

1
2 INCLINE VILLAGE
3 GENERAL IMPROVEMENT DISTRICT
4 BOARD OF TRUSTEES
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9 TRANSCRIPT OF HEARING
10 PUBLIC MEETING
11 Live and Via Zoom
12
13 Held at the Boardroom
14 893 Southwood Boulevard
15 Incline Village, Nevada
16
17 Wednesday, February 28, 2024
18
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20
21
22
23
24 Reported by: Brandi Ann Vianney Smith
25 Job Number: IVGID 25

1 APPEARANCES
2
3 **BOARD MEMBERS PRESENT**
4 SARA SCHMITZ, CHAIR (via Zoom)
5 MATTHEW DENT, VICE CHAIR (acting Chair)
6 RAY TULLOCH, TREASURER (via Zoom)
7 DAVE NOBLE, MEMBER
8
9
10 **ALSO PRESENT**
11 SERGIO RUDIN, LEGAL COUNSEL
12 HEIDI WHITE, DISTRICT CLERK
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1 Incline Village, Nevada - 2/28/2024 - 6:00 P.M.
2 -o0o-
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4
5 CHAIR DENT: It is 6:00 p.m. I want to
6 call the Incline Village General Improvement
7 District Board of Trustees meeting to order. It is
8 February 28th, 2024. We're located at the Boardroom
9 at 893 Southwood Boulevard, Incline Village, Nevada,
10 and via Zoom.
11 A. PLEDGE OF ALLEGIANCE
12 (Pledge of Allegiance.)
13 B. ROLL CALL OF TRUSTEES
14 CHAIR DENT: Trustee Noble?
15 TRUSTEE NOBLE: Here.
16 CHAIR DENT: Trustee Tulloch?
17 TRUSTEE TULLOCH: Here.
18 CHAIR DENT: Trustee Schmitz?
19 TRUSTEE SCHMITZ: I'm here.
20 CHAIR DENT: Trustee Tonking let us know
21 she would be absent. I'm Trustee Dent. We do have
22 a quorum, four out of five trustees are present.
23 Moving on to item C.
24 C. INITIAL PUBLIC COMMENTS
25 MS. WELLS: Good evening, Board. Kristy

5

1 Wells, Incline Village resident.

2 Item G 2 on tonight's agenda addresses the

3 Incline Beach House, a delapidated building that

4 sits on one of the most valuable pieces of land on

5 the northern shores of Lake Tahoe. Improvements to

6 this asset have been brought before various boards

7 before since 2006, and IVGID have worked diligently

8 in an attempt to try to find a path forward to

9 improve and even expand the facility to ensure it

10 meets the needs of the community members.

11 Unfortunately, even though we've spent

12 hundreds of thousands of dollars, this project has

13 not moved forward even an inch in the last

14 seven years.

15 This current board has surveyed the

16 community several times to understand what we want

17 at this location. The feedback rarely changes. At

18 minimum, we want a modernized facility that serves

19 great food, a bigger bar and seating area, expanded

20 bathrooms including showers, and improving the

21 traffic flow between people, bikes, and cars at the

22 entrance and exit.

23 I would like to ask that you approve the

24 agreements for the 30 percent schematic design for

25 the Incline Beach House project and the beach access

6

1 project, and direct the Chair and the Secretary to

2 sign and execute the agreements. This project must

3 move forward without any more delays.

4 Speaking of agreements, I just learned

5 there isn't one for Bobby Magee, the gentleman who

6 has been in control of our finances for almost

7 eight months. I'm told there's only a verbal

8 agreement around his roles and responsibilities and

9 for his compensation that's \$312,000. This is mind

10 blowing to me. You asked staff to bring every

11 single contract to this board for approval,

12 including those on the agenda tonight, for \$15,000

13 emission-critical work to ensure that we have clean

14 drinking water and a sewer system that's in good

15 working order, but this board doesn't seem to have a

16 problem with someone making \$312,000 a year,

17 controlling tens of millions of dollars, and working

18 without a legal agreement.

19 There is no nondisclosure, no legal

20 protections for this district, nothing for Mr. Magee

21 either. This is highly irresponsible of this board

22 to allow this to have happened, and shows that this

23 community, once again, that you have different

24 standards for what is acceptable by you and what is

25 acceptable for staff.

7

1 With that said, I'm going to assume the

2 lack of a current agreement is a moot point as you

3 will most likely be naming Mr. Magee as general

4 manager at the March 6th special meeting, but this,

5 too, I fear is a serious mistake.

6 Based on his current compensation, one can

7 guess that his GM salary will come close in to about

8 \$500,000, more than twice what we were paying our

9 previous GM, and it will set an unsustainable

10 precedent for payroll across this entire district.

11 As I've stated before, it sounds like

12 Mr. Magee is doing a great job at managing our

13 finances, but those are not the same skills needed

14 to be a GM who will oversee hundreds of personnel

15 and manage the day-to-day operations of a general

16 improvement district.

17 I'm asking you once again to pick up the

18 recruiting efforts, to find candidates who have

19 real-life experience needed to lead IVGID in the

20 future.

21 Thank you.

22 MS. MILLER: Good evening, Trustees.

23 I listened to the live stream of the Golf

24 Advisory Committee. They found the financial

25 reports provided not very helpful since they really

8

1 didn't focus on a golf season, but rather on a

2 fiscal year, making the impact of rate changes

3 impossible to gauge. Even the ski venue operations

4 don't really coincide with IVGID's fiscal year,

5 given that we are already setting pass rates and

6 will soon be collecting revenues for the next

7 season.

8 After operating these venues for nearly

9 half a century, it's inconceivable we don't have

10 standard reports to measure their performance. Why

11 has this been tolerated all these years? It's the

12 facility fees, stupid. Venue managers really don't

13 need to concern themselves with financial

14 performance. Whatever it costs, these fees would

15 absorb the negative cash flow as well as the capital

16 costs.

17 No other local government charges a fee of

18 this nature and magnitude for these purposes. Why

19 do we? Somehow IVGID sold the community on the idea

20 that, at a minimum, the facility fees would pay for

21 capital expenses. For years it pushed numerous

22 operating expenses into capital so that, one, it

23 made the venues look like they came close to meeting

24 operating expenses, and, two, it justified increases

25 in the facility fees and maintaining the fees at the

9

1 same level, even after the bonds were paid off.
 2 It's time to end this charade. Expecting
 3 the facility fees, which have no limits, to pay for
 4 capital costs no matter how much is spent, how few
 5 are benefited, has just lead to inefficiency and a
 6 very divided community. It seems the whiners of the
 7 month get funding for their project instead of using
 8 some more objective means to decided which projects
 9 are a real priority. By the way, I do agree we've
 10 determined the beaches serve many and provide a
 11 great benefit, so I don't argue with that.
 12 Some years ago, IVGID did a parcel
 13 utilization study to determine just how many parcels
 14 and how often they used each venue or program.
 15 Since the role of government is to provide the
 16 greatest benefit to the community as a whole, that
 17 would certainly be important data to aid in setting
 18 priorities. The pricing pyramid is way too
 19 subjective and confusing.
 20 Whether funds are dedicated to golf,
 21 tennis, Rec Center, ski, beach, et cetera, shouldn't
 22 be dependent on who makes the most noise, but rather
 23 be at least somewhat proportional to the number of
 24 residents and property owners served. Nationally
 25 and locally, our citizens are sickened by the

10

1 infighting. Please help us heal. Find a more
 2 objective way to set priorities and replace the
 3 facility fees with voter-approved bond payments.
 4 That's what most governments use.
 5 Thank you.
 6 MR. CARS: Good evening, Bill Cars,
 7 resident.
 8 We believe the policy for approving
 9 contracts has been changed, and this change is
 10 significantly detrimental to the community by
 11 causing delays of needed activity.
 12 On tonight's agenda are two items under
 13 F.3, F.4, the agreements for services with Tap
 14 Master for a total of 10,675, and the agreement for
 15 services for sewage hauling from sewer pump station
 16 10 in the amount of \$5,400.
 17 In accordance with Board Policy 3.1.0,
 18 subsection .4, these items are included in the
 19 consent calendar as routine business for the
 20 District and within the currently approved
 21 District's fiscal '23/'24 operating budget and
 22 within the utility division 200 fund. Why are these
 23 even on the agenda when they should have been
 24 approved in January before the potential weather
 25 issues? These are critical updates needed for our

11

1 infrastructure to ensure the community has clean
 2 drinking water and their raw sewage does not leak
 3 into Lake Tahoe.
 4 Do you know how many sources of water we
 5 have at Incline and Crystal Bay? Of course you do.
 6 It's one. Just one. Do you know what would happen
 7 if these systems fail? I don't want to think about
 8 it.
 9 The District is at zero financial risk
 10 with these small, little agreements. These projects
 11 should have been done already instead of sitting on
 12 the agenda waiting for board approval.
 13 Is BBK, the legal counsel for the
 14 trustees, reviewing every single agreement that's
 15 sent to the Board? I don't know, but we need to
 16 know this, and we'll do a PRR for the invoices. I
 17 would also expect that the amount of time and money
 18 it takes to review and approve these agreements
 19 could be more than what the projects are actually
 20 valued at. Is that being financially responsible?
 21 Anyway, more to the point. Members of the
 22 Board are not public works professionals. The fact
 23 that these two agreements specifically are waiting
 24 to be approved shows that the Board does not
 25 understand the level of seriousness of these

12

1 projects. Let the staff who are professionals do
 2 what they do to protect the District and keep it
 3 operating.
 4 I would recommend that this board modify
 5 Board Policy 3.1.0, subsection .5F, Contracts, and
 6 give spending authority back to the general manager
 7 and the staff to allow them to do their jobs.
 8 Otherwise, things like this is why members of this
 9 community believe that trustees are micromanaging
 10 the staff and driving them out of the District.
 11 Thank you.
 12 MS. CARS: Good evening, Trustees. Linda
 13 Cars.
 14 Let's talk about GM salaries. In 2022,
 15 the online salaries for GID general managers in
 16 Nevada ranges from \$117,000 to over \$200,000. I
 17 believe the salary for our previous general manager
 18 was around \$250,000. Estimates for Bobby Magee to
 19 come in as the new GM is expected to be 400,000 to
 20 500,000. How does this make sense? Especially when
 21 we know that Mr. Magee does not live in the county,
 22 has never held this position before, as best we can
 23 tell, has never lead a team of this size, and will
 24 need to work remotely at least half of the time, a
 25 crucial factor when the GM should be on site every

13

1 day, restoring faith and trust across the GID.
 2 You're paying a premium for an unproven candidate.
 3 To think that Trustee Schmitz, Dent, and
 4 Tulloch are pushing to move forward with Magee could
 5 be grounds for a lawsuit for flagrant abuse of the
 6 District's resources. The current board's forgotten
 7 the job that they were voted in to do: oversee the
 8 well-being of the GID and support to homeowners'
 9 recreation facilities.
 10 Over the past 14 months, this board
 11 majority prioritized forcing out long-term employees
 12 with historical knowledge, spends ten of thousands
 13 on erroneous investigations and legal fees looking
 14 for fraud, which does not exist, and negatively
 15 impacted the health and well-being of the community.
 16 My closing thoughts -- I hope you're
 17 listening Matt -- a good GM for IVGID should first
 18 and foremost have experience managing a GID and
 19 should have demonstrated the following in their
 20 career path: Visionary leadership, strategic
 21 thinking skills, negotiation and conflict management
 22 skills, team building and inter-personal skills.
 23 Trustee Schmitz, Dent, and Tulloch, as the
 24 board majority, you should make this decision based
 25 on what is best for the community not what is best

14

1 for yourselves. IVGID does not need a finance
 2 person as a GM who is beholden to a small number of
 3 trustees. The District needs a visionary leader to
 4 report to the entire board and has all the above
 5 qualities, while managing the facilities and staff.
 6 And let's not forget understand and get to know the
 7 community. You should also require the GM live in
 8 the county.
 9 Mr. Magee, I look forward to hearing from
 10 you as to why you think you are the qualified
 11 candidate for this role and show us how you have met
 12 the above skill set in your career path. Will you
 13 be able to think independently and support long-term
 14 staff who have been targeted by Trustee Schmitz at
 15 all?
 16 And Trustees, if you're even considering
 17 spending this much money, you should advertise the
 18 role with a compensation plan, as I expect the
 19 candidate pool will be much greater.
 20 Thank you for your time.
 21 MR. KATZ: Thank you. Aaron Katz, Incline
 22 Village. I have several written statements I've
 23 given to Heidi to be included in the minutes of the
 24 meeting.
 25 By the way, when do we stop paying a

15

1 certified shorthand reporter to prepare the minutes
 2 of our meetings? This is costing us between 1- and
 3 and \$2,000 a meeting just to get minutes. And then
 4 you're going to bill us for it under the guise of
 5 central services. This is garbage, and it's one
 6 simple way to reduce our costs.
 7 I'm here to ask you not to approve the
 8 proposed effluent storage tank CMAR agreement. We
 9 don't need a CMAR. We just don't learn from our
 10 prior mistakes. Our staff are not qualified nor
 11 competent to negotiate with Granite or DN Tank, or
 12 Jacobs Engineering. Why don't we eliminate internal
 13 services and outsource these tasks to true
 14 professionals? It would be less money and we'll get
 15 a far more professional result.
 16 Now, we should not pay Jacobs anything
 17 more. According to the staff memo, they caused much
 18 of the reason for this \$800,000 increase in price.
 19 We do need an RFP for the project, and Hudson Klein
 20 indicates that we might pay more if we go out for an
 21 RFP. Well, I got news for Mr. Klein: We might pay
 22 less if we use real professionals. And I ask we do
 23 that.
 24 And by the way, do you understand that our
 25 engineering department just cost us \$600,000? How

16

1 did I come up with that? Well, they tell us that
 2 75 percent of the costs of this project was being
 3 paid by the Army Corps of Engineers. Now the price
 4 is going to go up at least 800,000 if not more. And
 5 how much is the Army Corps of Engineers going to pay
 6 of that 800,000? Well, the answer is zero. That
 7 means it cost us 600,000. Your professional staff,
 8 when are you going to learn? So, thank you, Kate.
 9 And now you propose we pay 128,000 more in
 10 in-house project management and operations? Are we
 11 crazy? We have no professional staff to manage.
 12 Outsource it.
 13 Thank you very much.
 14 MS. DAVIS: Good evening, Board.
 15 I'm here to share some thoughts about the
 16 ski rates. Over the last several months, I've had
 17 more than one person asking me: What is up with the
 18 rates for season passes?
 19 I just lost my train of thought. Senior
 20 moment. And it did come, honestly, from people in
 21 the older age group, so I'll just say over 50. A
 22 lot of their comments were: You know, I've bought a
 23 season pass for a lot of years. I knew I wasn't
 24 going to ski enough times to make it economically
 25 profitable for me, but I wanted to support Diamond

17

1 Peak, and I wanted to support our IVGID functions.
 2 This last increase really irritated
 3 people, and they voted not to get season passes.
 4 So at a recent Golf Advisory Committee
 5 meeting, Mr. Bandelin and Trustee Tonking had done
 6 some deep dives into the statistic. And so I would
 7 just share with you that -- I know we have
 8 statistics in reports tonight, but I would just urge
 9 you to maybe look at the statistics, especially for
 10 maybe us older skiers, and see if the sales of
 11 passes has gone down to that group. We're not
 12 necessarily aging out, we're voting with our
 13 pocketbooks. I would just encourage you to look at
 14 who's bought a season pass in the past, and who's
 15 buying a season pass now.
 16 But I can just share that anecdotal
 17 evidence with you that I know I'm not alone in my
 18 declining to buy a season pass this year.
 19 Thank you.
 20 CHAIR DENT: Can we go to Zoom?
 21 MR. DOBLER: Cliff Dobler, 995 Fairway.
 22 It is hard to imagine that the delivery of
 23 capital projects could be in such disarray. After
 24 the meeting two weeks ago, I created a memorandum of
 25 errors and misstatements in the General Manager's

18

1 capital report, prepared by Kate Nelson. The
 2 February 23rd memo was submitted by me to Mike
 3 Bandelin, Bobby Magee, and Kate Nelson.
 4 There were six items in the reports which
 5 were not in the budget but under design. No
 6 indication of estimated costs. There were ten
 7 projects which were not in the Nelson report but
 8 were budgeted at almost \$4 million.
 9 Magee, at a previous meeting, tried to
 10 punch through 3 million as a budget addition for
 11 tennis courts providing no backup as required by
 12 policy and now it has fallen through the cracks.
 13 A contract with DOWL Engineering to
 14 provide a utility infrastructure report was started
 15 18 months ago and will not be completed until April.
 16 Bandelin indicated there may be change orders but no
 17 dollar amounts were given.
 18 Then we get to tonight's agenda, and we
 19 find out that Granite, the CMAR contractor, somehow
 20 forgot that the effluent tank structure required
 21 more seismic and structural load materials, which
 22 has been blamed on the largest subcontractor. CMAR
 23 stands for "backs against the wall contracting."
 24 It is hard to image that in April last
 25 year, when design was a hundred percent complete,

19

1 that this increase was not covered when submitting
 2 the design package to the Army. Staff wants you to
 3 believe that the design was only 30 percent
 4 complete. Why was that 413,000, which was charged
 5 off in 2022, not included in the presentation so all
 6 could get a feel of the real costs of the storage
 7 tank? So here we are at \$8.5 million with the Army
 8 picking up 5.7 million.
 9 Someone should ask the question of how
 10 since July 1st, 2023, when costs were only 573 have
 11 now ballooned to 880,000? 370,000 was spent when
 12 plans were a hundred percent complete last April.
 13 Lastly, how did the ice skating project
 14 get on the agenda without any budget or any
 15 priority? Bandelin and Dent did the agenda, but
 16 claimed that they were unaware how it got on the
 17 agenda. Was it an angel from heaven?
 18 I see that the Capital Investment
 19 Committee will meet four days from now. There will
 20 be no input from them on these matters. How
 21 convenient.
 22 Thank you very much.
 23 MS. KNAAK: Yolanda Knaak, Incline Village
 24 resident.
 25 Just wanted to make a comment, and I know

20

1 the Board has a lot of challenges before them, but I
 2 want to thank them for all their hard work. And
 3 thank you, I believe you're directing our IVGID in
 4 the right direction, and I want to thank you for
 5 that.
 6 MR. WYMAN: Andrew Wyman, resident for
 7 over 20 years.
 8 Tonight I rise reluctantly to offer these
 9 thoughts. First, sitting on this board or any board
 10 should be hard. It requires both knowledge and
 11 wisdom in equal measure. But I am but shocked and
 12 saddened by this board majority for its delinquent
 13 and callous disregard of staff, particularly
 14 senior-level managers, many of whom have worked and
 15 toiled for a decade or more for IVGID and its
 16 village community. They have by and large done
 17 their level best to meet board expectations across
 18 different boards, different demands, different
 19 agendas, and different philosophies.
 20 But this board in its supposed wisdom and
 21 in (inaudible) regard for the profound differences
 22 between full-profit corporations and general
 23 improvement districts has presided over exit
 24 (inaudible) with more long-tenured, tenured, and
 25 capable employees than any in recent memory. I do

21

1 wish it were otherwise. There are now more staff
 2 filling jobs on an interim or temporary basis than
 3 anytime that I can recall.

4 So where are we now? First, the Board has
 5 exited our prior general manager almost a year ago
 6 at considerable expense to the District both
 7 financially and the loss of community support.

8 Then a considerable additional expense in
 9 betraying a tragically (inaudible) understanding,
 10 they failed to hire a new general manager. Now at
 11 very considerable additional expense, they plan to
 12 elevate the interim Director of Finance to the
 13 general manager position for two years in a blatant
 14 effort to erode the flexibility of a new board that
 15 will be seated in 10 months.

16 And while prior boards and now this board
 17 have insisted that the general manager be on site,
 18 full time, and integrated into the life of
 19 community, the flagrant disregard of its prior
 20 pronouncements and desperate for a replacement, they
 21 plan to sign a contract allowing the general manager
 22 to be on site halftime, a previously unheard of if
 23 unimaginable if not unworkable proposal. Talk about
 24 the majority on this board lying under a rock in a
 25 very hard place.

22

1 And then there was the brilliant decision
 2 to place the Director of Administrative Services on
 3 forced, paid administrative leave for some 11 weeks
 4 while they, at considerable additional expense,
 5 conducted a shambolic investigation. Talk about
 6 retribution against management personnel who may
 7 have different perspectives or opinions than the
 8 Board's majority.

9 It's all very sad, and I now know that
 10 beyond, perhaps, improvements and financial
 11 accountability, nothing will improve at IVGID until
 12 a new board is seated.

13 Thank you.

14 MS. HUSSONG-JOHNSON: Good evening, Board
 15 of Trustees. This is Sarah Hussong-Johnson, 785
 16 Mays Boulevard, full-time resident here in Incline
 17 Village.

18 Thankful for the opportunity to comment
 19 tonight, and I just wanted to draw our attention to
 20 the agenda in front of us. I made a comment last
 21 month about my concern for the lack of capital
 22 projects and contracts initiatives on the agenda. I
 23 just want to say that the opposite is true this
 24 month. I am thrilled to see the amount of projects
 25 being moved forward, both on the consent and on the

23

1 general business calendar.

2 In a nod to our staff, I'd really like to
 3 give some kudos to interim Public Works Director
 4 Kate Nelson. She is solely carrying the agenda here
 5 tonight, absent maybe one or two items. The breadth
 6 and depth of capital projects represented on this
 7 agenda is truly impressive and almost kind of
 8 astounding for one individual to be able to
 9 represent this diverse of a group of projects and
 10 complex of group of projects. So, kudos to
 11 Ms. Nelson, and I look forward to learning more
 12 about these projects as a member of the Capital
 13 Improvement Committee. I'll be paying close
 14 attention to all of these agenda items.

15 So, as we consider all the content in
 16 front of us tonight, please, I hope the Board will
 17 facilitate the implementation of this capital,
 18 specifically the items on the consent agenda, that
 19 many of which were already budgeted, as spoken to by
 20 Mr. Cars.

21 Finally, I'd like to welcome back our --
 22 I'd like to welcome back our Director of
 23 Administrative Services, Ms. Herron, Susan Herron.
 24 She has been put on administrative leave since
 25 November, I believe it was, and thrilled to have her

24

1 return to the District. Though I question why we
 2 had someone with her experience on administrative
 3 leave for that period of time. I believe with
 4 essentially --

5 MATT: She dropped off. The call dropped.

6 CHAIR DENT: All right. Let's go to the
 7 next one.

8 MR. WRIGHT: Frank Wright, Crystal Bay.

9 Well, Mr. Wyman, I guess you are back from
 10 Hawaii. It's amazing how you are an expert on the
 11 movement of the employees in the District, and all
 12 you throw in is the multitude of years of experience
 13 and how we're losing all that experience. Well,
 14 maybe if someone would let you inside and take a
 15 peaky poo at why these people are being cut loose or
 16 put on leave or whatever else they're doing to them,
 17 maybe they've done something wrong, Mr. Wyman. But
 18 you wouldn't know that because you're too busy
 19 saying that they've had all these years of
 20 experience.

21 Well, there's a lot of people that go down
 22 in employment because they don't do their job,
 23 they've done dumb things, and I can label a lot of
 24 dumb things that have happened in this district with
 25 our employees. We've had lawsuits, we've had

25

1 expenses that we didn't need to incur because of
 2 these employees, we've had public records hidden,
 3 and we've had lawsuits against those public records.
 4 You gotta be living on a foreign planet not to see
 5 what's going on here.
 6 And to have Ms. Cars, Wyman, now he's
 7 joined the dirty dozen, we got a serious problem
 8 with our community because they don't know what
 9 they're talking about, they're not involved in the
 10 daily operations of the District, they don't see
 11 some of the stuff these employees are doing with our
 12 money and how they're blowing the money for needless
 13 purposes or their self-serving purposes. And if an
 14 employee is doing that, if an employee is taking off
 15 and leaving the District on their own, that isn't
 16 have anything to do with the Board members.
 17 You just don't get it, Mr. Wyman. You
 18 come in here and you blab like there's all kinds of
 19 problems going on. Anybody that raises an issue
 20 that shows facts and figures and information that's
 21 accurate, Ms. Cars, accurate, Ms. Cars, that's an
 22 absolute term you don't understand. You have to
 23 have accurate information, you have to be an inside
 24 person to understand all this, and you can't blame
 25 the Board for everything you don't like. It's

26

1 silly.
 2 And to name these board members every time
 3 you speak is ridiculous, because there's five up
 4 there, and five members could speak out, any one of
 5 them. But you're the only one that speaks out,
 6 Mr. Cars, and now Mr. Wyman. Get your facts
 7 straight. Understand that this district is in
 8 trouble. Understand we have lots of debts.
 9 Understand a lot of these things that are taking
 10 place need to take place. They haven't been dealt
 11 with in years.
 12 So either get on board and understand
 13 what's going on or shut up. There's no other way
 14 around it. Support the Board; they're trying to do
 15 the best they can.
 16 Thank you.
 17 MATT: That was our last public comment.
 18 CHAIR DENT: That close out item C.
 19 D. APPROVAL OF THE AGENDA
 20 CHAIR DENT: Any questions or concerns
 21 with the agenda?
 22 TRUSTEE SCHMITZ: I would like to pull
 23 agenda item F 10, just for discussion.
 24 CHAIR DENT: Okay. Item F 10 will become
 25 G 0. Everyone okay with that? Any other changes?

27

1 Seeing none, the agenda is approved.
 2 Moving on to item E.
 3 E. REPORTS TO THE BOARD
 4 E 1. Tennis Center
 5 CHAIR DENT: Verbal update on the Tennis
 6 Center project.
 7 MS. NELSON: Thank you for the opportunity
 8 to provide an update on the Tennis Center
 9 reconstruction project. I thought it important to
 10 provide a little bit of a brief history on the
 11 project.
 12 In 2016, Lloyd Engineering was contracted
 13 by the District to provide a facility assessment and
 14 master plan for the Tennis Center. The majority of
 15 the Tennis Center was constructed in 1979. In 2016,
 16 courts numbered 1 through 7 were 35 years old. In
 17 2024, those courts are now 43 years old. Throughout
 18 the master plan, it was noted that the District did
 19 an excellent job of maintaining those courts, as
 20 well as noting that the court conditions are
 21 currently in disarray.
 22 The courts are built from asphalt with an
 23 acrylic court surfacing. They have a site drainage
 24 system that was noted to be insufficient, only
 25 providing infiltration and percolation. They also

28

1 noted that repair and resurfacing of the courts
 2 needed to continue until reconstruction was planned.
 3 The recommendations of the report were
 4 that the drainage and the BMPs needed to be upgraded
 5 to current TRPA standards. Courts 1 through 7 would
 6 need to be reconstructed in five to seven years,
 7 which puts that at between 2021 and 2023.
 8 In August of 2023, staff contracted with
 9 Black Eagle Consulting to prepare a geotechnical
 10 report. This report -- the findings of this report
 11 were utilizing core samples that were taken
 12 throughout courts 1 through 7. They cored through
 13 the asphalt and took subgrade samples to a depth of
 14 about two feet below the courts. They noted in
 15 their report that full-depth cracking has occurred,
 16 differential movement, areas of low ponding were
 17 occurring, as well as tree root intrusions were all
 18 adversely affecting the courts.
 19 The report verified that the courts are
 20 failing, and it's time for those to be replaced as
 21 was stated in the 2016 master plan. It should also
 22 be noted that the project area is currently not BMP
 23 certified by TRPA.
 24 We have been given three to five years to
 25 complete this process, and that includes the Rec

29

1 Center parking lot as well as the tennis facility.
 2 This was brought to our attention during the Rec
 3 Center expansion project.
 4 On March 6th, the Board will be further
 5 discussing this project as part of the CIP budget
 6 retreat meeting. And at that time, we can discuss
 7 the estimates that we have gathered for this
 8 project.
 9 At this time, are there any questions?
 10 CHAIR DENT: Any questions?
 11 TRUSTEE SCHMITZ: I don't have a question,
 12 but in preparation for our meeting on the 6th, could
 13 you please share the report from, I believe you said
 14 it was Black Eagle? I don't believe the Board has
 15 actually reviewed that report. If we could have
 16 that opportunity, it would be helpful.
 17 MS. NELSON: I will certainly do that as I
 18 actually have a hard copy with me tonight. I will
 19 make copies and leave them for the Board.
 20 TRUSTEE TULLOCH: Just has this
 21 expenditure on the tennis courts, has that been
 22 budgeted? I remember there's a plug in last year's
 23 budget for the out years, but I notice anything
 24 hadn't come through on it.
 25 Also, do we have any numbers of actual

30

1 utilization of the courts? We've got 12 courts,
 2 what's the general utilization of them?
 3 MS. NELSON: I will speak to the -- I
 4 can't speak to the numbers. That would come from
 5 the Parks and Recreation staff. And then could you
 6 repeat your first question? Sorry.
 7 TRUSTEE TULLOCH: Yeah. I'm just
 8 surprised this coming through in January for
 9 \$6 million when none of us never seen it in the
 10 budget before. I'm just wondering where the numbers
 11 appeared from.
 12 MS. NELSON: In last year's five-year CIP
 13 planing document that was brought in front of the
 14 Board, I know you guys focus on year one, but year
 15 two, three, and four did have plug numbers for
 16 reconstruction of the courts. I believe it starts
 17 with 5 through 7, 3 and 4, and then 1 and 2.
 18 TRUSTEE TULLOCH: I believe we also
 19 pointed out at the time that stuffing the out years
 20 is just a wish list, there's no approval of such.
 21 That's why I was just wondering where the 6 million
 22 came from in January.
 23 MS. NELSON: Yeah. And I think the wish
 24 list or what I prefer to use it as as a tool for the
 25 Board to be aware of our projects that are going to

31

1 be upcoming. So you have that opportunity to kind
 2 of look at that five-year and have a general idea of
 3 what's coming down the pike.
 4 CHAIR DENT: Was the \$6 million what we
 5 put in the budget or was it actually higher than
 6 that?
 7 MS. NELSON: I believe we had 3 million,
 8 2 million, and 2 million, I believe. But, again,
 9 those are at the years two through five, those are
 10 high level.
 11 TRUSTEE SCHMITZ: This question might be
 12 off topic, but I'm curious if you might have an
 13 answer. And that is in doing these geotech
 14 findings, did they make any recommendations related
 15 to trees close to the courts? Because I know that
 16 there's been concerns about the proximity of some of
 17 the trees to the courts and safety concerns, and I'm
 18 just curious from a subgrade perspective, did the
 19 report have findings suggesting that trees be
 20 removed to a certain parameter -- or perimeter?
 21 MS. NELSON: Let me talk about the report
 22 just quickly. Staff spent \$6,000 to prepare -- to
 23 have Black Eagle prepare this geotechnical
 24 investigation. The results of this investigation
 25 will be utilized by the design team as part of the

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1 design.
 2 They did only note that there was tree
 3 root intrusion. In order to mitigate that, similar
 4 to what we did at the Mountain Golf Course for the
 5 cart paths is you're removing any tree roots that
 6 have basically come within your project area. We
 7 worked with a forester to make sure that we did it
 8 in such a way that it provided the least impact to
 9 the trees. We did also work with TRPA to note any
 10 trees that we would actually be able to remove,
 11 whether they were diseased or too close, that kind
 12 of thing.
 13 I imagine that that will carry through
 14 this project because the tree roots do do damage,
 15 and we don't want to put all this money into a
 16 project and then have the tree roots continue to do
 17 what they do.
 18 TRUSTEE SCHMITZ: Thank you. I appreciate
 19 the answer, and I look forward to seeing the report.
 20 I think it will be very informative.
 21 CHAIR DENT: Any additional questions?
 22 Seeing none. Thank you. Appreciate it.
 23 That will close out item E 1.
 24
 25

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1 F. CONSENT CALENDAR

2 F 1. Meeting Minutes Approval 1/31/24
 3 F 2. Meeting Minutes Approval 2/14/24
 4 F 3. Sewer Pump Station #10 Line Stop
 5 F 4. Sewer Pump Station #10 Hauling
 6 F 5. Burnt Cedar Water Disinfection Plant
 Crane Services
 7 F 6. Finest LLC Agreement for Services
 8 F 7. Burnt Cedar Water Disinfection Plant
 Sodium Silicate Pumping and Disposal
 9 F 8. Jacobs Engineering Group Amendment to
 Agreement for Services
 10 F 9. Ponderosa Ranch Road Water Main
 Replacement Project

11 CHAIR DENT: Item F 1 through 9 are what
 12 are currently on the consent calendar. Is there
 13 a -- I'll entertain a motion.

14 TRUSTEE SCHMITZ: I'll make a motion that
 15 the Board approve consent calendar items F 1 through
 16 F 9.

17 CHAIR DENT: Motion's been made. Is there
 18 a second?

19 TRUSTEE NOBLE: Second.

20 CHAIR DENT: Motion's been made and
 21 seconded. Any discussion by the Board?

22 Seeing none, I'll call for the question.

23 All those in favor, state aye.

24 TRUSTEE TULLOCH: Aye.

25 TRUSTEE NOBLE: Aye.

TRUSTEE SCHMITZ: Aye.

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1 the painting done. It's a nice spruce-up. And if
 2 you come and check out some of the walls, especially
 3 downstairs, it just kind of looks a little dated and
 4 dingy.

5 TRUSTEE SCHMITZ: Staff time, is there
 6 going to be staff time related to this project also
 7 just to move things? You've got a lot on your plate
 8 coming into a construction season. And I'm just
 9 wondering if this is a good time and what cost is
 10 related to the staff time to move things around, and
 11 has that been included in this budget?

12 MS. NELSON: That's actually included in
 13 the price. Staff will not be removing things from
 14 the walls, that will all be the company that is
 15 painting.

16 CHAIR DENT: Any other questions?

17 TRUSTEE TULLOCH: Yeah. I see this is
 18 listed under capital expense budget. I strongly see
 19 here, this is a capital expense as opposed to an
 20 operating expense.

21 MS. NELSON: It was budgeted and approved
 22 under the capital expense. We worked closely with
 23 the accounting department when they broke those
 24 projects out between capital improvement projects
 25 and capital expense projects.

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1 CHAIR DENT: Aye.
 2 Motion passes, 4/0.

3 G. GENERAL BUSINESS

4 G 0. Tahoe Works Agreement for Services

5 CHAIR DENT: All right. Moving on to item
 6 G 0, formerly F 10. Review, discuss and possibly
 7 approve the Agreement for Services for painting the
 8 interior of the Public Works Administration
 9 Building. Project #2097BD1202. This can be found
 10 on page 234 through 250 of your board packet.

11 Trustee Schmitz, you had questions on this
 12 item. Floor's yours.

13 TRUSTEE SCHMITZ: Ms. Nelson, my question
 14 is with this -- I'm understanding this to be
 15 interior cosmetic-type of -- I'm sorry -- cosmetic
 16 interior painting. And I'm curious as to the amount
 17 of disruption that this may have on staff, and I'm
 18 just curious if this is good timing for that type of
 19 disruption to staff?

20 MS. NELSON: I will have to say that any
 21 type of painting or carpet repair is never ideal.
 22 But we're going to schedule it to be the least
 23 impactful to staff. We'll work closely with Tahoe
 24 Workz to get that done.

25 Actually, most people are excited to have

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1 So if there's specific questions related
 2 to capitalization versus expense, I would encourage
 3 you to contact the interim Director of Finance.

4 TRUSTEE TULLOCH: Okay. My apologies.
 5 The audio seems to be cutting, so I missed some of
 6 that.

7 I can't understand why it would be a
 8 capital expense. It's not extending the life of the
 9 building. This is just regular maintenance.

10 CHAIR DENT: Trustee Tulloch, the response
 11 was that Public Works worked very closely with
 12 accounting when these projects were separated, and
 13 so if there were further questions on that,
 14 accounting will be the one to field that question.

15 TRUSTEE TULLOCH: Perhaps that can come
 16 back.

17 CHAIR DENT: General Manager just nodded
 18 his head, so we'll get a response from him.

19 TRUSTEE SCHMITZ: I just wanted to respond
 20 to Trustee Tulloch. It might be your internet,
 21 Trustee Tulloch, because I'm also on Zoom, and I did
 22 not have any break up of the communication.

23 CHAIR DENT: I don't think there's any
 24 additional questions on this. I will entertain a
 25 motion.

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1 TRUSTEE NOBLE: I would move to approve
 2 the Agreement for Services with Tahoe Workz, Inc.
 3 for the amount not to exceed \$28,750.00, and I would
 4 Direct the Interim Director of Public Works to sign
 5 and execute the Agreement.
 6 CHAIR DENT: Motion's been made. Is there
 7 a second?
 8 TRUSTEE SCHMITZ: Second.
 9 CHAIR DENT: Any further discussion by the
 10 Board?
 11 Seeing none, I'll call for question. All
 12 those in favor, state aye.
 13 TRUSTEE NOBLE: Aye.
 14 TRUSTEE SCHMITZ: Aye.
 15 CHAIR DENT: Aye.
 16 Trustee Tulloch?
 17 TRUSTEE TULLOCH: That's a no until the
 18 accounting is sorted out.
 19 CHAIR DENT: Motion passes, three to one.
 20 G 1. Diamond Peak '24/'25 Rates
 21 CHAIR DENT: Review, discuss and possibly
 22 approve Diamond Peak Ski Resort's 2024/25 Recreation
 23 Pass holder daily lift ticket rates and Recreation
 24 Pass Holder season pass rates proposal. Requesting
 25 Staff Members: General Manager of Diamond Peak Ski

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1 conditions during the December month of the 2024
 2 season.
 3 Staff has included tables to identify the
 4 proposed rate changes as well as the current Picture
 5 Pass Holder rates for passes. Staff also included
 6 in the report kind of look at the utilization of an
 7 access product type, as well as chart 4 that
 8 identifies the amount of time that the daily ticket
 9 would be used to kind of simulate the pay off or the
 10 cost of the season pass. And chart 5 references
 11 the year-over-year look at the complimentary daily
 12 lift tickets issued during the annual Resident
 13 Appreciation Week.
 14 Happy to answer any questions that the
 15 Board may have or this agenda item this evening.
 16 CHAIR DENT: Any questions?
 17 TRUSTEE SCHMITZ: My question is on
 18 page 254, where we have the daily, this is for
 19 Picture Pass Holder daily ticket rates. Refresh my
 20 memory, I thought last year was first time in a very
 21 long time that we had increased the daily rates, and
 22 I'm just wondering if you can refresh our memory on
 23 how long has it not been increased. Because I'm
 24 just concerned about the daily rates increasing yet
 25 another \$5 after last year's increase.

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1 Resort, Mike Bandelin. Can be found on page 251
 2 through 265 of the board packet.
 3 MR. BANDELIN: As stated, the staff report
 4 for this item begins on page 251 of your packet.
 5 This evening's recommendation, including pricing for
 6 ski products to our community members, contemplates
 7 and is in line with the District's Practice 62.0,
 8 related to pricing of recreation venue products.
 9 The first recommendation from staff to the
 10 Board of Trustees includes a \$5 increase to Picture
 11 Pass Holder daily lift tickets, except the beginner
 12 ticket product which is recommended to include a \$2
 13 increase.
 14 Staff has recommended for an approval of a
 15 ten percent increase to non-resident season pass
 16 product rates, with the exception of the super
 17 senior rate, which is proposed as a 35 percent
 18 increase to be in line with the child pass rate.
 19 Staff is also recommending a zero dollar
 20 increase to Picture Pass Holder season pass rates
 21 for all products.
 22 The final recommendation this evening is
 23 to direct staff to include an additional pricing
 24 tier for -- pricing tier 4 for the non-resident pass
 25 products at rates to be determined by market

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1 MR. BANDELIN: Off the top of my head, I
 2 don't -- I can't exactly tell you. I have in my
 3 folder here the staff report from last March. I
 4 could take a couple minutes and look in that folder
 5 to be able to see if I can identify what rate
 6 increase was for resident daily tickets for this
 7 particular season.
 8 TRUSTEE SCHMITZ: I really am just sort of
 9 asking off the cuff. I know that some of the rates
 10 had not changed in a very long time. Just from your
 11 recollection, had that not changed for also a very
 12 long time, a number of years?
 13 MR. BANDELIN: That is correct. I can
 14 specifically remember being at The Chateau when we
 15 held or meetings there and proposing no increases to
 16 either season pass holder rates or for Picture Pass
 17 Holders or Picture Pass Holder daily ticket rates.
 18 So I can run down a couple of the items
 19 for during the staff report that we proposed
 20 last year that were implemented this particular
 21 season. We did a \$10 increase for the adult daily
 22 ticket price from \$25 to \$35, then \$25 to \$35
 23 weekend pricing, and then the other period is peak
 24 period, from \$35 to \$40.
 25 I'm looking at my notes here, and I'll

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1 tell you that we did a \$10 increase for the adult,
2 youth, senior, child, beginner, and we remained at
3 free for six and under and 80-plus. So we're
4 proposing a \$5 increase this year, except for a \$2
5 increase for the beginner ticket.
6 TRUSTEE SCHMITZ: What is causing you to
7 want to increase these another \$5?
8 MR. BANDELIN: Within our -- this is
9 purely a recommendation that would just bring in
10 line the amount of times of use to pay off your
11 pass. Let me get my notes here.
12 The increase, it's probably, I would say,
13 the lowest ski lift ticket price to be able to
14 access a ski area that has the infrastructure like
15 Diamond Peak. So you would naturally, as an
16 operator, raise your prices to accommodate expenses,
17 cost to operate the resort, and that's determined
18 within the budget, and so you'll continue to see
19 daily lift ticket rates go up, just as we do on the
20 ones that we don't share with you now that we'll
21 present later on to the non-Picture Pass Holder
22 rates. We continue to raise those on an annual
23 basis, and I think it's appropriate to do the same
24 for the Picture Pass Holder rates.
25 TRUSTEE SCHMITZ: What you're trying to

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1 correct?
2 MR. BANDELIN: That is correct.
3 TRUSTEE TULLOCH: The adult Picture Pass
4 Holder daily ticket price has now gone up 60 percent
5 in two years. I realize it's not been increased for
6 several years beforehand, but basically with this
7 suggested non-peak rate at \$40, it's gone from \$25
8 from season 2022 to now -- sorry 2023, that would
9 have been \$40, 60 percent increase. We've also
10 heard in public comments, the views of the public,
11 that they almost felt like they're pricing people
12 out of it.
13 Do you know what proportion of our
14 revenues comes from these Picture Pass Holders?
15 MR. BANDELIN: Within season passes or
16 daily tickets?
17 TRUSTEE TULLOCH: Within the daily tickets
18 for Picture Pass Holders. What is the revenue
19 improvement impact of this?
20 MR. BANDELIN: I provided in the reports
21 the season-to-date what the review is for daily lift
22 tickets.
23 TRUSTEE TULLOCH: Are we making a
24 significant revenue impact with this 60 percent
25 increase? Are we just annoying more of the

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1 encourage by these daily rates for the Picture Pass
2 Holders is you're encouraging season passes by
3 slightly increasing these rates. Is that sort of
4 the underlying premise?
5 MR. BANDELIN: Sure. As an operator, you
6 would like to -- we've talked about this at the
7 Board level and staff level for years, I mean, you
8 would like to have everybody a pass holder, that way
9 they can receive a lot of the perks that have with
10 the pass holder versus buying daily lift tickets for
11 11 times. It's an incredible amount of staff time
12 to verify residency, going through the whole
13 process, it's time consuming. We don't like doing
14 that to the Picture Pass Holders that just buys the
15 daily tickets. We would always encourage the
16 Picture Pass Holder to accommodate a season pass
17 would be better for operations, but we still
18 wouldn't want to provide that daily ticket because
19 it works better for some people, but there would be
20 incremental cost increases, possibly on an annual
21 basis, to help offset the operating cost of the
22 resort.
23 TRUSTEE SCHMITZ: Thank you for that. And
24 just for clarification, there's a recommendation to
25 not increase the season passes for pass holders;

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1 community?
2 MR. BANDELIN: Stand by one minute and let
3 me get the table here.
4 No, not significant increase. No.
5 TRUSTEE TULLOCH: I think I saw 110,000
6 approximately; is that correct?
7 MR. BANDELIN: Yes.
8 TRUSTEE TULLOCH: Yeah. I think my
9 question -- I've asked several trustees, considering
10 we've heard the public comments, I mean, are we
11 achieving anything or are we shooting ourselves in
12 the foot? The 110,000 revenue improvement only
13 assumes we sell the same number. It doesn't account
14 for any drop offs, ten percent drop off in users. I
15 just ask my fellow trustees to consider that.
16 The other aspect, this market-driven
17 pricing, we've heard this before for years in golf
18 where we had dynamic pricing, and it was really
19 nothing of the sort. It was just making up prices
20 on the fly.
21 What are we hoping to achieve with this
22 market-based pricing?
23 MR. BANDELIN: Maybe it's the wrong
24 terminology for your sake. And that was a staff
25 decision to -- we raised from tier 2 to tier 4 on

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1 December 23rd, \$100 for those passes, and we
 2 continue to sell passes, unlike other resorts that
 3 stop selling passes in season. And there was a
 4 significant amount of passes sold and used for -- I
 5 don't have revenue numbers in front of me, but it
 6 was a significant increase in revenue from when we
 7 didn't have the tier 4 in place in the past.
 8 TRUSTEE TULLOCH: Yes, I agree.
 9 MR. BANDELIN: So maybe the terminology
 10 "market driven," was not the right wording to use.
 11 TRUSTEE TULLOCH: So it's not market
 12 driven, it's just put out another hundred bucks for
 13 tier 4.
 14 MR. BANDELIN: Yeah, you're correct. I
 15 used the wrong terminology, and should have said it
 16 was staff's intention to sell the passes for more
 17 money because you could increase revenue and make
 18 the ratio between the daily lift ticket price and
 19 the pass lower.
 20 TRUSTEE TULLOCH: Yes. I have no issue
 21 with that, if what we're talking is a straight \$100
 22 increase. I don't like it when I see "market
 23 pricing" without proper market analysis.
 24 MR. BANDELIN: Okay.
 25 TRUSTEE TULLOCH: There's actually one

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1 other resort that does sell passes in season as
 2 well.
 3 MR. BANDELIN: I knew that. Yeah,
 4 apologize. Wrong terminology for your sake.
 5 CHAIR DENT: Any other questions? I will
 6 entertain a motion, then.
 7 TRUSTEE NOBLE: I would move to approve an
 8 increase to all Recreation Pass Holder daily ticket
 9 products as shown in Table 1 for fiscal year
 10 '24/'25. Approve an increase to all Public season
 11 pass products as shown in Table 3, Exhibit A, for
 12 fiscal year '24/'25. Approve a \$0 increase to
 13 Recreation Pass Holder season pass prices for fiscal
 14 year 24/'25, and direct District staff to include
 15 an additional pricing tier, tier 4, for public
 16 season pass products at rates to be determined by
 17 staff in the future.
 18 CHAIR DENT: Motion's been made. Is there
 19 a second?
 20 TRUSTEE SCHMITZ: I'll second.
 21 CHAIR DENT: Motion's been made and
 22 seconded. Any further discussion by the Board?
 23 TRUSTEE TULLOCH: Can I put forward an
 24 amendment to that motion, please?
 25 CHAIR DENT: Go ahead.

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1 TRUSTEE TULLOCH: I'd like to delete, for
 2 item 1, recommendation 1, I'd suggest that we
 3 recommend we hold recreation pass holder daily
 4 ticket products at the '23/'24 rate, the Picture
 5 Pass Holder rates.
 6 TRUSTEE NOBLE: I'm fine with that. There
 7 was a \$10 increase last year, and I'm fine with
 8 holding off for consideration for an increase until
 9 next year if the majority of the Board would like to
 10 go with that.
 11 And so I would accept that motion to not
 12 increase the recreation pass holder daily ticket
 13 prices this coming fiscal year -- or season.
 14 CHAIR DENT: Okay. Motion's been amended.
 15 TRUSTEE SCHMITZ: I have concerns about
 16 the increase for these daily tickets. But I'm
 17 understanding the logic that interim General Manager
 18 Bandelin is using, and that it is that it's an
 19 extensive amount of staff time to validate these at
 20 the window. And by leaving them the way, leaving
 21 this pricing structure, it means that someone would
 22 need to buy -- ski more than nine times to get a
 23 return on season pass. And what he's proposed here
 24 is a rate that would give a breakeven at seven times
 25 of using a pass.

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1 So I have concerns about increasing the
 2 daily ticket price, but I'm understanding the logic
 3 that Mr. Bandelin is using and the amount of effort
 4 that it takes to deal with the daily ticket as
 5 opposed to a pass holder. I'm sitting here thinking
 6 that I want take the advice of our General Manager
 7 of Diamond Peak who understands how to run his
 8 business.
 9 And while this might seem like a
 10 significant change, it's actually encouraging people
 11 to buy the season pass, and I think there is -- as
 12 Mr. Bandelin pointed out, there's business reasons
 13 for trying to incentivize that decision by our pass
 14 holders.
 15 CHAIR DENT: There is a motion on the
 16 table. Is there a second?
 17 TRUSTEE TULLOCH: Is the amend motion --
 18 I'll second the amended motion, then.
 19 CHAIR DENT: Okay. Motion's been made and
 20 seconded. Any further first discussion by the
 21 Board?
 22 Seeing none, I'll call for the question.
 23 All those in favor, state aye.
 24 TRUSTEE TULLOCH: Aye.
 25 TRUSTEE NOBLE: Aye.

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1 CHAIR DENT: Aye.
 2 Opposed?
 3 TRUSTEE SCHMITZ: No.
 4 CHAIR DENT: Motion passes three to one.
 5 That closes out item G 1.
 6 G 2. Beach House Project
 7 CHAIR DENT: Review, discuss, and possibly
 8 approve the agreement for 30 percent schematic
 9 design contract for Incline Beach House project
 10 '23/'24 capital improvement project. Contractor
 11 would be CORE West, Inc., for the construction in
 12 the amount of \$103,500.
 13 Review, discuss, and possibly approve the
 14 agreement for 30 percent schematic design for the
 15 Incline Beach House access project, '23/'24 capital
 16 improvement project, to CORE Construction in the
 17 amount of \$18,000. Can be found on page 265 through
 18 282 of your board packet.
 19 MS. NELSON: I would like to provide a
 20 quick history of how we got to this point. It does
 21 seem like it has taken forever, but I'll make this
 22 brief.
 23 Back in January of 2022, the Board
 24 identified that this project was a board-priority
 25 project. In July of 2022, staff provided to the

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1 Board of Trustees a historical summary of the
 2 project and requested direction from the Board on
 3 the next steps and scope of the project.
 4 At that time, the GM requested that a
 5 design team similar to the CMAR team at the Burnt
 6 Cedar pool be used, and the Board directed staff to
 7 move forward.
 8 Between August 2022 and November 2022,
 9 staff resources were re-prioritized to the Rec
 10 Center expansion project due to the accelerated
 11 schedule required on that project. In December of
 12 2022 through February of 2023, staff reevaluated the
 13 historical information and deemed it necessary to
 14 bring back alternate 1 to the Board of Trustees with
 15 an updated cost estimate to provide the Board of
 16 Trustees a full and transparent project.
 17 On February 8th of that year, 2023, staff
 18 provided a total project cost, inclusive of hard and
 19 soft costs of about \$6 million, utilizing the 2023
 20 construction indices. The Board of Trustees
 21 majority decided it was important to gather
 22 additional community input. In April of '23, the
 23 FlashVote survey was released. In May of 2023, the
 24 Board of Trustees approved a \$4 million total
 25 project budget for the project.

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1 In July of 2023, on July 26th,
 2 an additional FlashVote survey was released, as well
 3 as the staff attended a Board of Trustees meeting
 4 requesting additional direction as to what to
 5 include in the RFQ for the project. We were seeking
 6 advice on the level of service desired, the food and
 7 beverage scope, and the project delivery method. At
 8 that meeting, the direction of staff was to provide
 9 a kitchen sized and equipped to deliver at least an
 10 equivalent level of service as is currently
 11 available, the project is to prioritize the
 12 number of restroom stalls to eliminate the
 13 year-round need for portable toilet facilities,
 14 provide an increase to the size of the bar with
 15 attention paid to the flow of the patrons, both
 16 purchasing from the bar as well as from the kitchen,
 17 and the project budget was to be \$4 million
 18 inclusive of hard and soft costs.
 19 Between August 2023 and November of 2023,
 20 our Director of Public Works resigned. Staff has
 21 adjusted to fill those voids, which basically
 22 resulted in the engineering department having two
 23 and a half people. We prioritized the continuance
 24 of management and oversight of the current projects
 25 that were under construction, a value of

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1 approximately \$16 million, as well as continuing the
 2 projects that were under design or bidding.
 3 At this time, I will turn it over to Brie
 4 Waters so she can take you from what occurred in
 5 November '23 through the RFQ process.
 6 MS. WATERS: Thank you, Board. Like Kate
 7 said, I'd like to discuss the request for
 8 qualification process, which was advertised on
 9 November 16th, and we received four statements of
 10 qualifications from four different design-build
 11 firms on December 19th.
 12 At that point, we put a selection
 13 committee together, which was two trustees, two
 14 members of the District's executive team, two
 15 members of Public Works, and one member of the
 16 Capital Investment Committee. The selection
 17 committee then short-listed those four design-build
 18 teams to three and ranked them in terms of
 19 qualifications.
 20 These three teams were asked to interview
 21 and present to the selection committee on February
 22 1st. In that second phase of the RFQ process, we
 23 provided them all of the technical documents we had,
 24 meaning all of the project background, board
 25 meetings, board meeting minutes, original Beach

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1 House drawings, site plans, the drawings from BSA
 2 that were done in 2016, all of the cost estimates.
 3 We really wanted all the teams to have as much
 4 information as possible so they could understand
 5 where we'd gone, where we'd been, and where we were
 6 going so they could give the best interviews that
 7 they could.

8 The interviews were 60 minutes long,
 9 40-minute presentations, and 20 minutes of comments
 10 and questions from the selection committee.

11 The selection committee then ranked each
 12 of the teams based on key personnel projects
 13 experience, past performance, and project
 14 implementation. And, again, this was a
 15 qualification-based RPP.

16 The other option would have been to do a
 17 design-build competition, where we would have put an
 18 RFQ out, we would have short-listed the teams that
 19 presented, we would have given them four to
 20 six months to come up with some concept designs, and
 21 they would have been compensated for that, between
 22 20- and \$30,000 apiece to come back to us with
 23 concept designs that we would then rank them on.

24 We didn't go down that path, and we've
 25 chosen CORE Construction. And as the design-build

54

1 team, the selection committee chose this team that's
 2 best for the project and the District.

3 **I'd also like to now speak about the 30**
 4 **percent schematic design process and why we're here**
 5 **tonight to award these contracts. Up on the board**
 6 **is this 30 percent schematic timeline. And so we're**
 7 **looking at deliverables that will be delivered as**
 8 **part of the process. And to explain to everybody**
 9 **what those are, the very first step in this process**
 10 **is to define owner's programs and the preliminary**
 11 **evaluation of the site and its constraints.**

12 **We do have a program outline by the Board,**
 13 **and given by board direction, which Kate stated**
 14 **earlier, it's an outline. Now we go and we come**
 15 **into the details: How big is the kitchen, how is**
 16 **the kitchen laid, how big is the bar, where's the**
 17 **building oriented?**

18 **All of these things, the design team goes**
 19 **into great detail with their professionals, their**
 20 **architects, their kitchen designers. I mean, it was**
 21 **stated by the kitchen designer in the interview, the**
 22 **first thing he's going to do is -- he asked where we**
 23 **came up with the alternate 1 footprint. Well, it**
 24 **was the old engineering team, and we're really not**
 25 **really sure. He says, "Well, in my gut, it's too**

55

1 **big, and we really need to look at this and really**
 2 **streamline with food and beverage and get all the**
 3 **stakeholders' input," which is what the programming**
 4 **does.**

5 **That will be delivered on April 15. All**
 6 **the stakeholders involved, the Rec Department,**
 7 **Public Works, everyone involved in this project will**
 8 **have input on this deliverable, delivered on April**
 9 **15th, in written format for review, making sure that**
 10 **the District, the community, the needs and wants of**
 11 **the Board, everything, is in this memo.**

12 **The schematic design documents will be**
 13 **delivered on June 3rd, and these will include**
 14 **elevations, floor plans, illustrations. And from**
 15 **that, CORE is doing the preliminary pricing all the**
 16 **way through this, and then they will start their**
 17 **final pricing, taking us through the final**
 18 **construction of both projects. And the construction**
 19 **costs estimate and project schedule come in on June**
 20 **24th. The project schedule takes us from today**
 21 **through the end of construction, with all the**
 22 **milestones, everything we need to hit in order to**
 23 **get this project constructed on time.**

24 **To go back to the project milestones, the**
 25 **blue squares on this slide are the progress**

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1 meetings, and this is to allow everyone to see what
 2 is going to be happening in this collaborative
 3 process between the design-build team and the
 4 District, the shareholders, recreation, food and
 5 beverage, everyone involved. We do request and
 6 encourage board members attend these meetings. We
 7 know we can have two board members at any one of
 8 these meetings, and we encourage that. We want
 9 everyone's input.

10 **So that April 15th, we have a budget**
 11 **number for the Beach House; we don't have a budget**
 12 **number for the access project, which is the**
 13 **recirculation, the addition of electric gates for**
 14 **vehicles and cars. That is what we asked the**
 15 **design-build team to give us on the 15th so we can**
 16 **start the budget process. That's a high-level**
 17 **budget number.**

18 **April 30th, we would like to have a public**
 19 **meeting for public input, where illustrations will**
 20 **be brought and discussed with the public.**

21 **On the 15th, or around the middle of May,**
 22 **we would like bring this to the CIC committee for**
 23 **their comments and input.**

24 **And, hopefully, by July 8th, this project**
 25 **will be fully vetted and we can bring it to the**

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1 **Board for approval to move forward.**

2 CHAIR DENT: Any questions?

3 TRUSTEE TULLOCH: Now, you talked about

4 public input prior to April 15th and not the April

5 30th. This public input is not -- this is not

6 another opportunity for lots of scope creep, I'm

7 assuming this is still within the agreed budget; is

8 that correct?

9 MS. WATERS: That's correct. And this

10 actually brought forth by the design team. The

11 entire layout of the schedule was brought forth by

12 the design-build team.

13 TRUSTEE TULLOCH: When I heard you talking

14 about everyone having their input and things, again,

15 this is concept -- the concept, again, is within the

16 agreed budget. That was all the clarification I

17 wanted there.

18 TRUSTEE SCHMITZ: I reviewed the contracts

19 that were sent to us, and I'm just going from my

20 notes, but in Article 2, in the second paragraph, it

21 talks about design criteria documents. Do we have

22 those design criteria documents?

23 MS. WATERS: The second paragraph of

24 Article 2?

25 TRUSTEE SCHMITZ: Yeah. Article 2. And

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1 it was not the one -- I don't think it's the one

2 that's in the packet. I believe it was the one that

3 was emailed out and sent as supplemental material.

4 And in both projects, the contract

5 template is exactly the same, and both of them talk

6 about design criteria documents that are supposed to

7 be delivered. And they talk about -- in paragraph

8 2.1, it talks about owner's existing test report. I

9 don't know what these documents are, and if they're

10 not relevant, we should get the contract language

11 corrected.

12 MS. WATERS: We can certainly do that.

13 The 30 percent schematic documents are

14 referring to the owner's programming, the project

15 schedule, the project estimate, and the schematic

16 design documents.

17 TRUSTEE SCHMITZ: Yeah. I saw the

18 definition of the owner's program, but the design

19 criteria documents, I was hoping they that were

20 going to be included.

21 I don't know whether this design criteria

22 is supposed to be just the attachment that is part

23 of the contract. It's just unclear to me what that

24 is. And then it talks about owner's existing test

25 report on both of these contracts, and I don't know

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1 what that is referring to as well.

2 And if we're going to talk later about the

3 ingress/egress, I would want to make sure that the

4 vendor has access to -- I can't recall the vendor's

5 name, but they did a traffic study report, probably

6 two summers ago, and I would assume that they would

7 be using that as input as well.

8 MS. WATERS: Correct. It is LSC, and the

9 design-build firms were all given that report to

10 base that project off of and the recommendations

11 within the report and all the information given in

12 that report.

13 TRUSTEE SCHMITZ: Okay. I think those two

14 sections just should have legal review it because

15 it's ambiguous to me as far as what it's referring

16 to in the contract.

17 MS. WATERS: I went through this

18 extensively with Silver State, through each section

19 with wording that he -- what Jeff reviewed, and put

20 in new wording and took out my wording and back and

21 forth. And then BBK also reviewed, and the

22 contractor.

23 Would you like to comment on it or bring

24 it back?

25 TRUSTEE SCHMITZ: Then my question is:

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1 What is that existing test report?

2 MS. WATERS: I'm not seeing where you're

3 reading this. I'm sorry.

4 TRUSTEE SCHMITZ: It was in the document

5 that you emailed us. And we can talk about this

6 offline. But it was in the email that was provided

7 as supplemental contracts that had been reviewed and

8 --

9 MS. WATERS: Can you point to what

10 sections that's in?

11 TRUSTEE SCHMITZ: It's 2.1.

12 MR. RUDIN: 2.11, bottom of the second

13 page, midway through the paragraph. "The design

14 builder shall review the owner's existing test

15 reports, will not undertake any independent testing,

16 nor be required to furnish types of information

17 derived from such testing in its preliminary

18 evaluation."

19 Basically this is just indicating that

20 they're going to review all of the existing

21 documents IVGID has with respect to the subject site

22 and incorporate any documents we have, but they're

23 not going to go in and do any independent testing to

24 determine what the site conditions are.

25 MS. WATERS: Correct. And I discussed

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1 this with Jeff of Silver State, because we will need
2 to be doing an updated geotech report, which would
3 be on the District and not on the contractor.
4 However, it is on the contractor to do
5 this updated survey if they need one, and that is
6 included. That is why we changed the language to
7 say it exactly what you just said, and include,
8 without limitation, the surveying services, and that
9 we will provide them with any documentation we have
10 of any further test results.
11 TRUSTEE SCHMITZ: I don't know what
12 testing you're doing.
13 Then in Article 2, the second photograph,
14 it talks about the design criteria documents. Where
15 are those documents? And is that really referring
16 to Attachment A? It's not clear what these things
17 are referring to and there's nothing that defines
18 them.
19 MS. WATERS: Sergio, would you -- to me,
20 and I'm not a lawyer because I was hoping Silver
21 State, we developed this contract together from a
22 template that the industry uses. To me, and from a
23 lawyer standpoint, the 30 percent schematic
24 documents, is everything listed under 2.2?
25 MR. RUDIN: Yeah. I think she's referring

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1 clear is is that it isn't just about building a
2 bigger bar, it's about how can we have a design that
3 results in better service and a better environment
4 for patrons at the beach so they're not just
5 standing in line and that they're able to gather
6 with their friends. I think that should be a little
7 bit more clear.
8 TRUSTEE TULLOCH: If I can give a little
9 bit more background. I'm sure many in the community
10 are kind of surprised that this proposal is coming
11 forward and still no idea what this building is
12 going to look like, what the footprint is going to
13 be. I was equally surprised at that when I was
14 brought into the selection committee. I did
15 actually ask the Public Works' team to reach out to
16 all of the bidders to give us some of the just like
17 conceptual design thoughts of what it may look like,
18 make sure we weren't ending up with basically a
19 fast-food, concrete joint or something.
20 Unfortunately, only one of the bidders
21 actually came forward with that, with some of the
22 thoughts, which I find disappointing. And,
23 obviously, were' now under a very tight time scale,
24 so we're going back for further design concepts, and
25 kill us for another year.

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1 to -- the one sentence where design criteria
2 documents are mentioned are on page 2, second
3 paragraph of Article 2, before 2.1, and I think that
4 this is all preparatory language before we actually
5 go forth in the contract to define what is the
6 preliminary design services in 2.1. And also --
7 yeah, so that's 2.1 through 2.114.
8 TRUSTEE SCHMITZ: Yeah. I don't know what
9 it is talking about, and I don't like contracts that
10 are referring to documents and reports that we don't
11 have and aren't part of the scope of work, I guess.
12 As it relates to Attachment A, when you
13 start talking about what the Board was asking for, I
14 don't think that increasing the size of the bar
15 solves the problem that we're having. The problem
16 we have is efficient service. And I wouldn't want
17 to just go say we're going to increase the size of a
18 bar because that's not necessarily solving a
19 service-level problem. So I was proposing that,
20 perhaps, we have a less-expensive method of having
21 tables that are served where people can gather with
22 their friends and sit at a table and have bar
23 service.
24 So I thought -- I think that that is
25 something that we should have a little bit more

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1 I just wanted to clear that up for the
2 community because several people have asked me,
3 well, what are we actually getting here?
4 The other issue, my previous comment where
5 I was asking about budget process, because I did
6 have some concerns with the -- while CORE did a good
7 very presentation, I did have some concerns that
8 their architecture team were starting to push for
9 scope creep, even during orals. I understand CORE's
10 in the audience, I'm sure they'll be on top of their
11 architects.
12 TRUSTEE NOBLE: With regards to Attachment
13 A to the Incline Beach House project number 3 that
14 Trustee Schmitz had referenced, I actually think
15 that the increase to the size of bar with attention
16 paid to the flow of the patrons, both purchasing
17 from the bar as well as the kitchen, actually
18 addresses the concerns with regards to how packed
19 the current bar is. It's not just -- there needs to
20 be more room, and I would leave it up to the
21 designers to figure out how best to do that, whether
22 that's through additional tables or additional bar
23 space, but I wouldn't want to limit them to one
24 option.
25 And so I think the language that appears

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1 in number 3 right now is broad enough to give the
 2 designer the leeway to come up with a solution.
 3 CHAIR DENT: I will just --
 4 TRUSTEE TULLOCH: Chair Dent, a follow-up.
 5 CHAIR DENT: Go ahead.
 6 TRUSTEE TULLOCH: We did stress with all
 7 the respondents that the design should have
 8 potential for future expansion, if it was found to
 9 be necessary. That was stressed with all the
 10 respondents.
 11 CHAIR DENT: I agree with Trustee Noble
 12 when it comes Attachment A and not limiting the,
 13 say, size of the bar. I think the size of the bar
 14 does provide seating there. You can look at the
 15 outdoor bar that's down at the Hyatt, and there's
 16 lots of seating there. You can sit there with your
 17 friends, you can eat. But I do like the idea of
 18 potentially having some fixed tables as well.
 19 Excited to see what the designer comes
 20 back with when it comes to this first.
 21 Any further discussion on this item? I
 22 will entertain a motion.
 23 TRUSTEE NOBLE: I would move that we
 24 approve the agreement for the 30% schematic design
 25 for the Incline Beach House Project, 2023/24

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1 design criteria documents because, really, that's
 2 going to mean any documents put forward by IVGID
 3 relating to design objective.
 4 We don't have them now. We may develop
 5 them later. The contractor's going to be obligated
 6 to look at them.
 7 Additionally, 2.11 makes clear that a lot
 8 of design objectives have yet still to be developed
 9 for this project and are going to be developed as
 10 part of that timeline process, so I'm relatively
 11 comfortable with going with the agreement.
 12 CHAIR DENT: Does that answer your
 13 question?
 14 TRUSTEE SCHMITZ: Yes, it does. Thank
 15 you.
 16 CHAIR DENT: All right. Any further
 17 discussion by the Board?
 18 Seeing none, I'll call for the question.
 19 All those in favor, state aye.
 20 TRUSTEE TULLOCH: Aye.
 21 TRUSTEE NOBLE: Aye.
 22 TRUSTEE SCHMITZ: Aye.
 23 CHAIR DENT: Aye.
 24 Opposed? Motion passes, 4/0. Thank you.
 25 Moving on, how about a five minute break? We're

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1 capital improvement project; fund: community
 2 services; division: Beaches; project #3973LI1302;
 3 contractor: CORE West Inc. dba CORE Construction for
 4 the amount of \$103,500.00; and, number 2, approve
 5 the agreement for the 30% schematic design for the
 6 beach access project, 2023/24, capital improvement
 7 project; fund: community services; division:
 8 beaches; project #3972BD2102; contractor: CORE West
 9 Inc. dba CORE Construction for the amount of
 10 \$18,000.00; and direct the Chair and Secretary to
 11 sign and execute the agreements.
 12 CHAIR DENT: Motion's been made. Is there
 13 a second?
 14 TRUSTEE TULLOCH: Yes, second.
 15 CHAIR DENT: Motion's been made and
 16 seconded. Any further discussion by the Board?
 17 TRUSTEE SCHMITZ: I would ask, Sergio, if
 18 the contract needs to be slightly reviewed and
 19 modified in those sections in Article 2?
 20 MR. RUDIN: So in terms of modification in
 21 2.11, there's a mention of owner's programming,
 22 that's a typographic error, and that should just be
 23 "owner's program," but beyond that, I'm relatively
 24 comfortable with the language that is currently in
 25 the agreement, including the language discussing

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1 going to take a five-minute break.
 2 (Recess from 7:31 p.m. to 7:38 p.m.)
 3 CHAIR DENT: We're going to get started.
 4 G 3. WRRF Storage Tank Project
 5 CHAIR DENT: Review, discuss, and possibly
 6 provide direction for staff to pursue execution of a
 7 CMAR construction contract in the amount of
 8 \$6,637,173.51, and a budget augmentation of \$800,000
 9 for the storage tank project. Contractor is Granite
 10 Construction. This can be found on pages 283
 11 through 292 of your board packet.
 12 MS. NELSON: To this point, we have
 13 brought forward projects that are wants and needs of
 14 the District, and I wanted to remind the District
 15 this project does actually have a regulatory
 16 requirement associated with it. The Wastewater
 17 Resource Recovery Facility is permitted through the
 18 Nevada Department of Environment Protection. NDEP
 19 issues a discharge permit every five years with
 20 parameters that IVGID must comply with.
 21 In 2016, a special condition of the permit
 22 was noted. This condition was that there was to be
 23 no discharge of emergency flows into the storage
 24 ponds that are unlined. NDEP issued an extension
 25 and a new discharge permit with the same condition

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1 in 2023.

2 Staff continues to work with NDEP to

3 update them on the project. They have approved the

4 project documents for construction and are

5 anticipating that we move this project forward.

6 At this time, I'd like to turn it over to

7 Hudson so he can go over the GMP project.

8 MR. KLEIN: A small presentation here. A

9 few of these slides are included in your packet,

10 however, there's just a few more for color

11 commentary and a bit of summary at the end here.

12 For anyone unfamiliar with the site, that

13 is just a quick aerial photo of the wastewater

14 recovery there, the WRRF, for short. C pond 1 on

15 the bottom of the photo and pond 2 is the top.

16 Much like the regulatory requirements that

17 Kate just addressed, the design and project

18 development of what is now proposed as a concrete

19 storage tank goes back a number of years to the

20 start of 2021, and this project was developed hand

21 in hand with the effluent pipeline project. The

22 original concept for the share between the project,

23 you can say, was in pond 2, a proper lining to meet

24 the regulatory discharge permit requirements could

25 be upsized enough to contain a week's worth of

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1 effluent in order to allow the contractor doing the

2 effluent pipeline line to replace the existing line

3 in the same trench, so as to get some construction

4 efficiencies there to avoid rocks and potential

5 undergrounds unknowns.

6 However, that -- and that carried forward

7 from starting in July. And from about September,

8 once the grading sort of profiles and everything for

9 the pond were known, the Division of Dam Safety

10 within Nevada Division of Water Resources was

11 contacted. The initial contacts were promising in

12 that we could proceed so long as there was minimal

13 change to the dam, and that's what the original

14 design was, it was some fill on the backside in

15 which to key that liner into. However, that project

16 representative within dam safety left the

17 department, and when we were given a new sort of

18 agent, a few months had passed and they said you

19 were going to need to do a dam approval, which would

20 basically mean bringing the current dam, built in

21 1960, up to present-day standards. That was seen as

22 both a time loss and a prohibitive cost with regard

23 to spending a substantial portion to upsize whatever

24 was necessary, the existing dam face.

25 From there -- that was about December 21.

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1 From early '22 through about May of '22, it was

2 decided that we would investigate some alternatives,

3 and starting from about February '22 on, it was

4 determined that would be three alternative designs

5 to a 30 percent schematic for both cost estimation

6 purposes to bring forward to both staff and the

7 Board with regard to a selection going on forward.

8 At that time, we were looking at options

9 that included a liner in pond 1, shown down there

10 before. Here it just shows the tentative design for

11 that. You can see in the bottom of the display here

12 some of the improvements that might have been

13 needed. That was determined prohibitive because the

14 cost would have been 25 percent of the project

15 costs, well above the tank options. Sort of made

16 that a moot point.

17 The other two options were a welded steel

18 tank and a reinforced concrete tank at the volume of

19 two million gallons, which meets the operational

20 needs of the treatment plant.

21 Following those at that 30 percent design

22 stage, Jacobs, in collaboration with the CMAR

23 Granite Construction and industry providers, they

24 came up with a cost that was reflected in your board

25 packet there. I believe that summary comes on page

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1 285.

2 And so it was, for operational reasons,

3 decided we would go with the concrete tank. Some of

4 the advantages, in addition to a cost, it was about

5 a million dollars less, were it creates some

6 opportunity for additional land on the treatment

7 plant for potential future improvements, there's no

8 open water risk that came along with, say, a lined

9 pond, and more importantly, there's minimal

10 maintenance, long-term maintenance for the concrete

11 tank versus a steel tank.

12 So in June, '22, we presented that to the

13 Board. The recommendation was accepted and we've

14 moved forward. Final design was completed in '23,

15 July of 2023, and at that time Jacobs was put on

16 hold. The reason Granite wasn't able to provide a

17 100 percent cost estimate at that time was primarily

18 having to prioritize the development, the

19 construction of GMP1 of the pipeline and the

20 contract for GMP2. Further to that, there was

21 funding requirements that we'll speak about just a

22 bit in a moment, we're pursuing the Army Corps

23 funds. One of the requirements of that process is

24 an environmental review assessment. That took until

25 December of 2023, and we were prohibited from any

1 bidding of the project until that project had closed
2 at the risk of forfeiting any potential funds.
3 In December of last year, the bid package
4 was prepared once that requirement was met. A
5 finding of no significant was issued. And at that
6 time, early January, Granite did provide their 100
7 percent OPCC based on that July design and the
8 numbers that -- their self-perform numbers, they
9 were able to modify, still understanding that both
10 the tanks, some of the electrical, and some of the
11 environment work was to be bid, had not occurred.
12 We used the plug numbers from before with some
13 escalation allowances. That number, for your
14 reference here, was the \$7.1 million total
15 construction phase. I do want caution anybody, that
16 7.1 does represent the construction phase portion of
17 it, not the entire project development.
18 So that was in January. And then they did
19 complete their bid process per Nevada statutes and
20 CMAR requirements. We received those bids at the
21 end of January, '24, and that was a hard day because
22 when those bids came in, we did see the increases of
23 \$800,000 on the tank, as per the previous estimates,
24 and about a \$200,000 movement on the electrical
25 costs subbed to Granite.

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1 meaningfully capture that miss.
2 And so we had those increases. What I'm
3 trying to show on this is there was other decreases
4 in the project, both internal costs and within some
5 of the self-performed from Granite as well. They've
6 also agreed, in following with the effluent pipeline
7 project, to reduce their fee from a 14 percent
8 multiplier to a 10 percent multiplier, and that did
9 result in about a 200-plus-k reduction in their
10 fees.
11 And so last -- we've had about a \$400,000
12 construction cost estimate. The overall price
13 estimate for the project, as shown on your packet,
14 page 287, is about 8.1 million, and that includes
15 costs starting from July 1 to now.
16 With that, I will turn it back over to
17 Kate to quickly highlight some of the funding
18 implications of any delay should we opt to go --
19 should the Board instruct us to abandon the CMAR
20 route and publicly bid this, because we are likely
21 to lose a year's construction season in that case.
22 If we are able to approve the CMAR contract, they
23 are ready, their subs are ready, the schedule is
24 there to support a one-year construction starting
25 May of this year.

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1 What I'll say about that, from some of the
2 public comments as well, the tank movement is a very
3 tough pill to swallow, however, there was limited
4 opportunity for either Granite or Jacobs,
5 particularly as the designer, to, say, accurately
6 price that. It had to come from a contractor.
7 Those tank designs are proprietary. The design of
8 that tank is not part of the design we had
9 currently. They're always subbed out, and those
10 designs, whether welded steel or concrete, they have
11 to meet certain building codes, but the design of
12 that tank is up to the concrete -- well, to the tank
13 manufacturer, whether steel or concrete.
14 So the number they gave us that turned out
15 to be wrong, that they had admitted, "they" being
16 the contractor -- or the concrete tank manufacturer,
17 they admitted it was wrong. We should have had that
18 number from the beginning. They hadn't done a tank
19 up at the seismic elevations in ten years, and in
20 that time, the regulations changed that triggered
21 that increased structural seismic requirements that
22 manifested in more concrete, more steel, more
23 reinforcement to stabilize that tank against
24 sloshing movements within. So there was no
25 opportunity for either Jacobs or Granite to

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1 I'll turn it back over to Kate for some
2 explanation of the funding.
3 MS. NELSON: The 30 percent estimated
4 construction and soft costs were used as the basis
5 for developing the budget as well as the Army Corps
6 Project Partnership Agreement that was finally
7 executed in May of 2023.
8 The Section 595 funds through the Army
9 Corps resulted in a \$7.6 million project, with a
10 75/25 percent split. So the federal portion is 5.7
11 million, and the District's portion is 1.9 million.
12 It is a requirement of the District, the NRS, as
13 well as the Army Corps to have all of the money
14 available to award the project.
15 These figures represented tonight do not
16 include any amount of reimbursement back to the
17 project from the Army Corps. We have one
18 reimbursement request in, and they are reviewing it
19 at this time. The total overall outlay for the
20 District will be approximately \$2.4 million.
21 Today, I actually had a project delivery
22 team meeting. We have those anywhere from twice a
23 month to once a month with the Army Corps. I felt
24 it necessary to ask our project manager if our
25 funding is in jeopardy if we opt to jump from the

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1 CMAR process and go out to bid. She provided me
 2 this email at 3:42 this afternoon. I'm just going
 3 to hit some highlights:
 4 "The Army Corps funds projects
 5 incrementally and expects the funding to be spent
 6 within that fiscal year. The Army Corps
 7 headquarters just this month asked all PMs to
 8 recommend projects reducing funding if a non-federal
 9 sponsor is not able to start using the funding in
 10 the FY '24 timeframe. If IVGID's project start were
 11 to be delayed until 2025, the current funding is not
 12 in jeopardy; however, I make you aware that the Army
 13 Corps would be reluctant to fund the proposed
 14 increment 3, which is \$18 million, for the pipeline
 15 project.
 16 "I just emphasize that the IVGID project
 17 and lack of spending the already-awarded funds has
 18 been a topic of discussion at headquarters, and has
 19 moved the IVGID project lower on the list for
 20 receiving future funding.
 21 "Please make sure your management is aware
 22 that the Section 595 programs is one of the best
 23 opportunities for small communities to have
 24 assistance from the Federal Government. All efforts
 25 should be made to complete the committed work that

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1 TRUSTEE TULLOCH: Yeah, I think all this
 2 just highlights -- I won't spend long on my soapbox,
 3 but it really highlights that this whole CMAR
 4 contract, there's no sharing of risk here. We're
 5 basically on hook for all of it.
 6 It's far from satisfactory. I don't see
 7 any rationale for the additional, the share of risk
 8 savings that we need on the pipeline, which is a
 9 more complex project. I think there's a lot of
 10 areas here where costs have gone up. Some from the
 11 manufacturer, others there. I know you guys have
 12 done your best in trying to get it, but I do believe
 13 we don't seem to be served that well by Granite
 14 here. I certainly don't want to delay this.
 15 Just a thought: Can we recover any of the
 16 750k we spent on lining the pond already?
 17 MS. NELSON: Unfortunately, I have asked,
 18 and the answer is no.
 19 TRUSTEE SCHMITZ: Thank you, Ms. Nelson,
 20 for being proactive and asking that question of Army
 21 Corps because I think the answer is very instructive
 22 for us, as a board.
 23 I, too, just would say I really don't see
 24 the value in this CMAR process because in the
 25 report, we've had already one guaranteed maximum

78

1 was agreed to in the scope of work schedule as part
 2 of the PPA.
 3 "I know it seems like \$1 million increase
 4 in cost is a lot, but it's only 13 percent. My
 5 other projects that I work on have also seen an
 6 increase in cost due to inflation, and their costs
 7 are exceeding 25 to 40 percent from 2022 to 2024."
 8 I just felt it necessary to make the Board
 9 aware of that. We currently have increment 2, which
 10 is associated with the pipeline project, under
 11 review at headquarters, and that would be \$4.3
 12 million that be associated with the pipeline
 13 project. That approval of the scope of work
 14 pipeline project opens the door for the funding, and
 15 that request that we are making is \$18 million.
 16 So those funds are planned to offset the
 17 SRF loan, and ultimately be better for the
 18 ratepayers.
 19 At this time, are there any questions?
 20 CHAIR DENT: Any questions?
 21 TRUSTEE NOBLE: Just a comment that I'd
 22 like to thank the Army Corps for working with IVGID,
 23 and staff in particular, in coming forward with the
 24 funds to help support these projects and this
 25 project in particular.

80

1 price at 6.64, and now we have another guaranteed
 2 maximum price. The whole process was to have
 3 risk-sharing and mitigate risk, and I don't see how
 4 this process has helped the District. I think it's
 5 costing the District more.
 6 But I understand where we are, and we need
 7 to move forward with this project. I appreciate the
 8 amount of thought and effort that went into
 9 considering various options.
 10 CHAIR DENT: I'm not going to comment on
 11 the CMAR process. I've done that enough in the
 12 past.
 13 I will entertain a motion.
 14 TRUSTEE NOBLE: I move to direct staff to
 15 pursue execution of a CMAR Construction Agreement
 16 with Granite Construction for the WRRF Storage Tank
 17 Project with a guaranteed maximum price in the
 18 amount of \$6,636,173.51, inclusive of
 19 owner-controlled project risk register in the amount
 20 of \$407,270.00, and prepare a budget augmentation in
 21 the amount of \$800,000 to support the award of the
 22 CMAR construction contract, a contract with Jacobs
 23 for engineering services during construction, and
 24 staff time for project management and operational
 25 assistance, and inspection and testing as required

81

1 during construction.

2 CHAIR DENT: Motion's been made. Is there

3 a second?

4 TRUSTEE TULLOCH: Can I make an amendment?

5 CHAIR DENT: Okay.

6 TRUSTEE TULLOCH: I would like to amend

7 that the CMAR fee is capped at 10 percent, there's

8 not a sharing of the risk register savings, as we

9 agreed on the pipeline, I think we've taken more

10 than our share of the risk already.

11 CHAIR DENT: On page 286, the CMAR fee is

12 10 percent. Trustee Noble pointed that out.

13 TRUSTEE TULLOCH: Okay. Have we deleted

14 the risk-sharing that was in it previously?

15 MS. NELSON: We will do that as part of

16 the contract, and we have verbal confirmation from

17 Granite that they agree to those terms.

18 TRUSTEE TULLOCH: Thank you.

19 TRUSTEE NOBLE: I would amend my motions

20 accordingly.

21 CHAIR DENT: Motion's been amended. Is

22 there a second?

23 TRUSTEE TULLOCH: I'll second.

24 CHAIR DENT: Motion's been made, motion

25 seconded. Any discussion by the Board?

82

1 Seeing none, I'll call for question. All

2 those favor, state aye.

3 TRUSTEE TULLOCH: Aye.

4 TRUSTEE NOBLE: Aye.

5 TRUSTEE SCHMITZ: Aye.

6 CHAIR DENT: Aye.

7 Motion passes, 4/0. That will close out

8 item G 3.

9 H. REDACTIONS FOR PENDING PUBLIC RECORDS REQUESTS

10 CHAIR DENT: We don't have any redactions

11 for public records requests.

12 I. LONG RANGE CALENDAR

13 CHAIR DENT: General Manager Bandelin.

14 Can be found on page 293 through 297 of your board

15 packet.

16 MR. BANDELIN: Is there any additions to

17 the March 6th meeting that the Board would like to

18 discuss to put on the long range calendar?

19 CHAIR DENT: Anyone?

20 Don't see any. No changes for March 6th.

21 MR. BANDELIN: Is there any additions that

22 the Board would like to see added to the March 13th

23 calendar?

24 CHAIR DENT: Anyone for March 13th?

25 Doesn't appear to be so. Let's move on to

83

1 the next meeting. Any questions for the General

2 Manager?

3 TRUSTEE SCHMITZ: I'll work with the

4 General Manager to make sure that our long range

5 calendar is updated according to the Incline Beach

6 House delivery dates. Based on what was presented,

7 we'll have a special meeting scheduled on April 30th

8 to provide the public input.

9 Those will be added to the long range

10 calendar.

11 CHAIR DENT: Okay. Anything else?

12 That will close out item I.

13 J. BOARD OF TRUSTEES UPDATE

14 CHAIR DENT: Any updates?

15 None from the room. No updates for Board

16 of Trustees updates. We're going to close out that

17 item.

18 K. FINAL PUBLIC COMMENTS

19 CHAIR DENT: One person left in the room.

20 They don't want to comment. Can we go to Zoom?

21 MS. KNAAK: Pass. Thank you.

22 CHAIR DENT: No public comments, so item

23 K, public comment is closed.

24

25

84

1 L. ADJOURNMENT

2 CHAIR DENT: I want to thank staff, Public

3 Works for all the items tonight, and I think we are

4 adjourned at 8:02 p.m.

5 (Meeting adjourned at 8:02 p.m.)

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1 STATE OF NEVADA)
2 COUNTY OF WASHOE) ss.

3

4 I, BRANDI ANN VIANNEY SMITH, do hereby
5 certify:

6 That I was present on February 28, 2024,
7 at the Board of Trustees meeting, via Zoom, and took
8 stenotype notes of the proceedings entitled herein,
9 and thereafter transcribed the same into typewriting
10 as herein appears.

11 That the foregoing transcript is a full,
12 true, and correct transcription of my stenotype
13 notes of said proceedings consisting of pages 85,
14 inclusive.

15 DATED: At Reno, Nevada, this day of 6th
16 day of March, 2024.

17

18 /s/ Brandi Ann Vianney Smith

19

20 BRANDI ANN VIANNEY SMITH

21

22

23

24

25

INVOICE

BAVS SM-LLC
brandiavsmith@gmail.com
United States

BILL TO
**Incline Village General Improvement
District**
Susan Herron / Heidi White

775-832-1218
AP@ivgid.org

Invoice Number: IVGID 25

Invoice Date: March 6, 2024

Payment Due: March 28, 2024

Amount Due (USD): \$860.00

Items	Quantity	Price	Amount
Base fee February 28, 2024 BOT meeting	1	\$350.00	\$350.00
Per page fee February 28, 2024 BOT meeting	85	\$6.00	\$510.00

Subtotal: \$860.00

Total: \$860.00

Amount Due (USD): \$860.00

Tennis Center Court Reconstruction

I. History

- A. The Tennis Center is a valued part of the District's Capital Infrastructure
- B. In 2016, Lloyd Engineering completed the Facility Assessment and Master Plan for the Tennis Center
 - 1. Constructed in 1979
 - 2. In 2016 Courts 1 -7 were 35-years old
 - 3. Now, in 2024, the courts are 43-years old
- C. In the Master Plan, an Existing Conditions Assessment was done and Recommendation were made
 - 1. Existing Conditions:
 - i. Courts are asphalt with an acrylic court surfacing.
 - ii. The site drainage system is lacking – only infiltration/percolation
 - iii. Repair and resurfacing need to continue
 - 2. Recommendations
 - i. Drainage and BMPs need to be upgraded per TRPA standards
 - ii. Courts 1-7 will need to be reconstructed in 5-7 years (2021-2023)

II. Current Assessment

- A. In August 2023, Engineering Staff contracted with Black Eagle Consulting, the leading local asphalt and geotech expert, to core the asphalt and subgrade in order to assess the existing conditions.
- B. Report Findings
 - 1. Cores were taking throughout Courts 1-7
 - 2. Full depth cracking
 - 3. Differential movement
 - 4. Low areas with ponding
 - 5. Tree root intrusion
- C. The report has verified that the courts are failing and need to be replaced as was stated in the 2016 Master Plan.
- D. The project area is NOT BMP certified by TRPA. We have been given 3-5 years to complete this, including the Rec and Tennis parking lots. This includes treatment for all impervious areas, including the courts and the parking lots.

III. Moving Forward

- A. Budgeting with real numbers obtained from 2023 Court Reconstruction Projects within the basin.
- B. Must design, construct and certify all BMPs within the project area with TRPA in the next 3-5 years.

**RE: Geotechnical Investigation
 Tennis Center Court Surface Improvements
 Incline Village, Nevada**

Dear Ms. Waters:

Black Eagle Consulting, Inc. (BEC) is pleased to present our evaluation of subgrade soils and surfacing replacement recommendations for the proposed tennis courts rehabilitation project at the Incline Village Tennis and Pickleball Center (IVTPC) in Incline Village, Nevada. The findings and conclusions in this report are in regards to the existing tennis court structural sections and the subgrade soil conditions encountered during our subsurface exploration.

The area covered by this report is shown on Plate 1 (Plot Plan) and includes Courts 3 through 7. Our investigation included field exploration, laboratory testing, and engineering analysis to determine the physical and mechanical properties of the various on-site materials. Results of our field exploration and testing programs are included in this report and form the basis for all conclusions and recommendations.

Project Description and Site Conditions

The project will involve the removal and replacement of the asphalt pavement and playing surface of Courts 3 through 7 at the IVTPC. The courts were constructed nearly 50 years ago and the pavement has begun to deteriorate, with full-depth cracking visible in most of these courts. Players are reporting “dead” spots on the playing surface, indicating the need for rehabilitation.

The project site is located near the center of the IVTPC. Courts 3 and 4 are immediately adjacent to and west of the Pro Shop and Sun Deck area. Courts 5, 6 and 7 are located due north of Courts 3 and 4. The IVTPC is located immediately west of the Incline Village Recreation Center, northeast of Incline Way, and southwest of Tahoe Boulevard.

The pavement of these courts exhibits full-depth cracks and some areas of differential movement. Localized low areas show signs of sediment from ponded water. The ground surface slopes away from the courts in adjacent areas. Several mature trees are present in close proximity to the courts, and their roots have extended into the subgrade soils, heaving the pavement in areas.

Field Exploration

The asphalt concrete paved areas in Courts 3 through 7 were explored on September 21, 2023, by advancing 4 pavement core holes combined with hand excavation advancement to expose the subsurface soils. The locations of the exploration are shown on Plate 1. Core holes were advanced through the existing asphalt concrete surfacing using an 8-inch-diameter core barrel. A digging bar and



hand scoop were then used to extend the core holes through the aggregate base material and subgrade soils. The maximum depth of exploration was 2 feet below the existing pavement surface.

A geotechnical engineer examined and classified all soils in the field in accordance with American Society for Testing and Materials (ASTM) D2488. During hand excavation, representative bulk samples were placed in sealed plastic bags and returned to our Reno, Nevada, laboratory for analysis. Additional soil classification was subsequently performed in accordance with ASTM D2487 (Unified Soil Classification System [USCS]) upon completion of laboratory testing, as described in the **Laboratory Testing** section. Logs of the pavement core holes are presented as Plate 2 (Boring Logs), and a USCS chart has been included as Plate 3 (USCS Soil Classification Chart).

Laboratory Testing

All soils testing performed in the BEC soils laboratory is conducted in general accordance with the standards and methodologies described in Volumes 4.08 and 4.09 of the ASTM Standards. Samples of each significant soil type were analyzed to determine the in-situ moisture content (ASTM D2216), grain size distribution (ASTM D6913), and plasticity index (ASTM D4318). The results of these tests are shown on Plate 4 (Index Test Results). Test results were used to classify the soils according to ASTM D2487 and to verify field logs, which were then updated as appropriate, as well as in developing appropriate pavement and geotechnical recommendations for the project.

General Soil Conditions

The site is overlain by an approximately 4.0- to 6.25-inch-thick layer of asphalt concrete pavement which includes an overlay ranging from 2.25 to 3.25 inches in thickness. The asphalt is underlain by an approximately 5- to 6-inch-thick layer of aggregate base. The aggregate base is then underlain by silty sand with gravel to the maximum explored depth of 2.0 feet.

The aggregate base is described as a silty sand with gravel which is light brown, slightly moist, dense, and contains approximately 25 percent non-plastic fines, 55 percent fine to coarse sand, and 20 percent subangular gravel up to 1.5 inches in diameter. The silty sand with gravel is described as brown, slightly moist, very dense, and as containing 15 to 20 percent non-plastic fines, 50 to 65 percent fine to coarse sand, and 15 to 31 percent subangular gravel up to 2 inches in diameter.

Discussion and Recommendations

The subgrade materials associated with the tennis courts are granular sand and gravel soils which will provide adequate subgrade support when properly prepared. The following are geotechnical recommendations with respect to site and subgrade soil preparation for the project:

1. The tennis courts need to be completely reconstructed. The existing asphalt concrete and underlying aggregate base should be removed as part of this reconstruction. Aggregate base may be reused as part of the structural section or left in place if it is sufficient for the



structural section (which is to be designed by others). If the intent is to reconstruct the tennis courts with the same asphalt concrete thickness, the existing asphalt can be removed and a new asphalt concrete pavement can be placed on the existing aggregate. For this, the aggregate base should be moisture conditioned and densified to at least 95 percent relative compaction as determined per ASTM D1557. Where exposed, the subgrade soils shall be moisture conditioned to near optimum moisture content and densified to at least 90 percent relative compaction (ASTM D1557). The existing asphalt pavement can be pulverized and recycled for asphalt production.

2. If construction takes place during winter or spring snowmelt runoff, localized site soils will be well over optimum moisture content and difficult to compact to the specified levels. In some situations, moisture-conditioning may be possible by scarifying the top 12 inches of subgrade and allowing it to air-dry to near optimum moisture prior to compaction. Where this procedure is ineffective or where construction schedules preclude delays, mechanical stabilization will be necessary. Mechanical stabilization may be achieved by over-excavating the unstable soils through 12 to 18 inches depth and backfilling the over-excavation with a geotextile/gravel system. The lightly compacted, over-excavated grade shall be covered with a geotextile, such as Mirafi® 160N or an approved equal, followed by aggregate base (*Standard Specifications for Public Works Construction [SSPWC]*, 2016), Class C or D drain rock (*SSPWC*, 2016), or approved pit-run gravels. The stabilizing gravel should be densified until a firm and unyielding grade is achieved. Depending on the severity of the unstable conditions, additional depth of over-excavation may be necessary. We recommend mechanical stabilization be performed on a test section to evaluate its effectiveness in providing a stable grade.
3. The maximum particle size in trench backfill should be 4 inches. Bedding and initial backfill 12 inches over the pipe will require import of Class A bedding sand (*SSPWC*, 2016) and should conform to the requirements of the utility having jurisdiction. Bedding and initial backfill should be densified to at least 90 percent relative compaction.
4. All structural fill shall be moisture conditioned to near optimum moisture content, spread in maximum 8-inch-thick loose lifts, and densified to 90 percent relative compaction. Excavated existing aggregate base and native soils will be suitable to use as structural fill. If imported structural fill is necessary, we recommend it satisfy the Structural Fill specifications of the *SSPWC* (2016). Other granular, non-expansive materials may also be used for imported structural fill with the geotechnical engineer's approval.
5. If planned as part of the rehabilitation project, all exterior concrete curbs, concrete slabs, and asphalt pavements shall be directly underlain by a minimum of 6 inches of Type 2, Class B aggregate base (*SSPWC*, 2016). Aggregate base courses shall be densified to at least 95 percent relative compaction (ASTM D1557).



6. While we recommend a minimum asphalt concrete thickness of 3 inches underlain by a minimum of 6 inches of Type 2, Class B aggregate base (SSPWC, 2016), it is assumed the structural section design for the tennis courts reconstruction will be provided by a specialty court construction contractor. Athletic court construction requires special considerations beyond a typical pavement design. A specialty asphalt mix design for smooth surfaces will be required.
7. Ponding of water on or near asphalt concrete pavements associated with the tennis courts should be avoided via proper grading. The paving surface shall be smooth, with no depressions.
8. All placement and curing of concrete should be performed in accordance with procedures outlined by the American Concrete Institute (2019) and this report. Concrete should not be placed on frozen in-place soils.
9. Specialty court surface coatings shall be installed in accordance with the manufacturer's recommendations.

Closing

1. The recommendations presented in this report are based on the assumption that sufficient field testing and construction review will be provided during all phases of construction. We should review the final plans and specifications for conformance with the intent of our recommendations. Prior to construction, a pre-job conference should be scheduled to include, but not be limited to, the owner, design engineer, general contractor, building official, and geotechnical engineer. The conference will allow parties to review the project plans, specifications, and recommendations presented in this report and discuss applicable material quality and mix design requirements. All quality control reports should be submitted to and reviewed by the geotechnical engineer.
2. During construction, we should have the opportunity to provide sufficient on-site observation of site preparation, grading, and paving. These observations would allow us to verify that the geotechnical conditions are as anticipated and that the contractor's work is in conformance with the approved plans and specifications.
3. This report has been prepared with generally accepted geotechnical practices. The analyses and recommendations submitted are based upon field exploration performed at the locations described in this report. This report does not reflect soils or groundwater variations that may become evident during the construction period, at which time re-evaluation of the recommendations may be necessary. We recommend our firm be retained to perform construction observation in all phases of the project related to geotechnical factors to ensure compliance with our recommendations.



We appreciate being of service to you on this project. If you have any questions or require any additional information, please do not hesitate to contact us.

Sincerely,

Black Eagle Consulting, Inc.



Scott Kelly, P.E.
Geotechnical Division Manager

SK:cjr

Enclosures: Plate 1 - Plot Plan
Plate 2 - Boring Logs
Plate 3 - USCS Soil Classification Chart
Plate 4 - Index Test Results

Copies to: Addressee (PDF via email)

References

American Concrete Institute, 2019, *ACI Manual of Concrete Practice: Parts 1 through 5*.

American Society for Testing and Materials (ASTM), 2018, *Soil and Rock; Dimension Stone; Geosynthetics*, Volumes 4.08 and 4.09.

Standard Specifications for Public Works Construction (SSPWC), 2016 (Washoe County, Sparks-Reno, Carson City, Yerington, Nevada).



PLATES



Google Earth
Image © 2023 Airbus



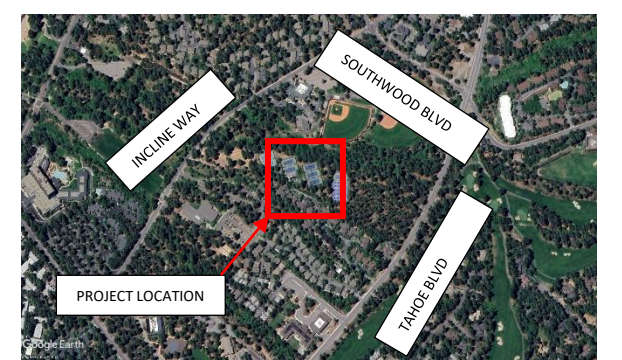
NORTH
Overall Scale: 1" = ~ 100'

LEGEND

B-01 APPROXIMATE BORING LOCATION

Base map provided by Google Earth.

VICINITY MAP



NOT TO SCALE



INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
PLOT PLAN
TENNIS CENTER COURT SURFACE IMPROVEMENTS
INCLINE VILLAGE, NEVADA

Black Eagle Consulting, Inc.
Project No. 2017-06-1

Plate 1

BORING LOG

BORING NO.: B-01

DATE: 09/21/23

TYPE OF BORING: CORE/HAND

DEPTH TO GROUND WATER (ft): NE

LOGGED BY: SK

GROUND ELEVATION (ft): 6320

SAMPLE NO.	SAMPLE TYPE	BLOWS/12"	MOISTURE (%)	PLASTICITY INDEX	DEPTH (ft)	USCS SYMBOL	LITHOLOGY	DESCRIPTION
								Asphalt
						SM		Aggregate Base (Fill) Brown, slightly moist, dense, with an estimated 25 percent non-plastic fines, 55 percent fine to coarse sand, and 20 percent subangular gravel up to 1.5 inches in diameter.
A	GRAB		9.6	NP		SM		Silty Sand with Gravel (Fill) Brown, slightly moist, very dense, with 18 percent non-plastic fines, 53 percent fine to coarse sand, and 29 percent subangular gravel up to 2 inches in diameter.
					5			

BORING_LOG_2017061.GPJ BLKEAGLE.GDT 10/20/23



Black Eagle Consulting, Inc.
 1345 Capital Blvd., Suite A
 Reno, Nevada 89502-7140
 Telephone: (775) 359-6600

Incline Village G.I.D.
 Tennis Center Court Surface Improvements
 Incline Village, Nevada

PROJECT NO.:	2017-06-1
PLATE:	2
SHEET	1 OF 1

BORING LOG

BORING NO.: B-02

DATE: 09/21/23

TYPE OF BORING: CORE/HAND

DEPTH TO GROUND WATER (ft): NE

LOGGED BY: SK

GROUND ELEVATION (ft): 6320

SAMPLE NO.	SAMPLE TYPE	BLOWS/12"	MOISTURE (%)	PLASTICITY INDEX	DEPTH (ft)	USCS SYMBOL	LITHOLOGY	DESCRIPTION
								Asphalt
						SM		Aggregate Base (Fill) Brown, slightly moist, dense, with an estimated 25 percent non-plastic fines, 55 percent fine to coarse sand, and 20 percent subangular gravel up to 1.5 inches in diameter.
A	GRAB		7.9	NP		SM		Silty Sand with Gravel (Fill) Brown, slightly moist, very dense, with 20 percent non-plastic fines, 64 percent fine to coarse sand, and 16 percent subangular gravel up to 2 inches in diameter.
					5			

BORING_LOG_2017061.GPJ BLKEAGLE.GDT 10/20/23



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Incline Village G.I.D.
 Tennis Center Court Surface Improvements
 Incline Village, Nevada

PROJECT NO.:	2017-06-1
PLATE:	2
SHEET	1 OF 1

BORING LOG

BORING NO.: B-03

DATE: 09/21/23

TYPE OF BORING: CORE/HAND

DEPTH TO GROUND WATER (ft): NE

LOGGED BY: SK

GROUND ELEVATION (ft): 6320

SAMPLE NO.	SAMPLE TYPE	BLOWS/12"	MOISTURE (%)	PLASTICITY INDEX	DEPTH (ft)	USCS SYMBOL	LITHOLOGY	DESCRIPTION
								Asphalt
						SM		Aggregate Base (Fill) Brown, slightly moist, dense, with an estimated 25 percent non-plastic fines, 55 percent fine to coarse sand, and 20 percent subangular gravel up to 1.5 inches in diameter.
A	GRAB					SM		Silty Sand with Gravel (Fill) Brown, slightly moist, very dense, with an estimated 20 percent non-plastic fines, 55 percent fine to coarse sand, and 25 percent subangular gravel up to 2 inches in diameter.
					5			

BORING_LOG_2017061.GPJ_BLKEAGLE.GDT 10/20/23



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 Reno, Nevada 89502-7140
 Telephone: (775) 359-6600

Incline Village G.I.D.
 Tennis Center Court Surface Improvements
 Incline Village, Nevada

PROJECT NO.:	2017-06-1
PLATE:	2
SHEET	1 OF 1

BORING LOG

BORING NO.: B-04

DATE: 09/21/23

TYPE OF BORING: CORE/HAND

DEPTH TO GROUND WATER (ft): NE

LOGGED BY: SK

GROUND ELEVATION (ft): 6312

SAMPLE NO.	SAMPLE TYPE	BLOWS/12"	MOISTURE (%)	PLASTICITY INDEX	DEPTH (ft)	USCS SYMBOL	LITHOLOGY	DESCRIPTION
								Asphalt
						SM		Aggregate Base (Fill) Brown, slightly moist, dense, with an estimated 25 percent non-plastic fines, 55 percent fine to coarse sand, and 20 percent subangular gravel up to 1.5 inches in diameter.
A	GRAB		3.5	NP		SM		Silty Sand with Gravel (Fill) Brown, slightly moist, very dense, with 17 percent non-plastic fines, 52 percent fine to coarse sand, and 31 percent subangular gravel up to 2 inches in diameter.
					5			

BORING LOG 2017061.GPJ BLKEAGLE.GDT 10/20/23



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Incline Village G.I.D.
 Tennis Center Court Surface Improvements
 Incline Village, Nevada

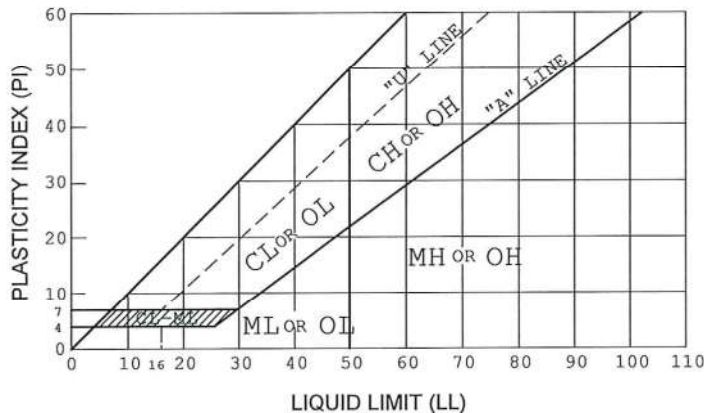
PROJECT NO.:	2017-06-1
PLATE:	2
SHEET	1 OF 1

SOIL CLASSIFICATION CHART

MAJOR DIVISIONS			SYMBOLS		TYPICAL DESCRIPTIONS	
			GRAPH	LETTER		
COARSE GRAINED SOILS MORE THAN 50% OF MATERIAL IS LARGER THAN NO. 200 SIEVE SIZE	GRAVEL AND GRAVELLY SOILS MORE THAN 50% OF COARSE FRACTION RETAINED ON NO. 4 SIEVE	CLEAN GRAVELS (LITTLE OR NO FINES)		GW	WELL-GRADED GRAVELS, GRAVEL-SAND MIXTURES, LITTLE OR NO FINES	
		GRAVELS WITH FINES (APPRECIABLE AMOUNT OF FINES)		GP	POORLY-GRADED GRAVELS, GRAVEL-SAND MIXTURES, LITTLE OR NO FINES	
				GM	SILTY GRAVELS, GRAVEL-SAND-SILT MIXTURES	
				GC	CLAYEY GRAVELS, GRAVEL-SAND-CLAY MIXTURES	
	SAND AND SANDY SOILS MORE THAN 50% OF COARSE FRACTION PASSING ON NO. 4 SIEVE	CLEAN SANDS (LITTLE OR NO FINES)		SW	WELL-GRADED SANDS, GRAVELLY SANDS, LITTLE OR NO FINES	
				SP	POORLY-GRADED SANDS, GRAVELLY SAND, LITTLE OR NO FINES	
		SANDS WITH FINES (APPRECIABLE AMOUNT OF FINES)		SM	SILTY SANDS, SAND-SILT MIXTURES	
				SC	CLAYEY SANDS, SAND-CLAY MIXTURES	
		FINE GRAINED SOILS MORE THAN 50% OF MATERIAL IS SMALLER THAN NO. 200 SIEVE SIZE	SILTS AND CLAYS LIQUID LIMIT LESS THAN 50		ML	INORGANIC SILTS AND VERY FINE SANDS, ROCK FLOUR, SILTY OR CLAYEY FINE SANDS OR CLAYEY SILTS WITH SLIGHT PLASTICITY
					CL	INORGANIC CLAYS OF LOW TO MEDIUM PLASTICITY, GRAVELLY CLAYS, SANDY CLAYS, SILTY CLAYS, LEAN CLAYS
	OL			ORGANIC SILTS AND ORGANIC SILTY CLAYS OF LOW PLASTICITY		
SILTS AND CLAYS LIQUID LIMIT GREATER THAN 50			MH	INORGANIC SILTS, MICACEOUS OR DIATOMACEOUS FINE SAND OR SILTY SOILS		
			CH	INORGANIC CLAYS OF HIGH PLASTICITY		
			OH	ORGANIC CLAYS OF MEDIUM TO HIGH PLASTICITY, ORGANIC SILTS		
HIGHLY ORGANIC SOILS			PT	PEAT, HUMUS, SWAMP SOILS WITH HIGH ORGANIC CONTENTS		
FILL MATERIAL			--	FILL MATERIAL, NON-NATIVE		

NOTE: DUAL SYMBOLS ARE USED TO INDICATE BORDERLINE SOIL CLASSIFICATIONS.

PLASTICITY CHART



FOR CLASSIFICATION OF FINE-GRAINED SOILS AND FINE-GRAINED FRACTION OF COARSE-GRAINED SOILS

EXPLORATION SAMPLE TERMINOLOGY

Sample Type	Sample Symbol	Sample Code
Auger Cuttings		Auger
Bulk (Grab) Sample		Grab
Modified California Sampler		MC
Shelby Tube		SH or ST
Standard Penetration Test		SPT
Split Spoon		SS
No Sample		

GRAIN SIZE TERMINOLOGY

Component of Sample	Size Range
Boulders	Over 12 in. (300mm)
Cobbles	12 in. to 3 in. (300mm to 75mm)
Gravel	3 in. to #4 sieve (75mm to 4.75mm)
Sand	# 4 to #200 sieve (4.75mm to 0.074mm)
Silt or Clay	Passing #200 sieve (0.074mm)

RELATIVE DENSITY OF GRANULAR SOILS

N - Blows/ft	Relative Density
0 - 4	Very Loose
5 - 10	Loose
11 - 30	Medium Dense
31 - 50	Dense
greater than 50	Very Dense

CONSISTENCY OF COHESIVE SOILS

Unconfined Compressive Strength, psf	N - Blows/ft	Consistency
less than 500	0 - 1	Very Soft
500 - 1,000	2 - 4	Soft
1,000 - 2,000	5 - 8	Firm
2,000 - 4,000	9 - 15	Stiff
4,000 - 8,000	16 - 30	Very Stiff
8,000 - 16,000	31 - 60	Hard
greater than 16,000	greater than 60	Very Hard

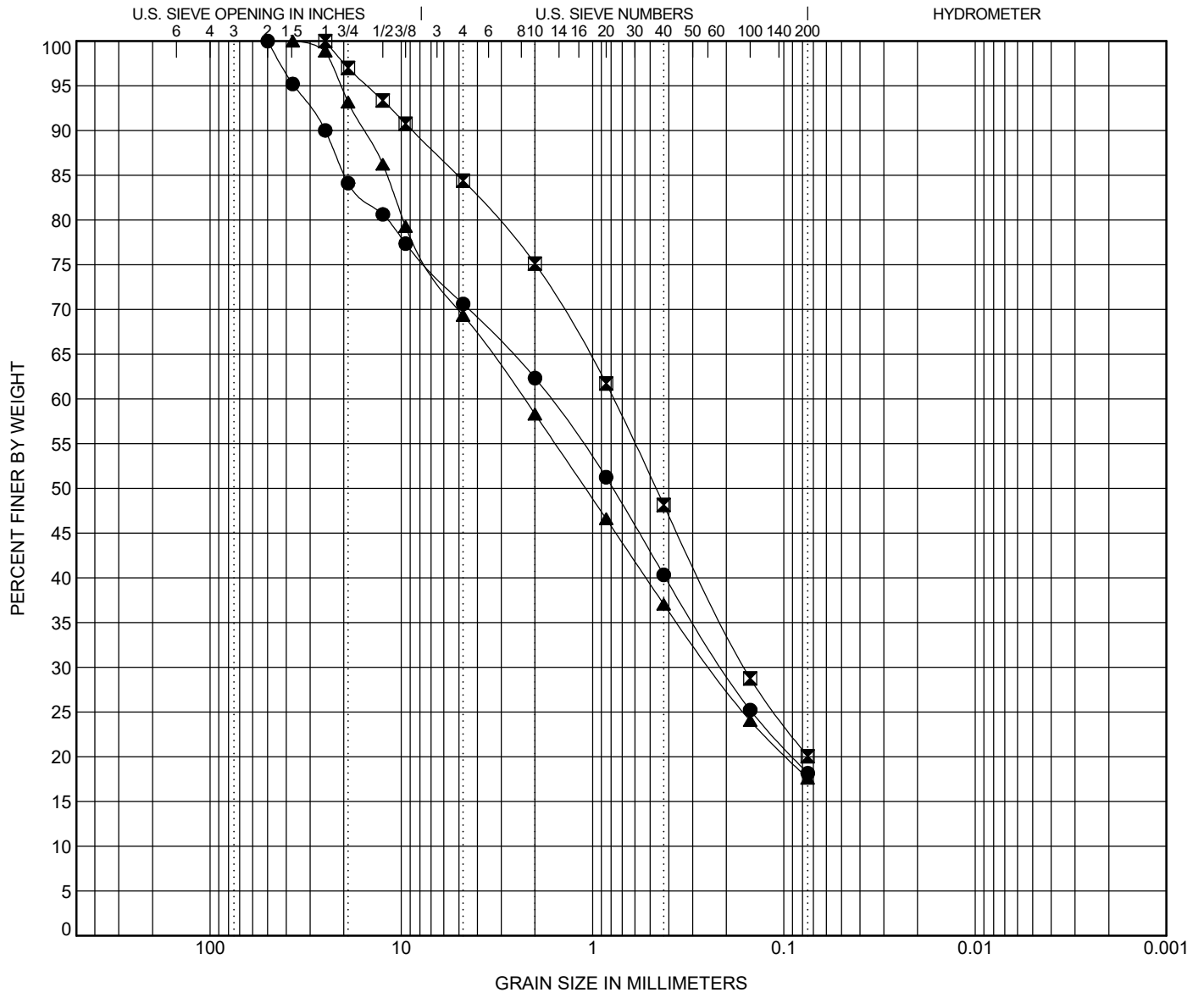
USCS CHART 1826041.GPJ US LAB.GDT 7/24/2019



Black Eagle Consulting, Inc.
1345 Capital Blvd., Suite A
Reno, Nevada 89502-7140
Telephone: (775) 359-6600
Fax: (775) 359-7766

USCS Soil Classification Chart

Project: Tennis Center Court Surface Improvements
Location: Incline Village, Nevada
Project Number: 2017-06-1 Plate: 3



COBBLES	GRAVEL		SAND			SILT OR CLAY
	coarse	fine	coarse	medium	fine	

BOREHOLE	DEPTH	Classification	LL	PL	PI	Cc	Cu
● B-01	10.0	SILTY SAND with GRAVEL(SM)	NP	NP	NP		
☒ B-02	1.0	SILTY SAND with GRAVEL(SM)	NP	NP	NP		
▲ B-04	11.0	SILTY SAND with GRAVEL(SM)	NP	NP	NP		

BOREHOLE	DEPTH	D100	D60	D30	D10	%Gravel	%Sand	%Silt	%Clay
● B-01	10.0	50	1.671	0.208		29.4	52.5	18.2	
☒ B-02	1.0	25	0.778	0.16		15.6	64.3	20.0	
▲ B-04	11.0	37	2.285	0.242		30.7	51.7	17.6	

GRAIN SIZE 2017061.GPJ GINT STD US LAB.GDT 10/9/23

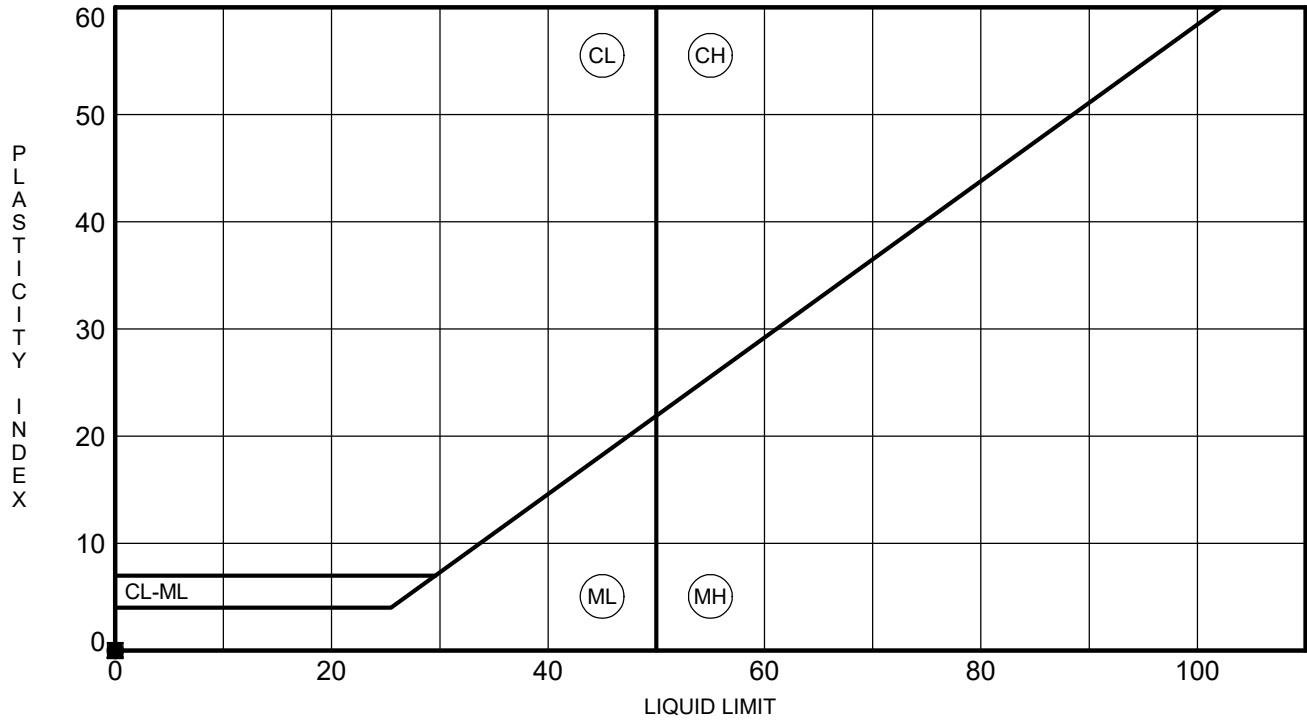


Black Eagle Consulting, Inc.
 1345 Capital Blvd., Suite A
 Reno, Nevada 89502-7140
 Telephone: (775) 359-6600

GRAIN SIZE DISTRIBUTION

Project: Tennis Center Court Surface Improvements
 Location: Incline Village, Nevada
 Project Number: 2017-06-1

PLATE: 4a



BOREHOLE	DEPTH	LL	PL	PI	Fines	Classification
● B-01	10.0	NP	NP	NP	18	SILTY SAND with GRAVEL(SM)
▣ B-02	1.0	NP	NP	NP	20	SILTY SAND with GRAVEL(SM)
▲ B-04	11.0	NP	NP	NP	18	SILTY SAND with GRAVEL(SM)

ATTERBERG LIMITS 2017061.GPJ GINT STD US LAB.GDT 10/9/23



Black Eagle Consulting, Inc.
 1345 Capital Blvd., Suite A
 Reno, Nevada 89502-7140
 Telephone: (775) 359-6600

ATTERBERG LIMITS RESULTS

Project: Tennis Center Court Surface Improvements
 Location: Incline Village, Nevada
 Project Number: 2017-06-1

PLATE: 4b

SUMMARY OF LABORATORY RESULTS

PAGE 1 OF 1

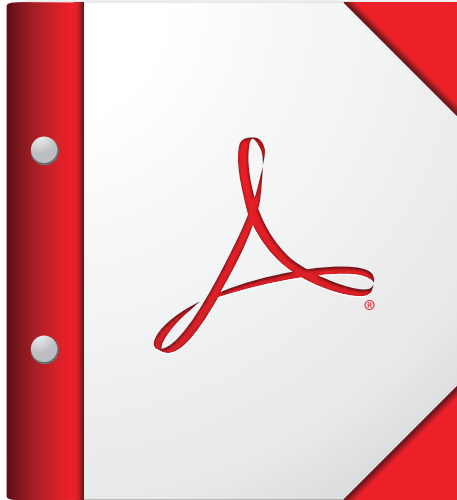
Black Eagle

CLIENT Incline Village G.I.D. **PROJECT NAME** Tennis Center Court Surface Improvements

PROJECT NUMBER 2017-06-1 **PROJECT LOCATION** Incline Village, Nevada

Borehole	Depth	Liquid Limit	Plastic Limit	Plasticity Index	Maximum Size (mm)	%<#200 Sieve	Classification	Water Content (%)	Dry Density (pcf)	Saturation (%)	Void Ratio
B-01	10.0	NP	NP	NP	50	18	SM	9.6			
B-02	1.0	NP	NP	NP	25	20	SM	7.9			
B-04	11.0	NP	NP	NP	37	18	SM	3.5			

LAB SUMMARY 2017061.GPJ GINT STD US LAB.GDT 10/9/23



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**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 28, 2024 MEETING –
AGENDA ITEM G(3) – ENTRANCE INTO ANOTHER CMAR CONTRACT FOR
INSTALLATION OF AN EFFLUENT STORAGE TANK**

Introduction: Well here's yet "another one" as my friend DJ Kahled would say¹. More evidence of staff incompetence, lack of oversight, lack of internal controls, and a flagrant disregard for the financial sustainability of the District. This time it's the effluent storage tank. A project former GM Pinkerton told us had been completed for \$788K. When it hadn't! And now we're up to an additional \$800k because our designer engineer (Jacobs) and storage tank manufacturer (DN Tanks) were negligent at the 30% schematic design phase. And that's the purpose of this written statement.

My February 27 And 28, 2024 E-Mails to The Board²: wherein I put the Board on notice of staff's incompetence in dealing with Granite Construction, Jacobs Engineering and DN-Tanks. And then the fact that unlike financing for the remainder of the replacement of the effluent pipeline, the United States Army Corp. of Engineers ("USACE") won't be contributing anything towards the additional \$800 of project costs. In other words, all out-of-pocket to us. And then what do I learn? That the District's principle engineer for this project isn't a licensed professional engineer. And that's on top of the fact he is required to be the same as a condition of his employment! Rather than me regurgitating everything I shared with the Board, I refer the reader to the exhibit attached instead.

Conclusion: So here history is repeating itself. Granite Construction fleeced us in its recent CMAR contract for installation of Phase II replacement effluent pipeline. And now it proposes replicating its prior behavior, and where are our staff here to protect us? So you see the more things change, the more they remain the same. The District is just as dirty and incompetently managed as it has always been. The characters and their attitudes may have changed. But at the end of the day, this place is as dirty as ever! And this is really the definition of a criminal syndicate³. Dirty players come and go. But in the end, the organization survives to engage again in racketeering! I ask the Board take action against employees like Kate Nelson and Hudson Klein to put a stop to this wasteful expenditure of taxpayer funds.

¹ Go to <https://medium.com/cuepoint/the-old-people-s-guide-to-dj-khaled-5618a5aa52b1#:~:text=Another%20One%20%E2%80%94%20One%20of%20the,of%20shoes%2C%20or%20something%20else>.

² Those e-mails are collectively attached as Exhibit "A" to this written statement.

³ See NRS 207.370 which defines criminal syndicate as a "combination of persons, so structured that the organization will continue its operation even if individual members enter or leave the organization, which engages in or has the purpose of engaging in racketeering activit(ies)."

And now you the reader may have a better idea of what the District's Recreation ("RFF") and Beach ("BFF") Facility Fees, and water/sewer rates/charges really pay for which you can see for yourselves have nothing to do with making public recreational and beach facilities, as well as public water/sewer services available for local parcel owners' access and use.

Respectfully submitted, Aaron Katz (Your Community Watchdog Because Nearly No One Else Seems to be Watching).

EXHIBIT "A"

Re: February 28, 2024 IVGID BOT Meeting - Agenda Item G(3) - Effluent Storage Tank Contract - Now We're Up to \$80M For the Effluent Pipeline Replacement Project

From: <s4s@ix.netcom.com>
To: J <j.gumz1@gmail.com>, Sara Schmitz <trustee_schmitz@ivgid.org>, Matthew Dent <dent_trustee@ivgid.org>, <trustee_tonking@ivgid.org>, Ray Tulloch <tulloch_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>
Cc: <bma@ivgid.org>, Dobler Cliff <cfdobler@aol.com>
Subject: Re: February 28, 2024 IVGID BOT Meeting - Agenda Item G(3) - Effluent Storage Tank Contract - Now We're Up to \$80M For the Effluent Pipeline Replacement Project
Date: Feb 28, 2024 11:37 AM

Board members -

You mean this information serves as additional evidence the employees we hire aren't qualified? Or is Joy's information incorrect?

And remember. This guy is being paid at least \$200K annually in salary and benefits, according to transparent nevada. Or is that information not correct?

Who hired this guy? Was it Erin Feore? If so, maybe we need to start examining her hires to insure they're qualified and competent? It's called an "internal control." Bueller? Bueller?

Hey Bobby. This is the type of organization you are considering heading? You might want to take a closer look. Because if you think this is an isolated case, you're sadly mistaken.

Hey board members. I heard a rumor that Sheila Leijon is gone as an IVGID employee. Is that accurate? And I heard she was paid off in hush money. An old tried and true District trick. Is that true as well? Isn't that what you've done with Susan Herron? And how about Indra Winquest?

I've shared with you Board members before that it's essentially everything these people do. Give me a little time to peel away the layers, and ultimately, we will get to a core of evil. And wrongdoing. And a lack of ethics. I understand you don't like hearing things like this. But it's the truth.

At least you're doing something about it so I have to extend some kudos. After all, these three former employee are gone.

Now it's time to continue the good work. Which brings me to Tim Kelly.

What are you doing about his unauthorized time off of work to work for his second employer? And his supervisor (would that be vaunted Pandora Bahlman?) who approves of this behavior?

Respectfully, Aaron Katz

-----Original Message-----

From: J <j.gumz1@gmail.com>
Sent: Feb 28, 2024 7:36 AM
To: <s4s@ix.netcom.com>, Sara Schmitz <trustee_schmitz@ivgid.org>, Matthew Dent <dent_trustee@ivgid.org>, <trustee_tonking@ivgid.org>, Ray Tulloch <tulloch_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>
Cc: <bma@ivgid.org>, Doeblner <cfdobler@aol.com>
Subject: Re: February 28, 2024 IVGID BOT Meeting - Agenda Item G(3) - Effluent Storage Tank Contract - Now We're Up to \$80M For the Effluent Pipeline Replacement Project

All:

Did you know

1) Mr. Hudson Klein's job description as Principal Engineer REQUIRED SKILLS states, "*Registration as a Professional Engineer (P.E.) in the State of Nevada or obtain within one year from date of hire.*"

2) Mr. Klein was hired in November 2022.

3) *Mr. Klein is a PE in CALIFORNIA - but not in Nevada, according to the Nevada Board of Engineers and Land Surveyors.*

Conclusion: Mr. Klein is not qualified to be Principal Engineer based on the IVGID job description. His manager/supervisor Kate Nelson has allowed this.

There is a question of competence here - by both Klein and Nelson.

On Tue, Feb 27, 2024 at 12:18 PM <s4s@ix.netcom.com> wrote:
Chairperson Schmitz and Other Honorable Members of the IVGID Board -

Well here we go again! The same problem which repeats itself over and over again.

So now we get to contract again for an alternative to lining of the effluent storage pond that we already contracted and paid \$788K for how many years ago? Mr Pinkerton?

And remember Mr. Pinkerton told us that the scope of replacement of Phase II of the effluent pipeline project had to be expanded to include the cost for lining of the storage pond because they were part in part connected? Which if we believe Mr. Pinkerton, with the additions suggested by this agenda item, we're now up to \$80 million for completion of the effluent pipeline project. Well on our way to the \$100 million I and others predicted. Up from \$23 million.

And at the foot of the problem, our wonderful PW staff just can't seem to get it right. Just listen to Kate Nelson:

"Granite has proposed a CMAR contract structure similar to the Effluent Pipeline Project and has reduced the CMAR fee to 10% with an 80/20 owner/CMar share of the unused risk at the completion of the project." Let me translate for you.

Reduced the CMAR fee? Didn't we go through this before? A CMAR contract means a guaranteed maximum price ("GMP") where the contractor rather than his/her/its client is at "risk." After all, the "R" in CMAR stands for RISK. In other words NO SURCHARGES evidenced by an 80/20 split in any alleged cost savings. If as here there's no GMP, then there's no CMAR contract. Right Sara? Throw out the 80/20 split. The CMAR fee is the agreed upon percentage and nothing more. If there are any cost savings, why does a percentage flow to Granite on top of its guaranteed CMAR fee? You mean a CMAR fee of \$566,300 (see page 286 of the Board packet) isn't enough?

Now let's address the 10% CMAR fee. Didn't engineer Hudson Klein tell us before when the contract with Granite for replacement of phase II of the effluent pipeline that this percentage was too high? And because of our delays with reconstruction of the effluent pipeline itself, he'd rather overpay and be safe than sorry? Well why are we using this methodology for construction of the storage tank? We learned before that the typical CMAR fee is 4%-6% of the gross contract price. So if Granite is proposing 10%, why aren't we responding with our own proposed CMAR fee? Because you need someone who is capable of negotiating with Granite (Kate Nelson and Hudson Klein certainly AREN'T). And if Granite won't agree to this type of CMAR fee, with no 80/20 surcharge, then we should go out to public bid (after all, we were contemplating installation in two construction seasons, weren't we? So if the project can wait for two construction season, what's the rush now?). Shouldn't we? DON'T approve 10% CMAR fee! We're being fleeced again because our staff are...incompetent. You got it! Incompetent.

Now this one I love. The total construction cost has increased by approximately \$800K. And why? There were \$800,000 and \$225,000 movements in the tank price and the mechanical/electrical prices, respectively. Notwithstanding the original cost estimate prepared by Jacobs at the 30% schematic design stage was provided in collaboration with DN Tanks - the subcontractor selected and included in the proposed CMAR GMP, mysteriously, the tank price has increased significantly (~40%).

So instead of our staff putting their collective feet down (after all, what was the purpose of paying for 30% schematic design if the results were to be and are unreliable?), our wonderful staff requested DN Tanks provide some context for the increased cost. And listen to the following summary:

- A) \$50,000 of sales taxes not included at the 30% schematic design stage. Well this is garbage, isn't it? Aren't we exempt from paying sales taxes to anyone? And who was negligent in not including this cost in the schematic design costs we approved?
- B) \$50,000 due to increased design specification requirements. What increased specification requirements? Haven't staff told us for years that we save money by hiring a CMAR to assist in the design process (which is what we did here) so we save money by not having to modify specification requirements like what we are proposing to do here? You mean hiring a CMAR at the design stage is really an unnecessary added cost because look what happened here?
- C) \$50,000 due to schedule requirements to accommodate a single construction (vs. a two-season schedule) season. You mean we can save \$50K by stringing out this project over two construction seasons versus one? Even though I don't believe this statement is true, how about we string out the project over two construction seasons? After all, staff tell us a two-season schedule is doable because their only concern is added engineering and administration costs with a one-year delay to the start of construction. I'm betting that neither Granite nor DN Tanks wants to do this. And if faced with this alternative, we're going to quickly see this \$50K surcharge disappear.
- D) \$500,000-\$600,000 due to seismic and structural loads not adequately identified at the 30% schematic design stage. Who did we pay for schematic design services? Wasn't it Jacobs? Because what you're telling me is that Jacobs performed this work in a negligent manner. Jacobs wasn't capable of identifying the necessary seismic and structural loads? Which means that rather than shelling out this add'l cost, ourselves, shouldn't we be going after Jacobs for the surcharge? But that means we need someone competent in PW to go down this path, and again, we have NO ONE!

So how about we approach the GM of the Kingsbury GID who applied to be our GM, and see if he's interested in becoming our PW Director? Or at least taking a look and giving us some competent advice? And while we're at it, maybe we can ask him how he feels about dealing with these \$800K of add'l costs?

E) DN Tanks have stated these costs were always going to be realized during bid/construction. Really? They further acknowledge that IVGID and the CMAR have been disadvantaged by these omissions at the time of the 30% design cost preparation and are revising their budgeting tools as a result of the IVGID Tank Project miscalculation. Are you for real Kate Nelson? They miscalculate (i.e., negligence), we end up paying more, and we're not even charging them for our assistance in demonstrating to them that their budgeting tools require replacement? I have another suggestion. If DN Tanks are not going to stick to their original calculations, then I say let's find another storage tank supplier. In addition to making claim for add'l negligence against the contractor who provided the 30% scheduling design (Jacobs).

F) Staff want to prepare a budget augmentation in the amount of \$800,000 to support the award of the CMAR construction contract, a new contract with Jacobs for engineering services during construction, staff time for project management and operational assistance, and inspection and testing as required during construction. Wait a minute. This doesn't make sense. Staff tell us that the US Army Corps of Engineers (USACE) Section 595 Program Project Partnering Agreement (PPA) was signed in 2023 and included

reimbursement of up to 75% of the project costs calculated as \$7.6M at the time of signing. Well now that the cost of this project has increased by another \$800K, is USACE going to pick up 75% of this additional tab? If so, why the need for a \$800K budget augmentation? Why not a \$200K budget augmentation? I suspect we're not going to be able to get 75% of this added cost paid for by USACE which explains why staff is telling us they intend to prepare a budget augmentation. Is this right Kate and Co? And if so, why haven't you come out and told us in plain English?

And how about this one? \$38K so far for incompetent IVGID staff operations, and another \$90K for projected project management? Haven't we learned that our in-house PW staff lack competence to manage any project? Let alone one as big as this? And why are we paying in-house staff for project management, when we're hiring a CMAR contractor who is supposed to include that management in its fee? Isn't this one of the reasons for hiring a CMAR contractor? If our in-house staff are competent to manage a project like this, why don't we save the \$566K or more of projected CMAR fees because they're unnecessary? Bueller? Bueller?

Finally, under alternatives, staff tell us we can abandon the CMAR delivery method and pursue either:

A) A publicly bid project, as is. Isn't that what I have suggested? I'm guessing Granite isn't going to be too keen insofar as this alternative is concerned. Maybe faced with this possibility, Granite might become reasonable insofar as their pricing proposal is concerned? But of course, our staff are in bed with Granite so to speak, so this isn't a real option in their minds. Just listen to them: If the Board opts to abandon the CMAR delivery and bid the project publicly, a separate bid package will need to be prepared for advertisement. This will require additional Staff time and a new contract amendment with Jacobs for bid support services to adequately facilitate a public bid process." You mean it's going to cost us more? And we're going to let Jacobs off the hook for its negligence? I say Jacobs absorbs the additional work for NO ADDITIONAL CHARGE. And if they don't like it, maybe it's time to find a new design consultant-engineer?

Moreover, why isn't our professional staff competent to create a RFP and provide bid support services? Why do we have to contract these services out to Jacobs? Or stated differently, why do we require in-house staff time? Cut out the middle man (staff) and deal with Jacobs directly! It's called outsourcing. And if Bobby Magee is so competent as an interim GM, why doesn't he deal with Jacobs directly?

B) Re-design the project to include bid-options for either welded steel tank or prestressed concrete tank. Maybe since our schematic design contractor who neglected to do its job in a professional manner, will provide these services at no additional cost? Did Kate and Co. think to ask? Of course not. Instead they warn us that if a redesign to incorporate the option for a welded steel tank for competitive pricing purposes is desired, this too will require additional consultant services and/or incompetent staff time to complete. The same wasteful Jacobs and in-house staff time outlined above.

Are you starting to get the message? We should have no in-house engineering staff because the staff we have lack competence. And professionalism. And ethics. And transparency. If we would have outsourced all of this to true professionals at the outset, we wouldn't be looking at what we're looking at now. Would we Kate?

Then listen to the staff report. It wrecks of Hudson Klein. Chicken Little personified. "The operational risk IVGID faces in the event of an emergency (i.e. export pipeline break) when the WRRF has limited storage capacity available, especially at peak visitor times. If discharge to the existing ponds is required, this will be a clear violation of the NDEP Discharge Permit for the WRRF." Oh my GOD. Emergency, emergency! Staff hasn't been too concerned about export pipeline breakage for the last ten or so years. Has it? So why all of a sudden? Bueller. Bueller.

When are we going to learn that we don't use incompetent in-house staff to administer major projects such as this one? When are we going to use professional purchasing and contracting personnel when it comes to

negotiating with heavy weights like Granite and TN Tank? Why do we continue to commit the same errors over and over again, never seeming to learn anything other than that our staff are overpaid and incompetent?

Like I said. Contact the GM from Kingsbury GID Bobby Magee. If he won't do the job, how about asking this gentleman for a referral? Or how about asking Cliff or me to do our wonderful staff's work?

And you wonder why our water/sewer fees are off the charts?

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 28, 2024 MEETING –
AGENDA ITEM G(2) – WASTEFUL EXPENDITURES ON BEACH HOUSE DESIGN
BEFORE WE EVEN KNOW THE EXTENT OF IMPROVEMENTS WE ARE
INTENDING TO MAKE – INCLUDING MORE ATTORNEY'S FEES**

Introduction: Well here's yet "another one" as my friend DJ Kahled would say¹. More evidence of staff incompetence, lack of interest in the attorney's fees paid by local parcel owners, lack of oversight, lack of internal controls, and a flagrant disregard for the financial sustainability of the District. This time it's jumping lock, stock and barrel into a 30% schematic design for the Beach House before we've even agreed upon what should be the basics for that project. How many more unnecessary wastes am I and others required to share with the Board until you members get it and do something about it? And that's the purpose of this written statement.

My February 25, 2024 E-Mail to The Board: wherein I put the Board on notice of Kate Nelson's barreling ahead with full scale design of the Beach House project before we even determine what it is we want that project to entail, and at what cost. And also, wherein I put the Board on notice of Ms. Nelson's standard *modus operandi* where she engages the Board's attorney to review and approve all proposed contracts *before* they are submitted to the Board for approval. This e-mail is attached as Exhibit "A" to this written statement. Rather than me regurgitating everything I shared with the Board, I refer the reader to the exhibit attached instead.

Conclusion: The Board's attorney is not staff's attorney. And it makes no sense to commence full design of a project when we haven't even agreed upon the basic parameters. By moving forward, we're about to repeat the same mistakes we now see with the effluent storage pond project. So you see the more things change, the more they remain the same. The District is just as dirty as it has always been. The characters and their attitudes may have changed. But at the end of the day, this place is as dirty as ever! And this is really the definition of a criminal syndicate². Dirty players come and go. But in the end, the organization survives to engage again in racketeering! I ask the Board take action against employees like Kate Nelson to put a stop to this wasteful expenditure of taxpayer funds.

And now you the reader may have a better idea of what the District's Recreation ("RFF") and Beach ("BFF") Facility Fees, and water/sewer rates/charges really pay for which you can see for

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² See NRS 207.370 which defines criminal syndicate as a "combination of persons, so structured that the organization will continue its operation even if individual members enter or leave the organization, which engages in or has the purpose of engaging in racketeering activit(ies)."

yourselves have nothing to do with making public recreational and beach facilities, as well as public water/sewer services available for local parcel owners' access and use.

Respectfully submitted, Aaron Katz (Your Community Watchdog Because Nearly No One Else Seems to be Watching).

EXHIBIT "A"

February 28, 2024 IVGID BOT Meeting - Agenda Item G(2) - Again, What's Wrong With This Woman (Kate Nelson)? And What's Wrong With You Board Members For Not Reeling Her In?

From: <s4s@ix.netcom.com>
To: "Schmitz Sara" <schmitz_trustee@ivgid.org>
Cc: "Dent Matthew" <dent_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, "Bandelin Mike" <MLB@ivgid.org>, <bma@ivgid.org>
Subject: February 28, 2024 IVGID BOT Meeting - Agenda Item G(2) - Again, What's Wrong With This Woman (Kate Nelson)? And What's Wrong With You Board Members For Not Reeling Her In?
Date: Feb 25, 2024 1:11 PM

Chairperson Schmitz and Other Honorable Members of the IVGID Board -

So here we go again! Because once per BOT meeting doesn't seem to be enough!

1. Again, this agenda item is routine, and it is on the consent calendar;
2. It's brought by Kate Nelson;
3. The proposed contract has been reviewed and approved by the Board's attorney in addition to Silver State Law (i.e., double the cost) even though the BOT has not yet decided to approve the engagement;
4. Just like the stunt Ms. Nelson pulled with the proposed HDR Engineering updated rate study contract which was not approved by the BOT;
5. Because Ms. Nelson has asked the Board's attorney and Silver State Law to review and approve this contract;
6. Needlessly costing the District and ultimately local parcel owners thousands of UNNECESSARY attorney's fees.

Combined with agenda items F(3)-F(10), here we have 9 separate contracts UNNECESSARILY reviewed and approved by attorneys commissioned at Kate Nelson's request. Even though she has no authority to do so. And here the contracts are standard ConsensusDocs® 400 used in similar design contracts all of the country. But not good enough for Ms. Nelson.

As I have pointed out before, this is the m.o. of Ms. Nelson. She has pulled this stunt on several other contracts I have brought to the Board's attention. Even contracts the Board hasn't even approved (such as the HDR Engineering consulting contract for an updated utility rate study). All because Ms. Nelson is not being adequately supervised. And we don't have internal controls. And we don't have a purchasing and contract professional who knows how to read a construction design contract, and understand what it says. Nor an in house attorney who costs us less than \$265 per hour. Or here times two sets of attorneys (what's the par on this hole Ms. Nelson?).

I guaranty each of you that if you had to get every contract in your personal life reviewed and approved by an attorney, at nearly \$300 per hour, you wouldn't! So why here? And you wonder why we don't have money to prosecute "vital" projects?

Let's discuss the substance of this agenda item. Apparently it consists of two project items. 30% Schematic Design for the Incline Beach House Project at a cost of \$103,500, and 30% Schematic Design for the Beach Access Project at a cost of \$18,000. Let's address the second project first.

Just so we all understand, according to the staff memo this project will be presented to the Board in its entirety at a

future date. You mean we don't know the extent of this project? Yet we're going forward with schematic design? And it's our responsibility to notify CORE Construction of our owner's program? You know, "an initial description of the Owner's objectives." Shouldn't we wait until final presentation to and approval by the Board of what will in essence be the owner's program? After all, you tell us this project will be a part of the FY 2024/25 budgeting process. And it is not a part of the \$4M budget associated with the Incline Beach House Project. So why are we spending money on design at this stage? And design of what precisely?

Now let's address the Beach House project. Why are we starting on a design the basic parameters of which haven't even been agreed to by the public and the BOT? And for \$103,500? And this assumes that fully designed, the project will not exceed another \$3.9M in cost. Well we don't need to blow another \$100K+ on preliminary design to know the remaining \$3.9M price tag is nothing more than a pipe dream. We don't even have an owner's program to share with CORE Construction. Do we? Who's coming up with that program? And what does it consist of? And what happens if the costs are higher? Remember we couldn't even build a Burnt Cedar Pool for \$4M. And now you think you're going to be able to build a cafeteria/restaurant for under this number? Shouldn't we conduct some sort of preliminary study as to what we can really purchase for \$4M of construction costs before we begin going down this road? Or how about sharing the REAL probable cost with us and then have a conversation with local parcel owners as to whether they want to spend this much money on food service for guests who don't pay the BFF before we start down this road?

And just so we all understand. Apparently staff hasn't gone out to public bid for either of these design contracts. Instead it has asked for contractor qualifications (hence the RFQ). Now that we have received those qualifications and are prepared to go forward with CORE Construction, what is it going to cost? If we don't go out to public bid, how are we going to know that we're not over paying? Bueller? Bueller? You've got it backwards!

Since this matter is on the consent calendar, I ask at least one of your Board members request its transfer to the general business calendar. And then from there suspend this proposed contract until we can agree upon an "owner's program" that can actually be constructed for under \$3.9M.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 28, 2024 MEETING –
AGENDA ITEMS F(3) – F(10) MORE INAPPROPRIATE EXPENDITURES ON
ATTORNEY'S FEES BY INTERIM PUBLIC WORKS DIRECTOR KATE
NELSON UTILIZING THE BOARD'S ATTORNEY**

Introduction: Can it get any worse? Yes it can. And here's yet "another one" as my friend DJ Kahled would say¹. More evidence of staff incompetence, lack of transparency, lack of interest in the attorney's fees paid by local parcel owners, ethics, lack of oversight, lack of internal controls, and a flagrant disregard for the financial sustainability of the District. Wow! How many more unnecessary wastes am I and others required to share with the Board until you members get it and do something about it? And that's the purpose of this written statement.

My February 25, 2024 E-Mail to The Board: wherein I put the Board on notice of Kate Nelson's standard *modus operandi* where she engages the Board's attorney to review and approve all proposed contracts *before* they are submitted to the Board for approval. This e-mail is attached as Exhibit "A" to this written statement. And the exhibit to that e-mail (BB&K's January 31, 2024 billing statement), is attached as Exhibit "B" to this written statement. Rather than me regurgitating everything I shared with the Board, I refer the reader to the exhibit attached instead.

Conclusion: The Board's attorney is not staff's attorney. Yet whenever a staff member feels the need for legal oversight, he/she matter-of-factly turns to the Board's attorney to render advice. And unbelievably the Board's attorney does not refuse for this reason. So we end up with added and unnecessary attorney's fees commissioned by staff members rather than the Board. And this is unacceptable as evidenced by the attorney's fees evidenced on Exhibit "B" attached.

So you see the more things change, the more they remain the same. The District is just as dirty as it has always been. The characters and their attitudes may have changed. But at the end of the day, this place is as dirty as ever! And this is really the definition of a criminal syndicate². Dirty players come and go. But in the end, the organization survives to engage again in racketeering! I ask the Board take action against employees like Kate Nelson to put a stop to this wasteful expenditure of taxpayer funds.

¹ Go to <https://medium.com/cuepoint/the-old-people-s-guide-to-dj-khaled-5618a5aa52b1#:~:text=Another%20One%20%E2%80%94%20One%20of%20the,of%20shoes%2C%20or%20something%20else.>

² See NRS 207.370 which defines criminal syndicate as a "combination of persons, so structured that the organization will continue its operation even if individual members enter or leave the organization, which engages in or has the purpose of engaging in racketeering activit(ies)."

And now you the reader may have a better idea of what the District's Recreation ("RFF") and Beach ("BFF") Facility Fees, and water/sewer rates/charges really pay for which you can see for yourselves have nothing to do with making public recreational and beach facilities, as well as public water/sewer services available for local parcel owners' access and use.

Respectfully submitted, Aaron Katz (Your Community Watchdog Because Nearly No One Else Seems to be Watching).

EXHIBIT "A"

February 28, 2024 IVGID BOT Meeting - Agenda Items F(3), F(4), F(5), F(6), F(7), F(8), F(9), F(10) - What's Wrong With This Woman (Kate Nelson)? And What's Wrong With You Board Members For Not Reeling Her In?

From: <s4s@ix.netcom.com>
To: "Schmitz Sara" <schmitz_trustee@ivgid.org>
Cc: "Dent Matthew" <dent_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, "Bandelin Mike" <MLB@ivgid.org>, <bma@ivgid.org>
Subject: February 28, 2024 IVGID BOT Meeting - Agenda Items F(3), F(4), F(5), F(6), F(7), F(8), F(9), F(10) - What's Wrong With This Woman (Kate Nelson)? And What's Wrong With You Board Members For Not Reeling Her In?
Date: Feb 25, 2024 10:50 AM
Attachments: BBKInvoice.HDR.Agreement.not.approved.by.BOT.1.31.2024.pdf

Chairperson Schmitz and Other Honorable Members of the IVGID Board -

Here we go again. This keeps happening over and over and over again. And you Board members just never seem to learn. And then you wonder why we don't have the money to pay for all of these budget augmentations Bobby Magee & Co. have planned for us! And on the consent calendar no less.

For the reasons which follow please remove these matters from the consent calendar so we can have a discussion about Kate Nelson and how she is unnecessarily costing the public tens if not hundreds of thousands of dollars in attorney's fees.

Ms. Nelson has admitted she's not qualified to be a Public Works Director. Nor an interim one. She admits her skills are limited to being an engineer. Doing engineering jobs. So why have we put her in the position we have where we ask her to do so much more? And now we're paying the price. Again!

What's common with each of these agenda items?

1. They're routine;
2. As such they're on the consent calendar;
3. They involve the expenditure of moneys well within the GM's contracting authority which means they don't need to be on this agenda for approval;
4. They're all brought by Kate Nelson;
5. The proposed contracts have all been reviewed and approved by the Board's attorney;
6. Because Ms. Nelson has asked the Board's attorney to review and approve each and every one of them (several of which are less than \$5.5K in amount);
7. Needlessly costing the District and ultimately local parcel owners thousands and thousands of dollars of UNNECESSARY attorney's fees.

Combined with agenda item G(2), here we have 9 separate contracts which were UNNECESSARILY reviewed and approved by attorneys at close to \$300 per hour all commissioned by Kate Nelson.

This is the m.o. of Ms. Nelson. She has pulled this stunt on several other contracts I have brought to the Board's attention. Even contracts the Board hasn't approved (like HDR Engineering for a wasteful updated utility rate study)! All because Ms. Nelson is not qualified for the job. And she's not being adequately supervised. And we have no internal

controls. And we don't have a purchasing and contract professional to handle stuff like this. Nor an in house attorney who in the long run would cost us quite a bit less than the route Ms. Nelson has gone down, and be available to us 24/7 so we didn't need an outside attorney to attend Board and committee meetings.

It took me over a month to finally get attorney billing records for work commissioned by Ms. Nelson for the proposed HDR Engineering contract which was never approved by the BOT. So I'm not going down that road with these 9 contracts. Nevertheless, those attorney billing records are attached to this e-mail. Look at it for yourselves!

Look how staff conveniently redact nearly everything. And why is this? There is nothing confidential about a billing statement. Yet staff continue to hide the truth to the public putting us in a position that we have to sue the District just to get access to the transparency it alleges. Then I don't believe what's left over that isn't redacted is the extent of attorney work expended on the former failed HDR Engineering consulting contract. I believe more attorney time was spent than represented. Where do you see time spent on communications between Ms. Nelson and the attorney? What about the vice versa time? Even if I am wrong, the unredacted portions of the billing invoice reveal that nearly 4 hours was expended on simple review of a single consulting contract at \$265 per hour. That's over \$1,000 of waste. And none of you seem to care about this?

So here we have another 9 contracts which were allegedly reviewed and approved by the BOT's attorney at \$265 per hour. How much did this cost us Ms. Nelson? Another \$10K? Or more?

And what's more bothersome is the fact Ms. Nelson has entered into a whole lot more than just 9 contracts for routine PW work for which she has not come to the Board for approval. And how many of these has she unilaterally turned over to the Board's attorney to perform similar contract review work? We have no clue. And neither do you Board members.

Who is supervising Ms. Nelson? Who is authorizing her to contract with the BOT's attorney? What internal controls are in place? Aren't there other employed District personnel who know how to read a contract? And understand what the words state? Why haven't staff hired an in house attorney-employee if we have this much legal work to do?

Waste, waste, waste. And it's going to continue until you Board members put your collective feet down. And tell staff they don't have the authority to matter of factly incur attorney's fees with the BOT's attorney. If you don't tell staff, then they're going to continue doing what Ms. Nelson is doing because they're afraid to make any move because the public is watching. And criticizing. If Ms. Nelson isn't equipped to administer simple contracts, why is she employed in the job she is employed? Is the answer as simple as because we have a vacancy and can't find a competent replacement? When Brad Underwood was the Director of PW, how many times did he come to the Board seeking approval on a "routine" contract where he had unilaterally engaged the BOT's attorney to review and approve the same? So why now all of a sudden?

So do something!

Respectfully, Aaron Katz

EXHIBIT "B"

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INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
ATTN: SARA SCHMITZ
893 SOUTHWOOD BOULEVARD
INCLINE VILLAGE, NV 89451

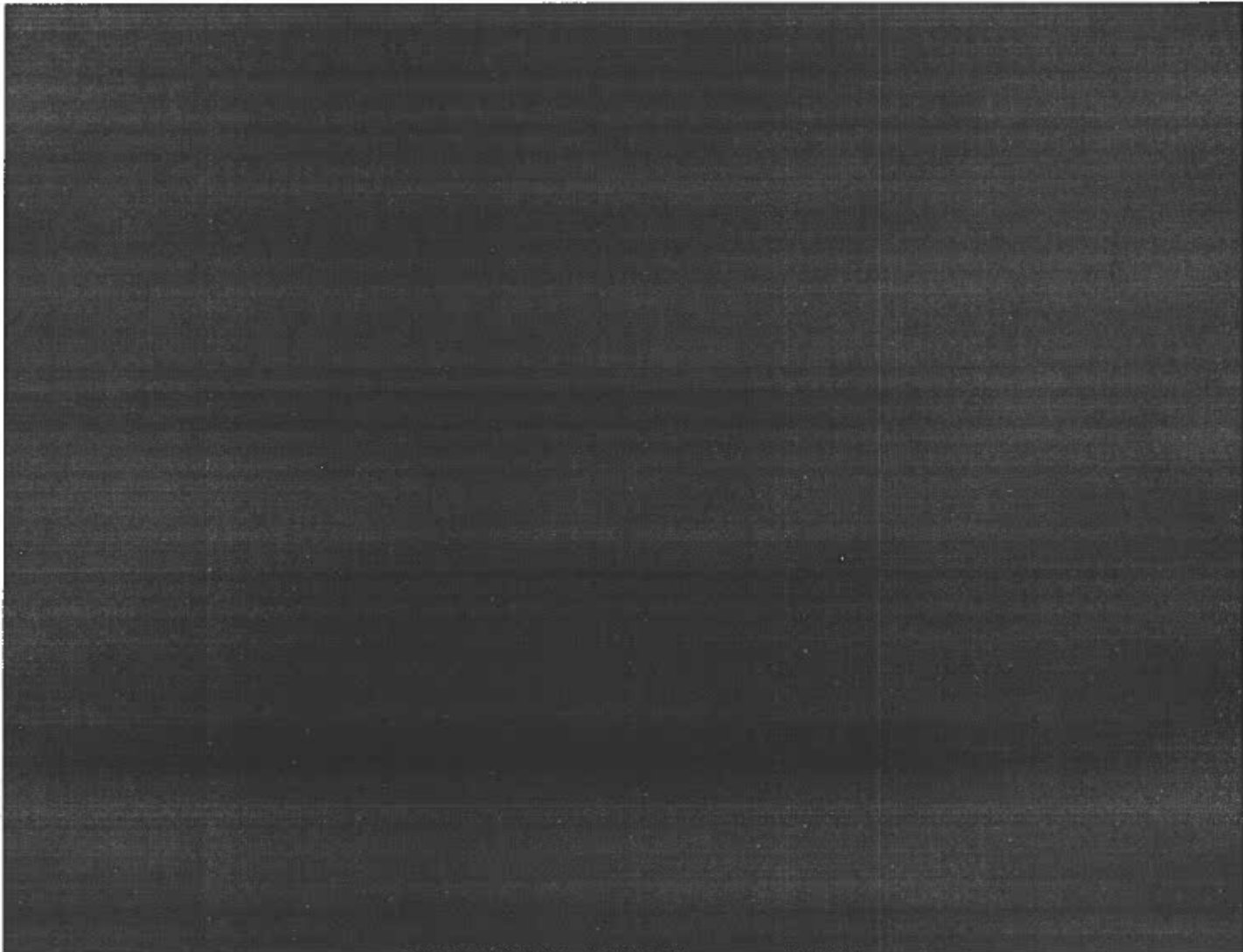
January 31, 2024
986363
JOSHUA NELSON
Page 1

INVOICE SUMMARY

For Professional Services Rendered Through December 31, 2023:

Matter # 83154.00003
GENERAL COUNSEL

Current Fees:	\$	15,007.00
Total Current Billings For This Matter:	\$	15,007.00
Balance from Previous Statement:		0.00
Payments and Other Credits Received:		0.00
Prior Outstanding Balance:		0.00
Total Amount Due:	\$	15,007.00

<u>Date</u>	<u>Description</u>	<u>Hours</u>
		

Associate: ANNE E. BRANHAM

12/07/23	REVIEW FINAL UPDATED KODIAK ROOFING AGREEMENT AND CONFER W/ STAFF RE SAME; BEGIN DRAFTING POS FOR TAP MASTER AND FINEST FOR DISTRICT EQUIPMENT. AND SERVICE AGREEMENTS WITH HDR FOR UTILITIES RATE STUDY AND ACTIVE NETWORK FOR POINT OF SALE SERVICES; ATTEND STAFF MEETING TO DISCUSS CONTRACTS IN THE QUEUE	1.20
----------	--	------

Associate: ANNE E. BRANHAM



<u>Date</u>	<u>Description</u>	<u>Hours</u>
[REDACTED]		

12/28/23	FINAL REVIEW AND EXECUTION OF DOWL SPS #1 CONTRACT; REVIEW AND FINALIZE HDR AGREEMENT FOR UPDATE TO IVGID RATE STUDY SERVICES; REVIEW CORRESPONDENCE AND ADVISE HR DIRECTOR FEORE RE REDACTIONS FOR TIME OFF IN EMPLOYEE RECORDS Associate: ANNE E. BRANHAM	1.40
12/29/23	EMAIL CORRESPONDENCE WITH ATTY A. BRANHAM RE HDR CONTRACT INSURANCE REQUIREMENTS Partner: SERGIO RUDIN	0.10
12/29/23	REVIEW HDR SUGGESTED REVISIONS TO AGREEMENT FOR UPDATE TO IVGID RATE STUDY SERVICES AND UPDATE DRAFT AGREEMENT RE SAME; REVIEW CORRESPONDENCE AND ADVISE HR DIRECTOR FEORE RE REDACTIONS FOR TIME OFF IN EMPLOYEE RECORDS Associate: ANNE E. BRANHAM	1.10

[REDACTED]		
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Summary of Fees:

<u>Timekeeper</u>	<u>Title</u>	<u>Hours</u>	<u>Rate/Hr</u>	<u>Amount</u>
SERGIO RUDIN	Partner	27.20	265.00	7,931.50
JOSHUA NELSON	Partner	2.90	265.00	768.50
ANNE E. BRANHAM	Associate	23.80	265.00	6,307.00
	Total Hours:	53.90		
	Total Fees for Professional Services:		\$	15,007.00
	Total Current Billings For This Matter:		\$	15,007.00

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San Diego
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Walnut Creek
(925) 977-3300
Washington DC
(202) 785-0600

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
ATTN: SARA SCHMITZ
893 SOUTHWOOD BOULEVARD
INCLINE VILLAGE, NV 89451

January 31, 2024
986363
JOSHUA NELSON

Invoice Due and Payable Upon Receipt
PLEASE RETURN THIS COPY WITH YOUR REMITTANCE

INVOICE SUMMARY

For Professional Services Rendered Through December 31, 2023:

Matter # 83154.00003
GENERAL COUNSEL

Current Fees:	\$	15,007.00
Total Current Billings For This Matter:	\$	15,007.00
Balance from Previous Statement:		0.00
Payments and Other Credits Received:		0.00
Prior Outstanding Balance:		0.00
Total Amount Due:	\$	15,007.00

Payment Remittance:

Invoice # 986363

ACH or Wire Electronic Payment (Please Reference Invoice Number):
Bank of America Corporate Center | 100 North Tryon Street, Charlotte, NC 28255
ACH Routing #: 121000358 Wire Routing # 026009593 Swift Code: BOFAUS3N
BBK Account # 14961-50991

Lockbox: Best Best & Krieger LLP | P.O. Box 743074 | Los Angeles, CA 90074-3074
Courier Delivery Address: Bank of America Lock Box Services | Lockbox 743074 | 2706 Media Center Drive | Los Angeles, CA 90065-1733

Credit Card: Please visit bbklaw.com/clientpay to pay by Visa, MasterCard, Discovery or American Express

Please mail 1099 form to: Best Best & Krieger LLP | 3390 University Avenue, 5th Floor | P.O. Box 1028 | Riverside, CA 92502

Kristie Wells
Incline Village resident

Item G.2. on tonight's agenda addresses the Incline Beach House, a dilapidated building that sits on one of the most valuable pieces of land on Lake Tahoe. Improvements to this asset have been brought before the various boards since 2016, and IVGID staff have worked diligently in an attempt to find a path forward to improve and even expand the facility to ensure it meets the needs of community members. Unfortunately, even though we have spent hundreds of thousands of dollars, this project has not moved forward, even an inch, in the last seven years.

This current board has surveyed the community several times in the last year to understand what we want at this location. The feedback has rarely changes – at minimum, we want a modernized facility that serves great food, a bigger bar and seating area, expanded bathrooms, including showers, and improving the traffic flow between people, bikes, and cars at the entrance and exit.

I would like to ask that you approve the Agreements for the 30% Schematic Design for the Incline Beach House Project and the Beach Access Project, and direct the Chair and Secretary to sign and execute the Agreements. This project must move forward without any more delays.

Speaking of agreements, I just learned there isn't one for Bobby Magee, the gentlemen who has been in control of our finances for almost eight months. I am told that there is only a verbal agreement around his role and responsibilities, and for his compensation, which is \$312,000. This is mind blowing to me. You ask staff to bring every single contract to this board for approval, including those on the Agenda tonight for \$15,000 worth of work that will ensure this community has clean drinking water, and to ensure our sewer system is in good working order, but this board doesn't seem to have a problem with someone making \$312,000 a year, and controlling 10s of millions of dollars; working without a legal agreement. There is no non-disclosure. No legal protections for this District. Nothing for Mr. Magee either. This is highly irresponsible of this board to allow this to have happened and shows this community once again, that you have different standards for what is acceptable by you and what is acceptable for staff.

With that said, I am going to assume the lack of a current agreement is a moot point as you will be naming Mr. Magee as General Manager (GM) at the March 6th Special Board of Trustees Meeting. This too, I fear, is a serious mistake.

Based on his current compensation, one could guess that his GM salary will come in around \$500,000 - more than twice what we were paying our previous GM, and it will set an unsustainable precedent for payroll across this entire District. As I have stated before, it sounds like Mr. Magee is doing a great job at managing our finances, but those are not the same skills needed to be a GM who will oversee 100s of personnel and manage the day-to-day operations of a General Improvement District. I am asking you once again, to pick up the recruiting efforts to find candidates who have the real-life experience needed to lead IVGID into the future. Thank you.

Public Records Request 24-32: <https://ivgid.nextrequest.com/requests/24-32>

Request

Please provide the Consulting Agreement and Compensation Plan for Interim Director of Finance, Bobby Magee.

I understand IDF Magee, based on his own words, was referred to IVGID by someone at Baker Tilley. Baker Tilley was then paid a \$10,000 "finders fee." I have not seen anything else related to IDF Magee being hired, or any documents that state what his current compensation is as a consultant to IVGID. This has been asked, twice, by Aaron Katz, and I do not believe this request has been fulfilled.

-- Please provide a copy of the agreement between IVGID and IDF Magee that fully outlines his role, responsibilities, and the compensation he receives in exchange for the work provided to the District. I would expect there to be a clear term of engagement, an exact amount of compensation that was agreed to, and any additional benefits that were to be provided.

-- Please provide copies of the invoices that have been submitted by IDF Magee or any firm or person representing him seeking payment from IVGID, including those that pertain to general compensation as well as any expense reimbursement that has been requested since he started working with the District.

Response from IVGID confirming there is no written agreement with Interim Director of Finance, Bobby Magee:

Request closed ^

Public

PRR 24-032

Good Afternoon Ms. Wells,

Thank you again for your Public Records request.

The District is committed to making reasonable efforts to focus all requests in a manner that maximizes the likelihood of expeditious disclosure.

The rate of compensation and agreement between IVGID and Mr. Magee and its details that include details that he would cover all of his personal travel expenses related to his position as IVGID Interim Director of Finance was a verbal agreement. (there are no documents responsive to this request)

Baker Tilly - Placement Services Invoice has been provided for your review.

We have provided all records responsive to your request.

Additional Information provided by IVGID via Public Records Request 24-24:
<https://ivgid.nextrequest.com/requests/24-24>

Request closed ^

Public

PRR 24-024

Good Afternoon Mr. Katz

Thank you for submitting a Public Records Act request to the Incline Village General Improvement District.

The District is committed to making reasonable efforts to focus all requests in a manner that maximizes the likelihood of expeditious disclosure.

Question: What is your/your firm's compensation and benefits as interim director of finance for IVGID? And for how long?

Answer: *The fully-loaded salaries and benefits budgeted amount for the Finance Director in 2023/24 was \$313,800. Standard consulting contracts for interim placements include a provision for the receiving agency to pay for all travel expenses. In this case, the District offered to pay a flat fully-loaded salary of \$6,000/week, with Mr. Magee absorbing all travel expenses on his own, and no benefits provided. The fully-loaded cost of having the Interim Finance Director in place is \$312,000 annually, which is \$1,800 under the budgeted amount for the position. The initial verbal agreement included Mr. Magee to stay with IVGID while the recruitment for the permanent Finance Director was completed; however, as a successful candidate was not identified, the Board directed Human Resources staff to place the recruitment on hold and requested Mr. Magee to stay with the district until further notice.*

Question: Do you/does your firm regularly submit invoices for payment and if so, to whom?

Answer: *No invoices are submitted for these services; Mr. Magee is set up in the system as a temporary employee.*

Kristie Wells, Page 5

Question: Do you or does your firm have a written agreement with the District that provides therefore? And if so, would you mind sharing it?

Answer: *There was no written agreement that was executed as part of this placement. However, former Finance Director Paul Navazio did negotiate the 'Placement Fee' with Baker Tilly for Mr. Magee's services. The invoice is attached.*

Question: Were you offered your current position with IVGID via a writing and if so, would you mind sharing it?

Answer: *Mr. Magee was not offered the position in writing.*

All records have been released, and your request has been fulfilled.

Bill Kahrs

Incline Village resident

We believe that the policy for approving contracts has been changed. This change is significantly detrimental to the community by causing delays of needed activity

On tonight's agenda are two items under Item F.3 and F.4, the Agreements for Services with Tap Master, for the total amount of \$10,675 and the Agreement for Services for sewage hauling from Sewer Pump Station #10 in the amount of \$5,400.

In accordance with Board Policy 3.1.0. Subsection 0.4, these items are included on the Consent Calendar as it is routine business of the District, and within the currently approved District's fiscal year 2023/24 Operating Budget within the Utility Division 200 Fund.

Why are these even on the agenda when they should have been approved in January before potential weather issues. These are critical updates needed to our infrastructure to ensure this community has clean drinking water and that raw sewage does not leak into Lake Tahoe.

Do you know how many sources of water we have in Incline Village and Crystal Bay? One. ONE!!!! Do you know what would happen if these systems fail? The District is at zero financial risk with these small agreements. These projects should have been done already instead of sitting on an Agenda waiting for Board approval.

Is BBK, legal counsel for the trustees, reviewing every single agreement that is sent to the Board? We need to know this, and will do a PRR for the invoices. I would also expect that the amount of time and money it takes to review and approve these agreements could be more than what the projects are actually valued at. How is this being fiscally responsible?

More to the point, members of this board are not Public Works professionals. The fact that these two agreements, specifically, are waiting to be approved show that the Board does not understand the level of seriousness of these projects. Let the staff, who are the professionals, do what they have to do to protect the District and keep it operating.

I recommend this Board modify Board Policy 3.1.0 Subsection .5 - f: contracts (https://www.yourtahoeplace.com/uploads/pdf-ivgid/3.1.0_Conduct_Meetings_Board_of_Trustees_Adopted_02222023.pdf) and give spending authority back to the General Manager and staff to allow them to do their jobs. Otherwise, things like this this is why members in this community believe the Trustees are micromanaging Staff and driving them out of this District.

Linda Kahrs

Incline Village Resident

Let's talk about GM salaries. In 2022, the online salaries for GID General Managers in Nevada ranged from \$117,000 to over \$200,000. I believe the salary for our previous General Manager (GM) was around \$250,000.

Estimates for Bobby Magee to come in as the new GM is expected to be \$400,000 - \$500,000. How does this make sense?! Especially when we know that Mr. Magee does not live in the County, has never held this position before, as best we can tell, has never led a team of this size, and will need to work remotely at least half of the time - a crucial factor when the GM should be onsite every day restoring faith and trust across the GID. You are paying a premium for an unproven candidate.

To think that Trustees Schmitz, Dent, and Tulloch are pushing to move forward with Magee could be grounds for a lawsuit for flagrant abuse of the District's resources.

This current Board has forgotten the job that they were voted in to do: oversee the well being of the GID, and support the homeowners recreation facilities. Over the past 14 months, this board majority prioritized forcing out long-term employees with historical knowledge, spent 10s on thousands on erroneous investigations and legal fees looking for fraud, which does not exist, and negatively impacted the health and well being of the community.

My closing thoughts: A good GM for IVGID should first and foremost have experience managing a GID and should have demonstrated the following in their career path:

- Visionary Leadership for IVGID
- Strategic Thinking Skills
- Negotiation and Conflict Management Skills
- Team-Building and Interpersonal Skills

Trustees Schmitz, Dent, and Tulloch, as the board majority, you should make this decision based on what is best for this community, not what is best for yourselves.

IVGID does not need a finance person as a GM who is beholden to a small number of Trustees. The District needs a Visionary Leader to report to the entire Board and has all the above qualities, while managing the facilities and staff, and, let's not forget, understand and get to know the community. They should also require that our GM live in the County.

Mr. Magee, I look forward to hearing from you as to why you think you are the perfect candidate for this role. And Trustees, if you are even considering spending this much money, you should advertise the role with this new compensation plan as I expect the candidate pool would be much greater.

Linda Kahrs

Incline Village Resident

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Mr. Magee, I look forward to hearing from you as to why you think you are the qualified candidate for this role and show us how you have met the above skill sets in your career path. Will you be able to think independently and support long term staff who have been targeted by Trustees Schmitz, et al?

And Trustees, if you are even considering spending this much money, you should advertise the role with this new compensation plan as I expect the candidate pool would be much greater.