

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winqest
District General Manager

SUBJECT: General Manager's Status Report
Prepared for the meeting of January 12, 2022

DATE: January 5, 2022

General Manager & Board of Trustees Priority Projects & Tasks

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Effluent Pond Lining Project	90% Design Documents anticipated end-January 2022	GM Winqest/Director PW Underwood/ Trustee Dent	Environmental applications have been submitted for review. The on-site meeting with TRPA on 12/16/2021 was cancelled due to weather. The 60% plan set was distributed for review by the agencies. The Nevada Division of Dams has determined that if work is being done within Pond #2 as proposed, improvements to the dam will be required.
Effluent Pipeline Project	Phase I ongoing	GM Winqest/ Director PW Underwood/ Trustee Dent	HDR continues to work with Granite Inliner to determine where probable areas for lining exist along the alignment.
Burnt Cedar Pool Project	Completion Date scheduled for May 2022	Engineering Manager Nelson/GM Winqest	Contractor has secured the site for winter. The mechanical pit has been constructed and ADG is due back to the site mid-January to continue working on the piping and equipment installation within the mechanical room.

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
<p>Internal Controls Project(s) Review of Internal Control Policies and Procedures</p>	<p>Ongoing</p>	<p>Director of Finance Navazio</p>	<p>Staff continues to make progress in implementing contract management and change order process improvements; procurement card authorizations updated; reviewing internal controls with external auditors. Next update to Audit Committee Jan/Feb 2022.</p>
<p>Consultant review of four (4) Accounting Practices – Moss Adams 2</p>	<p>Completed</p>	<p>GM Winquest/Director of Finance Navazio/Audit Committee</p>	<p>Final Report by Moss Adams presented at the 1/28/21 BOT meeting. Next steps include updating Board capitalization policy – updated draft presented for discussion at 9/30 BOT mtg. Recommended Capitalization Policy has been reviewed by Moss Adams and scheduled for BOT approval Jan. 2022.</p>
<p>Project & Contract Consultant Review - Moss Adams 1</p>	<p>Ongoing Implementation of Recommendations</p>	<p>GM Winquest/Director of Finance Navazio</p>	<p>Final Moss Adams report presented at BOT meeting held on 1/13/21. Implementation plan for management responses presented at 3/10 BOT mtg.</p>
<p>Review of Board Policies re Budget and Fiscal Management Capitalization (8.1 / 9.1) Fund Balance / Reserves (7.1) Capital Program (12.1 / 13.1)</p>	<p>Fall/Winter 2021 Draft Moss Adams report due 11/21; final report to BOT 1/12/22.</p>	<p>Director of Finance Navazio</p>	<p>Draft updates to Capitalization and Reserve policies completed; engaged Moss Adams to review and update Capital Program Planning and Budgeting policies – as well as peer review of capitalization policy. Final report scheduled for BOT 1/12/22.</p>
<p>2020-21 Annual Audit</p>	<p>Completed</p>	<p>Audit Committee / Director of Finance/Controller</p>	<p>Audit completed 12/3/21; Audit Committee (AC) reviewed draft report 12/8/21; Board received audit report on 12/14/21.</p>

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Ordinance 7 GM Advisory Committee	Winter 2021/22	GM Winquest/Board Chairman Callicrate	Three Community Forums took place May 13 & 19, 2021. Parcel Owner Survey was active from July 1 – July 26 th , 2021. Over 2,300 completed surveys were received. Formal recommendations currently being drafted. Next scheduled meeting will be mid-January.
Special Counsel to Review Beach Deed, potential revisions to Ordinance 7, Employee use of District Beaches, Policy 16.1.1, Commercial Operations on District Beaches	Winter 2021/22	GM Winquest, Trustee Schmitz, Legal Counsel Nelson	Solicitation finalized. Interviews of potential qualified firms has taken place and special counsel has been selected.
Smith vs IVGID Litigation	Ongoing	Legal Counsel/Board of Trustees/GM Winquest	Update pending
Utilities Performance/Asset Management Review	Final Report Received	GM Winquest/Board	Staff working on implementation plan based on priority recommendations.
USFS Parcel Acquisition – Potential Dog Park	Ongoing	GM Winquest	USFS has transitioned the request to the formal review process. IVGID Staff is working to schedule community outreach to neighboring residents and larger community.
USACE Grant Funding for Pond Lining/Pipeline Projects	TBD	GM Winquest/ Director PW Underwood	Laura Whitney (USACE) shared new model agreements. Agreements have been reviewed by legal. IVGID Staff is working closely with Laura Whitney to provide necessary input for the agreement and required documentation.
Utility Rate Study	Winter 2021-22	Director of Finance Navazio/Director of PW Underwood	HDR currently performing their work. Initial Board discussion on 11/10; final rate recommendations to Board on 2/9/22.

Diamond Peak Ski Resort Update

The ski area venue opened one week later than the planned date of December 9th on Thursday December 16th with 100% of the mountain open to the community. Although very thankful for the abundance of cold light dry snow snowmaking operations needed to resume on the Great Flume trail as all the natural snowfall did not land on the trail due to the extremely high winds during the storm leaving the trail un-skiable for the guests. The snowmaking operations were completed and the popular Flume trail was groomed and re-opened on January 1st. Operations at ski continue to be evaluated daily as we are adapting as best we can to meet the expectations of the community while staffing levels are lower than the operational plan calls for. I'll note that the guest level of service has been reasonable during the busiest days of the holiday period while the snow conditions have been excellent to date. Visitation for the month was 18,372 skier visits as compared to 27,547 in December 2020 when the ski area opened for the season on December 4th. The five year average for December skier visits is 29,268 and we should contribute the decline from the average visits to the Christmas 2021 winter storm and the effects it had on transportation and road ways.

As we enter into 2022 with the entire mountain open and a deep snowpack, we're excited to bring back some of our favorite special events and clinics.

- The Diamond Cut Video Competition is back for its 4th iteration, and we'll start accepting submissions on January 1.
- Our 55+ Ski Clinics begin January 5 and run most Wednesdays through March 30
- Last Tracks tickets will go on sale for IVGID Picture Pass Holders on January 10, and to the public on January 18; with the events themselves happening on Wednesdays starting in February.
- Skeesters Women's Ski Clinics begin January 11 and continue most Tuesday mornings through March 22.
- New this year, the Village Terrain Park Snowboard Clinic Series will bring local 6-8th grade advanced-level riders together with freestyle coaches in the Village Terrain Park. Program starts January 12 and registration is limited to IVGID Picture Pass holders.

Find more information on all of these events at diamondpeak.com

Special Counsel Legal Review of the Beach Deed and Ordinance 7

Twelve legal firms were contacted and sent a request for proposal for the above work. The review team of Trustee Sara Schmitz and District General Manager Indra Winquest, met on November 12th to review the three submitted proposals received from MacDonald Carano, Nossaman, and Thorndal Armstrong Delk Balkenbush Eisinger. Interviews of two law firms were conducted via Zoom on November 17 & 18. The selection team consisted of Trustee Schmitz, General Manager Winquest, and Ordinance 7 Committee member Diane Becker. Following the interviews, the interview and selection team unanimously agreed to the selection of Thorndal Armstrong Delk Balkenbush Eisinger.

Key Project Updates

For more information on current district capital projects.

Webpage Link:

<https://www.yourtahoeplace.com/ivgid/resources/construction-updates>

Risk and Resilience Assessments and Emergency Response Plan

The Risk and Resilience Assessments (RRA) and emergency response plans (ERPs) have been completed and certified with the EPA as being complete. Farr West Engineering will conduct training for the Public Works staff in January 2022, which is their final task of work. A contract to complete this work was authorized at the December 9, 2020 Board Meeting.

Burnt Cedar Swimming Pool Improvements – 3970BD2601

A 2021 Capital Improvement and Board of Trustees Priority Project, this project will reconstruct the two (2) existing pools (full size and toddler) at Burnt Cedar Beach. CORE Construction has secured the site for winter. ADG will be on-site in mid-January to complete piping and equipment work within the mechanical pit. Construction will begin again once site conditions allow.

CORE 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)
\$3,845,865.00	\$68,077.36	\$3,913,941.36	\$2,755,061.55	\$1,158,879.81

Effluent Pipeline Project – 2524SS2010

The project consists of replacing all of the remaining Segment 3 pipeline (12,385 linear feet) and all Segment 2 pipeline (17,314 linear feet) to mitigate a potential future leaks. The design team has completed the hydraulic analysis and are continuing to work with Granite Inliner to determine probable areas for pipelining. HDR is working on finalizing the Basis of Design Report that should be distributed to the Team for review the first week of January. The next target date is to have the 30% plans complete and distributed to the Team prior to a meeting with NDOT in January 2022.

Effluent Pond Lining Project – 2599SS2010

At the January 28, 2021 Board of Trustees Meeting, Trustees approved a Construction Manager-At-Risk (CMAR) pre-construction contract to Granite Construction. The environmental reports have been submitted to the required agencies for review. Jacobs has distributed the 60% plan view for review by the Team as well as various agencies. Nevada Division of Dams has reviewed the plans and has advised that the work for Pond #2 as

planned would require significant improvements to the Dam. The project Team is reassessing the approach to meet NDEP pond lining requirements.

Recreation Center Upstairs Lobby Restroom Remodel – 4484BD1902

A 2021 Capital Improvement project that will remodel the men’s and women’s upstairs lobby restrooms within the Recreation Center. The project includes ADA access, ADA restroom stalls, new tile, fixtures and partitions. The contractor began construction on October 15, 2021 and was slightly delayed with material availability. The contractor is addressing punch list items the first week of January, and the restrooms should be open for use once those items have been completed.

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$159,832.40	(\$653.45)	\$159,178.95	\$44,295.27	\$114,883.68

Financial Transparency

The District’s Independent Auditor (Davis Farr, LLP) presented its audit report related to the District’s financial statements for the fiscal year ended June 30, 2021 to the Audit Committee at their meeting of December 8, 2021 and to the Board of Trustees at their meeting of December 14, 2021. As noted, the audit report includes two findings of material weaknesses related to adjustments required to a) expense capital assets not meeting District’s capitalization criteria and b) negative cash balance in capital project funds. The audit report also includes a series of recommendations to strengthen internal controls in areas identified by the auditors.

The Board received its 1st Quarter Budget update on December 14, 2021, which included financial results through September 30, 2021. This first quarter budget update also included the Q1 CIP Popular Status Report, covering capital project activity for the same period. Concurrently, Staff has finalized the close for the November accounting period and anticipates closing December the week of 1/10/22.

Other significant projects currently underway are a) the review and update of selected Board Policies and Practices, b) the ongoing update of Internal Control policies and procedures and c) transitioning the District to a new enterprise-wide financial system (Tyler/Munis) by July 1, 2022. Among the goal of the new financial system project is to streamline budgeting and accounting processes, improve financial reporting capabilities and strengthen internal controls.

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

From December 2, 2021 to January 5, 2022

PO Number	Vendor	Description	PO Amount
22-0149	Etcheberry Construction LLC	Golf course tree work	\$15,485.
22-0150	Sanity Solutions	Sanity-as-a-Service – Server software (IT)	\$11,800.
22-0157	Industrial Software Solutions	SCADA Wonderwear software annual lic	\$14,160.
22-0158	Western Nevada Supply	Full-circle repair clamp-high pressure section	\$18,296.25
22-0159	Western Nevada Supply	Repair couplers	\$5,588.66
22-0160	Washoe County Community Svcs	Street cut permit fees	\$5,929.
22-0163	Shafer Equipment Company, Inc.	Drivetrain repair	\$5,173.

Public Records Requests

Following are the public records requests from December 2, 2021 to January 4, 2022

12/01/2021	Katz, Aaron	Every project accounting for every CIP project since 7/1/2019 to present		Staff is preparing a cost estimate for providing these records; Mr. Katz has been advised of same.
12/06/2021	Gumz, Joy	IVGID Privilege Document Log	12/08/2021	Complete
12/07/2021	Katz, Aaron	More on the Dog Park – Application, Transition for Charges by Cost Center, Cost Recovery Agreement and Payment	12/07/2021 12/07/2021	USFS Application sent Cost recovery agreement and payment – no records to provide – complete
12/13/2021	Wright, Frank	Community Holiday Lights	12/14/2021	Complete
12/16/2021	Katz, Aaron	RFP and Responses – Special Counsel	01/04/2022	Complete
12/28/2021	Wright, Frank	Copy of e-mail from Rice to Nelson; Nelson to Board	12/29/2021	Complete
01/01/2022	Martini, Margaret	Contract with Thorndahl Armstrong and copy of e-mail transmitting a letter to the BOT	01/04/2022	Complete



PROCLAMATION

A proclamation recognizing the contributions to the communities of Incline Village and Crystal Bay, Nevada made by Mr. Peter Todoroff

LET IT BE PROCLAIMED by the Incline Village General Improvement District as follows:

WHEREAS, Peter Todoroff served the communities of Incline Village and Crystal Bay, Nevada by being an active member, which included Chair, on the Citizens Advisory Board - Incline Village/Crystal Bay, and

WHEREAS, Peter Todoroff served the communities of Incline Village and Crystal Bay, Nevada by transitioning the *Tahoe Bonanza* meetings into the Incline Village/Crystal Bay Community Forum where anyone in the community can attend and participate in discussions and updates on topics of interest from the communities and regional leading agencies, and

WHEREAS, Peter Todoroff has always been an active participant at many Incline Village General Improvement District Board of Trustees meetings; and

WHEREAS, Peter Todoroff has willingly given his friendship and offered freely words of advice and is fondly known around the Incline Village General Improvement District for his infamous bags of baked goods and treats

NOW, THEREFORE, BE IT PROCLAIMED, on behalf of the citizens of Incline Village and Crystal Bay, Nevada, that Peter Todoroff is hereby thanked, commended, and honored for his many personal contributions to our communities.

Dated this 12th day of January 2022

/s/ Indra S. Winqest

**Indra S. Winqest
IVGID District General Manager**