he's doing, but to produce these kinds of financials is simply stupid and useless for anyone. Thank you.

Ellie Dobler read from her written statement which is attached hereto.

Aaron Katz said he has several written statements to submit. Nearly everything your Staff do over and over again and the public suffers. Same principle on items I.2. and I.3. – I.2. involves Lumos and I.3. involves golf carts. Both items fail the open meeting requirement and they are deceitful. What he believes is this is for Lumos to ratify to what FW Carson – totally unnecessary, vote no. On the golf carts, the price is at \$164,000 more because we have to give up our existing cart fleet and it is now over \$500,000 with no option to purchase - totally outrageous. Rather than a lease, we are going to be asked to sign a promissory note as EZGo offered us \$10,000. We can get more on the open market. Staff made us spend over \$3,100 a cart and those carts are good for another four years and this is for a facility budgeted to lose \$1.5 million so core golfers can have new carts. This is totally outrageous and if two of you vote no, because it requires two thirds approval, the deal is dead.

Cliff Dobler read from his written statement which is attached hereto.

Mike Abel read from his written statement which is attached hereto.

Joy Gumz said in the Raftelis final report, there is still a recommendation regarding the Audit Committee. The wording of the recommendation tries to justify its presence in the report - this attempt fails. She notified Trustee Schmitz as she is on the Audit Committee. She emailed me that she concurred - yet the recommendation remains. The recommendation is absolutely 100% inappropriate as it is out of scope. Why should a Utilities Management Review report contain any recommendations regarding the Audit Committee? She also has other concerns about this report. Raftelis relied on the financial information provided by the District but apparently did no homework. There is no reserve policy. And there are questionable payments the District has made. Example 1: Union employees in the Water and Sewer Departments are receiving payments through accounts payable that should be included in taxable wages per IRS regulations. Example 2: Public Works employee Ronnie Rector ordered merchandise totaling \$1,247.40 for

holiday gifts from LL Bean (Dec 2017). There is no public purpose for such an expense, and it is a misuse of public funds. This transaction is only one of dozens of questionable transactions paid via District procurement cards. Raftelis was notified concerning these payments, did nothing, and relied on District data. In addition, another resident and retired CPA Cliff Dobler has raised concerns regarding the report. His letter of August 3, 2021 addressed to the Board of Trustees has not been answered. She has read the letter, and believe his concerns are valid. In particular, she agrees with his statement "*Board Policy 7.1.0 and Practice 7.2.0 should never have included the Utility Fund. which is an enterprise fund and does not have a fund balance. The proper term is the Unrestricted Net Position.*" The Raftelis Report contains multiple errors and needs to be corrected and not accepted. Will the Board take action to ensure this is done? Thank you.

Judith Miller said she agrees with the previous caller on Raftelis report which didn't have public input and that she sent her public comments via e-mail which are attached hereto. There are no reports on OpenGov on the website for this fiscal year.

Yolanda Knaak said she just want to recommend if you do decide to sell the golf carts to look around for another buyer as maybe we can get more money than is planned. Thank you so much.

D. APPROVAL OF AGENDA (for possible action)

District General Manager Winquest said he would like to remove Consent Calendar Item H.1. from the agenda and General Business Item I.2. as Staff is still doing research on those items. Trustee Schmitz said she would like to move Consent Calendar Item H.2. to General Business. Board Chairman Callicrate reviewed the order of the items and approved the agenda as amended.

E. DISTRICT GENERAL MANAGER UPDATE (for possible action)

District General Manager Winquest reviewed the submitted items. Board Chairman Callicrate reminded his fellow Board members that this shall not include any personnel concerns. Trustee Schmitz asked if we are just passing over the Raftelis report or will we be circling back to that? Board Chairman Callicrate said yes, we will be coming back to that item however the Mountain Golf Course Path project is more pressing so he would like to start off with that. District General Manager Winquest said, for clarification, he has only had conversations with four out of the five Trustees on this topic. Trustee Schmitz said she thinks we had some very valuable input that all of us received from Mr. Stan Heirschberg and she thinks that Staff needs to take a good hard look at the analysis that he did because it

seems clear that we are unclear on what the contractor actually did. She did notice that on the timeline, second bullet point, it is inconsistent with the what was shared with the Board of Trustees as far as the scope. The memo that the Trustees approved had holes 3 – 5 as being the base bid and the alternate bid was holes 6 – 9. She does understand that there were linear and square footage numbers but that she wanted to point out that this is an inconsistency and what this report really shows is that all of the statements that Moss Adams made in their report and was delivered to us in about December of last year, it appears as those improvements to controls of contracts hasn't been put into place. This thinks that this has given us an idea of a breakdown of our internal controls and everything from the financing and contract signing process through the bid processing. So she thinks this is an unfortunate situation but the positive that comes out of this is that appears as though we all understand that we need to improve our internal controls, we need to implement what Moss Adams and Raftelis identified as far as management of contracts and discipline related to contracts but she thinks right now the biggest question we have is trying to understand exactly what the contractor did and what then the District is actually going to be paying for and the memo by Mr. Heirschberg did an excellent job of laying those things out and she thinks that we will have to delve into this a bit further. Board Chairman Callicrate said that Moss Adams and Raftelis has determined that we need better internal controls and this situation is unfortunate. We need to rectify what has been done, clarify and then obtain any reduction in the contract price that needs to take place. He knows that the District General Manager and the Director of Public Works have been looking into this. District General Manager Winquest said that Trustee Schmitz has brought up good points and we have had conversations and conversations were held with the Director of Public Works. There could have been tighter controls and pulverize in place (PIP) is very common especially where the area is sensitive and it makes sense to him that PIP is a good process and it should have been included as a bid alternate. We are working through some other items with the Contractor and that we, as Staff, could have done a better job in managing it a little tighter. None of us are trying to sweep it under the rug, should have notified the Board of Trustees when we switched to PIP and these are things that we need to work on. Now that we have a Project Manager in place and a District Engineer starting next month, we have a good idea of where we are going to tighten up. We owe this to the Board and the community. It is unfortunate that Staff is not allowed to respond before members of the community go to stating that we are crooks, etc. and he would encourage the community members to wait and get an understanding of everything that has been happened. Trustee Dent said he will echo comments of both Board Chairman Callicrate and Trustee Schmitz. There is definitely a breakdown in internal controls, sees this as an opportunity to listen and implement what our consultants are telling us and dive in a little deeper. It feels like we have put the consultants input on the shelf. We have got a lot of work to do, this was a sloppy

process, there has been less work and the price stays the same. When you negotiate the change, there would be a process for that and talking about that at the same time. He understands that this is a time sensitive project and we have consultants input and working with a consultant on this project – we are getting input and it appears we are choosing not to follow that advice. It was sloppy, needs to get better, the project continues as it needs to be done, and it is unfortunate that this gets elevated to this level. He knows that Staff is working on it and it is unfortunate that it comes to this. District General Manager Winquest said that Staff is in the process of working on a change order and he will get that information out as soon as it is finalized. Staff has loaded a tremendous amount of information onto our website and there is a large zip file that contains a lot of information. Trustee Schmitz said that there has been some discussion about Staff's authority on change orders where it is changing something like this that is changing everything that has been approved by the Board. This is a completely different alternative so it should come back because the Board approved a bid with a scope of work and it appears, on September 9, there was a request to change everything that came to the Board so it is not a simple change order rather it is a change of design and a complete change of design with an impact to the bid for unit pricing as Mr. Heirschberg pointed out. She understands about change orders but this was a complete change of design. Board Chairman Callicrate said it has been made abundantly clear that there were significant changes and that we have to get through this. Let's find out what the change order looks like and hopeful all these questions will be answered and then Staff can get that information out to the Board and the community. This will not happen again and this was the wakeup call that has been heard loudly and clearly. Board Chairman Callicrate then said that the Board will now discuss the Raftelis item. Trustee Schmitz said she wants to set the stage – we have had a few different consultants that have conducted interviews; Moss Adams has done a couple and then Raftelis. Moss Adams was very careful and did not let her fray outside of their scope of work and she felt they did a good job of telling her to stay within scope. Raftelis, and she should have notified someone, because in hindsight, she recognized they talked to her about Community Services, the beaches, and the Audit Committee and that had nothing to do with the essence of what they were tasked to do. She still objects to having any comments in the Raftelis report about the Audit Committee as that was outside their scope of work. And then there is the financial analysis, which is the reason she asked for tonight's agenda item to review the Utility Fund because it is not being properly reflected because we have designated funds for the Effluent Pipeline Project and it is being reflected as if it is just available as an unrestricted net position and it should not be because none of us Trustees understand it that way she doesn't believe. We all understand that there is money that has been collected and is intended to be set aside. She too is objecting to how they did this financial analysis and again because of what they put in this report is why she

asked for the Utility Fund analysis that is in tonight's packet but she is afraid that the Utility Fund analysis that is in tonight's packet is more of the same; it is continuing to represent that the money we have collected for the Effluent Pipeline Project to be just unrestricted and she doesn't think that is a proper representation given the community's understanding and given the Board's understanding. So she too objects to the Utility Fund analysis they did in this report. Trustee Wong said she has to completely disagree with what Trustee Schmitz said and that it is absolutely not how she feels and that she takes offense to her trying to represent what she believes and she is extremely angry right now. Board Chairman Callicrate said just to reiterate how he understood that what Trustee Schmitz had to say is that she thought that we were all along, and she could be wrong, he caught that out of there. Trustee Schmitz said that is exactly correct Board Chairman Callicrate and that she stipulated what she feels the majority, no, she didn't say majority, that she feels the Board believes relative to the Utility Fund. If Trustee Wong would like to speak up and she thinks that everything we are collecting from the Effluent Pipeline Project funds should just be in unrestricted net position that is definitely her point of view but her perception is that we were all on the same page as far as how we view the money that has been collected from rate payers for the Effluent Pipeline Project. Trustee Tonking said so she thinks there is some confusion on how restricted funds work and how they are viewed within financials and that so she thinks maybe during Director of Finance Navazio's presentation he can go into that with us as she thinks that might clear up some of this confusion that we are having and she believes in the way that they are presented and how they viewed it, it is restricted and the way it is laid out it doesn't follow the legal way of it being restricted because it is only restricted by the Board. So she thinks that we just need to have a conversation about that. She is going to push back a little bit on Trustee Schmitz' comments about Raffelis as she thought they did a really good job on following scope and she has seen a lot of consulting presentations and that she would push back as she thought Moss Adams breached scope on a telephone call that they had the other day and she was greatly upset and pushed back but with that being neither here or there, that Raffelis has done a really good job at following scope and she thinks they followed exactly what they asked and that when looking at that scope and matching it to where they answered it and that comparisons and that she thinks she is disagreeing with Trustee Schmitz there but that she can also see and understand your concerns and maybe in terms of the Audit Committee and that being outside of scope is that she sees that as part of looking at financial wellness and that is a big look because the Utility Fund makes up a big part of our financial wellness but she can understand why you would feel the way differently however she feels they did a really good job as a consultant so she is going to push back a little bit. Trustee Dent asked who directed Raffelis to look at the Audit Committee and their role and to waste time on that – do we know? Board Chairman Callicrate said that this is how they do their overview and all the finances and that

is how he understood it and that it's part of what they do and do a report like what we received. He doesn't consider it a waste of time and while you may that's more of a personal situation but that is how he understood it to be and he could be wrong on that but that is how they portrayed it to him because he asked the question of what all does this entail and they provided to him an explanation that he was fine with but apparently it has struck a few nerves. Trustee Dent said he didn't realize that when we went out to Raftelis that we were asking for feedback on what the makeup should be on the Audit Committee and how it compares to other governing bodies and he doesn't see how that has anything to do with the financials of the Utility Fund. There is quite a bit of write up on that specific aspect of it and he doesn't understand how any of that relates to how strong or weak the Utility Fund or internal controls are. District General Manager Winqest said in response to Trustee Dent's question – no one from Staff instructed Raftelis to look at the Audit Committee. He only had two interactions with Raftelis other than the weekly reports he was sending to the Board. When Staff got the draft report, we specifically asked them why they did that because we had questions about it as well. Their response was that this was overall governance and how the governing bodies and the governance of the District impacts the overall financial health of the utilities. It is a common practice that they use to evaluate other agencies and that was the response we got from them so hopefully that helps clarify.

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

District General Manager Winqest went over the submitted long range calendar. Trustee Schmitz asked if will you be providing us with an up to date Popular Report as part of the General Manager's report or put on the long range calendar? District General Manager Winqest said because they are minor updates, it will be included in the District General Manager's update report if that is acceptable to the Board. Trustee Schmitz said on the Raftelis report, on agenda packet pages 11 and 47, it identifies a priority for reviewing expenditures because they felt the expenditures were sort of outside the norm so is that something that you will be doing internally and reporting to us or is that something that needs to be on the long range calendar? District General Manager Winqest said, regarding Moss Adams' Recommendation 14, Staff has already looked at that and he will talk to the Director of Finance about adding an update for the Board and his preference would be to e-mail the Board and include that in a future District General Manager report as well. District General Manager Winqest said that it is his recollection that these were one time expenditures and Trustee Schmitz said she didn't recall but that she wanted to ensure that we are taking the advice that the consultants are providing to us.

G. REPORTS TO THE BOARD* - Reports are intended to inform the Board and/or the public.

G.1. Utility Fund Analysis – That the Board of Trustees receive a presentation related to the District’s Utility Fund to include review of financial results over the past 10+ years, fund status relative to existing Board policies, and highlighting areas where Board of Trustees direction will be needed in support of pending Utility Rate Study (Requesting Staff Member: Director of Finance Paul Navazio)

Director of Finance Navazio went over the submitted materials. Trustee Schmitz said what she was referring to, with even the Raftelis report, and she might not be understanding things correctly, going to agenda packet page 339, what you are drafting and proposing for policy changes for the Proprietary Funds who have something that you have identified as “designated”. Director of Finance Navazio said yes. Trustee Schmitz continued that to her the Effluent Pipeline Project funds would be considered designated funds and the interest on those designated funds would also be in there. Wouldn’t it be more transparent for all of us if on these reports here we also had the designated funds identified because she does feel that, once we identify the designated funds, suddenly it sort of changes the picture a bit? Director of Finance Navazio said it is helpful to formalize and consistently designate restricted funds. We need to say how much is for reserve policy, how much the Board says it is for a project, and then how much is unrestricted. He does have a slide that addresses that. Trustee Schmitz said having identification on designated will help clarify the picture. Director of Finance Navazio said that will impact our budget presentation etc. and that Staff tried to highlight that via notes to the financial statements and if we agree with the sub-designations, pending concurrence from our auditors, that would be great as all of us are looking for clarity and consistency and that is the part that we haven’t had; this is just an editorial comment. Trustee Schmitz asked, as it relates to the interest, it is her understanding that the interest will be added to the Effluent Pipeline Project so will these numbers be increased by almost \$800,000? Director of Finance Navazio said he wants to be clear and that this is taking the entire interest and that it is prorated to the Effluent Pipeline Project and that would be appropriate. Staff would be adding roughly \$750,000 to the \$11.6 million that the Board has already reserved. So face value, the answer is yes. Trustee Schmitz asked the Director of Finance to go back to agenda packet page 134 as it talks about TWSA and her understanding is that Moss Adams and the auditors have advised that this should be set up as a completely

separately fiduciary fund – is that correct? Director of Finance Navazio said our current auditors are looking at this and yes, Staff does want to separate it out from the District services and operations that are in this fund; please see the slide on agenda packet page 134.

Board Chairman Callicrate called for a break at 7:45 p.m. and the Board reconvened at 7:55 p.m.

H. CONSENT CALENDAR (for possible action)

H.1. Review, discuss, and possibly authorize or award a construction contract for the Wetlands Effluent Disposal Facility Improvements Project – 2599SS1103 - Fund: Utility; Division: Sewer; Vendor: F. W. Carson Co., in the amount of \$133,438.00; plus 10% contingency (Requesting Staff Member: Director of Public Works Brad Underwood) (REMOVED FROM THE AGENDA IN ITS ENTIRETY)

H.2. Review, discuss and possibly approve the First Amendment to Employment Agreement between the Incline Village General Improvement District and Indra Winqest (Requesting Staff Member: District General Counsel Joshua Nelson) (MOVED TO GENERAL BUSINESS ITEM I.4.)

I. GENERAL BUSINESS (for possible action)

I.1. Review, discuss and provide feedback on draft revisions to selected Board Policies and Practices, including:

- **Fund Balance Policy – (Board Policy 7.1.0 and Board Practice 7.2.0)**
- **Working Capital Policy – (Board Policy 19.1.0 and Board Practice 19.2.0), and**
- **Capitalization Policy – (Board Policies 8.10 and 9.10, and Board Practice 2.9.0)**

(Requesting Staff Member: Director of Finance Paul Navazio)

Director of Finance Paul Navazio reviewed the submitted materials. There were no questions from the Board of Trustees.

I.2. Review, discuss and possibly authorize Additional Services Amendment #1 and Amendment #2 to the professional design services contract for the Mountain Golf Cart Path Replacement

Project – Fund: Community Services; Division: Golf; CIP# 3241LI2001; Vendor: Lumos and Associates in the amount of \$45,800.00 (Requesting Staff Member: Director of Public Works Brad Underwood) (REMOVED FROM THE AGENDA IN ITS ENTIRETY)

- I.3. Review, discuss and possibly approve award of low-bid procurement contract for the replacement of 80 Championship Course Golf Carts for the 2022 season – (CIP Project #3141LV1898) (Requesting Staff Member: Director of Golf/Community Services Darren Howard)**

Director of Golf/Community Services Darren Howard gave an overview of the submitted materials. Director of Finance Navazio shared a PowerPoint presentation that is an overview of what is included in the report and it will be provided/available after the meeting. Trustee Schmitz said one of the things she has been thinking about is that she knows that Staff, Trustee Wong and others have been collaborating and trying to come up with ideas on how to financially get the golf course covering its operational costs and if she is remembering correctly, she believes that Staff reported about 25% of our rounds are for non-picture passholder guests and asked if that was correct roughly? Director of Golf/Community Services Howard responded roughly, yes. Trustee Schmitz continued by asking what percentage of the current fleet has had their batteries replaced? Director of Golf/Community Services Howard said 30% right now or 26 carts that have had batteries replaced. Trustee Schmitz said so if we have 30% of our current fleet that has been updated, has anyone thought about potentially saying let's not replace the entire fleet. Let's replace half of the fleet so that when we have reservations for people who are paying \$200 a round that when they make their reservation, they are given one of the new carts and at the same time when we have our club members who are really wanting value pricing for their rounds of golf they would be helping accomplishing that by making use of a portion of our current fleet. Director of Golf/Community Services Howard asked if she wanted him to answer that? Trustee Schmitz said she is just wondering if it has been discussed or thought about? Director of Finance Navazio said what strikes him in that concept is the cost of maintaining the existing carts is potentially more expensive than the lease. Director of Golf/Community Services Howard said, from an operational standpoint, that would be a nightmare - telling a resident that they can't use a new golf cart but a non-resident can. Board Chairman Callicrate asked about the GPS system and would agree with Staff and that we would all be hung at the Chateau; not to dis your comment as he understands the basis. Trustee

Dent said he thinks that Trustee Schmitz has suggested a creative approach and that he doesn't see it as complicated as it is being made out to be rather he sees it as an upgrade as they are having their round subsidized but don't have to pay for it. One thing he struggles with is that we have golf carts that are underutilized however our wear and tear is much higher. How do we get better at that and how do we get our carts to last longer? An additional year and picking up 25% is more than previous Boards have done and how do we lower the wear and tear – he doesn't see that. We have never had an analysis or something done to help him understand it - there is an investment cost and a refurbishment cost. Just like a private business, there are cranes that are 35 years old and they maintain them. How do we do better at that and maintain our costs and maintenance? Are we not charging enough – he doesn't know and are we trying to figure it out? Director of Golf/Community Services Howard said he has heard this several times and the qualifier is what are their service standards. As to maintenance costs to keep up the carts after 4 years, the golf cart manufacturers know that 4 years, on an acid battery, is where the battery is no good anymore and the operating costs are probably pretty high. As the industry moves into lithium batteries, he thinks there is an opportunity to keep them 5 or 6 years, with the warranty being 5 years, and that it may go longer but right now there is a lack of data. However, as more golf courses get lithium battery operated carts, the warranty will go up. Trustee Dent said let's not talk about months because for 7 months they just sit. It seems like maybe we should do better with negotiation of the warranty and asked if there was a way to do better and asked why couldn't we ask for something like that? Director of Golf/Community Services Howard said we could ask however the warranty is standard but Staff can try but he doesn't think they are going to move as the standard is a 5-year warranty. Trustee Dent said the expended to date amount, \$73,000, is it from July 1 or January 1? Director of Golf/Community Services Howard said one is a fiscal year and the other is a season. When the Board decided to keep the carts, we got quite a few batteries replaced under warranty and he thinks it was from December. Director of Finance Navazio said that the calendar year straddles the fiscal year so that was the calendar year which includes prepping them in March or April and that Staff ran the numbers both ways. Trustee Dent said thank you and that it looks like that is pretty close to what you said during budget season. Trustee Tonking said she likes the idea of doing a 54-month lease to provide that cost savings. As to her initial reaction to Trustee Schmitz' suggestion, she apologizes. She is not seeing a financial savings as 30% are done already and then we would be adding another \$50,000 to get us another half of our carts. She agrees we would have a hard time telling the residents they don't get the new carts however she does appreciate the idea of cost saving and,

again, apologizes for her initial reaction. As for the lease idea, we don't need to own them outright however do they cover the maintenance? Director of Golf/Community Services Howard said we cover day to day maintenance and they cover the battery, electrical components, etc. There is a savings, utility cost savings specifically, basically these are a zero maintenance battery because they require no water and that will help out our Fleet Department with maintenance and that this affects everybody. Trustee Wong said she would prefer going the route of getting new carts and leasing them as it is the financial responsible route to go. Presently, the GPS systems don't work. To Trustee Schmitz, quite frankly she doesn't think our community would be amenable to substandard service. We have been saying, as a Board, that our residents are our number 1 priority and to give them a service different than that would be detrimental. She does know some of the recommendations that are coming and one of them is to serve our residents first whether they are in a golf club or not. To Trustee Dent, she does understand your questions and points. She owns two cars all year round, drive one for 6 months and the other for the other 6 months, and yes, she does have to maintain both of them. There is a cost of having both of them all year long. She understands what you are saying, gets your point, and there is a cost to be had to keeping them all year round. Trustee Schmitz said there were a couple of comments, in public comments, about outright selling our used carts ourselves – what are your thoughts on trade in value versus selling on the open market? Director of Golf/Community Services Howard said it has been his experience that you get the highest value from the golf cart companies. Trustee Schmitz said she would never indicate selling them individually however is there an opportunity, in the open market, for a fleet? Director of Golf/Community Services Howard said typically no, and we have always gone through the golf cart companies because they are going to give us a higher value. Trustee Schmitz said have we been provided with a purchase option at the end or do we have to ask for that as additional information? Director of Finance Navazio said, going to the chart where we summarized the proposals, one of the bidders gave us 48-month lease terms with a purchase option. Those are the things we could explore as we don't have that option. Trustee Schmitz asked if there was a down side to requesting that? Director of Finance Navazio said no. Trustee Schmitz asked if you have determined, with the recommendation, what the operational costs per round would be? Director of Finance Navazio said we need to do a more refined analysis and that there is a tie in to the pricing. Spending \$80,000 to maintain them versus \$80,000 in annual lease term - total cost versus incremental costs – absolutely, there is a cost to pay for the carts to the golf course. By spending \$80,000 for a lease, he would view that as incremental because at 24,000 rounds, it is \$3 per round and you can

factor that into the pricing and who you want to pay for the operational costs. Trustee Schmitz said that makes sense. Director of Finance Navazio said there is still some discussion to occur on choice of cart as it is not to fall on the residents but the Board has to decide where it is going to fall. Trustee Schmitz said, referring to agenda packet page 383, looking at Club Car, base with lithium batteries, it is \$533,000 and then with GPS package, it is \$533,000 and then when you go down to the end of the lease it is substantially different – can you please explain why? Director of Finance Navazio said in the bid from Club Car for lithium, agenda packet pages 406 and 407, under a purchase scenario, the cost of the GPS is included in the purchase price however under the lease, you get screen and hardware, and at the bottom of agenda packet page 406, you are paying a monthly subscription for the GPS service. Under the lease, there is a cost for the cart and then a cost for the GPS; this is just based on their proposal – agenda packet pages 406 and 407. Trustee Schmitz said she understands why you are saying; thank you. Trustee Dent said, in government, maintenance costs just keep going up and never back come down. Trustee Schmitz said request 54-month lease with a purchase option at the end. Board Chairman Callicrate said this is a two-part situation and determine what cart we want first. Board Chairman Callicrate asked District General Counsel if we can give direction or make a motion? District General Counsel Nelson said we want to make sure there is sufficient support from the Board if it is a lease as it has to pass with a 2/3 affirmative vote. Director of Finance Navazio agreed and said we should discuss about placing the order and then coming back with next steps – we need to be careful. Board Chairman Callicrate said with a 54-month lease that has been discussed which would bring down the cost, looking at to purchase them at the end or what? Director of Finance Navazio said if the Board is comfortable with replacement of the carts and that Staff recommends we accept Club Car as the low bid and if we want a lease, Staff will come back with the options so that the Board can make a decision so we need direction, from the Board, if we are going with a lease. Board Chairman Callicrate said he is in favor of a lease and looking at purchase at the end of 54-months or just a straight lease because technology is changing so often. Also, does putting in a lithium battery, reduce the weight? Director of Golf/Community Services Howard said yes about a 200-pound reduction. Trustee Wong said she is fine with Club Car and prefer the lease and give them direction to go back with 54-months and that Staff can go up to 60-months to give them ultimate flexibility. Trustee Schmitz said she is fine with doing what the Director of Finance laid out as that is the right approach. Trustee Tonking said she agrees with what the Director of Finance laid out. Trustee Dent said he can support what the Board wants to do. Board Chairman Callicrate asked if we need to do two

motions or has the direction been sufficient? District General Counsel Nelson said he would defer to Staff. Director of Finance Navazio asked for a formal motion and accept Club Car as the low bidder in order to put in an order to get into the cue and then come back with purchase or financing as having clear direction that we are going to replace the fleet with lithium batteries avoids some issues that we are dealing with on other topics.

Trustee Wong made a motion to accept the low-bid quote from Club Car, LLC for the manufacture and delivery of 80 Tempo - Lithium Battery electric golf carts. Trustee Tonking seconded the motion. Board Chairman Callicrate, hearing no further comments, called the question – the motion was passed unanimously.

Board Chairman Callicrate said that Staff can now proceed with doing the financing options as discussed and hopes that it calms down those in the golfing community who thought the Board was going in a different direction.

I.4. Review, discuss and possibly approve the First Amendment to Employment Agreement between the Incline Village General Improvement District and Indra Winquest (Requesting Staff Member: District General Counsel Joshua Nelson) *(Was Consent Calendar Item H.2.)*

District General Counsel Nelson gave an overview of the submitted materials. Trustee Dent said, as an overall comment, if we are going to be extending the District General Manager's contract an additional year, we should have his review done prior to then, so for the long range calendar, let's start working on it in May and do it in June. It feels like the timing is a little off and that we should be talking about reviewing this in June. He is not in favor of this and wasn't at the meeting as the timing is off, we need to do this in June, table it, and then move forward from there. Trustee Schmitz said she agrees with Trustee Dent and that if we do an extension now, then in July 1, it would be another extension – correct based on how this contract is written, correct? It is not as if there would be nothing, no extension happening. Her feeling is given the optics of what has been going on with the Mountain Golf Course cart path and the internal controls, she thinks it is in his best interest to defer this, do it in June of next year, and make sure his review is done in a timely manner. Trustee Schmitz continued and said that she did discuss this with Dr. Bill Mathis and his statement to her was that because this was a new General Manager without having General Manager experience, he felt it was most important for us, as a Board, to come together and make sure that we are all understanding evaluations and that we are

working together on this. Dr. Mathis' recommendation was that we would review this in June of next year. Part of the Board training that he wanted to give us was guidance and assistance on creating really measurable performance objectives that our District General Manager would be able to demonstrate before June of next year and that way we would all be confident and feel as though we are really going the right direction and that would be to renew the contract July 1 of next year. Trustee Tonking said so Trustee Schmitz are you saying that we don't renew for one year right now? As she is a little bit confused on the wording of the extension and that she is reading that it automatically renewed each year. District General Counsel Nelson said so the way it reads it says on July 1 it is extended unless either party notifies the other so right now it is extended to June 30, 2023. If next year, there is no action by either party then it extends to June 30, 2024. Trustee Schmitz said what she is trying to get out, and this has been discussed with District General Manager Winquest, is there have been some areas identified for development and improvement and that she thinks he has the capability and desire to accomplish those things and she thinks that if we could defer taking this action until late June of next year so we don't end up with a 3 to 2 vote. To her it is really important for the Board to come together and make unanimous decisions on these things and we didn't make a unanimous decision on the performance measurement that was given. So her thought process was that our District General Manager has the opportunity, desire and clarity on the areas where there were some things to develop and improve and we have a wonderful opportunity to have a 5 to 0 vote to extend it when we see those items have been addressed. Trustee Wong said maybe we can tweak the language to the automatic renewal such that it happens with an annual evaluation of MR or ER and it is contingent upon the process being done. Board Chairman Callicrate said when we have the opportunity to meet with Dr. Mathis and go through the training and based on the evaluation this year, it might be better or have more robust tools to use such that instead of MR or ER, we might have something that is more flexible. Next time we do this, we may have a better tool to use so he doesn't want to lock in the language if we find ourselves using a better tool through Human Resources and Dr. Mathis. Trustee Wong said we can amend that language and that the only reason the evaluation was this late was that there was a ton of turnover within the District General Manager's Staff and one of those were, in particular, the Director of Human Resources. The Board of Trustees can commit to getting it done and doing it after the end of fiscal year as that is because of those preliminary fiscal year end results. Trustee Wong concluded that she would like to see the agreement extended for at least a year and then address the reoccurring nature of it later. Board Chairman Callicrate said he agrees to that and that was the vote

last time – 3 to 2. He would like to ask our Attorney if the tweaking of language is an option or is it not and is this sending a message as we did accept that language? District General Counsel Nelson said that the Board directed him to prepare an amendment based on the last meeting so the Board can absolutely tweak the language if that is what is the Boards will. Trustee Dent said it is extending the agreement through June 2024 right now so when we meet in June to review him, we wouldn't be doing anything, assuming he has a meets or exceeds expectations, and that we wouldn't be doing an extension because we are doing that now and a few months early. Is his understanding correct? District General Counsel Nelson said yes, if we follow your schedule and we make sure the District General Manager's performance evaluation is completed before July 1 of next year, if the Board took no action, then the District General Manager's contract would expire June 30, 2024 and if the Board was not satisfied they could elect not to extend the contract and his contract would terminate at the end of 2023. Trustee Dent said his biggest hesitation with the reoccurring is that we went down this route once before where we hurried to have a meeting otherwise our District General Manager was going to have a 3-year extension and we wouldn't have been reviewing him at that time. So let's do a change in the language and making it contingent on the Board having the review either at the last meeting of June or the first meeting in July and not prematurely move such that July 1 came and you get an extension given where the dates fall and the meetings fall and he thinks that the Board should have something in there that aligns with the Board meeting versus an automatic renewal on July 1. We have gone down that path before, six years ago, and he doesn't think that's where we should go again. Trustee Schmitz said she doesn't see how the answer to Trustee Dent's question is written here because what she sees written is that it ends in 2022, correct? District General Counsel Nelson said yes. So it would be extending it to 2024 and then July of next year, it would either automatically or then it does get extended to 2025. District General Counsel Nelson said that is not correct and sorry for interrupting. If you take the action before you, you do not automatically extend the District General Manager's contract to June 30, 2024. You set it up so that if the Board does not take action on July 1, 2022, the District General Manager's contract will extend to June 30, 2024. If before July 1 of next year, the Board votes not to extend the option then the contract will expire on the current termination date of June 30, 2023. Trustee Schmitz said so we are not talking about making an extension today, we are talking about an extension that would take effect at July 1 of next year. District General Counsel Nelson said that is correct but the only thing, and to Trustee Dent's point, that extension would be automatically provided under the current language unless the Board took action not to exercise the option. Trustee Schmitz said

that she liked Trustee Wong's comment about instead of it having it be automatic, which Trustee Dent was speaking against also, if it was tied to language relative to the review, it holds us accountable to say we need to get the review done and we need to do it in a timely fashion. Board Chairman Callicrate said, it does if we put in the language of MR or ER and that then holds the Board to accountability before the date of July 1 of next year – would that satisfy your concerns? Trustee Schmitz said if she is understanding this correctly, so let me just reiterate to make sure she is understanding. We are not actually going to be today, if this gets approved, it is not extending his contract today. It's setting up his contract for July of next year to add a year unless action is taken not to add a year. District General Counsel Nelson said that is correct Trustee Schmitz. Trustee Schmitz said ok. Board Chairman Callicrate said it is kind of convoluted but he thinks we finally got there. Trustee Dent said he could support this if we do add a long range calendar item to June 2022 to review the District General Manager. District General Manager Winqwest said he is only going to comment on the timing of his evaluation. He absolutely agrees and concurs with Trustee Dent and others that have brought that up. He would prefer to have his evaluation close to the end of the year, of the term of that year. He thinks it was definitely wonky doing his evaluation on September 30, 3 months after that year that he was being evaluated on. The reason why he says that is for several reasons – one is sometimes 3 months later it is not fresh in your mind and a Trustee as far as where everything that went on prior to June 30; it is very typical for our evaluations within the District where we require our Staff to evaluate and complete an evaluation very near to the date of their anniversary date of when they were hired. So he absolutely agrees with that and he has no issue with being evaluated at the end of June or first meeting in July whatever makes sense to the Trustees. District General Counsel Nelson said he would appreciate whoever makes the motion to include or exclude whether the performance evaluation must be satisfactory or not.

Trustee Wong made a motion to approve first amendment to the General Manager's employment agreement with an amendment that includes adding a clause to the one-year extension that is subject to a satisfactory performance evaluation on an annual basis.

District General Counsel Nelson said what he would propose is to look at what is on agenda packet page 329, Section 2.1 in the middle, third sentence which begins the two-year term shall automatically be extended for an additional year. He would propose that this sentence be amended as follows – the two-year term shall be extended for an additional year effective

July 1, 2021 and July 1, 2022 if the General Manager receives a satisfactory performance evaluation as determined by the Board of Trustees. Trustee Schmitz said so her question is do we need to use the language of meets expectations as a minimum of meets expectations or is satisfactory clear enough? District General Counsel Nelson said he would defer to the Board and his recommendation is that satisfactory is fine to accommodate future scoring and if we use meets or exceeds expectations we might have language that is in conflict with future scoring criteria.

Trustee Wong restated her motion - Approve first amendment to the General Manager's employment agreement with amended language as District General Counsel Nelson just described. Trustee Tonking seconded the motion. Board Chairman Callicrate, hearing no further comments, called the question and the motion was passed unanimously.

Board Chairman Callicrate said thank you to all and that he appreciates the unanimous vote.

J. APPROVAL OF MEETING MINUTES (for possible action)

J.1. Meeting Minutes of September 2, 2021

District Clerk Herron said that she and Trustee Schmitz are working through a correction on a small portion of the minutes and once we have that worked out, she will e-mail the agreed to change to the Board members and update it on the website. She would appreciate an approval with that stipulation in order to be in compliance with time restrictions. Board Chairman Callicrate said the meeting minutes of September 2, 2021 are approved with those necessary corrections.

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

Cliff Dobler said he is doing this all ad lib and that given his experience on golf carts, he has had mortgages on a couple of golf courses and probably played several hundred golf courses around the country. He thinks everybody is right and you can't get into maintaining your golf carts especially at IVGID as they just don't have the bandwidth to do it. The idea of replacing 26 carts with batteries and that they had to go to the outside for \$34,000 of outside labor is not controllable. So the best thing is just to lease them. Now, he is an accountant and he thinks that was not in the

presentation and that he thinks is important is that we actually own our current fleet. So if we are going to trade it in for \$164,000 then really we should be recording a gain on that sale because it has been fully appreciated and explain to the people that the cost of the carts to lease are higher. We didn't just decide to take \$164,000 of our assets to lower the lease price and he doesn't think that was properly disclosed but come on we are giving up an asset that we own to turn around and just do a straight lease. He is not for owning the carts, he thinks you should do a 54-month/60-month lease as we know the lithium batteries will last that long and the only thing that will happen will be the cabs themselves will deteriorate and that will be the windshields, GPS and the seating. He was out there just a couple of days ago and the carts from the inside, those three items he just mentioned, are getting old but the cabs themselves are in good condition. But let's not get into speculating on options to buy and trying to maintain carts over 5 years. He just doesn't think that is a good idea so he is for just leasing them for 54 months or 60 months and be done with it. But disclose it – you are trading an asset in to look over the lease price. Thank you.

Mike Abel said during the Board of Trustees meeting on September 2, he made comments at that time that expressed his concerns and questions about the presentation for the contract for the Mountain Golf Course project. At that time, he has some serious apprehensions about the project and as we can see, it turned into a real Donny Brook disaster. He wanted to make sure that you guys knew that he had apprehensions about what was going on at that time and he thinks that the presentation that Staff gave to the Board of Trustees was pretty poor and did not even include a map which he made a big deal about. The second thing he wanted to address is that Trustee Wong is our resident drama queen, who made an outrageous comment this evening criticizing Sara Schmitz for her comments about the lack of restricted funding on the Effluent Pipeline Project. Not only is she the Board's angriest member, always making nasty and angry comments, but she also has the poorest memory on the Board. To wit, on 4/4/2020, at a Board of Trustees meeting, the Board voted to restrict \$9.6 million by a 5 to 0 vote. Wong was a member of the committee at that time and she was one of those 5 voters voting to restrict the \$9.6 million. Not only has she been nasty criticizes Trustee Schmitz, she has a pretty poor memory too. He noticed that she was sitting there looking all smug with her little Disneyland picture such that maybe she should move to Disneyland and works as an actor there because she is IVGID's worst dramatic actor. Anyway, he has a lot of apprehensions about this contract that you guys have voted to extend to our current General Manager. If he messed up a \$200,000 to \$400,000 project, how the heck can he be managing something that is coming up that

is in the area of \$20 to \$30 million like the Effluent Pipeline Project? That is pretty much his comments this evening and he is obviously not real happy with some of the stuff that went down this evening. Does want to give some kudos to the Director of Golf/Community Services as he is one of the few IVGID people who does a decent job around here but don't let that compliment go to your head.

L. ADJOURNMENT (for possible action)

The meeting was adjourned at 9:25 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 Cliff Dobler: Public comments by Clifford F. Dobler at Board of Trustee meeting on October 13, 2021

Submitted by Iljosa Dobler: Public Comment, Board of Trustee meeting 10-13-2021

Submitted by Judith Miller: 10/13/21 IVGID Board of Trustees Meeting public comment

Submitted by Aaron Katz: Written statement to be included in the written minutes of this October 13, 2021 regular IVGID Board meeting – Agenda Item I(3) – Possible lease of 80 lithium powered Champ golf carts at a cost to the public of over half a million dollars!

Submitted by Aaron Katz: Written statement to be included in the written minutes of this October 13, 2021 regular IVGID Board meeting – Agenda Item C – Public Comments – What do we do with a General Manager (“GM”) who refuses to bring matters to the Board for possible action – here refusing to assess “dwelling units” beach (“BFF”) and/or Recreation (“RFF”) facility fees

Submitted by Aaron Katz: Written statement to be included in the written minutes of this October 13, 2021 regular IVGID Board meeting – Agenda Item C – Public Comments – What do we do with a General Manager (“GM”) who refuses to do his job – here not assuring that increased solid waste removal fees and charges are appropriate

Submitted by Aaron Katz: Written statement to be included in the written minutes of this October 13, 2021 regular IVGID Board meeting – Agenda Item H(1) – Awarding a \$133,438 construction contract for the wetlands effluent disposal facility improvement project to contractor F.W. Carson Co. (“Carson”)

Submitted by Aaron Katz: Written statement to be included in the written minutes of this October 13, 2021 regular IVGID Board meeting – Agenda Item H(2) – Proposed amendment (the language itself) to our General Manager’s (“GM’S”) employment contract

Submitted

Public Comments by Clifford F. Dobler at Board of Trustee meeting on October 13, 2021

To be included in minutes of the meeting.

My comments relate to two items

General Business item I- 2 - Two proposed amendments to Lumos design contract for the Mountain Golf Course Cart Path replacements and Underwood's memo dated 10-13-2021

- \$3,500 for construction administration of a completed project except for Hole #9 which will probably be postponed. A little late?
- \$42,500 to complete design, permitting, bidding and erosion assistance for Phase 2 and Phase 3. Erosion assistance is not in the amendments
- NO date or inclusion of the MOU with TRPA
- NO date or inclusion of the Pavement Evaluation & Recommendations report
- Indicates the amendments are on the consent Calendar which is incorrect.
- The Table listing expenditures and encumbrances does not include the \$7,600 contract with Reno Tahoe Geo Associates, nor does it include the IVGID staff time to manage construction of Phase 1.
- The 10% construction reserve is not a reserve but a design contingency. The amendments do not contemplate any construction.
- No timeline for completion are in the amendments

General Managers update. item E -

The GM has made a unilateral decision that the revised Raftelis report dated August, 2021 is final. The GM cannot even provide the proper name of the report. It is NOT a "Utilities Performance/Asset Management Review" but a "Utilities Management Review and Asset Assessment".

On August 3, 2021, I submitted a memo to this Board regarding errors in the analysis of Fund Balance/Reserves Policy section contained in the Raftelis July report. None of the errors were corrected in the revised report.

There are at least 18 incorrect statements on only two thirds of a page regarding Fund Balance/Reserves Policy. By inserting conflicting language and not following Policies and Practices or simple logic, the conclusion reached is that \$5.5 million in "reserves" exist which is **Entirely false**. Reserves are not described in the Policies or Practices. Applying a logical interpretation of the Policies and Practices for an Appropriate Levels of Working Capital, there is negative working capital of **\$261,647 at June 30, 2020 but should have been \$5,762,204**. The Report attempts to portray an idea that undefined "reserves" are reasonable when in fact the Utility Fund is broke if funds were properly set aside and restricted. A cash infusion of over \$6 million is required to comply with Policies and Practices.

I will be glad to provide a proper presentation if anyone is interested. Why accept or consider a report with so many errors and with an incorrect conclusion regarding the financial soundness of the Utility Fund? Thank you.

Public Comment - Iljosa Dobler

Board of Trustee Meeting 10-13-2021

To be included in the minutes of the Meeting

My comment relate to the October 6, 2021 informational memo by Brad Underwood regarding the change in scope of work on the Mountain Golf Course Cart Path Replacement

To begin with, my husband and I have been equal partners since 1979 in the development, construction and financing of a variety of real estate projects of all types and sizes. Since our investments and time were together, I can assure you that I am quite familiar with contracts.

So a few points:

1. Whenever there is a large disparity in bids almost 100% in this case, something is surely wrong
2. We would never agree to a change order without first establishing a cost increase or decrease, for a major change in scope.
3. The immense scope change after the Carson bid should be closely monitored. Here are a few fact to consider:

For comparison two average adult people would occupy one cubic yard

The plans called for the removal and haul off of about 609 cubic yards of existing asphalt and aggregate base. The use of a 12 cubic yard dump truck would required 50 loads to be disposed of at a waste site. This was not done by Carson.

The plans called for the installation of about 348 cubic yards of NEW aggregate base which was not done. A cubic yard is approximately a ton of aggregate base which would cost \$34,800 at \$10 per ton, not including delivery.

A Work Change Directive under Article 11.03 of the Carson contract is double talk as two of the three main construction elements (removal and haul off, new base and new asphalt) would require a change in price.

Carson would be entitled to an amount for pulverizing the existing asphalt and base materials.

Hole #9 has not been not completed and would require a reduction in the Carson contract.

Lumos, the engineer of record, apparently was not engaged or informed by IVGID about the change in plans.

4. Cliff and I are of the opinion that the project should have been rebid and the approach used by IVGID was not appropriate.

Citizens can only hope that an outside arbitrator will be engaged to settle up this contract. Thank you.

There have been many Board packets with several objectionable items, but I haven't seen this much rotten stuff since the power went out for six days and I had to clean out my refrigerator. This packet is replete with items that are incredibly offensive and only serve to increase public distrust. Since I cannot possibly comment on all of these in a mere 3 minutes, please include my written comments in the minutes of this meeting.

First, we have the Raftelis report on Utilities Management and Assets.

Rather than a report to shed light on problems identified by the Board and the public, much of this report is more of a "feel good" marketing publication, not a really focused study to address problems. This is not what the Board had in mind when they approved hiring a consultant. Were members of the Audit Committee asked about their expectations?

Although the first three recommendations make sense, the fourth, an opinion about the makeup of the Audit Committee is clearly out of the scope of what this consultant and contract was supposed to address. I'm guessing staff and certain board members had the consultant include this to prop up their own view that we should not have citizens on the Audit Committee. This theory is promoted by the GFOA, but what is GFOA, an organization of public employees (finance officers), not those who oversee their activities. Of course they want only elected officials/trustees to serve on the Audit Committee. As we have already seen trustees, even the few with knowledge of government accounting, CAFR's and internal controls, often don't have the time to devote to these activities.

The statement that the primary purpose of the Board is to provide strategic direction is totally incorrect. That is the purpose that has been pushed by staff. What happened to oversight? And according to NRS Chapter 318.175 the Board has the power "To manage, control and supervise all the business and affairs of the district."

And saying there has to be uniform support for policies and practices is like saying "get in line; don't question". This is the same flawed mentality that permeates our national politics. If even one trustee sees major problems with a policy, they have every right to express their concern and hopefully through reasoned discussions, can either convince other board members or alternatively convince the public to elect likeminded trustees. Policies do need to be acknowledged and adhered to. However, numerous policies have been approved that make absolutely no sense or are outdated (by the Board's own admission). Others have been completely ignored by staff because there are no consequences. Continuous improvement of these policies, as new board members take office with perhaps greater/different areas of expertise, is something to be encouraged, not stifled.

I cannot blame Raftelis. They were told to gather information from staff, not from the public. The same thing is happening with the Utility Rate Study. The consultant has been told not to speak with members of the public. So much for transparency. I can only ask that in the future, consultants have a workshop that is open to the public where they can voice their concerns.

Next, there's the amendment to Indra's contract. I take issue with Mr. Dolan's assertion that this the contract extension will not hamstring future boards. My remarks are not intended as a criticism of our current GM. These are just considerations that any board should be aware of when drafting an employment contract. Should new candidates be elected in 2022, those new board members will take office on January 1, 2023. The GM's contract has provisions for severance pay with benefits amounting to nearly a quarter of a million dollars or more payable if the GM is terminated any time before its expiration. This would be a major impediment should a board wish to terminate the general manager. The Board would essentially be forced to keep a GM until the end of their contract. Once the proposed contract extension is approved, practically speaking, it cannot be altered. Please make a contract amendment that is fair to both parties.

<u>SCENARIO</u>	<u>SEVERANCE PAY</u>	<u>IMPACT ON NEW BOARD</u> (taking office on 1/1/2023)
Current 3 year term (likely unlawful) as written would have expired on 6/30/2023	Required severance pay for any termination before 6/30/2023.	Realistically they would not initiate any termination before 6/30/2023 (hands tied for 6 months). GM would have 6 months to negotiate a new contract with this Board.
As proposed on 9/30/2021	Required severance pay for any termination before 6/30/2025.	No termination before 6/30/2025 (hands tied for 2 ½ years). GM would have 2 ½ years to negotiate a new contract with this Board.
As proposed in 10/13 packet, 2 contract extensions would occur automatically during term of current board, extending the contract to 6/30/2024.	Required severance pay for any termination before 6/30/24.	No termination before 6/30/2024 (hands tied for 1 ½ years). GM would have 1 ½ years to negotiate a new contract with this Board.

And yet another example of lack of transparency: we still don't have an answer from our HR Director as to the source of the request for a contract extension. The one proposed was like "ruling from the grave". Please ensure in the future that when a contract amendment is proposed, we know who initiated the request.

Others will comment on the Mountain Golf Course Cart Path Phase 1 fiasco. I will just say that a Change order that is not in writing is no change order. The whole contracting process is suspect when a vendor is allowed to substitute less costly materials and service without a properly

executed change order. Please ask for an investigation by an outside agency reporting to the Board.

Then there's the sloppily prepared Championship Golf Cart procurement memo, with missing materials and confusing, not convincing, arguments in support of staff's recommendation. Please require staff to come back to the Board with a complete and coherent proposal.

Hopefully the "refrigerator" can be thoroughly cleaned out. It won't be easy for the District to get rid of all the rotten items. And if we can't get rid of the smell, maybe it's time for a new refrigerator.

Judith Miller

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS OCTOBER 13, 2021 REGULAR IVGID BOARD MEETING – AGENDA ITEM I(3) – POSSIBLE LEASE OF 80 LITHIUM POWERED CHAMP GOLF CARTS AT A COST TO THE PUBLIC OF OVER HALF A MILLION DOLLARS!

Introduction: Here staff propose the Board approve staff's replacement of the Champ Golf Course's existing cart fleet by means of a sixty (60) month lease at an alleged "total cost not-to-exceed \$386,352."¹ But as you will see, the real cost is not \$386,352. It's \$550,352! And this is for a venue which is budgeted to lose a whopping \$1,192,857² *just this year* alone! I object. And that's the purpose of this written statement.

My E-Mail of October 12, 2021: On October 12, 2021 I sent the Board an e-mail outlining my objections to the subject agenda item³. Rather than reiterating each reason, I simply restate each reason and incorporate the same by reference into this written statement.

Staff's \$80,424.62 of Alleged Maintenance Costs For Our Existing Cart Fleet⁴ is Completely Bogus: Because our staff have demonstrated they cannot be trusted to share the truth, I have made a records request to examine the particulars of the alleged expenses indicated therein. Although these records have not yet been made available for my examination, if and when they are, I will share the particulars with the Board which I fully expect have little if anything to do with true maintenance and repair. Which will mean that staff have intentionally manipulated the numbers to make it appear that it will cost us more to maintain and repair our existing fleet of carts, than to acquire new which is really their biased agenda. If/when this occurs, we will have a further discussion.

Conclusion: We own our current fleet. Unlike your typical golf course, our fleet is used only a fraction⁵ of the year. Yet without regard for the financial implications, our staff blindly promote cart turnover every four (4) years because our core golfers demand the same. Think about it for a moment. Here staff are promoting the notion we should give up our existing cart fleet, lease a replacement, and end up paying a whopping \$6,879.40/cart! And this is at a venue which is losing nearly \$1.2 million annually. Are you out of your mind? Apparently you are if you buy into this irresponsibility.

¹ See page 381 of the packet of materials prepared by staff in anticipation of this evening's Board meeting ["the 10/13/2021 Board packet" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/1013_-_Regular_-_Searchable_-_Part_3.pdf)].

² See page 146 of the packet of materials prepared by staff in anticipation of the Board's May 26, 2021 meeting ["the 5/26/2021 Board packet" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/0526_-_Regular_-_Searchable.pdf)].

³ That e-mail is attached as Exhibit "A" to this written statement.

⁴ See page 386 of the 10/13/2021 Board packet.

⁵ Perhaps 33⅓% (4 months out of the year).

And to those asking why their Beach (“BFF”) and/or Recreation (“RFF”) Facility Fees are as unnecessarily high as they are, now you have another example.

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

EXHIBIT "A"

Agenda Item I(3) From the Board's October 13, 2021 Meeting - Possible Installment Purchase of 80 Champ Golf Carts

From: <s4s@ix.netcom.com>
To: "Tim Callicrate" <callicrate_trustee@ivgid.org>
Cc: "Matthew Dent" <dent_trustee@ivgid.org>, "Wong, Kendra" <Wong_trustee@ivgid.org>, "Sara Schmitz" <trustee_schmitz@ivgid.org>, "Michaela Tonking" <tonking_trustee@ivgid.org>
Subject: Agenda Item I(3) From the Board's October 13, 2021 Meeting - Possible Installment Purchase of 80 Champ Golf Carts
Date: Oct 12, 2021 4:46 PM

Chairperson Callicrate and Other Honorable Members of the IVGID Board -

Here staff urges the Board to authorize the purchase of 80 Tempo-Lithium battery powered carts with Visage 10.1" GPS screens on an installment lease/option purchase basis totaling \$77,270/year over 5 years for a total of \$386,352 (see pages 383 and 387 of the Board packet) with a balloon payment then due which is not clearly disclosed. Putting aside the fact any installment purchase requires approval by four board members [see NRS 350.087(1)], staff contend the purchase is necessary because they contend:

- 1) \$80,424-\$83,424 has been expended this 2021 golf season alone on the District's existing cart fleet (see page 386 of the Board packet) "associated with maintaining availability of carts" (see page 382 of the Board packet); and,
- 2) The implication is that this sum will be similarly incurred in future years ["staff estimates that annual incremental maintenance costs to keep the current golf cart fleet operational though the 2022 golf season will (conservatively) be in the range of \$80,000" (see page 386 of the Board packet)].

My complaint is we don't have enough information to make an intelligent decision so the agenda item should be removed from the calendar and rescheduled.

Let me say that before I prepared this e-mail I reached out to Darren Howard to ask if he could show me where the relevant figures I share with the Board exist. After all, I don't want to share incorrect information. And according to disingenuous comments made by people like Trustee Wong and former Trustee Peter Morris, all members of the public have to do to get answers to their questions is to reach out to staff who allegedly are there to help. Well history has demonstrated this is more staff propoganda because staff like Mr. Howard will not speak to me.

As a result, I was forced to piece together the financial information which follows to the best of my knowledge.

Staff assert the District's cost to lease new golf carts is \$386,352. But this is not true. The District will be required to trade in its existing fleet of carts which have a trade in allowance of at least \$2,050/cart [see page 407 of the Board packet. Also see supplemental page 428 which states "trade-in-value incl. (in) quote"].

So when we add in the trade in value of our current cart fleet (\$164,000) to the lease cost we see that the real cost is \$550,352 [actually, it's \$697,360 or \$8,717/cart (see page 407 of the Board packet) which I believe is what we will pay if the purchase option is exercised at the end of 5 years]. If these numbers are accurate, then it means a balloon payment will be due if the option to purchase is exercised 5 years down the road (see discussion below).

And that's the second question. What is the option price to purchase these carts if that's what we choose 5 years down the road? Because when we know that price, we will see that the real cost of these carts is higher than \$8,717/cart. You need to secure this number so everything is out in the open.

Staff recite that on November 18, 2020 the Board chose to deter cart fleet replacement directing staff to refurbish the existing cart fleet (see page 382 of the Board packet). The most costly element of cart repair are the batteries. Staff tell us that "to date 26 of the 80 carts in our fleet have had batteries replaced" (see page 386 of the Board packet). They want the Board and the public to believe it costs less to lease new carts (\$77,270) than to pay "in the range of \$80,000" annually to maintain our existing fleet. Besides the fact these numbers are not accurate because it's costing us \$410/cart/year over the five year lease term (\$2,050/five) times 80 carts (an additional \$32,800), I question the accuracy of the "in the range of \$80,000" number.

For this reason I have made a public records request to examine records which evidence the alleged validity of the maintenance and repair numbers staff represent. For instance, do staff expect us to conclude it is reasonable to spend \$34,416.86 with outside labor to install new batteries on 26 carts (\$1,323.73/cart)? If so, why then do we have Internal Services - Fleet personnel? They're an absolute waste which is what I have argued before.

Moreover, if the real cost/cart to replace it is \$110,070 (the \$77,270 staff admit plus the add'l \$32,800 paid in the form of trade in allowance), at an average \$69.82 revenue/round (see page 019 of the 2020 Golf Season Wrap Up), it means that we have to sell 1,576.48 rounds [6.83% of all 23,053 rounds allegedly played in a year (see page 012 of the Wrap Up)], before we're able to generate \$1 of real revenue. Does this sound like something smart to be doing? Especially given there's a warranty on the 26 cart batteries we've already installed so their useful lives should be a whole heck of a lot more than a year.

Then there is the issue of the real losses our Champ course generates every year. If you examine page 146 of the May 26, 2021 board packet you will see where the Board budgeted to lose \$1,192,857 this fiscal year at the Champ Golf Course. So when you're losing this kind of money and requiring local property owners to involuntarily pick up the deficiency, you think it's reasonable to tack on a \$110,070 yearly cost for golf carts? Does this sound like something smart to be doing?

Until we get more details from staff, I request the Board simply deny or defer the proposed installment-purchase agreement. Or put the issue to bed once and for all. How about two of you Board members simply voting no?

Respectfully, Aaron Katz

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS OCTOBER 13, 2021 REGULAR IVGID BOARD MEETING – AGENDA ITEM C – PUBLIC COMMENTS – WHAT DO WE DO WITH A GENERAL MANAGER (“GM”) WHO REFUSES TO BRING MATTERS TO THE BOARD FOR POSSIBLE ACTION – HERE REFUSING TO ASSESS “DWELLING UNITS” BEACH (“BFF”) AND/OR RECREATION (“RFF”) FACILITY FEES

Introduction: Nevada’s Open Meeting Law (“OML”) prohibits public bodies¹ from taking action² unless by a majority of members³ of their governing bodies⁴ at a public meeting⁵ where the action has been agendized and first noticed to the public⁶ a minimum of three days prior to that meeting⁷. Since IVGID’s GM prepares the agenda for each public Board meeting⁸, he in essence is the “gate keeper”

¹ IVGID is a “public body” inasmuch as NRS 241.015(4)(a) defines the term as “any administrative, advisory, executive or legislative body of the State or a local government consisting of at least two persons which expends or disburses or is supported in whole or in part by tax revenue or which advises or makes recommendations to any entity which expends or disburses or is supported in whole or in part by tax revenue.” The IVGID Board consists of five (5) members [see NRS 318.083(2)(c)], and the District is supported, in part, by *ad valorem* tax revenue (see NRS 318.225).

² See NRS 241.015(1)(a) which defines “action” as “a decision made by a majority of the members present, whether in person or by means of electronic communication, during a meeting of a public body.”

³ See NRS 241.0355(1) which instructs that “a public body...may not take action by vote unless at least a majority of all the members of the public body vote in favor of the action.”

⁴ See NRS 241.015(1)(d) which instructs that where as here “all the members of (the) public body must be (and are) elected officials,” no action is effective unless by means of “affirmative vote taken by a majority of all the members of the public body” present.

⁵ See NRS 241.010 which instructs “that all public bodies exist to aid in the conduct of the people’s business. It is (therefore) the intent of the law that their actions be taken openly and that their deliberations be conducted openly.”

⁶ See NRS 241.020(3)(d) which states “written...notice must include...an agenda consisting of: (1) A clear and complete statement of the topics scheduled to be considered during the meeting; [and], (2) A list describing the items on which action may be taken.”

⁷ See that portion of NRS 241.020(3) which instructs “written notice of all meetings must be given at least 3 working days before the meeting.”

⁸ See Policy 3.1.0.4 (page 8 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Board_Policies_1.pdf) which states “the General Manager...in cooperation with the General Manager, is responsible for preparing the agenda and supporting materials for each meeting...If a person or party, including the general public, wishes to have a matter considered by the Board, a written request should be submitted to the General Manager, in advance of the meeting.”

insofar as access to the Board is concerned. Stated differently, if a matter for possible Board action doesn't make it past the GM, it can never be voted upon by the Board.

Accordingly, on August 25, 2021 I sent an e-mail to the Board and our GM in accordance with NRS 318.203⁹, asking the board set a date for a hearing to determine whether the separate short term rental at 659 Cristina Drive, Incline Village is being used as a dwelling unit" and as such, should be assessed multiple RFFs/BFFs (a copy of that e-mail is attached as Exhibit "A" to this written statement). And how did it respond? My request and the District's response is the purpose of this written statement.

Since NRS 318.203 is Clear, Why Won't Our GM Bring This Matter to the Board For Decision? Why won't our GM do his job? And when he doesn't, our entirety community suffers because he holds the keys to the gate and he won't share them. Although Indra has reasons, those reasons are immaterial because he's not the one who gets to make the ultimate decision. Moreover, he's not even a member of our community as he lives in Reno and owns no real property in Incline Village/Crystal Bay subject to the BFF and/or RFF.

My E-Mail of October 7, 2021: After waiting for over a month for our GM to place this matter on the Board's meeting calendar and hearing nothing, on October 7, 2021 I sent a follow up e-mail asking if he ever intended to bring this matter to the Board for decision and if so, when¹⁰?

Our GM's October 8, 2021 Refusal: On October 8, 2021 Indra finally responded to me¹¹. And what was his response? We take our data from Washoe County and since the County doesn't tell us there are multiple dwelling units constructed upon 659 Cristina Drive, we don't have to do as NRS 318.203(3) instructs which is to shift the burden of proof to the owner to "provide...evidence satisfactory to the board that the unit referenced in (my) affidavit is not being used as a dwelling unit."

What is a "Dwelling Unit?" Putting aside the fact the County doesn't tell the public what is a "dwelling unit" and how many are constructed on a parcel,, NRS 318.203(4)(a) provides the answer for NRS 318.203 purposes:

⁹ Which instructs that "1. If...an(y)...person has a reasonable belief that a dwelling unit exists that is not currently being charged for services provided by a general improvement district...the...person may submit an affidavit to the board of trustees of the district, setting forth the facts upon which the... person bases his or her belief...2. If a board of trustees receives an affidavit described in subsection 1, the board may set a date for a hearing to determine whether the unit referenced in the affidavit is being used as a dwelling unit."

¹⁰ I have attached an e-mail string between myself and our GM as Exhibit "B" to this written statement. My subject October 7, 2021 e-mail is the first e-mail in that string.

¹¹ Indra's subject October 8, 2021 e-mail is the second e-mail of the string attached as Exhibit "B" to this written statement.

“As used in this section: (a) ‘Dwelling unit’ means a structure that is designed for residential occupancy by one or more persons for living and sleeping purposes, consisting of one or more rooms, including a bathroom and kitchen.”

Is 659 Cristina Drive a structure designed for residential occupancy by more than one person? Does it consist of multiple segregated portions for living and sleeping? Do these portions include their own bathrooms and kitchens? Since according to the attachments included in Exhibit “A” the answer is clearly yes, the simple fact of the matter is that 659 Cristina Drive consists of multiple dwelling units under the NRS definition.

My Response of October 11, 2021¹²: In the same I asked the question of the difference between separate apartments under a common roof on a single parcel and separate segregated dwelling units under a common roof on a single parcel? Since the answer is “no difference,” then why the difference when it comes to assessing the BFF and/or RFF?

If Two Dwelling Units Exist on 659 Cristina Drive, IVGID Provide Recreation and Beach Facilities to Both: Take a look at Resolution No. 1889 adopted May 26, 2021¹³; the most recent resolution which adopts the RFF/BFF and elects to have them collected on the county tax roll. First, ¶I(A) of the Report adopted thereinto declares that “each dwelling unit, whether such unit stands alone or is part of a multiple unit residential structure and whether or not such unit is separately assessed by the County Assessor” shall be assessed the RFF and if applicable, the BFF, “for the availability of use of the recreational facilities above described.”¹⁴ Second, 4 of Resolution No. 1189 recites that the Board has already found “that each parcel assessed pursuant to this Resolution and in its report for the collection on the Washoe County tax roll of standby and service charges for the fiscal year 2021-22 is specifically benefited” by the District’s Beach and/or Recreation Facilities¹⁵. Given the Board has already found that each dwelling unit on a residential parcel is specifically benefited by the District’s Beach and/or Recreation Facilities which are provided, the question is not now subject to a different determination.

Conclusion: I did not engage in the colloquy referenced by the attached e-mails to debate the underlying issue. Rather, I expected our GM to do his job of agendizing the subject issue on a future Board meeting calendar for possible decision. The fact he won’t speaks volumes and unnecessarily

¹² My subject October 11, 2021 e-mail is the third e-mail of the string attached as Exhibit “B” to this written statement.

¹³ See pages 184-193 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/0526_-_Regular_-_Searchable.pdf (“the 5/26/2021 Board packet”).

¹⁴ See page 190 of the 5/26/2021 Board packet.

¹⁵ See page 185 of the 5/26/2021 Board packet.

costs the rest of us. Not only do I object, but I ask what the Board intends to do with a GM who won't do his job and parses out discriminatory benefits to favored collaborators?

And to those asking why their BFF and/or RFF are as unnecessarily high as they are, now you have another example.

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

EXHIBIT "A"

Accessory dwelling unit STR at 659 Cristina which isn't being assessed a separate RFF/BFF

From: <s4s@ix.netcom.com>
To: Callicrate, Tim <tim_callicrate2@ivgid.org>
Cc: Dent, Matthew <dent_trustee@ivgid.org>, Wong, Kendra Trustee <wong_trustee@ivgid.org>, Schmitz, Sara <schmitz_trustee@ivgid.org>, Tonking, Michaela <tonking_trustee@ivgid.org>, <ISW@ivgid.org>
Subject: Accessory dwelling unit STR at 659 Cristina which isn't being assessed a separate RFF/BFF
Date: Aug 25, 2021 10:59 AM
Attachments: [659Cristina_FloorPlan.png](#) [Screenshot \(356\).png](#) [Screenshot \(354\).png](#) [Screenshot \(355\).png](#) [Screenshot \(357\).png](#) [Screenshot \(358\).png](#)

Chairperson Callicrate and Other Honorable Members of the IVGID Board:

Indra states that he is going to agendize Policy 16.1.1 for discussion at the next Board meeting.

This Policy speaks of exemptions. They should be eliminated as I have previously provided evidence that IVGID has no power whatsoever to exempt any parcel from paying the RFF/BFF.

Well there's another party of Policy 16.1.1 which needs to be discussed. And that's what a "dwelling unit" is and why all the units which meet this definition in town aren't being separate assessed.

Policy 16.1.2.4 defines dwelling unit as "any building or portion thereof, which contains living facilities with provisions for sleeping, eating, cooking, and sanitation."

659 Cristina. The owner of this unit has constructed a second, separate dwelling unit as the attachments evidence. This unit meets the requisite definition. It is no different than a duplex or apartment building with two dwelling units but for the zoning classification. If you don't believe me, then how about you direct your professional staff to examine the same and report back to the Board and the public. Because this property is only being assessed a single RFF/BFF.

If you're really going to be fair and uniform, you are going to assess this parcel multiple RFFs/BFFs. And you're going to do the same for the many hundreds of similar multi-dwelling units in town.

NRS 318.203(1) states that "if an(y)...person has a reasonable belief that a dwelling unit exists that is not currently being charged for services provided by a general improvement district...the...person may submit an affidavit to the board of trustees of the district, setting forth the facts upon which the...person bases his or her belief." I have reasonable belief and I had submitted evidence attached to this e-mail which supports my belief.

Now this e-mail isn't an affidavit, however, if you're going to hold this distinction against me, please advise and I will put it into an affidavit.

NRS 318.203(2) states that once "a board of trustees receives an affidavit described in subsection 1, the board may set a date for a hearing to determine whether the unit referenced in the affidavit is being used as a dwelling unit." So are you going to do as this section instructs?

Thank you for cooperation. And please post a copy of this e-mail request, together with attachments, on the communications portion of the District's web site. Aaron Katz

EXHIBIT "B"

RE: IVGID BOT Regular Meeting Agenda for Oct. 13, 2021 at 6 p.m. - Multiple Dwelling Units

From: <s4s@ix.netcom.com>
To: Winquest, Indra S. <ISW@ivgid.org>
Cc: Tim Callicrate <callicrate_trustee@ivgid.org>, Matthew Dent <dent_trustee@ivgid.org>, Wong, Kendra <Wong_trustee@ivgid.org>, Sara Schmitz <trustee_schmitz@ivgid.org>, Michaela Tonking <tonking_trustee@ivgid.org>
Subject: RE: IVGID BOT Regular Meeting Agenda for Oct. 13, 2021 at 6 p.m. - Multiple Dwelling Units
Date: Oct 11, 2021 10:02 PM

Thank you Indra -

But your response is irresponsible and wrong. You state you "see no evidence...on the Washoe County site...of what (I am) describing." What exactly are you looking for? And since when does anything on the county site override NRS 318.203(4)(a) ["Dwelling unit" means a structure that is designed for residential occupancy by one or more persons for living and sleeping purposes, consisting of one or more rooms, including a bathroom and kitchen"]? Moreover, the Assessor does not report the number of dwelling units on a parcel. Sometimes he reports "units per parcel." However, there is no definition on the Assessor's web site for this term. Nor does it necessarily mean dwelling units. It means units, whatever that definition happens to be. And it applies to units in a hotel or motel which the District is intentionally exempting from assessment. Moreover, even if the term meant dwelling units, the Assessor is not going to use IVGID's definition of "dwelling unit" in Policy 16.1.1 which differs from the county's definition (whatever it may be). So what exactly are you looking for that you can't seem to find on the Assessor's site?

Whether or not there are multiple dwelling units, as that term is defined in NRS 203(4), is not resolved by how the Washoe County Assessor describes a property. So why are you pointing to something that does not exist? Like I said. Irresponsible and wrong.

Is the subject "unit" I have brought to your attention at 659 Cristina part of "a structure that is designed for residential occupancy by one or more persons for living and sleeping purposes, consisting of one or more rooms, including a bathroom and kitchen?" Given the answer is obviously yes, this property consists of multiple dwelling units. Moreover, the owner of this parcel has applied for a STR permit where he/she admits there are multiple dwelling units.

Let's look at a couple of additional parcels which house multiple dwelling units yet IVGID staff refuse to recognize the same for NRS 318.203 purposes.

Take a look at the Parkside Inn motel parcel at 1003 Tahoe Blvd. (APN 130-163-31). In addition to the 38 unit motel proper, the Assessor tells us there's a single family residence constructed on the parcel. Yet according to you this evidence doesn't constitute multiple dwelling units because you're looking for something else on the Assessor's site (heaven knows what that is) that doesn't exist. Notwithstanding the SFR on this parcel, and the definition at NRS 318.203(4)(a), you wrongly assess a single RFF/BFF.

Take a look at the Tahoe Incline Apartments parcel at 786 Southwood Blvd. (APN 132-202-05). First of all, this parcel is not a residential parcel. This means you can't assess multiple RFFs/BFFs based upon multiple dwelling units because multiple dwelling units under both Policy 16.1.1 and NRS 318.203(4) on residential parcels. Putting this fact aside, I believe there are 6 separate buildings and 75 apartment units housed on this single parcel. Where does the County describe this parcel as 75 dwelling units? Nowhere! Yet you wrongly assess 75 RFFs/BFFs.

Moreover, what's the difference between individual apartments under a common roof or series of common roofs on a single parcel at Southwood Blvd., and the individual separate dwelling units [according to Policy 16.1.1 and NRS 318.203(4)(a)] under a common roof at 659 Cristina on a single parcel?

Take a look at APN 126-273-04. This parcel consists of nearly 16 acres. The Assessor tells us there are two detached SFRs (just like Southwood Blvd's dwelling units are not all attached) on the parcel each designed for and actually being used for residential occupancy by one or more persons for living and sleeping purposes, consisting of one or more rooms, including a bathroom and kitchen. The first faces Eagle Dr. and has been assigned the 735 Eagle Drive address. The second faces Fairview Blvd. and has been assigned the 775 Fairview Blvd. address. Yet only one RFF/BFF has been assigned.

There are many, many other similar examples around town and you intentionally ignore them to the detriment of those of us who are assessed.

So your explanation holds no water. And IMO, you're not doing your job. And the reason you're not doing your job, again IMO, is because in your heart of hearts you know we should not be assessing the RFF/BFF based upon dwelling units. Rather, they should be assessed, if at all, upon parcels of real property [see NRS 318.201(1)]. If you adhered to Policy 16.1.1 and NRS 318.203(4) you would create massive dissension in town which for political reasons, you refuse to do. Same reason why you won't assess the Hyatt 488 RFFs/BFFs which is what the District did up until 1982-83 (why was it appropriate to do prior to 1982 and now it's not?)

But really, the purpose of my e-mail to you was to engage in this colloquy but rather, because you hold the keys to the Board access gate, members of the public are forced to go through you. And when you pick and choose who gets a key, which is what you're doing here, you're discriminating against citizens which I view as wrong.

So when we look to modifying Policy 16.1.1, you see we have many, many more problems than the scant few you propose addressing.

Respectfully, Aaron Katz

-----Original Message-----

From: Winquest, Indra S.

Sent: Oct 8, 2021 9:21 AM

To: s4s@ix.netcom.com

Cc: Tim Callicrate , Matthew Dent , Wong, Kendra , Sara Schmitz , Michaela Tonking

Subject: RE: IVGID BOT Regular Meeting Agenda for Oct. 13, 2021 at 6 p.m.

Mr. Katz –

I have received your email. I have researched this property on the Washoe County site and see no evidence of what you are describing. We utilize the County's data as you know. If you have information that speaks to something different, please provide to both the county and IVGID.

Thanks, Indra

Indra Winquest

General Manager

Incline Village General Improvement District

893 Southwood Blvd, Incline Village NV 89451

P: 775-832-1206

F: 775-832-1380

isw@ivgid.org

<http://www.yourtahoeplace.com>

From: s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]

Sent: Thursday, October 7, 2021 2:47 PM

To: Winquest, Indra S.

Cc: Tim Callicrate ; Matthew Dent ; Wong, Kendra ; Sara Schmitz ; Michaela Tonking

Subject: Fw: IVGID BOT Regular Meeting Agenda for Oct. 13, 2021 at 6 p.m.

Hello Indra -

I just received the agenda for next Wednesday's Board meeting.

Nowhere do I see where you have agendized a hearing to assess 659 Cristina Drive, Incline Village, NV. multiple RFFs/BFFs as I requested in my e-mail of August 25, 2021, and my written statement of September 2, 2021. You have a duty to ensure that all non-exempt dwelling units within the District's boundaries are assessed a RFF and if applicable a BFF, and that no parcel owner pays more in RFFs/BFFs than required by ensuring that all dwelling units subject to the RFF/BFF pay their fair share.

And to the extent Chairperson Callicrate is the one who refuses to agendize this matter, he has a fiduciary and statutory (see NRS 318.203) duty to do so.

Do you intend to agendize this matter for hearing? If so when? If not, why not?

Thank you for your cooperation. Aaron Katz

-----Forwarded Message-----

From:

Sent: Oct 7, 2021 12:49 PM

To:

Subject: IVGID BOT Regular Meeting Agenda for Oct. 13, 2021 at 6 p.m.

This meeting will be conducted via Zoom

10/13/2021 IVGID BOT Regular Meeting Agenda

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WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS OCTOBER 13, 2021 REGULAR IVGID BOARD MEETING – AGENDA ITEM C – PUBLIC COMMENTS – WHAT DO WE DO WITH A GENERAL MANAGER (“GM”) WHO REFUSES TO DO HIS JOB – HERE NOT ASSURING THAT INCREASED SOLID WASTE REMOVAL FEES AND CHARGES ARE APPROPRIATE

Introduction: Nevada’s Open Meeting Law (“OML”) prohibits public bodies¹ from taking action² unless by a majority of members³ of their governing bodies⁴ at a public meeting⁵ where the action has been agendized and first noticed to the public⁶ a minimum of three days prior to that meeting⁷. Since IVGID’s GM prepares the agenda for each public Board meeting⁸, he in essence is the “gate keeper”

¹ IVGID is a “public body” inasmuch as NRS 241.015(4)(a) defines the term as “any administrative, advisory, executive or legislative body of the State or a local government consisting of at least two persons which expends or disburses or is supported in whole or in part by tax revenue or which advises or makes recommendations to any entity which expends or disburses or is supported in whole or in part by tax revenue.” The IVGID Board consists of five (5) members [see NRS 318.083(2)(c)], and the District is supported, in part, by *ad valorem* tax revenue (see NRS 318.225).

² See NRS 241.015(1)(a) which defines “action” as “a decision made by a majority of the members present, whether in person or by means of electronic communication, during a meeting of a public body.”

³ See NRS 241.0355(1) which instructs that “a public body...may not take action by vote unless at least a majority of all the members of the public body vote in favor of the action.”

⁴ See NRS 241.015(1)(d) which instructs that where as here “all the members of (the) public body must be (and are) elected officials,” no action is effective unless by means of “affirmative vote taken by a majority of all the members of the public body” present.

⁵ See NRS 241.010 which instructs “that all public bodies exist to aid in the conduct of the people’s business. It is (therefore) the intent of the law that their actions be taken openly and that their deliberations be conducted openly.”

⁶ See NRS 241.020(3)(d) which states “written...notice must include...an agenda consisting of: (1) A clear and complete statement of the topics scheduled to be considered during the meeting; [and], (2) A list describing the items on which action may be taken.”

⁷ See that portion of NRS 241.020(3) which instructs “written notice of all meetings must be given at least 3 working days before the meeting.”

⁸ See Policy 3.1.0.4 (page 8 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Board_Policies_1.pdf) which states “the General Manager...in cooperation with the General Manager, is responsible for preparing the agenda and supporting materials for each meeting...If a person or party, including the general public, wishes to have a matter considered by the Board, a written request should be submitted to the General Manager, in advance of the meeting.”

insofar as access to the Board is concerned. Stated differently, if a matter for possible Board action doesn't make it past the GM, it can never be voted upon by the Board.

Accordingly, on September 8, 2021, if not before, I sent an e-mail to the Board and our GM⁹ asking the board compel Indra to do his job of verifying that Waste-Management's ("W-M's") recent solid waste disposal rate and charge increases were appropriate. And how did he respond? Because I was ignored, this is the purpose of this written statement.

My E-Mail of October 7, 2021: After waiting a month for our GM to place this matter on the Board's meeting calendar and hearing nothing, on October 7, 2021 I sent a follow up e-mail asking if he ever intended to bring this matter to the Board for decision and if so, when¹⁰?

The Current Solid Waste Disposal Franchise With W-M¹¹: Reference to the quoted portions contained in my attached e-mails can be gleaned from an examination of that franchise.

Why Won't Our GM Bring This Matter to the Board For Direction? Why won't our GM do his job? And when he doesn't, our entirety community suffers because he holds the keys to the gate and he won't share them. Although Indra has reasons, those reasons are immaterial because he's not the one who gets to make the ultimate decision. Moreover, he's not even a member of our community as he lives in Reno and owns no real property in Incline Village/Crystal Bay subject to the BFF and/or RFF.

Conclusion: The simple fact of the matter is that W-M's recent increase in our sold waste removal fees is not justified. But we can't seem to get our GM to do his job. The fact he won't speaks volumes and unnecessarily costs the rest of us. Not only do I object, but I ask what the Board intends to do with a GM who won't do his job?

And to those asking why their Beach ("BFF") and/or Recreation ("RFF") Facility Fees are as unnecessarily high as they are, now you have another example.

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

⁹ I have attached an e-mail string between myself and our GM as Exhibit "A" to this written statement. My subject September 8, 2021 e-mail is the second e-mail in that string.

¹⁰ My subject October 7, 2021 e-mail is the third e-mail in that string attached as Exhibit "A" to this written statement.

¹¹ Go to https://www.yourtahoepace.com/uploads/pdf-public-works/2016-10-01_Waste_Management_Franchise_Agreement_no_Exhibit_B.pdf.

EXHIBIT "A"

Fw: IVGID BOT Regular Meeting Agenda for Oct. 13, 2021 at 6 p.m.

From: <s4s@ix.netcom.com>
To: <ISW@ivgid.org>
Subject: Fw: IVGID BOT Regular Meeting Agenda for Oct. 13, 2021 at 6 p.m.
Date: Oct 7, 2021 4:18 PM

Hello Indra -

I just received the agenda for next Wednesday's Board meeting.


Nowhere do I see where you have agendized possible Board action in response to my September 10, 2021 e-mail re: inappropriate solid waste rate increases (see that e-mail replicated below). Where is the evidence:

1. The solid waste franchise with Waste-Management ("W-M") entitles W-M to include a portion of its federal income taxes (given Nevada is a non state income tax state) as an allowable operational expense which reduces its net income for rate adjustment purposes? Does the Board need a legal opinion, or are members competent enough to read and understand the franchise themselves?
2. GAAP mandates that W-M's federal income taxes be included in the formula which reduces its net income for rate adjustment purposes? Wouldn't a simple question of our Finance Director answer this question one way or the other?
3. Of W-M's income tax returns and confirmation that its proration/allocation of its operations within the District total the \$77,000 represented? If nowhere, why not? And if not, why haven't you requested the particulars of W-M's calculations along with copies of its income tax returns (actually, it's not W-M's income tax returns. It's Reno Disposal's) and shared them with the Board and the public?
4. Of the \$28,000 of claimed other general & admin costs represented by W-M? And where is the evidence of how and why they've allegedly increased by \$24K in just the last year?
5. Of the latest lease between W-M and Reno Disposal (its subsidiary) for the solid waste transfer station on Sweetwater? Where is your sharing of the amount of expenses represented by W-M attributable to this lease? Where is your sharing of how much in rent costs have increased over the last five years?
6. Of having requested an audit of W-M's financial operations within the District which is guaranteed by the franchise agreement?
7. Of the legal justification for charging W-M a franchise fee which ends up getting passed on to rate payers in the form of higher solid waste fees? IVGID incurs no costs associated with the delivery of solid waste services. Therefore, it has no power under NRS 318.197(1) to charge W-M a rate, toll or charge for services or facilities NOT furnished by the district because none has been furnished.

Moreover, the overwhelming majority of streets in our community are neither owned nor serviced/maintained by IVGID. They have been publicly dedicated to the county. So where does IVGID get off charging W-M a franchise fee for the alleged wear and tear on the use of those streets when they belong to someone other than IVGID?

If there were no franchise fee, according to W-M its expenses would total \$314,000 less than they do. Therefore its annual net income before taxes would total \$681,000 instead of \$367,000. And as a result, there would be no solid waste rate increase.

When I made my request I thought you would bring these matters to the Board and secure direction to ensure that W-M's recent rate increases are justified. Yet you have done nothing. And according to the three amigos on our Board, this non-action represents an "exceeds requirements" for bonus compensation purposes.

If you're not going to do your job and protect local solid waste rate payers from unjust, unreasonable and impermissible rate increases, then I appeal to the Board to expressly direct Indra to do the same. 

So do you intend to agendize these matters for hearing? If so when? And if not, why not and will any individual trustee request that these matters be agendized for possible action?

Thank you for your cooperation. Aaron Katz

 -----Original Message-----From: s4s@ix.netcom.comSent: Wednesday, September 8, 2021 12:06 PM

To: ISW@ivgid.org

Cc: Herron, Susan ; Callicrate, Tim ; Dent, Matthew ; Wong, Kendra ; Schmitz, Sara ; Tonking, Michaela

Subject: It's Everything You and Your Beloved Staff Do - And the Board Does Nothing - Now It's the Latest Increase in Our Solid Waste Rates

Hello Indra -

Before I start criticizing, and since our Board refuses to do its job of responsible oversight on behalf of our community, how about you fill in the missing blanks by answering some questions insofar as our recent W-M solid waste rate increase is concerned? And since I am sending a copy of this e-mail to the Board, paper work evidencing that increase is attached as an exhibit because I'm certain some or all of our elected stewards haven't even examined the same.

So here W-M sent you a letter with documentation allegedly supporting a 4.41% increase in solid waste rates on March 25, 2021. In other words, a 44,295 increase (4.41% of \$3.272M in total revenues).

So what did you do to confirm the propriety of any of this? I'm guessing NOTHING but like I said, you fill in the blanks.

While we're waiting for you to fill in the blanks, let's review the franchise agreement since I'm certain few trustees have. That franchise can be examined online at:

https://www.yourtahoeplace.com/uploads/pdf-public-works/2016-10-01_Waste_Management_Franchise_Agreement_no_Exhibit_B.pdf.

I've replicated below some salient provisions so you don't have to scour over all of this legalese.

1. The rates set forth in Exhibit "B" shall be adjusted annually by a percentage equal to the annual percentage change in the Consumer Price Index (see ¶11.1);
2. Notwithstanding, Collector shall not be entitled to the annual CPI rate adjustment if Collector's rolling annual average Return on Revenue for the prior three calendar years exceeds 9% [see ¶11.1(a)];
3. Return on Revenue means the ratio of Net Income to Gross Receipts (¶1.26);
4. Rolling Annual Average. There is no definition;
5. Gross Receipts means all revenues received (but for) revenues generated from the sale of Recyclables or rebates for Recyclables (¶1.19);
6. Net Income is defined as Gross Receipts minus Allowable Expenses (including taxes) (¶1.23). What kind of "taxes?"

There is no definition. I will return to this subject below as I do not consider income taxes which have nothing to do with operational costs included in this exclusion;

7. Allowable Expenses means those expenses incurred by the Collector (which) do not exceed the fair market value of comparable goods or services, and are commercially reasonable and prudently incurred, calculated according to Generally Accepted Accounting Principles ('GAAP' and) prorated or allocated to the Collector's operations within the District (§§1.1).

Is the inclusion of non-operational income tax expenses as a factor in adjusting rates commercially reasonable? What about prudently incurred? What about calculated according to GAAP?

What about W-M's payments to itself for rent on the transfer station which is mandated by the franchise?

8. Let's talk about another allowable expense. Collector shall pay to the District a franchise fee in an amount equal to ten percent (10%) of Gross Receipts. The Franchise Fee hereunder shall not include any revenue received by Collector from the sale or other disposition of Recyclables (§§12.1). I'll have more to say about this one below;

9. According to W-M, IVGID's Franchise Fee has increased \$35,000/annually, from \$279,000 to \$314,000;

10. According to W-M, annual operational costs & expenses have decreased by \$61,000, from \$2.292M to \$2.231M. But how much of these costs include the rent paid to itself for lease of the transfer station? We don't have the answer to this question;

11. Additionally, according to W-M annual general & administrative costs have increased by \$24,000 from 04,000 to 28,000. What costs make up the increase? We don't have the answer to this question;

12. According to W-M, its three year rolling average pre tax return on revenue has exceeded 9%. Specifically 10.07%;

13. However because of the inclusion of \$77,000 of presumably prorated and allocated federal income taxes, as an alleged allowable expense, W-M's Return on Revenue has dropped below 9% (specifically, 8.87%). And its three year rolling average return on revenue has dropped below 8% (specifically, 7.95%). Thus both warrant an increase in rates;

14. So the questions: Assuming arguendo W-M's \$77,000 income tax number is an accurate proration and allocation, and it's proper to include this number in allowable operational expenses, how much of a Return on Revenue increase would be necessary to exceed the 9% threshold? And how much of a Return on Revenue increase would be necessary to exceed a rolling three year average threshold of 9%?

15. The ratio of Net Income/Gross Receipts for the previous year ($\$290,000/\$3,272,000$) = 8.86%. Therefore, if net income for the previous year increased by only \$4,500 (to \$294,500), either by increasing receipts or decreasing expenses, the ratio of Net Income/Gross Receipts would exceed the 9.0% threshold;

16. And if net income for the previous year increased by 00,750 (to \$390,750), either by increasing receipts or decreasing expenses, the three year rolling average ratio of Net Income/Gross Receipts would exceed the 9.0% threshold;

17. Remember, \$77,000 of this 00,750 net income number is attributable to W-M's alleged income taxes. And another \$23,750 is attributable to IVGID's \$35,000 franchise fee increase. If both were removed, there would be no solid waste rate increase. Stated a bit differently, we are allowing W-M a 44,295 rate increase because of its alleged inability to realize an additional 00,750 of net income due to the federal income taxes it pays, and IVGID's franchise fee.

18. Are you getting the picture Indra?

19. The District may request and/or perform, either using its own personnel or a consultant or contractor, an independent audit of the Collector's operation(s), billings, and collections. There's really no cost to the District because the cost of such an audit shall be an Allowable Expense (the Collector incurs) (§7.5).

So have you asked for an audit of W-M's financials? I'm guessing you haven't but like I said, you fill in the blanks.

Now not that it's my job (it's YOURS), but:

20. Where in the franchise does it entitle W-M to include a portion of its federal income taxes (given Nevada is a non state income tax state) as an allowable operational expense which reduces its net income for rate adjustment purposes? Putting aside the fact your predecessor was stupid in allowing this language to be included in a franchise brought to the Board for approval, the franchise does not identify what types of taxes are included in allowable expenses. Since an income tax is not an operational expense, why is it included in the formula for determining net operational income? And why do you sit blindly by allowing this to occur?

If I were Josh Nelson I would be telling you that because you have sat on your rear and done nothing for "x" amount of time, you're guilty of laches and the public has no remedy.

21. Does GAAP mandate that W-M's federal income taxes be included in the formula which reduces its net income subject to permissible rate increases? If not, why do you sit blindly by allowing this to occur?

22. Have you examined W-M's income tax returns and confirmed that its proration/allocation for the Collector's operations within the District total the \$77,000 represented? If not why not? And if not why haven't you requested the particulars of W-M's calculations along with copies of its income tax returns (actually, it's not W-M's income tax returns. It's Reno Disposal's)? And how about doing so now?

23. Have you secured a breakdown of the \$28,000 of claimed other general & admin costs represented, and how have they allegedly increased by \$24K in the last year? If not why not? And how about doing so now?

24. I have asked for this many times before and am again asking it now. Have you obtained a copy of the latest lease between W-M and Reno Disposal (its subsidiary) for the transfer station? How much of the expenses represented by W-M are attributable to this lease? And how much in rent costs have increased over the last five years? These are material questions which go to the root of W-M's claim that net income has not reached the threshold to eliminate future solid waste rate increases. If you don't have answers, why don't you? And how about getting them now?

Since we have a right to an audit you can request answers to all of these questions and examine the documents which support them. All you have to do is ask. And if W-M refuses, you can compel an audit at their expense.

And yet I suspect you and your team do nothing. So any illusion the public or the Board has that staff is looking out for their interests is nothing more than that; an illusion!

25. Finally, since a copy of this e-mail is going to the Board, where do you get off charging W-M a franchise fee which ends up getting passed on to rate payers in the form of higher solid waste fees? IVGID isn't providing solid waste disposal services. It has contracted for those services with W-M. Therefore IVGID incurs no costs associated with the delivery of solid waste services. Therefore, it has no power under NRS 318.197(1) to charge W-M a rate, toll or charge for services or facilities furnished by the district because none has been furnished.

Moreover, the overwhelming majority of streets in our community are neither owned nor serviced/maintained by IVGID. They have been publicly dedicated to the county. So where does IVGID get off charging W-M for the alleged wear and tear on the use of those streets when they belong to someone else?

Don't you get it? If there were no franchise fee, W-M's expenses would total \$314,000 less than they do, its annual net income before taxes would total \$681,000 instead of \$367,000, there would be no solid waste rate increase, and our solid waste fees would be lower than they currently are. But this is counter to staff's interests.

Who benefits by this fee? Certainly NOT the public. And certainly the District. Which helps explain for whose benefit the District actually exists. It's a window into everything you do!

So what do you intend to do about this Indra? And while you're thinking of the answer or no answer, please consider items 20-25 to be requests to examine any/all of the documents referenced therein as public records, whether they currently exist or you request and receive them from W-M. I am sending Ms. Herron a copy of this e-mail so she can't assert I never made request upon her.

Thank you for your cooperation and I'm waiting Indra. Aaron Katz

-----Forwarded Message-----

From: Herron, Susan
Sent: Sep 7, 2021 4:59 PM
To: 's4s@ix.netcom.com'
Cc: Tim Callicrate , Matthew Dent , Wong, Kendra , Sara Schmitz , Michaela Tonking , Winquest, Indra S.
Subject: RE: So Where's the W-M Trash Rate Increase Notice and Statement of Operations Requested Aug 13?

Mr. Katz,

Here is the document as requested.

Susan

-----Original Message-----

From: s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]
Sent: Tuesday, August 31, 2021 11:14 AM
To: Herron, Susan
Cc: Tim Callicrate ; Matthew Dent ; Wong, Kendra ; Sara Schmitz ; Michaela Tonking ; Winquest, Indra S.
Subject: So Where's the W-M Trash Rate Increase Notice and Statement of Operations Requested Aug 13?

Hello Ms. Herron -

Do you claim these materials have been sent to me and I just didn't receive it?

Do you intend to provide the same and when given more than 5 business days have elapsed?

If you don't intend to provide what are your reasons why not?

Thank you for your cooperation.

BTW, sending a copy to the Board so they can see, again, how conscientious staff is in sharing information/providing requested records. And BTW, these materials should have been readily available with minutes if not hours. Rather than 18 days so far.

Respectfully, Aaron Katz

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS OCTOBER 13, 2021 REGULAR IVGID BOARD MEETING – AGENDA ITEM H(1) – AWARDING A \$133,438 CONSTRUCTION CONTRACT FOR THE WETLANDS EFFLUENT DISPOSAL FACILITY IMPROVEMENT PROJECT TO CONTRACTOR F.W. CARSON CO. (“CARSON”)

Introduction: “The District owns and maintains 900 acres of land in Douglas County for the disposal of WRRF effluent...The effluent is distributed through...various cells via channels and pipes for transportation, evaporation and percolation. The property also contains...large areas of warm water springs that a(re) kept separate from the effluent cells...There is an extensive system for the wetland cells and surrounding levees to protect the facility from flooding. There is a road network of over 10.5 miles within the wetlands facility, with an additional 4.5 miles of levees, a control building and infrastructure for controlling the flow of effluent to and between cells.”¹ Here staff propose that the Board award a \$133,438 construction contract to Carson for the prosecution of Capital Improvement Project (“CIP”) 2599SS1103, labeled “the Wetlands Effluent Disposal Facility Improvements Project.”² Notwithstanding contract documents for this project (“the contract”) are included in the Board packet³, *nowhere* is the scope of work clearly and completely set forth. At best, Article 1.01 of the contract describes “the proposed work (to)...include:

1. Grading (at unspecified locations)...to re-establish effluent re-use channels;
2. Removal of (an unidentified) berm within an existing (unspecified) channel to re-establish flow;
3. Adding excavated on-site material to re-build an (unidentified) existing berm; and,
4. Provid(ing) rockery rip rap for slope stabilization” at unidentified locations⁴.

Yet the Project Summary for this CIP⁵ by-and-large describes something different:

¹ See page 327 of the packet of materials prepared by staff in anticipation of this October 13, 2021 Board meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/1013_-_Regular_-_Searchable_-_Part_2.pdf (“the second 10/13/2021 Board packet”).

² See page 139 of the packet of materials prepared by staff in anticipation of this October 13, 2021 Board meeting [“the first 10/13/2021 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-ivgid/1013_-_Regular_-_Searchable_-_Part_1.pdf)].

³ See pages 179-325 of the second 10/13/2021 Board packet.

⁴ See page 179 of the second 10/13/2021 Board packet.

⁵ See pages 326-327 of the second 10/13/2021 Board packet.

“Levees and roadways need to be maintained...There are infrastructure improvements that need to be addressed...such as replacement of piping, valves, vegetation control, invasive weed mitigation, junction boxes, flow control boxes, master inflow meter and sample locations.”

Yes some of the proposed work may technically be included in the project summary. However, not encompassing nearly 73% of the full \$183,500 budgeted! But when an additional \$50,000 assigned to “internal staff...design/permit” fees, “construction reserves” and in-house “construction management” is added onto the proposed \$133,438 contract price, we see that very little of the work described in the project summary is proposed to be completed.

Moreover, staff have placed this matter on the Board’s Consent Calendar (see discussion below) which unless removed means there can be no discussion. For these reasons I urge the Board to summarily reject this agenda item. And that’s the purpose of this written statement.

This Matter Has Been Improperly Placed on the Consent Calendar: Policy 3.1.0.4⁶ addresses matters placed on a Board meeting’s Consent Calendar and it reads as follows:

“In cooperation with the Chair, the General Manager may schedule matters for consideration on a Consent Calendar. The Consent Calendar may not include changes to budget, user rates or taxes, adoption or amendment of ordinances, or any other action which is subject to a public hearing. Each consent item shall be separately listed on the agenda, under the heading of ‘Consent Calendar.’ A memorandum containing all relevant information will be included in the packet materials for each Consent Calendar item. The memorandum should include the justification as a consent item in the Background Section.”

Take a look at the staff memorandum in support of this agenda item⁷. Show me where it “include(s) the justification” for this matter having been placed on the Consent Calendar? Staff tells us because “it is routine business...and within the currently approved District Budget.”⁸ Do any of you think that this project, as described, represents “routine business?” Or is there something more going on here? For these reasons alone the matter should be rejected. Or if not, transferred to the General Business Calendar where it can be discussed and possibly be modified. In fact on October 10, 2021 I sent the Board an e-mail⁹ where in part, I made this request.

⁶ Go to page 10 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Board_Policies_1.pdf.

⁷ See pages 139-141 of the 10/13/2021 Board packet.

⁸ See page 140 of the 10/13/2021 Board packet.

⁹ This e-mail is attached as Exhibit “A” to this written statement.

Any Member of the Board May and Should Ask That This Agenda Item Be Transferred to the General Business Calendar: Policy 3.1.0.4⁶ instructs that: “any member of the Board may request the removal of a particular item from the consent calendar and that the matter shall be removed and addressed in the General Business section of the meeting.” I ask that at least one Board member do as this policy instructs.

My October 10, 2021 E-Mail to the Board on This Subject the Subject: As aforesaid, on October 10, 2021 I wrote to the IVGID Board objecting to this agenda item and the fact it had been placed on the meeting’s Consent Calendar⁹. So the Board has been placed on notice.

What’s Really Going on Here: Take a look at my e-mail of October 10, 2021⁹. The subject episode between Mr. Underwood and Carson isn't the first such episode between the two. Take a look at agenda G(3) on the Board’s September 2, 2021 meeting agenda¹⁰. ANOTHER contract with this same favored collaborator for phase 1 of the Mountain Golf cart pathway project. And like phase 1 of the Mtn Golf cart pathway project, here staff published a RFP. And similarly, there were only two bidders - RaPiD Construction and Carson. And similarly, Carson's bid was barely 2/3rds of RaPiD's⁸. And just like Carson's cart path project bid, “staff reviewed the bid...checked references for the Contractor (and)... recommends awarding the Bid to...Carson.”⁸ If the foregoing is not sufficient for at least one of you to pull this matter from the Consent Calendar as Policy 3.1.0 allows you to do, look at Article 3 of the proposed agreement with Carson: “IVGID's Engineering Division (will)...act as Owner’s representative... and have the rights and authority assigned...in the contract.”⁴ In other words, the Board will be giving Mr. Underwood the same power to modify this contract as he asserts he had to modify the Mtn. Golf cart pathway project. Look how the latter exercise of discretion worked out. And now we intend to replicate the wrongs of the past involving the same two players? Do you see any similarities here? Given the cart pathway fiasco, do you see any red flags which warrant investigation? Quoting from a line in one of my most favorite movies, “wake up and smell the coffee Mrs. Bueller!” Don't you get it? We can't trust our Public Works Dep't. We can't trust Mr. Underwood. In fact, I don't even understand how the Board allows him to be employed by the District given the Board has the statutory power to hire and fire employees.

Conclusion: For the reasons stated, I ask that the Board:

1. Pull this Wetlands CIP project from the Consent Calendar;
2. Ultimately vote "NO" on this agenda item¹¹;

¹⁰ See pages 62-307 of the packet of materials prepared by staff in anticipation of this October 13, 2021 Board meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/0902_-_Regular_-_Searchable_-_Part_1.pdf (“the 9/2/2021 Board packet”).]

¹¹ At page 141 of the 10/13/2021 Board packet Mr. Underwood tells the Board it may “not authorize the construction and defer the(se)...improvements.”

3. Order a forensic audit of not only possible bid rigging on this project, but on the phase 1 of the Mtn. Golf cart pathway project as well (haven't I demonstrate enough wrong doing Ms. Wong for you to agree that possibly, a forensic audit might be in order?);

4. Immediately take away staff's authority to modify any construction contract initially approved by the Board (if there are to be any modifications, they must come before the Board and be approved by the Board); and,

5. Stop Mr. Underwood or anyone else [see proposed Amendment #1 to agenda item H(2)] from executing any change order with Carson insofar as the phase 1 of the Mtn. Golf cart pathway project is concerned.

And to those asking why their Recreation ("RFF") and Beach ("BFF") Facility Fee(s) are as unnecessarily high as they are, now you have another example.

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

EXHIBIT "A"

It's Nearly Everything Your Vaunted Staff Do - Now it's the Wetlands Improvement CIP - Agenda Item H(1) of the October 12, 2021 Board Meeting

From: <s4s@ix.netcom.com>
To: "Callicrate, Tim" <tim_callicrate2@ivgid.org>
Cc: "Dent, Matthew" <dent_trustee@ivgid.org>, "Wong, Kendra Trustee" <wong_trustee@ivgid.org>, "Schmitz, Sara" <schmitz_trustee@ivgid.org>, "Tonking, Michaela" <tonking_trustee@ivgid.org>, <ISW@ivgid.org>
Subject: It's Nearly Everything Your Vaunted Staff Do - Now it's the Wetlands Improvement CIP - Agenda Item H(1) of the October 12, 2021 Board Meeting
Date: Oct 10, 2021 11:04 AM

Chairperson Callicrate and Other Honorable Members of the IVGID Board -

I realize three of you amigos are in love with our vaunted staff, but the truth of the matter is that many are liars. And today we're going to talk about one of them - Brad Underwood.

Have you examined his CYA memo of October 6, 2021 re the phase 1 of the Mtn Golf cart path replacement project (see pages 55-59 of the Board packet for Wednesday's Board meeting)? This is a perfect example of what happens when a liar gets caught in his own web of lies. It's an example of attempting to cover up wrongdoing with even more lies.

First of all let's be clear. The original construction contract as executed required removal and haul away of the existing cart pathway and replacement with new aggregate base rock as I have demonstrated to the Board. We know this is true because Mr. Underwood now tells us that "on September 9/10...Carson verbally requested to use...pulveriz(ed)...recycled...base" material instead of the aggregate base rock mandated by the construction contract.

Next he tells us that HE had the power to modify the construction contract's aggregate base rock requirement based upon Carson's verbal request, and he did. Guess what? HE DIDN'T!

I wonder how much of our Rec and Utility fees Mr. Underwood wasted on conversations with Josh Nelson designed to come up with a legally supported analysis which allegedly supported his assertion that he had the power to modify the contract? After all, didn't our Josh approve the proposed contract approved by the Board as to form and content? Does anyone really think Mr. Underwood alone has the knowledge or expertise to be quoting cherry picked sections of EJCDC® C-700, Standard General Conditions for the Construction Contract (2018) [see page 116 of the Sep. 2 Board packet]? He's an engineer for GOD's sake. Not a lawyer!

I will henceforth prove that Mr. Underwood had no power to modify once I secure the written documentation I require to back up my assertion (I have an outstanding records request to Ms. Herron). But in the interim please trust me. Mr. Underwood is a liar (you'd know about this one, wouldn't you Chair Callicrate?).

Next, and if you didn't go to school to eat your lunch, think about it for a moment. Mr. Underwood tells us that on Sep. 13 he granted Carson's verbal request for a contract modification, and on Sep. 16, 2021 he issued a Notice to Proceed (see page 56 of the Board packet for Wednesday's meeting). Yet as of October 6, 2021, the date of his memo, he had still NOT prepared an appropriate change order to reflect approval? Why would you issue a Notice to Proceed without first securing an appropriate change order Mr. Underwood?

And of even greater concern, why would you delay an appropriate change order to at least October 6, when the terms of the contract mandate that all "Work will be substantially complete on or before October 15, 2021" (see page 112 of the Sep. 2 Board packet)? Now there's professionalism, wouldn't you agree?

This isn't the first evidence of Mr. Underwood's dirtiness, but rather, it's the hump which has broken the camel's back.



Now consider this one. The subject episode between Mr. Underwood and F.W. Carson isn't the first such episode. Take a look at agenda H(1) on Wednesday's Board meeting agenda. ANOTHER contract with this same favored collaborator for alleged wetlands remedial work. Like phase 1 of the Mtn Golf cart pathway project, staff published a RFP. And similarly, there were only two bidders - RaPiD Construction and Carson. And similarly, Carson's bid was barely 2/3rds of RaPiD's (see page 140 of the Board packet for Wednesday's meeting). And just like Carson's cart path project bid, "staff reviewed the bid...checked references for the Contractor (and)...recommends awarding the Bid to...Carson" (see page 140 of the Board packet).

Do you see any similarities here? Do you see any red flags which warrant investigation? Let me share some more.

What is the scope of this work? I defy any of you to examine the contract documents (see pages 179-325 of the Board packet for Wednesday's meeting) and show me where that scope of work is "clearly and completely" stated. After all, if we don't know the scope of work, how do we know if and when it is completed? Be that as it may, Mr. Underwood tells us this project has been budgeted as project number 2599SS1103. The project summary for this CIP appears at pages 326-327 of the Board packet. Putting aside the fact that the project description tells us the subject CIP is really nothing more than an operational maintenance item, we are told "there are infrastructure improvements that need to be addressed in order to keep the facility in good working order such as replacement of piping, valves, vegetation control, invasive weed mitigation, junction boxes, flow control boxes, master inflow meter and sample locations."

Okay, now refer back to Mr. Underwood's memo where he tells us his real intended scope of work: "this project consists of grading work to re-establish channels in a few locations that have silted in and become overgrown with vegetation. Also included is grading work to repair the berm between cells 1A and 1B...Cell 1A work will also include re-establishing channel flow, building up the existing berm between Cell 1A and Cell 1B, placing and compacting aggregate base on top of the berm...and providing rockery rip rap slope stabilization...These modifications will provide a clear path for the effluent to flow through" (see pages 139-140 of the Board packet). Does this description say anything about replacing piping, valves, vegetation control, invasive weed mitigation, junction boxes, flow control boxes, master inflow meter and sample locations? Am I the only one who sees a problem between the work Mr. Underwood seeks to commence and the work the Board has actually approved as a CIP?

And of even more concern, is that this wetlands project has been placed on the Board's consent calendar because allegedly "this item is...routine business...and within the currently approved District Budget." Really? Is it "routine?" Is the description of Work in accordance with the project summary for which funds have been appropriated? Is it really a CIP rather than routine maintenance? I don't think so!

Or is there something more going on here?

Quoting from a line in one of my most favorite movies, "wake up and smell the coffee Mrs. Bueller!"

If the foregoing were not sufficient for at least one of you to pull this matter from the Consent Calendar as Policy 3.1.0 allows you to do, look at Article 3 of the proposed agreement with Carson (page 179 of the Board packet): "IVGID's Engineering Division (will)...act as Owner's representative...and have the rights and authority assigned...in the contract." In other words, the Board will be giving Mr. Underwood the same power to modify this contract as he asserts he had to modify the Mtn. Golf cart pathway project with Carson. Look how the latter exercise of discretion worked out. And now we intend to replicate the wrongs of the past involving the same two players?

Don't you get it? We can't trust our PW Dep't. We can't trust Mr. Underwood. In fact, I don't even understand how the Board allows him to be employed by the District given the Board has the statutory power to hire and fire employees.

IMO you need to:

1. Pull the Wetlands CIP project (agenda H(1)) from the Consent Calendar;
2. Ultimately vote "NO" on this agenda item (at page 141 of the Board packet Mr. Underwood tells the Board it may "not authorize the construction and defer the(se)...improvements;"
3. Order a forensic audit of not only possible bid rigging on this project, but on the phase 1 of the Mtn. Golf cart pathway project as well (haven't I demonstrate enough wrong doing Ms. Wong for you to agree that possibly, a forensic audit might be in order?);
4. Immediately take away staff's authority to modify any construction contract initially approved by the Board (if there are to be any modifications, they must come before the Board and be approved by the Board); and,
5. Stop Mr. Underwood or anyone else [see proposed Amendment #1 to agenda item H(2)] from executing any change order with Carson insofar as the phase 1 of the Mtn. Golf cart pathway project is concerned.

Thank you for your cooperation. Respectfully, Aaron Katz

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS OCTOBER 13, 2021 REGULAR IVGID BOARD MEETING – AGENDA ITEM H(2) – PROPOSED AMENDMENT (THE LANGUAGE ITSELF) TO OUR GENERAL MANAGER’S (“GM’S”) EMPLOYMENT CONTRACT

Introduction: Here staff propose the Board modify¹ the GM’s July 1, 2020 employment agreement² via the creative language our attorney has crafted³ in accordance with the Board’s alleged direction given at its September 30, 2021 meeting¹. But instead of extending the term of that agreement by an additional year⁴, Mr. Nelson’s proposed language retroactively modifies its three (3) year term⁵ with a one (1) year term extension, to two (2) years with two possible (“unless either party... provide(s) written notice of its decision to decline the extension”) one (1) year term extensions (“effective July 1, 2021 and July 1, 2022”) each.

Moreover, staff have placed this matter on the Board’s Consent Calendar which unless removed means there can be no discussion. For these reasons I urge the Board to reject the proposed language. And that’s the purpose of this written statement.

This Matter Has Been Improperly Placed on the Consent Calendar: Policy 3.1.0.4⁶ addresses matters placed on a Board meeting’s Consent Calendar and it reads as follows:

¹ See page 328 of the packet of materials prepared by staff in anticipation of this October 13, 2021 Board meeting [“the 10/13/2021 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-ivgid/1013_-_Regular_-_Searchable_-_Part_2.pdf)].

² See pages 93-102 of the packet of materials prepared by staff in anticipation of the Board’s September 30, 2021 Board meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/0930_-_Regular_-_Searchable_-_Part_1.pdf (“the 9/30/2021 Board packet”)].

³ See pages 329-330 of the 10/13/2021 Board packet.

⁴ Which is what three (3) members of the Board actually directed at its September 30, 2021 meeting.

⁵ See ¶2.1 at page 95 of the 9/30/2021 Board packet. A copy of this page is attached as Exhibit “A” to this written statement.

⁶ Go to page 10 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Board_Policies_1.pdf.

“In cooperation with the Chair, the General Manager may schedule matters for consideration on a Consent Calendar. The Consent Calendar may not include changes to budget, user rates or taxes, adoption or amendment of ordinances, or any other action which is subject to a public hearing. Each consent item shall be separately listed on the agenda, under the heading of ‘Consent Calendar.’ A memorandum containing all relevant information will be included in the packet materials for each Consent Calendar item. The memorandum should include the justification as a consent item in the Background Section.”

Take a look at the staff memorandum in support of this agenda item⁷. Show me where it “include(s) the justification” for this matter having been placed on the Consent Calendar? The answer is a simple. *NOWHERE!* For this reason alone the matter should be transferred to the General Business Calendar where it can be discussed and possibly be modified. In fact on October 12, 2021 I sent the Board an e-mail⁸ where in part, I made this request.

Any Member of the Board May and Should Ask That This Agenda Item Be Transferred to the General Business Calendar: Policy 3.1.0.4⁶ instructs that: “any member of the Board may request the removal of a particular item from the consent calendar and that the matter shall be removed and addressed in the General Business section of the meeting.” I ask that at least one Board member do as this policy instructs.

My October 12, 2021 E-Mail to the Board on This Subject the Subject: As aforesaid, on October 12, 2021 I wrote to the IVGID Board objecting to this agenda item and the fact it had been placed on the meeting’s Consent Calendar⁸. So the Board has been placed on notice.

What’s Really Going on Here: Take a look at NRS 354.626⁹. It states as follows:

“1. No governing body or member thereof, officer, office, department or agency may, during any fiscal year, expend or contract to expend any money or incur any liability, *or enter into any contract* which by its terms involves the expenditure of money, in excess of the amounts appropriated for that function, other than...long-term contract(s) expressly authorized by law. Any officer or employee of a local government who willfully violates NRS 354.470 to 354.626, inclusive, is guilty of a misdemeanor and upon conviction thereof ceases to hold his or her office or employment...”

⁷ See pages 328-330 of the 10/13/2021 Board packet.

⁸ This e-mail is attached as Exhibit “B” to this written statement.

⁹ Go to <https://www.leg.state.nv.us/nrs/nrs-354.html#NRS354Sec626>.

2. Without limiting the generality of the exceptions contained in subsection 1, the provisions of this section specifically do not apply to...(e) Contracts between a local government and an employee covering professional services to be performed *within 24 months following the date of such contract or contracts entered into* between local government employers and employee organizations.”

When the Board entered into the employment contract with our GM (on July 1, 2020⁵), it arguably violated NRS 354.626 in that it entered into a contract to expend money in excess of the amounts appropriated for fiscal year 2020-21. Yet although the contract was between a local government and one of its employees, it covered professional services to be performed within thirty-six (36) months following the date the contract was entered into between the District and our GM. In other words, in excess of the 24 month safe-harbor period. Given the willful violation NRS 354.470 to 354.626, inclusive, is unlawful; and the contract in question was drafted by Mr. Nelson as well as “approved as to (its) form;” Mr. Nelson has a problem which has nothing to do with the particulars of proposed amendments.

So Mr. Nelson is using this opportunity to correct his inappropriate past behavior. Instead of simply extending the term of the existing employment agreement, he is attempting to retroactively change an impermissible three (3) year term agreement into a permissible two (2) year term¹⁰. And at his client’s expense no less. I and others I know object.

If the Board Approves This Matter Over My Objection, Let the Record Be Clear Our GM May Have Contracted Away His Severance Benefits: Our GM’s current agreement includes a severance compensation provision which is set forth more particularly at section 6¹¹. According to ¶6.5, “if General Manager is terminated by the Board of Trustees without cause, then (he) shall receive” a year’s worth of compensation in addition to other specified benefits. But let’s assume Mr. Nelson’s proposed contract amendment language is adopted. And let’s assume that prior to July 1, 2022 the Board decides to decline to extend the GM’s employment extension. Given that decision will not be one to terminate the GM’s employment without cause, the severance provisions under the contract will not be triggered. Is that what you intended Indra?

Conclusion: For the reasons stated, I ask that the Board reject Mr. Nelson’s proposed language. Instead, he should do what three (3) members of the Board directed; extend the current agreement by one (1) year. If the original agreement is inappropriate and it is the product of Mr. Nelson’s professional advice, then the chips should be allowed to fall where they may.

¹⁰ See “2. Amendment” at page 329 of the 10/13/2021 Board packet. A copy of this page is attached as Exhibit “C” to this written statement.

¹¹ See pages 96-97 of the 9/30/2021 Board packet. A copy of these pages is attached as Exhibit “D” to this written statement.

And to those asking why their Recreation (“RFF”) and Beach (“BFF”) Facility Fee(s) are as unnecessarily high as they are, now you have another example.


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

EXHIBIT "A"

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT EMPLOYMENT
AGREEMENT
GENERAL MANAGER**

conduct necessary to ensure the integrity and impartiality of government, free from conflicts of interest between public duties and private interests of state and local public officers and employees.

SECTION 2. TERM OF AGREEMENT

2.1 General Manager shall serve as the IVGID Manager effective July 1, 2020 ("the Effective Date"). This Agreement shall thereafter continue in full force and effect for a three (3) year term or until such time as either party terminates this Agreement pursuant to the provisions hereof. General Manager's employment as IVGID General Manager shall be at will. This means that General Manager may be terminated from his employment with IVGID at any time, without cause, and without notice, subject to the provisions hereof. 

SECTION 3. SALARY

3.1 IVGID agrees to pay General Manager an annual base salary for services rendered in the amount of one hundred ninety five thousand dollars (\$195,000) ("Base Salary").

3.2 General Manager shall receive annual compensation cost of living increases provided to other management-level IVGID employees.

3.3 In accordance with Section 7 below, the Board of Trustees shall conduct annual evaluations of General Manager's performance and the Board of Trustees shall consider the results of these performance evaluations when deciding whether to provide additional compensation. However, all salary increases and/or performance incentives shall be provided in the sole discretion of the Board of Trustees.

SECTION 4. BENEFITS

4.1 General Manager shall receive the health, dental, and vision insurance and recreational benefits provided to other management-level IVGID employees.

~~4.2 IVGID shall provide one hundred percent (100%) of the cost for life and disability insurance for the General Manager. The life insurance policy shall not be for less than \$1,000,000.00.~~

4.3 IVGID shall contribute that percentage of the employer's share defined contribution (457) program provided to other IVGID employees with same years of service and shall further contribute that percentage of the General Manager's income toward retirement benefits provided to other IVGID employees with the same years of

EXHIBIT "B"

It's Nearly Everything IVGID Staff and Their Cronnies Do - Now it Has Extended to IVGID's Attorney - Agenda Item H(2) - Please Remove This Item From the Consent Calendar So it Can Be Discussed

From: <s4s@ix.netcom.com>
To: "Callicrate, Tim" <tim_callicrate2@ivgid.org>
Subject: It's Nearly Everything IVGID Staff and Their Cronnies Do - Now it Has Extended to IVGID's Attorney - Agenda Item H(2) - Please Remove This Item From the Consent Calendar So it Can Be Discussed
Date: Oct 12, 2021 6:29 PM

Chairperson Callicrate and Other Honorable Members of the Board -

I always speculated how apparent honest and ethical persons before employ with IVGID can turn into the less than honorable and deceitful persons which permeate the District. But I never thought the kool aid could extend to third parties such as the District's attorney. That is until now.

This item is supposed to be nothing more than approving language in GM's employment agreement which extends its term by an additional year. That's what three Board members directed at the Board's Sep 30 meeting (listen to the livestream). But that's NOT what Mr. Nelson has done. Instead, he has modified the existing term provisions of the agreement from three (3) years with a one (1) year term extension, to two (2) years with two possible ("unless either party...provide(s) written notice of its decision to decline the extension") one (1) year term extensions ("effective July 1, 2021 and July 1, 2022") each. This is not what the Board directed at its Sep 30 meeting.

What we have here is an example of how our attorney drafted and approved the GM's employment agreement as to form for a term that apparently violates the law [see NRS 354.626(1)(e)]. Now he's trying to cover his ass ("CYA") at the District's expense by after the fact changing an agreement which was entered into on July 1, 2020 so it circumvents his apparent violation of law.

I object!

Do what the Board directed Mr. Nelson. Extend the agreement's existing three (3) year term by one (1) year through and including June 2024. Do not be a conduit for circumvention of the law which seems to be the standard procedure for this District. If Mr. Nelson drafted something inappropriate, then let the chips fall where they may should a party object.

And BTW, it is my opinion that under Mr. Nelson's proposed language, the term of our GM's agreement can end prior to June 30, 2024 and he is NOT entitled to severance pay. As that what the Board intended Mr. Nelson? How about you Indra?

Respectfully, Aaron Katz

EXHIBIT "C"

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT FIRST AMENDMENT
TO EMPLOYMENT AGREEMENT
GENERAL MANAGER

This First Amendment to Employment Agreement ("Amendment") is made and entered into this 13th day of October, 2021, by and between the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT ("IVGID") and INDRA WINQUEST ("General Manager").

WHEREAS, IVGID and General Manager previously entered that certain Employment Agreement, dated July 1, 2020 ("Agreement"); and

WHEREAS, IVGID and General Manager wish to amend the Amendment as set forth in this Amendment and as permitted in Section 13.6 of the Agreement;

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, IVGID and General Manager agree to amend the Agreement as follows:

1. Salary Adjustment. Pursuant to Section 3.3 of the Agreement, the Board of Directors hereby provides an adjustment in the Base Salary based on the General Manager's Fiscal Year 2020-2021 performance evaluation of three percent effective July 1, 2021. Moreover, General Manager previously received a cost of living adjustment in his salary under Section 3.2. As such, General Manager's salary effective July 1, 2021 shall be Two Hundred Six Thousand Seven Hundred Dollars (\$206,700). This salary may be furthered adjusted as provided in Section 3 of the Agreement.

2. Amendment. Section 2.1 of the Agreement is amended in read in full as follows:

"2.1 General Manager shall serve as the IVGID Manager effective July 1, 2020 ("the Effective Date"). This Agreement shall thereafter continue in full force and effect for a two (2) year term or until such time as either party terminates this Agreement pursuant to the provisions hereof. The two year (2) term shall automatically be extended by an additional year effective July 1, 2021 and July 1, 2022 unless either party has provided written notice of its decision to decline the extension prior to such extension date. General Manager's employment as IVGID General Manager shall be at will. This means that General Manager may be terminated from his employment with IVGID at any time, without cause, and without notice, subject to the provisions hereof."

3. Amendment. Section 4.4 of the Agreement is amended in read in full as follows:

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT EMPLOYMENT
AGREEMENT
GENERAL MANAGER**

service. Retirement benefits shall be provided by the way of IVGID's existing 401(a) plan or such other mechanisms as IVGID may implement in the future.

4.4 General Manager shall receive a phone/technology allowance of fifty dollars (\$50.00) per month.

SECTION 5. LEAVE

5.1 Annual Vacation Leave. IVGID shall include General Manager in its Annual Leave Program and provide him with an annual accrual of two hundred (200) hours of Annual Vacation Leave. General Manager shall accrue Annual Vacation Leave in the manner described in the IVGID's Personnel Policies and shall be subject to the cap on accrual of such leave as described therein. The General Manager shall be entitled to retain any existing Annual Vacation Leave existing as of the Effective Date.


5.2 General Manager shall be entitled to sell back to IVGID up to one hundred (100) hours of Annual Vacation Leave at the end of each calendar year.

5.3 Paid Holiday Leave. IVGID shall include General Manager in its Paid Holiday Leave program as described in IVGID's Personnel Policies and General Manager shall be paid for the designated Holidays.

5.4 Sick Leave. IVGID shall include General Manager in its Sick Leave program as described in IVGID's Personnel Policies. Subject to any changes to such policies, the General Manager shall accrue four (4) hours of sick leave in the first and second pay periods each month.

SECTION 6. TERMINATION OF AGREEMENT & SEVERANCE


6.1 Termination by IVGID. General Manager understands and agrees that General Manager has no constitutionally-protected property or other interest in General Manager's employment as IVGID General Manager.

6.2 General Manager understands and agrees that General Manager works at the will and pleasure of the Board of Trustees, and that General Manager may be terminated, or asked to resign, at any time, with or without cause or advance notice. 

6.3 Notice of termination shall be provided to General Manager in writing. "Termination," as used in this Agreement, shall also include: (i) a request by a 4/5's super majority vote of the Board of Trustees that General Manager resign occurring within ninety days before or after an election for the Board of Trustees; (ii) a request by the majority vote of the Board of Trustees that General Manager resign occurring

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT EMPLOYMENT
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at any other time; or (iii) any material reduction in the powers and authority of the IVGID General Manager including but not limited to the existing terms of Resolution 1480.

6.4 Termination by General Manager. General Manager may voluntarily terminate employment at any time by giving not less than thirty (30) days' notice. 

6.5 Severance Benefit. If General Manager is terminated by the Board of Trustees without cause, then General Manager shall receive a one-time, lump sum cash payment equivalent to the sum of (i) General Manager's then-current monthly salary multiplied by twelve (12), (ii) the cash value of General Manager's then-current monthly medical premiums multiplied by twelve (12) as of the effective date of termination of employment and (iii) the cash value of his Annual Vacation Pay balance.

6.6 Eligibility for such severance payment is expressly conditioned upon General Manager's execution of (i) a waiver and release of any and all of General Manager's claims against IVGID, and (ii) a covenant not to sue. All normal payroll taxes and withholdings as required by law shall be made with respect to any amounts paid under this Section.

6.7 Ineligibility for Severance (Termination for Cause; Voluntary Resignation). Notwithstanding the terms in this Section 6, General Manager shall not be eligible to receive, and IVGID shall not be obligated to pay, and shall not pay, any severance amounts or continue any benefits, if General Manager is terminated for Cause.

6.8 "Cause," as used herein, shall mean, and be limited to, a termination for any of the following reasons: (i) conviction of a felony or other crime involving moral turpitude (ii) fraud, material dishonesty, or gross negligence in the General Manager's performance of his duties as IVGID General Manager; or (iii) civil liability for a violation of statute or law constituting misconduct in office or ethical violation.

6.9 In the event the Board of Trustees terminates General Manager for Cause, General Manager's sole remedy shall be a judicial action in declaratory relief to determine whether there was Cause. If the court determines there was no Cause, General Manager shall receive the severance pay provided in this Section 6, but no other damages, litigation costs or expenses, or attorneys' fees. Further, IVGID shall not be obligated to pay any severance amounts or continue any benefits in the event General Manager voluntarily resigns his employment.

6.10 In the event of discharge of General Manager from his employment hereunder or any termination of this Agreement, General Manager shall return to IVGID as soon