

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winqest
Interim General Manager

SUBJECT: General Manager's Status Report
Prepared for the meeting of April 1, 2020

DATE: March 25, 2020

Interim General Manager & Board of Trustees Priority Projects & Tasks

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Filing of Preliminary Budget to Department of Taxation by 4/15/2020	4/15/2020	GM Winqest/Director of Finance Navazio/Board of Trustees	CIP Presentation on agenda for 4/1/2020. Operating Budgets presented 3/11/20
Effluent Pond Lining Project	TBD	GM Winqest/Director of PW Pomroy Trustees Wong/Dent	Scope of Services being developed for Project Review/Manager. Need USACE Partnership Agreement
Effluent Pipeline Project	TBD	GM Winqest/Director of PW Pomroy Trustees Wong/Dent	Scope of Services being developed for Project Review/Manager.
USFS Parcel Acquisition	Ongoing	GM Winqest	In discussions with USFS to begin process of filing a special use permit. Will be delayed as a result of COVID-19
Burnt Cedar Pool Project	10/31/2021	Engineering/GM Winqest	Will be going out to RFQ for a design team. Need to set up GM advisory committee meeting. May be slightly delayed as a result of COVID-19
Guest Access Ticket Revision	4/1/2020	GM Winqest	Will include details of new process in GM Report on 4/1
No Smoking/Vaping Policy	4/1/2020	GM Winqest	Will be on 4/1 Agenda
Internal Controls Audit/Questions regarding the 18-19 Audit/CAFR		Audit Committee/GM Winqest	In beginning Stage. Scope of Services Development
Audit Charter/Policy 15.1.0 Update	Ongoing	Audit Committee	Will be on 4/1 Agenda

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Ordinance 7 Administrative Revisions	TBD	GM Winquest	Public Hearing - Postponed due to COVID – 19 Virus impact
Smith vs IVGID Litigation	5/20/2020	Legal Counsel/Board of Trustees/GM Winquest	Will be meeting with third party Legal Counsel to review case. Court has set a hearing date of May 12, 2020
2020-22 Strategic Plan	7/1/2020	Senior Management Team/Board of Trustees	Planning for workshop in June 2020

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

Diamond Peak and The Recreation Center closed on Monday, March 16th. Additionally, all community programming has been cancelled or postponed until further notice. Public Works, Administration, and Chateau all closed to the public on Tuesday, March 17th. The beaches are available for walk in only and social/physical distancing is being monitored closely. The Parks remain open for drop in use and social/physical distancing is being monitored closely. Staff is working on an essential/critical employee basis.

Many full time staff are working from home and/or are working a combination of on site and home. Seasonal and hourly are currently working on a critical need basis only. Our Human Resources team is doing an outstanding job of working through the State and Federal guidelines for our workforce.

Our Finance, Accounting & Payroll team are working diligently to make sure the operations and business of the district keep moving. The team is currently and will continue to work on projections for a variety of different financial implications as a result of the COVID-19 outbreak.

The Community Services team are working on developing reopening strategies to make sure a healthy and safe environment is provided so that our residents and guests are comfortable visiting our venues and participating in activities. Additionally staff is working on digital and online resources to keep the community active and engaged. The golf courses, Tennis, and parks staff will continue with normal preparation for upcoming seasons although it is universally understood that there may be impacts as a result of COVID-19. The Recreation Center is closed until further notice, however, Recreation Staff is available to answer phone calls and respond to emails.

The Public Works & Utilities team continues to provide outstanding service while protecting the water and sewer infrastructure during this extremely crucial and challenging time. Engineering staff continues to work on project development and management, Public Works

Administration is closed to the public but staff is answering phones and responding to emails during normal business hours.

Capital Projects Update March 24th, 2020

Design

Championship Golf Maintenance Building Drainage and Washpad Improvements

A 2020 Capital Improvement Project, this project will improve surface and sub-surface drainage, construct a modern wash pad facility, and spot treat pavement failures at the Championship Golf Maintenance Building. An engineering consultant has been hired to complete the design and currently working with staff to develop construction documents for bidding in Spring 2020 and construction in Summer/Fall 2020.

Martis Peak Road - Water Main Replacement

A 2020 Capital Improvement Project, this project includes slip lining a 14-inch water main under State Route 28 and replacing aging steel water main in Martis Peak Road and Rifle Peak Court. IVGID Engineering staff is completing the design and is on schedule to bid in Spring 2020 and construction in Summer/Fall 2020.

Tennis Center Renovation

The Board approved on June 19 for staff to begin the design of the tennis center renovation. The architectural, design and permitting services scope of work was approved at the August 14 BOT meeting with the removal of Bocce Courts. The key project objectives are renovation of the pro-shop buildings and surrounding site to renovate aging restrooms, expand the pro-shop by enclosing outdoor kitchenette area, expand and enhance the deck area, improve wayfinding and flow of traffic through the Tennis Center. The Board selected a design development alternative on November 13th and authorized public advertisement for bids on March 11th. Project permitting and public bidding will occur in the coming months and the bid results are tentatively scheduled to be presented to the Board on June 10th.

Effluent Pipeline Project

District Staff provided a detailed Effluent Export Project update to the Board of Trustees on January 29, 2020. The immediate priority is to replace all of the remaining Segment 3 pipeline (12,385 linear feet) and to make immediate repairs to the Segment 2 pipeline (17,314 linear feet) to extend its life and mitigate a potential future leak site. The Board has placed this project on hold pending the hiring of a Project Manager to conduct a complete project review of the Effluent Export Project. A new project data sheet is being prepared as part of the 2020-21 Capital Improvement Budget. The annual CIP amount of \$2,000,000 will be allocated to this project. At the March 11, 2020 Board of Trustees meeting, the Board of Trustees unanimously approved to restrict \$9,656,890 to the Effluent Pipeline Project, Project #2524SS1010 from the Unrestricted Net Position in the Utility Fund effective March 12, 2020.

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

On February 27, 2020, Staff set up a new capital project for the Effluent Pond Lining and that project number is noted above. It has been set up as an unbudgeted project for the time being and until we allocate funding to it.

A component of the Water Resource Recovery Facility (WRRF) operation is a non-permitted 2.4 million gallon effluent storage basin located adjacent to the wastewater resource recovery facility (Plant). This storage basin was designed to provide automated and passive back-up effluent storage in the event the Plant’s 500,000 gallon effluent storage tank fills to capacity. The WRRF Effluent Storage Alternative Analysis Memorandum, September 2018, recommends a reinforced concrete or the combination of concrete and shotcrete lining that provides the best long term value, maximizes storage volume, and has low maintenance to keep in service. This design scope of work was on the agenda for the 2/26/2020 Board Meeting. The Board has placed this project on hold pending the hiring of a Project Manager to conduct a complete project review of the Effluent Export Project. A project data sheet is being prepared as part of the 2020-21 Capital Improvement Budget.

Construction

WRRF Aeration System Improvements

The aeration process of wastewater treatment supplies oxygen to facilitate the biological activity that converts raw sewage into treated wastewater effluent. The plant has six-200,000-gallon aeration basins with two jet aeration clusters per basin. These clusters utilize pressurized air to mix and recirculate the wastewater and provide the necessary oxygen to the microorganisms. The pressurized air is delivered by multistage centrifugal blowers that are metered by electronically operated valves in order to keep the correct balance of oxygen in the aeration basins at all times. This project funds the design and replacement of the aeration system equipment at the WRRF. The Board awarded the construction contract to the lowest responsive bidder, KG Walters, on December 11. A preconstruction meeting was held on January 15, 2020 and the Contractor is currently preparing submittals for all the required equipment. The project will continue until December 2020.

K. G. Walters Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$1,508,500	\$0	\$1,508,500	\$0	\$1,508,500

Water Reservoir Safety and Security Improvements

This project would replace the ladders that access the top of the water reservoirs, install intermediate access platforms, install protective railings and install new fall protection

devices. The exterior access to the roof area is required to meet the needs of the District to monitor the water quality in the reservoirs and perform routine repairs to radio communication equipment. The ladders also need to be secured from access by the public. The reservoir ladders, fall protection, platforms, and protective railings will meet the current Occupational Safety and Health Administration (OSHA) safety standards. The Board awarded the contract to Resource Development Company on April 10, 2019 for 10 of 13 reservoirs. Construction begins this summer and is expected to be substantially complete by September 30, 2020.

Resource Development Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$362,600	\$0	\$362,600	\$0	\$362,600

WPS 2-1 Incline – (Adjacent to Burnt Cedar Beach)

Water Pump Station 2-1 (WPS 2-1) is located at the Burnt Cedar Water Disinfection Plant (BCWDP) and pumps the disinfected potable water into the water distribution system to serve all customers. WPS 2-1 was largely constructed in 1972 with minor upgrades in 1995 and 2012. The electric motor control centers (MCCs) and switchgear at WPS 2-1 date to the original 1972 installation. This equipment does not meet modern OSHA requirements for Arc Flash safety and the MCCs and switchgear are at the end of its service life and no longer supported by the respective manufacturers. Jacobs Engineering completed the design. The Board awarded the contract on August 28, 2019 to San Joaquin Electric. Notice to proceed was issued on September 9, 2019 and project completion scheduled for April 2020. Equipment cut-over occurred the week of March 2nd and startup and testing occurred the week of March 9th. The project is nearly complete and in the process of project closeout.

San Joaquin Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$291,000	\$0	\$291,000	\$276,450	\$14,550

Mountain Course Clubhouse Renovation

On August 11, 2018 a fire occurred in the Mountain Course Clubhouse which led to the closing of the kitchen area. The Board approved renovation plans include a revised allocation of floor space, changes to access and substantial change to customer flow. A new ADA accessibility to the lower level for food service and construction of a new and expanded deck and the installation of new windows and doors. The Board approved the design on May 22, 2019 and authorized advertising for bids which then occurred on June 21, 2019. The Board

awarded the construction contract to Houston Smith Construction at the August 14, 2019 BOT meeting. Project is currently in construction with grading, utilities, decking and paving complete. Framing, plumbing, mechanical and electrical work are substantially complete. Windows and interior doors have been installed. Exterior doors, flooring, and built in cabinetry is scheduled for the week of March 23rd.

Houston-Smith Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$1,006,000	\$56,947	\$1,062,947	\$761,371	\$301,576

IVGID Recreation Center Paver Entrance

A 2020 Capital Improvement Project to replace the cracking concrete entrance at the IVGID Recreation Center with concrete pavers. Engineering staff has completed design and the project has been bid. Three (3) bids were received on Thursday, March 5, 2020.

- Eric's Concrete Pavers, Inc. - \$57,817
- Cruz Construction Co., Inc - \$72,970
- Bruce Purves Construction, Inc - \$99,950

This project has a CIP budget of \$82,500. Anticipated start of construction is May 4, 2020.

IVGID Recreation Center Site Lighting Replacement

A 2020 Capital Improvement Project to replace bollard and site lights with modern LED fixtures. An outside Electrical Engineering firm has completed design and the project has been bid. Two (2) bids were received on Thursday, March 5, 2020.

- Intermountain Electric, Inc. - \$84,856
- Bruce Purves Construction, Inc. - \$154,921

This project has a CIP budget of \$109,950 (includes carryforward from FY 18/19). Anticipated start of construction is May 4, 2020.

Incline Village Bocce Courts

At the August 14, 2019 Board of Trustees meeting, the Board prioritized construction of bocce courts. Two bocce courts were initially included in the Tennis Center remodel but were removed in favor of maintaining the existing hitting wall. At the November 13, 2019 Board of Trustees meeting a preferred site was selected adjacent to the IVGID Recreation Center. Engineering staff has completed design and the project has been bid. Four (4) bids were received on Thursday, March 5, 2020.

- RaPiD Construction, Inc. - \$68,860
- Cruz Construction Co., Inc - \$75,860
- FW Carson Co. - \$99,000
- Bruce Purves Construction, Inc - \$161,190

This project has a CIP budget of \$110,000 which was reallocated from the Tennis Center Renovation Project. Anticipated start of construction is June 1, 2020.

Priority Projects & Items

Beach Guest Access Ticket Revised Process

At the December 11, 2019 Board of Trustees meeting, Staff was directed to develop an alternative to the existing Beach Guest Access Ticket process. All the below key components will require no change to Ordinance 7. Staff has met with multiple property management agencies over the past few months explaining the reasoning for this change and gathering feedback to aid in the development of a new process. The goals of this change are to add more control of beach access, create efficiencies within the operations, and to provide improved data as it relates to guest access. The revised process transitions the guest access ticket to a pay to play model. The key components include:

- Guest must be authorized by parcel owner or property manager. All property managers must have a completed agent authorization form on file signed by the parcel owner.
 - Guest required to provide a Guest Authorization form signed by parcel owner or agent.
 - Guest required to provide rental agreement.
 - Guest must pre purchase daily passes at the Recreation Center. Guest cannot pay directly at the beach gates.*
 - Guest can only purchase a pass during the length of stay determined by required documentation
 - No refunds allowed
- *guest can pay at the beach gates only if IVGID Passholder is present

Diamond Peak Ski Season 2019/2020

On Sunday, March 15, at 4:00 pm the ski area joined several other Tahoe ski resorts in suspending operations through Friday, March 20 to support efforts to decrease the opportunity for COVID-19 transmissions. Staff evaluated the situation and on March 18 we announced the Diamond Peak ski resort would close for the remainder of the 2019/2020 ski season as the Nevada Governor Steve Sisolak announced the closure of non-essential businesses for no less than 30 days. As a District, the health and safety of our customers, our community, and our employee have to come first and given the recent recommendations from our local authorities to avoid non-essential gatherings we could not justify reopening the ski area this season. We would like to take this opportunity to thank our community and supporters. Without the generous support of the community, the Diamond Peak ski venue would not be what is today.

Financial Transparency

The February 2020 Monthly District Financial reports are posted on the Financial Transparency page <https://www.yourtahoeplace.com/ivgid/financial-transparency> and OpenGov has been updated.

District Net Operating sources over uses exceeded budget for February due timing of Defensible Space costs budgeted in February but expenditures not billed. In addition, despite the lack of February snowfall, Diamond Peak ancillary revenue continued to exceed budget from lessons, rentals, and Snowflake Lodge food & beverage. The internal services revenues continue to be under due to Staff vacancies causing reduced services. The extra miscellaneous revenue items are primarily due to insurance proceeds for the Mountain Course fire. Services and Supplies are under budget and due to temporary timing. Capital Expenditures noted are only for the General Fund and budgeted evenly over the fiscal year. While extra was spent on the approved server replacement, other projects have not started which is causing the temporary timing variance for Capital Expenditures.

As we write this update the District has closed all venues to the public due to the COVID-19 Nevada Stay at Home order. Staff is currently evaluating the effects on the current fiscal year budget ending June 30, 2020. Staff is reviewing operations, including business and service levels to minimize the effect and we are developing scenarios depending on the date venues can reopen. With the current year strong performance for the first three quarters, the current fiscal year should finish the year ahead of budget.

While the District current year budget should be within plan, Staff is reviewing the pandemic effects on the Fiscal Year 2020/21 Budget presented at the March 11, 2020 Board meeting. In just two weeks, our world quickly changed. The effects of the economic slowdown, social distancing, and the downturn in tourism will need to be evaluated to determine best and worst case scenarios. The Fiscal Year 2020/2021 tentative budget will need to be filed by April 15, 2020.