



---

# NOTICE OF MEETING

---

The regular meeting of the Incline Village General Improvement District Board of Trustees will be held starting at 6:00 PM on March 8, 2023 in the Boardroom, 893 Southwood Boulevard, Incline Village, Nevada.

Public comment is allowed and the public is welcome to make their public comment via telephone (the telephone number will be posted to our website on the day of the meeting). The meeting will be available for viewing at <https://livestream.com/accounts/3411104>.

---

A. PLEDGE OF ALLEGIANCE\*

B. ROLL CALL OF TRUSTEES\*

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

D. APPROVAL OF AGENDA *(for possible action)*

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

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

1. Treasurer's Report - Requesting Trustee: Treasurer Ray Tulloch

Payment of Bills (For District payments exceeding \$50,000 or any item of capital expenditure, in the aggregate in any one transaction, a summary of payments made shall be presented to the Board at a public meeting for review. The Board hereby authorizes payment of any and all obligations aggregating less than \$50,000 provided they are budgeted and the expenditure is approved according to District signing authority policy) **Page 6**

2. Beach Deed - Correspondence, from Thorndal Armstrong Attorneys dated February 27, 2023, in response to a request from the Board of Trustees for an opinion related to the 6/4/68 Beach Deed (Requesting Trustee: Chairman Matthew Dent) **Pages 7 - 8**

F. CONSENT CALENDAR (for possible action)

1. **SUBJECT:** Set date and time for Public Hearing for the FY2023/2024 Budget and Recreation Roll for Wednesday, May 24, 2023, at 6:00 p.m. or as determined by the Board of Trustees (Requesting Staff Member: Director of Finance Paul Navazio) **Pages 9 - 15**

Staff recommends that the Board of Trustees:

- Approve a motion to set the date of a public hearing for the 2023/2024 Budget **and** Recreation Roll for Wednesday, May 24, 2023 under the Nevada Revised Statutes.
- The time of the hearing is expected be 6:00 p.m. or as determined by the Board of Trustees.

---

## Incline Village General Improvement District

*Incline Village General Improvement District is a fiscally responsible community partner which provides superior utility services and community oriented recreation programs and facilities with passion for the quality of life and our environment while investing in the Tahoe basin.*

893 Southwood Boulevard, Incline Village, Nevada 89451 ☐ (775) 832-1100 ☐ EMAIL: [info@ivgid.org](mailto:info@ivgid.org)

[www.yourtahoeplace.com](http://www.yourtahoeplace.com)

---

# NOTICE OF MEETING

---

Agenda for the Board Meeting of March 8, 2023 - Page 2

---

2. **SUBJECT:** Review, discuss, and potentially approve revisions to Policy 15.1 regarding Audit Committee officers (Requesting Trustee: Chairman Matthew Dent) *Pages 16 - 26*
3. **SUBJECT:** Review and Possibly Approve Meeting Minutes of January 25, 2023 *Pages 27 - 81*

G. GENERAL BUSINESS (for possible action)

1. **SUBJECT:** Review and gain Board approval on the draft Fiscal Year 2023 IVGID Utility Rate Study. Direct staff to prepare documents and Utility Rate Schedules for a Fiscal Year 2023/24 Water and Sewer utility rate increase - Including a Presentation by HDR. *Pages 82 - 238*

Set the date/time of April 26, 2023 at 6:00 p.m. for the public hearing on the proposed amendments to the Sewer and Water fee schedule and to publish the notice in accordance with the NRS 318.199. (Requesting Staff Member: Director of Public Works Brad Underwood)

*Recommendation for Action:* Review and gain Board approval on the draft Fiscal Year 2023 IVGID Utility Rate Study. Direct staff to prepare documents and Utility Rate Schedules as proposed for a one-year average Water utility rate increase of eight percent (8%), and a one-year average Sewer utility rate increase of thirteen point two percent (13.2%) for the average residential customer.

Set the date/time of April 26, 2023 at 6:00 p.m. for the public hearing on the proposed amendments to the Sewer and Water fee schedule and to publish the notice in accordance with the NRS 318.199.

2. **SUBJECT:** Accept the FY22 Tahoe Water for Fire Suppression Partnership Grant in the amount of \$204,528.00; appropriate FY22 Tahoe Water for Fire Suppression Partnership Grant funds in the amount of \$204,528.00 as a revenue source to support the Watermain Replacement - Crystal Peak Road Project (CIP#2299WS1705); award the Construction Contract to Burdick Excavation in the amount of \$1,111,111.00; authorize Staff to execute change orders for additional work not anticipated at this time of approximately 10% of the construction contract value; amount not to exceed \$111,000; approve construction phase contract for Shaw Engineering in the amount not to exceed \$9,600.00; approve a materials testing contract for Construction Materials Engineers Inc. (CME) in the amount of \$18,800; and authorize Chair and Secretary to execute contracts with Burdick Excavation, Shaw Engineering, and CME. (Requesting Staff Member: Director of Public Works Brad Underwood) *Pages 239 - 596*

*Recommendation for Action:* That the Board of Trustees made a motion to:

- Accept the FY22 Tahoe Water for Fire Suppression Partnership Grant in the amount of \$204,528.00
- Appropriate FY22 Tahoe Water for Fire Suppression Partnership Grant funds in the amount of \$204,528.00 as a funding source to support the Watermain Replacement - Crystal Peak Road Project (CIP#2299WS1705)
- Award the Construction Contract to Burdick Excavation in the amount of \$1,111,111.00
- Authorize Staff to execute change orders for additional work not anticipated at this time of approximately 10% of the construction contract value; amount not to exceed \$111,000
- Approve a construction phase contract for Shaw Engineering in the amount not to exceed \$9,600.00
- Approve a materials testing contract for CME in the amount of \$18,800.00
- Authorize Chair and Secretary to execute contracts with Burdick Excavation, Shaw Engineering, and CME, based on a review by General Counsel and Staff.

---

# NOTICE OF MEETING

---

Agenda for the Board Meeting of March 8, 2023 - Page 3

---

3. **SUBJECT:** Review, discuss and provide direction on the District General Manager evaluation process (Requesting Trustee: Trustee Sara Schmitz) (Requesting Staff Member: Director of Human Resources Erin Feore) **Pages 597 - 603**

*Recommendation for Action:* The Board provides direction to the Director of Human Resources in the structured process for evaluating the District General Manager’s work performance. This may, at the Board’s discretion, include requesting the District’s senior leadership team anonymously submit feedback (often referred to as a “360 review”).

4. **SUBJECT:** Review, discuss and possibly approve Golf Play Pass rate structure, Daily Green fees, Charity rates and Range fee rates for the Incline Village Golf Courses for the 2023 season. (Requesting Staff Member: Director of Golf/Community Services Darren Howard) **Pages 604 - 613**

*Recommendation for Action:* That the Board of Trustees makes a motion to approve Golf Play Pass rate structure, Daily Green fees and Charity fee rates for the Incline Village Golf Courses for the 2023 season.

5. **SUBJECT:** Review, discuss and possibly approve Diamond Peak Ski Resort’s 2023-2024 Picture Pass holder daily lift ticket rates including Picture Pass holders and Non-Picture Pass holder season pass rate proposal. (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin) **Pages 614 - 627**

*Recommendation for Action:* That the Board of Trustees makes a motion to:

- Approve a 5-dollar increase to all Picture Pass holder daily ticket products for fiscal year 2023-2024.
- Approve a zero-dollar increase to all Picture Pass holder season pass products for fiscal year 2023-2024.
- Approve a five-dollar increase to all Non-Picture Pass holder season pass products for fiscal year 2023-2024.
- Authorize District Staff to include an additional (Tier 4) for Non-Picture Pass holder season pass products.

6. **SUBJECT:** Review and discuss what is needed to create and recruit for a Board-appointed Capital Advisory Committee and provide further direction to Staff as to the initiation of those next steps, if deemed necessary (Requesting Staff Member: District General Manager Indra Winqest)**Pages 628 - 651**

*Recommendation for Action:* That the Board of Trustees discuss and provide direction to Staff to take the necessary steps to create a Board-appointed Capital Advisory Committee and to recruit volunteers for such Board-appointed Capital Advisory Committee.

7. **SUBJECT:** Review, discuss and possibly approve a scope of work for use in soliciting competitive proposals for the first phase of a two-phase consulting engagement focused on improving the District (Requesting Trustee: Trustee Sara Schmitz) **Pages 652 - 654**

*Recommendation for Action:* The Board of Trustees make a motion to approve the scope of work outlined and direct staff to formulate a request for proposals and solicit competitive bids for the first of a two-phase project.

---

# NOTICE OF MEETING

Agenda for the Board Meeting of March 8, 2023 - Page 4

---

8. **SUBJECT:** Review, discuss and possibly provide direction regarding the contract with the Nevada Division of State Lands (Requesting Trustee: Trustee Sara Schmitz) **Pages 655 - 735**

*Recommendation for Action:* That the Board of Trustees review the contract (attached) and the report from the Nevada Division of State Lands (attached) and possibly provide direction related to the contract. The contract is set to expire on June 30<sup>th</sup> and can be terminated with a 30-day notice.

H. REDACTIONS FOR PENDING PUBLIC RECORDS REQUESTS (for possible action)

1. **SUBJECT:** Review, Discuss, and Provide Direction on Redactions for Pending Public Records Requests **Pages 736 - 738**

*Recommendation for Action:* That the Board of Trustees Review, Discuss, and Provide Direction on Redactions for Pending Public Records Requests

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

1. District General Manager's Report - Meeting of March 8, 2023 **Pages 739 - 746**

J. REVIEW OF THE LONG RANGE CALENDAR (for possible action) **Pages 747 - 750**

K. BOARD OF TRUSTEES UPDATE

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

M. CLOSED SESSION\* (for possible action) The Board may consider a motion to enter a Closed Session to consider negotiating strategy pertaining to the Operating Engineers Union (pursuant to NRS 288.220(4))

N. ADJOURNMENT (for possible action)

---

#### CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Friday, March 3, 2023, a copy of this agenda (IVGID IVGID Board of Trustees Session of March 8, 2023) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were e-mailed to those people who have requested; and a copy was posted, physically or electronically, at the following locations in accordance with Assembly Bill 253:

1. IVGID Anne Vorderbruggen Building (893 Southwood Boulevard, Incline Village, Nevada; Administrative Offices)
2. IVGID's website ([www.yourtaohoeplace.com/ivgid/board-of-trustees/meetings-and-agendas](http://www.yourtaohoeplace.com/ivgid/board-of-trustees/meetings-and-agendas))
3. State of Nevada public noticing website (<https://notice.nv.gov/>)

/s/ Melissa Robertson

Melissa Robertson

District Clerk (e-mail: [mnr@ivgid.org](mailto:mnr@ivgid.org)/phone # 775-832-1268)

---

**Board of Trustees:** Matthew Dent - Chairman, Sara Schmitz, Michaela Tonking, Raymond Tulloch and David Noble

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

This page left intentionally blank



**Payment of Bills** - For District payments exceeding \$50,000 or any item of capital expenditure, in the aggregate in any one transaction, a summary of payments made shall be presented to the Board at a public meeting for review. The Board hereby authorizes payment of any and all obligations aggregating less than \$50,000 provided they are budgeted and the expenditure is approved according to District signing authority policy.

**February 2023**

Date	Check	Payment Type	Vendor	Amount	Status
02/08/2023	780108	Check	NV Energy	\$ 231,358.99	Paid
02/10/2023	780161	Check	Club Car LLC	397,360.00	Paid
02/16/2023	0	Direct	US Foods	62,130.26	Paid
02/17/2023	7056	EFT	Jacobs Engineering	84,722.50	Paid
02/27/2023	7800227	Check	GPS Industries LLC	136,000.00	Paid
02/27/2023	7066	EFT	Dowl LLC	73,955.50	Paid
				<u>\$ 985,527.25</u>	





LAS VEGAS

1100 E. BRIDGER AVENUE  
LAS VEGAS, NV 89101  
(702) 366-0622  
(702) 366-0327 FAX



# THORNDAL ARMSTRONG

ATTORNEYS

A PROFESSIONAL CORPORATION  
[www.thorndal.com](http://www.thorndal.com)

ESTABLISHED 1971

**KATHERINE F. PARKS, ESQ.**  
**RENO OFFICE**  
**[kfp@thorndal.com](mailto:kfp@thorndal.com)**

February 27, 2023

RENO

6590 S. MCCARRAN BLVD.  
SUITE B  
RENO, NV 89509  
(775) 786-2882  
(775) 786-8004 FAX

**Via electronic mail only**

Matthew Dent, Chairman  
Board of Trustees  
Incline Village General Improvement District  
893 Southwood Blvd.  
Incline Village, NV 89451

***Re: Question Pertaining to June 4, 1968, Beach Deed***

Dear Mr. Dent:

As you know, the IVGID Board of Trustees requested that this office provide a legal opinion as to whether the June 4, 1968 Deed between Village Development Company and IVGID (hereinafter referred to as "Beach Deed") pertaining to the beach properties authorizes the use of IVGID beach properties by non-resident IVGID employees as a matter of right and, second, whether the Beach Deed authorizes the use of IVGID beach properties by non-resident Gold and Silver card members.

As to these questions, our office has concluded that, under the most prudent interpretation of the Beach Deed, non-resident IVGID employees are not authorized to use the beach properties, as they are not included in the description of authorized users of the beach properties set forth in the Beach Deed. The same reasoning applies to non-resident Gold and Silver card members and such individuals are not authorized to use the beach properties, as they are not included in the description of authorized users of the beach properties set forth in the Beach Deed.

---

Attorneys also licensed to practice in  
Arizona, California, Maryland, New York, North Carolina, Oregon and Washington

If you have any questions regarding the foregoing, please feel free to contact me.

Very truly yours,



Katherine F. Parks

KFP

cc: Indra Winquest (via electronic mail)  
Josh Nelson, Esq.

**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Indra Winqest, District General Manager

**FROM:** Paul Navazio, Director of Finance

**SUBJECT:** Set date and time for Public Hearing for the FY2023/2024 Budget and Recreation Roll for Wednesday, May 24, 2023, at 6:00 p.m. or as determined by the Board of Trustees (Requesting Staff Member: Director of Finance Paul Navazio)

**RELATED STRATEGIC PLAN INITIATIVE(S):** Long Range Principle #2 – Finance – Comply with State and Federal regulations.

- Comply with Nevada Revised Statutes and Administrative Code requirement for the budget process and document content.

**RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES** Board Policy 16.1.0 - Recreation Roll

**DATE:** March 8, 2023

---

**I. RECOMMENDATION**

Staff recommends that the Board of Trustees:

- Approve a motion to set the date of a public hearing for the 2023/2024 Budget and Recreation Roll for Wednesday, May 24, 2023 under the Nevada Revised Statutes.
- The time of the hearing is expected be 6:00 p.m. or as determined by the Board of Trustees.

**II. BACKGROUND**

The Nevada Revised Statutes (NRS) requires that the public hearings of the District’s budget be held between the third Monday in May and by May 31<sup>st</sup>.

Traditionally, the Board of Trustees has indicated a desire to incorporate this public hearing into the regular meeting schedule.

At the Board meeting of May 24, 2023, following the required public hearing(s) related to the FY2023/34 Budget and the setting of the FY2023/34 Facility Fees, the Board will also be adopting the District’s Final FY2023/34 Budget (Form 4404LGF), for filing with the State of Nevada, Department of Taxation.

The calendar, as dictated by the NRS, is as follows:

DATE	ACTION(S)
April 15, 2023	Tentative budget to be filed with the Department of Taxation.
May 10-17, 2023	Earliest date for notice of public hearing. The NRS reads “...notice of public hearing for tentative budget shall be published not more than 14 days or less than 7 days prior to the date set for the hearing.”
May 15-31, 2023	Timeframe for Public Hearing on FY2023-34 Budget for general improvement, special districts and all other districts.
<b>May 24, 2023</b>	<b>Proposed date for Board adoption of FY2023/24 Final Budget and approval of FY2023/24 Facility Fees</b>
June 1, 2023	The final budget (Form 4404LGF) shall be adopted on or before June 1st.

**III. BID RESULTS**

N/A

**IV. FINANCIAL IMPACT AND BUDGET**

There is no direct fiscal impact related to the recommendation in this agenda item. However, the Public Hearings required by the Nevada Revised Statutes related to the adoption of the FY23/24 Recreation Roll (Facility Fees) and the FY23/24 Final Budget.

For the current fiscal year, the Board-approved Facility Fees generate approximately \$6.25 million through fees assessed on property owners within the District, collected via the property tax bills. The Final FY22/23 budget approved by the Board on May 26, 2022 (since amended) authorized expenditures of \$89.7 million, supporting operations, capital and debt.

**V. ALTERNATIVES**

The Board of Trustees could designate another date between May 15 and May 31 for the required meeting.

**VI. COMMENTS**

This agenda item merely sets the date and time for required Public Hearings under the NRS. Separate Board actions will be required relative to the setting of the FY23/24 Facility Fees and adoption of the FY23/24

annual budget.

**VII. DISTRICT IMPROVEMENT, COST REDUCTION, RETURN ON INVESTMENT OR PRODUCTIVITY ENHANCEMENT**

N/A

**VIII. BUSINESS IMPACT**

None.

**IX. ATTACHMENTS**

- 1. Rec Roll Policy

**X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

Select date and time for required public hearings for the FY23/24 Recreation Roll and FY23/24 Final Budget.





## Recreation Roll Policy

### Policy 16.1.1

The Incline Village General Improvement District is committed to providing superior community oriented recreation programs and facilities to the community. To support that commitment, the Board of Trustees has adopted the following policy relating to the establishment and eligibility to pay the Recreation Fee and, where applicable, the Beach Fee

**POLICY:** The Incline Village General Improvement District will charge the prescribed Recreation Fee and the Beach Fee to all qualifying real properties within the boundaries of the District.

**1.0** The Incline Village General Improvement District will charge the prescribed Recreation Fee, and if applicable the Beach Fee, to all qualifying real properties in one of the following categories:

1. All dwelling units on developed residential parcels;
2. All commercial parcels; and
3. All undeveloped residential parcels which are not designated as unbuildable.

### **2.0 Definitions**

1. Recreation Fee is the annual Recreation Standby and Service Charge assessed by the District on all real property within the District that is in one of the categories listed in Section 1.0 of this document.
2. Beach Fee is the annual Recreation Standby and Service Charge assessed by the District on all identified real property that was within the District on June 1, 1968, and is in one of the categories listed in Section 1.0 of this document.
3. Recreation Roll is a listing created by the Incline Village General Improvement District of real property, using the Washoe County Assessor parcel number, that is in one of the categories listed in 1.0 of this document who pay the annual Recreation Fee, and where applicable the Beach Fee.
4. Dwelling Unit as described in the Washoe County Code as “any building or portion thereof, which contains living facilities with provisions for sleeping, eating, cooking, and sanitation.”
5. Qualified Real Property is property subject to payment of a Recreation Fee.
6. Exempt Real Property is real property that is located within the current geographic boundaries of the District but which Washoe County has exempted from paying Washoe County property tax. “Exempt Real Property” includes but is not limited to, real property that is used or intended for use for religious or educational purposes, condominium and town house common areas that do not include any Dwelling Units, and publicly owned property.



## **Recreation Roll Policy**

### **Policy 16.1.1**

- A. The owner of a Dwelling Unit that is both located on an Exempt Real Parcel and is occupied as a residence in support of the allowed use by the Exempt Real Parcel may apply to the District to place that Dwelling Unit on the Recreation Roll. Upon (a) acceptance by the District of such application and (b) receipt of payment of the prescribed annual Recreation Fee, and if applicable, the Beach Fee, the Dwelling Unit shall be considered to be Qualified Real Property; but only for so long as the ownership and use of such does not change materially.
7. Unbuildable Parcel is a parcel so classified by Washoe County and is listed in Category 16 or 17 by the Washoe County Assessor, and has been removed from the Recreation Roll by the District following the owner's petition.

### **3.0 Qualifying Real Properties Subject to Fee Assessments**

1. Real property in one of the categories listed in Section 1.0 that was within the boundaries of the District when it acquired the beach properties on June 1, 1968. These properties are charged the annual Recreation Fee and charged the annual Beach Fee.
2. Where real property parcels have been split for development purposes, the resulting smaller parcels are considered to have the same qualifications as the original parcel.

### **4.0 Real Property Exempt from Paying Fee Assessments**

1. When development takes place that results in new parcels or additional dwelling units, each new parcel or dwelling unit becomes a Qualified Real Property and is placed on the Recreation Roll.
2. Information contained on the Washoe County Assessor's "Real Property Assessment Data" sheets will be used to determine eligibility for a property to be classified as a Qualified Real Property.
3. Qualified Real Property that is added to the Recreation Roll as a result of conditions listed in paragraph 1 or 2 above, or by annexation or merger of territory to the District may be required to pay to the District an entry fee as established by the District based on the portion of the Recreation Fee and Beach Fee that was used for capital purposes.





## **Recreation Roll Policy**

### **Policy 16.1.1**

#### **5.0 Reinstatement to the Recreation Roll**

1. An unbuildable parcel that has been removed from the Recreation Roll by petition can be restored to the Recreation Roll, and thereby have recreation privileges restored by first paying the total amount of recreation and, if applicable Beach Fees that had been have levied since the parcel was taken off the Recreation Roll, plus any fees or penalties permitted by the State of Nevada as defined in Nevada Revised Statute (NRS) 99.040(1).
2. An exempt parcel not on the Recreation Roll may obtain a qualified status if the general plan and zoning designation of the property is changed by Washoe County, according to the provision of NRS and Washoe County Code.

#### **6.0 Setting and Collection of the Recreation Fee and the Beach Fee**

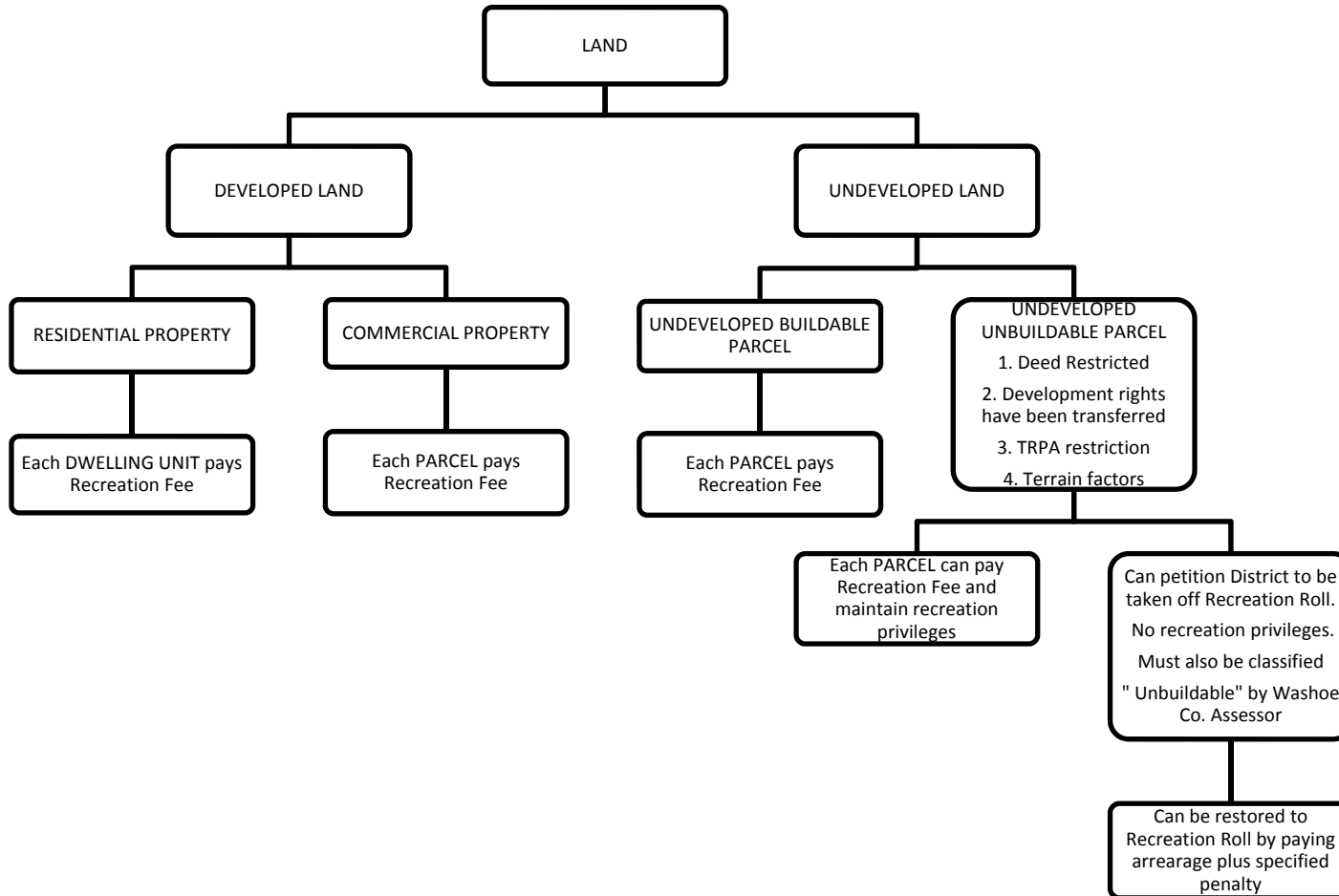
1. The Board of Trustees will set the amount of the Recreation Fee and the Beach Fee annually as part of the budget preparation process.
2. The Board of Trustees will set the method and manner of collection of the Recreation Fee and the Beach Fee annually by resolution.
  - A. The Board of Trustees may choose to follow the procedure set forth in NRS 318.201 and have the Recreation and Beach Fees collected annually by the Washoe County Treasurer along with other taxes collected by the County.
3. When the applicable Recreation Fee has been paid, such payment entitles the owner to certain uses and rates at certain District-owned recreation facilities, excluding the Beaches and Boat Launch. This is defined more fully in District Ordinance #7.
4. When the applicable Beach Fee has been paid, such payment entitles the owner to certain uses and rates at the District-owned Beaches and Boat Launch. This is defined more fully in District Ordinance #7.

#### **7.0 Flow Chart of Policy 16.1.1**



## Recreation Roll Policy

### Policy 16.1.1



## MEMORANDUM

**TO:** Board of Trustees

**FROM:** Matthew Dent  
Chair

**SUBJECT:** Review, discuss, and potentially approve revisions to Policy 15.1 regarding Audit Committee officers

**RELATED STRATEGIC PLAN INITIATIVES:** Long Range Principle #7 Governance

**RELATED DISTRICT POLICY:** Policy 15.1 Audit Committee Charter

**DATE:** February 28, 2023

---

### **I. RECOMMENDATION**

That the Board of Trustees review, discuss, and potentially approve revisions to Policy 15.1 regarding Audit Committee officers.

### **II. BACKGROUND**

The Board has adopted Policy 15.1 which creates and governs the Audit Committee. Section 15.1 currently specifies that the Chair acts as the sole officer for the Audit Committee. Recently, there were changes to the membership to the Audit Committee and the Chair was no longer a member of the Committee. This created some uncertainty who would be responsible for creating the agenda for the next Audit Committee meeting.

This item would add a Vice-Chair to the Audit Committee that would serve as the Chair in their absence. The item would also clarify that if the offices of Chair and Vice-Chair were vacant, the most senior Trustee on the Committee would serve as acting Chair.

### **III. FINANCIAL IMPACT AND BUDGET**

No impact.

### **IV. ALTERNATIVES**

Below are alternatives to the recommended action:

1. Decline to move forward at this time with the amendment.

**V. BUSINESS IMPACT**

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

**VI. ATTACHMENTS**

1. Policy 15.1 Audit Committee Charter with proposed edits in redline.



## **Accounting, Auditing, and Financial Reporting Audit Committee Charter Policy 15.1.0**

The Incline Village General Improvement District is committed to be proactive, informed, and to provide the highest level of financial accountability and transparency to its parcel owners and other stakeholders (i.e., the State of Nevada).

The Government Finance Officers Association (GFOA) encourages the effective use of an audit committee in the public sector and considers such a committee an integral element of public accountability and governance. An Audit Committee plays a key role with respect to overseeing the integrity of the District’s annual financial statements (the “ACFR”) by ensuring those responsible for financial management (Management and the Board of Trustees) meet their responsibilities for maintaining an effective system of internal controls over financial reporting. An Audit Committee is a practical means for a governing body to provide much needed independent review and oversight of the District’s financial reporting processes, internal controls, and independent auditors.

An Audit Committee also provides a forum separate from management in which auditors and other interested parties can candidly discuss concerns. By effectively carrying out its functions and responsibilities, an Audit Committee helps to ensure that procedures are in place to objectively assess management's practices, and that the independent auditors, through their own review, objectively assess the government's financial reporting practices.

An Audit Committee should be formally established by the Board of Trustees, be adequately funded, and be subject to a formally approved Audit Committee Charter.

**POLICY:** The Audit Committee (the “Committee”) is to assist the Board of Trustees fulfill its responsibilities in accordance with Nevada Revised Statutes (NRS), District Policies, Practices, Ordinances, and Resolutions by providing oversight over the District’s financial reports, the system of internal controls including the internal audit plans and reports, and the independent auditor’s reports within the ACFR.

The Committee shall have open communication with and maintain strong working relationships with the IVGID Board of Trustees, the General Manager, Director of Finance, and the independent auditor.



## **Accounting, Auditing, and Financial Reporting Audit Committee Charter Policy 15.1.0**

This Committee shall review the Charter annually with any recommended changes submitted to the Board of Trustees for consideration and possible approval.

**ORGANIZATION:** The Committee shall consist of five (5) voting members. This includes two Board members appointed annually by Trustees and three members appointed by the Trustees to serve as qualified At-Large Members. Any recommendations for expanding the number of voting members will be recommended by the Committee and submitted to the Board of Trustees for possible approval. The Committee may retain financial or other appropriate advisors to attend meetings, provide guidance and training, as needed, and as approved by the Board of Trustees for financial expenditures.

Members of the Committee should have or shall obtain an understanding of accounting, auditing, financial reporting, and internal controls to be able, with the assistance of an advisor if needed, to deliberate on issues for which the Committee is responsible. Therefore, the Board of Trustees may need to budget for periodic training of the Committee members and an outside advisor to assist the Committee with the independent conduct of its work with the approval of the Board of Trustees. Any advisor so engaged should possess the following qualifications:

- A thorough understanding and experience with Generally Accepted Accounting Principles (GAAP), Government Accounting Standard Board (GASB) statements, and financial reporting
- Experience either preparing or auditing financial statements
- Experience with internal controls
- An understanding of the function of an audit committee

At-large Committee members shall be independent. They shall not accept any consulting, advisory, or other compensatory fee from the District. All members shall not be an affiliated person with the District and at-large members suggested qualifications:

At-Large Committee members shall be expected to comply with all District policies that apply to volunteers. District staff shall be responsible for providing copies of all relevant policies to Committee members.

- Annually, the Board of Trustees will appoint two Trustees to be Committee members. Appointing Trustees to serve successive years increases continuity and allows for knowledge retention. In the event a Trustee is removed or resigns, the Board of Trustees shall agendize to appoint a new

[Adopted June 29, 2022](#)[Proposed March 8, 2023](#)



## **Accounting, Auditing, and Financial Reporting Audit Committee Charter Policy 15.1.0**

member to the Committee within thirty (30) days of the vacancy or the next available regular meeting, whichever is later. In accordance with GFOA recommendations, Trustees considered for appointment to the Committee shall not be exercising managerial responsibilities that fall within the scope of the audit of the District.<sup>1</sup>

- At-Large Members shall be appointed by the Board of Trustees from applicants with appropriate accounting, auditing, internal controls, and financial reporting expertise. This expertise could include:
  - Hold an active CPA license (preferably in Nevada) or have at least 15 years of progressive financial management experience as evidenced on a resume, CV, or LinkedIn
  - Experience on governing board, either as committee or board member
  - Experience either preparing or auditing financial statements
  - Experience with internal controls
  - An understanding of the function of an audit committee
- At-Large Members will serve staggered two-year terms:
  - For the first appointment, one member will serve a one-year term and the other two will serve a two-year term.
  - For each subsequent appointment the member will serve a two-year term.
- Terms for At-Large and Trustees Members shall commence on March 1<sup>st</sup> and expire on the last day of February of the applicable year. Committee members appointed to terms originally set to expire on June 30<sup>th</sup> shall serve until the last day of February after their term was set to expire. Members appointed to fill a vacancy shall serve for the balance of the initial term.

One member of the Committee shall be appointed by the Committee to be the Chair. The Chair will schedule all Committee meetings and provide Committee

---

<sup>1</sup> “To ensure the committee's independence and effectiveness, no governing body member who exercises managerial responsibilities that fall within the scope of the audit should serve as a member of the audit committee” Source: GFOA Best Practices, Audit Committee



## **Accounting, Auditing, and Financial Reporting Audit Committee Charter Policy 15.1.0**

members with a written agenda for each meeting. Committee Members may request agenda items for the Chair's consideration and approval.

One member of the Committee shall be appointed by the Committee to be the Vice-Chair. The Vice-Chair shall serve in place of the Chair in the Chair is unavailable or there is a vacancy in the office. If the office of Chair and Vice-Chair are simultaneously vacant, the Trustee serving on the Committee with the most years of services as a Trustee will act as the Chair until the offices of Chair and Vice-Chair are filled. If both Trustees serving on the Committee have the same amount of service, the Board of Trustees shall determine which Trustee will serve as acting Chair.

The Committee members are limited to two 2-year terms, which may be extended with the Board of Trustees approval in the event there are no interested or qualified applicants to fill any future vacancies. In the event of any regular or unexpected vacancies for At Large Members, staff shall conduct a public process to solicit and receive applications from interested community members for consideration by the Board of Trustees . Staff shall begin this process with sufficient time to ensure the Board of Trustees can make biannual appointments and within thirty (30) days of any unexpected vacancy. Staff shall begin this process with sufficient time to ensure the Board of Trustees can make biannual appointments and within thirty (30) days of any unexpected vacancy.

### **1.0 Independent auditor reports directly to the Audit Committee**

The independent auditor will be engaged by and report directly to the Committee. The Committee is expected to maintain free and open communication with the independent auditor and District Staff. This communication may include periodic executive sessions with each of these parties. The independent auditor is to bring to the attention of the Committee any additional work required (and related fee impact), beyond the scope of work contained in the engagement letter and the audit plan, to fulfill their responsibilities before any such work is undertaken.

### **2.0 Scope of the Committee's Authority and Responsibilities**

It is the responsibility of the Committee to provide independent review, oversight and feedback on:

1. Financial reporting
2. Internal controls

[Adopted June 29, 2022](#)[Proposed March 8, 2023](#)





**Accounting, Auditing, and Financial Reporting  
Audit Committee Charter  
Policy 15.1.0**

3. The independent audit of the basic financial statements
4. The ACFR

To fulfill these responsibilities, the Committee shall:

- 2.1 Be independent, effectively communicate, and reinforce accountability.
- 2.2 Manage the external independent audit procurement process.
  - 2.2.1 Review and approve the Request for Proposal (RFP) for an independent auditor to be retained by the District. Such engagement should be for no more than five fiscal years in duration.
  - 2.2.2 Make recommendations on the scope of work.
  - 2.2.3 Make recommendations to the Board of Trustees and take subsequent action to engage an independent auditor.
  - 2.2.4 Review and approve the engagement letter (i.e., contract) between the District and the independent auditor
  - 2.2.5 If deemed necessary, identify and recommend additional audit services to be performed.
  - 2.2.6 By March 31st of each calendar year, the Board of Trustees is to formally designate an external independent auditor and inform the Nevada Department of Taxation. (NRS 354.624 item 3).
  - 2.2.7 When appropriate recommend the replacement of the independent auditor and the initiation of the procurement process (2.2.1).
- 2.3 Facilitate the independent audit process.
  - 2.3.1 Review and approve, in consultation with the independent auditor, the annual audit plan, the scope of audit activities and schedules by June of each year
  - 2.3.2 Provide an independent forum for auditors to report findings or difficulties encountered during the audit
  - 2.3.3 Review with the District management and the independent auditor all major issues identified by the independent auditor regarding:



**Accounting, Auditing, and Financial Reporting  
Audit Committee Charter  
Policy 15.1.0**

- 2.3.3.1 Accounting Principles.
  - 2.3.3.2 ACFR presentation.
  - 2.3.3.3 Any significant changes in the selection or application of accounting principles.
  - 2.3.3.4 Significant judgments made in the preparation of the ACFR and basic financial statements.
  - 2.3.3.5 The effect of regulatory initiatives.
  - 2.3.3.6 Off-balance sheet structures.
  - 2.3.3.7 Changes to audit plan of independent auditor as a result of any additional issues identified by the auditor.
  - 2.3.3.8 Any restrictions on the scope of the auditor's activities or on access to requested information or managements responses.
- 2.3.4 To review with District management and the independent auditor any material conflicts or disagreements between District management and the independent auditor, whether or not resolved, regarding financial reporting, accounting practices or policies or other matters, that, individually or in the aggregate, could be significant to the District's financial statements or the independent auditors' report, and attempt to help resolve any conflicts or disagreements regarding financial reporting.
- 2.3.5 According to the approved work plan, conduct periodic meetings with the external auditor to review progress, issues identified, concerns and the audit timeline.
- 2.3.6 Review the Management Representation letter by the District's management prior to submittal of the letter to the independent auditor.
- 2.3.7 The Committee shall submit a written report to the District's Board of Trustees in conjunction with the presentation of the ACFR to the Board of Trustees by the end of December.
- 2.4 Post Independent Audit Follow up
- 2.4.1 Follow-up on any corrective action identified by the independent auditor, if any.



**Accounting, Auditing, and Financial Reporting  
Audit Committee Charter  
Policy 15.1.0**

- 2.4.2 Annually evaluate the work of the independent auditor and lead audit partner based on compliance with work plan and engagement letter.
- 2.5 The Committee may identify a need to engage an external resource to address a specific area of concern.
  - 2.5.1 The Committee shall seek approval from Board of Trustees to obtain appropriate resources.
  - 2.5.2 The Committee shall agree the Scope of Work.
  - 2.5.3 The Committee is responsible for engaging the resource to perform the scope of work.
  - 2.5.4 The external resource shall report findings to the Committee.
  - 2.5.5 The Committee will provide findings to the Board of Trustees and recommend possible implementation of the findings, if any.
  - 2.5.6 Management will have the responsibility for implementation of identified changes or enhancements.
- 2.6 The Committee shall review and provide oversight of the internal controls ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.
  - 2.6.1 Management will provide an annual schedule for the review of District Financial Practices (internal control) documents. These documents will be provided to the Audit Committee for their review and oversight.
  - 2.6.2 Review the annual internal control audit plan(s).
  - 2.6.3 Review management's annual assessment of their internal controls for prior year audit plan.
  - 2.6.4 Review management's identification of fraud risks, review the implementation of anti-fraud measures.
- 2.7 Annually review the District's Code of Conduct that promotes honest and ethical conduct; full, fair, accurate, timely disclosures in periodic reports including the ACFR; and compliance with applicable policies and practices to ensure it is adequate and up-to-date.



**Accounting, Auditing, and Financial Reporting  
Audit Committee Charter  
Policy 15.1.0**

- 2.8 To annually review and refine as necessary the whistleblower procedures for the receipt, retention, and treatment of complaints received by the District, from the public or anonymous submissions by employees of the District, regarding accounting, internal accounting controls, auditing matters, or suspected fraud for recommendation to the board of trustees for consideration and possible approval.
  - 2.8.1 Review and refine as needed the procedures for educating employees on their individual role in ensuring the District's financial integrity.
  - 2.8.2 Ensure employees of the District have an anonymous method for concerns to be submitted.
- 2.9 Reports to Board of Trustees.
  - 2.9.1 The Committee shall submit an annual report to the Board of Trustees assessing its fulfillment of its duties and responsibilities as described in the Charter

**3.0 Meetings**

- 3.1 Meetings are to be conducted in accordance with the state's Open Meeting Law NRS 241. The Board of Trustees will be emailed a copy of the meeting minutes. Meeting minutes will be posted on the District website.
- 3.2 The committee will hold meetings up to twice per quarter, unless immediate action is needed and no less than four times per year. All members are expected to attend on a regular basis. Any member missing two consecutive meetings without due cause (i.e., illness) will be reviewed for continued membership on the Committee by the Chairs of the Committee and Board.
- 3.3 The committee Chair shall establish the agenda for meetings and provide all briefing materials to members and the public in advance.
- 3.4 The District's management is to provide to copies of all materials which are to be presented by management to a Committee's public meeting in compliance with NRS 241.



**Accounting, Auditing, and Financial Reporting  
Audit Committee Charter  
Policy 15.1.0**

- 3.5 The Committee shall review correspondence to determine if any action is to be taken. If needed, assign the responsibility to investigate and resolve the concern/question to the appropriate organizational leader. Communicate with the submitter, if known, regarding their submitted concern.
- 3.6 The Committee shall review all past correspondence which contains outstanding action items. Ensure responses and/or corrective action is taken in a timely manner.
- 3.7 The Committee may ask members of management or others to attend meetings and provide pertinent information as necessary.
- 3.8 An annual meeting is to be held with the independent auditor, the General Manager, the Director of Finance, legal counsel and anyone else as desired by the Committee to review the audited annual basic financial statements including the Comprehensive Annual Financial Report (ACFR) and the auditor's material written communications with the District.

**4.0 Annual Financial Risk Assessment and Risk Management.**

The Committee shall review and discuss with District management and the independent auditor the District's major financial risk exposures, and the steps management has taken to monitor and control those exposures. It is the Board's responsibility to ensure the District has adequate controls and plans for risk mitigation for areas beyond finance.



## MINUTES

### **REGULAR MEETING OF JANUARY 25, 2023**

Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Board Vice Chairman Matthew Dent on Wednesday, January 25, 2023 at 6:00 p.m. at the Boardroom, 893 Southwood Boulevard, Incline Village, Nevada.

#### **A. PLEDGE OF ALLEGIANCE\***

The pledge of allegiance was recited.

#### **B. ROLL CALL OF TRUSTEES\***

On roll call, present were Trustees Raymond Tulloch, Matthew Dent, David Noble, Sara Schmitz and Michaela Tonking.

Members of Staff present was Director of Finance Paul Navazio. Members of the public physically present were Mark Helleckson, John Klein, Kate Neslon, Joseph Schultz, Pandora Bahlman, James Conces, Gail Krolick, Aaron Katz, Tim Buxton, Susan Johnson, Connie Starr, Margaret Martini, Frank Wright, Michael Abel, Yolanda Knaak, Denise Davis and others.

#### **C. INITIAL PUBLIC COMMENTS\***

Mark Helleckson read from a prepared statement, which is attached hereto.

John Klein read from a prepared statement, which is attached hereto.

Kate Nelson read from a prepared statement, which is attached hereto.

Joseph Shultz congratulated the new Trustees and wished them luck and success. He suggested that the Board of Trustees do not increase the budget for the Flashvote Services; he commented that including the multi-lingual translation option is a good idea, but the trouble is that it is the top of a slippery slope. He continued that it is first a nice idea and then a required idea and you will find that you will need to translate for every language on the face of the earth. He asked if the Board of Trustees would consider moving the meetings to the Chateau and commented that there is interest in the community to attend the meetings. He continued that increasing the crowd is a double edge sword because you then get big mouths like him talking for 3 minutes which extends the meeting, but he thinks it is a good idea to make the meeting a welcome place to as many people who want to attend as possible. He commented that his sweetheart is involved in a

ladies group regularly at the Chateau and up until recently, they did not have a fee to hold their meetings there. He continued that she has complained to him that now there is a \$500.00 fee per meeting that is going to be imposed. He commented that he has been informed that a number of the ladies in the group have balked at paying the lunch fee, so the lunch fee and meeting fee is going to be a problem for a fair number of their members. He asked that the fee be looked into and reconsidered.

Pandora Bahlman congratulated the new Trustees. She stated that she is a 45-year resident of Incline Village, 21-year gold card employee of IVGID and a native Nevadan. She commented that she is asking that when the Trustees discuss the employee benefit of beach access, they keep in mind that we are in the middle of a workforce crisis and many employees have had to move to Carson City, Reno and further to find affordable housing. She continued that for the past 38 years, the District and residents of Incline Village have recognized the non-resident employees, committed to the community, by inviting them as guests to the restricted beaches. She continued that the invitation has served the District well by creating a workforce that feels like they are valued and an essential part of the community. She commented that this moment reminds her of the old saying, "treat others as you would like to be treated" and she stated that when people are treated with respect and gratitude, it is received in return and when others are treated as less than, that will also be received in return. She continued let us choose to respect our employees, rather than treating them as if they are easily replaced; if this does not happen, there is a risk of alienating the loyal committed workforce and they will leave the District. She continued that there would be no one left to provide services that are expected. She commented that in the last 4 years, many key employees have left the District because they feel undervalued; a prime example is the mass resignation of at least 10 key positions who have gone to work for the North Lake Tahoe PUD, where the Board supports their employees. She continued that research has shown that when a community no longer supports its workforce, it runs the risk of imploding, and all services must be sought outside of the community, which leads to having another government entity run the District. She commented that her advice would be not to waste time taking away benefits from an already challenging workforce environment, but to focus on creating new revenue streams and showing gratitude to a hardworking committed Staff; remember that their success contributes to a well-run Village, and that contributes to the Board of Trustees' success as public servants. She continued that she would be happy to share research that supports her statement and walk them through a day of employment at the Recreation Center; feel free to reach out to her.

James Conces read from a prepared statement, which is attached hereto.



Gail Krolick stated that the dais up front did not turn out the way she thought it would. She congratulated the Board of Trustees and commented that the dais tells her a lot; she is wondering why the District General Manager is not sitting with the Board of Trustees. She stated that never in the history since she has been in Incline Village, has the District General Manager ever sat back in the audience or away. She continued that this shows her the type of respect the Board of Trustees has for the District General Manager and it speaks volumes as to why item F.1. is on the agenda. She commented that the gold cards have been a contentious issue for years and stated that when she served on the IVGID Board of Trustees, she voted that the Trustees no longer have a gold card. She continued that the Board of the Trustees at the time felt it was important that the employees still felt rewarded and respected. She commented that she knows that this was brought on by Ordinance 7 and special counsel was supposed to be reviewing; she stated apparently they did because this item is on the agenda, but she does not have any information on what special counsel decided. She commented that according to the Board of Trustees own policy, not all of the information is provided so she respectfully requests that the agenda item be tabled until all of the information is provided to the community. She commented that she and the Board of Trustees received some beautiful emails from Mr. Aaron Katz and she wants to read some of it so the community is aware of what the Board of Trustees and herself have put up with over the last year; she read, "because they are being intentionally deceitful". She continued that Mr. Katz calling Staff intentionally deceitful is ridiculous; she stated there are 4 more pages, and this is outlandish. She commented that she has lived in Incline Village for 32 years and has never ran into anyone being deceitful to herself or the community.

Aaron Katz provided written statements to be attached to the meeting minutes. He commented that it is noteworthy that Tim Callicrate is not present. He referenced the budget and his request to make every operational expense in the proposed budget public so they can be examined. He continued that if this does not happen, no one has a clue as to what is being approved; the time for rubberstamping whatever the Staff brings to the Board of Trustees for approval, must end. He referenced the Flashvote contract that was approved at the last meeting; he stated that Chairman Dent asked Staff where the \$9,900 dollars was budgeted and the same question will come up for the \$3,000 that Trustee Tonking is requesting. He continued that the Director of Finance mentioned that unspent Trustee funds for travel, training, attendance and conferences could be used or unspent general government professional expenses. He stated to look at schedule B10 in the budget, which breaks out every expense assigned to the General Fund; he asked if they see any expenses for Trustee travel, training, attendances and conferences or professional expenses. He asked how anyone knows that these expenses were budgeted and stated that coming up with the details after the fact does not cut it.

He continued that every line item expense, which is included under services and supplies, must be identified ahead of time so the Board of Trustees is aware of and can approve a budget that includes those expenditures but Staff refused to do this. He stated yes Gail that is deceit; when some new pet project comes along, all of the sudden, they come out of woodwork, and say it was budgeted, and asked where. He stated to look at the baseline budget that has been presented for next year and look at the General Fund; he asked if they see anything under expenses for travel for Trustees, conferences and professional services. He asked where the breakdown is and stated that the audit expenses are charged to the recreation fee, beach fee, and utility fee because Staff allocated part of that expense to other funds. He asked if they ever told Staff that they could do that and if they ever disclosed it and stated, that is called deceit, Gail. He stated to get all of the material ahead of time on the expenses or do not approve any budget, it is that simple.

Tim Buxton commented that he is present as a homeowner and a longtime District employee. He referenced the issue of the silver and gold cards; he stated he has been working at the District for 38 years and this is not the first time it has popped up. He commented that the last time(s) that it happened, different attorneys reviewed it and they found no problems with it; there is a ruling on it already. He continued that he would not want to be in the Trustees shoes; they do a good job. He asked if it has already been there, what makes this decision different from what it was before. He referenced people such as Bennie Ferrari and stated that these things are already recorded and there are copies of the reports. He continued that by saying no to this, is the thing to do, because if it is no, let it go to the next level and let a higher court figure it out. He commented that if something is being done illegal, it is the Board of Trustees job; the employees want to know too. He continued that he does not know if that makes sense to the Trustees, but to do what they are about to do, makes no sense to him. He stated there is a special counsel that advised the Board; he does not know what is included and he is not here to speculate. He asked if it is, how can one person be different than other people; it is a matter of opinion of an attorney, why the Board of Trustees would not simply say no, and let it go to the next court, let them figure it out, do the right thing and ensure it is legal and put it to rest. He continued that he does not think the Board of Trustees should take one person's opinion of an attorney when past precedence has already been set, not to mention all of the people that were promised gold and silver cards too, and now the Board of Trustees is going to take them back and it makes no sense to him. He asked that they please do the right thing.

Susan Johnson passed on her opportunity to comment.

Connie Starr commented that for the last 18 years she has purchased a season pass at tennis; she plays quite a bit and enjoys it. She stated that prior to that for 3 years, she worked at the tennis center which was fun. She continued that during that time, courts 8-11 were installed. She commented that she was an employee at Diamond Peak; she taught ski and has been around. She commented that she has been very involved with tennis events, clinics and lessons and mentioned it is a fabulous facility; there has been amazing Staff there throughout the years. She stated that she is concerned about the condition of courts 1-7 and stated that John Klein mentioned there was a survey that was completed in 2016 for repairs that needed to be planned for. She continued that should be in the budget because it is now 2023; she is really concerned about the condition of the courts and stated they are dangerous for people of all ages and all abilities. She commented that two years ago, there was a family of chipmunks living in a crack on court 6; it was big enough that 3-4 of them could hide in there and they would come out and duck back in when the ball went in that direction on the playing surface. She continued that court 4 has a little snake living in the northeast corner. It is living in a crack and people have to be careful when getting the ball from that corner. She commented that the patches are starting to fail where they have been patched over and it is dangerous and concerning. She continued that there is documentation that says what needs to be done and in her opinion, based on her experience from her real life before Incline, when you are responsible for the facilities, there are 5,10,15 year plans so that they are maintained, safe, functional and usable for the community or whoever they are for.

Margaret Martini commented she has been a resident for 50 years and yes, she is a senior citizen. She asked why everyone is here at this facility and stated that when the community voted to build the Chateau, it was supposed to be a community building. She stated people are crammed in this facility and people are not coming because they do not want to stand out in the cold. She continued that the Chateau is the community's facility and it needs to be addressed to have the meetings for the community in that building. She commented that she was a member of Ordinance 7 and asked what took so long to get the determination from the attorney. She continued that several members of Ordinance 7 have asked repeatedly where the determination is; if this gentleman has been paid so much money, why has not a written determination been received. She stated that once a determination is received, it is valid but right now, it is just so and so said, and it needs to be validated. She referenced the budget and stated she does not know how many people in the past 50 years she has lived here have said there is going to be a zero based budget and they campaigned on a zero based budget. She asked where it was and stated there is not any talk about it; she stated the community needs to have line items for every expenditures so it is transparent. She stated that everyone is referring to transparency; there is nothing transparent

about the budget either actual or proposed. She commented that the District needs to get rid of the slush funding and stated it is ridiculous to pull from this and there is no accountability for it; that is called slush funding. She referenced the voting of the employee giveaways and the silver and gold cards; she stated she is convinced that previous Board of Trustees do not know how to read a deed. She continued that it is apparent to a layperson like herself, that the access is limited to property owners and their guests, with payment and to some hotels and motels so nobody gets a free ride.

Frank Wright commented that he is appalled that all of the employees are crying bloody murder because they cannot use the beaches; he suggested coming to Crystal Bay where residents who live there, pay a recreation fee and paid for the beaches and money is not taken out of the recreation fee to support the beaches. He continued that now the employees from Reno come up and say they will not work for the District if they cannot use something that the owners have paid for. He stated why don't they come tell the people in Crystal Bay; he has been here for 45 years and has watched his son and daughters not be able to attend anything at the beaches without having to get a special privilege from someone in Incline Village to let them play and associate with their friends in Incline Village. He commented that this is horrible and to buy into this thing about not being able to get employees to work, go somewhere else, the District will find someone else and there are plenty of people out there to work and get paid what the District is paying them. He referenced the beach deed and stated he was on the Ordinance 7 Committee; he raised the issue of why employees who live in Reno who are not paying the recreation fee are allowed to go on something that people who live here and pay a recreation fee, cannot use. He continued but they have some kind of special privilege, give me a break, the owners do not get a privilege and do not get to use something they are not paying for. He commented they want equity and fairness, why do they not fight for us before they start fighting for themselves; the owners are paying for it. He continued that it is unbelievable and about time that someone read the deed; Ms. Martini was eloquent about that, there is nothing in there that states that employees have access to the beaches and whom live somewhere else. He stated that it says parcel owners and their guests, not employees and their guests and he would not believe a thing about those records that were spouted by another resident about how many people use and access the beaches; they are all phony. He continued that everything that is produced by Incline Village is phony; they have a District General Manager who doctors everything and will not give any information. He commented that the District General Manager stated at the last meeting that all public records have been provided except for one. He is calling baloney; he can count 15 that he has that have not been provided. He continued that he knows another person who has 10 and he knows 1 person who has about 30 that have not been provided, and if they

were provided, they were doctored up and did not have all of the information that was requested. He asked if this was going to continue or be changed and stated that employees that live in Reno do not deserve to be on something that he cannot go on and he lives here and pays the recreation fee.

Michael Abel referenced items F.1 and F.2; he commented that he has been waiting on a public records request for over 1 month to have the work product of the Thorndal Armstrong Balkenbush organization including any emails, memorandums, materials or scope of work that they provide to the District General Manager regarding beach access and the Ordinance 7 Committee. He continued that he wanted any work product, any information and unredacted bills and so far, after 1 month, he has been given squat. He stated that the Director of Administrative Services should be fired and he does not know what she now does for the District. He continued that he has asked her successor, the District Clerk, for the comments and he told the District General Manager that they were stonewalling him. He commented the District General Manager indicated they were not stonewalling him; he stated he has received nothing and the public has received no information about what the Board of Trustees spent \$50,000 on. He continued that it should be public information and it is not out there; it is outrageous that he has not been provided the information in a timely fashion. He stated it is a violation of the NRS 239 regulations. He referenced the beach pass access by employees and stated he is not completely unsympathetic to the employees; he feels that the deed restrictions are the deed restrictions and you cannot change the law and it needs to be honored. He continued that he had suggested there is a backdoor way around it; he had suggested at a meeting about 6 months ago that property owners could donate their unused beach passes to a bank that could be used by the employees for beach access. He stated he thinks that would be an equitable way of dealing with the situation and it would allow employees to access the beaches on an as needed basis; he thinks this would be a good idea. He referenced item F.2. and stated everyone knows what the setup is at IVGID.

Cliff Dobler read from a prepared statement, which is attached hereto.

Tim Callicrate commented that he is present and he did not want Mr. Katz to worry himself into anemia about that and he watched the last meeting as well. He stated that he understand after the public comments were made during the first portion, Mr. Katz decided it was time to leave. He referenced a comment made earlier by Ms. Martini regarding why the meetings are not held at the Chateau; he stated there is a bonafide Boardroom that 95% of the time works for the number of people that show up and it is usually the 6-8 people. He continued that hopefully more people will decide to enjoy the meetings in the Boardroom. He stated that it costs between \$1500-\$2000 per meeting in the Chateau and it is usually overkill for the

number of people; this was one of the reasons the meetings were brought back to the bonafide Board room. He continued that they were always accused of wasting money and they were trying to save some. He stated to be careful on the situation with the gold and silver cards for the employees; many of the employees were hired with the understanding that they would get a gold or silver card depending on how many years they serve the District. He stated to take away from those that have those opens up for potential litigation and sends the wrong message. He continued that moving forward from this time; they could dispense with it after a certain number of years and say after that time, that there is no gold and silver cards as an option. He stated that employee access to the beaches is meniscal and hopefully the folks who spoke, who are all residents in the community, got their message across. He stated to keep up the great work and there is a lot of work ahead.

Diane Becker commented that the Trustees have a difficult decision before them with respect to the beach access; she thought it would help to remind everyone of the history of the beach deed. She stated the history of the beach deed dates back to the promises made by the original developers of Incline Village to the individuals who purchased lots and homes; that those individuals would have a private exclusive beach. She continued with at that time, there were disputes between the property owners and the developer as to when they were going to transfer the beaches; the beaches were supposed to be transferred to an Owners Association but they could not borrow money in order to finance the beaches. She stated the beaches were then transferred to IVGID and they have done a good job all these years providing the beaches. She continued that today the issues have been raised by a number of residents and nonresidents who threaten the beaches as to the fact that employees have access; she believes that IVGID has gone to a lawyer and received advice. She stated the advice of the lawyer is going to be confidential so she is not sure how they will give the community the information; she does believe the advice needs to be followed and she does not know what the advice is. She continued that she knows it is a difficult decision for the Board of Trustees; she hopes that with whatever decision that is made, and if the decision is made to take away beach access, there is work with the employees so they continue to feel valued because they are valued. She stated that IVGID is required to comply with the beach deed; it says coveted and agreed that the real property will be held, maintained and used by grantee, IVGID, solely for certain purposes. She continued that she does not know if those purposes can include the employee, which requires advice from counsel; she looks forward to hearing what the discussion and decision is but in the end, this is not a decision against employees. She stated it is a decision as to what is required as a matter of a recorded deed.

Rebecca Williams referenced the topic of employee beach access and stated that everyone says to keep reading the deed and the deed says parcel owners and their guests; IVGID is a parcel owner and the employees are their guests. She continued that it is an important benefit to offer the employees and make it worthwhile for them to care for and dedicate themselves to the community. She commented that she thinks it is a big mistake to take away a small cost as a benefit for the employees as it does help them feel like a part of the community. She continued that it is not a minor benefit and it is a big mental benefit; she hopes the Board of Trustees does the right thing and not try to remove the benefit.

**D. APPROVAL OF AGENDA (for possible action)**

Chairman Matthew Dent asked for any changes to the agenda; Trustee Tonking asked that General Business Item F.1. be pulled from the agenda for not having done due diligence; she would like to have more information including possible ways to add different access and give employees more information on other options. Trustee Tulloch stated following the same logic, he would like to remove Item G, the workshop, because they do not have full information as pointed out in public comment. Trustee Noble stated he is fine with delaying General Business Item F.1.; he has some information that he would like to dig into and he thought the last caller's statement provided some information that he thinks is worthwhile to explore more. He stated he would like 2-4 more weeks to have a chance to look at it. He referenced the budget and stated this is workshop number 1 and he thinks it needs to move forward; if Trustees feel like there needs to be more information, it can be discussed and brought back the second round. Trustee Schmitz requested that Consent Calendar Item E.1. be moved from the Consent Calendar to General Business. Referencing items F.1. and G, she stated she feels they need to be addressed and remain on the agenda. There were no objections to moving Consent Calendar Item E.1. from the Consent Calendar to General Business.

Trustee Tonking made a motion to remove General Business Item F.1. from the agenda. Trustee Noble seconded the motion. Chairman Dent called the question and the motion did not pass with a 2-3 vote; Trustee Tonking and Trustee Noble were in favor and Trustees Schmitz, Tulloch and Chairman Dent were opposed.

Trustee Tulloch stated he no longer wanted to have item G removed from the agenda and Chairman Matthew Dent indicated Consent Calendar Item E.1 would become General Business Item F.0; the agenda is approved as revised.

**E. CONSENT CALENDAR (for possible action)**

**E.1. SUBJECT: Review, Discuss and Possibly Approve Authorizing an Increase in the Agreement with Flashvote Services by \$3,000, to a Not to Exceed Amount of \$12,900.00 to Include Multi-Lingual Translation Services (Requesting Trustee: Trustee Michaela Tonking) (this agenda item became General Business Item F.0.)**

**F. GENERAL BUSINESS (for possible action)**

**F.0. SUBJECT: Review, Discuss and Possibly Approve Authorizing an Increase in the Agreement with Flashvote Services by \$3,000, to a Not to Exceed Amount of \$12,900.00 to Include Multi-Lingual Translation Services (Requesting Trustee: Trustee Michaela Tonking) (this was Consent Calendar Item E.1.)**

Trustee Tonking referenced multilingual translation and stated that in the contract, it is only Spanish speaking and the schools in Incline Village of Washoe County have some of the higher percentage of English language learners. She continued that if those students are English language learners, then their parents are also English language learners; she feels to create equity for the community and to ensure that an equitable viewpoint is received; the additional charge of \$3,000 needs to be added to ensure all voices are heard in the community. Trustee Noble stated he agrees with the reasons stated that having multilingual translation services would be appropriate; however, he is going to vote no on this item based on the reasons he provided at the last meeting regarding Flashvote Services in general. Trustee Tulloch stated he thinks the emotions behind this are quite commendable; the real problem is where to actually stop. He asked if they start putting every single IVGID sign in bilingual or multilingual wherever and do they start printing all of the Board of Trustees papers in multilingual and how many languages do they use. He continued that he thinks they need to be mindful before starting down a slippery slope; he does not want to feel like he is back in Canada with multilingual signs. Trustee Tonking stated there is no official language in the United States. Trustee Schmitz stated she agrees with the intent and the positive outreach to the community but she spoke with Kevin Lyons; she asked him how this typically works and one of the things he brought to her attention was it takes more than just creating one survey. She asked if the District has a strategy; would things like the IVGID Quarterly and surveys at Diamond Peak be created in multiple



languages? She stated that if this is the direction that the District wants to go in, doing it with just one survey does not fulfill a long term strategy or need; she thinks there is a question for Staff about what has been done to date. She continued that she thinks the Board of Trustees should discuss if they want to have a long-term strategy of doing things bilingually and as Trustee Tulloch said, will the Board packets be produced that way. She stated that based on the feedback she received from Mr. Lyons, if the District is not fully engulfed in a multilingual strategy, by doing one effort, it is not going to have significant results or impact; she needs to hear from the District on what the current situation is. District General Manager Winquest stated the District has a practice where they translate some of the programming; many of the programming flyers and other materials that go out to the community are in Spanish. He continued that the District does not have a formal strategy; however, there are times where the District feels it is important to translate, in particularly in Spanish, for the reasons that Trustee Tonking mentioned as far as the overall Hispanic population of the community. Chairmen Dent referenced door hangers and outreach and asked what has been done; this issue had been discussed with Mr. Lyons and he said there would be an active cooperation the District would have to do to see any measurable results. He asked if neighborhoods, addresses, streets, etc. are being sought out to obtain input for the community or if surveys are being sent out and the District is hoping for responses; he is curious as to how targeted it is. District General Manager Winquest stated he cannot remember a time where a Spanish translation of a survey has been done; he believes it was done for Ordinance 7 which was done through the internal software. He stated he agrees that there should be a strategy that the District has moving forward, but if the Board of Trustees are going to engage with the community on subjects such as priority projects, he would suggest that the District start focusing on multilingual translation; he does understand Trustee Tulloch's point that it could be a slippery slope from the standpoint of there being folks in the community that speak other languages. Trustee Tonking stated she thinks there have been two surveys that were in Spanish or at least she requested that there be two in Spanish. She continued that she believes that it was no cost because there was somebody on Staff that could translate. District General Manager Winquest stated that is correct; most of the time the District has done Spanish translation is because they have had native speakers on Staff. Trustee Tonking stated she understands the concern about running into a slippery slope, but she thinks it's worth a try to do it with a couple of surveys and if all of the sudden there are people with other languages, then maybe they can decide it won't work

or it's inefficient but she is willing to give it a try. Trustee Tulloch asked if it could be in Gaelic for the Scottish speakers as well since he is a part of the community. He continued that he is trying to make a point; where is the line drawn and asked if it is just with a couple of majorities or try to reach out to every language in the community. He continued that without a formal Board policy on this, he thinks it is dangerous to decide on an ad-hoc basis; this may be a good policy for the Board of Trustees to address but he thinks they need to be careful about doing this in an ad-hoc fashion because then it leaves them open. He asked if at the next Board meeting, they would get an entourage of people speaking different languages making their points. Trustee Schmitz referenced the translation used in the Ordinance 7 survey and asked about how many responses were received in comparison to the English responses. District General Manager Winqest stated it was minimal as compared to the English speaker responses; he cannot say for sure but believes it was at least a few dozen. Trustee Schmitz stated she believes they need to make all community members feel valued and a part of the community; however, she asked Mr. Lyons if the District could try this and discontinue it if it does not end up working. She continued that Mr. Lyons gave the opinion that there has to be a strategy, which she agrees with. She stated Mr. Lyons felt there would be 10 responses, and she looks at this if it costs \$3,000, more than 10 responses should be expected. She continued that she embraces the concept of making sure they are being inclusive in the community but she feels that there needs to be an overall strategy of what materials, when they would do it, etc. She stated that it is important to have some discussion at a future meeting but the expenditure at this time, without having a broader and more comprehensive strategy across the District is a significant expense. District General Manager Winqest stated that if the Board decides they want to move forward with this, Staff has multiple ways they can provide outreach to the Hispanic community, to include the schools and programming. Trustee Schmitz stated she appreciates the idea and support, but that just makes the cost higher and she thinks this needs to be discussed as part of the budgeting process. Trustee Tonking stated she would like to point out that there are many Latino community members who work for the District who could tell people between their soccer leagues, Rotary clubs, teaching, etc. and it does not cost anything to do so. Chairman Dent stated he thinks they should be reaching out to the non-English speaking members of the community to get feedback and it sounds like a discussion can be brought back to figure out a plan and strategy moving forward. He continued that perhaps later in the year or when the Flashvote contract is up for renewal, it can be included, but

there needs to be a deeper dive and understanding of what the cost are; he asked that this item be placed on the long range calendar to be brought back in the future.

**F.1. SUBJECT: Discussion and Possible Action to No Longer Provide Access to District Beaches to Employees and Holders of Silver or Gold Cards**

Chairman Dent provided an overview of the submitted materials. District General Counsel Melissa Crosthwaite reminded the Board of Trustees that they have had discussions with special counsel and general counsel and that information is considered attorney client privileged; it is not to be shared beyond the members of the Board. She continued that this is a long-standing practice and the Trustees are the holder of the privilege and the information is to remain confidential. Trustee Tulloch mentioned there was a public comment made earlier that a legal opinion had previously been provided that said it was ok to provide employees with beach access; he is not aware of that opinion and asked District Counsel Crosthwaite if she is. District General Counsel Crosthwaite stated she could not speak to that as she has not been privy to this particular matter but if there was a legal opinion, it would be available to the Board of Trustees but not members of the public. Trustee Tulloch stated there has been a lot of talk about withdrawing an employee benefit and asked if this policy was ever passed. District General Manager Winquest stated he believes it was around 2014-2015 when the Board of Trustees deliberated over employee recreation privileges; he believes at that time, the recreation privileges were approved and that included employee access to the beaches. Trustee Tulloch stated he is asking because he is trying to understand if a resolution was passed. A member of the public handed the District General Manager a document, which was an Ethics Commission statement that was related to an ethics complaint about whether or not the District can provide gold and silver cards. He continued that he does not believe beach access was called out in specifically but he believes the Ethics Commission did not see any violations with the District offering gold and silver cards. He stated those are documents that the Board of Trustees has access to; if action is not taken tonight, Staff is happy to provide the information for the Trustee's review. Trustee Tulloch stated he believes the only legal opinion that has been settled in court was when Crystal Bay residents were trying to seek beach access, which was denied; he asked District Counsel Crosthwaite to confirm. District Counsel Crosthwaite stated she could not answer that, as she was not privy to the information. Trustee Tulloch stated it is the only legal opinion he is aware of. District General Manager Winquest stated he

has information to share with the Board of Trustees; it speaks to a resolution on November 10, 1988 and he believes there has been a couple since then. He continued that he thinks this is about reviewing the additional information that is out there; he stated that as a new Trustee, if they have not seen this information, they would benefit from it as far as opinions from past legal counsel, specifically one from the late 1980's. Trustee Tulloch stated that since the District General Manager has been involved in legal discussions over the last 18 months, he assumes that these previous opinions would be brought up at the same time. District General Manager Winqest stated he believes all or most of what he is referring to has been provided to special counsel; anything that Staff could find related to this subject was provided to special counsel but he can't say definitively until he checks the documents that were provided. Trustee Tulloch stated the Board of Trustees should work under the assumption that special counsel reviewed all of these documents; since they have been mentioned, they would have been passed on to special counsel so the advice from special counsel has taken these documents into account as well. District General Manager Winqest stated he has no reason to believe that special counsel did not review any of the documents; he explained that the document from the Ethics Commission was likely not included because it did not involve beach access. Trustee Tulloch asked if this motion is purely dealing with beach access and not with gold and silver cards. Chairman Dent stated it does not remove gold and silver cards; it removes beach access from current or former employees. Trustee Tulloch stated he was wondering from some of the public comments that were made. Trustee Noble referred to people who hold gold and silver cards and asked for confirmation that they could still retain those but not continue to have beach access if they were non-residents. Chairman Dent stated that is correct. Trustee Noble stated this is not attempting to address overcrowding and asked if that is correct. Chairman Dent stated he would rely on what the memo says; the crux of this is "to prioritize beach use by only those referenced in the beach deed." Trustee Noble stated there have been a few things that have come up that lead him to ask again that this item be deferred for a couple of weeks; he's hearing about the opinion from the 1980's, the 1994 Ethics Commission statement, the resolutions from November 10, 1988 and all of the documents that were provided to special counsel. He stated he would like to have the opportunity to review the documents as well, being a licensed attorney for 25 years in Nevada; he has background in reading legal documents. He stated this is about the non-resident employees; they have had access for decades and he does not see the harm in waiting 2-4 more weeks before rescinding the access. He stated that implicitly, and now explicitly, IVGID has determined that non-resident employees are guests of the parcel owners of which IVGID is also a parcel

owner; it looks like this has been done explicitly as well so that is consistent in his reading of the deed with regards to employees being guests of property owners who are represented by the IVGID Board of Trustees. He continued that he would like to review the resolutions if they are explicit in connecting the dots to the deed and explicitly provide non-resident access to the beaches so it is consistent and locked tight; this does not mean that people will not sue. He continued that you cannot prevent everyone from suing, but you can do everything in your power to prevent people from winning and still uphold the deed. He stated that the deed is sacred and that is what they are here to uphold above anything else; he mentioned maybe his risk tolerance is a little bit higher than others but he thinks moving forward this is an extremely risky adverse approach that's not necessary. He continued that they already have a very difficult time hiring folks; the quality of the people who are hired will probably go down. He stated he will not be able to point and say the reason why but it is the continuing of piling on that; he does not think is appropriate. He continued that the employees take care of the facilities and provide the services so that the community can enjoy the services and he thinks they are a part of the IVGID family and they should be treated as such. He stated he thinks previous Board of Trustees have done that and that the Board should continue to do that. Trustee Tulloch stated he thinks everyone understands the emotions involved with this but they also have to look at the other side of things. He reads the beach deed as explicit and asked if they were to go against the terms of the beach deed, could the District equally be open to a class action lawsuit by property owners who felt their property values have been impacted? District General Counsel Crosthwaite stated it would not be appropriate for her to comment on this matter. It would be a discussion that they would need to have with legal counsel in a non-legal meeting. Trustee Tulloch stated he would ask the question in a hypothetical manner and he is thinking aloud that there would not be anything that would stop a group of property owners from filing a lawsuit against the District, which the District would likely have to expend significant funds to defend themselves. District Counsel Crosthwaite stated that without doing additional research, she would not be able to indicate the likelihood of this but an individual can sue for all kinds of reasons or no reasons at all. Trustee Tulloch stated she is starting to sound like an economist. He stated that for the record, this is not something that is targeted at employees and he understands the emotions behind this and what employees are saying. He continued that he also understands there is a beach deed and by reading the deed, it is clear; he may not be a licensed lawyer and he has slept at a Holiday Inn. He stated he has done legal work and he reads it from those terms. Trustee Schmitz stated she understands the difficulty of this decision and it is not anything to take lightly; there is a

beach deed, and for the property owners, it is the Board's duty to do what they need to do to protect the beach deed and people cannot be treated differently; they have to remain within the law. She continued that more than a year ago, the Ordinance 7 Committee requested special legal counsel review this issue and other issues. She stated the Board of Trustees has been counseled on the issue and she has all the faith in special legal counsel; they have reviewed all of the documents and history. She continued that the Trustees have received information and it is their duty to act within the law and make a decision to either uphold the beach deed or not; this is very difficult but the Trustees have received guidance. She stated that the District will need to start hiring for summer and this is going to be a challenge; making a decision and being decisive based on the legal information that has been received is the most prudent, protective and the best ability to reduce the liability to the District as it relates to upholding the beach deed. She continued that she understands where employees are coming from; if the Board of Trustees decides to make a decision, she is hoping the District General Manager and Director of Human Resources will formulate some recommendations to bring before the Board of Trustees. She stated the Trustees have received recommendations from legal counsel and she does not see how any Trustee doing their own legal work is in the best interest of the parcel owners; it is the Board of Trustee's duty to uphold the beach deed. Trustee Noble stated there are 5 Board meetings between now and May 1<sup>st</sup> and he believes it is in early May when there is personnel at the gates checking ID's. He asked the Board of Trustees for the opportunity to review the documents that special counsel has reviewed and have an opportunity to have another meeting with special counsel so everyone has the information available to discuss with special counsel prior to making a decision. Trustee Tonking stated that a special meeting could be held for this as they have done for other issues in the past; she is not always for special meetings but it can be done. She continued that after this decision, there are more questions that she neglected to ask legal and she wishes she could because there is more information that she would like to receive. She stated that this is the second Board meeting in a row where the Board of Trustees have talked about restricting employees; at the last meeting, the Board of Trustees gave themselves benefits as they took away benefits from the employees, and this makes her upset. She continued that the Board of Trustees need to think about their perception as well; she would like to hold off on this as well. Trustee Tulloch asked Trustee Tonking what additional benefits the Board of Trustees granted themselves. Trustee Tonking stated it was in writing in 3.1.0; it was assumed that once a week the Trustees get access. She continued that some Trustees also have Trustee cards and some do not; some are using their Trustee cards to

access beaches instead of the recreation passes. Trustee Tulloch stated some of the Trustees use their own cards for that and he understands that there was a previous Board resolution that granted the Trustee access. Chairman Dent confirmed and stated the Board did make that decision sometime in the last 8 years while he has been on the Board of Trustees. Trustee Tonking stated then maybe the Board of Trustees should considering taking that back, if employee benefits are going to be taken away. Trustee Tulloch stated he is fine with taking away Trustee access to the beaches on the same basis. Trustee Tonking stated she was referring to taking away the benefit of going to venues once a week. Chairman Dent asked that the Board of Trustees stay on topic. Trustee Tulloch stated this issue has been punted by the Board of Trustees since last April; it has been on the agenda several times and almost \$50,000 has been spent on special counsel advice. He continued he is not prepared to put the District or himself at risk for disregarding advice provided based on their review of all of the documents. He stated that if some of the documents were not provided to special counsel, the question would be why.

Trustee Tulloch made a motion to no longer provide access to District beaches to employees and holders of silver and gold cards, and direct the District General Manager to update personnel and similar policies to reflect this change based on advice from legal counsel. Trustee Schmitz seconded the motion.

Chairman Dent stated that the Board of Trustees is prioritizing the beach use for those directly referenced in the beach deed. He stated he understands this is a very sensitive topic; he had the pleasure of going to the Public Works Department earlier and they do feel like the Board of Trustees are chipping away at some of the benefits. He continued that it was difficult; the Board of Trustees are fiduciaries and answer to those who elect the Trustees and have the beach deed to protect; on the other side, there are the employees who answer to District General Manager Winquest, and ultimately the Board of Trustees so it is a tough situation.

Chairman Dent called the question and the motion passed with a 3-2 vote; Trustee Tulloch, Trustee Schmitz and Chairman Dent were in favor and Trustee Tonking and Trustee Noble were opposed.

**F.2. SUBJECT: Review, Discuss and Possibly Approve Policy and Procedure No. 142 – Resolution 1898 Personnel Management Policy.**

District General Counsel Melissa Crosthwaite provided an overview of the submitted materials. Trustee Tulloch referenced the redline changes and raised several changes he would like to see and provided some suggestions for the changes which was followed by discussion. The changes to be made are as follows:

- Page 33 of the Packet, Section II, Second Paragraph, last sentence, should read: “The General Manager’s role is to apply these policies into the day-to-day practice of hiring, firing, motivating, promoting, demoting, compensating, and training individual employees.”
- Page 34, Paragraph entitled “Longevity” should read: “Retention. IVGID values the retention of loyal and hard-working employees which have provided many years of strong work performance.
- Same Page, next Paragraph entitled “Management” should read: Management. IVGID will develop senior department heads as a management team which can work with the General Manager in addressing overall IVGID operational and business needs and assist the Board of Trustees in policy development.”
- Same Page, Section IV, First Paragraph entitled “Procedures,” second sentence should read: “In order to maintain this accountability, the General Manager, in consultation with the Human Resources Director, must be given the authority to administer personnel matters without direct Trustee intervention or influence.”
- Same Page, Same Section, third Paragraph down, first sentence, should read “The General Manager will keep Trustees informed about the status of all major personnel actions relating to senior management positions.”
- Regarding the next sentence, “Department Head appointments” should be defined.
- Page 35, first Paragraph, first sentence, should read: “Trustees are encouraged to express their opinion and/or concerns on any personnel matter to the General Manager or Director of Human Resources in private.
- Same Page, 5<sup>th</sup> Paragraph, second sentence, should just read “The General Counsel shall report to the Board.”



- Same page, 6<sup>th</sup> Paragraph, first sentence should read: “The General Manager shall recommend, and the Board of Trustees shall consider and establish, salary ranges for all non-contract, full-time permanent employment classifications.”
- Same page, 7<sup>th</sup> Paragraph, first sentence should read: “The General Manager and/or Human Resources Director shall set a specific salary for each employee within the salary range established by the Board of Trustees.”
- Same page, 8<sup>th</sup> Paragraph, last sentence removal of an “and” between personnel policies and budgetary considerations It should be a comma.
- Same page, last Paragraph, add “should advise and discuss” which included as follows in that sentence (so that is makes sense): “The General Manager should advise and discuss with the Board of Trustees but shall have the authority to establish and revise chains of command, ...”
- Take the very last sentence of the Policy (at Page 36) and copy and paste after the last sentence of the prior paragraph. Just to not make it awkward, add “Again, where such actions pertain...” To that last paragraph.

Trustee Noble asked if the reasoning behind this is to ensure that the Board of Trustees is informed of what General Counsel is doing with regards to work with the District General Manager; in the past the communications were provided to the Chair and not the full Board and this is to keep the full Board informed as to what is going on? Chairman Dent stated that is correct; the language is being changed so it is clear that the General Counsel that is hired by the Board of Trustees is overseen by the Board of Trustees and the Board Chair would work with the General Counsel. Trustee Tonking asked District General Counsel Crosthwaite if that his her understanding of what the language states; she stated when she reads it, it sounds like the District General Manager is not supposed to be in contact with General Counsel so she is seeking clarification. District General Counsel Melissa Crosthwaite stated she thinks that is accurate; it is necessary for Staff to have communication with General Counsel in order to serve the Board of Trustees. She added if there are additional concerns or issues beyond this topic, it should be placed on an agenda to be discussed. She continued that as an attorney who works for public entities and understands how it works, that is how she would read it. Trustee Tulloch stated this language is

consistent with the language in the resolution that he provided at the last Board Meeting. He continued that he made a clear clarification at the last meeting that he sees a clear difference between policy guidance and normal operational legal support; he stated that if the volume of work is such, it might be necessary to have a legal counsel provide legal support. He continued that the difficulty might be that there is a wide range of legal advice whether it is personnel or transactional advice. He stated that he was clear at the last meeting that this was to provide the Board of Trustees with policy direction from the General Counsel. District General Manger Winqest stated he is confused by the language and asked if he is able to communicate with District General Counsel without permission from a Trustee. Chairman Dent stated he thinks that he is able to do that and explained that it is the oversight piece of it; the Trustees did not have oversight before, and maybe one Trustee did but other Trustees did not know about it. He continued that Trustee Tonking told him that she had just found out that the District General Manger and previous Board Chair were meeting with General Counsel once a week. He stated that the District General Manager told him two weeks ago that they were meeting once a week; he did not know that before then. He continued that Trustee Schmitz found out through District General Counsel Nelson mentioning it, so no one was aware that there was oversight with the Board Chair and District General Manager sitting down discussing what the attorney was doing. District General Manager Winqest stated he cannot do anything about lack of communication amongst Trustees; he assumed that it was known. He stated that anything less than Staff's ability to be able to reach out to legal counsel on an immediate human resources issue and was stopped by Chairman Dent who stated that is not the issue; Chairman Dent stated the issue is legal counsel does not need to be CC'd on things they shouldn't be CC'd on and waste their time. He stated they are not taking legal counsel away from Staff; this is the Board of Trustees adjusting the previous resolution to state what the rules are and to ensure that new Trustees do not lose the institutional knowledge and understand the process. He continued that he and the District General Manager will meet with legal counsel weekly as discussed; the Board of Trustees is not hindering Staff's ability to do their jobs or the District's ability to defend against any liability. District General Manager Winqest stated that the Board of Trustees would be made aware if there are going to be any attempts to restructure a department or add new positions through the budget process; he stated that the District does not have the authority to create new positions after the budget has been approved by the Board of Trustees. Trustee Tulloch stated it is more than that; as it is currently written, the District General Manager could completely restructure the District as long as he did not abolish any of the departments,

he has carte blanche to completely restructure any department without any reference to the Board of Trustees, which could change the way the District operates. He stated it is being added so it is by consultation with the Board of Trustees.

Trustee Tonking made a motion that the Board of Trustees approve Policy and Procedure No. 142 – Resolution 1898 Personnel Management Policy to include the language directed by Trustee Schmitz, Trustee Tulloch, and Trustee Noble as discussed earlier. Trustee Tulloch seconded the motion.

Trustee Schmitz suggested directing Staff to review if Resolution 1480 is referenced in any other policies and update it to the new resolution number.

Trustee Tonking amended the motion and Trustee Tulloch seconded the amended motion. Chairman Dent called the question and the motion passed unanimously.

## **G. WORKSHOP**

### **G.1. SUBJECT: Fiscal Year 2023-2024 Budget Workshop #1 – Review and Discuss Budget Assumptions, Baseline Program Venue Budget/Financials and Facility Fee Assumptions**

District General Manager Winqest stated that per Trustee Tulloch's comment earlier about not having complete materials, this is a starting point and the baseline budget. He continued that this is the purpose of Workshop #1 and he apologizes if there was an expectation that there would a draft budget presented at this meeting. Trustee Tulloch stated he understands that and he was just responding to the public comment where people wanted the full information; he stated this is a high level budget and it does not provide a line-by-line budget. He continued that he would like to request the native file spreadsheet in electronic format; it is hard to see the small print. District General Manager Winqest stated that Staff is not present to make presentations but if there are questions, they are available to answer questions. He continued that Staff would likely be present during the third workshop to present their preliminary budget; it is important to Staff that as Trustees start having discussion and have different things they would like to see in the budget, that the Board discusses it collectively and provides direction to Staff as a Board. Chairman Dent stated that if there is a point of discussion that comes up, the Board of Trustees will have a discussion at that time and provide Staff direction at that time. He referenced Board policy

5.1.0 and asked Staff to let the Board know where they are in the process; he asked if there was an overview of suggestions. District General Manager Winquest stated yes and the PowerPoint presentation that will guide the workshop will be added as supplemental material to the workshop. Director of Finance Navazio provided an overview of the submitted materials. There were several questions asked by the Board of Trustees and answers provided by Staff and vice versa; there was also much discussion on the item, which can be followed on the Livestream starting at approximately 2 hours and 38 minutes through 5 hours and 52 minutes.

#### **H. REVIEW OF THE LONG RANGE CALENDAR (for possible action)**

District General Manager Winquest provided a brief overview of the long-range calendar. Trustee Tonking stated she will be on vacation during the last meeting in February. Trustee Noble asked that there be an update sometime in the near future regarding the progress at Snowflake Lodge.

#### **I. FINAL PUBLIC COMMENTS\***

Yolanda Knaak commented that she understands the decision regarding the employees and past employees using the beach as directly related to the beach deed; she thinks that taking away beach access from employees should have been preceded by a discussion of what benefits will replace the beach benefit. She continued that this approach would have given a different feel to the employees; she stated companies are always adding and deleting benefits. She referenced the last meeting and stated she agrees Burnt Cedar beach should not be closed and she agrees with keeping a walk-in gate for local residents. She continued that she is opposed to the turn style because it would make it difficult to get through with a large goose dog; the goose dogs are needed to chase the geese.

Margaret Martini commented that she would like to commend the 3 members of the Board of Trustees who are smart enough to read and understand the clear verbiage of the 2 page beach deed and voted to preserve the terms and conditions, therefore preserving the property values of the parcel owners of Incline Village. She continued that a direct violation of the deed restrictions and against the legal determination would certainly put the deed in jeopardy and perhaps cause the disastrous loss of restricted access of the 3 beaches. She referenced the \$2,000 amount mentioned by the previous Board Chair to host a community meeting at the Chateau and stated she is making a formal public records request for all records showing actual costs related to the meeting costs; \$2,000 is over the top to hold a meeting there. She commented that after listening to the financial stuff, she thinks a forensic audit is needed; there would be immediate numbers and

would not be looking 4 years down there road for venues. She continued that it would be cheaper in the long run than hiring people to do it using Staff time; just get it done. She stated she does not know how many Board elections there has been where they run on a zero based budget and forensic audit, and nothing happens; this should be made a priority because it has been talked about and people voted because of that. She stated referenced outsourcing and stated she thinks it is a strategic plan and to look at the cost difference between internal and out sourcing and make a decision based on cost savings. She continued that the individual business and business plans and definition per business, with all the same parameters to the utilities and various departments is an excellent decision; it needs to be parceled out and individual which will mean there is no more slushing back and forth; the slushing thing is marginal. She stated to look at a zero based budget and direct individual managers of the venue to do that.

Denise Davis commented that the budget discussions cause her to have flashbacks to her days working at government entities and large companies. She stated she realizes that the personnel cost is a big part of every budget but there is also stuff in the budget. She continued that she had managers who lived by the rule that they spend it all and ridiculous stuff was purchased; if money was saved, upper management showed their appreciation by cutting their budget. She continued that other manager's were incentivized to come in under budget to the point where they were bringing in their own office supplies She urged the Board of Trustees to try to find the sweet spot with the venue managers of how to be efficient, give them the money they need but appreciate cost savings.

Tim Callicrate commented it has been an interesting meeting and he will touch on a few things. He referenced Trustee Schmitz mentioning that Staffing is an issue; he goes back to the 3-2 vote that was made earlier about taking away privileges from employees at the beaches who are non-residents. He continued that it opens up a host of other questions of can the people who collect the trash at the beach or work at the concessions at the beaches allowed to work. He stated that according to the beach deed and by holding a strict situation, that will not happen; everybody that has to go onto the beaches to work the gate, concessions, etc. all have to be vetted to have access to the beaches. He continued that this could cause a Staffing issue; he cannot foresee the future but he thinks it was a decision that should have allowed Trustee Noble and Trustee Tonking the opportunity to ask additional questions for 1-2 more weeks. He referenced the quote made earlier about this can being kicked down the road and stated it has been for 20 something years and another 1-2 week would not create an issue; it was voted on so live with the consequences. He continued that as far as the morale of the Staff who work for the District and it is already difficult, he wishes them the best; he stated there is an exceptional group of people who work for the District. He continued that the

majority of this Board have shown self to question the validity or opportunities of the current employees Staff which is unfortunate; they will have to live by the decision they made. He stated the community is small; many have been in the community for decades and some are newer. He continued that he hopes they will take a moment to step back because by the decision made, they have sent a loud and clear message over the District.

**J. BOARD OF TRUSTEES UPDATE**

There were no Board of Trustees updates.

**K. ADJOURNMENT (for possible action)**

The meeting was adjourned at 11:04 p.m.

Respectfully submitted,

Melissa N. Robertson  
District Clerk

Attachments\*:

Submitted by Mark Helleckson

Submitted by John Klein

Submitted by Kate Nelson

Submitted by James Conces

Submitted by Aaron Katz – Written Statement to be attached to and made part of the written minutes of the IVGID Board’s regular January 25, 2023 – agenda item G(1) – 2023-24 budget workshop

Submitted by Aaron Katz – Written Statement to be attached to and made part of the written minutes of the IVGID Board’s regular January 25, 2023 – agenda item F(1) – eliminating beach access to current/former IVGID employees/Trustees without beach access

Submitted by Aaron Katz – Written Statement to be attached to and made part of the written minutes of the IVGID Board’s regular January 25, 2023 – agenda item

Minutes  
Meeting of January 25, 2023  
Page 25

E(1) – paying an additional \$3,000 to translate wasteful flashvote survey's into Spanish

Submitted by Cliff Dobler

Good Evening trustees, and fellow Incline Village Residents,

I am Mark Helleckson, and for full transparency, I am an IVGID employee, however; I am ~~trying to speak as~~ full time resident of this beautiful community.

Before I begin the main point of my comments, I want to state that agenda item F.1 does not have all relevant materials. It references special counsel but does not have the counsel's opinion attached. Also it doesn't include all of the items set forth in the template that the board agreed on last meeting. Therefore per policy 3.1.0 Section 0.4 "No matter shall be heard or acted upon without all accurate and relevant materials being published with the initial publication of the Board Packet. If materials are inaccurate or missing, the agenda item will be deferred."

I know that many on the board won't care that they are going to violate their own policy that they approved just 14 days ago, so I'll continue with my statement.

When I first moved up to Incline Village several years ago, I was renting at a place where the property owners, like a large number of landlords in town, held onto all 5 recreation passes for themselves. Outright refusing to offer a picture pass to their tenant who had signed on for a 1 year lease. As we have seen over the years, at least one member of this board feels that parcel owners are the only people in town that matter. But as a reminder, the vast majority of the *working class* in Incline Village are renters, not property owners. Parcel owners who pay the Rec and Beach Facility fees pass these fees on to their tenants with higher rent costs, ~~Most parcel owners then~~ hoard the passes for themselves, keeping the working class who lives here full time off IVGID owned beaches. I'm lucky, my landlords already promised to give me a pass when the board inevitably makes this short sighted decision, but that's not my point. I'm not going to stay silent just because I won't be affected. Some of you on the board, treat the working class like second class citizens. Before you further restrict beach access, maybe you should reassess and change ordinance 7 to guarantee a picture pass to anyone residing in Incline full time, per DMV records of address.

But that's a different discussion for a different day. Tonight you're going to strip away one of the few privileges that helps IVGID recruit employees over other businesses and municipalities. If you're worried about protecting the beach deed, who is going to come work the gates to protect it? Do you really think any of us will sit there and get yelled at by residents every day to 'Protect' a beach that we can't use? And yes, it is picture pass holders that cause the vast majority of the problems at the beaches. Ask anyone who has ever had the displeasure of working as a beach host, they will all readily and happily confirm this statement. Do you really think, in a climate where IVGID has struggled to hire lifeguards it's a sound decision to take away the one privilege that set us apart from other municipalities? Telling staff they have to leave the premises as soon as their shift ends, you really think they'll continue to work here? If you make this decision tonight, please understand it will cripple IVGID's ability to have a full summer staff this upcoming season.

As a final note, to the people who ~~are going to~~ criticize us working class folks for leaving the meeting early, it was important for me to make these comments in person so you the board can see that the people your decisions are affecting are actual living human beings. But I worked a 10 hour day today, so I'm going home. Ill tune into the livestream for the rest of this meeting, from my couch with my dog by my side. Thank You



GOOD EVENING. MY NAME IS JOHN KLEIN. I AM A RESIDENT OF INCLINE VILLAGE, AS WELL AS THE HIGH SCHOOL BOYS AND GIRLS TENNIS COACH AND A MEMBER OF THE TENNIS PLAYING COMMUNITY AT OUR TENNIS CENTER.

OUR TENNIS CENTER IS A TREMENDOUS COMMUNITY ASSET, BUT IN DIRE NEED OF SURFACE AND FOUNDATION REPAIR TO THE COURTS 1 THROUGH 7 (THERE ARE 11 COURTS TOTAL).

THE COURTS IN QUESTION WERE BUILT IN 1979, THEY ARE 44 YEARS OLD THIS YEAR HOWEVER, TENNIS COURTS HAVE A SERVICE LIFE OF 30 TO 40 YEARS... THOSE ARE NOT NUMBERS I CAME UP WITH - THOSE ARE NUMBERS CONTAINED IN A REPORT SUBMITTED TO THE IVGID BOARD IN 2016, ENTITLED "INCLINE VILLAGE TENNIS CENTER FACILITIES ASSESSMENT AND MASTER PLAN", PERFORMED BY LLOYD CIVIL & SPORTS ENGINEERING, SUBMITTED AUGUST 2016.

I WOULD LIKE TO SUBMIT A DOCUMENT OUTLINING THE SPECIFICS. IT IS A DOCUMENT, THAT WAS EMAILED TO EACH OF THE TRUSTEES, WHICH I WOULD LIKE TO ENTER INTO THE RECORD.

I ASK YOU TO CONSIDER THIS DOCUMENT AS WELL AS THE REPORT ISSUED IN 2016 AS YOU CONSIDER THE BUDGET FOR THE PARK AND REC DEPARTMENT.

THANK YOU FOR YOUR TIME AND CONSIDERATION.

## **IVGID BOARD MEETING**

**JANUARY 25, 2023**

**RE: TENNIS CENTER**

**MY NAME IS BILL FEAST AND I AM SUBMITTING THIS UPDATE AS A FOLLOW UP TO COMMENTS TO THE BOARD ON JULY 27, 2022 REGARDING THE STATUS OF DISCUSSIONS AMIDST THE TENNIS AND PICKLEBALL COMMITTEE (TENNIS REPRESENTED BY MYSELF, JOHN KLEIN, DUANE CATANIA and JENNY VAN WELL; PLEASE SEE APPENDIX) WITH IVGID MANAGEMENT REGARDING THE TENNIS AND PICKLEBALL COURTS, RELATED FACILITIES, OPERATIONS AND LEADERSHIP.**

**THE MATERIAL SHARED TODAY WITH BOARD MEMBERS IS PRINCIPALLY, THOUGH NOT WHOLLY, FOCUSED ON TENNIS COURT CONDITIONS, PARTICULARLY RELEVANT IN LIGHT OF CURRENT AND FUTURE BUDGET PREPARATIONS, INCLUDING THE 5 YEAR CIP PLAN.**

**AS A PRELUDE, IT IS IMPORTANT TO HIGHLIGHT THAT THE MAJORITY OF THE COURTS WERE BUILT IN 1979 (1-7) AND EVEN THE NEWEST (8-11), WHICH ARE NOW ALL DEDICATED TO PICKLEBALL, WERE BUILT IN 2003.**

**ISSUE: THERE IS UNANIMOUS ALIGNMENT BETWEEN THE TENNIS PLAYING COMMUNITY, IVGID MANAGEMENT AND TENNIS CENTER TEAM THAT COURT CONDITIONS ARE NOW DIRE AND NOT ONLY NEGATIVELY IMPACTING PLAY QUALITY BUT IN MANY CASES ARE UNSAFE AND HAZARDOUS.**

**THIS SITUATION DID NOT OCCUR OVERNIGHT NOR WILL IT BE REMEDIED OVERNIGHT BUT IT IS IMPERATIVE THAT SHORT TERM AND LONG TERM**

**SOLUTIONS BE PLANNED FOR IN THIS FINANCIAL BUDGET PLANNING PERIOD SO THE COURTS CAN BE RETURNED TO A CONDITION THAT OUR COMMUNITY CAN BE PROUD OF.**

**I REFER THE BOARD TO THE “INCLINE VILLAGE TENNIS CENTER FACILITIES ASSESSMENT AND MASTER PLAN,” PERFORMED BY LLOYD CIVIL & SPORTS ENGINEERING OF SCOTTSDALE, AZ, THE FINAL REPORT BEING SUBMITTED IN AUGUST 2016**

**I URGE ALL BOARD MEMBERS TO READ THE REPORT, WHICH PROVIDED A VERY COMPREHENSIVE STUDY OF A WIDE ARRAY OF TENNIS AND PICKLEBALL PLAY AND OPERATIONS AND PROVIDED A SERIES OF RECOMMENDATIONS, SOME OF WHICH WERE ULTIMATELY ENACTED AND MANY WHICH WERE NOT.**

**WHILE THE MAIN BUILDING AND DECK WERE FULLY RENOVATED AND PICKLEBALL CAPACITY WAS DEMONSTRABLY EXPANDED, THE PLANNING AND EXECUTION OF COURT MAINTENANCE AND RECONSTRUCTION WAS NOT.**

**I’D LIKE TO HIGHLIGHT SPECIFIC LANGUAGE DIRECTLY FROM THE REPORT TO FURTHER ILLUMINATE RELEVANT LLOYD’S OBSERVATIONS AND RECOMMENDATIONS:**

- **OBJECTIVES; PAGE 7**

**“#3: ESTABLISH AN ASSET MANAGEMENT PLAN TO STRATEGICALLY MANAGE THE FUNDING OF FUTURE PROJECTS AND THE CONTINUAL REPLACEMENT AND MAINTENANCE OF EXISTING FACILITIES.”**

- **SECTION D; PAGES 24 ONWARD: "AS THE FACILITY CONTINUES TO AGE....., IT IS IMPERATIVE THAT FURTHER BRICKS AND MORTAR INVESTMENTS BE MADE."**

**"COURTS 1-7 ARE NOW OVER 35 YEARS OLD AND EVEN THOUGH THE DISTRICT HAS DONE AN EXEMPLARY JOB MAINTAINING AND EXTENDING THEIR SERVICE LIFE, THE REALITY IS THAT TENNIS COURT PAVEMENT SYSTEMS ARE TYPICALLY DESIGNED FOR A 30 TO 40 YEAR SERVICE LIFE. THE DRAINAGE SYSTEMS, PAVEMENTS, COATINGS AND STRUCTURAL AGGREGATE BASES WILL NEED RECONSTRUCTION/RENEWAL IN THE VERY FORESEEABLE FUTURE, 5-7 YEARS."**

**SUMMARY AND ACTIONS: THE BOTTOM LINE IS THAT COURTS 1-7 ARE NOW NEARLY 45 YEARS OLD AND, NOT ONLY HAVE NO RECONSTRUCTION EFFORTS BEEN TAKEN TO DATE, NO PROVISION NOR PLAN AND ONLY NOMINAL, INSUFFICIENT FUNDS HAVE BEEN BUILT INTO ANNUAL BUDGETS OR THE 5 YEAR CIP TO ADDRESS COURT CONDITIONS, AS RECOMMENDED BY LLOYDS.**

**THE TENNIS PLAYING COMMUNITY DOES APPRECIATE SHEILA'S AND IVGID LEADERSHIP RECOGNITION AND ACKNOWLEDGEMENT OF THE ISSUE AND HAS AND IS WORKING WITH THE COMMUNITY TO PROACTIVELY FIND OPTIONS AND SOLUTIONS. WE WILL CONTINUE TO DO SO.**

**HAVING SAID THAT, NOTHING CONSEQUENTIAL WILL IMPACT THE COURTS WITHOUT A TANGIBLE PLAN (SHORT TERM AND LONG TERM) AND FUNDING TO SUPPORT IT.**

**THERE ARE MANY OTHER ASPECTS OF THE LLOYDS REPORT THAT ARE NOTABLE, INCLUDING OPERATIONAL AND ADMINISTRATIVE SOLUTIONS TO ENHANCE REVENUES, COURT USAGE, RESERVATIONS SYSTEMS AND OTHER INVESTMENTS AND WE LOOK FORWARD TO WORKING WITH MANAGEMENT TOWARD SOLUTIONS IN 2023.**

**LASTLY, IT IS THE VIEW OF THE PLAYING COMMUNITY THAT MANY OF THE ASPECTS OF THE LLOYD'S REPORT, PARTICULARLY COURT CONDITIONS, COULD HAVE BEEN ADDRESSED IN A TIMELY MANNER HAD THERE BEEN A CONSISTENTLY HIGHER LEVEL OF LEADERSHIP AT THE TENNIS FACILITY, INSTEAD OF THE STOP GAP MEASURES TAKEN IN RECENT YEARS.**

**WITHOUT KNOWLEDGEABLE, ENGAGED AND DEDICATED ON SITE CENTER LEADERSHIP THERE HAS BEEN NO VOICE TO CHAMPION THE CENTER'S NEEDS NOR THOSE OF THE PLAYING COMMUNITY AND ENSURE THOSE NEEDS ARE REPRESENTED BY INVESTMENTS IN WAYS BOTH FINANCIAL AND OPERATIONAL.**

**WE REQUEST AND SEEK THE BOARD'S SUPPORT IN ENSURING IVGID LEADERSHIP HAS ACCESS TO THE RESOURCES NECESSARY TO ACCOMPLISH IN 2023 AND BEYOND THAT WILL RETURN THE TENNIS CENTER TO THE WORLD CLASS CONDITION THAT THE COMMUNITY ENJOYED IN THE PAST AND SHOULD AGAIN FOR YEARS TO COME.**

**THANK YOU IN ADVANCE FOR YOUR CONSIDERATION.**

**SUBMITTED BY BILL FEAST, ON BEHALF OF THE TENNIS COMMITTEE  
MEMBERS AND THE TENNIS PLAYING COMMUNITY**

**IVGID BOARD MEETING**

**JANUARY 25, 2023**

**APPENDIX: THE TENNIS COMMITTEE MEMBERS ARE ALL USTA  
LEAGUE MEMBERS AND HAVE CAPTAINED/CO-CAPTAINED INCLINE  
VILLAGE USTA TEAMS FOR MANY YEARS, AS WELL AS LED AND  
PARTICIPATED IN MANY OF THE SOCIAL PLAY, PROGRAMS AND  
EVENT PLANNING ALONG WITH TENNIS CENTER TEAM, INCLUDING  
THE 2022 INCLINE OPEN, THE MOST SUCCESSFUL AND WELL  
ATTENDED IN RECENT YEARS.**

**ALL FOUR MEMBERS OF OUR GROUP, IN THE PERIOD LEADING UP  
TO THE FORMATION OF THE TENNIS/PICKLEBALL COMMITTEE  
FORMATION IN SUMMER 2022, CANVASSED A HUGE NUMBER OF  
THE PLAYING COMMUNITY TO ENSURE A CONSISTENT AND WELL  
CONSIDERED VIEW OF A BROAD CROSS SECTION OF MEMBERS OF  
THE INCLINE VILLAGE PLAYING COMMUNITY.**

**THE COMMITTEE WOULD LIKE TO RECOGNIZE SHEILA AND BASIA  
FOR THEIR RECEPTIVE AND COLLABORATIVE APPROACH IN  
WORKING WITH US IN A CONSTRUCTIVE MANNER, KNOWING  
THERE IS A LOT TO ACCOMPLISH IN THE MONTHS AHEAD.**

Public Comments January 25, 2023

Kate Nelson, IVGID Employee

Good evening Board for the record I am Kate Nelson Engineering Manager for IVGID. I have worked for IVGID just under 2 years now and would like to provide you some insight into my decision making process when deciding to accept this position.

Believe it or not it was a very difficult decision to make because I had a great job that was challenging and I enjoyed the work. I was compensated well had a very flexible schedule and great benefits. Basically my decision came down to the commute and the benefits. I live off the Mt Rose highway in Galena and had a quick easy 9 mile commute to Damonte Ranch to work. During the winters on average I would at most have to drive in about 2 miles of snow and ice. Looking at the commute to IVGID, I would be traveling 19 miles over a mountain summit. Much of the year, it would just be 15 minutes more in the car than I was used to. I also knew it wasn't going to be a picnic in the winter, but I've driven enough in snow to be comfortable. So there was a negative on the commute.

The next comparison I made were the benefits provided. My previous employer paid 100% for myself and all my dependents for health, vision and dental insurance. IVGID, I would be responsible for a portion of that bill now – another negative. Between the retirement offered and annual bonuses, I considered that to be a wash. Then there was the recreation benefits. My family and I enjoy being outside going skiing, hunting, and going to the beach. All those recreation benefits I considered a bonus that outweighed the negatives. If you take away one of these benefits – what is stopping you from taking away the others?

As a manager I have firsthand knowledge of how difficult it is to find people who would even commute to work here. There are plenty of jobs available in Reno/Sparks/Carson/Truckee that require very little windshield time and have salaries and benefits that are comparable to IVGID. Really the only thing that sets IVGID apart – are the added recreation benefits. I think the Board would be a disservice to attract and maintain qualified, motivated and productive employees if they were to take away a really good recruitment tool we use as managers.

The reason I felt compelled to provide public comment this evening is because I believe that I am very representative of the current workforce for IVGID – long gone are the days of finding people that can afford to live and work in this community. I would think that the Board would see the benefit to allowing their employees to enjoy the various venues because we are the people responsible for providing the responsible stewardship of the District resources. This also allows the employees to be part of this community and not just the main character in the community Karen's three minutes of fame.

You as the Board are the ultimate leaders of this District and Staff. For the sake of the staff, I really hope you are actively listening to all the employees.

Thank you.

1/25/2023  
6:00 PM

o Introduction + local business owner  
6 years

o Purpose: Voice my concerns regarding Ordinance 7  
and the removal of beach access rights from <sup>non-resident</sup> IVGID employees

1) ~~Under~~ burden upon non-Incline resident IVGID Employees  
Disproportionate

2) Negligible effect on overall beach usage and  
cost to community

↳ Illustrated by data, Public Record

2019: Total Park Scans: 108,174

Picture Passes: 104,077 96%

Employee Passes: 4,097 4%

2% 2%

Guests Employees

2022: Total Park Scans: 147,271

Picture Passes: 144,042 ~ 98%

Employee Passes: 3,229 ~ 4% 2%

0.5% 1.5%

Guests Employees

Reiterate

↳ Subset of this is non-residents, so meaningful  
number even smaller

o Questions: 1) Why ~~was~~ <sup>has</sup> taking these <sup>rights</sup> ~~privileges~~ away <sup>from our IVGID Employees been</sup> a priority of the board?  
2) What data was used to reach the decision  
3) How do you think this will impact IVGID's ability  
to hire new talent (loyal, invested)?

Keeping in mind: • high cost of IVGID housing

relative to nearby communities  
• # of workers who are <sup>refers</sup> ~~refers~~ <sup>rights</sup> ~~rights~~  
• concerns about other <sup>privileges</sup> ~~privileges~~

And the concerns this will raise for  
potential IVGID new-hires about other  
benefits being revoked in the future

being removed in the future?

multilingual



**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN  
MINUTES OF THE IVGID BOARD'S REGULAR JANUARY 25, 2023 MEETING –  
AGENDA ITEM G(1) – 2023-24 BUDGET WORKSHOP**

**Introduction:** Well “here’s another one” according to my friend DJ Khaled<sup>1</sup>! I keep telling the IVGID Board and the public that the District is not being properly managed<sup>2</sup> and as a consequence, the facilities and services it furnishes can be more effectively provided by another district<sup>3</sup> or Washoe County. Or more preferably, IVGID should simply be dissolved<sup>3</sup>. However in the interim, and in order to provide evidence in support of dissolution, it’s time to examine the wrongdoing the District engages in which ends up costing local parcel/dwelling unit owners even though this wrongdoing has nothing to do with their availability to recreation facilities and programs. And that’s the purpose of this written statement.

**My E-Mails of January 23 and 25, 2023:** On January 23, 2023, after reading the packet of materials prepared by staff in anticipation of this evening’s meeting<sup>4</sup> (“the 1/25/2023 Board packet”), I sent the Board an e-mail<sup>5</sup> pointing out the reasons why staff’s methodology was flawed and why it should reject use of baseline budgeting. I am not going to repeat the reasons but rather refer the reader to the attached e-mail.

---

<sup>1</sup> Go to <https://www.djkhaledofficial.com/>.

<sup>2</sup> NRS 318.515(1)(a) and 318.515(3)(a)-(d) instruct that “upon notification by the Department of Taxation or upon receipt of a petition signed by 20 percent of the qualified electors of the district, that...a district of which the board of county commissioners is not the board of trustees is not being properly managed...the board of county commissioners of the county in which the district is located shall hold a hearing to consider...(a) adopt(ion of) an ordinance constituting the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt(ion of) an ordinance providing for the merger, consolidation or dissolution of the district...(c) fil(ing) a petition in...district court for the...appointment of a receiver for the district; or, (d) determin(ing) by resolution that management and organization of the district...remain unchanged.”

<sup>3</sup> NRS 318.490(1)-(2) instruct that “whenever a majority of the members of the board of county commissioners...deem it to be in the best interests of the county and of the district that the district be merged, consolidated or dissolved, or if the board of trustees of a district, by resolution...agrees to such a merger, consolidation or dissolution, the board of county commissioners shall so determine by ordinance, (that)...(b) the services of the district are no longer needed or can be more effectively performed by an existing unit of government (or)...that the district should be dissolved, merged or consolidated.”

<sup>4</sup> Go to <https://www.yourtahoeplace.com/uploads/pdf-ivgid/012523.pdf>.

<sup>5</sup> This e-mail is part of an e-mail string which is attached as Exhibit “A” to this written statement.

On January 25, 2023 I sent a follow up e-mail to the Board<sup>5</sup> wherein I provided further evidence why the Board should reject staff's baseline budgeting unless and until staff present evidence of each and every operational expense included within their proposed fund budget(s). I am not going to repeat the reasons but rather refer the reader to the attached e-mail.

**You Have No Idea What Expenses Are Included in the Proposed Budgets Presented For Your Approval:** And since you don't, how can you possibly approve anything that staff submit to you for approval? Let share but one example of this principle.

**Flashvote:** Do you remember the Flashvote service/training contract submitted for your approval at the Board's meeting of January 11, 2023? Where was the \$9,900 cost going to come from? According to Mr. Navazio<sup>6</sup>, there was "flexibility" in our budget to "re-label" or "reallocate" unspent General Fund budgeted amounts for expenditures such as trustee travel, training and conferences, or professional services. But as Trustee Tulloch pointed out, "surveys" are not "training."

The expenses assigned to the General Fund which have been budgeted appear at page 8, Schedule B-10 of the Budget<sup>7</sup>. Do you see the category "Trustees?" Look at the line item expenses which appear (salaries and wages, employee benefits, and services and supplies). Do you see trustee travel? What about trustee training? What about trustee conferences?

Do you see the category "General Government?" Look at the line item expenses which appear (salaries and wages, employee benefits, and services and supplies). Do you see professional services? If these "line-item" expenses were actually included in the budget, how did anyone know other than staff? Or Trustee Schmitz asking for a breakdown of line-item expenses included within a larger umbrella category after the fact?

Let's examine staff's proposed "baseline budget" for 2023-24<sup>8</sup>. And in particular let's look at staff's proposed summary of revenues and expenses assigned to the General Fund<sup>9</sup>. I see a whole series of "uses" (aka expenses) listed. But I don't see line-items for trustee travel, training and conferences. Although I do see professional services, I see no breakdown of the individual services included therein (such as legal, audit or whatever). And the Board is supposed to know that these unnamed expense items are included in other line-item expenses which bear a different name?

---

<sup>6</sup> See 3:39:35-3:44:30 of the livestream of that meeting (go to <https://livestream.com/ivgid/events/10739596/videos/234548544>).

<sup>7</sup> That page is attached as Exhibit "B" to this written statement.

<sup>8</sup> See pages 044-204 of the packet of materials prepared by staff in anticipation of this Board meeting ["the 1/25/2023 Board packet" (<https://www.yourtahoepace.com/uploads/pdf-ivgid/012523.pdf>)].

<sup>9</sup> See page 068 to the 1/25/2023 Board packet. This page is attached as Exhibit "C" to this written statement.

And that's my point. Unless you know each and every line-item expense which is being proposed and included in the materials which are provided by staff, how can you possibly adopt any budget being proposed?

**Conclusion:** Hundreds of pages of "numbers" intended to confuse the hell out of the Board and the public. When what should be shared is quite straightforward. Zero-based budgeting, and sharing of the particulars of all expenses proposed to be approved for budget purpose. Only then can the Board and the public make intelligent decisions.

**And You Wonder Why the Recreation ("RFF") and Beach ("BFF") Facility Fees Which Pay For This and Other Similar Waste Which Local Parcel/Dwelling Unit. Owners Are Forced to Involuntarily Pay is Out of Control?** I've now provided more answers.

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

## **EXHIBIT "A"**

## Jan 25, 2023 Board Meeting - Agenda Item G(1) - Budget Workshop - Part II

---

**From:** <s4s@ix.netcom.com>  
**To:** Dent Matthew <dent\_trustee@ivgid.org>  
**Cc:** Schmitz Sara <schmitz\_trustee@ivgid.org>, Tonking Michaela <tonking\_trustee@ivgid.org>, <noble\_trustee@ivgid.org>, Tulloch Ray <tulloch\_trustee@ivgid.org>, <sellingtahoe@sbcglobal.net>, <ISW@ivgid.org>  
**Subject:** Jan 25, 2023 Board Meeting - Agenda Item G(1) - Budget Workshop - Part II  
**Date:** Jan 25, 2023 1:05 PM

---

Chairperson Dent and Other Honorable Members of the IVGID Board -

So something more has come to my attention which proves the point I was trying to make that you have no business approving what staff are proposing, because they are being intentionally deceitful (are you reading Gail? Intentional deceitful). Let me explain.

This all comes about because of the Flashvote contract which was approved at the Board's last (January 11, 2023) meeting. Take a look at 3:39:35-3:44:30 of the livestream of that meeting. There Chair Dent asked staff to share where the \$9,900 contract price was going to come from? And BTW, this is the same question which should be asked for the additional \$3,300 Trustee Tonking is requesting this as a modification to the contract, assuming it is approved (which I hope it won't).

Take a look at the budget we've shared with the Dep't of Taxation. Look at Schedule B-10 on page 8 which allegedly has a breakdown of each and every expense assigned to the General Fund. Look under Trustee expenses. Do you see trustee travel? What about trustee training? What about trustee attendance at conference(s)? Look under General Government expenses. Do you see professional services? Since the answers to these questions are all "no," how do you know that any of these expenses are included in our approved budget? Because staff tell you so after the fact (I'm talking to you Trustee Schmitz)?

Well that's not good enough for me. And it should not be good enough for you.

EVERY line-item expense which is included under "services and supplies" MUST be identified ahead of time so the Board is aware of and can approve a budget that includes those expenditures. But staff refuse to do this. So that when some new pet expense comes along, that no one ever discussed when the budget was being approved, staff can magically create a budget appropriation therefore even if it means "re-labeling" or "re-allocating." This is wrong and staff is setting you up to replicate the same wrong. Don't believe me?

Let's examine staff's proposed "baseline budget" for 2023-24. And in particular, let's look at staff's proposed summary of revenues and expenses assigned to the General Fund (see page 068 of the current Board packet). I see a whole series of "uses" (aka expenses) listed. But what I don't see are line-item entries for trustee travel, training and conferences. Do you? I do see a line item entry for professional services. But I see no breakdown of the individual services included therein (such as legal, audit, consultants, Dr. Bill or whatever). Do you?

So how are you as a Board supposed to know what these un-named expense items are which are included within other line-item expenses which bear different names?

And that's my point. Unless you know each and every line-item expense which is being proposed and included within the materials which are provided by staff, how can you possibly adopt any budget they are proposing? You need to demand that staff disclose each and every operational expense being proposed. Just like they do for CIPs and personnel costs, so the public knows. And knows whether any should be challenged. Until staff do what they should be doing, THERE'S NOTHING TO DISCUSS. It's that simple.

Staff won't tell you this. And you can't confirm it on your own using the tools staff share with the public. But ask Indra if what I am going to share with you is accurate. All of our audit expenses are NOT being

assigned to the General Fund under the umbrella category of "professional services," even though they should. Apparently staff have decided to allocate some of those expenses to other funds. Now who told staff to do this? So why are they doing this? And how much are they allocating to other funds? And if this is happening with a totally general governmental expense, how many other general governmental expenses do you think staff is similarly allocating to other funds? And in what amounts? And this is supposed to be appropriate?

Now if staff shared each and every line-item expense, we would know what expenses are being allocated so we could ask these questions. But since they're not, we can't. And this is supposed to be appropriate?

IVGID must provide an audit because it is a public agency and NRS 354 mandates this takes place. But why is part of the cost an expense legitimately assigned to the Beach Fund? Which only increases the amount of overspending in that fund? Which creates the need for a greater financial subsidy. Which translates into a larger facility fee. Which means I as a property owner am being charged more than I should be charged (assuming arguendo I should be charged anything). Which also means that my beach fee is NOT paying for my property's availability to access and use the beaches. Instead, it is paying for...an audit.

Assuming a portion of our audit costs is being allocated to the Community Services Fund, you can make the same argument and ultimately conclude that my recreation fee is NOT paying for my property's availability to access the public's recreational facilities other than the beaches. Instead, it is being used to pay for...an audit.

And assuming a portion of our audit costs is being allocated to the Utility Fund, you can make the same argument and ultimately conclude that my sewer/water rates and charges are higher than they should be because they're NOT paying for the costs the District incurs to provide water and sewer services to my home. Instead, they are being used to pay for...an audit.

And part of the overspending in the General Fund is being masked because it is being paid by other funds than the General Fund. And this is on top of the phony subsidy I have written to you about labeled "central services"

And if you think it's just the audit costs we're talking about that are being improperly masked and paid by other funds, you're being naive. I can't tell you the extent of costs because staff refuse to be transparent. And forthcoming. Which is why you must demand that staff disclose all the costs included in their proposed budget, rather than hiding them by starting with a baseline budget from 2022-23.

Thank you, Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Jan 23, 2023 10:38 PM

To: Dent Matthew <dent\_trustee@ivgid.org>

Cc: Schmitz Sara <schmitz\_trustee@ivgid.org>, Tonking Michaela <tonking\_trustee@ivgid.org>, <noble\_trustee@ivgid.org>, Tulloch Ray <tulloch\_trustee@ivgid.org>

Subject: Jan 25, 2023 Board Meeting - Agenda Item G(1) - Budget Workshop

Chairperson Dent and Other Honorable Members of the IVGID Board -

You need to nip this one in the bud. Right here and right now. Because if you don't, you will open the door to allowing staff to create another false narrative based upon a false assumption.

Staff are telling you that their budget assumptions are pre-conditioned upon starting with "baseline staffing / budgets / service levels / five year forecasts" (see pages 047 and 057 - 058 of the Board packet). Do each of you know what a baseline budget is? Do you know how it differs from a zero based budget? Do you know what's wrong to begin this initiative with the given of a baseline budget?

I'm going to assume at least one of you doesn't. So for the rest of you, please accommodate me.

"Baseline budgeting uses CURRENT spending levels as the 'baseline' (or given) for establishing future funding requirements and assumes future budgets will equal the current budget" as a minimum [see [https://en.wikipedia.org/wiki/Baseline\\_\(budgeting\)](https://en.wikipedia.org/wiki/Baseline_(budgeting))].

Zero based "budgeting...analyzes an organization's needs and costs by starting from a 'zero base' (meaning no funding allocation whatsoever) at the (very) beginning...The intended outcome is to access the efficient use of resources by determining if services can be provided at a lower cost" (see [https://en.wikipedia.org/wiki/Zero-based\\_budgeting](https://en.wikipedia.org/wiki/Zero-based_budgeting)).

Thus if the current budget is crappy using baseline budgeting, WHICH IT IS, we are guaranteed to end up with a 2023-24 budget which is even crappier! Take a look at page 058 of the Board packet. Take the District's current budget stated thereon and ADD to it:

1. A 5% COLA INCREASE for full time employees per labor agreements;
2. A 50% hourly INCREASE for part time employees;
3. A 12% INCREASE for employee fringe medical;
4. A 10% INCREASE for employee fringe dental;
5. A 3% INCREASE for services and supplies;
6. A 7% INCREASE for insurance;
7. A 5% INCREASE for utilities;
8. A 5% INCREASE for costs of goods sold.

Do you think we're going to end up better financially than we started this fiscal year with? Is this what you want to happen? Assuming the answer is no, why would you ever start down this road? And why would you let staff get away with this "technique."

Our financial problems are what they've always been. EXPENSES. Staff will not tell you what individual expenses are included in the proposed budgets they bring for your approval. So how will you know? And if you don't know, how can you possibly approve any budget? You have no idea what you're approving!

Let's go to personnel costs for an example of what I am talking about; one of my favorites. Take a look at page 060 of the Board packet. In FY 2019-20 personnel costs, system wide, totaled \$18,192,682. This fiscal year, only 3 years later, these costs have mushroomed to \$24,938,041. That's a whopping nearly \$6.75M or a 37% INCREASE! In just three years.

And for 2023-24, your staff is proposing ANOTHER nearly \$2M (8%) INCREASE! And this is supposed to be appropriate when you're looking to local parcel owners to pay for these INCREASES with their Recreation ("RFF") and Beach ("BFF") Facility Fees as well as increased utility rates and charges? Who's running the show here?

Demand that staff justify EVERY employee position. How about IVGID publisher? Communications Coordinator? Director of Admin Services? New Rec Center Ass't? Ski Way snow plow operator? Hyatt Sports Shop employee? Retail merchandise manager? Wedding Planner? Food and Beverage Chef and Sous Chef? Catering? Facility Sales? Resource Conservationist? Marketing Manager? Marketing Coordinator? Wendy Hummer dba EXL Media? Do I really need to go further? Can't you Board members figure this out for yourselves? Get rid of the dead weight!

Demand that staff produce every line item expense they propose so the Board and the public can identify and challenge those which are wasteful/questionable. If staff refuse, my suggestion is that you go no further with them. Or simply eliminate proposed central services cost transfers, the BFF and the RFF SUBSIDIES altogether, because these are what pay for staff's intentional overspending in each of our funds. Without these subsidies, let's see how staff perform.

Here's another thing I resent. Part of staff's baseline budget assumes there be a RFF and BFF and they total \$6,193,644. Don't believe me? Take a look at page 060 of the Board packet.

Treat the RFF/BFF as if they're taxes rather than fees? Treat them as if they are a given and in this amount notwithstanding they're supposed to pay for the costs the District incurs to make our public recreational facilities and beaches available for OUR (rather than the world's tourists') access and use? More lies. And each of you know this.

But don't limit you're inquiry to the RFF, BFF and excess utility rates and charges. ELIMINATE interfund services. That will save \$4,131,400 (see page 060 of the Board packet) or more. Whatever services the employees who are assigned to this fund perform, outsource them instead. Probably less cost, more professionalism, no employee taxes nor benefits, etc. We don't need these people writing staff memos supporting the expenditure of excess Burnt Cedar Pool revenues on pool furniture. Nor purchasing the furniture. Nor purchasing DP food court furniture which cost more because staff have ordered DP logos thereon because they look cool. Nor managing construction projects when we're already paying a CMAR to perform professional management. Etc., etc., etc.

And, eliminate \$2,033,229 (see pages 063 and 068 of the Board packet) of central services costs (it's really \$2,548,830 because \$515,600 is allegedly directly charged to the General Fund - see page 076 of the Board packet) because as I have demonstrated, they're nothing more than RFF/BFF subsidies with a different name that cover nothing more than the difference between budgeted revenues and overspending assigned to the General Fund.

Do you understand that \$1,359,736 of these transfers paid for the 2019-20 loss of ad valorem tax revenue caused by our share of county property tax refunds (see page 060 of the Board packet)? Now what did that expense have to do with paying for the services provided by the General Fund to other District departments?

And putting aside questions like these, do you understand that because of overspending, staff is proposing that reimbursement of these alleged "costs" increase a whopping \$713,829 or 54% [from \$1,319,400 to \$2,033,339 (see page 068 of the Board packet)] for 2023-24? And you really, really think this expense represents what staff tell us it represents? Yes more lies. And each of you should know this. And if you don't, come see me. I have a couple of bridges on IVGID property I'd love to sell you.

And I haven't even gotten to staff's proposed 10 year CIP plan. You should demand that staff justify each and every line item CIP they propose so the Board and the public can challenge those which are wasteful/questionable. You may want each of these projects Mr. Noble. But WE CAN'T AFFORD THEM. Because if we could, we wouldn't need:

1. RFF subsidies; and,
2. BFF subsidies; and,
3. Central Services Cost transfer subsidies;
4. Subsidized IVGID commercial business water and sewer fees; and,
5. Hidden solid waste disposal franchise fee subsidies which end up getting passed on to local parcel owners.

Each of you knows what you SHOULD do. And the first thing is getting this budget thing right from the start. That means sending Mr. Navazio back to his office to come up with the missing data which is necessary to come up with a fresh, new, zero based budget that doesn't reward staff by maintaining the flow of gravy to the detriment of we local parcel owners who have been staff's saviors for the last 50 or more years.

Don't like my suggestions? That's fine. COME UP WITH YOUR OWN. It's your job not mine to make these commercial business enterprises break even cash flow wise, or heaven forbid make a profit WITHOUT any subsidies from local parcel owners. And if you can't, it's time to do what any other commercial business enterprise would do. GET OUT OF BUSINESS! We're not here for these reasons.

Respectively, Aaron Katz



## **EXHIBIT "B"**

EXPENDITURES BY FUNCTION AND ACTIVITY	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/23 (4)	
	ACTUAL PRIOR YEAR ENDING 6/30/2021	ESTIMATED CURRENT YEAR ENDING 6/30/2022	TENTATIVE APPROVED	FINAL APPROVED
<b>GENERAL GOVERNMENT</b>				
<b>General Administration</b>				
Salaries and Wages	101,209	43,593	55,528	55,312
Employee Benefits	21,329	22,495	31,091	31,289
Services and Supplies	442,712	557,952	697,252	735,523
Contingency	-	-	100,000	100,000
Transfers Out			100,000	1,000,000
Subtotal General Administration	565,250	624,040	983,871	1,922,124
<b>General Manager</b>				
Salaries and Wages	260,346	332,644	423,714	428,795
Employee Benefits	118,331	144,363	199,531	203,528
Services and Supplies	18,879	46,502	58,112	57,027
Subtotal General Manager	397,556	523,508	681,357	689,351
<b>Trustees</b>				
Salaries and Wages	105,084	70,658	90,002	93,582
Employee Benefits	33,542	23,280	32,176	33,896
Services and Supplies	5,096	90,592	113,210	108,840
Subtotal Trustees	143,722	184,530	235,388	236,318
<b>Accounting</b>				
Salaries and Wages	550,351	654,160	833,254	832,534
Employee Benefits	253,759	303,335	419,255	423,009
Services and Supplies	56,836	64,894	81,095	79,865
Subtotal Accounting	860,946	1,022,388	1,333,604	1,335,408
<b>Information Services &amp; Technology</b>				
Salaries and Wages	421,640	444,649	566,384	567,613
Employee Benefits	206,407	212,616	293,668	296,900
Services and Supplies	312,877	392,259	509,691	504,809
Subtotal Information Services	940,924	1,049,524	1,369,743	1,369,322
<b>Risk Management</b>				
Salaries and Wages	83,270	81,974	104,417	104,653
Employee Benefits	43,628	37,402	51,695	52,237
Services and Supplies	10,417	21,886	27,350	26,400
Subtotal Human Resources	137,315	141,262	183,462	183,290
<b>Human Resources</b>				
Salaries and Wages	420,291	478,343	609,303	610,628
Employee Benefits	222,245	224,413	310,173	313,450
Services and Supplies	22,551	74,487	93,084	88,569
Subtotal Human Resources	665,087	777,244	1,012,560	1,012,647
<b>Health &amp; Wellness</b>				
Salaries and Wages	10,870	30,782	39,209	39,292
Employee Benefits	4,377	18,467	25,524	25,720
Services and Supplies	971	18,025	22,525	21,210
Subtotal Health & Wellness	16,218	67,273	87,258	86,222
<b>Communications</b>				
Salaries and Wages	94,655	86,066	109,629	109,883
Employee Benefits	54,106	40,894	56,522	57,140
Services and Supplies	16,880	111,186	138,945	138,700
Subtotal Communications	165,651	238,146	305,096	305,723
<b>Capital Outlay</b>				
General Government	92,485	32,500	418,000	633,000
Information Services & Technology	36,040	242,500	-	-
Human Services	237,353	154,085	-	-
Subtotal Capital Outlay	365,878	429,085	418,000	633,000
<b>FUNCTION SUBTOTAL</b>	<b>4,258,547</b>	<b>5,057,000</b>	<b>6,610,539</b>	<b>7,773,405</b>

Incline Village General Improvement District  
(Local Government)  
SCHEDULE B - GENERAL FUND

## **EXHIBIT "C"**

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT  
STATEMENT OF SOURCES AND USES  
BY CLASS  
GENERAL FUND**

Prior Fiscal Year - Current Fiscal Year - Baseline

	Actuals FY2019-20	Actuals FY2020-21	Actuals FY2021-22	Adopted Budget FY2022-23	Baseline Budget FY2023-24	Preliminary Budget FY2023-24	Tentative Budget FY2023-24	Final Budget FY2023-24
<b>SOURCES</b>								
Ad Valorem Property Tax	1,706,172	1,760,049	1,873,949	2,008,289	2,088,600			
Consolidated Taxes	1,736,657	1,941,358	2,068,815	2,092,885	2,176,600			
Charges for Services	952	162	2	2,520	2,520			
Intergovernmental - Operating Grants	-	1,440	2,000	-	-			
Central Services Revenue	1,367,400	-	-	-	-			
Non Operating Income/Leases	-	251,712	1,402	-	-			
Investment Earnings	432,643	68,488	(16,517)	13,308	13,308			
Proceeds from Capital Asset Dispositions	(10,079)	-	-	-	-			
<b>TOTAL SOURCES</b>	<b>5,233,745</b>	<b>4,023,209</b>	<b>3,929,652</b>	<b>4,117,002</b>	<b>4,281,028</b>			
<b>USES</b>								
Salaries and Wages	1,976,630	2,047,726	2,233,788	2,842,293	3,069,800			
Employee Fringe	903,646	957,723	1,016,423	1,437,169	1,548,280			
<b>Total Personnel Cost</b>	<b>2,880,277</b>	<b>3,005,449</b>	<b>3,250,212</b>	<b>4,279,462</b>	<b>4,618,080</b>			
Professional Services	294,601	285,670	358,403	461,475	411,475			
Services and Supplies	472,959	440,793	956,070	1,124,356	1,205,600			
Insurance	48,241	51,394	55,100	57,900	68,200			
Utilities	103,758	109,363	111,204	117,212	108,800			
Central Services Cost	-	(1,335,748)	(1,538,807)	(1,319,400)	(2,033,229)			
Other Uses	-	-	596,257	-	-			
Capital Improvements	279,424	365,878	98,550	633,000	195,000			
Extraordinary	1,359,736	-	-	100,000	100,000			
Transfers Out	300,000	-	-	1,000,000	-			
<b>TOTAL USES</b>	<b>5,738,995</b>	<b>2,922,799</b>	<b>3,886,988</b>	<b>6,454,005</b>	<b>4,674,926</b>			
<b>SOURCES(USES)</b>	<b>(505,250)</b>	<b>1,100,409</b>	<b>42,664</b>	<b>(2,337,003)</b>	<b>(393,898)</b>			

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN  
MINUTES OF THE IVGID BOARD'S REGULAR JANUARY 25, 2023 MEETING –  
AGENDA ITEM F(1) – ELIMINATING BEACH ACCESS TO CURRENT/FORMER  
IVGID EMPLOYEES/TRUSTEES WITHOUT BEACH ACCESS**

**Introduction:** Well “here’s another one” according to my friend DJ Khaled<sup>1</sup>! However, this one I agree with. Eliminating beach access to persons not entitled to that access under the beach deed. And that’s the purpose of this written statement.

**My E-Mail of January 23, 2023:** On January 23, 2023, after reading the packet of materials prepared by staff in anticipation of this evening’s meeting<sup>2</sup> (“the 1/25/2023 Board packet”), I sent the Board an e-mail<sup>3</sup> sharing my views insofar as current/past employees/trustees not otherwise entitled to that access under the beach deed. Also, I pointed out that the proposed action did not go far enough. If we’re going to comply with the beach deed, then ALL outsiders should be excluded from the beaches. And that includes WCSO, NDOW and NLTFPD personnel. I am not going to repeat the several reasons but rather refer the reader to the attached e-mail.

**Conclusion:** Please make the changes necessary to restrict access to our beaches to just those literally mentioned in the beach deed. And that means restricting access to persons like the WCSO, NDOW and NLTFPD.

**And You Wonder Why the Recreation (“RFF”) and Beach (“BFF”) Facility Fees Which Pay For This and Other Similar Waste Which Local Parcel/Dwelling Unit. Owners Are Forced to Involuntarily Pay is Out of Control? I’ve now provided more answers.**

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

---

<sup>1</sup> Go to <https://www.djkhaledofficial.com/>.

<sup>2</sup> Go to <https://www.yourtahoeplace.com/uploads/pdf-ivgid/012523.pdf>.

<sup>3</sup> This e-mail is part of an e-mail string which is attached as Exhibit “A” to this written statement.

## **EXHIBIT "A"**

## Jan 25, 2023 Board Meeting - Agenda Item F(1) - Eliminating Beach Access to Non Parcel Owning Silver and Gold Card Holders, and Employees as Well as Their Household Members

---

**From:** <s4s@ix.netcom.com>  
**To:** "Dent Matthew" <dent\_trustee@ivgid.org>  
**Cc:** "Schmitz Sara" <schmitz\_trustee@ivgid.org>, "Tonking Michaela" <tonking\_trustee@ivgid.org>, <noble\_trustee@ivgid.org>, "Tulloch Ray" <tulloch\_trustee@ivgid.org>  
**Subject:** Jan 25, 2023 Board Meeting - Agenda Item F(1) - Eliminating Beach Access to Non Parcel Owning Silver and Gold Card Holders, and Employees as Well as Their Household Members  
**Date:** Jan 23, 2023 1:12 PM

---

Chairperson Dent and Other Honorable Members of the IVGID Board -

Well I obviously agree with this one. After all, isn't that what the beach deed instructs? And isn't the District our beach steward to faithfully follow and enforce the beach deed? So why the discussion.

But there's more.

First, if we eliminate beach access to current and past District employees who are not entitled to access, why aren't we eliminating it to others not entitled to access? You know who I'm talking about"

1. Washoe County personnel;
2. WCSO personnel;
3. NDOW personnel;
4. NLTFPD personnel; and,
5. TRPA personnel.

After all, page 014 of the Board packet states that "this item (allegedly)...reflects efforts by the District to prioritize beach use by only those directly referenced in the beach deed." Are the personnel I have referenced above directly referenced in the beach deed? Then why is staff giving them access? Why is the District giving the WCSO the time of day insofar as its "public safety pier" proposal on Burnt Cedar Beach is concerned?

And second, the same page of the Board packet clearly states that "this item does not affect those employees' entitled to access by the Beach Deed and according to Ordinance 7." Doesn't Ordinance 7 state that IVGID staff have the discretion to grant beach access to anyone at anytime regardless of the beach deed? If so, then this right is allegedly not affected by passage of this agenda item. Is that the Board's intent?

What about local property owners' right under Ordinance 7 to designate employees without beach access as their guests? Non guest fee paying guests no less? Intentional or a mere slip of the tongue?

If we're going to do this, LET'S DO IT RIGHT!

Respectively, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN  
MINUTES OF THE IVGID BOARD'S REGULAR JANUARY 25, 2023 MEETING –  
AGENDA ITEM E(1) – PAYING AN ADDITIONAL \$3,000 TO TRANSLATE  
WASTEFUL FLASHVOTE SURVEYS INTO SPANISH**

**Introduction:** Well “here’s another one” according to my friend DJ Khaled<sup>1</sup>! I keep telling the IVGID Board and the public that the District is not being properly managed<sup>2</sup> and as a consequence, the facilities and services it furnishes can be more effectively provided by another district<sup>3</sup> or Washoe County. Or more preferably, IVGID should simply be dissolved<sup>3</sup>. However in the interim, and in order to provide evidence in support of dissolution, let’s examine the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with their availability to recreation facilities and programs. And that’s the purpose of this written statement.

**My E-Mail of January 23, 2023:** At the Board’s January 11, 2023 meeting it approved a contract with Flashvote to perform up to six (6) annual surveys for \$9,900. This was an ongoing contract which continues unless/until it is formally terminated. I was against this contract due to the fact it was not budgeted, and would eventually be paid by the Recreation (“RFF”) and Beach (“BFF”) Facility Fees. And now before the Board is a modification of that contract which provides additional services, and for an additional \$3,000.

On January 23, 2023, after reading the packet of materials prepared by staff in anticipation of this evening’s meeting<sup>4</sup> (“the 1/25/2023 Board packet”), I sent the Board an e-mail<sup>5</sup> pointing out the

---

<sup>1</sup> Go to <https://www.djkhaledoofficial.com/>.

<sup>2</sup> NRS 318.515(1)(a) and 318.515(3)(a)-(d) instruct that “upon notification by the Department of Taxation or upon receipt of a petition signed by 20 percent of the qualified electors of the district, that...a district of which the board of county commissioners is not the board of trustees is not being properly managed...the board of county commissioners of the county in which the district is located shall hold a hearing to consider...(a) adopt(ion of) an ordinance constituting the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt(ion of) an ordinance providing for the merger, consolidation or dissolution of the district...(c) fil(ing) a petition in...district court for the...appointment of a receiver for the district; or, (d) determin(ing) by resolution that management and organization of the district...remain unchanged.”

<sup>3</sup> NRS 318.490(1)-(2) instruct that “whenever a majority of the members of the board of county commissioners...deem it to be in the best interests of the county and of the district that the district be merged, consolidated or dissolved, or if the board of trustees of a district, by resolution...agrees to such a merger, consolidation or dissolution, the board of county commissioners shall so determine by ordinance, (that)...(b) the services of the district are no longer needed or can be more effectively performed by an existing unit of government (or)...that the district should be dissolved, merged or consolidated.”

<sup>4</sup> Go to <https://www.yourtahoeplace.com/uploads/pdf-ivgid/012523.pdf>.



reasons why this agenda item should be rejected. Rather than repeating my arguments, I refer the reader to the attached e-mail.

**Conclusion:** This is not California. We don't have a large percentage of the population unable to understand English. And when we look at just parcel/dwelling unit owners, the number is even less. Thus it's a complete waste to spend money on translation services for the benefit of so few.

**And You Wonder Why the RFF and BFF Which Pay For This and Other Similar Waste Which Local Parcel/Dwelling Unit. Owners Are Forced to Involuntarily Pay is Out of Control?** I've now provided more answers.

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

---

<sup>5</sup> This e-mail is attached as Exhibit "A" to this written statement.

## **EXHIBIT "A"**

## Jan 25, 2023 Board Meeting - Agenda Item E(1) - Paying Even More to Flashvote For Unnecessary/Wasteful Translation Services

---

**From:** <s4s@ix.netcom.com>  
**To:** "Dent Matthew" <dent\_trustee@ivgid.org>  
**Cc:** "Schmitz Sara" <schmitz\_trustee@ivgid.org>, "Tonking Michaela" <tonking\_trustee@ivgid.org>, <noble\_trustee@ivgid.org>, "Tulloch Ray" <tulloch\_trustee@ivgid.org>  
**Subject:** Jan 25, 2023 Board Meeting - Agenda Item E(1) - Paying Even More to Flashvote For Unnecessary/Wasteful Translation Services  
**Date:** Jan 23, 2023 12:55 PM

---

Chairperson Dent and Other Honorable Members of the IVGID Board -

I object to agenda item E(1) - increasing the Flashvote contract pricing by nearly 30%! And on the consent calendar no less! You Board members can't discuss it in public? So why then on the Consent Calendar?

Point 1 - You can play financial reporting games all you like by stating the current budget provides for something assigned to one object code which can be cannibalized so there is money available to spend on this expenditure. And then you can cannibalize another budgeted object code to make up for the previous object code cannibalized. But in the end, this expenditure will be paid by the RFF, BFF and the utility rates and charges we are assessed because these are the funding sources for transfers to the General Fund under the disingenuous guise of "allocated central services cost" transfers. Disingenuous because they have nothing to do with central services costs which directly benefit the funds from which these transfers are made. As an example, what do Flashvote surveys have to do with making beach facilities "available" for my property's access and use because that's the entity which is charged the BFF?

As I have demonstrated, the tax revenues which are assigned to the General Fund are NOT adequate to pay salaries, wages and benefits assigned to the General Fund. So where do you think the money comes from to pay for every other expense assigned to the General Fund? Central services cost transfers which are funded by the BFF, RFF and the utility rates and charges paid to the Beach Fund, the Community Services Fund, and the Utility Fund, respectively. You could re-label "central services cost transfers" the BFF or RFF and you would have the very same revenue source which subsidizes overspending assigned to the General Fund. Don't you get it?

I DON'T use my RFF/BFF to pay for crap expenditures like these. REDUCE employee salaries and benefits assigned to the General Fund so there are sufficient tax revenues left over so you can spend them on expenditures like these. Otherwise, don't make the expenditures.

Point 2 - For whom does IVGID exist? NOT our community. Instead, local property owners who want facilities and services the county is unwilling or unable to provide. If you disagree with this assessment and you contend we exist for our community as a whole, then I ask you for whom does the county exist? Would you not respond our community as a whole? Think about it. Why do we need two local governments to provide the same facilities and services to the same people (i.e., our community as a whole)? The fact we don't is evidence IVGID does not exist to provide facilities and services to the community as a whole. If you don't like this conclusion which is reality, complain to the county. Don't step in to cover the void the county is unwilling or refuses to fill. You're not here for these purposes. And don't make me pay for it with my RFF, BFF and the utility rates and charges you assess because you've told me that the purpose of the RFF, BFF and utility rates and charges are expressly for things other than Flashvote surveys. And in Spanish no less! Were you not telling me the truth when you told me what the RFF, BFF and utility charges pay for?

If you agree with me that IVGID exists for the benefit of local parcel owners, how many of them are Hispanic? And of this number, how many cannot speak or write in English and require translation into Spanish? Because this number, if any, represents the number of local parcel owners who would benefit by passage of this agenda item. Since I'm guessing the number is next to NOTHING, what an incredible wasted expense Michaela.

Point 3 - This isn't California for God's sake. We don't have to translate communications in a series of alternative languages. If you disagree, then it's time to translate Flashvote communications into THIRTY OR MORE DIFFERENT LANGUAGES [Chinese, Filipino, Vietnamese, Indonesian, Laotian, Panjabi, Hmong, Cambodian, Hindi, Nepali, Tamil, Korean, Telugu, Burmese, Mien, Mongolian, Armenian, Bengali, Farsi, Gujarati, Khmer, Japanese, Persian, Russian, Telugu, Thai, Mien, Urdu, Arabic, Syriac in addition to Spanish (these are all the alternate languages that California ballots are printed - go to <https://elections.cdn.sos.ca.gov/ccrov/2022/march/22039sr.pdf>)]. Who are you to say translation services should only be provided in Spanish? If you're going to do one, do ALL. And since you obviously don't care about the cost, who cares if the added cost is \$3,000/language?

The memo in support of this agenda item recognizes that as an alternative to passage, the Board can choose to not include translation services as part of the agreement with Flashvote Services. That's exactly what the Board should do. DO NOT include translation services as part of the agreement with Flashvote. Save the money for legitimate expenses PAID FOR WITH THE LIMITED TAX REVENUES the District receives. Become responsible.

Respectively, Aaron Katz

Public Comment - 1-25-2023 - To be made

By Clifford F. Dobler

Tonight we have, on tap, a draft budget of 161 pages for fiscal 2023-2024

I would hope that the manager of each venue will provide a presentation and answer any follow-up questions. Some immediate observations.

Why does staff persist on using a Source and Use report on each venue rather than a Statement of Cash Flow which is required by the State. There is no logic here other than to confuse the public.

Why has Facility Fees required for Community Services and Beaches remain as operating revenue rather than non operating revenues as determined by Moss Adams and the Audit Committee?

Why has no effort been made to review the operating expenses of the Golf Courses. Last year a comparison and explanations of variances with the Global Golf report was to be done but never was. Revenue is not the problem. Bloated overhead is the problem.

The poorly constructed pages labeled Statement of Sources and Uses - five year forecasts makes it almost impossible to understand and read. The format should be the same as the State Budget forms.

After doing additions and subtractions (which would NOT be needed if reported properly) the operating budget for Community Service will no longer require a Facility Fee subsidy. The beaches will require a \$1.5 million annual subsidy. Note that Beach expenses rose 31% in 2023. Why?

The utility fund reporting appears to be the same old yarn of deceit. On page 88, the five year forecast of "sources and uses", which should be a statement of cash flows, indicates that at the end of 2028 the fund will have excess cash above board policy. Really.

As seen, in this foolish forecast, the 2023 budget depletes the cash reserve leaving only crumbs and indicates the reserve policy is short \$6.4 million. Then by magic, in 2024 the reserve policy was reduced by \$1.7 million and all is good in wonderland. Of course, the magic was achieved by inserting \$5 million from an unidentified funded capital resource (a rabbit in the hat.) Should we try to stay awake through another 595 funding pitch.

Per the five year forecast, only \$35.8 million will be borrowed to finance the new pipeline recently estimated at \$59 million. \$10 million will come from reserves. Where does the other \$13 million come from?

I would like to be on the Advisory Committee for Capital Projects. I have a developer mentality and can get things done. Engineers are not the right people.

Could you please tell Mr. Navazio to provide me the Construction in Progress report for fiscal 2021/2022. There is no reason for a delay. It has been 7 months.



**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Indra Winqest, District General Manager

**FROM:** Brad Underwood, Director of Public Works

**SUBJECT:** Review and gain Board approval on the draft Fiscal Year 2023 IVGID Utility Rate Study. Direct staff to prepare documents and Utility Rate Schedules for a Fiscal Year 2023/24 Water and Sewer utility rate increase - Including a Presentation by HDR.

Set the date/time of April 26, 2023 at 6:00 p.m. for the public hearing on the proposed amendments to the Sewer and Water fee schedule and to publish the notice in accordance with the NRS 318.199.  
(Requesting Staff Member: Director of Public Works Brad Underwood)

**RELATED STRATEGIC PLAN INITIATIVE(S):** **LONG RANGE PRINCIPLE #3 - FINANCE**  
The District will ensure fiscal responsibility and sustainability of service capacities through prudent fiscal management and maintaining effective financial policies for internal controls, operating budgets, fund balances, capital improvement and debt management.

**RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES** Ordinance No. 2 – Sewer Ordinance  
Ordinance No. 4 – Water Ordinance

**DATE:** March 8, 2023

---

**I. RECOMMENDATION**

Review and gain Board approval on the draft Fiscal Year 2023 IVGID Utility Rate Study. Direct staff to prepare documents and Utility Rate Schedules as proposed for a one-year average Water utility rate increase of eight percent (8%), and a one-year average Sewer utility rate increase of thirteen point two percent (13.2%) for the average residential customer.

Set the date/time of April 26, 2023 at 6:00 p.m. for the public hearing on the proposed amendments to the Sewer and Water fee schedule and to publish the notice in accordance with the NRS 318.199.

## II. BACKGROUND

The District provides water and sewer utility services through its Utility Fund (Fund 200). These utility operations are supported through target annual revenues (\$14.9 million for FY 2022/23) each year, collected from utility customers based on Board-approved rate schedules for each utility.

On November 22, 2022, staff executed a Professional Services Contract to HDR Engineering, Inc. to conduct the utility rate study for provision of water and sewer services. The study is intended to establish 5-year water and sewer utility rates for all customer types.

At the February 8, 2023 meeting, HDR Engineering, Inc. presented a preliminary Fiscal Year 2023 IVGID Utility Rate Study in which the recommended utility rate increases for year one. These increases as proposed would increase Water Utility revenues by 10% and Sewer Utility revenues by 13.5%. The impact of these increases on the average residential customer are a one-year average Water utility rate increase of eight percent (8%), and a one-year average Sewer utility rate increase of thirteen point two percent (13.2%). The percentage for the average utility rate increase is based upon an average customer using 10,000 gallons per month for water and 3,000 gallons per month for sewer.

The rate study sets forth the appropriate rates for water and sewer service to meet revenue and expense requirements and to achieve the appropriate Fund Balance and Working Capital. The rate increases maintain the current rate structure and are necessary to fund the current, and future, operating and capital expenses. The following tables show the current versus proposed FY 2023/24 rate comparisons for water and sewer for the average customer.

### Residential Water Rate Comparison

Rate Component	Current Rate	Proposed Rate	Change
Base Rate	\$15.10	\$17.30	\$2.20
Capital Improvements	\$15.10	\$15.10	\$0.00
Customer Admin Fee	\$4.23	\$4.44	\$0.21
Defensible Space	\$1.05	\$1.05	\$0.00
<b>Total Monthly Base Water Bill</b>	<b>\$35.83</b>	<b>\$37.89</b>	<b>\$2.41</b>
Water Use	\$1.95	\$2.15	\$0.20
1 <sup>st</sup> Tier	\$3.12	\$3.44	\$0.32
2 <sup>nd</sup> Tier	\$3.64	\$4.01	\$0.37



## Residential Sewer Rate Comparison

Rate Component	Current Rate	Proposed Rate	Change
Base Rate	\$25.10	\$32.25	\$7.15
Capital Improvements	\$31.45	\$31.45	\$0.00
Customer Admin Fee	\$4.23	\$4.44	\$0.21
<b>Total Monthly Base Sewer Bill</b>	<b>\$60.78</b>	<b>\$68.14</b>	<b>\$7.36</b>
Sewer Use	\$4.00	\$4.75	\$0.75

There are no recommended changes to the Public Works Fee Schedule.

The 5 year proposed rate adjustment can be found for Water on Table ES-1 (pg 4) of the Preliminary Draft Report and for Sewer on Table ES-4 (pg 38). The current year estimated utility funding reserves are shown on Exhibit A. The previous year's estimated reserves are on Exhibit B.

### Schedule

The schedule for the proposed rate adoption is as follows:

Utility Rate Study Schedule	Date
Set Date of Public Hearing to Adopt New Utility Rates	March 8, 2023
Publish Notice of Public Hearing in Newspaper	March 10, 2023
Conduct Public Hearing and Adopt New Utility Rates	April 26, 2023
New Utility Rates Become Effective – Pending Approval	May 19, 2023

### III. BID RESULTS

There are no bid results associated with this Memorandum.

### IV. FINANCIAL IMPACT AND BUDGET

The water and sewer utility rates are recommended to increase to provide a combined revenue requirement of approximately \$15.5 million (FY 2023/24) which is collected from the District's water and sewer customer via monthly utility bills.

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

**V. ALTERNATIVES**

Not applicable.

**VI. COMMENTS**

There are no comments associated with this Memorandum.

**VII. DISTRICT IMPROVEMENT, COST REDUCTION, RETURN ON INVESTMENT OR PRODUCTIVITY ENHANCEMENT**

Increase Water and Sewer utility rates to support the District's utility operating and capital expenses in order to continue providing adequate water and sewer service to its customers.

**VIII. BUSINESS IMPACT**

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

**IX. ATTACHMENTS**

1. IVGID - 2023 Water Sewer Rate Study Preliminary Draft Report
2. IVGID - Water and Sewer Rate Study Presentation (HDR)
3. Exhibit A - IVGID - 2023 Rate Study Reserves
4. Exhibit B - IVGID - 2022 Rate Study Reserves

**X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

Direct staff to prepare documents and Utility Rate Schedules for a Fiscal Year 2023/24 Water and Sewer utility rate increase as per the recommendations in the preliminary Fiscal Year 2023 IVGID Utility Rate Study completed by HDR Engineering, Inc.

Set the date/time of April 26, 2023 at 6:00 p.m. for the public hearing on the proposed amendments to the Sewer and Water fee schedule and to publish the notice in accordance with the NRS 318.199.

PRELIMINARY DRAFT REPORT



**Incline Village General Improvement District  
Water and Sewer Rate Study Update  
March 2023**





March 1, 2023

Mr. Brad Underwood  
Director of Public Works  
893 Southwood Blvd  
Incline Village, NV 89451

**Subject: 2023 Water and Sewer Rate Study Update Preliminary Draft Report**

Dear Mr. Underwood:

HDR Engineering, Inc. (HDR) is pleased to present to Incline Village General Improvement District (District) the preliminary draft report for the water and sewer rate study update (Study). The District's Study was developed to provide a long-term financial plan and proposed rates for each utility that will generate sufficient revenues to fund the operating and capital needs. The results of the Study provide cost-based rates for the District's water and sewer customers. This report outlines the overall approach used to achieve these objectives, along with the Study findings, conclusions, and recommendations.

More specifically, the Study was designed to update the prior comprehensive water and sewer rate study completed for the District in 2022. The 2022 study provided cost-based rates for the current fiscal year. This Study will update the revenues, expenses, and capital funding plan to develop a multi-year projection of water and sewer rates. The costs associated with providing utility services to the District's customers has been developed based on the information provided by the District and is included within the development of the proposed rates. The Study was developed utilizing generally accepted rate setting principles and methodologies and the District's specific system and customer characteristics. This report provides the basis for developing and implementing water and sewer rates which are cost-based and defensible to the District's customers.

We appreciate the assistance provided by the District's project team in the development of the Study. More importantly, HDR appreciates the opportunity to provide these technical and professional services to Incline Village General Improvement District.

Sincerely yours,  
HDR Engineering, Inc.

Shawn Koorn  
Associate Vice President

[hdrinc.com](http://hdrinc.com)

900 108<sup>th</sup> Ave NE, Suite 1300, Bellevue, WA 98004  
T 425-450-6200



# Table of Contents

---

<b>Introduction .....</b>	<b>1</b>
<b>Overview of the Rate Study Process.....</b>	<b>1</b>
<b>Key Rate Study Results .....</b>	<b>2</b>
<b>Overview of the Study.....</b>	<b>2</b>
<b>Summary of Water Revenue Requirement Analysis.....</b>	<b>2</b>
<b>Summary of the Water Cost of Service Analysis.....</b>	<b>5</b>
<b>Summary of the Water Rate Designs.....</b>	<b>6</b>
<b>Summary of the Sewer Revenue Requirement Analysis.....</b>	<b>8</b>
<b>Summary of the Sewer Cost of Service Analysis.....</b>	<b>10</b>
<b>Summary of the Sewer Rate Designs.....</b>	<b>11</b>
<b>Reserve Levels .....</b>	<b>12</b>
<b>Summary of the Water and Sewer Rate Study .....</b>	<b>13</b>
<b>1 Development of the Water Study Update.....</b>	<b>14</b>
<b>1.1 Water Revenue Requirement.....</b>	<b>14</b>
1.1.1 Determining the Water Revenue Requirement.....	14
1.1.2 Establishing a Time Frame and Approach .....	14
1.1.3 Projecting Rate and Other Miscellaneous Revenues .....	15
1.1.4 Projecting Operation and Maintenance Expenses.....	16
1.1.5 Capital Funding Plan.....	17
1.1.6 Projection of Debt Service .....	18
1.1.7 Reserve Funding.....	18
1.1.8 Summary of the Revenue Requirement.....	19
1.1.9 Reserve Fund Levels .....	20



1.1.10	Revenue Requirement Summary .....	20
<b>1.2</b>	<b>Water Cost of Service .....</b>	<b>21</b>
1.2.1	Objectives of a Cost of Service Study .....	21
1.2.2	Determining the Customer Classes of Service .....	22
1.2.3	General Cost of Service Procedures .....	22
1.2.4	Development of Distribution Factors .....	24
1.2.5	Functionalization and Allocation of Plant in Service .....	25
1.2.6	Functionalization and Allocation of Operating Expenses.....	26
1.2.7	Major Assumptions of the Cost of Service Study.....	27
1.2.8	Summary Results of the Cost of Service Analysis .....	27
1.2.9	Consultant’s Conclusions and Recommendations .....	29
1.2.10	Summary of the Cost of Service Analysis .....	29
<b>1.3</b>	<b>Water Rate Design .....</b>	<b>29</b>
1.3.1	Rate Design Criteria and Considerations .....	29
1.3.2	Present Water Rates.....	30
1.3.3	Summary of the Proposed Water Rates.....	30
1.3.4	Water Rate Study Update Recommendations.....	32
<b>1.4</b>	<b>Summary of the Water Rate Study Update .....</b>	<b>32</b>
<b>2</b>	<b>Development of the Sewer Study Update.....</b>	<b>33</b>
<b>2.1</b>	<b>Revenue Requirement.....</b>	<b>33</b>
2.1.1	Determining the Revenue Requirement .....	33
2.1.2	Establishing a Time Frame and Approach .....	33
2.1.3	Projecting Rate and Other Miscellaneous Revenues .....	34
2.1.4	Projecting Operation and Maintenance Expenses.....	35
2.1.5	Projecting Capital Funding Needs .....	35
2.1.6	Projection of Debt Service .....	37
2.1.7	Reserve Funding .....	37
2.1.8	Summary of the Sewer Revenue Requirement .....	37
2.1.9	Consultant’s Conclusions .....	39
2.1.10	Summary of the Sewer Revenue Requirement .....	39
<b>2.2</b>	<b>Sewer Cost of Service Analysis .....</b>	<b>39</b>
2.2.1	Objectives of a Cost of Service Study .....	39
2.2.2	Determining the Customer Classes of Service .....	40



2.2.3	General Cost of Service Procedures .....	40
2.2.4	Functionalization and Allocation of Plant in Service .....	42
2.2.5	Functionalization and Allocation of O&M Expenses .....	43
2.2.6	Summary of the Sewer Cost of Service Analysis .....	44
2.2.7	Consultant’s Conclusions .....	45
2.2.8	Summary .....	45
<b>2.3</b>	<b>Sewer Rate Design Analysis.....</b>	<b>45</b>
2.3.1	Rate Design Criteria and Considerations .....	46
2.3.2	Overview of the Present and Proposed Sewer Rates .....	46
<b>2.4</b>	<b>Summary of the Sewer Rate Study Update .....</b>	<b>47</b>
<b>3</b>	<b>Water Technical Appendix .....</b>	<b>1</b>
<b>4</b>	<b>Sewer Technical Appendix .....</b>	<b>1</b>



# Executive Summary

## Introduction

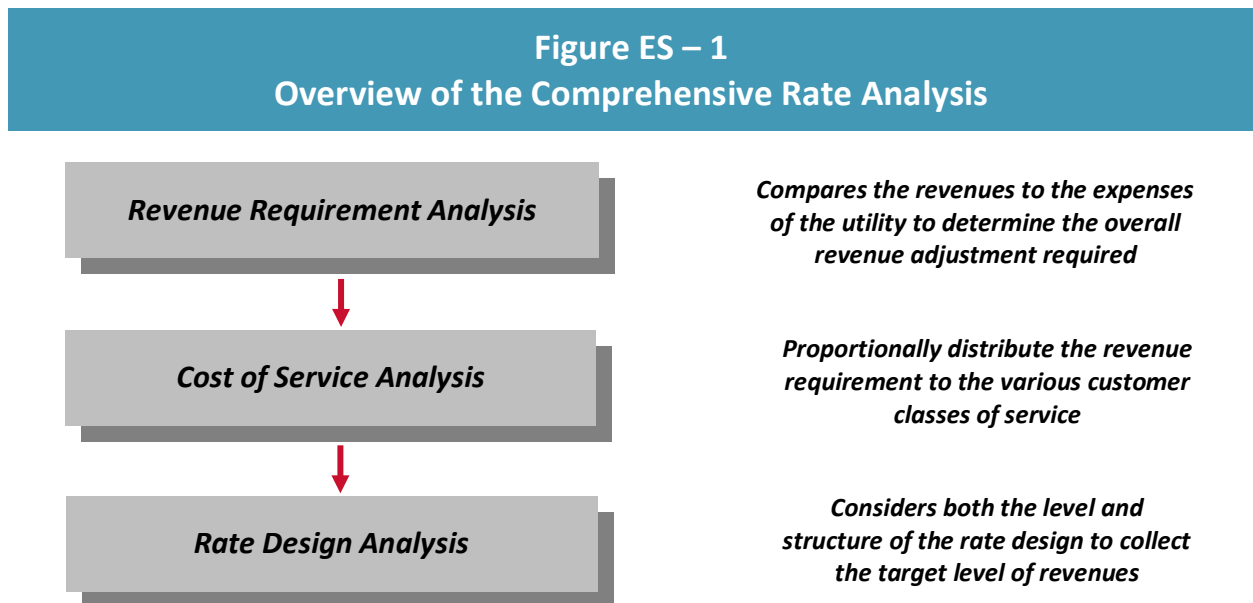
HDR Engineering Inc. (HDR) was retained by Incline Village General Improvement District (District) to conduct a comprehensive water and sewer rate study update (Study). The main objectives of the Study were to:

- Develop a projection of water and sewer revenues to support the operating and capital costs of each utility
- Provide a proportional distribution of the costs for providing water and sewer services to the District’s customers
- Propose cost-based water and sewer rates for a multi-year time period

The District owns, operates, and maintains the water and sewer systems. The costs associated with providing water and sewer services to the District’s customers has been developed based on the information provided by the District and is included within the development of the proposed rates. This study was developed utilizing generally accepted rate setting principles and methodologies and the district’s specific costs and system and customer characteristics. This report provides the basis for implementing water and sewer rates which are cost-based, equitable, and proportional to the District’s customers.

## Overview of the Rate Study Process

A comprehensive rate study uses three interrelated analyses to address the adequacy and proportionality of each utility’s rates. These three analyses are a revenue requirement analysis, a cost of service analysis, and a rate design analysis. These three analyses are illustrated in Figure ES - 1.





## Key Rate Study Results

The Study technical analysis was developed based on the operating and maintenance (O&M) and capital costs necessary to provide water and sewer services to the District’s customers. The analyses resulted in the following findings, conclusions, and recommendations.

- A revenue requirement analysis was developed for the time period of FY 2023 through FY 2033 for the water and sewer utilities on a stand-alone basis
  - ✓ The rate setting period was established for FY 2024 through FY 2028
- The District’s FY 2023 adopted water and sewer budgets were used as the starting point of the analyses
- Operation and maintenance (O&M) expenses are projected to increase at inflationary levels with no assumed changes to levels of service and only minor additional anticipated expenses above FY 2023 budget levels
- The proposed water and sewer rates for FY 2024 – FY 2028 were developed based on the results of the revenue requirement and cost of service analyses

## Overview of the Study

As noted, a rate study includes three analytical steps to establish cost-based and proportional rates. These are the revenue requirement, cost of service, and rate design analyses. Each of these analyses was completed for the water and sewer utilities on a stand-alone basis. For example, the operating and capital needs for the water utility are solely funded by water revenues, and the sewer revenues fund sewer operating and capital needs. Provided in the following is a summary of the analyses completed for each utility.

## Summary of Water Revenue Requirement Analysis

The revenue requirement analysis is the first analytical step in the District’s water rate study. The water revenue requirement analysis determines the adequacy of the current water revenues to fund current and future costs related to both operations and maintenance (O&M) expenses and annual capital improvement needs. From this analysis, a determination can be made as to the overall level of water revenue adjustments needed to provide adequate and prudent funding for the utility.

For the water utility, the revenue requirement was developed based on the adopted budget for FY 2023 with a projected time period of FY 2024 through FY 2033. A multi-year time frame is recommended to identify major expenses that may be on the horizon. By anticipating future financial requirements, the District may begin planning for these changes sooner, thereby minimizing short-term rate impacts and overall long-term rates. For rate setting purposes, the focus of the Study was on the next five-year period of FY 2024 – FY 2028.

As with the 2022 study, the revenue requirement analysis is based on the cash basis approach. The cash basis approach is the most commonly used methodology by municipal utilities to set their revenue requirement. Under this approach the revenues of the utility must be sufficient to recover all cash needs including annual O&M expenses, debt service, rate funded capital, and

reserve funding. As noted, the primary financial inputs in the development of the revenue requirement were the District's FY 2023 budget documents, historical billed customer and consumption data, and the water utility capital improvement plan.

Budgeted O&M expenses were projected using inflationary factors for the District's various expenses to provide water supply, treatment, distribution, and transmission services over the projected time period starting with the adopted FY 2023 budget. In order to project O&M costs over the projected time period, inflationary factors were developed based on historical District increases in costs and estimated future inflationary impacts. Once the projection of O&M was completed the focus then shifts to the development of the capital funding plan.

A significant driver in the Study was the annual level of rate funded capital to provide adequate funding for system infrastructure replacement and strengthen (increase) this level over the long-term projected time period. For the District's water utility, there is a component of the water rates which is directly related to funding capital improvement needs. Absent this internal funding source, the District would need to find outside funding (e.g., long-term borrowing) to fund annual capital needs as existing reserve levels are not sufficient to fund initial capital reinvestment in the short-term. The capital improvement plan summary is shown in Section 1 of the report which outlines the total annual capital project needs for the District and the identified funding sources.

The District has an established capital improvement charge based on the capital needs during the rate setting period. Over the rate setting period, the current level of the capital charge does not provide sufficient funding for the District's capital infrastructure, both annual capital improvement needs and annual debt service issued to fund capital improvements. Over the projected time period, the capital improvement charge (i.e., level of rate funding) needs to be increased to adequately fund the capital improvements and long-term annual debt service payments.

The final components of the cash basis approach are annual debt service and reserve funding. The water utility currently has two outstanding debt issuances that have funded past capital improvements. In FY 2023, the total annual debt service is approximately \$307,000. This decreases to \$193,000 in FY 2028 – prior to any new issuances - as one of the debt issuances will be retired. As part of the District's capital funding plan, additional long-term borrowing has been identified and assumed in order to fund the District's water capital improvements. The assumed additional debt will start in FY 2024 and continues to increase reaching annual debt service payments, including existing debt service, of approximately \$451,000 by FY 2028.

Given the above discussion of the components of the District's water revenue requirement, a projection of operating and capital expenses can be developed to determine the overall level of water rate revenues necessary to maintain the system. Provided below in Table ES - 1 is a summary of the revenue requirement analysis for the District's water utility.

**Table ES - 1**  
**Summary of the Water Revenue Requirement Analysis (\$000)**

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Revenue</b>						
Rate Revenues	\$5,900	\$5,904	\$5,907	\$5,911	\$5,914	\$5,918
Non-Operating Revenues	510	493	493	493	493	494
<b>Total Revenue</b>	<b>\$6,410</b>	<b>\$6,397</b>	<b>\$6,400</b>	<b>\$6,404</b>	<b>\$6,407</b>	<b>\$6,412</b>
<b>Expenses</b>						
Total O & M	\$5,103	\$5,208	\$5,538	\$5,757	\$5,898	\$6,155
Net Debt Service	0	0	0	0	0	0
Operating Fund Transfer	(317)	154	28	87	(248)	(100)
Capital Fund Transfer	1,624	1,625	1,627	1,628	1,630	1,632
Additional Capital Funding	0	0	350	640	1,065	900
<b>Total Expenses</b>	<b>\$6,410</b>	<b>\$6,987</b>	<b>\$7,543</b>	<b>\$8,112</b>	<b>\$8,345</b>	<b>\$8,587</b>
Bal. / (Def.) of Funds	\$0	(\$590)	(\$1,143)	(\$1,708)	(\$1,938)	(\$2,175)
Balance as a % of Rate Adj.	0.0%	10.0%	19.4%	28.9%	32.8%	36.7%
<b>Proposed Rate Adjustment</b>	<b>0.0%</b>	<b>10.0%</b>	<b>8.5%</b>	<b>8.0%</b>	<b>3.0%</b>	<b>3.0%</b>
Add'l Revenue with Rate Adj.	\$0	\$590	\$1,143	\$1,708	\$1,938	\$2,175
Bal. / (Def.) After Rate Adj.	0	0	0	0	0	0

As can be seen, the water revenue requirement has summed the O&M expense, net debt service, and reserve funding (transfers). As a point of reference, annual debt service payments are funded through the annual capital charge revenue and therefore the “Net Debt Service” is \$0. The total revenue requirement is then compared to the total revenues which include the rate revenues - at present rate levels - and other non-operating revenues. From this comparison, a balance or deficiency of funds in each year can be calculated. This balance or deficiency of funds is then compared to the current level of rate revenues to determine the level of rate revenue adjustment needed to meet the revenue requirement. Note that the “Bal. / (Def.) of Funds” row is cumulative. That is, any adjustments in the initial years will reduce the deficiency in the later years. Over the projected time period, the total deficiency of rate revenue ranges from \$590,000 in FY 2024 to approximately \$2.2 million by FY 2028.

Based on the District’s water revenue requirement analyses developed, HDR has concluded that the District will need to adjust the level of water rate revenues received over the next five years (FY 2024 – FY 2028). HDR has reached this conclusion for the following reasons:

- Adjustments are necessary to fund the ongoing O&M expenses to provide water service
- Adjustments are necessary to fund the current, and future, annual debt service payments
- Adjustments are necessary to maintain prudent funding of capital
- The proposed adjustments maintain the District’s water utility’s financial health (e.g., reserve levels, debt service coverage ratios) and provide long-term, sustainable funding levels for the water utility

In reaching this conclusion, HDR recommends that the District adopt the proposed rates as developed in the following sections for the water utility from FY 2024 through FY 2028. Based on the Study assumptions, this would provide sufficient funding for the O&M and capital improvement needs over the projected time period. A more detailed discussion of the development of the revenue requirement is provided in Section 1.1 of this report and the technical analysis is provided in Exhibit 1 through Exhibit 7 of the Water Technical Appendix.

## Summary of the Water Cost of Service Analysis

A cost of service analysis determines the proportional distribution of the revenue requirement to the District’s water customer classes of service (i.e., rate schedules). The objective of the cost of service analysis is different from determining the revenue requirement. The revenue requirement analysis determines the utility’s overall revenue needs whereas the cost of service analysis determines the proportional manner to distribute the cost of providing service to each customer class of service and collect that level of revenue for the proposed time period. The cost of service analysis developed for the District is based on generally accepted methodologies as outlined in the American Water Works Association (AWWA) M1 Manual, Principles of Water Rates, Fees, and Charges. For the District’s Study, the water revenue requirement for FY 2024 was used as the test year in order to develop the cost of service analysis.

In summary form, the cost of service analysis began by functionalizing the revenue requirement. For the District’s water cost of service analysis, five customer classes of service were identified. This included residential, multi-family, commercial, irrigation, and snowmaking. As explained in more detail later in this report, the functionalized revenue requirement was equitably allocated to the various cost components. The individual allocation totals were then proportionally distributed to each customer class of service based upon the customer class’s use of, or demand placed, on each allocation component. The distributed expenses for each customer class were then aggregated to determine each customer class’s overall revenue responsibility. Table ES - 2 provides the summary of the cost of service analysis based on the water system specific costs and the characteristics of the District’s customer classes of service.

**Table ES - 3**  
**Summary of the Water Cost of Service Analysis (\$000) – Test Year FY 2024**

Class of Service	Present Revenues	Distributed Costs	\$ Difference	% Difference
Residential	\$2,693	\$2,971	(\$278)	10.3%
Multi-Family	2,015	2,084	(69)	3.4%
Commercial	489	523	(33)	6.8%
Irrigation	604	787	(184)	30.4%
Snowmaking	103	129	(25)	24.7%
<b>Total System</b>	<b>\$5,801</b>	<b>\$6,365</b>	<b>(\$565)</b>	<b>10.0%</b>

A key element of the cost of service was developing a distribution approach to reflect the level of service for each customer classes of service. The cost of service analysis results in some differences between the customer classes of service. This is not uncommon given the nature of how customer water consumption patterns or costs associated with providing water service change over time. It is important to understand that a cost of service analysis is a snapshot in time the results will vary from year to year.

A detailed discussion of the development of the cost of service analysis is provided in Section 1.2 of this report and in Exhibit 8 through Exhibit 19 of the Water Technical Appendix.

## Summary of the Water Rate Designs

The final step of the water rate study update process is the design of the District's water rates to collect the targeted levels of revenue. The revenue requirement analysis first provided a set of recommendations related to the annual revenue adjustments and then the cost of service analysis provided a comparison of the proportionality between customer classes of service. Given the results of both analyses, the proposed rates incorporate the recommendations from each analysis.

The District's current rate structure includes a monthly meter fee, capital improvement fee, admin fee, and defensible space fee that is the same for all customers. The meter and capital improvement charges vary based on the service meter size and the proportion by size is ratioed based on safe meter operating capacity. The administration fee and a defensible space fee (for fire fuel management) are both charged on a flat, fixed basis per account or living unit. The consumption charge structure for residential and commercial customers is a two-tiered increasing block structure. While the rate for each tier is the same, the residential customers have a fixed tier size whereas the multi-family customers tiers vary by the number of units and all other customer tiers vary by service meter size. The tier rate for irrigation customers was updated in the 2022 rate study and is separate from the residential and commercial rate with the tier sizes based on the customer meter size.

For the Study, the District and HDR determined that that the current structure would be maintained. Given this, the proposed rates were based on the results of the cost of service analysis. It is important to note that the capital improvement fee component of the rate structure is developed based on the level of annual capital over the rate setting period. The fixed meter fee and the water use charges were then adjusted proportionally to meet the proposed rate revenue. Provided in Table ES – 3 is a summary of the present and proposed water rates.

**Table ES - 3**  
**Summary of the Present and Proposed Water Rates**

	<i>Present Rates</i>	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Meter Fee</b>						
3/4"	\$15.10	\$17.30	\$18.75	\$20.10	\$20.10	\$21.00
1"	25.22	28.89	31.31	33.57	33.57	35.07
1 1/2"	50.28	57.61	62.44	66.93	66.93	69.93
2"	80.48	92.21	99.94	107.13	107.13	111.93
3"	151.00	173.00	187.50	201.00	201.00	210.00
4"	251.72	288.39	312.56	335.07	335.07	350.07
6"	503.28	576.61	624.94	669.93	669.93	699.93
8"	805.28	922.61	999.94	1,071.93	1,071.93	1,119.93
10"	1,157.72	1,326.39	1,437.56	1,541.07	1,541.07	1,610.07
<b>Capital Improvement Fee</b>						
3/4"	\$15.10	\$15.10	\$18.23	\$20.92	\$24.85	\$23.35
1"	25.22	25.22	30.44	34.93	41.50	38.99
1 1/2"	50.28	50.28	60.70	69.66	82.76	77.74
2"	80.48	80.48	97.16	111.50	132.47	124.44
3"	151.00	151.00	182.29	209.19	248.53	233.46
4"	251.72	251.72	303.88	348.72	414.30	389.19
6"	503.28	503.28	607.59	697.22	828.35	778.14
8"	805.28	805.28	972.18	1,115.60	1,325.41	1,245.07
10"	1,157.42	1,157.72	1,397.65	1,603.84	1,905.48	1,789.97
<b>Admin Fee</b>	\$4.23	\$4.44	\$4.66	\$4.90	\$5.14	\$5.40
<b>Defensible Space</b>	1.05	1.05	1.05	1.05	1.05	1.05
<b>Water Use</b>						
<i>Residential and Commercial</i>						
Tier 1	\$1.95	\$2.15	\$2.15	\$2.22	\$2.22	\$2.29
Tier 2	3.12	3.44	3.44	3.55	3.55	3.66
Tier 3	3.64	4.01	4.01	4.14	4.14	4.27
<i>Irrigation</i>						
Tier 1	\$2.00	\$2.65	\$2.90	\$3.15	\$3.15	\$3.25
Tier 2	3.20	4.24	4.64	5.04	5.04	5.20
Tier 3	3.73	4.94	5.41	5.87	5.87	6.06

Table ES – 3 shows that the current rate structure has been maintained for all customers. The capital improvement fee was adjusted based on the specific annual capital expenses of the District’s water utility. The level of rates has been adjusted to reflect the overall revenue needs in each year.

The development of the proposed water rate designs is outlined in detail in Section 1.3 of the Study and in the Water Technical Appendix.

## Summary of the Sewer Revenue Requirement Analysis

As with the District’s water utility, the revenue requirement analysis is the first analytical step in the sewer rate study process. The revenue requirement analysis determines the adequacy of the current sewer rates to fund current and future costs related to annual O&M and capital needs. From this analysis, a determination can be made as to the overall level of revenue adjustments needed to provide adequate and prudent funding for the sewer utility.

For the Study, the sewer revenue requirement was developed for the budgeted year FY 2023 with a projected time period of FY 2024 – FY 2033 which is the same time period that was used in the water analysis. As a practical matter, a multi-year time frame is recommended in an attempt to identify any major expenses that may be on the horizon. By anticipating future financial requirements, the District may begin planning for these changes sooner, thereby minimizing short-term rate impacts and overall long-term rates. As with the water rate study, the focus of the sewer analysis is on the next five-year period of FY 2024 through FY 2028.

For the sewer revenue requirement analysis, a cash basis approach was also utilized. As noted in the water analysis, the cash basis approach is the most commonly used methodology by municipal utilities to set their revenue requirement, and the method used in the 2022 rate study. The primary financial inputs in the development of the revenue requirement were the District’s FY 2023 sewer budget, customer characteristics, and capital improvement plan.

The budgeted sewer O&M expenses are projected using inflationary factors for the District’s various expenses to provide sewer services over the projected time period. These inflationary factors were based on historical District specific increases in costs and planned changes based on planning and financial analysis. A more detailed summary of the various inflationary assumptions is included in Exhibit 2 of the Sewer Technical Appendix which outlines the specific inflationary factors for the various O&M expense types included within the District’s adopted sewer budget. As a point of reference, the inflationary assumptions are the same for the water and sewer analyses.

As with the water analysis, a concerted effort was made to increase the level of rate funded capital (capital charge) to support the sewer capital improvement needs and maintain the sewer system (e.g., renewal and replacement needs) especially in light of the major sewer system capital projects related to the effluent pipeline over the next few years. A detailed discussion of the capital funding plan is included in Section 2.1 of this report and in Exhibit 4 of the Sewer Technical Appendix.

At the current time, the sewer utility has two outstanding long-term issues with an annual total debt service of approximately \$336,000 in FY 2023. Over the review period, the two existing issuances are retired by FY 2027. However, with the addition of new long-term debt, to fund the effluent pipeline project, the annual debt service payments increase in total to approximately \$2.8 million by FY 2028.



Just as with the water utility, the sewer utility may need to transfer funds to reserves to fund future capital improvements or meet prudent target ending fund reserve balances. Alternatively, reserve funds may be used to offset annual shortfalls, as necessary. This is accomplished through the “Reserve Funding” component of the revenue requirement.

Given a projection of O&M and capital expenses, a summary of the sewer revenue requirement analysis was developed. Provided in Table ES - 4 is a summary of the revenue requirement analysis for the District’s sewer utility.

<b>Table ES - 4</b>						
<b>Summary of the Sewer Revenue Requirement Analysis (\$'000)</b>						
	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Revenues</b>						
Rate Revenues	\$7,412	\$7,420	\$7,427	\$7,434	\$7,442	\$7,449
Other Revenues	<u>1,123</u>	<u>129</u>	<u>120</u>	<u>120</u>	<u>125</u>	<u>132</u>
<b>Total Revenues</b>	<b>\$8,535</b>	<b>\$7,549</b>	<b>\$7,547</b>	<b>\$7,554</b>	<b>\$7,567</b>	<b>\$7,581</b>
<b>Expenses</b>						
Total O & M	\$5,505	\$5,849	\$6,109	\$6,389	\$6,518	\$6,844
Additional Capital Funding	0	0	0	0	0	0
Net Debt Service	0	0	0	0	0	0
Operating Fund Transfer	(193)	(525)	(114)	158	331	317
Capital Fund Transfer	<u>3,223</u>	<u>3,226</u>	<u>3,229</u>	<u>3,233</u>	<u>3,236</u>	<u>3,239</u>
<b>Total Expenses</b>	<b>\$8,535</b>	<b>\$8,551</b>	<b>\$9,224</b>	<b>\$9,780</b>	<b>\$10,085</b>	<b>\$10,400</b>
Bal./(Def.) of Funds	\$0	(\$1,002)	(\$1,677)	(\$2,225)	(\$2,518)	(\$2,819)
Bal as a % of Rate Adj	0.0%	13.5%	22.6%	29.9%	33.8%	37.8%
<b>Proposed Rate Adjustment</b>	<b>0.0%</b>	<b>13.5%</b>	<b>8.0%</b>	<b>6.0%</b>	<b>3.0%</b>	<b>3.0%</b>
Add'l Revenue with Rate Adj	\$0	\$1,002	\$1,677	\$2,225	\$2,518	\$2,819
Bal / (Def) After Rate Adj	\$0	\$0	(\$0)	\$0	\$0	\$0

As can be seen, the revenue requirement has summed the O&M expense, rate funded capital, net debt service, and reserve funding (transfers) for the District’s sewer utility. As noted with the water analysis, annual debt service is funded through annual capital charge revenues, therefore the Net Debt Service is \$0. The total revenue requirement is then compared to the total sources of funds which include the rate revenues - at present rate levels - and other miscellaneous revenues. From this comparison, a balance or deficiency of funds in each year can be determined. As a note, the “Bal. / (Def.) of Funds” row is cumulative. That is, any adjustments in the initial years will reduce the deficiency in the later years.

Based on the revenue requirement analysis developed herein, HDR has concluded that the District will need to adjust the level of sewer revenues over the next five years (FY 2024 – FY 2028). HDR has reached this conclusion for the following reasons:



- Adjustments are necessary to fund the ongoing O&M expenses to provide sewer service
- Adjustments are necessary to maintain prudent funding of annual renewal and replacement of the sewer utility
- The proposed adjustments maintain the District’s strong financial health (e.g., debt service coverage ratios, reserves) and provide long-term, sustainable funding levels for the District

In reaching this conclusion, HDR recommends that the District adopt the proposed rates as developed in the following sections for FY 2024 through FY 2028 to provide sufficient funding for the O&M and capital improvement needs identified in the Study. A detailed discussion of the development of the sewer revenue requirement is provided in Section 2.1 of this report.

### Summary of the Sewer Cost of Service Analysis

A cost of service analysis determines the proportional distribution of the revenue requirement to the various sewer customer classes of service (i.e., rate schedules). The objective of the cost of service analysis is to determine the proportional manner in which to distribute cost of providing sewer service and collect that revenue over the proposed time period. The sewer cost of service analysis is based on generally accepted methodologies as outlined in the Water Environment Federation (WEF) Manual of Practice No. 27, Financing and Charges for Wastewater Systems. For the sewer analysis, the sewer revenue requirement for FY 2024 was used as the test year in order to develop the cost of service analysis.

In summary form, the cost of service analysis began by functionalizing the revenue requirement. For the District’s sewer cost of service analysis, three customer classes of service were identified. This included residential, multi-family, and commercial. As explained in more detail later in this report, the functionalized revenue requirement was then allocated to the various cost components. The individual allocation totals were then proportionally distributed to the various customer class of service based upon each customer class’s use of or demand placed on each system. The distributed expenses for each customer class were then aggregated to determine each customer class’s overall revenue responsibility. Table ES - 5 provides the summary of the cost of service analysis based on the sewer system specific costs and the District’s customer characteristics.

Table ES - 5 Summary of the Sewer Cost of Service Analysis (\$000)				
Class of Service	Present Revenues	Distributed Costs	\$ Difference	% Difference
Residential	\$3,197	\$3,541	(\$344)	10.8%
Multi-Family	3,299	3,844	(545)	16.5%
Commercial	923	1,036	(113)	12.2%
<b>Total System</b>	<b>\$7,420</b>	<b>\$8,421</b>	<b>(\$1,002)</b>	<b>13.5%</b>

The cost of service reflects the level of service provided to each customer class. The cost of service analysis resulted in minor differences in costs between the customer classes of service. As noted, a cost of service analysis is a snapshot in time the results will vary from year to year.

A detailed discussion of the development of the cost of service analysis is provided in Section 2.2 of this report and in Exhibit 7 through Exhibit 15 of the Sewer Technical Appendix.

## Summary of the Sewer Rate Designs

The third and final step of the rate study process is the design of the sewer rates to collect the targeted levels of revenue. The revenue requirement analysis provided a set of recommendations related to annual revenue adjustments and the cost of service analysis provided a review of the proportionality between customers. As noted, the cost of service results showed minor cost differences. Given this, it was determined that sewer rates would be adjusted equally for all customers to reflect the results of the cost of service analysis. In discussion with District staff, it was determined that the current rate structure was contemporary and met the District's goals and objectives. Given these two recommendations, the proposed rates maintain the current rate structure, and were adjusted to reflect the cost of service results.

The District currently has the same rate structure for the residential, multi-family, and commercial customers. This includes a monthly base charge and capital charge which are charged per account for residential, by unit for multi-family, and by meter size for commercial. There is also a flat admin fee for all customers. Lastly, there is a sewer use fee which is a uniform rate for all customers with a separate rate for commercial customers. For residential customers, both single family and multi-family, the sewer bill is based on winter water consumption, while commercial customers bills are based on all metered water consumption.

Given the result of the prior analyses, the revenue requirement and cost of service, the proposed sewer rates can be developed. One proposed transition is the unique rate for commercial sewer use. Provided in Table ES – 6 is a summary of the present and proposed rates for the District's sewer utility.

**Table ES - 6**  
**Summary of the Present and Proposed Sewer Rates**

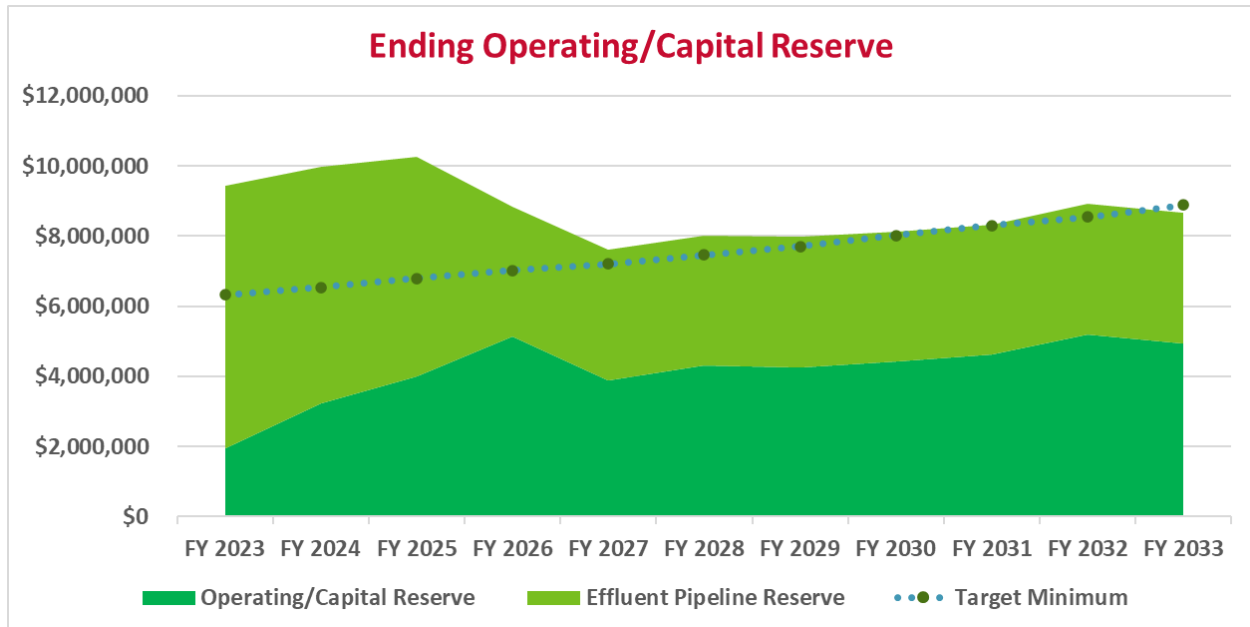
	<i>Present Rates</i>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Base Charge</b>						
3/4", Res, Multi Fam	\$25.10	\$32.25	\$36.50	\$40.00	\$42.25	\$44.25
1"	41.92	53.86	60.96	66.80	70.56	73.90
1 1/2"	83.58	107.39	121.55	133.20	140.69	147.35
2"	133.78	171.89	194.55	213.20	225.19	235.85
3"	251.00	322.50	365.00	400.00	422.50	442.50
4"	418.42	537.61	608.46	666.80	704.31	737.65
6"	836.58	1,074.89	1,216.55	1,333.20	1,408.19	1,474.85
8"	1,338.58	1,719.89	1,946.55	2,133.20	2,253.19	2,359.85
10"	1,497.74	1,924.39	2,177.99	2,386.84	2,521.10	2,640.44
<b>Capital Improvement Charge</b>						
3/4", Res, Multi Fam	\$31.45	\$31.45	\$31.45	\$31.45	\$31.45	\$31.45
1"	52.52	52.52	52.52	52.52	52.52	52.52
1 1/2"	104.73	104.73	104.73	104.73	104.73	104.73
2"	167.63	167.63	167.63	167.63	167.63	167.63
3"	314.50	314.50	314.50	314.50	314.50	314.50
4"	524.27	524.27	524.27	524.27	524.27	524.27
6"	1,048.23	1,048.23	1,048.23	1,048.23	1,048.23	1,048.23
8"	1,677.23	1,677.23	1,677.23	1,677.23	1,677.23	1,677.23
10"	2,410.64	2,410.64	2,410.64	2,410.64	2,410.64	2,410.64
<b>Admin Fee</b>	\$4.23	\$4.44	\$4.66	\$4.90	\$5.14	\$5.40
<b>Sewer Use</b>						
Residential	\$4.00	\$4.75	\$5.37	\$5.88	\$6.00	\$6.22
Multi-Family	4.00	4.75	5.37	5.88	6.00	6.22
Commercial	4.70	5.60	6.35	6.95	7.10	7.37

Table ES – 6 shows that the current rate structure has been maintained for all customers. The level of rates has been adjusted to meet the revenue target calculated in the revenue requirement analysis and the results of the cost of service analyses. These proposed rates provide the proportionality between the various customers. The development of the sewer rate design is outlined in more detail in Section 2.3 of the Study.

## Reserve Levels

As mentioned, the District maintains reserves for the water and sewer utilities. This includes an operating reserve, capital reserve, effluent pipeline reserve (sewer only), and debt reserve. Each of these reserves has a target minimum balance. The operating reserve target minimum balance is based on 25% of annual O&M expenses. The capital reserve minimum target is annual

depreciation expense. Provided below is a summary of the combined water and sewer operating and capital reserve projected ending reserve balances.



As noted, in addition to the operating and capital reserves, the District maintains a debt reserve fund. This fund maintains a minimum balance of one year of annual water and sewer debt service payments. This level is maintained during the course of this study.

### Summary of the Water and Sewer Rate Study

The Study focused on the adequacy and proportionality of the District’s water and sewer rates. Based on the analyses developed herein, which included the District’s specific operating and capital expenses, HDR has proposed a comprehensive set of recommendations for each utility. The following sections of the report provide a more detailed discussion of the technical analyses undertaken, along with the findings, conclusions, and recommendations of the Study.

# 1 Development of the Water Study Update

---

This section of the report will describe the development of the water rate study update. This includes the development of the revenue requirement, cost of service, and rate design analyses. Each of these analyses was completed for the water system based on the specific customer and system characteristics. The following discussion will outline the summary of each of these analyses to support the development of cost-based and proportional water rates.

## 1.1 Water Revenue Requirement

This following discussion describes the development of the revenue requirement for the District's water utility. The District has provided detailed revenue and expenses data for the water system that provides the basis for the development of the revenue requirement. The revenue requirement analysis is the first analytical step in the comprehensive water rate study process. This analysis determines the adequacy of the District's overall water revenues, at current rate levels. From this analysis, a determination can be made as to the overall level of revenue (rate) adjustment needed to provide adequate and prudent funding for both operating and capital needs. HDR developed an independent analysis based on information provided by the District as part of the review of proposed rate adjustments.

### 1.1.1 Determining the Water Revenue Requirement

In developing the District's water revenue requirement, the water utility - as an enterprise fund - must financially "stand on its own" and be properly funded. That is, no transfers from other District funds occur to support the water utility. As a result, the revenue requirement analysis, as developed herein, assumes the full and proper funding needed to operate and maintain the water system on a financially sound and prudent basis. A goal of the Study was to maintain prudent funding for each utility as a separate enterprise fund.

### 1.1.2 Establishing a Time Frame and Approach

The first step in calculating the revenue requirement for the District's water utility was to establish a time frame for the analysis. For the Study, the revenue requirement was developed for a 10-year time period (FY 2023 through FY 2033). Reviewing a multi-year time period is recommended as it attempts to identify any major expenses that may be on the horizon. By anticipating future financial requirements, the District can begin planning for these changes sooner, thereby minimizing short-term rate impacts and overall long-term rates. For purposes of establishing rates, the Study focuses on the next five years as the rate setting period of FY 2024 through FY 2028.

The second step in determining the revenue requirement was to decide on the basis of accumulating costs. In this case, for the revenue requirement analysis a cash basis approach was utilized. The cash basis approach is the most common methodology used by municipal utilities to set their revenue requirement and the approach used in the 2022 rate study. Table 1 - 1 provides a summary of the cash basis approach and cost components used to develop the District's water revenue requirement.

## Table 1 – 1 Overview of the Water Cash Basis Revenue Requirement

+	Operation and Maintenance Expenses
+	Taxes and Transfers
+	Rate Funded Capital
+	Debt Service (Principal + Interest) – Existing and Future
±	<u>Reserve Funding</u>
=	<b>Total Revenue Requirement</b>
–	<u>Miscellaneous Revenues</u>
=	<b>Net Revenue Requirement (Balance Required from water Rates)</b>

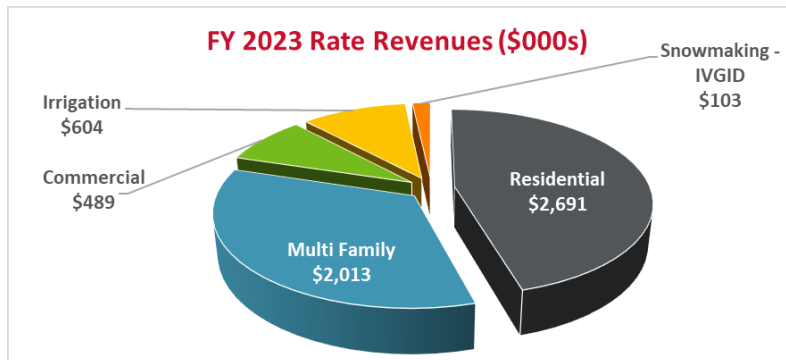
Given a time period around which to develop the revenue requirement and a method to accumulate the costs, the focus shifts to the development and projection of the revenues and expenses of the District’s Study.

The primary financial inputs in the development of the revenue requirement are the District’s adopted budget for the water utility, historical billed customer and consumption data, and the water capital improvement plan. Presented below is a detailed discussion of the steps and key assumptions contained in the development of the projections of the District’s water revenue requirement analysis.

### 1.1.3 Projecting Rate and Other Miscellaneous Revenues

The starting point of the revenue requirement is to develop a projection of the water rate revenues, at present rate levels. In general, this process involved developing projected billing units for each customer group. For the water utility, the billing units are the number of accounts, and meters, for the fixed billing charge and the billed usage (metered consumption) for the consumption charge. The billing units were then multiplied by the current adopted water rates. This method of independently calculating revenues links the projected revenues used within the analysis to the projected billing units. It also helps to confirm that the billing units used within the study are reasonable for purposes of projecting future revenues, distributing costs, and ultimately, establishing proposed rates.

In total, and at current rate levels, the District is projected to receive approximately \$5.9 million in rate revenue in FY 2023. Over time, the study has assumed a conservative level of customer growth, based on historical growth levels, of 0.1% per year. This results in rate revenues being essentially flat over the projected time period.



In addition to rate revenues, the District receives miscellaneous revenues as a result of operating the water system. These are revenues related to interest earnings, fees, rental income, and other miscellaneous revenues. In total, the District is projected to receive approximately \$500,000 annually during the rate setting period.

On a combined basis, incorporating the rate revenues and the miscellaneous revenues, the District’s water utility has total projected revenues of approximately \$6.4 million in FY 2023 which remains flat through FY 2028 at \$6.4 million. Again, this does not include any proposed revenue adjustments, only increases in rate revenues due to customer growth and annual changes in miscellaneous revenues.

### 1.1.4 Projecting Operation and Maintenance Expenses

Operation and maintenance (O&M) expenses are incurred by the District to provide water service (supply, treatment, distribution, etc.) as well as to operate and maintain the existing infrastructure. The District provided detailed O&M expenses based on the FY 2023 adopted budget. The budgeted O&M expenses were projected over the time period based on historical inflationary factors experienced by the District and the general economy. Provided in Table 1 - 2 is a summary of the primary escalation factors used to develop the projection of O&M expenses for the water utilities.

Table 1 – 2 Summary of the O&M Escalation Factors					
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Labor	5.0%	5.0%	5.0%	5.0%	5.0%
Benefits - Medical	10.0%	10.0%	10.0%	10.0%	10.0%
Benefits - Other	6.0%	6.0%	6.0%	6.0%	6.0%
Professional / Special Svcs.	5.0%	5.0%	5.0%	5.0%	5.0%
Materials & Supplies	3.0%	3.0%	3.0%	3.0%	3.0%
Equipment	4.0%	4.0%	4.0%	4.0%	4.0%
Miscellaneous	3.0%	3.0%	3.0%	3.0%	3.0%
Utilities	4.0%	4.0%	4.0%	4.0%	4.0%
Insurance	3.0%	3.0%	3.0%	3.0%	3.0%

Each of the budgeted O&M expenses were reviewed and the applicable escalation factor applied to develop the O&M for the projected time period. Exhibit 2 of the Water Technical Appendix provides a summary of the assumptions used to develop the projection of revenues and escalation of the O&M expenses.

Based on the FY 2023 adopted budget, the total O&M expenses for the District’s water utility are \$5.1 million. In addition to the FY 2023 budget, additional expenses related to future staff were included starting in FY 2024. Over the planning horizon, total O&M expenses for the District are projected to increase to approximately \$6.2 million by FY 2028 based on the corresponding escalation factors. The projection of O&M expenses reflects an average inflationary increase of

3.8% per year over the projected time period through FY 2028. This is driven in part by the cyclical nature of the repairs and maintenance budget line item.

### 1.1.5 Capital Funding Plan

A key component in the development of the District’s water revenue requirement was properly and adequately funding capital improvement needs. One of the major issues facing utilities across the U.S. is the amount of deferred capital projects and the funding pressure from growth or expansion-related improvements. The proper and adequate funding of capital projects is an important issue for all water utilities and is not just a local issue or concern of the District.

In general, there are three types of capital projects that a utility may need to fund. These include the following types:

- Renewal & replacement projects
- Growth / capacity expansion projects
- Regulatory-related projects

A capital project that is defined as a renewal and replacement project is a project required for maintaining the existing system that is in place today. As the existing plant or pipelines become worn out, obsolete, etc., the utility should be making continuous investments to maintain the integrity of the facilities. In contrast to this, a utility may make capital investments to expand the capacity of facilities to accommodate future capacity needs (customers). Finally, certain projects may be a function of a regulatory requirement in which the Federal or State government mandates the need for an improvement to the system to meet a regulatory standard. Understanding these different types of capital projects is important because it may help to explain why costs are increasing and the cost drivers for any needed revenue adjustments. In addition, and more importantly, the way in which projects are funded may vary by the type of capital project. For example, renewal and replacement projects should be paid for via rates and funded on a “pay-as-you-go basis.” In contrast to this, growth or capacity expansion projects may be funded via the collection of impact fees (i.e., growth-related charges) in which new development pays an equitable share of the cost of facilities necessary to serve their development (impact). Finally, regulatory projects may be funded by a variety of different means, which may include rates, long-term debt, grants, etc.

While the above discussion appears to neatly divide capital projects into three clearly defined categories, the reality of working with specific capital projects may be more complex. For example, a pump may be replaced, but while being replaced, it is up sized to accommodate greater capacity to serve increasing demands or new development. There are many projects that share these “joint” characteristics.

For purposes of developing the capital funding plan the District provided its capital improvement plan (CIP) which has been summarized in Table 1 - 3 along with the expected funding sources developed as part of the rate study.



**Table 1 – 3**  
**Summary of the Water Capital Funding Analysis (\$000)**

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Total Capital Projects</b>	<b>\$2,433</b>	<b>\$2,843</b>	<b>\$1,942</b>	<b>\$3,619</b>	<b>\$2,311</b>	<b>\$1,481</b>
<i>Less: Other Funding</i>						
Operating Fund	\$0	\$0	\$0	\$0	\$0	\$0
Capital Fund	2,229	1,273	1,592	979	1,246	581
Grant Funding	205	0	0	0	0	0
Long-Term Borrowing	<u>0</u>	<u>1,570</u>	<u>0</u>	<u>2,000</u>	<u>0</u>	<u>0</u>
<b>Total Other Funding Source</b>	<b>\$2,433</b>	<b>\$2,843</b>	<b>\$1,592</b>	<b>\$2,979</b>	<b>\$1,246</b>	<b>\$581</b>
<b>Total Rate Funded Capital</b>	<b>\$0</b>	<b>\$0</b>	<b>\$350</b>	<b>\$640</b>	<b>\$1,065</b>	<b>\$900</b>

The capital improvements are primarily related to renewal and replacement of aging water system infrastructure as well as annual equipment purchases. While the total amount required to fund projects may vary from year-to-year, the rate study capital funding plan has developed a plan to provide a consistent funding source for capital improvements. As a point of reference, the District’s annual depreciation expense for the water utility was \$1.8 million for FY 2022. A desirable and recommended minimum funding target for rate funded capital is an amount equal to or greater than annual depreciation expense. This is critical as the replacement cost of an asset may be many times the original costs reflected through annual depreciation expense. As a point of reference, the District’s current water capital charge totals approximately \$1.6 million. Given this, the additional rate funded capital reflects the increase in the annual renewal and replacement funding needs. In developing this financial plan, HDR and the District have attempted to minimize rate impacts while funding the necessary capital improvement projects.

### 1.1.6 Projection of Debt Service

The District currently has two (2) outstanding long-term debt issues for the water utility. On a combined basis, the total annual debt service for FY 2023 is approximately \$307,000. Over the review period, one of the of issuances is retired in FY 2027 which results in a reduction of \$114,000 per year. However, as noted in Table 1 – 3 it is assumed that the District’s water utility will need to issue (new) long-term debt over the rate setting period and the total annual debt service is anticipated to be approximately \$451,000 per year by FY 2028. For rate setting purposes the debt service is funded through the annual capital charge revenues.

As part of the Study, HDR is not providing municipal advice as it relates to bonds, terms, or structures of debt issuance. Rather, the Study is simply identifying funding needs and estimating the annual debt service payments for rate setting purposes.

### 1.1.7 Reserve Funding

The final component of the revenue requirement analysis is the transfer to, or from, reserves to either maintain prudent ending fund balances or for future funding of specific capital improvements. In future years, as rates are adjusted and reach sufficient levels, the District is

able to transfer funds to the operating reserves to replenish prior expenditures and to meet minimum target levels. For the District’s study the annual capital charge revenue is transferred to the capital reserve to fund annual debt service and capital improvements.

### 1.1.8 Summary of the Revenue Requirement

Given the above projections of revenues and expenses, a summary of the District’s water revenue requirement analysis can be developed. In developing the revenue requirement analysis, consideration was given to the financial planning considerations of the District. In particular, emphasis was placed on minimizing rates, while providing adequate funds to support the operational activities and necessary capital improvement needs over the review period. Presented below in Table 1 - 4 is a summary of the District’s water revenue requirement based on projected expenses and current rates. Detailed exhibits of this analysis can be found in the Water Technical Appendix in Exhibit 3.

<b>Table 1 - 4</b>						
<b>Summary of the Water Revenue Requirement Analysis (\$'000)</b>						
	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Revenues</b>						
Rate Revenues	\$5,900	\$5,904	\$5,907	\$5,911	\$5,914	\$5,918
Other Revenues	510	493	493	493	493	494
<b>Total Revenues</b>	<b>\$6,410</b>	<b>\$6,397</b>	<b>\$6,400</b>	<b>\$6,404</b>	<b>\$6,407</b>	<b>\$6,412</b>
<b>Expenses</b>						
Total O & M	\$5,103	\$5,208	\$5,538	\$5,757	\$5,898	\$6,155
Net Debt Service	0	0	0	0	0	0
Operating Transfer	(317)	154	28	87	(248)	(100)
Capital Transfer	1,624	1,625	1,627	1,628	1,630	1,632
Additional Capital Funding	0	0	350	640	1,065	900
<b>Total Expenses</b>	<b>\$6,410</b>	<b>\$6,987</b>	<b>\$7,543</b>	<b>\$8,112</b>	<b>\$8,345</b>	<b>\$8,587</b>
Bal./ (Def.) of Funds	\$0	(\$590)	(\$1,143)	(\$1,708)	(\$1,938)	(\$2,175)
Balance as a % of Rate Adj.	0.0%	10.0%	19.4%	28.9%	32.8%	36.7%
<b>Proposed Rate Adjustments</b>	<b>0.0%</b>	<b>10.0%</b>	<b>8.5%</b>	<b>8.0%</b>	<b>3.0%</b>	<b>3.0%</b>
Add'l Revenue with Rate Adj.	\$0	\$590	\$1,143	\$1,708	\$1,938	\$2,175
Bal. / (Def.) After Rate Adj	0	0	0	(0)	0	(0)

The water revenue requirement has summed the O&M, net debt service, and reserve funding (transfers) for the five-year rate setting period. The total revenue requirement is then compared to the total revenues which are the rate revenues, at present rate levels, and other miscellaneous revenues. From this comparison, a balance or deficiency of funds in each year can be determined. This balance or deficiency of funds is then compared to the rate revenues to determine the level of rate revenue adjustment needed to meet the revenue requirement. The “Bal. / (Def.) of Funds” row is cumulative. That is to say, any adjustments in the initial years will reduce the deficiency in the later years.

As shown, the overall level of revenues needs to be increased over the test period to meet the operating and capital needs of the water utility. Based on the analysis, the District will need to adjust rate revenue levels in FY 2024 by 10.0%, 8.5% in FY 2025, 8.0% in FY 2026, and 3.0% annually in FY 2027 and FY 2028. Based on the rate transition plan provided in Table 3 – 4, the proposed annual revenue adjustments (blue shaded line) have been developed to meet the operating and capital needs of the District in each year of the analysis.

### 1.1.9 Reserve Fund Levels

Another key element of determining the financial health and sustainability of the District’s water utility is to review the level of available reserve levels after the proposed rate revenue adjustments. In general, utilities can have several different reserves each with a different purpose. The typical types of reserves utilities maintain are generally referenced as an operating reserve and a capital reserve. Each of these funds can have a minimum ending balance that, if reached or falls below, is a signal that the District should review the revenue sources associated with each fund. The minimum ending balances will vary depending on the purpose of the fund and the expected revenue sources.

The District’s water utility rate study included the review of three primary reserves.

**Operating Reserve**– This reserve is in place to meet the District’s cash flow needs as well as funding during emergencies. The typical minimum ending balance for an operating reserve ranges from 90 – 365 days of annual O&M expenses. The target minimum for the District for rate setting purposes was set at 25% (or 90 days) of annual O&M expenses and is approximately \$1.3 million. This target is used in order to maintain a sufficient amount of funds to cover expenses should any unexpected interruption of rate revenues occur.

**Capital Reserve** – This reserve similar to the operating reserve but the capital expenses rather than operating expenses. A capital reserve minimum balance is generally set on a level that targets average annual capital needs or annual depreciation expense. For capital, the fund acts to store funds for use towards future capital projects. In this way, the District can minimize the impact to rates on an annual basis and maintain a more leveled projection of rates over time. Again, these funds are in place to help support the capital needs of the system. For the Study, a target minimum was set at annual depreciation which for FY 2023 for water is \$1.8 million.

**Debt Reserve** – This reserve, as the name implies, is relating to storing funds for debt service. The idea being that the funds would be available to pay the annual debt service payment should and unforeseen circumstance with regards to revenue generation or collection interruption. For the water rate study, it is assumed that one year of average annual debt service will be held in the debt reserve fund. This level of reserves will need to be reviewed as the District issues additional long-term debt and the debt issuance may require a reserve fund.

### 1.1.10 Revenue Requirement Summary

Based on the revenue requirement analyses developed herein, HDR has concluded that the District will need to adjust the level of water revenues received over the next five years (FY 2024 – FY 2028). HDR has reached this conclusion for the following reasons:

- Rate adjustments are necessary to fund the water utility O&M costs

- Rate adjustments are necessary to maintain prudent funding of annual renewal and replacement of the water system and specific capital improvements identified over this time period
- The proposed adjustments will provide the District with a financially healthy water utility (e.g., reserve levels, debt service coverage ratios) and provide long-term, sustainable funding levels

In reaching this conclusion, HDR recommends that the District adopt the proposed annual revenue adjustments for FY 2024 through FY 2028. This is in order to provide sufficient funding for the O&M and capital improvement needs for the Study time period.

## 1.2 Water Cost of Service

In the previous section, the revenue requirement analysis focused on the total sources and application of funds required to adequately fund the District’s water utility. This section will provide an overview of the cost of service analysis developed for the District.

A cost of service analysis determines the proportional distribution of the total revenue requirement between the various customer classes of service (Residential, Multi-Family, Commercial, Irrigation, and Snowmaking). The previously developed revenue requirement for FY 2024 was utilized in the development of the cost of service analysis.

### 1.2.1 Objectives of a Cost of Service Study

There are two primary objectives in conducting a cost of service analysis:

1. Proportionally distribute the District’s revenue requirement among the customer classes of service; and,
2. Derive average unit costs (i.e., cost-based rates) for subsequent rate designs

The objectives of the cost of service analysis are different from determining a revenue requirement. As noted in the previous section, a revenue requirement analysis determines the utility’s overall financial needs, while the cost of service analysis determines the proportional and equitable manner to collect the revenue requirement from each of the customer classes of service.

The results of the cost of service analysis determine the unit costs which are used in the development of the final proposed rate designs. The water cost of service analysis provides a per unit cost of water consumption based on each customer class’s proportional share of costs. For example, a water utility incurs costs related to average day, peak day, fire protection, and customer-related cost components. A water utility must build sufficient capacity<sup>1</sup> to meet

---

<sup>1</sup> System capacity is the system’s ability to supply water to all delivery points at the time when demanded. Coincident peaking factors are calculated for each customer class at the time of greatest system demand. The time of greatest demand is known as peak demand. Both the operating costs and capital assets related costs incurred to

summer peak capacity needs. Therefore, those customers contributing to those peak demands on the system should pay their proportionately higher share of the costs to provide the capacity in the system. The unit costs provide the relationship between these components which are then used to set proportional and cost-based rates.

### **1.2.2 Determining the Customer Classes of Service**

The first step in a cost of service analysis is to determine the customer classes of service. Based on discussion with District staff, the classes of service used within the cost of service analysis were:

- Residential
- Multi-Family
- Commercial
- Irrigation
- Snow Making

In determining classes of service for cost of service purposes, the objective is to group customers together into similar or homogeneous groups based upon similar facility requirements and/or demand characteristics. Based on the District's desire to evaluate and develop cost of service based rates, the customer classes of service were developed for evaluating the current rates for each customer class of service. This is a key aspect of the cost of service analysis that allows for the proportional distribution of costs to establish the proposed rates for each customer class of service. Based on these customer classes of service, each with their own unique customer consumption patterns, characteristics, and facility requirements the cost of service can be developed.

### **1.2.3 General Cost of Service Procedures**

In order to evaluate the proportionality of the current rate structure for each customer class of service on the District's water system, a cost of service analysis is conducted. A cost of service analysis utilizes a three-step approach to review costs. These steps take the form of functionalization, allocation, and distribution. Provided below is a detailed discussion of the water cost of service study conducted for the District, and the specific steps taken within the analysis. The approach used for the District's Study conforms to generally accepted cost of service methodologies as outlined in the AWWA M1 manual.

#### **1.2.3.1 Functionalization of Costs**

The first analytical step in the cost of service process is called functionalization. Functionalization is the arrangement of O&M expense and asset data by major operating functions (e.g., supply, transmission, storage, distribution). Within this Study, there was a limited amount of

---

accommodate the peak demands are generally allocated to each customer class based upon the class's contribution to the peak month, day, or hour event.

functionalization of the cost data as it was largely accomplished within the District’s system of accounts.

### 1.2.3.2 Allocation of Costs

The second analytical task performed in a water cost of service study is the allocation of the costs. The allocation of costs examines why the expenses were incurred or what type of need is being met. The following allocation components were used to develop the water cost of service analysis. As a point of reference, these are the same allocation components as develop for the 2022 rate study.

- **Commodity Related Costs:** Commodity costs are those costs which tend to vary with the total quantity of water consumed by a customer. Commodity costs are those incurred under average load (demand) conditions and are generally specified for a period of time such as a month or year. Chemicals is an example of commodity-related cost as these costs tend to vary based upon the total demand of water.
- **Capacity Related Costs:** Capacity costs are those which vary with peak demand, or the maximum rates of flow to customers. System capacity is required when there are large demands for water placed upon the system (e.g., summer lawn watering). For water utilities, capacity related costs are generally related to the sizing of facilities needed to meet a customer’s maximum water demand at any point in time. For example, portions of distribution storage reservoirs and mains (pipes) must be adequately sized to meet the peak demands of the system and for each customer class of service.
- **Customer Related Costs:** Customer costs are those costs which vary with the number of customers on the water system. They do not vary with system output or consumption levels. These costs are also sometimes referred to as readiness to serve or availability costs. Customer costs may also sometimes be further allocated as either actual or weighted. Actual customer costs vary proportionally, from customer to customer, with the addition or deletion of a customer regardless of the size of the

**Water Cost of Service Analysis Terminology**

**Functionalization** – The arrangement of the cost data by functional category (source of supply, distribution, treatment, etc.).

**Allocation** – The assignment of functionalized costs to cost components (e.g., commodity, capacity, customer, and fire protection related).

**Distribution** – Distributing the allocation costs to each class of service based upon each class’s proportional contribution to that specific cost component.

**Commodity Costs** – Costs that are allocated as commodity related vary with the total demand of water (e.g., chemical use at a treatment plant).

**Capacity Costs** – Costs allocated as capacity related vary with peak day or peak hour usage. Facilities are often designed and sized around meeting peak demands.

**Fire Protection Costs** – Costs that are related to fire protection services (e.g., hydrants, oversizing of storage and distribution mains).

**Customer Costs** – Costs allocated as customer related vary with the number of customers on the system (e.g., metering costs).

customer. An example of an actual customer cost is postage for mailing bills. This cost does not vary from customer to customer, regardless of the size or consumption characteristics of the customer. In contrast, a weighted customer cost reflects a disproportionate cost, from customer to customer, with the addition or deletion of a customer. Examples of weighted customer costs are items such as meter maintenance expenses, where a large commercial customer requires a significantly more expensive meter than a typical residential customer.

- **Public Fire Protection Related Costs:** Fire protection costs are O&M and capital costs necessary to allow for public fire protection functions. Usually, such costs relate to public fire hydrants and the over-sizing of mains and distribution storage reservoirs for fire protection purposes.
- **Revenue Related Costs:** Some costs associated with the utility may vary with the amount of revenue received by the utility. An example of a revenue related cost would be a utility tax which is based on the gross utility revenue.
- **Direct Assignment:** Some costs associated with the utility may be directly assigned to a specific customer class, or classes. This can be a specific O&M expense or component of the infrastructure that only benefits a specific customer class, or classes.

#### 1.2.4 Development of Distribution Factors

Once the allocation process is complete, and the customer groups have been defined, the allocated costs are distributed to each customer group. The District's allocated costs were proportionally distributed to the previously identified customer classes of service using the following distribution factors. Similar to the allocation approach, these are the same distribution factors as used to develop the 2022 rate study.

- **Commodity Distribution Factor:** As noted, commodity-related costs vary with the total water consumption. Therefore, the commodity distribution factor was based on the projected total metered consumption plus losses for each class of service based on recent customer metered consumption data and projected for the FY 2024 cost of service test period.
- **Capacity Distribution Factor:** The capacity distribution factor was developed based on the estimated contribution to peak day use of each class. Peak day use by customer class of service was calculated by developing peaking factors for each customer group. For the District's Study, the peaking factor was defined as the relationship between peak day contribution and average day use and determined for each customer group based on a review of the average month to peak month usage for each class of service. Given an estimated peaking factor, the peak day contribution for each class of service was developed.
- **Customer Distribution Factor:** Customer costs vary with the number of customers on the system. Two basic types of customer distribution factors were identified – actual and weighted. The distribution factor for actual customers were based on the projection of the number of customers developed within the revenue requirement. The weighted customer distribution factor is for meters and services. This factor is calculated on the number of equivalent meters for each customer class. This reflects the difference in costs associated with providing service to larger sized meters.

- **Public Fire Protection Distribution Factor:** The development of the distribution factor for public fire protection expenses involved an analysis of each class of service and their respective fire flow requirements. The analysis considered the gallon per minute fire flow requirements in the event of a fire, along with the duration of the required flow. The fire flow rates used within the distribution factor were based on industry standards estimates for each customer class of service. The minimum fire flow requirements are then multiplied by the number of customers in each class of service, and the assumed duration of the fire, to determine the class’s prorated fire flow requirements.
- **Revenue Related Distribution Factor:** The revenue related distribution factor was developed from the projected rate revenues for FY 2024 for each customer class of service. These same revenues were used within the revenue requirement analysis discussed previously.

Details related to the distribution of costs is found in Exhibits 8 through 12 of the Water Technical Appendix. The distribution actors were based on the customer characteristics of the District’s customers. That is the characteristics (average day, peak day, customer number) of the previously discussed customer classes of residential, commercial, irrigation, and snow making.

**1.2.5 Functionalization and Allocation of Plant in Service**

As noted, the first step of the cost of service analysis is the functionalization and allocation of plant in service. In performing the functionalization of plant in service, HDR utilized the District’s historical plant (asset) records. Once the plant assets were functionalized, the analysis shifted to the allocation of the asset. The allocation process included reviewing each group of assets and determining which costs the assets were related to. The assets were allocated to the previously described allocation components of commodity-related, capacity-related, customer-related, revenue-related, public fire protection-related, or a direct assignment. The approach used for the Study is based on the methodology as described in the AWWA M1 Manual and the District’s specific water system operating and customer characteristics. The functionalization and allocation of the plant in service followed the same approach as outlined in the 2022 rate study. Therefore, the relationships have been maintained between cost allocations and only the costs have been updated.

Table 1 – 5 provides a summary of the basic functionalization and allocation of the major water plant items.



**Table 1 - 5**  
**Summary of the Allocation of Water Plant in Service**

Category	Commodity Related	Capacity Related	Customer Related	Fire Protection	Revenue Related	Direct Assign.
Land	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Source of Supply	50.5%	49.5%	0.0%	0.0%	0.0%	0.0%
Pump Station	50.5%	49.5%	0.0%	0.0%	0.0%	0.0%
Storage	0.0%	92.0%	0.0%	8.0%	0.0%	0.0%
Water Distribution	3.6%	30.6%	58.8%	7.0%	0.0%	0.0%
Water Treatment	50.5%	49.5%	0.0%	0.0%	0.0%	0.0%
<b>Net Plant in Service</b>	<b>32.3%</b>	<b>39.9%</b>	<b>25.4%</b>	<b>2.4%</b>	<b>0.0%</b>	<b>0.0%</b>

A more detailed exhibit of the functionalization and allocation of water plant (assets) can be found in the Water Technical Appendix in Exhibit 13.

### 1.2.6 Functionalization and Allocation of Operating Expenses

As noted in the AWWA M1 Manual, operating expenses are generally functionalized and allocated in a manner similar to the corresponding plant account. For example, maintenance of distribution mains is typically allocated in the same manner (allocation percentages) as the plant account for distribution mains. This approach to allocating the District’s operating expenses was used for this analysis. Although in general, the District does separate O&M expenses by function (e.g., supply, distribution), not all of the O&M is functionalized which is not uncommon for utilities. As a result, the approach to allocate the operating expenses was based on the allocation of the plant, or asset data, which reflects the investment made by the District to provide service.

For the Study, the revenue requirement for FY 2024 was functionalized and allocated based on the approach noted above. Which was based on the approach established in the 2022 rate study. The District utilized a cash basis revenue requirement, which was comprised of operation and maintenance expenses, rate funded capital, debt service, and reserve funding. Provided in Table 1 – 6 is a summary of the allocation of the water revenue requirement to the cost centers. The allocation of revenue requirement is further detailed in Exhibit 15 of the Water Technical Appendix.

**Table 1 - 6**  
**Summary of the Allocation of the Revenue Requirement (\$000)**

	Commodity	Capacity	Actual Customer	Wt. Cust. Actg.	Wt. Cust Mtrs & Srvcs	Fire Protection	Revenue Related
<b>Net Revenue Requirement</b>	\$1,738	\$1,863	\$17	\$0	\$2,719	\$158	\$0



### 1.2.7 Major Assumptions of the Cost of Service Study

A number of key assumptions were used within the District’s water cost of service study. Below is a brief discussion of the major assumptions used.

- A test period of FY 2024 was used for the cost of service analysis in order to select the expenses which should be allocated and distributed for the rate setting period. The revenue and expense data used was previously developed within the revenue requirement analysis.
- A cash basis approach was utilized which conforms to generally accepted water cost of service approaches and methodologies and was the basis for the 2022 rate study
- The allocation of plant in service was developed based upon generally accepted cost allocation techniques. Furthermore, they were developed using the District’s specific system and customer characteristics and data
- Consumption by cost or class of service used within this study were developed for each class of service from historical usage information provided by the District
- Peak day capacity distribution factors were calculated based upon each customer group’s average to peak month relationship

### 1.2.8 Summary Results of the Cost of Service Analysis

In summary form, the cost of service analysis began by functionalizing the water revenue requirement developed for FY 2024. The functionalized revenue requirement was then allocated to the appropriate cost component(s). The individual allocation totals were then distributed to the identified customer classes of service and tiers based on the appropriate distribution factor. For example, commodity related costs were distributed based on the commodity distribution factor which was based on annual water consumption. Each customer class, and/or tier, is distributed their proportional share of commodity costs based on total annual water consumption. Similarly, capacity costs were distributed proportionally based on the capacity distribution factor. This factor reflects the peaking characteristics of each customer class, and tier. In this way, each class, and tier, is distributed the proportional share of costs allocated to the capacity component.

The distributed expenses for each customer class were then aggregated to determine each customer class’s overall revenue responsibility. Shown below in Table 1 – 7 is a summary of the distributed costs to each customer class of service, also described in Exhibit 18 to the Water Technical Appendix.

**Table 1 – 7**  
**Summary of the Distribution of the Water Revenue Requirement (\$000)**

Component	Residential	Multi-Family	Commercial	Irrigation	Snowmaking	Total
Commodity	\$827	\$414	\$154	\$274	\$68	<b>\$1,738</b>
Capacity	954	368	116	388	37	<b>1,863</b>
Actual Customer	14	1	1	0	0	<b>17</b>
Cust. Acctg.	0	0	0	0	0	<b>0</b>
Meters & Services	1,113	1,231	227	125	23	<b>2,719</b>
Fire Protection	64	70	24	0	0	<b>158</b>
Revenue Related	0	0	0	0	0	<b>0</b>
Direct Assign.	0	0	0	0	0	<b>0</b>
<b>Total</b>	<b>\$2,971</b>	<b>\$2,084</b>	<b>\$523</b>	<b>\$787</b>	<b>\$129</b>	<b>\$6,494</b>

The District’s water cost of service study distributes the FY 2024 revenue requirement to each customer class with their respective benefit received from and burdens placed on the water system (proportional distribution). A cost of service analysis is based on one year’s O&M expense data and projected customer usage information. Given this, the results of the cost of service analysis may change from year to year. As the District continues to monitor rates and cost of service results through future studies, future cost of service adjustments may be necessary to reflect costs and customer consumption patterns at that time.

Based on the proportional distribution of the costs, a comparison is made to the current revenues to determine the overall revenue adjustment by class of service to meet the overall system revenue needs. Provided in Table 1 - 8 is a summary of the cost of service analysis.

**Table 1 - 8**  
**Summary of the Water Cost of Service Analysis (\$000)**

Class of Service	Present Revenues	Distributed Costs	\$ Difference	% Difference
Residential	\$2,693	\$2,971	(\$278)	10.3%
Multi-Family	2,015	2,084	(69)	3.4%
Commercial	489	523	(33)	6.8%
Irrigation	604	787	(184)	30.4%
Snowmaking	103	129	(25)	24.7%
<b>Total System</b>	<b>\$5,801</b>	<b>\$6,365</b>	<b>(\$565)</b>	<b>10.0%</b>

As can be seen in Table 1 - 8, while an overall revenue adjustment of 10.0% is necessary, the distribution of costs results in different revenue adjustments by class of service. It is important to note that the result of the cost of service analysis are a snapshot in time and may change from year to year depending on the system and customer characteristics. Given this, the results of the

cost of service analysis are reviewed from a range of reasonableness perspective. Based on this, the class of service that is outside of the range of reasonableness is the irrigation and snow making customer classes.

### **1.2.9 Consultant’s Conclusions and Recommendations**

The results of the cost of service show differences in the cost to serve each customer class, specifically the irrigation and snow making customer classes of service. The 2022 study established a separate consumption charge for the irrigation and snow making customers to begin to implement the cost of service results from the 2022 study. As shown in the cost of service results for this study, the irrigation and snow making rate should continue to be adjusted to reflect the cost of service results. The balance of costs, are applied equally to the remaining customer classes of service. The next section – 1.3 or the water rate design – it is discussed how the rate structure is adjusted to reflect the results of the cost of service. It is recommended that the District continue to complete cost of service analyses periodically and review the results to see if additional trends are apparent.

### **1.2.10 Summary of the Cost of Service Analysis**

This section of the report has provided the recommendations resulting from the cost of service analysis developed for the District’s water utility. This analysis was prepared using generally accepted cost of service techniques as provided in the AWWA M1 Manual. The following section of the report will provide a summary of the present and proposed rates for the District’s water utility.

## **1.3 Water Rate Design**

The final step of the District’s water analysis as part of the Study is the design of water rates to collect the desired levels of revenues, based on the results of the revenue requirement analysis as well as incorporating recommended adjustments from the cost of service analysis. In reviewing District’s rates, consideration must be given to the level of the rates as well as the structure of the rates. The level of rates reflects the amount of revenues that should be collected while the structure of the rates is how it is collected (charged) from the customers.

The overall revenue level for the District’s has been established in the revenue requirement analysis while the proportional distribution of costs between the customer classes has been developed in the cost of service analysis which provides the revenue levels to be collected from each class of service.

### **1.3.1 Rate Design Criteria and Considerations**

Prudent rate administration dictates that several criteria must be considered when setting utility rates. Some of these rate design criteria are listed below:

- Rates which are easy to understand from the customer’s perspective
- Rates which are easy for the District to administer
- Consideration of the customer’s ability to pay
- Continuity, over time, of the rate making philosophy

- Policy considerations (encourage efficient use, economic development, etc.)
- Provide revenue stability from month to month and year to year
- Promote efficient allocation of the resource
- Equitable and non-discriminatory (cost-based)

It is important that the District provide its water customers with a proper price signal as to what their consumption and peaking (demand) requirements are costing. This goal may be approached through rate level and rate structure. When developing the proposed rate designs, all the above listed criteria can be taken into consideration. However, it is difficult, if not impossible, to design a rate that meets all the goals and objectives listed above. For example, it may be difficult to design a rate that takes into consideration the customer's ability to pay, and one which is cost-based. In designing rates, there are always trade-offs between the various goals and objectives.

### **1.3.2 Present Water Rates**

The current water rate structure includes a fixed base charge which is flat for residential and multi-family then for all other customers it is based on the service meter size and adjusted by the CAF factor or the meter equivalency factor. Customers are also charged a capital improvement charge that is assessed in the same manner as the fixed base charge. There is also a three tier volumetric consumption charge for the first 20,000 gallons, 20,000 to 60,000 gallons, and over 60,000 gallons. These tiers are adjusted based the CAF factor corresponding to the service meter size for non-residential customers. In this way, the tier sizes for larger customers reflect the demands and use of water by customers and the capacity provided through the fixed meter charge. The rate by tier is the same for residential and commercial customers while the irrigation customers have a unique rate based on the cost of service results.

### **1.3.3 Summary of the Proposed Water Rates**

Developing cost-based water rates is of paramount importance in developing proposed water rates. HDR developed the District's proposed rates based on the methodologies provided in the AWWA M1 Manual.

The next step is to develop the proposed rates for the next five-year period. The capital charge is calculated based on the capital improvement projections as developed in the revenue requirement for the rate setting period, both direct capital funding and annual debt service payments. Then the fixed and variable charges were adjusted to target the overall rate revenue adjustment. Provided below is a summary of the present and proposed rates for each customer class of service for each year of the rate setting period. Provided below in Table 1 – 9 is a summary of the current and proposed rates for the District's customers.

**Table 1 - 9**  
**Summary of the Present and Proposed Water Rates**

	<i>Present Rates</i>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Meter Fee</b>						
3/4"	\$15.10	\$17.30	\$18.75	\$20.10	\$20.10	\$21.00
1"	25.22	28.89	31.31	33.57	33.57	35.07
1 1/2"	50.28	57.61	62.44	66.93	66.93	69.93
2"	80.48	92.21	99.94	107.13	107.13	111.93
3"	151.00	173.00	187.50	201.00	201.00	210.00
4"	251.72	288.39	312.56	335.07	335.07	350.07
6"	503.28	576.61	624.94	669.93	669.93	699.93
8"	805.28	922.61	999.94	1,071.93	1,071.93	1,119.93
10"	1,157.72	1,326.39	1,437.56	1,541.07	1,541.07	1,610.07
<b>Capital Improv. Fee</b>						
3/4"	\$15.10	\$15.10	\$18.23	\$20.92	\$24.85	\$23.35
1"	25.22	25.22	30.44	34.93	41.50	38.99
1 1/2"	50.28	50.28	60.70	69.66	82.76	77.74
2"	80.48	80.48	97.16	111.50	132.47	124.44
3"	151.00	151.00	182.29	209.19	248.53	233.46
4"	251.72	251.72	303.88	348.72	414.30	389.19
6"	503.28	503.28	607.59	697.22	828.35	778.14
8"	805.28	805.28	972.18	1,115.60	1,325.41	1,245.07
10"	1,157.42	1,157.72	1,397.65	1,603.84	1,905.48	1,789.97
<b>Admin Fee</b>	\$4.23	\$4.44	\$4.66	\$4.90	\$5.14	\$5.40
<b>Defensible Space</b>	1.05	1.05	1.05	1.05	1.05	1.05
<b>Water Use (Res &amp; Com)</b>						
Tier 1	\$1.95	\$2.15	\$2.15	\$2.22	\$2.22	\$2.29
Tier 2	3.12	3.44	3.44	3.55	3.55	3.66
Tier 3	3.64	4.01	4.01	4.14	4.14	4.27
<b>Water Use (Irrigation)</b>						
Tier 1	\$2.00	\$2.65	\$2.90	\$3.15	\$3.15	\$3.25
Tier 2	3.20	4.24	4.64	5.04	5.04	5.20
Tier 3	3.73	4.94	5.41	5.87	5.87	6.06

As noted, the capital charge is based on the capital funding needs in each year, both direct capital and annual debt service payments. The admin fee was adjusted annual based on the annual increase in costs for those expense accounts as developed in the revenue requirement. The meter charge and consumption charge were then increased to meet the overall revenue target for each year.

It is important to note that the monthly bill impacts will vary between customer classes and also customers in the same class depending on the meter size and amount of consumption. The proposed rates meet the overall revenue adjustments necessary to fund operating and capital costs as developed in the Study, as well as a continuing the transition of the implementation of the cost of service results for the irrigation customers.

### 1.3.4 Water Rate Study Update Recommendations

Based on the results of the water rate study, HDR recommends the following:

- Revenue adjustments are necessary to prudently fund operating and capital renewal and replacement expenses
  - Revenues should be adjusted 10.0% in FY 2024, 8.5% in FY 2025, 8.0% in FY 2026, and 3.0% annually in FY 2027 and FY 2028
- Recommend implementing cost of service adjustments, specifically to address the irrigation cost of service results
- Prior to the end of the financial planning projected period, the District should complete a review of the water revenue levels and costs at that time

## 1.4 Summary of the Water Rate Study Update

This completes the analysis for the Incline Village General Improvement District's water utility. This study has provided a comprehensive review and development of proposed water rates for the District. Adoption of the proposed water rates will allow the District to meet its current and projected financial obligations for the time period reviewed based on the assumed customer growth, capital plan, and inflationary increases in operating costs. Should these assumptions change, the proposed rate adjustments may also need to be revised to reflect the current conditions.

## 2 Development of the Sewer Study Update

---

This section of the report will describe the development of the sewer rate study. This includes the development of the revenue requirement, cost of service, and rate design analyses. Each of these analyses was completed for the sewer utility based on the specific sewer customer and sewer system characteristics. The following discussion will outline the summary of each of these analyses to support the development of cost-based and proportional sewer rates.

### 2.1 Revenue Requirement

This section describes the development of the revenue requirement analysis for the District's sewer utility. The revenue requirement analysis is the first analytical step in the comprehensive sewer rate study process. From this analysis, a determination can be made as to the overall level of sewer rate adjustments needed to provide adequate and prudent funding for both operating and capital needs of the utility. The primary objective of a rate study is to develop cost-based rates over the rate setting period.

#### 2.1.1 Determining the Revenue Requirement

In developing the District's sewer revenue requirement, the utility must financially "stand on its own" and be properly funded. As a result, the revenue requirement analysis, as developed herein, assumes the full and proper funding needed to operate and maintain the District sewer system on a financially sound and prudent basis. The following sections will provide a more detailed discussion of the development of the sewer revenue requirement analysis for the District.

#### 2.1.2 Establishing a Time Frame and Approach

The first step in calculating the revenue requirement for the District's sewer system was to establish a time frame for the revenue requirement analysis. A 10-year period (FY 2024 – FY 2033) was determined to be an appropriate amount of time for the revenue requirement and matches the approach taken for the water utility. This time period was composed of the District's FY 2023 budget which was then projected based on assumed escalation factors. Reviewing a multi-year time period is recommended since it attempts to identify any major expenses that may be on the horizon. By anticipating future financial requirements, the District can begin planning for these changes sooner, thereby minimizing short-term rate impacts and overall long-term rates.

The second step in determining the sewer revenue requirement was to decide on the basis of accumulating costs. In this particular case, for the revenue requirement analysis a "cash basis" approach was utilized just as for the District's the water utility. The cash basis approach is the most commonly used methodology by municipal utilities to set their revenue requirement and is also the methodology that was used in the development of the District's 2022 rate study.

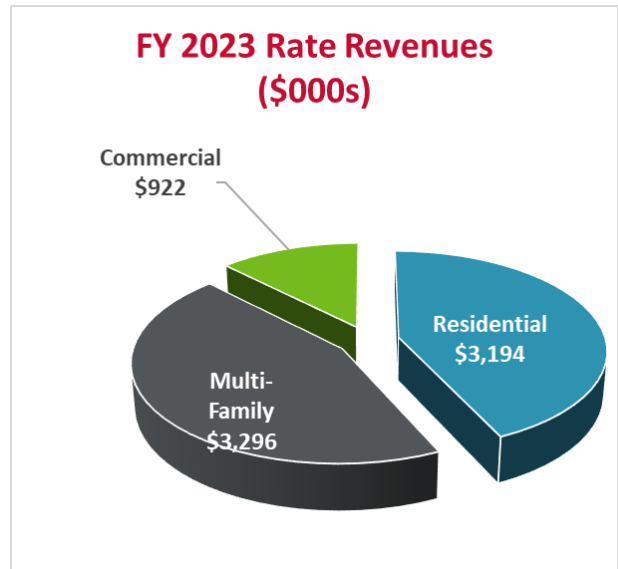
Given a time period around which to develop the revenue requirement and a method to accumulate the costs, the focus then shifts to the development and projection of the revenues and expenses of the District's sewer utility. The primary financial inputs in the development of



the revenue requirement were the District’s adopted budget documents, recent billed customer data, and the District’s capital improvement plan. Presented below is a detailed discussion of the steps and key assumptions contained in the development of the projections of the District’s sewer revenue requirement analysis.

### 2.1.3 Projecting Rate and Other Miscellaneous Revenues

The first step in developing a projection of the sewer rate revenues, at present rate levels, was to determine the projected billing units (meter size, metered consumption/winter water consumption). The billing units were based on the most recent 12-month period to determine the current customer billing characteristics. These billing units were then multiplied by the corresponding present sewer rates. This method of independently calculating revenues links the projected revenues used within the analysis to the projected billing units. It also helps to confirm that the billing units used within the Study are reasonable for purposes of projecting future revenues, customer characteristics or units for the cost of service analysis, and provide the units for establishing the proposed rates to collect the target level of revenues. The rate revenues are also shown in Exhibit 3 under “Rate Revenues” for FY 2023.



In total, and at adopted rate levels, the District’s sewer utility is projected to receive approximately \$7.4 million in rate revenue in FY 2023. Based on current District planning documents, the Study has assumed a conservative assumption for customer growth of 0.1% per year. By FY 2028, the rate revenues - assuming no rate adjustments - are projected to be approximately \$7.4 million, that is, essentially flat. The detailed calculation of the revenues at present rates is included in Exhibit 3 of the Sewer Technical Appendix.

In addition to rate revenues, the District also receives other non-operating revenues. These are revenues related to interest income, fees, other misc. revenue, etc. In total, the sewer utility is projected to receive approximately \$1.1 million in FY 2023 of which a significant proportion (\$1.0 million) is a one-time transfer to the sewer utility. Non-operating revenues were estimated to decrease after the one-time transfer and be approximately \$132,000 by FY 2028.

On a combined basis, considering the rate revenues and the miscellaneous revenues, the District’s sewer utility has total projected revenues of approximately \$8.5 million in FY 2023. This amount is anticipated to decrease due to the one-time transfer to approximately \$7.6 million through FY 2028. The assumptions used for projecting growth and increases in miscellaneous revenues can be found in Exhibit 2 of the Sewer Technical Appendix. The projection of rate and miscellaneous revenues can be found in Exhibit 3.

### 2.1.4 Projecting Operation and Maintenance Expenses

Operation and maintenance (O&M) expenses are incurred by the District to maintain the sewer system collection, pumping, and treatment at a consistent, high level, of service. The starting point of the projection of O&M expenses was the District’s adopted FY 2023 budget. Budgeted O&M expenses were projected over the Study time period based on historical inflationary factors. These factors took into consideration the District’s historical cost increases and projected increases and are summarized below in Table 2 - 1.

Table 2 – 1 Summary of the Sewer O&M Escalation Factors					
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Labor	5.0%	5.0%	5.0%	5.0%	5.0%
Benefits - Medical	10.0%	10.0%	10.0%	10.0%	10.0%
Benefits - Other	6.0%	6.0%	6.0%	6.0%	6.0%
Professional Svcs.	5.0%	5.0%	5.0%	5.0%	5.0%
Materials & Supplies	3.0%	3.0%	3.0%	3.0%	3.0%
Equipment	4.0%	4.0%	4.0%	4.0%	4.0%
Chemicals	5.0%	5.0%	5.0%	5.0%	5.0%
Utilities	4.0%	4.0%	4.0%	4.0%	4.0%
Insurance	3.0%	3.0%	3.0%	3.0%	3.0%
Power	4.0%	4.0%	4.0%	4.0%	4.0%
Miscellaneous	2.5%	2.5%	2.5%	2.5%	2.5%

In total, O&M expenses were projected to increase at an annual inflation rate of approximately 4.5% over the Study time period. The escalation factors used are shown in Exhibit 2 of the Sewer Technical Appendix. In addition to the budgeted O&M expenses, there was also additional O&M expenses regarding staffing needs starting in FY 2024.

The total operation and maintenance expenses for the sewer utility are budgeted to be approximately \$5.5 million in FY 2023. Over the five-year projected rate setting period, the total O&M expenses are projected to increase to approximately \$6.8 million by FY 2028.

### 2.1.5 Projecting Capital Funding Needs

A key component in the development of the sewer revenue requirement was to adequately fund capital improvement needs in the short- and long-term. One of the major issues facing many utilities across the U.S. is the amount of deferred capital projects and the funding pressure from regulatory-related improvements. The proper and adequate funding of capital projects is an important issue for all utilities and not just a local issue or concern of the District. To accomplish this, the District has a Capital Improvement Plan (CIP) to address both the short- and long-term needs of the sewer utility. The District’s CIP will help guide and prioritize capital projects over time and capital investments to expand the capacity of facilities to accommodate future customers.

In general, there are three types of capital projects that the District may need to fund. These include the following types:

- Renewal and replacement projects
- Growth/capacity expansion projects
- Regulatory-related projects

Each of these types was explained in detail in Section 1.1.5 and are the same for sewer as outlined in the water rate study discussion. As noted, in Section 1.1.5, the way in which projects are funded may vary by the type of capital project. For example, renewal and replacement projects should be funded through annual rates on a “pay-as-you-go basis”. In contrast to this, growth or capacity expansion projects may be funded through the collection of capacity charges (i.e., growth-related charges) in which new development pays a proportional and equitable share of the cost of improvements required as a result of their connection (impact) and that benefit development. Finally, regulatory projects may be funded by a variety of different means, which may include one or more sources such as rates, long-term debt, grants, etc.

While the above discussion appears to neatly divide capital projects into three clearly defined categories, the reality of working with specific capital projects may be more complex. For example, a mainline may be replaced, but while being replaced, it is up sized to accommodate the need for greater capacity. There are many projects that share these “joint” characteristics. At the same time, projects may not be “replacement” related, but rather “improvement” related. Provided below in Table 2 - 2 is a summary of the sewer utility capital funding analysis, based on the District’s capital improvement plan.

Table 2 – 2 Summary of the Sewer Capital Funding Plan (\$000)						
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Total Capital Improvement Projects</b>	<b>\$18,688</b>	<b>\$19,592</b>	<b>\$16,773</b>	<b>\$18,771</b>	<b>\$1,657</b>	<b>\$863</b>
<i>Less: Other Funding</i>						
Operating Fund	\$0	\$0	\$0	\$0	\$0	\$0
Capital Fund	2,497	0	0	0	1,657	863
Effluent Reserve Fund	7,979	721	523	2,521	0	0
USDA Grant	3,052	2,191	0	0	0	0
Federal Earmark	0	1,600	0	0	0	0
Long-term Borrowing	<u>5,160</u>	<u>15,080</u>	<u>16,250</u>	<u>16,250</u>	<u>0</u>	<u>0</u>
<b>Total Other Funding</b>	<b>\$18,688</b>	<b>\$19,592</b>	<b>\$16,773</b>	<b>\$18,771</b>	<b>\$1,657</b>	<b>\$863</b>
<b>Rate Funded Capital</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

While the total amount of capital improvements will vary from year to year, the sewer capital funding plan has attempted to provide a consistent, annual funding source for the replacement of deteriorating system assets. In this case, the sewer rate structure includes a capital charge that

provides funding for annual capital improvement needs. In addition to this, to fund the capital plan, the District has planned on long-term debt to fund the effluent pipeline project.

As a point of reference, the District's annual depreciation expense for FY 2022 is approximately \$1.9 million. Similar to the target for the water utility, a desirable funding target for rate funded CIP is an amount equal to or greater than annual depreciation expense in order to approximately keep up with the rate of deterioration of the system assets. This level of funding appears appropriate based on the level of annual depreciation expense. At current levels, the District's annual capital funding is far exceeding the annual depreciation expense which means they are adequately funding renewal and replacement of the existing sewer infrastructure.

As noted in the water capital funding section, annual depreciation expense is not the same as replacement cost. Thus, funding an amount which exceeds the depreciation expense is both prudent and appropriate. As noted, to help establish a prudent level of annual replacement funding through rates, HDR worked with District staff to develop a funding plan for the CIP. In developing this financial plan, HDR and the District have attempted to minimize rate impacts while funding the necessary capital projects of the sewer utility.

### **2.1.6 Projection of Debt Service**

The District currently has two outstanding long-term debt issues for the sewer utility with a total annual payment (P+I) of approximately \$336,000 in FY 2023. Over the rate setting period, both of the existing issuances are fully paid for. As noted in the capital funding analysis, the District has assumed that additional long-term debt will be necessary to fund sewer utility capital improvements, primarily the effluent pipeline project, over the five-year review period. This results in a total long-term debt service of approximately \$2.8 million in FY 2028.

HDR is not advising the District on the terms of any bond issuances, only identifying the overall funding needs. HDR is not acting in a municipal advisor role to the District for the issuance of any long-term borrowing.

### **2.1.7 Reserve Funding**

The final component of the revenue requirement analysis is reserve funding. This can be described as transfers of revenue to reserve funds to maintain prudent ending fund balances or for future funding of specific or unanticipated projects. For the District, funds from the capital charge component of the rates are transferred into the capital fund in order to pay for annual capital improvement projects and annual debt service. In addition, once rates are set at a sufficient level, annual revenues are transferred to meet the operating fund minimum target balances.

### **2.1.8 Summary of the Sewer Revenue Requirement**

Given the above projections of revenues and expenses, a summary of the sewer revenue requirement analysis can be developed. In developing the revenue requirement analysis, consideration was given to the financial planning considerations of the District. In particular, emphasis was placed on attempting to minimize rates, yet still have adequate funds to support the operational activities and capital projects throughout the projected time period. Presented

in Table 2 - 3 is a summary of the projected sewer revenue requirement. Detailed exhibits of this analysis can be found in the Sewer Technical Appendix (Exhibits 1 – 6).

<b>Table 2 - 3</b>						
<b>Summary of the Sewer Revenue Requirement Analysis (\$000)</b>						
	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Revenues</b>						
Rate Revenues	\$7,412	\$7,420	\$7,427	\$7,434	\$7,442	\$7,449
Other Revenues	<u>1,123</u>	<u>129</u>	<u>120</u>	<u>120</u>	<u>125</u>	<u>132</u>
<b>Total Revenues</b>	<b>\$8,535</b>	<b>\$7,549</b>	<b>\$7,547</b>	<b>\$7,554</b>	<b>\$7,567</b>	<b>\$7,581</b>
<b>Expenses</b>						
Total O & M	\$5,505	\$5,849	\$6,109	\$6,389	\$6,518	\$6,844
Additional Capital Funding	0	0	0	0	0	0
Net Debt Service	0	0	0	0	0	0
Operating Fund Transfers	(193)	(525)	(114)	158	331	317
Capital Fund Transfers	<u>3,223</u>	<u>3,226</u>	<u>3,229</u>	<u>3,233</u>	<u>3,236</u>	<u>3,239</u>
<b>Total Expenses</b>	<b>\$8,535</b>	<b>\$8,551</b>	<b>\$9,224</b>	<b>\$9,780</b>	<b>\$10,085</b>	<b>\$10,400</b>
Bal./ (Deficiency) of Funds	\$0	(\$1,002)	(\$1,677)	(\$2,225)	(\$2,518)	(\$2,819)
Balance as % of Rev from Rates	0.0%	13.5%	22.6%	29.9%	33.8%	37.8%
<b>Proposed Rate Adjustments</b>	<b>0.0%</b>	<b>13.5%</b>	<b>8.0%</b>	<b>6.0%</b>	<b>3.0%</b>	<b>3.0%</b>
Add'l Revenue with Rate Adj.	\$0	\$1,002	\$1,677	\$2,225	\$2,518	\$2,819
Bal. / (Def.) After Rate Adj.	\$0	\$0	(\$0)	\$0	\$0	\$0

As can be seen, the revenue requirement has summed the O&M, rate funded capital, net debt service, and reserve funding components. Similar to the water utility analysis, the annual debt service is funded through the existing capital charge component of the sewer rates. The total revenue requirement is then compared to the total revenues which include both rate revenues – at current rate levels – and other revenues. From this comparison, a balance or deficiency of funds in each year can be determined. This balance or deficiency of funds is then compared to the projected revenues from current rates to determine the level of rate adjustment needed to meet the revenue requirement. The “Bal. / (Def.) of Funds” row is cumulative. That is, any adjustments in the initial years will reduce the deficiency in the later years. Over the rate setting period, the total deficiency in revenues ranges from approximately \$1.0 million in FY 2024 to \$2.8 million in FY 2028.

The revenue requirement in Table 2 - 3 has been developed to meet financial planning objectives of the District. More specifically, the District desires to adequately and prudently fund the sewer operating and capital needs. Table 2 - 3 has also included a set of proposed rate revenue adjustments (blue highlighted band) which are sufficient to meet the total revenue requirements over the projected time period. The proposed revenue adjustments are a function of assumed inflation over this time period, coupled with the need to increase the capital improvement funding from rates (renewal and replacement funding), meet minimum reserve levels, fund annual debt service payments, and meet legally required debt service coverage ratios.

The overall revenue adjustments may not reflect the final rate adjustments, or bill impacts, seen by the District’s customers. The overall revenue adjustment reflects the needed revenues for the system as a whole. A more detailed revenue requirement is included in Exhibit 3 of the Sewer Technical Appendix.

### **2.1.9 Consultant’s Conclusions**

Based on the revenue requirement analysis developed herein, HDR recommends that the District adjust sewer revenues annually over the next five-year period (FY 2024 – FY 2028). HDR has reached this conclusion for the following reasons:

- Revenue adjustments are necessary to fund the District’s capital improvement needs
- The revenue adjustments are necessary in order to fund the annual inflationary costs related to annual sewer O&M
- The proposed revenue adjustments maintain the District’s strong financial health and provide long-term sustainable funding levels

In reaching this conclusion, HDR would recommend that the District adopt the proposed sewer rate revenue adjustments in order to provide sufficient funding for annual O&M and capital improvement program over the next five-year period.

### **2.1.10 Summary of the Sewer Revenue Requirement**

This section of the Study has provided a discussion of the District’s sewer revenue requirement analysis. The revenue requirement analysis developed a revenue transition plan to support the District’s O&M and capital needs. The next section will discuss the cost of service analysis developed for the District’s sewer utility.

## **2.2 Sewer Cost of Service Analysis**

In the previous section, the revenue requirement analysis focused on the total revenues and expenses required to adequately fund the District’s sewer utility. This section will provide an overview and summary of the cost of service analysis developed for the District’s sewer utility.

The sewer cost of service analysis is concerned with the proportional distribution of the total revenue requirement among the various customer classes of service (i.e., Residential, Multi-Family, Commercial) to establish cost-based and proportional rates for each customer class of service. The previously developed revenue requirement was utilized in the development of the cost of service analysis.

### **2.2.1 Objectives of a Cost of Service Study**

There are two primary objectives in conducting a sewer cost of service study:

- Proportionally distribute the District’s revenue requirement among the customer classes of service; and
- Derive average unit costs (i.e., cost-based rates) for subsequent rate designs.

The primary objective of the cost of service analysis is the proportional and equitable manner to collect the revenue requirement from the District’s various customer classes of service. The

second rationale for conducting a cost of service analysis is to allow for the development of proposed rates that properly reflect the costs incurred by the District and impacts customer place on the sewer system. For example, a sewer utility typically incurs costs related to flow (wastewater volumes), strength, and customer cost components. Each of these types of costs may be collected in a slightly different manner to allow for the development of rates that collect costs in the same manner as they are incurred.

## 2.2.2 Determining the Customer Classes of Service

The first step in a cost of service analysis is to determine the customer classes of service. The customer classes of service for the Study are based on the current rate schedules of the District. As part of the Study, HDR reviewed the customer classes with the District and determined they reflect the various customer types and system facility requirements. For purposes of the development of the cost of service analysis, the following customer classes of service were identified:

- Residential
- Multi-Family
- Commercial

In determining classes of service for cost of service purposes, the objective is to group customers together into similar or homogeneous groups based upon facility requirements and/or flow characteristics. HDR reviewed the current customer characteristics and facility requirements, and the proposed customer classes of service are consistent with typical industry practices.

## 2.2.3 General Cost of Service Procedures

In order to determine the proportional cost to serve each customer class of service on the District's sewer system, a cost of service study is conducted. A cost of service study utilizes a three-step approach to review costs which is outlined in the Water Environment Federation Manual of Practice No. 27 (WEF MOP #27). These steps take the form of functionalization, allocation, and distribution. Provided below is a detailed discussion of the Study conducted for the District, and the specific steps taken within the analysis.

### 2.2.3.1 Functionalization of Costs

The first analytical step in the cost of service process is called functionalization. Functionalization is the arrangement of expenses and asset (plant) data by

### Terminology of a Sewer Cost of Service Analysis

**Functionalization** – The arrangement of the cost data by functional category (e.g., collection, pumping, treatment).

**Allocation** – The assignment of functionalized costs to cost components (e.g., volume, strength, and customer related).

**Distribution** – Distribute the allocated costs to each class of service based upon each class's proportional contribution to that specific cost component.

**Volume Costs** – Costs that are allocated as volume related vary with the total flow of wastewater (e.g., power for pumping).

**Strength Costs** – Costs allocated as strength related refer to the sewer treatment function. Typically, strength-related costs are further defined as biochemical oxygen demand (BOD) and suspended solids (SS). Treatment facilities are designed and sized around meeting these treatment demands.

**Customer Costs** – Costs allocated as customer related vary with the number of customers on the sewer system, e.g., billing, accounting costs, etc.

**Direct Assignment** – Costs that can be clearly identified as belonging to a specific customer or group of customers.

major operating functions (e.g., collection, pumping, treatment). Within this Study, the District's records functionalized a majority of the expenses and assets. For those that were not, HDR worked with District staff to review and functionalize the expense or asset.

### 2.2.3.2 Allocation of Costs

The second analytical task performed in a sewer cost of service study is the allocation of the costs. Allocation determines why the expenses were incurred or what type of need is being met. The following cost allocators were used to develop the Study. These were the same allocation components as used in the development of the 2022 sewer rate study.

- **Volume Related Costs:** Volume related costs are those costs which tend to vary with the total quantity of wastewater collected and treated. A majority of collection system costs are included in this component as well as electricity used for pumping or treating wastewater.
- **Strength-Related Costs:** Strength-related costs are those costs associated with the handling and the treatment of wastewater. For the District's study, strength was differentiated between biochemical oxygen demand<sup>2</sup> (BOD) and total suspended solids<sup>3</sup> (TSS). These constituents represent the strength factors that drive the District's treatment related costs. Increased strength levels of BOD or TSS equates to increased treatment costs for sewer treatment.
- **Customer-Related Costs:** Customer-related costs vary with the addition or deletion of a customer or a cost which is a function of the number of customers served. Customer related costs typically include the costs of billing, collecting, and accounting. Customer related costs can be further defined as weighted or reflect a higher cost of providing specific costs such as billing.
- **Revenue-Related Costs:** Some costs associated with the utility may vary with the amount of revenue received by the utility. An example of a revenue related cost would be a utility tax which is based on gross utility revenue.
- **Direct Assignment:** In some cases, a specific component of the infrastructure, or a specific O&M expense can be the direct responsibility of a specific customer class or classes. In this case, it is directly assigned to that customer class classes.

The basis, or methodology, for the allocation process is outlined in the WEF MOP #27. The methodology provided in the manual was then applied to the District's specific circumstances, customers, O&M and capital costs, and system operation to develop the appropriate allocation approach in a similar manner as the 2022 sewer rate study.

---

<sup>2</sup> BOD is the amount of dissolved oxygen that must be present in water in order for microorganisms to decompose the organic matter in the wastewater.

<sup>3</sup> SS is the entire amount of organic and inorganic particles dispersed in wastewater.



### 2.2.3.3 Development of Distribution Factors

Once the allocation process is complete, the various allocated costs were distributed to each customer class of service. The District's allocated costs were proportionally distributed to the customer classes of service using the following distribution factors.

- **Volume Distribution Factor:** Volume related costs are distributed on the basis of contribution to wastewater flows. In order to develop this distribution factor, some knowledge of the contribution to flows must be determined. Wastewater flows were calculated based on billed wastewater flows for the District's customers which is based on metered water consumption. The calculation of the volume distribution factor is shown in Exhibit 7 of the Technical Appendix.
- **Strength Distribution Factor:** Strength-related costs are first allocated between BOD and TSS and then distributed to each customer class. The strength levels and each individual customer's wastewater volumes were used to calculate the pounds removed for each constituent which relates to each customer classes proportional contribution and share of costs. For the District's study, all customers were set at domestic strength wastewater levels. Exhibit 8 in the Technical Appendix provides the calculation of the strength distribution factor.
- **Customer Distribution Factor:** Customer costs within the cost of service analysis are distributed to the various customer classes of service based upon their respective number of accounts. The actual customer distribution factor assumes that there is no disproportionate cost associated with serving a customer (e.g., postage for bills is the same regardless of the size or usage of the customer). The other customer factor is called the customer capacity demand factor and is developed based on the number of equivalent meters for each customer class. This is meant to reflect the potential flows of each customer class. Exhibit 9 of the Technical Appendix provides the calculation of the customer distribution factors.
- **Revenue Related Distribution Factor:** The revenue related distribution factor was developed from the projected rate revenues for FY 2024 for each customer class of service as developed in Exhibit 3. A summary of the revenue distribution factor is provided in Exhibit 10 of the Technical Appendix.

The development of the distribution factors is based on generally accepted principles as outlined in the WEF MOP #27.

### 2.2.4 Functionalization and Allocation of Plant in Service

As noted, the first steps of the cost of service analysis is the functionalization and allocation of District's plant in service. In performing the functionalization of plant in service, HDR utilized the District's historical plant (asset) records. Once the plant assets were functionalized, the analysis shifted to the allocation of each asset. The allocation process included reviewing each functionalized asset and determining which cost allocator the assets were related to. For example, the District's assets were allocated as: volume-, strength- (BOD, TSS), customer-, and revenue-related. Provided below is a summary of the allocation process for the functional categories. The functionalization and allocation of the sewer plant in service was based on the

approach as established in the 2022 sewer rate study. Therefore, the relationships have been maintained between cost allocations and only the sewer costs have been updated.

A detailed exhibit of the District’s functionalization and allocation of plant investment can be found in the Technical Appendix Exhibit 11.1. Provided below in Table 2 - 4 is a summary of the allocation of the District’s plant in service (e.g., assets).

Table 2 – 4 Summary of the Allocation of Plant in Service						
	VOL	BOD	TSS	Cust.	CCD	DA
<b>Collection</b>	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Treatment</b>	50.0%	25.0%	25.0%	0.0%	0.0%	0.0%
<b>General Plant</b>	67.1%	16.5%	16.5%	0.0%	0.0%	0.0%

### 2.2.5 Functionalization and Allocation of O&M Expenses

Following generally accepted methodologies as outlined in the WEF MOP #27, operating expenses are generally functionalized and allocation in a manner similar to the corresponding plant account. For example, maintenance of the collection system is typically allocated in the same manner (percentages) as the plant account for the collection system. This approach to allocating the District’s sewer operating expenses was used for this analysis. The District has a functionalized O&M budget that identifies O&M expenses by function (e.g., treatment, maintenance). Given this, in general, the approach to allocating the operating expenses was based on the allocation of the plant, or asset data. As a note, there are exceptions to this approach so that the analysis results in an equitable allocation and proportional distribution of costs and reflects the District’s specific customer and system characteristics. One example is the capital charge component of the rate. For the District’s study this is allocated as capacity demand to reflect the potential demands each customer class can place on the system. In this way, the distributed costs reflect the manner in which these costs are recovered through the capital charge component of the rates.

For the District’s study, the revenue requirement for FY 2024 was functionalized and allocated based on the approach noted above. As noted earlier, the District utilized a cash basis revenue requirement, which was comprised of operation and maintenance expenses, rate funded capital, debt service, and reserve funding.

Provided in Table 2 – 5 is a summary of the allocation of the District’s FY 2023 test period revenue requirement using the methodology outlined in the WEF MOP #27 and the District’s specific facility requirements and operations.

**Table 2 – 5**  
**Summary of the Allocation of the FY 2024 Revenue Requirement (\$000's)**

Total	Volume	BOD	TSS	Customer	CCD	RR / DA
<b>\$8,421</b>	\$1,477	\$348	\$348	\$0	\$6,248	\$0

Based generally accepted approaches, and the District’s specific costs and operation of the wastewater collection and treatment system, the revenue requirement of approximately \$7.5 million is allocated between the volume, strength, and customer related components. As noted, provided in Exhibit 13 of the Technical Appendix provides a detailed summary of the allocation of the District’s revenue requirement.

### 2.2.6 Summary of the Sewer Cost of Service Analysis

In summary, the cost of service analysis began by functionalizing the District’s sewer assets (infrastructure) and O&M expenses. The functionalized asset and expense accounts were then allocated into their various cost components.

As shown in Table 2 – 5 the total revenue requirement for FY 2024 has been allocated between the various cost components based on generally accepted methodologies. Next, the individual allocation totals are distributed proportionally to the identified customer classes of service based on the appropriate distribution factors as previously discussed. As an example, volume-related costs were distributed based on each customer classes share of total wastewater contributions. The total costs allocated to each cost component were proportionally distributed between the customer classes using the previously mentioned distribution factors. Provided in Table 2 – 6 is a summary of the distribution of the revenue requirement to the customer classes of service.

**Table 2 – 6**  
**Summary of the Distributed of the FY 2024 Revenue Requirement (\$000's)**

	Total	Residential	Multi-Family	Commercial
Volume	<b>\$1,477</b>	\$569	\$578	\$330
BOD	<b>348</b>	134	136	78
TSS	<b>348</b>	134	136	78
Actual Customer	<b>0</b>	0	0	0
Cust. Capacity Demand	<b>6,248</b>	2,704	2,994	551
RR	<b>0</b>	0	0	0
DA	<b>0</b>	0	0	0
<b>Total</b>	<b>\$8,421</b>	<b>\$3,541</b>	<b>\$3,844</b>	<b>\$1,036</b>

The total distributed costs are then compared to the current revenues of each class of service to determine the overall change in revenues needed from each class of service to reflect the

proportional distribution of costs. Provided in Table 2 – 7 is a summary of the cost of service analysis for the District’s Study.

Table 2 – 7 Summary of the Sewer Cost of Service Analysis (\$000)				
Class of Service	Current Rate Revenues	Distributed Costs	\$ Difference	% Difference
Residential	\$3,197	\$3,541	(\$344)	10.8%
Multi-Family	3,299	3,844	(545)	16.5%
Commercial	<u>923</u>	<u>1,036</u>	<u>(113)</u>	12.2%
<b>Total</b>	<b>\$7,420</b>	<b>\$8,421</b>	<b>(\$1,002)</b>	<b>13.5%</b>

The results of the cost of service analysis indicate very minor cost of service differences between the customer classes of service. This is in part, due to the cost of service adjustments implemented during the 2022 rate study, specifically the development of a specific rate for the commercial customers. A general rule of thumb when evaluating the results is to look at +/- 5% of the overall system adjustment (i.e., 13.5%). When reviewing the results of the cost of service analysis, it is important to understand that the results will not be “exact” each time the District updates its cost of service analysis. This is due to changing customer wastewater characteristics, external impacts such as the area demographics and customer types, and other changes in how the District incurs costs. Given the results, in discussion with the District, there are no cost of service adjustments proposed at this time.

The development of the cost of service is provided in Exhibits 7 through 15 of the Sewer Technical Appendix.

### 2.2.7 Consultant’s Conclusions

As noted, the results of the cost of service analysis show that only minor cost differences exist between the various customer classes of service. It is important to note that the cost of service relationships will change over time as customer characteristics and costs change over time.

### 2.2.8 Summary

This section of the Study has provided a summary of the cost of service analysis developed for the District. This analysis was prepared using generally accepted cost of service techniques and principles. The next section of the Study will review the present and proposed sewer rates for the District.

## 2.3 Sewer Rate Design Analysis

The final step of the District’s sewer rate study is the design of rates to collect the desired levels of revenue, based on the results of the revenue requirement analysis. In reviewing District’s rates, consideration is given to the level of the rates and the structure of the rates.



### **2.3.1 Rate Design Criteria and Considerations**

Prudent rate administration dictates that several criteria must be considered when setting utility rates. An example of some of these rate design criteria are listed below:

- Rates which are easy to understand from the customer’s perspective
- Rates which are easy to administer by the District
- Consideration of the customer’s ability to pay
- Continuity, over time, of the rate making philosophy
- Policy considerations (encourage efficient use, economic development, etc.)
- Provide revenue stability from month to month and year to year
- Promote efficient allocation of the resource
- Cost-based sewer rates
- Compliance with State law

When developing the proposed rate designs, all the above-listed criteria were taken into consideration. However, it is difficult, if not impossible, to design a rate that meets all the goals and objectives listed above. For example, it may be difficult to design a rate that takes into consideration customers’ ability to pay, and one which is cost-based. In designing rates, there are always trade-offs between these various goals and objectives.

### **2.3.2 Overview of the Present and Proposed Sewer Rates**

The District currently has a monthly fixed charge for all customers that is charged by service meter size. There is also a capital improvement charge which is also charge based on the service meter size. A flat administration fee is charged per account. Finally, there is a uniform sewer use rate charged on all use for commercial customers. Residential (Single family and Multi-Family) are charge the same uniform rate but only on usage up to the winter water average as calculated on use from December to April. In discussion with District staff, no rate structure changes to the sewer rates are being proposed at this time. However, a unique volume charge (sewer use) is maintained for residential and multifamily customers as well as the commercial customer class which reflects the costs of providing service. Provided in Table 2 - 8 is a summary of the current and proposed sewer rates.

**Table 2 - 8**  
**Summary of the Present and Proposed Sewer Rates**

	<i>Present Rates</i>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Base Charge</b>						
3/4"	\$25.10	\$32.25	\$36.50	\$40.00	\$42.25	\$44.25
1"	41.92	53.86	60.96	66.80	70.56	73.90
1 1/2"	83.58	107.39	121.55	133.20	140.69	147.35
2"	133.78	171.89	194.55	213.20	225.19	235.85
3"	251.00	322.50	365.00	400.00	422.50	442.50
4"	418.42	537.61	608.46	666.80	704.31	737.65
6"	836.58	1,074.89	1,216.55	1,333.20	1,408.19	1,474.85
8"	1,338.58	1,719.89	1,946.55	2,133.20	2,253.19	2,359.85
10"	1,497.74	1,924.39	2,177.99	2,386.84	2,521.10	2,640.44
<b>Capital Improvement</b>						
3/4"	\$31.45	\$31.45	\$31.45	\$31.45	\$31.45	\$31.45
1"	52.52	52.52	52.52	52.52	52.52	52.52
1 1/2"	104.73	104.73	104.73	104.73	104.73	104.73
2"	167.63	167.63	167.63	167.63	167.63	167.63
3"	314.50	314.50	314.50	314.50	314.50	314.50
4"	524.27	524.27	524.27	524.27	524.27	524.27
6"	1,048.23	1,048.23	1,048.23	1,048.23	1,048.23	1,048.23
8"	1,677.23	1,677.23	1,677.23	1,677.23	1,677.23	1,677.23
10"	2,410.64	2,410.64	2,410.64	2,410.64	2,410.64	2,410.64
<b>Admin Fee</b>	\$4.23	\$4.44	\$4.66	\$4.90	\$5.14	\$5.40
<b>Sewer Use</b>						
Residential	\$4.00	\$4.75	\$5.37	\$5.88	\$6.00	\$6.22
Multi-Family	4.00	4.75	5.37	5.88	6.00	6.22
Commercial	4.70	5.60	6.35	6.95	7.10	7.37

As a point of reference, residential customers (single family and multi-family) are charged the 3/4" rate for the base and capital improvement charges per living unit. All commercial customers are charged based on the meter size.

## 2.4 Summary of the Sewer Rate Study Update

This completes the analysis for the District's sewer utility. This study has provided a comprehensive review and development of proposed sewer rates for the District. Adoption of the proposed sewer rates will allow the District to meet its current and projected financial obligations for the time period reviewed based on the assumed customer growth, capital plan and deferred capital, and inflationary increases in operating costs. Should these assumptions

change, the proposed rate adjustments may also need to be revised to reflect the current conditions.





## 3 Water Technical Appendix

---



Incline Village General Improvement District  
Water Rate Study  
Revenue Requirement Summary  
Exhibit 1

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
<b>Revenue</b>											
Rate Revenues	\$5,900,172	\$5,903,666	\$5,907,161	\$5,910,663	\$5,914,166	\$5,917,672	\$5,921,182	\$5,924,693	\$5,928,207	\$5,931,726	\$5,935,248
Non-Operating Revenues	509,744	493,137	493,076	493,202	492,888	494,218	502,505	511,360	518,376	525,294	530,529
<b>Total Revenues</b>	<b>\$6,409,916</b>	<b>\$6,396,803</b>	<b>\$6,400,237</b>	<b>\$6,403,866</b>	<b>\$6,407,054</b>	<b>\$6,411,890</b>	<b>\$6,423,688</b>	<b>\$6,436,053</b>	<b>\$6,446,583</b>	<b>\$6,457,019</b>	<b>\$6,465,777</b>
<b>Expenses</b>											
Total Operations & Maintenance	\$5,103,455	\$5,208,075	\$5,538,489	\$5,756,991	\$5,898,117	\$6,154,561	\$6,247,823	\$6,632,318	\$6,925,534	\$7,079,768	\$7,445,013
Net Debt Service	0	0	0	0	0	0	0	0	0	0	0
Reserve Funding	1,306,461	1,779,095	2,004,783	2,354,938	2,446,709	2,431,948	2,594,687	2,474,340	2,451,250	2,575,101	2,494,562
<b>Total Revenue Requirement</b>	<b>\$6,409,916</b>	<b>\$6,987,170</b>	<b>\$7,543,272</b>	<b>\$8,111,929</b>	<b>\$8,344,826</b>	<b>\$8,586,509</b>	<b>\$8,842,510</b>	<b>\$9,106,658</b>	<b>\$9,376,784</b>	<b>\$9,654,869</b>	<b>\$9,939,575</b>
Bal. / (Def.) of Funds	\$0	(\$590,367)	(\$1,143,036)	(\$1,708,063)	(\$1,937,773)	(\$2,174,619)	(\$2,418,822)	(\$2,670,605)	(\$2,930,201)	(\$3,197,850)	(\$3,473,799)
Bal. / (Def.) as a % of Rate Rev.	0.0%	10.0%	19.4%	28.9%	32.8%	36.7%	40.9%	45.1%	49.4%	53.9%	58.5%
<b>Proposed Rate Adjustment</b>	<b>0.0%</b>	<b>10.0%</b>	<b>8.5%</b>	<b>8.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>
Add'l Revenue from Adj.	\$0	\$590,367	\$1,143,036	\$1,708,063	\$1,937,773	\$2,174,619	\$2,418,822	\$2,670,605	\$2,930,201	\$3,197,850	\$3,473,799
Total Bal / (Def.) of Funds	\$0	\$0	\$0	(\$0)	\$0	(\$0)	\$0	(\$0)	\$0	\$0	\$0
<b>Additional Rate Increase Needed</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>
<b>Avg Res Mo Bill (Fees + 10,000 gal)</b>	<b>\$54.98</b>	<b>\$59.39</b>	<b>\$64.19</b>	<b>\$69.17</b>	<b>\$73.34</b>	<b>\$73.70</b>	<b>\$75.91</b>	<b>\$78.18</b>	<b>\$80.53</b>	<b>\$82.94</b>	<b>\$85.43</b>

Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 2  
 Escalation Factors

	<i>Budgeted</i>	<i>Proposed</i>									
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
<b>Revenues</b>											
Customer Growth	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
<i>Single Family - Cust Growth</i>	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
<i>Multi-Family - Cust Growth</i>	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
<i>Commercial - Cust Growth</i>	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
<i>Irrigation - Cust Growth</i>	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
<i>IVGID - Cust Growth</i>	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Consump Growth											
<i>Single Family - Cons Growth</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Multi-Family - Cons Growth</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Commercial - Cons Growth</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Irrigation - Cons Growth</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>IVGID - Cons Growth</i>	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Misc Revenues	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
<b>Expenses</b>											
Labor	Budgeted	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Benefits - Medical	Budgeted	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Benefits - Other	Budgeted	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Professional / Special Svcs	Budgeted	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Materials & Supplies	Budgeted	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Equipment	Budgeted	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Miscellaneous	Budgeted	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Utilities	Budgeted	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Water and Sewer	Budgeted	17.5%	12.3%	8.8%	8.5%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
Insurance	Budgeted	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Flat	Budgeted	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CIP	Budgeted	4.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Rate Revenue Adj	0.0%	10.0%	8.5%	8.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
<b>Interest</b>											
	0.7%	0.8%	0.9%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 3  
 Revenue Requirement

	Budgeted	Proposed										Notes
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	
<b>Revenues</b>												
<i>Rate Revenues</i>												
Residential	\$2,691,418	\$2,692,993	\$2,694,569	\$2,696,148	\$2,697,728	\$2,699,307	\$2,700,891	\$2,702,475	\$2,704,059	\$2,705,647	\$2,707,235	
Multi Family	2,013,224	2,014,771	2,016,317	2,017,868	2,019,419	2,020,973	2,022,528	2,024,082	2,025,640	2,027,199	2,028,761	
Commercial	442,201	442,412	442,622	442,833	443,044	443,255	443,465	443,676	443,887	444,098	444,308	
Irrigation	201,612	201,666	201,720	201,773	201,827	201,881	201,935	201,989	202,042	202,096	202,150	
Commercial - IVGID	46,642	46,681	46,720	46,760	46,799	46,838	46,878	46,917	46,956	46,996	47,035	
Irrigation - IVGID	401,913	401,981	402,050	402,118	402,186	402,255	402,323	402,391	402,460	402,528	402,597	
Snowmaking - IVGID	103,163	103,163	103,163	103,163	103,163	103,163	103,163	103,163	103,163	103,163	103,163	
<b>Total Rate Revenues</b>	<b>\$5,900,172</b>	<b>\$5,903,666</b>	<b>\$5,907,161</b>	<b>\$5,910,663</b>	<b>\$5,914,166</b>	<b>\$5,917,672</b>	<b>\$5,921,182</b>	<b>\$5,924,693</b>	<b>\$5,928,207</b>	<b>\$5,931,726</b>	<b>\$5,935,248</b>	
<i>Non-Operating Revenues</i>												
Interest	\$20,844	\$3,748	\$3,198	\$2,834	\$2,029	\$2,868	\$10,665	\$19,027	\$25,551	\$31,976	\$36,718	Calculated
Snow Removal Fees	80,000	80,080	80,160	80,240	80,320	80,401	80,481	80,562	80,642	80,723	80,804	As Misc Revenues
Work Order Charges Labor	120,000	120,120	120,240	120,360	120,481	120,601	120,722	120,843	120,963	121,084	121,205	As Misc Revenues
Work Order Chgs Eq & Materials	36,500	36,537	36,573	36,610	36,646	36,683	36,720	36,756	36,793	36,830	36,867	As Misc Revenues
Back Flows Tests	134,400	134,534	134,669	134,804	134,938	135,073	135,208	135,344	135,479	135,614	135,750	As Misc Revenues
Fines & Penalties	25,200	25,225	25,250	25,276	25,301	25,326	25,352	25,377	25,402	25,428	25,453	As Misc Revenues
Fire Protection	17,760	17,778	17,796	17,813	17,831	17,849	17,867	17,885	17,903	17,920	17,938	As Misc Revenues
Inspection/Plan Fees	44,800	44,845	44,890	44,935	44,979	45,024	45,069	45,115	45,160	45,205	45,250	As Misc Revenues
Other Water	30,240	30,270	30,301	30,331	30,361	30,392	30,422	30,452	30,483	30,513	30,544	As Misc Revenues
Interfund Revenue Transfers	0	0	0	0	0	0	0	0	0	0	0	As Misc Revenues
<b>Total Non-Operating Revenues</b>	<b>\$509,744</b>	<b>\$493,137</b>	<b>\$493,076</b>	<b>\$493,202</b>	<b>\$492,888</b>	<b>\$494,218</b>	<b>\$502,505</b>	<b>\$511,360</b>	<b>\$518,376</b>	<b>\$525,294</b>	<b>\$530,529</b>	
<b>Total Revenues</b>	<b>\$6,409,916</b>	<b>\$6,396,803</b>	<b>\$6,400,237</b>	<b>\$6,403,866</b>	<b>\$6,407,054</b>	<b>\$6,411,890</b>	<b>\$6,423,688</b>	<b>\$6,436,053</b>	<b>\$6,446,583</b>	<b>\$6,457,019</b>	<b>\$6,465,777</b>	
<b>Expenses</b>												
<i>Wages</i>												
Other Earnings	\$53,111	\$55,767	\$58,555	\$61,483	\$64,557	\$67,785	\$71,174	\$74,733	\$78,469	\$82,393	\$86,512	As Labor
Regular Earnings	1,591,099	1,670,654	1,754,187	1,841,896	1,933,991	2,030,690	2,132,225	2,238,836	2,350,778	2,468,317	2,591,733	As Labor
Salary Savings from Vacant Positions	(28,554)	0	0	0	0	0	0	0	0	0	0	As Labor
<b>Total Wages</b>	<b>\$1,615,656</b>	<b>\$1,726,421</b>	<b>\$1,812,742</b>	<b>\$1,903,379</b>	<b>\$1,998,548</b>	<b>\$2,098,475</b>	<b>\$2,203,399</b>	<b>\$2,313,569</b>	<b>\$2,429,247</b>	<b>\$2,550,709</b>	<b>\$2,678,245</b>	

Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 3  
 Revenue Requirement

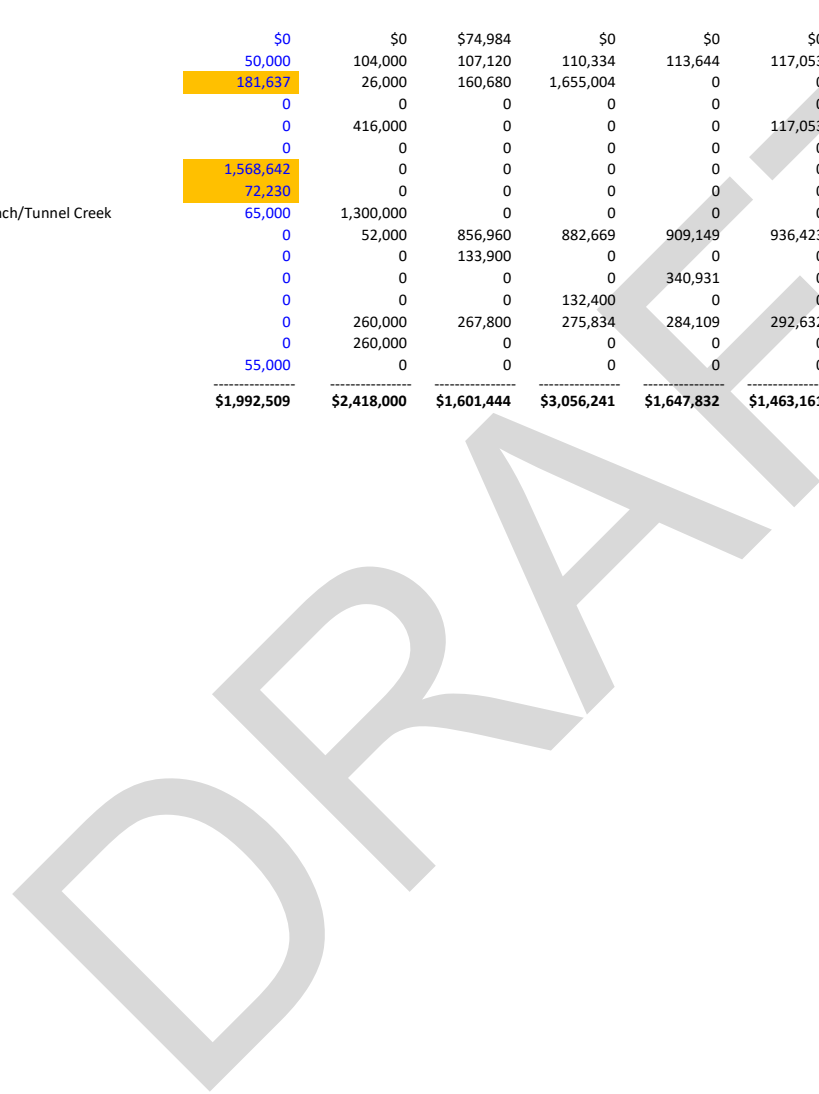
	Budgeted	Proposed										Notes
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	
<b>Benefits</b>												
Dental Fringe Ben	\$21,726	\$23,899	\$26,288	\$28,917	\$31,809	\$34,990	\$38,489	\$42,338	\$46,572	\$51,229	\$56,352	As Benefits - Medical
Disability Fringe Ben	8,165	8,655	9,174	9,725	10,308	10,927	11,582	12,277	13,014	13,795	14,622	As Benefits - Other
Life Ins Fringe Ben	3,127	3,440	3,784	4,162	4,578	5,036	5,540	6,094	6,703	7,373	8,111	As Benefits - Medical
Medical Fringe Ben	302,051	332,256	365,482	402,030	442,233	486,456	535,102	588,612	647,473	712,220	783,443	As Benefits - Medical
Retirement Fringe Ben	292,767	310,333	328,953	348,690	369,612	391,788	415,296	440,213	466,626	494,624	524,301	As Benefits - Other
Taxes	131,510	139,401	147,765	156,631	166,028	175,990	186,549	197,742	209,607	222,183	235,514	As Benefits - Other
Unemployment Fringe Ben	25,833	27,383	29,026	30,768	32,614	34,570	36,645	38,843	41,174	43,644	46,263	As Benefits - Other
Vision Fringe Ben	2,433	2,579	2,734	2,898	3,072	3,256	3,451	3,658	3,878	4,111	4,357	As Benefits - Other
Work Comp Fringe Ben	41,153	43,622	46,240	49,014	51,955	55,072	58,376	61,879	65,592	69,527	73,699	As Benefits - Other
<b>Total Benefits</b>	<b>\$828,765</b>	<b>\$891,567</b>	<b>\$959,445</b>	<b>\$1,032,834</b>	<b>\$1,112,208</b>	<b>\$1,198,085</b>	<b>\$1,291,030</b>	<b>\$1,391,657</b>	<b>\$1,500,638</b>	<b>\$1,618,706</b>	<b>\$1,746,661</b>	
<b>Services &amp; Supplies</b>												
Advertising - Paid	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159	\$1,194	\$1,230	\$1,267	\$1,305	\$1,344	As Materials & Supplies
BLDGS Maintenance Services	75,760	78,033	80,374	82,785	85,269	87,827	90,461	93,175	95,971	98,850	101,815	As Materials & Supplies
Chemical	212,500	218,875	225,441	232,204	239,171	246,346	253,736	261,348	269,189	277,264	285,582	As Materials & Supplies
Computer & IT Small Equip	8,200	8,446	8,699	8,960	9,229	9,506	9,791	10,085	10,388	10,699	11,020	As Materials & Supplies
Computer License & Fees	78,859	81,225	83,662	86,171	88,756	91,419	94,162	96,987	99,896	102,893	105,980	As Materials & Supplies
Contractual Services	12,960	13,349	13,749	14,162	14,587	15,024	15,475	15,939	16,417	16,910	17,417	As Materials & Supplies
Dues & Subscriptions	9,338	9,618	9,907	10,204	10,510	10,825	11,150	11,485	11,829	12,184	12,549	As Materials & Supplies
Employee Recruit & Retain	14,950	15,399	15,860	16,336	16,826	17,331	17,851	18,387	18,938	19,506	20,092	As Materials & Supplies
Fleet Maintenance Services	206,318	212,508	218,883	225,449	232,213	239,179	246,354	253,745	261,357	269,198	277,274	As Materials & Supplies
Fuel	38,880	40,435	42,053	43,735	45,484	47,303	49,196	51,163	53,210	55,338	57,552	As Utilities
Janitorial	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957	2,016	As Materials & Supplies
Lab	28,000	28,840	29,705	30,596	31,514	32,460	33,433	34,436	35,470	36,534	37,630	As Materials & Supplies
Office Supplies	12,050	12,412	12,784	13,167	13,562	13,969	14,388	14,820	15,265	15,723	16,194	As Materials & Supplies
Operating	65,630	67,599	69,627	71,716	73,867	76,083	78,366	80,717	83,138	85,632	88,201	As Materials & Supplies
Permits & Fees	38,572	39,729	40,921	42,149	43,413	44,716	46,057	47,439	48,862	50,328	51,838	As Materials & Supplies
Postage	17,000	17,510	18,035	18,576	19,134	19,708	20,299	20,908	21,535	22,181	22,847	As Materials & Supplies
R&M General	44,975	46,324	47,714	49,145	50,620	52,138	53,703	55,314	56,973	58,682	60,443	As Materials & Supplies
R&M Corrective	175,385	180,647	186,066	191,648	197,397	203,319	209,419	215,701	222,172	228,838	235,703	As Materials & Supplies
R&M Preventative	81,695	84,146	86,670	89,270	91,948	94,707	97,548	100,475	103,489	106,593	109,791	As Materials & Supplies
Rental & Lease	960	989	1,018	1,049	1,080	1,113	1,146	1,181	1,216	1,253	1,290	As Materials & Supplies
Repairs & Maintenance	0	0	0	0	0	0	0	0	0	0	0	See Shared and Capital Exp
Safety	8,400	8,652	8,912	9,179	9,454	9,738	10,030	10,331	10,641	10,960	11,289	As Materials & Supplies
Security	2,980	3,069	3,161	3,256	3,354	3,455	3,558	3,665	3,775	3,888	4,005	As Materials & Supplies
Small Equipment	9,800	10,094	10,397	10,709	11,030	11,361	11,702	12,053	12,414	12,787	13,170	As Materials & Supplies
Tools	9,300	9,579	9,866	10,162	10,467	10,781	11,105	11,438	11,781	12,134	12,498	As Materials & Supplies
Training & Education	26,100	26,883	27,689	28,520	29,376	30,257	31,165	32,100	33,063	34,055	35,076	As Materials & Supplies
Travel & Conferences	17,200	17,716	18,247	18,795	19,359	19,940	20,538	21,154	21,788	22,442	23,115	As Materials & Supplies
Uniforms	15,700	16,171	16,656	17,156	17,670	18,201	18,747	19,309	19,888	20,485	21,099	As Materials & Supplies
Engineering Services	97,976	102,875	108,019	113,419	119,090	125,045	131,297	137,862	144,755	151,993	159,593	As Professional / Special Svcs
<b>Total Services &amp; Supplies</b>	<b>\$1,311,988</b>	<b>\$1,353,696</b>	<b>\$1,396,769</b>	<b>\$1,441,253</b>	<b>\$1,487,196</b>	<b>\$1,534,648</b>	<b>\$1,583,662</b>	<b>\$1,634,290</b>	<b>\$1,686,587</b>	<b>\$1,740,612</b>	<b>\$1,796,424</b>	

Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 3  
 Revenue Requirement

	Budgeted	Proposed										Notes
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	
<b>Other</b>												
Central Services Allocation Cs	\$0	\$288,129	\$296,773	\$305,676	\$314,846	\$324,292	\$334,020	\$344,041	\$354,362	\$364,993	\$375,943	As Materials & Supplies
Defensible Space Costs	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196	As Materials & Supplies
General Liability - Insurance	121,900	125,557	129,324	133,203	137,200	141,316	145,555	149,922	154,419	159,052	163,823	As Insurance
Audit	5,850	6,026	6,206	6,392	6,584	6,782	6,985	7,195	7,411	7,633	7,862	As Materials & Supplies
Legal	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127	As Materials & Supplies
Professional Consultants	62,500	65,625	68,906	72,352	75,969	79,768	83,756	87,944	92,341	96,958	101,806	As Professional / Special Svcs
Interfund Expense Transfers	(679,447)	(460,564)	(464,512)	(476,551)	(422,043)	(451,925)	(503,326)	(542,316)	(556,470)	(490,626)	(526,016)	As Materials & Supplies
Capital Expenses	100,000	250,000	375,000	355,000	425,000	370,000	80,000	100,000	80,000	120,000	80,000	As Materials & Supplies
Shared Capital Expenses	1,199,495	348,500	320,000	320,000	72,500	135,500	276,500	370,000	370,000	72,500	147,500	As Materials & Supplies
<b>Total Other</b>	<b>\$872,298</b>	<b>\$687,132</b>	<b>\$797,473</b>	<b>\$783,822</b>	<b>\$679,838</b>	<b>\$677,607</b>	<b>\$497,522</b>	<b>\$593,037</b>	<b>\$580,603</b>	<b>\$411,406</b>	<b>\$434,241</b>	
<b>Utilities</b>												
Cable TV	\$1,943	\$2,021	\$2,102	\$2,186	\$2,273	\$2,364	\$2,459	\$2,557	\$2,659	\$2,765	\$2,876	As Utilities
Electricity	409,100	425,464	442,483	460,182	478,589	497,733	517,642	538,348	559,882	582,277	605,568	As Utilities
Heating	11,200	11,648	12,114	12,598	13,102	13,627	14,172	14,738	15,328	15,941	16,579	As Utilities
Internet	11,600	12,064	12,547	13,048	13,570	14,113	14,678	15,265	15,875	16,510	17,171	As Utilities
Telephone	30,905	32,141	33,427	34,764	36,154	37,601	39,105	40,669	42,296	43,987	45,747	As Utilities
Trash	7,100	7,384	7,679	7,987	8,306	8,638	8,984	9,343	9,717	10,106	10,510	As Utilities
Water & Sewer	2,900	3,408	3,825	4,160	4,513	4,660	4,811	4,968	5,129	5,296	5,468	As Water and Sewer
<b>Total Utilities</b>	<b>\$474,748</b>	<b>\$494,129</b>	<b>\$514,176</b>	<b>\$534,924</b>	<b>\$556,509</b>	<b>\$578,735</b>	<b>\$601,850</b>	<b>\$625,887</b>	<b>\$650,886</b>	<b>\$676,883</b>	<b>\$703,918</b>	
<b>Future O&amp;M</b>												
Additional Staffing Needs	\$0	\$55,130	\$57,886	\$60,780	\$63,819	\$67,010	\$70,361	\$73,879	\$77,573	\$81,451	\$85,524	As Labor
One-Time Inflation Contingency	0	0	0	0	0	0	0	0	0	0	0	As Labor
Budget Savings	0	0	0	0	0	0	0	0	0	0	0	
<b>Total Future O&amp;M</b>	<b>\$0</b>	<b>\$55,130</b>	<b>\$57,886</b>	<b>\$60,780</b>	<b>\$63,819</b>	<b>\$67,010</b>	<b>\$70,361</b>	<b>\$73,879</b>	<b>\$77,573</b>	<b>\$81,451</b>	<b>\$85,524</b>	
<b>Total Operations &amp; Maintenance</b>	<b>\$5,103,455</b>	<b>\$5,208,075</b>	<b>\$5,538,489</b>	<b>\$5,756,991</b>	<b>\$5,898,117</b>	<b>\$6,154,561</b>	<b>\$6,247,823</b>	<b>\$6,632,318</b>	<b>\$6,925,534</b>	<b>\$7,079,768</b>	<b>\$7,445,013</b>	
		2.0%	6.3%	3.9%	2.5%	4.3%	1.5%	6.2%	4.4%	2.2%	5.2%	
<b>Debt Service</b>												
NV DWSRF 2012	\$193,372	\$193,372	\$193,372	\$193,372	\$193,372	\$193,372	\$193,372	\$193,372	\$193,372	\$193,372	\$193,372	Existing Debt
NV Drk Wtr Loan 2005	113,648	113,648	113,648	113,648	56,824	0	0	0	0	0	0	Existing Debt
New SRF Loans	0	0	0	0	0	0	0	0	0	0	0	Calc @ 2.4% for 20 Yrs
New Revenue Bonds	0	110,467	110,467	257,630	257,630	257,630	257,630	257,630	257,630	257,630	257,630	Calc @ 4.6% for 20 Yrs
<b>Total Debt Service</b>	<b>\$307,020</b>	<b>\$417,487</b>	<b>\$417,487</b>	<b>\$564,650</b>	<b>\$507,826</b>	<b>\$451,002</b>	<b>\$451,002</b>	<b>\$451,002</b>	<b>\$451,002</b>	<b>\$451,002</b>	<b>\$451,002</b>	
<i>Less Capital Reserve Funding</i>	<i>\$307,020</i>	<i>\$417,487</i>	<i>\$417,487</i>	<i>\$564,650</i>	<i>\$507,826</i>	<i>\$451,002</i>	<i>\$451,002</i>	<i>\$451,002</i>	<i>\$451,002</i>	<i>\$451,002</i>	<i>\$451,002</i>	
<b>Net Debt Service</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

	Budgeted	Proposed										Notes
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	
<b>Reserve Funding</b>												
Operating Fund Transfer	(\$317,084)	\$153,927	\$27,989	\$86,517	(\$248,340)	(\$99,731)	\$461,377	\$64,396	\$164,671	\$391,886	\$429,708	
Capital Fund Transfer	1,623,545	1,625,168	1,626,793	1,628,420	1,630,049	1,631,679	1,633,310	1,634,944	1,636,579	1,638,215	1,639,853	As Customer Growth
Additional Capital Funding	0	0	350,000	640,000	1,065,000	900,000	500,000	775,000	650,000	545,000	425,000	
Debt Reserve Fund	0	0	0	0	0	0	0	0	0	0	0	
<b>Total Reserve Funding</b>	<b>\$1,306,461</b>	<b>\$1,779,095</b>	<b>\$2,004,783</b>	<b>\$2,354,938</b>	<b>\$2,446,709</b>	<b>\$2,431,948</b>	<b>\$2,594,687</b>	<b>\$2,474,340</b>	<b>\$2,451,250</b>	<b>\$2,575,101</b>	<b>\$2,494,562</b>	
<b>Total Revenue Requirement</b>	<b>\$6,409,916</b>	<b>\$6,987,170</b>	<b>\$7,543,272</b>	<b>\$8,111,929</b>	<b>\$8,344,826</b>	<b>\$8,586,509</b>	<b>\$8,842,510</b>	<b>\$9,106,658</b>	<b>\$9,376,784</b>	<b>\$9,654,869</b>	<b>\$9,939,575</b>	
Bal/(Def.) of Funds	\$0	(\$590,367)	(\$1,143,036)	(\$1,708,063)	(\$1,937,773)	(\$2,174,619)	(\$2,418,822)	(\$2,670,605)	(\$2,930,201)	(\$3,197,850)	(\$3,473,799)	
Rate Adj. as a % of Rate Rev.	0.0%	10.0%	19.4%	28.9%	32.8%	36.7%	40.9%	45.1%	49.4%	53.9%	58.5%	
<b>Proposed Rate Adjustment</b>	<b>0.0%</b>	<b>10.0%</b>	<b>8.5%</b>	<b>8.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	
<i>Effective Months</i>	<i>12</i>	<i>12</i>	<i>12</i>	<i>12</i>	<i>12</i>	<i>12</i>	<i>12</i>	<i>12</i>	<i>12</i>	<i>12</i>	<i>12</i>	
Add'l Revenue from Adj.	\$0	\$590,367	\$1,143,036	\$1,708,063	\$1,937,773	\$2,174,619	\$2,418,822	\$2,670,605	\$2,930,201	\$3,197,850	\$3,473,799	
Total Bal / (Def.) of Funds	\$0	\$0	\$0	(\$0)	\$0	(\$0)	\$0	(\$0)	\$0	\$0	\$0	
<b>Additional Rate Increase Needed</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	
<b>DSC Ratio</b>												
Before Rate Adjustment	4.26	2.85	2.06	1.15	1.00	0.57	0.39	0.00	0.00	0.00	0.00	
After Rate Adjustment	4.26	4.26	4.80	4.17	4.82	5.39	5.75	5.49	5.44	5.71	5.53	
<b>Avg Res Mo Bill (Fees + 10,000 gal)</b>	<b>\$54.98</b>											
After Proposed Rate Adjustment	\$54.98	\$59.39	\$64.19	\$69.17	\$73.34	\$73.70	\$75.91	\$78.18	\$80.53	\$82.94	\$85.43	
Annual \$ Change		4.41	4.80	4.97	4.18	0.35	2.21	2.28	2.35	2.42	2.49	
Cumulative Change		4.41	9.21	14.19	18.36	18.72	20.93	23.20	25.55	27.96	30.45	

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Total
<b>Capital Improvements - Water</b>												
SCADA Management Servers/Network - BCDP	\$0	\$0	\$74,984	\$0	\$0	\$0	\$0	\$99,345	\$0	\$0	\$0	\$174,329
Water Pumping Station Improvements	50,000	104,000	107,120	110,334	113,644	117,053	120,565	124,181	127,907	131,744	135,696	1,242,243
Burnt Cedar Water Disinfection Plant Improvements	181,637	26,000	160,680	1,655,004	0	0	0	0	0	0	0	2,023,321
Removal of Washoe 1 Water Intake Line	0	0	0	0	0	0	0	0	0	0	0	0
Water Pump Station 2-1 Improvements	0	416,000	0	0	0	117,053	0	0	0	0	0	533,053
2013 Mid Size Truck #630 Compliance	0	0	0	0	0	0	0	0	0	46,110	0	46,110
Watermain Replacement - Crystal Peak Road	1,568,642	0	0	0	0	0	0	0	0	0	0	1,568,642
Watermain Replacement - Slott Pk Ct	72,230	0	0	0	0	0	0	0	0	0	0	72,230
Watermain Replacement - Alder Avenue Ponderosa Ranch/Tunnel Creek	65,000	1,300,000	0	0	0	0	0	0	0	0	0	1,365,000
Watermain Replacement - Future	0	52,000	856,960	882,669	909,149	936,423	964,516	993,452	1,023,255	1,053,953	1,085,571	8,757,948
R6-1 Tank Road Construction	0	0	133,900	0	0	0	0	0	0	0	0	133,900
R2-1 Reservoir Roof Replacement	0	0	0	0	340,931	0	0	0	0	0	0	340,931
R-2 Interior Tank Rehabilitation	0	0	0	132,400	0	0	0	0	0	0	0	132,400
Fire Hydrant Replacement Program	0	260,000	267,800	275,834	284,109	292,632	0	0	0	0	0	1,380,375
BCWDP Emergency Generator Fuel Tank	0	260,000	0	0	0	0	0	0	0	0	0	260,000
LIMs Software	55,000	0	0	0	0	0	0	0	0	0	0	55,000
<b>Total Capital Improvements - Water</b>	<b>\$1,992,509</b>	<b>\$2,418,000</b>	<b>\$1,601,444</b>	<b>\$3,056,241</b>	<b>\$1,647,832</b>	<b>\$1,463,161</b>	<b>\$1,085,081</b>	<b>\$1,216,978</b>	<b>\$1,151,162</b>	<b>\$1,231,807</b>	<b>\$1,221,268</b>	<b>\$18,085,483</b>



	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Total
<b>Capital Improvements - Shared (50% Water)</b>												
Replace Public Works Front Security Gate	\$0	\$0	\$0	\$0	\$45,457	\$0	\$0	\$0	\$0	\$0	\$59,109	\$104,567
Replace Roof Public Works #B	0	0	0	0	56,822	0	0	0	0	0	0	56,822
Building B Replacement	0	0	0	0	0	0	0	62,091	0	0	0	62,091
Loader Tire Chains - 2 Sets	10,000	0	0	11,420	0	0	0	13,412	0	0	0	34,831
2002 Caterpillar 950G Loader #523	132,500	0	0	0	0	0	0	0	0	187,735	0	320,235
2002 Caterpillar 950G Loader #525	132,500	0	0	0	0	0	0	0	0	0	193,367	325,867
2018 MultiHog MX120 Snowblower #783	0	0	0	97,094	0	0	0	0	0	0	0	97,094
1997 Forklift #315	0	0	0	0	20,456	0	0	0	0	0	0	20,456
2013 Trackless Snowblower #687	0	0	0	0	102,279	0	0	0	118,314	0	0	220,593
2001 105KW Mobile Generator #313	0	0	0	0	0	0	39,183	0	0	0	0	39,183
2020 Vac-Con Truck #807	0	0	0	0	269,904	0	0	0	0	0	0	269,904
2004 Freightliner Vactor Truck #534	0	0	0	209,634	0	0	0	0	0	0	0	209,634
2020 Chevy Dump Truck #829	0	0	0	0	0	0	0	49,673	0	0	119,413	169,085
2001 Peterbilt Bin Truck #468	0	0	101,764	0	0	0	0	0	0	0	0	101,764
Snowplow #300A	9,500	0	0	0	0	0	0	0	0	13,833	0	23,333
Snowplow #307A	9,500	0	0	0	0	0	0	0	0	0	0	9,500
Slurry Liquidator #326	0	0	0	0	0	0	0	0	26,221	0	0	26,221
2004 9' Western Snow Plow #542A	0	0	0	0	0	0	0	0	0	0	0	0
2019 Sander/Spreader #808	0	0	5,356	0	0	0	0	7,451	0	0	0	12,807
2012 Snowplow #669B	0	0	6,427	0	0	0	0	0	0	5,270	0	11,697
2017 Caterpillar 420F2 Backhoe #755	0	0	0	0	0	0	0	0	0	92,221	0	92,221
2013 Chevy Equinox #691	0	19,240	0	0	0	0	0	0	0	0	0	19,240
2009 Chevrolet 1/2 ton Pick-up #826 Compliance Dept.	0	0	0	0	0	18,143	0	0	0	0	0	18,143
2013 1/2 Ton Pick-Up #677 Treatment	0	19,240	0	0	0	0	0	0	0	0	0	19,240
2003 GMC 3/4-Ton Pick-up #702	0	0	21,424	0	0	0	0	0	0	0	0	21,424
2005 Chevy 1/2-Ton Pick-up #553	0	0	20,353	0	0	0	0	0	0	0	24,425	44,778
2009 Chevrolet 1/2 Ton Pick-up Truck #631	0	0	20,353	0	0	0	0	0	0	0	23,068	43,421
2009 Chevrolet 1/2 Ton Pick-up Truck #632 Engineering Dept.	0	0	0	17,653	0	0	0	0	0	0	23,068	40,722
2012 Extend-A-Cab Pick-up #678 Pipeline Dept.	0	0	0	20,412	0	0	0	0	21,744	0	0	42,156
2004 3/4-Ton Service Truck w/liftgate & crane #703	0	0	31,065	0	0	0	0	0	0	0	0	31,065
2013 1-Ton Flatbed #679 Pipeline Dept.	0	0	0	0	26,138	0	0	0	0	0	0	26,138
2012 1-Ton Service Truck w/ Liftgate #668 Treatment	0	0	0	25,928	0	0	0	0	0	0	31,210	57,139
2013 1-Ton Service Truck #680 Utilities Electrician	0	22,880	0	0	0	0	0	0	0	0	0	22,880
2004 GMC 1-Ton Flatbed #825 Pipeline Dept.	0	0	0	0	0	0	0	39,738	0	0	0	39,738
2008 Chevrolet Service Truck #810	0	0	0	0	0	0	0	21,111	0	0	0	21,111
2008 Chevrolet Service Truck #680	0	0	0	27,032	0	0	0	0	0	0	33,924	60,956
2011 Chevrolet Service Truck #647 Treatment	0	0	0	0	0	0	0	0	31,337	0	0	31,337
Public Works Billing Software Replacement	10,000	104,000	0	0	0	0	0	0	0	0	0	114,000
Large Format Printer Replacement	0	0	0	15,998	0	0	0	0	0	0	0	15,998
Pavement Maintenance, Reservoir 3-1 WPS 4-2/5-1	110,000	130,000	0	0	0	0	0	0	0	0	0	240,000
Medium Duty Truck Plow	8,250	0	0	0	0	0	0	0	0	0	0	8,250
Chevy 1/2 Ton Pick-up Truck	18,600	0	0	0	0	0	0	0	0	0	0	18,600
Utilities System and Plant Controls Upgrade	0	0	133,900	137,917	142,055	0	0	0	0	0	0	413,872
Lab Equipment	0	130,000	0	0	0	0	0	0	0	0	0	130,000
<b>Total Capital Improvements - Shared (50% Water)</b>	<b>\$440,850</b>	<b>\$425,360</b>	<b>\$340,642</b>	<b>\$563,088</b>	<b>\$663,110</b>	<b>\$18,143</b>	<b>\$39,183</b>	<b>\$193,475</b>	<b>\$197,616</b>	<b>\$299,059</b>	<b>\$507,586</b>	<b>\$3,688,112</b>

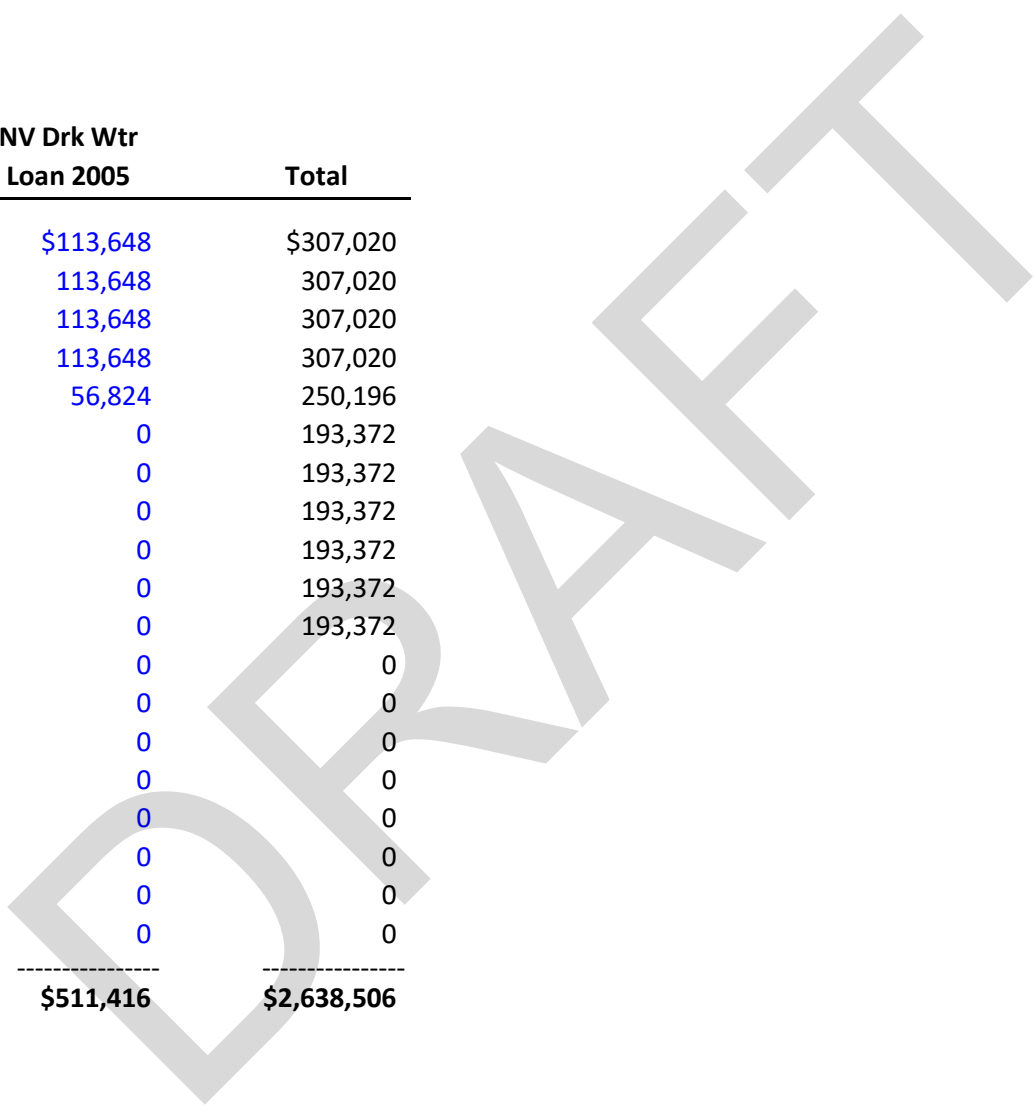


	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Total
Less R&M Funded Items (O&M)	0	0	0	0	0	0	0	0	0	0	0	\$0
Future Unidentified Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
To Capital Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Capital Improvement Projects</b>	<b>\$2,433,359</b>	<b>\$2,843,360</b>	<b>\$1,942,086</b>	<b>\$3,619,328</b>	<b>\$2,310,943</b>	<b>\$1,481,305</b>	<b>\$1,124,264</b>	<b>\$1,410,453</b>	<b>\$1,348,778</b>	<b>\$1,530,866</b>	<b>\$1,728,854</b>	<b>\$21,773,595</b>
<i>Less: Outside Funding Sources</i>												
Operating Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Fund	2,228,831	1,273,360	1,592,086	979,328	1,245,943	581,305	624,264	635,453	698,778	985,866	1,303,854	12,149,068
Grant Funding	204,528	0	0	0	0	0	0	0	0	0	0	204,528
Debt Reserve Fund	0	0	0	0	0	0	0	0	0	0	0	0
New SRF Loans	0	0	0	0	0	0	0	0	0	0	0	0
New Revenue Bonds	0	1,570,000	0	2,000,000	0	0	0	0	0	0	0	3,570,000
<b>Total Outside Funding Sources</b>	<b>\$2,433,359</b>	<b>\$2,843,360</b>	<b>\$1,592,086</b>	<b>\$2,979,328</b>	<b>\$1,245,943</b>	<b>\$581,305</b>	<b>\$624,264</b>	<b>\$635,453</b>	<b>\$698,778</b>	<b>\$985,866</b>	<b>\$1,303,854</b>	<b>\$15,923,596</b>
<b>Rate Funded Capital</b>	<b>\$0</b>	<b>\$0</b>	<b>\$350,000</b>	<b>\$640,000</b>	<b>\$1,065,000</b>	<b>\$900,000</b>	<b>\$500,000</b>	<b>\$775,000</b>	<b>\$650,000</b>	<b>\$545,000</b>	<b>\$425,000</b>	<b>\$5,850,000</b>



**Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 5  
 Existing Debt Service**

<b>Year</b>	<b>NV DWSRF 2012</b>	<b>NV Drk Wtr Loan 2005</b>	<b>Total</b>
FY 2023	\$193,372	\$113,648	\$307,020
FY 2024	193,372	113,648	307,020
FY 2025	193,372	113,648	307,020
FY 2026	193,372	113,648	307,020
FY 2027	193,372	56,824	250,196
FY 2028	193,372	0	193,372
FY 2029	193,372	0	193,372
FY 2030	193,372	0	193,372
FY 2031	193,372	0	193,372
FY 2032	193,372	0	193,372
FY 2033	193,372	0	193,372
FY 2034	0	0	0
FY 2035	0	0	0
FY 2036	0	0	0
FY 2037	0	0	0
FY 2038	0	0	0
FY 2039	0	0	0
FY 2040	0	0	0
FY 2041	0	0	0
	<b>\$2,127,090</b>	<b>\$511,416</b>	<b>\$2,638,506</b>



		July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Residential</b>														
Meter Fee	\$ / Acct.													
3/4"	\$15.10	Capital Improv	\$15.10	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698
				3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698
<b>Total Meter Fee Revenue</b>				\$111,680	\$111,680	\$111,680	\$111,680	\$111,680	\$111,680	\$111,680	\$111,680	\$111,680	\$111,680	\$1,340,155
Admin Fee	\$4.23			3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698
Defensible Space	\$1.05			3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698
				\$19,525	\$19,525	\$19,525	\$19,525	\$19,525	\$19,525	\$19,525	\$19,525	\$19,525	\$19,525	\$234,305
<b>Total Water Use Revenue</b>				\$187,779	\$200,045	\$154,814	\$157,395	\$38,833	\$26,718	\$24,027	\$18,866	\$20,535	\$24,103	\$94,300
<b>Total Residential</b>				\$318,985	\$331,250	\$286,020	\$288,600	\$170,038	\$157,924	\$155,232	\$150,071	\$151,740	\$155,308	\$225,505
<b>Multi Family</b>														
Meter Fee	\$ / Acct.													
3/4"	\$15.10	\$15.10	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090
			4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090
<b>Total Meter Fee Revenue</b>				\$123,518	\$123,518	\$123,518	\$123,518	\$123,518	\$123,518	\$123,518	\$123,518	\$123,518	\$123,518	\$1,482,216
Admin Fee	\$4.23		259	259	259	259	259	259	259	259	259	259	259	259
Defensible Space	1.05		4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090	4,090
			\$5,390	\$5,390	\$5,390	\$5,390	\$5,390	\$5,390	\$5,390	\$5,390	\$5,390	\$5,390	\$5,390	\$64,681
<b>Total Water Use Revenue</b>				\$63,793	\$65,680	\$50,417	\$50,460	\$38,236	\$22,758	\$21,138	\$20,585	\$20,528	\$19,568	\$35,485
<b>Total Multi Family</b>				\$192,701	\$194,588	\$179,325	\$179,368	\$167,144	\$151,666	\$150,046	\$149,493	\$149,436	\$148,476	\$164,393
				\$57,680	\$57,680	\$57,680	\$57,680	\$57,680	\$57,680	\$57,680	\$57,680	\$57,680	\$57,680	\$57,680
				\$27,821	\$27,821	\$27,821	\$27,821	\$27,821	\$27,821	\$27,821	\$27,821	\$27,821	\$27,821	\$27,821
				\$7,661	\$7,661	\$7,661	\$7,661	\$7,661	\$7,661	\$7,661	\$7,661	\$7,661	\$7,661	\$7,661
				\$7,067	\$7,067	\$7,067	\$7,067	\$7,067	\$7,067	\$7,067	\$7,067	\$7,067	\$7,067	\$7,067
				\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	\$466,327
				\$2,013,224	\$2,013,224	\$2,013,224	\$2,013,224	\$2,013,224	\$2,013,224	\$2,013,224	\$2,013,224	\$2,013,224	\$2,013,224	\$2,013,224

		July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Commercial</b>														
<b>Meter Fee</b>	<b>\$ / Acct.</b>													
3/4"	\$15.10	72	72	72	72	72	72	72	72	72	72	72	72	72
1"	25.22	53	53	53	53	53	53	53	53	53	53	53	53	53
1 1/2"	50.28	41	41	41	41	41	41	41	41	41	41	41	41	41
2"	80.48	26	26	26	26	26	26	26	26	26	26	26	26	26
3"	151.00	6	6	6	6	6	6	6	6	6	6	6	6	6
4"	251.72	3	3	3	3	3	3	3	3	3	3	3	3	3
6"	503.28	2	2	2	2	2	2	2	2	2	2	2	2	2
8"	805.28	1	1	1	1	1	1	1	1	1	1	1	1	1
10"	1,157.72	0	0	0	0	0	0	0	0	0	0	0	0	0
		<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>
<b>Total Meter Fee Revenue</b>		\$20,102	\$20,102	\$20,102	\$20,102	\$20,102	\$20,102	\$20,102	\$20,102	\$20,102	\$20,102	\$20,102	\$20,102	<b>\$241,221</b>
Admin Fee	\$4.23	204	204	204	204	204	204	204	204	204	204	204	204	
Defensible Space	1.05	204	204	204	204	204	204	204	204	204	204	204	204	
		\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	\$1,077	<b>\$12,925</b>
<b>Water Use</b>	<b>\$ / 1,000 gal</b>													
All Use	\$1.95	9,149	8,574	7,119	7,212	8,110	5,908	5,179	4,374	5,206	4,813	5,959	7,740	79,343
Tier 1	1.17	2,029	1,712	1,576	1,589	1,796	1,224	1,161	991	1,323	1,167	1,388	1,568	17,523
Tier 2	1.69	1,509	1,171	515	515	29	1,642	582	105	209	163	263	890	7,594
<b>Total Water Use Revenue</b>		\$22,764	\$20,701	\$16,596	\$16,793	\$17,965	\$15,728	\$12,442	\$9,867	\$12,054	\$11,025	\$13,688	\$18,432	<b>\$188,055</b>
<b>Total Commercial</b>		<b>\$43,943</b>	<b>\$41,880</b>	<b>\$37,775</b>	<b>\$37,972</b>	<b>\$39,144</b>	<b>\$36,906</b>	<b>\$33,620</b>	<b>\$31,046</b>	<b>\$33,233</b>	<b>\$32,204</b>	<b>\$34,867</b>	<b>\$39,611</b>	<b>\$442,201</b>

			July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Irrigation</b>															
<b>Meter Fee</b>	<b>\$ / Acct.</b>														
3/4"	\$15.10	\$15.10	16	16	16	16	16	16	16	16	16	16	16	16	16
1"	25.22	25.22	20	20	20	20	20	20	20	20	20	20	20	20	20
1 1/2"	50.28	50.28	9	9	9	9	9	9	9	9	9	9	9	9	9
2"	80.48	80.48	12	12	12	12	12	12	12	12	12	12	12	12	12
3"	151.00	151.00	2	2	2	2	2	2	2	2	2	2	2	2	2
4"	251.72	251.72	2	2	2	2	2	2	2	2	2	2	2	2	2
6"	503.28	503.28	0	0	0	0	0	0	0	0	0	0	0	0	0
8"	805.28	805.28	0	0	0	0	0	0	0	0	0	0	0	0	0
10"	1,157.72	1,157.42	0	0	0	0	0	0	0	0	0	0	0	0	0
			<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>
<b>Total Meter Fee Revenue</b>			\$5,939	\$5,939	\$5,939	\$5,939	\$5,939	\$5,939	\$5,939	\$5,939	\$5,939	\$5,939	\$5,939	\$5,939	<b>\$71,273</b>
Admin Fee	\$4.23		61	61	61	61	61	61	61	61	61	61	61	61	61
Defensible Space	0.00		61	61	61	61	61	61	61	61	61	61	61	61	61
			\$258	\$258	\$258	\$258	\$258	\$258	\$258	\$258	\$258	\$258	\$258	\$258	<b>\$3,096</b>
<b>Water Use</b>	<b>\$ / 1,000 gal</b>														
All Use	\$2.00		9,286	9,341	7,237	7,237	266	107	54	52	88	994	4,241	8,434	47,336
Tier 1	1.20		3,200	3,075	2,253	2,253	0	0	0	0	0	114	1,187	2,981	15,064
Tier 2	1.73		1,989	2,006	1,240	1,240	0	0	0	0	0	0	356	1,546	8,378
<b>Total Water Use Revenue</b>			\$25,852	\$25,843	\$19,323	\$19,323	\$531	\$214	\$108	\$104	\$175	\$2,125	\$10,523	\$23,121	<b>\$127,243</b>
<b>Total Irrigation</b>			<b>\$32,050</b>	<b>\$32,041</b>	<b>\$25,520</b>	<b>\$25,520</b>	<b>\$6,729</b>	<b>\$6,411</b>	<b>\$6,305</b>	<b>\$6,302</b>	<b>\$6,373</b>	<b>\$8,323</b>	<b>\$16,721</b>	<b>\$29,318</b>	<b>\$201,612</b>

		July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Commercial - IVGID</b>														
<b>Meter Fee</b>	<b>\$ / Acct.</b>													
3/4"	\$15.10	4	4	4	4	4	4	4	4	4	4	4	4	4
1"	25.22	7	7	7	7	7	7	7	7	7	7	7	7	7
1 1/2"	50.28	5	5	5	5	5	5	5	5	5	5	5	5	5
2"	80.48	9	9	9	9	9	9	9	9	9	9	9	9	9
3"	151.00	1	1	1	1	1	1	1	1	1	1	1	1	1
4"	251.72	0	0	0	0	0	0	0	0	0	0	0	0	0
6"	503.28	0	0	0	0	0	0	0	0	0	0	0	0	0
8"	805.28	0	0	0	0	0	0	0	0	0	0	0	0	0
10"	1,157.72	0	0	0	0	0	0	0	0	0	0	0	0	0
		<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>
<b>Total Meter Fee Revenue</b>		<b>\$2,727</b>	<b>\$2,727</b>	<b>\$2,727</b>	<b>\$2,727</b>	<b>\$2,727</b>	<b>\$2,727</b>	<b>\$2,727</b>	<b>\$2,727</b>	<b>\$2,727</b>	<b>\$2,727</b>	<b>\$2,727</b>	<b>\$2,727</b>	<b>\$32,728</b>
Admin Fee	\$4.23	26	26	26	26	26	26	26	26	26	26	26	26	26
Defensible Space	1.05	26	26	26	26	26	26	26	26	26	26	26	26	26
		<b>\$137</b>	<b>\$137</b>	<b>\$137</b>	<b>\$137</b>	<b>\$137</b>	<b>\$137</b>	<b>\$137</b>	<b>\$137</b>	<b>\$137</b>	<b>\$137</b>	<b>\$137</b>	<b>\$137</b>	<b>\$1,647</b>
<b>Water Use</b>	<b>\$ / 1,000 gal</b>													
All Use	\$1.95	657	587	462	460	421	319	331	342	536	590	515	393	5,612
Tier 1	1.17	152	70	75	75	0	0	0	0	150	213	196	17	947
Tier 2	1.69	0	0	0	0	0	0	0	0	0	128	0	0	128
<b>Total Water Use Revenue</b>		<b>\$1,458</b>	<b>\$1,225</b>	<b>\$988</b>	<b>\$984</b>	<b>\$821</b>	<b>\$622</b>	<b>\$645</b>	<b>\$667</b>	<b>\$1,221</b>	<b>\$1,615</b>	<b>\$1,233</b>	<b>\$786</b>	<b>\$12,266</b>
<b>Total Commercial - IVGID</b>		<b>\$4,323</b>	<b>\$4,090</b>	<b>\$3,852</b>	<b>\$3,848</b>	<b>\$3,686</b>	<b>\$3,486</b>	<b>\$3,509</b>	<b>\$3,532</b>	<b>\$4,086</b>	<b>\$4,480</b>	<b>\$4,098</b>	<b>\$3,651</b>	<b>\$46,642</b>

		July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Irrigation - IVGID</b>														
<b>Meter Fee</b>	<b>\$ / Acct.</b>													
3/4"	\$15.10	\$15.10	3	3	3	3	3	3	3	3	3	3	3	3
1"	25.22	25.22	5	5	5	5	5	5	5	5	5	5	5	5
1 1/2"	50.28	50.28	2	2	2	2	2	2	2	2	2	2	2	2
2"	80.48	80.48	4	4	4	4	4	4	4	4	4	4	4	4
3"	151.00	151.00	3	3	3	3	3	3	3	3	3	3	3	3
4"	251.72	251.72	9	9	9	9	9	9	9	9	9	9	9	9
6"	503.28	503.28	0	0	0	0	0	0	0	0	0	0	0	0
8"	805.28	805.28	0	0	0	0	0	0	0	0	0	0	0	0
10"	1,157.72	1,157.42	0	0	0	0	0	0	0	0	0	0	0	0
			<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>
<b>Total Meter Fee Revenue</b>		\$6,625	\$6,625	\$6,625	\$6,625	\$6,625	\$6,625	\$6,625	\$6,625	\$6,625	\$6,625	\$6,625	\$6,625	<b>\$79,496</b>
Admin Fee	\$4.23	26	26	26	26	26	26	26	26	26	26	26	26	26
Defensible Space	1.05	26	26	26	26	26	26	26	26	26	26	26	26	26
		\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	\$137	<b>\$1,647</b>
<b>Water Use</b>	<b>\$ / 1,000 gal</b>													
All Use	\$2.00	23,359	20,325	10,573	10,573	10	2	21	14	524	3,177	12,406	22,745	103,730
Tier 1	1.20	6,845	6,730	4,617	4,617	0	0	0	0	0	559	4,841	6,216	34,427
Tier 2	1.73	12,322	9,444	1,926	1,926	0	0	0	0	0	0	3,598	12,400	41,617
<b>Total Water Use Revenue</b>		\$76,250	\$65,066	\$30,018	\$30,018	\$21	\$4	\$42	\$29	\$1,048	\$7,024	\$36,846	\$74,403	<b>\$320,769</b>
<b>Total Irrigation - IVGID</b>		<b>\$83,012</b>	<b>\$71,828</b>	<b>\$36,780</b>	<b>\$36,780</b>	<b>\$6,783</b>	<b>\$6,766</b>	<b>\$6,804</b>	<b>\$6,791</b>	<b>\$7,810</b>	<b>\$13,786</b>	<b>\$43,608</b>	<b>\$81,165</b>	<b>\$401,913</b>

			July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Snowmaking - IVGID</b>															
<b>Meter Fee</b>	<b>\$ / Acct.</b>														
3/4"	\$15.10	\$15.10	0	0	0	0	0	0	0	0	0	0	0	0	0
1"	25.22	25.22	0	0	0	0	0	0	0	0	0	0	0	0	0
1 1/2"	50.28	50.28	0	0	0	0	0	0	0	0	0	0	0	0	0
2"	80.48	80.48	0	0	0	0	0	0	0	0	0	0	0	0	0
3"	151.00	151.00	0	0	0	0	0	0	0	0	0	0	0	0	0
4"	251.72	251.72	0	0	0	0	0	0	0	0	0	0	0	0	0
6"	503.28	503.28	0	0	0	0	0	0	0	0	0	0	0	0	0
8"	805.28	805.28	0	0	0	0	0	0	0	0	0	0	0	0	0
10"	1,157.72	1,157.42	1	1	1	1	1	1	1	1	1	1	1	1	1
			-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
			1	1	1	1	1	1	1	1	1	1	1	1	1
<b>Total Meter Fee Revenue</b>			\$2,315	\$2,315	\$2,315	\$2,315	\$2,315	\$2,315	\$2,315	\$2,315	\$2,315	\$2,315	\$2,315	\$2,315	<b>\$27,782</b>
Admin Fee	\$4.23		1	1	1	1	1	1	1	1	1	1	1	1	1
Defensible Space	0.00		1	1	1	1	1	1	1	1	1	1	1	1	1
			\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	<b>\$51</b>
<b>Water Use</b>	<b>\$ / 1,000 gal</b>														
All Use	\$2.00		21	0	0	30	17,482	20,044	9	0	0	0	49	30	37,665
Tier 1	1.20														0
Tier 2	1.73														0
<b>Total Water Use Revenue</b>			\$42	\$0	\$0	\$60	\$34,965	\$40,088	\$18	\$0	\$0	\$0	\$98	\$59	<b>\$75,330</b>
<b>Total Snowmaking - IVGID</b>			<b>\$2,361</b>	<b>\$2,319</b>	<b>\$2,319</b>	<b>\$2,379</b>	<b>\$37,284</b>	<b>\$42,407</b>	<b>\$2,338</b>	<b>\$2,319</b>	<b>\$2,319</b>	<b>\$2,319</b>	<b>\$2,418</b>	<b>\$2,378</b>	<b>\$103,163</b>



	July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Summary</b>													
<b>Customer</b>													
Residential	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698	3,698
Multi Family	259	259	259	259	259	259	259	259	259	259	259	259	259
Commercial	204	204	204	204	204	204	204	204	204	204	204	204	204
Irrigation	61	61	61	61	61	61	61	61	61	61	61	61	61
Commercial - IVGID	26	26	26	26	26	26	26	26	26	26	26	26	26
Irrigation - IVGID	26	26	26	26	26	26	26	26	26	26	26	26	26
Snowmaking - IVGID	1	1	1	1	1	1	1	1	1	1	1	1	1
	<b>4,275</b>	<b>4,275</b>	<b>4,275</b>	<b>4,275</b>	<b>4,275</b>	<b>4,275</b>	<b>4,275</b>	<b>4,275</b>	<b>4,275</b>	<b>4,275</b>	<b>4,275</b>	<b>4,275</b>	<b>4,275</b>
<b>Consumption (1,000 gal)</b>													
Residential	73,397	77,093	61,932	62,827	18,773	12,528	11,081	9,330	10,029	11,311	40,008	67,200	455,509
Multi Family	30,346	31,009	24,541	24,563	19,259	11,656	10,831	10,553	10,527	9,970	17,344	27,821	228,421
Commercial	9,149	8,574	7,119	7,212	8,110	5,908	5,179	4,374	5,206	4,813	5,959	7,740	79,343
Irrigation	9,286	9,341	7,237	7,237	266	107	54	52	88	994	4,241	8,434	47,336
Commercial - IVGID	657	587	462	460	421	319	331	342	536	590	515	393	5,612
Irrigation - IVGID	23,359	20,325	10,573	10,573	10	2	21	14	524	3,177	12,406	22,745	103,730
Snowmaking - IVGID	21	0	0	30	17,482	20,044	9	0	0	0	49	30	37,665
	<b>146,216</b>	<b>146,929</b>	<b>111,862</b>	<b>112,901</b>	<b>64,321</b>	<b>50,564</b>	<b>27,506</b>	<b>24,666</b>	<b>26,910</b>	<b>30,855</b>	<b>80,522</b>	<b>134,363</b>	<b>957,616</b>
<b>Total Revenue</b>													
Residential	\$318,985	\$331,250	\$286,020	\$288,600	\$170,038	\$157,924	\$155,232	\$150,071	\$151,740	\$155,308	\$225,505	\$300,746	\$2,691,418
Multi Family	192,701	194,588	179,325	179,368	167,144	151,666	150,046	149,493	149,436	148,476	164,393	186,588	2,013,224
Commercial	43,943	41,880	37,775	37,972	39,144	36,906	33,620	31,046	33,233	32,204	34,867	39,611	442,201
Irrigation	32,050	32,041	25,520	25,520	6,729	6,411	6,305	6,302	6,373	8,323	16,721	29,318	201,612
Commercial - IVGID	4,323	4,090	3,852	3,848	3,686	3,486	3,509	3,532	4,086	4,480	4,098	3,651	46,642
Irrigation - IVGID	83,012	71,828	36,780	36,780	6,783	6,766	6,804	6,791	7,810	13,786	43,608	81,165	401,913
Snowmaking - IVGID	2,361	2,319	2,319	2,379	37,284	42,407	2,338	2,319	2,319	2,319	2,418	2,378	103,163
	<b>\$677,375</b>	<b>\$677,996</b>	<b>\$571,591</b>	<b>\$574,468</b>	<b>\$430,808</b>	<b>\$405,568</b>	<b>\$357,854</b>	<b>\$349,553</b>	<b>\$354,997</b>	<b>\$364,896</b>	<b>\$491,609</b>	<b>\$643,457</b>	<b>\$5,900,172</b>
													<b>FY 2021 Actual</b>
													<i>Difference</i>
													\$5,900,172
													<i>Percent</i>
													#DIV/0!
													<b>FY 2023 Budget</b>
													<b>\$5,877,887</b>
													<i>Difference</i>
													\$22,285
													<i>Percent</i>
													0.4%

Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 7  
 Customer Data Projection

		Exhibit 6 - RPR	Projected										
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Notes
<b>Residential</b>													
<b>Meter Fee</b>	<b>\$ / Acct.</b>												
3/4"	\$30.20	3,698	3,702	3,705	3,709	3,713	3,717	3,720	3,724	3,728	3,731	3,735	As Single Family - Cust Growth
		<b>3,698</b>	<b>3,702</b>	<b>3,705</b>	<b>3,709</b>	<b>3,713</b>	<b>3,717</b>	<b>3,720</b>	<b>3,724</b>	<b>3,728</b>	<b>3,731</b>	<b>3,735</b>	
Revenue		\$1,340,155	\$1,341,496	\$1,342,837	\$1,344,181	\$1,345,526	\$1,346,870	\$1,348,219	\$1,349,567	\$1,350,915	\$1,352,267	\$1,353,618	
Admin Fee	\$4.23	3,698	3,702	3,705	3,709	3,713	3,717	3,720	3,724	3,728	3,731	3,735	
Defensible Space	\$1.05	3,698	3,702	3,705	3,709	3,713	3,717	3,720	3,724	3,728	3,731	3,735	
		\$234,305	\$234,540	\$234,774	\$235,009	\$235,244	\$235,479	\$235,715	\$235,951	\$236,186	\$236,423	\$236,659	
<b>Water Use</b>	<b>\$ / 1,000 gal</b>												
All Use	\$1.95	455,509	455,509	455,509	455,509	455,509	455,509	455,509	455,509	455,509	455,509	455,509	As Single Family - Cons Growth
20,000 - 60,000	1.17	126,631	126,631	126,631	126,631	126,631	126,631	126,631	126,631	126,631	126,631	126,631	As Single Family - Cons Growth
60,000+	1.69	47,667	47,667	47,667	47,667	47,667	47,667	47,667	47,667	47,667	47,667	47,667	As Single Family - Cons Growth
Total Water Use - Residential		<b>629,807</b>	<b>629,807</b>	<b>629,807</b>	<b>629,807</b>	<b>629,807</b>	<b>629,807</b>	<b>629,807</b>	<b>629,807</b>	<b>629,807</b>	<b>629,807</b>	<b>629,807</b>	
Revenue		\$1,116,958	\$1,116,958	\$1,116,958	\$1,116,958	\$1,116,958	\$1,116,958	\$1,116,958	\$1,116,958	\$1,116,958	\$1,116,958	\$1,116,958	
<b>Total Revenue</b>		<b>\$2,691,418</b>	<b>\$2,692,993</b>	<b>\$2,694,569</b>	<b>\$2,696,148</b>	<b>\$2,697,728</b>	<b>\$2,699,307</b>	<b>\$2,700,891</b>	<b>\$2,702,475</b>	<b>\$2,704,059</b>	<b>\$2,705,647</b>	<b>\$2,707,235</b>	
<b>Multi Family</b>													
<b>Meter Fee</b>													
3/4"	\$30.20	4,090	4,094	4,098	4,102	4,106	4,110	4,115	4,119	4,123	4,127	4,131	As Multi-Family - Cust Growth
		<b>4,090</b>	<b>4,094</b>	<b>4,098</b>	<b>4,102</b>	<b>4,106</b>	<b>4,110</b>	<b>4,115</b>	<b>4,119</b>	<b>4,123</b>	<b>4,127</b>	<b>4,131</b>	
Revenue		\$1,482,216	\$1,483,698	\$1,485,180	\$1,486,666	\$1,488,152	\$1,489,642	\$1,491,131	\$1,492,621	\$1,494,114	\$1,495,607	\$1,497,103	
Admin Fee	\$4.23	259	259	260	260	260	260	261	261	261	261	262	As Multi-Family - Cust Growth
Defensible Space	\$1.05	4,090	4,094	4,098	4,102	4,106	4,110	4,115	4,119	4,123	4,127	4,131	As Multi-Family - Cust Growth
		\$64,681	\$64,746	\$64,810	\$64,875	\$64,940	\$65,005	\$65,070	\$65,135	\$65,200	\$65,265	\$65,330	
<b>Water Use</b>													
All Use	\$1.95	228,421	228,421	228,421	228,421	228,421	228,421	228,421	228,421	228,421	228,421	228,421	As Multi-Family - Cons Growth
Tier 1	\$1.17	7,661	7,661	7,661	7,661	7,661	7,661	7,661	7,661	7,661	7,661	7,661	As Multi-Family - Cons Growth
Tier 2	\$1.69	7,067	7,067	7,067	7,067	7,067	7,067	7,067	7,067	7,067	7,067	7,067	As Multi-Family - Cons Growth
Total Water Use - Multi Family		<b>243,148</b>	<b>243,148</b>	<b>243,148</b>	<b>243,148</b>	<b>243,148</b>	<b>243,148</b>	<b>243,148</b>	<b>243,148</b>	<b>243,148</b>	<b>243,148</b>	<b>243,148</b>	
Revenue		\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	\$466,327	
<b>Total Revenue</b>		<b>\$2,013,224</b>	<b>\$2,014,771</b>	<b>\$2,016,317</b>	<b>\$2,017,868</b>	<b>\$2,019,419</b>	<b>\$2,020,973</b>	<b>\$2,022,528</b>	<b>\$2,024,082</b>	<b>\$2,025,640</b>	<b>\$2,027,199</b>	<b>\$2,028,761</b>	

		Exhibit 6 - RPR	Projected										Notes
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	
<b>Commercial</b>													
<b>Meter Fee</b>	<b>\$ / Acct.</b>												
3/4"	\$30.20	72	72	72	72	72	72	72	72	73	73	73	As Commercial - Cust Growth
1"	50.43	53	53	53	53	53	53	53	53	53	53	54	As Commercial - Cust Growth
1 1/2"	100.57	41	41	41	41	41	41	41	41	41	41	41	As Commercial - Cust Growth
2"	160.97	26	26	26	26	26	26	26	26	26	26	26	As Commercial - Cust Growth
3"	302.00	6	6	6	6	6	6	6	6	6	6	6	As Commercial - Cust Growth
4"	503.43	3	3	3	3	3	3	3	3	3	3	3	As Commercial - Cust Growth
6"	1,006.57	2	2	2	2	2	2	2	2	2	2	2	As Commercial - Cust Growth
8"	1,610.57	1	1	1	1	1	1	1	1	1	1	1	As Commercial - Cust Growth
10"	2,315.14	0	0	0	0	0	0	0	0	0	0	0	As Commercial - Cust Growth
		<b>204</b>	<b>204</b>	<b>204</b>	<b>205</b>	<b>205</b>	<b>205</b>	<b>205</b>	<b>205</b>	<b>206</b>	<b>206</b>	<b>206</b>	
Revenue		\$241,221	\$241,419	\$241,617	\$241,815	\$242,013	\$242,211	\$242,409	\$242,607	\$242,805	\$243,003	\$243,202	
Admin Fee	\$4.23	204	204	204	205	205	205	205	205	206	206	206	
Defensible Space	\$1.05	204	204	204	205	205	205	205	205	206	206	206	
		\$12,925	\$12,938	\$12,951	\$12,963	\$12,976	\$12,989	\$13,001	\$13,014	\$13,027	\$13,039	\$13,052	
<b>Water Use</b>	<b>\$ / 1,000 gal</b>												
All Use	\$1.95	79,343	79,343	79,343	79,343	79,343	79,343	79,343	79,343	79,343	79,343	79,343	As Commercial - Cons Growth
Tier 1	\$1.17	17,523	17,523	17,523	17,523	17,523	17,523	17,523	17,523	17,523	17,523	17,523	As Commercial - Cons Growth
Tier 2	\$1.69	7,594	7,594	7,594	7,594	7,594	7,594	7,594	7,594	7,594	7,594	7,594	As Commercial - Cons Growth
Total Water Use - Commercial		<b>104,460</b>	<b>104,460</b>	<b>104,460</b>	<b>104,460</b>	<b>104,460</b>	<b>104,460</b>	<b>104,460</b>	<b>104,460</b>	<b>104,460</b>	<b>104,460</b>	<b>104,460</b>	
		\$188,055	\$188,055	\$188,055	\$188,055	\$188,055	\$188,055	\$188,055	\$188,055	\$188,055	\$188,055	\$188,055	
<b>Total Revenue</b>		<b>\$442,201</b>	<b>\$442,412</b>	<b>\$442,622</b>	<b>\$442,833</b>	<b>\$443,044</b>	<b>\$443,255</b>	<b>\$443,465</b>	<b>\$443,676</b>	<b>\$443,887</b>	<b>\$444,098</b>	<b>\$444,308</b>	

		Exhibit 6 - RPR	Projected										Notes
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	
<b>Irrigation</b>													
<b>Meter Fee</b>	<b>\$ / Acct.</b>												
3/4"	\$30.20	16	16	16	16	16	16	16	16	16	16	16	As Irrigation - Cust Growth
1"	50.43	20	20	20	20	20	20	20	20	20	20	20	As Irrigation - Cust Growth
1 1/2"	100.57	9	9	9	9	9	9	9	9	9	9	9	As Irrigation - Cust Growth
2"	160.97	12	12	12	12	12	12	12	12	12	12	12	As Irrigation - Cust Growth
3"	302.00	2	2	2	2	2	2	2	2	2	2	2	As Irrigation - Cust Growth
4"	503.43	2	2	2	2	2	2	2	2	2	2	2	As Irrigation - Cust Growth
6"	1,006.57	0	0	0	0	0	0	0	0	0	0	0	As Irrigation - Cust Growth
8"	1,610.57	0	0	0	0	0	0	0	0	0	0	0	As Irrigation - Cust Growth
10"	2,315.14	0	0	0	0	0	0	0	0	0	0	0	As Irrigation - Cust Growth
		<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>62</b>	<b>62</b>	
Revenue		\$71,273	\$71,324	\$71,375	\$71,425	\$71,476	\$71,527	\$71,578	\$71,628	\$71,679	\$71,730	\$71,781	
Admin Fee	\$4.23	61	61	61	61	61	61	61	61	61	62	62	
Defensible Space	\$0.00	61	61	61	61	61	61	61	61	61	62	62	
		\$3,096	\$3,099	\$3,102	\$3,105	\$3,109	\$3,112	\$3,115	\$3,118	\$3,121	\$3,124	\$3,127	
<b>Water Use</b>	<b>\$ / 1,000 gal</b>												
All Use	\$2.00	47,336	47,336	47,336	47,336	47,336	47,336	47,336	47,336	47,336	47,336	47,336	As Irrigation - Cons Growth
Tier 1	1.20	15,064	15,064	15,064	15,064	15,064	15,064	15,064	15,064	15,064	15,064	15,064	As Irrigation - Cons Growth
Tier 2	1.73	8,378	8,378	8,378	8,378	8,378	8,378	8,378	8,378	8,378	8,378	8,378	As Irrigation - Cons Growth
Total Water Use - Irrigation		<b>70,778</b>	<b>70,778</b>	<b>70,778</b>	<b>70,778</b>	<b>70,778</b>	<b>70,778</b>	<b>70,778</b>	<b>70,778</b>	<b>70,778</b>	<b>70,778</b>	<b>70,778</b>	
Revenue		\$127,243	\$127,243	\$127,243	\$127,243	\$127,243	\$127,243	\$127,243	\$127,243	\$127,243	\$127,243	\$127,243	
<b>Total Revenue</b>		<b>\$201,612</b>	<b>\$201,666</b>	<b>\$201,720</b>	<b>\$201,773</b>	<b>\$201,827</b>	<b>\$201,881</b>	<b>\$201,935</b>	<b>\$201,989</b>	<b>\$202,042</b>	<b>\$202,096</b>	<b>\$202,150</b>	

		Exhibit 6 - RPR	Projected										Notes
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	
<b>Commercial - IVGID</b>													
<b>Meter Fee</b>	<b>\$ / Acct.</b>												
3/4"	\$30.20	4	4	4	4	4	4	4	4	4	4	4	As IVGID - Cust Growth
1"	50.43	7	7	7	7	7	7	7	7	7	7	7	As IVGID - Cust Growth
1 1/2"	100.57	5	5	5	5	5	5	5	5	5	5	5	As IVGID - Cust Growth
2"	160.97	9	9	9	9	9	9	9	9	9	9	9	As IVGID - Cust Growth
3"	302.00	1	1	1	1	1	1	1	1	1	1	1	As IVGID - Cust Growth
4"	503.43	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
6"	1,006.57	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
8"	1,610.57	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
10"	2,315.14	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
		26	26	26	26	26	26	26	26	26	26	26	
Revenue		\$32,728	\$32,766	\$32,803	\$32,841	\$32,878	\$32,916	\$32,953	\$32,990	\$33,028	\$33,065	\$33,103	
Admin Fee	\$4.23	26	26	26	26	26	26	26	26	26	26	26	As IVGID - Cust Growth
Defensible Space	\$1.05	26	26	26	26	26	26	26	26	26	26	26	As IVGID - Cust Growth
		\$1,647	\$1,649	\$1,651	\$1,653	\$1,655	\$1,657	\$1,659	\$1,661	\$1,663	\$1,664	\$1,666	
<b>Water Use</b>	<b>\$ / 1,000 gal</b>												
All Use	\$1.95	5,612	5,612	5,612	5,612	5,612	5,612	5,612	5,612	5,612	5,612	5,612	As IVGID - Cons Growth
Tier 1	1.17	947	947	947	947	947	947	947	947	947	947	947	As IVGID - Cons Growth
Tier 2	1.69	128	128	128	128	128	128	128	128	128	128	128	As IVGID - Cons Growth
Total Water Use - Commercial - IVGI		6,686	6,686	6,686	6,686	6,686	6,686	6,686	6,686	6,686	6,686	6,686	
Revenue		\$12,266	\$12,266	\$12,266	\$12,266	\$12,266	\$12,266	\$12,266	\$12,266	\$12,266	\$12,266	\$12,266	
<b>Total Revenue</b>		<b>\$46,642</b>	<b>\$46,681</b>	<b>\$46,720</b>	<b>\$46,760</b>	<b>\$46,799</b>	<b>\$46,838</b>	<b>\$46,878</b>	<b>\$46,917</b>	<b>\$46,956</b>	<b>\$46,996</b>	<b>\$47,035</b>	

		Exhibit 6 - RPR	Projected										Notes
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	
<b>Irrigation - IVGID</b>													
<b>Meter Fee</b>	<b>\$ / Acct.</b>												
3/4"	\$30.20	3	3	3	3	3	3	3	3	3	3	3	As IVGID - Cust Growth
1"	50.43	5	5	5	5	5	5	5	5	5	5	5	As IVGID - Cust Growth
1 1/2"	100.57	2	2	2	2	2	2	2	2	2	2	2	As IVGID - Cust Growth
2"	160.97	4	4	4	4	4	4	4	4	4	4	4	As IVGID - Cust Growth
3"	302.00	3	3	3	3	3	3	3	3	3	3	3	As IVGID - Cust Growth
4"	503.43	9	9	9	9	9	9	9	9	9	9	9	As IVGID - Cust Growth
6"	1,006.57	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
8"	1,610.57	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
10"	2,315.14	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
		<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	
Revenue		\$79,496	\$79,563	\$79,629	\$79,695	\$79,762	\$79,828	\$79,895	\$79,961	\$80,028	\$80,094	\$80,161	
Admin Fee	\$4.23	26	26	26	26	26	26	26	26	26	26	26	As IVGID - Cust Growth
Defensible Space	\$1.05	26	26	26	26	26	26	26	26	26	26	26	As IVGID - Cust Growth
		\$1,647	\$1,649	\$1,651	\$1,653	\$1,655	\$1,657	\$1,659	\$1,661	\$1,663	\$1,664	\$1,666	
<b>Water Use</b>	<b>\$ / 1,000 gal</b>												
All Use	\$2.00	103,730	103,730	103,730	103,730	103,730	103,730	103,730	103,730	103,730	103,730	103,730	As IVGID - Cons Growth
Tier 1	1.20	34,427	34,427	34,427	34,427	34,427	34,427	34,427	34,427	34,427	34,427	34,427	As IVGID - Cons Growth
Tier 2	1.73	41,617	41,617	41,617	41,617	41,617	41,617	41,617	41,617	41,617	41,617	41,617	As IVGID - Cons Growth
Total Water Use - Irrigation - IVGID		<b>179,774</b>	<b>179,774</b>	<b>179,774</b>	<b>179,774</b>	<b>179,774</b>	<b>179,774</b>	<b>179,774</b>	<b>179,774</b>	<b>179,774</b>	<b>179,774</b>	<b>179,774</b>	
Revenue		\$320,769	\$320,769	\$320,769	\$320,769	\$320,769	\$320,769	\$320,769	\$320,769	\$320,769	\$320,769	\$320,769	
<b>Total Revenue</b>		<b>\$401,913</b>	<b>\$401,981</b>	<b>\$402,050</b>	<b>\$402,118</b>	<b>\$402,186</b>	<b>\$402,255</b>	<b>\$402,323</b>	<b>\$402,391</b>	<b>\$402,460</b>	<b>\$402,528</b>	<b>\$402,597</b>	

		Exhibit 6 - RPR	Projected										Notes
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	
<b>Snowmaking - IVGID</b>													
<b>Meter Fee</b>	<b>\$ / Acct.</b>												
3/4"	\$30.20	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
1"	50.43	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
1 1/2"	100.57	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
2"	160.97	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
3"	302.00	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
4"	503.43	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
6"	1,006.57	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
8"	1,610.57	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cust Growth
10"	2,315.14	1	1	1	1	1	1	1	1	1	1	1	As IVGID - Cust Growth
		1	1	1	1	1	1	1	1	1	1	1	
<b>Revenue</b>		\$27,782	\$27,782	\$27,782	\$27,782	\$27,782	\$27,782	\$27,782	\$27,782	\$27,782	\$27,782	\$27,782	
<b>Admin Fee</b>	\$4.23	1	1	1	1	1	1	1	1	1	1	1	As IVGID - Cust Growth
<b>Defensible Space</b>	\$0.00	1	1	1	1	1	1	1	1	1	1	1	As IVGID - Cust Growth
		\$51	\$51	\$51	\$51	\$51	\$51	\$51	\$51	\$51	\$51	\$51	
<b>Water Use</b>	<b>\$ / 1,000 gal</b>												
All Use	\$2.00	37,665	37,665	37,665	37,665	37,665	37,665	37,665	37,665	37,665	37,665	37,665	As IVGID - Cons Growth
Tier 1	1.20	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cons Growth
Tier 2	1.73	0	0	0	0	0	0	0	0	0	0	0	As IVGID - Cons Growth
<b>Total Water Use - Snowmaking - IVG</b>		37,665	37,665	37,665	37,665	37,665	37,665	37,665	37,665	37,665	37,665	37,665	
<b>Revenue</b>		\$75,330	\$75,330	\$75,330	\$75,330	\$75,330	\$75,330	\$75,330	\$75,330	\$75,330	\$75,330	\$75,330	
<b>Total Revenue</b>		\$103,163	\$103,163	\$103,163	\$103,163	\$103,163	\$103,163	\$103,163	\$103,163	\$103,163	\$103,163	\$103,163	
<b>Revenues</b>													
Fixed		\$3,593,225	\$3,596,719	\$3,600,214	\$3,603,716	\$3,607,219	\$3,610,725	\$3,614,235	\$3,617,746	\$3,621,260	\$3,624,779	\$3,628,301	
Variable		2,306,947	2,306,947	2,306,947	2,306,947	2,306,947	2,306,947	2,306,947	2,306,947	2,306,947	2,306,947	2,306,947	
		\$5,900,172	\$5,903,666	\$5,907,161	\$5,910,663	\$5,914,166	\$5,917,672	\$5,921,182	\$5,924,693	\$5,928,207	\$5,931,726	\$5,935,248	

Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 8  
 Commodity Distribution Factor

	FY 2024 Consumption (1,000 gal)	5.0% Unaccounted <sup>[1]</sup>	Net Water Delivered (Flow + Losses)	Total Consumption (MGD)	Component % of Total	Class Total % of Total
<b>Residential</b>						<b>47.6%</b>
All Use	281,212	14,061	295,273	0.81	29.4%	
20,000 - 60,000	126,631	6,332	132,962	0.36	13.2%	
60,000+	47,667	2,383	50,050	0.14	5.0%	
<b>Multi Family</b>	228,421	11,421	239,842	0.66	23.9%	<b>23.9%</b>
<b>Commercial</b>	79,343	3,967	83,310	0.23	8.3%	<b>8.3%</b>
<b>Irrigation</b>	47,336	2,367	49,703	0.14	4.9%	<b>4.9%</b>
<b>Commercial - IVGID</b>	5,612	281	5,892	0.02	0.6%	<b>0.6%</b>
<b>Irrigation - IVGID</b>	103,730	5,186	108,916	0.30	10.8%	<b>10.8%</b>
<b>Snowmaking - IVGID</b>	37,665	1,883	39,548	0.11	3.9%	<b>3.9%</b>
	-----	-----	-----	-----	-----	-----
	<b>957,616</b>	<b>47,881</b>	<b>1,005,497</b>	<b>2.75</b>	<b>100.0%</b>	<b>100.0%</b>
			<i>Water Production Report <sup>[2]</sup></i>	<b>2.88</b>		

**Notes**

- [1] - Estimated to tie to actual production reports  
 [2] - Water Supply provided by District (Aug 2020 - July 2021)

**Factor** **(COM)**



Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 9  
 Capacity Distribution Factor

	Average Consumption (MGD)	Peaking Factors <sup>[1]</sup>	Peak Day Use (MGD)	Component % of Total	Class % of Total
<b>Residential</b>					<b>51.2%</b>
All Use	0.81	2.12	1.72	31.6%	
20,000 - 60,000	0.36	2.12	0.77	14.2%	
60,000+	0.14	2.12	0.29	5.4%	
<b>Multi Family</b>	0.66	1.63	1.07	19.7%	<b>19.7%</b>
<b>Commercial</b>	0.23	1.38	0.32	5.8%	<b>5.8%</b>
<b>Irrigation</b>	0.14	2.37	0.32	5.9%	<b>5.9%</b>
<b>Commercial - IVGID</b>	0.02	1.40	0.02	0.4%	<b>0.4%</b>
<b>Irrigation - IVGID</b>	0.30	2.70	0.81	14.9%	<b>14.9%</b>
<b>Snowmaking - IVGID</b>	0.11	1.00	0.11	2.0%	<b>2.0%</b>
	----- <b>2.75</b>		----- <b>5.42</b>	----- <b>100.0%</b>	----- <b>100.0%</b>

**Notes**

[1] - Peak factors based on peak to average month usage

**Factor**

**(CAP)**

Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 10  
 Customer Distribution Factors

	<i>Actual Customer</i>		<i>Customer Service &amp; Acctng.</i>		<i>Meters &amp; Services <sup>[1]</sup></i>	
	Number of Accounts	% of Total	Number of Living Units	% of Total	Weighted Customer	% of Total
Residential	3,698	86.5%	3,698	45.6%	3,698	40.9%
Multi Family	259	6.1%	4,090	50.5%	4,090	45.3%
Commercial	204	4.8%	204	2.5%	666	7.4%
Irrigation	61	1.4%	61	0.8%	197	2.2%
Commercial - IVGID	26	0.6%	26	0.3%	90	1.0%
Irrigation - IVGID	26	0.6%	26	0.3%	219	2.4%
Snowmaking - IVGID	1	0.0%	1	0.0%	77	0.8%
<b>Total</b>	<b>4,275</b>	<b>100.0%</b>	<b>8,106</b>	<b>100.0%</b>	<b>9,037</b>	<b>100.0%</b>

**Notes**

[1] - Based on number of equivalent meters using AWWA meter equivalency factors for 3/4" meter

**Factor** (AC) (WCA) (WCMS)

**Development of Equivalent Meter Distribution Factor**

	<i>Number of Meters</i>									<b>Total</b>	<b>% of Total</b>
	<b>3/4"</b>	<b>1"</b>	<b>1 1/2"</b>	<b>2"</b>	<b>3"</b>	<b>4"</b>	<b>6"</b>	<b>8"</b>	<b>10"</b>		
Residential	3,698	0	0	0	0	0	0	0	0	<b>3,698</b>	45.6%
Multi Family	4,090	0	0	0	0	0	0	0	0	<b>4,090</b>	50.5%
Commercial	72	53	41	26	6	3	2	1	0	<b>204</b>	2.5%
Irrigation	16	20	9	12	2	2	0	0	0	<b>61</b>	0.8%
Commercial - IVGID	4	7	5	9	1	0	0	0	0	<b>26</b>	0.3%
Irrigation - IVGID	3	5	2	4	3	9	0	0	0	<b>26</b>	0.3%
Snowmaking - IVGID	0	0	0	0	0	0	0	0	1	<b>1</b>	0.0%
<b>Total Meters</b>	<b>7,883</b>	<b>85</b>	<b>57</b>	<b>51</b>	<b>12</b>	<b>14</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>8,106</b>	
<i>Equiv. Meters (3/4")</i>	<i>1.00</i>	<i>1.67</i>	<i>3.33</i>	<i>5.33</i>	<i>10.00</i>	<i>16.67</i>	<i>33.33</i>	<i>53.33</i>	<i>76.67</i>		
	<i>Equivalent Meters</i>										
	<b>3/4"</b>	<b>1"</b>	<b>1 1/2"</b>	<b>2"</b>	<b>3"</b>	<b>4"</b>	<b>6"</b>	<b>8"</b>	<b>10"</b>		
Residential	3,698	0	0	0	0	0	0	0	0	<b>3,698</b>	1.00
Multi Family	4,090	0	0	0	0	0	0	0	0	<b>4,090</b>	1.00
Commercial	72	89	137	139	60	50	67	53	0	<b>666</b>	3.26
Irrigation	16	33	30	64	20	33	0	0	0	<b>197</b>	3.22
Commercial - IVGID	4	12	17	48	10	0	0	0	0	<b>90</b>	3.47
Irrigation - IVGID	3	8	7	21	30	150	0	0	0	<b>219</b>	8.44
Snowmaking - IVGID	0	0	0	0	0	0	0	0	77	<b>77</b>	76.67
<b>Total Equiv. Meters</b>	<b>7,883</b>	<b>142</b>	<b>190</b>	<b>272</b>	<b>120</b>	<b>233</b>	<b>67</b>	<b>53</b>	<b>77</b>	<b>9,037</b>	

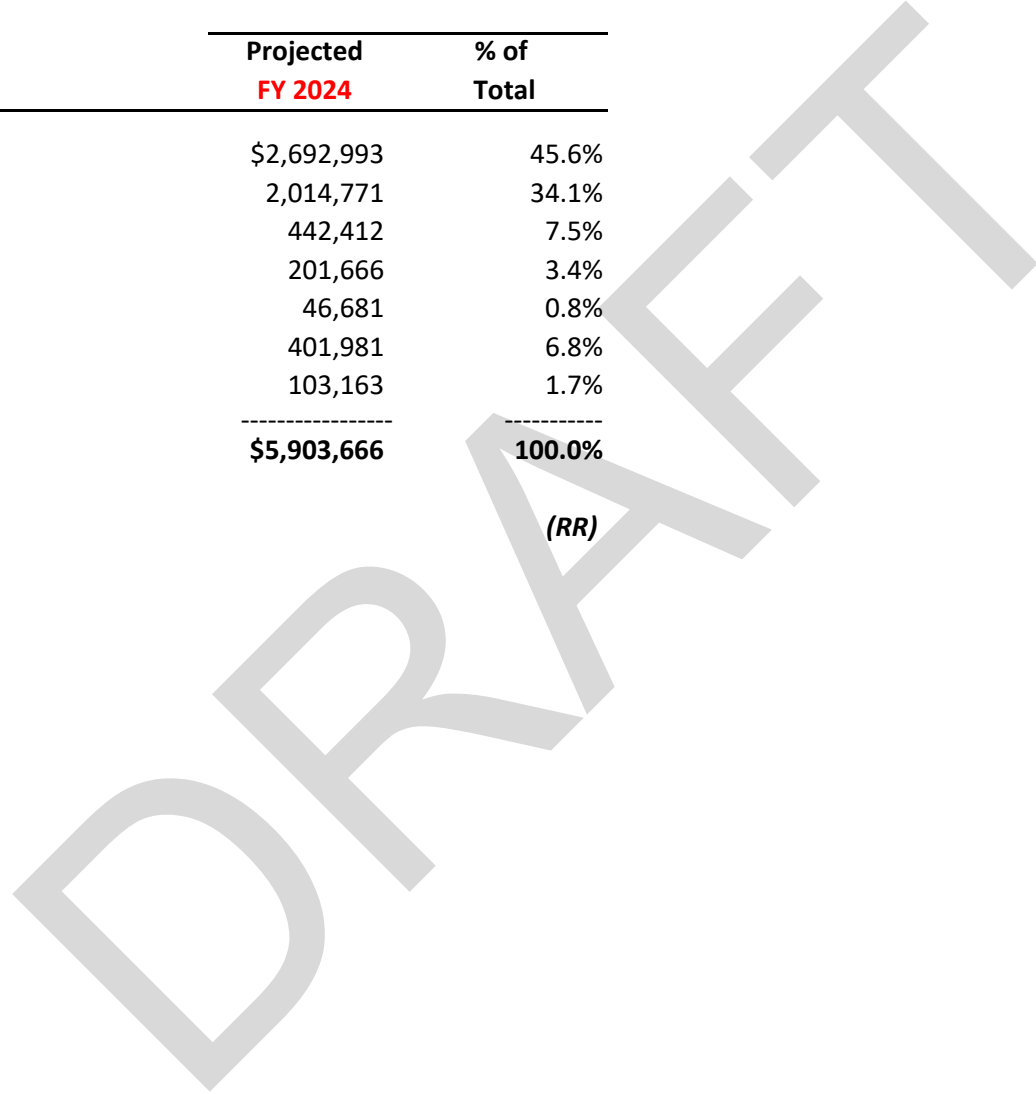
Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 11  
 Public Fire Distribution Factor

	<b>Number of Living Units</b>	<b>Fire Prot. Requirements (gals/min)</b>	<b>Duration (minutes)</b>	<b>Total FP Requirements (1,000 g/min)</b>	<b>% of Total</b>
Residential	3,698	1,000	90	332,820	40.3%
Multi Family	4,090	1,000	90	368,100	44.6%
Commercial	204	3,000	180	110,160	13.4%
Irrigation	61	0	0	0	0.0%
Commercial - IVGID	26	3,000	180	14,040	1.7%
Irrigation - IVGID	26	0	0	0	0.0%
Snowmaking - IVGID	1	0	0	0	0.0%
<b>Total</b>	<b>8,106</b>			<b>825,120</b>	<b>100.0%</b>
<b>Factor</b>					<b>(FP)</b>

**Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 12  
 Revenue Related Distribution Factor**

	<b>Projected FY 2024</b>	<b>% of Total</b>
Residential	\$2,692,993	45.6%
Multi Family	2,014,771	34.1%
Commercial	442,412	7.5%
Irrigation	201,666	3.4%
Commercial - IVGID	46,681	0.8%
Irrigation - IVGID	401,981	6.8%
Snowmaking - IVGID	103,163	1.7%
	-----	-----
<b>Total Rate Revenues</b>	<b>\$5,903,666</b>	<b>100.0%</b>

**Factor** **(RR)**



Incline Village General Improvement District  
Water Rate Study  
Exhibit 13  
Net Plant In Service

	Net Plant	Commodity (COM)	Capacity (CAP)	Customer Related			Public Fire Protection (FP)	Revenue Related (RR)	Direct Assign. (DA)	Basis of Classification	
				Actual Customer (AC)	Cust. Acctg. (WCA)	Meters & Services (WCMS)					
Land	\$5,028,320	\$5,028,320	\$0	\$0	\$0	\$0	\$0	\$0	\$0	100.0%	COM
Source of Supply	\$1,055	\$536	\$519	\$0	\$0	\$0	\$0	\$0	\$0	50.8%	COM 49.2% CAP
Treatment	\$4,815,026	\$2,445,551	\$2,369,474	\$0	\$0	\$0	\$0	\$0	\$0	50.8%	COM 49.2% CAP
Pump Station	\$1,772,867	\$900,439	\$872,428	\$0	\$0	\$0	\$0	\$0	\$0	50.8%	COM 49.2% CAP
Storage	\$405,994	\$0	\$373,624	\$0	\$0	\$0	\$32,369	\$0	\$0	92.0%	CAP 8.0% FP
<b>Transmission &amp; Distribution</b>											
Mains	\$13,369,990	\$0	\$6,821,047	\$0	\$0	\$6,016,496	\$532,447	\$0	\$0	51.0%	CAP 45.0% WCMS 4.0% FP
Meter	627,851	0	0	0	0	627,851	0	0	0	100.0%	WCMS
Hydrant	20,356	0	0	0	0	0	20,356	0	0	100.0%	FP
Fire Meter	30,338	0	0	0	0	0	30,338	0	0	100.0%	FP
Manholes	116,542	116,542	0	0	0	0	0	0	0	100.0%	COM
<b>Total Transmission &amp; Distribution</b>	<b>\$14,165,077</b>	<b>\$116,542</b>	<b>\$6,821,047</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,644,346</b>	<b>\$583,141</b>	<b>\$0</b>	<b>\$0</b>		
<b>Plant Before General Plant</b>	<b>\$26,188,337</b>	<b>\$8,491,389</b>	<b>\$10,437,092</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,644,346</b>	<b>\$615,510</b>	<b>\$0</b>	<b>\$0</b>		
<i>Percent Plant Before General Plant</i>	<i>100.0%</i>	<i>32.4%</i>	<i>39.9%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>25.4%</i>	<i>2.4%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>Factor PBG</i>	
<b>General Plant</b>											
Building & Structures	\$3,225,599	\$1,045,878	\$1,285,529	\$0	\$0	\$818,379	\$75,812	\$0	\$0	As Factor PBG	
Equipment	1,076,397	349,014	428,987	0	0	273,097	25,299	0	0	As Factor PBG	
Vehicles	416,021	134,892	165,801	0	0	105,550	9,778	0	0	As Factor PBG	
Misc	13,650	4,426	5,440	0	0	3,463	321	0	0	As Factor PBG	
Office Equipment	4,326	1,403	1,724	0	0	1,098	102	0	0	As Factor PBG	
<b>Total General Plant</b>	<b>\$4,735,994</b>	<b>\$1,535,613</b>	<b>\$1,887,482</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,201,588</b>	<b>\$111,311</b>	<b>\$0</b>	<b>\$0</b>		
<b>Total Net Plant in Service</b>	<b>\$30,924,331</b>	<b>\$10,027,002</b>	<b>\$12,324,574</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,845,934</b>	<b>\$726,821</b>	<b>\$0</b>	<b>\$0</b>		

Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 14  
 Distribution System Analysis

**Fire Protection**

	hrs	gal/min	Total
Fire Flow Requirements	3	3,000	540,000
Storage Capacity		6,773,000	6,773,000
% Public Fire Protection			8.0%
% Capacity			92.0%

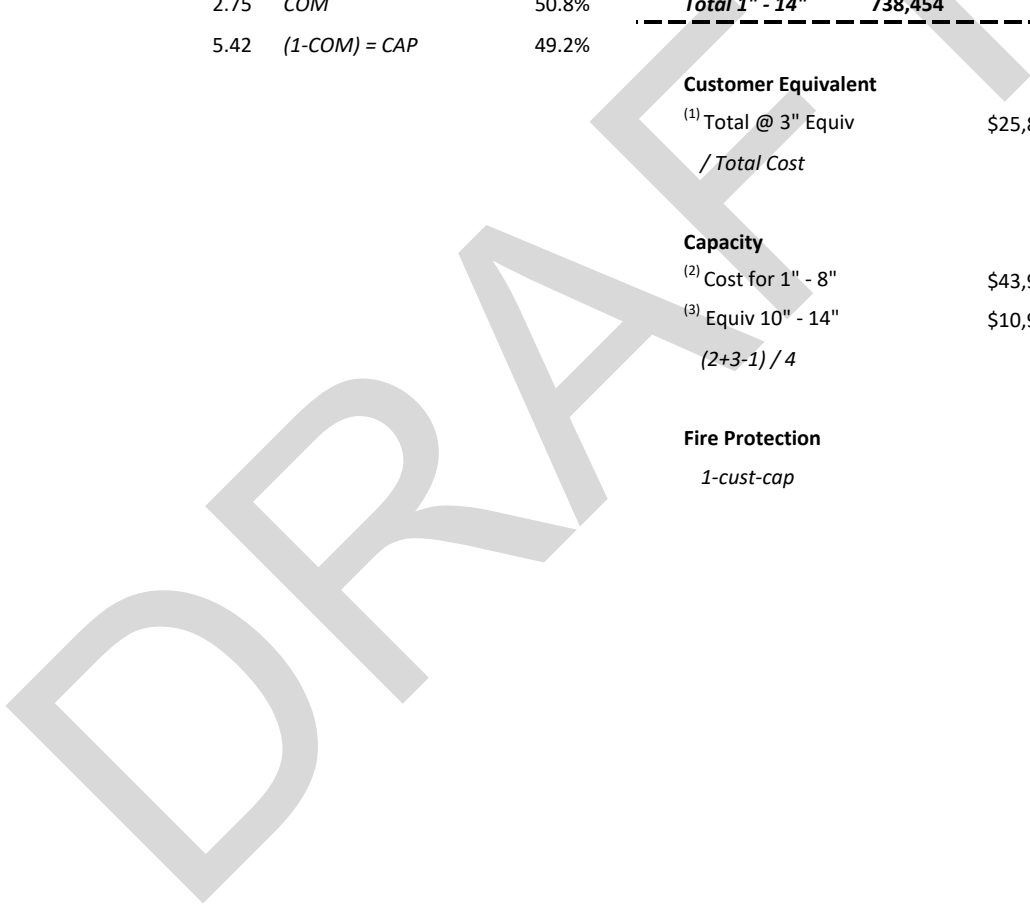
**Source of Supply (avg of 2018 & 2019)**

Average Day	2.75	COM	50.8%
Peak Day	5.42	(1-COM) = CAP	49.2%

**Distribution Main Analysis**

	Main Size	Length (ft)	Replcmt \$	Total
<b>Distribution</b>	1"	115,473	\$35.00	\$4,041,555
	2"	27,722	35.00	970,270
	3"	2,134	35.00	74,690
	4"	18,656	70.85	1,321,778
	6"	220,618	70.85	15,630,785
	8"	235,460	92.90	21,874,234
	10"	46,532	88.56	4,120,874
	12"	46,987	124.60	5,854,580
	14"	24,872	123.98	3,083,631
	<b>Total 1" - 14"</b>		<b>738,454</b>	

	Customer Equivalent	Adjusted
(1) Total @ 3" Equiv	\$25,845,890	
/ Total Cost	45.0%	45.0%
<b>Capacity</b>		
(2) Cost for 1" - 8"	\$43,913,312	
(3) Equiv 10" - 14"	\$10,998,524	
(2+3-1) / 4	51.0%	51.0%
<b>Fire Protection</b>		
1-cust-cap	4.0%	4.0%



Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 15  
 Functionalization and Allocation  
 of the Revenue Requirement

FY 2024	Customer Related					Public Fire Protection (FP)	Revenue Related (RR)	Direct Assign. (DA)	Basis of Allocation	
	Commodity (COM)	Capacity (CAP)	Actual Customer (AC)	Weighted for						
			Cust. Acctg. (WCA)	Meters & Services (WCMS)						
<b>Expenses</b>										
<b>Wages</b>										
Other Earnings	\$55,767	\$18,082	\$22,225	\$0	\$0	\$14,149	\$1,311	\$0	\$0	As Net Plant in Service
Regular Earnings	1,670,654	541,698	665,822	0	0	423,868	39,266	0	0	As Net Plant in Service
Salary Savings from Vacant Position:	0	0	0	0	0	0	0	0	0	As Net Plant in Service
<b>Total Wages</b>	<b>\$1,726,421</b>	<b>\$559,780</b>	<b>\$688,047</b>	<b>\$0</b>	<b>\$0</b>	<b>\$438,017</b>	<b>\$40,576</b>	<b>\$0</b>	<b>\$0</b>	
<b>Benefits</b>										
Dental Fringe Ben	\$23,899	\$7,749	\$9,525	\$0	\$0	\$6,063	\$562	\$0	\$0	As Net Plant in Service
Disability Fringe Ben	8,655	2,806	3,449	0	0	2,196	203	0	0	As Net Plant in Service
Life Ins Fringe Ben	3,440	1,115	1,371	0	0	873	81	0	0	As Net Plant in Service
Medical Fringe Ben	332,256	107,732	132,417	0	0	84,298	7,809	0	0	As Net Plant in Service
Retirement Fringe Ben	310,333	100,623	123,680	0	0	78,736	7,294	0	0	As Net Plant in Service
Taxes	139,401	45,200	55,557	0	0	35,368	3,276	0	0	As Net Plant in Service
Unemployment Fringe Ben	27,383	8,879	10,913	0	0	6,947	644	0	0	As Net Plant in Service
Vision Fringe Ben	2,579	836	1,028	0	0	654	61	0	0	As Net Plant in Service
Work Comp Fringe Ben	43,622	14,144	17,385	0	0	11,068	1,025	0	0	As Net Plant in Service
<b>Total Benefits</b>	<b>\$891,567</b>	<b>\$289,084</b>	<b>\$355,325</b>	<b>\$0</b>	<b>\$0</b>	<b>\$226,203</b>	<b>\$20,955</b>	<b>\$0</b>	<b>\$0</b>	
<b>Services &amp; Supplies</b>										
Advertising - Paid	\$1,030	\$334	\$410	\$0	\$0	\$261	\$24	\$0	\$0	As Net Plant in Service
BLDGS Maintenance Services	78,033	25,302	31,099	0	0	19,798	1,834	0	0	As Bldgs & Structures
Chemical	218,875	218,875	0	0	0	0	0	0	0	100.0% COM
Computer & IT Small Equip	8,446	2,739	3,366	0	0	2,143	199	0	0	As Net Plant in Service
Computer License & Fees	81,225	26,337	32,371	0	0	20,608	1,909	0	0	As Net Plant in Service
Contractual Services	13,349	4,328	5,320	0	0	3,387	314	0	0	As Net Plant in Service
Dues & Subscriptions	9,618	3,119	3,833	0	0	2,440	226	0	0	As Net Plant in Service
Employee Recruit & Retain	15,399	4,993	6,137	0	0	3,907	362	0	0	As Net Plant in Service
Fleet Maintenance Services	212,508	68,904	84,693	0	0	53,916	4,995	0	0	As Net Plant in Service
Fuel	40,435	13,111	16,115	0	0	10,259	950	0	0	As Net Plant in Service
Janitorial	1,545	501	616	0	0	392	36	0	0	As Net Plant in Service
Lab	28,840	14,648	14,192	0	0	0	0	0	0	As Treatment
Office Supplies	12,412	4,024	4,946	0	0	3,149	292	0	0	As Net Plant in Service
Operating	67,599	21,918	26,941	0	0	17,151	1,589	0	0	As Net Plant in Service
Permits & Fees	39,729	12,882	15,834	0	0	10,080	934	0	0	As Net Plant in Service
Postage	17,510	0	0	17,510	0	0	0	0	0	100.0% AC
R&M General	46,324	15,020	18,462	0	0	11,753	1,089	0	0	As Net Plant in Service
R&M Corrective	180,647	58,573	71,995	0	0	45,833	4,246	0	0	As Net Plant in Service
R&M Preventative	84,146	27,284	33,535	0	0	21,349	1,978	0	0	As Net Plant in Service
Rental & Lease	989	321	394	0	0	251	23	0	0	As Net Plant in Service
Repairs & Maintenance	0	0	0	0	0	0	0	0	0	As Net Plant in Service
Safety	8,652	2,805	3,448	0	0	2,195	203	0	0	As Net Plant in Service
Security	3,069	995	1,223	0	0	779	72	0	0	As Net Plant in Service
Small Equipment	10,094	3,273	4,023	0	0	2,561	237	0	0	As Net Plant in Service
Tools	9,579	3,106	3,818	0	0	2,430	225	0	0	As Net Plant in Service
Training & Education	26,883	8,717	10,714	0	0	6,821	632	0	0	As Net Plant in Service
Travel & Conferences	17,716	5,744	7,061	0	0	4,495	416	0	0	As Net Plant in Service
Uniforms	16,171	5,243	6,445	0	0	4,103	380	0	0	As Net Plant in Service
Engineering Services	102,875	33,356	41,000	0	0	26,101	2,418	0	0	As Net Plant in Service
<b>Total Services &amp; Supplies</b>	<b>\$1,353,696</b>	<b>\$586,452</b>	<b>\$447,991</b>	<b>\$17,510</b>	<b>\$0</b>	<b>\$276,160</b>	<b>\$25,583</b>	<b>\$0</b>	<b>\$0</b>	



Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 15  
 Functionalization and Allocation  
 of the Revenue Requirement

FY 2024	Commodity (COM)	Capacity (CAP)	Customer Related			Public Fire Protection (FP)	Revenue Related (RR)	Direct Assign. (DA)	Basis of Allocation	
			Actual Customer (AC)	Cust. Acctg. (WCA)	Meters & Services (WCMS)					
<b>Other</b>										
Central Services Allocation Cs	\$288,129	\$93,424	\$114,831	\$0	\$0	\$73,102	\$6,772	\$0	\$0	As Net Plant in Service
Defensible Space Costs	51,500	0	0	0	0	0	51,500	0	0	100.0% FP
General Liability - Insurance	125,557	40,711	50,039	0	0	31,856	2,951	0	0	As Net Plant in Service
Audit	6,026	1,954	2,401	0	0	1,529	142	0	0	As Net Plant in Service
Legal	12,360	4,008	4,926	0	0	3,136	290	0	0	As Net Plant in Service
Professional Consultants	65,625	21,278	26,154	0	0	16,650	1,542	0	0	As Net Plant in Service
Interfund Expense Transfers	(460,564)	(149,335)	(183,553)	0	0	(116,852)	(10,825)	0	0	As Net Plant in Service
Capital Expenses	250,000	81,061	99,635	0	0	63,428	5,876	0	0	As Net Plant in Service
<b>Total Other</b>	<b>\$687,132</b>	<b>\$93,101</b>	<b>\$114,434</b>	<b>\$0</b>	<b>\$0</b>	<b>\$72,850</b>	<b>\$58,249</b>	<b>\$0</b>	<b>\$0</b>	
CHECK										
<b>Utilities</b>										
Cable TV	\$2,021	\$655	\$805	\$0	\$0	\$513	\$47	\$0	\$0	As Net Plant in Service
Electricity	425,464	137,954	169,564	0	0	107,946	10,000	0	0	As Net Plant in Service
Heating	11,648	3,777	4,642	0	0	2,955	274	0	0	As Net Plant in Service
Internet	12,064	3,912	4,808	0	0	3,061	284	0	0	As Net Plant in Service
Telephone	32,141	10,422	12,810	0	0	8,155	755	0	0	As Net Plant in Service
Trash	7,384	2,394	2,943	0	0	1,873	174	0	0	As Net Plant in Service
Water & Sewer	3,408	1,105	1,358	0	0	865	80	0	0	As Net Plant in Service
<b>Total Utilities</b>	<b>\$494,129</b>	<b>\$160,218</b>	<b>\$196,930</b>	<b>\$0</b>	<b>\$0</b>	<b>\$125,368</b>	<b>\$11,614</b>	<b>\$0</b>	<b>\$0</b>	
<b>Future O&amp;M</b>										
Additional Staffing Needs	\$55,130	\$17,875	\$21,971	\$0	\$0	\$13,987	\$1,296	\$0	\$0	As Net Plant in Service
One-Time Inflation Contingency	0	0	0	0	0	0	0	0	0	As Net Plant in Service
Budget Savings	0	0	0	0	0	0	0	0	0	As Net Plant in Service
Shared Capital Expenses	348,500	112,999	138,891	0	0	88,419	8,191	0	0	As Net Plant in Service
<b>Total Future O&amp;M</b>	<b>\$55,130</b>	<b>\$130,874</b>	<b>\$160,862</b>	<b>\$0</b>	<b>\$0</b>	<b>\$102,406</b>	<b>\$9,487</b>	<b>\$0</b>	<b>\$0</b>	
CHECK										
<b>Total Operations &amp; Maintenance</b>	<b>\$5,208,075</b>	<b>\$1,819,509</b>	<b>\$1,963,589</b>	<b>\$17,510</b>	<b>\$0</b>	<b>\$1,241,004</b>	<b>\$166,462</b>	<b>\$0</b>	<b>\$0</b>	
<b>Debt Service</b>										
NV DWSRF 2012	\$193,372	\$62,699	\$77,066	\$0	\$0	\$49,061	\$4,545	\$0	\$0	As Net Plant in Service
NV Drk Wtr Loan 2005	113,648	36,850	45,293	0	0	28,834	2,671	0	0	As Net Plant in Service
New SRF Loans	0	0	0	0	0	0	0	0	0	As Net Plant in Service
New Revenue Bonds	110,467	35,818	44,025	0	0	28,027	2,596	0	0	As Net Plant in Service
<b>Total Debt Service</b>	<b>\$417,487</b>	<b>\$135,367</b>	<b>\$166,385</b>	<b>\$0</b>	<b>\$0</b>	<b>\$105,922</b>	<b>\$9,812</b>	<b>\$0</b>	<b>\$0</b>	
<i>Less Capital Reserve Funding</i>	<i>\$417,487</i>	<i>\$135,367</i>	<i>\$166,385</i>	<i>\$0</i>	<i>\$0</i>	<i>\$105,922</i>	<i>\$9,812</i>	<i>\$0</i>	<i>\$0</i>	As Debt Service
<b>Net Debt Service</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 15  
 Functionalization and Allocation  
 of the Revenue Requirement

	FY 2024	Commodity (COM)	Capacity (CAP)	Customer Related			Public Fire Protection (FP)	Revenue Related (RR)	Direct Assign. (DA)	Basis of Allocation
				Actual Customer (AC)	Cust. Acctg. (WCA)	Meters & Services (WCMS)				
<b>Reserve Funding</b>										
Operating Fund Transfer	\$153,927	\$153,927	\$0	\$0	\$0	\$0	\$0	\$0	\$0	100.0% COM
Capital Fund Transfer	1,625,168	0	0	0	0	1,625,168	0	0	0	100.0% WCMS
Additional Capital Funding	0	0	0	0	0	0	0	0	0	100.0% WCMS
Debt Reserve Fund	0	0	0	0	0	0	0	0	0	100.0% RR
<b>Total Reserve Funding</b>	<b>\$1,779,095</b>	<b>\$153,927</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,625,168</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Total Revenue Requirement</b>	<b>\$6,987,170</b>	<b>\$1,973,436</b>	<b>\$1,963,589</b>	<b>\$17,510</b>	<b>\$0</b>	<b>\$2,866,172</b>	<b>\$166,462</b>	<b>\$0</b>	<b>\$0</b>	
<b>Less: Non-Operating Revenues</b>										
Interest	\$3,748	\$1,059	\$1,053	\$9	\$0	\$1,538	\$89	\$0	\$0	As Total Rev Req
Snow Removal Fees	80,080	22,618	22,505	201	0	32,849	1,908	0	0	As Total Rev Req
Work Order Charges Labor	120,120	33,926	33,757	301	0	49,274	2,862	0	0	As Total Rev Req
Work Order Chgs Eq & Materials	36,537	10,319	10,268	92	0	14,987	870	0	0	As Total Rev Req
Back Flows Tests	134,534	134,534	0	0	0	0	0	0	0	100.0% COM
Fines & Penalties	25,225	7,125	7,089	63	0	10,348	601	0	0	As Total Rev Req
Fire Protection	17,778	5,021	4,996	45	0	7,293	424	0	0	As Total Rev Req
Inspection/Plan Fees	44,845	12,666	12,603	112	0	18,396	1,068	0	0	As Total Rev Req
Other Water	30,270	8,549	8,507	76	0	12,417	721	0	0	As Total Rev Req
Interfund Revenue Transfers	0	0	0	0	0	0	0	0	0	As Total Rev Req
<b>Total Non-Operating Revenues</b>	<b>\$493,137</b>	<b>\$235,817</b>	<b>\$100,777</b>	<b>\$899</b>	<b>\$0</b>	<b>\$147,101</b>	<b>\$8,543</b>	<b>\$0</b>	<b>\$0</b>	
<b>Net Revenue Requirement</b>	<b>\$6,494,033</b>	<b>\$1,737,619</b>	<b>\$1,862,812</b>	<b>\$16,611</b>	<b>\$0</b>	<b>\$2,719,071</b>	<b>\$157,919</b>	<b>\$0</b>	<b>\$0</b>	

Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 16  
 Distribution of Revenue Requirement - COM, CAP, & DA

		Residential			Multi Family	Commercial	Irrigation	Commercial - IVGID	Irrigation - IVGID	Snowmaking - IVGID	Factor
		All Use	20,000 - 60,000	60,000+							
<b>Commodity</b>	\$1,737,619	\$510,267	\$229,775	\$86,492	\$414,475	\$143,970	\$85,893	\$10,182	\$188,221	\$68,344	COM
<b>Capacity</b>	\$1,862,812	\$588,986	\$265,222	\$99,836	\$367,629	\$108,467	\$110,743	\$7,787	\$276,931	\$37,211	CAP
<b>Direct Assign.</b>	\$0	\$0			\$0	\$0	\$0	\$0	\$0	\$0	Exhibit 15.2
<b>Net Revenue Requirement</b>	<b>\$3,600,431</b>	<b>\$1,099,253</b>	<b>\$494,997</b>	<b>\$186,328</b>	<b>\$782,105</b>	<b>\$252,437</b>	<b>\$196,635</b>	<b>\$17,970</b>	<b>\$465,151</b>	<b>\$105,555</b>	

DRAFT

Incline Village General Improvement District  
Water Rate Study  
Exhibit 17  
Distribution of Revenue Requirement

	Total	Residential	Multi-Family	Commercial	Irrigation	Snowmaking - IVGID	Factor
<b>Commodity</b>	<b>\$1,737,619</b>	\$826,534	\$414,475	\$154,153	\$274,113	\$68,344	<i>From Exhibit 14</i>
<b>Capacity</b>	<b>\$1,862,812</b>	\$954,044	\$367,629	\$116,254	\$387,673	\$37,211	<i>From Exhibit 14</i>
<b>Customer</b>							
Actual Customer	\$16,611	\$14,369	\$1,006	\$894	\$338	\$4	<i>(AC)</i>
Cust. Acctg.	\$0	0	0	0	0	0	<i>(WCA)</i>
Meters & Services	\$2,719,071	1,112,707	1,230,658	227,455	125,181	23,070	<i>(WCMS)</i>
Total Customer	<b>\$2,735,683</b>	<b>\$1,127,077</b>	<b>\$1,231,664</b>	<b>\$228,349</b>	<b>\$125,519</b>	<b>\$23,073</b>	
<b>Public Fire Protection</b>	<b>\$157,919</b>	\$63,698	\$70,450	\$23,771	\$0	\$0	<i>(FP)</i>
<b>Revenue Related</b>	<b>\$0</b>	\$0	\$0	\$0	\$0	\$0	<i>(RR)</i>
<b>Direct Assign.</b>	<b>\$0</b>	\$0	\$0	\$0	\$0	\$0	<i>From Exhibit 14</i>
<b>Net Revenue Requirement</b>	<b>\$6,494,033</b>	<b>\$2,971,352</b>	<b>\$2,084,220</b>	<b>\$522,526</b>	<b>\$787,306</b>	<b>\$128,629</b>	

Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 18  
 Summary of Cost of Service

	FY 2023 Expenses	Residential	Multi-Family	Commercial	Irrigation	Snowmaking - IVGID	Notes
Revenues at Present Rates	\$5,903,666	\$2,692,993	\$2,014,771	\$489,093	\$603,647	\$103,163	
Net Revenue Requirement	\$6,494,033	\$2,971,352	\$2,084,220	\$522,526	\$787,306	\$128,629	
Bal. / (Def.) of Funds	(\$590,367)	(\$278,359)	(\$69,449)	(\$33,433)	(\$183,659)	(\$25,466)	
Required % Change in Rates	10.0%	10.3%	3.4%	6.8%	30.4%	24.7%	

DRAFT

Incline Village General Improvement District  
 Water Rate Study  
 Exhibit 19  
 Summary of Unit Costs

		Residential						Snowmaking -
		All Use	20,000 - 60,000	60,000+	Multi-Family	Commercial	Irrigation	IVGID
<b>Consumption Related</b>	<b>\$ / 1,000 gal</b>							
Commodity	\$1.81	\$1.81	\$1.81	\$1.81	\$1.81	\$1.81	\$1.81	\$1.81
Capacity	1.95	2.09	2.09	2.09	1.61	1.37	2.57	0.99
RR/FP/DA - \$/CCF	0.16	0.14	0.14	0.14	0.31	0.28	0.00	0.00
	<b>\$3.92</b>	<b>\$4.04</b>	<b>\$4.04</b>	<b>\$4.04</b>	<b>\$3.73</b>	<b>\$3.46</b>	<b>\$4.38</b>	<b>\$2.80</b>
<b>Customer Related</b>	<b>\$ / Equiv. Mtr. / Mo</b>							
Actual Customer	\$0.15							
Cust. Acctg.	0.00							
Meters & Services	25.07							
	<b>\$25.23</b>							
<b>Basic Data</b>								
Consumption	957,616	281,212	126,631	47,667	228,421	84,955	151,066	37,665
# of Equiv. Meters	9,037	3,698			4,090	756	416	77
# of Meters	4,275	3,698			259	230	87	1
# of Living Units	8,106	3,698			4,090	230	87	1

	<i>Present Rates</i>	<i>Proposed</i>				
		<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Meter Fee</b>						
3/4"	\$15.10	\$17.30	\$18.75	\$20.10	\$20.10	\$21.00
1"	25.22	28.89	31.31	33.57	33.57	35.07
1 1/2"	50.28	57.61	62.44	66.93	66.93	69.93
2"	80.48	92.21	99.94	107.13	107.13	111.93
3"	151.00	173.00	187.50	201.00	201.00	210.00
4"	251.72	288.39	312.56	335.07	335.07	350.07
6"	503.28	576.61	624.94	669.93	669.93	699.93
8"	805.28	922.61	999.94	1,071.93	1,071.93	1,119.93
10"	1,157.72	1,326.39	1,437.56	1,541.07	1,541.07	1,610.07
<b>Capital Improvement Fee</b>						
3/4"	\$15.10	\$15.10	\$18.23	\$20.92	\$24.85	\$23.35
1"	25.22	25.22	30.44	34.93	41.50	38.99
1 1/2"	50.28	50.28	60.70	69.66	82.76	77.74
2"	80.48	80.48	97.16	111.50	132.47	124.44
3"	151.00	151.00	182.29	209.19	248.53	233.46
4"	251.72	251.72	303.88	348.72	414.30	389.19
6"	503.28	503.28	607.59	697.22	828.35	778.14
8"	805.28	805.28	972.18	1,115.60	1,325.41	1,245.07
10"	1,157.42	1,157.72	1,397.65	1,603.84	1,905.48	1,789.97
<b>Admin Fee</b>	\$4.23	\$4.44	\$4.66	\$4.90	\$5.14	\$5.40
<b>Defensible Space</b>	\$1.05	\$1.05	\$1.05	\$1.05	\$1.05	\$1.05
<b>Residential and Commercial Water Use</b>						
Tier 1	\$1.95	\$2.15	\$2.15	\$2.22	\$2.22	\$2.29
Tier 2	3.12	3.44	3.44	3.55	3.55	3.66
Tier 3	3.64	4.01	4.01	4.14	4.14	4.27
<b>Irrigation Water Use</b>						
Tier 1	\$2.00	\$2.65	\$2.90	\$3.15	\$3.15	\$3.25
Tier 2	3.20	4.24	4.64	5.04	5.04	5.20
Tier 3	3.73	4.94	5.41	5.87	5.87	6.06



## 4 Sewer Technical Appendix

---



**Incline Village General Improvement District  
Wastewater Rate Study  
Summary of the Revenue Requirement  
Exhibit 1**

	<i>Budget</i>	<i>Projected</i>								
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
<b>Revenues</b>										
Rate Revenues	\$7,412,178	\$7,419,590	\$7,427,010	\$7,434,437	\$7,441,871	\$7,449,313	\$7,456,762	\$7,464,219	\$7,471,683	\$7,479,155
Miscellaneous Revenues	1,123,044	129,400	119,746	119,931	124,927	131,510	138,035	142,291	143,504	144,082
<b>Total Revenues</b>	<b>\$8,535,222</b>	<b>\$7,548,990</b>	<b>\$7,546,756</b>	<b>\$7,554,367</b>	<b>\$7,566,798</b>	<b>\$7,580,823</b>	<b>\$7,594,798</b>	<b>\$7,606,510</b>	<b>\$7,615,188</b>	<b>\$7,623,237</b>
<b>Expenses</b>										
Total O&M Expenses	\$5,504,985	\$5,849,444	\$6,108,708	\$6,389,089	\$6,517,671	\$6,844,384	\$7,209,143	\$7,579,074	\$7,942,883	\$8,246,626
Additional Capital Funding	0	0	0	0	0	0	0	250,000	350,000	450,000
Net Debt Service	0	0	0	0	0	0	0	0	0	0
Reserve Funding	3,030,237	2,701,191	3,115,066	3,390,762	3,566,924	3,555,843	3,567,642	3,585,334	3,619,921	3,728,250
<b>Total Revenue Requirement</b>	<b>\$8,535,222</b>	<b>\$8,550,635</b>	<b>\$9,223,774</b>	<b>\$9,779,851</b>	<b>\$10,084,595</b>	<b>\$10,400,226</b>	<b>\$10,776,785</b>	<b>\$11,164,408</b>	<b>\$11,562,803</b>	<b>\$11,974,876</b>
Bal / (Def) of Funds	\$0	(\$1,001,645)	(\$1,677,019)	(\$2,225,484)	(\$2,517,797)	(\$2,819,403)	(\$3,181,987)	(\$3,557,898)	(\$3,947,616)	(\$4,351,638)
<b>Proposed Rate Adjustment</b>	<b>0.0%</b>	<b>13.5%</b>	<b>8.0%</b>	<b>6.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>
Add'l Revenue with Rate Adj	\$0	\$1,001,645	\$1,677,019	\$2,225,484	\$2,517,797	\$2,819,403	\$3,181,987	\$3,557,898	\$3,947,616	\$4,351,638
Bal / (Def) After Rate Adj	\$0	\$0	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Average Residential Customer Bill (3,000 gal)</b>										
Customer Bill on Proposed Adj.	\$72.78	\$82.39	\$88.72	\$93.99	\$96.84	\$99.76	\$103.25	\$106.86	\$110.60	\$114.48
Bill Difference - Monthly		9.61	6.33	5.26	2.85	2.92	3.49	3.61	3.74	3.87
Cumulative Bill Difference		9.61	15.94	21.21	24.06	26.98	30.47	34.08	37.82	41.70
<b>Debt Service Coverage Ratio (all debt)</b>										
Before Rate Adjustment	7.86	2.40	1.22	0.71	0.37	0.26	0.14	0.01	0.00	0.00
After Proposed Rate Adjustment	7.86	3.81	2.65	2.06	1.26	1.25	1.26	1.26	1.28	1.31

Incline Village General Improvement District  
Wastewater Rate Study  
Escalation Factors  
Exhibit 2

	<i>Budget</i>	<i>Projected</i>										<i>Notes</i>
	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>	<b>FY 2032</b>	<b>FY 2033</b>	
<b>Revenues</b>												
Customer Growth	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Misc Revenues	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
<b>Expenses</b>												
Labor	Budgeted	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Benefits - Medical	Budgeted	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Benefits - Other	Budgeted	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Professional Svcs	Budgeted	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Materials & Supplies	Budgeted	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Equipment	Budgeted	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Chemicals	Budgeted	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Utilities	Budgeted	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Water and Sewer	Budgeted	17.5%	12.3%	8.8%	8.5%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
Insurance	Budgeted	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Power	Budgeted	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
O&M	--	6.3%	4.4%	4.6%	2.0%	5.0%	5.3%	5.1%	4.8%	3.8%	5.4%	5.4%
CIP	Budgeted	4.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Miscellaneous	Budgeted	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
<b>Interest</b>	0.7%	0.8%	0.9%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
<b>New Debt Service Assumptions</b>												
<i>Revenue Bond</i>												
Term in Years	20	20	20	20	20	20	20	20	20	20	20	20
Rate	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
<i>Low Interest Loan</i>												
Term in Years	20	20	20	20	20	20	20	20	20	20	20	20
Rate	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

	<b>Budget</b>	<b>Projected</b>										<i>Notes</i>
	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>	<b>FY 2032</b>	<b>FY 2033</b>	
<b>Revenues</b>												
<i>Rate Revenues</i>												
Residential	\$3,193,848	\$3,197,042	\$3,200,239	\$3,203,439	\$3,206,643	\$3,209,849	\$3,213,059	\$3,216,272	\$3,219,489	\$3,222,708	\$3,225,931	As Customer Growth
Multi-Family	3,295,975	3,299,271	3,302,570	3,305,873	3,309,179	3,312,488	3,315,800	3,319,116	3,322,435	3,325,758	3,329,084	As Customer Growth
Commercial	922,355	923,277	924,200	925,125	926,050	926,976	927,903	928,831	929,760	930,689	931,620	As Customer Growth
<b>Total Rate Revenues</b>	<b>\$7,412,178</b>	<b>\$7,419,590</b>	<b>\$7,427,010</b>	<b>\$7,434,437</b>	<b>\$7,441,871</b>	<b>\$7,449,313</b>	<b>\$7,456,762</b>	<b>\$7,464,219</b>	<b>\$7,471,683</b>	<b>\$7,479,155</b>	<b>\$7,486,634</b>	
<i>Other Revenues</i>												
Effluent Disposal Sales	\$75,000	\$75,075	\$75,150	\$75,225	\$75,300	\$75,376	\$75,451	\$75,527	\$75,602	\$75,678	\$75,753	As Misc Revenues
Interest Income	20,844	27,098	17,341	17,424	22,318	28,798	35,221	39,373	40,484	40,959	41,257	Calculated on Reserves
Hunting Fees	20,000	20,020	20,040	20,060	20,080	20,100	20,120	20,140	20,161	20,181	20,201	As Misc Revenues
Interfund Revenue Transfers	1,000,000	0	0	0	0	0	0	0	0	0	0	As Misc Revenues
Other Sewer	7,200	7,207	7,214	7,222	7,229	7,236	7,243	7,251	7,258	7,265	7,272	As Misc Revenues
<b>Total Other Revenues</b>	<b>\$1,123,044</b>	<b>\$129,400</b>	<b>\$119,746</b>	<b>\$119,931</b>	<b>\$124,927</b>	<b>\$131,510</b>	<b>\$138,035</b>	<b>\$142,291</b>	<b>\$143,504</b>	<b>\$144,082</b>	<b>\$144,484</b>	
<b>Total Revenues</b>	<b>\$8,535,222</b>	<b>\$7,548,990</b>	<b>\$7,546,756</b>	<b>\$7,554,367</b>	<b>\$7,566,798</b>	<b>\$7,580,823</b>	<b>\$7,594,798</b>	<b>\$7,606,510</b>	<b>\$7,615,188</b>	<b>\$7,623,237</b>	<b>\$7,631,118</b>	
<b>Expenses</b>												
<i>Wages</i>												
Other Earnings	\$58,761	\$61,699	\$64,784	\$68,023	\$71,424	\$74,996	\$78,745	\$82,683	\$86,817	\$91,158	\$95,715	As Labor
Regular Earnings	1,877,432	1,971,304	2,069,869	2,173,362	2,282,030	2,396,132	2,515,938	2,641,735	2,773,822	2,912,513	3,058,139	As Labor
Salary Savings from Vacant Positions	(28,554)	0	0	0	0	0	0	0	0	0	0	
<b>Total Wages</b>	<b>\$1,907,639</b>	<b>\$2,033,003</b>	<b>\$2,134,653</b>	<b>\$2,241,385</b>	<b>\$2,353,455</b>	<b>\$2,471,127</b>	<b>\$2,594,684</b>	<b>\$2,724,418</b>	<b>\$2,860,639</b>	<b>\$3,003,671</b>	<b>\$3,153,854</b>	

Incline Village General Improvement District  
Wastewater Rate Study  
Revenue Requirement  
Exhibit 3

	<b>Budget</b>	<b>Projected</b>										<i>Notes</i>
	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>	<b>FY 2032</b>	<b>FY 2033</b>	
<b>Benefits</b>												
Dental Fringe Ben	\$23,729	\$25,153	\$26,662	\$28,262	\$29,957	\$31,755	\$33,660	\$35,680	\$37,820	\$40,090	\$42,495	As Benefits - Other
Disability Fringe Ben	9,614	10,191	10,802	11,450	12,137	12,866	13,638	14,456	15,323	16,243	17,217	As Benefits - Other
Life Ins Fringe Ben	3,665	3,885	4,118	4,365	4,627	4,905	5,199	5,511	5,841	6,192	6,563	As Benefits - Other
Medical Fringe Ben	334,047	367,452	404,197	444,617	489,078	537,986	591,785	650,963	716,059	787,665	866,432	As Benefits - Medical
Retirement Fringe Ben	345,021	365,722	387,666	410,926	435,581	461,716	489,419	518,784	549,911	582,906	617,880	As Benefits - Other
Taxes	154,860	158,732	162,700	166,767	170,936	175,210	179,590	184,080	188,682	193,399	198,234	As Miscellaneous
Unemployment Fringe Ben	30,411	32,236	34,170	36,220	38,393	40,697	43,139	45,727	48,471	51,379	54,461	As Benefits - Other
Vision Fringe Ben	2,640	2,798	2,966	3,144	3,333	3,533	3,745	3,970	4,208	4,460	4,728	As Benefits - Other
Work Comp Fringe Ben	48,463	51,371	54,453	57,720	61,183	64,854	68,746	72,870	77,243	81,877	86,790	As Benefits - Other
<b>Total Benefits</b>	<b>\$952,450</b>	<b>\$1,017,539</b>	<b>\$1,087,734</b>	<b>\$1,163,471</b>	<b>\$1,245,227</b>	<b>\$1,333,521</b>	<b>\$1,428,919</b>	<b>\$1,532,040</b>	<b>\$1,643,558</b>	<b>\$1,764,210</b>	<b>\$1,894,801</b>	
<b>Professional Services</b>												
Audit	\$11,200	\$11,760	\$12,348	\$12,965	\$13,614	\$14,294	\$15,009	\$15,760	\$16,548	\$17,375	\$18,244	As Professional Svcs
Legal	13,000	13,650	14,333	15,049	15,802	16,592	17,421	18,292	19,207	20,167	21,176	As Professional Svcs
Professional Consultants	62,500	65,625	68,906	72,352	75,969	79,768	83,756	87,944	92,341	96,958	101,806	As Professional Svcs
<b>Total Professional Services</b>	<b>\$86,700</b>	<b>\$91,035</b>	<b>\$95,587</b>	<b>\$100,366</b>	<b>\$105,384</b>	<b>\$110,654</b>	<b>\$116,186</b>	<b>\$121,996</b>	<b>\$128,095</b>	<b>\$134,500</b>	<b>\$141,225</b>	
<b>Services &amp; Supplies</b>												
BLDGS Maintenance Services	\$37,560	\$38,687	\$39,847	\$41,043	\$42,274	\$43,542	\$44,849	\$46,194	\$47,580	\$49,007	\$50,477	As Materials & Supplies
Chemical	236,500	248,325	260,741	273,778	287,467	301,841	316,933	332,779	349,418	366,889	385,234	As Chemicals
Computer License & Fees	4,400	4,532	4,668	4,808	4,952	5,101	5,254	5,411	5,574	5,741	5,913	As Materials & Supplies
Contractual Services	0	0	0	0	0	0	0	0	0	0	0	As Professional Svcs
Dues & Subscriptions	6,300	6,489	6,684	6,884	7,091	7,303	7,523	7,748	7,981	8,220	8,467	As Materials & Supplies
Employee Recruit & Retain	2,650	2,730	2,811	2,896	2,983	3,072	3,164	3,259	3,357	3,458	3,561	As Materials & Supplies
Fleet Maintenance Services	186,671	192,271	198,039	203,980	210,100	216,403	222,895	229,582	236,469	243,563	250,870	As Materials & Supplies
Fuel	37,500	39,000	40,560	42,182	43,870	45,624	47,449	49,347	51,321	53,374	55,509	As Utilities
Janitorial	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	As Materials & Supplies
Lab	33,000	33,990	35,010	36,060	37,142	38,256	39,404	40,586	41,803	43,058	44,349	As Materials & Supplies
Office Supplies	4,000	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219	5,376	As Materials & Supplies
Operating	55,820	57,495	59,219	60,996	62,826	64,711	66,652	68,652	70,711	72,832	75,017	As Materials & Supplies
Permits & Fees	15,060	15,512	15,977	16,456	16,950	17,459	17,982	18,522	19,078	19,650	20,239	As Materials & Supplies
R&M General	0	0	0	0	0	0	0	0	0	0	0	As Materials & Supplies
R&M Corrective	281,065	289,497	298,182	307,127	316,341	325,831	335,606	345,674	356,045	366,726	377,728	As Materials & Supplies
R&M Preventative	74,460	76,694	78,995	81,364	83,805	86,320	88,909	91,576	94,324	97,153	100,068	As Materials & Supplies
Repairs & Maintenance	0	0	0	0	0	0	0	0	0	0	0	See Shared and Capital Exp
Safety	13,400	13,802	14,216	14,643	15,082	15,534	16,000	16,480	16,975	17,484	18,008	As Materials & Supplies
Security	3,480	3,584	3,692	3,803	3,917	4,034	4,155	4,280	4,408	4,541	4,677	As Materials & Supplies
Small Equipment	7,500	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079	As Materials & Supplies
Tools	11,200	11,536	11,882	12,239	12,606	12,984	13,373	13,775	14,188	14,613	15,052	As Materials & Supplies
Training & Education	18,800	19,364	19,945	20,543	21,160	21,794	22,448	23,122	23,815	24,530	25,266	As Materials & Supplies
Travel & Conferences	7,500	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079	As Materials & Supplies
Uniforms	9,320	9,600	9,888	10,184	10,490	10,804	11,129	11,462	11,806	12,160	12,525	As Materials & Supplies
<b>Total Services &amp; Supplies</b>	<b>\$1,056,186</b>	<b>\$1,092,977</b>	<b>\$1,131,122</b>	<b>\$1,170,676</b>	<b>\$1,211,694</b>	<b>\$1,254,233</b>	<b>\$1,298,353</b>	<b>\$1,344,117</b>	<b>\$1,391,589</b>	<b>\$1,440,839</b>	<b>\$1,491,935</b>	

Incline Village General Improvement District  
Wastewater Rate Study  
Revenue Requirement  
Exhibit 3

	<b>Budget</b>	<b>Projected</b>										<i>Notes</i>
	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>	<b>FY 2032</b>	<b>FY 2033</b>	
<b>Utilities</b>												
Cable TV	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Utilities
Electricity	367,400	382,096	397,380	413,275	429,806	446,998	464,878	483,473	502,812	522,925	543,842	As Utilities
Heating	28,400	29,536	30,717	31,946	33,224	34,553	35,935	37,372	38,867	40,422	42,039	As Utilities
Internet	11,600	12,064	12,547	13,048	13,570	14,113	14,678	15,265	15,875	16,510	17,171	As Utilities
Telephone	44,463	46,242	48,091	50,015	52,015	54,096	56,260	58,510	60,851	63,285	65,816	As Utilities
Trash	5,400	5,616	5,841	6,074	6,317	6,570	6,833	7,106	7,390	7,686	7,993	As Utilities
Water & Sewer	24,700	29,023	32,578	35,428	38,440	39,689	40,979	42,311	43,686	45,106	46,572	As Water and Sewer
<b>Total Utilities</b>	<b>\$481,963</b>	<b>\$504,576</b>	<b>\$527,153</b>	<b>\$549,787</b>	<b>\$573,373</b>	<b>\$596,019</b>	<b>\$619,562</b>	<b>\$644,038</b>	<b>\$669,482</b>	<b>\$695,933</b>	<b>\$723,432</b>	
<b>Other</b>												
Central Services Allocation Cs	\$0	\$270,121	\$280,926	\$292,163	\$303,849	\$316,003	\$328,643	\$341,789	\$355,461	\$369,679	\$384,466	As Utilities
Defensible Space Costs	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196	As Materials & Supplies
General Liability	100,000	103,000	106,090	109,273	112,551	115,927	119,405	122,987	126,677	130,477	134,392	As Insurance
Interfund Expense Transfers	679,447	460,564	464,512	476,551	422,043	451,925	503,326	542,316	556,470	490,626	526,016	As Materials & Supplies
Capital Expenses	190,600	170,000	170,000	170,000	70,000	70,000	70,000	70,000	70,000	70,000	90,000	As Materials & Supplies
Shared Capital Expenses	0	0	0	0	0	0	0	0	0	0	0	As Materials & Supplies
<b>Total Other</b>	<b>\$1,020,047</b>	<b>\$1,055,185</b>	<b>\$1,074,573</b>	<b>\$1,102,623</b>	<b>\$964,718</b>	<b>\$1,011,819</b>	<b>\$1,081,077</b>	<b>\$1,138,587</b>	<b>\$1,171,946</b>	<b>\$1,126,021</b>	<b>\$1,202,069</b>	
<b>Future O&amp;M</b>												
Additional Staffing Needs	\$0	\$55,130	\$57,886	\$60,780	\$63,819	\$67,010	\$70,361	\$73,879	\$77,573	\$81,451	\$85,524	As Labor
O&M Contingency	0	0	0	0	0	0	0	0	0	0	0	As Materials & Supplies
Budget Savings	0	0	0	0	0	0	0	0	0	0	0	As O&M
<b>Total Future O&amp;M</b>	<b>\$0</b>	<b>\$55,130</b>	<b>\$57,886</b>	<b>\$60,780</b>	<b>\$63,819</b>	<b>\$67,010</b>	<b>\$70,361</b>	<b>\$73,879</b>	<b>\$77,573</b>	<b>\$81,451</b>	<b>\$85,524</b>	
<b>Total Operations &amp; Maintenance</b>	<b>\$5,504,985</b>	<b>\$5,849,444</b>	<b>\$6,108,708</b>	<b>\$6,389,089</b>	<b>\$6,517,671</b>	<b>\$6,844,384</b>	<b>\$7,209,143</b>	<b>\$7,579,074</b>	<b>\$7,942,883</b>	<b>\$8,246,626</b>	<b>\$8,692,841</b>	
		6.3%	4.4%	4.6%	2.0%	5.0%	5.3%	5.1%	4.8%	3.8%	5.4%	
<b>Debt Service</b>												
NV Clean Wtr Loan 2005	\$128,578	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Exhibit 5
NV Clean Wtr Loan 2007	207,536	207,536	207,536	207,536	0	0	0	0	0	0	0	Exhibit 5
Assumed SRF Loan	49,536	501,120	969,120	1,437,120	2,836,882	2,836,882	2,836,882	2,836,882	2,836,882	2,836,882	2,836,882	\$52.74M @ 2.88% for 30 yrs
Low Interest Loans	0	0	0	0	0	0	0	0	0	0	0	Calc'd @ 2.5% for 20 yrs
Assumed Revenue Bond	0	0	0	0	0	0	0	0	0	0	0	Calc'd @ 4.5% for 20 yrs
<b>Total Debt Service</b>	<b>\$385,650</b>	<b>\$708,656</b>	<b>\$1,176,656</b>	<b>\$1,644,656</b>	<b>\$2,836,882</b>	<b>\$2,836,882</b>	<b>\$2,836,882</b>	<b>\$2,836,882</b>	<b>\$2,836,882</b>	<b>\$2,836,882</b>	<b>\$2,836,882</b>	
<i>Less: Debt Service Funding</i>												
From Capital Reserve	\$385,650	\$708,656	\$1,176,656	\$1,644,656	\$2,836,882	\$2,836,882	\$2,836,882	\$2,836,882	\$2,836,882	\$2,836,882	\$2,836,882	
<b>Total Less Debt Service Funding</b>	<b>\$385,650</b>	<b>\$708,656</b>	<b>\$1,176,656</b>	<b>\$1,644,656</b>	<b>\$2,836,882</b>	<b>\$2,836,882</b>	<b>\$2,836,882</b>	<b>\$2,836,882</b>	<b>\$2,836,882</b>	<b>\$2,836,882</b>	<b>\$2,836,882</b>	
<b>Net Debt Service</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

	<i>Budget</i>	<i>Projected</i>										<i>Notes</i>	
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033		
<b>Reserve Funding</b>													
Operating Fund Transfer	(\$192,608)	(\$524,877)	(\$114,227)	\$158,239	\$331,169	\$316,851	\$325,412	\$89,861	\$21,202	\$26,283	\$3,539		
Capital Fund Transfer	3,222,845	3,226,068	3,229,294	3,232,523	3,235,756	3,238,992	3,242,231	3,245,473	3,248,718	3,251,967	3,255,219	As Customer Growth	
Additional Capital Funding	0	0	0	0	0	0	0	250,000	350,000	450,000	450,000	FY 2022 Depr Exp = \$1,876,600	
Effluent Reserve Fund	0	0	0	0	0	0	0	0	0	0	0		
<b>Total Reserve Funding</b>	<b>\$3,030,237</b>	<b>\$2,701,191</b>	<b>\$3,115,066</b>	<b>\$3,390,762</b>	<b>\$3,566,924</b>	<b>\$3,555,843</b>	<b>\$3,567,642</b>	<b>\$3,585,334</b>	<b>\$3,619,921</b>	<b>\$3,728,250</b>	<b>\$3,708,758</b>		
<b>Total Revenue Requirement</b>	<b>\$8,535,222</b>	<b>\$8,550,635</b>	<b>\$9,223,774</b>	<b>\$9,779,851</b>	<b>\$10,084,595</b>	<b>\$10,400,226</b>	<b>\$10,776,785</b>	<b>\$11,164,408</b>	<b>\$11,562,803</b>	<b>\$11,974,876</b>	<b>\$12,401,600</b>		
Bal / (Def) of Funds	\$0	(\$1,001,645)	(\$1,677,019)	(\$2,225,484)	(\$2,517,797)	(\$2,819,403)	(\$3,181,987)	(\$3,557,898)	(\$3,947,616)	(\$4,351,638)	(\$4,770,482)		
Bal as a % of Rate Adj	0.0%	13.5%	22.6%	29.9%	33.8%	37.8%	42.7%	47.7%	52.8%	58.2%	63.7%		
<b>Proposed Rate Adjustment</b>	<b>0.0%</b>	<b>13.5%</b>	<b>8.0%</b>	<b>6.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>		
Add'l Revenue with Rate Adj	\$0	\$1,001,645	\$1,677,019	\$2,225,484	\$2,517,797	\$2,819,403	\$3,181,987	\$3,557,898	\$3,947,616	\$4,351,638	\$4,770,482		
Bal / (Def) After Rate Adj	\$0	\$0	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
<b>Total Balance as a % of Rates</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>		
<b>Average Residential Customer Bill (3,000 gal)</b>	<b>\$72.78</b>												
Customer Bill on Proposed Adj.	\$72.78	\$82.39	\$88.72	\$93.99	\$96.84	\$99.76	\$103.25	\$106.86	\$110.60	\$114.48	\$118.48		
Bill Difference - Monthly		9.61	6.33	5.26	2.85	2.92	3.49	3.61	3.74	3.87	4.01		
Cumulative Bill Difference		9.61	15.94	21.21	24.06	26.98	30.47	34.08	37.82	41.70	45.70		
<b>Debt Service Coverage Ratio (all debt)</b>													
Before Rate Adjustment	7.86	2.40	1.22	0.71	0.37	0.26	0.14	0.01	0.00	0.00	0.00	Min. Target 1.00	
After Proposed Rate Adjustment	7.86	3.81	2.65	2.06	1.26	1.25	1.26	1.26	1.28	1.31	1.31	Min. Target 1.00	

53.1% 46.9%

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Total	Notes
<b>Sewer Capital</b>													
Update Camera Equipment	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0	\$80,718	\$0	\$0	\$0	\$140,718	
SCADA Management Servers/Network - WRRF	0	0	0	0	0	0	0	99,345	0	0	0	99,345	
Pond Lining Project (Storage Tank)	4,069,185	2,921,168	0	0	0	0	0	0	0	0	0	6,990,353	
Pond Lining Project (Storage Tank) - Cost Share	0	187,980	0	0	0	0	0	0	0	0	0	187,980	
Effluent Pipeline Project	12,069,507	15,080,000	15,532,400	15,998,372	0	0	0	0	0	0	0	58,680,279	
Sewer Pumping Station Improvements	50,000	104,000	107,120	110,334	113,644	117,053	120,565	124,181	127,907	131,744	169,621	1,276,168	
Sewer Pumping Station 14 Improvements	0	0	123,188	441,334	0	0	0	0	0	0	0	564,522	
2001 Sellick Forklift #499	0	67,600	0	0	0	0	0	0	0	0	0	67,600	
Emergency Pump and Generator #752 and #753	0	0	0	0	0	0	0	0	0	0	0	0	
2006 Kenworth T800 Bin truck #587	0	0	0	218,461	0	0	0	0	0	0	0	218,461	
2018 Flail Mower #784	0	0	0	0	17,047	0	0	19,869	0	0	0	36,916	
2001 Jet-Away Line Cleaner #767	0	0	0	0	0	55,015	0	0	0	0	0	55,015	
2008 Chevrolet Camera Truck #615	0	0	0	0	96,597	0	0	0	0	0	0	96,597	
Sewer Main Rehabilitation	0	104,000	107,120	551,668	340,931	351,159	361,694	620,907	383,721	395,232	407,089	3,623,520	
Wastewater Resource Recovery Facility (WRRF) Drainage Imp	0	0	0	0	0	0	0	0	0	0	0	0	
Wetlands Effluent Disposal Facility Improvements	273,523	182,000	53,560	55,167	227,287	117,053	120,565	124,181	319,767	131,744	135,696	1,740,544	
Roof Replacement Water Resource Recovery Facility	0	338,000	0	0	0	0	0	0	0	0	0	338,000	
Water Resource Recovery Facility Improvements	186,607	182,000	508,820	441,334	198,876	204,843	1,205,645	0	255,814	0	271,393	3,455,332	
WRRF Biosolids Bins	0	0	0	110,334	0	0	0	0	0	0	0	110,334	
Sewer Pump Station #1 Improvements	1,538,370	0	0	0	0	0	0	0	0	0	0	1,538,370	
SPS#1 Pump Station & Generator Bldg Roof Replacement	0	0	0	281,351	0	0	0	0	0	0	0	281,351	
<b>Total Sewer Capital</b>	<b>\$18,247,192</b>	<b>\$19,166,748</b>	<b>\$16,432,208</b>	<b>\$18,208,354</b>	<b>\$994,382</b>	<b>\$845,122</b>	<b>\$1,808,468</b>	<b>\$1,069,202</b>	<b>\$1,087,208</b>	<b>\$658,720</b>	<b>\$983,799</b>	<b>\$79,501,403</b>	

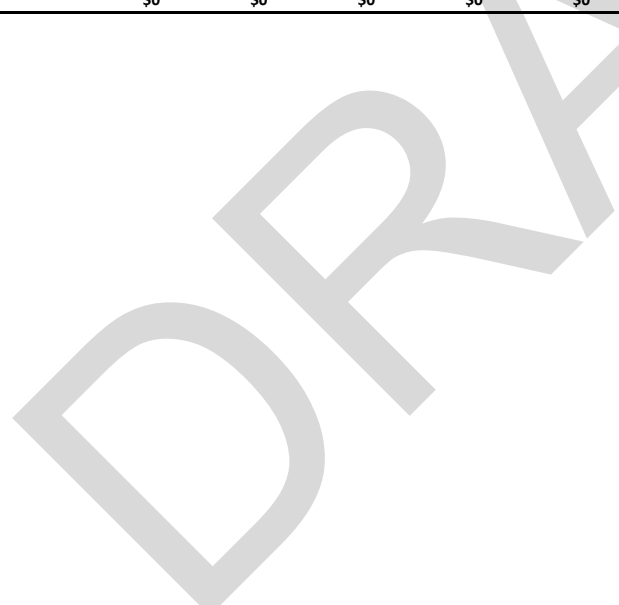


	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Total	Notes
<b>Capital Improvements - Shared (50% Sewer)</b>													
Replace Public Works Front Security Gate	\$0	\$0	\$0	\$0	\$45,457	\$0	\$0	\$0	\$0	\$0	\$59,109	\$104,567	
Replace Roof Public Works #B	0	0	0	0	56,822	0	0	0	0	0	0	56,822	
Building B Replacement	0	0	0	0	0	0	0	62,091	0	0	0	62,091	
Loader Tire Chains - 2 Sets	10,000	0	0	11,420	0	0	0	13,412	0	0	0	34,831	
2002 Caterpillar 950G Loader #523	132,500	0	0	0	0	0	0	0	0	187,735	0	320,235	
2002 Caterpillar 950G Loader #525	132,500	0	0	0	0	0	0	0	0	0	193,367	325,867	
2018 MultiHog MX120 Snowblower #783	0	0	0	97,094	0	0	0	0	0	0	0	97,094	
1997 Forklift #315	0	0	0	0	20,456	0	0	0	0	0	0	20,456	
2013 Trackless Snowblower #687	0	0	0	0	102,279	0	0	0	118,314	0	0	220,593	
2001 105KW Mobile Generator #313	0	0	0	0	0	0	39,183	0	0	0	0	39,183	
2020 Vac-Con Truck #807	0	0	0	0	269,904	0	0	0	0	0	0	269,904	
2004 Freightliner Vactor Truck #534	0	0	0	209,634	0	0	0	0	0	0	0	209,634	
2020 Chevy Dump Truck #829	0	0	0	0	0	0	0	49,673	0	0	119,413	169,085	
2001 Peterbilt Bin Truck #468	0	0	101,764	0	0	0	0	0	0	0	0	101,764	
Snowplow #300A	9,500	0	0	0	0	0	0	0	0	13,833	0	23,333	
Snowplow #307A	9,500	0	0	0	0	0	0	0	0	0	0	9,500	
Slurry Liquidator #326	0	0	0	0	0	0	0	0	26,221	0	0	26,221	
2004 9' Western Snow Plow #542A	0	0	0	0	0	0	0	0	0	0	0	0	
2019 Sander/Spreader #808	0	0	5,356	0	0	0	0	7,451	0	0	0	12,807	
2012 Snowplow #669B	0	0	6,427	0	0	0	0	0	0	5,270	0	11,697	
2017 Caterpillar 420F2 Backhoe #755	0	0	0	0	0	0	0	0	0	92,221	0	92,221	
2013 Chevy Equinox #691	0	19,240	0	0	0	0	0	0	0	0	0	19,240	
2009 Chevrolet 1/2 ton Pick-up #826 Compliance Dept.	0	0	0	0	0	18,143	0	0	0	0	0	18,143	
2013 1/2 Ton Pick-Up #677 Treatment	0	19,240	0	0	0	0	0	0	0	0	0	19,240	
2003 GMC 3/4-Ton Pick-up #702	0	0	21,424	0	0	0	0	0	0	0	0	21,424	
2005 Chevy 1/2-Ton Pick-up #553	0	0	20,353	0	0	0	0	0	0	0	24,425	44,778	
2009 Chevrolet 1/2 Ton Pick-up Truck #631	0	0	20,353	0	0	0	0	0	0	0	23,068	43,421	
2009 Chevrolet 1/2 Ton Pick-up Truck #632 Engineering Dept.	0	0	0	17,653	0	0	0	0	0	0	23,068	40,722	
2012 Extend-A-Cab Pick-up #678 Pipeline Dept.	0	0	0	20,412	0	0	0	0	21,744	0	0	42,156	
2004 3/4-Ton Service Truck w/liftgate & crane #703	0	0	31,065	0	0	0	0	0	0	0	0	31,065	
2013 1-Ton Flatbed #679 Pipeline Dept.	0	0	0	0	26,138	0	0	0	0	0	0	26,138	
2012 1-Ton Service Truck w/ Liftgate #668 Treatment	0	0	0	25,928	0	0	0	0	0	0	31,210	57,139	
2013 1-Ton Service Truck #680 Utilities Electrician	0	22,880	0	0	0	0	0	0	0	0	0	22,880	
2004 GMC 1-Ton Flatbed #825 Pipeline Dept.	0	0	0	0	0	0	0	39,738	0	0	0	39,738	
2008 Chevrolet Service Truck #810	0	0	0	0	0	0	0	21,111	0	0	0	21,111	
2008 Chevrolet Service Truck #680	0	0	0	27,032	0	0	0	0	0	0	33,924	60,956	
2011 Chevrolet Service Truck #647 Treatment	0	0	0	0	0	0	0	0	31,337	0	0	31,337	
Public Works Billing Software Replacement	10,000	104,000	0	0	0	0	0	0	0	0	0	114,000	
Large Format Printer Replacement	0	0	0	15,998	0	0	0	0	0	0	0	15,998	
Pavement Maintenance, Reservoir 3-1 WPS 4-2/5-1	110,000	130,000	0	0	0	0	0	0	0	0	0	240,000	
Medium Duty Truck Plow	8,250	0	0	0	0	0	0	0	0	0	0	8,250	
Chevy 1/2 Ton Pick-up Truck	18,600	0	0	0	0	0	0	0	0	0	0	18,600	
Utilities System and Plant Controls Upgrade	0	0	133,900	137,917	142,055	0	0	0	0	0	0	413,872	
Lab Equipment	0	130,000	0	0	0	0	0	0	0	0	0	130,000	
<b>Total Capital Improvements - Shared (50% Sewer)</b>	<b>\$440,850</b>	<b>\$425,360</b>	<b>\$340,642</b>	<b>\$563,088</b>	<b>\$663,110</b>	<b>\$18,143</b>	<b>\$39,183</b>	<b>\$193,475</b>	<b>\$197,616</b>	<b>\$299,059</b>	<b>\$507,586</b>	<b>\$3,688,112</b>	



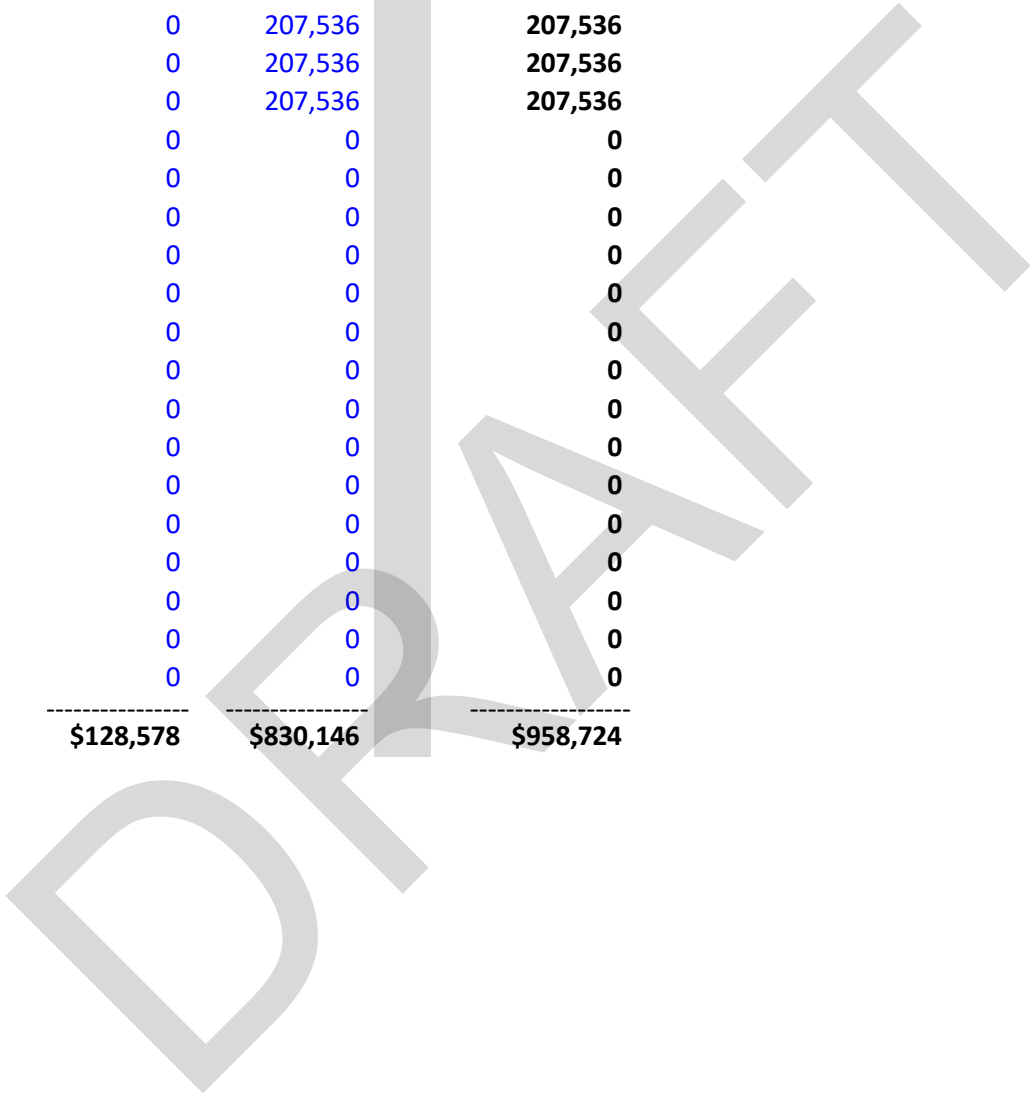
53.1% 46.9%

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	Total	Notes
Less R&M Funded Items (O&M)	0	0	0	0	0	0	0	0	0	0	0	\$0	
<b>Future Unidentified Capital Improvements</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Transfer to Capital Fund</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total Capital Improvement Projects</b>	<b>\$18,688,042</b>	<b>\$19,592,108</b>	<b>\$16,772,850</b>	<b>\$18,771,442</b>	<b>\$1,657,492</b>	<b>\$863,265</b>	<b>\$1,847,651</b>	<b>\$1,262,677</b>	<b>\$1,284,825</b>	<b>\$957,780</b>	<b>\$1,491,385</b>	<b>\$83,189,515</b>	
<i>Less: Other Funding Sources</i>													
Operating Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Input
Capital Fund	2,497,461	0	0	0	1,657,492	863,265	1,847,651	1,012,677	934,825	507,780	1,041,385	10,362,536	Input
Effluent Reserve Fund	7,978,692	721,232	522,850	2,521,442	0	0	0	0	0	0	0	11,744,216	
USDA Grant	3,051,889	2,190,876	0	0	0	0	0	0	0	0	0	5,242,764	
Federal Earmark	0	1,600,000	0	0	0	0	0	0	0	0	0	1,600,000	
Assumed SRF Loan	5,160,000	15,080,000	16,250,000	16,250,000	0	0	0	0	0	0	0	52,740,000	\$52.74M Total
Low Interest Loan	0	0	0	0	0	0	0	0	0	0	0	0	Input
Revenue Bond	0	0	0	0	0	0	0	0	0	0	0	0	Calculated
<b>Total Other Funding Sources</b>	<b>\$18,688,042</b>	<b>\$19,592,108</b>	<b>\$16,772,850</b>	<b>\$18,771,442</b>	<b>\$1,657,492</b>	<b>\$863,265</b>	<b>\$1,847,651</b>	<b>\$1,012,677</b>	<b>\$934,825</b>	<b>\$507,780</b>	<b>\$1,041,385</b>	<b>\$81,689,516</b>	
<b>Additional Capital Funding</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$250,000</b>	<b>\$350,000</b>	<b>\$450,000</b>	<b>\$450,000</b>	<b>\$1,500,000</b>	



Incline Village General Improvement District  
Wastewater Rate Study  
Annual Debt Service Payments  
Exhibit 5

Year	NV Clean Wtr Loan 2005	NV Clean Wtr Loan 2007	Total Annual Debt Service (P&I)
FY 2023	\$128,578	\$207,536	\$336,114
FY 2024	0	207,536	207,536
FY 2025	0	207,536	207,536
FY 2026	0	207,536	207,536
FY 2027	0	0	0
FY 2028	0	0	0
FY 2029	0	0	0
FY 2030	0	0	0
FY 2031	0	0	0
FY 2032	0	0	0
FY 2033	0	0	0
FY 2034	0	0	0
FY 2035	0	0	0
FY 2036	0	0	0
FY 2037	0	0	0
FY 2038	0	0	0
FY 2039	0	0	0
FY 2040	0	0	0
FY 2041	0	0	0
	<b>\$128,578</b>	<b>\$830,146</b>	<b>\$958,724</b>



Incline Village General Improvement District  
Wastewater Rate Study  
Revenues At Present Rates  
Exhibit 6

		July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Residential</b>														
Base Charge	\$ / Acct \$25.10	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695
Capital Improvement	\$31.45	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695
Admin Fee	\$4.23	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695
Sewer Use	\$ / 1,000 gal \$4.00	10,431	10,666	10,396	10,682	8,799	12,528	11,081	9,330	10,029	11,311	9,168	10,295	124,716
<b>Total Revenue</b>		<b>\$266,306</b>	<b>\$267,245</b>	<b>\$266,165</b>	<b>\$267,308</b>	<b>\$259,777</b>	<b>\$274,695</b>	<b>\$268,907</b>	<b>\$261,902</b>	<b>\$264,697</b>	<b>\$269,828</b>	<b>\$261,256</b>	<b>\$265,761</b>	<b>\$3,193,848</b>
<b>Multi-Family</b>														
Base Charge	\$ / Unit \$25.10	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091
Capital Improvement	\$31.45	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091	4,091
Admin Fee	\$4.23	259	259	259	259	259	259	259	259	259	259	259	259	259
Sewer Use	\$ / 1,000 gal \$4.00	10,605	10,556	10,286	10,298	10,512	11,656	10,831	10,553	10,527	9,970	10,290	10,586	126,669
<b>Total Revenue</b>		<b>\$274,861</b>	<b>\$274,665</b>	<b>\$273,584</b>	<b>\$273,632</b>	<b>\$274,489</b>	<b>\$279,064</b>	<b>\$275,767</b>	<b>\$274,654</b>	<b>\$274,549</b>	<b>\$272,323</b>	<b>\$273,601</b>	<b>\$274,784</b>	<b>\$3,295,975</b>

Incline Village General Improvement District  
Wastewater Rate Study  
Revenues At Present Rates  
Exhibit 6

			July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Commercial</b>															
<b>Base Charge</b>	\$ / Acct.														
3/4"	\$25.10	\$31.45	77	77	77	77	77	77	77	77	77	77	77	77	77
1"	41.92	52.52	60	60	60	60	60	60	60	60	60	60	60	60	60
1 1/2"	83.58	104.73	45	45	45	45	45	45	45	45	45	45	45	45	45
2"	133.78	167.63	35	35	35	35	35	35	35	35	35	35	35	35	35
3"	251.00	314.50	7	7	7	7	7	7	7	7	7	7	7	7	7
4"	418.42	524.27	3	3	3	3	3	3	3	3	3	3	3	3	3
6"	836.58	1,048.23	2	2	2	2	2	2	2	2	2	2	2	2	2
8"	1,338.58	1,677.23	1	1	1	1	1	1	1	1	1	1	1	1	1
10"	1,497.74	2,410.64	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Revenues</b>			<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>	<b>230</b>
<b>Admin Fee</b>	\$4.23		230	230	230	230	230	230	230	230	230	230	230	230	230
<b>Sewer Use</b>	\$ / CCF	\$4.70	9,806	9,160	7,580	7,671	8,532	6,227	5,510	4,717	5,743	5,402	6,474	8,133	84,955
<b>Total Revenue</b>			<b>\$89,677</b>	<b>\$86,642</b>	<b>\$79,216</b>	<b>\$79,645</b>	<b>\$83,687</b>	<b>\$72,855</b>	<b>\$69,485</b>	<b>\$65,757</b>	<b>\$70,579</b>	<b>\$68,979</b>	<b>\$74,015</b>	<b>\$81,816</b>	<b>\$922,355</b>

Incline Village General Improvement District  
Wastewater Rate Study  
Revenues At Present Rates  
Exhibit 6

	July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Summary</b>													
<b>Number of Customers</b>													
Residential	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	3,695	<b>3,695</b>
Multi-Family	259	259	259	259	259	259	259	259	259	259	259	259	<b>259</b>
Commercial	230	230	230	230	230	230	230	230	230	230	230	230	<b>230</b>
<i>Total Number of Customers</i>	<b>4,184</b>	<b>4,184</b>	<b>4,184</b>	<b>4,184</b>	<b>4,184</b>	<b>4,184</b>	<b>4,184</b>	<b>4,184</b>	<b>4,184</b>	<b>4,184</b>	<b>4,184</b>	<b>4,184</b>	<b>4,184</b>
<b>Consumption</b>													
Residential	10,431	10,666	10,396	10,682	8,799	12,528	11,081	9,330	10,029	11,311	9,168	10,295	<b>124,716</b>
Multi-Family	10,605	10,556	10,286	10,298	10,512	11,656	10,831	10,553	10,527	9,970	10,290	10,586	<b>126,669</b>
Commercial	9,806	9,160	7,580	7,671	8,532	6,227	5,510	4,717	5,743	5,402	6,474	8,133	<b>84,955</b>
<i>Total Consumption</i>	<b>30,842</b>	<b>30,382</b>	<b>28,261</b>	<b>28,651</b>	<b>27,842</b>	<b>30,411</b>	<b>27,423</b>	<b>24,600</b>	<b>26,298</b>	<b>26,684</b>	<b>25,932</b>	<b>29,014</b>	<b>336,339</b>
<b>Revenues</b>													
Residential	\$266,306	\$267,245	\$266,165	\$267,308	\$259,777	\$274,695	\$268,907	\$261,902	\$264,697	\$269,828	\$261,256	\$265,761	<b>\$3,193,848</b>
Multi-Family	274,861	274,665	273,584	273,632	274,489	279,064	275,767	274,654	274,549	272,323	273,601	274,784	<b>3,295,975</b>
Commercial	89,677	86,642	79,216	79,645	83,687	72,855	69,485	65,757	70,579	68,979	74,015	81,816	<b>922,355</b>
<i>Total Revenues</i>	<b>\$630,845</b>	<b>\$628,552</b>	<b>\$618,965</b>	<b>\$620,585</b>	<b>\$617,953</b>	<b>\$626,615</b>	<b>\$614,160</b>	<b>\$602,314</b>	<b>\$609,826</b>	<b>\$611,130</b>	<b>\$608,872</b>	<b>\$622,361</b>	<b>\$7,412,178</b>
											<b>FY 2023 Budget</b>		<b>\$7,468,046</b>
											<i>Difference</i>		<i>(\$55,868)</i>
											<i>Percent</i>		<i>-0.7%</i>
											<b>FY 2021 Actual</b>		<b>\$6,934,000</b>
											<i>Difference</i>		<i>\$478,178</i>
											<i>Percent</i>		<i>6.9%</i>

Incline Village General Improvement District  
Wastewater Rate Study  
Development of Volume Distribution Factor  
Exhibit 7

	Annual flow in 1,000 gal	5.0% Inflow and Infiltration	Total Annual Flow at Plant (1,000 gal)	Avg. Daily Flow At Plant (MGD)	% of Total
Residential	124,716	6,236	130,952	0.36	38.5%
Multi-Family	126,669	6,333	133,002	0.36	39.1%
Commercial	72,260	3,613	75,873	0.21	22.3%
<b>Total</b>	<b>323,644</b>		<b>339,827</b>	<b>0.93</b>	<b>100.0%</b>
		<i>Actual Flows <sup>[1]</sup></i>	<b>453,640</b>	<b>0.93</b>	
<b>Distribution Factor</b>					<b>(VOL)</b>

**Notes**

[2] - Provided by District July 2020 - Aug 2021

Incline Village General Improvement District  
Wastewater Rate Study  
Development of the Strength Distribution Factor  
Exhibit 8

	Annual Flow (MGD)	Biochemical Oxygen Demand			Suspended Solids		
		Avg. Factor (mg/l)	Calculated Pounds	% of Total	Avg. Factor (mg/l)	Calculated Pounds	% of Total
Residential	0.36	190	569	38.5%	150	449	38.5%
Multi-Family	0.36	190	577	39.1%	150	456	39.1%
Commercial	0.21	190	329	22.3%	150	260	22.3%
<b>Total</b>	<b>0.93</b>		<b>1,475</b>	<b>100.0%</b>		<b>1,165</b>	<b>100.0%</b>
<i>Pounds Removed</i>			<i>1,411</i>			<i>1,029</i>	
<b>Distribution Factor</b>			<b>(BOD)</b>			<b>(SS)</b>	

Notes

Incline Village General Improvement District  
Wastewater Rate Study  
Development of the Customer Distribution Factor  
Exhibit 9

	<i>Actual Customer</i>		<i>Customer Capacity Demand</i>	
	Number of Accounts <sup>[1]</sup>	% of Total	Weighted Customer	% of Total
Residential	3,699	88.3%	3,699	43.3%
Multi-Family	259	6.2%	4,095	47.9%
Commercial	230	5.5%	754	8.8%
<b>Total</b>	<b>4,188</b>	<b>100.0%</b>	<b>8,547</b>	<b>100.0%</b>
<b>Distribution Factor</b>		<b>(AC)</b>		<b>(CCD)</b>

**Notes**

[1] - Customer accounts are increased by one year of growth (0.10% / yr)



**Incline Village General Improvement District  
Wastewater Rate Study  
Development of the Revenue Related Distribution Factor  
Exhibit 10**

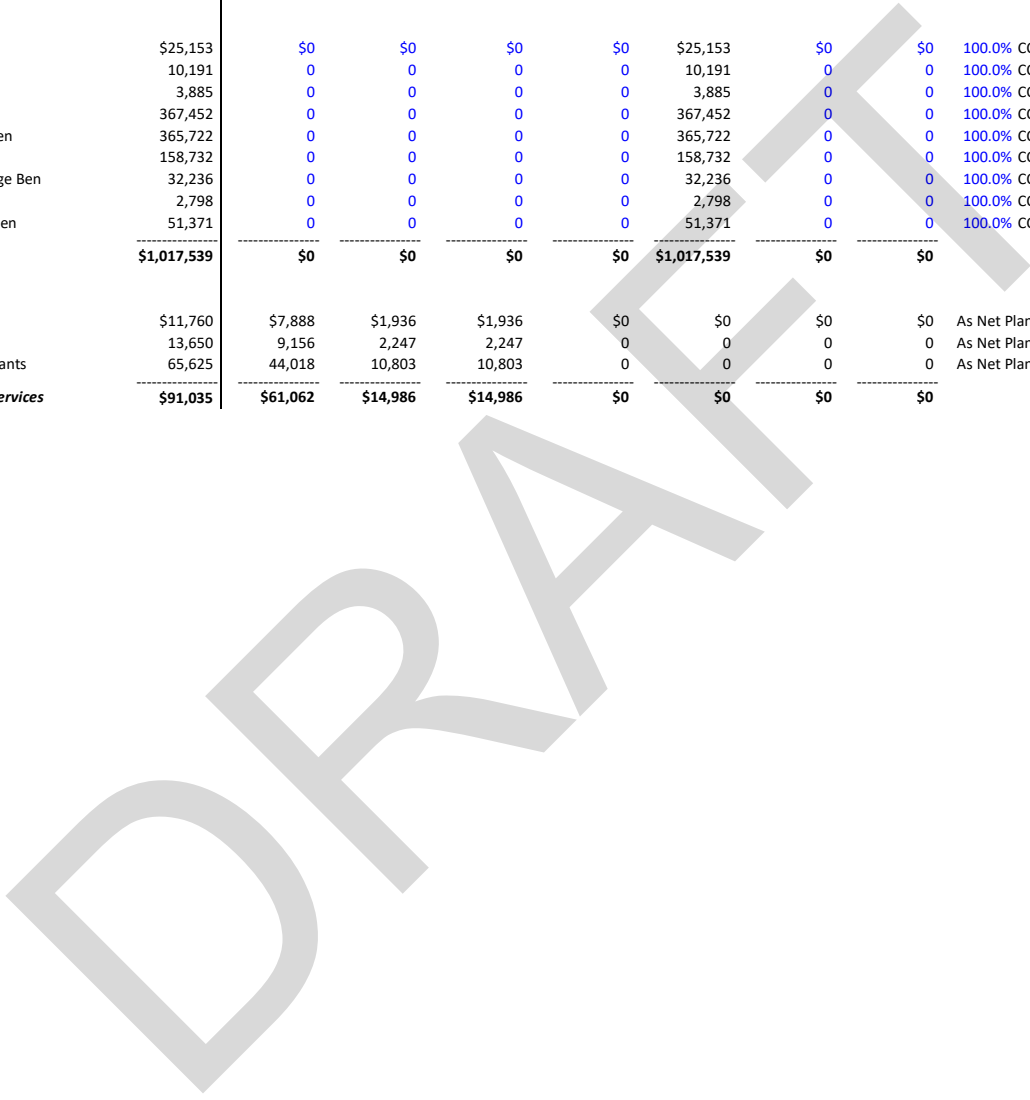
	<b>Revenue</b>	
	<b>FY 2024</b>	<b>% of Total</b>
Residential	\$3,197,042	43.1%
Multi-Family	3,299,271	44.5%
Commercial	923,277	12.4%
<b>Total</b>	<b>\$7,419,590</b>	<b>100.0%</b>
<b>Distribution Factor</b>		<b>(RR)</b>

DRAFT

Incline Village General Improvement District  
Wastewater Rate Study  
Functionalization and Classification  
Exhibit 11.1

	Net Plant	Volume (VOL)	Strength Related		Customer Related			Direct Assign. (DA)	Basis of Classification
			Bio-Oxygen Demand (BOD)	Suspended Solids (SS)	Actual Customer (AC)	Customer Capacity Demand (CCD)	Revenue Related (RR)		
<b>Treatment</b>	<b>\$18,914,844</b>	\$9,457,422	\$4,728,711	\$4,728,711	\$0	\$0	\$0	\$0	50.0% VOL 25.0% BOD 25.0% SS
<b>Collection</b>									
Manholes	\$312,786	\$312,786	\$0	\$0	\$0	\$0	\$0	\$0	100.0% VOL
Lift Station	4,224,916	4,224,916	0	0	0	0	0	0	100.0% VOL
Sewer Mains	3,584,711	3,584,711	0	0	0	0	0	0	100.0% VOL 0.0% CCD
<b>Total Collection</b>	<b>\$8,122,413</b>	<b>\$8,122,413</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Total Plant Before General</b>	<b>\$28,724,481</b>	<b>\$19,267,059</b>	<b>\$4,728,711</b>	<b>\$4,728,711</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>General Plant</b>									
Equipment	\$1,885,452	\$1,264,674	\$310,389	\$310,389	\$0	\$0	\$0	\$0	As General Plant
Misc	15,494	10,393	2,551	2,551	0	0	0	0	As General Plant
Office Equipment	70,850	47,523	11,664	11,664	0	0	0	0	As General Plant
Buildings & Structures	4,084,460	2,739,668	672,396	672,396	0	0	0	0	As General Plant
Vehicles	430,888	289,020	70,934	70,934	0	0	0	0	As General Plant
<b>Total General Plant</b>	<b>\$6,487,144</b>	<b>\$4,351,277</b>	<b>\$1,067,933</b>	<b>\$1,067,933</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Net Plant in Service</b>	<b>\$35,211,625</b>	<b>\$23,618,336</b>	<b>\$5,796,644</b>	<b>\$5,796,644</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

Expenses FY 2024	Strength Related			Customer Related		Revenue Related (RR)	Direct Assign. (DA)	Basis of Classification
	Volume (VOL)	Bio-Oxygen Demand (BOD)	Suspended Solids (SS)	Actual Customer (AC)	Customer Capacity Demand (CCD)			
<b>Expenses</b>								
<b>Wages</b>								
Other Earnings	\$61,699	\$0	\$0	\$0	\$0	\$61,699	\$0	\$0 100.0% CCD
Regular Earnings	1,971,304	0	0	0	0	1,971,304	0	0 100.0% CCD
Salary Savings from Vacant Positions	0	0	0	0	0	0	0	0 100.0% CCD
<b>Total Wages</b>	<b>\$2,033,003</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,033,003</b>	<b>\$0</b>	<b>\$0</b>
<b>Benefits</b>								
Dental Fringe Ben	\$25,153	\$0	\$0	\$0	\$0	\$25,153	\$0	\$0 100.0% CCD
Disability Fringe Ben	10,191	0	0	0	0	10,191	0	0 100.0% CCD
Life Ins Fringe Ben	3,885	0	0	0	0	3,885	0	0 100.0% CCD
Medical Fringe Ben	367,452	0	0	0	0	367,452	0	0 100.0% CCD
Retirement Fringe Ben	365,722	0	0	0	0	365,722	0	0 100.0% CCD
Taxes	158,732	0	0	0	0	158,732	0	0 100.0% CCD
Unemployment Fringe Ben	32,236	0	0	0	0	32,236	0	0 100.0% CCD
Vision Fringe Ben	2,798	0	0	0	0	2,798	0	0 100.0% CCD
Work Comp Fringe Ben	51,371	0	0	0	0	51,371	0	0 100.0% CCD
<b>Total Benefits</b>	<b>\$1,017,539</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,017,539</b>	<b>\$0</b>	<b>\$0</b>
<b>Professional Services</b>								
Audit	\$11,760	\$7,888	\$1,936	\$1,936	\$0	\$0	\$0	\$0 As Net Plant in Service
Legal	13,650	9,156	2,247	2,247	0	0	0	0 As Net Plant in Service
Professional Consultants	65,625	44,018	10,803	10,803	0	0	0	0 As Net Plant in Service
<b>Total Professional Services</b>	<b>\$91,035</b>	<b>\$61,062</b>	<b>\$14,986</b>	<b>\$14,986</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



Expenses FY 2024	Customer Related								Basis of Classification
	Volume (VOL)	Strength Related		Actual Customer (AC)	Customer Capacity Demand (CCD)	Revenue Related (RR)	Direct Assign. (DA)		
		Bio-Oxygen Demand (BOD)	Suspended Solids (SS)						
<b>Services &amp; Supplies</b>									
BLDGS Maintenance Services	\$38,687	\$25,949	\$6,369	\$6,369	\$0	\$0	\$0	\$0	As Net Plant in Service
Chemical	248,325	248,325	0	0	0	0	0	0	100.0% VOL
Computer License & Fees	4,532	3,040	746	746	0	0	0	0	As Net Plant in Service
Contractual Services	0	0	0	0	0	0	0	0	As Net Plant in Service
Dues & Subscriptions	6,489	4,353	1,068	1,068	0	0	0	0	As Net Plant in Service
Employee Recruit & Retain	2,730	1,831	449	449	0	0	0	0	As Net Plant in Service
Fleet Maintenance Services	192,271	128,967	31,652	31,652	0	0	0	0	As Net Plant in Service
Fuel	39,000	26,159	6,420	6,420	0	0	0	0	As Net Plant in Service
Janitorial	10,300	6,909	1,696	1,696	0	0	0	0	As Net Plant in Service
Lab	33,990	33,990	0	0	0	0	0	0	100.0% VOL
Office Supplies	4,120	2,764	678	678	0	0	0	0	As Net Plant in Service
Operating	57,495	38,565	9,465	9,465	0	0	0	0	As Net Plant in Service
Permits & Fees	15,512	10,405	2,554	2,554	0	0	0	0	As Net Plant in Service
R&M General	0	0	0	0	0	0	0	0	As Net Plant in Service
R&M Corrective	289,497	194,181	47,658	47,658	0	0	0	0	As Net Plant in Service
R&M Preventative	76,694	51,443	12,626	12,626	0	0	0	0	As Net Plant in Service
Repairs & Maintenance	0	0	0	0	0	0	0	0	As Net Plant in Service
Safety	13,802	9,258	2,272	2,272	0	0	0	0	As Net Plant in Service
Security	3,584	2,404	590	590	0	0	0	0	As Net Plant in Service
Small Equipment	7,725	5,182	1,272	1,272	0	0	0	0	As Net Plant in Service
Tools	11,536	7,738	1,899	1,899	0	0	0	0	As Net Plant in Service
Training & Education	19,364	12,988	3,188	3,188	0	0	0	0	As Net Plant in Service
Travel & Conferences	7,725	5,182	1,272	1,272	0	0	0	0	As Net Plant in Service
Uniforms	9,600	6,439	1,580	1,580	0	0	0	0	As Net Plant in Service
<b>Total Services &amp; Supplies</b>	<b>\$1,092,977</b>	<b>\$826,069</b>	<b>\$133,454</b>	<b>\$133,454</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Utilities</b>									
Cable TV	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Net Plant in Service
Electricity	382,096	382,096	0	0	0	0	0	0	100.0% VOL
Heating	29,536	19,811	4,862	4,862	0	0	0	0	As Net Plant in Service
Internet	12,064	8,092	1,986	1,986	0	0	0	0	As Net Plant in Service
Telephone	46,242	31,017	7,612	7,612	0	0	0	0	As Net Plant in Service
Trash	5,616	3,767	925	925	0	0	0	0	As Net Plant in Service
Water & Sewer	29,023	19,467	4,778	4,778	0	0	0	0	As Net Plant in Service
<b>Total Utilities</b>	<b>\$504,576</b>	<b>\$464,250</b>	<b>\$20,163</b>	<b>\$20,163</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

Expenses FY 2024	Strength Related			Customer Related		Revenue Related (RR)	Direct Assign. (DA)	Basis of Classification	
	Volume (VOL)	Bio-Oxygen Demand (BOD)	Suspended Solids (SS)	Actual Customer (AC)	Customer Capacity Demand (CCD)				
<b>Other</b>									
Central Services Allocation Cs	\$270,121	\$181,185	\$44,468	\$44,468	\$0	\$0	\$0	\$0	As Net Plant in Service
Defensible Space Costs	51,500	34,544	8,478	8,478	0	0	0	0	As Net Plant in Service
General Liability	103,000	69,088	16,956	16,956	0	0	0	0	As Net Plant in Service
Interfund Expense Transfers	460,564	308,925	75,819	75,819	0	0	0	0	As Net Plant in Service
Capital Expenses	170,000	114,028	27,986	27,986	0	0	0	0	As Net Plant in Service
Shared Capital Expenses	0	0	0	0	0	0	0	0	As Net Plant in Service
<b>Total Other</b>	<b>\$1,055,185</b>	<b>\$707,770</b>	<b>\$173,708</b>	<b>\$173,708</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<i>CHECK</i>									
<b>Future O&amp;M</b>									
Additional Staffing Needs	\$55,130	\$36,978	\$9,076	\$9,076	\$0	\$0	\$0	\$0	As Net Plant in Service
O&M Contingency	0	0	0	0	0	0	0	0	As Net Plant in Service
Budget Savings	0	0	0	0	0	0	0	0	As Net Plant in Service
Shared Capital Expenses	0	0	0	0	0	0	0	0	As Net Plant in Service
<b>Total Future O&amp;M</b>	<b>\$55,130</b>	<b>\$36,978</b>	<b>\$9,076</b>	<b>\$9,076</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Total Operations &amp; Maintenance</b>	<b>\$5,849,444</b>	<b>\$2,096,129</b>	<b>\$351,386</b>	<b>\$351,386</b>	<b>\$0</b>	<b>\$3,050,541</b>	<b>\$0</b>	<b>\$0</b>	
<i>CHECK</i>									
<b>Debt Service</b>									
NV Clean Wtr Loan 2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	As Net Plant in Service
NV Clean Wtr Loan 2007	207,536	139,206	34,165	34,165	0	0	0	0	As Net Plant in Service
Assumed SRF Loan	501,120	336,128	82,496	82,496	0	0	0	0	As Net Plant in Service
Assumed Revenue Bond	0	0	0	0	0	0	0	0	As Net Plant in Service
<b>Total Debt Service</b>	<b>\$708,656</b>	<b>\$475,334</b>	<b>\$116,661</b>	<b>\$116,661</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<i>Less: Debt Service Funding</i>									
From Capital Reserve	\$708,656	\$475,334	\$116,661	\$116,661	\$0	\$0	\$0	\$0	As Debt
<b>Total Less Debt Service Funding</b>	<b>\$708,656</b>	<b>\$475,334</b>	<b>\$116,661</b>	<b>\$116,661</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Net Debt Service</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Reserve Funding</b>									
Operating Fund Transfer	(\$524,877)	(\$524,877)	\$0	\$0	\$0	\$0	\$0	\$0	100.0% VOL
Capital Fund Transfer	3,226,068	0	0	0	0	3,226,068	0	0	100.0% CCD
Additional Capital Funding	0	0	0	0	0	0	0	0	100.0% CCD
Effluent Reserve Fund	0	0	0	0	0	0	0	0	100.0% CCD
<b>Total Reserve Funding</b>	<b>\$2,701,191</b>	<b>(\$524,877)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,226,068</b>	<b>\$0</b>	<b>\$0</b>	
<b>Total Revenue Requirement</b>	<b>\$8,550,635</b>	<b>\$1,571,253</b>	<b>\$351,386</b>	<b>\$351,386</b>	<b>\$0</b>	<b>\$6,276,609</b>	<b>\$0</b>	<b>\$0</b>	
<b>Less: Other Revenues</b>									
Effluent Disposal Sales	\$75,075	\$75,075	\$0	\$0	\$0	\$0	\$0	\$0	100.0% VOL
Interest Income	27,098	9,710	1,628	1,628	0	14,132	0	0	As Total O&M
Hunting Fees	20,020	7,174	1,203	1,203	0	10,441	0	0	As Total O&M
Interfund Revenue Transfers	0	0	0	0	0	0	0	0	As Total O&M
Other Sewer	7,207	2,583	433	433	0	3,759	0	0	As Total O&M
<b>Total Other Revenues</b>	<b>\$129,400</b>	<b>\$94,542</b>	<b>\$3,263</b>	<b>\$3,263</b>	<b>\$0</b>	<b>\$28,331</b>	<b>\$0</b>	<b>\$0</b>	
<b>Net Revenue Requirement</b>	<b>\$8,421,235</b>	<b>\$1,476,711</b>	<b>\$348,123</b>	<b>\$348,123</b>	<b>\$0</b>	<b>\$6,248,278</b>	<b>\$0</b>	<b>\$0</b>	

Incline Village General Improvement District  
Wastewater Rate Study  
Distribution of Revenue Requirement  
Exhibit 13

	Net Revenue Requirement	Residential	Multi-Family	Commercial	Basis of Allocation
<b>Volume</b>	<b>\$1,476,711</b>	\$569,048	\$577,960	\$329,703	(VOL)
<b>Strength</b>					
Bio-Oxygen Demand	\$348,123	\$134,149	\$136,249	\$77,725	(BOD)
Suspended Solids	348,123	134,149	136,249	77,725	(SS)
<b>Total Strength</b>	<b>\$696,246</b>	<b>\$268,297</b>	<b>\$272,499</b>	<b>\$155,450</b>	
<b>Customer</b>					
Actual Customer	\$0	\$0	\$0	\$0	(AC)
Customer Capacity Demand	6,248,278	2,703,785	2,993,555	550,938	(CCD)
<b>Total Customer Related</b>	<b>\$6,248,278</b>	<b>\$2,703,785</b>	<b>\$2,993,555</b>	<b>\$550,938</b>	
<b>Revenue Related</b>	<b>\$0</b>	\$0	\$0	\$0	(RR)
<b>Direct Assign.</b>	<b>\$0</b>	\$0	\$0	\$0	(DA)
<b>Net Revenue Requirement</b>	<b>\$8,421,235</b>	<b>\$3,541,130</b>	<b>\$3,844,013</b>	<b>\$1,036,092</b>	

Incline Village General Improvement District  
Wastewater Rate Study  
Summary of Cost of Service Analysis  
Exhibit 14

	FY 2024 Expenses	Residential	Multi-Family	Commercial
Revenues at Present Rates	\$7,419,590	\$3,197,042	\$3,299,271	\$923,277
Allocated Revenue Requirement	\$8,421,235	\$3,541,130	\$3,844,013	\$1,036,092
<i>Bal / (Def) of Funds</i>	<b>(\$1,001,645)</b>	<b>(\$344,088)</b>	<b>(\$544,742)</b>	<b>(\$112,815)</b>
Required % Change in Rates	13.5%	10.8%	16.5%	12.2%

DRAFT

**Incline Village General Improvement District  
Wastewater Rate Study  
Average Unit Costs  
Exhibit 15**

	<b>Total</b>	<b>Residential</b>	<b>Multi-Family</b>	<b>Commercial</b>
Volume - \$ / HCF	\$4.39	\$4.56	\$4.56	\$3.88
BOD - \$ / HCF	1.04	1.08	1.08	0.91
TSS - \$ / HCF	1.04	1.08	1.08	0.91
<b>Total - \$ / HCF</b>	<b>\$6.46</b>	<b>\$6.71</b>	<b>\$6.71</b>	<b>\$5.71</b>
<b>Customer - \$ / Acct.</b>	\$124.32	\$60.92	\$962.22	\$199.42
<b>Total - \$ / Equiv. Unit</b>	\$167.56	\$79.78	\$78.22	\$114.56
<b>Total - \$ / HCF</b>	\$25.04	\$28.39	\$30.35	\$12.20
<b>Current Average Revenues</b>	\$22.06	\$25.63	\$26.05	\$10.87
<b>Customer Data</b>				
Volume	<b>336,339</b>	124,716	126,669	84,955
Customer	<b>4,188</b>	3,699	259	230
Equivalent Units	<b>8,547</b>	3,699	4,095	754



**Incline Village General Improvement District  
Wastewater Rate Study  
Rate Structure - Alt 1**

	<i>Present</i>	<i>Proposed</i>				
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Residential</b>						
Base Charge	\$25.10	\$32.25	\$36.50	\$40.00	\$42.25	\$44.25
Capital Improvement	31.45	31.45	31.45	31.45	31.45	31.45
Admin Fee	4.23	4.44	4.66	4.90	5.14	5.40
<b>Multi-Family</b>						
Base Charge	\$25.10	\$32.25	\$36.50	\$40.00	\$42.25	\$44.25
Capital Improvement	31.45	31.45	31.45	31.45	31.45	31.45
Admin Fee	4.23	4.44	4.66	4.90	5.14	5.40
<b>Commercial</b>						
<i>Base Charge</i>						
3/4"	\$25.10	\$32.25	\$36.50	\$40.00	\$42.25	\$44.25
1"	41.92	53.86	60.96	66.80	70.56	73.90
1 1/2"	83.58	107.39	121.55	133.20	140.69	147.35
2"	133.78	171.89	194.55	213.20	225.19	235.85
3"	251.00	322.50	365.00	400.00	422.50	442.50
4"	418.42	537.61	608.46	666.80	704.31	737.65
6"	836.58	1,074.89	1,216.55	1,333.20	1,408.19	1,474.85
8"	1,338.58	1,719.89	1,946.55	2,133.20	2,253.19	2,359.85
10"	1,497.74	1,924.39	2,177.99	2,386.84	2,521.10	2,640.44
<i>Capital Improvement</i>						
3/4"	\$31.45	\$31.45	\$31.45	\$31.45	\$31.45	\$31.45
1"	52.52	52.52	52.52	52.52	52.52	52.52
1 1/2"	104.73	104.73	104.73	104.73	104.73	104.73
2"	167.63	167.63	167.63	167.63	167.63	167.63
3"	314.50	314.50	314.50	314.50	314.50	314.50
4"	524.27	524.27	524.27	524.27	524.27	524.27
6"	1,048.23	1,048.23	1,048.23	1,048.23	1,048.23	1,048.23
8"	1,677.23	1,677.23	1,677.23	1,677.23	1,677.23	1,677.23
10"	2,410.64	2,410.64	2,410.64	2,410.64	2,410.64	2,410.64
<i>Admin Fee</i>	\$4.23	\$4.44	\$4.66	\$4.90	\$5.14	\$5.40
<b>Sewer Use</b>						
Residential	\$4.00	\$4.75	\$5.37	\$5.88	\$6.00	\$6.22
Multi-Family	4.00	4.75	5.37	5.88	6.00	6.22
Commercial	4.70	5.60	6.35	6.95	7.10	7.37



# Utility Rate Study Update Study Recommendations

**March 8, 2023**

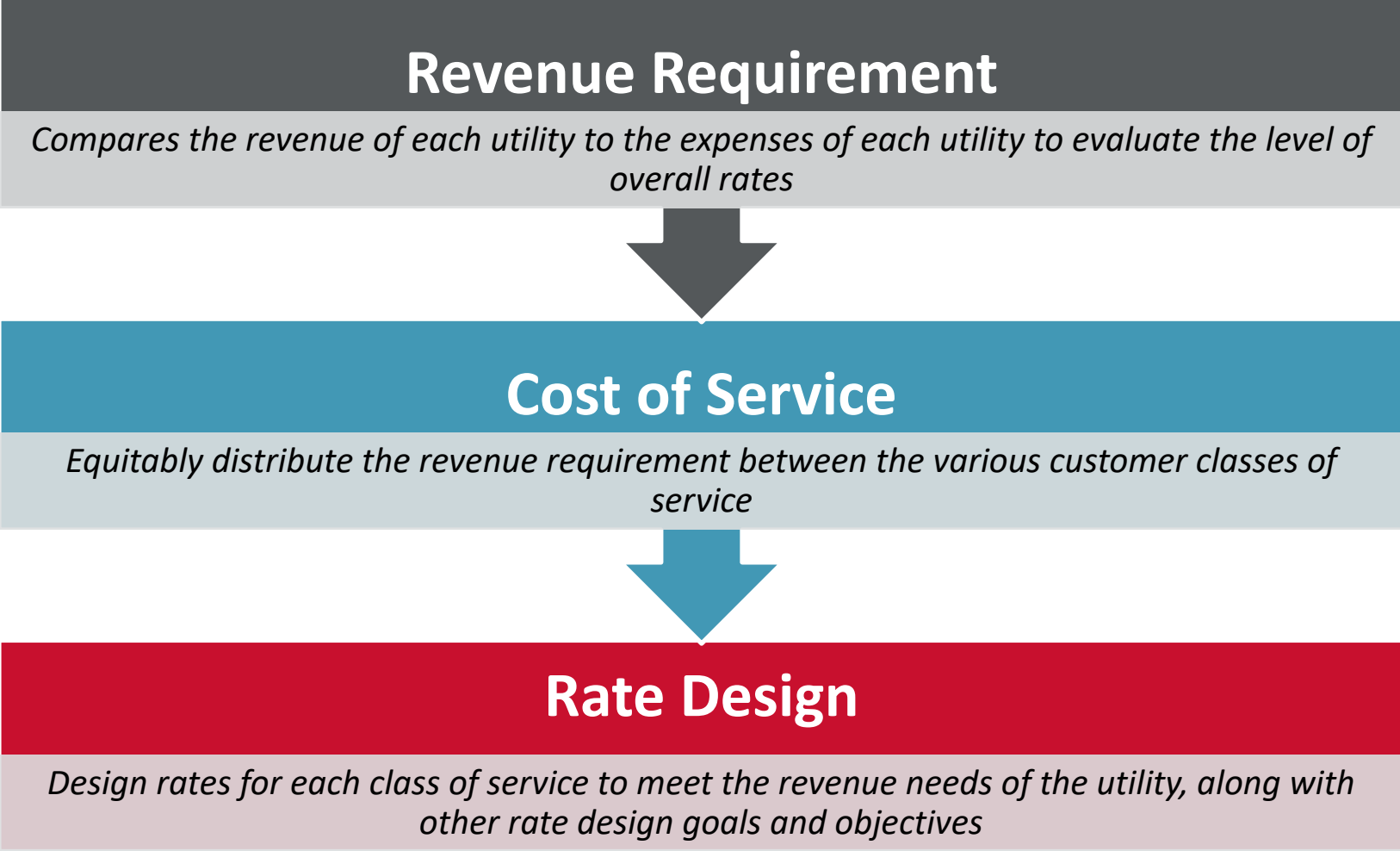


# Purpose of the Presentation

- Review rate study results and recommendations
- Gain Board approval on the rate study update
  - ✓ Proposed rates
- Next steps and schedule



# Establishing Cost-Based Rates



## Revenue Requirement



## Revenue Requirement Key Assumptions

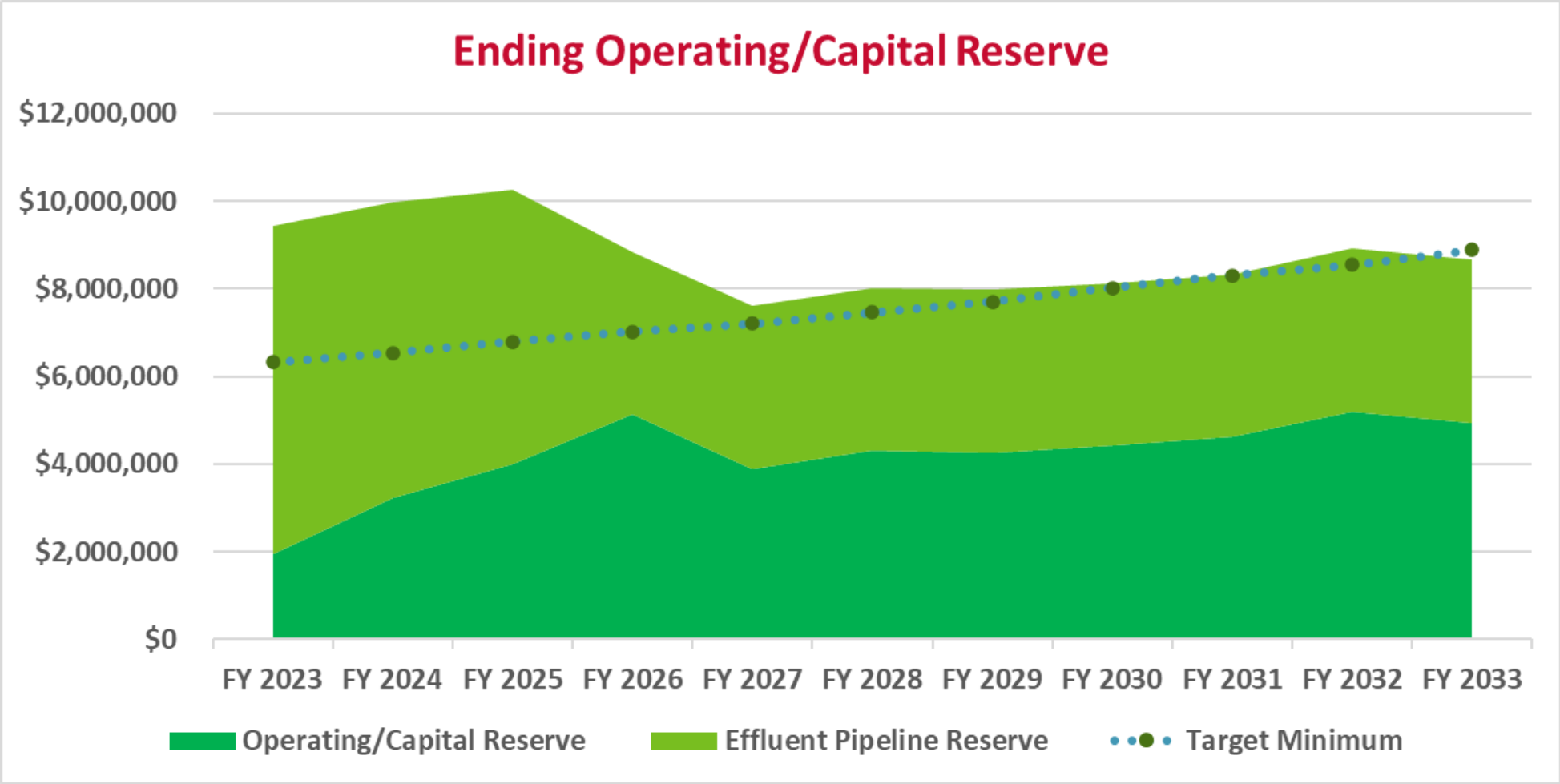
- Revenue is based on adopted rates and recent customer characteristics
  - ✓ Minimal customer growth assumed
- Annual capital charge revenue is used for funding:
  - ✓ Annual capital projects
  - ✓ Annual debt service used to finance capital projects
- O&M expenses are based on the FY 23 budget
  - ✓ FY 24 additional FTE split between water and sewer
  - ✓ Future year projections based on an average annual inflationary assumption of 4.6%
- Capital funding analysis is based on current updated capital plan
  - ✓ Includes long-term borrowing to fund annual capital needs
  - ✓ Existing grant funds are included
  - ✓ Updated to includes carry over projects

# Projected Monthly Revenue / Rate Adjustments

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
<b>Water</b>						
Avg Customer Bill <sup>1</sup>	\$54.98	\$59.39	\$64.19	\$69.17	\$73.34	\$73.70
Monthly Change		4.41	4.80	4.97	4.18	0.35
<b>Sewer</b>						
Avg Customer Bill <sup>2</sup>	\$72.78	\$82.39	\$88.72	\$93.99	\$96.84	\$99.76
Monthly Change		9.61	6.33	5.26	2.85	2.92

1] – Based on 10,000 gal and base charge, capital improvement, admin fee, and defensible space  
 2] – Based on 3,000 gal and base charge, capital improvement, and admin fee

# Combined Ending Reserve Balances



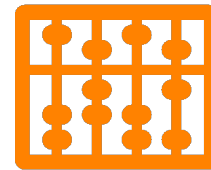
\* Target Minimum based on 25% of O&M plus Annual Depreciation Expense



## Summary of the Revenue Requirement Analyses

- Rate revenue adjustments are necessary to:
  - ✓ Adequately fund current and future O&M expenses
  - ✓ Fund capital improvement needs and annual debt service payments
  - ✓ Meet District financial policies
- Water and sewer capital plan and reserves levels were updated from prior presentation
  - ✓ Included carry over projects
  - ✓ Reconciled effluent reserve fund and operating and capital reserves
  - ✓ Overall revenue transition plans remained the same for five year rate setting period

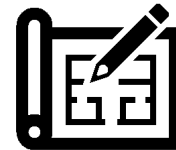
**Cost of Service**



# Comparison of Current and Proposed Water Revenues

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	Total % Change
<b>Residential and Commercial</b>							
Projected Revenue		\$5,616,210	\$6,101,066	\$6,593,777	\$7,010,429	\$7,025,064	35.2%
COSA Revenue	\$5,196,857	\$5,578,098	\$6,052,236	\$6,536,415	\$6,732,508	\$6,934,483	33.4%
% of Total Revenue	88.0%	86.3%	86.1%	86.0%	86.5%	86.3%	
<b>Irrigation</b>							
Projected Revenue		\$890,921	\$983,663	\$1,073,229	\$1,096,763	\$1,119,615	58.4%
COSA Revenue	\$706,810	\$915,935	\$993,789	\$1,073,292	\$1,105,491	\$1,138,656	61.1%
% of Total Revenue	12.0%	13.7%	13.9%	14.0%	13.5%	13.7%	
<b>System Total</b>	<b>\$5,903,666</b>	<b>\$6,507,131</b>	<b>\$7,084,729</b>	<b>\$7,667,006</b>	<b>\$8,107,192</b>	<b>\$8,144,678</b>	<b>38.0%</b>

## Rate Design

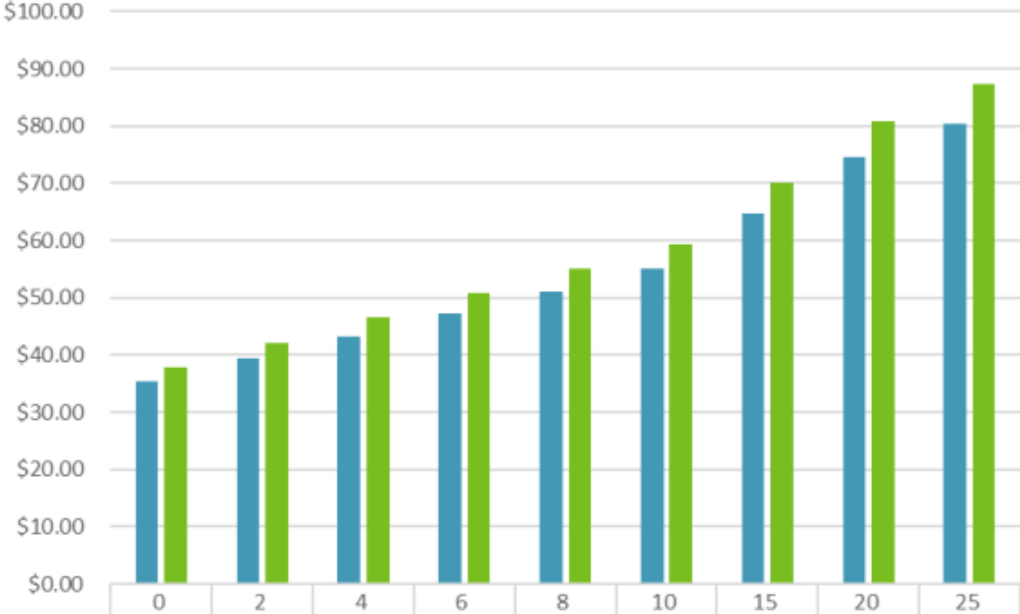


# Preliminary Rate Design Approach

- Cost of service results:
  - ✓ Water cost of service differences still exist
    - Irrigation customers
  - ✓ Minimal sewer cost of service differences
- Recommend maintaining current rate structure
  - ✓ As developed and recommended in prior rate study
- Proposed rates slightly increases fixed revenues
  - ✓ Reflects increased fixed costs incurred to fund capital needs

# Preliminary Water Rate Projection and Bill Comparison

Present and FY 24 Propsed Rate Alternative



	0	2	4	6	8	10	15	20	25
■ Present Rates	\$35.48	\$39.38	\$43.28	\$47.18	\$51.08	\$54.98	\$64.73	\$74.48	\$80.33
■ Proposed Rates	\$37.89	\$42.19	\$46.49	\$50.79	\$55.09	\$59.39	\$70.14	\$80.89	\$87.34

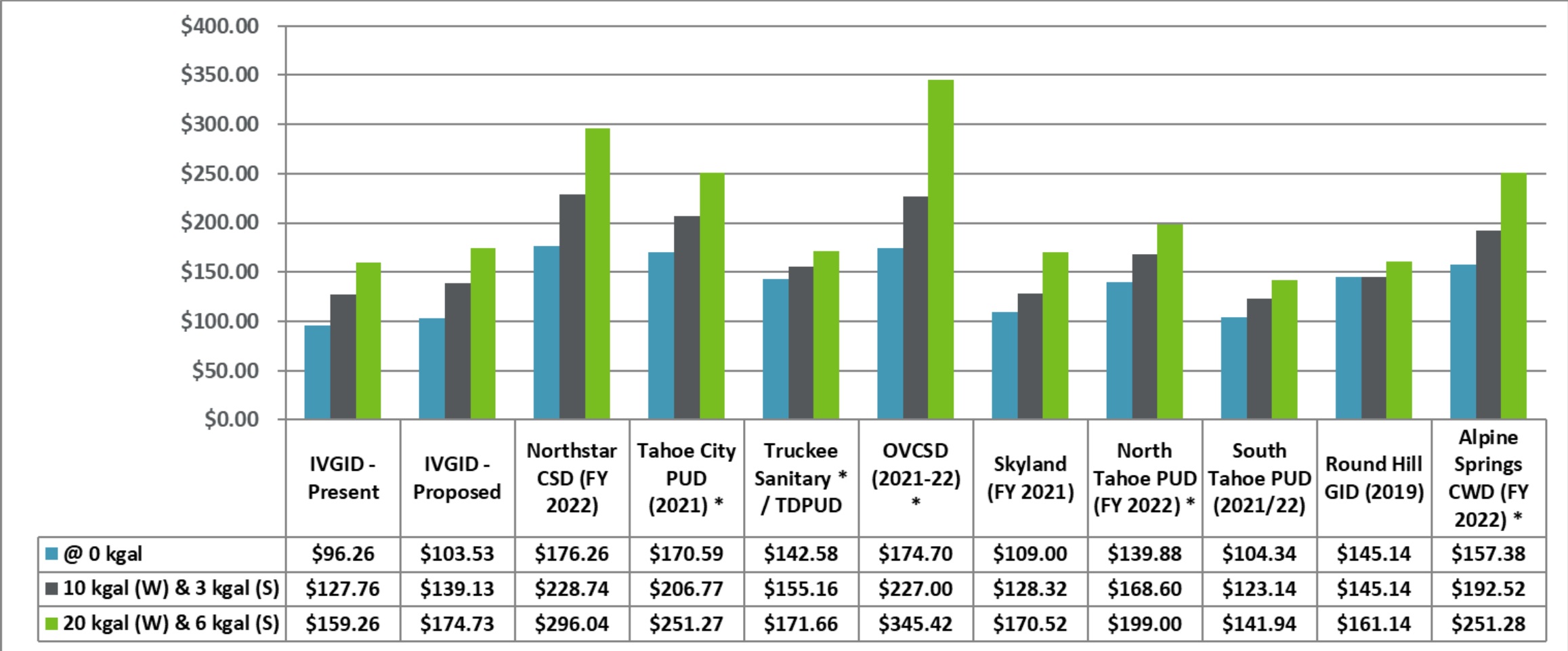
	Present Rates	Proposed				
		FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Meter Fee</b>						
3/4"	\$15.10	\$17.30	\$18.75	\$20.10	\$20.10	\$21.00
1"	25.22	28.89	31.31	33.57	33.57	35.07
1 1/2"	50.28	57.61	62.44	66.93	66.93	69.93
2"	80.48	92.21	99.94	107.13	107.13	111.93
3"	151.00	173.00	187.50	201.00	201.00	210.00
4"	251.72	288.39	312.56	335.07	335.07	350.07
6"	503.28	576.61	624.94	669.93	669.93	699.93
8"	805.28	922.61	999.94	1,071.93	1,071.93	1,119.93
10"	1,157.72	1,326.39	1,437.56	1,541.07	1,541.07	1,610.07
<b>Capital Improvement Fee</b>						
3/4"	\$15.10	\$15.10	\$18.23	\$20.92	\$24.85	\$23.35
1"	25.22	25.22	30.44	34.93	41.50	38.99
1 1/2"	50.28	50.28	60.70	69.66	82.76	77.74
2"	80.48	80.48	97.16	111.50	132.47	124.44
3"	151.00	151.00	182.29	209.19	248.53	233.46
4"	251.72	251.72	303.88	348.72	414.30	389.19
6"	503.28	503.28	607.59	697.22	828.35	778.14
8"	805.28	805.28	972.18	1,115.60	1,325.41	1,245.07
10"	1,157.42	1,157.72	1,397.65	1,603.84	1,905.48	1,789.97
<b>Admin Fee</b>	\$4.23	\$4.44	\$4.66	\$4.90	\$5.14	\$5.40
<b>Defensible Space</b>	\$1.05	\$1.05	\$1.05	\$1.05	\$1.05	\$1.05
<b>Residential and Commercial Water Use</b>						
Tier 1	\$1.95	\$2.15	\$2.15	\$2.22	\$2.22	\$2.29
Tier 2	3.12	3.44	3.44	3.55	3.55	3.66
Tier 3	3.64	4.01	4.01	4.14	4.14	4.27
<b>Irrigation Water Use</b>						
Tier 1	\$2.00	\$2.65	\$2.90	\$3.15	\$3.15	\$3.25
Tier 2	3.20	4.24	4.64	5.04	5.04	5.20
Tier 3	3.73	4.94	5.41	5.87	5.87	6.06

# Preliminary Sewer Rate Projection

	<i>Present</i>	<i>Proposed</i>				
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Residential</b>						
Base Charge	\$25.10	\$32.25	\$36.50	\$40.00	\$42.25	\$44.25
Capital Improvement	31.45	31.45	31.45	31.45	31.45	31.45
Admin Fee	4.23	4.44	4.66	4.90	5.14	5.40
<b>Multi-Family</b>						
Base Charge	\$25.10	\$32.25	\$36.50	\$40.00	\$42.25	\$44.25
Capital Improvement	31.45	31.45	31.45	31.45	31.45	31.45
Admin Fee	4.23	4.44	4.66	4.90	5.14	5.40
<b>Sewer Use</b>						
Residential	\$4.00	\$4.75	\$5.37	\$5.88	\$6.00	\$6.22
Multi-Family	4.00	4.75	5.37	5.88	6.00	6.22

	<i>Present</i>	<i>Proposed</i>				
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
<b>Commercial</b>						
<i>Base Charge</i>						
3/4"	\$25.10	\$32.25	\$36.50	\$40.00	\$42.25	\$44.25
1"	41.92	53.86	60.96	66.80	70.56	73.90
1 1/2"	83.58	107.39	121.55	133.20	140.69	147.35
2"	133.78	171.89	194.55	213.20	225.19	235.85
3"	251.00	322.50	365.00	400.00	422.50	442.50
4"	418.42	537.61	608.46	666.80	704.31	737.65
6"	836.58	1,074.89	1,216.55	1,333.20	1,408.19	1,474.85
8"	1,338.58	1,719.89	1,946.55	2,133.20	2,253.19	2,359.85
10"	1,497.74	1,924.39	2,177.99	2,386.84	2,521.10	2,640.44
<i>Capital Improvement</i>						
3/4"	\$31.45	\$31.45	\$31.45	\$31.45	\$31.45	\$31.45
1"	52.52	52.52	52.52	52.52	52.52	52.52
1 1/2"	104.73	104.73	104.73	104.73	104.73	104.73
2"	167.63	167.63	167.63	167.63	167.63	167.63
3"	314.50	314.50	314.50	314.50	314.50	314.50
4"	524.27	524.27	524.27	524.27	524.27	524.27
6"	1,048.23	1,048.23	1,048.23	1,048.23	1,048.23	1,048.23
8"	1,677.23	1,677.23	1,677.23	1,677.23	1,677.23	1,677.23
10"	2,410.64	2,410.64	2,410.64	2,410.64	2,410.64	2,410.64
<i>Admin Fee</i>						
	\$4.23	\$4.44	\$4.66	\$4.90	\$5.14	\$5.40
<b>Sewer Use</b>						
Commercial	4.70	5.60	6.35	6.95	7.10	7.37

# Local Monthly Combined Residential Bill Comparison



\*Rates include TTSA charge for wastewater treatment services



## Next Steps and Schedule



## Next Steps

- Gain Board approval for proposed rates
- Move forward with rate adoption and implementation

## Estimated Project Schedule

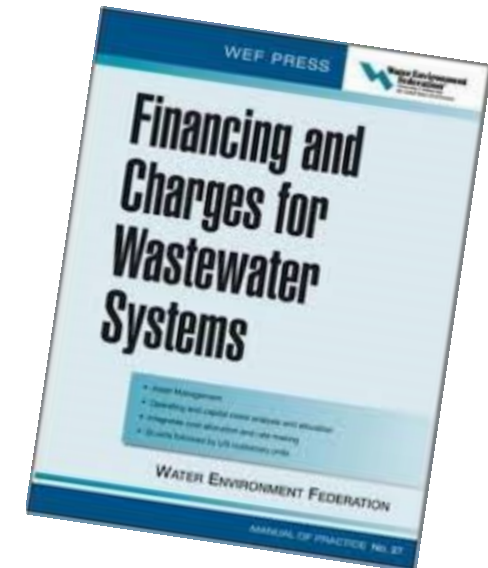
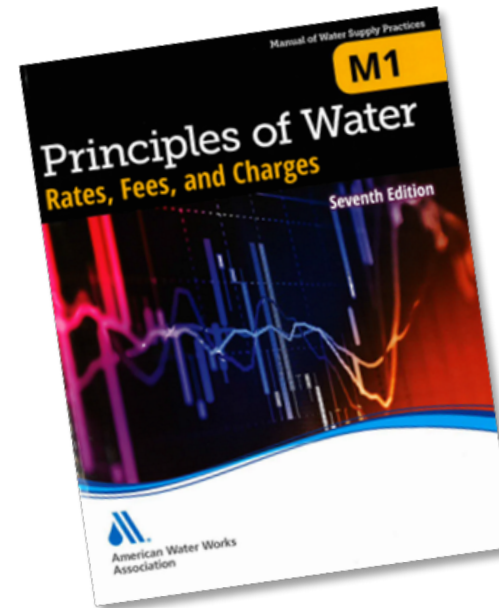
- Today: Review of rate study results
- Next:
  - Set public hearing
  - Rate adoption and implementation

**Thank you for your input!**



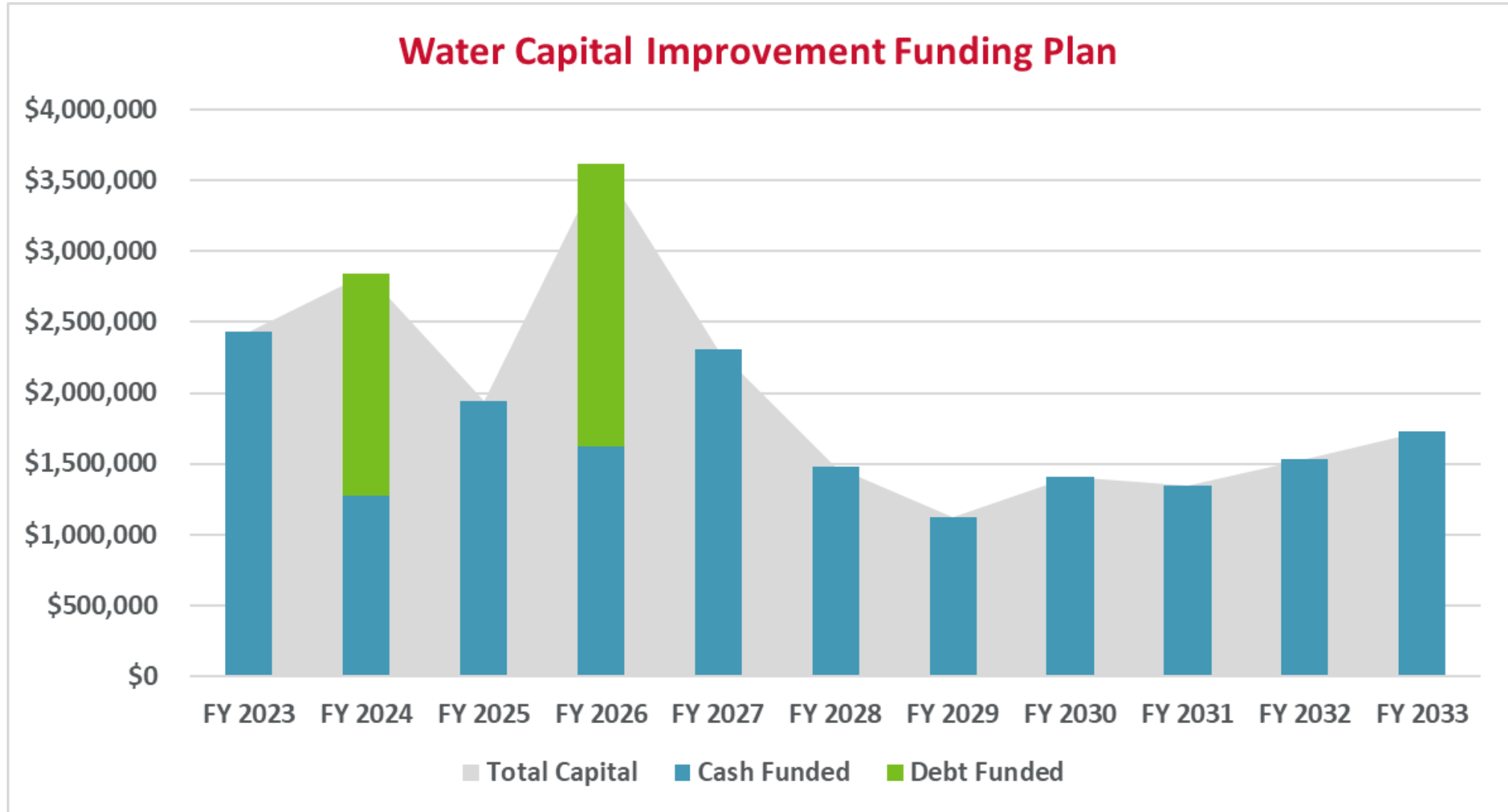
# Rate Study Goals and Objectives

- Provides sufficient revenue to operate and maintain District's water and sewer infrastructure
- Develop proportional and cost-based water and sewer rates
- Develop the study using generally accepted methodologies
  - ✓ Tailored to the District's systems and customer characteristics
- Reflect prudent financial planning criteria
  - ✓ Appropriate levels of capital funded through rates
  - ✓ Maintain adequate debt service coverage ratios (DSC)
  - ✓ Meet target reserve balances



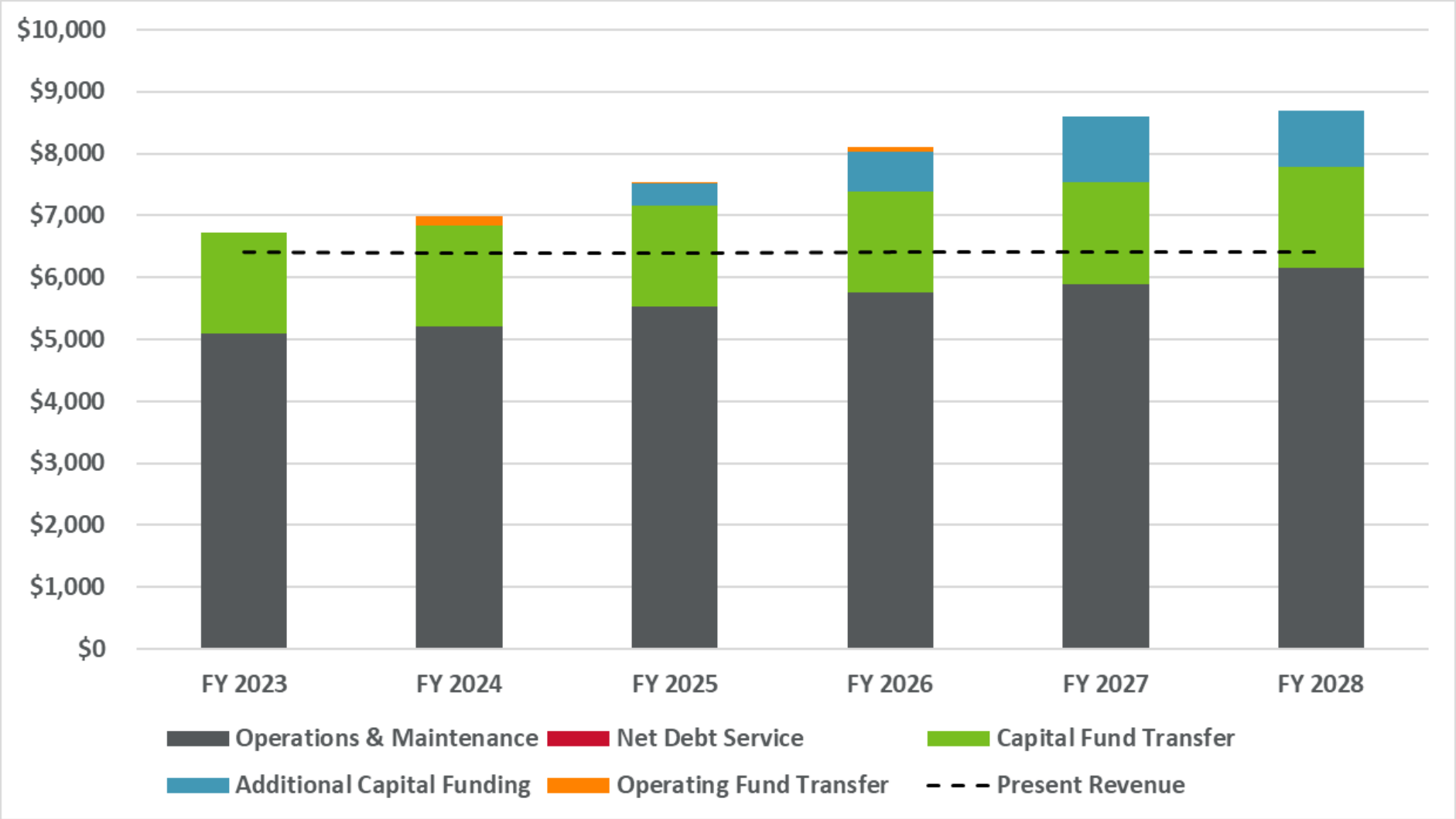
# Overview of the Revenue Requirement

- Compares utility revenues to expenses**
  - Determines the level of revenue (rate) adjustment necessary
- Uses prudent financial planning criteria**
  - Maintaining sufficient ending reserve balances
  - Attaining target debt service coverage (DSC) ratio
- Reviews a specific time period**
  - Five-year rate schedule; ten-year financial plan
- Utility is analyzed on a “stand-alone basis”**
  - No transfer of funds from other District funds
  - Rates need to support operations and capital
- Utilizes the “cash basis” methodology**
  - Generally accepted method for municipal utilities



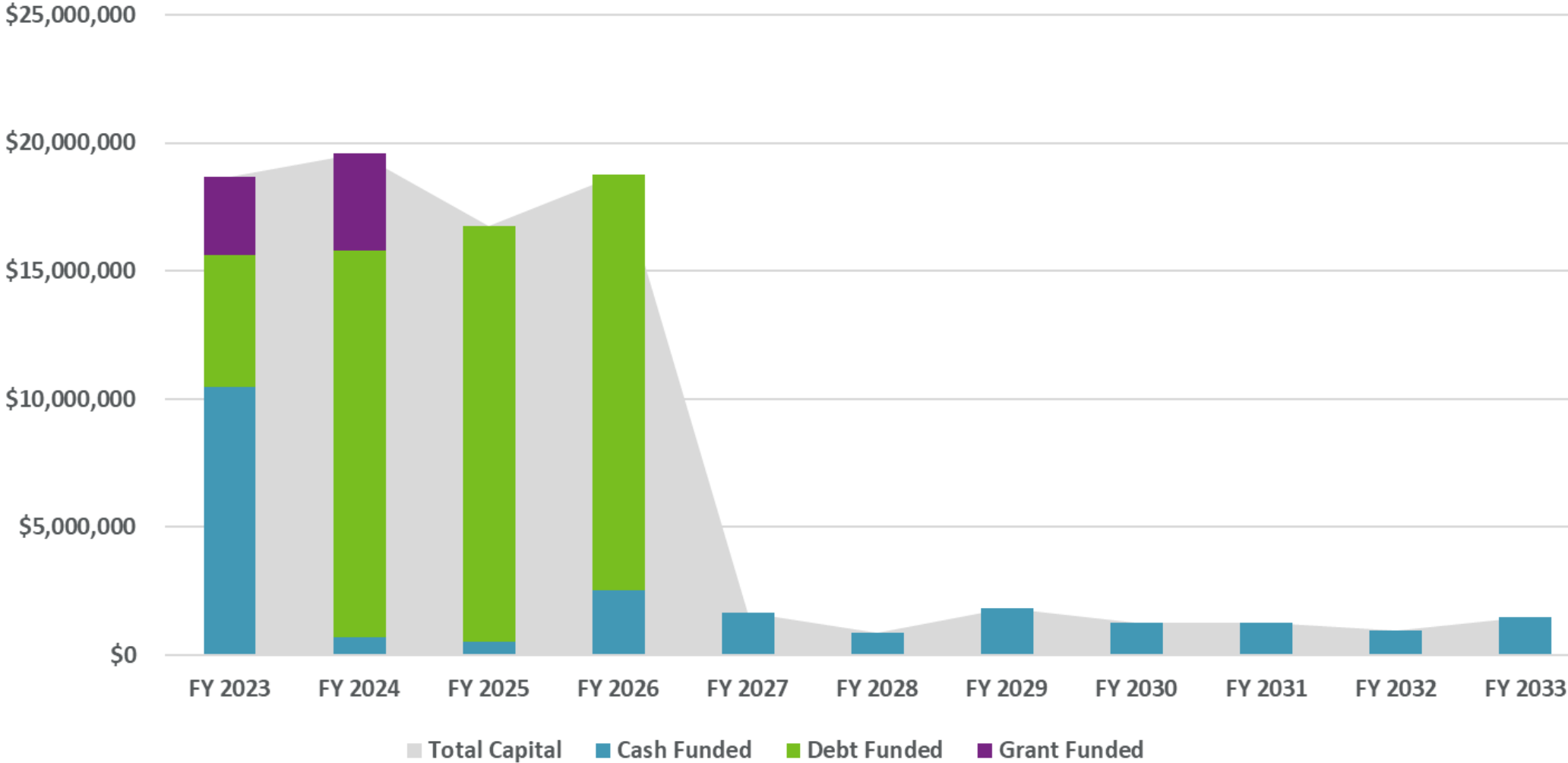
**Additional long-term debt for disinfection plant (2026) improvements and water main replacements (2024)**

# Preliminary Water Revenue Requirement Summary (\$000's)



**\*\* Annual Debt Service Payments are funded through annual capital charge**

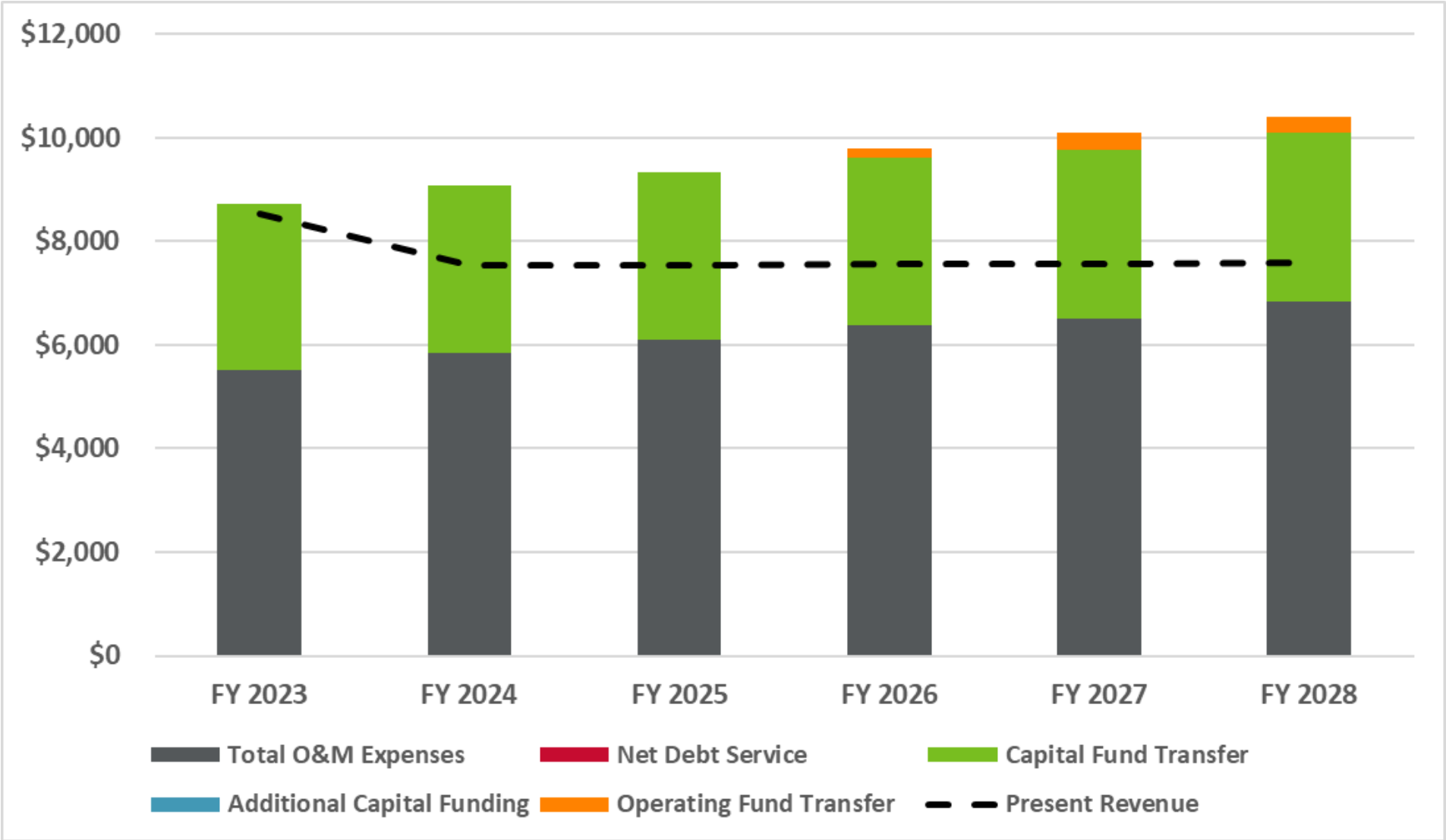
## Sewer Capital Improvement Funding Plan



**Additional long-term debt for effluent pipeline funding; grant funding for pond lining/storage tank**



# Preliminary Sewer Revenue Requirement Summary (\$000's)



**\*\* Annual Debt Service Payments are funded through annual capital charge**

# Overview of the Cost of Service

## What is cost of service?

- Analysis to proportionally distribute the revenue requirement to each customer classes of service

## Why cost of service

- Generally accepted as “fair and equitable”
- Avoids interclass subsidies
- Revenues reflect costs

## Objectives of Cost of Service

- Determine if subsidies exist
- Develop average unit costs

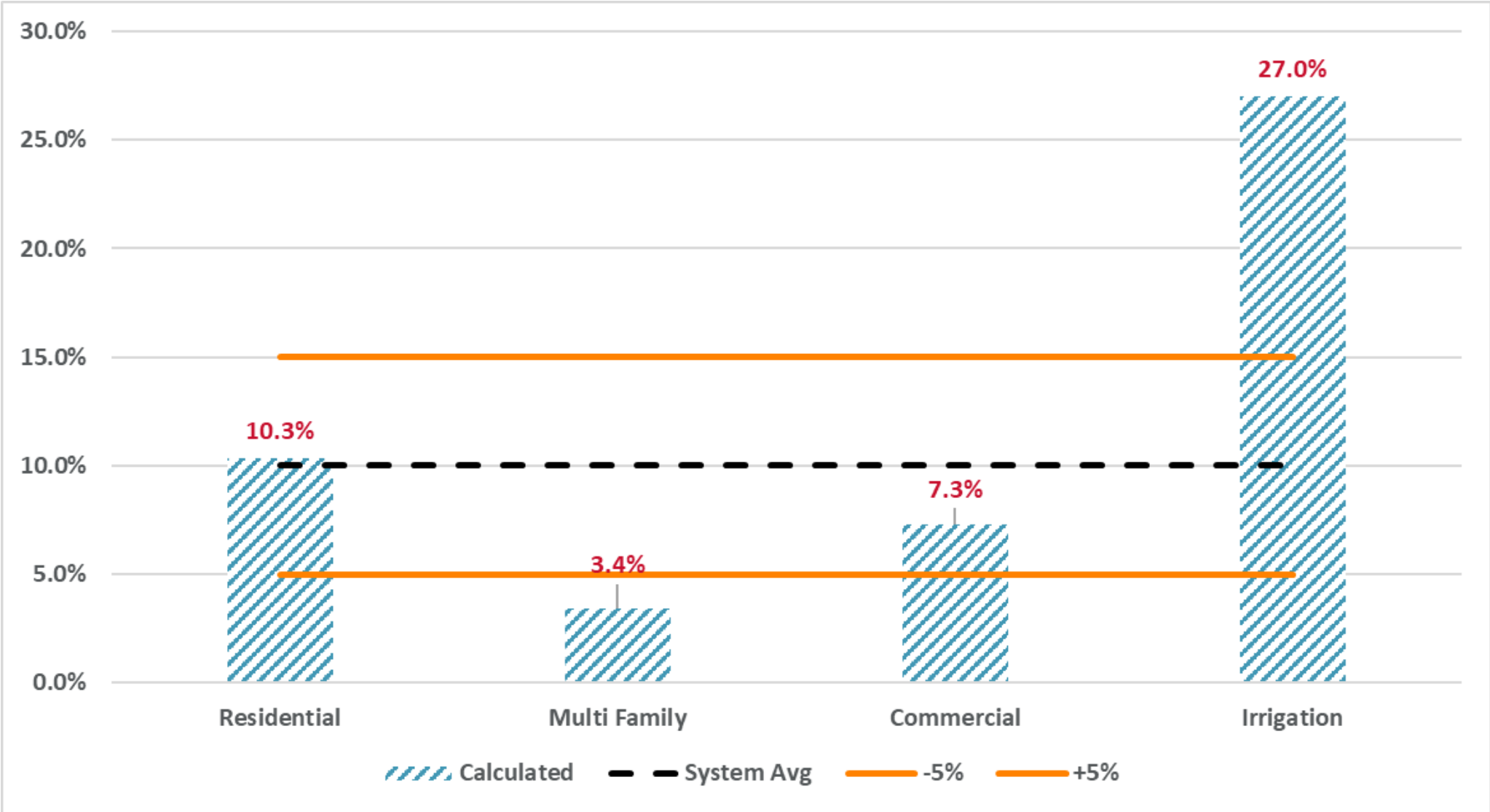
## Preliminary Water Cost of Service Key Assumptions

- Primary allocation and distribution components:
  - ✓ Average day
  - ✓ Peak day
- Preliminary results
  - ✓ Residential, multi-family, and commercial are reasonable
  - ✓ Irrigation continues to show the need for greater increases
- Recommend above average increase to irrigation customer rates

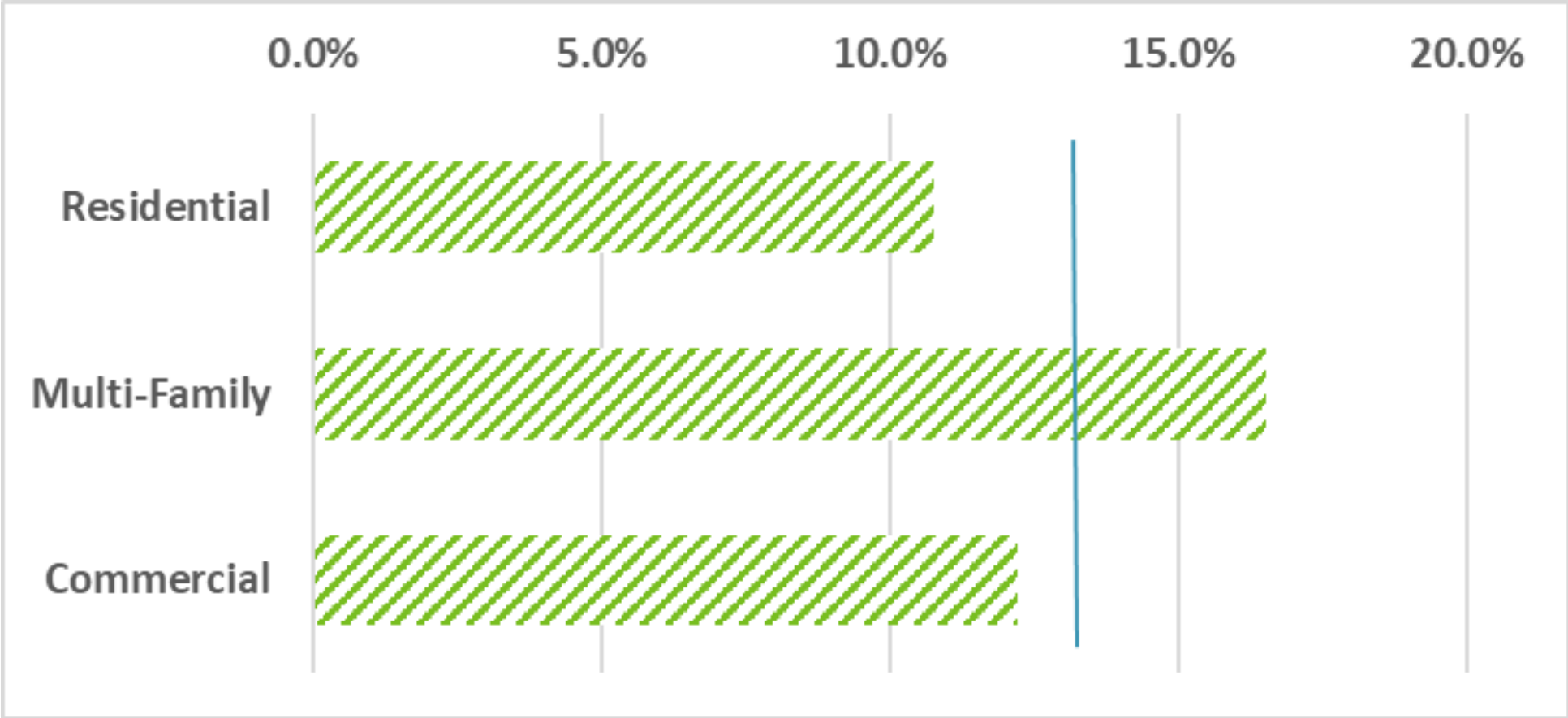
## ▪ Preliminary Sewer Cost of Service Key Assumptions

- Primary allocation and distribution components:
  - ✓ Average volumes
  - ✓ Strength impacts
- Preliminary Results
  - ✓ Prior study adjustments result in very minimal cost of service differences
- Recommend “across the board” adjustments

# Water Cost of Service Summary (FY 2024)



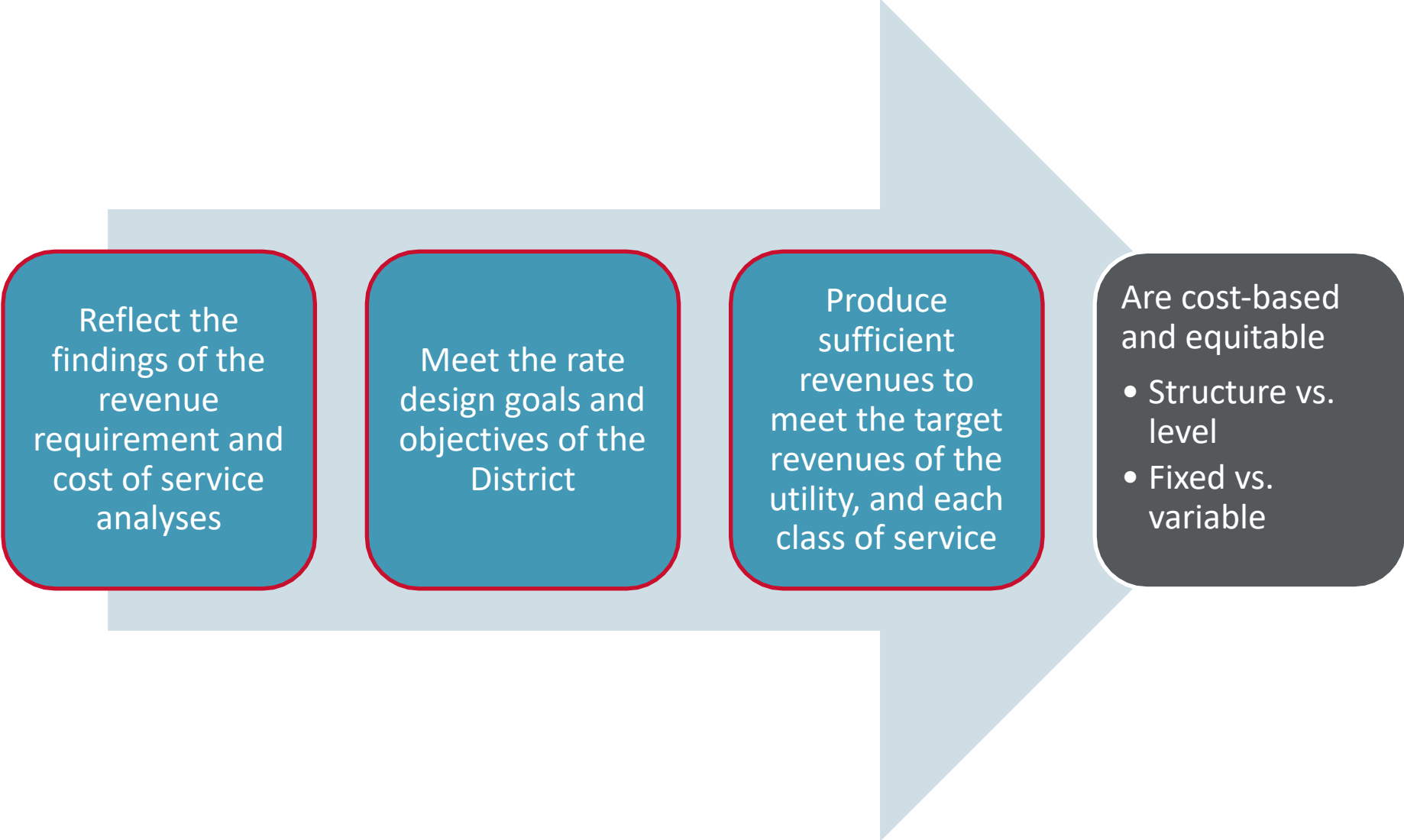
# Sewer Cost of Service Summary (FY 2024)



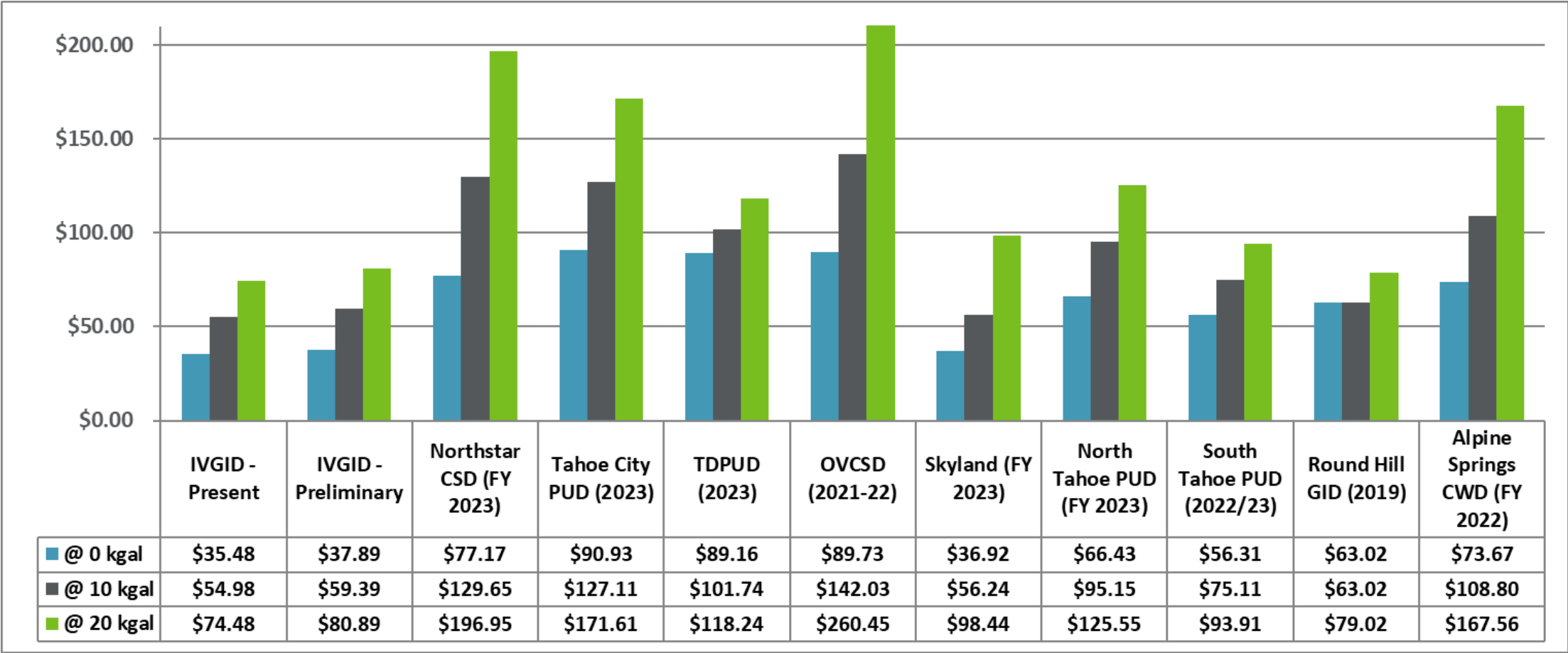
## Preliminary Cost of Service Observations

- Some cost differences exist between the customer classes of service
  - ✓ Reflects customer and system characteristics
  - ✓ Characteristics change over time
- Water utility impacts
  - ✓ Driven by peak use by customer classes (irrigation customers)
- Sewer utility impacts are minimal and within a reasonable range
- Cost of service is a single point in time
  - ✓ Minor revisions based on prior adjustments
- Would recommend additional adjustment to irrigation customer rates

# Overview of the Rate Design

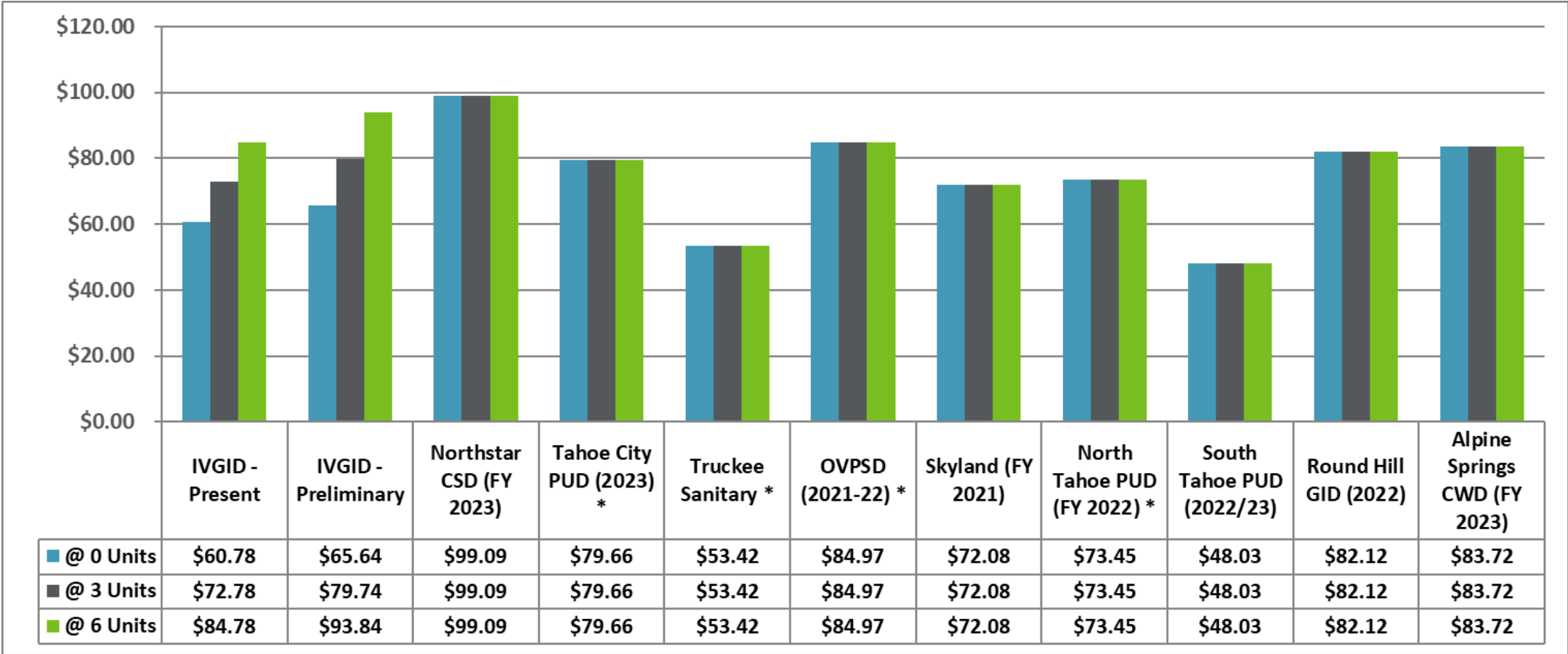


# Local Monthly Residential Water Bill Comparison





# Local Monthly Residential Sewer Bill Comparison



\*Rates include TTSA charge for treatment services

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
<b>Combined Water Sewer</b>											
<b>Beginning Reserve Balance (Not incl Debt + Effluent)</b>	<b>\$3,247,558</b>	<b>\$1,936,574</b>	<b>\$3,221,709</b>	<b>\$4,009,741</b>	<b>\$5,131,279</b>	<b>\$3,887,298</b>	<b>\$4,298,219</b>	<b>\$4,256,390</b>	<b>\$4,410,747</b>	<b>\$4,616,184</b>	<b>\$5,198,815</b>
<b>Operating Fund</b>											
<b>Beginning Balance</b>	<b>\$2,497,558</b>	<b>\$1,987,866</b>	<b>\$1,616,933</b>	<b>\$1,530,716</b>	<b>\$1,775,499</b>	<b>\$1,858,355</b>	<b>\$2,075,503</b>	<b>\$2,862,320</b>	<b>\$3,016,606</b>	<b>\$3,202,509</b>	<b>\$3,620,708</b>
Plus: Additions	0	158,053	32,670	250,007	331,169	316,851	792,199	159,722	191,394	423,745	438,879
Bal. / (Def.) of Funds	0	(4,109)	(4,660)	(5,224)	(5,277)	(5,329)	(5,383)	(5,436)	(5,491)	(5,546)	(5,601)
Less: Uses of Funds	(509,692)	(524,877)	(114,227)	0	(243,036)	(94,374)	0	0	0	0	0
<b>Ending Balance</b>	<b>\$1,987,866</b>	<b>\$1,616,933</b>	<b>\$1,530,716</b>	<b>\$1,775,499</b>	<b>\$1,858,355</b>	<b>\$2,075,503</b>	<b>\$2,862,320</b>	<b>\$3,016,606</b>	<b>\$3,202,509</b>	<b>\$3,620,708</b>	<b>\$4,053,986</b>
<i>Minimum: 25% of O&amp;M</i>	<i>\$2,634,632</i>	<i>\$2,746,544</i>	<i>\$2,892,832</i>	<i>\$3,016,804</i>	<i>\$3,083,748</i>	<i>\$3,228,659</i>	<i>\$3,342,845</i>	<i>\$3,530,135</i>	<i>\$3,693,387</i>	<i>\$3,807,353</i>	<i>\$4,008,967</i>
<b>Capital Fund</b>											
<b>Beginning Balance</b>	<b>\$750,000</b>	<b>(\$51,292)</b>	<b>\$1,604,776</b>	<b>\$2,479,025</b>	<b>\$3,355,780</b>	<b>\$2,028,943</b>	<b>\$2,222,716</b>	<b>\$1,394,071</b>	<b>\$1,394,141</b>	<b>\$1,413,675</b>	<b>\$1,578,107</b>
Plus: Additions	4,846,390	4,851,236	4,856,087	4,860,944	4,865,804	4,870,670	4,875,541	4,880,416	4,885,297	4,890,182	4,895,072
Plus: Connection Fees	55,280	55,335	55,391	55,446	55,501	55,557	55,613	55,668	55,724	55,780	55,835
Less: Transfer to Debt Reserve	(284,000)	(851,000)	(851,000)	(851,000)	0	0	0	0	0	0	0
Less: Uses of Funds	(5,418,962)	(2,399,503)	(3,186,229)	(3,188,635)	(6,248,143)	(4,732,454)	(5,759,799)	(4,936,014)	(4,921,487)	(4,781,530)	(5,633,123)
<b>Ending Balance</b>	<b>(\$51,292)</b>	<b>\$1,604,776</b>	<b>\$2,479,025</b>	<b>\$3,355,780</b>	<b>\$2,028,943</b>	<b>\$2,222,716</b>	<b>\$1,394,071</b>	<b>\$1,394,141</b>	<b>\$1,413,675</b>	<b>\$1,578,107</b>	<b>\$895,892</b>
<i>Target Minimum: Dep Exp</i>	<i>\$3,682,900</i>	<i>\$3,787,968</i>	<i>\$3,896,042</i>	<i>\$4,007,208</i>	<i>\$4,121,554</i>	<i>\$4,239,173</i>	<i>\$4,360,157</i>	<i>\$4,484,603</i>	<i>\$4,612,611</i>	<i>\$4,744,284</i>	<i>\$4,879,725</i>
<b>Effluent Reserve Fund</b>											
<b>Beginning Balance</b>	<b>\$15,463,000</b>	<b>\$7,484,308</b>	<b>\$6,763,076</b>	<b>\$6,240,226</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>
Plus: Additions	0	0	0	0	0	0	0	0	0	0	0
Less: Uses of Funds	(7,978,692)	(721,232)	(522,850)	(2,521,442)	0	0	0	0	0	0	0
<b>Ending Balance</b>	<b>\$7,484,308</b>	<b>\$6,763,076</b>	<b>\$6,240,226</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>	<b>\$3,718,784</b>
<b>Debt Reserve Fund</b>											
<b>Beginning Balance</b>	<b>\$0</b>	<b>\$284,000</b>	<b>\$1,135,000</b>	<b>\$1,986,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>
Plus: Additions	284,000	851,000	851,000	851,000	0	0	0	0	0	0	0
Less: Uses of Funds	0	0	0	0	0	0	0	0	0	0	0
<b>Ending Balance</b>	<b>\$284,000</b>	<b>\$1,135,000</b>	<b>\$1,986,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>	<b>\$2,837,000</b>
<b>Total Ending Balance (Not incl Debt + Effluent)</b>	<b>\$1,936,574</b>	<b>\$3,221,709</b>	<b>\$4,009,741</b>	<b>\$5,131,279</b>	<b>\$3,887,298</b>	<b>\$4,298,219</b>	<b>\$4,256,390</b>	<b>\$4,410,747</b>	<b>\$4,616,184</b>	<b>\$5,198,815</b>	<b>\$4,949,878</b>
<i>Minimum</i>	<i>\$6,317,532</i>	<i>\$6,534,512</i>	<i>\$6,788,874</i>	<i>\$7,024,012</i>	<i>\$7,205,302</i>	<i>\$7,467,831</i>	<i>\$7,703,001</i>	<i>\$8,014,738</i>	<i>\$8,305,998</i>	<i>\$8,551,636</i>	<i>\$8,888,692</i>
<i>Bal/(Def)</i>	<i>(\$4,380,959)</i>	<i>(\$3,312,803)</i>	<i>(\$2,779,133)</i>	<i>(\$1,892,734)</i>	<i>(\$3,318,005)</i>	<i>(\$3,169,612)</i>	<i>(\$3,446,611)</i>	<i>(\$3,603,991)</i>	<i>(\$3,689,814)</i>	<i>(\$3,352,821)</i>	<i>(\$3,938,814)</i>
<b>Total Reserves</b>	<b>\$9,420,882</b>	<b>\$9,984,785</b>	<b>\$10,249,967</b>	<b>\$8,850,063</b>	<b>\$7,606,082</b>	<b>\$8,017,003</b>	<b>\$7,975,174</b>	<b>\$8,129,531</b>	<b>\$8,334,968</b>	<b>\$8,917,599</b>	<b>\$8,668,662</b>

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
<b>Combined Water Sewer</b>											
<b>Beginning Reserve Balance (Not incl Debt + Effluent)</b>	<b>\$4,922,237</b>	<b>\$4,452,493</b>	<b>\$4,411,733</b>	<b>\$5,758,349</b>	<b>\$7,361,904</b>	<b>\$6,712,750</b>	<b>\$7,555,217</b>	<b>\$8,155,959</b>	<b>\$8,468,763</b>	<b>\$9,003,567</b>	<b>\$9,457,554</b>
<b>Operating Fund</b>											
<b>Beginning Balance</b>	<b>\$3,942,237</b>	<b>\$4,065,160</b>	<b>\$2,704,049</b>	<b>\$2,735,589</b>	<b>\$3,088,474</b>	<b>\$3,492,014</b>	<b>\$3,777,195</b>	<b>\$3,957,666</b>	<b>\$4,034,319</b>	<b>\$4,109,872</b>	<b>\$4,172,550</b>
Plus: Additions	280,583	0	75,626	352,884	403,541	309,014	180,471	88,555	79,987	63,938	40,612
Bal. / (Def.) of Funds	0	(0)	0	0	0	(0)	0	0	0	0	0
Less: Uses of Funds	(157,660)	(1,361,112)	(44,085)	0	0	(23,833)	0	(11,902)	(4,434)	(1,260)	(3,149)
<b>Ending Balance</b>	<b>\$4,065,160</b>	<b>\$2,704,049</b>	<b>\$2,735,589</b>	<b>\$3,088,474</b>	<b>\$3,492,014</b>	<b>\$3,777,195</b>	<b>\$3,957,666</b>	<b>\$4,034,319</b>	<b>\$4,109,872</b>	<b>\$4,172,550</b>	<b>\$4,210,013</b>
<i>Minimum: 25% of O&amp;M</i>	<i>\$1,827,274</i>	<i>\$2,664,838</i>	<i>\$2,601,825</i>	<i>\$2,779,132</i>	<i>\$2,899,789</i>	<i>\$3,049,189</i>	<i>\$3,185,185</i>	<i>\$3,337,936</i>	<i>\$3,499,059</i>	<i>\$3,669,088</i>	<i>\$3,848,595</i>
<b>Capital Fund</b>											
<b>Beginning Balance</b>	<b>\$980,000</b>	<b>\$387,333</b>	<b>\$1,707,684</b>	<b>\$3,022,760</b>	<b>\$4,273,430</b>	<b>\$3,220,736</b>	<b>\$3,778,023</b>	<b>\$4,198,293</b>	<b>\$4,434,444</b>	<b>\$4,893,695</b>	<b>\$5,285,004</b>
Plus: Additions	4,827,967	4,832,795	5,712,628	5,817,466	5,997,308	4,852,155	4,857,008	4,861,865	4,866,726	4,871,593	4,876,465
Plus: Connection Fees	51,500	51,552	51,603	51,655	51,706	51,758	51,810	51,862	51,913	51,965	52,017
Less: Transfer to Debt Reserve	0	0	(875,000)	(975,000)	(1,145,000)	0	0	0	0	0	0
Less: Uses of Funds	(5,472,134)	(3,563,996)	(3,574,155)	(3,643,450)	(5,956,709)	(4,346,627)	(4,488,547)	(4,677,576)	(4,459,389)	(4,532,250)	(4,331,192)
<b>Ending Balance</b>	<b>\$387,333</b>	<b>\$1,707,684</b>	<b>\$3,022,760</b>	<b>\$4,273,430</b>	<b>\$3,220,736</b>	<b>\$3,778,023</b>	<b>\$4,198,293</b>	<b>\$4,434,444</b>	<b>\$4,893,695</b>	<b>\$5,285,004</b>	<b>\$5,882,294</b>
<i>Target Minimum: Dep Exp</i>	<i>\$3,682,900</i>	<i>\$3,782,338</i>	<i>\$3,884,461</i>	<i>\$3,989,342</i>	<i>\$4,097,054</i>	<i>\$4,207,675</i>	<i>\$4,321,282</i>	<i>\$4,437,956</i>	<i>\$4,557,781</i>	<i>\$4,680,841</i>	<i>\$4,807,224</i>
<b>Effluent Reserve Fund</b>											
<b>Beginning Balance</b>	<b>\$11,560,000</b>	<b>\$10,560,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Plus: Additions	0	822,241	1,000,000	0	0	0	0	0	0	0	0
Less: Uses of Funds	(1,000,000)	(11,382,241)	(1,000,000)	0	0	0	0	0	0	0	0
<b>Ending Balance</b>	<b>\$10,560,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Debt Reserve Fund</b>											
<b>Beginning Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$875,000</b>	<b>\$1,850,000</b>	<b>\$2,995,000</b>	<b>\$2,995,000</b>	<b>\$2,995,000</b>	<b>\$2,995,000</b>	<b>\$2,995,000</b>	<b>\$2,995,000</b>
Plus: Additions	0	0	875,000	975,000	1,145,000	0	0	0	0	0	0
Less: Uses of Funds	0	0	0	0	0	0	0	0	0	0	0
<b>Ending Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$875,000</b>	<b>\$1,850,000</b>	<b>\$2,995,000</b>	<b>\$2,995,000</b>	<b>\$2,995,000</b>	<b>\$2,995,000</b>	<b>\$2,995,000</b>	<b>\$2,995,000</b>	<b>\$2,995,000</b>



**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Brad Underwood, Director of Public Works

**FROM:** Kate Nelson, Engineering Manager

**SUBJECT:** Accept the FY22 Tahoe Water for Fire Suppression Partnership Grant in the amount of \$204,528.00; appropriate FY22 Tahoe Water for Fire Suppression Partnership Grant funds in the amount of \$204,528.00 as a revenue source to support the Watermain Replacement - Crystal Peak Road Project (CIP#2299WS1705); award the Construction Contract to Burdick Excavation in the amount of \$1,111,111.00; authorize Staff to execute change orders for additional work not anticipated at this time of approximately 10% of the construction contract value; amount not to exceed \$111,000; approve construction phase contract for Shaw Engineering in the amount not to exceed \$9,600.00; approve a materials testing contract for Construction Materials Engineers Inc. (CME) in the amount of \$18,800; and authorize Chair and Secretary to execute contracts with Burdick Excavation, Shaw Engineering, and CME. (Requesting Staff Member: Director of Public Works Brad Underwood)

**RELATED STRATEGIC PLAN INITIATIVE(S):**      **LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE**

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services.

**RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES**

Board Policy 12.1.0 Multi-year Capital Planning, 13.1.0 Capital Project Budgeting, and 21.1.0 Purchasing Policy for Public Works Contracts.

**DATE:** March 8, 2023

---

**I. RECOMMENDATION**

That the Board of Trustees made a motion to:

- Accept the FY22 Tahoe Water for Fire Suppression Partnership Grant in the amount of \$204,528.00
- Appropriate FY22 Tahoe Water for Fire Suppression Partnership Grant funds in the amount of \$204,528.00 as a funding source to support the Watermain Replacement - Crystal Peak Road Project (CIP#2299WS1705)
- Award the Construction Contract to Burdick Excavation in the amount of \$1,111,111.00
- Authorize Staff to execute change orders for additional work not anticipated at this time of approximately 10% of the construction contract value; amount not to exceed \$111,000
- Approve a construction phase contract for Shaw Engineering in the amount not to exceed \$9,600.00
- Approve a materials testing contract for CME in the amount of \$18,800.00
- Authorize Chair and Secretary to execute contracts with Burdick Excavation, Shaw Engineering, and CME, based on a review by General Counsel and Staff.

## **II. BACKGROUND**

This project is a FY 2022-23 Capital Improvement Project, and is a continuation of the multi-year program to replace 1960's-era thin-wall steel watermains and other deficient watermains. This project will replace the watermain in Crystal Peak Road between Lakeshore Boulevard and Martis Peak Road.

An additional objective of this program is to coordinate closely with the North Lake Tahoe Fire Protection District to determine areas of low fire flow, which may indicate a need for increased capacity in that area. If increased capacity is needed, these waterlines are also eligible for grant funding through the Tahoe Water for Fire Suppression Partnership. Staff also continues to coordinate with the Washoe County Road Department to replace watermains prior to the County's repaving or rehabilitating the road surface. Staff is working with the Utility Masterplan consultant to re-evaluate the steel watermain replacement program to consider locations with frequent repairs and the continued increases in the Construction Cost Index (CCI).

## **III. BID RESULTS**

The District publicly advertised this project for bidding on December 30, 2022 with a bid submittal due date of February 9, 2023, a 6-week bid period. The District advertised the work as required by NRS 338 and posted all construction documents on PlanetBids. Vendors and contractors on PlanetBids can access all of the District's documents at no cost. The online portal also tracks questions, addenda to the documents, plan holders and interested vendors.

The District received and opened four (4) responsive bids. The Engineer's Estimate for the base project was \$1,200,000. The Engineer's Estimate did not

include a contingency. The bid results are attached as part of the Recommendation of Award provided by the design engineer (Attachment A).

**IV. FINANCIAL IMPACT AND BUDGET**

The Crystal Peak Watermain Replacement Project CIP2299WS1705 is included in the approved FY 2022-23 CIP Budget, with a total project budget of \$1,500,000 (Attachment B). The Crystal Peak Watermain Replacement project was submitted as a top tier IVGID priority project for grant funding under the Tahoe Water for Fire Suppression Partnership, and was awarded a grant in the amount of \$204,528 for construction (Attachment C). Approval of the recommendations contained in this agenda item would authorize acceptance of the grant funding, authorize a budget amendment to reflect the grant funding as a revenue source in support of this project, and authorize actions related to executing the project. There is no impact to the approved expenditure budget for the project.

The table below presents the estimated Construction Phase costs for the Crystal Peak Waterline project budget:

<b>Task</b>	<b>Cost</b>
Internal Project Management & Inspection	\$36,500
Construction by Burdick Excavation	\$1,111,111
Construction Materials Testing - CME	\$18,800
External Construction Phase Services - Shaw Engineering	\$9,600
Construction Contingency	\$111,000
<b>Total</b>	<b>\$1,287,011</b>

Construction contingency is listed at approximately 10% to account for unforeseen conditions during construction such as unknown ground conditions or existing utility conflicts as examples.

The contracts associated with the construction, construction administration services, and material testing are attached (Attachment D, E, F).

**V. ALTERNATIVES**

Not accept the grant award and not authorize the construction of the Crystal Peak Waterline Replacement.

**VI. COMMENTS**

No additional comments.

**VII. DISTRICT IMPROVEMENT, COST REDUCTION, RETURN ON INVESTMENT OR PRODUCTIVITY ENHANCEMENT**

Replacement of waterlines that have outlived their useful life reduce costs associated with repairs and is considered best management practice for utility purveyors. Replacing this waterline will effectively eliminate the need for the Public Works Pipeline Division to respond to leaks from aging infrastructure.

### **VIII. BUSINESS IMPACT**

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

### **IX. ATTACHMENTS**

1. A\_IVGID Crystal Peak Recommendation of Award Letter\_WA-2023-032
2. B\_2299WS1705 - Watermain Replacement - Crystal Peak Road
3. C\_STPUD - Fire Suppression - Subaward Packet IVGID
4. D\_IVGID WA-2023-032 Project Manual - Conformed\_bbk
5. E\_Shaw Engineering 2022-02-22 PSA - Crystal Peak Waterlines, Construction Phase
6. F\_2022-02-22 PSA - Crystal Peak Waterlines Mat'ls Testing

### **X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

1. Accept the FY22 Tahoe Water for Fire Suppression Partnership Grant in the amount of \$204,528.00
2. Appropriate FY22 Tahoe Water for Fire Suppression Partnership Grant funds in the amount of \$204,528.00 as a funding source to support the Watermain Replacement - Crystal Peak Road Project (CIP#2299WS1705)
3. Award the Construction Contract to Burdick Excavation in the amount of \$1,111,111.00
4. Authorize Staff to execute change orders for additional work not anticipated at this time of approximately 10% of the construction contract value; amount not to exceed \$111,000
5. Approve a construction phase contract for Shaw Engineering in the amount not to exceed \$9,600.00
6. Approve a materials testing contract for CME in the amount of \$18,800
7. Authorize Chair and Secretary to execute contracts with Burdick Excavation, Shaw Engineering, and CME, based on a review by General Counsel and Staff.





## ATTACHMENT A

February 14, 2023  
PWP No. WA-2023-032

Ms. Ronnie Rector  
Public Works Contracts Administrator  
Incline Village General Improvement District  
1220 Sweetwater Road  
Incline Village, NV 89451

**RE: Crystal Peak Distribution Watermain Improvements  
Recommendation of Award**

Dear Ms. Rector:

Incline Village General Improvement District has reviewed all four bids received on February 9, 2023 for the above referenced Project. A summary of the bids received is attached to this letter. No mathematical errors were found in any of the bids. Burdick Excavation (Burdick) is the apparent low bidder with a bid amount of \$1,111,111.00. Burdick has satisfactorily completed all the forms associated with the bid proposal package and is properly licensed in the State of Nevada. Burdick appears to have submitted a responsive and responsible bid.

Shaw Engineering therefore recommends the award of this project to Burdick for a total amount of \$1,111,111.00. This award should be contingent upon no formal protests being filed per Article 17 contained in the Information for Bidders which allows for a formal protest within 5 Days of this letter of recommendation.

If you have any questions or comments please feel free to call anytime.

Sincerely,  
**SHAW ENGINEERING**

*Nick O'Connor*

Nick O'Connor, P.E.  
Project Engineer

Attachments: Bid Tabulation  
Contractors Board Information

Cc: Hudson Klein, P.E. IVGID  
Kate Nelson, P.E., IVGID

20 Vine Street  
Reno, Nevada  
89503

Telephone:  
775.  
329.5559

Facsimile:  
775.  
329.5406

Email:  
mail@  
shawengineering  
.com



**Incline Village General Improvement District**  
**Crystal Peak Distribution Watermain Improvements**  
**Bid Tabulation**

2/9/23

Item No.	Description	Unit	Qty	Burdick Excavating		Gerhardt & Berry		FW Carson		Resource Development	
				Bid Unit Price	Bid Amount	Bid Unit Price	Bid Amount	Bid Unit Price	Bid Amount	Bid Unit Price	Bid Amount
1	Mobilization/Demobilization	LS	1	\$ 55,000.00	\$ 55,000.00	\$ 50,000.00	\$ 50,000.00	\$ 53,100.00	\$ 53,100.00	\$ 66,000.00	\$ 66,000.00
2	Temporary Traffic Control	LS	1	\$ 71,000.00	\$ 71,000.00	\$ 11,540.00	\$ 11,540.00	\$ 52,100.00	\$ 52,100.00	\$ 159,500.00	\$ 159,500.00
3	Environmental Protection	LS	1	\$ 6,500.00	\$ 6,500.00	\$ 65,165.00	\$ 65,165.00	\$ 29,400.00	\$ 29,400.00	\$ 27,500.00	\$ 27,500.00
4	WL Connection Assembly Sheet P1 Section A-A	LS	1	\$ 45,000.00	\$ 45,000.00	\$ 27,043.00	\$ 27,043.00	\$ 22,500.00	\$ 22,500.00	\$ 50,900.00	\$ 50,900.00
5	WL Connection Assembly Sheet P3 Station 32+15	LS	1	\$ 30,900.00	\$ 30,900.00	\$ 13,370.00	\$ 13,370.00	\$ 21,000.00	\$ 21,000.00	\$ 28,000.00	\$ 28,000.00
6	8" Water Line	LF	2280	\$ 159.00	\$ 362,520.00	\$ 193.00	\$ 440,040.00	\$ 198.00	\$ 451,440.00	\$ 267.50	\$ 609,900.00
7	8" Gate Valve	EA	6	\$ 6,550.00	\$ 39,300.00	\$ 4,685.00	\$ 28,110.00	\$ 5,600.00	\$ 33,600.00	\$ 4,250.00	\$ 25,500.00
8	Fire Hydrant Assembly	EA	3	\$ 18,100.00	\$ 54,300.00	\$ 18,995.00	\$ 56,985.00	\$ 15,900.00	\$ 47,700.00	\$ 24,700.00	\$ 74,100.00
9	Water Service Re-connects	EA	15	\$ 5,865.00	\$ 87,975.00	\$ 6,608.00	\$ 99,120.00	\$ 3,900.00	\$ 58,500.00	\$ 5,250.00	\$ 78,750.00
10	Abandon Existing Water Valve	EA	3	\$ 250.00	\$ 750.00	\$ 1,716.00	\$ 5,148.00	\$ 1,800.00	\$ 5,400.00	\$ 2,550.00	\$ 7,650.00
11	1" Combination Air Valve	EA	1	\$ 8,200.00	\$ 8,200.00	\$ 10,332.00	\$ 10,332.00	\$ 9,400.00	\$ 9,400.00	\$ 11,500.00	\$ 11,500.00
12	Bollards	EA	2	\$ 1,890.00	\$ 3,780.00	\$ 1,077.00	\$ 2,154.00	\$ 1,800.00	\$ 3,600.00	\$ 2,100.00	\$ 4,200.00
13	Cut and Cap Water Main or Cut and Plug Existing Pipe	EA	8	\$ 230.00	\$ 1,840.00	\$ 1,214.00	\$ 9,712.00	\$ 1,900.00	\$ 15,200.00	\$ 1,200.00	\$ 9,600.00
14	Roadway & Existing Facility Repair	LS	1	\$ 344,046.00	\$ 344,046.00	\$ 438,000.00	\$ 438,000.00	\$ 508,800.00	\$ 508,800.00	\$ 294,980.00	\$ 294,980.00
					<b>\$ 1,111,111.00</b>		<b>\$ 1,256,719.00</b>		<b>\$ 1,311,740.00</b>		<b>\$ 1,448,080.00</b>

## License Details

**License Number:**  
**0022629**

**Business Primary Name:** BURDICK EXCAVATING CO INC

**DBA Name:**

**Mailing Address:** PO BOX 22330  
CARSON CITY, NV 89721  
(775) 297-4566

**Physical Address:** 5 BROWN DR  
MOUND HOUSE, NV 89706  
(775)297-4566

**Status:** Active

**Status Date:** 01/05/2022 (mm/dd/yyyy)

**Origin Date:** 01/22/1985 (mm/dd/yyyy)

**Expiration Date:** 01/31/2024 (mm/dd/yyyy)

**Business Type:** Corporation

**Classification(s):** A-12 Excavating, Grading, Trenching and Surfacing, A-15 Sewers, Drains and Pipes, A-16 Paving of Streets, Driveways and Parking Lots, A-19 Pipeline and Conduits, A-7 Excavating and Grading

**Limitation:** A19 IS LIMITED TO WATER LINES ONLY

**Current** 2/9/2023  
**Date:** 3:57:16 PM  
(mm/dd/yyyy)

**License Monetary Limit:** Unlimited

**Principal Name**  
BURDICK, LINDA THOMAS  
BURDICK, RANDY GEORGE

**Relation Description**  
President  
Secretary/Treasurer

**Qualified Individual(s)**  
BURDICK, RANDY GEORGE  
BURDICK, LINDA THOMAS

**Qualifier Type**  
Trade  
CMS

### Bond

Bond Type: Surety  
Bond Number: LP745958540007  
Bond Agent: CHERYL KOIZUMI  
Surety Company: NATIONWIDE MUTUAL INS CO  
Bond Amount: \$20,000.00  
Effective Date: 01/21/1990 (mm/dd/yyyy)

Bond Type: Bond Not Required  
Bond Amount:  
Effective Date: 03/01/2007 (mm/dd/yyyy)

The information contained on these pages are provided as a courtesy and may not reflect recent changes or updates. Neither the completeness nor accuracy is guaranteed. The Nevada State Contractors Board shall have no liability or responsibility for loss and damages arising from the information provided or retrieved from these pages.

[Return to Search Results](#)      [Disciplinary Action Older Than 5 Years](#)

[New Contractor License Search](#)      [New Contractor Listing Search](#)      [New Disciplinary Actions Search](#)

---



## Project Summary

**Project Number:** 2299WS1705  
**Title:** Watermain Replacement - Crystal Peak Road  
**Project Type:** D - Capital Improvement - Existing Facilities  
**Division:** 21 - Supply & Distribution  
**Budget Year:** 2023  
**Finance Options:**  
**Asset Type:** DI - Distribution Infrastructure  
**Active:** Yes

Project Description			
<p>The project includes full replacement of the existing 6-inch steel watermain with a new 8-inch PVC pipeline. This will include the replacement existing service laterals to individual properties and necessary appurtenances for connection and operation; this also includes replacement of existing fire hydrants with additional, new fire hydrants to meet current NLTFPD FH standards. Project area is along Crystal Peak Road between the intersections at Lakeshore Blvd and Martis Peak Rd.</p> <p>This project is a continuation of the multi-year program to replace 1960's era thin-wall steel watermains and other deficient watermains. Replacement criteria is twofold: Replace those watermains with the most leaks and in streets with aging pavement. Since our water loss is now less than 6%, our main objective is to work closely with the Washoe County Road Department to replace watermains prior to the County's repaving the street. We also work closely with the North Lake Tahoe Fire Protection District to determine areas of low fire flow, which may indicate a need for increased capacity in that area. There is approximately 6 miles of old steel watermains remaining in the system.</p>			
Project Internal Staff			
<p>Engineering staff will review external consultant Design and Engineering documents, and directly complete Bidding, Contract Administration and Inspection tasks. Outside contractor to complete the physical work. IVGID resources remain available for ongoing maintenance activities and emergency response.</p>			
Project Justification			
<p>Our overall goal is to replace deficient watermains to keep our unaccounted for water loss to under 6% and to avoid costly pavement patch penalties imposed by Washoe County. The original watermains installed in much of Incline Village in the 1960's were thin-walled steel. These pipes are failing and need replacement in order to reduce the burden on IVGID Public Works maintenances crews. Washoe County has high pavement penalty costs for replacing watermains in newly paved streets. Replacing watermains in newly paved streets or streets with an excellent pavement condition could increase project costs by up to 50% due to pavement cut penalties.</p>			
Forecast			
Budget Year	Total Expense	Total Revenue	Difference
2023 <b>Tahoe Water Grant</b>		<b>204,528</b>	
Construction Testing	21,500	0	21,500
Crystal Peak Road Watermain Construction	1,230,000	0	1,230,000
External Planning & Design	58,000	0	58,000
Internal Project Management & Inspection	36,500	0	36,500
<del>Washoe Co Street Repair and Penalties</del> <b>Included</b>	154,000	0	154,000
<b>in Construction</b>			
Year Total	1,500,000	0	1,500,000
	<del>1,500,000</del>	<b>1,704,528</b>	<del>1,500,000</del>

to be used for construction only

Completed

Change to Construction Contingency (\$111,000)

<b>Year Identified</b>	<b>Start Date</b>	<b>Est. Completion Date</b>	<b>Manager</b>	<b>Project Partner</b>
2017	Jul 1, 2021	Jun 30, 2023	Senior Engineer	

## South Tahoe Public Utility District NOTICE OF SUBAWARD

<b>Program Name:</b> Tahoe Water for Fire Suppression Partnership South Tahoe Public Utility District Yesenia Pacheco / <a href="mailto:ypacheco@stpud.us">ypacheco@stpud.us</a>	<b>Subrecipient's Name:</b> Incline Village General Improvement District Susan Herron / <a href="mailto:sah@ivgid.org">sah@ivgid.org</a>
<b>Address:</b> 1275 Meadow Crest Drive South Lake Tahoe, CA 96150	<b>Address:</b> 1220 Sweetwater Road Incline Village, NV 89451
<b>Subaward Period:</b> July 1, 2022, through December 31, 2023	<b>Subrecipient's:</b> EIN: <u>880099974</u> UEI: <u>NRCMTNZ7RLX4</u>

**Purpose of Award:** Incline Village General Improvement District (IVGID) will replace 2300 linear feet of 6-inch water main with a new 8-inch water main to meet 2018 IFC code requirements.

Approved Budget Categories:		FEDERAL AWARD COMPUTATION:	
1. Construction	\$204,528.00	Total Obligated by this Action:	\$ 204,528.00
		Cumulative Prior Awards this Budget Period:	\$ 0.00
		Total Federal Funds Awarded to Date:	\$ 204,528.00
		Match Required <input checked="" type="checkbox"/> Y <input type="checkbox"/> N	
		Amount Required this Action:	\$ 204,528.00
		Amount Required Prior Awards:	\$ 0.00
		Total Match Amount Required:	\$ 204,528.00
		Research and Development (R&D) <input type="checkbox"/> Y <input checked="" type="checkbox"/> N	
		<b>Federal Budget Period:</b>	
		July 1, 2022, through December 31, 2023	
		<b>Federal Project Period:</b>	
		July 1, 2022, through December 31, 2023	
<b>TOTAL GRANT COSTS</b>	<b>\$204,528.00</b>	<b>FOR AGENCY USE, ONLY</b>	
Match	\$204,528.00		
<b>TOTAL APPROVED BUDGET</b>	<b>\$409,056.00</b>		


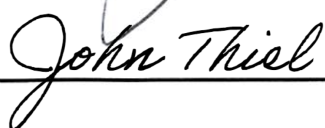
<b>Source of Federal Funds:</b> Forestry Cooperative Fire Assistance	<b>% Funds:</b> 50%	<b>CFDA:</b> 10.698	<b>FAIN:</b> 22DG1105201 2124	<b>Federal Grant #:</b> 22-DG-124 STPUD	<b>Grant Award Date by Federal Agency:</b> 9/30/22
---	------------------------	------------------------	-------------------------------------	--	---

**Agency Approved Indirect Rate:** N/A      **Subrecipient Approved Indirect Rate:** N/A

**Terms and Conditions:**  
 In accepting these grant funds, it is understood that:

1. This award is subject to the availability of appropriate funds.
2. Expenditures must comply with statutory guidelines.
3. Expenditures must be consistent with the narrative, goals, objectives, and budget as approved and documented.
4. Subrecipient must comply with all applicable Federal regulations.
5. Quarterly progress reports are due by the 30<sup>th</sup> of the month following the end of the quarter unless specific exceptions are provided in writing by the grant coordinator.
6. Financial Status Reports and Requests for Funds must be submitted quarterly unless specific exceptions are provided in writing by the grant coordinator.

<b>Incorporated Documents:</b> Section A: Grant Conditions and Assurances; Section B: Description of Services, Scope of Work and Deliverables; Section C: Budget and Financial Reporting Requirements; Section D: Request for Reimbursement;	Section E: Audit Information Request; Section F: Matching Funds Agreement
--	--

Name	Signature	Date
Indra Winquest General Manager Incline Village General Improvement District		11/30/22
John Thiel, P.E., MBA General Manager South Tahoe Public Utility District		12/02/22

# South Tahoe Public Utility District NOTICE OF SUBAWARD

## SECTION A GRANT CONDITIONS AND ASSURANCES

### General Conditions

1. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Recipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The South Tahoe Public Utility District (hereafter referred to as "District") shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance, and Workers' Compensation Insurance as the Recipient is an independent entity.
2. The Recipient shall hold harmless, defend and indemnify The District from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Recipient's performance or nonperformance of the services or subject matter called for in this Agreement.
3. The District or Recipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, and are signed by a duly authorized representative of both organizations. Such amendments shall not invalidate this Agreement, nor relieve or release The District or Recipient from its obligations under this Agreement.
  - The District may, at its discretion, amend this Agreement to conform with federal, state, or local governmental guidelines, policies, and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or the schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by a written amendment signed by both The District and Recipient.
4. Either party may terminate this Agreement at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. Partial terminations of the Scope of Work in Section B may only be undertaken with the prior approval of the District. In the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, reports, or other materials prepared by the Recipient under this Agreement shall, at the option of the District, become the property of the District, and the Recipient shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination.
  - The District may also suspend or terminate this Agreement, in whole or in part, if the Recipient materially fails to comply with any term of this Agreement, or with any of the rules, regulations, or provisions referred to herein; and The District may declare the Recipient ineligible for any further participation in the Department's grant agreements, in addition to other remedies as provided by law. In the event there is probable cause to believe the Recipient is in noncompliance with any applicable rules or regulations, The District may withhold funding.

### Grant Assurances

A signature on the cover page of this packet indicates that the applicant is capable of and agrees to meet the following requirements and that all information contained in this proposal is true and correct.

1. Adopt and maintain a system of internal controls which results in the fiscal integrity and stability of the organization, including the use of Generally Accepted Accounting Principles (GAAP).
2. Compliance with state insurance requirements for general, professional, and automobile liability; workers' compensation and employer's liability; and, if advance funds are required, commercial crime insurance.
3. These grant funds will not be used to supplant existing financial support for current programs.
4. No portion of these grant funds will be subcontracted without prior written approval unless expressly identified in the grant agreement.
5. Compliance with the requirements of the Civil Rights Act of 1964, as amended, and the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and shall not discriminate against any employee for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions).
6. Compliance with the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted there under contained in 28 CFR 26.101-36.999 inclusive, and any relevant program-specific regulations.
7. Compliance with Title 2 of the Code of Federal Regulations (CFR) and any guidance in effect from the Office of Management and Budget (OMB) related (but not limited to) audit requirements for grantees that expend \$750,000 or more in Federal awards during the grantee's fiscal year must have an annual audit prepared by an independent auditor in accordance with the terms and requirements of the appropriate circular. **To acknowledge this requirement, Section E of this notice of subaward must be completed.**
8. Compliance with the Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended— Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
9. Certification that neither the Recipient nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. This certification is made pursuant to regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt. 67 § 67.510, as published as pt. VII of May 26, 1988, Federal Register (pp. 19150-19211).



# South Tahoe Public Utility District

## NOTICE OF SUBAWARD

10. No funding associated with this grant will be used for lobbying.
11. Disclosure of any existing or potential conflicts of interest relative to the performance of services resulting from this grant award.
12. Provision of a work environment in which the use of tobacco products, alcohol, and illegal drugs will not be allowed.
13. An organization receiving grant funds through The District shall not use grant funds for any activity related to the following:
  - Any attempt to influence the outcome of any federal, state or local election, referendum, initiative, or similar procedure, through in-kind or cash contributions, endorsements, publicity, or similar activity.
  - Establishing, administering, contributing to or paying the expenses of a political party, campaign, political action committee or other organization established for the purpose of influencing the outcome of an election, referendum, initiative or similar procedure.
  - Any attempt to influence:
    - The introduction or formulation of federal, state or local legislation; or
    - The enactment or modification of any pending federal, state or local legislation, through communication with any member or employee of Congress, the California Legislature or a local governmental entity responsible for enacting local legislation, including, without limitation, efforts to influence State or local officials to engage in a similar lobbying activity, or through communication with any governmental official or employee in connection with a decision to sign or veto enrolled legislation.
  - Any attempt to influence the introduction, formulation, modification or enactment of a federal, state or local rule, regulation, executive order or any other program, policy or position of the United States Government, the State of California or a local governmental entity through communication with any officer or employee of the United States Government, the State of California or a local governmental entity, including, without limitation, efforts to influence state or local officials to engage in a similar lobbying activity.
  - Any attempt to influence:
    - The introduction or formulation of federal, state or local legislation;
    - The enactment or modification of any pending federal, state or local legislation; or
    - The introduction, formulation, modification or enactment of a federal, state or local rule, regulation, executive order or any other program, policy or position of the United States Government, the State of California or a local governmental entity, **by preparing, distributing or using** publicity or propaganda, or by urging members of the general public or any segment thereof to contribute to or participate in any mass demonstration, march, rally, fundraising drive, lobbying campaign or letter writing or telephone campaign.
  - Legislative liaison activities, including, without limitation, attendance at legislative sessions or committee hearings, gathering information regarding legislation and analyzing the effect of legislation, when such activities are carried on in support of or in knowing preparation for an effort to engage in an activity prohibited pursuant to subsections 1 to 5, inclusive.
  - Executive branch liaison activities, including, without limitation, attendance at hearings, gathering information regarding a rule, regulation, executive order or any other program, policy or position of the United States Government, the State of California or a local governmental entity and analyzing the effect of the rule, regulation, executive order, program, policy or position, when such activities are carried on in support of or in knowing preparation for an effort to engage in an activity prohibited pursuant to subsections 1 to 5, inclusive.
14. An organization receiving grant funds through The District may, to the extent and in the manner authorized in its grant, use grant funds for any activity directly related to educating persons in a nonpartisan manner by providing factual information in a manner that is:
  - Made in a speech, article, publication, or other material that is distributed and made available to the public, or through radio, television, cable television or other medium of mass communication; and
  - Not specifically directed at:
    - Any member or employee of Congress, the California Legislature or a local governmental entity responsible for enacting local legislation;
    - Any governmental official or employee who is or could be involved in a decision to sign or veto enrolled legislation; or
    - Any officer or employee of the United States Government, the State of California or a local governmental entity who is involved in introducing, formulating, modifying or enacting a Federal, State or local rule, regulation, executive order or any other program, policy or position of the United States Government, the State of California or a local governmental entity.
15. Subrecipient shall acknowledge Forest Service support in any publications, audiovisuals, and electronic media developed as a result of this award. Follow direction in USDA Supplemental 2 CFR 415.2.
16. Subrecipient shall include the following statement, in full, in any printed, audiovisual material, or electronic media for public distribution developed or printed with any Federal funding.

*In accordance with Federal law and US. Department of Agriculture (USDA) civil rights regulations and policies, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, disability, and reprisal or retaliation for prior civil rights activity. (Not all prohibited bases apply to all programs.)  
Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, and American Sign Language) should contact the responsible State or local Agency that administers the program or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339.*

# South Tahoe Public Utility District

## NOTICE OF SUBAWARD

To file a program discrimination complaint, a complainant should complete a Form AD-3027, USDA Program Discrimination Complaint Form, which can be obtained online at <https://www.ocio.usda.gov/document/ad-3027> . .from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

- (1) Mail: US. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue SW, Washington, D.C. 20250-9410; o
- (2) Fax: (833) 256-1665 or (202) 690-7442; or
- (3) Email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

If the material is too small to permit the full Non-Discrimination Statement to be included, the material will, at a minimum, include the alternative statement: "This institution is an equal opportunity provider. "

17. Section 41101 of the Bipartisan Infrastructure Law, P.L. 117-58, Davis-Bacon wage rates must be applied for all laborers and mechanics employed by contractors or subcontractors in the performance of construction, alteration, or repair work on a project assisted in whole or in part by funding made available under this Act. Laborers and mechanics shall be paid wages at rates not less than those prevailing on similar projects in the locality, as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly referred to as the "Davis-Bacon Act").
18. Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for a project for infrastructure unless:
  1. All iron and steel used in the project are produced in the United States--this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
  2. All manufactured products used in the project are produced in the United States--this means the manufactured product was manufactured in the United States; and cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
  3. All construction materials are manufactured in the United States--this means that all manufacturing processes for the construction material occurred in the United States. This excludes cement and cementitious materials, aggregates such as stone, sand, or gravel, or aggregate binding agents or additives.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project, but are not an integral part of the structure or permanently affixed to the infrastructure project.

#### Waivers

When necessary, recipients may apply for, and the agency may grant, a waiver from these requirements. The agency should notify the recipient for information on the process for requesting a waiver from these requirements.

This provision does not prohibit a recipient or an applicant for a grant from providing information that is directly related to the grant or the application for the grant to the granting agency.

1. When the Federal agency has made a determination that one of the following exceptions applies, the awarding official may waive the application of the domestic content procurement preference in any case in which the agency determines that:
  - a. Applying the domestic content procurement preference would be inconsistent with the public interest;
  - b. The types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
  - c. The inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

A request to waive the application of the domestic content procurement preference must be in writing. The agency will provide instructions on the format, contents, and supporting materials required for any waiver request. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by the Made in America Office.

There may be instances where an award qualifies, in whole or in part, for an existing waiver.

19. To comply with reporting requirements of the Federal Funding and Accountability Transparency Act (FFATA), the sub-grantee agrees to provide The District with copies of all contracts, sub-grants, and or amendments to either such documents, which are funded by funds allotted in this agreement.

**Compliance with this section is acknowledged by signing the subaward cover page of this packet.**

# South Tahoe Public Utility District NOTICE OF SUBAWARD

## SECTION B

### Description of Services, Scope of Work, and Deliverables

This project will increase the resilience and durability of the aging water main infrastructure and eliminate a known area of leakage and severely deteriorated and deficient steel water mains. The project will increase available fire flow volumes and coverage area along the pipeline replacement length and provide adequate FH numbers per code requirements. IVGID will replace 2300 linear feet of 6-inch water main with a new 8-inch water main to meet 2018 IFC code requirements. The population served by this project is 400. The total population served by the district is 3,000.

Incline Village General Improvement District, hereinafter referred to as Subrecipient, agrees to provide the following services and reports according to the identified timeframes:

#### Scope of Work for Subrecipient

### Crystal Peak Water Main Replacement Project

Task	Sub-Task	Description	Start Date	End Date
1		<b>Project Administration</b>	January 2022	February 2022
	1.1	Semi-annual reporting	As needed	
2		<b>Planning and Design</b>		
	2.1	Develop design plans and specifications	March 2022	December 2022
	2.2	Permitting with Washoe County	October 2022	November 2022
3		<b>Construct and Install</b>		
	3.1	Advertise for Bid	December 2022	December 2022
	3.2	Select contractor/Execute Contract	January 2023	January 2023
	3.3	Construction	May 2023	October 2023
4		<b>Construction Administration</b>		
	4.1	Provide Technical oversight	May 2023	October 2023
5		<b>Construction/Implementation Contingency</b>		
	5.1	Budget for 10% contingency	May 2023	October 2023

Compliance with this section is acknowledged by signing the subaward cover page of this packet.

# South Tahoe Public Utility District NOTICE OF SUBAWARD

## SECTION C

### Budget and Financial Reporting Requirements

Subrecipient agrees to adhere to the following budget:

Approved Budget Category	Cost Classification	Budget
Construction	2,130 LF of 8-inch water main at	Grant Amount: \$204,528.00 IVGID Match: \$204,528.00 Total: \$409,056.00.

# South Tahoe Public Utility District

## NOTICE OF SUBAWARD

- Equipment purchased with these funds belongs to the federal program from which this funding was appropriated and shall be returned to the program upon the termination of this agreement.
- Travel expenses, per diem, and other related expenses must conform to the procedures and rates allowed for State officers and employees. It is the Policy of the Board of Examiners to restrict contractors/ Subrecipients to the same rates and procedures allowed State Employees. The State of California reimburses at rates comparable to the rates established by the US General Services Administration, with some exceptions (State Administrative Manual 0200.0 and 0320.0).
- The program Contract Monitor or Program Manager shall, when federal funding requires a specific match, maintenance of effort (MOE), "in-kind", or earmarking (set-aside) of funds for a specific purpose, have the means necessary to identify that the match, MOE, "in-kind", or earmarking (set-aside) has been accomplished at the end of the grant year. If a specific vendor or subrecipient has been identified in the grant application to achieve part or all of the match, MOE, "in-kind", or earmarking (set-aside), then this shall also be identified in the scope of work as a requirement and a deliverable, including a report of accomplishment at the end of each quarter to document that the match, MOE, "in-kind", or earmarking (set-aside) was achieved. These reports shall be held on file in the program for audit purposes, and shall be furnished as documentation for match, MOE, "in-kind", or earmarking (set-aside) reporting on the Financial Status Report (FSR) 90 days after the end of the grant period.

### The Subrecipient agrees:

To request reimbursement according to the schedule specified below for the actual expenses incurred related to the Scope of Work during the subaward period.

- Total reimbursement through this subaward will not exceed \$204,528.00.
- Requests for Reimbursement will be accompanied by supporting documentation, including a line item description of expenses incurred;
- Additional expenditure detail will be provided upon request from the District
- To cooperate with STPUD as reasonably required to carry out the purposes of this Agreement.
- To complete all applicable Federal and State Environmental Documentation, as required, and obtain and retain in effect for the duration of this Agreement all governmental licenses and permits required for completion of the Project.
- To comply with the provisions of the Grant Agreement when administrating the Project.
- To furnish a Contract Administrator who will be responsible for assuring that the duties described in this Agreement are carried out.

Additionally, the Subrecipient agrees to provide:

- A complete financial accounting of all expenditures to The District within 30 days of the CLOSE OF THE SUBAWARD PERIOD. Any unobligated funds shall be returned to The District at that time, or, if not already requested, shall be deducted from the final award.
- Any work performed after the BUDGET PERIOD will not be reimbursed.
- If a Request for Reimbursement (RFR) is received after the 45-day closing period, The District may not be able to provide reimbursement.
- If a credit is owed to The District after the 45-day closing period, the funds must be returned to The District within 30 days of identification.

### The District agrees:

- To administer the Grant Agreement, attached hereto and incorporated by reference herein, as is fully set forth in a manner consistent with the terms of the Grant Agreement.
- To process reimbursement requests in accordance with the Grant Agreement requirements and in the amounts set forth in the application budget, which budget is attached hereto as **SECTION C** and incorporated herein by reference.
- To oversee the progress of the Program in accordance with the Grant Agreement requirements.
- To comply with all applicable federal, state, and local laws in administering the grant funds, specifically including those set forth in the Agreement.
- The District reserves the right to hold reimbursement under this subaward until any delinquent forms, reports, and expenditure documentation are submitted to and accepted by the Department.

### Both parties agree:

- At least one annual site visit/monitoring.
- All reports of expenditures and requests for reimbursement processed by The District are SUBJECT TO AUDIT.
- This subaward agreement may be TERMINATED by either party prior to the date set forth on the Notice of Subaward, provided the termination shall not be effective until 30 days after a party has served written notice upon the other party. This agreement may be terminated by mutual consent of both parties or unilaterally by either party without cause. The parties expressly agree that this Agreement shall be terminated immediately if, for any reason, the District, and/or federal funding ability to satisfy this Agreement is withdrawn, limited, or impaired.

### Financial Reporting Requirements

- A Request for Reimbursement is due on a quarterly basis, based on the terms of the subaward agreement, no later than the 30<sup>th</sup> of the month.
- Reimbursement is based on actual expenditures incurred during the period being reported.
- Payment will not be processed without all reporting being current.
- Reimbursement may only be claimed for expenditures approved within the Notice of Subaward.

# South Tahoe Public Utility District NOTICE OF SUBAWARD

## SECTION D

Request for Reimbursement

### SUMMARY OF EXPENSE CERTIFICATION FOR PURCHASE/PROFESSIONAL OR CONSULTANT SERVICES, CONSTRUCTION OR DIRECT (Operating Expenses)

Agency: Incline Village General Improvement District

Project: Fire Flow Capacity Improvements and Hydrant Installation

DATE: \_\_\_\_\_

AGREEMENT #: 22-DG-11052012-124

INVOICE #: \_\_\_\_\_

BILLING PERIOD: \_\_\_\_\_

Vendor	Item Description	Receipt Invoice Date	Total of Receipt	Line Item

Total Amount Invoiced: <span style="float: right;">\$ -</span>
--

By signing below, I certify that the above expenditures accrued during this invoicing period have not been used in violation of State law or this Agreement.

---

Administrative Officer
Date

**South Tahoe Public Utility District**  
**NOTICE OF SUBAWARD**  
**SECTION E**

**Audit Information Request**

1. Non-Federal entities that **expend** \$750,000.00 or more in total federal awards are required to have a single or program-specific audit conducted for that year, in accordance with 2 CFR § 200.501(a).
  
2. Did your organization expend \$750,000 or more in all federal awards during your organization's most recent fiscal year?  YES  NO
  
3. When does your organization's fiscal year end? June 30
  
4. What is the official name of your organization? Incline Village General Improvement District
  
5. How often is your organization audited? Yearly
  
6. When was your last audit performed? September/October 2022
  
7. What time-period did your last audit cover? July 1, 2021 - June 30, 2022
  
8. Which accounting firm conducted your last audit? Davis Farr LLP

**Compliance with this section is acknowledged by signing the subaward cover page of this packet.**

# South Tahoe Public Utility District NOTICE OF SUBAWARD

## SECTION F Matching Funds Agreement

This Matching Funds Agreement is entered into between South Tahoe Public Utility District (referred to as "District") and Incline Village General Improvement District (referred to as "Subrecipient").

<b>Program Name</b>	Tahoe Water for Fire Suppression Partnership	<b>Subrecipient Name</b>	Incline Village General Improvement District
<b>Federal Grant Number</b>	22-DG-124 STPUD	<b>Contact Name</b>	
<b>Federal Amount</b>	\$204,528.00	<b>Address</b>	1220 Sweetwater Road Incline Village, NV 89451
<b>Non-Federal (Match) Amount</b>	\$204,528.00		
<b>Total Award</b>	\$409,056.00		
<b>Performance Period</b>	July 1, 2022, through December 31, 2023		

Under the terms and conditions of this Agreement, the Subrecipient agrees to complete the Project as described in the Description of Services, Scope of Work, and Deliverables. Non-Federal (Match) funding is required to be documented and submitted with the Monthly Financial Status and Request for Funds Request and will be verified during subrecipient monitoring.

### FINANCIAL SUMMARY FOR MATCHING FUNDS

<b>Total Amount Awarded</b>	<b>\$409,528.00</b>
<b>Required Match Percentage 50%</b>	
<b>Total Required Match</b>	<b>\$204,528.00</b>

Approved Budget Category		Budgeted Match	
1	Construction	\$	\$204,528.00
2		\$	
3		\$	
4		\$	
5		\$	
6		\$	
7		\$	
8		\$	
	<b>Total</b>	\$	\$204,528.00

Compliance with this section is acknowledged by signing the subaward cover page of this packet.



**ATTACHMENT D**



**Contract Documents  
for  
CRYSTAL PEAK DISTRIBUTION WATERMAIN IMPROVEMENTS**

IVGID Project Number 2299WS1705  
PWP No. WA-2023-032

Issued for Bidding  
**December 30, 2022**

Prepared for:  
**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**  
*Public Works Department*

Prepared by:



20 Vine Street  
Reno, Nevada 89503

## ADDENDUM NO. 1

### Crystal Peak Distribution Watermain Improvements *Project Number 2299WS1705*

#### **PART 1 - GENERAL**

##### **1.1 SCOPE**

This Addendum forms a portion of the Bid Documents, and modifies those documents as described below.

##### **1.2 ACKNOWLEDGMENT**

Acknowledge receipt of this Addendum in the space provided on page 3 of the Bid Form.

#### **PART 2 - REVISIONS TO DOCUMENTS**

##### **2.1 Project Work Schedule**

*There is to be no work from July 1 through July 9, 2023. All construction equipment, tools and vehicles are to be stored at the Preston Field staging area and site completely accessible to traffic.*

##### **2.2 Prevailing Wages – Davis Bacon Updated Rates**

*See new Davis Bacon Wage Decision NV20220026 dated January 27, 2023.*

**END OF ADDENDUM 1**

"General Decision Number: NV20230026 01/27/2023

Superseded General Decision Number: NV20220026

State: Nevada

Construction Type: Heavy  
HEAVY CONSTRUCTION PROJECTS (including sewer/water construction).

County: Washoe County in Nevada.

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60).

<p>If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:</p>	<ul style="list-style-type: none"> <li>. Executive Order 14026 generally applies to the contract.</li> <li>. The contractor must pay all covered workers at least \$16.20 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2023.</li> </ul>
<p>If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:</p>	<ul style="list-style-type: none"> <li>. Executive Order 13658 generally applies to the contract.</li> <li>. The contractor must pay all covered workers at least \$12.15 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2023.</li> </ul>

The applicable Executive Order minimum wage rate will be adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must still submit a conformance request.

Additional information on contractor requirements and worker protections under the Executive Orders is available at <http://www.dol.gov/whd/govcontracts>.

Modification Number	Publication Date
0	01/06/2023
1	01/27/2023

CARP0971-013 07/01/2022

	Rates	Fringes
CARPENTER (Includes Form Work)...	\$ 34.13	19.53

ELEC0401-011 01/01/2022

	Rates	Fringes
ELECTRICIAN.....	\$ 42.50	20.95

ENGI0003-015 07/01/2021

	Rates	Fringes
POWER EQUIPMENT OPERATOR		
GROUP 08.....	\$ 44.03	25.02
GROUP 10.....	\$ 44.70	25.02
GROUP 10A.....	\$ 42.72	24.50
GROUP 11.....	\$ 45.13	25.02
GROUP 11A.....	\$ 46.77	25.02

GROUP 8: Sheepsfoot

GROUP 10: Grade Setter

GROUP 10A: Power Shovels (up to and including one [1] cu. yd.)

GROUP 11: Power Shovels (over one [1] cu. yd. and up to and including seven [7] cu. yds. m.r.c.)

GROUP 11A: Power Shovels (over seven [7] cu. yds. m.r.c.)

ENGI0003-030 07/01/2020

	Rates	Fringes
POWER EQUIPMENT OPERATOR (09) Mechanic and Backhoe Loader Combo.....	\$ 42.18	24.50

ENGI0012-014 10/01/2020

	Rates	Fringes
POWER EQUIPMENT OPERATOR (Crane)		
GROUP 12.....	\$ 52.94	26.65
GROUP 16.....	\$ 54.36	26.65
GROUP 17.....	\$ 54.86	26.65
GROUP 19.....	\$ 56.89	26.65
GROUP 20.....	\$ 57.50	26.65
GROUP 21.....	\$ 58.11	26.65
GROUP 22.....	\$ 58.87	26.65
GROUP 23.....	\$ 59.33	26.65

GROUP 12: Crane Operator (up to including 40 ton capacity)

GROUP 16: Crane Operator (over 40 tons up to and including 79 tons)

GROUP 17: Crane Operator (Including 80 tons up to and

including 150 tons)

GROUP 19: Crane Operator (over 150 tons up to and including 200 tons)

GROUP 20: Crane Operator (over 200 tons up to and including 250 tons)

GROUP 21: Crane Operator (over 250 tons up to and including 300 tons)

GROUP 22: Crane Operator (over 300 tons up to and including 350 tons)

GROUP 23: Crane Operator (over 350 tons)

-----  
\* ENGI0012-021 10/01/2022

	Rates	Fringes
POWER EQUIPMENT OPERATOR		
GROUP 1.....	\$ 49.89	30.85
GROUP 4.....	\$ 50.48	30.85
GROUP 8.....	\$ 50.77	30.85
GROUP 12.....	\$ 50.77	30.85

POWER EQUIPMENT OPERATOR CLASSIFICATIONS

Group 1: Oiler

Group 4: Screed Operator (Asphalt or Concrete); Rock Wheel Saw/Trencher

Group 8: Compactor (self-propelled); Drilling Machine Operator

Group 12: Vermeer Rock Trencher (or similar type).

-----  
IRON0416-002 10/01/2022

	Rates	Fringes
IRONWORKER, REINFORCING.....	\$ 42.71	36.13

-----  
IRON0433-002 10/01/2022

	Rates	Fringes
IRONWORKER, STRUCTURAL.....	\$ 42.71	36.13

-----  
\* LAB00169-003 10/01/2022

	Rates	Fringes
LABORER		
(1) Common or General; Cones/ Barricades/ Barrels- Setter/Mover/Sweeper.....	\$ 30.05	15.02
(1A) Flagger.....	\$ 27.18	15.02
(3) Asphalt Shoveler, Spreader and Distributor; Concrete Saw (Hand Held/Walk Behind); Mason		

Tender - Cement/Concrete;...\$ 30.30	15.02
(4) Asphalt Raker;	
Pipelayer.....\$ 30.55	15.02

-----  
PLAS0797-009 07/01/2022

	Rates	Fringes
CEMENT MASON/CONCRETE FINISHER...\$ 45.04		16.92

-----  
SUNV2014-026 09/08/2016

	Rates	Fringes
OPERATOR: Backhoe/Excavator/Trackhoe.....\$ 32.26		17.65
OPERATOR: Bobcat/Skid Steer/Skid Loader.....\$ 34.97		0.00
OPERATOR: Broom/Sweeper.....\$ 36.66		12.22
OPERATOR: Grader/Blade.....\$ 26.49		7.78
OPERATOR: Loader.....\$ 33.53		17.10
OPERATOR: Paver (Asphalt, Aggregate, and Concrete).....\$ 29.57		0.00
OPERATOR: Roller.....\$ 33.69		12.22
TRUCK DRIVER: Dump Truck.....\$ 22.28		0.00

-----  
WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

=====

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at <https://www.dol.gov/agencies/whd/government-contracts>.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

-----

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of ""identifiers"" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

#### Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than ""SU"" or ""UAVG"" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

#### Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

#### Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current

negotiated/CBA rate of the union locals from which the rate is based.

-----  
WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour National Office because National Office has responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

=====  
END OF GENERAL DECISIO"



## TABLE OF CONTENTS

### Contract Documents

<u>Section</u>	<u>Description</u>	<u>Pages</u>
1	Invitation to Bid.....	2
2a	Instructions to Bidders.....	17
2b	Apprenticeship Utilization Act (AUA) Guide .....	2
2c	AUA Workforce Checklist.....	2
3	Bid Form.....	12
4	Bid Bond.....	2
5	Agreement .....	6
6	Performance Bond.....	3
7	Payment Bond.....	3
8	Application and Certificate for Payment.....	2
9	Standard General Conditions .....	71
10	Supplementary Conditions.....	12
11a	Washoe County 2022-2023 Prevailing Wage Rates.....	64
11b	Washoe County 2022-2023 Prevailing Wages, Amendment 2 .....	5
11DB	Davis Bacon Wage Determination NV20220026 .....	7
12	Technical Specifications .....	See Technical Table of Contents

# INVITATION TO BID

Sealed proposals will be received at the offices of the Incline Village General Improvement District (IVGID or District) Public Works Department, located at 1220 Sweetwater Road, Incline Village, Washoe County, Nevada, **until 2:00 p.m February 9, 2023**, at which time they will be publicly opened and read for:

## **Crystal Peak Distribution Watermain Improvements IVGID Project Number 2299WS1705**

The Project includes the following Work:

Bid Schedule Crystal Peak Distribution Watermain Improvements: Installation of approximately 2,280 LF of 8" DR-14 PVC or Class 350 DIP water main in Washoe Co. ROW. Connection to (E) 8" water main in Washoe Co. ROW. Re-connect existing domestic service lines. Construct three (3) new fire hydrant assemblies. Construct one (1) combination air valve.

The Work also includes: Abandonment of specified lines and valves, traffic control, maintain residential and business driveway access, erosion & sediment controls, pavement restoration, replacement of existing features, including vegetation, concrete, and other utilities removed and/or damaged by construction activity, acquisition of Washoe County street cut permits and all related appurtenances; compliance with County permit conditions and working within Right of Ways in Incline Village, Washoe County, Nevada.

The Engineers Estimate for this project is \$1,200,000. The Project has a total duration of 110 calendar days.

Bidding Documents, including Plans and Specifications, may be obtained at the Owner's Planet Bids website (<https://www.planetbids.com/portal/portal.cfm?CompanyID=30437>). Prospective Bidders are urged to register with the designated website as a plan holder, even if Bidding Documents are obtained from a plan room or source other than the designated website in either electronic or paper format. The designated website will be updated periodically with addenda, lists of registered plan holders, reports, and other information relevant to submitting a Bid for the Project. All official notifications, including link to virtual pre-bid meeting, addenda, and other Bidding Documents will be offered only through the designated website. Neither Owner nor Engineer will be responsible for Bidding Documents, including addenda, if any, obtained from sources other than the designated website. Contract documents are available for examination by contacting the IVGID Engineering Division office.

Bidders on this work will be required to comply with Executive Order 11246 (Equal Employment Opportunity), the Davis-Bacon Act, the Copeland (Anti-Kickback) Act, the Contract Work Hours and Safety Standards Act, Disadvantaged Business Enterprise (DBE), Build America Buy America Act, and the Labor Standard Provisions for State-Assisted Construction Contracts as explained in the Contract Documents, and all applicable state and local laws and regulations.

This is a Prevailing Wage project that is to be paid for in part by both local and federal funds; therefore minimum prevailing wage rates published by both the State and Federal Departments of Labor are applicable. Bidder shall comply with the State of Nevada Commissioner of Labor and the Federal Davis-Bacon and Related Acts, as applicable. The PWP number for this project is WA-2023-032.

No proposal will be accepted from a Contractor who is not licensed in accordance with the laws of this State to perform the work herein described. IVGID reserves the right to reject any or all bids pursuant to Nevada Law; to award a contract for less than all the work if funds now available are insufficient for completion of the total project; to waive any informalities or irregularities therein; and/or to award the bid to the lowest responsible bidder.

A non-mandatory and virtual pre-bid conference will be held on **January 26, 2023 at 10:00 a.m.** A link to this meeting will be sent to all potential bidders via the PlanetBids website. All potential bidders are urged to attend.

Any questions concerning this Project should be directed to the IVGID Engineering office at 775-832-1267. Last day for questions will be **February 2, 2023 by 3:00 p.m.**

# INSTRUCTIONS TO BIDDERS

## ARTICLE 1—DEFINED TERMS

- 1.01 Terms used in these Instructions to Bidders have the meanings indicated in the General Conditions and Supplementary Conditions. Additional terms used in these Instructions to Bidders have the meanings indicated below:
- A. *Issuing Office*—The office from which the Bidding Documents are to be issued, and which registers plan holders.

## ARTICLE 2—BIDDING DOCUMENTS

- 2.01 Bidder shall obtain a complete set of Bidding Requirements and proposed Contract Documents (together, the Bidding Documents). See the Agreement for a list of the Contract Documents. It is Bidder's responsibility to determine that it is using a complete set of documents in the preparation of a Bid. Bidder assumes sole responsibility for errors or misinterpretations resulting from the use of incomplete documents, by Bidder itself or by its prospective Subcontractors and Suppliers.
- 2.02 Bidding Documents are made available for the sole purpose of obtaining Bids for completion of the Project and permission to download or distribution of the Bidding Documents does not confer a license or grant permission or authorization for any other use. Authorization to download documents, or other distribution, includes the right for plan holders to print documents solely for their use, and the use of their prospective Subcontractors and Suppliers, provided the plan holder pays all costs associated with printing or reproduction. Printed documents may not be re-sold under any circumstances.
- 2.03 Owner has established a Bidding Documents Website as indicated in the Advertisement or invitation to bid. Owner recommends that Bidder register as a plan holder at such website, and obtain a complete set of the Bidding Documents from such website. Bidders may rely that sets of Bidding Documents obtained from the Bidding Documents Website are complete, unless an omission is blatant. Registered plan holders will receive Addenda issued by Owner.
- 2.04 Plan rooms (including construction information subscription services, and electronic and virtual plan rooms) may distribute the Bidding Documents, or make them available for examination. Those prospective bidders that obtain an electronic (digital) copy of the Bidding Documents from a plan room are encouraged to register as plan holders from the Bidding Documents Website. Owner is not responsible for omissions in Bidding Documents or other documents obtained from plan rooms, or for a Bidder's failure to obtain Addenda from a plan room.
- 2.05 *Electronic Documents*
- A. When the Bidding Requirements indicate that electronic (digital) copies of the Bidding Documents are available, such documents will be made available to the Bidders as Electronic Documents in the manner specified above.
1. Bidding Documents will be provided in Adobe PDF (Portable Document Format) (.pdf) that is readable by Adobe Acrobat Reader Version XI Standard or later. It is the intent of the Engineer and Owner that such Electronic Documents are to be exactly representative of the paper copies of the documents. However, because the Owner and Engineer cannot totally control the transmission and receipt of Electronic Documents

nor the Contractor's means of reproduction of such documents, the Owner and Engineer cannot and do not guarantee that Electronic Documents and reproductions prepared from those versions are identical in every manner to the paper copies.

- B. Unless otherwise stated in the Bidding Documents, the Bidder may use and rely upon complete sets of Electronic Documents of the Bidding Documents, described in Paragraph 2.05.A above. However, Bidder assumes all risks associated with differences arising from transmission/receipt of Electronic Documents versions of Bidding Documents and reproductions prepared from those versions and, further, assumes all risks, costs, and responsibility associated with use of the Electronic Documents versions to derive information that is not explicitly contained in printed paper versions of the documents, and for Bidder's reliance upon such derived information.

### **ARTICLE 3—QUALIFICATIONS OF BIDDERS**

3.01 To demonstrate Bidder's qualifications to perform the Work, after submitting its Bid and within 48 hours of Owner's request, Bidder must submit the following information:

- A. Written evidence establishing its qualifications such as financial data, previous experience, and present commitments.
- B. A written statement that Bidder is authorized to do business in the state where the Project is located, or a written certification that Bidder will obtain such authority prior to the Effective Date of the Contract.
- C. Washoe County Business License prior to commencing construction.
- D. Such licenses as may be required by the laws of the State of Nevada for the performance of work specified in the Contract Documents. Such licenses are required at the time of submitting bid. One time raise in licensing monetary limits shall be approved by the State of Nevada prior to the time of submitting bid and shall be submitted with the bid.
- E. Each Bidder submitting a Bid Proposal to the Owner on a public work project whose estimated cost exceeds \$250,000 is responsible for ascertaining whether the Bidder intends to utilize the referenced statute for five percent (5%) preference and is also eligible for the bidder preference and other matters relating thereto provided in NRS Chapter 338.0117. The Bidder claiming the bid preference shall submit with their Bid Form:
  - 1. Certificate of Eligibility: A valid "Certificate of Eligibility" issued by the State of Nevada Contractor's Board, and
  - 2. Public Works Bidder's Preference Affidavit: A fully-executed copy of the Public Works Bidder's Preference Affidavit as proof of the Contractor's compliance with the provisions of NRS 338.

Failure to submit the Certificate of Eligibility and Affidavit with your Bid shall result in a waiver of any Bidder preference.

3.02 *Bid Form:*

- A. Bidder is to submit the following information with its Bid, to demonstrate Bidder's qualifications to perform the Work. Bids without such documentation included will be deemed Non-Responsive:

1. A list of all first-tier subcontractors, equipment, and materials suppliers that will supply more than five percent (5%) of the bid amount. If the Contractor intends to self-perform any portion of the Work exceeding five percent (5%) of the Bid Amount, the Contractor must also include the Contractor's name and identify the labor or portion of the Work the Contractor will self-perform in the list, as required by NRS 338.141.
  2. Within two (2) hours after the opening of Bids, those bidders submitting the three lowest Bids must submit the names of each first-tier subcontractor, equipment and material supplier that will supply more than 1% of the bid amount, or Fifty Thousand Dollars (\$50,000), whichever is greater. If the Contractor intends to self-perform any portion of the Work exceeding one percent (1%) of the Bid Amount or Fifty Thousand Dollars (\$50,000), whichever is greater, the Contractor must also include the Contractor's name and identify the labor or portion of the Work the Contractor will self-perform in the list, as required by NRS 338.141.
  3. A list of similar projects previously completed by Bidder, including contact person with their telephone number and email, and the date the project was completed.
    - a. Contractor is required to have successfully performed five (5) projects of similar scope within the last five (5) years, including a minimum project total cost of \$600,000, contract time of 90 to 120 days, and preferably work performed in the Lake Tahoe basin.
  4. Work history of Job Foreman/Superintendent, Pipe Foreman and Equipment Operator.
    - a. Contractor is required to staff project with a Job Foreman/Superintendent and Pipe Foreman with minimum experience of five (5) years' experience with similar project work and five (5) projects within five (5) years greater than \$500,000.
  5. Bidder's state or other contractor license number, if applicable.
- 3.03 A Bidder's failure to submit required qualification information within the times indicated will result in the Bid being deemed Non-Responsive.
- 3.04 No requirement in this Article 3 to submit information will prejudice the right of Owner to seek additional pertinent information regarding Bidder's qualifications.

#### **ARTICLE 4—PRE-BID CONFERENCE**

- 4.01 A virtual non-mandatory pre-bid conference will be held at the date and time indicated in the Advertisement or Invitation to Bid. Representatives of Owner and Engineer will be present to discuss the Project.
- 4.02 Information presented at the pre-bid conference does not alter the Contract Documents. Owner will issue Addenda to make any changes to the Contract Documents that result from discussions

at the pre-bid conference. Information presented, and statements made at the pre-bid conference will not be binding or legally effective unless incorporated in an Addendum.

**ARTICLE 5—SITE AND OTHER AREAS; EXISTING SITE CONDITIONS; EXAMINATION OF SITE; OWNER'S SAFETY PROGRAM; OTHER WORK AT THE SITE**

5.01 *Site and Other Areas*

- A. The Site is identified in the Bidding Documents. By definition, the Site includes rights-of-way, easements, and other lands furnished by Owner for the use of the Contractor. Any additional lands required for temporary construction facilities, construction equipment, or storage of materials and equipment, and any access needed for such additional lands, are to be obtained and paid for by Contractor.

5.02 *Existing Site Conditions*

A. *Subsurface and Physical Conditions; Hazardous Environmental Conditions*

1. The Supplementary Conditions identify the following regarding existing conditions at or adjacent to the Site:
  - a. Those reports of explorations and tests of subsurface conditions at or adjacent to the Site that contain Technical Data.
  - b. Those drawings known to Owner of existing physical conditions at or adjacent to the Site, including those drawings depicting existing surface or subsurface structures at or adjacent to the Site (except Underground Facilities), that contain Technical Data.
  - c. Reports and drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site.
  - d. Technical Data contained in such reports and drawings.
2. Owner will make copies of reports and drawings referenced above available to any Bidder on request. These reports and drawings are not part of the Contract Documents, but the Technical Data contained therein upon whose accuracy Bidder is entitled to rely, as provided in the General Conditions, has been identified and established in the Supplementary Conditions. Bidder is responsible for any interpretation or conclusion Bidder draws from any Technical Data or any other data, interpretations, opinions, or information contained in such reports or shown or indicated in such drawings.
3. If the Supplementary Conditions do not identify Technical Data, the default definition of Technical Data set forth in Article 1 of the General Conditions will apply.
4. *Geotechnical Baseline Report/Geotechnical Data Report*: If necessary to the Work, the Bidding Documents will contain a Geotechnical Baseline Report (GBR) and Geotechnical Data Report (GDR).
  - a. As set forth in the Supplementary Conditions, the GBR describes certain select subsurface conditions that are anticipated to be encountered by Contractor during construction in specified locations ("Baseline Conditions"). The GBR is a Contract Document.

- b. The Baseline Conditions in the GBR are intended to reduce uncertainty and the degree of contingency in submitted Bids. However, Bidders cannot rely solely on the Baseline Conditions. Bids should be based on a comprehensive approach that includes an independent review and analysis of the GBR, all other Contract Documents, Technical Data, other available information, and observable surface conditions. Not all potential subsurface conditions are baselined.
  - c. Nothing in the GBR is intended to relieve Bidders of the responsibility to make their own determinations regarding construction costs, bidding strategies, and Bid prices, nor of the responsibility to select and be responsible for the means, methods, techniques, sequences, and procedures of construction, and for safety precautions and programs incident thereto.
  - d. As set forth in the Supplementary Conditions, the GDR is a Contract Document containing data prepared by or for the Owner in support of the GBR.
- B. *Underground Facilities:* Underground Facilities are shown or indicated on the Drawings, pursuant to Paragraph 5.05 of the General Conditions, and not in the drawings referred to in Paragraph 5.02.A of these Instructions to Bidders. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data.

#### 5.03 *Other Site-related Documents*

- A. In addition to the documents regarding existing Site conditions referred to in Paragraph 5.02.A, the following other documents relating to conditions at or adjacent to the Site are known to Owner and made available to Bidders for reference:
  - 1. None

Owner will make copies of these other Site-related documents available to any Bidder on request.
- B. Owner has not verified the contents of these other Site-related documents, and Bidder may not rely on the accuracy of any data or information in such documents. Bidder is responsible for any interpretation or conclusion Bidder draws from the other Site-related documents.
- C. The other Site-related documents are not part of the Contract Documents.
- D. Bidders are encouraged to review the other Site-related documents, but Bidders will not be held accountable for any data or information in such documents. The requirement to review and take responsibility for documentary Site information is limited to information in (1) the Contract Documents and (2) the Technical Data.

#### 5.04 *Site Visit and Testing by Bidders*

- A. It is recommended that Bidder visit the Site and become familiar with and satisfy Bidder as to the general, local and Site conditions that may affect cost, progress, and performance of the Work.
- B. Bidder is not required to conduct any subsurface testing, or exhaustive investigations of Site conditions.
- C. On request, and to the extent Owner has control over the Site, and schedule permitting, the Owner will provide Bidder general access to the Site to conduct such additional examinations, investigations, explorations, tests, and studies as Bidder deems necessary for



preparing and submitting a successful Bid. Owner will not have any obligation to grant such access if doing so is not practical because of existing operations, security or safety concerns, or restraints on Owner's authority regarding the Site. Bidder is responsible for establishing access needed to reach specific selected test sites.

- D. Bidder must comply with all applicable Laws and Regulations regarding excavation and location of utilities, obtain all permits, and comply with all terms and conditions established by Owner or by property owners or other entities controlling the Site with respect to schedule, access, existing operations, security, liability insurance, and applicable safety programs.
- E. Bidder must fill all holes and clean up and restore the Site to its former condition upon completion of such explorations, investigations, tests, and studies.

5.05 *Owner's Safety Program*

- A. Site visits and work at the Site may be governed by an Owner safety program. If an Owner safety program exists, it will be noted in the Supplementary Conditions.

5.06 *Other Work at the Site*

- A. Reference is made to Article 8 of the Supplementary Conditions for the identification of the general nature of other work of which Owner is aware (if any) that is to be performed at the Site by Owner or others (such as utilities and other prime contractors) and relates to the Work contemplated by these Bidding Documents. If Owner is party to a written contract for such other work, then on request, Owner will provide to each Bidder access to examine such contracts (other than portions thereof related to price and other confidential matters), if any.

**ARTICLE 6—BIDDER'S REPRESENTATIONS AND CERTIFICATIONS**

6.01 *Express Representations and Certifications in Bid Form, Agreement*

- A. The Bid Form that each Bidder will submit contains express representations regarding the Bidder's examination of Project documentation, Site visit, and preparation of the Bid, and certifications regarding lack of collusion or fraud in connection with the Bid. Bidder should review these representations and certifications, and assure that Bidder can make the representations and certifications in good faith, before executing and submitting its Bid.
- B. If Bidder is awarded the Contract, Bidder (as Contractor) will make similar express representations and certifications when it executes the Agreement.

**ARTICLE 7—INTERPRETATIONS AND ADDENDA**

- 7.01 Owner on its own initiative may issue Addenda to clarify, correct, supplement, or change the Bidding Documents.
- 7.02 Bidder shall submit all questions about the meaning or intent of the Bidding Documents to Engineer through Owner's Planet Bids website.
- 7.03 Interpretations or clarifications considered necessary by Engineer in response to such questions will be issued by Addenda delivered to all registered plan holders. Questions received less than seven days prior to the date for opening of Bids may not be answered.

- 7.04 Only responses set forth in an Addendum will be binding. Oral and other interpretations or clarifications will be without legal effect. Responses to questions are not part of the Contract Documents unless set forth in an Addendum that expressly modifies or supplements the Contract Documents.

#### **ARTICLE 8—BID SECURITY**

- 8.01 A Bid must be accompanied by bid security made payable to Owner in an amount of five percent (5%) of Bidder's maximum Bid price (determined by adding the base bid and all alternates) and in the form of a bid bond issued by a surety meeting the requirements of Paragraph 6.01 of the General Conditions. Such bid bond will be issued in the form included in the Bidding Documents.
- 8.02 The Bid security of the apparent Successful Bidder will be retained until Owner awards the contract to such Bidder, and such Bidder has executed the Contract, furnished the required Contract security, and met the other conditions of the Notice of Award, whereupon the Bid security will be released. If the Successful Bidder fails to execute and deliver the Contract and furnish the required Contract security within 15 days after the Notice of Award, Owner may consider Bidder to be in default, annul the Notice of Award, and the Bid security of that Bidder will be forfeited, in whole in the case of a penal sum bid bond, and to the extent of Owner's damages in the case of a damages-form bond. Such forfeiture will be Owner's exclusive remedy if Bidder defaults.
- 8.03 The Bid security of other Bidders that Owner believes to have a reasonable chance of receiving the award may be retained by Owner until the earlier of 7 days after the Effective Date of the Contract or 61 days after the Bid opening, whereupon Bid security furnished by such Bidders will be released.
- 8.04 Bid security of other Bidders that Owner believes do not have a reasonable chance of receiving the award will be released within 7 days after the Bid opening.

#### **ARTICLE 9—CONTRACT TIMES**

- 9.01 The number of days within which, or the dates by which, the Work is to be (a) substantially completed and (b) ready for final payment, and (c) Milestones (if any) are to be achieved, are set forth in the Agreement.
- 9.02 Provisions for liquidated damages, if any, for failure to timely attain a Milestone, Substantial Completion, or completion of the Work in readiness for final payment, are set forth in the Agreement.

#### **ARTICLE 10—SUBSTITUTE AND "OR EQUAL" ITEMS**

- 10.01 The Contract for the Work, as awarded, will be on the basis of materials and equipment specified or described in the Bidding Documents without consideration during the bidding and Contract award process of possible substitute or "or-equal" items. In cases in which the Contract allows the Contractor to request that Engineer authorize the use of a substitute or "or-equal" item of material or equipment, application for such acceptance may not be made to and will not be considered by Engineer until after the Effective Date of the Contract.
- 10.02 All prices that Bidder sets forth in its Bid will be based on the presumption that the Contractor will furnish the materials and equipment specified or described in the Bidding Documents, as

supplemented by Addenda. Any assumptions regarding the possibility of post-Bid approvals of “or-equal” or substitution requests are made at Bidder’s sole risk.

#### **ARTICLE 11—SUBCONTRACTORS, SUPPLIERS, AND OTHERS**

- 11.01 If the Instructions to Bidders require the identity of certain Subcontractors, Suppliers, individuals, or entities to be submitted to Owner in advance of a specified date prior to the Effective Date of the Agreement, the apparent Successful Bidder, and any other Bidder so requested, shall submit to Owner a list of all such Subcontractors, Suppliers, individuals, or entities proposed for those portions of the Work for which such identification is required.
- 11.02 If requested by Owner, such list must be accompanied by an experience statement with pertinent information regarding similar projects and other evidence of qualification for each such Subcontractor or Supplier. If Owner or Engineer, after due investigation, has reasonable objection to any proposed Subcontractor or Supplier, Owner may, before the Notice of Award is given, request apparent Successful Bidder to submit an acceptable substitute, in which case apparent Successful Bidder will submit a substitute, Bidder’s Bid price will be increased (or decreased) by the difference in cost occasioned by such substitution, and Owner may consider such price adjustment in evaluating Bids and making the Contract award.
- 11.03 If apparent Successful Bidder declines to make any such substitution, Owner may award the Contract to the next lowest Bidder that proposes to use acceptable Subcontractors and Suppliers. Declining to make requested substitutions will constitute grounds for forfeiture of the Bid security of any Bidder. Any Subcontractor or Supplier, so listed and against which Owner or Engineer makes no written objection prior to the giving of the Notice of Award will be deemed acceptable to Owner and Engineer subject to subsequent revocation of such acceptance as provided in Paragraph 7.07 of the General Conditions.
- 11.04 Contractor shall not be required to employ any Subcontractor, Supplier, individual or entity against whom Contractor has reasonable objection.

#### **ARTICLE 12—PREPARATION OF BID**

- 12.01 The Bid Form is included with the Bidding Documents.
  - A. All blanks on the Bid Form must be completed in ink and the Bid Form signed in ink. Erasures or alterations must be initialed in ink by the person signing the Bid Form. A Bid price must be indicated for each section, Bid item, alternate, adjustment unit price item, and unit price item listed therein.
  - B. If the Bid Form expressly indicates that submitting pricing on a specific alternate item is optional, and Bidder elects to not furnish pricing for such optional alternate item, then Bidder may enter the words “No Bid” or “Not Applicable.”
- 12.02 If Bidder has obtained the Bidding Documents as Electronic Documents, then Bidder shall prepare its Bid on a paper copy of the Bid Form printed from the Electronic Documents version of the Bidding Documents. The printed copy of the Bid Form must be clearly legible, printed on 8½ inch by 11-inch paper and as closely identical in appearance to the Electronic Document version of the Bid Form as may be practical. The Owner reserves the right to accept Bid Forms which nominally vary in appearance from the original paper version of the Bid Form, providing that all required information and submittals are included with the Bid.

- 12.03 A Bid by a corporation must be executed in the corporate name by a corporate officer (whose title must appear under the signature), accompanied by evidence of authority to sign. The corporate address and state of incorporation must be shown.
- 12.04 A Bid by a partnership must be executed in the partnership name and signed by a partner (whose title must appear under the signature), accompanied by evidence of authority to sign. The official address of the partnership must be shown.
- 12.05 A Bid by a limited liability company must be executed in the name of the firm by a member or other authorized person and accompanied by evidence of authority to sign. The state of formation of the firm and the official address of the firm must be shown.
- 12.06 A Bid by an individual must show the Bidder's name and official address.
- 12.07 A Bid by a joint venture must be executed by an authorized representative of each joint venturer in the manner indicated on the Bid Form. The joint venture must have been formally established prior to submittal of a Bid, and the official address of the joint venture must be shown.
- 12.08 All names must be printed in ink below the signatures.
- 12.09 The Bid must contain an acknowledgment of receipt of all Addenda, the numbers of which must be filled in on the Bid Form.
- 12.10 Postal and e-mail addresses and telephone number for communications regarding the Bid must be shown.
- 12.11 The Bid must contain evidence of Bidder's authority to do business in the state where the Project is located, or Bidder must certify in writing that it will obtain such authority within the time for acceptance of Bids and attach such certification to the Bid.
- 12.12 If Bidder is required to be licensed to submit a Bid or perform the Work in the state where the Project is located, the Bid must contain evidence of Bidder's licensure, or Bidder must certify in writing that it will obtain such licensure within the time for acceptance of Bids and attach such certification to the Bid. Bidder's state contractor license number, if any, must also be shown on the Bid Form.

#### **ARTICLE 13—BASIS OF BID**

- 13.01 The basis of Bid is set in Section 3 – Bid Form. Description of the various basis of Bid are as follows:
  - A. If Bid is Lump Sum
    - 1. Bidders must submit a Bid on a lump sum basis as set forth in the Bid Form.
  - B. If bid is a Base Bid with Alternates
    - 1. Bidders must submit a Bid on a lump sum basis for the base Bid and include a separate price for each alternate described in the Bidding Documents and as provided for in the Bid Form. The price for each alternate will be the amount added to or deleted from the base Bid if Owner selects the alternate.
    - 2. In the comparison of Bids, alternates will be applied in the same order of priority as listed in the Bid Form.

C. If bid is a Unit Price

1. Bidders must submit a Bid on a unit price basis for each item of Work listed in the unit price section of the Bid Form.
2. The "Bid Price" (sometimes referred to as the extended price) for each unit price Bid item will be the product of the "Estimated Quantity," which Owner or its representative has set forth in the Bid Form, for the item and the corresponding "Bid Unit Price" offered by the Bidder. The total of all unit price Bid items will be the sum of these "Bid Prices"; such total will be used by Owner for Bid comparison purposes. The final quantities and Contract Price will be determined in accordance with Paragraph 13.03 of the General Conditions.
3. Discrepancies between the multiplication of units of Work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum.

**ARTICLE 14—SUBMITTAL OF BID**

- 14.01 The unbound copy of the Bid Form is to be completed and submitted with the Bid security and the other documents required to be submitted under the terms of Article 2 of the Bid Form.
- 14.02 A Bid must be received no later than the date and time prescribed and at the place indicated in the Advertisement or invitation to bid and must be enclosed in a plainly marked and sealed envelope with the Project title, and, if applicable, the designated portion of the Project for which the Bid is submitted, the name and address of Bidder, and must be accompanied by the Bid security and other required documents. If a Bid is sent by mail or other delivery system, the sealed envelope containing the Bid must be enclosed in a separate package plainly marked on the outside with the notation "BID ENCLOSED." A mailed Bid must be addressed to the location designated in the Advertisement.
- 14.03 The Bidder assumes the sole responsibility for timely delivery of its Bid, regardless of the method of delivery. Bids received after the date and time prescribed for the opening of bids, or not submitted at the correct location or in the designated manner, will not be accepted and will be returned to the Bidder unopened.

**ARTICLE 15—MODIFICATION AND WITHDRAWAL OF BID**

- 15.01 An unopened Bid may be withdrawn by an appropriate document duly executed in the same manner that a Bid must be executed and delivered to the place where Bids are to be submitted prior to the date and time for the opening of Bids. Upon receipt of such notice, the unopened Bid will be returned to the Bidder.
- 15.02 If a Bidder wishes to modify its Bid prior to Bid opening, Bidder must withdraw its initial Bid in the manner specified in Paragraph 15.01 and submit a new Bid prior to the date and time for the opening of Bids.
- 15.03 If within 24 hours after Bids are opened any Bidder files a duly signed written notice with Owner and promptly thereafter demonstrates to the reasonable satisfaction of Owner that there was a material and substantial mistake in the preparation of its Bid, the Bidder may withdraw its Bid,

and the Bid security will be returned. Thereafter, if the Work is rebid, the Bidder will be disqualified from further bidding on the Work.

#### **ARTICLE 16—OPENING OF BIDS**

- 16.01 Bids will be opened at the time and place indicated in the advertisement or invitation to bid and, unless obviously non-responsive, read aloud publicly. An abstract of the amounts of the base Bids and major alternates, if any, will be made available to Bidders after the opening of Bids.
- 16.02 All Bids will remain subject to acceptance for forty-five (45) days after the day of the Bid opening, but Owner may, in its sole discretion, release any Bid and return the Bid security prior to the end of this period.

#### **ARTICLE 17—EVALUATION OF BIDS AND AWARD OF CONTRACT**

- 17.01 Owner reserves the right to reject any or all Bids pursuant to Nevada state law, including without limitation, nonconforming, nonresponsive, unbalanced, or conditional Bids. Owner also reserves the right to waive all minor Bid informalities not involving price, time, or changes in the Work.
- 17.02 Owner will reject the Bid of any Bidder that Owner finds, after reasonable inquiry and evaluation, to not be responsible.
- 17.03 If Bidder purports to add terms or conditions to its Bid, takes exception to any provision of the Bidding Documents, or attempts to alter the contents of the Contract Documents for purposes of the Bid, whether in the Bid itself or in a separate communication to Owner or Engineer, then Owner will reject the Bid as nonresponsive.
- 17.04 If Owner awards the contract for the Work, such award will be to the responsible Bidder submitting the lowest responsive Bid.
- 17.05 *Evaluation of Bids*
- A. In evaluating Bids, Owner will consider whether the Bids comply with the prescribed requirements, and such alternates, unit prices, and other data, as may be requested in the Bid Form or prior to the Notice of Award.
  - B. If the Unit Bid Item prices and/or schedule of values of a prospective Bidder's Bid are obviously unbalanced, either in excess or below the reasonable cost analysis values, the Bid may be rejected. All bids with separately-priced line items shall be analyzed to determine if the prices are unbalanced. A Bid may be rejected if Owner determines that the lack of balance poses an unacceptable risk to Owner. A Bid with unbalanced pricing may increase performance risk and could result in payment of unreasonably high prices. Unbalanced pricing exists when, despite an acceptable total evaluated price, the price of one or more bid items is significantly over- or understated, as indicated by the application of cost or price analysis techniques. The greatest risks associated with unbalanced pricing occur when:
    - 1. Overpricing of startup work, mobilization, or early items of work ("front-end loading") would cause a Bidder to receive substantial up-front payment;
    - 2. Base quantities and option quantities are separate line items;
    - 3. The quantities as bid are incorrect and the contract cost will be increased when quantities are corrected; and/or

4. On items when the quantities may vary, if the anticipated variation in quantity would result in the lower Bidder not remaining as the low bidder.
- C. More than one Bid for the same Work from an individual or entity under the same or different names will not be considered. Reasonable grounds for believing that any Bidder has an interest in more than one Bid for the Work may be cause for disqualification of that Bidder and the rejection of all Bids in which that Bidder has an interest.
- D. In evaluating bids, Owner will consider whether or not the Bids comply with the prescribed requirements, and such alternates, unit prices and other data as may be requested in the Bid Form or prior to the Notice of Award.
- E. In evaluating whether a Bidder is responsible, Owner will consider the qualifications of the Bidder and may consider the qualifications and experience of Subcontractors and Suppliers proposed for those portions of the Work for which the identity of Subcontractors and Suppliers must be submitted as provided in the Bidding Documents.
- F. Owner may conduct such investigations as Owner deems necessary to establish the responsibility, qualifications, and financial ability of Bidders and any proposed Subcontractors or Suppliers.
- G. If the Contract is to be awarded, Owner will award the Contract to the Bidder whose Bid is in the best interest of the Project.
- H. Owner reserves the right to reduce the Scope of Work up to twenty-five percent (25%) of the total Bid price by deleting items and/or reducing the Scope of Work without invalidating the Bid, if necessary, to reduce the cost of the project to within the Engineer's Estimate and/or Owner's budget.
- I. Any Bidder which submitted a Bid to Owner may protest the recommendation of award in accordance with procedures as set forth in NRS 338.

#### **ARTICLE 18—BONDS AND INSURANCE**

- 18.01 Article 6 of the General Conditions, as may be modified by the Supplementary Conditions, sets forth Owner's requirements as to performance and payment bonds and insurance. When the Successful Bidder delivers the executed Agreement to Owner, it must be accompanied by one (1) copy of each of the required bonds and insurance documentation.
- 18.02 Article 8, Bid Security, of these Instructions, addresses any requirements for providing bid bonds as part of the bidding process.

#### **ARTICLE 19—SIGNING OF AGREEMENT**

- 19.01 When Owner issues a Notice of Award to the Successful Bidder, it will be accompanied by the other Contract Documents as identified in the Agreement. Within 10 business days thereafter, Successful Bidder must execute the Agreement and any bonds and insurance documentation required to be delivered by the Contract Documents to Owner. Within 20 business days thereafter, Owner will deliver one fully executed counterpart of the Agreement to Successful Bidder, together with electronic copies of the Contract Documents as stated in Paragraph 2.02 of the General Conditions.

## **ARTICLE 20—SALES AND USE TAXES**

20.01 Owner is exempt from Nevada state sales and use taxes on materials and equipment to be incorporated in the Work (Exemption No. 88-760004K). Per Section 15, Chapter 338 of the NRS, each contractor, subcontractor and other person who provides labor, equipment, materials, supplies or services for the Work will comply with the requirements of all applicable state and local laws, including, without limitation, any applicable licensing requirements and requirements for the payment of sales and use taxes on equipment, materials and supplies provided for the Work. Said taxes must not be included in the Bid. Refer to Paragraph SC-7.10 of the Supplementary Conditions for additional information.

## **ARTICLE 21—NEVADA REVISED STATUTES**

21.01 Each and every provision of Chapters 332, 338 and 339 of the Nevada Revised Statutes (NRS) and other laws required to be inserted in these Contract Documents shall be deemed to be inserted herein, and the Contract Documents shall be read and enforced as though they are included herein.

21.02 In accordance with NRS 338, the Successful Contractor shall report the name and address of each subcontractor to the Owner and Washoe County Labor Commissioner if the estimated total price of the Contract exceeds \$100,000.

21.03 Apprenticeship Utilization Act: Bidder is responsible for complying with the Apprenticeship Utilization Act and all laws related thereto. Per the Act, absent a waiver for good cause, bidder and all lower-tiered contractors of bidder are required to utilize at least a certain number of labor hours of an apprentice for each craft that bidder or its lower-tiered contractors employ more than 3 employees. Bidder must complete and submit the Project Workforce Utilization Checklist with the bid submission package. If there are any changes to the anticipated workforce, which may have an impact on compliance with the Apprenticeship Utilization Act, bidder and all lower-tiered contractors must submit revised Project Workforce Utilization Checklist form(s) and Request for Waiver form (if applicable) within ten (10) calendar days of the change. The apparent low bidder must submit a Request for Waiver form, if bidder is requesting that IVGID submit a request for a waiver for the Bidder or any of its lower-tiered contractors, on the form provided by the Office of the Labor Commissioner. The acceptance or denial of any Request for Waiver shall not serve as a basis to adjust the bid. The issuance of the Notice to Proceed will not be delayed due to pending waiver determinations, appeals, or related proceedings. IVGID reserves the right to accept or reject any Request for Waiver form and to submit the same to the Labor Commissioner in its sole and absolute discretion. Further information on the Apprenticeship Utilization Act may be found at the Office of the Labor Commissioner's website: [http://labor.nv.gov/Apprenticeship\\_Utilization\\_Act/Apprenticeship\\_Utilization\\_Act/](http://labor.nv.gov/Apprenticeship_Utilization_Act/Apprenticeship_Utilization_Act/).

## **ARTICLE 22—HISTORICAL AND ARCHAEOLOGICAL**

22.01 If, during the course of construction, evidence of deposits of historical or archaeological interest is found, the Contractor shall cease operation(s) affecting the find and shall notify the Owner. No



further disturbance of the deposits shall ensue until the Owner has notified the Contractor that he may proceed.

#### **ARTICLE 23—SAFETY AND HEALTH REGULATIONS FOR CONSTRUCTION**

- 23.01 These construction documents are to be governed at all times by applicable provisions of the Federal Law, including but not limited to the latest amendment of the following:
- A. Williams-Steiger Occupational Safety and Health Act of 1970, Public Law 94-596
  - B. Part 1910 -- Occupational Safety and Health Standards, Chapter XVII of Title 29, Code of Federal Regulations
  - C. Part 1926 -- Safety and Health Regulations for Construction, Chapter XVII of Title 29, Code of Federal Regulations.

#### **ARTICLE 24—NONDISCRIMINATION IN EMPLOYMENT**

- 24.01 A contract for the work hereunder will obligate the Contractor and subcontractor(s) to not discriminate in employment practices and to certify to affirmative action plans.
- 24.02 If requested, Bidders shall submit a compliance report concerning their employment practices and policies in order to maintain their eligibility to receive the award of the contract.
- 24.03 Successful bidders shall, if requested, submit a list of all subcontractors who will perform work on the project, and written signed statements from authorized agents of the labor pools with which they will or may deal for employees on the work, together with supporting information to the effect that said labor pools' practices and policies are in conformity with Executive Order 11246, and that said labor pools will affirmatively cooperate in or offer no hindrance to the recruitment, employment, and equal treatment of employees seeking employment and performing work under the contract, or a certification as to what efforts have been made to secure such statements when such agents or labor pools have failed or refused to furnish same prior to the award of the contract.
- 24.04 Bidder shall submit with his bid, if requested, a statement on separate instrument of whether Bidder has performed work under E. O. 11246, and shall list those projects by project location and date(s) of work performance.

#### **ARTICLE 25—ANTI-KICKBACK AND MINIMUM WAGE RATES**

- 25.01 The Contractor shall comply with the regulations of the Secretary of Labor made pursuant to the Anti-Kickback Act of 13 June 1934, 40 USC 276 (c), including any amendments or modifications. The Contractor shall cause appropriate provisions to be inserted in subcontracts to ensure compliance by all subcontractors, except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions from the requirements thereof. Particular attention is invited to the requirements of filing weekly affidavits with the Owner with respect to wages. Also, the Contractor shall comply with Public Law 403 of 74 USC, setting out minimum wage rates as hereinafter specified.

- 25.02 The work to be performed, as described in these Bidding Documents, is to be paid for in part by both local and federal funds; therefore minimum prevailing wage rates published by both the State and Federal Departments of Labor are applicable. Bidder shall comply with the State of Nevada Commissioner of Labor and the Federal Davis-Bacon and Related Acts, as applicable. In the case of differences between the two lists of wage rates, the Bidder shall pay not less than the higher rates indicated therein for the respective crafts. See Supplementary Conditions.
- 25.03 The Owner does not guarantee that labor can be procured for the minimum wages published by the State and Federal Governments. The rates of wages listed are minimum only, below which the Bidder cannot pay, and they do not constitute a representation that labor can be procured for the minimum listed.

#### **ARTICLE 26—DISADVANTAGED BUSINESS ENTERPRISE (DBE) SOLICITATION**

- 26.01 Each Bidder must fully comply with the requirements, terms, and conditions of the DBE requirements specified.
- 26.02 Requirements:
- A. It is the policy of the Owner that minority businesses shall have the maximum feasible opportunity to participate in the performance of contracts performed under state loan programs.
  - B. The Bidder agrees to use its best efforts to carry out this DBE policy through award of subconsultants to disadvantaged business enterprises.
  - A. All Bidders shall attach to the bid proposal documentation demonstrating that they have made a good faith effort and have taken affirmative steps to ensure that at least twelve percent (12%) of the total bid was made available on a competitive basis to Disadvantaged Business Enterprise (DBE). Bids without said documentation attached will be deemed non-responsive.
- 26.03 *Source for DBE Contractors/Subcontractors*
- A. Bidders may contact the following sources regarding DBE construction Contractors and subcontractors for this project:

State of Nevada Department of Transportation  
Contract Compliance Division  
Nevada Unified Certification Program  
1263 S. Stewart Street  
Carson City NV 89712-0002  
(775) 888-7497  
[www.nevadadbbe.com](http://www.nevadadbbe.com)

## ARTICLE 27—BUY AMERICAN PROVISIONS

- 27.01 In accordance with Title 23 CFR 635.410, permanently incorporated steel and/or iron materials on Federal-Aid projects shall be domestically produced regardless of the percentage they comprise in a manufactured product or form they take.
- 27.02 Minimal use of foreign steel materials will be permitted provided the cost of said materials does not exceed 1/10 of 1% of the total contract cost or \$2,500.00, whichever is greater. The combined cost of foreign steel and/or iron materials will be the value of the materials as they are delivered to the contract, documented by invoice or bill of sale to the contractor. Submit for review a request to use foreign materials prior to their use. Do not incorporate any foreign steel materials into the project without approval.
- 27.03 To qualify as domestic steel, all manufacturing processes, including manufacture, fabrication, grinding, drilling, welding, finishing, coating, and assembly of product containing steel and/or iron materials, must have been performed in the United States. To further define the coverage, a domestic product is a manufactured steel and/or iron materials construction material that was produced in one of the 50 states, the District of Columbia, Puerto Rico, or in the territories or possessions of the United States. Raw materials used in the steel and/or production may be imported. Raw materials such as iron ore, limestone, waste products, etc. which are used in the manufacturing process to produce steel and/or iron materials products. Waste products include scrap; i.e., steel no longer useful in its present form from old automobiles, machinery, pipe, railroad rail, steel trimmings from mills or product manufacturing, and the like. Extracting, crushing, and handling the raw materials which are customary to prepare them for transporting are exempt from Buy America. The use of foreign steel or iron billets is not acceptable under Buy America.
- 27.04 The Build America, Buy America Act (BABA) of the Infrastructure Investment and Job Act (IIJA) (Pub. L. No. 117-58 §§ 70901-52) expands the requirements of the Buy America Act to include permanently incorporated construction materials on Federal-aid projects.
- 27.05 A “construction material” as defined under BABA shall include any article, material, or supply - other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates such as sand, stone, or gravel; or aggregate binding agents or additives - that is or consists primarily of the following:
- A. Non-ferrous metals;
  - B. Plastic and polymer-based products, including but not limited to polyvinylchloride, composite building materials, and polymers used in fiber optic cables;
  - C. Glass (including optic glass);
  - D. Lumber; or
  - E. Drywall
- 27.06 Items that consist of two or more of the listed materials that have been combined together through a manufacturing process, and items that include at least one of the listed materials

combined with a material that is not listed through a manufacturing process, should be considered as manufactured products rather than construction materials.

- 27.07 All construction materials must be manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States.
- 27.08 Provide a Certificate of Materials Origin, using NDOT form 020-095, certifying materials comply with Buy America and BABA requirements as specified above. Submit the certification prior to installation of the material or product. Unless a Certificate of Materials Origin has been provided, the materials will be considered *of foreign origin*.

**END OF INSTRUCTIONS**

## APPRENTICESHIP UTILIZATION ACT – SENATE BILL 207 (2019)

The Legislature hereby finds and declares that: 1. A skilled workforce in construction is essential to the economic well-being of this State; 2. Apprenticeship programs are a proven method of training a skilled workforce in construction; and 3. Requiring the use of apprentices on the construction of public works will ensure the availability of a skilled workforce in construction in the future for this State.

Sec. 1.7. 1. Notwithstanding any other provision of this chapter and except as otherwise provided in this section, a contractor or subcontractor engaged in vertical construction who employs a worker on a public work pursuant to NRS 338.040 shall use one or more apprentices for at least 10 percent of the total hours of labor worked for each apprenticed craft or type of work to be performed on the public work for which more than three workers are employed.

2. Notwithstanding any other provision of this chapter and except as otherwise provided in this section, a contractor or subcontractor engaged in horizontal construction who employs a worker on a public work pursuant to NRS 338.040 shall use one or more apprentices for at least 3 percent of the total hours of labor worked for each apprenticed craft or type of work to be performed on the public work for which more than three workers are employed.

**Horizontal Construction** NRS 338.010 - Subdivision 13. “Horizontal Construction” means the construction of any fixed work, including any irrigation, drainage, water supply, flood control, harbor, railroad, highway, tunnel, airport or airway, sewer, sewage disposal plant or water treatment facility and any ancillary vertical components thereof, bridge, inland waterway, pipeline for the transmission of petroleum or any other liquid or gaseous substance, pier, and work incidental thereto. The term does not include vertical construction, the construction of any terminal or other building of an airport or airway, or the construction of any other building.

**Vertical Construction** NRS 338.010 - Subdivision 24. “Vertical Construction” means the construction or remodeling of any building, structure or other improvement that is predominantly vertical, including, without limitation, a building, structure or improvement for the support, shelter and enclosure of persons, animals, chattels or movable property of any kind, and any improvement appurtenant thereto.

**Complex or Hazardous Work** - The Labor Commissioner will view complex and hazardous work to include, but not be limited to, work performed on a public work project that is traditionally not performed by Apprentices pursuant to their Apprentice Agreement, Collective Bargaining Agreement, and/or any other written justification demonstrating that the work to be performed should not be performed by Apprentices.

A Public Body/Awarding Body, upon the request of a contractor or subcontractor, **MAY** submit a request for a modification or waiver of the percentage of hours of labor of one or more apprentices prior to (1) the bid advertisement; (2) the bid opening; or (3) the award of the contract if, “Good Cause” exists. The Labor Commissioner may also grant a waiver from the requirements of SB 207 after work on the public work has commenced.

Sample Forms and information on SB 207 can be found at:

[http://labor.nv.gov/Apprenticeship\\_Utilization\\_Act/Apprenticeship\\_Utilization\\_Act/](http://labor.nv.gov/Apprenticeship_Utilization_Act/Apprenticeship_Utilization_Act/)

Additional information on Public Works Projects and Prevailing Wages by region can be found at [www.labor.nv.gov](http://www.labor.nv.gov) or by following the links below.

[http://labor.nv.gov/PrevailingWage/Public\\_Works\\_Prevailing\\_Wages/](http://labor.nv.gov/PrevailingWage/Public_Works_Prevailing_Wages/)

<http://labor.nv.gov/uploadedFiles/labornvgov/content/home/features/PWP%20Handbook%20June%202019.pdf>

## GUIDELINES FOR AWARDING BODIES AND CONTRACTORS/SUBCONTRACTORS

1. Senate Bill 207 applies to Public Works Projects (NRS 338.010 – Subdivision 23) over \$100,000. (Exemptions may apply – See NRS sections 338.011 and 338.090.)
2. For each Public Works Project (PWP) Bid Advertisement, Bid Opening, and Contract, the Public Body/Awarding Body should include the requirements of Senate Bill 207. The Public Body/Awarding Body should also determine if the PWP requires the performance of uniquely complex or hazardous work.
3. Contractors/Subcontractors should determine if they can meet the Apprenticeship % requirements set forth in SB 207 or need to request Apprentices from a Registered Apprenticeship Program. Contractors/Subcontractors can request Apprentices using the Apprentice Request Form or request Apprentices in writing from a Registered Apprenticeship Program. (*Written documentation will be required by the Labor Commissioner if a Request for Waiver is submitted.*)
4. If the Apprentice Request is approved and Apprentices are dispatched, an Apprentice Agreement may need to be executed between the Registered Apprenticeship Program and the Contractor/Subcontractor.
5. Apprentice Issues - Issues and/or complaints regarding the qualifications and/or work of an Apprentice that is dispatched should be directed to the Registered Apprenticeship Program or the State of Nevada Apprenticeship Council. Please follow link <http://owinn.nv.gov/Apprenticeship/AboutSAC/>.
6. A Request for Waiver **MAY** be submitted by the **PUBLIC BODY/AWARDING BODY** to the Office of the Labor Commissioner if: (1) No Registered Apprentice Programs exist in the jurisdiction for the craft/type of work required for the PWP; (2) A request for Apprentices was denied or not acted upon within 5 business days; or (3) The PWP requires the performance of uniquely complex or hazardous work.
7. **ONLY THE PUBLIC BODY/AWARDING BODY CAN SUBMIT A REQUEST FOR WAIVER. REQUESTS FOR WAIVERS SHOULD BE SUBMITTED AS SOON AS POSSIBLE.**
8. Within 15 days of receipt of the Request for Waiver, the Office of the Labor Commissioner will issue a Decision/Determination granting or denying the Request for Waiver on the form that was submitted.
9. The Public Body/Awarding Body, Contractor, or Subcontractor can appeal the Decision/Determination within 10 days of issuance.
10. The Public Body/Awarding Body shall monitor the PWP consistent with the laws and regulations set forth in Nevada Revised Statutes (NRS) section 338 and Nevada Administrative Code (NAC) section 338. If a Waiver has not been granted the Public Body/Awarding Body shall ensure that certified payroll reports and any other required documentation are submitted and maintained demonstrating compliance with SB 207.

### **For additional information please contact us at:**

Office of the Labor Commissioner  
1818 College Parkway, Suite 102  
Carson City, NV 89706 775-684-1890

[AUA@labor.nv.gov](mailto:AUA@labor.nv.gov)

Office of the Labor Commissioner  
3300 W. Sahara Avenue, Suite 225  
Las Vegas, NV 89102 702-486-2650

[AUA@labor.nv.gov](mailto:AUA@labor.nv.gov)

TOLL FREE: 1-800-992-0900 Ext. 4850 - [www.labor.nv.gov](http://www.labor.nv.gov)

## **SECTION 3 - BID FORM**

The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

### **ARTICLE 1—OWNER AND BIDDER**

1.01 This Bid is submitted to:

Incline Village General Improvement District  
Public Works Department  
1220 Sweetwater Road  
Incline Village NV 89451  
775-832-1267

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

### **ARTICLE 2—ATTACHMENTS TO THIS BID**

2.01 The following documents are submitted with and made a condition of this Bid:

- A. Required Bid security;
- B. List of Proposed Subcontractors;
- C. List of Proposed Suppliers;
- D. Evidence of authority to do business in the state of Nevada, or a written covenant to obtain such authority within the time for acceptance of Bids;
- E. Contractor's license number as evidence of Bidder's State Contractor's License, or a covenant by Bidder to obtain said license within the time for acceptance of Bids;
- F. Required Bidder Qualification Statement with supporting data

**ARTICLE 3—BASIS OF BID—UNIT PRICES BID**

3.01 Bidder will complete the Work in accordance with the Contract Documents for the following Unit Price(s):

<b>BID SCHEDULE</b>					
<b>Item No.</b>	<b>Description</b>	<b>Estimated Quantity</b>	<b>Unit</b>	<b>Unit Price</b>	<b>Bid Price</b>
1	Mobilization/Demobilization	1	LS	n/a	55,000
2	Temporary Traffic Control	1	LS	n/a	71,000
3	Environmental Protection	1	LS	n/a	6,500
4	WL Connection Assembly Sheet P1 Section A-A	1	LS	n/a	45,000
5	WL Connection Assembly Sheet P3 Station 32+15	1	LS	n/a	30,900
6	8" Water Line	2,280	LF	159	362,520
7	8" Gate Valve	6	EA	6,550	39,300
8	Fire Hydrant Assembly	3	EA	18,100	54,300
9	Water Service Re-connects	15	EA	5,865	87,975
10	Abandon Existing Water Valve	3	EA	250	750
11	1" Combination Air Valve	1	EA	8,200	8,200
12	Bollards	2	EA	1,890	3780
13	Cut and Cap Water Main or Cut and Plug Existing Pipe	8	EA	230	1,840
14	Roadway & Existing Facility Repair	1	LS	n/a	344,046
<b>Total Bid Price (Sum of Items 1 thru 14)</b>					<b>\$ 1,111,111</b>

A. Bidder acknowledges that:

1. Each Bid Unit Price includes an amount considered by Bidder to be adequate to cover Contractor's overhead and profit for each separately identified item, and
2. Estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all Unit Price Work will be based on actual quantities, determined as provided in the Contract Documents.

*Quantities are not guaranteed. Final Payment will be based upon actual quantity of work performed.*



**ARTICLE 4—TIME OF COMPLETION**

- 4.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.
- 4.02 Bidder accepts the provisions of the Agreement as to liquidated damages.

**ARTICLE 5—BIDDER’S ACKNOWLEDGEMENTS: ACCEPTANCE PERIOD, INSTRUCTIONS, AND RECEIPT OF ADDENDA**

- 5.01 *Bid Acceptance Period*
  - A. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.
- 5.02 *Instructions to Bidders*
  - A. Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security.
- 5.03 *Receipt of Addenda*
  - A. Bidder hereby acknowledges receipt of the following Addenda:

Addendum Number	Addendum Date
1	1/27/23

**ARTICLE 6—BIDDER’S REPRESENTATIONS AND CERTIFICATIONS**

- 6.01 *Bidder’s Representations*
  - A. In submitting this Bid, Bidder represents the following:
    1. Bidder has examined and carefully studied the Bidding Documents, including Addenda.
    2. Bidder has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
    3. Bidder is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
    4. Bidder has carefully studied the reports of explorations and tests of subsurface conditions at or adjacent to the Site and the drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such reports and drawings.
    5. Bidder has carefully studied the reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.

6. Bidder has considered the information known to Bidder itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Technical Data identified in the Supplementary Conditions or by definition, with respect to the effect of such information, observations, and Technical Data on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, if selected as Contractor; and (c) Bidder's (Contractor's) safety precautions and programs.
7. Based on the information and observations referred to in the preceding paragraph, Bidder agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
8. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.
9. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and of discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
10. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. The submission of this Bid constitutes an incontrovertible representation by Bidder that without exception the Bid and all prices in the Bid are premised upon performing and furnishing the Work required by the Bidding Documents.

#### 6.02 *Bidder's Certifications*

##### A. The Bidder certifies the following:

1. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation.
2. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid.
3. Bidder has not solicited or induced any individual or entity to refrain from bidding.
4. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 8.02.A:
  - a. Corrupt practice means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process.
  - b. Fraudulent practice means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition.
  - c. Collusive practice means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels.

- d. Coercive practice means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

BIDDER hereby submits this Bid as set forth above:

Bidder:

Burdick Excavating Co Inc

(typed or printed name of organization)

By:



(individual's signature)

Name:

Linda Burdick

(typed or printed)

Title:

President

(typed or printed)

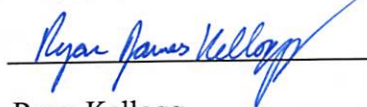
Date:

2/9/23

(typed or printed)

If Bidder is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.

Attest:



(individual's signature)

Name:

Ryan Kellogg

(typed or printed)

Title:

Project Manager

(typed or printed)

Date:

2/9/23

(typed or printed)

Address for giving notices:

PO BOX 22330, Carson Cty, NV 89721

Bidder's Contact:

Name:

Linda Burdick

(typed or printed)

Title:

President

(typed or printed)

Phone:

775-297-4566

Email:

Lburdick@burdicexc.com

Address:

PO BOX 22330

Carson City, NV 89721

Bidder's Contractor License No.: (if applicable) 22629

**ADDITIONAL INFORMATION REQUIRED AT BID**  
**Reference Instructions to Bidders Section 2**

List three (3) similar projects completed by Contractor within the last 5 years:

Contact Name & Phone No.	Description of Work	Date Complete	Cost
See attached company resume			

**Work Experience:** List years of experience with similar projects, project descriptions, locations and costs, for proposed Job Foreman/ Superintendent:

Forman/Super's Name	Title	Years' Experience	
Randy Burdick	Superintendant/owner	42	
Name & Location of Project	Description	Project Cost	Date Completed
All prior projects on compant resume			
Name & Location of Project	Description	Project Cost	Date Completed
Name & Location of Project	Description	Project Cost	Date Completed
Name & Location of Project	Description	Project Cost	Date Completed

**BURDICK EXCAVATING CO INC**  
**P.O. Box 22330**  
**Carson City, NV 89721**  
**775-297-4566**  
**NV #0022629 – CA #476659**

**2022 CARSON RIVER BANK STABILIZATION**

Owner: Carson Valley Conservation District  
1603 Esmeralda Ave, Minden, Nevada 89423

Contact Person: Shaker Gorla  
[sgorla@roanderson.com](mailto:sgorla@roanderson.com)

Start Date: November 2022

Completion Date: December 2022

Contract Amount: \$372,674

Description: Water quality improvement project stabilizing the banks of the Carson River near Genoa. Work included diverting river flows, stormwater controls, rock slope protection, grading, stabilization, reestablishing river banks and BMPs/erosion control measures.

**LOWER WOOD CREEK WATER QUALITY IMPROVEMENT PROJECT**

Owner: Washoe County CSD  
1001 East 9<sup>th</sup> St, Reno, NV 89520

Contact Person: Bill Wardell  
[Wwardell@washoecounty.gov](mailto:Wwardell@washoecounty.gov) , 775-750-7325

Start Date: July 2021

Completion Date: October 2021

Contract Amount: \$2,387,930

Description: Water quality improvement project within Incline Village that includes construction of AC Pavement sections for paths, roads and driveway approaches, curb and gutter, storm drain and infiltration facilities. Project required coordination with environmental agencies, Nevada Department of Wildlife and North Tahoe Conservation District to allow for work in the waterways to relocate the culvert crossing of Lower Wood Creek and Southwood Blvd in Incline Village.

**NTPUD NORTH TAHOE REGIONAL PARK FIELD #4 RENOVATION AND PEDESTRIAN PATH**

Owner: North Tahoe Public Utility District  
875 National Ave, Tahoe Vista, CA 96148

Contact Person: Nathan Chorey, P.E.  
Nchorey@NTPUD.org, 530-553-5424

Start Date: May 2021

Completion Date: August 2021

Contract Amount: \$1,828,599.28

Description: This Contract included the removal, replacement, and enlargement of an existing synthetic turf field soccer field, field drainage improvements, new paved pedestrian paths and associated site improvements and landscaping. This project required large amounts of field adjustment due to substantial unknown/misrepresented conditions discovered in the field.

#### **TENTH AND CURRY WATER MAIN EXTENSION PROJECT**

Owner: Carson City  
201 North Carson Street Suite 2, Carson City, NV 89701

Contact Person: Jeff A. Freeman.  
JAFreeman@Carson.org, 775-283-7094

Start Date: April 2021

Completion Date: July 2021

Contract Amount: \$312,061.00

Description: This project included installing 505 linear feet of 12-inch water main, 1 water service, two fire hydrants, remove and replace four storm water drop inlets, install one new storm water drop inlet, concrete work, asphalt and concrete patching, abandonment of existing 4-inch water main, cut-in one 12-inch gate valve and associated work.

#### **COLDSTREAM ROAD-DONNER CREEK STRUCTURE REPLACEMENT PROJECT**

Owner: Town of Truckee  
1001 Airport Road, Truckee, CA 96161

Contact Person: Mike Vaughn ,P.E.  
mvaughn@townoftruckee, 530-582-2923

Start Date: August 2020

Completion Date: November 16<sup>th</sup> 2020

Contract Amount: \$1,659,537.00

Description: Replacement of approximately 114 lf of existing CMP culvert in a stream bed under Coldstream Road in three stages, including 30" bypass system, 24 hours a day, under the roadway, pumping ground water via 5 pumps into a Baker Tank, then through 1,700 lf of victaulic piping to irrigation heads, compliance with CA Water Quality Board with our QSP, installation of 45 concrete (990 tons) of prefabricated pedestals, arches and wing walls. Excavation of 25' in the streambed,

placement of concrete with a 50 ton crane, temporary and permanent BMPs, rock slope protection, ornamental railings, AB and AC and striping.

**TAHOE PINES CAMPGROUND REHABILITATION- Contract #19-24479, Project #136712**

Owner: California Tahoe Conservancy (CTC)  
1061 3<sup>rd</sup> Street, S. Lake Tahoe , CA. 96150  
Contact - Mark Sedlock, [mark.sedlock@tahoe.ca.gov](mailto:mark.sedlock@tahoe.ca.gov) 530-572-4956

Project Administration: Department of General Services (DGS)  
707 3<sup>rd</sup> Street, 4<sup>th</sup> Floor, W. Sacramento, CA. 9569025  
Contact: Brad Tress, [brad.tress@dgs.ca.gov](mailto:brad.tress@dgs.ca.gov)

Start Date : May 1, 2020

Completion Date: October 15, 20120

Contract Amount: \$725,235.60

Description of Work: Installation of temporary BMPs (work was adjacent to the Upper Truckee River), Parking lot removal and replacement, Rough and Finish Grading, Placement of Bridge Structure (including form and pour footings, piers and abutments and finish bridge slab, with RSP on banks), Forestry Gates, Drainage improvements, Planting and Irrigation.

**2020 SEWER IMPROVEMENTS PROJECT**

Owner: South Tahoe Public Utility District (STPUD)  
1275 Meadow Crest Drive, S. Lake Tahoe, CA. 96150

Engineer: Brent Goligoski  
[bgoligoski@stpud.dst.ca.us](mailto:bgoligoski@stpud.dst.ca.us)

Contract Amount: \$2,329,393.50

Start Date: May 2020

Completion Date: August 2020

Description: Renovate STPUD Maintenance Facility including temporary and permanent BMP's, drainage upgrades, rock-lined channels, rough and finish grading, placing AB and AC paving. The majority of the project was replacement of an existing sewer line. The project was a 15' cut in an SEZ requiring wet wells, five pumps 24 hours a day, staked trench boxes, with a very deteriorated roadway sometimes failing 17' beyond the 4' trench specified, with a plethora of unknown utilities not shown on the plans. In performing the sewer laterals to 45 residences, one electrical conduit was shown on the plans, and we encountered between 16 and 36 existing conduits. We engaged NorCal with a vacuum truck to assist in locating and excavating around all the existing conduits. Roadway was ultimately ground and overlaid, then stripped.



**UPPER AMERICAN RIVER NORTHSORE RV CAMPGROUND REHABILITATION**

**Owner:** Supply Chain Service  
Sacramento Municipal Utility District  
4401 Bradshaw Rd  
Mail Stop EA404  
Sacramento, CA 95827

**Contact Person:** Doug Moore, MBA  
Procurement Specialist  
douglas.moore@smud.org  
916-732-7069

**Project Design:** CARDNO  
295 Hwy 50  
Zephyr Cove, NV 89448

**Contract Amount:** \$3,719,092.56

**Project Completion Date:** December 2019

**Description:** Renovation and expansion of an existing campground facility at Loon Lake in Desolation in California which is off the grid in El Dorado National Forest on USFS property. Sacramento Municipal Utility District administered the project.

The project involved (first snow removal in June of 2019) massive rock excavation to build a 25 site campground on Loon Lake, 3,200 LF waterline in rock, 4,000 gallon above ground water tank, 1,000 gallon below grade water tank, refurbish of an existing concrete vault toilet, installation of 2 each prefabricated vault toilets, generator building and generator for the water system. Assemble and install campground furniture, drainage upgrades, base and paving/stripping, signage, traffic control, temporary and permanent erosion control measures, USFS gates, concrete work.

The bidding protocol on this, as well as the following 2018 SMUD project listed, was an RFP, that awarded the project based on your experience. We were awarded these projects even though we were not the low bidder.

**2019 NORTH TAHOE REGIONAL PARK MULTI-PURPOSE TRAILHEAD IMPROVEMENTS PROJECT**

**Owner:** North Tahoe Public Utility District

875 National Ave.  
Tahoe Vista, CA

**Contact Person:** Brad Johnson, PE  
875 National Avenue  
Tahoe Vista, CA 96148  
530-546-4212

**Project Design:** Auerbach Engineering  
645 W. Lake Blvd, Tahoe City, CA 96145

**Contract Amount:** \$494,651.71

**Project Completion Date:** July 2019

**Description of Work:** Prep for new bike trail and parking lot, base and pave/stripping,  
Fabricate a gazebo, drainage improvements, mass and finish  
Grading, concrete work, temporary and permanent erosion  
control measures.

**UPPER AMERICAN RIVER SUNSET CAMPGROUND REHABILITATION PROJECT**

**Owner:** Supply Chain Service  
Sacramento Municipal Utility District  
4401 Bradshaw Rd  
Mail Stop EA404  
Sacramento, CA 95827

**Contact Person:** Doug Moore, MBA  
Procurement Specialist  
douglas.moore@smud.org  
916-732-7069

**Project Design:** CARDNO  
295 Hwy 50  
Zephyr Cove, NV 89448

**Contract Amount:** \$9,513,604.00

**Projected Completion Date:** June 2019. Actual Completion November 2018

**Description of Work:** Complete renovation of 131 single, double and triple campsites, on a 30 acre peninsula off the grid in the El Dorado National Forest on USFS land for Sacramento Municipal Utility District.

Work included demolition of existing facilities, tree falling, BMP installation and maintenance, as well as rough and finished grading of spurs, campsites, and loop roads. New 13,000 LF HDPE waterline and laterals, 30,000 gallon water tank, AC paving of all spurs, loops, access road, rock drainage channels, shower building, 15 each prefabricated vault toilets, campsite furniture, and USFS gates. Also signage, timber steps, trails to lake, entry Kiosk building, propane tank and enclosure.

This was a two year project, and we finished 99% of the work by 10/18 as opposed to 12/19 per our contract, with the exception of minor caulking by a subcontractor on the water tank that was completed in 2019.

### **TRUCKEE RIVER INTERCEPTOR MH 81 TO MH 83**

**Owner:** Tahoe Truckee Sanitation Agency  
13720 Butterfield Drive  
Truckee, CA 96161

**Contact Person:** Griffin LaRue  
General Manager  
lgriffin@ttsa.net

**Project Design:** CH2M  
2525 Airpark Drive  
Redding, CA 96001

**Contract Amount:** \$2,256,728.00

**Projected Completion Date:** October 2018

**Description of Work:** Removal and replacement of approximately 1,800 LF of gravity 36" RCP sewer line adjacent to the Truckee River. A 24 hour by-pass was in place for the duration of the project. Work was also performed on private property, including replacement of existing paver driveway, planting, AC paving, striping, QSP reporting, and revegetation.

### **EAST INCLINE VILLAGE PHASE 1 WATER QUALITY IMPROVEMENT PROJECT**

**Owner:** Washoe County  
Community Services Department – Engineering & Capital Projects  
Division  
1001 East Ninth Street  
Reno, NV 89512

**Contact Person:** Joaquin Tabadda  
Project Manager  
jtabbada@washoecounty.us

**Project Design:** Lumos & Associates  
800 E. College Parkway  
Carson City, NV 89706

**Contract Amount:** \$3,057,455.00

**Projected Completion Date:** September 2017

**Description of Work:** Installation of upgrades to drainage system, infiltration basins, HDPE, sediment cans, catch basins, shoulder stabilization, concrete curb & gutter, rock-lined channels, rock slope protection, AC Paving, utility relocations, revegetation.

## **DIAMOND PEAK LODGPOLE DRAINAGE EMERGENCY REPAIRS**

**Owner:** Incline Village General Improvement District  
1220 Sweetwater Road  
Incline Village, NV 89451

**Contact Person:** Brad Johnson  
Project Manager  
baj@ivgid.org

**Project Design:** CH2MHILL  
52525 Airpark Dr.  
Redding, CA 96001

**Contract Amount:** \$395,000.00

**Projected Completion Date:** October 2017

**Description of Work:** Remove & replace approximately 1,950 LF of live 24" and 30" drainage culvert from the face of Diamond Peak Ski area, including 24 hour bypass of water. 48", 30" and 24" drop inlets, concrete cut-off walls, water pollution control, trench safety, and revegetation.

## **WASTEWATER TREATMENT PLANT DECANT FACILITY PROJECT**

**Owner:** Incline Village General Improvement District  
1220 Sweetwater Road  
Incline Village, NV 89451

**Contact Person:** Brad Johnson  
Project Manager  
baj@ivgid.org

**Project Design:** Farr West Engineering  
5510 Longley Lane  
Reno, NV 89511

**Contract Amount:** \$417,555.00

**Projected Completion Date:** October 2017

**Description of Work:** Install approximately 400 LF of modular gravity retaining wall, rolled curb and gutter, relocate hydrant, chain link fence, tie into existing manhole, BMP's, AC paving and revegetation.

## **RANCHO SAN RAFAEL IRRIGATION RECONSTRUCTION PROJECT PHASE 2**

**Owner:** Washoe County  
Community Services Department - Water Resources  
1001 East Ninth Street  
Reno, NV 89512

**Contact Person:** Alan Jones  
Project Manager  
ajones@washoecounty.us

**Project Design:** Brian Martinezmoles  
Wood Rodgers Inc.  
5440 Reno Corporate Dr.  
Reno, NV 89511

**Contract Amount:** \$1,200,315.00

**Projected Completion Date:** February 2017

**Description of Work:** BMP's, installation of approximately 3,200 LF of 8" main, 1,130 LF of 4" main, 38,000 LF of laterals, 407 each 8005 series heads, 246 each 5000 series heads, 31 each Van 151804 heads, Rainbird two-wire controller and decoder, all associated appurtenances, revegetation.

## **REPLACEMENT OF COMFORT STATION #1, #3, #7, #8**

**Owner:** Department of Conservation & Natural Recourse  
Nevada Division of State Parks  
901 S. Stewart Street  
Carson City, NV 89701

**Contact Person:** Marc LePire  
Project Manager  
mlepire@parks.nv.gov

**Project Design:** Joe Cyphers  
901 S. Stewart Street  
Carson City, NV 89701

**Contract Amount:** \$2,037,276.00

**Projected Completion Date:** May 2017

**Description of Work:** BMP's , demolish (5) comfort stations, (some stations contained hazardous material), grade pads, form and pour footings, bring utilities to structures, install new transformers, remove and replace concrete sidewalks, place pre-fabricated comfort stations, install iron fencing, revegetation.

**ZEPHYR COVE WATER QUALITY IMPROVEMENT PROJECT PHASE 1**

**Owner:** Nevada Tahoe Conservation District  
400 Dorla Court  
Zephyr Cove, NV 89448

**Contact Person:** Meghan Kelly  
Project Manager  
mkelly@ntcd.org

**Project Design:** Meghan Kelly  
400 Dorla Court  
Zephyr Cove, NV 89448

**Contract Amount:** \$128,072.54

**Completion Date:** November 1, 2016

**Description of Work:** BMP's, restoration of beachfront drainage facilities, curb and gutter, granite rock landings, AC Paving.

**BURKE CREEK HWY 50 CROSSING & REALIGNMENT PROJECT – PHASE 1**

**Owner:** Nevada Tahoe Conservation District  
400 Dorla Court  
Zephyr Cove, NV 89448

**Contact Person:** Meghan Kelly  
Project Manager  
mkelly@ntcd.org

**Project Design:** Meghan Kelly  
400 Dorla Court  
Zephyr Cove, NV 89448

**Contract Amount:** \$944,385.11

**Completion Date:** October 31, 2016

**Description of Work:** BMP's, realignment of existing Burke Creek, drainage upgrades, utility re-locates and culvert crossing on Hwy 50, Stateline, NV, rock outfall, headwall, curb and gutter, revegetation, paving. This involved bypass of running water in Burke Creek.

## **2016 WATERMAIN REPLACEMENT & FIRE FLOW ENHANCEMENT PROJECT**

**Owner:** Incline Village General Improvement District  
1220 Sweetwater Road  
Incline Village, NV 89451

**Contact Person:** Michel Lefrancois  
Project Engineer  
mtl@ivgid.org

**Project Design:** Michel Lefrancois  
1220 Sweetwater Road  
Incline Village, NV 89451  
mtl@ivgid.org

**Contract Amount:** \$741,431.12

**Completion Date:** October 31, 2016

**Description of Work:** BMP's, upgrade of water mains and lateral facilities, paving, revegetation.

## **COMMUNITY PLAY FIELDS EXPANSION PROJECT PHASE 1**

**Owner:** City of South Lake Tahoe  
1052 Tata Lane  
South Lake Tahoe, CA 96150

**Contact Person:** Chuck Taylor  
Project Engineer  
ctaylor@cityofslt.us

**Project Design:** Chuck Taylor  
1052 Tata Lane  
South Lake Tahoe, CA 96150  
ctaylor@cityofslt.us

**Contract Amount:** \$391,556.84

**Completion Date:** August 18, 2016

**Description of Work:** BMP's, Tree removal, (178 ea.), mass grading for (2) soccer fields, application of amendments, installation of paver sidewalks, curb/gutter, QSP responsibilities.



### SIERRA TRACT PHASE 3 & 4 EROSION CONTROL PROJECT

Owner: City of South Lake Tahoe  
Dept. of Public Works  
1052 Tata Lane  
SLT, CA 96150

Contact Person: Stan Hill  
Project Manager  
[shill@cityofslt.us](mailto:shill@cityofslt.us)

Project Design: CDM Smith  
12313 Soaring Way, STE 2-D  
Truckee, CA 96161  
Stephan [Schusterschustersl@cdmsmith.com](mailto:Schusterschustersl@cdmsmith.com)

Contract Amount: \$4,375,436.00

Contract Completion Date: August 2016

Description of Work: Tree removal, bypass streams to construct basins, bypass storm drains to construct new storm drains, concrete curb & gutter, adjust utilities to grade, earthwork, concrete structures, paving, striping, landscaping, BMP's, re-vegetation.

### SNOW CREEK SEZ RESTORATION PROJECT

Owner: County of Placer  
P.O. Box 336  
Kings Beach, CA. 96143

Contact Person: Kansas McGahan – RE  
[kmgahan@placer.ca.gov](mailto:kmgahan@placer.ca.gov)

Project Design: Stefan Shuster, P.E. – CDM Smith  
[shusterSL@cdmsmith.com](mailto:shusterSL@cdmsmith.com)

Contract Amount: \$1,626,163.19

Completion Date: June 2014

Description of Work: Re-establishing a creek bed by re-grading approximately 3 acres, building boardwalks for walk paths, RR car bridge. Major drainage improvements, tie-in to existing utilities, curb and gutter, paver sidewalks, re-vegetation, planting and irrigation.

### WEST PLUMB LANE 10-INCH MAIN ADDITION, 12-INCH DANIEL WEBSTER SUCTION ADDITION AND MAIN ABANDONMENTS

Owner: Truckee Meadows Water Authority

1355 Capital Blvd, (P.O. Box30013)  
Reno, NV 89520

Contact Person: Scott Benedict – Design Engineer  
[sbenedict@tmwa.com](mailto:sbenedict@tmwa.com)

Project Management: Mike Haliburton  
775-834-8030

Contract Amount: \$980,949.07

Completion Date: May 2013

Description of Work: Approximately 4,625 LF of 8', 10" and 12" ductile iron waterline, hot tap, hydrants, ARV, 58 each service laterals, connections to main, drainage improvements, traffic control, AC patching, abandonment of existing waterline with the use of grout.

## **HOMEWOOD WATER QUALITY IMPROVEMENT PROJECT PHASE 1 & 1A**

Owner: Placer County Department of Public Works  
Tahoe Engineering Division  
P.O. Box 336, Kings Beach, CA. 96143

Contact Person: Kansas McGahan  
[kmcgahan@placer.ca.gov](mailto:kmcgahan@placer.ca.gov)

Project Management: Nicols Engeering, Anna Henke  
[ahenke@ncenet.com](mailto:ahenke@ncenet.com)

Contract Amount: \$1,022,562.50

Completion Date: October 2012

Description of Work: Water pollution control, Drainage improvements including sediment basins, rock-lined channels, rock walls, relocation of existing utility lines, HDPE and RCP drainage pipe, infiltration trenches, geo-block pavers, re-vegetation measures, traffic control, base and paving.

## **CAVE ROCK WATER SYSTEMS IMPROVEMENT, PHASE 2A**

Owner: Douglas County Public Works  
1120 Airport Rd., Bldg F-2  
Minden, NV 89423

Contact Person: Cathy Poole,(No longer with Douglas County)  
Ron Roman  
(775) 782-6480

Contract Amount: \$659,629.38

Completion Date: February 2012

Description of Work: Traffic control, BMP's, replacement of water lines, laterals and hydrants, boring across Route 50, installation of baffles in clear well, AC Paving, re-vegetation.

## **2011 LUCERNE WATER TRANSMISSION MAIN INSTALLATION**

Owner: Town of Minden  
1604 Esmeralda Drive  
Minden, NV 89423

Contact Person: Resource Concepts, Inc.  
Tim Russell  
[tim@rci-nv.com](mailto:tim@rci-nv.com)

Contract Amount: \$1,131,067.70  
Completion Date: March 2012  
Description of Work: Installation of 36", 30", 24" and 12" ductile iron waterline at 4-15 feet depth in wet conditions. Bore across route 395, irrigation planting, curbs/gutters and sidewalks, traffic control, re-vegetation, AC paving

### **INCLINE VILLAGE CULVERT REPLACEMENT**

Owner: Incline Village General Improvement District  
1220 Sweetwater Rd  
Incline Village, NV 89451  
Contact Person: Brad Johnson  
[brad\\_johnson@ivgid.org](mailto:brad_johnson@ivgid.org)  
Project Management: Cardno-Entrix  
Charles Miller  
[charley.miller@cardno.com](mailto:charley.miller@cardno.com)  
Contract Amount: \$823,592.00  
Completion Date: November 2011  
Description of work: Stream bypass for installation of pre-cast concrete culverts, wing walls, BMP's, traffic control, relocate utilities, AC paving, landscape/irrigation, re-vegetation

### **GRIZZLY MOUNTAIN WATERLINE REPLACEMENT**

Owner: South Tahoe Public Utility District  
1275 Meadow Crest Drive  
South Lake Tahoe, CA 96150  
Contact Person: Jim Hoggatt (now retired)  
Replaced by; Shannan Cotulla  
(530) 544-6474  
Project Management: STPUD  
Contract Amount: \$1,375,285.46  
Completion Dare: June 2011  
Description of work: Installation of waterline, hydrants, services, BMP, AC Paving, Traffic Control, re-vegetation

## VAN SICKLE BI-STATE PARK

This was the second and final year of a two year project with Nevada State Parks.

Owner: Nevada Division of State Parks  
901 S. Stewart St  
Carson City, NV

Contact Person: Mark Davis (2010 representative)  
[markcdavis@parks.nv.gov](mailto:markcdavis@parks.nv.gov)

Project Management: Mark Davis

Contract Amount: \$2,479,394.00

Completion Date: September 2010

Description of Work: Clear and Grub, rough grading, water/sewer/drainage, curb and gutter, rock slope protection rock-lined ditches roadway prep with base and paving, parking lots, dam revetment, park furniture and restroom, irrigation and landscaping, planting, re-vegetation, BMPs and traffic control, pervious concrete, forestry gates

## INCLINE AND THIRD CREEK RESTORATION-INCLINE WAY CULVERT REPLACEMENT

Owner: Incline Village General Improvement District  
Brad Johnson, Sr. Engineer  
1220 Sweetwater Road  
Incline Village, NV 89451  
Email: [brad\\_johnson@IVGID.ORG](mailto:brad_johnson@IVGID.ORG)

Contact Person: Cardno-Entrix  
Charles Miller, Design Engineer  
(530)542-0201  
[charley.miller@cardno.com](mailto:charley.miller@cardno.com)

Contract Amount: \$1,546,860.00

Completion Date: October 2010

Description of Work: By pass of two creeks to place precast spanned culverts, relocate existing water and sewer lines, Traffic control, BMPs, Stream restoration work including spawning pools and falls, rock and log placement, rock slope protection, re-vegetation, AC paving

## AL TAHOE EROSION CONTROL PROJECT 1 – Stage 2

Owner: City of S. Lake Tahoe  
1052 Tata Lane  
S. Lake Tahoe, CA. 96150

Contact Person: Stan Hill  
(530) 542-7415  
[shill@cityofslt.us](mailto:shill@cityofslt.us)

Project Management: Mark Frisina, Inspector for Wood Rodgers  
(775)745-0807

Contract Amount: \$1,423,738.30

Completion Date: September 2010

Description of Work: Drainage facilities, Traffic Control, Permeable Asphalt Paving, Pervious Concrete, Media Filters, Site Utilities, BMP's, Curb and Gutter, Permeable Pavers, manholes, re-vegetation.

## THIRD CREEK RESTORATION PROJECT

Owner: Incline Village General Improvement District  
1220 Sweetwater Rd  
Incline Village, NV 89451

Contact Person: Brad Johnson  
(775) 832-1203  
[brad\\_johnson@ivgid.org](mailto:brad_johnson@ivgid.org)

Contract Amount: \$833,182.00

Completion Date: September 2009

Description of work: Clear & grub, drainage installation, dewatering, excavation, soil wraps, spawning gravel, cobble, rock placement, log grade controls, pedestrian bridges, 11 types of re-vegetation, irrigation, traffic control, AC paving.

## CRYSTAL BAY PHASE 1B & 11A WATER QUALITY IMPROVEMENTS

Owner: Washoe County Dept. of Public Works  
1001 East 9<sup>th</sup> Street  
Reno, NV 89520

Contact Person: Kris Kline  
(775) 328-2040

Contract Amount: \$653,135.75

Completion Date: July 2009  
Description of Work: Drainage improvements, rock slope protection, retaining walls, re-vegetation, erosion control blocks, AC paving

**UPPER TRUCKEE RIVER STREAM ENVIRONMENT ZONE RESTORATION PROJECT –  
Middle Reach 3 & 4**

Owner: City of South Lake Tahoe  
1052 Tata Lane  
S. Lake Tahoe, CA. 96150

Contact Person: Stan Hill (530) 542-6030  
[shill@cityofslt.us](mailto:shill@cityofslt.us)

Design Firm: Cardno-Entrix  
1048 Ski Run Blvd  
S. Lake Tahoe, CA. 96150

Contact Person: Loren Roach – Project Engineer (530) 307-0466  
[lroach@manhard.com](mailto:lroach@manhard.com)

Contract Date: July 1, 2008 – This is a three year project.

Contract Amount: \$4,497,904.18

Description of Work: Re-channelization of approximately 4,000 lf of existing river bed for the Upper Truckee River, including a temporary river crossing, erosion control measures of silt fencing, sediment logs, silt curtain, 3,400 lf of 4' x 10' water berm, dewatering treatment, temporary SEZ roads, cut/fill of approx. 45,000 cy, many types of re-vegetation, creation of flood plain, irrigation system of 17 acres for three years, AC paving, planting.

We completed two years of construction this season, but were unable to continue due to limited building season in the Tahoe basin, and the contract requirement for the vegetation in the new channel develop for a stand alone season. We will irrigate during the 2009 season, and then tie-in the new channel to the old in 2010.

**TAHOE LAKE ELEMENTARY SCHOOL BMP AND ACCESS PROJECT**

Owner: Tahoe Truckee Unified School District  
11839 Donner Pass Road  
Truckee, CA. 96161

Contact Person: Anna Klovstad (530) 587-6109  
[aklovstad@ttusd.org](mailto:aklovstad@ttusd.org)

Contract Amount: \$611,663.73  
Completion Date: November 2008  
Description of Work: Drainage improvements, including OMPI inlets, CMP, energy dissipaters. Adjust utilities, AC parking lot, striping, signage, rock retaining wall, landscaping and irrigation, fencing, sidewalks, curb/gutters.

#### **TAHOE PINES EROSION CONTROL PROJECT**

Owner: Placer County Department of Public Works  
Tahoe Design Division  
10825 Pioneer Trail, Suite 105  
Truckee, CA. 96161  
Contact Person: Brian Stewart, Sr. Civil Engineer (530)581-6238  
[bstewart@placer.ca.gov](mailto:bstewart@placer.ca.gov)  
Contract Amount: \$841,940.00  
Completion Date: June 2007  
Description of Work: Drainage improvements including curb and gutter, drain inlets, sedimentation cans, rock-lined channels, rock retaining walls, asphalt concrete paving, re-vegetation.

#### **SAWMILL 1A BIKE PATH**

Owner: County of El Dorado, Department of Transportation  
Tahoe Engineering  
924B Emerald Bay Road  
S. Lake Tahoe, CA. 86150  
Contact Person: Steve Kooyman, Sr. Engineer  
(530)573-7900  
Contract Amount: \$1,213,710.40  
Completion Date: Substantial Completion August 2007  
Description of Work: Installation of erosion control measures, clear and grub, drainage improvements, construction of asphalt bike path, 690' of an elevated bike path, rock-lined ditches, rock-bowls, re-vegetation.



## SIERRA TRACT EROSION CONTROL PROJECT PHASE 1A

Owner: City of South Lake Tahoe  
1052 Tata Lane  
S. Lake Tahoe, CA. 96150

Contact Person: Stan Hill  
[shill@cityofslt.us](mailto:shill@cityofslt.us)

Contract Amount: \$1,100,115.00

Completion Date: October 2007

Description of Work: Drainage improvements including 24" and 18" HDPE pipe, drain inlets, manholes, curb and gutter, relocate water/sewer/gas utilities, construction of sedimentation basin, asphalt paving, re-vegetation.

## EFFLUENT EXPORT PIPELINE – SEGMENT ONE

Owner: Incline Village General Improvement District  
1220 Sweetwater Road  
Incline Village, NV 89450

Contact Person: Brad Johnson  
[brad\\_johnson@ivgid.org](mailto:brad_johnson@ivgid.org)

Contract Amount: \$8,087,937.00

Completion Date: June 2006

Description of Work: 12,880 lf of 16" ductile iron, Air Reducing Valves, Blow-offs, 4" HDPE, 1,600 lf of 8" waterline in the southbound lane of State Route 28 from Sand Harbor to Lakeshore Drive in Incline Village, NV. 24 hour traffic control, concrete cap, water service laterals, AC grind and overlay. Extensive rock excavation and removal.

## MARTIS VALLEY ROUNDABOUT

Owner: Town of Truckee and 267 Partners  
10183 Truckee Airport Road  
Truckee, CA. 96161

Contact Person: Todd Landry  
(530) 581-7710 or  
Robert Burton R.E.  
(916)759-0340

Contract Amount: \$1,995,440.30

Completion Date: October 2006

Description of Work: Drainage improvements including curb and gutter, drain inlets, underground utilities, stamped concrete, roundabout, sidewalks, signage, grind and pave, irrigation.

**BLACKWOOD CANYON BRIDGE CONSTRUCTION  
AND CHANNEL RESTORATION**

Owner: U.S. Department of Agriculture  
631 Coyote Street, Nevada City, CA. 95959

Contact Person: Tom Torres  
(530) 543-2696

Contract Amount: \$3,651,497.00

Completion Date: November 2006

Description of Work: Remove and replace bridge, install BMP's, build temporary bypass road over Blackwood Creek, re-build and contour, including fish ladders in Blackwood Creek for approximately 520 lf utilizing 9847 cy of native material and 7,089 tons of rock. Base and pave, re-vegetation.

**INTERSTATE 80/STATE ROUTE 89 INTERCHANGE IMPROVEMENTS**

Owner: Town of Truckee  
10183 Truckee Airport Road  
Truckee, CA. 96161

Contact Person: Dan Wilkins  
(530) 581-7700

Contract Amount: \$3,636,971.65

Completion Date: December 2005

Description of Work: Construction of the I-80, SR 89 interchanges including an urban dual lane roundabout. Major features among others include the installation of stamped concrete, lighted overhead signs, demolition of existing interchange. Curb and gutter, sidewalk improvements, vegetation and landscaping, asphalt paving, thermoplastic engraved striping, retaining wall installation and drainage improvements, traffic control, BMP's and turbidity reports, rock slope protection on banks under overpass, rock-lined channels.

### **UPPER HIGHLANDS WATER TANK**

**Owner:** Tahoe City Public Utility District  
P.O. Box 5249  
Tahoe City, CA. 96145

**Contact Person:** Jack Beckman (now retired, ask for John or Matt in engineering)  
(530) 583-3796

**Contract Amount:** \$2,726,689.00

**Completion Date:** December 2005

**Description of Work:** Construction of a 1.2 MG steel water storage tank, booster pump station and building, 3,200 LF of water distribution piping and appurtenances in rocky conditions, vegetation and erosion control installation and monitoring. Pump house and AC access roads.

### **LAKE TAHOE PARK EROSION CONTROL PROJECT**

**Owner:** Placer County Department of Public Works  
Tahoe Design Division  
10825 Pioneer Trail, Suite 105  
Truckee, CA. 96161

**Contact Person:** Brian Stewart, Sr. Civil Engineer  
(530) 581-6216  
bstewart@placer.ca.gov

**Contract Amount:** \$3,121,000.00

**Completion Date:** November 2006

**Description of Work:** Scope of work included traffic control, clearing and grubbing, site grading, excavating roadside channels and swales, removing existing trees, fences and boulders, relocating signs, saw cutting and removing existing asphalt paving, asphalt paving, constructing concrete headwalls, installing new storm drain piping, constructing rock lined ditches, sediment traps, drainage inlets and manholes, installing detention/infiltration basins, re-vegetation, waterline relocation and other requirements within extreme time constraints, irrigation, planting.

### **LOYALTON BUSINESS PARK**

**Owner:** Sierra Pacific Industries  
Redding, California

**Contact Person:** Gary Blanc  
(530) 378-8149

Contract Amount: \$945,600.00  
Completion Date: April 2005  
Description of Work: Site preparation for 15-acre Business Park including the installation of all utilities, drainage and parking lot facilities.

### **THIRD CREEK RESTORATION**

Owner: Incline Village General Improvement District  
1220 Sweetwater Road, Incline Village, NV  
Contact Person: Joe Pomeroy  
(775) 831-1269  
Contract Amount: \$845,000.00  
Completion Date: November, 2004  
Description of Work: Stream channelization for fish spawning, bridge abutment and span construction with a temporary bypass, utilities, rock work and restoration in a Stream Environmental Zone.

### **GLORENE AND 8<sup>TH</sup> STREET EROSION CONTROL PROJECT**

Owner: City of South Lake Tahoe  
1052 Tata Lane  
S. Lake Tahoe, CA. 96150  
Contact Person: Steve Peck  
(No longer with City, now with Cardno-Entrix)  
stephen.peck@cardno.com  
Contract Amount: \$2,840,774.35  
Completion Date: September 2004  
Description of Work: Install drainage facilities including 30" to 12" RCP and HDPE, concrete curb and gutter, rock-lined channels, rock slope protection, concrete fore bays, and adjust utilities. Construction of sediment basins, appurtenances, concrete valley gutter, 48" to 72" storm drain inlets, sod transplant, propagated mat, landscape replacement and AC paving.

**END**

**NRS 338.141: List of Subcontractors and Contractor Self Performance Exceeding Five Percent (5%) of Bid Amount**

List below the name, address and contractor's or business license number of each first tier subcontractor, equipment or materials supplier who will provide labor, equipment or supplies on the project for which the subcontractor or supplier will be paid an amount exceeding five percent (5%) of the contractor's base bid. For each subcontractor/ supplier listed, also describe the kind of work, equipment or materials the subcontractor/ supplier will provide. (Use an additional sheet, if necessary.)

<b>Prime Contractor's Name, Address &amp; Phone No.</b>	<b>Nevada Contractor License No./License Limit</b>
Burdick Excavating Co Inc - PO BOX 22330 Carson City, NV 89721 - 775-297-4566	22629 - Unlimited
<b>Kind of Work/Supplies</b>	<b>% of Work/Supplies</b>
Description of work being self-performed by Contractor: All work not listed by others	59.8

<b>Subcontractor or Supplier Name, Address &amp; Phone No.</b>	<b>Nevada Contractor License No./License Limit</b>
Colbre Grading and Paving of Nevada Inc 1528 US HWY 395N Ste 245, Gardnerville, NV 89410 775-265-7434	52639 / \$1,000,000
<b>Kind of Work/Supplies</b>	<b>% of Work/Supplies</b>
Asphalt Paving	20.6%

<b>Subcontractor or Supplier Name, Address &amp; Phone No.</b>	<b>Nevada Contractor License No./License Limit</b>
Western Nevada Supply Co 950 S Rock Blvd, Sparks, NV 89431 775-359-5800	SUPPLIER
<b>Kind of Work/Supplies</b>	<b>% of Work/Supplies</b>
Pipe Materials	16.7%

<b>Subcontractor or Supplier Name, Address &amp; Phone No.</b>	<b>Nevada Contractor License No./License Limit</b>
<b>Kind of Work/Supplies</b>	<b>% of Work/Supplies</b>

<b>Subcontractor or Supplier Name, Address &amp; Phone No.</b>	<b>Nevada Contractor License No./License Limit</b>
<b>Kind of Work/Supplies</b>	<b>% of Work/Supplies</b>

**NRS 338.141: List of Subcontractors and Contractor Self Performance Exceeding One Percent (1%) of Bid Amount or \$50,000, whichever is greater (Two Hour List)**

List below the name, address and contractor's or business license number of each first tier subcontractor, equipment or materials supplier who will provide labor, equipment or supplies on the project for which the subcontractor or supplier will be paid an amount exceeding one percent (1%) of the contractor's base bid. For each subcontractor/ supplier listed, also describe the kind of work, equipment or materials the subcontractor/ supplier will provide. (Use an additional sheet, if necessary.)

<b>Prime Contractor's Name, Address &amp; Phone No.</b>	<b>Nevada Contractor License No./License Limit</b>
Burdick Excavating Co Inc - PO BOX 22330 Carson City, NV 89721 - 775-297-4566	22629 - Unlimited
<b>Kind of Work/Supplies</b>	<b>% of Work/Supplies</b>
Description of work being self-performed by Contractor: All work not listed by others	59.8

<b>Subcontractor or Supplier Name, Address &amp; Phone No.</b>	<b>Nevada Contractor License No./License Limit</b>
Colbre Grading and Paving of Nevada Inc 1528 US HWY 395N ste 245, Minden, NV 89410 775-265-7434	52639 / \$1,000,000
<b>Kind of Work/Supplies</b>	<b>% of Work/Supplies</b>
Asphalt Paving	20.6%

<b>Subcontractor or Supplier Name, Address &amp; Phone No.</b>	<b>Nevada Contractor License No./License Limit</b>
Western Nevada Supply Co 950 S Rock Blvd, Sparks, NV 89431 775-359-5800	Supplier
<b>Kind of Work/Supplies</b>	<b>% of Work/Supplies</b>
Pipe Materials	16.7%

<b>Subcontractor or Supplier Name, Address &amp; Phone No.</b>	<b>Nevada Contractor License No./License Limit</b>
Intermountain Slurry Seal 1120 Terminal Way Reno, Nevada, 89502 775-358-1355	23657 Unlimited
<b>Kind of Work/Supplies</b>	<b>% of Work/Supplies</b>
Slurry Seal	2.9%

<b>Subcontractor or Supplier Name, Address &amp; Phone No.</b>	<b>Nevada Contractor License No./License Limit</b>
<b>Kind of Work/Supplies</b>	<b>% of Work/Supplies</b>

**PUBLIC WORKS BIDDERS PREFERENCE AFFIDAVIT**

I, Linda Burdick, on behalf of Burdick Excavating Co Inc ("Contractor"), hereby certify and affirm under penalty of perjury, for purposes of qualifying for a preference in bidding under Nevada Revised Statutes Chapter 338 on Project No. 2299WS1705/WA-2023-032, Project Name Crystal Peak Distribution Watermain Improvements, that the following requirements will be adhered to, documented and attained for the duration of the Project:

1. At least fifty percent (50%) of workers employed on the Project (including Subcontractors) hold a valid driver's license or identification card issued by the Nevada Department of Motor Vehicles;
2. All vehicles used primarily for the Project will be (a) registered and (where applicable) partially apportioned to Nevada; or (b) registered in Nevada;
3. At least fifty percent (50%) of the design professionals who work on the Project (including subcontractors) hold a valid driver's license or identification card issued by the Nevada Department of Motor Vehicles;
4. The Contractor shall maintain and make available for inspection within Nevada all payroll records related to this Project.

Contractor recognizes and accepts that failure to comply with the requirements herein shall be a material breach of the contract and entitle the Incline Village General Improvement District ("Authority") to liquidated damages in the amount set by statute. In addition, the Contractor recognizes and accepts that failure to comply with any requirements herein may lose its certification for preference in bidding for five (5) years and/or the ability to bid on any contracts for public works for one (1) year pursuant to NRS Chapter 338.

Signature: [Handwritten Signature]

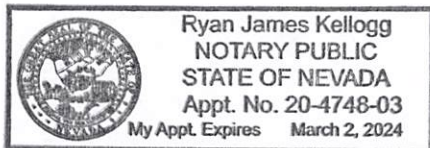
Print Name: Linda Burdick

Title: President Date: 2/9/23

State of Nevada )

County of Lyon )

This instrument was acknowledged before me on this 9th day of February, 2023, by Linda Burdick (name of person making statement).



[Handwritten Signature]  
Notary Signature

NOTARY STAMP

**SECTION 4 - BID BOND**

<p><b>Bidder</b>                  Name: Burdick Excavating Company, Inc.                  Address (principal place of business):                  P. O. Box 22330, Carson City, NV 89721</p>	<p><b>Surety</b>                  Name: The Ohio Casualty Insurance Company                  Address (principal place of business):                  175 Berkeley St., Boston, MA 02116</p>
<p><b>Owner</b>                  Name: <b>Incline Village GID</b>                  Address (principal place of business):                  Public Works Department                  1220 Sweetwater Road                  Incline Village, NV 89451                  775-832-1267</p>	<p><b>Bid</b>                  Project (name and location):  <b>Incline Village GID                  2299WS1705 Crystal Peak Distribution                  Watermain Improvements</b>                   Bid Due Date: <del>December 29, 2022</del> February 9, 2023</p>
<p><b>Bond</b>                  Bond Amount: Five Percent of Total Amount Bid *****                  Date of Bond: January 5, 2023</p>	
<p>Surety and Bidder, intending to be legally bound hereby, subject to the terms set forth in this Bid Bond, do each cause this Bid Bond to be duly executed by an authorized officer, agent, or representative.</p>	
<p><b>Bidder</b>                  Burdick Excavating Company, Inc.                  _____                  (Full formal name of Bidder)</p>	<p><b>Surety</b>                  The Ohio Casualty Insurance Company                  _____                  (Full formal name of Surety) (corporate seal)</p>
<p>By: <u><i>Randy Burdick</i></u>                  _____                  (Signature)</p>	<p>By: <u><i>[Signature]</i></u>                  _____                  (Signature) (Attach Power of Attorney)</p>
<p>Name: <u>Randy Burdick</u>                  _____                  (Printed or typed)</p>	<p>Name: <u>Dona Lisa Buschmann</u>                  _____                  (Printed or typed)</p>
<p>Title: <u>Secretary</u>                  _____</p>	<p>Title: <u>Attorney-In-Fact</u>                  _____</p>
<p>Attest: <u><i>Ryan Kellogg</i></u>                  _____                  (Signature)</p>	<p>Attest: <u>(SEE ATTACHED)</u>                  _____                  (Signature)</p>
<p>Name: <u>Ryan Kellogg</u>                  _____                  (Printed or typed)</p>	<p>Name: _____                  _____                  (Printed or typed)</p>
<p>Title: <u>Notary Public</u>                  _____</p>	<p>Title: _____</p>
<p>Notes: (1) Note: Addresses are to be used for giving any required notice. (2) Provide execution by any additional parties, such as joint venturers, if necessary.</p>	





## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Placer)

On January 5, 2023 before me, K. Hanley, Notary Public  
(insert name and title of the officer)

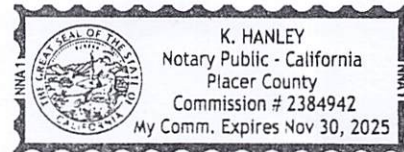
personally appeared Dona Lisa Buschmann,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *K Hanley*

(Seal)





This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

Certificate No: 8208535-977442

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Alexis Estrada, Curtis A. Bowden, Dona Lisa Buschmann, Edward D. Johnson, J. Buschmann, Julie A. Shiroma, K. Hanley, Kathy Rangel, Lisa Wilson, Maggie Bender-Johnson, Robert D. Laux

all of the city of Roseville state of CA each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 2nd day of August, 2022.



Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

By: David M. Carey

David M. Carey, Assistant Secretary

State of PENNSYLVANIA ss
County of MONTGOMERY

On this 2nd day of August, 2022 before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



Commonwealth of Pennsylvania - Notary Seal
Teresa Pastella, Notary Public
Montgomery County
My commission expires March 28, 2025
Commission number 1126044
Member, Pennsylvania Association of Notaries

By: Teresa Pastella
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV - OFFICERS: Section 12. Power of Attorney.

Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 5th day of January, 2023.



By: Renee C. Llewellyn

Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

For bond and/or Power of Attorney (POA) verification inquiries, please call 610-832-8240 or email HOSUR@libertymutual.com

**ENTITY INFORMATION**

**ENTITY INFORMATION**

**Entity Name:**

BURDICK EXCAVATING CO INC

**Entity Number:**

E0160392010-4

**Entity Type:**

Domestic Corporation (78)

**Entity Status:**

Active

**Formation Date:**

03/11/2010

**NV Business ID:**

NV20101256627

**Termination Date:**

Perpetual

**Annual Report Due Date:**

3/31/2023

**REGISTERED AGENT INFORMATION**

**Name of Individual or Legal Entity:**

Linda T. Burdick

**Status:**

Active

**CRA Agent Entity Type:**

**Registered Agent Type:**

Non-Commercial Registered Agent

**NV Business ID:**

**Office or Position:**

**Jurisdiction:**

**Street Address:**

3489 Zurich Ct, Carson City, NV, 89701, USA

**Mailing Address:**

P.O. Box 22330, Carson City, NV, 89721, USA

**Individual with Authority to Act:**

**Fictitious Website or Domain Name:**

**OFFICER INFORMATION**

**VIEW HISTORICAL DATA**

Title	Name	Address	Last Updated	Status
President	LINDA BURDICK	P.O. BOX 22330, CARSON CITY, NV, 89721, USA	03/01/2019	Active
Secretary	RANDY BURDICK	P.O. BOX 22330, CARSON CITY, NV, 89721, USA	03/01/2019	Active
Treasurer	RANDY BURDICK	P.O. BOX 22330, CARSON CITY, NV, 89721, USA	03/01/2019	Active
Director	LINDA BURDICK	P.O. BOX 22330, CARSON CITY, NV, 89721, USA	03/01/2019	Active

Page 1 of 1, records 1 to 4 of 4

**CURRENT SHARES**

Class/Series	Type	Share Number	Value
	Authorized	75,000	0.010000000000

Page 1 of 1, records 1 to 1 of 1

Number of No Par Value Shares:

0

Total Authorized Capital:

750

[Filing History](#)

[Name History](#)

[Mergers/Conversions](#)

[Return to Search](#)

[Return to Results](#)



Measure up...use licensed contractors.

(http://www.nscb.nv.gov/)

### License Details

**License Number:**  
0022629  
**Business Primary Name:** BURDICK EXCAVATING CO INC

**DBA Name:**  
**Mailing Address:** PO BOX 22330  
CARSON CITY, NV 89721  
(775) 297-4566

**Physical Address:** 5 BROWN DR  
MOUND HOUSE, NV 89706  
(775)297-4566

**Status:** Active  
**Status Date:** 01/05/2022 (mm/dd/yyyy)  
**Origin Date:** 01/22/1985 (mm/dd/yyyy)  
**Expiration Date:** 01/31/2024 (mm/dd/yyyy)

**Business Type:** Corporation  
**Classification(s):** A-12 Excavating, Grading, Trenching and Surfacing, A-15 Sewers, Drains and Pipes, A-16 Paving of Streets, Driveways and Parking Lots, A-19 Pipeline and Conduits, A-7 Excavating and Grading  
**Limitation:** A19 IS LIMITED TO WATER LINES ONLY

**Principal Name**  
BURDICK, LINDA THOMAS  
BURDICK, RANDY GEORGE

**Relation Description**  
President  
Secretary/Treasurer

**Qualified Individual(s)**  
BURDICK, RANDY GEORGE  
BURDICK, LINDA THOMAS

**Qualifier Type**  
Trade  
CMS

#### Bond

**Bond Type:** Surety  
**Bond Number:** LP745958540007  
**Bond Agent:** CHERYL KOIZUMI  
**Surety Company:** NATIONWIDE MUTUAL INS CO  
**Bond Amount:** \$20,000.00  
**Effective Date:** 01/21/1990 (mm/dd/yyyy)

**Bond Type:** Bond Not Required  
**Bond Amount:**  
**Effective Date:** 03/01/2007 (mm/dd/yyyy)

**Current** 2/9/2023  
**Date:** 12:01:35 PM  
(mm/dd/yyyy)  
**License Monetary Limit:** Unlimited

The information contained on these pages are provided as a courtesy and may not reflect recent changes or updates. Neither the completeness nor accuracy is guaranteed. The Nevada State Contractors Board shall have no liability or responsibility for loss and damages arising from the information provided or retrieved from these pages.



# NEVADA STATE CONTRACTORS BOARD

5390 KIETZKE LANE, SUITE 102, RENO, NEVADA, 89511 (775) 688-1141 FAX (775) 688-1271, INVESTIGATIONS (775) 688-1150  
8400 WEST SUNSET ROAD, SUITE 150, LAS VEGAS, NEVADA, 89113, (702) 486-1100 FAX (702) 486-1190, INVESTIGATIONS (702) 486-1110

## CERTIFICATE OF ELIGIBILITY PER NRS 338.147 and NRS 338.1389

CERTIFICATE NUMBER: **BPC-00-03-28-0117**

**BURDICK EXCAVATING CO, INC.** (HEREIN THE "GENERAL CONTRACTOR") NEVADA STATE CONTRACTORS' LICENSE NUMBER: **0022629** ORIGINAL ISSUE DATE: **01/22/1985** BUSINESS TYPE: **CORPORATION** CLASSIFICATION: **A-7-EXCAVATING AND GRADING; A-12-EXCAVATING GRADING TRENCHING & SURFACING; A-15-SEWERS, DRAINS & PIPES; A-16-PAVING STREETS, DRIVEWAYS & PARKING LOTS; A-19-PIPELINE & CONDUITS LIMITED TO WATER LINES ONLY** MONETARY LICENSE LIMIT: **UNLIMITED** STATUS: **ACTIVE**, IS HEREBY ISSUED THIS CERTIFICATE BY THE NEVADA STATE CONTRACTORS' BOARD, BASED UPON THE INFORMATION CONTAINED IN THE STATEMENT OF COMPLIANCE WITH NEVADA REVISED STATUTES (NRS) 338.147 AND NRS 338.1389 AND THE AFFIDAVIT OF CERTIFIED PUBLIC ACCOUNTANT SUBMITTED TO THE NEVADA STATE CONTRACTORS BOARD AS PROOF OF CONTRACTOR'S COMPLIANCE WITH THE PROVISIONS OF NRS 338.147 AND NRS 338.1389. IN ACCORDANCE WITH THE PROVISIONS OF NRS 338.147(3), THE ABOVE-NAMED GENERAL CONTRACTOR AND A CERTIFIED PUBLIC ACCOUNTANT HAVE SUBMITTED FULLY EXECUTED AND NOTARIZED SWORN AFFIDAVITS AS PROOF OF PREFERENTIAL BIDDER STATUS, UNDER PENALTY OF PERJURY, CERTIFYING THAT THE GENERAL CONTRACTOR IS QUALIFIED TO RECEIVE A PREFERENCE IN BIDDING AS SET FORTH IN NRS 338.147 AND NRS 338.1389 AND OTHER MATTERS RELATING THERETO.

THIS CERTIFICATE OF ELIGIBILITY IS ISSUED ON **FEBRUARY 1, 2023** AND EXPIRES ON **JANUARY 31, 2024**, UNLESS REVOKED OR SUSPENDED BY THE NEVADA STATE CONTRACTORS BOARD.



  
\_\_\_\_\_  
NANCY MATHIAS, LICENSING ADMINISTRATOR      DATE **1/20/2023**  
FOR MARGI A. GREIN, EXECUTIVE OFFICER

The Nevada State Contractors Board assumes no liability or responsibility for the accuracy or validity of the information contained in the Contractors Statement of Compliance or the Affidavit of Certified Public Accountant as Proof of Contractors Compliance with the Provisions of NRS 338.147 and NRS 338.1389. The above-named General Contractor shall bear the responsibility to ascertain the accuracy and validity of the affidavits provided to support the issuance of this certificate.



**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT  
Public Works Department**

**Project Workforce Checklist**

**For Compliance with SB207, the Nevada Apprenticeship Utilization Act, 2019**

Project No.: PWP# WA-2023-032 Contractor: Burdick Excavating Co Inc

Craft/Type of Work	More than 3 Employees Anticipated?	Do You Anticipate Needing Waiver?†
<b>Air Balance Technician</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Alarm Installer</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Boilermaker</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Bricklayer</b> (can also include Tile Setter, Terrazzo Workers and Marble Masons)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Carpenter</b> (can also include Cement Masons, Floor Coverer, Millwright and Piledriver (non-equipment), Plasterers and Terrazzo Workers)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Cement Mason</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Electrician</b> (includes Communication Technician, Line, Neon Sign and Wireman. Can also include Alarm Installer)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Elevator Constructor</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Fence Erector</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Flag Person</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Floor Coverer</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Glazier</b> (See also Painters and Allied Trades)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Highway Striper</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Hod Carrier</b> (includes Brick-Mason Tender and Plaster Tender)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Iron Worker</b> [can also include Fence Erectors (steel/iron)]	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Laborer</b> [can also include Fence Erector (non-steel/iron), Flag Person, Highway Striper and Traffic Barrier Erector]	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Lubrication and Service Engineer</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Mason</b> (can also include Cement, Plasterer, Tile Setter, Terrazzo Workers and Marble Masons)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Mechanical Insulator</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Millwright</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Operating Engineer</b> [can also include Equipment Greaser, Piledriver, Soils & Material Tester, Steel Fabricator/Erector (equipment) and Surveyor (non-licensed), and Well Driller]	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Painters and Allied Trades</b> (can also include Glaziers, Floor Coverers and Tapers)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>Piledriver (Non-Equipment)</b>	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

Continued...

Craft/Type of Work	More than 3 Employees Anticipated?	Do You Anticipate Needing Waiver?†
Plasterer	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Plumber/Pipefitter	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Refrigeration	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Roofer (not sheet metal)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Sheet Metal Worker (can also include Air Balance Technician)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Soils & Materials Tester (includes Certified Soil Tester)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Sprinkler Fitter	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Surveyor (non-licensed)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Taper	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Tile/Terrazzo Worker, Marble Mason	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Traffic Barrier Erector	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Truck Driver	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
Well Driller (see also Operating Engineer)	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
*Other:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

† Pursuant to the Labor Commissioner's November 27, 2019 Advisory Opinion, waivers are not required in those crafts/types of work where no recognized apprenticeship program exists in the region where the public work is located. Contractor is responsible for verifying whether recognized apprenticeship programs exist in the region for each craft/type of work to be performed.

\* Contractor is responsible for ensuring all crafts/types of work to be performed on the public work are accounted for on this checklist. Attach additional pages if needed.

On behalf of the Contractor listed herein, I affirm that I am fully authorized to acknowledge the anticipated workforce, and acknowledge that changes to the anticipated workforce which may have an impact on compliance with the Nevada Apprenticeship Utilization Act, 2019, will require the submittal of a revised form within ten (10) working days of such change.

Company Name: Burdick Excavating Co Inc

Signed: 

Name and Title: Linda Burdick - President

Date: 2/8/23



**SECTION 5**  
**AGREEMENT BETWEEN OWNER AND CONTRACTOR**  
**FOR CONSTRUCTION CONTRACT**

This Agreement is by and between the **Incline Village General Improvement District** (“Owner” or “IVGID”) and **Burdick Excavating Co Inc, a Domestic Corporation** (“Contractor”). This Agreement will be effective on **[TBD]** (which is the Effective Date of the Contract). Terms used in this Agreement have the meanings stated in the General Conditions and the Supplementary Conditions.

Owner and Contractor hereby agree as follows:

**ARTICLE 1—WORK**

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

Bid Schedule, Crystal Peak Distribution Watermain Improvements: Install approximately 2,280 LF 8” DR-14 PVC or Class 350 DIP water main in Washoe Co. ROW. Connect to (E) 8” water main in Washoe Co. ROW. Connect existing domestic service lines. Construct three (3) fire hydrant assemblies. Construct one (1) combination air valve assembly.

The Work also includes: Abandonment of specified lines and valves; traffic control, maintain residential and business driveway access, erosion & sediment controls, pavement restoration, replacement of existing features, including vegetation, concrete, and other utilities removed and/or damaged by construction activity, acquisition of Washoe County street cut permits and all related appurtenances; compliance with County permit conditions and working within Right of Ways in Incline Village, Washoe County, Nevada.

**ARTICLE 2—THE PROJECT**

2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows: **Crystal Peak Distribution Watermain Improvements**

**ARTICLE 3—ENGINEER**

3.01 IVGID’s Engineering Division is to act as Owner’s representative, assume all duties and responsibilities of Engineer, and have the rights and authority assigned to Engineer in the Contract.

3.02 The part of the Project that pertains to the Work has been designed by the IVGID Engineering Division.

**ARTICLE 4—CONTRACT TIMES**

4.01 *Time is of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

- B. The OWNER anticipates issuing the Notice to Proceed on or about **March 8, 2023**.
- C. The Work is to be performed within 110 consecutive days.
- D. The Work will be substantially complete on or before **June 16, 2023** and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before **June 23, 2023**.

4.03 *Liquidated Damages*

- A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the Contract Times, as duly modified. The parties also recognize the delays, expense, and difficulties involved in proving, in a legal or arbitration proceeding, the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):
  - 1. *Substantial Completion*: Contractor shall pay Owner \$1,000 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for Substantial Completion, until the Work is substantially complete.
  - 2. *Completion of Remaining Work*: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner \$1,000 for each day that expires after such time until the Work is completed and ready for final payment.
  - 4. Liquidated damages for failing to timely attain Substantial Completion, and final completion are not additive, and will not be imposed concurrently.
- B. If Owner recovers liquidated damages for a delay in completion by Contractor, then such liquidated damages are Owner's sole and exclusive remedy for such delay, and Owner is precluded from recovering any other damages, whether actual, direct, excess, or consequential, for such delay, except for special damages (if any) specified in this Agreement.

**ARTICLE 5—CONTRACT PRICE**

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents, the amounts that follow, subject to adjustment under the Contract:

- A. For all Unit Price Work, an amount equal to the sum of the extended prices (established for each separately identified item of Unit Price Work as shown on the Bid Form. The total estimated Contract Price is **One Million One Hundred and Eleven Thousand, One Hundred and Eleven Dollars (\$1,111,111.00)**.

The extended prices for Unit Price Work set forth as of the Effective Date of the Contract are based on estimated quantities. As provided in Paragraph 13.03 of the General Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by Engineer.

## ARTICLE 6—PAYMENT PROCEDURES

### 6.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment shall be emailed to [rlr@ivgid.org](mailto:rlr@ivgid.org) and will be processed by Engineer as provided in the General Conditions.

### 6.02 *Progress Payments; Retainage*

- A. Owner shall make progress payments on the basis of Contractor's Applications for Payment, as recommended by Engineer, on or about the first day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.
  - 1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract.
    - a. Ninety-five percent (95%) of the value of the Work completed (with the balance being retainage).
      - 1) If 50 percent or more of the Work has been completed, as determined by Engineer, and if the character and progress of the Work have been satisfactory to Owner and Engineer, then as long as the character and progress of the Work remain satisfactory to Owner and Engineer, there will be no additional retainage.
    - b. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to ninety-seven and one-half percent (97.5%) of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

### 6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work, and as recommended by Engineer, Owner shall pay the remainder of the Contract Price in accordance with Paragraph 15.06 of the General Conditions.

### 6.04 *Consent of Surety*

- A. Owner will not make final payment, or return or release retainage at Substantial Completion or any other time, unless Contractor submits written consent of the surety to such payment, return, or release.

### 6.05 *Interest*

- A. All amounts not paid when due will bear interest at the rate of six percent (6%) per annum.

## ARTICLE 7—CONTRACT DOCUMENTS

### 7.01 *Contents*

- A. The Contract Documents consist of all of the following:
  - 1. This Agreement.
  - 2. Contractor’s Bid dated February 9, 2023.
  - 3. Bonds:
    - a. Performance bond (together with power of attorney).
    - b. Payment bond (together with power of attorney).
  - 4. General Conditions.
  - 5. Supplementary Conditions.
  - 6. Specifications as listed in the table of contents of the project manual (copy of list attached).
  - 7. Drawings (not attached but incorporated by reference) consisting of **eight** sheets with each sheet bearing the following general title: **Crystal Peak Distribution Watermain Improvements**.
  - 8. Addendum No. 1.
  - 9. Exhibits to this Agreement (enumerated as follows):
    - a. State of Nevada Prevailing Wage Rates, 2022/2023 for Washoe County, including Amendment 2, and
    - b. Davis Bacon Wage Decision NV20230026 dated January 27, 2023.
  - 10. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
    - a. Notice to Proceed.
    - b. Work Change Directives.
    - c. Change Orders.
- B. The Contract Documents listed in Paragraph 7.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 7.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in the Contract.

## ARTICLE 8—REPRESENTATIONS, CERTIFICATIONS, AND STIPULATIONS

### 8.01 *Contractor’s Representations*

- A. In order to induce Owner to enter into this Contract, Contractor makes the following representations:

1. Contractor has examined and carefully studied the Contract Documents, including Addenda.
2. Contractor has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
3. Contractor is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
4. Contractor has carefully studied the reports of explorations and tests of subsurface conditions at or adjacent to the Site and the drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such reports and drawings.
5. Contractor has carefully studied the reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.
6. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Technical Data identified in the Supplementary Conditions or by definition, with respect to the effect of such information, observations, and Technical Data on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (c) Contractor's safety precautions and programs.
7. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
8. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
9. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and of discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
10. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

## 8.02 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 8.02:
1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;
  2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
  3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
  4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

## 8.03 *Standard General Conditions*

- A. Owner stipulates that if the General Conditions that are made a part of this Contract are EJCDC® C-700, Standard General Conditions for the Construction Contract (2018), published by the Engineers Joint Contract Documents Committee, and if Owner is the party that has furnished said General Conditions, then Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, in the Supplementary Conditions.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

**OWNER:**

**INCLINE VILLAGE G. I. D.**

**Agreed to:**

\_\_\_\_\_  
Matthew Dent, Chairman

\_\_\_\_\_  
Date

\_\_\_\_\_  
Dave Noble, Secretary

\_\_\_\_\_  
Date

\_\_\_\_\_  
**Reviewed as to Form:**

\_\_\_\_\_  
Joshua Nelson  
District Legal Counsel

\_\_\_\_\_  
Date

\_\_\_\_\_  
OWNER'S address for giving notice:

**INCLINE VILLAGE G. I. D.**  
893 Southwood Boulevard  
Incline Village, Nevada 89451  
775-832-1267- Engineering Division

**CONTRACTOR:**

**Burdick Excavating Co. Inc.**

**Agreed to:**

By: \_\_\_\_\_

*Signature of Authorized Agent*

\_\_\_\_\_  
*Print or Type Name and Title*

\_\_\_\_\_  
Date

If CONTRACTOR is a Corporation, attach evidence of authority to sign.

CONTRACTOR'S address for giving notice:

**Burdick Excavating Co., Inc.**  
PO Box 22330  
Carson City, Nevada 89721  
775-297-4566

## PERFORMANCE BOND

<p><b>Contractor</b></p> <p>Name: _____</p> <p>Address <i>(principal place of business)</i>: _____</p>	<p><b>Surety</b></p> <p>Name: _____</p> <p>Address <i>(principal place of business)</i>: _____</p>
<p><b>Owner</b></p> <p>Incline Village General Improvement District</p> <p>Mailing address <i>(principal place of business)</i>:  <b>Public Works Department</b>  <b>1220 Sweetwater Road</b>  <b>Incline Village, NV 89451</b>  <b>775-832-1267</b></p>	<p><b>Contract</b></p> <p>Description <i>(name and location)</i>:  <b>Incline Village GID</b>  <b>2299WS1705 Crystal Peak Distribution</b>  <b>Watermain Improvements</b></p> <p>Contract Price: _____</p> <p>Effective Date of Contract: _____</p>
<p><b>Bond</b></p> <p>Bond Amount: _____</p> <p>Date of Bond: _____  <i>(Date of Bond cannot be earlier than Effective Date of Contract)</i></p> <p>Modifications to this Bond form:  <input type="checkbox"/> None <input type="checkbox"/> See Paragraph 16</p>	
<p>Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth in this Performance Bond, do each cause this Performance Bond to be duly executed by an authorized officer, agent, or representative.</p>	
Contractor as Principal	Surety
_____ <i>(Full formal name of Contractor)</i>	_____ <i>(Full formal name of Surety) (corporate seal)</i>
By: _____ <i>(Signature)</i>	By: _____ <i>(Signature)(Attach Power of Attorney)</i>
Name: _____ <i>(Printed or typed)</i>	Name: _____ <i>(Printed or typed)</i>
Title: _____	Title: _____
Attest: _____ <i>(Signature)</i>	Attest: _____ <i>(Signature)</i>
Name: _____ <i>(Printed or typed)</i>	Name: _____ <i>(Printed or typed)</i>
Title: _____	Title: _____
<p><i>Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party is considered plural where applicable.</i></p>	



1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.
2. If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Paragraph 3.
3. If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond will arise after:
  - 3.1. The Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice may indicate whether the Owner is requesting a conference among the Owner, Contractor, and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Paragraph 3.1 will be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor, and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement does not waive the Owner's right, if any, subsequently to declare a Contractor Default;
  - 3.2. The Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and
  - 3.3. The Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.
4. Failure on the part of the Owner to comply with the notice requirement in Paragraph 3.1 does not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.
5. When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:
  - 5.1. Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;
  - 5.2. Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;
  - 5.3. Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owners concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Paragraph 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or
  - 5.4. Waive its right to perform and complete, arrange for completion, or obtain a new contractor, and with reasonable promptness under the circumstances:
    - 5.4.1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or
    - 5.4.2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.
6. If the Surety does not proceed as provided in Paragraph 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Paragraph 5.4, and the Owner refuses the payment, or the Surety has denied liability, in whole or in part, without further notice, the Owner shall be entitled to enforce any remedy available to the Owner.
7. If the Surety elects to act under Paragraph 5.1, 5.2, or 5.3, then the responsibilities of the Surety to the Owner will not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner

to the Surety will not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication for:

- 7.1. the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
  - 7.2. additional legal, design professional, and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Paragraph 5; and
  - 7.3. liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.
8. If the Surety elects to act under Paragraph 5.1, 5.3, or 5.4, the Surety's liability is limited to the amount of this Bond.
  9. The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price will not be reduced or set off on account of any such unrelated obligations. No right of action will accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors, and assigns.
  10. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.
  11. Any proceeding, legal or equitable, under this Bond must be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and must be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this paragraph are void or prohibited by law, the minimum periods of limitations available to sureties as a defense in the jurisdiction of the suit will be applicable.
  12. Notice to the Surety, the Owner, or the Contractor must be mailed or delivered to the address shown on the page on which their signature appears.
  13. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement will be deemed deleted therefrom and provisions conforming to such statutory or other legal requirement will be deemed incorporated herein. When so furnished, the intent is that this Bond will be construed as a statutory bond and not as a common law bond.
  14. Definitions
    - 14.1. *Balance of the Contract Price*—The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made including allowance for the Contractor for any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.
    - 14.2. *Construction Contract*—The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.
    - 14.3. *Contractor Default*—Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.
    - 14.4. *Owner Default*—Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.
    - 14.5. *Contract Documents*—All the documents that comprise the agreement between the Owner and Contractor.
  15. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond will be deemed to be Subcontractor and the term Owner will be deemed to be Contractor.
  16. Modifications to this Bond are as follows: **None**

## SECTION 7 - PAYMENT BOND

<p><b>Contractor</b></p> <p>Name: _____</p> <p>Address (<i>principal place of business</i>): _____</p>	<p><b>Surety</b></p> <p>Name: _____</p> <p>Address (<i>principal place of business</i>): _____</p>
<p><b>Owner:</b>  <b>Incline Village General Improvement District</b></p> <p>Mailing address (<i>principal place of business</i>):  <b>Public Works Department</b>  <b>1220 Sweetwater Road</b>  <b>Incline Village, NV 89451</b></p>	<p><b>Contract</b></p> <p>Description (<i>name and location</i>):  <b>Incline Village GID</b>  <b>2299WS1705 Crystal Peak Distribution Watermain Improvements</b></p> <p>Contract Price: _____</p> <p>Effective Date of Contract: _____</p>
<p><b>Bond</b></p> <p>Bond Amount: _____</p> <p>Date of Bond: _____  <i>(Date of Bond cannot be earlier than Effective Date of Contract)</i></p> <p>Modifications to this Bond form:  <input type="checkbox"/> None <input type="checkbox"/> See Paragraph 18</p>	
<p>Surety and Contractor, intending to be legally bound hereby, subject to the terms set forth in this Payment Bond, do each cause this Payment Bond to be duly executed by an authorized officer, agent, or representative.</p>	
Contractor as Principal	Surety
_____ <i>(Full formal name of Contractor)</i>	_____ <i>(Full formal name of Surety) (corporate seal)</i>
By: _____ <i>(Signature)</i>	By: _____ <i>(Signature)(Attach Power of Attorney)</i>
Name: _____ <i>(Printed or typed)</i>	Name: _____ <i>(Printed or typed)</i>
Title: _____	Title: _____
Attest: _____ <i>(Signature)</i>	Attest: _____ <i>(Signature)</i>
Name: _____ <i>(Printed or typed)</i>	Name: _____ <i>(Printed or typed)</i>
Title: _____	Title: _____
<p><i>Notes: (1) Provide supplemental execution by any additional parties, such as joint venturers. (2) Any singular reference to Contractor, Surety, Owner, or other party is considered plural where applicable.</i></p>	

1. The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner to pay for labor, materials, and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.
2. If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies, and holds harmless the Owner from claims, demands, liens, or suits by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.
3. If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond will arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 13) of claims, demands, liens, or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, and tendered defense of such claims, demands, liens, or suits to the Contractor and the Surety.
4. When the Owner has satisfied the conditions in Paragraph 3, the Surety shall promptly and at the Surety's expense defend, indemnify, and hold harmless the Owner against a duly tendered claim, demand, lien, or suit.
5. The Surety's obligations to a Claimant under this Bond will arise after the following:
  - 5.1. Claimants who do not have a direct contract with the Contractor
    - 5.1.1. have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
    - 5.1.2. have sent a Claim to the Surety (at the address described in Paragraph 13).
  - 5.2. Claimants who are employed by or have a direct contract with the Contractor have sent a Claim to the Surety (at the address described in Paragraph 13).
6. If a notice of non-payment required by Paragraph 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Paragraph 5.1.1.
7. When a Claimant has satisfied the conditions of Paragraph 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:
  - 7.1. Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and
  - 7.2. Pay or arrange for payment of any undisputed amounts.
  - 7.3. The Surety's failure to discharge its obligations under Paragraph 7.1 or 7.2 will not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Paragraph 7.1 or 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.
8. The Surety's total obligation will not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Paragraph 7.3, and the amount of this Bond will be credited for any payments made in good faith by the Surety.
9. Amounts owed by the Owner to the Contractor under the Construction Contract will be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfying obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.
10. The Surety shall not be liable to the Owner, Claimants, or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to or give notice on behalf of Claimants, or otherwise have any obligations to Claimants under this Bond.
11. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders, and other obligations.
12. No suit or action will be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Paragraph 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract,

whichever of (1) or (2) first occurs. If the provisions of this paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit will be applicable.

13. Notice and Claims to the Surety, the Owner, or the Contractor must be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, will be sufficient compliance as of the date received.
14. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement will be deemed deleted here from and provisions conforming to such statutory or other legal requirement will be deemed incorporated herein. When so furnished, the intent is that this Bond will be construed as a statutory bond and not as a common law bond.
15. Upon requests by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.
16. Definitions
  - 16.1. *Claim*—A written statement by the Claimant including at a minimum:
    - 16.1.1. The name of the Claimant;
    - 16.1.2. The name of the person for whom the labor was done, or materials or equipment furnished;
    - 16.1.3. A copy of the agreement or purchase order pursuant to which labor, materials, or equipment was furnished for use in the performance of the Construction Contract;
    - 16.1.4. A brief description of the labor, materials, or equipment furnished;
    - 16.1.5. The date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
    - 16.1.6. The total amount earned by the Claimant for labor, materials, or equipment furnished as of the date of the Claim;
    - 16.1.7. The total amount of previous payments received by the Claimant; and
    - 16.1.8. The total amount due and unpaid to the Claimant for labor, materials, or equipment furnished as of the date of the Claim.
  - 16.2. *Claimant*—An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials, or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic’s lien or similar statute against the real property upon which the Project is located. The intent of this Bond is to include without limitation in the terms of “labor, materials, or equipment” that part of the water, gas, power, light, heat, oil, gasoline, telephone service, or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor’s subcontractors, and all other items for which a mechanic’s lien may be asserted in the jurisdiction where the labor, materials, or equipment were furnished.
  - 16.3. *Construction Contract*—The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.
  - 16.4. *Owner Default*—Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.
  - 16.5. *Contract Documents*—All the documents that comprise the agreement between the Owner and Contractor.
17. If this Bond is issued for an agreement between a contractor and subcontractor, the term Contractor in this Bond will be deemed to be Subcontractor and the term Owner will be deemed to be Contractor.
18. Modifications to this Bond are as follows: **None.**

**SECTION 6 - APPLICATION AND CERTIFICATION FOR PAYMENT**

**TO OWNER:**

Incline Village G. I. D., Engineering Dept.  
1220 Sweetwater Road, Incline Village, NV  
775-832-1267

**PROJECT:** Crystal Peak  
Watermain Distribution  
Improvements

**APPLICATION NO:**

**PERIOD TO**

**Distribution to:**

<input type="checkbox"/>	OWNER
<input type="checkbox"/>	ARCHITECT
<input type="checkbox"/>	CONTRACTOR
<input type="checkbox"/>	ENGINEER
<input type="checkbox"/>	

**FROM CONTRACTOR:**

**P.O. Number**

CIP Number 2299WS1705  
PWP WA-2023-032  
CONTRACT DATE:

**CONTRACTOR'S APPLICATION FOR PAYMENT**

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM	\$ -
2. Net change by Change Orders	\$ -
3. CHANGE IN UNIT PRICE QUANTITIES	\$ -
4. CONTRACT SUM TO DATE (Line 1 ± 3)	\$ -
5. TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$ -
6. RETAINAGE:	
a. <u>5</u>	\$ -
b. (Column D + E on G703)	\$ -
(Column F on G703)	
Total Retainage (Lines 5a + 5b or Total in Column I of G703)	\$ -
7. TOTAL EARNED LESS RETAINAGE (Line 5 Less Line 6 Total)	\$ -
8. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)	\$ -
9. CURRENT PAYMENT DUE	\$ -
10. BALANCE TO FINISH, INCL. RETAINAGE (Line 4 less Line 7)	\$ -

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by OWNER:	\$ -	\$ -
Total approved this Month:	\$ -	\$ -
TOTALS:	\$ -	\$ -
NET CHANGES by Change Order:	\$ -	\$ -

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

**CONTRACTOR:**

By: \_\_\_\_\_ Date: \_\_\_\_\_

State of: \_\_\_\_\_ County of: \_\_\_\_\_  
Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_  
Notary Public:  
My Commission expires:

**ENGINEER'S CERTIFICATE FOR PAYMENT**

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Engineer certifies to the Owner that to the best of the Engineer's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED ..... \$ -

*(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)*  
OWNER:

By: \_\_\_\_\_ Date: \_\_\_\_\_

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

**CONTINUATION SHEET**

ATTACHMENT TO PAY APPLICATION

APPLICATION NUMBER:

PROJECT:

APPLICATION DATE:

Crystal Peak Watermain Distribution Improvements

PERIOD TO:

PROJECT NO: 2299WS1705

A Item No.	B Description of Work	UNIT	Unit Price	Total Price	D Work Completed From Previous Application (D + E)	E		F Materials Presently Stored (Not In D or E)	G Total Completed And Stored To Date (D + E + F)	H Balance To Finish (C - G)	I Retainage (If Variable Rate)	J Enter Variable Retainage Rate (%)
						Work Completed This Period	% (G/C)					
1												5.00%
2												5.00%
3												5.00%
4												5.00%
5												5.00%
6												5.00%
7												5.00%
8												5.00%
9												5.00%
10												5.00%
11												5.00%
12												5.00%
13												5.00%
14												5.00%
15												5.00%
16												5.00%
17												5.00%
18												5.00%
19												5.00%
20												5.00%
21												5.00%
22												5.00%
23												5.00%
24												5.00%
25												5.00%
26												5.00%
27												5.00%
28												5.00%
29												5.00%
30												5.00%
31												5.00%
32												5.00%
SUBTOTALS PAGE 2				\$	-					\$	-	

# SECTION 9 - GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

## TABLE OF CONTENTS

	Page
Article 1—Definitions and Terminology.....	1
1.01 Defined Terms.....	1
1.02 Terminology .....	6
Article 2—Preliminary Matters .....	7
2.01 Delivery of Performance and Payment Bonds; Evidence of Insurance.....	7
2.02 Copies of Documents .....	7
2.03 Before Starting Construction .....	7
2.04 Preconstruction Conference; Designation of Authorized Representatives.....	8
2.05 Acceptance of Schedules .....	8
2.06 Electronic Transmittals .....	8
Article 3—Contract Documents: Intent, Requirements, Reuse.....	9
3.01 Intent.....	9
3.02 Reference Standards.....	9
3.03 Reporting and Resolving Discrepancies .....	10
3.04 Requirements of the Contract Documents.....	10
3.05 Reuse of Documents .....	11
Article 4—Commencement and Progress of the Work .....	11
4.01 Commencement of Contract Times; Notice to Proceed.....	11
4.02 Starting the Work.....	11
4.03 Reference Points .....	12
4.04 Progress Schedule.....	12
4.05 Delays in Contractor’s Progress .....	12
Article 5—Site; Subsurface and Physical Conditions; Hazardous Environmental Conditions .....	14
5.01 Availability of Lands .....	14
5.02 Use of Site and Other Areas.....	14
5.03 Subsurface and Physical Conditions.....	15
5.04 Differing Subsurface or Physical Conditions .....	16



5.05	Underground Facilities .....	18
5.06	Hazardous Environmental Conditions at Site .....	19
Article 6—Bonds and Insurance.....		22
6.01	Performance, Payment, and Other Bonds.....	22
6.02	Insurance—General Provisions.....	22
6.03	Contractor’s Insurance.....	24
6.04	Builder’s Risk and Other Property Insurance.....	25
6.05	Property Losses; Subrogation .....	26
6.06	Receipt and Application of Property Insurance Proceeds .....	27
Article 7—Contractor’s Responsibilities .....		28
7.01	Contractor’s Means and Methods of Construction .....	28
7.02	Supervision and Superintendence .....	28
7.03	Labor; Working Hours .....	28
7.04	Services, Materials, and Equipment .....	28
7.05	“Or Equals”.....	29
7.06	Substitutes .....	30
7.07	Concerning Subcontractors and Suppliers.....	31
7.08	Patent Fees and Royalties.....	33
7.09	Permits .....	33
7.10	Taxes .....	34
7.11	Laws and Regulations.....	34
7.12	Record Documents.....	34
7.13	Safety and Protection.....	34
7.14	Hazard Communication Programs .....	36
7.15	Emergencies.....	36
7.16	Submittals .....	36
7.17	Contractor’s General Warranty and Guarantee .....	39
7.18	Indemnification .....	40
7.19	Delegation of Professional Design Services .....	40
Article 8—Other Work at the Site.....		41
8.01	Other Work .....	41
8.02	Coordination .....	42
8.03	Legal Relationships.....	42

Article 9—Owner’s Responsibilities .....	43
9.01 Communications to Contractor .....	43
9.02 Replacement of Engineer .....	43
9.03 Furnish Data .....	43
9.04 Pay When Due.....	43
9.05 Lands and Easements; Reports, Tests, and Drawings .....	44
9.06 Insurance.....	44
9.07 Change Orders .....	44
9.08 Inspections, Tests, and Approvals.....	44
9.09 Limitations on Owner’s Responsibilities .....	44
9.10 Undisclosed Hazardous Environmental Condition.....	44
9.11 Evidence of Financial Arrangements.....	44
9.12 Safety Programs .....	44
Article 10—Engineer’s Status During Construction .....	45
10.01 Owner’s Representative.....	45
10.02 Visits to Site.....	45
10.03 Resident Project Representative.....	45
10.04 Engineer’s Authority .....	45
10.05 Determinations for Unit Price Work .....	46
10.06 Decisions on Requirements of Contract Documents and Acceptability of Work .....	46
10.07 Limitations on Engineer’s Authority and Responsibilities .....	46
10.08 Compliance with Safety Program.....	46
Article 11—Changes to the Contract .....	47
11.01 Amending and Supplementing the Contract .....	47
11.02 Change Orders .....	47
11.03 Work Change Directives.....	47
11.04 Field Orders.....	48
11.05 Owner-Authorized Changes in the Work.....	48
11.06 Unauthorized Changes in the Work.....	48
11.07 Change of Contract Price .....	48
11.08 Change of Contract Times.....	50
11.09 Change Proposals.....	50
11.10 Notification to Surety.....	51

Article 12—Claims.....	51
12.01    Claims.....	51
Article 13—Cost of the Work; Allowances; Unit Price Work .....	53
13.01    Cost of the Work .....	53
13.02    Allowances .....	56
13.03    Unit Price Work.....	56
Article 14—Tests and Inspections; Correction, Removal, or Acceptance of Defective Work .....	57
14.01    Access to Work.....	57
14.02    Tests, Inspections, and Approvals.....	57
14.03    Defective Work .....	58
14.04    Acceptance of Defective Work.....	59
14.05    Uncovering Work .....	59
14.06    Owner May Stop the Work .....	60
14.07    Owner May Correct Defective Work.....	60
Article 15—Payments to Contractor; Set-Offs; Completion; Correction Period .....	60
15.01    Progress Payments.....	60
15.02    Contractor’s Warranty of Title .....	64
15.03    Substantial Completion.....	64
15.04    Partial Use or Occupancy .....	65
15.05    Final Inspection .....	65
15.06    Final Payment.....	65
15.07    Waiver of Claims .....	67
15.08    Correction Period.....	67
Article 16—Suspension of Work and Termination .....	68
16.01    Owner May Suspend Work .....	68
16.02    Owner May Terminate for Cause.....	68
16.03    Owner May Terminate for Convenience.....	69
16.04    Contractor May Stop Work or Terminate .....	69
Article 17—Final Resolution of Disputes .....	70
17.01    Methods and Procedures.....	70
Article 18—Miscellaneous .....	70
18.01    Giving Notice .....	70
18.02    Computation of Times .....	71

18.03	Cumulative Remedies .....	71
18.04	Limitation of Damages .....	71
18.05	No Waiver .....	71
18.06	Survival of Obligations .....	71
18.07	Controlling Law .....	71
18.08	Assignment of Contract .....	71
18.09	Successors and Assigns .....	72
18.10	Headings.....	72

# STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

## ARTICLE 1—DEFINITIONS AND TERMINOLOGY

### 1.01 *Defined Terms*

- A. Wherever used in the Bidding Requirements or Contract Documents, a term printed with initial capital letters, including the term's singular and plural forms, will have the meaning indicated in the definitions below. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.
1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.
  2. *Agreement*—The written instrument, executed by Owner and Contractor, that sets forth the Contract Price and Contract Times, identifies the parties and the Engineer, and designates the specific items that are Contract Documents.
  3. *Application for Payment*—The document prepared by Contractor, in a form acceptable to Engineer, to request progress or final payments, and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
  4. *Bid*—The offer of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.
  5. *Bidder*—An individual or entity that submits a Bid to Owner.
  6. *Bidding Documents*—The Bidding Requirements, the proposed Contract Documents, and all Addenda.
  7. *Bidding Requirements*—The Advertisement or invitation to bid, Instructions to Bidders, Bid Bond or other Bid security, if any, the Bid Form, and the Bid with any attachments.
  8. *Change Order*—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Times, or other revision to the Contract, issued on or after the Effective Date of the Contract.
  9. *Change Proposal*—A written request by Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment in Contract Price or Contract Times; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Contract.
  10. *Claim*
    - a. A demand or assertion by Owner directly to Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment of Contract Price or Contract Times; contesting an initial decision by Engineer concerning the

- requirements of the Contract Documents or the acceptability of Work under the Contract Documents; contesting Engineer's decision regarding a Change Proposal; seeking resolution of a contractual issue that Engineer has declined to address; or seeking other relief with respect to the terms of the Contract.
- b. A demand or assertion by Contractor directly to Owner, duly submitted in compliance with the procedural requirements set forth herein, contesting Engineer's decision regarding a Change Proposal, or seeking resolution of a contractual issue that Engineer has declined to address.
  - c. A demand or assertion by Owner or Contractor, duly submitted in compliance with the procedural requirements set forth herein, made pursuant to Paragraph 12.01.A.4, concerning disputes arising after Engineer has issued a recommendation of final payment.
  - d. A demand for money or services by a third party is not a Claim.
11. *Constituent of Concern*—Asbestos, petroleum, radioactive materials, polychlorinated biphenyls (PCBs), lead-based paint (as defined by the HUD/EPA standard), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to Laws and Regulations regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.
  12. *Contract*—The entire and integrated written contract between Owner and Contractor concerning the Work.
  13. *Contract Documents*—Those items so designated in the Agreement, and which together comprise the Contract.
  14. *Contract Price*—The money that Owner has agreed to pay Contractor for completion of the Work in accordance with the Contract Documents.
  15. *Contract Times*—The number of days or the dates by which Contractor shall: (a) achieve Milestones, if any; (b) achieve Substantial Completion; and (c) complete the Work.
  16. *Contractor*—The individual or entity with which Owner has contracted for performance of the Work.
  17. *Cost of the Work*—See Paragraph 13.01 for definition.
  18. *Drawings*—The part of the Contract that graphically shows the scope, extent, and character of the Work to be performed by Contractor.
  19. *Effective Date of the Contract*—The date, indicated in the Agreement, on which the Contract becomes effective.
  20. *Electronic Document*—Any Project-related correspondence, attachments to correspondence, data, documents, drawings, information, or graphics, including but not limited to Shop Drawings and other Submittals, that are in an electronic or digital format.
  21. *Electronic Means*—Electronic mail (email), upload/download from a secure Project website, or other communications methods that allow: (a) the transmission or communication of Electronic Documents; (b) the documentation of transmissions, including sending and receipt; (c) printing of the transmitted Electronic Document by the

recipient; (d) the storage and archiving of the Electronic Document by sender and recipient; and (e) the use by recipient of the Electronic Document for purposes permitted by this Contract. Electronic Means does not include the use of text messaging, or of Facebook, Twitter, Instagram, or similar social media services for transmission of Electronic Documents.

22. *Engineer*—The individual or entity named as such in the Agreement.
23. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but does not change the Contract Price or the Contract Times.
24. *Hazardous Environmental Condition*—The presence at the Site of Constituents of Concern in such quantities or circumstances that may present a danger to persons or property exposed thereto.
  - a. The presence at the Site of materials that are necessary for the execution of the Work, or that are to be incorporated into the Work, and that are controlled and contained pursuant to industry practices, Laws and Regulations, and the requirements of the Contract, is not a Hazardous Environmental Condition.
  - b. The presence of Constituents of Concern that are to be removed or remediated as part of the Work is not a Hazardous Environmental Condition.
  - c. The presence of Constituents of Concern as part of the routine, anticipated, and obvious working conditions at the Site, is not a Hazardous Environmental Condition.
25. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and binding decrees, resolutions, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.
26. *Liens*—Charges, security interests, or encumbrances upon Contract-related funds, real property, or personal property.
27. *Milestone*—A principal event in the performance of the Work that the Contract requires Contractor to achieve by an intermediate completion date, or by a time prior to Substantial Completion of all the Work.
28. *Notice of Award*—The written notice by Owner to a Bidder of Owner's acceptance of the Bid.
29. *Notice to Proceed*—A written notice by Owner to Contractor fixing the date on which the Contract Times will commence to run and on which Contractor shall start to perform the Work.
30. *Owner*—The individual or entity with which Contractor has contracted regarding the Work, and which has agreed to pay Contractor for the performance of the Work, pursuant to the terms of the Contract.
31. *Progress Schedule*—A schedule, prepared and maintained by Contractor, describing the sequence and duration of the activities comprising Contractor's plan to accomplish the Work within the Contract Times.
32. *Project*—The total undertaking to be accomplished for Owner by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the Work to be performed under the Contract Documents is a part.

33. *Resident Project Representative*—The authorized representative of Engineer assigned to assist Engineer at the Site. As used herein, the term Resident Project Representative (RPR) includes any assistants or field staff of Resident Project Representative.
34. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
35. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements for Engineer’s review of the submittals.
36. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor’s Applications for Payment.
37. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Contract Documents.
38. *Site*—Lands or areas indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements, and such other lands or areas furnished by Owner which are designated for the use of Contractor.

See SC-1.01

39. *Specifications*—The part of the Contract that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.
40. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.
41. *Submittal*—A written or graphic document, prepared by or for Contractor, which the Contract Documents require Contractor to submit to Engineer, or that is indicated as a Submittal in the Schedule of Submittals accepted by Engineer. Submittals may include Shop Drawings and Samples; schedules; product data; Owner-delegated designs; sustainable design information; information on special procedures; testing plans; results of tests and evaluations, source quality-control testing and inspections, and field or Site quality-control testing and inspections; warranties and certifications; Suppliers’ instructions and reports; records of delivery of spare parts and tools; operations and maintenance data; Project photographic documentation; record documents; and other such documents required by the Contract Documents. Submittals, whether or not approved or accepted by Engineer, are not Contract Documents. Change Proposals, Change Orders, Claims, notices, Applications for Payment, and requests for interpretation or clarification are not Submittals.
42. *Substantial Completion*—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended.



The terms “substantially complete” and “substantially completed” as applied to all or part of the Work refer to Substantial Completion of such Work.

43. *Successful Bidder*—The Bidder to which the Owner makes an award of contract.
44. *Supplementary Conditions*—The part of the Contract that amends or supplements these General Conditions.
45. *Supplier*—A manufacturer, fabricator, supplier, distributor, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.
46. *Technical Data*
- a. Those items expressly identified as Technical Data in the Supplementary Conditions, with respect to either (1) existing subsurface conditions at or adjacent to the Site, or existing physical conditions at or adjacent to the Site including existing surface or subsurface structures (except Underground Facilities) or (2) Hazardous Environmental Conditions at the Site.
  - b. If no such express identifications of Technical Data have been made with respect to conditions at the Site, then Technical Data is defined, with respect to conditions at the Site under Paragraphs 5.03, 5.04, and 5.06, as the data contained in boring logs, recorded measurements of subsurface water levels, assessments of the condition of subsurface facilities, laboratory test results, and other factual, objective information regarding conditions at the Site that are set forth in any geotechnical, environmental, or other Site or facilities conditions report prepared for the Project and made available to Contractor.
  - c. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data, and instead Underground Facilities are shown or indicated on the Drawings.
47. *Underground Facilities*—All active or not-in-service underground lines, pipelines, conduits, ducts, encasements, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or systems at the Site, including but not limited to those facilities or systems that produce, transmit, distribute, or convey telephone or other communications, cable television, fiber optic transmissions, power, electricity, light, heat, gases, oil, crude oil products, liquid petroleum products, water, steam, waste, wastewater, storm water, other liquids or chemicals, or traffic or other control systems. An abandoned facility or system is not an Underground Facility.
48. *Unit Price Work*—Work to be paid for on the basis of unit prices.
49. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning, all as required by the Contract Documents.
50. *Work Change Directive*—A written directive to Contractor issued on or after the Effective Date of the Contract, signed by Owner and recommended by Engineer, ordering an addition, deletion, or revision in the Work.

## 1.02 Terminology

- A. The words and terms discussed in Paragraphs 1.02.B, C, D, and E are not defined terms that require initial capital letters, but, when used in the Bidding Requirements or Contract Documents, have the indicated meaning.
- B. *Intent of Certain Terms or Adjectives:* The Contract Documents include the terms “as allowed,” “as approved,” “as ordered,” “as directed” or terms of like effect or import to authorize an exercise of professional judgment by Engineer. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory,” or adjectives of like effect or import are used to describe an action or determination of Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective is not intended to and shall not be effective to assign to Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Article 10 or any other provision of the Contract Documents.
- C. *Day:* The word “day” means a calendar day of 24 hours measured from midnight to the next midnight.
- D. *Defective:* The word “defective,” when modifying the word “Work,” refers to Work that is unsatisfactory, faulty, or deficient in that it:
1. does not conform to the Contract Documents;
  2. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
  3. has been damaged prior to Engineer’s recommendation of final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion in accordance with Paragraph 15.03 or Paragraph 15.04).
- E. *Furnish, Install, Perform, Provide*
1. The word “furnish,” when used in connection with services, materials, or equipment, means to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.
  2. The word “install,” when used in connection with services, materials, or equipment, means to put into use or place in final position said services, materials, or equipment complete and ready for intended use.
  3. The words “perform” or “provide,” when used in connection with services, materials, or equipment, means to furnish and install said services, materials, or equipment complete and ready for intended use.
  4. If the Contract Documents establish an obligation of Contractor with respect to specific services, materials, or equipment, but do not expressly use any of the four words “furnish,” “install,” “perform,” or “provide,” then Contractor shall furnish and install said services, materials, or equipment complete and ready for intended use.

- F. *Contract Price or Contract Times*: References to a change in “Contract Price or Contract Times” or “Contract Times or Contract Price” or similar, indicate that such change applies to (1) Contract Price, (2) Contract Times, or (3) both Contract Price and Contract Times, as warranted, even if the term “or both” is not expressed.
- G. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

## ARTICLE 2—PRELIMINARY MATTERS

### 2.01 *Delivery of Performance and Payment Bonds; Evidence of Insurance*

- A. *Performance and Payment Bonds*: When Contractor delivers the signed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner the performance bond and payment bond (if the Contract requires Contractor to furnish such bonds).
- B. ~~*Evidence of Contractor’s Insurance*: When Contractor delivers the signed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner, with copies to each additional insured (as identified in the Contract), the certificates, endorsements, and other evidence of insurance required to be provided by Contractor in accordance with Article 6, except to the extent the Supplementary Conditions expressly establish other dates for delivery of specific insurance policies.~~
- C. ~~*Evidence of Owner’s Insurance*: After receipt of the signed counterparts of the Agreement and all required bonds and insurance documentation, Owner shall promptly deliver to Contractor, with copies to each additional insured (as identified in the Contract), the certificates and other evidence of insurance required to be provided by Owner under Article 6.~~

See SC-2.01

### 2.02 *Copies of Documents*

- A. ~~Owner shall furnish to Contractor four printed copies of the Contract (including one fully signed counterpart of the Agreement), and one copy in electronic portable document format (PDF). Additional printed copies will be furnished upon request at the cost of reproduction.~~

See SC-2.02

- B. Owner shall maintain and safeguard at least one original printed record version of the Contract, including Drawings and Specifications signed and sealed by Engineer and other design professionals. Owner shall make such original printed record version of the Contract available to Contractor for review. Owner may delegate the responsibilities under this provision to Engineer.

### 2.03 *Before Starting Construction*

- A. *Preliminary Schedules*: Within 10 days after the Effective Date of the Contract (or as otherwise required by the Contract Documents), Contractor shall submit to Engineer for timely review:
  - 1. a preliminary Progress Schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract;
  - 2. a preliminary Schedule of Submittals; and

3. a preliminary Schedule of Values for all of the Work which includes quantities and prices of items which when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.

2.04 *Preconstruction Conference; Designation of Authorized Representatives*

- A. Before any Work at the Site is started, a conference attended by Owner, Contractor, Engineer, and others as appropriate will be held to establish a working understanding among the parties as to the Work, and to discuss the schedules referred to in Paragraph 2.03.A, procedures for handling Shop Drawings, Samples, and other Submittals, processing Applications for Payment, electronic or digital transmittals, and maintaining required records.
- B. At this conference Owner and Contractor each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit and receive information, render decisions relative to the Contract, and otherwise act on behalf of each respective party.

2.05 *Acceptance of Schedules*

- A. At least 10 days before submission of the first Application for Payment a conference, attended by Contractor, Engineer, and others as appropriate, will be held to review the schedules submitted in accordance with Paragraph 2.03.A. No progress payment will be made to Contractor until acceptable schedules are submitted to Engineer.
  1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the Contract Times. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.
  2. Contractor's Schedule of Submittals will be acceptable to Engineer if it provides a workable arrangement for reviewing and processing the required submittals.
  3. Contractor's Schedule of Values will be acceptable to Engineer as to form and substance if it provides a reasonable allocation of the Contract Price to the component parts of the Work.
  4. If a schedule is not acceptable, Contractor will have an additional 10 days to revise and resubmit the schedule.

2.06 *Electronic Transmittals*

- A. Except as otherwise stated elsewhere in the Contract, the Owner, Engineer, and Contractor may send, and shall accept, Electronic Documents transmitted by Electronic Means.
- B. If the Contract does not establish protocols for Electronic Means, then Owner, Engineer, and Contractor shall jointly develop such protocols.
- C. Subject to any governing protocols for Electronic Means, when transmitting Electronic Documents by Electronic Means, the transmitting party makes no representations as to long-term compatibility, usability, or readability of the Electronic Documents resulting from the

recipient's use of software application packages, operating systems, or computer hardware differing from those used in the drafting or transmittal of the Electronic Documents.

### **ARTICLE 3—CONTRACT DOCUMENTS: INTENT, REQUIREMENTS, REUSE**

#### **3.01 Intent**

- A. The Contract Documents are complementary; what is required by one Contract Document is as binding as if required by all.
- B. It is the intent of the Contract Documents to describe a functionally complete Project (or part thereof) to be constructed in accordance with the Contract Documents.
- C. ~~Unless otherwise stated in the Contract Documents, if there is a discrepancy between the electronic versions of the Contract Documents (including any printed copies derived from such electronic versions) and the printed record version, the printed record version will govern.~~

See SC-3.01

- D. The Contract supersedes prior negotiations, representations, and agreements, whether written or oral.
- E. Engineer will issue clarifications and interpretations of the Contract Documents as provided herein.
- F. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation will be deemed stricken, and all remaining provisions will continue to be valid and binding upon Owner and Contractor, which agree that the Contract Documents will be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.
- G. Nothing in the Contract Documents creates:
  - 1. any contractual relationship between Owner or Engineer and any Subcontractor, Supplier, or other individual or entity performing or furnishing any of the Work, for the benefit of such Subcontractor, Supplier, or other individual or entity; or
  - 2. any obligation on the part of Owner or Engineer to pay or to see to the payment of any money due any such Subcontractor, Supplier, or other individual or entity, except as may otherwise be required by Laws and Regulations.

#### **3.02 Reference Standards**

- A. *Standards Specifications, Codes, Laws and Regulations*
  - 1. Reference in the Contract Documents to standard specifications, manuals, reference standards, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, means the standard specification, manual, reference standard, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Contract if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.
  - 2. No provision of any such standard specification, manual, reference standard, or code, and no instruction of a Supplier, will be effective to change the duties or responsibilities of Owner, Contractor, or Engineer from those set forth in the part of the Contract

Documents prepared by or for Engineer. No such provision or instruction shall be effective to assign to Owner or Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility inconsistent with the provisions of the part of the Contract Documents prepared by or for Engineer.

### 3.03 *Reporting and Resolving Discrepancies*

#### A. *Reporting Discrepancies*

1. *Contractor's Verification of Figures and Field Measurements:* Before undertaking each part of the Work, Contractor shall carefully study the Contract Documents, and check and verify pertinent figures and dimensions therein, particularly with respect to applicable field measurements. Contractor shall promptly report in writing to Engineer any conflict, error, ambiguity, or discrepancy that Contractor discovers, or has actual knowledge of, and shall not proceed with any Work affected thereby until the conflict, error, ambiguity, or discrepancy is resolved by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract issued pursuant to Paragraph 11.01.
2. *Contractor's Review of Contract Documents:* If, before or during the performance of the Work, Contractor discovers any conflict, error, ambiguity, or discrepancy within the Contract Documents, or between the Contract Documents and (a) any applicable Law or Regulation, (b) actual field conditions, (c) any standard specification, manual, reference standard, or code, or (d) any instruction of any Supplier, then Contractor shall promptly report it to Engineer in writing. Contractor shall not proceed with the Work affected thereby (except in an emergency as required by Paragraph 7.15) until the conflict, error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract issued pursuant to Paragraph 11.01.
3. Contractor shall not be liable to Owner or Engineer for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

#### B. *Resolving Discrepancies*

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the part of the Contract Documents prepared by or for Engineer take precedence in resolving any conflict, error, ambiguity, or discrepancy between such provisions of the Contract Documents and:
  - a. the provisions of any standard specification, manual, reference standard, or code, or the instruction of any Supplier (whether or not specifically incorporated by reference as a Contract Document); or
  - b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).

### 3.04 *Requirements of the Contract Documents*

- A. During the performance of the Work and until final payment, Contractor and Owner shall submit to the Engineer in writing all matters in question concerning the requirements of the Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Contract Documents, as soon as

possible after such matters arise. Engineer will be the initial interpreter of the requirements of the Contract Documents, and judge of the acceptability of the Work.

- B. Engineer will, with reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Contract Documents. Engineer's written clarification, interpretation, or decision will be final and binding on Contractor, unless it appeals by submitting a Change Proposal, and on Owner, unless it appeals by filing a Claim.
- C. If a submitted matter in question concerns terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work under the Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly notify Owner and Contractor in writing that Engineer is unable to provide a decision or interpretation. If Owner and Contractor are unable to agree on resolution of such a matter in question, either party may pursue resolution as provided in Article 12.

### 3.05 *Reuse of Documents*

- A. Contractor and its Subcontractors and Suppliers shall not:
  - 1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its consultants, including electronic media versions, or reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of Owner and Engineer and specific written verification or adaptation by Engineer; or
  - 2. have or acquire any title or ownership rights in any other Contract Documents, reuse any such Contract Documents for any purpose without Owner's express written consent, or violate any copyrights pertaining to such Contract Documents.
- B. The prohibitions of this Paragraph 3.05 will survive final payment, or termination of the Contract. Nothing herein precludes Contractor from retaining copies of the Contract Documents for record purposes.

## **ARTICLE 4—COMMENCEMENT AND PROGRESS OF THE WORK**

### 4.01 *Commencement of Contract Times; Notice to Proceed*

- A. The Contract Times will commence to run on the 30th day after the Effective Date of the Contract or, if a Notice to Proceed is given, on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Contract. ~~In no event will the Contract Times commence to run later than the 60th day after the day of Bid opening or the 30th day after the Effective Date of the Contract, whichever date is earlier.~~

See SC-4.01

### 4.02 *Starting the Work*

- A. Contractor shall start to perform the Work on the date when the Contract Times commence to run. No Work may be done at the Site prior to such date.

#### 4.03 *Reference Points*

- A. ~~Owner shall provide engineering surveys to establish reference points for construction which in Engineer's judgment are necessary to enable Contractor to proceed with the Work.~~ Contractor shall be responsible for laying out the Work, shall protect and preserve the established reference points and property monuments, and shall make no changes or relocations without the prior written approval of Owner. Contractor shall report to Engineer whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

See SC-4.03

#### 4.04 *Progress Schedule*

- A. Contractor shall adhere to the Progress Schedule established in accordance with Paragraph 2.05 as it may be adjusted from time to time as provided below.
1. Contractor shall submit to Engineer for acceptance (to the extent indicated in Paragraph 2.05) proposed adjustments in the Progress Schedule that will not result in changing the Contract Times.
  2. Proposed adjustments in the Progress Schedule that will change the Contract Times must be submitted in accordance with the requirements of Article 11.
- B. Contractor shall carry on the Work and adhere to the Progress Schedule during all disputes or disagreements with Owner. No Work will be delayed or postponed pending resolution of any disputes or disagreements, or during any appeal process, except as permitted by Paragraph 16.04, or as Owner and Contractor may otherwise agree in writing.

See SC-4.04

#### 4.05 *Delays in Contractor's Progress*

- A. If Owner, Engineer, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Work, then Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times.
- B. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for delay, disruption, or interference caused by or within the control of Contractor. Delay, disruption, and interference attributable to and within the control of a Subcontractor or Supplier shall be deemed to be within the control of Contractor.
- C. If Contractor's performance or progress is delayed, disrupted, or interfered with by unanticipated causes not the fault of and beyond the control of Owner, Contractor, and those for which they are responsible, then Contractor shall be entitled to an equitable adjustment in Contract Times. Such an adjustment will be Contractor's sole and exclusive remedy for the delays, disruption, and interference described in this paragraph. Causes of delay, disruption, or interference that may give rise to an adjustment in Contract Times under this paragraph include but are not limited to the following:
1. Severe and unavoidable natural catastrophes such as fires, floods, epidemics, and earthquakes;



2. Abnormal weather conditions;
  3. Acts or failures to act of third-party utility owners or other third-party entities (other than those third-party utility owners or other third-party entities performing other work at or adjacent to the Site as arranged by or under contract with Owner, as contemplated in Article 8); and
  4. Acts of war or terrorism.
- D. Contractor's entitlement to an adjustment of Contract Times or Contract Price is limited as follows:
1. Contractor's entitlement to an adjustment of the Contract Times is conditioned on the delay, disruption, or interference adversely affecting an activity on the critical path to completion of the Work, as of the time of the delay, disruption, or interference.
  2. Contractor shall not be entitled to an adjustment in Contract Price for any delay, disruption, or interference if such delay is concurrent with a delay, disruption, or interference caused by or within the control of Contractor. Such a concurrent delay by Contractor shall not preclude an adjustment of Contract Times to which Contractor is otherwise entitled.
  3. Adjustments of Contract Times or Contract Price are subject to the provisions of Article 11.
- E. Each Contractor request or Change Proposal seeking an increase in Contract Times or Contract Price must be supplemented by supporting data that sets forth in detail the following:
1. The circumstances that form the basis for the requested adjustment;
  2. The date upon which each cause of delay, disruption, or interference began to affect the progress of the Work;
  3. The date upon which each cause of delay, disruption, or interference ceased to affect the progress of the Work;
  4. The number of days' increase in Contract Times claimed as a consequence of each such cause of delay, disruption, or interference; and
  5. The impact on Contract Price, in accordance with the provisions of Paragraph 11.07.
- Contractor shall also furnish such additional supporting documentation as Owner or Engineer may require including, where appropriate, a revised progress schedule indicating all the activities affected by the delay, disruption, or interference, and an explanation of the effect of the delay, disruption, or interference on the critical path to completion of the Work.
- F. Delays, disruption, and interference to the performance or progress of the Work resulting from the existence of a differing subsurface or physical condition, an Underground Facility that was not shown or indicated by the Contract Documents, or not shown or indicated with reasonable accuracy, and those resulting from Hazardous Environmental Conditions, are governed by Article 5, together with the provisions of Paragraphs 4.05.D and 4.05.E.
- G. Paragraph 8.03 addresses delays, disruption, and interference to the performance or progress of the Work resulting from the performance of certain other work at or adjacent to the Site.

**ARTICLE 5—SITE; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS**

5.01 *Availability of Lands*

- A. Owner shall furnish the Site. Owner shall notify Contractor in writing of any encumbrances or restrictions not of general application but specifically related to use of the Site with which Contractor must comply in performing the Work.
- B. Upon reasonable written request, Owner shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which permanent improvements are to be made and Owner's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws and Regulations.
- C. Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

5.02 *Use of Site and Other Areas*

A. *Limitation on Use of Site and Other Areas*

- 1. Contractor shall confine construction equipment, temporary construction facilities, the storage of materials and equipment, and the operations of workers to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and such other adjacent areas with construction equipment or other materials or equipment. Contractor shall assume full responsibility for (a) damage to the Site; (b) damage to any such other adjacent areas used for Contractor's operations; (c) damage to any other adjacent land or areas, or to improvements, structures, utilities, or similar facilities located at such adjacent lands or areas; and (d) for injuries and losses sustained by the owners or occupants of any such land or areas; provided that such damage or injuries result from the performance of the Work or from other actions or conduct of the Contractor or those for which Contractor is responsible.

See SC -5.02

- 2. If a damage or injury claim is made by the owner or occupant of any such land or area because of the performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible, Contractor shall (a) take immediate corrective or remedial action as required by Paragraph 7.13, or otherwise; (b) promptly attempt to settle the claim as to all parties through negotiations with such owner or occupant, or otherwise resolve the claim by arbitration or other dispute resolution proceeding, or in a court of competent jurisdiction; and (c) to the fullest extent permitted by Laws and Regulations, indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from and against any such claim, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Engineer, or any other party indemnified hereunder to the extent caused directly or indirectly, in whole or in part by,

or based upon, Contractor's performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible.

- B. *Removal of Debris During Performance of the Work:* During the progress of the Work the Contractor shall keep the Site and other adjacent areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris will conform to applicable Laws and Regulations.
- C. *Cleaning:* Prior to Substantial Completion of the Work Contractor shall clean the Site and the Work and make it ready for utilization by Owner. At the completion of the Work Contractor shall remove from the Site and adjacent areas all tools, appliances, construction equipment and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.
- D. *Loading of Structures:* Contractor shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent structures or land to stresses or pressures that will endanger them.

### 5.03 *Subsurface and Physical Conditions*

- A. *Reports and Drawings:* The Supplementary Conditions identify:
  - 1. Those reports of explorations and tests of subsurface conditions at or adjacent to the Site that contain Technical Data;
  - 2. Those drawings of existing physical conditions at or adjacent to the Site, including those drawings depicting existing surface or subsurface structures at or adjacent to the Site (except Underground Facilities), that contain Technical Data; and
  - 3. Technical Data contained in such reports and drawings.
- B. *Underground Facilities:* Underground Facilities are shown or indicated on the Drawings, pursuant to Paragraph 5.05, and not in the drawings referred to in Paragraph 5.03.A. Information and data regarding the presence or location of Underground Facilities are not intended to be categorized, identified, or defined as Technical Data.
- C. ~~*Reliance by Contractor on Technical Data:* Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely upon the accuracy of the Technical Data as defined in Paragraph 1.01.A.46.b.~~

### See SC-5.03

- D. *Limitations of Other Data and Documents:* Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:
  - 1. The completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto;

2. Other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings;
3. The contents of other Site-related documents made available to Contractor, such as record drawings from other projects at or adjacent to the Site, or Owner's archival documents concerning the Site; or
4. Any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions, or information.

See SC-5.03

5.04 *Differing Subsurface or Physical Conditions*

- A. *Notice by Contractor:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed at the Site:
1. ~~is of such a nature as to establish that any Technical Data on which Contractor is entitled to rely as provided in Paragraph 5.03 is materially inaccurate;~~
  2. ~~is of such a nature as to require a change in the Drawings or Specifications;~~
  3. ~~Differs materially from that shown or indicated in the Contract Documents; or~~
  4. ~~Is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;~~

~~then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except with respect to an emergency) until receipt of a written statement permitting Contractor to do so.~~

See SC-5.04

- B. *Engineer's Review:* After receipt of written notice as required by the preceding paragraph, Engineer will promptly review the subsurface or physical condition in question; determine whether it is necessary for Owner to obtain additional exploration or tests with respect to the condition; conclude whether the condition falls within any one or more of the differing site condition categories in Paragraph 5.04.A; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the subsurface or physical condition in question and the need for any change in the Drawings or Specifications; and advise Owner in writing of Engineer's findings, conclusions, and recommendations.
- C. *Owner's Statement to Contractor Regarding Site Condition:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the subsurface or physical condition in question, addressing the resumption of Work in connection with such condition, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations, in whole or in part.

- D. *Early Resumption of Work*: If at any time Engineer determines that Work in connection with the subsurface or physical condition in question may resume prior to completion of Engineer's review or Owner's issuance of its statement to Contractor, because the condition in question has been adequately documented, and analyzed on a preliminary basis, then the Engineer may at its discretion instruct Contractor to resume such Work.
- E. *Possible Price and Times Adjustments*
1. Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times, to the extent that the existence of a differing subsurface or physical condition, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:
    - a. Such condition must fall within any one or more of the categories described in Paragraph 5.04.A;
    - b. With respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03; and,
    - c. Contractor's entitlement to an adjustment of the Contract Times is subject to the provisions of Paragraphs 4.05.D and 4.05.E.
  2. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times with respect to a subsurface or physical condition if:
    - a. Contractor knew of the existence of such condition at the time Contractor made a commitment to Owner with respect to Contract Price and Contract Times by the submission of a Bid or becoming bound under a negotiated contract, or otherwise;
    - b. The existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas expressly required by the Bidding Requirements or Contract Documents to be conducted by or for Contractor prior to Contractor's making such commitment; or
    - c. Contractor failed to give the written notice required by Paragraph 5.04.A.
  3. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, then any such adjustment will be set forth in a Change Order.

See SC-5.04.E.4

- ~~4. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the subsurface or physical condition in question.~~
- F. *Underground Facilities; Hazardous Environmental Conditions*: Paragraph 5.05 governs rights and responsibilities regarding the presence or location of Underground Facilities. Paragraph 5.06 governs rights and responsibilities regarding Hazardous Environmental Conditions. The provisions of Paragraphs 5.03 and 5.04 are not applicable to the presence or location of Underground Facilities, or to Hazardous Environmental Conditions.

## 5.05 *Underground Facilities*

- A. *Contractor's Responsibilities:* Unless it is otherwise expressly provided in the Supplementary Conditions, the cost of all of the following are included in the Contract Price, and Contractor shall have full responsibility for:
1. reviewing and checking all information and data regarding existing Underground Facilities at the Site;
  2. complying with applicable state and local utility damage prevention Laws and Regulations;
  3. Verifying the actual location of those Underground Facilities shown or indicated in the Contract Documents as being within the area affected by the Work, by exposing such Underground Facilities during the course of construction;
  4. coordination of the Work with the owners (including Owner) of such Underground Facilities, during construction; and
  5. the safety and protection of all existing Underground Facilities at the Site, and repairing any damage thereto resulting from the Work.
- B. *Notice by Contractor:* If Contractor believes that an Underground Facility that is uncovered or revealed at the Site was not shown or indicated on the Drawings, or was not shown or indicated on the Drawings with reasonable accuracy, then Contractor shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing regarding such Underground Facility.
- C. *Engineer's Review:* Engineer will:
1. promptly review the Underground Facility and conclude whether such Underground Facility was not shown or indicated on the Drawings, or was not shown or indicated with reasonable accuracy;
  2. identify and communicate with the owner of the Underground Facility; prepare recommendations to Owner (and if necessary issue any preliminary instructions to Contractor) regarding the Contractor's resumption of Work in connection with the Underground Facility in question;
  3. obtain any pertinent cost or schedule information from Contractor; determine the extent, if any, to which a change is required in the Drawings or Specifications to reflect and document the consequences of the existence or location of the Underground Facility; and
  4. advise Owner in writing of Engineer's findings, conclusions, and recommendations.
- During such time, Contractor shall be responsible for the safety and protection of such Underground Facility.
- D. *Owner's Statement to Contractor Regarding Underground Facility:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the Underground Facility in question addressing the resumption of Work in connection with such Underground Facility, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations in whole or in part.

- E. *Early Resumption of Work*: If at any time Engineer determines that Work in connection with the Underground Facility may resume prior to completion of Engineer's review or Owner's issuance of its statement to Contractor, because the Underground Facility in question and conditions affected by its presence have been adequately documented, and analyzed on a preliminary basis, then the Engineer may at its discretion instruct Contractor to resume such Work.
- F. *Possible Price and Times Adjustments*
1. Contractor shall be entitled to an equitable adjustment in the Contract Price or Contract Times, to the extent that any existing Underground Facility at the Site that was not shown or indicated on the Drawings, or was not shown or indicated with reasonable accuracy, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:
    - a. With respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03;
    - b. Contractor's entitlement to an adjustment of the Contract Times is subject to the provisions of Paragraphs 4.05.D and 4.05.E; and
    - c. Contractor gave the notice required in Paragraph 5.05.B.
  2. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, then any such adjustment will be set forth in a Change Order.
  3. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the Underground Facility in question.
  4. The information and data shown or indicated on the Drawings with respect to existing Underground Facilities at the Site is based on information and data (a) furnished by the owners of such Underground Facilities, or by others, (b) obtained from available records, or (c) gathered in an investigation conducted in accordance with the current edition of ASCE 38, Standard Guideline for the Collection and Depiction of Existing Subsurface Utility Data, by the American Society of Civil Engineers. If such information or data is incorrect or incomplete, Contractor's remedies are limited to those set forth in this Paragraph 5.05.F.

5.06 *Hazardous Environmental Conditions at Site*

- A. ~~Reports and Drawings~~: The Supplementary Conditions identify:
1. ~~Those reports known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site;~~
  2. ~~Drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site; and~~
  3. ~~Technical Data contained in such reports and drawings.~~

- ~~B. *Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely on the accuracy of the Technical Data as defined in Paragraph 1.01.A.46.b. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:~~
- ~~1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto;~~
  - ~~2. Other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or~~
  - ~~3. Any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions or information.~~

See SC-5.06

- C. Contractor shall not be responsible for removing or remediating any Hazardous Environmental Condition encountered, uncovered, or revealed at the Site unless such removal or remediation is expressly identified in the Contract Documents to be within the scope of the Work.
- D. Contractor shall be responsible for controlling, containing, and duly removing all Constituents of Concern brought to the Site by Contractor, Subcontractors, Suppliers, or anyone else for whom Contractor is responsible, and for any associated costs; and for the costs of removing and remediating any Hazardous Environmental Condition created by the presence of any such Constituents of Concern.
- E. If Contractor encounters, uncovers, or reveals a Hazardous Environmental Condition whose removal or remediation is not expressly identified in the Contract Documents as being within the scope of the Work, or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, then Contractor shall immediately: (1) secure or otherwise isolate such condition; (2) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 7.15); and (3) notify Owner and Engineer (and promptly thereafter confirm such notice in writing). Owner shall promptly consult with Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Engineer, Owner shall take such actions as are necessary to permit Owner to timely obtain required permits and provide Contractor the written notice required by Paragraph 5.06.F. If Contractor or anyone for whom Contractor is responsible created the Hazardous Environmental Condition in question, then Owner may remove and remediate the Hazardous Environmental Condition, and impose a set-off against payments to account for the associated costs.
- F. Contractor shall not resume Work in connection with such Hazardous Environmental Condition or in any affected area until after Owner has obtained any required permits related thereto, and delivered written notice to Contractor either (1) specifying that such condition



- and any affected area is or has been rendered safe for the resumption of Work, or (2) specifying any special conditions under which such Work may be resumed safely.
- G. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times, as a result of such Work stoppage, such special conditions under which Work is agreed to be resumed by Contractor, or any costs or expenses incurred in response to the Hazardous Environmental Condition, then within 30 days of Owner's written notice regarding the resumption of Work, Contractor may submit a Change Proposal, or Owner may impose a set-off. Entitlement to any such adjustment is subject to the provisions of Paragraphs 4.05.D, 4.05.E, 11.07, and 11.08.
  - H. If, after receipt of such written notice, Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special conditions, then Owner may order the portion of the Work that is in the area affected by such condition to be deleted from the Work, following the contractual change procedures in Article 11. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 8.
  - I. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court, arbitration, or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition (1) was not shown or indicated in the Drawings, Specifications, or other Contract Documents, identified as Technical Data entitled to limited reliance pursuant to Paragraph 5.06.B, or identified in the Contract Documents to be included within the scope of the Work, and (2) was not created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.I obligates Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
  - J. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the failure to control, contain, or remove a Constituent of Concern brought to the Site by Contractor or by anyone for whom Contractor is responsible, or to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.J obligates Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
  - K. The provisions of Paragraphs 5.03, 5.04, and 5.05 do not apply to the presence of Constituents of Concern or to a Hazardous Environmental Condition uncovered or revealed at the Site.

## ARTICLE 6—BONDS AND INSURANCE

### 6.01 *Performance, Payment, and Other Bonds*

- A. Contractor shall furnish a performance bond and a payment bond, each in an amount at least equal to the Contract Price, as security for the faithful performance and payment of Contractor's obligations under the Contract. These bonds must remain in effect until one year after the date when final payment becomes due or until completion of the correction period specified in Paragraph 15.08, whichever is later, except as provided otherwise by Laws or Regulations, the terms of a prescribed bond form, the Supplementary Conditions, or other provisions of the Contract.
- B. Contractor shall also furnish such other bonds (if any) as are required by the Supplementary Conditions or other provisions of the Contract.
- C. All bonds must be in the form included in the Bidding Documents or otherwise specified by Owner prior to execution of the Contract, except as provided otherwise by Laws or Regulations, and must be issued and signed by a surety named in "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Department Circular 570 (as amended and supplemented) by the Bureau of the Fiscal Service, U.S. Department of the Treasury. A bond signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual's authority to bind the surety. The evidence of authority must show that it is effective on the date the agent or attorney-in-fact signed the accompanying bond.
- D. Contractor shall obtain the required bonds from surety companies that are duly licensed or authorized, in the state or jurisdiction in which the Project is located, to issue bonds in the required amounts.
- E. If the surety on a bond furnished by Contractor is declared bankrupt or becomes insolvent, or the surety ceases to meet the requirements above, then Contractor shall promptly notify Owner and Engineer in writing and shall, within 20 days after the event giving rise to such notification, provide another bond and surety, both of which must comply with the bond and surety requirements above.
- F. If Contractor has failed to obtain a required bond, Owner may exclude the Contractor from the Site and exercise Owner's termination rights under Article 16.
- G. Upon request to Owner from any Subcontractor, Supplier, or other person or entity claiming to have furnished labor, services, materials, or equipment used in the performance of the Work, Owner shall provide a copy of the payment bond to such person or entity.
- H. Upon request to Contractor from any Subcontractor, Supplier, or other person or entity claiming to have furnished labor, services, materials, or equipment used in the performance of the Work, Contractor shall provide a copy of the payment bond to such person or entity.

### 6.02 *Insurance—General Provisions*

- A. Owner and Contractor shall obtain and maintain insurance as required in this article and in the Supplementary Conditions.

See SC-6.02

- B. All insurance required by the Contract to be purchased and maintained by Owner or Contractor shall be obtained from insurance companies that are duly licensed or authorized in the state or jurisdiction in which the Project is located to issue insurance policies for the required limits and coverages. Unless a different standard is indicated in the Supplementary Conditions, all companies that provide insurance policies required under this Contract shall have an A.M. Best rating of A-VII or better.
- C. Alternative forms of insurance coverage, including but not limited to self-insurance and "Occupational Accident and Excess Employer's Indemnity Policies," are not sufficient to meet the insurance requirements of this Contract, unless expressly allowed in the Supplementary Conditions.
- D. Contractor shall deliver to Owner, with copies to each additional insured identified in the Contract, certificates of insurance and endorsements establishing that Contractor has obtained and is maintaining the policies and coverages required by the Contract. Upon request by Owner or any other insured, Contractor shall also furnish other evidence of such required insurance, including but not limited to copies of policies, documentation of applicable self-insured retentions (if allowed) and deductibles, full disclosure of all relevant exclusions, and evidence of insurance required to be purchased and maintained by Subcontractors or Suppliers. In any documentation furnished under this provision, Contractor, Subcontractors, and Suppliers may block out (redact) (1) any confidential premium or pricing information and (2) any wording specific to a project or jurisdiction other than those applicable to this Contract.
- E. Owner shall deliver to Contractor, with copies to each additional insured identified in the Contract, certificates of insurance and endorsements establishing that Owner has obtained and is maintaining the policies and coverages required of Owner by the Contract (if any). Upon request by Contractor or any other insured, Owner shall also provide other evidence of such required insurance (if any), including but not limited to copies of policies, documentation of applicable self-insured retentions (if allowed) and deductibles, and full disclosure of all relevant exclusions. In any documentation furnished under this provision, Owner may block out (redact) (1) any confidential premium or pricing information and (2) any wording specific to a project or jurisdiction other than those relevant to this Contract.
- F. Failure of Owner or Contractor to demand such certificates or other evidence of the other party's full compliance with these insurance requirements, or failure of Owner or Contractor to identify a deficiency in compliance from the evidence provided, will not be construed as a waiver of the other party's obligation to obtain and maintain such insurance.
- G. In addition to the liability insurance required to be provided by Contractor, the Owner, at Owner's option, may purchase and maintain Owner's own liability insurance. Owner's liability policies, if any, operate separately and independently from policies required to be provided by Contractor, and Contractor cannot rely upon Owner's liability policies for any of Contractor's obligations to the Owner, Engineer, or third parties.
- H. Contractor shall require:
  - 1. Subcontractors to purchase and maintain worker's compensation, commercial general liability, and other insurance that is appropriate for their participation in the Project, and to name as additional insureds Owner and Engineer (and any other individuals or entities

identified in the Supplementary Conditions as additional insureds on Contractor's liability policies) on each Subcontractor's commercial general liability insurance policy; and

2. Suppliers to purchase and maintain insurance that is appropriate for their participation in the Project.
- I. If either party does not purchase or maintain the insurance required of such party by the Contract, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage.
- J. If Contractor has failed to obtain and maintain required insurance, Contractor's entitlement to enter or remain at the Site will end immediately, and Owner may impose an appropriate set-off against payment for any associated costs (including but not limited to the cost of purchasing necessary insurance coverage), and exercise Owner's termination rights under Article 16.

See SC-6.02

- L. Without prejudice to any other right or remedy, if a party has failed to obtain required insurance, the other party may elect (but is in no way obligated) to obtain equivalent insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and the Contract Price will be adjusted accordingly.
- M. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect Contractor or Contractor's interests. Contractor is responsible for determining whether such coverage and limits are adequate to protect its interests, and for obtaining and maintaining any additional insurance that Contractor deems necessary.
- N. The insurance and insurance limits required herein will not be deemed as a limitation on Contractor's liability, or that of its Subcontractors or Suppliers, under the indemnities granted to Owner and other individuals and entities in the Contract or otherwise.
- O. All the policies of insurance required to be purchased and maintained under this Contract will contain a provision or endorsement that the coverage afforded will not be canceled, or renewal refused, until at least 10 days prior written notice has been given to the purchasing policyholder. Within three days of receipt of any such written notice, the purchasing policyholder shall provide a copy of the notice to each other insured and Engineer.

6.03 *Contractor's Insurance*

- A. *Required Insurance:* Contractor shall purchase and maintain Worker's Compensation, Commercial General Liability, and other insurance pursuant to the specific requirements of the Supplementary Conditions.

See SC-6.03

- B. *General Provisions:* The policies of insurance required by this Paragraph 6.03 as supplemented must:
  1. include at least the specific coverages required;
  2. be written for not less than the limits provided, or those required by Laws or Regulations, whichever is greater;

3. remain in effect at least until the Work is complete (as set forth in Paragraph 15.06.D), and longer if expressly required elsewhere in this Contract, and at all times thereafter when Contractor may be correcting, removing, or replacing defective Work as a warranty or correction obligation, or otherwise, or returning to the Site to conduct other tasks arising from the Contract;
  4. apply with respect to the performance of the Work, whether such performance is by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable; and
  5. include all necessary endorsements to support the stated requirements.
- C. *Additional Insureds*: The Contractor's commercial general liability, automobile liability, employer's liability, umbrella or excess, pollution liability, and unmanned aerial vehicle liability policies, if required by this Contract, must:
1. include and list as additional insureds Owner and Engineer, and any individuals or entities identified as additional insureds in the Supplementary Conditions;
  2. include coverage for the respective officers, directors, members, partners, employees, and consultants of all such additional insureds;
  3. afford primary coverage to these additional insureds for all claims covered thereby (including as applicable those arising from both ongoing and completed operations);
  4. not seek contribution from insurance maintained by the additional insured; and
  5. As to commercial general liability insurance, apply to additional insureds with respect to liability caused in whole or in part by Contractor's acts or omissions, or the acts and omissions of those working on Contractor's behalf, in the performance of Contractor's operations.

See SC-6.03

#### 6.04 *Builder's Risk and Other Property Insurance*

- A. ~~*Builder's Risk*: Unless otherwise provided in the Supplementary Conditions, Contractor shall purchase and maintain builder's risk insurance upon the Work on a completed value basis, in the amount of the Work's full insurable replacement cost (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). The specific requirements applicable to the builder's risk insurance are set forth in the Supplementary Conditions.~~

See SC-6.04

- B. *Property Insurance for Facilities of Owner Where Work Will Occur*: Owner is responsible for obtaining and maintaining property insurance covering each existing structure, building, or facility in which any part of the Work will occur, or to which any part of the Work will attach or be adjoined. Such property insurance will be written on a special perils (all-risk) form, on a replacement cost basis, providing coverage consistent with that required for the builder's risk insurance, and will be maintained until the Work is complete, as set forth in Paragraph 15.06.D.

- C. *Property Insurance for Substantially Complete Facilities:* Promptly after Substantial Completion, and before actual occupancy or use of the substantially completed Work, Owner will obtain property insurance for such substantially completed Work, and maintain such property insurance at least until the Work is complete, as set forth in Paragraph 15.06.D. Such property insurance will be written on a special perils (all-risk) form, on a replacement cost basis, and provide coverage consistent with that required for the builder's risk insurance. The builder's risk insurance may terminate upon written confirmation of Owner's procurement of such property insurance.
- D. *Partial Occupancy or Use by Owner:* If Owner will occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work, as provided in Paragraph 15.04, then Owner (directly, if it is the purchaser of the builder's risk policy, or through Contractor) will provide advance notice of such occupancy or use to the builder's risk insurer, and obtain an endorsement consenting to the continuation of coverage prior to commencing such partial occupancy or use.
- E. *Insurance of Other Property; Additional Insurance:* If the express insurance provisions of the Contract do not require or address the insurance of a property item or interest, then the entity or individual owning such property item will be responsible for insuring it. If Contractor elects to obtain other special insurance to be included in or supplement the builder's risk or property insurance policies provided under this Paragraph 6.04, it may do so at Contractor's expense.

6.05 *Property Losses; Subrogation*

- A. The builder's risk insurance policy purchased and maintained in accordance with Paragraph 6.04 (or an installation floater policy if authorized by the Supplementary Conditions), will contain provisions to the effect that in the event of payment of any loss or damage the insurer will have no rights of recovery against any insureds thereunder, or against Engineer or its consultants, or their officers, directors, members, partners, employees, agents, consultants, or subcontractors.
  - 1. Owner and Contractor waive all rights against each other and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils, risks, or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Engineer, its consultants, all individuals or entities identified in the Supplementary Conditions as builder's risk or installation floater insureds, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, under such policies for losses and damages so caused.
  - 2. None of the above waivers extends to the rights that any party making such waiver may have to the proceeds of insurance held by Owner or Contractor as trustee or fiduciary, or otherwise payable under any policy so issued.
- B. Any property insurance policy maintained by Owner covering any loss, damage, or consequential loss to Owner's existing structures, buildings, or facilities in which any part of the Work will occur, or to which any part of the Work will attach or adjoin; to adjacent structures, buildings, or facilities of Owner; or to part or all of the completed or substantially completed Work, during partial occupancy or use pursuant to Paragraph 15.04, after Substantial Completion pursuant to Paragraph 15.03, or after final payment pursuant to

Paragraph 15.06, will contain provisions to the effect that in the event of payment of any loss or damage the insurer will have no rights of recovery against any insureds thereunder, or against Contractor, Subcontractors, or Engineer, or the officers, directors, members, partners, employees, agents, consultants, or subcontractors of each and any of them, and that the insured is allowed to waive the insurer's rights of subrogation in a written contract executed prior to the loss, damage, or consequential loss.

1. Owner waives all rights against Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from fire or any of the perils, risks, or causes of loss covered by such policies.
- C. The waivers in this Paragraph 6.05 include the waiver of rights due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property or the Work caused by, arising out of, or resulting from fire or other insured peril, risk, or cause of loss.
- D. Contractor shall be responsible for assuring that each Subcontract contains provisions whereby the Subcontractor waives all rights against Owner, Contractor, all individuals or entities identified in the Supplementary Conditions as insureds, the Engineer and its consultants, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, relating to, or resulting from fire or other peril, risk, or cause of loss covered by builder's risk insurance, installation floater, and any other property insurance applicable to the Work.

6.06 *Receipt and Application of Property Insurance Proceeds*

- A. Any insured loss under the builder's risk and other policies of property insurance required by Paragraph 6.04 will be adjusted and settled with the named insured that purchased the policy. Such named insured shall act as fiduciary for the other insureds, and give notice to such other insureds that adjustment and settlement of a claim is in progress. Any other insured may state its position regarding a claim for insured loss in writing within 15 days after notice of such claim.
- B. Proceeds for such insured losses may be made payable by the insurer either jointly to multiple insureds, or to the named insured that purchased the policy in its own right and as fiduciary for other insureds, subject to the requirements of any applicable mortgage clause. A named insured receiving insurance proceeds under the builder's risk and other policies of insurance required by Paragraph 6.04 shall maintain such proceeds in a segregated account, and distribute such proceeds in accordance with such agreement as the parties in interest may reach, or as otherwise required under the dispute resolution provisions of this Contract or applicable Laws and Regulations.
- C. If no other special agreement is reached, Contractor shall repair or replace the damaged Work, using allocated insurance proceeds.

## ARTICLE 7—CONTRACTOR’S RESPONSIBILITIES

### 7.01 *Contractor’s Means and Methods of Construction*

- A. Contractor shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction.
- B. If the Contract Documents note, or Contractor determines, that professional engineering or other design services are needed to carry out Contractor’s responsibilities for construction means, methods, techniques, sequences, and procedures, or for Site safety, then Contractor shall cause such services to be provided by a properly licensed design professional, at Contractor’s expense. Such services are not Owner-delegated professional design services under this Contract, and neither Owner nor Engineer has any responsibility with respect to (1) Contractor’s determination of the need for such services, (2) the qualifications or licensing of the design professionals retained or employed by Contractor, (3) the performance of such services, or (4) any errors, omissions, or defects in such services.

See SC-7.01C

### 7.02 *Supervision and Superintendence*

- A. Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents.
- B. At all times during the progress of the Work, Contractor shall assign a competent resident superintendent who will not be replaced without written notice to Owner and Engineer except under extraordinary circumstances.

### 7.03 *Labor; Working Hours*

- A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. Contractor shall maintain good discipline and order at the Site.
- B. Contractor shall be fully responsible to Owner and Engineer for all acts and omissions of Contractor’s employees; of Suppliers and Subcontractors, and their employees; and of any other individuals or entities performing or furnishing any of the Work, just as Contractor is responsible for Contractor’s own acts and omissions.
- C. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site will be performed during regular working hours, Monday through Friday. Contractor will not perform Work on a Saturday, Sunday, or any legal holiday. Contractor may perform Work outside regular working hours or on Saturdays, Sundays, or legal holidays only with Owner’s written consent, which will not be unreasonably withheld.

### 7.04 *Services, Materials, and Equipment*

- A. Unless otherwise specified in the Contract Documents, Contractor shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the



performance, testing, start up, and completion of the Work, whether or not such items are specifically called for in the Contract Documents.

- B. All materials and equipment incorporated into the Work must be new and of good quality, except as otherwise provided in the Contract Documents. All special warranties and guarantees required by the Specifications will expressly run to the benefit of Owner. If required by Engineer, Contractor shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.
- C. All materials and equipment must be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.

**See SC-7.04**

**7.05 “Or Equals”**

- A. *Contractor’s Request; Governing Criteria:* Whenever an item of equipment or material is specified or described in the Contract Documents by using the names of one or more proprietary items or specific Suppliers, the Contract Price has been based upon Contractor furnishing such item as specified. The specification or description of such an item is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or “or equal” item is permitted, Contractor may request that Engineer authorize the use of other items of equipment or material, or items from other proposed Suppliers, under the circumstances described below.
  - 1. If Engineer in its sole discretion determines that an item of equipment or material proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in related Work will be required, Engineer will deem it an “or equal” item. For the purposes of this paragraph, a proposed item of equipment or material will be considered functionally equal to an item so named if:
    - a. in the exercise of reasonable judgment Engineer determines that the proposed item:
      - 1) is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;
      - 2) will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole;
      - 3) has a proven record of performance and availability of responsive service; and
      - 4) is not objectionable to Owner.
    - b. Contractor certifies that, if the proposed item is approved and incorporated into the Work:
      - 1) there will be no increase in cost to the Owner or increase in Contract Times; and
      - 2) the item will conform substantially to the detailed requirements of the item named in the Contract Documents.
- B. *Contractor’s Expense:* Contractor shall provide all data in support of any proposed “or equal” item at Contractor’s expense.

- C. *Engineer's Evaluation and Determination*: Engineer will be allowed a reasonable time to evaluate each "or-equal" request. Engineer may require Contractor to furnish additional data about the proposed "or-equal" item. Engineer will be the sole judge of acceptability. No "or-equal" item will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an "or-equal," which will be evidenced by an approved Shop Drawing or other written communication. Engineer will advise Contractor in writing of any negative determination.
- D. *Effect of Engineer's Determination*: Neither approval nor denial of an "or-equal" request will result in any change in Contract Price. The Engineer's denial of an "or-equal" request will be final and binding, and may not be reversed through an appeal under any provision of the Contract.
- E. *Treatment as a Substitution Request*: If Engineer determines that an item of equipment or material proposed by Contractor does not qualify as an "or-equal" item, Contractor may request that Engineer consider the item a proposed substitute pursuant to Paragraph 7.06.

#### 7.06 *Substitutes*

- A. *Contractor's Request; Governing Criteria*: Unless the specification or description of an item of equipment or material required to be furnished under the Contract Documents contains or is followed by words reading that no substitution is permitted, Contractor may request that Engineer authorize the use of other items of equipment or material under the circumstances described below. To the extent possible such requests must be made before commencement of related construction at the Site.
  - 1. Contractor shall submit sufficient information as provided below to allow Engineer to determine if the item of material or equipment proposed is functionally equivalent to that named and an acceptable substitute therefor. Engineer will not accept requests for review of proposed substitute items of equipment or material from anyone other than Contractor.
  - 2. The requirements for review by Engineer will be as set forth in Paragraph 7.06.B, as supplemented by the Specifications, and as Engineer may decide is appropriate under the circumstances.
  - 3. Contractor shall make written application to Engineer for review of a proposed substitute item of equipment or material that Contractor seeks to furnish or use. The application:
    - a. will certify that the proposed substitute item will:
      - 1) perform adequately the functions and achieve the results called for by the general design;
      - 2) be similar in substance to the item specified; and
      - 3) be suited to the same use as the item specified.
    - b. will state:
      - 1) the extent, if any, to which the use of the proposed substitute item will necessitate a change in Contract Times;
      - 2) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract

with Owner for other work on the Project) to adapt the design to the proposed substitute item; and

- 3) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty.
- c. will identify:
    - 1) all variations of the proposed substitute item from the item specified; and
    - 2) available engineering, sales, maintenance, repair, and replacement services.
  - d. will contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including but not limited to changes in Contract Price, shared savings, costs of redesign, and claims of other contractors affected by any resulting change.
- B. *Engineer's Evaluation and Determination*: Engineer will be allowed a reasonable time to evaluate each substitute request, and to obtain comments and direction from Owner. Engineer may require Contractor to furnish additional data about the proposed substitute item. Engineer will be the sole judge of acceptability. No substitute will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an acceptable substitute. Engineer's determination will be evidenced by a Field Order or a proposed Change Order accounting for the substitution itself and all related impacts, including changes in Contract Price or Contract Times. Engineer will advise Contractor in writing of any negative determination.
- C. *Special Guarantee*: Owner may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitute.
- D. *Reimbursement of Engineer's Cost*: Engineer will record Engineer's costs in evaluating a substitute proposed or submitted by Contractor. Whether or not Engineer approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse Owner for the reasonable charges of Engineer for evaluating each such proposed substitute. Contractor shall also reimburse Owner for the reasonable charges of Engineer for making changes in the Contract Documents (or in the provisions of any other direct contract with Owner) resulting from the acceptance of each proposed substitute.
- E. *Contractor's Expense*: Contractor shall provide all data in support of any proposed substitute at Contractor's expense.
- F. *Effect of Engineer's Determination*: If Engineer approves the substitution request, Contractor shall execute the proposed Change Order and proceed with the substitution. The Engineer's denial of a substitution request will be final and binding, and may not be reversed through an appeal under any provision of the Contract. Contractor may challenge the scope of reimbursement costs imposed under Paragraph 7.06.D, by timely submittal of a Change Proposal.

#### 7.07 Concerning Subcontractors and Suppliers

- A. Contractor may retain Subcontractors and Suppliers for the performance of parts of the Work. Such Subcontractors and Suppliers must be acceptable to Owner. The Contractor's retention of a Subcontractor or Supplier for the performance of parts of the Work will not relieve

Contractor's obligation to Owner to perform and complete the Work in accordance with the Contract Documents.

See SC-7.07

- B. Contractor shall retain specific Subcontractors and Suppliers for the performance of designated parts of the Work if required by the Contract to do so.
- C. Subsequent to the submittal of Contractor's Bid or final negotiation of the terms of the Contract, Owner may not require Contractor to retain any Subcontractor or Supplier to furnish or perform any of the Work against which Contractor has reasonable objection.
- D. Prior to entry into any binding subcontract or purchase order, Contractor shall submit to Owner the identity of the proposed Subcontractor or Supplier (unless Owner has already deemed such proposed Subcontractor or Supplier acceptable during the bidding process or otherwise). Such proposed Subcontractor or Supplier shall be deemed acceptable to Owner unless Owner raises a substantive, reasonable objection within 5 days.
- E. Owner may require the replacement of any Subcontractor or Supplier. Owner also may require Contractor to retain specific replacements; provided, however, that Owner may not require a replacement to which Contractor has a reasonable objection. If Contractor has submitted the identity of certain Subcontractors or Suppliers for acceptance by Owner, and Owner has accepted it (either in writing or by failing to make written objection thereto), then Owner may subsequently revoke the acceptance of any such Subcontractor or Supplier so identified solely on the basis of substantive, reasonable objection after due investigation. Contractor shall submit an acceptable replacement for the rejected Subcontractor or Supplier.
- F. If Owner requires the replacement of any Subcontractor or Supplier retained by Contractor to perform any part of the Work, then Contractor shall be entitled to an adjustment in Contract Price or Contract Times, with respect to the replacement; and Contractor shall initiate a Change Proposal for such adjustment within 30 days of Owner's requirement of replacement.
- G. No acceptance by Owner of any such Subcontractor or Supplier, whether initially or as a replacement, will constitute a waiver of the right of Owner to the completion of the Work in accordance with the Contract Documents.
- H. On a monthly basis, Contractor shall submit to Engineer a complete list of all Subcontractors and Suppliers having a direct contract with Contractor, and of all other Subcontractors and Suppliers known to Contractor at the time of submittal.
- I. Contractor shall be solely responsible for scheduling and coordinating the work of Subcontractors and Suppliers.
- J. The divisions and sections of the Specifications and the identifications of any Drawings do not control Contractor in dividing the Work among Subcontractors or Suppliers, or in delineating the Work to be performed by any specific trade.
- K. All Work performed for Contractor by a Subcontractor or Supplier must be pursuant to an appropriate contractual agreement that specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract for the benefit of Owner and Engineer.

- L. Owner may furnish to any Subcontractor or Supplier, to the extent practicable, information about amounts paid to Contractor for Work performed for Contractor by the Subcontractor or Supplier.
- M. Contractor shall restrict all Subcontractors and Suppliers from communicating with Engineer or Owner, except through Contractor or in case of an emergency, or as otherwise expressly allowed in this Contract.

7.08 *Patent Fees and Royalties*

- A. Contractor shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If an invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of Owner or Engineer, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights will be disclosed in the Contract Documents.
- B. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, and its officers, directors, members, partners, employees, agents, consultants, and subcontractors, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device specified in the Contract Documents, but not identified as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.
- C. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

7.09 *Permits*

- A. Unless otherwise provided in the Contract Documents, Contractor shall obtain and pay for all construction permits, licenses, and certificates of occupancy. Owner shall assist Contractor, when necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and inspection fees necessary for the prosecution of the Work which are applicable at the time of the submission of Contractor's Bid (or when Contractor became bound under a negotiated contract). Owner shall pay all charges of utility owners for connections for providing permanent service to the Work.

See SC-7.09

#### 7.10 *Taxes*

- A. Contractor shall pay all sales, consumer, use, and other similar taxes required to be paid by Contractor in accordance with the Laws and Regulations of the place of the Project which are applicable during the performance of the Work.

#### 7.11 *Laws and Regulations*

- A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the Work. Neither Owner nor Engineer shall be responsible for monitoring Contractor's compliance with any Laws or Regulations.
- B. If Contractor performs any Work or takes any other action knowing or having reason to know that it is contrary to Laws or Regulations, Contractor shall bear all resulting costs and losses, and shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work or other action. It is not Contractor's responsibility to make certain that the Work described in the Contract Documents is in accordance with Laws and Regulations, but this does not relieve Contractor of its obligations under Paragraph 3.03.
- C. Owner or Contractor may give written notice to the other party of any changes after the submission of Contractor's Bid (or after the date when Contractor became bound under a negotiated contract) in Laws or Regulations having an effect on the cost or time of performance of the Work, including but not limited to changes in Laws or Regulations having an effect on procuring permits and on sales, use, value-added, consumption, and other similar taxes. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times resulting from such changes, then within 30 days of such written notice Contractor may submit a Change Proposal, or Owner may initiate a Claim.

See SC-7.11

#### 7.12 *Record Documents*

- A. Contractor shall maintain in a safe place at the Site one printed record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, written interpretations and clarifications, and approved Shop Drawings. Contractor shall keep such record documents in good order and annotate them to show changes made during construction. These record documents, together with all approved Samples, will be available to Engineer for reference. Upon completion of the Work, Contractor shall deliver these record documents to Engineer.

#### 7.13 *Safety and Protection*

- A. Contractor shall be solely responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations.

- B. Contractor shall designate a qualified and experienced safety representative whose duties and responsibilities are the prevention of Work-related accidents and the maintenance and supervision of safety precautions and programs.
- C. Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:
  - 1. all persons on the Site or who may be affected by the Work;
  - 2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
  - 3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, other work in progress, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.
- D. All damage, injury, or loss to any property referred to in Paragraph 7.13.C.2 or 7.13.C.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Contractor at its expense (except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of Owner or Engineer or anyone employed by any of them, or anyone for whose acts any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of Contractor or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them).
- E. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection.
- F. Contractor shall notify Owner; the owners of adjacent property; the owners of Underground Facilities and other utilities (if the identity of such owners is known to Contractor); and other contractors and utility owners performing work at or adjacent to the Site, in writing, when Contractor knows that prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property or work in progress.
- G. Contractor shall comply with the applicable requirements of Owner's safety programs, if any. Any Owner's safety programs that are applicable to the Work are identified or included in the Supplementary Conditions or Specifications.

See SC-7.13

- H. Contractor shall inform Owner and Engineer of the specific requirements of Contractor's safety program with which Owner's and Engineer's employees and representatives must comply while at the Site.
- I. Contractor's duties and responsibilities for safety and protection will continue until all the Work is completed, Engineer has issued a written notice to Owner and Contractor in accordance with Paragraph 15.06.C that the Work is acceptable, and Contractor has left the Site (except as otherwise expressly provided in connection with Substantial Completion).

- J. Contractor's duties and responsibilities for safety and protection will resume whenever Contractor or any Subcontractor or Supplier returns to the Site to fulfill warranty or correction obligations, or to conduct other tasks arising from the Contract Documents.

7.14 *Hazard Communication Programs*

- A. Contractor shall be responsible for coordinating any exchange of safety data sheets (formerly known as material safety data sheets) or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws or Regulations.

7.15 *Emergencies*

- A. In emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, Contractor is obligated to act to prevent damage, injury, or loss. Contractor shall give Engineer prompt written notice if Contractor believes that any significant changes in the Work or variations from the Contract Documents have been caused by an emergency, or are required as a result of Contractor's response to an emergency. If Engineer determines that a change in the Contract Documents is required because of an emergency or Contractor's response, a Work Change Directive or Change Order will be issued.

7.16 *Submittals*

A. *Shop Drawing and Sample Requirements*

1. Before submitting a Shop Drawing or Sample, Contractor shall:
  - a. review and coordinate the Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents;
  - b. determine and verify:
    - 1) all field measurements, quantities, dimensions, specified performance and design criteria, installation requirements, materials, catalog numbers, and similar information with respect to the Submittal;
    - 2) the suitability of all materials and equipment offered with respect to the indicated application, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work; and
    - 3) all information relative to Contractor's responsibilities for means, methods, techniques, sequences, and procedures of construction, and safety precautions and programs incident thereto;
  - c. confirm that the Submittal is complete with respect to all related data included in the Submittal.
2. Each Shop Drawing or Sample must bear a stamp or specific written certification that Contractor has satisfied Contractor's obligations under the Contract Documents with respect to Contractor's review of that Submittal, and that Contractor approves the Submittal.
3. With each Shop Drawing or Sample, Contractor shall give Engineer specific written notice of any variations that the Submittal may have from the requirements of the Contract Documents. This notice must be set forth in a written communication separate from the



Submittal; and, in addition, in the case of a Shop Drawing by a specific notation made on the Shop Drawing itself.

B. *Submittal Procedures for Shop Drawings and Samples:* Contractor shall label and submit Shop Drawings and Samples to Engineer for review and approval in accordance with the accepted Schedule of Submittals.

1. *Shop Drawings*

- a. Contractor shall submit the number of copies required in the Specifications.
- b. Data shown on the Shop Drawings must be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to show Engineer the services, materials, and equipment Contractor proposes to provide, and to enable Engineer to review the information for the limited purposes required by Paragraph 7.16.C.

2. *Samples*

- a. Contractor shall submit the number of Samples required in the Specifications.
- b. Contractor shall clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which intended and other data as Engineer may require to enable Engineer to review the Submittal for the limited purposes required by Paragraph 7.16.C.

3. Where a Shop Drawing or Sample is required by the Contract Documents or the Schedule of Submittals, any related Work performed prior to Engineer's review and approval of the pertinent submittal will be at the sole expense and responsibility of Contractor.

C. *Engineer's Review of Shop Drawings and Samples*

1. Engineer will provide timely review of Shop Drawings and Samples in accordance with the accepted Schedule of Submittals. Engineer's review and approval will be only to determine if the items covered by the Submittals will, after installation or incorporation in the Work, comply with the requirements of the Contract Documents, and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.
2. Engineer's review and approval will not extend to means, methods, techniques, sequences, or procedures of construction, or to safety precautions or programs incident thereto.
3. Engineer's review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.
4. Engineer's review and approval of a Shop Drawing or Sample will not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Paragraph 7.16.A.3 and Engineer has given written approval of each such variation by specific written notation thereof incorporated in or accompanying the Shop Drawing or Sample. Engineer will document any such approved variation from the requirements of the Contract Documents in a Field Order or other appropriate Contract modification.

5. Engineer's review and approval of a Shop Drawing or Sample will not relieve Contractor from responsibility for complying with the requirements of Paragraphs 7.16.A and B.
6. Engineer's review and approval of a Shop Drawing or Sample, or of a variation from the requirements of the Contract Documents, will not, under any circumstances, change the Contract Times or Contract Price, unless such changes are included in a Change Order.
7. Neither Engineer's receipt, review, acceptance, or approval of a Shop Drawing or Sample will result in such item becoming a Contract Document.
8. Contractor shall perform the Work in compliance with the requirements and commitments set forth in approved Shop Drawings and Samples, subject to the provisions of Paragraph 7.16.C.4.

*D. Resubmittal Procedures for Shop Drawings and Samples*

1. Contractor shall make corrections required by Engineer and shall return the required number of corrected copies of Shop Drawings and submit, as required, new Samples for review and approval. Contractor shall direct specific attention in writing to revisions other than the corrections called for by Engineer on previous Submittals.
2. Contractor shall furnish required Shop Drawing and Sample submittals with sufficient information and accuracy to obtain required approval of an item with no more than two resubmittals. Engineer will record Engineer's time for reviewing a third or subsequent resubmittal of a Shop Drawing or Sample, and Contractor shall be responsible for Engineer's charges to Owner for such time. Owner may impose a set-off against payments due Contractor to secure reimbursement for such charges.
3. If Contractor requests a change of a previously approved Shop Drawing or Sample, Contractor shall be responsible for Engineer's charges to Owner for its review time, and Owner may impose a set-off against payments due Contractor to secure reimbursement for such charges, unless the need for such change is beyond the control of Contractor.

*E. Submittals Other than Shop Drawings, Samples, and Owner-Delegated Designs*

1. The following provisions apply to all Submittals other than Shop Drawings, Samples, and Owner-delegated designs:
  - a. Contractor shall submit all such Submittals to the Engineer in accordance with the Schedule of Submittals and pursuant to the applicable terms of the Contract Documents.
  - b. Engineer will provide timely review of all such Submittals in accordance with the Schedule of Submittals and return such Submittals with a notation of either Accepted or Not Accepted. Any such Submittal that is not returned within the time established in the Schedule of Submittals will be deemed accepted.
  - c. Engineer's review will be only to determine if the Submittal is acceptable under the requirements of the Contract Documents as to general form and content of the Submittal.
  - d. If any such Submittal is not accepted, Contractor shall confer with Engineer regarding the reason for the non-acceptance, and resubmit an acceptable document.

2. Procedures for the submittal and acceptance of the Progress Schedule, the Schedule of Submittals, and the Schedule of Values are set forth in Paragraphs 2.03, 2.04, and 2.05.
- F. Owner-delegated Designs: Submittals pursuant to Owner-delegated designs are governed by the provisions of Paragraph 7.19.

7.17 *Contractor's General Warranty and Guarantee*

- A. Contractor warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Engineer is entitled to rely on Contractor's warranty and guarantee.
- B. Owner's rights under this warranty and guarantee are in addition to, and are not limited by, Owner's rights under the correction period provisions of Paragraph 15.08. The time in which Owner may enforce its warranty and guarantee rights under this Paragraph 7.17 is limited only by applicable Laws and Regulations restricting actions to enforce such rights; provided, however, that after the end of the correction period under Paragraph 15.08:
1. Owner shall give Contractor written notice of any defective Work within 60 days of the discovery that such Work is defective; and
  2. Such notice will be deemed the start of an event giving rise to a Claim under Paragraph 12.01.B, such that any related Claim must be brought within 30 days of the notice.
- C. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:
1. abuse, or improper modification, maintenance, or operation, by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
  2. normal wear and tear under normal usage.
- D. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents is absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents, a release of Contractor's obligation to perform the Work in accordance with the Contract Documents, or a release of Owner's warranty and guarantee rights under this Paragraph 7.17:
1. Observations by Engineer;
  2. Recommendation by Engineer or payment by Owner of any progress or final payment;
  3. The issuance of a certificate of Substantial Completion by Engineer or any payment related thereto by Owner;
  4. Use or occupancy of the Work or any part thereof by Owner;
  5. Any review and approval of a Shop Drawing or Sample submittal;
  6. The issuance of a notice of acceptability by Engineer;
  7. The end of the correction period established in Paragraph 15.08;
  8. Any inspection, test, or approval by others; or
  9. Any correction of defective Work by Owner.

- E. If the Contract requires the Contractor to accept the assignment of a contract entered into by Owner, then the specific warranties, guarantees, and correction obligations contained in the assigned contract will govern with respect to Contractor's performance obligations to Owner for the Work described in the assigned contract.

#### 7.18 *Indemnification*

- A. To the fullest extent permitted by Laws and Regulations, and in addition to any other obligations of Contractor under the Contract or otherwise, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, from losses, damages, costs, and judgments (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising from third-party claims or actions relating to or resulting from the performance or furnishing of the Work, provided that any such claim, action, loss, cost, judgment or damage is attributable to bodily injury, sickness, disease, or death, or to damage to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable.
- B. In any and all claims against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, by any employee (or the survivor or personal representative of such employee) of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 7.18.A will not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Contractor or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.

See SC-7.18

#### 7.19 *Delegation of Professional Design Services*

- A. Owner may require Contractor to provide professional design services for a portion of the Work by express delegation in the Contract Documents. Such delegation will specify the performance and design criteria that such services must satisfy, and the Submittals that Contractor must furnish to Engineer with respect to the Owner-delegated design.
- B. Contractor shall cause such Owner-delegated professional design services to be provided pursuant to the professional standard of care by a properly licensed design professional, whose signature and seal must appear on all drawings, calculations, specifications, certifications, and Submittals prepared by such design professional. Such design professional must issue all certifications of design required by Laws and Regulations.
- C. If a Shop Drawing or other Submittal related to the Owner-delegated design is prepared by Contractor, a Subcontractor, or others for submittal to Engineer, then such Shop Drawing or other Submittal must bear the written approval of Contractor's design professional when submitted by Contractor to Engineer.

- D. Owner and Engineer shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, and approvals performed or provided by the design professionals retained or employed by Contractor under an Owner-delegated design, subject to the professional standard of care and the performance and design criteria stated in the Contract Documents.
- E. Pursuant to this Paragraph 7.19, Engineer's review, approval, and other determinations regarding design drawings, calculations, specifications, certifications, and other Submittals furnished by Contractor pursuant to an Owner-delegated design will be only for the following limited purposes:
  - 1. Checking for conformance with the requirements of this Paragraph 7.19;
  - 2. Confirming that Contractor (through its design professionals) has used the performance and design criteria specified in the Contract Documents; and
  - 3. Establishing that the design furnished by Contractor is consistent with the design concept expressed in the Contract Documents.
- F. Contractor shall not be responsible for the adequacy of performance or design criteria specified by Owner or Engineer.
- G. Contractor is not required to provide professional services in violation of applicable Laws and Regulations.

## **ARTICLE 8—OTHER WORK AT THE SITE**

### **8.01 *Other Work***

- A. In addition to and apart from the Work under the Contract Documents, the Owner may perform other work at or adjacent to the Site. Such other work may be performed by Owner's employees, or through contracts between the Owner and third parties. Owner may also arrange to have third-party utility owners perform work on their utilities and facilities at or adjacent to the Site.
- B. If Owner performs other work at or adjacent to the Site with Owner's employees, or through contracts for such other work, then Owner shall give Contractor written notice thereof prior to starting any such other work. If Owner has advance information regarding the start of any third-party utility work that Owner has arranged to take place at or adjacent to the Site, Owner shall provide such information to Contractor.
- C. Contractor shall afford proper and safe access to the Site to each contractor that performs such other work, each utility owner performing other work, and Owner, if Owner is performing other work with Owner's employees, and provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work.
- D. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of Engineer and the others whose work will be affected.

- E. If the proper execution or results of any part of Contractor's Work depends upon work performed by others, Contractor shall inspect such other work and promptly report to Engineer in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with Contractor's Work except for latent defects and deficiencies in such other work.
- F. The provisions of this article are not applicable to work that is performed by third-party utilities or other third-party entities without a contract with Owner, or that is performed without having been arranged by Owner. If such work occurs, then any related delay, disruption, or interference incurred by Contractor is governed by the provisions of Paragraph 4.05.C.3.

#### 8.02 *Coordination*

- A. If Owner intends to contract with others for the performance of other work at or adjacent to the Site, to perform other work at or adjacent to the Site with Owner's employees, or to arrange to have utility owners perform work at or adjacent to the Site, the following will be set forth in the Supplementary Conditions or provided to Contractor prior to the start of any such other work:
  - 1. The identity of the individual or entity that will have authority and responsibility for coordination of the activities among the various contractors;
  - 2. An itemization of the specific matters to be covered by such authority and responsibility; and
  - 3. The extent of such authority and responsibilities.
- B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility for such coordination.

#### 8.03 *Legal Relationships*

- A. If, in the course of performing other work for Owner at or adjacent to the Site, the Owner's employees, any other contractor working for Owner, or any utility owner that Owner has arranged to perform work, causes damage to the Work or to the property of Contractor or its Subcontractors, or delays, disrupts, interferes with, or increases the scope or cost of the performance of the Work, through actions or inaction, then Contractor shall be entitled to an equitable adjustment in the Contract Price or the Contract Times. Contractor must submit any Change Proposal seeking an equitable adjustment in the Contract Price or the Contract Times under this paragraph within 30 days of the damaging, delaying, disrupting, or interfering event. The entitlement to, and extent of, any such equitable adjustment will take into account information (if any) regarding such other work that was provided to Contractor in the Contract Documents prior to the submittal of the Bid or the final negotiation of the terms of the Contract, and any remedies available to Contractor under Laws or Regulations concerning utility action or inaction. When applicable, any such equitable adjustment in Contract Price will be conditioned on Contractor assigning to Owner all Contractor's rights against such other contractor or utility owner with respect to the damage, delay, disruption, or interference that is the subject of the adjustment. Contractor's entitlement to an adjustment of the Contract Times or Contract Price is subject to the provisions of Paragraphs 4.05.D and 4.05.E.

- B. Contractor shall take reasonable and customary measures to avoid damaging, delaying, disrupting, or interfering with the work of Owner, any other contractor, or any utility owner performing other work at or adjacent to the Site.
  - 1. If Contractor fails to take such measures and as a result damages, delays, disrupts, or interferes with the work of any such other contractor or utility owner, then Owner may impose a set-off against payments due Contractor, and assign to such other contractor or utility owner the Owner's contractual rights against Contractor with respect to the breach of the obligations set forth in this Paragraph 8.03.B.
  - 2. When Owner is performing other work at or adjacent to the Site with Owner's employees, Contractor shall be liable to Owner for damage to such other work, and for the reasonable direct delay, disruption, and interference costs incurred by Owner as a result of Contractor's failure to take reasonable and customary measures with respect to Owner's other work. In response to such damage, delay, disruption, or interference, Owner may impose a set-off against payments due Contractor.
- C. If Contractor damages, delays, disrupts, or interferes with the work of any other contractor, or any utility owner performing other work at or adjacent to the Site, through Contractor's failure to take reasonable and customary measures to avoid such impacts, or if any claim arising out of Contractor's actions, inactions, or negligence in performance of the Work at or adjacent to the Site is made by any such other contractor or utility owner against Contractor, Owner, or Engineer, then Contractor shall (1) promptly attempt to settle the claim as to all parties through negotiations with such other contractor or utility owner, or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law, and (2) indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claims, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such damage, delay, disruption, or interference.

## **ARTICLE 9—OWNER'S RESPONSIBILITIES**

### **9.01 *Communications to Contractor***

- A. Except as otherwise provided in these General Conditions, Owner shall issue all communications to Contractor through Engineer.

### **9.02 *Replacement of Engineer***

- A. Owner may at its discretion appoint an engineer to replace Engineer, provided Contractor makes no reasonable objection to the replacement engineer. The replacement engineer's status under the Contract Documents will be that of the former Engineer.

### **9.03 *Furnish Data***

- A. Owner shall promptly furnish the data required of Owner under the Contract Documents.

### **9.04 *Pay When Due***

- A. Owner shall make payments to Contractor when they are due as provided in the Agreement.

- 9.05 *Lands and Easements; Reports, Tests, and Drawings*
- A. Owner's duties with respect to providing lands and easements are set forth in Paragraph 5.01.
  - B. Owner's duties with respect to providing engineering surveys to establish reference points are set forth in Paragraph 4.03.
  - C. Article 5 refers to Owner's identifying and making available to Contractor copies of reports of explorations and tests of conditions at the Site, and drawings of physical conditions relating to existing surface or subsurface structures at the Site.
- 9.06 *Insurance*
- A. Owner's responsibilities, if any, with respect to purchasing and maintaining liability and property insurance are set forth in Article 6.
- 9.07 *Change Orders*
- A. Owner's responsibilities with respect to Change Orders are set forth in Article 11.
- 9.08 *Inspections, Tests, and Approvals*
- A. Owner's responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 14.02.B.
- 9.09 *Limitations on Owner's Responsibilities*
- A. The Owner shall not supervise, direct, or have control or authority over, nor be responsible for, Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Owner will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.
- 9.10 *Undisclosed Hazardous Environmental Condition*
- A. Owner's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 5.06.
- 9.11 *Evidence of Financial Arrangements*
- A. Upon request of Contractor, Owner shall furnish Contractor reasonable evidence that financial arrangements have been made to satisfy Owner's obligations under the Contract (including obligations under proposed changes in the Work).
- 9.12 *Safety Programs*
- A. While at the Site, Owner's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Owner has been informed.
  - B. Owner shall furnish copies of any applicable Owner safety programs to Contractor.

See SC-9.12



## ARTICLE 10—ENGINEER'S STATUS DURING CONSTRUCTION

### 10.01 *Owner's Representative*

- A. Engineer will be Owner's representative during the construction period. The duties and responsibilities and the limitations of authority of Engineer as Owner's representative during construction are set forth in the Contract.

### 10.02 *Visits to Site*

- A. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe, as an experienced and qualified design professional, the progress that has been made and the quality of the various aspects of Contractor's executed Work. Based on information obtained during such visits and observations, Engineer, for the benefit of Owner, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. Engineer will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. Engineer's efforts will be directed toward providing for Owner a greater degree of confidence that the completed Work will conform generally to the Contract Documents. On the basis of such visits and observations, Engineer will keep Owner informed of the progress of the Work and will endeavor to guard Owner against defective Work.
- B. Engineer's visits and observations are subject to all the limitations on Engineer's authority and responsibility set forth in Paragraph 10.07. Particularly, but without limitation, during or as a result of Engineer's visits or observations of Contractor's Work, Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

### 10.03 *Resident Project Representative*

- A. If Owner and Engineer have agreed that Engineer will furnish a Resident Project Representative to represent Engineer at the Site and assist Engineer in observing the progress and quality of the Work, then the authority and responsibilities of any such Resident Project Representative will be as provided in the Supplementary Conditions, and limitations on the responsibilities thereof will be as provided in the Supplementary Conditions and in Paragraph 10.07.
- B. If Owner designates an individual or entity who is not Engineer's consultant, agent, or employee to represent Owner at the Site, then the responsibilities and authority of such individual or entity will be as provided in the Supplementary Conditions.

### 10.04 *Engineer's Authority*

- A. Engineer has the authority to reject Work in accordance with Article 14.
- B. Engineer's authority as to Submittals is set forth in Paragraph 7.16.
- C. Engineer's authority as to design drawings, calculations, specifications, certifications and other Submittals from Contractor in response to Owner's delegation (if any) to Contractor of professional design services, is set forth in Paragraph 7.19.
- D. Engineer's authority as to changes in the Work is set forth in Article 11.

E. Engineer's authority as to Applications for Payment is set forth in Article 15.

10.05 *Determinations for Unit Price Work*

A. ~~Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor as set forth in Paragraph 13.03.~~

See SC-10.05

10.06 *Decisions on Requirements of Contract Documents and Acceptability of Work*

A. Engineer will render decisions regarding the requirements of the Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth herein for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.

10.07 *Limitations on Engineer's Authority and Responsibilities*

- A. Neither Engineer's authority or responsibility under this Article 10 or under any other provision of the Contract, nor any decision made by Engineer in good faith either to exercise or not exercise such authority or responsibility or the undertaking, exercise, or performance of any authority or responsibility by Engineer, will create, impose, or give rise to any duty in contract, tort, or otherwise owed by Engineer to Contractor, any Subcontractor, any Supplier, any other individual or entity, or to any surety for or employee or agent of any of them.
- B. Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Engineer will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.
- C. Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.
- D. Engineer's review of the final Application for Payment and accompanying documentation, and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by Contractor under Paragraph 15.06.A, will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals, that the results certified indicate compliance with the Contract Documents.
- E. The limitations upon authority and responsibility set forth in this Paragraph 10.07 also apply to the Resident Project Representative, if any.

See SC-10.07

10.08 *Compliance with Safety Program*

A. While at the Site, Engineer's employees and representatives will comply with the specific applicable requirements of Owner's and Contractor's safety programs of which Engineer has been informed.

## ARTICLE 11—CHANGES TO THE CONTRACT

### 11.01 *Amending and Supplementing the Contract*

- A. The Contract may be amended or supplemented by a Change Order, a Work Change Directive, or a Field Order.
- B. If an amendment or supplement to the Contract includes a change in the Contract Price or the Contract Times, such amendment or supplement must be set forth in a Change Order.
- C. All changes to the Contract that involve (1) the performance or acceptability of the Work, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, must be supported by Engineer's recommendation. Owner and Contractor may amend other terms and conditions of the Contract without the recommendation of the Engineer.

See SC-11.07

### 11.02 *Change Orders*

- A. Owner and Contractor shall execute appropriate Change Orders covering:
  - 1. Changes in Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive;
  - 2. Changes in Contract Price resulting from an Owner set-off, unless Contractor has duly contested such set-off;
  - 3. Changes in the Work which are: (a) ordered by Owner pursuant to Paragraph 11.05, (b) required because of Owner's acceptance of defective Work under Paragraph 14.04 or Owner's correction of defective Work under Paragraph 14.07, or (c) agreed to by the parties, subject to the need for Engineer's recommendation if the change in the Work involves the design (as set forth in the Drawings, Specifications, or otherwise) or other engineering or technical matters; and
  - 4. Changes that embody the substance of any final and binding results under: Paragraph 11.03.B, resolving the impact of a Work Change Directive; Paragraph 11.09, concerning Change Proposals; Article 12, Claims; Paragraph 13.02.D, final adjustments resulting from allowances; Paragraph 13.03.D, final adjustments relating to determination of quantities for Unit Price Work; and similar provisions.
- B. If Owner or Contractor refuses to execute a Change Order that is required to be executed under the terms of Paragraph 11.02.A, it will be deemed to be of full force and effect, as if fully executed.

### 11.03 *Work Change Directives*

- A. A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the modification ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order, following negotiations by the parties as to the Work Change Directive's effect, if any, on the Contract Price and Contract Times; or, if negotiations are unsuccessful, by a determination under the terms of the Contract Documents governing adjustments, expressly including Paragraph 11.07 regarding change of Contract Price.

See SC-11.03.B

- B. If Owner has issued a Work Change Directive and:
  - 1. ~~Contractor believes that an adjustment in Contract Times or Contract Price is necessary, then Contractor shall submit any Change Proposal seeking such an adjustment no later than 30 days after the completion of the Work set out in the Work Change Directive.~~
  - 2. ~~Owner believes that an adjustment in Contract Times or Contract Price is necessary, then Owner shall submit any Claim seeking such an adjustment no later than 60 days after issuance of the Work Change Directive.~~

#### 11.04 *Field Orders*

- A. Engineer may authorize minor changes in the Work if the changes do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such changes will be accomplished by a Field Order and will be binding on Owner and also on Contractor, which shall perform the Work involved promptly.
- B. If Contractor believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, then before proceeding with the Work at issue, Contractor shall submit a Change Proposal as provided herein.

#### 11.05 *Owner-Authorized Changes in the Work*

- A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work. Changes involving the design (as set forth in the Drawings, Specifications, or otherwise) or other engineering or technical matters will be supported by Engineer's recommendation.
- B. Such changes in the Work may be accomplished by a Change Order, if Owner and Contractor have agreed as to the effect, if any, of the changes on Contract Times or Contract Price; or by a Work Change Directive. Upon receipt of any such document, Contractor shall promptly proceed with the Work involved; or, in the case of a deletion in the Work, promptly cease construction activities with respect to such deleted Work. Added or revised Work must be performed under the applicable conditions of the Contract Documents.
- C. Nothing in this Paragraph 11.05 obligates Contractor to undertake work that Contractor reasonably concludes cannot be performed in a manner consistent with Contractor's safety obligations under the Contract Documents or Laws and Regulations.

#### 11.06 *Unauthorized Changes in the Work*

- A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents, as amended, modified, or supplemented, except in the case of an emergency as provided in Paragraph 7.15 or in the case of uncovering Work as provided in Paragraph 14.05.C.2.

#### 11.07 *Change of Contract Price*

- A. The Contract Price may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Price must comply with the provisions of Paragraph 11.09. Any Claim for an adjustment of Contract Price must comply with the provisions of Article 12.

- B. An adjustment in the Contract Price will be determined as follows:
1. Where the Work involved is covered by unit prices contained in the Contract Documents, then by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 13.03);
  2. Where the Work involved is not covered by unit prices contained in the Contract Documents, then by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.07.C.2); or
  3. Where the Work involved is not covered by unit prices contained in the Contract Documents and the parties do not reach mutual agreement to a lump sum, then on the basis of the Cost of the Work (determined as provided in Paragraph 13.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 11.07.C).
- C. *Contractor's Fee*: When applicable, the Contractor's fee for overhead and profit will be determined as follows:
1. A mutually acceptable fixed fee; or
  2. If a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:
    - a. For costs incurred under Paragraphs 13.01.B.1 and 13.01.B.2, the Contractor's fee will be 15 percent;
    - b. For costs incurred under Paragraph 13.01.B.3, the Contractor's fee will be 5 percent;
    - c. Where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 11.07.C.2.a and 11.07.C.2.b is that the Contractor's fee will be based on: (1) a fee of 15 percent of the costs incurred under Paragraphs 13.01.B.1 and 13.01.B.2 by the Subcontractor that actually performs the Work, at whatever tier, and (2) with respect to Contractor itself and to any Subcontractors of a tier higher than that of the Subcontractor that actually performs the Work, a fee of 5 percent of the amount (fee plus underlying costs incurred) attributable to the next lower tier Subcontractor; provided, however, that for any such subcontracted Work the maximum total fee to be paid by Owner will be no greater than 27 percent of the costs incurred by the Subcontractor that actually performs the Work;
    - d. No fee will be payable on the basis of costs itemized under Paragraphs 13.01.B.4, 13.01.B.5, and 13.01.C;
    - e. The amount of credit to be allowed by Contractor to Owner for any change which results in a net decrease in Cost of the Work will be the amount of the actual net decrease in Cost of the Work and a deduction of an additional amount equal to 5 percent of such actual net decrease in Cost of the Work; and
    - f. When both additions and credits are involved in any one change or Change Proposal, the adjustment in Contractor's fee will be computed by determining the sum of the costs in each of the cost categories in Paragraph 13.01.B (specifically, payroll costs, Paragraph 13.01.B.1; incorporated materials and equipment costs, Paragraph 13.01.B.2; Subcontract costs, Paragraph 13.01.B.3; special consultants costs, Paragraph 13.01.B.4; and other costs, Paragraph 13.01.B.5) and applying to

each such cost category sum the appropriate fee from Paragraphs 11.07.C.2.a through 11.07.C.2.e, inclusive.

See SC-11.07.D & E

#### 11.08 *Change of Contract Times*

- A. The Contract Times may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Times must comply with the provisions of Paragraph 11.09. Any Claim for an adjustment in the Contract Times must comply with the provisions of Article 12.
- B. Delay, disruption, and interference in the Work, and any related changes in Contract Times, are addressed in and governed by Paragraph 4.05.

See SC-11.08.C

#### 11.09 *Change Proposals*

- A. *Purpose and Content:* Contractor shall submit a Change Proposal to Engineer to request an adjustment in the Contract Times or Contract Price; contest an initial decision by Engineer concerning the requirements of the Contract Documents or relating to the acceptability of the Work under the Contract Documents; challenge a set-off against payment due; or seek other relief under the Contract. The Change Proposal will specify any proposed change in Contract Times or Contract Price, or other proposed relief, and explain the reason for the proposed change, with citations to any governing or applicable provisions of the Contract Documents. Each Change Proposal will address only one issue, or a set of closely related issues.

See SC-11.09.B

#### B. *Change Proposal Procedures*

1. ~~*Submittal:* Contractor shall submit each Change Proposal to Engineer within 30 days after the start of the event giving rise thereto, or after such initial decision.~~
2. ~~*Supporting Data:* The Contractor shall submit supporting data, including the proposed change in Contract Price or Contract Time (if any), to the Engineer and Owner within 15 days after the submittal of the Change Proposal.~~
  - a. Change Proposals based on or related to delay, interruption, or interference must comply with the provisions of Paragraphs 4.05.D and 4.05.E.
  - b. Change proposals related to a change of Contract Price must include full and detailed accounts of materials incorporated into the Work and labor and equipment used for the subject Work.

The supporting data must be accompanied by a written statement that the supporting data are accurate and complete, and that any requested time or price adjustment is the entire adjustment to which Contractor believes it is entitled as a result of said event.

3. *Engineer's Initial Review:* Engineer will advise Owner regarding the Change Proposal, and consider any comments or response from Owner regarding the Change Proposal. If in its discretion Engineer concludes that additional supporting data is needed before

conducting a full review and making a decision regarding the Change Proposal, then Engineer may request that Contractor submit such additional supporting data by a date specified by Engineer, prior to Engineer beginning its full review of the Change Proposal.

4. *Engineer's Full Review and Action on the Change Proposal:* Upon receipt of Contractor's supporting data (including any additional data requested by Engineer), Engineer will conduct a full review of each Change Proposal and, within 30 days after such receipt of the Contractor's supporting data, either approve the Change Proposal in whole, deny it in whole, or approve it in part and deny it in part. Such actions must be in writing, with a copy provided to Owner and Contractor. If Engineer does not take action on the Change Proposal within 30 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of Engineer's inaction the Change Proposal is deemed denied, thereby commencing the time for appeal of the denial under Article 12.
  5. *Binding Decision:* Engineer's decision is final and binding upon Owner and Contractor, unless Owner or Contractor appeals the decision by filing a Claim under Article 12.
- C. *Resolution of Certain Change Proposals:* If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties in writing that the Engineer is unable to resolve the Change Proposal. For purposes of further resolution of such a Change Proposal, such notice will be deemed a denial, and Contractor may choose to seek resolution under the terms of Article 12.
- D. *Post-Completion:* Contractor shall not submit any Change Proposals after Engineer issues a written recommendation of final payment pursuant to Paragraph 15.06.B.

#### 11.10 Notification to Surety

- A. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Times), the giving of any such notice will be Contractor's responsibility. The amount of each applicable bond will be adjusted to reflect the effect of any such change.

## ARTICLE 12—CLAIMS

### 12.01 Claims

- A. *Claims Process:* The following disputes between Owner and Contractor are subject to the Claims process set forth in this article:
  1. Appeals by Owner or Contractor of Engineer's decisions regarding Change Proposals;
  2. Owner demands for adjustments in the Contract Price or Contract Times, or other relief under the Contract Documents;
  3. Disputes that Engineer has been unable to address because they do not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters; and
  4. Subject to the waiver provisions of Paragraph 15.07, any dispute arising after Engineer has issued a written recommendation of final payment pursuant to Paragraph 15.06.B.

See SC-12.01.B

- B. *Submittal of Claim:* ~~The party submitting a Claim shall deliver it directly to the other party to the Contract promptly (but in no event later than 30 days after the start of the event giving rise thereto; in the case of appeals regarding Change Proposals within 30 days of the decision under appeal.~~ The party submitting the Claim shall also furnish a copy to the Engineer, for its information only. The responsibility to substantiate a Claim rests with the party making the Claim. In the case of a Claim by Contractor seeking an increase in the Contract Times or Contract Price, Contractor shall certify that the Claim is made in good faith, that the supporting data are accurate and complete, and that to the best of Contractor's knowledge and belief the amount of time or money requested accurately reflects the full amount to which Contractor is entitled.
- C. *Review and Resolution:* The party receiving a Claim shall review it thoroughly, giving full consideration to its merits. The two parties shall seek to resolve the Claim through the exchange of information and direct negotiations. The parties may extend the time for resolving the Claim by mutual agreement. All actions taken on a Claim will be stated in writing and submitted to the other party, with a copy to Engineer.
- D. *Mediation*
1. At any time after initiation of a Claim, Owner and Contractor may mutually agree to mediation of the underlying dispute. The agreement to mediate will stay the Claim submittal and response process.
  2. If Owner and Contractor agree to mediation, then after 60 days from such agreement, either Owner or Contractor may unilaterally terminate the mediation process, and the Claim submittal and decision process will resume as of the date of the termination. If the mediation proceeds but is unsuccessful in resolving the dispute, the Claim submittal and decision process will resume as of the date of the conclusion of the mediation, as determined by the mediator.
  3. Owner and Contractor shall each pay one-half of the mediator's fees and costs.
- E. *Partial Approval:* If the party receiving a Claim approves the Claim in part and denies it in part, such action will be final and binding unless within 30 days of such action the other party invokes the procedure set forth in Article 17 for final resolution of disputes.
- F. *Denial of Claim:* If efforts to resolve a Claim are not successful, the party receiving the Claim may deny it by giving written notice of denial to the other party. If the receiving party does not take action on the Claim within 90 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of the inaction, the Claim is deemed denied, thereby commencing the time for appeal of the denial. A denial of the Claim will be final and binding unless within 30 days of the denial the other party invokes the procedure set forth in Article 17 for the final resolution of disputes.
- G. *Final and Binding Results:* If the parties reach a mutual agreement regarding a Claim, whether through approval of the Claim, direct negotiations, mediation, or otherwise; or if a Claim is approved in part and denied in part, or denied in full, and such actions become final and binding; then the results of the agreement or action on the Claim will be incorporated in a Change Order or other written document to the extent they affect the Contract, including the Work, the Contract Times, or the Contract Price.



## ARTICLE 13—COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK

### 13.01 *Cost of the Work*

- A. *Purposes for Determination of Cost of the Work:* The term Cost of the Work means the sum of all costs necessary for the proper performance of the Work at issue, as further defined below. The provisions of this Paragraph 13.01 are used for two distinct purposes:
1. To determine Cost of the Work when Cost of the Work is a component of the Contract Price, under cost-plus-fee, time-and-materials, or other cost-based terms; or
  2. When needed to determine the value of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price. When the value of any such adjustment is determined on the basis of Cost of the Work, Contractor is entitled only to those additional or incremental costs required because of the change in the Work or because of the event giving rise to the adjustment.
- B. *Costs Included:* Except as otherwise may be agreed to in writing by Owner, costs included in the Cost of the Work will be in amounts no higher than those commonly incurred in the locality of the Project, will not include any of the costs itemized in Paragraph 13.01.C, and will include only the following items:
1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by Owner and Contractor in advance of the subject Work. Such employees include, without limitation, superintendents, foremen, safety managers, safety representatives, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work will be apportioned on the basis of their time spent on the Work. Payroll costs include, but are not limited to, salaries and wages plus the cost of fringe benefits, which include social security contributions, unemployment, excise, and payroll taxes, workers' compensation, health and retirement benefits, sick leave, and vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturday, Sunday, or legal holidays, will be included in the above to the extent authorized by Owner.
  2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts accrue to Contractor unless Owner deposits funds with Contractor with which to make payments, in which case the cash discounts will accrue to Owner. All trade discounts, rebates, and refunds and returns from sale of surplus materials and equipment will accrue to Owner, and Contractor shall make provisions so that they may be obtained.
  3. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by Owner, Contractor shall obtain competitive bids from subcontractors acceptable to Owner and Contractor and shall deliver such bids to Owner, which will then determine, with the advice of Engineer, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee will be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 13.01.

4. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed or retained for services specifically related to the Work.
5. Other costs consisting of the following:
  - a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.
  - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office, and temporary facilities at the Site, which are consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.
    - 1) In establishing included costs for materials such as scaffolding, plating, or sheeting, consideration will be given to the actual or the estimated life of the material for use on other projects; or rental rates may be established on the basis of purchase or salvage value of such items, whichever is less. Contractor will not be eligible for compensation for such items in an amount that exceeds the purchase cost of such item.
  - c. *Construction Equipment Rental*
    - 1) Rentals of all construction equipment and machinery, and the parts thereof, in accordance with rental agreements approved by Owner as to price (including any surcharge or special rates applicable to overtime use of the construction equipment or machinery), and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs will be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts must cease when the use thereof is no longer necessary for the Work.
    - 2) Costs for equipment and machinery owned by Contractor or a Contractor-related entity will be paid at a rate shown for such equipment in the equipment rental rate book specified in the Supplementary Conditions. An hourly rate will be computed by dividing the monthly rates by 176. These computed rates will include all operating costs.
    - 3) With respect to Work that is the result of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price ("changed Work"), included costs will be based on the time the equipment or machinery is in use on the changed Work and the costs of transportation, loading, unloading, assembly, dismantling, and removal when directly attributable to the changed Work. The cost of any such equipment or machinery, or parts thereof, must cease to accrue when the use thereof is no longer necessary for the changed Work.
  - d. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations.
  - e. Deposits lost for causes other than negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.

- f. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work (except losses and damages within the deductible amounts of builder's risk or other property insurance established in accordance with Paragraph 6.04), provided such losses and damages have resulted from causes other than the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses will be included in the Cost of the Work for the purpose of determining Contractor's fee.
  - g. The cost of utilities, fuel, and sanitary facilities at the Site.
  - h. Minor expenses such as communication service at the Site, express and courier services, and similar petty cash items in connection with the Work.
  - i. The costs of premiums for all bonds and insurance that Contractor is required by the Contract Documents to purchase and maintain.
- C. *Costs Excluded*: The term Cost of the Work does not include any of the following items:
- 1. Payroll costs and other compensation of Contractor's officers, executives, principals, general managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 13.01.B.1 or specifically covered by Paragraph 13.01.B.4. The payroll costs and other compensation excluded here are to be considered administrative costs covered by the Contractor's fee.
  - 2. The cost of purchasing, renting, or furnishing small tools and hand tools.
  - 3. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.
  - 4. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.
  - 5. Costs due to the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.
  - 6. Expenses incurred in preparing and advancing Claims.
  - 7. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 13.01.B.
- D. *Contractor's Fee*
- 1. When the Work as a whole is performed on the basis of cost-plus-a-fee, then:
    - a. Contractor's fee for the Work set forth in the Contract Documents as of the Effective Date of the Contract will be determined as set forth in the Agreement.

- b. for any Work covered by a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price on the basis of Cost of the Work, Contractor's fee will be determined as follows:
  - 1) When the fee for the Work as a whole is a percentage of the Cost of the Work, the fee will automatically adjust as the Cost of the Work changes.
  - 2) When the fee for the Work as a whole is a fixed fee, the fee for any additions or deletions will be determined in accordance with Paragraph 11.07.C.2.
- 2. When the Work as a whole is performed on the basis of a stipulated sum, or any other basis other than cost-plus-a-fee, then Contractor's fee for any Work covered by a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price on the basis of Cost of the Work will be determined in accordance with Paragraph 11.07.C.2.
- E. *Documentation and Audit*: Whenever the Cost of the Work for any purpose is to be determined pursuant to this Article 13, Contractor and pertinent Subcontractors will establish and maintain records of the costs in accordance with generally accepted accounting practices. Subject to prior written notice, Owner will be afforded reasonable access, during normal business hours, to all Contractor's accounts, records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda, and similar data relating to the Cost of the Work and Contractor's fee. Contractor shall preserve all such documents for a period of three years after the final payment by Owner. Pertinent Subcontractors will afford such access to Owner, and preserve such documents, to the same extent required of Contractor.

#### 13.02 Allowances

- A. It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to Owner and Engineer.
- B. *Cash Allowances*: Contractor agrees that:
  - 1. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
  - 2. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances have been included in the Contract Price and not in the allowances, and no demand for additional payment for any of the foregoing will be valid.
- C. *Owner's Contingency Allowance*: Contractor agrees that an Owner's contingency allowance, if any, is for the sole use of Owner to cover unanticipated costs.
- D. Prior to final payment, an appropriate Change Order will be issued as recommended by Engineer to reflect actual amounts due Contractor for Work covered by allowances, and the Contract Price will be correspondingly adjusted.

#### 13.03 Unit Price Work

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement.

- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Payments to Contractor for Unit Price Work will be based on actual quantities.
- C. Each unit price will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item.
- D. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor. Engineer will review with Contractor the Engineer's preliminary determinations on such matters before rendering a written decision thereon (by recommendation of an Application for Payment or otherwise). Engineer's written decision thereon will be final and binding (except as modified by Engineer to reflect changed factual conditions or more accurate data) upon Owner and Contractor, and the final adjustment of Contract Price will be set forth in a Change Order, subject to the provisions of the following paragraph.
- E. *Adjustments in Unit Price*
  - 1. Contractor or Owner shall be entitled to an adjustment in the unit price with respect to an item of Unit Price Work if:
    - a. the quantity of the item of Unit Price Work performed by Contractor differs materially and significantly from the estimated quantity of such item indicated in the Agreement; and
    - b. Contractor's unit costs to perform the item of Unit Price Work have changed materially and significantly as a result of the quantity change.
  - 2. The adjustment in unit price will account for and be coordinated with any related changes in quantities of other items of Work, and in Contractor's costs to perform such other Work, such that the resulting overall change in Contract Price is equitable to Owner and Contractor.
  - 3. Adjusted unit prices will apply to all units of that item.

**ARTICLE 14—TESTS AND INSPECTIONS; CORRECTION, REMOVAL, OR ACCEPTANCE OF DEFECTIVE WORK**

14.01 *Access to Work*

- A. Owner, Engineer, their consultants and other representatives and personnel of Owner, independent testing laboratories, and authorities having jurisdiction have access to the Site and the Work at reasonable times for their observation, inspection, and testing. Contractor shall provide them proper and safe conditions for such access and advise them of Contractor's safety procedures and programs so that they may comply with such procedures and programs as applicable.

14.02 *Tests, Inspections, and Approvals*

- A. Contractor shall give Engineer timely notice of readiness of the Work (or specific parts thereof) for all required inspections and tests, and shall cooperate with inspection and testing personnel to facilitate required inspections and tests.
- B. Owner shall retain and pay for the services of an independent inspector, testing laboratory, or other qualified individual or entity to perform all inspections and tests expressly required

by the Contract Documents to be furnished and paid for by Owner, except that costs incurred in connection with tests or inspections of covered Work will be governed by the provisions of Paragraph 14.05.

- C. If Laws or Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved by an employee or other representative of such public body, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish Engineer the required certificates of inspection or approval.
- D. Contractor shall be responsible for arranging, obtaining, and paying for all inspections and tests required:
  - 1. by the Contract Documents, unless the Contract Documents expressly allocate responsibility for a specific inspection or test to Owner;
  - 2. to attain Owner's and Engineer's acceptance of materials or equipment to be incorporated in the Work;
  - 3. by manufacturers of equipment furnished under the Contract Documents;
  - 4. for testing, adjusting, and balancing of mechanical, electrical, and other equipment to be incorporated into the Work; and
  - 5. for acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work.

Such inspections and tests will be performed by independent inspectors, testing laboratories, or other qualified individuals or entities acceptable to Owner and Engineer.

- E. If the Contract Documents require the Work (or part thereof) to be approved by Owner, Engineer, or another designated individual or entity, then Contractor shall assume full responsibility for arranging and obtaining such approvals.
- F. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without written concurrence of Engineer, Contractor shall, if requested by Engineer, uncover such Work for observation. Such uncovering will be at Contractor's expense unless Contractor had given Engineer timely notice of Contractor's intention to cover the same and Engineer had not acted with reasonable promptness in response to such notice.

#### 14.03 *Defective Work*

- A. *Contractor's Obligation:* It is Contractor's obligation to assure that the Work is not defective.
- B. *Engineer's Authority:* Engineer has the authority to determine whether Work is defective, and to reject defective Work.
- C. *Notice of Defects:* Prompt written notice of all defective Work of which Owner or Engineer has actual knowledge will be given to Contractor.
- D. *Correction, or Removal and Replacement:* Promptly after receipt of written notice of defective Work, Contractor shall correct all such defective Work, whether or not fabricated, installed, or completed, or, if Engineer has rejected the defective Work, remove it from the Project and replace it with Work that is not defective.

- E. *Preservation of Warranties*: When correcting defective Work, Contractor shall take no action that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.
- F. *Costs and Damages*: In addition to its correction, removal, and replacement obligations with respect to defective Work, Contractor shall pay all claims, costs, losses, and damages arising out of or relating to defective Work, including but not limited to the cost of the inspection, testing, correction, removal, replacement, or reconstruction of such defective Work, fines levied against Owner by governmental authorities because the Work is defective, and the costs of repair or replacement of work of others resulting from defective Work. Prior to final payment, if Owner and Contractor are unable to agree as to the measure of such claims, costs, losses, and damages resulting from defective Work, then Owner may impose a reasonable set-off against payments due under Article 15.

#### 14.04 *Acceptance of Defective Work*

- A. If, instead of requiring correction or removal and replacement of defective Work, Owner prefers to accept it, Owner may do so (subject, if such acceptance occurs prior to final payment, to Engineer's confirmation that such acceptance is in general accord with the design intent and applicable engineering principles, and will not endanger public safety). Contractor shall pay all claims, costs, losses, and damages attributable to Owner's evaluation of and determination to accept such defective Work (such costs to be approved by Engineer as to reasonableness), and for the diminished value of the Work to the extent not otherwise paid by Contractor. If any such acceptance occurs prior to final payment, the necessary revisions in the Contract Documents with respect to the Work will be incorporated in a Change Order. If the parties are unable to agree as to the decrease in the Contract Price, reflecting the diminished value of Work so accepted, then Owner may impose a reasonable set-off against payments due under Article 15. If the acceptance of defective Work occurs after final payment, Contractor shall pay an appropriate amount to Owner.

#### 14.05 *Uncovering Work*

- A. Engineer has the authority to require additional inspection or testing of the Work, whether or not the Work is fabricated, installed, or completed.
- B. If any Work is covered contrary to the written request of Engineer, then Contractor shall, if requested by Engineer, uncover such Work for Engineer's observation, and then replace the covering, all at Contractor's expense.
- C. If Engineer considers it necessary or advisable that covered Work be observed by Engineer or inspected or tested by others, then Contractor, at Engineer's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as Engineer may require, that portion of the Work in question, and provide all necessary labor, material, and equipment.
  - 1. If it is found that the uncovered Work is defective, Contractor shall be responsible for all claims, costs, losses, and damages arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of repair or replacement of work of others); and pending Contractor's full discharge of this responsibility the Owner shall be entitled to impose a reasonable set-off against payments due under Article 15.

2. If the uncovered Work is not found to be defective, Contractor shall be allowed an increase in the Contract Price or an extension of the Contract Times, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction. If the parties are unable to agree as to the amount or extent thereof, then Contractor may submit a Change Proposal within 30 days of the determination that the Work is not defective.

#### 14.06 *Owner May Stop the Work*

- A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, then Owner may order Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop the Work will not give rise to any duty on the part of Owner to exercise this right for the benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

#### 14.07 *Owner May Correct Defective Work*

- A. If Contractor fails within a reasonable time after written notice from Engineer to correct defective Work, or to remove and replace defective Work as required by Engineer, then Owner may, after 7 days' written notice to Contractor, correct or remedy any such deficiency.
- B. In exercising the rights and remedies under this Paragraph 14.07, Owner shall proceed expeditiously. In connection with such corrective or remedial action, Owner may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, and incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere. Contractor shall allow Owner, Owner's representatives, agents and employees, Owner's other contractors, and Engineer and Engineer's consultants access to the Site to enable Owner to exercise the rights and remedies under this paragraph.
- C. All claims, costs, losses, and damages incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 14.07 will be charged against Contractor as set-offs against payments due under Article 15. Such claims, costs, losses and damages will include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.
- D. Contractor shall not be allowed an extension of the Contract Times because of any delay in the performance of the Work attributable to the exercise by Owner of Owner's rights and remedies under this Paragraph 14.07.

### **ARTICLE 15—PAYMENTS TO CONTRACTOR; SET-OFFS; COMPLETION; CORRECTION PERIOD**

#### 15.01 *Progress Payments*

- A. *Basis for Progress Payments:* The Schedule of Values established as provided in Article 2 will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to Engineer. Progress payments for Unit Price Work will be based on the number of units completed during the pay period, as determined under the provisions of Paragraph 13.03. Progress payments for cost-based Work will be based on Cost of the Work completed by Contractor during the pay period.



**B. Applications for Payments**

1. At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents.
2. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment must also be accompanied by: (a) a bill of sale, invoice, copies of subcontract or purchase order payments, or other documentation establishing full payment by Contractor for the materials and equipment; (b) at Owner's request, documentation warranting that Owner has received the materials and equipment free and clear of all Liens; and (c) evidence that the materials and equipment are covered by appropriate property insurance, a warehouse bond, or other arrangements to protect Owner's interest therein, all of which must be satisfactory to Owner.
3. Beginning with the second Application for Payment, each Application must include an affidavit of Contractor stating that all previous progress payments received by Contractor have been applied to discharge Contractor's legitimate obligations associated with prior Applications for Payment.
4. The amount of retainage with respect to progress payments will be as stipulated in the Agreement.

**C. Review of Applications**

1. Engineer will, within 10 days after receipt of each Application for Payment, including each resubmittal, either indicate in writing a recommendation of payment and present the Application to Owner, or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.
2. Engineer's recommendation of any payment requested in an Application for Payment will constitute a representation by Engineer to Owner, based on Engineer's observations of the executed Work as an experienced and qualified design professional, and on Engineer's review of the Application for Payment and the accompanying data and schedules, that to the best of Engineer's knowledge, information and belief:
  - a. the Work has progressed to the point indicated;
  - b. the quality of the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, the results of any subsequent tests called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraph 13.03, and any other qualifications stated in the recommendation); and
  - c. the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work.

3. By recommending any such payment Engineer will not thereby be deemed to have represented that:
  - a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Contract; or
  - b. there may not be other matters or issues between the parties that might entitle Contractor to be paid additionally by Owner or entitle Owner to withhold payment to Contractor.
4. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment, including final payment, will impose responsibility on Engineer:
  - a. to supervise, direct, or control the Work;
  - b. for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto;
  - c. for Contractor's failure to comply with Laws and Regulations applicable to Contractor's performance of the Work;
  - d. to make any examination to ascertain how or for what purposes Contractor has used the money paid by Owner; or
  - e. to determine that title to any of the Work, materials, or equipment has passed to Owner free and clear of any Liens.
5. Engineer may refuse to recommend the whole or any part of any payment if, in Engineer's opinion, it would be incorrect to make the representations to Owner stated in Paragraph 15.01.C.2.
6. Engineer will recommend reductions in payment (set-offs) necessary in Engineer's opinion to protect Owner from loss because:
  - a. the Work is defective, requiring correction or replacement;
  - b. the Contract Price has been reduced by Change Orders;
  - c. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
  - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible; or
  - e. Engineer has actual knowledge of the occurrence of any of the events that would constitute a default by Contractor and therefore justify termination for cause under the Contract Documents.

*D. Payment Becomes Due*

1. Ten days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended (subject to any Owner set-offs) will become due, and when due will be paid by Owner to Contractor.

E. *Reductions in Payment by Owner*

1. In addition to any reductions in payment (set-offs) recommended by Engineer, Owner is entitled to impose a set-off against payment based on any of the following:
  - a. Claims have been made against Owner based on Contractor's conduct in the performance or furnishing of the Work, or Owner has incurred costs, losses, or damages resulting from Contractor's conduct in the performance or furnishing of the Work, including but not limited to claims, costs, losses, or damages from workplace injuries, adjacent property damage, non-compliance with Laws and Regulations, and patent infringement;
  - b. Contractor has failed to take reasonable and customary measures to avoid damage, delay, disruption, and interference with other work at or adjacent to the Site;
  - c. Contractor has failed to provide and maintain required bonds or insurance;
  - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible;
  - e. Owner has incurred extra charges or engineering costs related to submittal reviews, evaluations of proposed substitutes, tests and inspections, or return visits to manufacturing or assembly facilities;
  - f. The Work is defective, requiring correction or replacement;
  - g. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
  - h. The Contract Price has been reduced by Change Orders;
  - i. An event has occurred that would constitute a default by Contractor and therefore justify a termination for cause;
  - j. Liquidated or other damages have accrued as a result of Contractor's failure to achieve Milestones, Substantial Completion, or final completion of the Work;
  - k. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to Owner to secure the satisfaction and discharge of such Liens; or
  - l. Other items entitle Owner to a set-off against the amount recommended.
2. If Owner imposes any set-off against payment, whether based on its own knowledge or on the written recommendations of Engineer, Owner will give Contractor immediate written notice (with a copy to Engineer) stating the reasons for such action and the specific amount of the reduction, and promptly pay Contractor any amount remaining after deduction of the amount so withheld. Owner shall promptly pay Contractor the amount so withheld, or any adjustment thereto agreed to by Owner and Contractor, if Contractor remedies the reasons for such action. The reduction imposed will be binding on Contractor unless it duly submits a Change Proposal contesting the reduction.
3. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld will be treated as an amount due as determined by Paragraph 15.01.D.1 and subject to interest as provided in the Agreement.

15.02 *Contractor's Warranty of Title*

- A. Contractor warrants and guarantees that title to all Work, materials, and equipment furnished under the Contract will pass to Owner free and clear of (1) all Liens and other title defects, and (2) all patent, licensing, copyright, or royalty obligations, no later than 7 days after the time of payment by Owner.

15.03 *Substantial Completion*

- A. When Contractor considers the entire Work ready for its intended use Contractor shall notify Owner and Engineer in writing that the entire Work is substantially complete and request that Engineer issue a certificate of Substantial Completion. Contractor shall at the same time submit to Owner and Engineer an initial draft of punch list items to be completed or corrected before final payment.
- B. Promptly after Contractor's notification, Owner, Contractor, and Engineer shall make an inspection of the Work to determine the status of completion. If Engineer does not consider the Work substantially complete, Engineer will notify Contractor in writing giving the reasons therefor.
- C. If Engineer considers the Work substantially complete, Engineer will deliver to Owner a preliminary certificate of Substantial Completion which will fix the date of Substantial Completion. Engineer shall attach to the certificate a punch list of items to be completed or corrected before final payment. Owner shall have 7 days after receipt of the preliminary certificate during which to make written objection to Engineer as to any provisions of the certificate or attached punch list. If, after considering the objections to the provisions of the preliminary certificate, Engineer concludes that the Work is not substantially complete, Engineer will, within 14 days after submission of the preliminary certificate to Owner, notify Contractor in writing that the Work is not substantially complete, stating the reasons therefor. If Owner does not object to the provisions of the certificate, or if despite consideration of Owner's objections Engineer concludes that the Work is substantially complete, then Engineer will, within said 14 days, execute and deliver to Owner and Contractor a final certificate of Substantial Completion (with a revised punch list of items to be completed or corrected) reflecting such changes from the preliminary certificate as Engineer believes justified after consideration of any objections from Owner.
- D. At the time of receipt of the preliminary certificate of Substantial Completion, Owner and Contractor will confer regarding Owner's use or occupancy of the Work following Substantial Completion, review the builder's risk insurance policy with respect to the end of the builder's risk coverage, and confirm the transition to coverage of the Work under a permanent property insurance policy held by Owner. Unless Owner and Contractor agree otherwise in writing, Owner shall bear responsibility for security, operation, protection of the Work, property insurance, maintenance, heat, and utilities upon Owner's use or occupancy of the Work.
- E. After Substantial Completion the Contractor shall promptly begin work on the punch list of items to be completed or corrected prior to final payment. In appropriate cases Contractor may submit monthly Applications for Payment for completed punch list items, following the progress payment procedures set forth above.

- F. Owner shall have the right to exclude Contractor from the Site after the date of Substantial Completion subject to allowing Contractor reasonable access to remove its property and complete or correct items on the punch list.

15.04 *Partial Use or Occupancy*

- A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which Owner, Engineer, and Contractor agree constitutes a separately functioning and usable part of the Work that can be used by Owner for its intended purpose without significant interference with Contractor's performance of the remainder of the Work, subject to the following conditions:
  - 1. At any time, Owner may request in writing that Contractor permit Owner to use or occupy any such part of the Work that Owner believes to be substantially complete. If and when Contractor agrees that such part of the Work is substantially complete, Contractor, Owner, and Engineer will follow the procedures of Paragraph 15.03.A through 15.03.E for that part of the Work.
  - 2. At any time, Contractor may notify Owner and Engineer in writing that Contractor considers any such part of the Work substantially complete and request Engineer to issue a certificate of Substantial Completion for that part of the Work.
  - 3. Within a reasonable time after either such request, Owner, Contractor, and Engineer shall make an inspection of that part of the Work to determine its status of completion. If Engineer does not consider that part of the Work to be substantially complete, Engineer will notify Owner and Contractor in writing giving the reasons therefor. If Engineer considers that part of the Work to be substantially complete, the provisions of Paragraph 15.03 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.
  - 4. No use or occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of Paragraph 6.04 regarding builder's risk or other property insurance.

15.05 *Final Inspection*

- A. Upon written notice from Contractor that the entire Work or an agreed portion thereof is complete, Engineer will promptly make a final inspection with Owner and Contractor and will notify Contractor in writing of all particulars in which this inspection reveals that the Work, or agreed portion thereof, is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

15.06 *Final Payment*

A. *Application for Payment*

- 1. After Contractor has, in the opinion of Engineer, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of inspection, annotated record documents (as provided in Paragraph 7.12), and other documents, Contractor may make application for final payment.

2. The final Application for Payment must be accompanied (except as previously delivered) by:
    - a. all documentation called for in the Contract Documents;
    - b. consent of the surety, if any, to final payment;
    - c. satisfactory evidence that all title issues have been resolved such that title to all Work, materials, and equipment has passed to Owner free and clear of any Liens or other title defects, or will so pass upon final payment.
    - d. a list of all duly pending Change Proposals and Claims; and
    - e. complete and legally effective releases or waivers (satisfactory to Owner) of all Lien rights arising out of the Work, and of Liens filed in connection with the Work.
  3. In lieu of the releases or waivers of Liens specified in Paragraph 15.06.A.2 and as approved by Owner, Contractor may furnish receipts or releases in full and an affidavit of Contractor that: (a) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (b) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which Owner might in any way be responsible, or which might in any way result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, Contractor may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any Lien, or Owner at its option may issue joint checks payable to Contractor and specified Subcontractors and Suppliers.
- B. *Engineer's Review of Final Application and Recommendation of Payment:* If, on the basis of Engineer's observation of the Work during construction and final inspection, and Engineer's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Engineer is satisfied that the Work has been completed and Contractor's other obligations under the Contract have been fulfilled, Engineer will, within 10 days after receipt of the final Application for Payment, indicate in writing Engineer's recommendation of final payment and present the final Application for Payment to Owner for payment. Such recommendation will account for any set-offs against payment that are necessary in Engineer's opinion to protect Owner from loss for the reasons stated above with respect to progress payments. Otherwise, Engineer will return the Application for Payment to Contractor, indicating in writing the reasons for refusing to recommend final payment, in which case Contractor shall make the necessary corrections and resubmit the Application for Payment.
- C. *Notice of Acceptability:* In support of its recommendation of payment of the final Application for Payment, Engineer will also give written notice to Owner and Contractor that the Work is acceptable, subject to stated limitations in the notice and to the provisions of Paragraph 15.07.
- D. *Completion of Work:* The Work is complete (subject to surviving obligations) when it is ready for final payment as established by the Engineer's written recommendation of final payment and issuance of notice of the acceptability of the Work.
- E. *Final Payment Becomes Due:* Upon receipt from Engineer of the final Application for Payment and accompanying documentation, Owner shall set off against the amount recommended by Engineer for final payment any further sum to which Owner is entitled, including but not

limited to set-offs for liquidated damages and set-offs allowed under the provisions of this Contract with respect to progress payments. Owner shall pay the resulting balance due to Contractor within 30 days of Owner's receipt of the final Application for Payment from Engineer.

15.07 *Waiver of Claims*

- A. By making final payment, Owner waives its claim or right to liquidated damages or other damages for late completion by Contractor, except as set forth in an outstanding Claim, appeal under the provisions of Article 17, set-off, or express reservation of rights by Owner. Owner reserves all other claims or rights after final payment.
- B. The acceptance of final payment by Contractor will constitute a waiver by Contractor of all claims and rights against Owner other than those pending matters that have been duly submitted as a Claim, or appealed under the provisions of Article 17.

15.08 *Correction Period*

- A. If within one year after the date of Substantial Completion (or such longer period of time as may be prescribed by the Supplementary Conditions or the terms of any applicable special guarantee required by the Contract Documents), Owner gives Contractor written notice that any Work has been found to be defective, or that Contractor's repair of any damages to the Site or adjacent areas has been found to be defective, then after receipt of such notice of defect Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:
  - 1. correct the defective repairs to the Site or such adjacent areas;
  - 2. correct such defective Work;
  - 3. remove the defective Work from the Project and replace it with Work that is not defective, if the defective Work has been rejected by Owner, and
  - 4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others, or to other land or areas resulting from the corrective measures.
- B. Owner shall give any such notice of defect within 60 days of the discovery that such Work or repairs is defective. If such notice is given within such 60 days but after the end of the correction period, the notice will be deemed a notice of defective Work under Paragraph 7.17.B.
- C. If, after receipt of a notice of defect within 60 days and within the correction period, Contractor does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. Contractor shall pay all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others). Contractor's failure to pay such costs, losses, and damages within 10 days of invoice from Owner will be deemed the start of an event giving rise to a Claim under Paragraph 12.01.B, such that any related Claim must be brought within 30 days of the failure to pay.

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

## **ARTICLE 16—SUSPENSION OF WORK AND TERMINATION**

### **16.01 *Owner May Suspend Work***

- A. At any time and without cause, Owner may suspend the Work or any portion thereof for a period of not more than 90 consecutive days by written notice to Contractor and Engineer. Such notice will fix the date on which Work will be resumed. Contractor shall resume the Work on the date so fixed. Contractor shall be entitled to an adjustment in the Contract Price or an extension of the Contract Times directly attributable to any such suspension. Any Change Proposal seeking such adjustments must be submitted no later than 30 days after the date fixed for resumption of Work.

### **16.02 *Owner May Terminate for Cause***

- A. The occurrence of any one or more of the following events will constitute a default by Contractor and justify termination for cause:
  1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment, or failure to adhere to the Progress Schedule);
  2. Failure of Contractor to perform or otherwise to comply with a material term of the Contract Documents;
  3. Contractor's disregard of Laws or Regulations of any public body having jurisdiction; or
  4. Contractor's repeated disregard of the authority of Owner or Engineer.
- B. If one or more of the events identified in Paragraph 16.02.A occurs, then after giving Contractor (and any surety) 10 days' written notice that Owner is considering a declaration that Contractor is in default and termination of the Contract, Owner may proceed to:
  1. declare Contractor to be in default, and give Contractor (and any surety) written notice that the Contract is terminated; and
  2. enforce the rights available to Owner under any applicable performance bond.
- C. Subject to the terms and operation of any applicable performance bond, if Owner has terminated the Contract for cause, Owner may exclude Contractor from the Site, take possession of the Work, incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere, and complete the Work as Owner may deem expedient.



- D. Owner may not proceed with termination of the Contract under Paragraph 16.02.B if Contractor within 7 days of receipt of notice of intent to terminate begins to correct its failure to perform and proceeds diligently to cure such failure.
- E. If Owner proceeds as provided in Paragraph 16.02.B, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds the cost to complete the Work, including all related claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals) sustained by Owner, such excess will be paid to Contractor. If the cost to complete the Work including such related claims, costs, losses, and damages exceeds such unpaid balance, Contractor shall pay the difference to Owner. Such claims, costs, losses, and damages incurred by Owner will be reviewed by Engineer as to their reasonableness and, when so approved by Engineer, incorporated in a Change Order. When exercising any rights or remedies under this paragraph, Owner shall not be required to obtain the lowest price for the Work performed.
- F. Where Contractor's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against Contractor then existing or which may thereafter accrue, or any rights or remedies of Owner against Contractor or any surety under any payment bond or performance bond. Any retention or payment of money due Contractor by Owner will not release Contractor from liability.
- G. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 6.01.A, the provisions of that bond will govern over any inconsistent provisions of Paragraphs 16.02.B and 16.02.D.

**16.03 *Owner May Terminate for Convenience***

- A. Upon 7 days' written notice to Contractor and Engineer, Owner may, without cause and without prejudice to any other right or remedy of Owner, terminate the Contract. In such case, Contractor shall be paid for (without duplication of any items):
  - 1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;
  - 2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses; and
  - 3. other reasonable expenses directly attributable to termination, including costs incurred to prepare a termination for convenience cost proposal.
- B. Contractor shall not be paid for any loss of anticipated profits or revenue, post-termination overhead costs, or other economic loss arising out of or resulting from such termination.

**16.04 *Contractor May Stop Work or Terminate***

- A. If, through no act or fault of Contractor, (1) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (2) Engineer fails to act on any Application for Payment within 30 days after it is submitted, or (3) Owner fails for 30 days to pay Contractor any sum finally determined to be due, then Contractor may, upon 7 days' written notice to Owner and Engineer, and provided Owner or

Engineer do not remedy such suspension or failure within that time, terminate the contract and recover from Owner payment on the same terms as provided in Paragraph 16.03.

- B. In lieu of terminating the Contract and without prejudice to any other right or remedy, if Engineer has failed to act on an Application for Payment within 30 days after it is submitted, or Owner has failed for 30 days to pay Contractor any sum finally determined to be due, Contractor may, 7 days after written notice to Owner and Engineer, stop the Work until payment is made of all such amounts due Contractor, including interest thereon. The provisions of this paragraph are not intended to preclude Contractor from submitting a Change Proposal for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to Contractor's stopping the Work as permitted by this paragraph.

## **ARTICLE 17—FINAL RESOLUTION OF DISPUTES**

### **17.01 *Methods and Procedures***

- A. *Disputes Subject to Final Resolution:* The following disputed matters are subject to final resolution under the provisions of this article:
1. A timely appeal of an approval in part and denial in part of a Claim, or of a denial in full, pursuant to Article 12; and
  2. Disputes between Owner and Contractor concerning the Work, or obligations under the Contract Documents, that arise after final payment has been made.
- B. *Final Resolution of Disputes:* For any dispute subject to resolution under this article, Owner or Contractor may:
1. elect in writing to invoke the dispute resolution process provided for in the Supplementary Conditions;
  2. agree with the other party to submit the dispute to another dispute resolution process; or
  3. If no dispute resolution process is provided for in the Supplementary Conditions or mutually agreed to, give written notice to the other party of the intent to submit the dispute to a court of competent jurisdiction.

See SC-17.02

## **ARTICLE 18—MISCELLANEOUS**

### **18.01 *Giving Notice***

- A. Whenever any provision of the Contract requires the giving of written notice to Owner, Engineer, or Contractor, it will be deemed to have been validly given only if delivered:
1. in person, by a commercial courier service or otherwise, to the recipient's place of business;
  2. by registered or certified mail, postage prepaid, to the recipient's place of business; or
  3. by e-mail to the recipient, with the words "Formal Notice" or similar in the e-mail's subject line.

18.02 *Computation of Times*

- A. When any period of time is referred to in the Contract by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

18.03 *Cumulative Remedies*

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, by special warranty or guarantee, or by other provisions of the Contract. The provisions of this paragraph will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

18.04 *Limitation of Damages*

- A. With respect to any and all Change Proposals, Claims, disputes subject to final resolution, and other matters at issue, neither Owner nor Engineer, nor any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, shall be liable to Contractor for any claims, costs, losses, or damages sustained by Contractor on or in connection with any other project or anticipated project.

18.05 *No Waiver*

- A. A party's non-enforcement of any provision will not constitute a waiver of that provision, nor will it affect the enforceability of that provision or of the remainder of this Contract.

18.06 *Survival of Obligations*

- A. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, will survive final payment, completion, and acceptance of the Work or termination of the Contract or of the services of Contractor.

18.07 *Controlling Law*

- A. This Contract is to be governed by the law of the state in which the Project is located.

18.08 *Assignment of Contract*

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party to this Contract of any rights under or interests in the Contract will be binding on the other party without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract.

18.09 *Successors and Assigns*

- A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

18.10 *Headings*

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.

**END OF GENERAL CONDITIONS**

## SECTION 10 - SUPPLEMENTARY CONDITIONS

These Supplementary Conditions amend or supplement EJCDC® C-700, Standard General Conditions of the Construction Contract (2018). The General Conditions remain in full force and effect except as amended.

The terms used in these Supplementary Conditions have the meanings stated in the General Conditions. Additional terms used in these Supplementary Conditions have the meanings stated below, which are applicable to both the singular and plural thereof.

The address system used in these Supplementary Conditions is the same as the address system used in the General Conditions, with the prefix "SC" added—for example, "Paragraph SC-4.05."

### Article 1—DEFINITIONS AND TERMINOLOGY

SC-1.01. Renumber Paragraph 1.01.A.38 to 1.01.A.38.a, and add the following new paragraph:

- A. 1.01.A.38.b. Specialist—The term Specialist refers to a person, partnership, firm, or corporation of established reputation (or if newly organized, whose personnel have previously established a reputation in the same field), which is regularly engaged in, and which maintains a regular force of workers skilled in either (as applicable) manufacturing or fabricating items required by the Contract Documents, or otherwise performing Work required by the Contract Documents. Where the Specifications require the installation by a Specialist, that term shall also be deemed to mean either the manufacturer of the item, a person, partnership, firm, or corporation licensed by the manufacturer, or a person, partnership, firm, or corporation who will perform the Work under the manufacturer's direct supervision.

### Article 2—PRELIMINARY MATTERS

#### 2.01 *Delivery of Bonds and Evidence of Insurance*

SC-2.01 Delete Paragraphs 2.01.B. and C. in their entirety and insert the following in their place:

- B. *Evidence of Contractor's Insurance:* When Contractor delivers the signed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner copies of the policies (including all endorsements, and identification of applicable self-insured retentions and deductibles) of insurance required to be provided by Contractor in this Contract. Contractor may block out (redact) any confidential premium or pricing information contained in any policy or endorsement furnished under this provision.

#### 2.02 *Copies of Documents*

SC-2.02 Amend Paragraph 2.02.A. to read as follows:

Owner shall furnish to Contractor hard copies of the Contract Documents as are reasonably necessary, with a maximum of five (5) sets, for execution of the work. Additional copies will be furnished, upon request, at the cost of production.

Article 3—**CONTRACT DOCUMENTS: INTENT, REQUIREMENTS, REUSE**

3.01 *Intent*

SC-3.01 Delete Paragraph 3.01.C in its entirety.

Article 4—**COMMENCEMENT AND PROGRESS OF THE WORK**

4.01 *Commencement of Contract Times; Notice to Proceed*

SC-4.01. Delete the third sentence of Paragraph 4.01.A in its entirety.

4.03 *Reference Points*

SC-4.03. Delete the first sentence of Paragraph 4.03.A in its entirety.

4.04 *Progress Schedule*

SC-4.04. Add the following new paragraphs to the end of Paragraph 4.04.B:

4.04.C. The Contractor shall submit a construction schedule within ten (10) days of Notice of Award. Thereafter, the Contractor shall submit an updated construction schedule every month.

4.04.D. Contractor shall comply with the requirements of Washoe County Development Code Division 4, Article 414, "Noise and Lighting Standards" in the performance of the Work. However, NO equipment operation, including "warm up," shall occur prior to 8:00 a.m. nor after 7:00 p.m., excluding Saturdays, Sundays, and holidays recognized by Owner. The Engineer shall have final say as to the adequacy of the equipment for other than day use, and no additional payment shall be made to Contractor for the rental of equipment to meet these limitations.

Article 5—**SITE, SUBSURFACE AND PHYSICAL CONDITIONS, HAZARDOUS ENVIRONMENTAL CONDITIONS**

5.02 *Use of Site and Other Areas*

SC-5.02. Add the following language to the end of Paragraph 5.02.A.1:

Contractor shall not enter upon nor use property not under Owner control until appropriate easements have been executed and a copy is on file at the Site.

5.03 *Subsurface and Physical Conditions*

SC-5.03. Delete Paragraph 5.03.C in its entirety and insert the following in its place:

5.03.C Those reports known to Owner of explorations and tests of subsurface conditions at or adjacent to the Site is as follows:

5.03.C.1. No subsurface explorations and/or tests have been performed. The Contractor shall have full responsibility with respect to subsurface conditions at the sites.

5.03.C.2. Similar work in Incline Village has uncovered existing OD steel water mains with pipe wrap manufactured with asbestos-containing materials (ACM). Testing has indicated ACM pipe wrap discovered was in a non-friable state. The Contractor shall have full responsibility with respect to state and federal laws on handling and disposal of materials encountered for this work. No additional compensation will be considered for this work.

SC-5.03 Add the following new paragraphs immediately after Paragraph 5.03.D:

5.03.E. Contractor may examine copies of reports and drawings identified immediately above that were not included with the Bidding Documents at 1220 Sweetwater Road, Incline Village, NV during regular business hours, or may request copies from Engineer at the cost of reproduction.

5.03.F. The Contractor shall verify the locations and dimensions of all existing equipment and structures, whether shown on the plans or not, and shall have full responsibility with respect to physical conditions in or relating to such structures and equipment.

5.03.G. Contractor is advised that the Lake Tahoe basin is known for large rocks and boulders buried under the surface, and it is common to find boulders within the work area.

5.04 *Differing Subsurface or Physical Conditions*

SC-5.04 Delete Paragraph 5.04.A in its entirety and insert the following in its place:

5.04.A. Notice by Contractor: If Contractor believes that any subsurface condition that is uncovered or revealed at the Site differs materially from conditions ordinarily encountered in the Tahoe Basin and generally recognized as inherent in work of the character provided for in the Contract Documents; then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except with respect to an emergency) until receipt of a written statement permitting Contractor to do so. Owner shall issue a written statement to Contractor regarding the subsurface or physical condition in question, addressing the resumption or continuation of Work in connection with such condition, indicating whether any change in the Drawings or Specifications will be made. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times with respect to a subsurface or physical condition if:

5.04.A.2.a. Contractor knew of the existence of such condition at the time Contractor made a commitment to Owner with respect to Contract Price and Contract Times by becoming bound under a negotiated contract, or otherwise; or

5.04.A.2.b. The existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas expressly required by the Contract Documents to be conducted by or for Contractor prior to Contractor's making such commitment; or

5.04.A.2.c. Contractor failed to give the written notice as required by SC-5.04.A.

SC-5.04 Delete Paragraph 5.04.E.4 in its entirety and insert the following in its place:

5.04.E.4 Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, no later than 7 days after Owner's issuance of the Owner's written statement to Contractor regarding the subsurface or physical condition in question-

5.06 *Hazardous Environmental Conditions*

SC-5.06. Delete Paragraphs 5.06.A and Paragraph 5.06.B in their entirety and insert the following in their place:

5.06.A. No reports or drawings related to Hazardous Environmental Conditions are known to Owner.

## Article 6—**BONDS AND INSURANCE**

### 6.02 *Insurance—General Provisions*

SC-6.02. Add the following new paragraph immediately after Paragraph 6.02.A:

6.02.A.1. Surety and insurance companies from which the bonds and insurance for this Project are purchased shall have an A.M. Best’s rating of no less “A (FSC-VII).”

SC-6.02. Add the following new paragraph immediately after Paragraph 6.02.J:

6.02.K. Contractor shall furnish properly executed certificates of insurance to Owner prior to commencement of Work under this agreement. Such certificates shall: clearly evidence all coverage required herein, including specific evidence of an endorsement naming Owner and Engineer as an additional insured, as well as all exclusions to the policies; indicate whether coverage provided is on a claims-made or occurrence basis; provide that such insurance shall not be materially changed, terminated or allowed to expire except on 30 days prior written notice to Owner; and be forwarded to: IVGID Engineering Division, 1220 Sweetwater Road, Incline Village, NV 89451. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the District, its officers, employees or volunteers.

### 6.03 *Contractor’s Insurance*

SC-6.03. Add the following new paragraphs immediately following Paragraph 6.03.A:

6.03.A.1. Workman's Compensation: It is understood and agreed that there shall be no Industrial Insurance coverage provided for the Contractor or any Subcontractor by the District; and in view of NRS 616.280 and 617.210 requiring that Contractor comply with the provisions of Chapters 616 and 617 of NRS, Contractor shall, before commencing work under the provisions of this Agreement, furnish to the District a Certificate of Insurance from an admitted insurance company in the State of Nevada.

6.03.A.2. General Liability: Contractor shall purchase General Liability including appropriate Auto Liability with a \$2,000,000 combined single limit per occurrence, for bodily injury, personal injury and property damage.

6.03.A.3. Commercial Insurance: Contractor shall procure and maintain for the duration of the Contract, insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by the Contractor, his/her agents, representatives, employees, or subcontractors. Contractor shall purchase General Liability, Auto Liability, Workers' Compensation, and Professional Liability Insurance (if applicable) coverage as required. Contractor shall have a Certificate of Insurance issued to the Incline Village General Improvement District naming it as additional insured, indicating coverage types amounts and duration of the policy. All certificates shall provide for a minimum written notice of thirty (30) days to be provided to District in the event of material change, termination or non-renewal by either Contractor or carrier.

SC-6.03. Add the following new paragraph immediately following Paragraph 6.03.C:

6.03.D. Deductible and/or Self-Insured Retention (SIR)



1. Any deductible and/or SIR must be declared to and approved by the Owner. The District reserves the right to request additional documentation (financial or otherwise) prior to giving its approval of the deductible and/or SIR and prior to executing the underlying Agreement. Any changes to the deductible and/or SIR made during the term of this Agreement or during the term of any policy, just be approved by the Owner prior to the change taking effective.

6.04 *Builder's Risk and Other Property Insurance*

SC-6.04 Delete Paragraph 6.04.A and insert the following in its place:

- A. Owner shall purchase and maintain builder's risk insurance upon the Work on a completed value basis, in the amount of the Work's full insurable replacement cost (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). The specific requirements applicable to the builder's risk insurance are set forth in the Supplementary Conditions.

Article 7—**CONTRACTOR'S RESPONSIBILITIES**

7.01 Add the following after paragraph 7.01B

7.01.C **Means and methods.** The contractor shall notify the Owner and Engineer immediately upon a proposed change to the means and methods for completing the project work if the proposed means and methods are different than as allowed for in the contract documents as accepted at the bid award. The Contractor shall notify the owner in writing PRIOR to starting any worked by means and methods that vary from the original documents.

7.03 Add the following after paragraph 7.03.C:

7.03.D **Working Hours.** Working hours shall be limited to 8:00 a.m. to 5:30 p.m. Monday through Friday unless otherwise directed by Owner. No equipment operation, including "warm up", refueling or maintenance, shall occur outside these hours. Contractor shall not permit the performance of work outside these hours without Owner's written consent given after prior written notice to Engineer.

CONTRACTOR shall comply with all local and regional Noise Ordinances in the performance of the work. The ENGINEER shall have final say as to the adequacy of the equipment for other than day use and no additional payment shall be made to CONTRACTOR for the rental of equipment to meet these limitations.

Documented instances of noise producing activities by the CONTRACTOR outside of the permitted working hours shall result in a written warning for the first offense and a \$500 penalty for each subsequent offense.

CONTRACTOR understands that water service to any property cannot be interrupted for more than four (4) hours. No interruption is allowed on weekends or holidays. Water service interruptions to businesses shall not occur during business hours without consent of the business owner. CONTRACTOR must notify IVGID at least 72-hours in advance of disrupting water service and any affected resident(s) or businesses at least 48 hours in advance. CONTRACTOR is responsible for notification to affected customers and businesses. IVGID will supply CONTRACTOR with a list of addresses to notify, and supply door hangers. CONTRACTOR is responsible for filling out each door hanger and hanging or securing the notices on the front door of each residence or business. CONTRACTOR will make every effort to speak

with the customer(s) in person regarding the interruption of service. These requirements may necessitate work during the weekends or evenings. No additional payment will be made to CONTRACTOR because of these conditions.

*7.04 Services, Materials, and Equipment*

SC-7.04. Add the following new paragraph to the end of Paragraph 7.04.C:

7.03.D. Any materials or work not meeting Contract requirements shall be resubmitted to the Engineer or reconstructed at the Contractor's expense. Contractor is to be aware of District's Ordinance 1, the Solid Waste Ordinance, and pay specific attention to Section 4.5, Dumpster Use, Location and Enclosure. Any construction dumpster on the job site that is not properly enclosed shall be a fully locking roll-top, and is to remain locked and secured at all times.

*7.07 Services, Materials, and Equipment*

SC-7.07. Add the following language at the end of Paragraph 7.07.A:

Contractor shall perform a minimum of 50 percent of the onsite labor with its own employees.

*7.09 Permits*

SC-7.09. Add the following new paragraph to the end of Paragraph 7.09.A:

7.09.B. All permits, licenses, and inspection fees necessary for prosecution and completion of the work shall be secured and paid for by the Contractor, unless otherwise specified:

1. The Contractor shall conduct all Work in accordance with the Tahoe Regional Planning Agency (TRPA) Code of Ordinances, whether shown on the plans or not. If the Contractor fails to follow any requirements which result in a penalty by TRPA to the Owner, the Contractor shall be responsible for any costs associated with the penalty.
2. Contractor to acquire Washoe County Street Cut permits from Washoe County Road Department prior to starting any work. Contractor will pay all fees associated with acquiring this permit. Contractor will pay all penalties associated with this permit.
3. Contractor shall be responsible for dust control throughout all phases of construction. All local ordinances regarding dust control shall be complied with, including the Washoe County Health Department requirements. The responsibility of obtaining the regulations and requirements, including obtaining a Dust Control Permit, if required, and full compliance with such ordinances is solely that of the Contractor.

*7.11 Laws and Regulations*

SC-7.11. Add the following new paragraph(s) immediately after Paragraph 7.11.C:

7.11.D. While not intended to be inclusive of all Laws or Regulations for which Contractor may be responsible under Paragraph 7.11, the following Laws or Regulations are included as mandated by statute or for the convenience of Contractor:

7.11.D.1. Prevailing Wage Rates:

7.11.D.1.a. Pursuant to NRS 338.020, hourly and daily rate of wages must not be less than prevailing wage in Washoe County. The most current schedule of prevailing wage rates as of contract award date, as determined by the Labor Commission of the State of Nevada, is included herein and shall be posted onsite.

7.11.D.2. Fair Employment Practices:

7.11.D.2.a. Pursuant to NRS 338.125, in connection with performance of Work under these Contract Documents, Contractor agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, or age. Such agreement shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

7.11.D.2.b. Contractor further agrees to insert this provision in all subcontracts thereunder except subcontracts for standard commercial supplies or raw materials.

7.11.D.2.c. Any violation of such provision by a Contractor shall constitute a material breach of Contract.

7.11.D.3. Preferential Employment:

7.11.D.3.a. Pursuant to NRS 338.130, Contractor shall give preference in hiring, the qualifications of the applicants being equal: (a) First: To honorably discharged soldiers, sailors, and marines of the United States who are citizens of the State of Nevada; and (b) Second: To other citizens of the State of Nevada.

7.11.D.3.b. If the provisions of NRS 338.130 are not complied with by Contractor, Contract shall be void, and any failure or refusal to comply with any of the provisions of this section shall render any such Contract void.

7.11.D.4, SB 207, Apprenticeship Utilization Act

Contractor shall comply with Chapter 527, Statutes of Nevada 2019, enacted by the Nevada Legislature by passage of Senate Bill 207, which requires contractor and subcontractors to comply with certain requirements relating to the use of apprentices on public works projects. The Prime Contractor will be liable for any subcontractor non-compliance.

7.11.E. The Contractor shall submit all certified payroll payrolls electronically via the internet into the Owner's contracted tracking system LCPtracker. This requirement will apply to every lower-tier subcontractor and vendor required to provide certified payroll reports by NRS 338.010 to 338.090 inclusive. Upon issuance of the Notice to Proceed, the Owner will provide the Contractor with the website addresses and a Login Identification with a password to access the payroll system. The Contractor is responsible for the set-up of access to the payroll system to their subcontractors. Training to utilize the system is available on the LCPtracker website.

7.13 *Safety and Protection*

SC-7.13. Add the following new paragraph immediately after 7.13.G:

7.13.G.1. The following Owner safety program(s) are applicable to the Work:

1. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work to be performed under this Agreement. The Contractor shall take all necessary precautions for the safety of, and shall provide all necessary protection to prevent damage, injury, or loss to:
  - a. All employees and all other persons who may be affected by the operations of this Agreement.

- b. All materials and equipment whether in storage on or off the construction site.
  - c. Other property at the construction site or adjacent to the construction site, including but not limited to trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designated for removal, relocation, or replacement in the course of construction.
- 2. The Contractor shall comply with all applicable laws, ordinances, rules, regulations, and others of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss. The Contractor shall erect and maintain, as required by existing conditions and progress on the project, all necessary safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations, and notifying owners and users of adjacent utilities. Contractor shall comply with OSHA's Hazard Communication Standards.
- 3. The Contractor shall designate a responsible member of his/her organization at the construction site whose duty shall be the prevention of accidents. This person shall be the Contractor's superintendent unless otherwise designated in writing by the Contractor to the Owner.
- 4. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with any confined space entries to be performed during completion of work under this Agreement. Contractor responsibilities include but are not limited to:
  - a. Review and be familiar with the Owner's online written Confined Space program.
  - b. Review documented information about Owner's confined spaces in which entry is intended. This information includes identified hazards for each permit-required confined space. The Contractor shall be responsible for performing their own hazard assessment prior to any confined space entry.
  - c. Contractor shall have their own confined space entry program. Upon request of the Owner, Contractor will provide a statement confirming they are in compliance with their confined space entry program including requirements for confined space training for employees associated with the Work.
  - d. Be responsible for following all confined space requirements established by the provisions in CFR 1910.146 and its chapters.
  - e. Coordinate entry operations with the Owner when employees from the Contractor will be working in or near confined spaces.
  - f. Debrief the Owner on any hazards confronted or created at the completion of entry operations.
  - g. Place signs stating, "Danger, Follow Confined Space Entry Procedures Before Entering" at each confined space to be entered. The Contractor shall never leave a confined space open or unattended.

## 7.18 *Indemnification*

SC-7.18. Add the following new paragraph immediately after Paragraph 7.18.B:

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

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

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

## Article 8—**OTHER WORK AT THE SITE**

No suggested Supplementary Conditions in this Article.

## Article 9—**OWNER'S RESPONSIBILITIES**

### 9.12 *Owner's Site Representative*

SC-9.12 Add the following new paragraphs immediately after Paragraph 9.12 of the General Conditions:

### 9.13 *Owner as Resident Project Representative*

9.13.A. Owner may furnish Project representation during the construction period. The duties, responsibilities, and limitations of authority specified for Engineer in Article 10, Engineer's Status During Construction, and elsewhere in the Contract Documents will be those of Owner.

9.13.B. In addition to the Resident Project Representative which may be furnished by Engineer, Owner may furnish an Owner's Site representative to assist Engineer. The responsibilities, authorities, and limitations of authority of Owner's Site representative will be as specified for Engineer's Resident Project Representative.

## Article 10—**ENGINEER'S STATUS DURING CONSTRUCTION**

### 10.05 Determinations for Unit Price Work

SC-10.05. Delete Paragraph 10.05 in its entirety and replace it with the following paragraph:

10.05. The Engineer will have the authority to determine the actual quantities and classifications of the items of Unit Price Work performed by the Contractor, and the written decisions of the Engineer on such matters will be final, binding on the Owner and Contractor, and not subject to appeal (except as modified by the Engineer to reflect changed factual conditions).

## 10.07 Limitations on Engineer's Authority and Responsibilities

SC-10.07. Add the following new paragraph immediately after Paragraph 10.07.E:

10.07.F. Contractors, Subcontractors, Suppliers, and others on the Project, or their sureties, shall maintain no direct action against Engineer, its officers, employees, affiliated corporations, and subcontractors, for any Claim arising out of, in connection with, or resulting from the engineering services performed. Only the Owner will be the beneficiary of any undertaking by Engineer.

## Article 11—CHANGES TO THE CONTRACT

### 11.03 Work Change Directives

SC-11.03B Delete Paragraphs in 11.03.B.1 and 11.03.B.2 in their entirety and replace it with the following sections:

1. Contractor believes that an adjustment in Contract Times or Contract Price is necessary, then Contractor shall submit any Change Proposal seeking such an adjustment prior to starting the Work set out in the Work Change Directive.
2. Owner believes that an adjustment in Contract Times or Contract Price is necessary, then Owner shall submit any Claim seeking such an adjustment no later than 10 days after issuance of the Work Change Directive.

### 11.07 *Change of Contract Price*

SC-11.07. Add the following two (2) new paragraph immediately after Paragraph 11.07.C:

11.07.D. In the event Contractor submits request for additional compensation as a result of a change or differing Site conditions, or as a result of delays, acceleration, or loss of productivity, Owner reserves right, upon written request, to audit and inspect Contractor's books and records relating to the Project. Upon written request for an audit, Contractor shall make its books and records available within 14 days of request. Owner shall specifically designate identity of auditor. As part of audit, Contractor shall make available its books and records relating to the Project, including but not limited to Bidding Documents, cost reports, payroll records, material invoices, subcontracts, purchase orders, daily timesheets, and daily diaries. Audit shall be limited to those cost items which are sought by Contractor in a change order or claim submission to Owner.

11.07.E. In absence of an approved contract change order or written authorization, the Contractor shall not be entitled to payment for any changed or Extra Work.

### 11.08 *Change of Contract Times*

SC-11.08. Add the following new paragraph immediately after Paragraph 11.08.B:

11.08.C. In absence of an approved contract change order or written authorization, the Contractor shall not be entitled to any adjustment of Contract time for any changed or Extra Work.

## Article 12—CLAIMS

No suggested Supplementary Conditions in this Article.

**Article 13—COST OF WORK; ALLOWANCES, UNIT PRICE WORK**

No suggested Supplementary Conditions in this Article.

**Article 14—TESTS AND INSPECTIONS; CORRECTION, REMOVAL, OR ACCEPTANCE OF DEFECTIVE WORK**

No suggested Supplementary Conditions in this Article.

**Article 15—PAYMENTS TO CONTRACTOR, SET OFFS; COMPLETIONS; CORRECTION PERIOD**

No suggested Supplementary Conditions in this Article.

**Article 16—SUSPENSION OF WORK AND TERMINATION**

No suggested Supplementary Conditions in this Article.

**Article 17—FINAL RESOLUTIONS OF DISPUTES**

*17.02 Arbitration*

SC-17.02. Add the following new paragraph immediately after Paragraph 17.01.

SC-17.02.A. All matters subject to final resolution under this Article will be decided by arbitration in accordance with the rules of NRS, subject to the conditions and limitations of this paragraph. This agreement to arbitrate and any other agreement or consent to arbitrate entered into will be specifically enforceable under the prevailing law of any court having jurisdiction.

SC-17.02.B. The demand for arbitration will be filed in writing with the other party to the Contract and with the selected arbitrator or arbitration provider, and a copy will be sent to Engineer for information. The demand for arbitration will be made within the specific time required in this Article, or if no specified time is applicable within a reasonable time after the matter in question has arisen, and in no event shall any such demand be made after the date when institution of legal or equitable proceedings based on such matter in question would be barred by the applicable statute of limitations. The demand for arbitration should include specific reference to Paragraph SC-17.02.D below.

SC-17.02.C. No arbitration arising out of or relating to the Contract shall include by consolidation, joinder, or in any other manner any other individual or entity (including Engineer, and Engineer's consultants and the officers, directors, partners, agents, employees or consultants of any of them) who is not a party to this Contract unless:

SC-17.02.C.1. the inclusion of such other individual or entity is necessary if complete relief is to be afforded among those who are already parties to the arbitration; and

SC-17.02.C.2. such other individual or entity is substantially involved in a question of law or fact which is common to those who are already parties to the arbitration and which will arise in such proceedings.

SC-17.02.D. The award rendered by the arbitrator(s) shall be consistent with the agreement of the parties, in writing, and include a concise breakdown of the award, and a written explanation

of the award specifically citing the Contract provisions deemed applicable and relied on in making the award.

SC-17.02.E. The award will be final. Judgment may be entered upon it in any court having jurisdiction thereof, and it will not be subject to modification or appeal, subject to provisions of the Laws and Regulations relating to vacating or modifying an arbitral award.

SC-17.02.F. The fees and expenses of the arbitrators and any arbitration service shall be shared equally by Owner and Contractor.

Article 18—**MISCELLANEOUS**

No suggested Supplementary Conditions in this Article.

**END OF SUPPLEMENTARY CONDITIONS**



# STATE OF NEVADA

STEVE SISOLAK  
GOVERNOR

TERRY REYNOLDS  
DIRECTOR

BRETT K. HARRIS  
LABOR COMMISSIONER



OFFICE OF THE LABOR COMMISSIONER  
3300 WEST SAHARA AVENUE, SUITE 225  
LAS VEGAS, NEVADA 89102  
PHONE: (702) 486-2650  
FAX (702) 486-2660

OFFICE OF THE LABOR COMMISSIONER  
1818 COLLEGE PARKWAY, SUITE 102  
CARSON CITY, NV 89706  
PHONE: (775) 684-1890  
FAX (775) 687-6409

## 2023 PREVAILING WAGE RATES WASHOE COUNTY

**DATE OF DETERMINATION: October 1, 2022**

**APPLICABLE FOR PUBLIC WORKS PROJECTS OVER \$100,000 BID/AWARDED  
OCTOBER 1, 2022 THROUGH SEPTEMBER 30, 2023**

Pursuant to Nevada Revised Statutes (NRS) section 338.030(9)(a), "If the contract for a public work: (a) Is to be awarded pursuant to a competitive bidding process, the prevailing wages in effect at the time of the opening of the bids for a contract for a public work must be paid until the completion or termination of the contract or for the 36 months immediately following the date on which the bids were opened, whichever is earlier." For contracts not awarded pursuant to competitive bidding, please see NRS section 338.030(9)(b). However, if a project exceeds 36 months new wage rates may apply pursuant to NRS section 338.030(9)(10). Prevailing Wage Rates may be adjusted based on Collective Bargaining Agreements (CBA's) and adjustments to those agreements. (See NRS 338.030)

**PREVAILING WAGE DETERMINATIONS** - NRS 338.030 subsection 7, the wages so determined must be:

- (a) Issued by the Labor Commissioner on October 1 of the odd-numbered year in which the survey was conducted and, except as otherwise provided in subsection 8, remain effective for 2 years after that date; and
- (b) Made available by the Labor Commissioner to any public body which awards a contract for any public work.

Senate Bill 243 passed during the 80th Nevada Legislative Session (2019) and set forth in NRS section 338.025, now requires the Labor Commissioner to calculate the Prevailing Wage Rates by region. NRS section 338.025 Prevailing wage regions. For the purpose of determining the prevailing rate of wages pursuant to NRS section 338.030, four prevailing wage regions are hereby established in this State as follows:

1. The Washoe Prevailing Wage Region consisting of Washoe County;
2. The Northern Rural Prevailing Wage Region consisting of Carson City and the counties of Churchill, Douglas, Elko, Eureka, Humboldt, Lander, Lyon, Mineral, Storey, Pershing and White Pine;
3. The Clark Prevailing Wage Region consisting of Clark County; and
4. The Southern Rural Prevailing Wage Region consisting of the counties of Esmeralda, Lincoln and Nye.

**OBJECTIONS TO PREVAILING WAGE DETERMINATIONS** – NRS section 338.030 subsection 2. Objections to the Prevailing Wage Determinations must be submitted within 30 days after the Prevailing Wage Determinations are issued.

Pursuant to NRS section 338.030 subsection 8, the Labor Commissioner will review the prevailing wage rates in each even-numbered year to determine if adjustments should be made.

**As Amendments/Revisions are made to the wage rates, they will be posted on the website for each respective Region. Please review regularly for any Amendments/Revisions that are posted or contact our offices directly for further assistance.**

<a href="#">Air Balance Technician</a> .....	4
<a href="#">Alarm Installer</a> .....	5
<a href="#">Boilermaker</a> .....	6
<a href="#">Bricklayer</a> .....	7
<a href="#">Carpenter</a> .....	8
<a href="#">Cement Mason</a> .....	9
<a href="#">Electrician – Communication Technician</a> .....	10
<a href="#">Electrician - Lineman</a> .....	12
<a href="#">Electrician – Neon Sign</a> .....	14
<a href="#">Electrician - Wireman</a> .....	15
<a href="#">Elevator Constructor</a> .....	16
<a href="#">Fence Erector</a> .....	18
<a href="#">Flagperson</a> .....	19
<a href="#">Floorcoverer</a> .....	20
<a href="#">Glazier</a> .....	21
<a href="#">Highway Striper</a> .....	22
<a href="#">Hod Carrier-Brick Mason</a> .....	23
<a href="#">Hod Carrier – Plasterer Tender</a> .....	24
<a href="#">Ironworker</a> .....	26
<a href="#">Laborer</a> .....	29
<a href="#">Lubrication And Service Engineer (Mobile And Grease Rack)</a> .....	46
<a href="#">Mechanical Insulator</a> .....	31
<a href="#">Millwright</a> .....	32
<a href="#">Operating Engineer</a> .....	34
<a href="#">Operating Engineer – Steel Fabricator &amp; Erector</a> .....	34
<a href="#">Operating Engineer – Piledriver</a> .....	35
<a href="#">Painter</a> .....	37
<a href="#">Piledriver (Non-Equipment)</a> .....	39
<a href="#">Plasterer</a> .....	40
<a href="#">Plumber/Pipefitter</a> .....	41
<a href="#">Refrigeration</a> .....	42
<a href="#">Roofer</a> .....	43
<a href="#">Sheet Metal Worker</a> .....	45
<a href="#">Soils and Material Tester</a> .....	46
<a href="#">Sprinkler Fitter</a> .....	46
<a href="#">Surveyor</a> .....	46
<a href="#">Taper</a> .....	47
<a href="#">Tile/Terrazzo Worker/Marble Mason Finisher</a> .....	49
<a href="#">Tile/Terrazzo Worker/Marble Mason</a> .....	49
<a href="#">Traffic Barrier Erector</a> .....	51
<a href="#">Truck Driver</a> .....	52
<a href="#">Well Driller</a> .....	54
<b>Group Classifications</b>	
<a href="#">Labor Group Classifications</a> .....	55
<a href="#">Operating Engineers</a> .....	59

**NRS section 338.010 subsection (25) “Wages” means:**

- a) The basic hourly rate of pay; and
- b) The amount of pension, health and welfare, vacation and holiday pay, the cost of apprenticeship training or other similar programs or other bona fide fringe benefits which are a benefit to the worker.

**NRS section 338.035 Bona Fide Fringe Benefits** - Discharge of part of obligation of contractor or subcontractor engaged on public work to pay wages by making certain contributions in name of workman. “Bona fide fringe benefit” means a benefit in the form of a contribution that is made not less frequently than monthly to an independent third party pursuant to a fund, plan or program: (a) Which is established for the sole and exclusive benefit of a worker and his or her family and dependents; and (b) For which none of the assets will revert to, or otherwise be credited to, any contributing employer or sponsor of the fund, plan or program. The term includes, without limitation, benefits for a worker that are determined pursuant to a collective bargaining agreement and included in the determination of the prevailing wage by the Labor Commissioner pursuant to NRS section 338.030.

Please see NRS sections 338.010, 338.020, and 338.035 and Nevada Administrative Code (NAC) sections 338.0097 and 338.092 through 338.100 for further details on “Bona fide fringe benefits” and reporting requirements and exceptions.

**Job Descriptions for Recognized Classes of Workers**

Regarding job descriptions for public works projects, please take notice of the following:

1. The job description links have been redacted to include ONLY the scope of work for the craft.
2. Pursuant to NAC section 338.0095(1)(a) - A worker employed on a public work must be paid the applicable prevailing rate of wage for the type of work that the worker actually performs on the public work and in accordance with the recognized class of the worker.
3. The work description for a particular class is not intended to be jurisdictional in scope.
4. Any person who believes that a type of work is not classified, or who otherwise needs clarification pertaining to the recognized classes or job descriptions, shall contact the Labor Commissioner in writing for a determination of the applicable classification and pay rate for a particular type of work.
5. The job descriptions set forth or referenced herein supersede any, and all descriptions previously agreed upon by the Labor Commissioner in any settlement agreements or stipulations arising out of contested matters.
6. The following specific provisions, where applicable, shall prevail over any general provisions of the job descriptions:
  - Amendments to the prevailing wage determinations.
  - Group Classifications and/or descriptions recognized by the Labor Commissioner and included with wage determinations for a particular type of work in a particular county.

**Zone Rates**

The zone rate has been added to each applicable craft.

**Premium Pay** Premium pay for hours worked in excess of a shift of 8 hours or 12 hours, or such other time increment set forth in the Collective Bargaining Agreement or on a weekend or holiday.

Craft: AIR BALANCE TECHNICIAN (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Air Balance Technician Journeyman.....	71.50
Air Balance Technician-Foreman.....	75.71
Air Balance Technician-General Foreman.....	79.93

**ADD ZONE RATE**

In addition to AIR BALANCE rates add the applicable amounts per hour, calculated based on a road from the courthouse in Reno, Nevada:

Zone 1	0 to 75 miles	\$0.00
Zone 2	75 to 100 miles	\$5.00
Zone 3	Over 100 miles	\$10.00 the employee shall be provided reasonable lodging and meal expenses.

**ADD PREMIUM PAY**

All hourly rates are subject to Over Time (One and one half 1 ½) of the Regular rate:

1. For all hours worked over Eight (8) Hours in one day or shift.
2. For the first Eight (8) Hours work on Saturday.

All hourly rates are subject to Double Time of the Regular Rate:

1. For all hours worked over Ten (10) Hours in one day or shift.
2. For all hours worked over Eight (8) Hours on Saturday.
3. For all hours worked on Sunday, New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Nevada Day, Thanksgiving Day, Day after Thanksgiving, Day before Christmas, and Christmas Day.

**RECOGNIZED HOLIDAYS**

New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Nevada Day, Thanksgiving Day, Day after Thanksgiving, Day before Christmas, and Christmas Day

**JOB DESCRIPTION:** Excerpt from Sheet Metal Local 26 Collective Bargaining Agreement

(a) manufacture, fabrication, assembling, handling, erection, installation, dismantling, conditioning, adjustment, alteration, repairing and servicing of all ferrous or nonferrous metal work and all other materials used in lieu thereof and of all HVAC systems, air veyor systems, exhaust systems, and air-handling systems regardless of material used including the setting of all equipment and all reinforcements in connection therewith; (b) all lagging over insulation and all duct lining; (c) testing and balancing of all air-handling equipment and duct work; (d) the preparation of all shop and field sketches whether manually drawn or computer assisted used in fabrication and erection, including those taken from original architectural and engineering drawings or sketches; (e) metal roofing; and (f) all other work included in the jurisdictional claims of International Association of Sheet Metal, Air, Rail and Transportation Workers.

Craft: ALARM INSTALLER (Non-Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Alarm Installer.....33.79

**JOB DESCRIPTION:**

Includes but is not limited to:

1. Installing or testing electrical protective signaling systems used to provide notification of fire, burglary or other irregularities on the premises of the subscriber of the system;
2. Installing of wiring and signaling units;
3. Repairing electrical protective signaling systems
4. Starting up, programming and documenting systems;

Craft: BOILERMAKER (Union Rate)

Prevailing wage rates include the base rate as well as all applicable fringes

Boilermaker.....	65.94
Boilermaker Foreman.....	65.94
Boilermaker General.....	65.94

**ADD PREMIUM PAY**

Premium pay for hours worked in excess of a shift of 8 hours or 12 hours or such other time increment set forth in the Collective Bargaining Agreement or on a weekend or holiday.

**JOB DESCRIPTION:**

Includes but is not limited to:

1. Constructing, assembling, maintaining and repairing stationary steam boilers and boiler house auxiliaries;
2. Aligning structures or plate sections to assemble boiler frame tanks or vats;
3. Assisting in the testing of assembled vessels, directing cleaning of boilers and boiler furnaces;
4. Inspecting and repairing boiler fittings, including, without limitation, safety valves, regulators, automatic-control mechanisms, water columns and auxiliary machines.

Craft: BRICKLAYER (Union Rate)  
**Prevailing wage rates include the base rate as well as all applicable fringes**

Bricklayer Journeyman.....	48.71
Bricklayer Foreman.....	49.96

**Add Zone pay**

Zone	75 miles and Over	\$8.13
------	-------------------	--------

**ADD PREMIUM PAY**

One and one half (1 ½) the regular straight time hourly rate shall be paid:

1. For all hours worked over eight (8) hours in one day or shift.
2. For any hours worked on Saturday from midnight to midnight.

Double the regular straight time hourly rate shall be paid for all time:

1. For all hours worked over twelve (12) hours in one day or shift.
2. For any hours worked on Sunday from midnight to midnight.
3. For any hours worked on holidays from midnight to midnight.

**RECOGNIZED HOLIDAYS**

If any of these holidays fall on Sunday, the Monday following shall be considered a Holiday.  
 New Year's Day, President's Day, Memorial Day, Fourth of July, Labor Day, Admission Day,  
 Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:** Excerpt from Agreement between No, NV Masonry Contractors and LIUNA  
 Local 169

This shall apply to and cover the work of Brick/Block Masonry, Stone Masonry, Artificial Masonry  
 Marble Masonry.

Craft: CARPENTER (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Carpenter Journeyman.....	54.91
Carpenter Foreman.....	58.32
Carpenter General Foreman.....	62.07

**ADD ZONE RATE**

(Building and Heavy Highway and Dam Construction)

In addition to CARPENTER rates add the applicable amounts per hour, calculated from the Washoe County Courthouse:

Zone 1	0 to 75 miles	\$0.00 (Road miles from the Washoe County Courthouse)
Zone 2	75 to 150 miles	\$4.00
Zone 3	150 to 300 miles	\$5.00
Zone 4	Over 300 miles	\$6.00

**ADD PREMIUM PAY**

Any work performed over eight (8) hours per day and on Saturdays shall be compensated at time and one-half (1-1/2x) the appropriate hourly rate. All work performed on Sundays, holidays and over twelve (12) hours in one (1) day shall be compensated at two times (2x) the appropriate hourly rate. In the event a day's work is lost because of severe weather conditions or major mechanical breakdown, work may be performed on a voluntary basis on a Saturday at the straight time hourly rate for eight (8) hours provided the straight time hours worked in one (1) week do not exceed forty (40) hours.

**RECOGNIZED HOLIDAYS**

New Year's Day, Memorial Day, 4th of July, Labor Day, Admission's Day, Thanksgiving Day, the Friday after Thanksgiving, Christmas Day.

**JOB DESCRIPTION** Excerpt from Southwest Regional Council of Carpenters and Affiliated Local Unions Master Labor Agreement

(1) All building construction, including but not limited to the construction, erection, alteration, repair, modification, demolition, addition, or improvement in whole or in part of any building structure. All rigging of Carpenters', and Piledrivers' materials.

(2) All heavy, highway and engineering construction, including but not limited to the construction, improvement, modification and demolition of all or any part of the streets, highways, bridges, viaducts, railroads, tunnels, airports, water supply, irrigation, flood control and draining systems, sewers and sanitation projects, dams, power houses, refineries, aqueducts, canals, river and harbor projects, wharves, docks, breakwaters, jetties, quarrying of breakwaters or rip rap stone or operations incidental to such heavy construction work and whether such work is above or below the water line level.

(3) The character of such work covered by this Agreement shall include but not be limited to all carpenter, concrete form work, shoring, drywall, metal stud, drywall finishing, plaster, scaffold, modular furniture, trade show work, insulation, acoustical, and lathing work on such construction

(4) All interior and/or exterior wall finish work, including EIFS and other wet wall finish work.



Craft: CEMENT MASON (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Cement Mason - Journeyman.....	48.92
Cement Mason - Foreman.....	52.55

**ADD ZONE RATE**

In addition to CEMENT MASON rates add the applicable amounts per hour, calculated from the Reno Post Office, 50 So. Virginia St., Reno, Nevada:

Zone 1	0 to 90 miles	\$0.00
Zone 2	over 90 miles	\$6.00

**ADD PREMIUM PAY**

OVERTIME – Any worked performed over eight (8) hours per day shall be compensated at time and one half the hourly rate. All work performed after twelve (12) consecutive hours shall be paid at double the hourly rate. All worked performed on Saturdays shall be compensated at time and one half the hourly rate. All Sunday and Holiday work shall be paid for at double time.

**RECOGNIZED HOLIDAYS**

New Year’s Day, Memorial Day, Independence Day, Labor Day, Admissions Day, Thanksgiving Day and the following Friday following Thanksgiving Day, and Christmas

**JOB DESCRIPTIONS**

1. All building construction, including but not limited to the construction, erection, alteration, repair, modification, demolition, addition, or improvement in whole or in part of any building structure.
2. All heavy, highway and engineering construction, including but not limited to construction, improvement, modification, demolition, of all or any part of streets and highways (including sidewalks, curbs and gutters), bridges, viaducts, rail roads, tunnels, airports, water supply, irrigation, flood control and drainage systems, sewers and sanitation projects, dams, power houses, refineries, aqueducts, canals, river and harbor projects, wharves, docks, breakwaters, jetties, quarrying of breakwater or rip-rap stone, or operation incidental to such heavy construction work.
3. The work to be performed by Cement Masons shall include but not be limited to the following, when tools of the Cement Masons trade are used or required:

Setting screeds, screed pins, curb forms and curb and gutter forms, rodding, spreading and tamping concrete, hand application of curing compounds, applying topping (wet or dry) colors or grits; using Darby and push floats, hand troweling or hand floating; marking edging, brooming or brushing, using base cove or step tools; chipping, and stoning, patching or sacking; dry packing; spreading and finishing gypsum, operating mechanical finishers (concrete) such as Clary, Jackson, Bidwell Bridge Deck Paver or similar types; grinding machines; troweling machines, floating machines powered concrete saws; finishing of epoxy and resin materials, bush hammering and exposed finishes for architectural work.

Operation of skill saw, chain saw, Laser Screed, Laser Level, Curb and Slipform machines, Epoxy Type Injection pumps, stamps or other means of texturing, any new devices, which are beneficial to the construction of or with concrete or related products.

Craft: ELECTRICIAN COMMUNICATION TECHNICIAN (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Communication Installer.....	44.79
Communication Technician.....	49.66
Senior Technician .....	52.91

**ADD ZONE RATE**

In addition to Electrician Communication Tech rates add the applicable amounts per hour, calculated from the Washoe County Courthouse:

Zone 1	0 to 70 miles	\$0.00
Zone 2	70 to 90 miles	\$8.00
Zone 3	90 miles and over	\$10.00

**ADD PREMIUM PAY**

One and one half (1 ½) the regular straight time hourly rate shall be paid:

1. For all hours worked over eight (8) hours in one day or shift.
2. For the first eight (8) hours worked on Saturday

Double the regular straight time hourly rate shall be paid for all time:

1. For all hours worked over eight (10) hours in one day or shift.
2. For any hours worked on Sunday
3. For any hours worked on Holidays

**Shift Rates**

1. Swing shift to be paid at seventeen-point three (17.3) percent the regular straight time rate for hours between 4:30 p.m. and 1:00 a.m.
2. Graveyard shift to be paid at thirty-one-point four (33.4) percent the regular straight time rate for hours between 12:30 a.m. and 9:00 a.m.
3. Shifts are established for at least five (5) consecutive days or double the regular straight time rate shall be paid.

\*\*Note – Double the straight time rate is the max rate paid. (No pyramiding of overtime rates)

**JOB DESCRIPTION:**

The work covered by this Agreement shall include the installation testing, service and maintenance, of the following systems which utilize the transmission and/or transference of voice, sound, vision and digital for commercial, education, security and entertainment purposes for the following: TV monitoring and surveillance, background-foreground music, intercom and telephone interconnect, inventory control systems, microwave transmission, multi-media, multiplex, nurse call system, radio page, school intercom and sound, burglar alarms and low voltage master clock systems.

- A. SOUND AND VOICE TRANSMISSION/TRANSFERENCE SYSTEMS 1. Background-foreground music 2. Intercom and telephone interconnect systems 3. Telephone systems 4. Nurse call systems 5. Radio page systems 6. School intercom and sound systems 7. Burglar alarm systems 8. Low-voltage

master clock systems 9. Multi-media/multiplex systems 10. Sound and musical entertainment systems  
11. RF Systems 12. Antennas and Wave Guide

B. FIRE ALARM SYSTEMS \* 1. Installation, wire pulling and testing

C. Television and Video Systems 1. Television monitoring and surveillance systems 2. Video security systems 3. Video entertainment systems 4. Video educational systems 5. Microwave transmission systems 6. CATV and CCTV

D. Security Systems 1. Perimeter security systems 2. Vibration sensor systems 3. Card access systems 4. Access control systems 5. Sonar/Infrared monitoring equipment

E. COMMUNICATION SYSTEMS THAT TRANSMIT OR RECEIVE INFORMATION AND/OR CONTROL SYSTEMS THAT ARE INTRINSIC TO THE ABOVE LISTED SYSTEMS (IN THE SCOPE)  
1. SCADA (Supervisory Control and Data Acquisition) 2. PCM (Pulse Code Modulation) 3. Inventory Control Systems 4. Digital Data Systems 5. Broadband and Baseband and Carriers 6. Point of Sale Systems 4 7. VSAT Data Systems 8. Data Communication Systems 9. RF and Remote-Control Systems 10. Fiber Optic Data Systems

Craft: ELECTRICIAN LINEMAN/GROUNDMAN/HEAVY EQUIPMENT OPERATOR  
(Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Electrician-Groundman.....	56.09
Lineman-Journeyman.....	81.13
Lineman-Foreman.....	87.80
Lineman-General Foreman.....	94.54
Lineman-Equipment Man.....	67.81

**ADD PREMIUM PAY**

Premium pay for hours worked in excess of a shift of 8 hours or 12 hours or such other time increment set forth in the Collective Bargaining Agreement or on a weekend or holiday.

**RECOGNIZED HOLIDAYS**

New Year's Day, Martin Luther King Holiday, President's Day, Memorial Day, Independence Day, Labor Day, Nevada Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:**

Outside, overhead and underground construction and maintenance work on electrical transmission lines, switch yards, substations and distribution systems which shall include:

1. Pole line work (whether built of wood, metal or other material): the digging and back-filling of holes for poles or anchors (by hand or mechanical equipment); the loading or unloading, handling, sorting and moving of materials; the assembly or erection of all materials including the guying, stringing of conductors and fiber optics or other work necessary on through to the ultimate completion of such pole work.

2. Steel or metal structures used for the purpose of carrying electrical wire, conductors, or equipment (this includes transmission towers, outdoor substations, switch racks, or similar electrical structures); the moving of men, tools or equipment; the loading or unloading, handling, sorting and moving of materials; the assembly and erection of all materials used on the job site, including the assembly of the grillage and foundations, on through to the ultimate completion of such structures. Work covered shall include the grounding of all such structures except the bonding of stub-angle to rebar cage; the stringing and installation of wires, cables and insulators or other electrical equipment suspended from structure; also the handling and placing of transformers or O.C.B.'s and other related electrical equipment.

The moving of men, tools or equipment; the loading or unloading, handling, sorting and moving of materials; the assembly of all electrical materials on race-ways such as ducts, shall be performed by workmen under the Agreement. This shall also include CIC (cable in conduit), CC (coillable conduit), the placing of fish wire, the pulling of cables or wires through such race-ways, installing and making up of termination and the splicing of such conductors.

Street lighting systems where such work properly comes under the outside jurisdiction shall be handled in the same manner as pole line construction.

Installing and maintaining the catenary and trolley work and bonding of rails shall be handled in the same manner as pole line, and steel construction.

In connection with all of the above items, it is understood the scope of this Agreement shall include not only new installation work but shall also govern the repair, maintenance or dismantling of such structures, lines or equipment; the handling and operating of all equipment used to transport men, tools and/or materials on the job site as well as the equipment used to move, raise or place materials used in the Outside Branch of the Electrical Industry shall be performed by workmen under this Agreement unless otherwise excluded herein.

Craft: ELECTRICIAN – NEON SIGN  
(Non-Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Electrician Neon Sign Journeyman.....37.06

**ELECTRICIAN-NEON SIGN**, includes but is not limited to:

- 1. Installing, servicing and repairing plastic, neon and illuminated signs;
- 2. Ascending ladders or operating hydraulic or electric hoist to install, service, or examine sign to determine cause of malfunction;
- 3. Wiring, rewiring or removing defective parts and installing new parts using electrician's tools;
- 4. Removing sign or part of sign for repairs, such as structural fabrication, scroll repair, or transformer repair;

Craft: ELECTRICIAN WIREMAN (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Wireman.....	69.61
Wireman-Cable Splicer.....	75.41
Wireman Foreman.....	75.41
Wireman General Foreman.....	81.21

**ADD ZONE RATE**

In addition to ELECTRICIAN-Wireman, rates, add the applicable amounts per hour, calculated from Washoe County Courthouse, Reno Nevada:

Zone 1	0 to 70 miles	\$0.00
Zone 2	70 to 90 miles	\$8.00
Zone 3	90 miles and over	\$10.00

**ADD PREMIUM PAY**

Premium pay for hours worked in excess of a shift of 8 hours or 12 hours or such other time increment One and one half (1 ½) the regular straight time hourly rate shall be paid:

1. For all hours worked over eight (8) hours in one day or shift.
2. For the first eight (8) hours worked on Saturday

Double the regular straight time hourly rate shall be paid for all time:

3. For all hours worked over ten (10) hours in one day or shift.
4. For any hours worked on Sunday
5. For any hours worked on Holidays

**Shift Rates**

1. Swing shift to be paid at seventeen-point three (17.3) percent the regular straight time rate for hours between 4:30 p.m. and 1:00 a.m.
2. Graveyard shift to be paid at thirty-one-point four (33.4) percent the regular straight time rate for hours between 12:30 a.m. and 9:00 a.m.
3. Shifts are established for at least five (5) consecutive days or double the regular straight time rate shall be paid.

\*\*Note – Double the straight time rate is the max rate paid. (No pyramiding of overtime rates)

**RECOGNIZED HOLIDAYS**

New Year’s Day, Memorial Day, Independence Day, Labor Day, Admission Day, Veteran’s Day, Thanksgiving Day, Friday following Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:** Excerpt from Agreement between NECA and Local Union 401, IBEW

All electrical construction, installation, or erection work including fabrication or prefabrication of boxes, brackets, bends and nipples and all electrical maintenance thereon including the final running tests. This shall include the installation and maintenance of temporary wiring and the installation of all electrical lighting, heat and power equipment, installation of all raceway systems, including underground conduits and all supports, underground utility conduits, photovoltaic power generation systems, wind power generation systems and geothermal power generating systems. Further all salvage of electrical work shall be included.

Craft: ELEVATOR CONSTRUCTOR (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Elevator Constructor-Journeyman Mechanic.....	117.95
Elevator Constructor-Journeyman Mechanic In Charge.....	128.06

**ADD PREMIUM PAY**

Work performed on Construction Work on Saturdays, Sundays and before and after 30 the regular working day on Monday to Friday, inclusive, shall be classed as overtime, and paid for at double the rate of single time.

**RECOGNIZED HOLIDAYS**

New Year's Day, Memorial Day, Independence Day, Labor Day, Nevada Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:** Excerpt from Agreement of International Union of Elevator Constructors

The handling and unloading of all equipment coming under the jurisdiction of the Elevator Constructor, from the time such equipment arrives at or near the building site, shall be handled and unloaded by the Elevator Constructors. Mechanical equipment such as a forklift or truck mounted swing boom may be used by the Elevator Constructors. A derrick, crane or material hoist can be used under the supervision of Elevator Constructors to handle and unload the heavy material described in Par. 5(a). Where unusual conditions are expected to exist prior to delivery of equipment at or near the building site in regard to handling and unloading of equipment in the primary or secondary jurisdiction of the local union, the Company shall contact the Local's Business Representative to make appropriate arrangements for the handling and unloading of such equipment. In areas outside the jurisdiction of the local union, the Company shall contact the Regional Director.

(b) The erecting and assembling of all elevator equipment to wit: electric, hydraulic, steam, belt, dumbwaiters, residence elevators, parking garage elevators (such as Bowser, Pigeon Hole, or similar types of elevators), shuttles, compressed air and handpower, automatic people movers, monorails, airport shuttles and like-named devices used in the transportation of people for short distances of travel (less than 5 miles), as well as vertical reciprocating conveyor systems.

(c) It is understood and agreed that the preassembly of all escalators, moving stairways and link belt carriers that may be done in the factory shall include the following:

1. Truss or truss sections with tracks, drive units, machines, handrail drive sheaves, drive chains, skirts on the incline sections but not curved sections, step chains and steps installed and permanently aligned.
2. Balustrade brackets may be shipped attached but not aligned.
3. Setting of all controllers and all wiring and conduit from the controller.

All other work on escalators, moving stairways and link belt carriers shall be performed in the field before or after the truss or truss sections are joined and/or hoisted and placed in permanent position. This includes any and all work not done in the factory. The erecting and assembly of all theater stage and curtain elevator equipment and guides and rigging thereto, organ consoles and orchestra elevators



- (d) All wiring, conduit, and raceways from main line feeder terminals on the controller to other elevator apparatus and operating circuits. Controllers are not to be shipped from the factory with extended wiring attached thereto.
- (e) The erecting of all guide rails.
- (f) The installation of all grating under the control of the Company. The installation of all counterweight screens, overhead work, either wood or iron, and all material used for mounting of elevator apparatus in machine room, overhead or below.
- (g) The drilling of overhead beams for attaching machines, sheaves, kick angles, and all other elevator equipment.
- (h) The setting of all templates.
- (i) All foundations, either of wood or metal, that should take the place of masonry.
- (j) The assembly of all cabs complete.
- (k) The installation of all indicators.
- (l) The erecting of all electrical or mechanical automatic or semi-automatic gates complete.
- (m) The hanging of all automatic or semi-automatic elevator hoistway doors, together with the installation of hangers and tracks.
- (n) The installation of all devices for opening and closing and locking of elevator car and hoistway doors and gates.
- (o) The drilling of doors for mounting of closing devices.
- (p) The drilling of angle supports for mounting of closing devices except one template hole.
- (q) The drilling of sills for sill trips.
- (r) The operating of temporary cars.
- (s) The setting of all elevator pressure open or pit tanks.
- (t) The setting of hydraulic power units (power units include: motor, pump, drive valve system, internal piping, muffler, internal wiring, controller and tank). Where power units arrive in parts, they shall be assembled at the job site. The wiring and piping to and between multiple hydraulic power units shall be performed at the job site.
- (u) All air cushions with the exception of those built of brick or those put together with hot rivets.
- (v) Landing door entrances.

Craft: FENCE ERECTOR (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Fence Erector.....45.78

**ADD ZONE RATE**

In addition to FENCE ERECTOR rates add the applicable amounts per hour, calculated based on a road miles from either the Carson City Courthouse or the Washoe County Courthouse:

Zone 1	0 to 75 miles	\$0.00
Zone 2	75 to 150 miles	\$4.00
Zone 3	150 to 300 miles	\$5.00
Zone 4	300 miles or over	\$6.00

**ADD PREMIUM PAY**

One and one half (1 ½) the regular straight time hourly rate shall be paid:

1. For all hours worked over eight (8) hours in one day or shift.
2. For any hours worked on Saturday from midnight to midnight.

Double the regular straight time hourly rate shall be paid for all time:

1. For all hours worked over twelve (12) hours in one day or shift.
2. For any hours worked on Sunday from midnight to midnight.
3. For any hours worked on holidays from midnight to midnight.

**RECOGNIZED HOLIDAYS**

If any of these holidays fall on Sunday, the Monday following shall be considered a Holiday. New Year’s Day, President’s Day, Memorial Day, Fourth of July, Labor Day, Admission Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:**

Includes but is not limited to:

1. Erecting or repairing chain link, wooden, tortoise, wire/wire mesh, or temporary fencing;
2. Mixing and pouring concrete around bases of posts and tamping soil into post hole to embed post;
3. Digging post holes with a spade, post hole digger or power-driven auger;
4. Aligning posts through the use of lines or by sighting;
5. Verifying vertical alignment of posts with a plumb bob or spirit level;

Craft: FLAG PERSON (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Flag Person.....42.66

**ADD ZONE RATE**

In addition to FLAG PERSON add the applicable amounts per hour, calculated based on a road miles from either the Carson City Courthouse or the Washoe County Courthouse:

Zone 1	0 to 75 miles	\$0.00
Zone 2	75 to 150 miles	\$4.00
Zone 3	150 to 300 miles	\$5.00
Zone 4	300 miles or over	\$6.00

**ADD PREMIUM PAY**

One and one half (1 ½) the regular straight time hourly rate shall be paid:

1. For all hours worked over eight (8) hours in one day or shift.
2. For any hours worked on Saturday from mid night to midnight.

Double the regular straight time hourly rate shall be paid for all time:

1. For all hours worked over twelve (12) hours in one day or shift.
2. For any hours worked on Sunday from midnight to midnight.
3. For any hours worked on holidays from midnight to midnight.

**RECOGNIZED HOLIDAYS**

If any of these holidays fall on Sunday, the Monday following shall be considered a Holiday. New Year’s Day, President’s Day, Memorial Day, Fourth of July, Labor Day, Admission Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION**

**FLAG PERSON**, includes but is not limited to:

1. Directing movement of vehicular traffic through construction projects;
2. Distributing traffic control signs and markers along site in designated pattern;
3. Informing drivers of detour routes through construction sites;

Craft: FLOOR COVERER (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Floor Coverer Journeyman.....	50.69
Floor Coverer Foreman.....	54.12

**ADD PREMIUM PAY**

Shift work

1. \$2.00 per hour will be added to the taxable net wage to shift schedule of hours worked between 6:00 p.m. and 6:00 a.m.

One and one half (1 ½) time -shall be calculated using one (1) hour of the taxable net wage and one half (1/2) the base wage, to be paid for all time:

1. For all hours worked over ten (10) hours in one day or shift.
2. For any hours worked on Saturday from midnight to midnight

Double time -shall be calculated using one (1) hour of the taxable net wage and one (1) of the base wage, to be paid for all time:

1. For any hours worked on Sunday from midnight to midnight
2. For any hours worked on holidays from midnight to midnight

**RECOGNIZED HOLIDAYS**

New Year's Day, Memorial Day, Independence Day, Labor Day, Admissions Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:** Excerpt from Agreement between Painters and Allied Trades DC 16 and Independent Flooring Contractors of No Nevada

Measuring, cutting, fabricating, fitting, installing to be cemented, tacked or otherwise applied to its base wherever it may be, all materials whether used either as a decorative covering or as an acoustical appliance such as carpets of all types and designs, wall carpets, sheet rubber, sheet vinyl, cork carpet, rubber tile, asphalt tile, tile, cork tile, linoleum tile, mastic in sheets or the tile from vinyl tile, interlocking tile, laminate flooring, engineered wood, hardwood, composition in sheet or tile form and all derivatives of above; the fittings of all devices for the attachment of the above materials and the fitting of all decorative or protective trim to and adjoining the above materials which shall include the drilling and plugging of holes and attaching of strips, slats, nosing, etc. on any base where the above materials are to be installed, or applied, such as drilling, plugging, slating, and slating for installing or fastening of carpet, the installing of all nosing, cap strips, corner beads and edging of any material and the preparatory work of the craft for all of the aforesaid. Also, the cleaning of rugs, carpets, and drapery hanging, make-up and the installation of drapes, the spraying and/or rolling of adhesives as required for double stick installation and carpet tiles.

Craft: GLAZIER (Non-Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Glazier Journeyman.....25.25

**JOB DESCRIPTION:**

Includes but is not limited to:

- 1. Installing, setting, cutting, preparing, or removal of glass, or materials used in lieu thereof, including, without limitation, in windows, doorways, showers, bathtubs, skylights and display cases;
- 2. Installing glass on surfaces, including, without limitation, fronts of buildings, interior walls and ceilings;
- 3. Installing pre-assembled framework for windows and doors designed to be fitted with glass panels, including stained glass windows by using hand tools;
- 4. Loading and arranging of glass on trucks at the site of the public work;

Craft: Highway Striper (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Highway Striper.....	48.28
Highway Striper Foreman.....	48.78

**ADD ZONE RATE**

In addition to HIGHWAY STRIPER rates add the applicable amounts per hour, calculated based on a road miles from either the Carson City Courthouse or the Washoe County Courthouse:

Zone 1	0 to 75 miles	\$0.00
Zone 2	75 to 150 miles	\$4.00
Zone 3	150 to 300 miles	\$5.00
Zone 4	300 miles or over	\$6.00

**ADD PREMIUM PAY**

One and one half (1 ½) the regular straight time hourly rate shall be paid:

1. For all hours worked over eight (8) hours in one day or shift.
2. For any hours worked on Saturday from midnight to midnight.

Double the regular straight time hourly rate shall be paid for all time:

1. For all hours worked over twelve (12) hours in one day or shift.
2. For any hours worked on Sunday from midnight to midnight.
3. For any hours worked on holidays from midnight to midnight.

**RECOGNIZED HOLIDAYS**

If any of these holidays fall on Sunday, the Monday following shall be considered a Holiday. New Year’s Day, Memorial Day, 4<sup>th</sup> of July, Labor Day, Admission Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:**

Includes but is not limited to:

1. Painting highways, streets and parking surfaces by using manually propelled or mechanically propelled machines, brushes, rollers or spray guns;
2. Installing any device or application of any material used in lieu of paint for traffic direction, including, without limitation, buttons, tapes, plastics, rumble bars and other similar materials;

Craft: Hod Carrier-Brick Mason Tender (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Brick Mason Journeyman.....	46.03
Brick Mason Foreman.....	46.43

**ADD ZONE RATE**

In addition to Hod Carrier Brick Mason Tender rates add the applicable amounts per hour, calculated based on road miles from the Washoe County Courthouse:

Zone	75 miles and Over	\$8.13
------	-------------------	--------

**ADD PREMIUM PAY**

One and one half (1 ½) the regular straight time hourly rate shall be paid:

1. For all hours worked over eight (8) hours in one day or shift.
2. For any hours worked on Saturday from midnight to midnight.

Double the regular straight time hourly rate shall be paid for all time:

1. For all hours worked over twelve (12) hours in one day or shift.
2. For any hours worked on Sunday from midnight to midnight.
3. For any hours worked on holidays from midnight to midnight.

**RECOGNIZED HOLIDAYS**

If any of these holidays fall on Sunday, the Monday following shall be considered a Holiday. New Year’s Day, President’s Day, Memorial Day, Fourth of July, Labor Day, Admission Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:** Excerpt from Agreement between No, NV Masonry Contractors and LIUNA Local 169

Conveying of all materials used by the Brick and Stone Masons from the first point of delivery to the Mechanic whether done manually or by a piece of machinery or equipment devised to replace the wheelbarrow or buggy, including but not limited to the forklift. The handling of Bricks, Blocks, mortar, or any other material to serve the bricklayer in any capacity building and dismantling scaffolds of any kind or type used by Bricklayers for masonry work including but not limited to tower scaffolds, access scaffolds, or other specialty scaffolds, mixing and tempering mortar by hand and/or machine, mixing grout and cleaning up after the bricklayer, the repairing and maintenance of all equipment, either on the job or in the yard.

Craft: Hod Carrier-Plasterer Tender (Union Rate)

Prevailing wage rates include the base rate as well as all applicable fringes

Plasterer Tender-Journeyman.....	46.37
Plasterer Tender- Gun Tender.....	47.37
Plasterer Tender-Foreman.....	47.73

**ADD ZONE RATE**

In addition to: HOD CARRIER-PLASTERER TENDER rates add the applicable amounts per hour, calculated based on road miles from So. Virginia St., Reno, Nevada:

Zone 1	0 to 70 miles	\$0.00
Zone 2	70 miles and Over	\$8.00

**ADD PREMIUM PAY**

One and one half (1 ½) the regular straight time hourly rate shall be paid:

1. For all hours worked over eight (8) hours in one day or shift.
2. For any hours worked on Saturday from mid night to midnight.

Double the regular straight time hourly rate shall be paid for all time:

1. For all hours worked over twelve (12) hours in one day or shift.
2. For any hours worked on Sunday from midnight to midnight.
3. For any hours worked on holidays from midnight to midnight.

**RECOGNIZED HOLIDAYS**

If any of these holidays fall on Sunday, the Monday following shall be considered a Holiday. New Year’s Day, President’s Day, Memorial Day, Fourth of July, Labor Day, Admission Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:** Excerpt from Agreement between Plasterers Contractors and LIUNA Local Union 169

Any Employee within the scope of this division tending or serving any other worker performing plasterers work, any plasterer, plasterers, or apprentices in any capacity performing plasterers work including but not limited to, handling and conveying of all materials after delivery used by plasters, including but not limited to, inside finish coat, outside finish coat, brown coat, scratch coat, sprayed or trowled on fireproofing, EIFS systems, and other materials or systems for the same or similar purpose whether done manually or by a piece of machinery or equipment devised to replace the wheelbarrow or buggy, including but not limited to the forklift, tusk hoist, and rigging and signaling for cranes to the point or points of application or installation, making mixing and preparing after delivery all materials used by plasters, whether by hand or machine including but not limited to mixers, pumps for plaster or fire proofing, plaster, finish coats, fireproofing, including Monocoat, Cafco or other materials for the same or similar use, moving any rolling scaffolding, building and handling all necessary trestle, scaffolding and planking of scaffolding for plasterers and lathers, building mortar boxes, mortar boards and stands, and the repairing and maintenance of all equipment either on the job or in the yard, the spreading of all temporary protective drop cloths, building paper or plastic covers and taping of same (in a composite crew with the plasterers when necessary), the cleaning of all floors, and debris, behind the plasterers or any other worker performing plasterers work in connection with the work performed all work necessary for cold weather protection and cure including but not limited to handling installing or tending to blankets, visqueen, and space heaters, and running putty.



Tending to plasterers or any other worker performing plasterers work on EFIS system work shall include all work after the wallboard is installed including but not limited to any preparatory sealing or leveling, placing foam, mesh, and plaster including any rough, finish, and color coats.

For sprayed on fire proofing work only, including Monocoat, Cafco or other materials for the same or similar use an Employer signatory to this Agreement and the Local 169, Laborers Master Agreement may employ Laborers at the Group 1 wage rate to perform overspray protection, the spreading of all temporary protective drop cloths, building paper or plastic covers and taping of same, the cleaning of all floors, and debris, cold weather protection and cure including but not limited to handling installing or tending to blankets, visqueen, and space heaters and moving rolling scaffolding.

**Craft: Ironworker (Union Rate)**

**Prevailing wage rates include the base rate as well as all applicable fringes**

Ironworker-Journeyman.....	78.74
Ironworker - Foreman.....	83.21
Ironworker -General Foreman.....	88.13

**ADD ZONE RATE**

In addition to Iron Worker rates add the applicable amounts per day, calculated based on a road mile from the Reno City Hall.

Zone 1	60 to 75 miles	\$20.00
Zone 2	75 to 100 miles	\$25.00
Zone 3	100 miles and over	\$75.00

**ADD PREMIUM PAY**

One and one half (1X) the regular straight time hourly rate shall be paid:

1. For the first two (2) hours worked in excess of eight (8) on a regular workday Monday-Friday
2. For the first eight (8) hours on Saturday

Double the regular straight time hourly rate shall be paid for all time:

1. For all hours worked over ten (10) hours in one day or shift.
2. For any hours worked on Sunday.
3. For all hours worked over eight (8) on Saturday
4. For all hours worked on Holidays

**Shift Pay**

1. 2nd shift add 6% of hourly wage
2. 3rd shift add 13% of hourly wage
3. Dedicated shift add 6% of hourly wage

**RECOGNIZED HOLIDAYS**

New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB CLASSIFICATION:** Excerpt from Agreement between NV AGC and DC of Ironworkers

Field fabrication and/or erection or deconstruction of structural, ornamental and reinforcing steel, including but not limited to the fabrication, rigging and signaling, erection and construction of all iron and steel, ornamental lead, bronze, brass, copper and aluminum, plastics and all other substitute materials, including, but not limited to, composites, carbon fiber and fiberglass, all barrier railings, handrail, aluminum, steel, glass and plastic, reinforced concrete structures or parts thereof; bridges, viaducts, inclines, dams, docks, dredges, vessels, locks, gates, guides, aqueducts, reservoirs, spillways, flumes, caissons, cofferdams, subways, tunnels, cableways, tramways, monorails, blast furnaces, stoves, kilns, coolers, crushers, agitators, pulverizers, mixers, concentrators, ovens, cupolas, roof decking such as but not limited to "Cofar", "Trusdeck", Mahon "M"; smoke conveyors, penstocks, flag poles, drums, shafting, shoring, fur and storage rooms, fans and hot rooms, stacks, bunkers, conveyors, dumpers, elevators, vats, tanks, enamel tanks, enamel vats, towers, pans, hoppers, plates, anchors, caps, corbels, lintels, Howe and combination trusses, grillage and foundation work, grating, bucks, partitions, hanging ceilings, hangers, clips, brackets, flooring, floor construction and domes, rolling shutters, curtains, frames; aluminum, rolling fire, won and iron doors, including supports; cast

tiling, air ducts, duct and trench frames and plates; wire work, railings, wire cable including pipe, guards, fencing, grill work, sidewalk and vault lights, skylights, roofs, canopies, light steel framing, marquees, awnings and other related equipment elevator and dumb waiter enclosures, elevator cars, tracks, fascias, aprons, operating devices, steel and aluminum sash, hardware and screens, frames, fronts, lockers, racks, book stacks, tables, shelving, metal furniture, seats, chutes, escalators, stairways including pre-engineered stairs, ventilators, boxes, fire escapes, signs, jail and cell work, safes, vaults, vault doors, safe deposit boxes, corrugated sheets when attached to steel frames, including insulation; frames in support of boilers; materials altered in field such as framing, cutting, bending, drilling, burning and welding including by acetylene gas and electric machines; metal forms and false work pertaining to concrete construction; seismic isolation systems and dampening systems including base isolators, sectional water tube and tubular boilers and stokers; traveling sheaves, vertical hydraulic elevators, bulkheads, skip hoists, making and installation of articles made of wire and fibrous rope, rigging in connection with pumps, compressors, forced and induced draft fans, air meters, Bailey meters, agitators, oxygen converters, cinder machines, pelletizing machines, reactor vessels, reactor spheres, completed tanks and assembled sections of completed tanks, scroll cases, refineries, hydroelectric power houses and steam plants, cogeneration plants, vessels and government departments; false work, travelers, scaffolding, pile drivers, sheet piling, derricks and powered derrick swinger including the erection, installation, handling and operating. Cranes erection, installation, handling and operating of same on all forms and types of construction work. The operation of Valla and Spider type battery and/or propane powered portable floor cranes having no operator seat utilized to install ironworker scope of work and the same on all forms and types of construction work. Crane work at the ports, including hammer-head cranes, container cranes and rubber tire cranes. Offloading, relocations, and commissioning of all burning and removal of sea bracing track layout; erection of apex boom extensions, back reach extensions, and rail replacement. Includes all welding, containment and structural modifications of the aforementioned items; railroad bridge work including maintenance thereof; moving, hoisting and lowering of machinery, modules, skid modules and placing of same on foundation, including bridges, cranes, intermittent use forklifts, derricks, buildings, piers and vessels; loading, unloading, necessary maintenance, erection, installation, removal, wrecking and dismantling of all of the above and all reinforcing work and submarine diving in connection with or about same; erection of steel towers, chutes and spouts for concrete where attached to towers and handling and fastening of cables and guys for same; unloading, racking, sorting, cutting, bending, hoisting, placing and tying including the use of any and all mechanical tying devices, burning and welding including stud welding of all iron, steel and metal in reinforced concrete construction including mesh for floor arches and the making of hoops and stirrups, metal forms and metal supports thereof; jacking of slip forms, installation of all wire, cable, parabolic cans, steel and all other materials, including, but not limited to, composites, carbon fiber and fiberglass, used for the purposes of prestressing including grouting of ducts, post stressing concrete girders, beams, columns, etc.; loading, unloading, hoisting, handling, signaling, placing and erection of all prestressed, post stressed, precast materials, G.F.R.C., Dryvit System, including the securing by bolting and/or welding and the installation of steeltex and wire mesh of any type when used for reinforced concrete construction; erection of all curtain wall; glass handrail; stay in place deck; automated and/or mechanical parking structures; offloading, staging, hoisting and setting of modular structures and micro-units; curtain wall systems and associated sealants. Window wall and entrances, panels, insulated and non-insulated, factory and field assembled, porcelain enameled panels, ceramic, laminated spandrelite, louvers and sunscreens; application of thiokol, neoprene and other sealants used to seal materials installed by Iron Workers; installation and handling of phenolic panels, including but not limited to, Trespa products and all similarly related materials and/or systems; installation of metal window stools and sills; installation of aluminum, bronze and steel thresholds; erection and dismantling of all types of cranes and changing of booms; erection of rock, sand and gravel plants, dismantling and loading out conveyors, aggregate plants, batch plants, abeleways, refrigeration plants, etc.; erection and dismantling of Monigan walking dragline, launchhammer bucket wheel excavator and other trenching equipment; signaling on highlines, whirley cranes and derricks, buck hoists, man hoists, fork lifts, material towers and scanning antennae; metal

and steel supports of all types; fabrication, assembling and erection of offshore drilling platforms or similar installations; dust collectors, precipitators, multi-plate, specialty welding processes, unloading, loading, hoisting, handling and rigging of all building materials delivered to the job site; hanging ceilings, tees, channels, beams, acoustical elements, sound barriers, computer floors, etc.; installation of stage rigging (including counterweights), curtains, draperies, traverse rods, tracks, cables, window cleaning equipment, powered work platforms, including and loading and unloading, erection installation and removal of powered chassis mounted elevating mast climbing work platforms, rigging in connection with display shows; ski lifts, etc.; wrecking of bridges, viaducts, elevated roads and structural steel and iron in buildings; all steel frames for openings, all porches, verandas, canopies and balconies; all overhead travelers, duo rails, tram rails; erection, setting, repairing of guard or collision rails on bridges and approaches, road ways or any other structures; handling and setting of all types of steel and metal joists, including metal box joists for truss lab and preformed keystone shaped metal joists; erection of steel and metal houses and packaged buildings; all translucent and plastic material on steel frame construction; the erection of solar energy systems, including but not limited to, photo voltaic, heliostat and parabolic systems, energy producing windmill type towers, wind turbine erection to included, but not limited to, prep work, boltup, tensioning or torque of bolts on base and all tower section turbine and blade assemblies; nuclear reactors, electromagnetic shielding plates and atomic vessels including all component parts; the plumbing, aligning and leveling of all materials and equipment through the use of optical instruments, LASER beams, etc., and the use of instruments to establish layout, installation and disposition of ironworker installed scope of work; the unloading, distributing, stockpiling and handling of all materials coming under the jurisdictional claims of the UNION such as to rail heads, storage yards, loading and unloading, hoisting, handling, signaling of all fabricated material and equipment at the jobsite (except FOB deliveries) related to the Iron Workers jurisdiction that is within the individual employers' contractual scope of work including from and to barge and ships to a lay down yard or construction project, etc., shall be done by the Iron Workers.

All reinforcing work in connection with field fabrication, including but not limited to the pre-assembly of reinforcing cages, loading and unloading, handling, racking, sorting, cutting, bending, hoisting, intermittent use of forklifts, placing, burning, welding and tying of all material including the use of any and all mechanical tying devices, or substitute materials, including but not limited to, composites, carbon fiber and fiberglass, stainless steel, used to reinforce concrete construction shall be done by Iron Workers within the individual employers' scope of work at the jobsite, excluding FOB deliveries. A working Iron Worker shall be employed for maintenance on jobs of substantial size while concrete is being poured on reinforcing steel, wire mesh and paper back steeltex but will not be required as a stand-by man. All work in connection with the installation, alignment, repair & modification of panelized roofing systems, pre-engineered fabric structures, aluminum clarifier coverings, carports, ministorages, and dock planks. All work in connection with the installation, alignment, repair and modification of bleachers, planking and stadium seating. All work in connection of installation of amusement rides including, but not limited to, the erection and alignment of all track, machinery and related components.

**Craft: Laborer (Union Rate)**

**Prevailing wage rates include the base rate as well as all applicable fringes**

Landscaper .....	40.37
Furniture Mover .....	41.87
Group 1.....	45.53
Group 1A.....	42.66
Group 2.....	45.63
Group 3.....	45.78
Group 3A.....	48.21
Group 4.....	46.03
Group 4A.....	48.53
Group 5.....	46.33
Group 6	
Nozzlemen, Rodmen.....	45.33
Gunmen, Materialmen.....	46.03
Reboundmen.....	45.68
Gunite Foreman.....	46.73

**ADD ZONE RATE**

In addition to LABORER rates add the applicable amounts per hour, calculated based on a road miles from either the Carson City Courthouse or the Washoe County Courthouse:

Zone 1	0 to 75 miles	\$0.00
Zone 2	75 to 150 miles	\$4.00
Zone 3	150 to 300 miles	\$5.00
Zone 4	300 miles or over	\$6.00

**ADD PREMIUM PAY**

One and one half (1 ½) the regular straight time hourly rate shall be paid:

1. For all hours worked over eight (8) hours in one day or shift.
2. For any hours worked on Saturday from midn ight to midnight.

Double the regular straight time hourly rate shall be paid for all time:

1. For all hours worked over twelve (12) hours in one day or shift.
2. For any hours worked on Sunday from midnight to midnight.
3. For any hours worked on holidays from midnight to midnight.

**RECOGNIZED HOLIDAYS**

If any of these holidays fall on Sunday, the Monday following shall be considered a Holiday. New Year’s Day, President’s Day, Memorial Day, Fourth of July, Labor Day, Admission Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:** Excerpt from Agreement between AGC and LIUNA Local 169

The construction, erection, alteration, repair, modification, demolition, addition, improvement of all building, heavy and highway, utility, industrial and all other type(s) of construction.

**SEE GROUP CLASSIFICATIONS**

Craft: LUBRICATION AND SERVICE ENGINEER (MOBILE AND GREASE RACK) (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

**SEE AMENDMENT 2**

Lubrication and Service Engineer (mobile and grease rack).....65.08

**ADD ZONE RATE**

In addition to: **LUBRICATION AND SERVICE ENGINEER (MOBILE AND GREASE RACK)** rates add the applicable amounts per hour calculated based on a road miles from the Carson City Courthouse or Washoe County Courthouse.

Zone 1	0 to 75 miles	\$0.00
Zone 2	75 to 150 miles	\$4.00
Zone 3	150 to 300 miles	\$5.00
Zone 4	300 miles and over	\$6.00

**ADD PREMIUM PAY**

1. One and one-half (1-1/2) times the applicable straight-time rate for the day, shift, work, equipment and classification shall be paid for all work (including repair work and field survey work) performed on Saturday and before a shift begins and after it ends, except when operating equipment servicing a craft that is receiving double time on commercial building construction, in which case double time shall be paid.

2. Overtime. The following rates shall apply on Sundays and holidays and all work before a shift begins and after it ends:

**RECOGNIZED HOLIDAYS**

Holidays. Double the applicable straight-time rate shall be paid for all work (including repair, maintenance and field survey work) performed on Sundays and the following holidays: New Year's Day (January 1); Memorial Day (last Monday in May); Independence Day (July 4); Labor Day (1st Monday in September); Nevada Admission Day (last Friday in October); Thanksgiving Day (4th Thursday in November); the day after Thanksgiving Day; and Christmas Day (December 25). Holidays falling on Sunday shall be observed on the following Monday. Holiday hours shall be reckoned on the same basis as Sunday hours.

Saturday Shift Period. On any shift, Saturday shall be the twenty-four-hour period commencing at 12:00 midnight Friday.

Sunday Shift Period. On any shift, Sunday shall be the twenty-four-hour period commencing at 12:00 midnight Saturday.

3. For hours worked in excess of 12) on any such workday, an Employee shall be paid two (2) times the regular straight-time rate of pay for each hour so worked.

Craft: Mechanical Insulator (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Mechanical Insulator-Mechanic.....	72.11
Mechanical Insulator-Foreman.....	76.11
Mechanical Insulator-General Foreman .....	78.11

**ADD ZONE RATE**

In addition to MECHANICAL INSULATOR rates add the applicable amounts per DAY, calculated based on a radius figured from Reno City Hall:

Zone 1	0 to 20 miles	\$11.00
Zone 2	21 to 40 miles	\$21.00
Zone 3	41 to 60 miles	\$31.00
Zone 4	Over 60 miles	\$85.00

**ADD PREMIUM PAY**

One and one half times the minimum hourly wage rate shall be paid for the first two (2) hours of overtime work, directly following eight (8) hours Monday through Friday, and for the first ten (10) hours worked on Saturdays. Double the minimum hourly wage rate shall be paid for all other overtime worked Monday through Friday and in excess of ten (10) hours on Saturdays.

**RECOGNIZED HOLIDAYS**

New Year's Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:** Excerpt from the Int'l Assoc. of Heat and Frost Insulators and Allied Workers Local 16 and the No. CA Chapter. Western Insulation Contractors Assoc.

- 65. Lining of all mechanical room surfaces and air handling shafts.
- 66. The filling and damming of fire stops and penetrations including, but not limited to, electrical and mechanical systems.
- 67. All foam applications for the purpose of thermal, acoustical, or fire protective purposes, including RTV foams or equivalents, applied to mechanical or electrical systems.
- 68. All duct lining, and duct wrapping, done on the job site, direct application and installation of fire protection of grease ducts, exhaust systems, or any other ductwork for acoustical or thermal purposes.
- 69. The insulation of all field joints on pre-insulated underground piping, and the pouring of Gilsilite or its equivalent.
- 70. Any finish material which is contiguous to the thermal or acoustical application.
- 71. The preparation, distribution of materials on job sites, assembling, molding, spraying, pouring, mixing, hanging, adjusting, repairing, dismantling, reconditioning, maintaining, finishing, and weather proofing of hot or cold thermal or acoustical insulation with such materials as may be specified.
- 72. The application of any material, including metal and PVC jacketing, Alumaguard or equivalent, on piping, fittings, valves, flanges, boilers, ducts, plenums, flues, tanks, vats, equipment and any other hot or cold surface for the purpose of thermal control.
- 73. The Agreement shall cover all other work of a specialty nature.

Craft: Millwright (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Millwright Journeyman.....	71.01
Millwright Welder.....	72.01
Millwright Foreman.....	75.30
Millwright General Foreman.....	80.02

**ADD ZONE RATE**

In addition to MILLWRIGHT rates, add the applicable amounts per hour, calculated on road miles from the Washoe County Courthouse:

Zone 1	0 to 15 Miles	\$0.00
Zone 2	15 to 35 Miles	\$2.50
Zone 3	Over 35 Miles	\$4.25

**ADD PREMIUM PAY**

First two (2) hours outside the regular constituted shift shall be at the rate of time and one-half (1½X).

Saturdays up to the first ten (10) hours shall be at the rate of time and one-half (1½X). All additional hours and Sundays and holidays shall be the rate of double time (2X). When working on Sundays and holidays, there will be one dollar and fifty cents (\$1.50) per hour additional paid to Pension Annuity. Admission Day is a recognized holiday in lieu of Veterans' Day.

**RECOGNIZED HOLIDAYS**

New Year's Day, Washington's Birthday (President's Day), Memorial Day, 4th of July, Labor Day, Veteran's Day, Thanksgiving Day, the Friday after Thanksgiving, Christmas Day.

**JOB DESCRIPTION** Excerpt from Southwest Regional Council of Carpenters and Affiliated Local Unions Master Labor Agreement

5006.18

The work of the millwrights, as spelled out in the Jurisdictional Claims Handbook referenced in Paragraph 5006.17 above, is as follows: The term "MILLWRIGHTS AND MACHINE ERECTORS" shall mean the, unloading, hoisting, rigging, skidding, moving, dismantling, aligning, erecting, assembling, repairing, maintaining and adjusting of all machinery and equipment installed either in buildings, factories, structures, or processing areas, either undercover, underground or elsewhere required to process material, handle, manufacture or service, be it powered or receiving power manually, by steam, gas, electric, gasoline, diesel, nuclear, solar, water, air or chemically; and in industries such as and including but not limited to the following (which are identified for the purpose of description: woodworking plants, canning industries, steel, coffee roasting plants, paper and pulp, cellophane, stone crushing, gravel and sand washing and handling, refineries, grain storage and handling, asphalt plants, sewage disposal and water plants, laundry, bakery, mixing plants, can, bottle and bag packing plants, textile mills, paint mills, breweries and milk processing plants, power plants, aluminum processing or manufacturing plants, and the amusement or entertainment field.

5006.19



Also included are installation of mechanical equipment in atomic energy plants, installation of reactors in power plants, installation of control rods and equipment in reactors, installation of mechanical equipment in rocket missile bases, launchers, launching gantry, floating bases, hydraulic escape doors and any and all component parts thereto either assembled, semi-assembled or disassembled.

#### 5006.20

Further included is the installation of, but not limited to the following: setting of all engines, motors, generators, air compressors and fans, pumps, scales, hoppers, conveyors of all types and sizes and their supports, escalators, man lifts, moving machinery, mechanical operator and/or automatic doors, roll-up doors, mechanical stage equipment, amusement devices, mechanical pin setters and spotters in bowling alleys, refrigeration equipment and installation of all types of equipment necessary and required to process material either in manufacturing or servicing, the handling and installation of pulleys, gears, sheaves, fly wheels, air and vacuum drives, worm drives and gear drives directly or indirectly coupled to motors, belts, chains, screws, legs, boots, guards, boot tanks, all bin valves, turn heads and indicators, shafting, bearing, cable sprockets, cutting all key seats in new and old work, troughs, chippers, filters, calendars, rolls, winders, reminders, slitters, cutters and wrapping machines; blowers, forging machines, rams, hydraulic or otherwise, planing, extruder, ball, dust collectors, equipment in meat packing plants and splicing of ropes and cables.

#### 5006.21

Additionally included are the laying out, fabrication and installation of protection equipment, including machinery guards, the making and setting of templates for machinery, fabrication of bolts, nuts, pins and drilling of holes for any equipment which the millwrights install regardless of materials; all welding and burning regardless of type; fabrication of all lines, hose or tubing used in lubricating machinery installed by millwrights; grinding, cleaning, servicing and machine work necessary for any part of any equipment installed by the millwrights; and the breaking in and trial run, of any equipment or machinery installed by the millwrights

#### 5006.22

When requested in writing by the Millwright Union, individual Employers who are parties to this Agreement shall furnish signed letters promptly on a date mutually agreed upon by both parties, but in no case more than thirty (30) days, on the letterhead of the individual Employer stating he is employing or had employed millwrights on a specific type of work and a specific job and paid the negotiated scale of wages and fringe benefits for such work.

#### 5006.23

The individual Employer and the Local Union will cooperate promptly in attempting to resolve jurisdictional disputes that may arise on any job or project.

Craft: OPERATING ENGINEER (Union Rate)  
**Prevailing wage rates include the base rate as well as all applicable fringes**

**SEE AMENDMENT 2**

Operating Engineers	(SEE GROUP CLASSIFICATIONS)
Group 1.....	63.11
Group 1A.....	65.82
Group 2.....	66.35
Group 3.....	66.62
Group 4.....	67.36
Group 5.....	67.66
Group 6.....	67.86
Group 7.....	68.08
Group 8.....	68.67
Group 9.....	68.99
Group 10.....	69.34
Group 10A.....	69.53
Group 11.....	69.77
Group 11A.....	71.41
Group 11B.....	72.22
Foreman.....	68.80
Add \$12.5% to base rate for "Special" Shift	

**Add Operating Engineers Zone Pay**  
**Add Premium Pay**

Craft: OPERATING ENGINEER (Union Rate)  
**STEEL FABRICATOR & ERECTOR**

**Prevailing wage rates include the base rate as well as all applicable fringes**

Operating Engineers	(SEE GROUP CLASSIFICATIONS)
Group 1.....	78.36
Group 1 Truck Crane Oiler.....	72.19
Group 1 Oiler.....	70.23
Group 2.....	76.85
Group 2 Truck Crane Oiler.....	71.94
Group 2 Oiler.....	70.02
Group 3.....	75.61
Group 3 Truck Crane Oiler.....	71.72
Group 3 Oiler.....	69.80
Group 3 Hydraulic.....	71.39
Group 4.....	73.88
Group 5.....	72.78
Add \$12.5% to base rate for "Special" Shift.....	

**Add Operating Engineers Zone Pay**  
**Add Premium Pay**

Craft: OPERATING ENGINEER (Union Rate)  
PILEDRIVER

**Prevailing wage rates include the base rate as well as all applicable fringes**

Operating Engineers	(SEE GROUP CLASSIFICATIONS)
Group 1.....	77.88
Group 1 Truck Crane Oiler.....	72.37
Group 1 Oiler.....	70.45
Group 2.....	76.29
Group 2 Truck Crane Oiler.....	72.16
Group 2 Oiler.....	70.25
Group 3.....	72.03
Group 3 Truck Crane Oiler.....	74.84
Group 3 Oiler.....	71.94
Group 4.....	73.33
Group 5.....	72.22
Group 6.....	68.94
Group 7.....	70.15
Group 8.....	69.19
Add \$12.5% to base rate for "Special" Shift.....	

**ADD ZONE RATE**

In addition to: **OPERATING ENGINEER, STEEL FABRICATOR & ERECTOR, and OPERATING ENGINEER PILEDRIVER**, rates add the applicable amounts per hour calculated based on a road miles from the Carson City Courthouse or Washoe County Courthouse

Zone 1	0 to 75 miles	\$0.00
Zone 2	75 to 150 miles	\$5.00
Zone 3	150 to 300 miles	\$6.00
Zone 4	300 miles over	\$7.00

**ADD PREMIUM PAY**

1. One and one-half (1-1/2) times the applicable straight-time rate for the day, shift, work, equipment and classification shall be paid for all work (including repair work and field survey work) performed on Saturday and before a shift begins and after it ends, except when operating equipment servicing a craft that is receiving double time on commercial building construction, in which case double time shall be paid.

2. Overtime. The following rates shall apply on Sundays and holidays and all work before a shift begins and after it ends:

**RECOGNIZED HOLIDAYS**

Holidays. Double the applicable straight-time rate shall be paid for all work (including repair, maintenance and field survey work) performed on Sundays and the following holidays: New Year's Day (January 1); Memorial Day (last Monday in May); Independence Day (July 4); Labor Day (1st Monday in September); Nevada Admission Day (last Friday in October); Thanksgiving Day (4th Thursday in November); the day after Thanksgiving Day; and Christmas Day (December 25). Holidays falling on Sunday shall be observed on the following Monday. Holiday hours shall be reckoned on the same basis as Sunday hours.

Saturday Shift Period. On any shift, Saturday shall be the twenty-four-hour period commencing at 12:00 midnight Friday.

Sunday Shift Period. On any shift, Sunday shall be the twenty-four-hour period commencing at 12:00 midnight Saturday.

3. For hours worked in excess of 12) on any such workday, an Employee shall be paid two (2) times the regular straight-time rate of pay for each hour so worked.

**JOB DESCRIPTION**, includes but is not limited to:

Operate one or several types of power construction equipment, such as motor graders, bulldozers, scrapers, compressors, pumps, derricks, shovels, tractors, or front-end loaders to excavate, move, and grade earth, erect structures, or pour concrete or other hard surface pavement.

Craft: PAINTER (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Brush/Roller Painter.....	47.34
Spray Painter/Paperhanger.....	49.00
Sandblaster.....	49.05
Structural Steel & Steeplejack.....	49.05
Swing Stage.....	49.34
Special Coating Application-Brush.....	49.39
Special Coating Application-Spray.....	49.39
Special Coating Application-Spray Steel.....	49.39
Foreman.....	\$1.00 above highest Journeyman

**ADD PREMIUM PAY**

One and one half (1 ½) the regular straight time hourly rate shall be paid:

1. For all hours worked over eight (8) hours in one day or shift unless the Union is notified when four (4) tens (10's) are instituted.
2. For any hours worked on Saturday from midnight to midnight
3. For any work performed in excess of the regular work week of forty (40) hours.

Double the regular straight time hourly rate shall be paid for all time:

1. For any hours worked on Sunday from midnight to midnight
2. For any hours worked on holidays from midnight to midnight

**RECOGNIZED HOLIDAYS**

New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:** Excerpt from Agreement between Painters and Allied Trades DC 16 and Independent Flooring Contractors of No Nevada

a. All painting of residences, buildings, structures, industrial plants, tanks, vats, pipes, vessels, bridges, light poles, high tension poles, traffic and parking lines on highways, parking lots, playgrounds, factories, and air line strips; all sign, pictorial, coach, car automobile, carriage, aircraft machinery, ship and railroad equipment, mural and scenic painting; spackling of all surfaces where adhesive materials are used; and all drywall pointing, taping and finishing.

b. All decorators, paperhangers, hard wood finishers, grainers, glaziers, varnishers, enamellers

1. Paperhangers work shall be all material of whatever kind or quality applied to walls or ceilings with paste or adhesive; all tacking on the muslin or other materials which is used as wall or ceiling coverings or covered with material pasted on.

2. The scraping off of old paper, preparing of walls, etc., for paper hangers work.

3. The application of relief, stucco, plaster or decorative work shall not be considered paperhanger's work exclusively.

(c) All men engaged in applying or removing paints, pigments, extenders, metal primers and metal pigments, clear pigments, binders, thinners and dryers, primers and sealers, oil paints and enamels,

water colors and emulsions, clear coatings, waxes, stains, mastics, cement enamels and other special coatings, plastics, adhesives, coatings and sheet rubber and other linings, oils, varnishes, water colors, wall paper, wall coverings or other materials used in the various branches of the trade, and the cleaning and bleaching of all interior and exterior walls and surfaces with liquid, steam, sandblast or any other process and all work incidental thereto.

Craft: PILEDRIVER (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Piledriver-Journeyman.....	55.41
Piledriver-Welder.....	56.41
Piledriver-Foreman.....	58.87
Piledriver-General Foreman.....	62.68
Tender.....	58.87
Stand-By Diver.....	59.87
Diver-Diving (Wet Pay).....	98.96

**ADD ZONE RATE**

In addition to PILEDRIVER rates add the applicable amounts per hour, calculated from the Washoe County Courthouse:

Zone 1	0 to 75 miles	\$0.00
Zone 2	75 to 150 miles	\$4.00
Zone 3	150 to 300 miles	\$5.00
Zone 4	Over 300 miles	\$6.00

**ADD PREMIUM PAY**

First two (2) hours outside the regular constituted shift shall be at the rate of time and one-half (1½X).

Saturdays up to the first ten (10) hours shall be at the rate of time and one-half (1½X). All additional hours and Sundays and holidays shall be the rate of double time (2X). When working on Sundays and holidays, there will be one dollar and fifty cents (\$1.50) per hour additional paid to Pension Annuity.

**RECOGNIZED HOLIDAYS**

New Year's Day, Memorial Day, 4th of July, Labor Day, Veteran's Day, Thanksgiving Day, the Friday after Thanksgiving, Christmas Day.

**JOB DESCRIPTION**

In addition, the operation of the power pack and vibratory hammer controls when driving or pulling, sheet pile, pile, soldier beams, cassinos or casing.

(1) In the construction of waterfront and marine facilities, such as docks, piers, wharves, bulkheads, jetties, and similar structures, the pile driver classification should continue to apply, up to and including the decking thereof.

(2) On all pile driving and caisson work on both land and water, the Pile Driver classification should apply.

(3) In the construction of wooden bridges whether over land or over water, when composed of heavy timber, the Pile Driver classification should apply.

(4) In the construction of concrete or steel bridges over land, the Pile Driver classification shall apply to the driving of piles and/or caisson work including the forms required for the capping of the piles or caissons immediately top of the piles or caissons. The capping of the piles is herein interpreted as being that concrete, wood, or other material resting on the top of the piles where driven or placed and does not include any further form work above the capping. In many instances it has been found that the capping is called the girder. The above shall apply on such concrete or steel bridges constructed over land, highways, railroads, overpasses and include cloverleafs, interchanges, etc.

(5) In the construction of concrete or steel bridges over water, the Pile Driver classification shall apply up to and including all of the form work to the top of the column, piers, or abutments supporting the steel and/or any other superstructures.

(6) In the erection of false work, when necessary for the support of work under the Pile Driver classification, then such false work shall fall within their classification. False work necessary for the support of work under the Carpenter classification shall be done within such Carpenter classification, with the exception that where pile driving or power equipment is used for heavy timber false work, then such work shall come under the Pile Driver classification. This would include all rigging, signaling and tagging incidental to the placing of the heavy timber.

(7) In the construction of open-cut sewers, the Pile Driver classification shall apply on all piling including wood, steel or concrete sheet piling, all bracing timber and form work incidental to the construction thereof.



Craft: PLASTERER (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Plasterer-Journeyman.....	48.82
Plasterer-Foreman.....	52.13

**ADD ZONE RATE**

In addition to PLASTERER rates add the applicable amounts per hour, calculated from the South Virginia and Mill Street, Reno, Nevada:

Zone 1	0 to 70 miles	\$0.00
Zone 2	70 miles and over	\$8.00

**ADD PREMIUM PAY**

OVERTIME Eight (8) consecutive hours (exclusive of a meal period) shall constitute a day's work at straight time. Five (5) consecutive days of eight (8) consecutive hours (exclusive of a meal period), Monday through Friday, shall constitute a week's work. One and one half (1 ½) the regular straight time hourly rate shall be paid for all work over eight (8) hours. Sunday will be paid at double the regular straight time rate.

**RECOGNIZED HOLIDAYS**

All work performed on the following holidays shall be paid for at double the regular straight time rate: New Year's Day, Memorial Day, Fourth of July, Labor Day, Admissions Day, Thanksgiving Day and the Friday after Thanksgiving and also Christmas Day.

If any of the above holidays fall on Sunday, the Monday following shall be considered a holiday.

No work shall be permitted on the Fourth of July or Labor Day, regardless of compensation or donation, except in case of emergency or to protect life and property. Permission to work shall be granted by the representative of the Union or its officer.

**JOB DESCRIPTION:** Excerpt from Agreement No NV. Plasterers Master Labor Agreement

This includes but is not limited to:

1. All building construction, including but not limited to the construction, erection, alteration, repair, modification, demolition, addition, or improvement in whole or in part of any building structures,
2. All interior or exterior plastering construction, restoration, repair and inspection of cement, stucco, stone imitation or any patent material when ornamental molded plaster, and the setting of same. All specialty finishes such as veneer, venetian, marmoreno and grasello. All custom and specialty finishes, including but not limited to custom rock, carved plaster, brick and block veneer, stone and wood. Smooth and finish surfaces of full system E.I.F.S. including sticking and shaping of foam pieces or surfaces by adhesive or mechanical installation. All spray or toweled on fireproofing, including cementitious and intumescent products. All plaster acoustical finish systems including, but not limited to, BASWA Phon and Fellert.
3. All work processes which represent technological change, replacement, modification or substitution for the work described above. In addition, all work and use of new materials or *2020-2024 Reno Plasterers Master Labor Agreement* 4 techniques involved in plaster construction including but not limited to what is known as green or sustainable construction technology.

Craft: PLUMBER/PIPEFITTER (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Plumber/Pipefitter-Journeyman.....	66.95
Plumber/Pipefitter-Foreman.....	71.48
Plumber/Pipefitter-General Foreman.....	76.01

**ADD ZONE RATE**

In addition to PLUMBER/PIPEFITTER rates add the applicable amounts per statute air mile radius from the Nevada freeway interchange of Interstate 80 and 580.

Zone 1	0 to 75	\$0.00
Zone 2	Over 75 miles	\$8.00

A separate free zone will be established for employees permanently residing and working within a seventy-five (75) statute air mile radius of the Elko, Nevada Post Office.

Zone 1	0 to 75	\$0.00
Zone 2	Over 75 miles	\$8.00

**ADD PREMIUM PAY**

Premium pay for hours worked in excess of a shift of 8 hours or 12 hours or such other time increment set forth in the Collective Bargaining Agreement or on a weekend or holiday.

**RECOGNIZED HOLIDAYS**

New Year's Day, Memorial Day, Fourth of July, Labor Day, Nevada Admission Day, Thanksgiving Day, the Friday after Thanksgiving Day, Day Before Christmas and Christmas Day and any Friday preceding a Holiday falling on a Saturday, if worked, holidays shall be compensated at the double time rate.

**JOB DESCRIPTION** Excerpt from Agreement between LU 350 of United Assoc. of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of United States and Canada

Installation of all heating and refrigeration systems and competent parts thereof, including fabrication, assembling, erection installation, dismantling, repairing, reconditioning, adjusting, altering servicing, handling, distributing, and tying on all piping materials appurtenances and equipment by method, including all hangars and supports of every description, all other work including the the trade relevant to oil burner and all other types of heating and refrigeration equipment including low voltage controls.

Craft: REFRIGERATION MECHANIC (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Refrigeration-Journeyman.....	59.34
Refrigeration -Foreman.....	62.81
Refrigeration -General Foreman .....	66.27

**ADD PREMIUM PAY**

Premium pay for hours worked in excess of a shift of 8 hours or 12 hours or such other time increment set forth in the Collective Bargaining Agreement or on a weekend or holiday.

**RECOGNIZED HOLIDAYS**

New Year's Day, Memorial Day, Fourth of July, Labor Day, Nevada Admission Day, Thanksgiving Day, the Friday after Thanksgiving Day, Day Before Christmas and Christmas Day and any Friday preceding a Holiday falling on a Saturday, if worked, holidays shall be compensated at the double time rate.

**JOB DESCRIPTION** Excerpt from Agreement between LU 350 of United Assoc. of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of United States and Canada

Installation of all heating and refrigeration systems and competent parts thereof, including fabrication, assembling, erection installation, dismantling, repairing, reconditioning, adjusting, altering servicing, handling, distributing, and tying on all piping materials appurtenances and equipment by method, including all hangars and supports of every description, all other work including the trade relevant to oil burner and all other types of heating and refrigeration equipment including low voltage controls.

Craft: ROOFER (Non-Union Rate)  
(Does not include sheet metal roofs)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Rofer-Journeyman.....33.64

**ROOFER**

Includes but is not limited to:

1. Installing and covering roofs and structures with slate, asphalt, wood and other related materials, other than sheet metal, by using brushes, knives, punches, hammers and other tools;
2. Spraying roofs, sidings and walls with material to bind, seal, insulate or soundproof sections of a structure;
3. Installation of all plastic, slate, slag, gravel, asphalt and composition roofing, and rock asphalt mastic when used for damp and waterproofing;
4. Installation of all damp resisting preparations when applied on roofs with mop, three-knot brush, roller, swab or spray system;
5. All types of preformed panels used in waterproofing;
6. Handling, hoisting and storing of all roofing, damp and waterproofing materials;
7. The tear-off and/or removal of roofing and roofing materials;

Craft: SHEET METAL WORKERS (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Sheet Metal Worker Journeyman.....	71.50
Sheet Metal Worker -Foreman.....	75.71
Sheet Metal Worker -General Foreman.....	79.93

**ADD ZONE RATE**

In addition to SHEET METAL rates add the applicable amounts per hour, calculated based on a road from the courthouse in Reno, Nevada:

Zone 1	0 to 75 miles	\$0.00
Zone 2	75 to 100 miles	\$5.00
Zone 3	Over 100 miles	\$10.00 the employee shall be provided reasonable lodging and meal expenses.

**ADD PREMIUM PAY**

All hourly rates are subject to Over Time (One and one half 1 ½) of the Regular rate:

1. For all hours worked over Eight (8) Hours in one day or shift.
2. For the first Eight (8) Hours work on Saturday.

All hourly rates are subject to Double Time of the Regular Rate:

1. For all hours worked over Ten (10) Hours in one day or shift.
2. For all hours worked over Eight (8) Hours on Saturday.
3. For all hours worked on Sunday, New Year’s Day, President’s Day, Memorial Day, Independence Day, Labor Day, Nevada Day, Thanksgiving Day, Day after Thanksgiving, Day before Christmas, and Christmas Day.

**RECOGNIZED HOLIDAYS**

New Year’s Day, President’s Day, Memorial Day, Independence Day, Labor Day, Nevada Day, Thanksgiving Day, Day after Thanksgiving, Day before Christmas, and Christmas Day

**JOB DESCRIPTION:** Excerpt from Sheet Metal Local 26 Collective Bargaining Agreement

(a) manufacture, fabrication, assembling, handling, erection, installation, dismantling, conditioning, adjustment, alteration, repairing and servicing of all ferrous or nonferrous metal work and all other materials used in lieu thereof and of all HVAC systems, air veyor systems, exhaust systems, and air-handling systems regardless of material used including the setting of all equipment and all reinforcements in connection therewith; (b) all lagging over insulation and all duct lining; (c) testing and balancing of all air-handling equipment and duct work; (d) the preparation of all shop and field sketches whether manually drawn or computer assisted used in fabrication and erection, including those taken from original architectural and engineering drawings or sketches; (e) metal roofing; and (f) all other work included in the jurisdictional claims of International Association of Sheet Metal, Air, Rail and Transportation Workers.

Craft: SPRINKLER FITTER (Non-Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Sprinkler Fitter-Journeyman.....27.08

**JOB DESCRIPTION**

Installing, dismantling, maintenance, repairs, adjustments and corrections of all fire protection and fire control systems Including the unloading, handling by hand, power equipment and installation of all piping or tubing, appurtenances and equipment pertaining thereto, including both overhead and underground water mains, fire hydrants and hydrant mains, standpipes, and hose connections to sprinkler systems, sprinkler tank heaters, air lines and thermal systems used in connection with sprinkler and alarms systems, also all tanks and pumps connected thereto. Also including shall be CO2 and Cardox Systems, Dry Chemical Systems, Foam Systems and all other fire protection systems, but excluding steam fire protection systems.

Craft: SOILS and MATERIAL TESTER (Non-Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Soil Tester (Certified).....44.17  
Soils and Materials Tester.....44.17

Craft: SURVEYOR (Non-Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Surveyor.....38.81

**SURVEYOR**, includes but is not limited to:

1. Planning ground surveys designed to establish base lines, elevation and other geodetic measurements;
2. Compiling data relevant to the shape, contour, gravitation, location, elevation and dimension of land and land features on or near the surface of the Earth for engineering, map making, mining, land evaluation, construction and other purposes;
3. Surveying bodies of water to determine navigable channels and to secure data for construction of breakwaters, piers and other marine structures;
4. Computing data necessary for driving and connecting underground passages, underground storage and volume of underground deposits.

Craft: TAPER (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Taper-Journeyman.....	53.86
Taper-Foreman.....	57.75

**ADD ZONE RATE**

In addition to: TAPER rates add the applicable amounts per hour Zone Pay shall commence from Maryland Parkway and Charleston Boulevard and shall be paid as follows:

Zone 1	0 to 40 miles	\$0.00
Zone 2	40 to 60 miles	\$2.50
Zone 3	over 60 miles	\$4.25

**RECOGNIZED HOLIDAYS**

New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**ADD PREMIUM PAY**

All overtime, except Sundays and holidays, will be time and one-half (1 1/2). Sundays and holidays will be paid double time (2X). Any and all work performed in excess of the regular workday of eight (8) hours, or ten (10) hours if mutually agreed to, and the regular workweek of forty (40) hours shall be considered overtime and shall be paid for at one and one-half (1 1/2) times the regular hourly rate.

**JOB DESCRIPTION:** Excerpt from Agreement between DC 16 and the independent Drywall Contractors of Northern Nevada

SECTION 1 -- The scope of work covered by this Agreement shall include (but not be limited to) all work operations, including distribution to the point of application, as follows:

- (a) Work or services pertaining to the preparation, spotting, pointing, detailing, flushing, sanding and finishing of interior and/or exterior gypsum, drywall, thin wall, concrete, steel, wood and plaster surfaces, spackling of all surfaces where adhesive materials are used; and all drywall pointing, taping and finishing.
- (b) Work or services pertaining to the application of all finish or flushing materials regardless of method of application or type of surface on which materials are applied, including but not limited to texture and simulated acoustic materials of all types and the application of radiant heat fill and steel fireproofing materials.
- (c) Work or services pertaining to the installation of protective coverings and masking prior to the application of finish materials.
- (d) The operation and care of all taping tools and texturing equipment used in the finishing and texturing of drywall and other surfaces including brushes, rollers, spray texturing equipment, miscellaneous hand, mechanical, and power tools, and the operation and maintenance of compressors required in the finishing and texturing of such surfaces.
- (e) No limitation shall be placed on the work covered by this Agreement by reason of the surface, type of material or purpose for which the materials used are designed or intended.
- (f) The cleanup of all materials and debris occasioned by any job operation at the site of construction, alteration, or repair undertaken whether such operation occurs on the interior or exterior of a building structure.

Craft: TILE SETTER/TERRAZZO WORKER/MARBLE MASON FINISHER (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Tile Setter/Terrazzo Worker/Marble Mason- Finisher.....	37.82
Tile Setter/Terrazzo Worker/Marble Mason- Finisher Foreman.....	39.07
Tile Setter/Terrazzo Worker/Marble Mason Finisher- General Foremen.....	40.82

**ADD PREMIUM PAY**

All work in excess of forty (40) hours during the established work week shall be paid at the rate of one and one-half (1-1/2) times the hourly base wage rate in effect.

Employees shall be paid one and one-half (1-1/2) times the hourly wage rate for all hours worked over eight (8) in a single day and double time after ten (10) hours in a single day, Monday through Friday, except recognized holidays.

Daily Overtime Saturdays the first ten (10) hours performed on Saturday shall be paid at one and one-half (1-1/2) times the straight time wage rate.

Daily Overtime Sunday- Employees shall be paid double time on Sundays if forty (40) straight time hours have been worked during the proceeding work week.

Holidays shall be paid double time for hours owed on recognized holidays.

**RECOGNIZED HOLIDAYS**

New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day. Any holiday falling on a Sunday will be observed on Monday.

**JOB DESCRIPTION:** Excerpt from Agreement between BAC 13 Nevada of the Mountain West Administrative District Council Master Labor Agreement

*FINISHER'S WORK:*

Finisher's work shall consist of assisting, helping or supporting the tile, marble and terrazzo mechanic by performing their historic and traditional work assignments. required to complete the proper installation of the work covered by Sections 5, 7 and 8 of this Code.



Craft: TILE SETTER/TERRAZZO WORKER/MARBLE MASON (Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Tile Setter Journeyman.....	47.87
Tile Setter Foreman.....	49.12
Tile Setter General Foreman.....	50.87
Terrazzo/Marble Mason-Journeyman .....	49.37
Terrazzo/Marble Mason-Foreman .....	50.62
Terrazzo/Marble Mason-General Foreman.....	52.37

**ADD ZONE RATE**

In addition to TILE SETTER/TERRAZZO WORKER/MARBLE MASON rates add the applicable amounts per hour, calculated based on a road miles of over fifty (50) miles from the Washoe County Courthouse in Reno, Nevada:

Zone 1	0 to 50 miles	\$0.00
Zone 2	50 to 75 miles	\$3.75
Zone 3	Over 70 miles	\$8.13

**ADD PREMIUM PAY**

All work in excess of forty (40) hours during the established work week shall be paid at the rate of one and one-half (1-1/2) times the hourly base wage rate in effect.

Employees shall be paid one and one-half (1-1/2) times the hourly wage rate for all hours worked over eight (8) in a single day and double time after ten (10) hours in a single day, Monday through Friday, except recognized holidays.

Daily Overtime Saturdays the first ten (10) hours performed on Saturday shall be paid at one and one-half (1-1/2) times the straight time wage rate.

Daily Overtime Sunday- Employees shall be paid double time on Sundays if forty (40) straight time hours have been worked during the proceeding work week.

Holidays shall be paid double time for hours owed on recognized holidays.

**RECOGNIZED HOLIDAYS**

New Year’s Day, President’s Day, Memorial Day, Independence Day, Labor Day, Veteran’s Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day. Any holiday falling on a Sunday will be observed on Monday.

**JOB DESCRIPTION:** Excerpt from Agreement between BAC 13 Nevada of the Mountain West Administrative District Council Master Labor Agreement

***TILE LAYERS’ WORK:***

Tile laying shall consist of, but not be limited to, the following work procedures and installation of the following materials:

A. The laying, cutting or setting of all tile where used for floors, walls, ceilings, walks, promenade roofs, stair treads, stair risers, facings, hearths, fireplaces, and decorative inserts, together with any marble plinths, thresholds or window stools used in connection with any tile work; also, preparing and setting all concrete, cement, brickwork, or other foundation or materials that may be required to properly set and complete such work; setting or bedding all tiling, stone, marble, composition, glass, mosaic, or other materials forming the facing, hearth or fireplace of a mantel, or the mantel complete, together with setting of all cement, brickwork, or other materials required in connection with the above work; also the slabbing and fabrication of tile mantels, counters and tile panels of every description, and the erection and installation of same; the building, shaping, forming, construction or repairing of all fireplace work, whether in connection with a mantel hearth facing or not, and the setting and preparing of all material, such as cement, plaster, mortar, brickwork, iron work or other materials necessary for the proper and safe construction and completion of such work, except that a mantel made exclusively of brick, marble or stone, shall be conceded to be bricklayers', marble setters' or stonemasons' work, respectively.

B. It will be understood that the word "tile" refers to all burned clay products, as used in the tile industry, either glazed or unglazed, and to all composition materials made in single units up to 15"x20"x2", except quarry tiles larger than 9"x9"x1 1/4", also to mixtures in tile form of cement, plastics and metals that are made for and intended for use as a finished floor surface, whether upon interior or exterior floors, stair treads, promenade roofs, garden walks, interior walls, ceilings, swimming pools, and all places where tile may be used to form a finished surface for practical use, sanitary finish or decorative purposes, for setting all accessories in connection therewith, or for decorative inserts in other materials.

C. All terra cotta called unit tile in sizes of 6"x12" or under, regardless of method of installation, quarry tile 9"x9"x1 1/4" or less; split brick or quarry tile or similar material where the bed is floated or screeded and the joints grouted. Where the work is installed by tile layers, the grouting and cleaning shall be supervised by the mechanic. The bedding, jointing, and pointing of the above materials shall be the work of the craft installing the same. All clay products known as terra cotta tile, unit tile, ceramic veneer and machine-made terra cotta, and like materials in sizes 6"x12" and less regardless of the method of installation. Where the preponderance of materials to be installed comes within the provisions of this Section and when there is also some material in excess of the sizes provided for in this Section, the tile setter shall install all such materials.

D. The preparation, setup, calibration, operation, cleaning, and routine maintenance of any mechanical devices or robotics used to install tile and related materials, or that otherwise assist the tile layer in performing any of the work described in Article II and Code 1 of the IU Constitution, as well as the preparation and ongoing maintenance of the work area to allow proper installation of tile and related materials.

Craft: TRAFFIC BARRIER ERECTOR (Union Rate)

Prevailing wage rates include the base rate as well as all applicable fringes

Traffic Barrier Erector.....45.53

**ADD ZONE RATE**

In addition to LABORER rates add the applicable amounts per hour, calculated based on a road miles from either the Carson City Courthouse or the Washoe County Courthouse:

Zone 1	0 to 75 miles	\$0.00
Zone 2	75 to 150 miles	\$4.00
Zone 3	150 to 300 miles	\$5.00
Zone 4	300 miles and over	\$6.00

**ADD PREMIUM PAY**

One and one half (1 ½) the regular straight time hourly rate shall be paid:

1. For all hours worked over eight (8) hours in one day or shift.
2. For any hours worked on Saturday from mid night to midnight.

Double the regular straight time hourly rate shall be paid for all time:

1. For all hours worked over twelve (12) hours in one day or shift.
2. For any hours worked on Sunday from midnight to midnight.
3. For any hours worked on holidays from midnight to midnight.

**RECOGNIZED HOLIDAYS**

If any of these holidays fall on Sunday, the Monday following shall be considered a Holiday.

New Year’s Day, President’s Day, Memorial Day, Independence Day, Labor Day, Veteran’s Day, Thanksgiving Day, Day after Thanksgiving Day, Christmas Day.

**JOB DESCRIPTION:** Excerpt from Agreement between AGC and LIUNA Local 169

1. Distributing traffic control signs and markers along site in designated pattern;
2. Informing drivers of detour routes through construction sites;

Craft: Truck Driver (Non-Union Rate)

Prevailing wage rates include the base rate as well as all applicable fringes

**Dump Trucks (Single or Multiple Units Including Semi's & Double Transfer Units), Dumpcretes and Bulk Cement Spreader**

Under 4 yds. (water level).....	28.72
4 yds. & under 8 yds. (water level).....	28.72
8 yds. & under 18 yds. (water level).....	28.72
18 yds. & under 25 yds. ( water level ) .....	28.72
25 yds. & under 60 yds. (water level).....	28.72
60 yds. & under 75 yds. (water level) ).....	28.72
75 yds. & under 100 yds. (water level) ).....	28.72
100 yds. & under 150 yds. (water level) ).....	28.72
150 yds. & under 250 yds. (water level) ).....	28.72
250 yds. & under 350 yds. (water level) ).....	28.72
350 yds. & over (water level).....	28.72

**Transit Mix**

Under 8 yds.....	28.72
Under 8 yds & including 12 yds.....	28.72
Over 12 yds.....	28.72

**Transit Mix (Using Boom)**

Transit mix with boom shall receive 16 cents per hour above the appropriate yardage classification rate of pay when such boom is used.....	28.72
--	-------

**Water & Jetting Trucks**

Up to 2,500 gallons.....	28.72
Up to 2,500 gallons & over.....	28.72
DW 20's & 21's & other similar Cat type, Terry Cobra LeTourneau pulls, Tournerocker, Euclid, & similar type equipment when pulling Aqua/Pak, Water Tank Trailers, & Fuel, and/or Grease Tank Trailer, or other miscellaneous Trailers, (except as defined under "Dump Trucks")	
Heavy Duty Transport (High Bed).....	28.72
Heavy Duty Transport(Gooseneck low bed).....	28.72
Tiltbed or Flatbed Pull Trailers..	28.72
Bootman, Comb. Bootman & Road Oiler.....	28.72
Flat Rack (2 or 3 axle unit).....	28.72

**Bus & Manhaul Drivers**

Up to 18,000 lbs. (single unit).....	28.72
18,000 lbs. and over .....	28.72
Warehousemen Spotter .....	28.72

**Winch Truck & "A" Frame Drivers**

Up to 18,000 lbs. ....	28.72
18,000 lbs. and over.....	28.72
Warehousemen Spotter.....	28.72
Warehouse Clerk.....	28.72
Tire Repairmen.....	28.72
Truck Repairmen.....	28.72
Pick Up Truck & Pilot Cars (Jobsite) .....	28.72
Pick Up Truck & Pilot Cars (Over the road) .....	28.72
Truck Oil Greaser.....	28.72
Fuel Truck Driver.....	28.72
Fuel Man & Fuel Island Man.....	28.72
Oil Tanker.....	28.72

Oil Tanker with Pup.....	28.72
Foreman.....	28.72

**TRUCK DRIVER**

Includes but is not limited to:

Driving a tractor trailer combination or a truck to transport goods or materials at the site of a public work or between sites of a public work. (Also, see descriptions listed with Truck Driver rates, if any.)

Craft: WELL DRILLER (Non-Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Well Driller.....31.29

**JOB DESCRIPTIONS**

1. Setting, operating or tending to portable drilling rig machinery and related equipment to drill wells;
2. Extending stabilizing jackscrews to support and level a drilling rig;
3. Installing water well pumps;
4. Drillings wells for industrial water supplies, irrigation water supplies or water supplies for any other purpose; dewatering or other similar purposes; exploration; hole drilling for geologic and hydrologic information; and core drilling for geologic information.

# GROUP CLASSIFICATIONS

---

LABORER, includes but is not limited to:

## Group 1

- All cleanup work of debris, grounds, and building including windows and tile
- Dumpmen or Spotter (other than asphalt)
- Handling and Servicing of Flares, Watchmen
- General Laborer
- Guideposts and Highway Signs
- Guardrail Erection and Dismantling
- Limber, Brushloader and Piler
- Pavement Marking and Highway Striping
- Traffic Barrier Erector
- Tending to portable space heaters
- Profilograph work all types manual, self propelled or carts
- Gabion basket, building, handling, installation and rigging
- Dry set paver work
- Traffic Barrier Erector

## Group 2

- Choker setter or Rigger (clearing work only) Pittsburgh
- Chipper and similar type brush shredders
- Concrete worker (wet or dry) all concrete work not listed in Group 3 included but not limited to: concrete forms stripping, handling, cleaning, oiling and moving to the next point of installation.
- Crusher or Grizzly Tender
- Greasing Dowels
- Guinea Chaser (Stakemen)
- Panel Forms (wood or metal) handling, cleaning and stripping of Loading and unloading, (Carrying and handling of all rods and material for use in reinforcing concrete
- Railroad Trackmen (maintenance, repair or builders)
- Sloper
- Semi-Skilled Wrecker (salvaging of building materials other than those listed in Group 3)
- Waterproofing work
- Epoxy rebar/dowels and anchoring dowel baskets
- Placement pouring of concrete including any epoxy resin or similar materials, rodding, spreading and tamping concrete, brooming or brushing, hand application of curing compounds, applying topping (wet or dry) colors or grits, and exposed finishes for architectural work
- Concrete patching, dry packing, chipping, stoning, and grouting
- Concrete cold weather/rain protection and curing
- Placement /anchoring of all earth stabilization/filters fabrics,
- Mechanically stabilized Earth (MSE) and Keystone type retaining walls rigging, placing , aligning, backfilling and installation of dead men and any stabilization compenents

## Group 3

- Asphalt Workers (Ironers, Shovelers, Cutting Machine)
- Buggymobile

- Chainsaw, Faller, Logloader and Bucker
- Compactor (all types)
- Concrete Mixer under 1/2 yard
- Concrete Pan Work (Breadpan type), handling, cleaning\stripping
- Concrete Saw, Chipping, Grinding, Sanding, Vibrator
- Cribbing, Shoring, Lagging, Trench Jacking, Hand-Guided Lagging Hammer
- Curbing or Divider machine
- Curb Setter (precast or cut)
- Ditching Machine (hand-guided)
- Drillers Helper, Chuck Tender
- Fence erector including safety, chain link, turtle, field and barbe wire fencing
- Form Raiser, Slip Forms
- Grouting of Concrete Walls, Windows and Door Jams
- Headerboardmen
- Jackhammer, Pavement Breaker, Air Spade
- Mastic Worker (wet or dry)
- Pipewrapper, Kettlemen, Potmen, and men applying asphalt, creosote and similar type materials
- All Power Tools (air, gas, or electric), Post Driver
- Riprap-Stonepaver and RockSlinger, including placing of sack concrete wet or dry Rototiller
- Rigging and Signaling in connection with Laborers' work
- Sandblaster, Potmen, Gunmen or Nozzlemen water blasting not covered in group 5A
- Vibra-screed
- All demolition and wrecking work including but not limited t any torch work cutting, burning, plasma are, dust control, and salvaging (removing and salvaging of all materials, windows, doors, plumbing, and electrical fixtures) and use of customary tools and equipment for demolition and wrecking
- All underpinning foundation work, digging and underpinning pits, removal of debris with tuggers or other methods, cutting, handling and installing all shoring boards and lagging boards used for underpinning and foundation work, placement and tying of steel reinforcing for underpinning piers, all tiebacks and soil nail work drilling and grouting, all soldier beam work and us of customary tools and equipment for underpinning foundation work

### **Group 3A**

- Concrete Specialist
- Setting screeds
- Screed pins
- Curb forms and curb and gutter forms,
- Using Darby and push floats,
- Hand trowels or hand floating
- Marking edging
- Using base cove or step tools
- Spreading and finishing gypsum
- Concrete grinding machines (the terms does not include Rotomill machines for highway overlay grinding)
- Troweling machines,
- Floating machines
- Finishing of epoxy or resin materials,
- Operation of skill saw



- Laser Screed
- Laser Level
- Curb and Slipform machines,
- Stamps or other means or texturing,
- Any new devices which are beneficial to the construction of or with concrete or related products.

#### **Group 4**

- Burning and Welding in connection with Laborers' work
- Joy Drill Model TWM-2A, Gardner Denver Model DN143 and similar type drills (in accordance with Memorandum of Understanding between Laborers and Operating Engineers dated at Miami, Florida, Feb. 3, 1954) and Track Drillers, Diamond Core Drillers, Wagon Drillers, Mechanical Drillers on Multiple Units
- High scalers including but not limited to laying, anchoring, pinning, cabling and stretching of any rock fall netting, mesh or wire fabric and use of customary tools and equipment for high scaling
- Concrete pump operator
- Heavy Duty Vibrator with Stinger 5" diameter or over
- Pipelayer, Caulker and Bander
- Pipelayer-waterline, Sewerline, Gasoline, Conduit and all other types of composition for any purpose buried under ground outside of building including, stringing, trench shoring, backfilling sanding, caution taping, all walk behind equipment and spotting
- Laborer work in connection with micro tunneling, directional drilling and pipe-jacking
- Cathodic protection, grounding for pipe work
- Cleaning of Utility Lines
- Slip Lining of Utility Lines (including operation of Equipment)
- TV Monitoring and Grouting of Utility Lines
- Asphalt Rakers and Asphalt dump Man
- All mechanical and pressurized pipe work, including the installation of pipe above and below ground, cathodic protection, bolt up, and support installation in connection to water conveyance, c

#### **Group 4A**

- Foreman

#### **Group 5**

- Construction Specialists
- Blasters and Powdermen, all work of loading, placing, and blasting of all powder and explosives of any type, regardless of method used for such loading and placing  
Asbestos removal
- Lead abatement
- Hazardous waste
- Material removal

#### **Group 5A**

- Pavement Marking and Highway Striping
- Pavement Marking and Highway Striping Foreman
- Pavement Marking and Highway Striping work includes but is not limited to: All work by any method performed in connection with the permanent or temporary application and installation of pavement marking of any kind, brand, type or style on parking lots, airfields, highways,

streets and other such surfaces and all work performed in connection with removal of pavement.

**Group 6**

- Guniting Foremen, Nozzlemen, Rodmen, Gunmen, Materialmen, Reboundmen
  - Tunnel and shaft workers/miners and use of customary tools and equipment for tunnel and mine work All work performed in a compressed air tunnel shaft or chamber including the use of hand, power tools or equipment as necessary in connection with compressed air work
-

**OPERATING ENGINEER, includes but is not limited to:**

**Group 1**

- Engineer Assistant

**Group 1A**

- Oiler (Construction)
- Partsman

**Group 2**

- Compressor Operator
- Material Loader and/or Conveyor Operator (handling building materials)
- Pump Operator

**Group 3**

- Bobcat or similar loader, 1/4 cu. yd. or less
- Concrete Curing Machines (streets, highways, airports, canals)
- Conveyor Belt Operator (tunnel)
- Forklift (under 20)
- Engineer Generating Plant (500 K.W.)
- Mixer Box Operator (concrete plant)
- Motorman
- Rodman/Chainman
- Rotomist Operator
- Oiler (truck crane)

**Group 4**

- Concrete Mixer Operator, Skip type
- Dinky Operator
- Forklift (20' or over) or Lumber Stacker
- Ross Carrier
- Skip Loader Operator (under one (1) cu. yd.)
- Tie Spacer

**Group 5**

- Concrete Mixers (over one (1) cu. yd.)
- Concrete Pumps or Pumpcrete Guns
- Elevator and Material Hoist (one (1) drum)
- Groundman for Asphalt Milling and similar

**Group 6**

- Auger type drilling equipment up to and including 30 ft. depth digging capacity M.R.C.
- Boom Truck or Dual-Purpose a-Frame Truck
- B.L.H. Lima Road Pactor or similar
- Chip Box Spreader (Flaherty type or similar)
- Concrete Batch Plant (wet or dry)
- Concrete Saws (highways, streets, airports, canals)
- Locomotives (over thirty (30) tons)
- Maginnis International Full Slab Vibrator (airports, highways, canals and warehouses)
- Mechanical Finishers (concrete) (Clary, Johnson, Bidwell Bridge Deck or similar types)

- Mechanical Burn, Curb and/or Curb and Gutter Machine (concrete or asphalt)
- Pavement Breaker, Truck Mounted, with compressor combination
- Pavement Breaker or Tamper (with or without compressor combination)
- Power Jumbo Operator (setting slip-forms, etc., in tunnels)
- Roller Operator (except asphalt)
- Self-Propelled Tape Machine
- Self-Propelled Compactor (single engine)
- Self-Propelled Power Sweeper Operator
- Slip-Form Pump (power-driven by hydraulic, electric, air, gas, etc. lifting device for concrete forms)
- Small Rubber-Tired Tractors
- Snooper Crane, Paxton-Mitchell or similar
- Stationary Pipe Wrapping, Cleaning and Bending Machine Operator

### **Group 7**

- Auger type drilling equipment over 30 ft. depth digging capacity M.R.C.
- Compressor (over 2)
- Concrete Conveyor or Concrete Pump, truck or equipment mounted (any assistance required shall be performed by an Assistant to Engineer) Boom length to apply Concrete Conveyor, Building Site
- Drilling and Boring Machine, vertical and horizontal (not to apply to waterliners, wagon drills or jack hammers)
- Crusher Plant Engineer
- Generators
- Instrument Man
- Kolman Loader
- Material Hoist (two (2) or more drums)
- Mine or Shaft Hoist
- Pipe Bending Machines (pipeline only)
- Pipe Cleaning Machines (tractor-propelled and supported)
- Pipe Wrapping Machines (tractor-propelled and supported)
- Portable Crushing and Screening Plants
- Post Driller And/or Driver
- Pumps (over 2)
- Screedman (except asphaltic or concrete paving)
- Self-Propelled Boom-Type Lifting Device (center mount) (on ten (10) ton capacity or less)
- Slusher Operator
- Soil Tester (Certified)
- Soils and Materials Tester
- Surface Heater and Planer Operator
- Trenching Machine (maximum digging capacity three (3) ft. depth) (Any assistance in the operation, if needed, shall be performed by an Assistant to Engineer)
- Truck-Type Loader
- Welding Machines (gasoline or diesel)

### **Group 8**

- Articulated on-Site Dump Trucks
- Asphalt Plant Engineer
- Asphalt Milling Machine

- Cast-In-Place Pipe-Laying Machine
- Combination Slusher and Motor Operator
- Concrete Batch Plant (multiple units)
- Dozer Operator
- Drill Doctor
- Elevating Grader Operator
- Stiff Frame Off Road Haul Trucks
- Grooving and Grinding Machine (highways)
- Ken Seal Operator
- Marination Plant
- Loader (up to and including two and one-half (2 1/2) cu. yds)
- Mechanical Finishers or Spreader Machine (asphalt, Barber-Greene or similar)
- Shuttle Buggy
- Mechanical Trench Shield
- Mixermobile
- Push Cats
- Road Oil Mixing Machine Operator Wood-Mixer (and other similar Pugmill equipment)
- Roller Operator (asphalt)
- Rubber-Tired Earthmoving Equipment (up to and including thirty-five (35) cu. yds. "struck " M.R.C., Euclids, T-Pulls, DW10, 20, 21 and similar)
- Water Pull
- Screedman (Barber-Greene and similar) (asphaltic or concrete paving)
- Self-Propelled Compactors with Dozer; Hyster 450, Cat 825 or similar
- Sheepfoot
- Small Tractor (with boom)
- Soil Stabilizer (P & H or equal)
- Timber Skidder (rubber-tired) or similar equipment
- Track Loader
- Tractor-Drawn Scraper
- Tractor Operator
- Tractor-Mounted Compressor Drill Combination
- Trenching Machine Operator (over three (3) feet depth)
- Tri-Batch Paver
- Tunnel Badger or Tunnel Boring Machine Operator
- Tunnel Mole Boring Machine
- Vermeer T-600b Rock Cutter
- Vacuum Truck(excludes trailer mounted vaccums)

### **Group 9**

- Chicago Boom
- Combination Backhoe and Loader (up to and including 3/8 cu. yd.)
- Combination Mixer and Compressor (gunite)
- Heavy Duty Repairman and/or Welder
- Lull Hi-Lift (twenty (20) feet or over)
- Mucking Machine
- Sub-Grader (Gurries or other types)
- Tractor (with Boom) (D6 or larger)
- Track-Laying-Type Earthmoving Machine (single engine with tandem scrapers)

### **Group 10**

- Boom-Type Backfilling Machine
- Bridge Crane
- Cary-Lift or similar
- Chemical Grouting Machine
- Chief of Party
- Derricks (two (2) Group 10 Operators required when swing engine remote from hoist)
- Derrick Barges (except excavation work)
- Euclid Loader and similar types
- Heavy Duty Repairman
- Heavy Duty Rotary Drill Rigs
- Lift-Slab (Vagtborg and similar types)
- Loader (over two and one-half (2 1/2 cu. yds. up to and including four (4) cu. yds.)
- Locomotive (over one hundred (100) tons, single or multiple units)
- Multiple-Engine Earthmoving Machines (Euclid Dozers, etc.)
- Pre-Stress Wire Wrapping Machine
- Rubber-Tired Scraper, Self-Loading
- Single-Engine Scraper (over thirty-five (35) cu. yds.)
- Shuttle Car (Reclaim Station)
- Train Loading Station
- Trenching Machine multi-engine with sloping attachments (Jefco or similar)
- Vacuum Cooling Plant
- Whirley Crane (up to and including twenty-five (25) tons)

### **Group 10A**

- Backhoe-Hydraulic (up to and including one (1) cu. yd.)
- Backhoe (up to and including one (1) cu. yd.) (Cable)
- CMI Dual Lane Auto-Grader SP30 or similar type
- Cranes (not over twenty-five (25) tons) (hammerhead and gantry)
- Finish Blade
- Gradalls (up to and including one (1) cu. yd.)
- Motor Patrol Operator
- Power Shovels, Clamshells, Draglines, Cranes (up to and including one (1) cu. yd.)
- Rubber-Tired Scraper, Self-Loading (twin engine)
- Self-Propelled Boom-Type Lifting Device, center mount (over 10 tons up to and including 25 tons)

### **Group 11**

- Automatic Asphalt or Concrete Slip-Form Paver
- Automatic Railroad Car Dumper
- Canal Trimmer
- Cary Lift, Campbell or similar type
- Cranes (over twenty-five (25) tons)
- Euclid Loader when controlled from the Pullcat
- Finish Blade
- Gradesetter, Grade Checker
- Highline Cableway Operator
- Loader (over four (4) cu. yds. up to and including twelve (12) cu. yds.)

- Multi-Engine Earthmoving Equipment (up to and including seventy-five (75) cu. yds. struck m.r.c.)
- Multi-Engine Scrapers (when used to Push Pull)
- Power Shovels, Clamshells, Draglines, Backhoes Gradalls (over one (1) cu. yd. and up to and including seven (7) cu. yds. m.r.c.)
- Self-Propelled Boom-Type Lifting Device (center mount) (over 25 tons m.r.c.)
- Self-Propelled Compactor (with multiple-propulsion power units)
- Single-Engine Rubber-Tired Earthmoving Machine, with Tandem Scraper
- Slip-Form Paver (concrete or asphalt)
- Tandem Cats and Scraper
- Tower Crane Mobile (including Rail Mount)
- Truck Mounted Hydraulic Crane when remote control equipped (over 10 tons up to and including 25 tons)
- Universal Liebherr and Tower Cranes (and similar types)
- Wheel Excavator (up to and including seven hundred fifty (750) cu. yds. per hour)
- Whirley Cranes (over twenty-five (25) tons)

**Group 11A**

- Band Wagons (in conjunction with Wheel Excavators)
- Operator of Helicopter (when used in construction work)
- Loader (over twelve (12) cu. yds.)
- Multi-Engine Earthmoving Equipment (over seventy-five (75) cu. yds. "struck" m.r.c.)
- Power Shovels, Clamshells, Draglines, Backhoes, and Gradalls (over seven (7) cu. yds. m.r.c.)
- Remote-Controlled Earth Moving Equipment
- Wheel Excavator (over seven hundred fifty (750) cu. yds. per hour)

**Group 11B**

- Holland Loader or similar or Loader (over 18 cu. yds.)

---

**OPERATING ENGINEERS - Steel Fabricator & Erector**

**Group 1**

- Cranes over 100 tons
- Derrick over 100 tons
- Self-Propelled Boom Type Lifting Devices over 100 tons

**Group 2**

- Cranes over 45 tons up to and including 100 tons
- Derrick, 100 tons and under
- Self-Propelled Boom Type Lifting Device, over 45 tons
- Tower Crane

**Group 3**

- Cranes, 45 tons and under
- Self-Propelled Boom Type Lifting Device, 45 tons and under

**Group 4**

- Chicago Boom
- Forklift, 10 tons and over

- Heavy Duty Repairman/Welder

**Group 5**

- Boom Cat
- 

**OPERATING ENGINEER -PILEDRIVER**

**Group 1**

- Derrick Barge Pedestal mounted over 100 tons
- Clamshells over 7 cu. yds.
- Self-Propelled Boom Type Lifting Device, over 100 tons
- Truck Crane or Crawler, land or barge mounted over 100 tons

**Group 2**

- Derrick Barge Pedestal mounted 45 tons up to and including 100 tons
- Clamshells up to and including 7 cu. yds.
- Self-Propelled Boom Type Lifting Device over 45 tons
- Truck Crane or Crawler, land or barge mounted, over 45 tons up to and including 100 tons

**Group 3**

- Derrick Barge Pedestal mounted under 45 tons
- Self-Propelled Boom Type Lifting Device 45 tons and under
- Skid/Scow Piledriver, any tonnage
- Truck Crane or Crawler, land or barge mounted 45 tons and under

**Group 4**

- Assistant Operator in lieu of Assistant to Engineer
- Forklift, 10 tons and over
- Heavy Duty Repairman/Welder

**Group 5**

No current classification

**Group 6**

- Deck Engineer

**Group 7**

No current classification

**Group 8**

- Deckhand
  - Fireman
-



STEVE SISOLAK  
Governor

TERRY REYNOLDS  
Director

BRETT HARRIS  
Labor Commissioner

STATE OF NEVADA



OFFICE OF THE LABOR COMMISSIONER  
1818 COLLEGE PARKWAY, SUITE 102  
CARSON CITY, NEVADA 89706  
PHONE (775) 684-1890  
FAX (775) 687-6409

OFFICE OF THE LABOR COMMISSIONER  
3300 W. SAHARA AVE. SUITE 225  
LAS VEGAS, NEVADA 89102  
PHONE (702) 486-2650  
FAX (702) 486-2660

Department of Business & Industry

OFFICE OF THE LABOR COMMISSIONER

<http://www.labor.nv.gov>

## 2022-2023 Prevailing Wage

### Amendment 2

---

- **AMENDMENT 2 – CLERICAL**
- **Classifications:**
  - Lubrication and Service Engineer
  - Operating Engineers
  - Operating Engineers – Steel Fabricator & Erector
  - Operating Engineers – Piledriver
- **County – Washoe County Region and Northern Nevada Rural Region**
- **Effective – October 1, 2022**

The following represents the amended wage rates.

Craft: LUBRICATION AND SERVICE ENGINEER (MOBILE AND GREASE RACK)  
(Union Rate)

**Prevailing wage rates include the base rate as well as all applicable fringes**

Lubrication and Service Engineer (mobile and grease rack) .....68.43

**Add Operating Engineers Zone Pay**

**Add Premium Pay**

# 2022-2023 Prevailing Wage

## Amendment 2

---

Craft: OPERATING ENGINEER (Union Rate)

Prevailing wage rates include the base rate as well as all applicable fringes

Operating Engineers

(SEE GROUP CLASSIFICATIONS)

Group 1.....	63.41
Group 1A.....	66.17
Group 2.....	66.70
Group 3.....	66.97
Group 4.....	67.71
Group 5.....	68.01
Group 6.....	68.18
Group 7.....	68.43
Group 8.....	69.02
Group 9.....	69.34
Group 10.....	69.69
Group 10A.....	69.88
Group 11.....	70.12
Group 11A.....	71.76
Group 11B.....	72.57
Foreman.....	71.76

Add \$12.5% to base rate for "Special" Shift

**Add Operating Engineers Zone Pay**

**Add Premium Pay**

# 2022-2023 Prevailing Wage

## Amendment 2

---

Craft: OPERATING ENGINEER (Union Rate)  
STEEL FABRICATOR & ERECTOR

**Prevailing wage rates include the base rate as well as all applicable fringes**

Operating Engineers

(SEE GROUP CLASSIFICATIONS)

Group 1.....	78.17
Group 1 Truck Crane Oiler.....	72.54
Group 1 Oiler.....	70.58
Group 2.....	77.20
Group 2 Truck Crane Oiler.....	72.29
Group 2 Oiler.....	70.37
Group 3.....	75.96
Group 3 Truck Crane Oiler.....	72.07
Group 3 Oiler .....	70.15
Group 3 Hydraulic.....	71.74
Group 4.....	74.23
Group 5.....	73.13
Add \$12.5% to base rate for "Special" Shift.....	

# 2022-2023 Prevailing Wage

## Amendment 2

---

Craft: OPERATING ENGINEER (Union Rate)  
PILEDRIVER

**Prevailing wage rates include the base rate as well as all applicable fringes**

Operating Engineers  
(SEE GROUP CLASSIFICATIONS)

Group 1.....	78.18
Group 1 Truck Crane Oiler.....	72.72
Group 1 Oiler.....	70.80
Group 2.....	76.64
Goup 2 Truck Crane Oiler.....	72.51
Group 2 Oiler.....	70.60
Group 3.....	75.19
Group 3 Truck Crane Oiler.....	72.29
Group 3 Oiler.....	70.37
Group 4.....	73.68
Group 5.....	72.57
Group 6.....	69.29
Group 7.....	70.50
Group 8.....	69.54
Add \$12.5% to base rate for "Special" Shift.....	

**ADD ZONE RATE**

In addition to: **OPERATING ENGINEER, STEEL FABRICATOR & ERECTOR, and OPERATING ENGINEER PILED RIVER**, rates add the applicable amounts per hour calculated based on a road miles from the Carson City Courthouse or Washoe County Courthouse

Zone 1	0 to 75 miles	\$0.00
Zone 2	75 to 150 miles	\$5.00
Zone 3	150 to 300 miles	\$6.00
Zone 4	300 miles over	\$7.00

**ADD PREMIUM PAY**

1. One and one-half (1-1/2) times the applicable straight-time rate for the day, shift, work, equipment and classification shall be paid for all work (including repair work and field survey work) performed on Saturday and before a shift begins and after it ends, except when operating equipment

servicing a craft that is receiving double time on commercial building construction, in which case double time shall be paid.

2. Overtime. The following rates shall apply on Sundays and holidays and all work before a shift begins and after it ends:

**RECOGNIZED HOLIDAYS**

Holidays. Double the applicable straight-time rate shall be paid for all work (including repair, maintenance and field survey work) performed on Sundays and the following holidays: New Year's Day (January 1); Memorial Day (last Monday in May); Independence Day (July 4); Labor Day (1st Monday in September); Nevada Admission Day (last Friday in October); Thanksgiving Day (4th Thursday in November); the day after Thanksgiving Day; and Christmas Day (December 25). Holidays falling on Sunday shall be observed on the following Monday. Holiday hours shall be reckoned on the same basis as Sunday hours.

Saturday Shift Period. On any shift, Saturday shall be the twenty-four-hour period commencing at 12:00 midnight Friday.

Sunday Shift Period. On any shift, Sunday shall be the twenty-four-hour period commencing at 12:00 midnight Saturday.

3. For hours worked in excess of 12) on any such workday, an Employee shall be paid two (2) times the regular straight-time rate of pay for each hour so worked.

**JOB DESCRIPTION**, includes but is not limited to:

Operate one or several types of power construction equipment, such as motor graders, bulldozers, scrapers, compressors, pumps, derricks, shovels, tractors, or front-end loaders to excavate, move, and grade earth, erect structures, or pour concrete or other hard surface pavement.

"General Decision Number: NV20230026 01/27/2023

Superseded General Decision Number: NV20220026

State: Nevada

Construction Type: Heavy  
HEAVY CONSTRUCTION PROJECTS (including sewer/water construction).

County: Washoe County in Nevada.

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60).

<p>If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:</p>	<ul style="list-style-type: none"> <li>. Executive Order 14026 generally applies to the contract.</li> <li>. The contractor must pay all covered workers at least \$16.20 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2023.</li> </ul>
<p>If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:</p>	<ul style="list-style-type: none"> <li>. Executive Order 13658 generally applies to the contract.</li> <li>. The contractor must pay all covered workers at least \$12.15 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2023.</li> </ul>

The applicable Executive Order minimum wage rate will be adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must still submit a conformance request.

Additional information on contractor requirements and worker protections under the Executive Orders is available at <http://www.dol.gov/whd/govcontracts>.

Modification Number	Publication Date
0	01/06/2023
1	01/27/2023

CARP0971-013 07/01/2022

	Rates	Fringes
CARPENTER (Includes Form Work)...	\$ 34.13	19.53

ELEC0401-011 01/01/2022

	Rates	Fringes
ELECTRICIAN.....	\$ 42.50	20.95

ENGI0003-015 07/01/2021

	Rates	Fringes
POWER EQUIPMENT OPERATOR		
GROUP 08.....	\$ 44.03	25.02
GROUP 10.....	\$ 44.70	25.02
GROUP 10A.....	\$ 42.72	24.50
GROUP 11.....	\$ 45.13	25.02
GROUP 11A.....	\$ 46.77	25.02

GROUP 8: Sheepsfoot

GROUP 10: Grade Setter

GROUP 10A: Power Shovels (up to and including one [1] cu. yd.)

GROUP 11: Power Shovels (over one [1] cu. yd. and up to and including seven [7] cu. yds. m.r.c.)

GROUP 11A: Power Shovels (over seven [7] cu. yds. m.r.c.)

ENGI0003-030 07/01/2020

	Rates	Fringes
POWER EQUIPMENT OPERATOR (09) Mechanic and Backhoe Loader Combo.....	\$ 42.18	24.50

ENGI0012-014 10/01/2020

	Rates	Fringes
POWER EQUIPMENT OPERATOR (Crane)		
GROUP 12.....	\$ 52.94	26.65
GROUP 16.....	\$ 54.36	26.65
GROUP 17.....	\$ 54.86	26.65
GROUP 19.....	\$ 56.89	26.65
GROUP 20.....	\$ 57.50	26.65
GROUP 21.....	\$ 58.11	26.65
GROUP 22.....	\$ 58.87	26.65
GROUP 23.....	\$ 59.33	26.65

GROUP 12: Crane Operator (up to including 40 ton capacity)

GROUP 16: Crane Operator (over 40 tons up to and including 79 tons)

GROUP 17: Crane Operator (Including 80 tons up to and

including 150 tons)

GROUP 19: Crane Operator (over 150 tons up to and including 200 tons)

GROUP 20: Crane Operator (over 200 tons up to and including 250 tons)

GROUP 21: Crane Operator (over 250 tons up to and including 300 tons)

GROUP 22: Crane Operator (over 300 tons up to and including 350 tons)

GROUP 23: Crane Operator (over 350 tons)

-----  
\* ENGI0012-021 10/01/2022

	Rates	Fringes
POWER EQUIPMENT OPERATOR		
GROUP 1.....	\$ 49.89	30.85
GROUP 4.....	\$ 50.48	30.85
GROUP 8.....	\$ 50.77	30.85
GROUP 12.....	\$ 50.77	30.85

POWER EQUIPMENT OPERATOR CLASSIFICATIONS

Group 1: Oiler

Group 4: Screed Operator (Asphalt or Concrete); Rock Wheel Saw/Trencher

Group 8: Compactor (self-propelled); Drilling Machine Operator

Group 12: Vermeer Rock Trencher (or similar type).

-----  
IRON0416-002 10/01/2022

	Rates	Fringes
IRONWORKER, REINFORCING.....	\$ 42.71	36.13

-----  
IRON0433-002 10/01/2022

	Rates	Fringes
IRONWORKER, STRUCTURAL.....	\$ 42.71	36.13

-----  
\* LAB00169-003 10/01/2022

	Rates	Fringes
LABORER		
(1) Common or General; Cones/ Barricades/ Barrels- Setter/Mover/Sweeper.....	\$ 30.05	15.02
(1A) Flagger.....	\$ 27.18	15.02
(3) Asphalt Shoveler, Spreader and Distributor; Concrete Saw (Hand Held/Walk Behind); Mason		



Tender - Cement/Concrete;...\$ 30.30	15.02
(4) Asphalt Raker;	
Pipelayer.....\$ 30.55	15.02

-----  
PLAS0797-009 07/01/2022

	Rates	Fringes
CEMENT MASON/CONCRETE FINISHER...\$ 45.04		16.92

-----  
SUNV2014-026 09/08/2016

	Rates	Fringes
OPERATOR: Backhoe/Excavator/Trackhoe.....\$ 32.26		17.65
OPERATOR: Bobcat/Skid Steer/Skid Loader.....\$ 34.97		0.00
OPERATOR: Broom/Sweeper.....\$ 36.66		12.22
OPERATOR: Grader/Blade.....\$ 26.49		7.78
OPERATOR: Loader.....\$ 33.53		17.10
OPERATOR: Paver (Asphalt, Aggregate, and Concrete).....\$ 29.57		0.00
OPERATOR: Roller.....\$ 33.69		12.22
TRUCK DRIVER: Dump Truck.....\$ 22.28		0.00

-----  
WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

=====  
Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at <https://www.dol.gov/agencies/whd/government-contracts>.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of ""identifiers"" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

#### Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than ""SU"" or ""UAVG"" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

#### Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

#### Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current

negotiated/CBA rate of the union locals from which the rate is based.

-----  
WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour National Office because National Office has responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

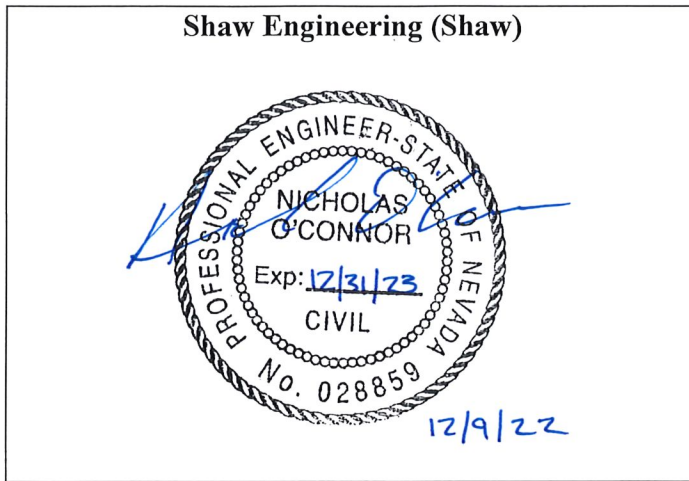
=====  
END OF GENERAL DECISIO"

# Technical Specifications

## *Table of Contents*

<u>Section</u>	<u>Item</u>	<u>Prepared By</u>	<u>Pages</u>
01110	Summary of Work	Shaw	01110-1 through 4
01140	Environmental Protection	Shaw	01140-1 through 8
01190	Reference Standards	Shaw	01190-1 through 2
01300	Contractor Submittals	Shaw	01300-1 through 3
01505	Mobilization/Demobilization	Shaw	01505-1
01570	Traffic Maintenance and Safety	Shaw	01570-1 through 2
01770	Project Commissioning and Closeout	Shaw	01770-1 through 2
02100	Road Repair	Shaw	02100-1 through 3
02315	Trenching, Backfilling and Compacting	Shaw	02315-1 through 4
02510	Water Piping and Appurtenances	Shaw	02510-1 through 13
02533	Ductile Iron Pipe	Shaw	02533-1 through 2
02536	Polyvinyl Chloride Pressure Pipe	Shaw	02536-1 through 2
02539	High Density Polyethylene Pipe	Shaw	02539-1 through 3
15110	Valves	Shaw	15110-1 through 3

The following persons prepared and approved the individual Technical Specifications as indicated in the Technical Specifications Table of Contents.



## Section 01110 Summary of Work

### 1.0 General

- A. The Work to be performed under this Contract shall consist of furnishing all plant, tools, equipment, materials, supplies, and manufactured articles and furnishing all labor, transportation and services, including fuel, power, water, and essential communications, and performing all Work or other operations required for the fulfillment of the Contract in strict accordance with the Contract Documents. The Work shall be complete, and all Work, materials, and services not expressly indicated or called for in the Contract Documents which may be necessary for the complete and proper construction of the Work in good faith shall be provided by the CONTRACTOR as though originally so indicated, at no increase in cost to the OWNER.

### 2.0 Work Covered by Contract Documents

- A. The Work includes:

**Bid Item 1 - Mobilization/Demobilization:** This item includes providing all labor, equipment, materials, transportation and services and other incidentals necessary for mobilization, demobilization, temporary facilities, site security, required insurance, bonds; permits and permit fees; and any other items of work not specifically described in any other bid item herein. The cost for Mobilization/Demobilization shall not exceed five (5) percent of the total bid for this project without documented justification.

**Bid Item 2 – Temporary Traffic Control:** This item shall include providing all labor, materials, equipment, services and other incidentals necessary to provide traffic control in accordance with the plans and specifications and to facilitate installation of pipeline and appurtenances. This item shall include the preparation and submittal of traffic control plans and notices; flaggers and traffic control personnel; and the installation, operation, maintenance and removal of temporary traffic control devices. Partial payment may be made based upon percent completion of the work.

**Bid Item 3 – Temporary Erosion Control:** This item of work includes providing all labor, materials, equipment, services and other incidentals necessary for the installation, maintenance, repair, and removal of storm water erosion control BMPs on a regular basis during the course of the work.

**Bid Item 4 – WL Connection Assembly Sheet P1 Section A-A:** This item of work includes providing all labor, materials, equipment, services and incidentals necessary to connect the new 8” water main to the existing 8” water main in Lakeshore Boulevard; the work includes potholing and verifying the location of the existing 8” OD steel water main; vertical and horizontal adjustments and fittings to the existing 8” main to align with the 8” connection; installation of a new 8” tee; new pipe, fittings, and appurtenances; thrust blocks; trenching, bedding and backfill; testing and disinfection; complete and ready for operation. Valves and pipe is listed as a separate bid item.

**Bid Item 5 – WL Connection Assembly Sheet P3 Sta. 32+15:** This item of work includes providing all labor, materials, equipment, services and incidentals necessary to connect the; new 8” water main to the existing 8” water main in Martis Peak Drive; the work includes cutting existing pipe, installation of a new 8” tee; new pipe, fittings, and appurtenances; thrust blocks; trenching, bedding and backfill; testing and disinfection; complete and ready

for operation. Valve is listed as a separate bid item.

**Bid Item 6 - 8" Waterline:** This item of work includes providing all labor, materials, equipment, services and incidentals necessary for the installation of 8-inch waterline. The work includes, trenching, trench dewatering and shoring; bedding, backfill and compaction; fittings, test stations, appurtenances, thrust blocks, testing and disinfection; temporary flushing assemblies; construction surveying; landscape, drainage ditch, storm drain and fencing repair; and all incidentals and appurtenances as required for complete installation ready for service. Valves and connections to existing water mains are separate bid items.

**Bid Item 7 – 8-inch Gate Valve:** This item of work includes providing all labor, materials, equipment, services and other incidentals to install 8-inch gate valves including valve, anchor block, valve box, riser and concrete collar; incidentals; ready for operation.

**Bid Item 8 – Fire Hydrant Assembly:** The work includes providing all labor, materials, equipment, services and incidentals necessary to install a fire hydrant assembly including pipe, valves and fittings; valve box, riser and concrete collar; trenching, excavation, backfill and compaction; testing and disinfection; and all incidentals and appurtenances, ready for service. Gate valve is included in this bid item.

**Bid Item 9 – Water Service Re-Connects:** The work includes providing all labor, materials, equipment, services and incidentals necessary for the re-connects of PE or copper service lateral waterline (sizes may vary), from the new water main to the service lateral at the locations where indicated on the plans; all locations identified on the drawings which may vary. Work shall include pavement saw cutting or milling, pavement removal, potholing in advance, trenching, bedding, service saddle, corp stop, compression coupling, fittings, appurtenances, backfill and temporary pavement patching as required for complete installation, ready for service. The bid price for service lateral is each from main to existing service lateral; install lengths may vary.

**Bid Item 10 - Abandon Existing Water Valve:** The work includes providing all labor, materials, equipment, services and incidentals necessary to abandon-in-place water valves and valve boxes includes demolition, valve box removal, backfill and compaction and all other incidental work required for valve abandonment.

**Bid Item 11 – 1" Combination Air Valve:** The work includes providing all labor, materials, equipment, services and incidentals necessary to install an air release valve assembly at locations shown on the plans and in accordance with Detail 4 Sheet D1 including but not limited to temporary pavement patches, trenching, backfilling and compacting; pipe, fittings, thrust blocks, pressure testing, disinfection, removal and disposal of materials or obstructions encountered during construction; precast concrete box, valves, ARV vent tube, slope stabilization and erosion prevention, safety and protection, and all the related incidental work and appurtenances.

**Bid Item 12 - Bollard:** The work includes providing all labor, materials, equipment, services, and incidentals necessary to construct bollards in accordance with Detail 3 on Sheet D3.

**Bid Item 13 – Cut & Cap Water Main or Cut and Plug Existing Pipe:** The work includes providing all labor, materials, equipment, services and incidentals necessary to abandon the existing pipe by excavating and exposing the existing pipe at the locations shown on the drawings and cutting pipe and installed concrete pipe plugs; includes excavation, backfill and compaction; and all incidentals and appurtenances to complete the work.

**Bid Item 14 – Roadway & Existing Facility Repair** – The work includes providing all labor, materials, equipment, and services necessary to repair streets, roadways, driveways and landscaping disturbed by the project. Includes permanent and temporary pavement patches, aggregate base materials, asphalt milling and overlay; and slurry seal as indicated on the plans. This item of work includes construction surveying and quality control; includes prime coat, tack coat, sawcutting, adjustment of existing utility boxes and manholes to facilitate pavement repair including concrete collars (not including new water valve boxes covered under other bid items); and all incidental work complete, in place and accepted by Washoe County; and ready for traffic. This item of work includes replacing existing survey monuments that are required to be removed to facilitate the installation of pipelines or other items of work; includes survey box, cover, survey maker, concrete collar; trenching, excavation, and backfill: all incidentals and appurtenances, ready for service and in conformance to local standards and appurtenances, ready for service and in conformance to local standards, requirements and Washoe County regulations. This item of work also includes repairing existing concrete sidewalks, curbs, and gutters; driveways, valley gutters and other concrete surfaces that were removed and/or damaged to facilitate the installation of proposed water improvements or otherwise indicated for replacement on the plans; includes concrete, aggregate base, form work, compaction, repair and restoration of landscaping and fencing disturbed as a result of the project. Permits and permit fees are the responsibility of the contractor, the cost of which are included in Bid Item 1. Traffic control is included in Bid Item 2.

- B. The Work is located in Incline Village, Washoe County, Nevada.

### **3.0 Work Sequence**

- A. The OWNER, ENGINEER, and CONTRACTOR will establish a complete Work schedule.

### **4.0 Contract Method**

- A. The Work hereunder will be constructed under lump sum and unit Bid prices.

### **5.0 Contractor Use of Project Site**

- A. The CONTRACTOR's use of the Project Site(s) shall be limited to its construction operations. The CONTRACTOR shall make arrangements with the OWNER for the storage of materials, staging of equipment, fabrication facilities, and field offices.

### **6.0 Project Meetings**

- A. Preconstruction Conference:

Prior to the commencement of Work at the Site, a preconstruction conference will be held at a mutually agreed time and place which shall be attended by the CONTRACTOR's Project Manager, its superintendent, and its Subcontractors as the CONTRACTOR deems appropriate. Other attendees will be:

1. Representatives of OWNER.
2. ENGINEER.



3. Others as requested by CONTRACTOR, OWNER, or ENGINEER.
- B. The CONTRACTOR shall bring to the conference the submittals specified in Section 01300, "Contractor Submittals".
  - C. The purpose of the conference is to designate responsible personnel and establish a working relationship. Matters requiring coordination will be discussed and procedures for handling such matters established. The complete agenda will be furnished to the **CONTRACTOR** prior to the meeting date. However, the **CONTRACTOR** should be prepared to discuss all of the items listed below.
    1. Status of CONTRACTOR's insurance and bonds.
    2. CONTRACTOR's tentative schedules.
    3. Transmittal, review, and distribution of CONTRACTOR's submittals.
    4. Processing applications for payment.
    5. Maintaining record documents.
    6. Critical Work sequencing.
    7. Field decisions, Work Change Directives and Change Orders.
    8. Use of Project Site, office and storage areas, security, and housekeeping.
    9. Major equipment deliveries and priorities.
    10. CONTRACTOR's assignments for safety and first aid.
    11. Traffic Control Plan and protection of existing streets.
    12. Storm Water Pollution Prevention Plan.
  - D. The ENGINEER will preside at the preconstruction conference and will arrange for keeping and distributing the minutes to all persons in attendance.
  - E. The CONTRACTOR and its Subcontractors should plan on the conference taking no less than one half of a working day.

## **7.0 Progress Meetings**

- A. The CONTRACTOR shall schedule and hold regular on-site progress meetings at least bi-monthly and at other times as requested by ENGINEER or as required by progress of the Work. The CONTRACTOR and all Subcontractors active on the Site must attend each meeting. CONTRACTOR may, at its discretion, request attendance by representatives of its Suppliers, manufacturers, and other Subcontractors. The OWNER and ENGINEER may periodically attend the progress meetings.
- B. The CONTRACTOR shall preside at the meetings and will arrange for keeping and distributing the minutes. The CONTRACTOR shall provide a copy of each of the meetings minutes to the ENGINEER. The purpose of the meetings will be to review the progress of the Work, maintain coordination of efforts, discuss changes in scheduling, and resolve other problems which may develop. During each meeting, the CONTRACTOR is required to present any issues which may impact his Work, with a view to resolve these issues expeditiously.

**Section 01140**  
**ENVIRONMENTAL PROTECTION**

**1.0 GENERAL**

- A. Scope. During the progress of the work, keep the work areas occupied by the **CONTRACTOR** in a neat and clean condition and protect the environment both onsite and offsite, throughout and upon completion of the Project. **CONTRACTOR** shall abide by all TRPA codes found in Section 4.0.
- B. Submittals. Develop an Environmental Protection Plan (EPP). Distribute the EPP to all employees and regularly review the EPP with all employees and all Subcontractors and their employees. The EPP shall address, but not be limited to, the items identified in this specification.

**2.0 MITIGATION AND CONSTRUCTION IMPACTS**

- A. Requirements: All operations shall comply with all applicable Laws and Regulations and TRPA Requirements.
- B. Definitions of Contaminants:
  - 1. Sediment: Soil and other debris that have been eroded and transported by runoff water.
  - 2. Solid Waste: Rubbish, debris, garbage, concrete, asphalt, wood and other discarded solid materials resulting from construction activities.
  - 3. Chemical Waste: Includes petroleum products, bituminous materials, salts, acids, alkalis, herbicides, pesticides, disinfectants, organic chemicals and inorganic wastes. Some of the above may be classified as "hazardous."
  - 4. Sanitary Wastes:
    - a. Sewage: That which is considered as domestic sanitary sewage.
    - b. Garbage: Refuse and scraps resulting from preparation, cooking, dispensing and consumption of food.
  - 5. Hazardous Materials: As defined by applicable Laws and Regulations.
- C. Protection of Natural Resources:
  - 1. General: It is intended that the natural resources within the Project boundaries and outside the limits of permanent work performed under this Contract be preserved in their existing condition or be restored to an equivalent or improved condition upon completion of the Work. Confine construction activities to areas defined by the public roads, easements, and work area limits shown on the Drawings. Return construction areas to their pre-construction elevations except where surface elevations are otherwise noted to be changed on the Drawings. Maintain natural drainage patterns. Conduct construction activities to avoid ponding stagnant water conducive to mosquito breeding.

2. Land Resources: Do not remove, cut, deface, injure or destroy trees, shrubs, sagebrush, or grasses outside the work area limits. Do not remove, deface, injure or destroy trees within the Work area without permission from the **ENGINEER**.

Obliterate all signs of temporary construction facilities such as haul roads, work areas, structures, foundations of temporary structures, stockpiles of excess or waste materials (not shown on the Drawings), or any other vestiges of construction as directed by the **ENGINEER**. Level all temporary roads, parking areas and any other areas that have become compacted or shaped. Keep haul roads clear at all times of any object which creates an unsafe condition. Promptly remove any contaminants or construction material dropped from construction vehicles. Do not drop mud and debris from construction equipment on public streets. Sweep clean turning areas and pavement entrances daily.

3. Water Resources:

- a. Investigate and comply with all applicable Laws and Regulations concerning the discharge (directly or indirectly) of pollutants to the underground and natural waters. Exercise every reasonable precaution to protect streams, lakes, and reservoirs from pollution with fuels, oils, bitumens, and other harmful materials and conduct and schedule operations so as to avoid or minimize muddying and silting of said streams, lakes, and reservoirs.

Water pollution control work is intended to provide prevention control and abatement of water pollution to streams, waterways and other bodies of water, and shall consist of constructing those facilities required. The **CONTRACTOR's** water pollution control measures shall be subject to approval by the **ENGINEER**.

The **CONTRACTOR** shall provide temporary water pollution control measures, including but not limited to, dikes, basins, and ditches, and shall apply straw and seed, which become necessary as a result of his operations. The **CONTRACTOR** shall coordinate water pollution control work with all other Work done on the Contract.

- b. Submit a plan to control water pollution effectively during construction of the Work. Such program shall show the schedule for the erosion control work for all water pollution control measures which the **CONTRACTOR** proposes to take in connection with construction of the Project to minimize the effects of his operations upon adjacent streams and other bodies of water.

The **CONTRACTOR** shall investigate if a Stormwater Pollution Prevention Permit (SWPPP) is required and if it is determined that it is required, **CONTRACTOR** shall make application including payment of fees and comply with all terms of the Permit including the preparing a project specific Stormwater Pollution Prevention Plan (SWPPP) that details the specific Best Management Practices (BMP's) the **CONTRACTOR** proposes to use and comply with the permit.

At the conclusion of the Project and when they are no longer needed, the Site must be cleaned of temporary BMP's. This must be one of the final operations by the **CONTRACTOR**.

The **OWNER** will not be liable to the **CONTRACTOR** for failure to accept all or any portion of an originally submitted or revised water pollution control plan, nor for any delays to the Work due to the **CONTRACTOR's** failure to submit an acceptable water pollution control plan.

- c. The **CONTRACTOR** shall conform to the following provisions:
    - 1) Oily or greasy substances originating from the **CONTRACTOR's** operations shall not be allowed to enter or be placed where they will later enter any surface water.
    - 2) Portland cement or fresh portland cement concrete shall not be allowed to enter any surface water.
    - 3) Material derived from roadway work shall not be deposited in a surface water or course where it could be washed away by high stream flows.
  - d. The **CONTRACTOR** shall obtain a temporary discharge permit required for the surface discharge of any water derived from pipeline flushing and testing operations from the Nevada Division of Environmental Protection and shall dechlorinate the water as required.
4. Fish and Wildlife Resources: Perform all work and take such steps required to prevent any interference or disturbance to fish and wildlife.
  5. Cultural Resources/Native American Human Remains/Human Bones/Fossils: Upon discovery of any cultural resources (historic or prehistoric site or object), Native American human remains, funerary items, sacred objects or objects of cultural patrimony, or discovery of any humans bones or remains, or fossil resources anywhere on the Project all ground disturbing work within 330 feet of the discovery shall be halted. The **CONTRACTOR** shall immediately notify the **OWNER** and **ENGINEER** and protect the area to prevent any further damage from occurring. The **OWNER** will immediately notify the State of Nevada Historic Preservation Office (SHPO). The **CONTRACTOR** may not resume work in the immediate area until authorized to do so by the **ENGINEER**. The Contract Time may be adjusted if the Work halted is on the "Critical Path" by the total number of days for which the Work was halted. Contract Price may be adjusted if the **CONTRACTOR** sustains a loss which could not have been avoided by his judicious handling of forces, equipment, and/or redirection of forces and/or equipment.
  6. Noise Control: The following noise control procedures shall be employed by the **CONTRACTOR**:
    - a. Maximum Noise Levels for any Residence, Business, or Other Populated Area: Noise levels for trenchers, pavers, graders and trucks shall not exceed 90 dBA at 50 feet as measured under the noisiest operating

Environmental Protection  
01140-3

conditions. For all other equipment, noise levels shall not exceed 85 dBA at 50 feet.

- b. Equipment: Jack hammers shall be equipped with exhaust mufflers and steel muffling sleeves. Air compressors should be of a quiet type such as a "whisperized" compressor.
  - c. Operations: Keep noisy equipment as far as possible from noise-sensitive site boundaries. Machines should not be left idling. Use electric power in lieu of internal combustion engine power wherever possible. Maintain equipment properly to reduce noise from excessive vibration, faulty mufflers, or other sources. All engines shall have mufflers.
  - d. Scheduling: Schedule noisy operations so as to minimize their duration at any given location.
7. Dust Control, Air Pollution and Odor Control: Employ measures to prevent the creation of dust, air pollution and odors.
- a. The **CONTRACTOR** shall investigate if a Surface Area Disturbance (SAD) permit is required. If a permit is required **CONTRACTOR** shall make application, including payment of fees, and comply with all terms of the permit.
  - b. Unpaved areas where vehicles are operated shall be sufficiently watered wetted down at least twice daily, preferably in the late morning and after work is done for the day, or given an equivalent form of treatment, to eliminate dust formation.
  - c. All material excavated or stockpiles will be sufficiently watered to prevent excessive amounts of dust. Watering, with complete coverage, will occur at least twice daily, preferably in the late morning and after work is done for the day. Enclosing, covering or applying soil binders may also be accepted.
  - d. The Site shall be additionally watered as required, with complete coverage, during periods of high winds.
  - e. All material transported onsite and/or offsite will be either sufficiently watered or securely covered to prevent excessive amounts of dust.
  - f. The area disturbed by earth-moving or excavation operations will be minimized at all times.
  - g. After earth-moving or excavation operations and during construction activities, the **CONTRACTOR** will control fugitive dust emissions by ensuring that all active portions of the Site are watered to prevent excessive amounts of dust.
  - h. During construction, the **CONTRACTOR** will control fugitive dust emissions at all times by ensuring that construction-related vehicle speed does not exceed 15 mph on the Project Site and on unpaved roads.

- i. During the construction phase, the **CONTRACTOR** will control ozone precursor emissions from construction equipment at all times by using the following procedure:
    - 1) Equipment engines will be maintained in good condition and in proper tune according to manufacturer's specifications and shall comply with the applicable Laws and Regulations.
    - 2) Machines should not be left idling.
    - 3) Construction activities and the delivery or hauling of Project-related materials shall be organized to maximize productivity and reduce truck and vehicle trips to the fullest extent practicable.
  - j. Store all volatile liquids, including fuels or solvents in closed containers.
  - k. No open burning of vegetation, debris, lumber or other scrap will be permitted. Cleared vegetation shall be chipped or shredded on Site and surface applied in approved areas in accordance with the **ENGINEER's** directions.
8. Construction Storage Areas: Storage of construction equipment and materials shall be limited to the designated **CONTRACTOR's** storage area.
- a. Store and service equipment at the designated **CONTRACTOR's** storage area where oil wastes shall be collected in containers. Oil wastes shall not be allowed to flow onto the ground or into surface waters. Containers shall be required at the construction Site for the disposal of materials such as paint, paint thinner, solvents, motor oil, fuels, resins and other environmentally deleterious substances. No dumping of surplus concrete or grout on the Site will be permitted.
9. Sanitation: During the construction period, provide adequate and conveniently located chemical sanitation facilities, properly screened, for use of construction crews, the **ENGINEER**, and visitors to the Site. Facilities shall be regularly maintained.
10. Fire Prevention: Take steps as necessary and as required by Laws and Regulation and applicable permits and stipulations to prevent fires.
11. Erosion and Sediment Transport Control:
- a. Discharge construction runoff into small drainages at frequent intervals to avoid buildup of large potentially erosive flows.
  - b. Prevent runoff from flowing over unprotected slopes.
  - c. Keep disturbed areas to the minimum necessary for construction.
  - d. Keep runoff away from disturbed areas during construction.

- e. Direct flows over vegetated areas prior to discharge into public storm drainage systems.
- f. Trap sediment before it leaves the site, using such techniques as check dams, sediment ponds, or siltation fences.
- g. Remove and dispose of all project construction-generated siltation that occurs in offsite retention ponds.
- h. Ensure that erosion and sediment transport control measures are in place, maintained and ready for implementation prior to any forecasted storms.
- i. Stabilize disturbed areas as quickly as possible.
- j. In addition, prior to, during, and after earthmoving or excavation operations, the **CONTRACTOR** shall implement Best Management Practices (BMPs) to reduce potential erosion and sedimentation impacts.

These BMPs will include the following:

- 1) A minimum number of access points for construction vehicle entry/egress will be designated to prevent vehicle trackout of sediments, and traffic shall be prohibited over exposed soils during wet weather or when the Site is saturated or muddy.
- 2) Flags, markers, and/or temporary fences shall be installed prior to construction activities to avoid soil disturbance outside of the construction easements.
- 3) All material excavated shall be sufficiently watered to prevent excessive amounts of dust. Watering, with complete coverage, shall occur at least twice daily, preferably in the late morning and after work is done for the day.
- 4) The area disturbed by earthmoving or excavation operations shall be minimized at all times.
- 5) Disturbed areas shall be stabilized as quickly as possible.
- 6) At a minimum, sandbag dikes, silt fences, straw bales, or equivalent control practices shall be used for all significant sideslope and downslope boundaries on the construction area.

### **3.0 DISPOSAL OPERATIONS**

#### A. Solid Waste Management:

- 1. Supply solid waste transfer containers. Daily remove all debris such as spent air filters, oil cartridges, cans, bottles, combustibles and litter. Take care to prevent trash and papers from blowing onto adjacent property. Encourage personnel to use refuse containers. Convey contents to a sanitary landfill.

2. Washing of concrete containers where wastewater may reach adjacent property or natural watercourses will not be permitted. Remove any excess concrete to the sanitary landfill.
- B. Chemical Waste and Hazardous Materials Management: Furnish containers for storage of spent chemicals used during construction operations. Dispose of chemicals and hazardous materials in accordance with applicable regulations.
  - C. Garbage: Store garbage in covered containers, pick up daily and dispose of in a sanitary landfill.
  - D. Dispose of vegetation and other materials removed by the clearing, stripping and grubbing operations off site at a suitable disposal site in accordance with applicable Laws and Regulations and/or chip and shred materials locally on site and evenly spread across the disturbed area that the vegetative materials were derived from. Transporting chipped and shredded materials derived from one location to another application location will not be allowed.
  - E. Excavated Materials:
    1. Excess Excavated Material:
      - a. Excess excavated soils shall be disposed of in accordance with applicable Laws and Regulations and these Contract Documents.
      - b. Rubbish shall consist of all materials not classified as suitable materials or rubble and shall include shrubbery, trees, timber, trash and garbage.
  - F. Disposal of Abandoned and Demolished Material
    1. The **CONTRACTOR** shall dispose of all abandoned or demolished pipe and building materials and other appurtenances when encountered in the performance of the Work unless specifically indicated otherwise. Disposal of such materials shall be immediate and off the site of construction. Transportation and disposal of such materials shall be in accordance with local codes and ordinances governing locations and methods of disposal, and in conformance with all applicable safety laws, and to the particular requirements of Part 1926 of the OSHA Safety and Health Standards for Construction.

#### **4.0 TRPA Standards**

##### 1. Sediment and Erosion Control

Appropriate measures shall be taken to control sediment and prevent erosion from graded or unstable ground. Erosion control structures shall be installed and maintained in an operable condition for ground disturbing activities. Sediment and erosion control measures shall, at minimum, conform to the following provisions of the TRPA Code of Ordinances:

- Chapter 33, Grading and Construction



- Section 60.1, Water Quality Control
- Section 60.3, Source Water Protection
- Section 60.4, Best Management Practice Requirements

Erosion control structures shall be installed before activities commence and shall remain in place until disturbed sites are stabilized or winterized (see Subparagraph 33.3.1D of the TRPA Code for winterization requirements}. Erosion control measures shall include revegetation with TRPA approved plant species and soil mulching with composted organic materials when necessary to increase soil moisture holding capacity of soils. Revegetated areas shall be protected from future disturbance and irrigated as necessary to ensure plant growth during the first growing season.

## 2. Vegetation Protection

Vegetation within, or adjacent to, construction areas shall be protected in accordance with Chapter 61 and other applicable provisions of the TRPA Code. All trees and native vegetation to remain on or adjacent to a construction site shall be fenced for protection in accordance with all applicable provisions of the TRPA Regional Plan, including but not limited to Section 33.8 of the TRPA Code. No equipment shall enter into, and no materials shall be placed within, areas protected by fencing.

## 3. Dust Control

Appropriate measures shall be taken to prevent the transport of fugitive dust from ground disturbing activities in accordance with all applicable provisions of the TRPA Regional Plan, including but not limited to Subsection 33.3.3 of the TRPA Code. These measures shall be employed when activities commence and shall continue until disturbed sites are stabilized.

## 4. Noise and Hours of Operation

Construction, maintenance, and demolition activities creating noise in excess of the TRPA single event noise or community noise level standards in Section 68.9 of the TRPA Code shall be considered exempt provided that such work is conducted between the hours of 8:00 a.m. and 6:30p.m. Emergency work to protect life or property is also exempt from the TRPA noise standards.

**Section 01190**  
**REFERENCE STANDARDS**

**1.0 General**

- A. Titles of Sections and Paragraphs: Captions accompanying specification sections and paragraphs are for convenience of reference only and do not form a part of the Specifications.
- B. Applicable Publications: Whenever in these Specifications references are made to published specifications, codes, standards, or other requirements, it shall be understood that wherever no date is specified, only the latest specifications, standards, or requirements of the respective issuing agencies which have been published as of the date that the Work is advertised for Bids, shall apply; except to the extent that said standards or requirements may be in conflict with applicable laws, ordinances, or governing codes. No requirements set forth herein or shown on the Drawings shall be waived because of any provision of, or omission from, said standards or requirements.
- C. Specialists, Assignments: In certain instances, specification text requires (or implies) that specific Work is to be assigned to specialists or expert entities who must be engaged for the performance of that Work. Such assignments shall be recognized as special requirements over which the **CONTRACTOR** has no choice or option. These requirements shall not be interpreted so as to conflict with the enforcement of building codes and similar regulations governing the Work; also, they are not intended to interfere with local union jurisdiction settlements and similar conventions. Such assignments are intended to establish which party or entity involved in a specific unit of Work is recognized as “expert” for the indicated construction processes or operations. Nevertheless, the final responsibility for fulfillment of the entire set of Contract requirements remains with the **CONTRACTOR**.

**2.0 Reference Specifications, Codes, and Standards**

- A. Without limiting the generality of other requirements of the Specifications, all Work specified herein shall conform to or exceed the requirements of applicable codes and the applicable requirements of the following documents.
- B. References herein to “Building Code” or “Uniform Building Code” shall mean Uniform Building Code of the International Conference of Building Officials (ICBO). Similarly, references to “Mechanical Code” or “Uniform Mechanical Code,” “Plumbing Code” or “Uniform Plumbing Code,” “Fire Code” or “Uniform Fire Code,” shall mean Uniform Mechanical Code, Uniform Plumbing Code, and Uniform Fire Code of the International Conference of the Building Officials (ICBO). American Water Works Association (AWWA). Nevada Administrative Code (NAC 445A). “Electric Code” or “National Electric Code (NEC)” shall mean the National Electric Code of the National Fire Protection Association (NFPA), Tahoe Regional Planning Agency (TRPA) Chapter 33. The latest edition of the codes as approved by the Municipal Code and used by the local agency as of the date that the Work is advertised for Bids, as adopted by the agency having jurisdiction, shall apply to the Work herein, including all addenda, modifications, amendments, or other lawful changes thereto.
- C. In case of conflict between codes, reference standards, drawings and the other Contract Documents, the most stringent requirements shall govern. All conflicts shall be brought to the attention of the **ENGINEER** for clarification and directions prior to ordering or providing any materials or furnishing labor. The **CONTRACTOR** shall bid for the most

stringent requirements.

- D. The **CONTRACTOR** shall construct the Work specified herein in accordance with the requirements of the Contract Documents and the referenced portions of those referenced codes, standards, and specifications listed herein.
- E. References herein to “OSHA Regulations for Construction” shall mean **Title 29, Part 1926, Construction Safety and Health Regulations**, Code of Federal Regulations (OSHA), including all changes and amendments thereto.
- F. References herein to “OSHA Standards” shall mean **Title 29, Part 1910, Occupational Safety and Health Standards**, Code of Federal Regulations (OSHA), including all changes and amendments thereto.

### **3.0 Regulations Related to Hazardous Materials**

- A. The **CONTRACTOR** is responsible that all Work included in the Contract Documents, regardless if shown or not, shall comply with all EPA, OSHA, RCRA, NFPA, and any other Federal, State, and Local Regulations governing the storage and conveyance of hazardous materials, including petroleum products.
- B. Where no specific regulations exist, all chemical, hazardous, and petroleum product piping and storage in underground locations must be installed with double containment piping and tanks, or in separate concrete trenches and vaults, or with an approved lining which cannot be penetrated by the chemicals, unless waived in writing by the **OWNER**.

**Section 01300**  
**CONTRACTOR SUBMITTALS**

**1.0 General**

- A. Wherever submittals are required hereunder, all such submittals by the **CONTRACTOR** shall be submitted to the **ENGINEER**.
- B. One initial submittal and one resubmittal for each submittal will be reviewed by the **ENGINEER** at no cost to the **CONTRACTOR**. Subsequent resubmittals will be reviewed at a cost to the **CONTRACTOR** of \$180.00/hour, the aggregate amount of which will be deducted from the final payment via Change Order.

**2.0 Preconstruction Conference Submittals**

- A. At the preconstruction conference referred to in Section 01110, "Summary of Work", the **CONTRACTOR** shall submit the following items to the **ENGINEER** for review:
  - 1. A preliminary schedule for the Work,
  - 2. A schedule of Shop Drawings submittals

**3.0 Contractor's Schedules**

- A. Preliminary Schedule: At the preconstruction conference, the **CONTRACTOR** shall furnish to the **ENGINEER** a preliminary schedule for the Work showing its general plan for orderly completion of the Work and showing in detail its planned mobilization of plant and equipment, sequence of early operations, and timing of procurement of materials and equipment. The **CONTRACTOR** shall assist the **ENGINEER** in reviewing and evaluating such schedule.
- B. Detailed Schedule: Within 7 calendar days after the preconstruction conference, the **CONTRACTOR** shall furnish to the **ENGINEER** a detailed schedule for orderly completion of the Work, showing its planned sequences of operations, and the dates for commencement and completion of all important features of the Work including Milestone(s) dates.
  - 1. The schedule shall be comprehensive, covering both activities at the site of the Work and off-site activities such as design, procurement, and fabrication. The schedule shall be orderly and realistic, and shall be revised as necessary to meet this requirement. The **CONTRACTOR** shall promptly advise the **ENGINEER** of any occurrence requiring substantial revision of the schedule and shall furnish a revised schedule within 3 calendar days of such occurrence.
  - 2. The detailed schedule and each revision thereof shall be subject to approval by the **ENGINEER** for conformity with the requirements of this Section. The **CONTRACTOR** shall assist the **ENGINEER** in reviewing and evaluating each schedule furnished. Disapproved schedules will be returned to the **CONTRACTOR**, shall be revised to correct the defects noted, and shall be resubmitted to the **ENGINEER** within 3 calendar days after receipt.
  - 3. The schedule will be acceptable to the **ENGINEER** as providing an orderly

progression of the Work to completion within the Contract Time (Milestone(s)), but such acceptance will neither impose on the **ENGINEER** responsibility for the progress or scheduling of the Work nor relieve the **CONTRACTOR** from full responsibility therefor.

4. Form of Schedules: The **CONTRACTOR** shall submit 3 copies of each schedule and revised schedule furnished. The preliminary and detailed schedules shall be of the bar chart, or precedence types, at the **CONTRACTOR**'s option. The precedence type schedule shall be in the form of a network diagram, activity listing, and input listing.
- C. Whenever there are changes in the Work, the **CONTRACTOR** shall proceed to immediately revise its schedule to accommodate the changed Work upon receipt of a written field order to make the changes, notwithstanding the fact that an agreement has not been reached regarding the cost of the changes. The **CONTRACTOR** shall complete the changed Work in accordance with the revised schedule. If, in the opinion of the **ENGINEER**, the **CONTRACTOR** is not performing the changed Work in accordance with the revised schedule, the **ENGINEER** may withhold certification of estimates for payment until such time that the **CONTRACTOR** does perform in accordance with the revised schedule.
- D. When required to perform and complete the changed Work in accordance with the revised schedule, the **CONTRACTOR** shall provide additional labor, materials, equipment, or other factors of production in excess of those in use before the changed Work was ordered.

#### **4.0 Shop Drawings**

- A. Wherever called for in the Contract Documents, or where required by the **ENGINEER**, the **CONTRACTOR** shall furnish to the **ENGINEER** for review 5 copies of each Shop Drawing submittal. The **CONTRACTOR**'s attention is also directed to Article 7.16 of the General Conditions.
- B. All Shop Drawings submittals shall be accompanied by a submittal transmittal form approved by the **ENGINEER**. Any submittal not accompanied by such a form, or where all applicable items on the form are not completed, will be returned for re-submittal.
- C. Normally, a separate transmittal form shall be used for each specific item or class of material or equipment for which a submittal is required. Transmittal of a submittal of various items using a single transmittal form will be permitted only when the items taken together constitute a manufacturer's "package" or are so functionally related that expediency indicates review of the group or package as a whole.  
  
A multiple-page submittal shall be collated into sets, and each set shall be stapled or bound, as appropriate, prior to transmittal to the **ENGINEER**.  
  
Submittals containing multiple manufacturers for the same specific item or class of material or equipment will not be accepted.
- D. Except as may be indicated herein, the **ENGINEER** will return prints of each submittal to the **CONTRACTOR** with its comments noted thereon, within 14 calendar days following their receipt by the **ENGINEER**.
- E. If one copy of a submittal is returned to the **CONTRACTOR** marked "APPROVED", formal revision and resubmission of said submittal will not be required.

- F. If one copy of a submittal is returned to the **CONTRACTOR** marked “MAKE CORRECTIONS NOTED”, the **CONTRACTOR** may begin implementing the Work method or incorporating the material and equipment covered by the submittal with the noted corrections. Resubmission of the said submittal will not be required.
- G. If a submittal is returned to the **CONTRACTOR** marked “DOES NOT CONFORM” or “CORRECT AND RESUBMIT”, the **CONTRACTOR** shall revise said submittal and shall resubmit the required number of copies of said revised submittal to the **ENGINEER**.
- H. All **CONTRACTOR** Shop Drawings submittals shall be carefully reviewed by an authorized representative of the **CONTRACTOR**, prior to submission to the **ENGINEER**. Each submittal shall be dated, signed, and certified by the **CONTRACTOR** as being correct and in strict conformance with the Contract Documents.

**Section 01505**  
**MOBILIZATION/DEMobilIZATION**

**1.0 Scope**

- A. Mobilization shall consist of preparatory work and operations including, but not limited to, those necessary for the movement of personnel, equipment, supplies, and incidentals to the Project Site for the establishment of offices, buildings and other facilities necessary for Work on the Project; for premiums on Bonds and insurance for the Project, construction surveying/staking, permits, final project clean up including removal of all temporary facilities, and for all other work and operations which must be performed or costs incurred before beginning production work on the various Contract items and after the Project is complete.

**2.0 Materials**

- A. Materials shall consist of equipment, buildings, and tools necessary to move to the Project Site to perform Work. Material bid items shall not be included in mobilization.

**3.0 Staging**

- A. Setting up of offices and the use of private property for storage or work area shall be executed in a legal manner in accordance with local and state codes and ordinances.

**4.0 Measurement and Payment**

- A. Measurement shall include all preparatory work, equipment, and establishment of operations prior to construction as well as those incurred after construction. Mobilization/demobilization costs for subcontracted work shall be considered to be included in the Contract unit price Bid item by the **CONTRACTOR**.

**Section 01570**  
**TRAFFIC MAINTENANCE AND SAFETY**

**1.0 GENERAL**

The **CONTRACTOR** shall conduct the Work in such a manner as will obstruct and inconvenience traffic as little as possible. Existing traveled roads and their adjacent streets within the work area shall be kept open and in a good, dust free and safe condition for traffic at all times. The **CONTRACTOR** shall remove any material or debris on a daily basis resulting from or caused by operations and repair any damage which may result from operations.

The **CONTRACTOR** shall continually provide access to businesses, parking lots, residences, garages and farms. When access must be temporarily denied due to construction operations, such as installation of a buried pipeline directly in front of a driveway, the **CONTRACTOR** shall notify the property owner, or responsible party, of such closure not less than 24 hours in advance of closure. The notification must be in writing with a copy to the Resident Project Representative and include an estimated duration of the closure.

The **CONTRACTOR** shall at all times during the progress of the Work provide, erect and maintain all the necessary barricades, danger signals, temporary striping and signs, provide a sufficient number of flaggers and take all the necessary precautions for the protection of the Work and safety of the public. Illuminate barricades and obstructions at night with reflectorized signs and lights from sunset to sunrise.

The **CONTRACTOR** shall keep all roads open to two way traffic at all times unless otherwise approved by the **ENGINEER** and **OWNER**. If the roadway is not sufficiently safe to maintain two way traffic, one way traffic or road closures with appropriate detours will be allowed.

**2.0 TRAFFIC CONTROL PLAN/ENCROACHMENT PERMIT**

The **CONTRACTOR** will be required to conform to a traffic control plan at all times while working within the public right of way. The traffic control plan shall be in accordance with *Part VI Standards and Guides for Traffic Controls for Street and Highway Construction, Maintenance, Utility, and Incident Management Operations*, latest edition, as prepared by the U.S. Department of Transportation Federal Highway Administration, the State of Nevada, Standard Plans for Road and Bridge Construction, the Work Zone Traffic Control Handbook, and as required by the governmental agency having jurisdiction over the road. The traffic control plan shall be prepared by an ATSSA certified traffic planner.

The traffic control plan must be submitted to the **ENGINEER** and the governmental agency having jurisdiction over the road for approval prior to construction commencing. The **CONTRACTOR** must submit the traffic control plan sufficiently in advance of construction to allow ample time for review and approval.

**3.0 DETOURS**

The **CONTRACTOR** may request detouring thru traffic in those work areas where it is impractical or impossible to safely maintain traffic. Any detour requests must be approved by the **ENGINEER** and the governmental agency having jurisdiction over the road to be detoured and the detour route.



Any allowed detours will be subject to the following conditions:

1. Maintaining the detour in good condition.
2. Providing and maintaining the detour marking signs.
3. When the detour is no longer necessary, repair the detour route to original or better condition.

### **3.0 EMERGENCY AGENCY NOTIFICATION**

The **CONTRACTOR** shall notify police, fire and ambulance agencies when traffic patterns are to be altered due to construction operations. Such notifications shall be in writing with a copy to the **ENGINEER** and submitted at least 24 hours in advance of construction commencing.

### **5.0 TEMPORARY ROAD PATCHES**

As required by the governmental agency having jurisdiction over the road as required by Washoe County EE Permit requirements.

### **6.0 CLEANUP**

During periods when the **CONTRACTOR** is not working and at least daily, lanes open for traffic must be cleared of dirt, debris and all other material. Barricades and flashers shall be placed sufficiently close together so that there is no question about the required routes for traffic.

**Section 01770**  
**PROJECT COMMISSIONING AND CLOSEOUT**

**1.0 Commissioning**

- A. The **CONTRACTOR** shall establish dates for testing, acceptance periods, and on-site instructional periods (as required under the Contract). Such dates shall be established not less than one week prior to beginning any of the foregoing items, to allow the **OWNER**, the **ENGINEER**, and their authorized representatives sufficient time to schedule attendance at such activities.
- B. After all the Work has been installed, but prior to the **CONTRACTOR** requesting Substantial Completion, the **CONTRACTOR** shall start all systems and ensure that all systems are properly adjusted and working.
- C. During the Substantial Completion walkthrough, **CONTRACTOR** shall demonstrate to the **ENGINEER** that all the systems are operational and functioning properly and as a whole.
- D. **CONTRACTOR** shall bear all the additional costs incurred by the **OWNER** including but not limited to standby time and/or additional trips required by the **ENGINEER** and his consultants if systems are found to be not operational or functioning at the time that the Substantial Completion walkthrough is performed.

**2.0 Final Cleanup**

- A. The **CONTRACTOR** shall promptly remove from the vicinity of the completed Work all rubbish, unused materials, concrete forms, construction equipment, and temporary structures, signs and facilities used during construction. Final acceptance of the Work by the **OWNER** will be withheld until the **CONTRACTOR** has satisfactorily complied with the foregoing requirements for final cleanup of the Project Site.
- B. The **CONTRACTOR** shall apply a chloride salt dust palliative to all areas disturbed by construction (excluding paved areas and areas that receive aggregate base). Application rates shall be per the manufacturer's requirements.

**3.0 Final Submittals**

- A. The **CONTRACTOR** shall comply with the completion requirements contained in Article 15.0 of the General Conditions.

**4.0 Maintenance and Guarantee**

- A. The **CONTRACTOR** shall comply with the maintenance and guarantee requirements contained in Article 7.17 of the General Conditions.
- B. The **CONTRACTOR** shall make all repairs and replacements promptly. In the event the **CONTRACTOR** fails to make such repairs, the **OWNER** reserves the

right to do the Work and the **CONTRACTOR** and his surety shall be liable to the **OWNER** for the cost thereof..

# Section 02100

## Road and Other Surface Improvement Repair

### 1.0 GENERAL

- A. This section specifies the requirements for repair and replacement, to their original or better condition of existing facilities which have been cut, damaged or removed during construction.
- B. All Work performed under this section shall conform to the latest edition the Standard Specifications for Public Works Construction, (SSPWC aka “Orange Book”, Washoe County, Nevada) and the Nevada Department of Transportation Standard Specifications and Plans for Road and Bridge Construction as applicable.
- C. The **CONTRACTOR** is required to obtain Permits from the governmental agency having jurisdiction over the street where trenching work is performed. The **CONTRACTOR** shall prepare and submit all permit applications and pay all permit fees. The Permit must be at the job site at all times during construction and encroachment in Washoe County right-of-way.
- D. The **CONTRACTOR** shall be responsible for obtaining approved traffic control plans.
- E. The **CONTRACTOR** shall take every reasonable precaution to protect the existing facilities during the performance of the Work in accordance with paragraph 7.13 of the General Conditions.

### 2.0 MATERIALS

- A. Aggregate Base

Aggregate base course materials shall be Type 2, Class B, per Section 200.01.03 of the Orange Book. Aggregate Base materials to be supplied and placed by the **CONTRACTOR** as required.

- B. Hot Mix Asphalt

Hot Mix Asphalt (HMA) for permanent patching and overlay surfaces shall be a Type 3 (Type 2 in NDOT ROW), PG 64-28NV, 3% voids, 50 blow mix with lime and no more than 15% RAP.

- C. Slurry Seal

Slurry seal shall be a Type 2 Slurry Seal in accordance with Section 318 or the SSPWC.

D. Temporary Cold Patch

Cold patch shall be a Durapatch Product 1707 3/8" cold mix or EZ Street patch from Syar Industries or Engineer approved or equal.

E. Concrete

Shall be 4000 psi minimum at 28 days, minimum 6 sack of cement per cubic yard, w/c of 0.45, air entrainment 6% ( $\pm 1.5\%$ ), slump 1-4 inches.

### **3.0 ROAD CONSTRUCTION**

A. Construction shall be subject to and governed by the applicable standards referenced.

B. Asphaltic concrete pavement shall be constructed to the lines, grades and limits shown in the Drawings or described in the specifications.

C. The asphalt concrete shall be constructed to the normal compacted thickness required on the plans, and in no instance shall the thickness be more than 1/4 inch less than that specified unless required to prevent ponding of water or to facilitate drainage, or where feathered to match existing pavement if approved by the **ENGINEER**. Compaction will be accomplished using steel drum and pneumatic rollers as required by Section 320 of the SSPWC. Hand work will be permitted only in areas where access with the self-propelled paver is prevented.

D. The thickness of the asphalt concrete shall be as shown on the Drawings or described in the specifications. The average of three thickness measurements spaced not more than 100 feet apart shall be at least equal to the specified thickness of asphalt concrete with no single measurement being less than 1/2 inch thinner than the specified thickness.

E. Asphaltic concrete shall be placed when the weather and ground surface conditions meet or exceed the weather limitations of Section 320.03.11 of the SSPWC.

E. A tack coat shall be applied to all exposed aggregate base surfaces and existing asphalt edges prior to paving.

F. The surface shall be constructed to facilitate drainage and to prevent the ponding of water.

G. Slurry seal shall be applied immediately after paving.

H. Compaction testing from a third party testing and inspection firm shall be required on trench backfill and structural road base materials provided by the Contractor.

I. All public street painting, pavement striping, reflectors and other markings displaced or destroyed by the **CONTRACTOR** during performance of the Work shall be replaced by the **CONTRACTOR** in accordance with the referenced standards.

### **5.0 CONCRETE CURB, GUTTERS AND SIDEWALKS**

#

Road Repair  
02100 - 2

- A. Concrete Curbs, Gutters, Sidewalks, and Driveways damaged by the **CONTRACTOR** during the performance of the Work shall be repaired in accordance with the Contract Documents and applicable standards referenced. Flow lines shall be returned to original elevations.

**6.0 OTHER IMPROVEMETNS**

- A. All signs, mailboxes, fences, and other facilities moved, displaced or destroyed by the **CONTRACTOR** during the performance of the Work shall be replaced by the **CONTRACTOR** to an equal or better condition that existed before construction.

**7.0 TEMPORARY ROAD PATCHES**

- A. Temporary pavement patches are required by until permanent pavement repair is accomplished. No overnight open or plated trenches are allowed.

#

Road Repair  
02100 - 3

**Section 02315**  
**TRENCHING, BACKFILLING, AND COMPACTING**

**1.0 General**

- A. Trenching excavation shall include the removal and replacement (when applicable) of all materials or obstructions of any nature when encountered in the installation (including, but not necessarily limited to asphalt, water, signs, fences, driveways, sidewalk, curb and gutter, utilities, abandoned utilities, and excavated soil) and removal of all sheeting and bracing and the control of water necessary to construct the Work as shown. Unless otherwise indicated on the Drawings or permitted by the **ENGINEER**, excavation shall be by open cut. Trenching machines may be used, except where their use will result in damage to Underground Facilities or other property at the Site.
- B. Trench excavation work shall be performed in a safe and proper manner with suitable precautions being taken against hazards of every kind in accordance with Article 7.11 of the General Conditions. Trench excavations shall provide adequate working space and clearances for the Work to be performed herein, and for installation and removal of any sheeting and shoring that may be required.
- C. No backfill materials shall be installed on frozen surfaces, nor shall frozen materials, including the backfill itself, snow, or ice be placed in any backfill.
- D. The **CONTRACTOR** shall attentively examine the Site in such a manner that he can confirm existing Subsurface and Physical Conditions and Underground Facilities in accordance with Article 5 of the General Conditions. He shall satisfy himself of the quality and quantity of exposed materials and subsurface soil or rock deposits and depths to groundwater. The selection of equipment for use on the Project and the order of Work will be the **CONTRACTOR**'s responsibility such that the requirements included in the following sections have been met.

**2.0 Compaction Testing**

- A. Where referred to herein, relative compaction shall mean the in-place dry density of soil expressed as a percentage of the maximum dry density of the same material, as determined by ASTM D1557, Compaction Test Procedure. Optimum moisture content shall mean the moisture content at maximum dry density as determined above. The **CONTRACTOR** shall be responsible for attaining the required densities throughout the trench. The **OWNER** may take periodic and random field density tests at his cost to assure compliance in accordance with Article 14.02 of the General Conditions. This testing, however, shall in no way relieve the **CONTRACTOR** of his responsibility for attaining the required densities including obtaining confirmation from independent laboratories at his cost that the densities are meeting the Specifications. Any soils that fail to meet the required densities shall be considered as defective Work and will be treated in accordance with Article 14.03 of the General Conditions. This includes, but is not limited to, the **CONTRACTOR** being responsible for paying the costs associated with retesting the rejected area following correction of the Work.

### **3.0 Materials**

#### A. Pipe Bedding and Trench Backfill

1. All trenches shall be backfilled after pipe fittings and appurtenances have been installed, inspected, and approved for backfill.
2. Bedding and backfilling shall include the placement and compaction of the material in trenches or excavations. All bedding and backfill shall be compacted throughout with approved compaction equipment.
3. Bedding and backfill materials are shown on the construction drawings and details.

### **4.0 Construction**

#### A. Trench Configuration and Alignment

1. Trenches and other excavations shall have the minimum width which the **CONTRACTOR** can effectively excavate and install the improvements. Excessive widths will not be permitted. Within the pipe bedding zone, trenches shall have a required width between 16 and 24 inches greater than the outside diameter of the pipe to be installed. This shall include the width required for trench shoring. Deviations from this required width must be submitted to the **ENGINEER** in writing for approval. The bottom of the trench shall be graded uniformly to provide a continuous and uniform support for the bedding material under the pipe and to allow the pipe to be laid to the grades and alignments shown in the Plans.

#### B. Pipe Bedding

1. The trench shall be over-excavated to the depth below the bottom of the pipe shown in the Drawings. The pipe bedding at the trench bottom shall have a flat or semicircular cross section. The bottom of the trench for all pipe shall be graded and prepared to provide a firm unyielding surface with uniform bearing throughout each length of pipe except for the excavation required at the joints. Pipe couplings shall not rest on the trench bottom and laying the pipe on mounds will not be allowed.

#### C. Procedure at Pipe Zone

1. After center loading the pipe to prevent lateral movement, the material specified in the trench detail shown on the Drawings shall be placed in the trench simultaneously on each side of the pipe for the full width of the trench in layers not to exceed 8 inches in loose depth. The bedding shall be thoroughly worked into the pipe haunches with a J-bar or other acceptable device. Each layer or lift shall be compacted on each side of the pipe throughout the pipe zone to the densities shown in the Drawings.

#### D. Procedure Above the Pipe Zone

1. The backfill shall meet the requirements of the trench details shown on the Drawings. All backfill material shall be placed in layers not to exceed 8 inches in loose thickness. The lift should then be compacted with approved compaction equipment to the densities shown in the trench section on the Drawings.



## **5.0 Sheeting and Shoring**

- A. Excavation for trenches shall meet all applicable Laws and Regulations in accordance with paragraph 7.11 of the General Conditions.
- B. During backfilling, any shoring shall be carefully removed by **CONTRACTOR** in such a manner as will result in a minimum of caving, lateral movement, or flowing of the soil. On approval of the **ENGINEER**, **CONTRACTOR** may leave shoring in place, but in such an event, no payment will be made by the **OWNER** for such materials left in place. Where trench shoring is left in place, it shall not be braced against the pipe.

## **6.0 Disposal of Materials Encountered During Trenching**

- A. The legal disposal including the handling and transportation of excess soils shall be the responsibility of the **CONTRACTOR**. Debris-free soils shall be disposed of offsite at locations approved by the **ENGINEER** or as indicated on the Drawings. Any soils that are allowed to be wasted on site must be bladed out, spread evenly and uniformly, proof rolled and compacted over the entire designated wasting area. Mounding will not be allowed.
- B. Vegetative matter may be chipped or shredded and used for erosion control in disturbed areas as allowed by the **ENGINEER** or legally disposed of off Site.
- C. Waste materials encountered during trenching including but not limited to asphalt, concrete, abandoned utilities and other rubbish and waste materials shall be removed from the Site and legally disposed of unless indicated otherwise.
- D. Materials that are specifically identified for salvage shall be reasonable protected while they are removed and delivered to the **OWNER**.

## **7.0 Control and Disposal of Water**

- A. The **CONTRACTOR** shall arrange for the legal disposal of water as a result of dewatering operations and meet all applicable Laws and Regulations.
- B. When water is encountered, the **CONTRACTOR** shall furnish, install, maintain and operate all the necessary machinery, appliances, and equipment to keep excavations free from water until the placing of the bedding material, laying and joining of the pipe, pouring of concrete, and placing of the backfill material has been completed, inspected, and approved and all danger of flotation and other damages are removed.
- C. Water pumped from the trench shall be legally disposed of in such a manner as will not cause injury to the environment, public or private property, or constitute a nuisance or menace to the public.

## **8.0 Maximum Length of Open Trench**

- A. Open trench at any one time shall be limited to 200 feet per pipeline laying crew; any exception to this requirement shall require the **ENGINEER**'s approval.
- B. Trenching or excavation shall not be allowed to remain open during the hours of darkness or on weekends, holidays, or other periods when the Work is not in progress. During such periods, trenching or excavations shall be backfilled to the surrounding grade or completely covered with steel plating or other suitable materials. With prior written concurrence of the

**ENGINEER** that such measures are impracticable, the **CONTRACTOR** may erect sound and substantial fencing and/or barricades completely around the periphery of such trenching or excavations to the satisfaction of the **ENGINEER**.

## **9.0 Special Foundation Treatment**

- A. Whenever the bottom of the trench is soft, yielding, or, in the opinion of the **ENGINEER**, otherwise unsuitable as a foundation for the pipe or bedding material, the unsuitable material shall be removed and replaced with suitable excavated material or gravel. Payment of this Work will be made only if the bottom of the trench has become unstable due to circumstances beyond the control of the **CONTRACTOR**. Payment for this Work will be made in accordance with Article 11 of the General Conditions.

## **10.0 Cobble and Boulder Excavation**

- A. Excavations may contain cobbles and boulders and weathered and harder bedrock. No additional payment will be made for these excavations. Payment for the Work over and beyond the capability of a 450 excavator will be made in accordance with Article 11 of the General Conditions.

## **11.0 Repairs Required by Trench Settlement**

- A. If, at any time during a period of one (1) year dating from the date of Substantial Completion of the Project, there shall be any settlement of the trenches requiring repairs to be made, or should any other defect appear in the system due to negligence or carelessness on the part of the **CONTRACTOR**, the **OWNER** will notify the **CONTRACTOR** to immediately make such repairs as may be deemed necessary at the **CONTRACTOR**'s expense.

**Section 02510**  
**WATER PIPING AND APPURTENANCES**

**1.0 Applicable Publication**

- A. The publications listed below, including the latest revisions form a part of this specification to the extent referenced. The publications are referred to in the text by the basic designation only.
1. American National Standards Institute (ANSI) Publications:
  2. American Society for Testing and Materials (ASTM) Publications:
  3. American Water Works Association (AWWA) Publications:
  4. National Sanitation Foundation (NSF) Publications:
  5. National Fire Protection Association (NFPA) Publication:
  6. Underwriters' Laboratories, Inc. (UL) Publications:
  7. Uni-Bell Plastic Pipe Association (UNI) Publication:
  8. Standard Specifications for Public Works Construction (Orange Book, Latest Revision).

**2.0 General Requirement**

- A. This section covers pressure water supply pipe which shall be furnished and installed complete with all jointing materials, fittings and other appurtenances shown on the Drawings or otherwise required for a complete installation. The **CONTRACTOR** shall furnish, install and test pipe, fittings and appurtenances of the dimensions and types and to the lines and grades shown on the Drawings and specified herein.
- B. Identification Marks. Pipe and couplings shall be clearly and permanently marked with all information required by AWWA, C151, C200, and C900.
- C. Testing. All materials shall be sampled and tested in accordance with all requirements of AWWA, C151, C200, and C900. Pipe not manufactured in the United States shall be tested as required above by an approved testing laboratory within the United States.
- D. Affidavit of Compliance. The manufacturer shall furnish an Affidavit of Compliance certifying that all tests have been conducted and that the materials comply with the applicable standards and these specifications. Test information shall be retained and shall be provided to the **ENGINEER**.
- E. Installation shall conform to the requirements of AWWA C600 (C600-C606) for pressure lines except as modified by these specifications and as shown on the Drawings.
- F. All laying, jointing and testing for defects and leakage shall be performed in the presence of the **ENGINEER** or the Resident Project Representative and shall be subject to his approval before

acceptance. Materials found during construction to have defects will be rejected and the **CONTRACTOR** shall promptly remove such defective material from the site.

- G. All wetted materials and/or complete assemblies to come into contact with potable water shall be ANSI/NSF 61 third party certified and NSF 372 third party certified as applicable.

### **3.0 Submittal**

- A. Submit manufacturer's standard drawings or catalog cuts of items specified.

### **4.0 Delivery, Storage and Handling of Materials**

- A. Delivery and Storage: Inspect materials delivered to site for damage. Unload and store with minimum handling. Store materials on site in enclosures or under protective covering. Store plastic piping and rubber gaskets under cover out of direct sunlight. Do not store materials directly on the ground. Keep inside of pipes and fittings free of dirt and debris.
- B. Handling: Handle pipe, fittings, valves, hydrants, and other accessories in such manner as to ensure delivery to the trench in sound undamaged condition. Take special care to avoid injury to coatings and linings on pipe and fittings; make satisfactory repairs if coatings or linings are damaged. Carry pipe to the trench; do not drag it. Do not leave rubber gaskets and plastic piping that are not to be installed immediately out in the sunlight, but store under cover out of direct sunlight.

### **5.0 Pressure Pipe**

- A. Ductile Iron Pipe: As Specified in Section 02533 (if applicable)
- B. PVC Pipe: As Specified in Section 02536 (if applicable)
- C. HDPE Pipe: As Specified in Section 02539 (if applicable)
- D. Polyethylene encasement: Polyethylene encasement shall comply with AWWA C105.
- E. Polyethylene tubing shall be copper tubing size (CPS), pressure class 200.

### **6.0 Rubber Rings**

Rubber rings for joint sealing shall conform to ASTM D1869.

### **7.0 Fittings**

- A. Fittings shall be standard gray iron or ductile iron conforming to AWWA C110 or C153. Fittings shall be pressure rated for 350 psi (3"-24"). All fittings shall be NSF 61 certified.
- B. Fittings shall be cement mortar lined in accordance with AWWA C104. Exterior shall be shop-coated with a bituminous coating applied approximately of 1 mil thick. Buried fittings shall be double wrapped with polyethylene per AWWA C105.
- C. Flanges:

1. Flanges shall conform to ANSI B16.1 and shall have bolt circles compatible with ANSI 125/150 lb.
2. Studs and bolts shall be of such length that no less than ¼-inch nor more than 1/2-inch will be projected through the nut when drawn tight. All bolt heads and nuts shall be hexagonal except where special shapes are required.
3. Gaskets shall conform to ASTM D1330, Grade I and II, black EPDM type, 1/8-inch thick, NSF certified or Engineer approved equal is acceptable.

#### D. Bolts

E. All T-Bolts shall be ASTM A242 weathering steel with minimum yield strength of 45,000 PSI. All T-Bolts & nuts shall be threaded in accordance with ANSI/ASME B1.1, Class 2A fit, with coarse-thread series. Heavy hex nuts shall be used. Bolt heads shall be in accordance with the dimensions of ANSI/AWWA C111 / A21.11-95. T-Bolts and nuts shall be coated with Tripac 2000 Blue or equal.

a. All Bolts shall be carbon steel with a minimum 105,000 PSI tensile strength conforming to SAE J429 Grade 5. Bolts shall be standard ANSI B1.1, Class 2A coarse threads. Nuts shall conform to ASTM A563 and be standard ANSI B1.1, Class 2A coarse threads. All bolt heads and nuts shall be hexagonal. Identification on the head of the bolt shall be three slash marks. Bolts and nuts shall be coated with Tripac 2000 or equal.

b. All T-Bolts shall be ASTM A242 weathering steel with minimum yield of 45,000 PSI. All T-Bolts & nuts shall be threaded in accordance with ANSI/ASME B1.1, Class 2A fit, with coarse-thread series. Heavy hex nuts shall be used. Bolt heads shall be in accordance with the dimensions of ANSI/AWWA C111 / A21.11-95. T-Bolts and nuts shall be coated with Tripac 2000 Blue or equal.

F. Mechanical joints shall conform to AWWA C110 or C153.

#### F. Restrained Mechanical Joints

a. Ductile Iron Pipe: Mechanical joint valves and fittings where indicated on the Drawings shall be restrained using a mechanical joint ductile iron retainer gland, shall have a pressure rating of 350 psi, and shall be EBAA Series 1100, or **ENGINEER** approved or Equal.

b. PVC Pressure Pipe: Mechanical joint valves and fittings where indicated on the Drawings shall be restrained using a mechanical joint PVC pressure pipe retainer gland rated at a minimum working pressure equal to the pressure class of the pipe being utilized, and shall be EBAA Series 2000, or **ENGINEER** approved or Equal.

#### E. Restrained Pipe Joints

1. Ductile Iron Pipe: Restraint shall be provided by the use of a Field Lok 350 gasket as manufactured by US Pipe or **ENGINEER** approved or Equal

2. PVC Pressure Pipe: Pipe joints, where indicated on the Drawings, shall be restrained at the bells using a restraint ring incorporating a gripping surface used to grip the pipe rated at a minimum working pressure equal to the pressure class of the pipe being utilized, and shall be EBAA Series 1900 or 2800, or **ENGINEER** approved or Equal. Restrained PVC joint pipe with locking gasket. Diamond Plastics Diamond Lok-21, NAPCO Certa-Lok, or Engineer approved or equal is acceptable.

F. Mega Flanges (MF)

Mega Flanges shall be made of ductile iron conforming to ASTM A536 and have flange bolt circles compatible with ANSI 125/150 lb. standard. Flange adapters shall be capable of a minimum of three degrees of deflection during assembly or permit lengths of pipe to be field cut to within 0.6 of maximum distance between flanges to allow for simplified alignment of flanged appurtenances. The mega flanges shall have a pressure rating of 350 psi when used on ductile iron pipe and a pressure rating equal to the pipe when used on PVC pipe. Mega Flanges shall be EBAA Series 2100 Mega Flange, or **ENGINEER** approved or Equal. For short spools, where Megaflange cannot be utilized, EZ Flanges shall be utilized and shall be EBAA Series 1000, or **ENGINEER** approved or Equal.

G. Transition Couplings.

Transition couplings shall be straight or reducing as required. Center and end rings shall be ductile iron per ASTM A536, gaskets shall be SBR per ASTM C2000 MBA 710, NSF approved. Bolts and nuts shall be trackhead bolts, heavy hex nuts, UNC 5/8" rolled thread, high strength, low alloy corrosion resistant steel per AWWA C111. All parts and pieces shall receive an 8 to 12 mil fusion bonded epoxy coating. T-Bolts and Nuts shall be coated with a polytetrafluoroethylene dry film protective coating and lubricant. Any coating in contact with potable water must be NSF 61 certified. Buried couplings shall be double wrapped with polyethylene per AWWA C105. The coupling shall be a 501 or RC501 as manufactured by Romac Industries or approved or equal. All transition couplings shall be NSF 61 certified.

H. Flange Coupling Adapters (3"-12").

Flange coupling adapters flange body shall be ductile iron per ASTM A536, Grade 65-45-12, Class 125/150, end rings shall be ductile iron per ASTM A536, gaskets shall be compounded for water and service and meet the requirements of AWWA C219, ASTM D2000 and be NSF 61 Certified. Bolts and nuts shall be trackhead bolts, heavy hex nuts, UNC 5/8" rolled thread, high strength, and low alloy corrosion resistant steel per AWWA C111. All parts and pieces shall receive an 8 to 12 mil fusion bonded epoxy coating. T-Bolts and Nuts shall be coated with a polytetrafluoroethylene dry film protective coating and lubricant. Any coating in contact with potable water must be NSF approved. Anchor pins, when specified on the Drawings shall be 316 SS. Buried couplings shall be double wrapped with polyethylene per AWWA C105. The flange coupling adapter shall be rated for 260 psi and shall be a FCA501 as manufactured by Romac Industries or Hymax or approved or equal.

I. Flange Coupling Adapters (14" and greater).

Flange coupling adapters flange body shall be carbon steel with minimum yield of 30,000 psi. End rings shall be contoured rolled mill section carbon steel per ASTM A536, gaskets shall be SBR per ASTM C2000 MBA 710, NSF 61 approved. Bolts and nuts shall be trackhead bolts, heavy hex nuts, UNC 5/8" rolled thread, high strength, and low alloy corrosion resistant steel per AWWA C111. All parts and pieces shall receive an 8 to 12 mil fusion bonded epoxy coating. T-Bolts and Nuts shall be coated with a polytetrafluoroethylene dry film protective coating and lubricant. Anchor pins, when specified on the Drawings shall be 316 SS. Buried couplings shall be double wrapped with polyethylene per AWWA C105. The flange coupling adapter shall match the maximum pressure rating of the flange and shall be a FCA400 as manufactured by Romac Industries or approved or equal.

J. Insulating Flange Sets

Flange insulation sets shall be utilized whenever two different metallic pipes are connected. The sets shall contain full-faced gaskets, full-length sleeves, and double washers. Insulation material for the flange insulation sets shall be phenolic resin and flanged-faced gaskets shall be neoprene-faced phenolic resin. All insulating materials shall be of a type designated by the manufacturer as suitable for use at operating pressures of 150 psi. Flange insulation sets shall be approved by **ENGINEER** prior to installation.

## **8.0 Valves & Valve Boxes**

- A. Gate Valves: As Specified in Section 15110.
- G. Butterfly Valves: As Specified in Section 15110
- H. Valve Boxes: Christy G5 or approved equal shall be provided.

## **9.0 Service Clamps**

- A. Service clamps shall be full circle type, AWWA approved for PVC or ductile iron pipe, of the size specified on the Drawings minimum rated working pressure of 250 psi. Saddles shall be fusion bonded epoxy lined and coated and straps and bolts shall be 304 stainless steel. Service Saddles shall be Mueller or approved equal. Service clamps shall be individual observed by the Engineer or Owners representative during install. The **CONTRACTOR** shall install with the use of a torque wrench and no power tools are allowed for service clamps.

## **10.0 Corporation Stops**

- A. Corporation stops shall be ball valve, bronze conforming to ASTM B 61 (AP) or ASTM B 62, and suitable for a working pressure of 250 psi. Stop shall be lead free and NSF certified. Inlet end shall be IP threaded, outlet end shall be suitable for connection to PE plastic pipe, Mueller Ori Seal, or approved equal.

## **11.0 Tapping Sleeves**

- A. Tapping sleeves: Shall be constructed of stainless steel rated to a pressure of 150 psi. Sleeves shall be Mueller or approved equal tapping sleeves.

## **12.0 Underground Warning Tape & Tracer Wire**

- A. Underground warning tape shall be detectable metallic and minimum 3 inches wide. The tape shall be of the specific color and wording as indicated on the Drawings. Tracer wire shall be 12 gauge insulated solid copper insulated wire.

## **13.0 Chlorine Tablets & Adhesive**

- A. OWNER will supply sodium hypochlorite 12.5% solution. Tablets not allowed.

## **14.0 Trenching, Bedding, And Backfill**

- A. Requirements for trenching, excavation, bedding and backfill shall be as specified in Section 02315 of these Specifications; and as required by applicable permits and regulations; and as required by applicable safety codes.
- B. Pipe shall be laid on a shaped trench foundation or shaped bedding as required and with properly dug bell or coupling holes. Supporting pipe on blocks or mounds of earth or bedding material will not be permitted.

## **15.0 Handling**

- A. Pipe, fittings and accessories shall be handled in a manner that will insure installation in a sound, undamaged condition. Equipment, tools, and methods used in unloading, reloading, hauling, and laying pipe and fittings shall be such that the pipe and fittings are not damaged. Hooks inserted in ends of pipe shall have broad, well-padded contact surfaces. No unpadded hooks or wire brushes shall be permitted to contact plastic lining. Pipe and fittings in which lining has been broken, split, or loosened shall be replaced by and at the expense of the **CONTRACTOR**. Where damaged areas are small and readily accessible, the **CONTRACTOR** may be permitted to repair the lining in accordance with the manufacturer's instructions.

## **16.0 Cutting**

- A. Cutting and machining of pipe shall be accomplished in accordance with the pipe manufacturer's standard recommendations. Pipe shall not be cut with a cold chisel, flame, standard iron pipe cutter, nor any other method that may fracture the pipe, produce ragged, uneven edges, or split the pipe end. Cut ends shall be machined smooth to the proper dimensions.

## **17.0 Pipe Laying**



- A. The pipe shall be laid to the lines shown on the Drawings and specified herein and the sections shall be closely jointed to form a smooth flow line. Immediately before placing each section of pipe in final position, the bedding shall be checked by the **ENGINEER** or his designated representative for firmness and uniformity of surface. Vertical deviations shall be field fit by **CONTRACTOR** and at no time shall vertical curve radii exceed manufacturer's recommendations. **CONTRACTOR** shall supply and install vertical elbows as required to maintain minimum depth requirements.
- B. The radius of curvature of the trench that can be used without exceeding the allowable deflection shall be as specified by the pipe manufacturer. The deflection at any flexible joint shall not exceed that prescribed by the manufacturer of the pipe. The manufacturer's printed installation guide outlining the radii of curvature that can be negotiated with pipe sections of various lengths shall be followed.
- C. Proper implements, tools, and facilities as recommended by the pipe manufacturer's standard printed installation instructions shall be provided and used by the **CONTRACTOR** for safe and efficient execution of the work. All pipe, fittings, valves, and accessories shall be carefully lowered into the trench by means of derrick, ropes, or other suitable equipment in such a manner as to prevent damage to pipe and fittings. Under no circumstances shall pipe or accessories be dropped or dumped into the trench.
- D. The pipe and accessories shall be inspected for defects prior to lowering into the trench. Any defective, damaged, or unsound pipe shall be repaired or replaced. All foreign matter or dirt shall be removed from the interior of the pipe before lowering into position in the trench. Pipe shall be kept thoroughly clean during and after laying. All openings on the pipe line shall be closed with watertight expandable type sewer plugs or test plugs at the end of each day's operation or whenever the pipe openings are left unattended. The use of burlap, wood, or other similar temporary plugs will not be permitted.

## **18.0 Jointing**

- A. The bell end of the pipe shall contain a rubber gasket.
- B. The gasket and the gasket seat (if applicable) inside the bell shall be wiped clean before the gasket is inserted. At this time a thin film of lubricant shall be applied to the gasket and to the outside of the clean pipe end. Lubricant other than that furnished with the pipe shall not be used. The end of the pipe shall be then be inserted carefully into the bell to complete the joint. The use of the backhoe bucket or similar to force the pipe together will not be allowed.
- C. The assembly of the joint shall be made in accordance with the printed recommendations of the manufacturer. This shall be accomplished with an assembly tool if so recommended by the manufacturer, so that the resulting position of the sleeve shall be such that it is centered over pipe ends. Insert the pipe so that the stop line is flush with the bell end. **Any section of pipe where the stop line is not visible after insertion will be automatically rejected.** Field cut pipe shall be marked with a stop line prior to insertion. After assembling the coupling, the rubber gasket location shall be checked with a suitable gauge. Gaskets for the full circumference of the pipe shall be located at a distance from the bell end as recommended

by the manufacturer of the couplings. If the distance does not fall within required limits, the joint shall be disassembled and reassembled in an acceptable manner.

- D. When pipe laying is not in progress, the open end of the pipe shall be closed by approved means to prevent trench water from entering pipe. Adequate backfill shall be deposited on pipe to prevent floating of pipe. Any pipe which has floated shall be removed from the trench, cleaned, and relaid in an acceptable manner. No pipe shall be laid when, in the opinion of the **ENGINEER**, the trench conditions or weather are unsuitable for such work.
- E. The lubricant used in the installation of sealing gaskets shall be suitable for use in potable water be NSF 61 Certified and shall be acceptable to the pipe manufacturer. It shall be submitted for approval in the submittal process and delivered to the job site in enclosed containers and shall be kept clean.

### **19.0 Installation of Fittings**

- A. Fittings shall be installed utilizing standard installation procedures. Fittings shall be lowered into trench by means of rope, cable, chain, or other acceptable means without damage to the fittings. Cable, rope, or other devices used for lowering fitting into trench, shall be attached around exterior of fitting for handling. Under no circumstances shall the cable, rope, or other device be attached through the fitting's interior for handling. Fitting shall be carefully connected to pipe or other facility, and joint shall be checked to insure a sound and proper joint.

### **20.0 Thrust Blocking**

- A. Thrust blocks shall be installed such that they bear against the pipe fitting (not the pipe) on one side and against undisturbed earth on the other side.
- B. Thrust block concrete shall not obstruct removal of flange bolts from fittings. Concrete shall be prevented from adhering to the fittings. Either a liquid bond breaker shall be applied to the fitting, or an impervious membrane (plastic, building paper, etc.) shall be used.
- C. Concrete thrust blocking shall be provided at all tees, elbows, wyes, caps, valves, hydrants, reducers, and other points of unbalanced thrust. Thrust blocking shall be poured so the thrust surface bears against undisturbed soil.
- D. Thrust block shall also be utilized where restrained joints are specified when indicated on the Drawings.

### **21.0 Installation of Valve Boxes**

- A. All buried valves (and corporation stops when indicated on the Drawings) shall be installed with valve boxes.
- B. Valve Boxes: Center the valve boxes and set plumb over the wrench nuts of the valves. Set valve boxes so that they do not transmit shock or stress to the valves. Set the valve box covers flush with the surface of the finished pavement as shown or such other level as may

be ordered by the **ENGINEER**. Cut extensions to the proper length so that the valve box does not ride on the extension when set at grade.

- C. Backfill shall be the same as specified for the adjacent pipe. Place backfill around the valve boxes and thoroughly compact to a density equal to that specified for the adjacent trench and in such a manner that will not damage or displace the valve box from proper alignment or grade. Misaligned valve boxes shall be excavated, plumbed, and backfilled at the Contractor's expense.

## **22.0 PVC Pressure Testing-New Pipe**

### A. General

1. The entire pressure pipeline shall be subjected to a pressure/leakage test in accordance with AWWA C605 and the following procedure:
2. All appurtenances of the entire main line, including service saddles and corporation stops, shall be installed prior to testing. The pipeline shall be tested at a pressure equal to the class of pipe or 50 psi over working pressure, whichever is greater. Minimum Test Pressure 200 psi for a period of 2 hrs. The tests shall be made in the presence of the **ENGINEER** or his representative.
3. The line shall then be allowed to stand for one hour without the addition of water and the pressure recorded at the end of that hour.
4. The initial test pressure shall then be restored by addition of water and the quantity of water added to reach test pressure accurately measured and recorded. The quantity added shall not exceed that allowed by the following formula;

$$Q \text{ (gallon/hour)} = \text{Length (ft)} \times \text{Diameter (inches)} \times \text{SQRT}(\text{Pressure (psi)})/148,000$$

Should the leakage exceed the specified amount or should leaks be otherwise noted, the **CONTRACTOR** shall locate points of leakage, rework the line and again test the line.

5. Except where otherwise required by permits or the direction of the **ENGINEER**, it is intended that the pressure/leakage test be conducted with the trench backfilled.
6. All tools, pumps, fill points, gauges, meters, temporary valves and bulkheads, bracing, and other equipment needed for testing shall be provided by the **CONTRACTOR** at his expense and shall be subject to approval by the **ENGINEER**. Disposal of test water shall be as specified for disposal of flushing water. The test pressure shall be measured at the low point of each test section.

### B. Measurement of Leakage

1. Leakage shall be defined as the quantity of water that must be supplied into the newly laid pipe, or any valved section thereof, to maintain pressure within 5 psi (0.35 Bar) of the specified test pressure after the air in the pipeline has been

expelled and the pipe filled with water. The quantity of water supplied to maintain pressure shall be quantified by means of a positive displacement measurement from a reservoir of known volume. Leakage shall not be measured by a drop in pressure in a test section over a period of time.

C. Allowable Leakage

1. No pipe installation will be accepted if the leakage for the section of the line that is tested is greater than allowed by the Standard Specifications.
2. If the test leakage in any section is greater than permitted, the **CONTRACTOR** shall, at his own expense, locate and repair the defective materials until the leakage is within the permitted allowance. All visible leaks shall be repaired regardless of the amount or rate of leakage.
3. Disinfection of water mains shall be accomplished in accordance with all the requirements set forth in AWWA C651 unless otherwise specified herein.

**23.0 Ductile Iron Pressure Testing-New Pipe**

A. General

1. The entire pressure pipeline shall be subjected to a pressure/leakage test in accordance with AWWA C600 and the following procedure:
2. Sections of the line not exceeding 1,000 feet in length shall be tested by first filling the line with water and allowing the section to stand under slight pressure for 24 hours. The installation of saddles and taps in the main strictly for the purpose of pressure testing is not allowed unless approved by the **ENGINEER**.
3. The pressure shall then be raised and held at the test pressure (at the lowest point) by the addition of water for a minimum of two hours at the following test pressures;

Pressure Class 350      150 psi

4. The line shall then be allowed to stand for one hour without the addition of water and the pressure recorded at the end of that hour.
5. The initial test pressure shall then be restored by addition of water and the quantity of water added to reach test pressure accurately measured and recorded. The quantity added shall not exceed that allowed by the following formula;

$$Q \text{ (gallon/hour)} = \text{Length (ft)} \times \text{Diameter (inches)} \times \text{SQRT}(\text{Pressure (psi)}) / 148,000$$

Should the leakage exceed the specified amount or should leaks be otherwise noted, the **CONTRACTOR** shall locate points of leakage, rework the line and again test the line.

6. Except where otherwise required by permits or the direction of the **ENGINEER**, it is intended that the pressure/leakage test be conducted with the trench backfilled.
7. All tools, pumps, fill points, gauges, meters, temporary valves and bulkheads, bracing, and other equipment needed for testing shall be provided by the **CONTRACTOR** at his expense and shall be subject to approval by the **ENGINEER**. Disposal of test water shall be as specified for disposal of flushing water. The test pressure shall be measured at the low point of each test section.

B. Measurement of Leakage

1. Leakage shall be defined as the quantity of water that must be supplied into the newly laid pipe, or any valved section thereof, to maintain pressure within 5 psi (0.35 Bar) of the specified test pressure after the air in the pipeline has been expelled and the pipe filled with water. The quantity of water supplied to maintain pressure shall be quantified by means of a positive displacement measurement from a reservoir of known volume. Leakage shall not be measured by a drop in pressure in a test section over a period of time.

C. Allowable Leakage

1. No pipe installation will be accepted if the leakage for the section of the line that is tested is greater than allowed by the Standard Specifications.
2. If the test leakage in any section is greater than permitted, the **CONTRACTOR** shall, at his own expense, locate and repair the defective materials until the leakage is within the permitted allowance. All visible leaks shall be repaired regardless of the amount or rate of leakage.
3. Disinfection of water mains shall be accomplished in accordance with all the requirements set forth in AWWA C651 unless otherwise specified herein.

## **24.0 Disinfection and Cleanliness**

- A. Disinfection of water mains shall be accomplished in accordance with all the requirements set forth in AWWA C651 and as specified herein.
- B. Precautions shall be taken to protect pipe interiors, fittings, and valves against contamination. Pipe delivered for construction shall be strung so as to minimize entrance of foreign material. When pipe laying is not in progress, for example, at the close of the day's work, all openings in the pipeline shall be closed by water tight plugs. Joints of all pipe in the trench shall be completed before work is stopped. If water accumulates in the trench, the plugs shall remain in place until the trench is dry.
- C. If dirt that, in the opinion of the **ENGINEER**, will not be removed by flushing enters the pipe, the interior of the pipe shall be cleaned and swabbed as necessary with a 5 percent hypochlorite disinfecting solution.

- D. No contaminated material capable of supporting prolific growth of micro-organisms shall be used for sealing joints. Packing material shall be handled in such a manner as to avoid contamination.

## **25.0 Disinfection-New Pipe**

- A. Best practice is to keep all stockpiled and installed pipes and fittings clean at all times. Before being placed in service, the entire main line shall be pre-flushed if determined by ENGINEER and then chlorinated by the CONTRACTOR. Chlorine shall be applied by the following methods: Sodium hypochlorite water mixture, unless the District Engineer approves another method. Tablets are not allowed. The chlorinating agent shall be applied at the beginning of each section adjacent to the feeder connection and shall be injected through a corporation stop, hydrant, or other connection ensuring treatment of the entire line. Provide backflow protection on Fire Hydrants and dedicated disinfected hoses, fittings and appurtenances. Only certified potable water trucks may be used when a hydrant is not available. Test points are required every 300 feet along the line being tested with no less than two (2) test points for sections of less than 300 feet. Water shall be fed slowly into the line with chlorine applied in amounts to produce a dosage of 50 parts per million. Portions of the existing mains, which have been connected to a new line or otherwise contaminated by construction, shall be included in the system being sterilized. The solution shall remain in the line for a minimum of 24 hours. A residual of not less than 10 parts per million shall be produced in all parts of the line after the 24-hour period. During the chlorination process, all in line valves shall be operated. Chlorine samples are to be taken at pipeline ends and every 300' in between.
- B. OWNER will supply sodium hypochlorite 12.5% solution. Tablets not allowed. CONTRACTOR shall provide equipment to mix chlorine and ensure even mixing throughout the pipe. Pool or Spa chemicals shall not be used.
- C. Pressure test will not test back against any closed valve. Pressure test will not test back against any valve in the existing water system. Pressure test requires air gap between existing system and new pipe.
- D. During tie-ins sections of pipe used to make tie-ins will be kept clean and swabbed with a 1% min. hypochlorite solution.
- E. 16-hour Bac-T tests to occur only Monday-Wednesday.
- F. Samples to be taken no later than 3pm
- G. Final Flushing. After the applicable retention period, the heavily chlorinated water shall be flushed with potable water from the main until the chlorine concentration in the water leaving the main is no higher than that generally prevailing in the system, or less than 1 mg/l. Chlorine residual determination shall be made to ascertain that the heavily chlorinated water has been removed from the pipeline. **CONTRACTOR** shall conduct chlorine resident test in the presence of the **ENGINEER's** designated representative or designated Utility personnel. **CONTRACTOR** shall obtain any discharge permits required for the surface discharge of the flushing water from the Nevada Division of Environmental Protection and shall dechlorinate the water as required.

- H. Bacteriologic Testing shall comply with AWWA C651-05, NAC 445A.67145 and NAC 445A.67265 which requires two sets of samples taken at least 24 hours apart from each test section (as outlined in Section 02510, Part 27.0.F). After final flushing and before the water main is connected and placed in service, the **CONTRACTOR** shall collect representative sample on each end and over the entire length of the main at existing access points (approximate 1,200 foot intervals or as otherwise allowed by the **ENGINEER**) and test for bacteriologic quality and shall show the absence of coliform organisms. The installation of saddles and taps in the main strictly for the purpose of sampling is not allowed unless approved by the **ENGINEER**. Test shall be performed by a laboratory certified by the State of Nevada.
- I. If the initial disinfection fails to produce satisfactory samples, disinfection shall be repeated until satisfactory samples have been obtained. The tablet method cannot be used in these subsequent disinfections, and the continuous feed or slug method of chlorination shall be used. IVGID must obtain WCHD approval before placing any portion of a water project in service.

## **26.0 Disinfection-Cutting into or Repairing Existing Mains and Final Connections**

- A. Shall comply with AWWA C651.
- B. Trench Treatment. Wet excavations shall be treated with liberal amounts of hypochlorite tablets.
- C. Swabbing with Hypochlorite Solution. The interior of pipe, valves, fittings and appurtenances shall be swabbed, sprayed and/or dipped with a NSF 60 approved 1 percent hypochlorite solution. Valves shall be disinfected both in the open and closed positions.
- D. Cleanliness. Every effort shall be made to prevent any water, soil or other contamination from entering into the pipe, fittings or appurtenances at any time.
- E. Flushing. The pipe shall be thoroughly flushed immediately after completion of the work and shall be continued until discolored water is eliminated. If valve and hydrant locations permit, flush toward the work location from both directions.
- F. If, in the sole opinion of the **ENGINEER**, **CONTRACTOR** has not strictly adhered to the above requirements, **ENGINEER** will require that **CONTRACTOR**, at his cost, properly obtain representative samples for bacteriological testing at several locations surrounding the work area following flushing and then delivering them to a State of Nevada Certified laboratory. The **CONTRACTOR** will also be required to perform duplicate sampling after 24 hours of collecting the first set of samples from the same previous sample points. Positive results will require additional flushing and sampling, and possible boil water order, the cost of which will all be borne by the **CONTRACTOR**.

**Section 02533**  
**DUCTILE IRON PIPE**

**1.0 General**

- A. The **CONTRACTOR** shall furnish all materials, equipment, and services for the complete installation of ductile iron pipe. Ductile iron pipe shall be installed in the locations and of the sizes shown on the Drawings.

**2.0 Materials**

A. Ductile Iron Pipe

1. Unless otherwise specified or shown on the Drawings, ductile iron pipe shall be Pressure Class 350 (4"-12") or Pressure Class 250 (14"-20") and shall conform to the standard for "Ductile Iron Pipe, Centrifugally Cast, for Water, AWWA C151".
2. Ductile iron pipe shall be cement mortar lined in accordance with the standard for "Cement Mortar Lining for Ductile Iron Pipe and Fittings for Water, AWWA C104".
3. Ductile iron pipe installed below grade shall employ either mechanical joints, push-on joints or flange joints conforming to the standard for "Rubber Gasket Joints for Ductile Iron Pressure Pipe and Fittings, AWWA C111" as indicated on the Drawings.
4. Ductile iron pipe installed above grade shall employ flanged joints conforming to the standard for "Flanged Ductile Iron Pipe with Ductile Iron or Gray Iron Threaded Flanges, AWWA C115".
5. Testing of ductile iron pipe shall be in accordance with Section 02510 of these Specifications.
6. All buried ductile iron pipe shall be wrapped in polyethylene in accordance with AWWA C105.

B. Fittings

1. Unless otherwise specified or shown on the Drawings, all fittings to be used with ductile iron pipe shall conform to the standard for "Ductile Iron and Gray Iron Fittings, 3-inch through 48 inch, for Water and Other Liquids, AWWA C110". All ductile iron pipe fittings shall be lined with cement mortar in accordance with the requirements of the standard for "Cement Mortar Lining for Ductile Iron Pipe and Fittings for Water, AWWA C104". All above grade fittings and joint connections shall be thoroughly cleaned and coated in accordance with Section 09973 of these Specifications. Mechanical joint fittings shall be restrained with EBAA Megalug Series 1100 or **ENGINEER** approved equal where indicated on the Drawings.
2. All buried ductile iron fittings shall be wrapped in polyethylene in accordance with AWWA C105.
3. Unless specifically indicated otherwise, all buried nuts, bolts and T Heads shall be



supplied with a factory applied fluoropolymer coating. The coating shall be low friction, wear and corrosion resistant. Any coated bolts, nuts or T Heads damaged during installation shall be removed from the job site and replaced. Coating system shall be Tripac 2000, or Equal.

### **3.0 Installation**

- A. Ductile iron pipe shall be installed in accordance with the standard for “Installation of Ductile Iron Water Mains and their Appurtenances, AWWA C600”, and the manufacturer’s recommendations except as otherwise provided herein or shown on the drawings.
- B. All damaged or defective ductile iron pipe and appurtenances shall be rejected and removed from the Project Site.
- C. Transition couplings shall be in accordance with Section 15120 of these Specifications.
- D. Ductile pipe installation shall conform to the applicable part of Section 02315. Trenches shall be in a reasonably dry condition when the pipe is laid. The **CONTRACTOR** shall employ dewatering methods as required to maintain the trench in a reasonably dry condition. Necessary facilities shall be provided by the **CONTRACTOR** for lowering and properly placing the pipe sections into the trench without damage. The pipe shall be laid carefully to the lines and grades, or to the minimum depths shown on the drawings, and the sections shall be closely jointed to form a smooth flow line.
- E. The maximum allowable joint deflection for push-on type joint and mechanical joint pipe shall be as follows:

Pipe Size	Deflection Angle Degree	Maximum Offset (inches)		Radius of Curve (feet)	
		18 ft. Length	20 ft. Length	18 ft. Length	20 ft. Length
<b>Push-On Type Joint</b>					
4” – 12”	2.5	9	10	415	460
<b>Mechanical Joint Pipe</b>					
4”	4.0	15	17	260	290
6”	3.5	13	15	295	330
8” – 12”	2.5	9	10	415	460
14” – 36”	3.0	11	12	340	380

**Section 02536**  
**POLYVINYL CHLORIDE PRESSURE PIPE**

**1.0 General**

- A. This specification designates general requirements for Polyvinyl Chloride (PVC) pressure pipe. The **CONTRACTOR** shall furnish all materials, equipment, and services for the complete installation of PVC pressure pipe. PVC pressure pipe shall be installed in the locations and for the sizes and pressure classes shown in the Plans.

**2.0 Materials (2" – 3")**

- A. Pipe

The materials shall meet ASTM D1784 cell class 12454B and manufactured in accordance with ASTM 02241 (pressure rating 160 and 200) or ASTM D1785 (schedule 40). Pipe shall be furnished in 20 foot laying lengths.

- B. Joints

Joints shall be either solvent weld joints or restrained gasketed joints. Elastomeric gaskets shall meet the requirements of the "Standard Specification for Elastomeric Seals (Gaskets) for Joining Plastic Pipe, ASTM F477".

- C. Fittings

Fittings shall be either solvent weld or restrained gasketed. Fittings shall carry the same pressure ratings as the pipe to which they are being utilized on.

**3.0 Materials (4" – 12")**

- A. Pipe

Unless otherwise specified or shown on the Drawings, polyvinyl chloride pressure pipe, 4 inches through 12 inches, shall be DR 14 and shall conform to the "Polyvinyl Chloride (PVC) Pressure Pipe and Fabricated Fittings, 4 inches through 60 inches, AWWA C900". Polyvinyl chloride pressure pipe shall have been manufactured within the 18 month period prior to installation. Polyvinyl chloride pressure pipe shall be date coded by the manufacturer with the **ENGINEER** being provided the manufacturer's code for translation. Manufactured by Diamond Plastics or equal.

- B. Joints

Unless indicated otherwise on the Plans, joints shall be integral bell and spigot with a solid cross section elastomeric ring. Joints shall meet the requirements of AWWA C900. Elastomeric rings shall conform to the "Standard Specification for Elastomeric Seals (Gaskets) for Joining Plastic Pipe, ASTM F477".

- C. Fittings

Unless otherwise specified or shown on the Drawings, all fittings to be used with polyvinyl chloride pressure pipe, 4 inches through 12 inches, shall conform to the standard for "Ductile

Iron and Gray Iron Fittings, 3 inches through 48 inches, for Water and Other Liquids, AWWA C110". All cast iron fittings shall be lined with cement mortar in accordance with the requirements of the Standard for "Cement Mortar Lining for Ductile Iron Pipe and Fittings for Water, AWWA C104".

Fittings shall be wrapped in polyethylene in accordance with AWWA C105.

Fittings shall be restrained with Megalug Series 2000 by EBAA Iron, Inc., or **ENGINEER** approved equal where indicated on the Drawings.

Unless specifically indicated otherwise, all buried nuts, bolts and T Heads shall be supplied with a factory applied fluoropolymer coating. The coating shall be low friction, wear and corrosion resistant. Any coated bolts, nuts or T Heads damaged during installation shall be removed from the job site and replaced. Coating system shall be Tripac 2000, or Equal.

**4.0 Installation**

- A. Polyvinyl chloride pressure pipe shall be installed in accordance with "Underground Installation of Polyvinyl Chloride (PVC) Pressure Pipe and Fittings for Water, AWWA C605", and the manufacturer's recommendations except as otherwise provided herein or shown on the Drawings.
- B. Polyvinyl chloride pressure pipe showing signs of physical damage or unacceptable ultraviolet exposure as determined through visual inspection by the **ENGINEER** will be rejected.
- C. Polyvinyl chloride pressure pipe shall be deflected uniformly throughout each pipe length. Deflection shall be accomplished by staking the pipe on both sides of the joint so that deflection at the joint is minimized. The maximum allowable pipe deflection for factory belled pipe shall be as follows:

Pipe Size	Maximum Offset (inches)	Minimum Radius of Curvature for 20' Lengths
4"	24"	100'
6"	17"	144'
8"	12"	189'
10"	11"	231'
12"	9"	275'
14"	10"	255'
16"	8"	290'
18"	7"	325'
20"	7"	360'
24"	6"	430'

- D. Testing of PVC pressure pipe shall be in accordance with Section 02510 of these specifications.

## Section 02539 High Density Polyethylene Pipe

### 1.0 General

- 1.1 This section covers the requirements for High Density Polyethylene Pipe (HDPE) Pressure Pipe.
- 1.2 HDPE pressure pipe shall be installed in the locations and for the sizes and pressure classes shown on the Plans.
- 1.3 The manufacturer shall provide an Affidavit of Compliance to the **ENGINEER** that all materials provided on the Project comply with the requirements of the applicable AWWA standard. Quality Control records corresponding to the pipe furnished on the Project shall be attached to the Certificate of Compliance. These items shall be submitted prior to the delivery of any material to the Project or as approved by the **ENGINEER**.

### 2.0 Materials (1/2" – 3")

#### 2.1 Pipe

HDPE pipe shall be SDR 9, 200 psi rated. HDPE pipe shall be produced to the dimensions and tolerances specified in ASTM F-714, AWWA C901 and NSF 61. The pipe shall be homogenous throughout and free of visible cracks, holes, voids, foreign inclusions, and shall be identical in color, density, melt index, and other physical properties throughout.

#### 2.2 Joints

Unless otherwise indicated, the HDPE pipe and fittings shall be jointed by the heating and butt fusion method utilizing a hydraulic fusion machine.

#### 2.3 Fittings

HDPE pipe fittings shall be standard commercial products manufactured by injection molding or by exclusion and machining. The fittings shall be pressure rated by the manufacturer to provide a working pressure equal to the pipe.

### 3.0 Materials (4" & Larger)

#### 3.1 Pipe

The pipe shall comply with ASTM F714, AWWA C906 and NSF 61. HDPE pressure pipe shall meet the requirements for PE3408 as defined in ASTM D-3350. The materials shall be formulated with carbon black. Markings shall include manufacturer, nominal size, materials code, fabrication date, DR, pressure class and AWWA C906. The pipe shall be IPS sized and the DR rating shall be as indicated on the Drawings.

#### 3.2 Joints

Unless otherwise indicated, the HDPE pipe and fittings shall be jointed by the heating and butt fusion method utilizing a hydraulic fusion machine. Mechanical joining of polyethylene pipe and/or fittings where so specified in the Drawings shall be achieved by use of a polyethylene flange adaptor and back-up ring. The polyethylene flange adaptor

shall be of the same specifications as the pipe except will be made from black plate stock.

### 3.3 Fittings

HDPE pressure fittings shall meet the requirements set forth in ASTM D-1248 and D-3350. Fittings shall carry the same pressure rating as the pipe to which they are joined. At the point of fusion, the O.D. and minimum wall thickness shall match the O.D. and the minimum wall thickness for the same pipe size.

## 4.0 Installation

- 4.1 HDPE pipe shall be installed in strict accordance with the manufacturer's recommendations and the specifications. Plate temperatures, heating times, manufacturer's specifications and recommendations shall take into consideration actual local climatic conditions.
- 4.2 Heating and pressure shall be recorded at each joint utilizing a data logger device such as a McElroy Wired Data Logger. The records shall be provided regularly to the **ENGINEER**.
- 4.3 The minimum allowed bending radius shall conform with the following:

<u>DR</u>	<u>Minimum Radius (in diameters)</u>
32.5	20
26	18
21	16
17	13
15.5	12
11 and lower	10

- 4.4 Any pipe that is nicked, gouged or otherwise damaged during the installation shall be cut out and replaced.

## 5.0 Qualification Procedure

- 5.1 Any person joining polyethylene pipe shall have received formal training approved by the pipe manufacturer in each of the fusion procedures required for the Project. Such person must show written documentation to the **ENGINEER** that shows satisfactory completion of such training.
- 5.2 Any person joining polyethylene pipe may be required to make a sample joint for each procedure he uses at any time. Each sample joint must pass the following inspections and tests:
  - A. Pressure and tensile testing as described in Section 192.283, CFR,
  - B. Ultrasonically inspected and found not to contain flaws, or
  - C. Cut into at least three strips, each of which is:
    - 1. Visually examined and found free of voids or discontinuity on the cut surface

of the joint.

2. Deformed by bending, torque or impact, and if failure occurs, must not initiate in the joint area.
- 5.3 A person must be re-qualified under an applicable procedure during a 12 month period if that person:
- a. Does not make any joints under the procedure.
  - b. Has three joints or 3% of the joints made, whichever is greater, that are found to be acceptable by paragraph 192.513, CFR.

## **6.0 Testing**

### 6.1 Joints

Bend back testing to verify joint fusion integrity may be required by the **ENGINEER** or Resident Project Representative of any joint.

The maximum allowable misalignment variance of a joint will be 10% of the pipe wall thickness. Any joint exceeding 10% will be rejected.

### 6.2 Pressure Testing

Testing of HDPE pressure pipe shall be in accordance with Section 02510 of these Specifications.

## Section 15110 VALVES

### 1.0 General

- A. The term “valves” as used in this section shall refer to all valves specified within these Specifications.
- B. The **CONTRACTOR** shall furnish all valves in accordance with the Drawings and Specifications. All valves, including component parts thereof, shall equal or exceed the requirements set forth herein, and shall be manufactured by a firm normally engaged in the manufacture of such valves. All valves furnished for the Work shall be new and shall be currently under manufacture. Valves discontinued by the manufacturer as of the Bid opening date will not be acceptable.
- C. All valves shall be designed for a minimum water working pressure that equals or exceeds the working pressure of the pipe that the valve is being installed in unless otherwise indicated and as approved by the **ENGINEER**.
- D. The **CONTRACTOR** shall install and test all valves furnished in conformance with the Contract Documents.
- E. Valves shall be furnished with flanged ends, hub ends, mechanical joint ends, or any combination thereof as required by the Drawings or these Specifications.
- F. Valve flanges may be raised or plain faced with either a smooth or serrated finish and shall be faced and drilled to ANSI B 16.1, Class 125/150 cast iron flange dimensions unless otherwise shown on the Drawings or specified in these Specifications.
- G. Shop Drawings for each valve type shall be furnished in accordance with Section 01300 of these Specifications. Shop Drawings shall be submitted with the valve operator in the position and orientation as shown on the Drawings.
- H. All exposed valves shall be provided with an exterior protective coating. Buried valves shall receive the standard manufacturer’s coating for buried service and shall be wrapped in polyethylene.
- I. All valve operators shall turn clockwise to close.
- J. Pressure rating and manufacturer’s name shall be cast on each valve body.
- K. Valves of the same type shall be of one manufacturer.
- L. All valves shall be NSF 61 Certified.

### 2.0 Gate Valves

- A. Gate Valves, 3” and Smaller

Gate valves, 3 inches and smaller, shall be of non-rising stem design with brass or bronze solid wedge disc rated for 150 psi (unless indicated otherwise) and with screwed ends.

- B. Resilient Wedge Gate Valves, 4” through 12”
1. Resilient wedge gate valves and component parts thereof shall conform to the following standards, except as otherwise specified in these Specifications:
    - a. AWWA C515, Resilient-Wedge Gate Valves for Water Supply Service
    - b. ASTM B 62, Composition Bronze or Ounce Metal Castings
    - c. AWWA C550, Protective Interior Coatings for Valves and Hydrants
  2. Gate valves shall be of the iron-bodied, non-rising stem type with O-ring stem seals and shall be rated at 350 psi.
  3. All interior parts of the gate valve, except the valve body and stem, shall be made of bronze conforming to the requirements of ASTM B 62. Valve stems shall be of bronze containing not more than 5% of zinc, not more than 2% of aluminum, and shall have a minimum tensile strength of 60,000 psi, a yield strength of 40,000 psi, and an elongation of at least 10% in two inches, as determined by a test coupon poured from the same ladle from which the valve stems to be furnished are poured.
  4. Gate valves shall be suitable for installation in the vertical or horizontal position.
  5. Gate valves shall have the bonnet connected to the body by means of bolts and nuts or studs which are cadmium-plated steel or stainless steel 304 or 316. Type II Service Class I zinc-plated bolts are also acceptable.
  6. Non-buried valves shall be provided with manual hand wheels. All non-buried actuators shall provide external indication of disc position. Buried service valves shall have a buried service actuator with 2-inch square operating nut sized to operate with a maximum input of 150 foot pounds.
  7. Resilient-wedge gate valves shall be as manufactured by Mueller, or **ENGINEER** approved equal.

### **3.0 Combination Air Release Valves**

A. The combination air release valve shall be single body double orifice and comply with AWWA C-512. The body inlet shall be baffled to protect the float from direct forces of rushing air and water to prevent premature valve shut off. The seat must be fastened to the valve cover without distortion for drop tight shut off. The floats shall be hermetically sealed. The plug or float shall be center guided through hex bushings for positive shut off. Valve exterior shall be painted with an NSP approved primer. Each valve shall be equipped with a drain plug.

B. The materials of construction shall be as follows:

Body and Cover	Cast Iron per ASTM A126 GR B
Float	Heavy Stainless Steel per ASTM A240
Needle & Seat	Buna-N
Plug	Bronze per ASTM B124
Leverage Frame	Delrin/Cast Iron per ASTM D2133/ASTM A126 GR B



- C. Minimum working pressure rating shall meet or exceed the pressure class rating of the pipe that the valve is being installed on.
- D. The combination air release valve shall be DeZurik-APCO, Crispin Model UL or **ENGINEER** approved or Equal.

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT  
PROFESSIONAL SERVICES AGREEMENT**

**1. PARTIES AND DATE.**

This Agreement is made and entered into as of **Date**, by and between the Incline Village General Improvement District, a Nevada general improvement district (“District”) and **Shaw Engineering, Ltd.**, a domestic corporation, with its principal place of business at 20 Vine Street, Reno, Nevada (“Consultant”). The District and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

**2. RECITALS.**

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

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

2.3 Project. District desires to engage Consultant to review contractor submittals, attend preconstruction conference, respond to RFI’s or other questions that may arise during construction, perform periodic observation during the construction, perform a substantial completion walkthrough, develop punch list, and provide record drawings to owner and NDEP-BSDW for the District’s Crystal Peak Watermain Replacement Project (“Project”).

**3. TERMS.**

**3.1 Scope of Services and Term.**

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the District, all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the Project design services necessary for the Project (“Services”). The types of services to be provided are more particularly described in Exhibit A attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations. As described in Section 3.3, the District shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit B.

3.1.2 Term. The term of this Agreement shall be from April 29, 2023 to October 15, 2023, unless earlier terminated as provided herein. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Project.

## **3.2 Responsibilities of Consultant.**

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

3.2.2 Schedule of Services. Consultant shall perform its services in a prompt and timely manner within the term of this Agreement and shall commence performance upon receipt of written notice from the District to proceed ("Notice to Proceed"). The Notice to Proceed shall set forth the date of commencement of work.

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

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

3.2.5 District's Representative. The District hereby designates Kate Nelson, P.E., IVGID Engineering Manager, or her designee, to act as its representative for the performance of this Agreement ("District's Representative"). The District's Representative shall have the power to act on behalf of the District for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than the District's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates Cody Black, P.E., Principal Engineer, or his designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall

be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

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

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

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, and shall give all notices required by law. If required, Consultant shall assist District, as requested, in obtaining and maintaining all permits required of Consultant by federal, state and local regulatory agencies. Consultant shall be liable for all violations of local, state and federal laws, rules and regulations in connection with the Project and the Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the District, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold the District, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

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

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

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

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

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

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

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

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

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

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

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

3.2.10.6 Acceptability of Insurers. Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Nevada and with an "A.M. Best" rating of not less than A-VII. The District in no way warrants that the above-required minimum insurer rating is sufficient to protect the Consultant from potential insurer insolvency.

3.2.10.7 Verification of Coverage. Consultant shall furnish the District with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the District. The certificates and endorsements for each insurance policy shall be

signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the District if requested. All certificates and endorsements must be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time.

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

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

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

### **3.3 Fees and Payments.**

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement in accordance with the Schedule of Charges set forth in Exhibit B, attached hereto and incorporated herein by reference. The total compensation to be provided under this Agreement shall not exceed **Nine Thousand Six Hundred Dollars (\$9,600.00)** without written approval of District's Engineering Manager. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

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

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

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

### **3.4 Accounting Records.**

3.4.1 Maintenance and Inspection. Consultant shall maintain accurate and complete books, documents, accounting records and other records pertaining to the Services for six (6) years (or longer as required by applicable law) from the date of final payment under this Agreement. Consultant shall make such records available to the District for inspection, audit, examination, reproduction, and copying at Consultant’s offices at all reasonable times. However, if requested, Consultant shall furnish copies of said records at its expense to the District, within seven (7) business days of the request.

### **3.5 General Provisions.**

#### **3.5.1 Termination of Agreement.**

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

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

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



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

**District**

Incline Village General Improvement District  
1220 Sweetwater Road  
Incline Village, NV 89451  
Attn: Ronnie Rector

**Consultant**

Shaw Engineering, Ltd.  
20 Vine Street  
Reno, NV 89503  
Attn: Cody Black

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

3.5.3 Ownership of Materials and Confidentiality.

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

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

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

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

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

3.5.6.1 Design Professional. To the extent required by NRS 338.155, Consultant's obligation to defend, indemnify, and hold District, its officials, officers, employees, volunteers, and agents free and harmless shall not include any liability, damage, loss, claim, action or proceeding caused by the negligence, errors, omissions, recklessness or intentional misconduct of the employees, officers or agents of the District. Moreover, Consultant's obligation to defend, indemnify, and hold District, its officials, officers, employees, volunteers, and agents free and harmless from any liability, damage, loss, claim, action or proceeding caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Consultant or the employees or agents of the Consultant which are based upon or arising out of the professional services of the Consultant. If the Consultant is adjudicated to be liable by a trier of fact, the trier of fact shall award reasonable attorney's fees and costs to be paid to the District, as reimbursement for the attorney's fees and costs incurred by the District in defending the action, by the Consultant in an amount which is proportionate to the liability of the Consultant. This Section shall only apply to the extent required by NRS 338.155 and shall not otherwise limit Consultant's obligation to defend, indemnify and hold the District harmless as required under Section 3.5.6.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3.5.24 Limitation of Liability. The District does not and will not waive and expressly reserves all available defenses and limitations contained in Chapter 41 of the Nevada Revised Statutes. Contract liability of both parties shall not be subject to punitive damages.

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

3.5.26 Compliance with Laws. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services. Consultant shall not discriminate against any person on the grounds of race, color, creed, religion, sex, sexual orientation, gender identity or gender expression, age, disability, national origin or any other status protected under any applicable law. Consultant is not currently engaged in, and during the duration of the Agreement shall not engage in, a Boycott of Israel. The term "Boycott of Israel" has the meaning ascribed to that term in NRS 332.065. Consultant shall be responsible for all fines, penalties, and repayment of any State of Nevada or federal funds (including those that the District pays, becomes liable to pay, or becomes liable to repay) that may arise as a direct result of the Consultant's non-compliance with this subsection.

3.5.27 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, District shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of District, during the term of his or her service with District, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

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

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

\_\_\_\_\_  
*Date*

**Reviewed as to Form:**

\_\_\_\_\_  
Joshua Nelson  
District General Counsel

\_\_\_\_\_  
*Date*

**CONTRACTOR:**  
**SHAW ENGINEERING, LTD.**  
**Agreed to:**

By: \_\_\_\_\_  
*Signature of Authorized Agent*

\_\_\_\_\_  
*Print or Type Name and Title*

\_\_\_\_\_  
*Date*

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

**EXHIBIT A**  
**CONSULTANT'S PROPOSAL DATED FEBRUARY 16, 2023**



February 16, 2023

**Mr. Hudson Klein, P.E.**  
Incline Village General Improvement District  
1220 Sweetwater Road  
Incline Village, NV 89451

**RE: Proposal for Construction Phase Services  
Crystal Peak Distribution Watermain Project-Amendment 1**

Dear Hudson:

Shaw Engineering appreciates this opportunity to provide limited construction administration support to the Incline Village General Improvement District (IVGID) for the above referenced Project.

The following scope of work is envisioned.

1. Submittals: Review contractor submittals.
2. Preconstruction Meeting: Attend preconstruction conference.
3. Administration Support: Respond to any RFI's or other questions that may arise during construction and attend construction related meetings as needed and other project administration as required. Assistance to IVGID when requested in the preparation of work change directives, field orders and change orders.
4. Periodic Construction Observation: Perform periodic engineering observation during construction.
5. Substantial Completion and Project Completion: Perform a substantial completion walkthrough and provide punch list comments. Perform project completion requirements with NDEP-BSDW and provide record drawings to NDEP and IVGID.

Our estimated fee to complete the work is **\$9,600**.

Shaw reserves the right to alter fees between work items but to not exceed the total amount shown without prior written authorization. The estimated total is a lump sum not to exceed amount and Shaw will invoice for our services monthly as a percentage of project completion.

If you have any questions or comments, please feel free to call me.

Sincerely,  
**SHAW ENGINEERING**

A handwritten signature in blue ink, appearing to read "Nick O'Connor", is written over a blue horizontal line.

Nicholas O'Connor, P.E.  
Project Engineer

20 Vine Street  
Reno, Nevada  
89503

Telephone:  
775.  
329.5559

Facsimile:  
775.  
329.5406

Email:  
mail@  
shawengineering  
.com

**ATTACHMENT B  
CONSULTANT'S 2023 FEE SCHEDULE**





## 2023 FEE SCHEDULE

### PROFESSIONAL

Senior Principal	\$200.00/hr
Principal	\$180.00/hr
Project Manager	\$160.00/hr
Senior Engineer	\$150.00/hr
Professional Engineer II	\$140.00/hr
Professional Engineer I	\$120.00/hr
Staff Engineer II	\$110.00/hr
Staff Engineer I	\$100.00/hr
Expert Testimony	
Consultations	\$250.00/hr
Reports/Preparations	\$500.00/hr
Trial/Depositions	\$750.00/hr (4 hr.Min.)

### TECHNICAL

Engineering Technician	\$ 95.00/hr
Planning Technician	\$ 85.00/hr
Drafting/Technician II	\$ 85.00/hr
Drafting/Technician I	\$ 75.00/hr
Construction Inspector II	\$100.00/hr
Construction Inspector I	\$ 90.00/hr

### ADMINISTRATIVE

Office Administrator	\$ 75.00/hr
Administrative Assistant II	\$ 65.00/hr
Administrative Assistant I	\$ 55.00/hr

### OTHER

Subconsultants	Cost + 15%
Mileage	\$0.75/mile
Per Diem	\$150.00/day
Expenses	At Cost

*The cost for office equipment, office supplies, hardware and software utilized during a Project is included in the fee schedule. Per Diem applies to Construction Inspectors that are required to spend one night or more on the Project.*

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT  
PROFESSIONAL SERVICES AGREEMENT**

**1. PARTIES AND DATE.**

This Agreement is made and entered into as of **Date**, by and between the Incline Village General Improvement District, a Nevada general improvement district (“District”) and **Construction Materials Engineers, Inc.**, a domestic corporation, with its principal place of business at 300 Sierra Manor Drive, Suite 1, Reno, Nevada (“Consultant”). The District and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

**2. RECITALS.**

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

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

2.3 Project. District desires to engage Consultant to provide periodic on-site and laboratory material testing when required per ACI and 2012 Standard Specification for Public Works Construction (SSPWC) Revision No. 8 for the District’s Crystal Peak Watermain Replacement Project (“Project”). On-site testing will be compaction testing of soils, utility backfill, aggregate base, as well as concrete and asphalt testing (if required). All laboratory testing will be performed in an AASHTO-accredited laboratory located in Reno. Daily written summaries of the inspection dialogues and materials testing results will be provided weekly.

**3. TERMS.**

**3.1 Scope of Services and Term.**

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the District, all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the Project design services necessary for the Project (“Services”). The types of services to be provided are more particularly described in Exhibit A attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations. As described in Section 3.3, the District shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit B.

3.1.2 Term. The term of this Agreement shall be from April 29, 2023 to October 15, 2023, unless earlier terminated as provided herein. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Project.

### **3.2 Responsibilities of Consultant.**

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

3.2.2 Schedule of Services. Consultant shall perform its services in a prompt and timely manner within the term of this Agreement and shall commence performance upon receipt of written notice from the District to proceed ("Notice to Proceed"). The Notice to Proceed shall set forth the date of commencement of work.

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

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

3.2.5 District's Representative. The District hereby designates Kate Nelson, P.E., IVGID Engineering Manager, or her designee, to act as its representative for the performance of this Agreement ("District's Representative"). The District's Representative shall have the power to act on behalf of the District for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than the District's Representative or his or her designee.

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

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

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

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, and shall give all notices required by law. If required, Consultant shall assist District, as requested, in obtaining and maintaining all permits required of Consultant by federal, state and local regulatory agencies. Consultant shall be liable for all violations of local, state and federal laws, rules and regulations in connection with the Project and the Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the District, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold the District, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

### 3.2.10 Insurance.

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

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

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

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

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

(A) Commercial General Liability. The commercial general liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's

insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Consultant to waive its right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

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

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

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

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

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

3.2.10.6 Acceptability of Insurers. Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Nevada and with an “A.M. Best” rating of not less than A-VII. The District in no way warrants that the above-required minimum insurer rating is sufficient to protect the Consultant from potential insurer insolvency.

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

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

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

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

### **3.3 Fees and Payments.**

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement in accordance with the Schedule of Charges set forth in Exhibit B, attached hereto and incorporated herein by reference. The total compensation to be provided under this Agreement shall not exceed **Eighteen Thousand Eight Hundred Dollars (\$18,800.00)** without written approval of District’s Engineering Manager. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to District a monthly itemized invoice which indicates work completed and hours of Services rendered by Consultant. The invoice shall describe the amount of Services and supplies provided since the initial commencement date of

Services under this Agreement, and since the start of the subsequent billing periods, through the date of the invoice. Invoices shall be sent to [invoices@ivgid.org](mailto:invoices@ivgid.org) with a copy to [rlr@ivgid.org](mailto:rlr@ivgid.org). Consultant shall include a Project Task Tracking Sheet with each invoice submitted. District shall, within forty-five (45) days of receiving such invoice and Project Task Tracking Sheet, review the invoice and pay all approved charges thereon.

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

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

### **3.4 Accounting Records.**

3.4.1 Maintenance and Inspection. Consultant shall maintain accurate and complete books, documents, accounting records and other records pertaining to the Services for six (6) years (or longer as required by applicable law) from the date of final payment under this Agreement. Consultant shall make such records available to the District for inspection, audit, examination, reproduction, and copying at Consultant's offices at all reasonable times. However, if requested, Consultant shall furnish copies of said records at its expense to the District, within seven (7) business days of the request.

### **3.5 General Provisions.**

#### **3.5.1 Termination of Agreement.**

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

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, the District may require Consultant to provide all finished or unfinished Documents and Data (defined below) and



other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

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

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

<u>District</u>	<u>Consultant</u>
Incline Village General Improvement District	CME
1220 Sweetwater Road	300 Sierra Manor Drive, Ste. 1
Incline Village, NV 89451	Reno, NV 89511
Attn: Ronnie Rector	Attn: Jon Del Santo

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

3.5.3 Ownership of Materials and Confidentiality.

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

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

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

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

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

3.5.6.1 Design Professional. To the extent required by NRS 338.155, Consultant's obligation to defend, indemnify, and hold District, its officials, officers, employees, volunteers, and agents free and harmless shall not include any liability, damage, loss, claim, action or proceeding caused by the negligence, errors, omissions, recklessness or intentional misconduct of the employees, officers or agents of the District. Moreover, Consultant's obligation to defend, indemnify, and hold District, its officials, officers, employees, volunteers, and agents free and harmless from any liability, damage, loss, claim, action or proceeding caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Consultant or the employees or agents of the Consultant which are based upon or arising out of the professional services of the Consultant. If the Consultant is adjudicated to be liable by a trier of fact, the trier of fact shall award reasonable attorney's fees and costs to be paid to the District, as reimbursement for the attorney's fees and costs incurred by the District in defending the action, by the Consultant in an amount which is proportionate to the liability of the Consultant. This Section shall only apply to the extent required by NRS 338.155 and shall not otherwise limit Consultant's obligation to defend, indemnify and hold the District harmless as required under Section 3.5.6.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3.5.24 Limitation of Liability. The District does not and will not waive and expressly reserves all available defenses and limitations contained in Chapter 41 of the Nevada Revised Statutes. Contract liability of both parties shall not be subject to punitive damages.

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

3.5.26 Compliance with Laws. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services. Consultant shall not discriminate against any person on the grounds of race, color, creed, religion, sex, sexual orientation, gender identity or gender expression, age, disability, national origin or any other status protected under any applicable law. Consultant is not currently engaged in, and during the duration of the Agreement shall not engage in, a Boycott of Israel. The term "Boycott of Israel" has the meaning ascribed to that term in NRS 332.065. Consultant shall be responsible for all fines, penalties, and repayment of any State of Nevada or federal funds (including those that the District pays, becomes liable to pay, or becomes liable to repay) that may arise as a direct result of the Consultant's non-compliance with this subsection.

3.5.27 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, District shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of District, during the term of his or her service with District, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

**OWNER:  
INCLINE VILLAGE G. I. D.**

**Agreed to:**

By: \_\_\_\_\_

Brad B. Underwood, P. E.  
Director of Public Works

\_\_\_\_\_  
*Date*

**Reviewed as to Form:**

\_\_\_\_\_  
Joshua Nelson  
District General Counsel

\_\_\_\_\_  
*Date*

**CONSULTANT:  
CONSTRUCTION MATERIALS  
ENGINEERS, INC.**

**Agreed to:**

By: \_\_\_\_\_

*Signature of Authorized Agent*

\_\_\_\_\_  
*Print or Type Name and Title*

\_\_\_\_\_  
*Date*

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

EXHIBIT A  
CONSULTANT'S PROPOSAL AND SCOPE OF WORK

February 22, 2023

Kate S. Nelson, PE & WRS  
**Incline Village General Improvement District**  
1220 Sweetwater Road  
Incline Village, NV 89451

**RE: IVGID Crystal Peak Distribution Water Main Improvements  
Incline Village, Washoe County, Nevada  
Materials Testing Proposal**

Dear Ms. Nelson:

CME, Inc. is pleased to provide this cost proposal for materials testing services on the referenced project.

It is understood that our scope of work is to provide periodic on-site and laboratory material testing when required. We propose to provide one technician to perform the periodic materials testing required per the ACI, 2012 Standard Specification for Public Works Construction (SSPWC) Revision No. 8, the approved project civil plans, and contract documents. Our technician will provide the on-site compaction testing of soils, utility backfill, aggregate base, as well as concrete testing which includes slump, air content, concrete temperature, maximum/minimum curing temperature and compressive strength cylinders. Asphalt paving inspection and testing will be provided upon request. All laboratory testing will be performed in our AASHTO accredited Reno laboratory.

Based upon a review of the provided civil plans and contract documents, we will provide the following services which will require materials testing:

- *Utility Bedding and Backfill*
- *Concrete Placement – Upon Request*
- *Laboratory Testing*
- *Asphalt Concrete Placement and Testing – Upon Request*

The attached scope of work will include daily field reports describing construction and materials testing activities with transmittals to the project administrator. Individual test results for compaction testing and concrete testing will be provided verbally at the completion of each test. Daily written summaries of the inspection dialogues and materials testing results will be provided weekly.

A detailed outline including total trips, hours per trip and associated fees is attached for your review. Based on the documents provided and our assumed construction schedule, we will provide our services on a time and expense basis not to exceed \$18,800.00. At the request of the Incline Village General Improvement District, our fee estimate is based upon CME paying prevailing wages listed in the October 1, 2022 Washoe County 2022-2023 Prevailing Wage Determination of \$44.17 per hour for soils and materials testers.

Our services are dependent on your future construction schedule and the scope of work provided. Any changes due to your schedule or the anticipated scope may result in a change in cost. All services outside the attached estimate will be provided on a time and expense basis in accordance with our current standard fee schedule.

Kate S. Nelson, PE & WRS  
**Incline Village General Improvement District**  
February 22, 2023  
Page 2

We appreciate the opportunity to provide our materials testing services. Please do not hesitate to call if you have any questions or comments.

Sincerely,

**CONSTRUCTION MATERIALS ENGINEERS, INC.**



Jon A. Del Santo, PE  
Principal

[jdelsanto@cmenv.com](mailto:jdelsanto@cmenv.com)

Direct: 775-737-7564

Mobile: 775-846-4399

JAD:lr

V:\promotion\Minor Proposals\2023\IVGID-Crystal Peak Waterline Replacement\tr\_2-21-23.docx



EXHIBIT B  
CONSULTANT'S FEE PROPOSAL

**IVGID - CRYSTAL PEAK DISTRIBUTION WATER MAIN IMPROVEMENTS  
MATERIAL TESTING ESTIMATE  
INCLINE VILLAGE, WASHOE COUNTY, NEVADA**

IVGID

DATE : 2/22/2023

**TASK 1 - MATERIAL TESTING**

ACTIVITY	QTY/DAYS	HRS/DAY	RATE	TOTAL	COMMENTS
<b>PROJECT MANAGEMENT</b>					
<b>110 CALANDER DAYS</b>					
PROJECT MANAGER	12	1	\$ 180.00	\$ 2,160.00	COORDINATION, CONSULTATION AND REPORTS
PROJECT MANAGER	2	2	\$ 175.00	\$ 700.00	PRE-CON/PROJECT MEETINGS
VEHICLE	4		\$ 10.00	\$ 40.00	PRE-CON/PROJECT MEETINGS

**FIELD**

**UTILITIES**

TECHNICIAN REG	15	5	\$ 110.00	\$ 8,250.00	APPROX 2,380 LFT NATIVE/AGG BASE
VEHICLE	75		\$ 10.00	\$ 750.00	
NUCLEAR GAUGE	75		\$ 10.00	\$ 750.00	

\*ASSUME 150 LF/DAY PLACEMENT

**LAB**

**SOILS**

MOISTURE DENSITY CURVE - BACKFILL	2		\$ 300.00	\$ 600.00	NATIVE / AGG BASE
SIEVE ANALYSIS / PI	2		\$ 240.00	\$ 480.00	BACKFILL - SUBMITTAL CONFIRMATION

**ESTIMATED TASK 1 TOTAL FEE: \$ 13,730.00**

**TASK 2 - ALTERNATE - ASPHALT AND CONCRETE TESTING (UPON REQUEST)**

**CONCRETE\* (UPON REQUEST)**

TECHNICIAN REG.	4	5	\$ 110.00	\$ 2,200.00	COLLARS/BOLLARDS/PERMENANT CONCRETE PATCH
VEHICLE	20		\$ 10.00	\$ 200.00	

\* INCLUDES CYLINDER PICKUP THE NEXT DAY

**CONCRETE**

CYLINDERS	4		\$ 175.00	\$ 700.00	SETS OF FIVE
-----------	---	--	-----------	-----------	--------------

**ASPHALT PAVING - FIELD**

TECHNICIAN REG.	2	4	\$ 110.00	\$ 880.00	SAMPLING AND DENSITYAC THIN LIFT MONITORING INCLUDED - APPROX 350 TONS
CORING EQUIPMENT	1	3	\$ 60.00	\$ 180.00	1 SET OF 3

**ASPHALT PAVING - LAB**

FULL MARSHALL SERIES	1		\$ 640.00	\$ 640.00	1 PER LOT
AC CORES - SET OF 3	1		\$ 270.00	\$ 270.00	1 SET OF 3

**ESTIMATED TASK 2 TOTAL FEE: \$ 5,070.00**

**ESTIMATED TOTAL FEE: \$ 18,800.00**

1. BASED UPON AN ASSUMED CONSTRUCTION SCHEDULE AND NUMBER OF TRIPS
2. TECHNICIAN REGULAR RATE BASED UPON CME PAYING PREVAILING WAGES AT \$44.17 / HR

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Chairman Matthew Dent

**FROM:** Erin Feore, Director of Human Resources

**SUBJECT:** Review, discuss and provide direction on the District General Manager evaluation process (Requesting Trustee: Trustee Sara Schmitz) (Requesting Staff Member: Director of Human Resources Erin Feore)

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

While it is not a budgeted initiative in the strategic plan; it was directed by the Board of Trustees and relates to the Long Range Principal #7 – Governance of the Strategic Plan

**RELATED DISTRICT  
POLICIES, PRACTICES,  
RESOLUTIONS OR  
ORDINANCES**

This is tied to the District General Manager’s Job Description and Board identified District General Manager goals for the 2022-2023 fiscal year

**DATE:** March 8, 2023

---

**I. RECOMMENDATION**

The Board provides direction to the Director of Human Resources in the structured process for evaluating the District General Manager’s work performance. This may, at the Board’s discretion, include requesting the District’s senior leadership team anonymously submit feedback (often referred to as a “360 review”).

**II. BACKGROUND**

At the March 8, 2023 Board of Trustees meeting, the Board discussed the proposed changes to the General Manager evaluation process. These changes proposed a new design of the previously utilized General Manager evaluation form that would allow Trustees to provide a more focused and less subjective method for evaluating the overall work performance of the General Manager to include:

- **Competency Review:** The questions in this section tie to the General Manager’s job description and is intended to allow the Board of Trustees to evaluate the General Manager’s skills related to Management, Professional and Technical Skills, Community Relations, Leadership, Communication and Human Relations.
- **Goals Review:** This section allows the Board of Trustees to evaluate the General Manager’s completion of the previously designated goals, as follows:
  1. Time Management/Task Delegation
  2. Internal Controls
  3. Contract/Project Management
  4. Implementation/Revision of Ordinance 7
  5. Effective Management of the 2021-2023 District Strategic Plan

Upon further discussion, the Board proposed additional design ideas and recommended changes to the proposed evaluation form. As directed, the Director of Human Resources has updated the General Manager’s evaluation form to include:

Clarification/descriptions to the proposed ratings and additional space for individual narratives and comments.

**III. BID RESULTS**

Not applicable to this item.

**IV. FINANCIAL IMPACT AND BUDGET**

The evaluation process has an impact on the budget as it relates to potential salary increases for the General Manager.

**V. ALTERNATIVES**

The Board may suggest alternatives.

**VI. COMMENTS**

The purpose of the evaluation process is to set goals and expectations for work performance and provide guidance for needed and desired improvement in specific areas, as applicable.

**VII. DISTRICT IMPROVEMENT, COST REDUCTION, RETURN ON INVESTMENT OR PRODUCTIVITY ENHANCEMENT**

Not applicable to this item.

### **VIII. BUSINESS IMPACT**

The benefit is to have a less subjective, more comprehensive method for evaluating the General Manager's work performance. Should this type of tool and approach be approved, it may be expanded more broadly in the organization.

### **IX. ATTACHMENTS**

1. 2022-2023 Competencies Evaluation - Final Draft
2. 2022-2023 Goals Evaluation - Final Draft

### **X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

By which date will the "360 reviews", to be completed by the senior leadership team, be due for submission?



**General Manager - Indra Winquest**

2022-2023 Evaluation Ratings

**4-Point Rating Scale**

0 = Not Effective: Overall performance does not meet specified criteria; often requires redirection or re-instruction; does not complete assignments accurately or efficiently; overall knowledge, skills and abilities have not been demonstrated at expected levels
1 = Minimally Effective: Overall performance meets some but not all specified criteria; requires occasional redirection or instruction; accurate or efficient completion of assignments is inconsistent; overall knowledge, skills and abilities inconsistently demonstrated at expected levels
2 = Effective: Overall performance meets specified criteria; consistently delivers sustained results without additional direction or instruction; completes assignments accurately and efficiently; overall knowledge skills and abilities continually demonstrated at expected levels
3 = Highly Effective: Overall performance exceeds specified criteria; takes the initiative to exceed expected direction or instruction; proactive in planning, problem solving and initiating solutions to problems; is highly effective in the success of the organization
4 = Exceptional: Overall performance of specified criteria is exceptional; exceeds expected direction or instruction AND initiates solutions to unidentified obstacles; exhibits mastery of overall knowledge, skills and abilities; identifies unanticipated challenges and provides solutions to overcome said challenges.

**Competencies**

Management Sills and Experience	Weighted	<i>Understands the management requirements and financial policies of the District</i>	<i>Formulates strategic goals with Sr Leadership team</i>	<i>Proactive in responding to opportunities and solving problems</i>	<i>Provides leadership through District challenges</i>	
<b>Overall Rating</b>	<b>0%</b>					
Narrative:						
Professional and Technical Skills		<i>Keeps abreast of latest developments within the District, County and Region</i>	<i>Anticipates problems and effectively recommends or plans solutions</i>	<i>Displays a professional attitude and demeanor to ensure a positive and respectful relationship with the Board.</i>	<i>Makes effort to be accessible and provides consistent and equal treatment to Board members.</i>	
<b>Overall Rating</b>	<b>0%</b>					
Narrative:						
Community Relations		<i>Represents the District well in public and provides a positive, professional image</i>	<i>Enhances community understanding of District's financial goals and objectives</i>	<i>Works cooperatively with outside governmental agencies and other groups</i>	<i>Provides excellent customer service (leadership) when addressing community members' concerns.</i>	
<b>Overall Rating</b>	<b>0%</b>					
Narrative:						

Leadership		<i>Assumes leadership in establishing the immediate and long-range financial objectives for the District</i>	<i>Understands and makes use of management best practices; demonstrates the distinction between leading and directing</i>	<i>Plans effectively and delegates responsibility appropriately</i>	<i>Identifies and engages stakeholders in implementing process improvements and problem resolutions</i>	<i>Thinks ahead and formulates plans to mitigate anticipated challenges</i>
<b>Overall Rating</b>	<b>0%</b>					
Narrative:						

Communication		<i>Promotes and engages in two-way communication; listens attentively without interrupting including non-verbal interruptions</i>	<i>Open to new ideas, suggestions and concerns.</i>	<i>Clearly and concisely communicates ideas, information, problems and questions using language appropriate to listener</i>	<i>Encourages open and effective communication between departments with both internal and external customers</i>	<i>Accurately communicates with all stakeholders</i>
<b>Overall Rating</b>	<b>0%</b>					
Narrative:						

Human Relations		<i>Consistently strives to be fair and consistent in working relationships; shows respect and appreciation for staff</i>	<i>Provides clear and concise and accurate communication; remains firm when circumstances warrant while demonstrating sensitivity to staff</i>	<i>Demonstrates commitment to staff development through mentorship, coaching and training. Promotes a positive culture within teams</i>	<i>Provides constructive feedback and utilizes performance management best practices.</i>	
<b>Overall Rating</b>	<b>0%</b>					
Narrative:						



**General Manager - Indra Winquest**

2022-2023 Evaluation Ratings

<b>4-Point Rating Scale</b>	
0 = Not Effective:	Overall performance does not meet specified criteria; often requires redirection or re-instruction; does not complete assignments accurately or efficiently; overall knowledge, skills and abilities have not been demonstrated at expected levels
1 = Minimally Effective:	Overall performance meets some but not all specified criteria; requires occasional redirection or instruction; accurate or efficient completion of assignments is inconsistent; overall knowledge, skills and abilities inconsistently demonstrated at expected levels
2 = Effective:	Overall performance meets specified criteria; consistently delivers sustained results without additional direction or instruction; completes assignments accurately and efficiently; overall knowledge skills and abilities continually demonstrated at expected levels
3 = Highly Effective:	Overall performance exceeds specified criteria; takes the initiative to exceed expected direction or instruction; proactive in planning, problem solving and initiating solutions to problems; is highly effective in the success of the organization
4 = Exceptional:	Overall performance of specified criteria is exceptional; exceeds expected direction or instruction AND initiates solutions to unidentified obstacles; exhibits mastery of overall knowledge, skills and abilities; identifies unanticipated challenges and provides solutions to overcome said challenges.

**Goals**

Time Management/Task Delegation	<b>Weighted</b>	<i>Avoid excessive interruptions and distractions</i>	<i>Delegate duties to appropriate staff</i>	<b>Public Works:</b> <i>Oversee &amp; guide to ensure projects are delivered according to budget, plan and policy</i>	<b>Administration:</b> <i>Agendas are complete and accurate; timely posting of minutes; referenced materials are complete &amp; accurate</i>	<b>Venue Managers:</b> <i>Oversee &amp; guide managers w/budget creation, mgmt &amp; execution.</i>
<b>Overall Rating</b>	<b>0%</b>					
Narrative:						

Internal Controls		<i>Identify annual goals &amp; objectives by venue operations</i>	<i>Collaborate w/Sr Leadership team to evaluate current processes and controls</i>	<i>Identify deficiencies and oversee process improvements</i>	<i>Identify &amp; recommend a consultant to lead the Board of Trustees through strategic planning process</i>	<i>Evaluate updated processes &amp; policies to ensure compliance with District policies, practices, ordinances and resolutions</i>
<b>Overall Rating</b>	<b>0%</b>					
Narrative:						

Contract/Project Management		<i>Ensure all contracts/MOUs are reviewed by the Board of Trustees on an annual/periodic basis</i>	<i>Embark on the replacement of the Effluent Pipeline project with a defined funding plan</i>	<i>Embark on the WRRF Pond 1 effluent holding pond alternative implementation</i>	<i>Provide the Board design &amp; cost alternatives for the building of a new beach house at Incline Beach</i>	<i>Provide Board a plan for discussion and further direction for updated Diamond Peak Master Plan</i>
<b>Overall Rating</b>	<b>0%</b>					
Narrative:						

--	--	--	--	--	--	--

Continued Contract/Project Management		<i>Provide Board an implementation plan and budget for the creation of a new dog park</i>	<i>Complete projects identified and approved for 2023 in the 5-year CIP/Maint Plans</i>			<i>Total of Goals for this competency</i>
<b>Overall Rating</b>	<b>0%</b>					
Narrative:						

Implement/evalute revisions to Ordinance 7		<i>Evaluate and monitor effectiveness of proposed revisions</i>	<i>Further refine, if necessary, Ordinance 7 and recommend for review/approval by the Board potential procedural changes</i>	<i>Formulate a recommendation and present to the Board a strategy for punch card provisions</i>		
<b>Overall Rating</b>	<b>0%</b>					
Narrative:						

Effective manage the 2021-2023 District Strategic Plan		<i>Regularly meet and discuss each staff members' strategic goals and initiatives to evaluate progress</i>	<i>Provide guidnce and direction to staff to ensure goals and initiatives remain on task for timely compliance</i>	<i>Provide updates to Board on progress of each approved initiative through the GM Report</i>		
<b>Overall Rating</b>	<b>0%</b>					
Narrative:						

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winqest, District General Manager

**FROM:** Darren Howard, Director of Golf/Community Services

**SUBJECT:** Review, discuss and possibly approve Golf Play Pass rate structure, Daily Green fees, Charity rates and Range fee rates for the Incline Village Golf Courses for the 2023 season. (Requesting Staff Member: Director of Golf/Community Services Darren Howard)

**RELATED STRATEGIC PLAN INITIATIVE(S):** Long Range Principle #2 – Finance

**RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES:** Board Practice 6.2.0 - Pricing for products and services

**DATE:** March 8, 2023

---

### **I. RECOMMENDATION**

That the Board of Trustees makes a motion to approve Golf Play Pass rate structure, Daily Green fees and Charity fee rates for the Incline Village Golf Courses for the 2023 season.

### **II. BACKGROUND**

This agenda item presents for Board consideration a recommendation related to rates to be charged for use of the Championship and Mountain golf courses, based on:

Working with the Board and the Community to incorporate ways of increasing revenue at the golf courses, the average dollar per round has increased from \$70.54 in 2019 to \$90.63 for the 2022 season at the Championship Course and from \$39.11 in 2019 to \$40.77 in 2022 at the Mountain Course. (More resident rounds than in the past is the reason for the small increase at the Mountain course). Factors informing the proposed rates include:

- Popularity of golf worldwide.
- Residents emphasize that the golf courses are here for the residents first.

- Inflation and increase in wages due to competition within the region.
- Increase in rates for other venues within the region.

While staff believes that daily rates charged for Non-Picture Pass and Guests, on average, meet or exceed target cost-recovery levels, the 2022 season rates charged for Picture Pass and Golf Play Passes fall below target cost-recovery levels.

This agenda item seeks Board approval to establish 2023 golf season rates for Daily Green Fees, Play Passes and Range fees.

### III. BID RESULTS

Not applicable to this agenda item.

### IV. FINANCIAL IMPACT AND BUDGET

The proposed rates, Golf Play Passes and Daily Rates for the 2023 golf season as recommended in this report are expected to increase revenues by an estimated \$430,234+ for the Championship Golf Course and \$137,403+ for the Mountain Golf Course, (Note – Mountain Course will be closing early again this season to complete the golf cart path project).

#### Championship Course

Estimated Revenue per Round

Picture Pass.....	\$74.43*
Guests.....	\$133.64*
Non-Picture Pass.....	\$160.32*
Play Pass.....	\$66.57*

Total \$/round for green fees - \$96.43

Total \$/round green fees, range fees & club rentals - \$106.00

Note (\*) – Revised to reflect the proposed 5% rate increases contained in this agenda item, *but not the recommendation to move to 10-minute start time intervals or eliminating the 2pm-4pm discounted rates.*

Rounds of Golf 24,632

Cost Per round

Operating Costs.....	\$94.07
Operating Costs + Overhead.....	\$113.78
Operating, OVHD, Capital.....	\$139.19
Operating, OVHD, Capital, Debt.....	\$136.19

Proposed revenue increases:

- Proposed increase from deleting 2pm to 4pm discounts - \$101,411 to \$163,000 (depends on play mix)
- Proposed increase for Range Fees - \$16,722
- Proposed increase for moving to 10 minute intervals - \$272,688 (using a 65% fill rate)

- Proposed 5% increase in Green Fees at Championship Course - \$56,135 (includes updated play mix)
- Club rental increases - \$3,410
- Projected revenue increase with recommendations - \$3,055,273 vs \$2,408,937 (27% increase)

**Mountain Course**

Estimated Revenue per Round

Picture Pass	\$ 35.84*
Guests	\$ 54.66*
Non-Picture Pass	\$ 66.06*
Play Pass	\$ 26.64*

Note (\*) – Revised to reflect the proposed 5% rate increases contained in this agenda item.

Rounds of Golf 17,435

- Operating Costs \$52.95
- Operating + Overhead \$64.79
- Operating, OVHD, Capital \$73.80
- Operating, OVHD, Capital, Debt \$73.80

Proposed revenue increases:

- Proposed increase for moving to 12 minute intervals at the Mountain course - \$110,242 (using a 65% fill rate)
- Proposed 5% increase at Mountain Course - \$27,161 Total \$/round for green fees - \$46.80

Total \$/round for green fees and club rentals - \$48.75

Projected revenue increases with recommendations - \$962,500 vs \$850,350 (13% increase)

Throughout this year, staff has analyzed cost associated with operating the District’s two golf courses to determine the extent to which existing rates charged to golfers covers the fully-loaded cost per round, based on historical budget and usage information. This preliminary analysis suggests that rates charged for Non-Picture Pass Holders, on average, exceed the fully-loaded cost per round of golf, while rates charged for Guests cover, on average, the operating costs (including overhead). The discounts afforded to Residents and Guests recognizes that Facility Fees are assessed to parcel owners within the District specifically to cover costs of capital and debt associated with District venues.

The preliminary cost-recovery analysis also demonstrated that the current rates charged for Picture Pass Holders and Golf Play Passes, in relation to the average rounds of golf played by those who purchase this product, fall well below the suggested cost-recovery target for play at both golf courses.

With the recommended increases for Golf Play Passes and Daily Resident Rates, the

proposed rates, while generating a slightly higher level of cost-recovery in comparison to current rates, will remain at a level below the cost per round.

## V. ALTERNATIVES

None

## VI. COMMENTS

### Golf Play Passes – (See Exhibit A)

The revised recommendation related to Golf Play Pass rates for the 2023 golf season is as follows (See Exhibit A):

- 1) Delete 2pm to 4pm discount at Championship Course and move to Open to 4pm price, after 4pm and after 5:30pm rates.
- 2) Increase all Play Passes by 5%.
- 3) Move PM Pass to after 3pm at Championship Course.

### Daily Green Fee Rates – (See Exhibits B and C)

Based on discussions with representatives from various golf groups in the past, and consistent with the Board's direction to increase the level of cost-recovery from golf user charges for services, staff are recommending increases of the Daily Green Fees charged to Picture Pass by 5%, Non-Picture Pass 5% and Guests 5%.

- Guest Daily Green Fees for the Championship Course are proposed to be increased in the range of 5% . (See Exhibit B).
- Guest Daily Green Fees for the Mountain Course are proposed to be in the range of 5%, based on time of year and time slots (See Exhibit C).

### Preferred Partner Rates – (See Exhibit D)

Guests at the Hyatt Hotel have historically been afforded discounted daily green fees at Incline Village golf courses. These rates reflect a discount on the Non-Picture Pass rates but remain, in all cases, higher than the rates charged for Picture Passes and Guests. (See Exhibit D).

- Staff is recommending increases to the Hyatt rates for play at the Championship Golf Course, 5%.
- Hyatt rates for the Mountain Course are proposed to also be increased by 5%.

Charity Golf Event Rates- (See Exhibit E)

Multiple Incline Village Charitable Organizations benefitting Incline Village/Crystal Bay, use both Incline Village Golf Courses to host their annual fund-raising tournaments. Rates are being proposed to cover the operational costs for each golf course.

- Championship Course rate - \$4290
- Mountain Course rate - \$2310

Range Fees – (See Exhibit E) (*For Informational purposes only, no action required*)

Range Fees, including driving range, golf club rentals and rider rentals are proposed for the 2023 season (See Exhibit E).

- Picture Pass and Non-Picture Pass rates for the driving range rates are proposed to increase \$1 per bucket size.
- Golf club rentals are proposed to increase by \$10 and rider fees at the Championship Course are proposed to remain unchanged.

Golf club rentals and rider fees at the Mountain Course are proposed to be unchanged.

**VII. DISTRICT IMPROVEMENT, COST REDUCTION, RETURN ON INVESTMENT OR PRODUCTIVITY ENHANCEMENT**

Increase revenues at both golf courses.

**VIII. BUSINESS IMPACT**

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

**IX. ATTACHMENTS**

1. Exhibit A - Play Passes
2. Exhibit B - Championship Course Rates
3. Exhibit C - Mountain Course Rates
4. Exhibit D - Hyatt Rates
5. Exhibit E - Range Fees

**X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

With the proposed recommendations, the Championship course will cover operational costs and the Mountain course while getting closer, will be slightly behind the target. If the board requires that the golf courses cover Operational, Overhead, Debt and Capital on a yearly basis, this would require an entirely different business model.





Exhibit A

<b>Play Passes</b>			
<b>Both Courses</b>	<b>2023</b>	<b>2022</b>	<b>Percentage change 2023 vs 2022</b>
Unlimited All you Can Play - Individual	\$3,425.00	\$ 3,260.00	5%
Unlimited All you Can Play - Couples	\$5,521.00	\$ 5,258.00	5%
Unlimited Junior	\$ 315.00	\$ 300.00	5%
Unlimited College	\$ 499.00	\$ 475.00	5%
<b>Championship Course Only</b>			
10 Play	\$ 873.00	\$ 831.00	5%
20 Play	\$1,575.00	\$ 1,500.00	5%
Limited All You Can Play - Individual	\$2,726.00	\$ 2,596.00	5%
Limited All You Can Play - Couple	\$4,263.00	\$ 4,060.00	5%
All You Can Play PM (After 3pm)	\$1,335.00	\$ 1,270.00	5%
<b>Mountain Course Only</b>			
10 Play	\$ 425.00	\$ 405.00	5%
Unlimited All You Can Play - Individual	\$ 908.00	\$ 865.00	5%
Unlimited All You Can Play - Couples	\$1,398.00	\$ 1,331.00	5%
All You Can Play - PM	\$ 630.00	\$ 600.00	5%
10 Play Nine Holes (new in 2022)	\$ 284.00	\$ 270.00	5%
Unlimited Junior	\$ 189.00	\$ 180.00	5%

Exhibit B

Championship Course Rates					2022 Rates								
2023					2022 Rates								
Time of Day													
Fee Type	Open-4pm	2pm-4pm	After 4pm	After 5:30pm	Fee Type	Open-2pm	2pm-4pm	After 4pm	After 5:30pm				
Shoulder Season (Open - June 11)										Percentage increase from 2022			
<b>Monday-Thursday</b>					<b>Monday-Thursday</b>								
Resident	\$ 73.00		\$ 34.00	\$ 25.00	Resident	\$ 69.00	\$ 43.00	\$ 32.00	\$ 24.00	6%	####	6%	4%
Guest	\$ 109.00		\$ 51.00	\$ 38.00	Guest	\$ 104.00	\$ 75.00	\$ 48.00	\$ 36.00	5%	####	6%	6%
Non-Resident	\$ 142.00		\$ 66.00	\$ 49.00	Non-Resident	\$ 135.00	\$ 85.00	\$ 63.00	\$ 47.00	5%	####	5%	4%
<b>Friday-Sunday (Holidays)</b>					<b>Friday-Sunday (Holidays)</b>								
Resident	\$ 84.00		\$ 39.00	\$ 28.00	Resident	\$ 80.00	\$ 54.00	\$ 37.00	\$ 27.00	5%	####	5%	4%
Guest	\$ 128.00		\$ 56.00	\$ 49.00	Guest	\$ 122.00	\$ 90.00	\$ 53.00	\$ 47.00	5%	####	6%	4%
Non-Resident	\$ 165.00		\$ 73.00	\$ 56.00	Non-Resident	\$ 157.00	\$ 100.00	\$ 69.00	\$ 53.00	5%	####	6%	6%
High Season (June 12 - September 24)													
<b>Monday-Thursday</b>					<b>Monday-Thursday</b>								
Resident	\$ 101.00		\$ 50.00	\$ 34.00	Resident	\$ 96.00	\$ 70.00	\$ 48.00	\$ 32.00	5%	####	4%	6%
Guest	\$ 162.00		\$ 79.00	\$ 50.00	Guest	\$ 154.00	\$ 110.00	\$ 75.00	\$ 48.00	5%	####	5%	4%
Non-Resident	\$ 219.00		\$ 104.00	\$ 66.00	Non-Resident	\$ 209.00	\$ 147.00	\$ 99.00	\$ 63.00	5%	####	5%	5%
<b>Friday-Sunday (Holidays)</b>					<b>Friday-Sunday (Holidays)</b>								
Resident	\$ 106.00		\$ 62.00	\$ 42.00	Resident	\$ 101.00	\$ 80.00	\$ 59.00	\$ 40.00	5%	####	5%	5%
Guest	\$ 176.00		\$ 90.00	\$ 55.00	Guest	\$ 168.00	\$ 120.00	\$ 86.00	\$ 60.00	5%	####	5%	-8%
Non-Resident	\$ 240.00		\$ 116.00	\$ 71.00	Non-Resident	\$ 229.00	\$ 158.00	\$ 110.00	\$ 49.00	5%	####	5%	45%
Shoulder Season (September 25-Closing )													
<b>Monday-Thursday</b>					<b>Monday-Thursday</b>								
Resident	\$ 73.00		\$ 28.00	\$ 25.00	Resident	\$ 69.00	\$ 48.00	\$ 27.00	\$ 24.00	6%	####	4%	4%
Guest	\$ 118.00		\$ 48.00	\$ 38.00	Guest	\$ 112.00	\$ 78.00	\$ 46.00	\$ 36.00	5%	####	4%	6%
Non-Resident	\$ 160.00		\$ 66.00	\$ 49.00	Non-Resident	\$ 152.00	\$ 105.00	\$ 63.00	\$ 47.00	5%	####	5%	4%
<b>Friday-Sunday (Holidays)</b>					<b>Friday-Sunday (Holidays)</b>								
Resident	\$ 84.00		\$ 34.00	\$ 28.00	Resident	\$ 80.00	\$ 59.00	\$ 32.00	\$ 27.00	5%	####	6%	4%
Guest	\$ 134.00		\$ 54.00	\$ 43.00	Guest	\$ 128.00	\$ 94.00	\$ 51.00	\$ 41.00	5%	####	6%	5%
Non-Resident	\$ 182.00		\$ 72.00	\$ 56.00	Non-Resident	\$ 173.00	\$ 126.00	\$ 68.00	\$ 53.00	5%	####	6%	6%

Exhibit C

Mountain Course Rates					2022 Rates							
2023					2022 Rates							
Time of Day												
Fee Type	Open-2pm	2pm-4pm	After 4pm	After 5:30pm	Fee Type	Open-2pm	2pm-4pm	After 4pm	After 5:30pm			
<b>Shoulder Season (Open-June 11)</b>					<b>Shoulder Season (Open-June 13)</b>							
<b>Monday-Thursday</b>					<b>Monday-Thursday</b>							
Resident	\$ 41.00	\$ 37.00	\$ 23.00		Resident	\$ 39.00	\$ 35.00	\$ 22.00		5%	6%	5%
Guest	\$ 49.00	\$ 41.00	\$ 35.00		Guest	\$ 47.00	\$ 39.00	\$ 33.00		4%	5%	6%
Non-Resident	\$ 57.00	\$ 45.00	\$ 45.00		Non-Resident	\$ 54.00	\$ 43.00	\$ 43.00		6%	5%	5%
<b>Friday-Sunday (Holidays)</b>					<b>Friday-Sunday (Holidays)</b>							
Resident	\$ 46.00	\$ 42.00	\$ 27.00		Resident	\$ 44.00	\$ 40.00	\$ 26.00		5%	5%	4%
Guest	\$ 56.00	\$ 52.00	\$ 39.00		Guest	\$ 53.00	\$ 49.00	\$ 37.00		6%	6%	5%
Non-Resident	\$ 62.00	\$ 62.00	\$ 50.00		Non-Resident	\$ 59.00	\$ 59.00	\$ 48.00		5%	5%	4%
<b>High Season (June 12 - September 24)</b>					<b>High Season (June 14 - September 12)</b>							
<b>Monday-Thursday</b>					<b>Monday-Thursday</b>							
Resident	\$ 49.00	\$ 49.00	\$ 29.00		Resident	\$ 47.00	\$ 47.00	\$ 28.00		4%	4%	4%
Guest	\$ 64.00	\$ 61.00	\$ 40.00		Guest	\$ 61.00	\$ 58.00	\$ 38.00		5%	5%	5%
Non-Resident	\$ 79.00	\$ 72.00	\$ 50.00		Non-Resident	\$ 75.00	\$ 69.00	\$ 48.00		5%	4%	4%
<b>Friday-Sunday (Holidays)</b>					<b>Friday-Sunday (Holidays)</b>							
Resident	\$ 54.00	\$ 54.00	\$ 33.00		Resident	\$ 51.00	\$ 51.00	\$ 31.00		6%	6%	6%
Guest	\$ 69.00	\$ 66.00	\$ 45.00		Guest	\$ 66.00	\$ 63.00	\$ 43.00		5%	5%	5%
Non-Resident	\$ 84.00	\$ 79.00	\$ 57.00		Non-Resident	\$ 80.00	\$ 75.00	\$ 54.00		5%	5%	6%
<b>Shoulder Season (September 25-Closing)</b>					<b>Shoulder Season (September 13-Closing)</b>							
<b>Monday-Thursday</b>					<b>Monday-Thursday</b>							
Resident	\$ 41.00	\$ 37.00	\$ 23.00		Resident	\$ 39.00	\$ 35.00	\$ 22.00		5%	6%	5%
Guest	\$ 49.00	\$ 41.00	\$ 35.00		Guest	\$ 47.00	\$ 39.00	\$ 33.00		4%	5%	6%
Non-Resident	\$ 62.00	\$ 57.00	\$ 45.00		Non-Resident	\$ 59.00	\$ 54.00	\$ 43.00		5%	6%	5%
<b>Friday-Sunday (Holidays)</b>					<b>Friday-Sunday (Holidays)</b>							
Resident	\$ 46.00	\$ 42.00	\$ 27.00		Resident	\$ 44.00	\$ 40.00	\$ 26.00		5%	5%	4%
Guest	\$ 56.00	\$ 51.00	\$ 39.00		Guest	\$ 53.00	\$ 49.00	\$ 37.00		6%	4%	5%
Non-Resident	\$ 67.00	\$ 62.00	\$ 50.00		Non-Resident	\$ 64.00	\$ 59.00	\$ 48.00		5%	5%	4%
<b>Nine Hole Rates (Mountain Course)</b>												
<b>Shoulder Season (Open-June 11)</b>					<b>Shoulder Season (Open-June 13)</b>							
<b>Monday-Thursday</b>					<b>Monday-Thursday</b>							
Resident	\$ 27.00	\$ 22.00	\$ 15.00		Resident	\$ 26.00	\$ 21.00	\$ 14.00		4%	5%	7%
Guest	\$ 33.00	\$ 27.00	\$ 19.00		Guest	\$ 31.00	\$ 26.00	\$ 18.00		6%	4%	6%
Non-Resident	\$ 38.00	\$ 33.00	\$ 23.00		Non-Resident	\$ 36.00	\$ 31.00	\$ 22.00		6%	6%	5%
<b>Friday-Sunday (Holidays)</b>					<b>Friday-Sunday (Holidays)</b>							
Resident	\$ 29.00	\$ 27.00	\$ 18.00		Resident	\$ 28.00	\$ 26.00	\$ 17.00		4%	4%	6%
Guest	\$ 36.00	\$ 33.00	\$ 24.00		Guest	\$ 34.00	\$ 31.00	\$ 23.00		6%	6%	4%
Non-Resident	\$ 42.00	\$ 38.00	\$ 31.00		Non-Resident	\$ 40.00	\$ 36.00	\$ 29.00		5%	6%	7%
<b>High Season (June 12 - September 24)</b>					<b>High Season (June 14 - September 12)</b>							
<b>Monday-Thursday</b>					<b>Monday-Thursday</b>							
Resident	\$ 34.00	\$ 28.00	\$ 18.00		Resident	\$ 32.00	\$ 27.00	\$ 17.00		6%	4%	6%
Guest	\$ 41.00	\$ 36.00	\$ 24.00		Guest	\$ 39.00	\$ 34.00	\$ 23.00		5%	6%	4%
Non-Resident	\$ 47.00	\$ 42.00	\$ 29.00		Non-Resident	\$ 45.00	\$ 40.00	\$ 28.00		4%	5%	4%
<b>Friday-Sunday (Holidays)</b>					<b>Friday-Sunday (Holidays)</b>							
Resident	\$ 37.00	\$ 34.00	\$ 21.00		Resident	\$ 35.00	\$ 32.00	\$ 20.00		6%	6%	5%
Guest	\$ 44.00	\$ 41.00	\$ 28.00		Guest	\$ 42.00	\$ 39.00	\$ 27.00		5%	5%	4%
Non-Resident	\$ 51.00	\$ 47.00	\$ 36.00		Non-Resident	\$ 49.00	\$ 45.00	\$ 34.00		4%	4%	6%
<b>Shoulder Season (September 25-Closing)</b>					<b>Shoulder Season (September 13-Closing)</b>							
<b>Monday-Thursday</b>					<b>Monday-Thursday</b>							
Resident	\$ 27.00	\$ 22.00	\$ 15.00		Resident	\$ 26.00	\$ 21.00	\$ 14.00		4%	5%	7%
Guest	\$ 34.00	\$ 28.00	\$ 18.00		Guest	\$ 32.00	\$ 27.00	\$ 17.00		6%	4%	6%
Non-Resident	\$ 38.00	\$ 33.00	\$ 23.00		Non-Resident	\$ 36.00	\$ 31.00	\$ 22.00		6%	6%	5%
<b>Friday-Sunday (Holidays)</b>					<b>Friday-Sunday (Holidays)</b>							
Resident	\$ 29.00	\$ 27.00	\$ 18.00		Resident	\$ 28.00	\$ 26.00	\$ 17.00		4%	4%	6%
Guest	\$ 36.00	\$ 33.00	\$ 24.00		Guest	\$ 34.00	\$ 31.00	\$ 23.00		6%	6%	4%
Non-Resident	\$ 42.00	\$ 36.00	\$ 31.00		Non-Resident	\$ 40.00	\$ 34.00	\$ 29.00		5%	6%	7%

Exhibit D

Hyatt Rates		2023 Rates				2022 Rates							
Championship Course													
Time of Day	Open-4pm	2pm-4pm	After 4pm	After 5:30pm	Time of Day	Open-2pm	2pm-4pm	After 4pm	After 5:30pm				
Shoulder Season (Open-June 11)													
Monday-Thursday	\$ 116.00		\$ 59.00	\$ 46.00	Monday-Thursday	\$ 110.00	\$ 78.00	\$ 56.00	\$ 44.00	5%	0%	5%	
Friday-Sunday (Holidays)	\$ 151.00		\$ 69.00	\$ 53.00	Friday-Sunday (Holidays)	\$ 144.00	\$ 88.00	\$ 66.00	\$ 50.00	5%	0%	5%	
High Season - (June 12-September 24)													
Monday-Thursday	\$ 193.00		\$ 92.00	\$ 66.00	Monday-Thursday	\$ 184.00	\$ 127.00	\$ 88.00	\$ 63.00	5%	0%	5%	
Friday-Sunday (Holidays)	\$ 205.00		\$ 104.00	\$ 83.00	Friday-Sunday (Holidays)	\$ 195.00	\$ 150.00	\$ 99.00	\$ 79.00	5%	0%	5%	
Shoulder Season - (September 25 - Closing)													
Monday-Thursday	\$ 145.00		\$ 59.00	\$ 49.00	Monday-Thursday	\$ 138.00	\$ 100.00	\$ 56.00	\$ 47.00	5%	0%	5%	
Friday-Sunday (Holidays)	\$ 170.00		\$ 64.00	\$ 49.00	Friday-Sunday (Holidays)	\$ 162.00	\$ 118.00	\$ 61.00	\$ 47.00	5%	0%	5%	
Mountain Course 18 Holes													
Shoulder Season (Open-June 11)				N/A	N/A								
Monday-Thursday	\$ 52.00		\$ 36.00		Monday-Thursday	\$ 49.00	\$ 39.00	\$ 34.00		6%	0%	6%	
Friday-Sunday (Holidays)	\$ 59.00		\$ 46.00		Friday-Sunday (Holidays)	\$ 56.00	\$ 49.00	\$ 44.00		5%	0%	5%	
High Season - (June 12-September 24)													
Monday-Thursday	\$ 73.00		\$ 48.00		Monday-Thursday	\$ 69.00	\$ 64.00	\$ 46.00		6%	0%	4%	
Friday-Sunday (Holidays)	\$ 80.00		\$ 56.00		Friday-Sunday (Holidays)	\$ 76.00	\$ 69.00	\$ 53.00		5%	0%	6%	
Shoulder Season - (September 25 - Closing)													
Monday-Thursday	\$ 56.00		\$ 41.00		Monday-Thursday	\$ 53.00	\$ 44.00	\$ 39.00		6%	0%	5%	
Friday-Sunday (Holidays)	\$ 64.00		\$ 46.00		Friday-Sunday (Holidays)	\$ 61.00	\$ 49.00	\$ 44.00		5%	0%	5%	
Mountain Course 9 Holes													
Shoulder Season (Open-June 11)													
Monday-Thursday	\$ 35.00		\$ 21.00		Monday-Thursday	\$ 33.00	\$ 27.00	\$ 20.00		6%	0%	5%	
Friday-Sunday (Holidays)	\$ 40.00		\$ 25.00		Friday-Sunday (Holidays)	\$ 38.00	\$ 33.00	\$ 24.00		5%	0%	4%	
High Season - (June 12-September 24)													
Monday-Thursday	\$ 45.00		\$ 24.00		Monday-Thursday	\$ 43.00	\$ 35.00	\$ 23.00		5%	0%	4%	
Friday-Sunday (Holidays)	\$ 48.00		\$ 34.00		Friday-Sunday (Holidays)	\$ 46.00	\$ 41.00	\$ 32.00		4%	0%	6%	
Shoulder Season - (September 25 - Closing)													
Monday-Thursday	\$ 35.00		\$ 21.00		Monday-Thursday	\$ 33.00	\$ 28.00	\$ 20.00		6%	0%	5%	
Friday-Sunday (Holidays)	\$ 38.00		\$ 25.00		Friday-Sunday (Holidays)	\$ 36.00	\$ 33.00	\$ 24.00		6%	0%	4%	

Exhibit E

<u>2023</u>				<u>2022</u>		
<b>Range Fees</b>	Small	Medium	Large	Small	Medium	Large
Resident	\$ 6.00	\$ 11.00	\$ 16.00	\$ 5.00	\$ 10.00	\$ 15.00
Non-Resident	\$ 8.00	\$ 13.00	\$ 18.00	\$ 7.00	\$ 12.00	\$ 17.00
Championship Course						
	<u>2023</u>		<u>2022</u>			
Golf Club Rentals	\$ 95.00		\$ 85.00			
Rider Fees (per person)	\$ 35.00		\$ 35.00			
Mountain Course						
	<u>2023</u>		<u>2022</u>			
Golf Club Rentals	\$50 - 18 Holes		\$ 50.00			
	\$25 - 9 Holes		\$ 25.00			
Rider Fees (per person)	\$15 - 18 Holes		\$15 - 18 Holes			
	\$10 - 9 Holes		\$10 - 9 Holes			
<b>Charity Tournaments</b>						
				<u>2023</u>	<u>20212</u>	
Charity Rates for Championship Course -				\$4,290	\$2,000	
Charity Rates for Mountain Course -				\$2,310	\$1,000	
*Based on Operating costs for length of time for event, plus 10%						



## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winqest, District General Manager

**FROM:** Mike Bandelin, Ski Resort General Manager

**SUBJECT:** Review, discuss and possibly approve Diamond Peak Ski Resort's 2023-2024 Picture Pass holder daily lift ticket rates including Picture Pass holders and Non-Picture Pass holder season pass rate proposal. (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)

**RELATED STRATEGIC PLAN INITIATIVE(S):** Long Range Principle #3; Finance; Budget Initiative; Work with the Board of Trustees to implement a District-wide pricing policy to ensure desired cost recovery and policy-driven differential pricing for parcel owners and customers.

**RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES** District Board of Trustees Practice 6.2.0 - Pricing

**DATE:** March 8, 2023

---

### **I. RECOMMENDATION**

That the Board of Trustees makes a motion to:

- Approve a five-dollar increase to all Picture Pass holder daily ticket products for fiscal year 2023-2024.
- Approve a zero-dollar increase to all Picture Pass holder season pass products for fiscal year 2023-2024.
- Approve a five-dollar increase to all Non-Picture Pass holder season pass products for fiscal year 2023-2024.
- Authorize District Staff to include an additional (Tier 4) for Non-Picture Pass holder season pass products.

## II. BACKGROUND

The District-operated ski venue provides the sale of season pass products to Non-Picture Pass holders (Non-PPH) as well as discounted season pass products to our Picture Pass holders (PPH) in a variety of age groups. Historically, Staff will initiate a the sale of the season passes to the purchaser of PPH and Non-PPH in the middle of March and continue with the 3-tiered pricing structure, with (Tier 1) rates available through April 30; (Tier 2) rates available from May 1 – October 31; and (Tier 3) rates from November 1, through the end of the season. This report provides a recommendation for a new initiative to allow staff to introduce an additional tier of pass sales that would begin on December 1 and continue throughout the season. The recommended additional tier would only apply to Non-PPH and not affect our community's PPH ski pass purchasing. The staff is also recommending in this report, a five- dollar increase to Non-PPH season pass products within all pass sale tiers as shown in (attachment; table 3) and a zero dollar increase to all PPH season pass products for the 2023/24 season as shown in (attachment; table 4). The proposed additional pricing tier including the rate increase on Non-PPH pass products would allow staff to practice yield management on purchased pass revenue as preliminary FY 2023/24 draft operating and capital project/expense budgets reflect an increase in the operational cost of the District's ski venue.

The ski venue also provides discounted daily lift tickets for our PPH throughout the season as well as offering free daily lift tickets to PPH during IVGID Appreciation week.

At your meeting on March 9, 2022 the staff report recommended no change in pricing for the daily lift tickets for the 2022/23 ski season. Although Board Practice (6.2.0 - 3.5.3.3) does not specifically speak to covering operating costs with PPH daily lift ticket pricing, staff recommends that a five-dollar increase be applied to daily lift tickets in all categories to support an estimated increase in annual operating costs in the fiscal year 2023/24 draft operating budget. The rate structure for the PPH daily tickets including a chart showing current fiscal year quantities, revenue associated with the sale of tickets and the proposed five-dollar increase to the product are shown in the (attachment; table 1 and table 2).

Per the Board of Trustees Practice 6.2.0 District Staff will provide recommended Community Services venue products and service pricing to inform the allocation of admissions and fees revenue within the fiscal year budget process.

### Board Practice 6.2.0 – Pricing

At their meeting of March 1, 2022 and additionally on August 31, 2022, the Board of Trustees approved Board Practice 6.2.0 related to pricing of Community Services and Beach products and services, including the Diamond Peak ski venue. Within Practice 6.2.0, Section 3.5.3 – Ski provides that:

*3.5.3.1 Rates charged to non-IVGID Picture Pass holders for daily tickets and season passes will be set so as to remain competitive within the market.*

*3.5.3.2 Rates charged to non-IVGID Picture Pass holders for daily tickets shall be no less than the Full-Cost of access to the ski venue.*

*3.5.3.3 Rates charged to IVGID Picture Pass holders for daily tickets and season passes shall be set at a discount – to the extent that revenues from tickets and passes*



are sufficient to meet overall net revenue targets for the season.

3.5.3.4 Rates charged may vary based on peak periods, day of the week, and full-day versus half-day passes.

3.5.3.5 The Ski Rental Shop and Ski Lessons operate as Profit-Centers, with rates being largely market-driven, to include appropriate profit margins. Rates are charged uniformly, with no discounts.

Additionally, Section 5.0 (Administration) of Practice 6.2.0 provides that:

5.1 The Board of Trustees will establish overall financial performance targets for each venue through the annual budget process,

5.2 The Board of Trustees will approve, through the budget process or when appropriate during the fiscal year Key Rates to include:

5.2.2 IVGID Picture-Pass holder and others, Season Pass Rates and Picture-Pass holder Daily Pass Rates for Diamond Peak.

This agenda item has been prepared for the Board of Trustees to consider approval of IVGID Picture-Pass holder Season Pass rates and Picture-Pass holder Daily Rates for the 2023-24 Diamond Peak ski season.

### **III. BID RESULTS**

Not applicable for this agenda item.

### **IV. FINANCIAL IMPACT AND BUDGET**

The FY2022/23 approved budget includes \$2,200,000 in revenue allocated to season passes purchased. With rate adjustments recommended in this report, season pass revenues are projected to increase by \$110,000 to \$2,310,000 for the FY2023/24 ski season.

### **V. ALTERNATIVES**

The District Board of Trustees may discuss the staff report and provide their own alternative to the staff recommendation.

### **VI. COMMENTS**

Provided the recommendation is approved, Staff will initiate a FY2023/24 Diamond Peak season pass sale for Picture Pass and Non-Picture Pass holders in March 2023 and continue with the 4-tiered pricing structure, with (Tier 1) rates available through April 30, 2023; (Tier 2) rates available from May 1 – October 31, 2023; and (Tier 3) rates from November 1, through November 30, 2023. Beginning on December 1, staff will initiate the sale of passes to Non-PPH within a (Tier 4) including a to be determined rate structure.

**VII. DISTRICT IMPROVEMENT, COST REDUCTION, RETURN ON INVESTMENT OR PRODUCTIVITY ENHANCEMENT**

Cost-recovery Targets for Diamond Peak:

Historically, Diamond Peak operations generate net revenues for the District. These revenues effectively support operations, capital and debt requirements for the ski area as well as provide funding that supports other Community Services venues and programs, and thus contribute to the District’s ability to provide discounted access to venues and programs to IVGID Picture-Pass holders. Acknowledging that the ski venue financial results are highly dependent, from year-to-year on seasonal weather conditions, the following cost-per-skier visit figures have been estimated, based on the draft budget being developed for FY2023/24:

	<i>Estimate</i> 2022/23		<i>Estimate</i> 2023/24
<b>Projected Skier Visits</b>	130,000	<b>Projected Skier Visits</b>	130,000
Cost Per Skier Visit		Cost Per Skier Visit	
Operating Costs	\$ 30.35	Operating Costs	\$ 35.42
Operating Costs + OVHD	\$ 40.47	Operating Costs + OVHD	\$ 46.94
Oper. Costs, OVHD, Capital	\$ 49.22	Oper. Costs, OVHD, Capital	\$ 56.56
Oper. Costs, OVHD, Capital, Debt	\$ 49.37	Oper. Costs, OVHD, Capital, Debt	\$ 56.56

On this basis, the rates presented for Board of Trustees approval via this agenda item are consistent with Board Practice 6.2.0.

**VIII. BUSINESS IMPACT**

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

**IX. ATTACHMENTS**

1. Staff Report Tables
2. Board Practice 6.2.0 - Pricing for Products and Services

**X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

Decision Points needed from the District Board of Trustees include reviewing, discussing and possibly approving the recommendation provided within this staff report.

Table 1

Picture Pass Holder Daily Lift Ticket Price – Current and Proposed

Age Group	Week Days		Weekends		Peak Periods	
	FY20223	FY2024	FY20223	FY2024	FY2023	FY2024
Adult	\$25	\$30	\$25	\$30	\$35	\$40
Youth/Senior	\$20	\$25	\$20	\$25	\$30	\$35
Child	\$15	\$20	\$15	\$20	\$20	\$25
Beginner	\$18	\$23	\$18	\$23	\$28	\$33
6 & under / 80+	Free	Free	Free	Free	Free	Free

Table 2

Picture Pass Holder Daily Lift Ticket – Current Quantity, Revenue and Proposed

PPH Tickets Purchased	Quantity Tickets Actual	Revenue Amount Actual	Avg Revenue Ticket Actual	\$5 Increase Proposed	Revenue Proposed
<b>Peak</b>					
Adult 1-Day Ticket	2,837	\$98,798.00	\$34.82	\$40.00	\$113,480.00
Beginner 1-Day Ticket	21	\$588.00	\$28.00	\$33.00	\$693.00
Child 1-Day Ticket	183	\$3,630.00	\$19.84	\$25.00	\$4,575.00
Senior 1-Day Ticket	126	\$3,780.00	\$30.00	\$35.00	\$4,410.00
Youth 1-Day Ticket	578	\$17,250.00	\$29.84	\$35.00	\$20,230.00
<b>Total Peak</b>	<b>3,745</b>	<b>\$124,046.00</b>	<b>\$33.12</b>	<b>\$38.29</b>	<b>\$143,388.00</b>
<b>Value-Weekend</b>					
Adult 1-Day Ticket	2,491	\$61,725.00	\$24.78	\$30.00	\$74,730.00
Beginner 1-Day Ticket	24	\$432.00	\$18.00	\$23.00	\$552.00
Child 1-Day Ticket	104	\$1,537.50	\$14.78	\$20.00	\$2,080.00
Senior 1-Day Ticket	181	\$3,610.00	\$19.94	\$25.00	\$4,525.00
Youth 1-Day Ticket	358	\$7,060.00	\$19.72	\$25.00	\$8,950.00
<b>Total Value-Weekend</b>	<b>3,158</b>	<b>\$74,364.50</b>	<b>\$23.55</b>	<b>\$28.76</b>	<b>\$90,837.00</b>
<b>Total</b>	<b>6,903</b>	<b>\$198,410.50</b>	<b>\$28.74</b>	<b>\$31.60</b>	<b>\$218,118.00</b>

Table 3

The table below illustrates previous, current and proposed rates for Non-Picture Pass Holder Season Passes

Fiscal Year	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024	2024
Non- PPH Full Pass	Tier 1				Tier 2				Tier 3				Tier 4
Adult (24-64)	\$419	\$439	\$444	\$449	\$474	\$494	\$499	\$504	\$509	\$620	\$625	\$630	TBD
Youth (13-23)	\$249	\$339	\$344	\$349	\$274	\$414	\$419	\$424	\$289	\$520	\$525	\$530	TBD
Child (7-12)	\$179	\$199	\$204	\$208	\$204	\$229	\$234	\$239	\$229	\$280	\$285	\$290	TBD
Senior (65-69)	\$179	\$409	\$415	\$420	\$204	\$434	\$439	\$444	\$229	\$520	\$525	\$530	TBD
Super Senior (70-79)	\$159	\$159	\$164	\$169	\$174	\$174	\$179	\$184	\$199	\$220	\$225	\$230	TBD
6 & under / 80+	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transferable	N/A	N/A	N/A	N/A	\$799	\$1,099	\$1,099	\$1,099	\$799	\$1,099	\$1,099	\$1,099	TBD

Table 4

The table below illustrates previous, current and proposed rates for Picture Pass Holder Season Passes

Fiscal Year	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
PPH Full Pass	Tier 1				Tier 2				Tier 3			
Adult (24-64)	\$289	\$289	\$289	\$289	\$319	\$319	\$319	\$319	\$349	\$349	\$349	\$349
Youth (13-23)	\$139	\$139	\$139	\$139	\$159	\$159	\$159	\$159	\$189	\$189	\$189	\$189
Child (7-12)	\$109	\$109	\$109	\$109	\$129	\$129	\$129	\$129	\$149	\$149	\$149	\$149
Senior (65-69)	\$109	\$109	\$109	\$109	\$129	\$119	\$119	\$119	\$149	\$149	\$149	\$149
Super Senior (70-79)	\$29	\$29	\$29	\$29	\$39	\$39	\$39	\$39	\$49	\$49	\$49	\$49
6 & under / 80+	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Budgeting and Fiscal Management  
Community Services and Beach  
Pricing for Products and Services  
Practice 6.2.0**

**RELEVANT POLICIES: 6.1.0 Adoption of Financial Policies**

**PRACTICE.** It is the practice of the District to establish the manner in which fees and charges for services are set and the extent to which they cover the cost of services provided (per Policy 6.1.2.2)

**1.0 Scope**

This Practice shall be used to ensure consistent application of pricing policy across the District's Community Services and Beach venues in order to meet venue-specific revenue and cost-recovery targets established through the annual budget process.

The objective of the District's pricing policy is to:

- Ensure that revenues, including Charges for Services and applicable Recreation or Beach Facility Fees are sufficient to cover the full cost of providing services to IVGID Picture Pass holders, guests of IVGID Picture Pass holders and others.
- Utilize sound financial planning principles to avoid volatility in charges and fees from year-to-year.
- Promote consistent framework for pricing across all venues and programs, while providing for venue-specific pricing considerations.
- Establish conditions for management to modify pricing during the fiscal year based on market conditions, and for the determination of pricing new programs.

**2.0 Definitions** – for purposes of this practice, the following definitions shall be applied:

- Full-Cost is intended to represent the per-unit cost of providing access to, or use of, District venues, services and programs, and shall include operating costs (including overhead), capital depreciation and debt, as reflected in the annual budget.
- Operating Costs are defined to include direct personnel costs, non-personnel costs and overhead costs. For purposes of this definition, overhead applied to programs and services shall include appropriate allocation of Central Services Overhead as well as Department-specific administrative overhead.

**Budgeting and Fiscal Management  
Community Services and Beach  
Pricing for Products and Services  
Practice 6.2.0**

- Direct Costs are defined as the incremental cost of providing for access or services for a specific event or purpose. Examples would include incremental cost (staffing, supplies, etc.) of providing access to a venue during normal business hours versus outside of normal operations.
- Capital Costs for programs and services provided through the District's Community Services and Beach Enterprise Funds shall be defined as the annual depreciation budgeted and allocated to each fund and cost center.
- Debt Costs for purposes of establishing full-cost recovery shall include principal and interest on outstanding debt allocated to each fund as included in the annual budget.

**3.0 Community Services Pricing**

The District operates recreational facilities, venues, services and programs. To support the Community Services facilities, venues, services, and programs, the District establishes, through the annual budget process, a Recreation Facility Fee assessed on parcels and/or dwelling units within the District.

Pricing for IVGID Picture Pass holders and others is defined as follows:

**3.1 Others (Non IVGID Picture Pass holders):**

3.1.1 Rates charged for use of venues, services, and programs shall be set to cover no less than 100% of the Full-Cost of the venue rental, venue access, service provided and programs made available.

3.1.2 Pricing for services and merchandise sold at District profit centers (ex. Golf Shop, Food and Beverage, Ski Rentals) shall incorporate mark-up over costs based on market-driven targeted profit margins established as part of the budget process.

3.1.3 As it applies to daily rates charged for venue rental, venue access, programs, and services, management is authorized to

**Budgeting and Fiscal Management  
Community Services and Beach  
Pricing for Products and Services  
Practice 6.2.0**

utilize dynamic pricing, based on changing market conditions, provided that doing so contributes positively to the net operating income of the venue. (The Board may establish a “floor” such as no lower than the IVGID Picture Pass-holder rate).

3.2 Guests:

3.2.1 Guest rates may be set at a discount, provided that the guest rates shall, at a minimum, cover the Operating Costs of access to venues, or program.

3.2.2 Where Guest Rates are established, the Guest must be accompanied by an IVGID Picture-Pass holder.

3.3 IVGID Picture Pass holders:

3.3.1 Rates charged to IVGID Picture-Pass Holders shall be discounted from the Full-Cost of services, in recognition of the Recreation Facility Fee assessed.

Rates established for IVGID Picture-Pass holders shall generally be set at no greater than the rate required to cover the Operating Costs of programs and services. In some cases, rates charged may exceed Operating Costs (to the extent that the Facility Fee approved through the budget process is insufficient to cover the cost of annual Capital Costs and Debt Costs).

3.4 Discounts

3.4.1 Group Rates – Access to and/or rental of venues for qualifying groups can be provided at a discount, provided that the discounted pricing is set so as to cover the Direct Costs of venue access. Discounts may vary based on venue availability (example: peak versus off-peak, mid-week versus weekend).

3.4.2 Community Focused Non-Profits – Access to and/or rental of District facilities and venues, and participation in programs and/or services by community-focused non-profits, as defined (Policy & Procedure 141, Resolution 1895) may be provided at a discount at

**Budgeting and Fiscal Management  
Community Services and Beach  
Pricing for Products and Services  
Practice 6.2.0**

no less than the Direct Costs of providing venue access/ rental, program or service.

- 3.4.3 The annual budget could provide a funding allocation from the District's General Fund to be used to offset discounts anticipated to be provided to community focused non-profit organizations. This funding is to be allocated to venues, programs or services based on utilization by community focused non-profits in order mitigate the impact on overall financial performance of the venue, program or service.
- 3.4.4 A quarterly report will be provided to the Board of Trustees detailing the financial impact of the discount extended to the various groups and/or non-profits.

**3.5 Venue-Specific Pricing**

While applying the Community Services pricing guidelines as set forth in this practice, each venue, as a unique business enterprise, may incorporate modifications to its pricing for access/rentals, programs, and services, provided the venue is able to achieve overall financial results consistent with the net income targets established through the annual budget process. Such modifications may include, but are not limited to:

**3.5.1 Golf Course Fees**

- 3.5.1.1 Fees charged to IVGID Picture-pass holders their guests and others may vary based on season, day of the week, time-of-day, and partial (9-hole) use of the golf courses.
- 3.5.1.2 Play-Passes offered to IVGID Picture Pass holders may be priced at a discount from daily fees.
- 3.5.1.3 Management shall track and report average revenue-per-round, in relation to the defined cost-recovery targets.

**3.5.2 Chateau & Aspen Grove Rentals / Special Events**

- 3.5.2.1 Fees set for Facility rentals and Special Events will be based on cost-recovery targets for the Facilities



**Budgeting and Fiscal Management  
Community Services and Beach  
Pricing for Products and Services  
Practice 6.2.0**

Enterprise Fund established through the budget process.

- 3.5.2.2 Rental fees for use of facilities by non-IVGID Picture Pass holders will take into account the historical utilization rates and incorporate a mark-up required to achieve overall cost-recovery targets.
- 3.5.2.3 Rentals provided to IVGID Picture-Pass holders will incorporate discounts, as appropriate.
- 3.5.2.4 Fees charged for catered (Food and Beverage service) events will be set to cover the Full-Cost of staff, operations and food and beverage, plus mark-up based on market conditions.
- 3.5.2.5 Consideration shall be given to maintain Facility rental and Special Events services competitive within the regional marketplace.

3.5.3 Ski

- 3.5.3.1 Rates charged to non-IVGID Picture Pass holders for daily tickets and season passes will be set so as to remain competitive within the market.
- 3.5.3.2 Rates charged to non-IVGID Picture Pass holders for daily tickets shall be no less than the Full-Cost of access to the ski venue.
- 3.5.3.3 Rates charged to IVGID Picture Pass holders for daily tickets and season passes shall be set at a discount – to the extent that revenues from tickets and passes are sufficient to meet overall net revenue targets for the season.
- 3.5.3.4 Rates charged may vary based on peak periods, day of the week, and full-day versus half-day passes.
- 3.5.3.5 The Ski Rental Shop and Ski Lessons operate as Profit-Centers, with rates being largely market-driven, to include appropriate profit margins. Rates are charged uniformly, with no discounts.

3.5.4 Parks, Recreation, and Tennis Center

- 3.5.4.1 The District's Parks, Recreation Center, Tennis Center and recreation programming are community amenities open to residents, guests and visitors.

**Budgeting and Fiscal Management  
Community Services and Beach  
Pricing for Products and Services  
Practice 6.2.0**

Program pricing is based on industry-standard “Cost-Recovery Pyramid” which provides for increasing levels of cost-recovery based on whether programs provide community benefit versus individual benefit. (See Appendix A)

- 3.5.4.2 Programs and memberships are provided to IVGID Picture-Pass holders at a discount.
- 3.5.4.3 Recreation Center and Tennis Center membership pricing is adjusted based on age, season, time-of-day and day of the week (peak and non-peak hours).
- 3.5.4.4 Management shall review memberships and program fees annually, and may adjust rates based on industry and regional rates.

**4.0 Beach Pricing**

District-owned beaches are restricted to deeded parcel owners within the District and their guests. To support the Beaches, services, and programs, the District establishes, through the annual budget process, a Beach Facility Fee assessed on eligible parcels and/or dwelling units within the District.

- 4.1.1 Beach access is restricted for use by IVGID Picture Pass holders with beach access and their guests.
- 4.1.2 Funding to support the District beaches comes directly from the annual Beach Facility Fee assessed on parcels and/or dwelling units within the District and, as such, beach access to IVGID Picture-pass holders with beach access is made available at no additional charge.
- 4.1.3 The daily Guest beach access fee is to be set annually in relation to Operating Costs (per beach visit) as established through the annual budget process.
- 4.1.4 The daily Beach access fee may vary based on time of year, and peak periods. Management shall report on the average daily rates for the season to ensure that pricing policy and beach revenue targets are met.

**5.0 Administration of Community Services and Beach Pricing Policy**

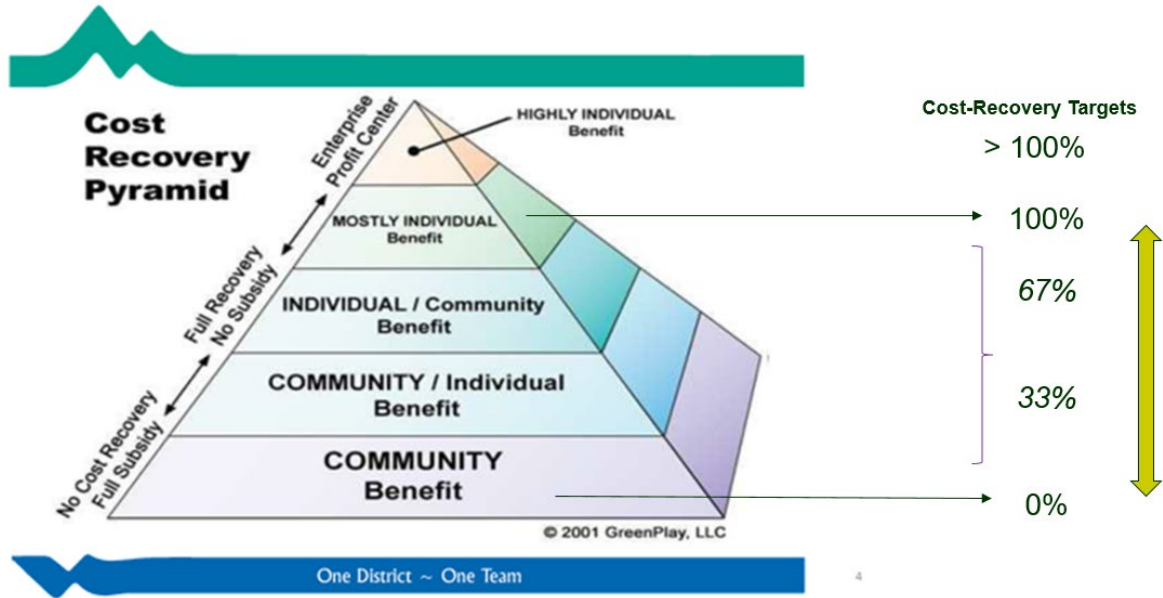
- 5.1 The Board of Trustees will establish overall financial performance targets for each venue through the annual budget process.

**Budgeting and Fiscal Management  
Community Services and Beach  
Pricing for Products and Services  
Practice 6.2.0**

- 5.2 The Board of Trustees will approve, through the budget process or when appropriate during the fiscal year Key Rates to include:
  - 5.2.1 Golf Rates for IVGID Picture Pass Holders, Play Passes, Guests and others.
  - 5.2.2 IVGID Picture-Pass holder and others, Season Pass Rates and Picture-Pass holder Daily Pass Rates for Diamond Peak.
  - 5.2.3 IVGID Picture-Pass holder Recreation Center and Tennis Membership Rates
  - 5.2.4 IVGID Picture-Pass holder rental rates for District Facilities / Special Events.
- 5.3 The General Manager is authorized to approve daily and group rates for all other programs, based on the recommendations of venue managers, consistent with the parameters of the District's Pricing Policy.
- 5.4 The District's Director of Golf/Community Services is authorized to approve pricing for Food and Beverage and retail merchandise.
- 5.5 Fee Schedules shall be placed on the District's website, and shall be updated, as needed, to reflect current pricing, to the extent practical.

# Budgeting and Fiscal Management Community Services and Beach Pricing for Products and Services Practice 6.2.0

## Appendix A Cost-Recovery Pyramid Recreation and Community Programs



**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Chairman Matthew Dent

**FROM:** Indra Winquest, District General Manager

**SUBJECT:** Review and discuss what is needed to create and recruit for a Board-appointed Capital Advisory Committee and provide further direction to Staff as to the initiation of those next steps, if deemed necessary (Requesting Staff Member: District General Manager Indra Winquest)

**RELATED STRATEGIC PLAN INITIATIVE(S):** **LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE; Budget Initiative A.** Use findings from Utility Management and Asset Assessment Study and the Moss Adams Reports, and analyze recommendations to bring forward changes that provide benefit to the District.

**RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES** **Board Policy 12.1.0 - Multi-Year Capital Planning**  
**Board Policy 13.1.0 - Capital Project Budgeting**

**DATE:** March 8, 2023

---

**I. RECOMMENDATION**

That the Board of Trustees discuss and provide direction to Staff to take the necessary steps to create a Board-appointed Capital Advisory Committee and to recruit volunteers for such a Board-appointed Capital Advisory Committee

**II. BACKGROUND**

On November 9, 2022, the Board of Trustees discussed an agenda item regarding capital planning and included in that discussion was a conversation regarding creating a Board-appointed Capital Advisory Committee; see the attached document which is an excerpt from the Moss Adams report. The direction given at that meeting was to seek input from the Board of Trustees on questions and their individual thoughts and then bring that information back before the Board to have a further discussion. Attached to this memorandum are

both the policies related to this subject and then a combination document of input received from the Board of Trustees.

### **III. BID RESULTS**

Not applicable.

### **IV. FINANCIAL IMPACT AND BUDGET**

As this Board-appointed committee will be governed by the Open Meeting Law and to require that all those requirements be followed for each meeting, it is strongly recommended that the board consider the resources necessary to administer these meetings and the potential impact on staffing resources and, as a result, may want to consider a third party to keep and maintain meeting minutes while the District Clerk and staff focus on everything else needed administer these meetings. One factor that contributes to the potential impact would be frequency of meetings and the overall determined scope of the committee.

### **V. ALTERNATIVES**

Not appoint this committee.

Request additional information to bring back at a later date.

### **VI. COMMENTS**

None at this time.

### **VII. DISTRICT IMPROVEMENT, COST REDUCTION, RETURN ON INVESTMENT OR PRODUCTIVITY ENHANCEMENT**

The Board of Trustees has indicated that this will help them approach large capital projects and make critical decisions regarding future projects. The cost impact of administering the committee has not yet been defined and will be primarily based on the overall structure and scope of the committee.

### **VIII. BUSINESS IMPACT**

Recommendations formulated by the advisory committee would likely have an impact on overall projects that are related to the various district venues and services.

### **IX. ATTACHMENTS**

1. H.1.3a. - EXCERPT - Moss Adams Report-Capital Program Advisory Committee
2. 12.1.0 Capital Planning - Multi-Year Capital Planning Policy - Eff 07-01-2016
3. 13.1.0 Capital Planning - Capital Project Budgeting - Eff 07-01-2015
4. Capital Committee Input

### **X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

- (1) Do you see value in having a Capital Advisory Committee?
- (2) Do you want it to be a Board-Appointed committee understanding the

committee would be bound to the OML?

(3) Discuss and provide direction to staff directions about the requirements and criteria for recruiting the volunteer members.







## Construction Advisory Committee

The District should consider creating a Construction Advisory Committee or Capital Project Advisory Committee to work as a liaison between the Board of Trustees and District management. The establishment of an effective advisory committee would provide a forum for both the Board of Trustees and District management to discuss specific projects and provide input in an efficient and effective manner. As a result, when projects are presented to the Board of Trustees for either approval or status update, the advisory committee can act as a champion, for both the Board of Trustees and management, to present the decisions requiring full Board consideration/input. This approach tends to decrease the number of modifications or removal of projects that have already been executed or planned for.

The District should implement an advisory committee for the capital program and/or major capital projects that the District has planned or will plan in the future. The makeup of the advisory committee could consist of members of the Board of Trustees, District management (e.g., General Manager and Public Works staff members), and potentially District citizens for cases where a specific interest or area of expertise is presented; however, citizen involvement will be determined by the Board of Trustees and/or District Management based on Nevada Open Meeting Laws. The advisory committee(s) should meet periodically (e.g., monthly or quarterly) and be responsible for relevant to project planning and design, and for executing the programs and major projects to be submitted to the Board of Trustees for approval. The roles and responsibilities of the advisory committee(s) should be clearly defined in the applicable Board policies and practice documents and the specific situations or decisions that require the full Board of Trustees review and approval.



## **Capital Planning Multi-Year Capital Planning Policy 12.1.0**

**POLICY.** The District will prepare and adopt comprehensive multi-year capital plans to ensure effective management of capital assets. A prudent multi-year capital plan identifies and prioritizes expected needs based on a community's strategic plan, establishes project scope and cost, details estimated amounts of funding from various sources, and projects future operating and maintenance costs. The capital plan should cover a period of at least five years, preferably ten or more.

**1.0 Identify needs.** The first step in the District's capital planning is identifying needs. The District has a commitment to the maintenance of its existing infrastructure. The District's Multi-Year Capital Plan will use information including development projections, strategic plans, comprehensive plans, facility master plans, regional plans, and citizen input processes to identify present and future service needs that require capital infrastructure or equipment. In this process, attention will be given to:

- 1.1 Capital assets that require repair, maintenance, or replacement that, if not addressed, will result in higher costs in future years.
- 1.2 Infrastructure improvements needed to support new development or redevelopment.
- 1.3 Projects with revenue-generating potential.
- 1.4 Improvements that support economic development.
- 1.5 Changes in policy or community needs.

**2.0 Determine costs.** The full extent of project costs should be determined when developing the multi-year capital plan. Cost issues to consider include the following:

- 2.1 The scope and timing of a planned project should be well defined in the early stages of the planning process.
- 2.2 The District should identify and use the most appropriate approaches, including outside assistance, when estimating project costs and potential revenues.



## **Capital Planning Multi-Year Capital Planning Policy 12.1.0**

- 2.3 For projects programmed beyond the first year of the plan, the District should consider cost projections based on anticipated inflation.
  - 2.4 The ongoing operating costs associated with each project should be quantified, and the sources of funding for those costs should be identified.
  - 2.5 A clear estimate of all major components required to implement a project should be outlined, including land acquisition needs, pre-design, design, and construction or acquisition, contingency and post-construction costs.
  - 2.6 Recognize the non-financial impacts of the project (e.g., environmental) on the community.
- 3.0 Prioritize capital requests.** The District continually faces extensive capital needs and limited financial resources. Therefore, prioritizing capital project requests is a critical step in the capital plan preparation process. When evaluating projects the District will:
- 3.1 Categorize each submittal under Project Types:
    - 3.1.1 Major Projects
      - A non-recurring project with scope and management complexity with a project budget greater than \$1,000,000 and a 25-year minimum asset life.
    - 3.1.1.1 New Initiatives
      - A project that creates a new amenity or significantly expands an existing facility with new programming, operations or capacities.
    - 3.1.1.2 Existing Facilities
      - A project that maintains, renews, and re-invests in existing facilities without significantly adding new programming, operations or capacities.



## **Capital Planning Multi-Year Capital Planning Policy 12.1.0**

### **3.1.2 Capital Improvement**

- A non-recurring project with some scope and management complexity with a project budget generally less than \$1,000,000.

#### **3.1.2.1 New Initiatives**

#### **3.1.2.2 Existing Facilities**

### **3.1.3 Capital Maintenance**

- A generally recurring project at an existing facility with limited scope and management complexity and a project budget less than \$1,000,000.

### **3.1.4 Rolling Stock**

- On-going projects for the replacement of vehicles, heavy and light duty wheeled and tracked machinery, tractors, mowers, trailers, etc.

### **3.1.5 Equipment & Software**

- On-going replacement of non-rolling stock and non-building system equipment (kitchen, ski rental, uniforms, furniture, serviceware, etc.), information technology hardware and software.

## **3.2 Prioritize Projects under these criteria:**

**3.2.1 Priority 1** are projects that address Existing Facilities or replace existing assets via Capital Maintenance, Rolling Stock, or Equipment & Software projects that have reached or are near the end of useful life and are necessary to meet existing programming, operations, or capacities that the community wants, needs and uses.

**3.2.2 Priority 2** are New Initiative projects that address existing facilities and assets that have reached or are



## **Capital Planning Multi-Year Capital Planning Policy 12.1.0**

near the end of useful life in order to expand existing programming, operations, or capacities to meet the community's wants, needs and uses.

- 3.2.3 Priority 3 are New Initiative projects that create new amenities that are wanted by the community and will be funded by new sources.
- 3.2.4 Priority 4 are New Initiative projects that create new amenities that are wanted by the community and will be funded by existing sources.
- 3.3 Ongoing consideration of Project Types and Prioritization by District Staff will consider:
  - 3.3.1 Reflect the relationship of project submittals to financial and governing policies, plans, and studies.
  - 3.3.2 Allow venues to provide a prioritization recommendation.
  - 3.3.3 Incorporate input and participation from major stakeholders and the general public.
  - 3.3.4 The condition assessment of existing assets as it relates to asset life-cycle, industry best practices, manufacturer's guidelines, safety, and the aesthetic character of the facility.
  - 3.3.5 Adhere to legal and regulatory requirements and/or mandates.
  - 3.3.6 Anticipate the operations and operating budget impacts resulting from capital projects.
  - 3.3.7 Apply analytical techniques, as appropriate, for evaluating potential projects (e.g., return on service,



## **Capital Planning**

### **Multi-Year Capital Planning**

#### **Policy 12.1.0**

payback period, cost-benefit analysis, cash flow modeling).

3.3.8 Re-evaluate capital projects approved in previous multi-year capital plans.

3.3.9 The availability of outside funding (e.g. grants, direct community contribution, in-kind contribution, public private partnership) to support completion of a capital project.

**4.0 Develop financing strategies.** The District recognizes the importance of establishing a viable financing approach for supporting the multi-year capital plan. Financing strategies should align with expected project requirements while sustaining the financial health of the District. The capital financing plan should:

- 4.1 Anticipate expected revenue and expenditure trends, including their relationship to multi-year financial plans.
- 4.2 Prepare a flow of resources projection of the amount and timing of the capital financing and expenditure
- 4.3 Continue compliance with all established financial policies.
- 4.4 Recognize appropriate legal constraints.
- 4.5 Consider and estimate funding amounts from all appropriate funding alternatives.
- 4.6 Ensure reliability and stability of identified funding sources.
- 4.7 Evaluate the affordability of the financing strategy, including the impact on debt ratios, taxpayers, ratepayers, and others.



## **Capital Planning Capital Project Budgeting Policy 13.1.0**

**POLICY.** The District will prepare and adopt a formal capital budget as part of their annual budget process. The capital budget will be directly linked to, and flow from, the Multi-Year Capital Improvement Plan. It may be necessary to modify projects approved in the capital plan before adopting them in a capital budget. Modifications may be necessary based on changes in project scope, funding requirements, or other issues. If these modifications are material, the District will consider the impacts these may have on its multi-year capital and financial plans. The capital budget should be adopted by formal action of the Board of Trustees, either as a component of the operating budget or as a separate capital budget. It will comply with all state and local legal requirements.

- 1.0 Preparing and Adopting the Capital Budget. The capital budget will include the following information:
  - 1.1 A definition of capital expenditure for the District.
  - 1.2 Summary information of capital projects by fund, function, venue/service or activity.
  - 1.3 A schedule for completion of the project, including specific phases of a project, estimated funding requirements for the upcoming year(s), and planned timing for acquisition, pre-design, design, and construction or acquisition activities and transition to complete operation.
  - 1.4 Descriptions of the general scope of the project, including expected service and financial benefits to the District.
  - 1.5 A description of any impact the project will have on the current or future operating budget.
  - 1.6 Estimated costs of the project, based on recent and accurate sources of information.
  - 1.7 Identified funding sources for all aspects of the project, specifically referencing any financing requirements for the upcoming fiscal year.
  - 1.8 Funding authority based either on total estimated project cost, or estimated project costs for the upcoming fiscal year. Consideration should be given to carry-forward funding for projects previously authorized.



**Capital Planning  
Capital Project Budgeting  
Policy 13.1.0**

- 1.9 Any analytical information deemed helpful for setting capital priorities.

The District needs a greater level of detail and information for non-routine capital projects than for routine projects. For non-routine projects, the capital budget should thoroughly describe the impact on the operating budget, number of additional positions required, tax or fee implications, and other financial or service impacts.

- 2.0 Reporting on the Capital Budget. The District recognizes the importance of timely and accurate reporting on projects adopted in the capital budget. Management, Trustees, and citizens should all have the ability to review the status and expected completion of approved capital projects. Periodic reports will be issued routinely on all ongoing capital projects. The reports will compare actual expenditures to the original budget, identify level of completion of the project, and enumerate any changes in the scope of the project, and alert management to any concerns with completion of the project on time or on schedule.



**From:** [Sara Schmitz](#)  
**To:** [Melissa N. Robertson](#)  
**Subject:** Re: Follow Up - Agenda Item H.1.3b - Capital Advisory Committee  
**Date:** Tuesday, November 29, 2022 1:47:48 PM

---

Melissa,

Sorry for the delayed response.

I suggest there are 3 community members, appointed by the BOT. They should be knowledgeable of the District's capital projects and have relevant experience such as construction management, project management, and/or finance experience. We should have one Trustee, as appointed by the BOT. I would want this committee to oversee all capital, construction type, projects. This would include projects deemed to be maintenance, but would exclude projects such as IT type projects.

I feel they should be appointed early in 2023.

Sara

**Sara Schmitz**

Incline Village General Improvement District Trustee and Secretary  
893 Southwood Blvd.  
Incline Village, NV 89451  
**925-858-4384**



---

**From:** Melissa N. Robertson  
**Sent:** Monday, November 28, 2022 10:22 AM  
**To:** Melissa N. Robertson  
**Subject:** FW: Follow Up - Agenda Item H.1.3b - Capital Advisory Committee

Hello Trustees,

I wanted to send a friendly reminder out about the below email and attachment. Thank you.

**Melissa Robertson**

District Clerk  
Incline Village General Improvement District  
893 Southwood Boulevard  
Incline Village Nevada 89451  
P: 775-832-1268

[mnr@ivgid.org](mailto:mnr@ivgid.org)  
<http://yourtahoeplace.com>

---

**From:** Melissa N. Robertson <mnr@ivgid.org>  
**Sent:** Thursday, November 10, 2022 11:38 AM  
**To:** Melissa N. Robertson <mnr@ivgid.org>  
**Subject:** Follow Up - Agenda Item H.1.3b - Capital Advisory Committee

Hello Trustees,

As requested at last night's meeting, please find attached the Word document on the questions regarding the Capital Advisory Committee. Please provide your comments/thoughts and return to me by Monday, November 28 at 12 noon. I will then compile them and provide that document to the Director of Finance.

Thank you so much.

**Melissa Robertson**  
District Clerk  
Incline Village General Improvement District  
893 Southwood Boulevard  
Incline Village Nevada 89451  
P: 775-832-1268  
[mnr@ivgid.org](mailto:mnr@ivgid.org)  
<http://yourtahoeplace.com>

**From:** [Matthew Dent](#)  
**To:** [Melissa N. Robertson](#)  
**Cc:** [Indra Winqwest](#)  
**Subject:** Re: Follow Up - Agenda Item H.1.3b - Capital Advisory Committee  
**Date:** Tuesday, November 29, 2022 4:08:42 PM

---

Here is the rest of my response to the word doc...

1.

Prefer business owner, engineer or construction professional.

2. resume and cover letter explaining why seeking involvement similar to AC applicants
3. 3. Appts appointed by BOT, 3-5 at large members help flush out some of the projects
4. Yes to OML and BOT appt
5. Whatever committee desires within projects once priorities have been set and met
6. Open to 1 or 2; committees select own chair
7. Committee to determine meeting schedule similar to AC to meet goal/direction set forth by the Board

Matthew Dent  
775.530.1345

---

**From:** dent\_trustee@ivgid.org <dent\_trustee@ivgid.org>  
**Sent:** Tuesday, November 29, 2022 4:01:27 PM  
**To:** Melissa N. Robertson <mnr@ivgid.org>  
**Cc:** indra\_winqwest@ivgid.org <indra\_winqwest@ivgid.org>  
**Subject:** Re: Follow Up - Agenda Item H.1.3b - Capital Advisory Committee

Did you send this to the Trustee elects? Would be great to have Dave and Ray weigh-in on this. Tim and Kendra haven't been offering up much when it comes to future Board direction and have relied on Sara, Michaela and I to give direction. Thought this would be perfect timing to get new Trustees involved.

- 1. Prefer business owner, engineer, construction professional

Thanks, Matthew

Matthew Dent  
775.530.1345

---

**From:** Melissa N. Robertson <mnr@ivgid.org>  
**Sent:** Monday, November 28, 2022 10:22:11 AM  
**To:** Melissa N. Robertson <mnr@ivgid.org>  
**Subject:** FW: Follow Up - Agenda Item H.1.3b - Capital Advisory Committee

Hello Trustees,

I wanted to send a friendly reminder out about the below email and attachment. Thank you.

**Melissa Robertson**

District Clerk  
Incline Village General Improvement District  
893 Southwood Boulevard  
Incline Village Nevada 89451  
P: 775-832-1268  
[mnr@ivgid.org](mailto:mnr@ivgid.org)  
<http://yourtahoeplace.com>

---

**From:** Melissa N. Robertson <mnr@ivgid.org>  
**Sent:** Thursday, November 10, 2022 11:38 AM  
**To:** Melissa N. Robertson <mnr@ivgid.org>  
**Subject:** Follow Up - Agenda Item H.1.3b - Capital Advisory Committee

Hello Trustees,

As requested at last night's meeting, please find attached the Word document on the questions regarding the Capital Advisory Committee. Please provide your comments/thoughts and return to me by Monday, November 28 at 12 noon. I will then compile them and provide that document to the Director of Finance.

Thank you so much.

**Melissa Robertson**

District Clerk  
Incline Village General Improvement District  
893 Southwood Boulevard  
Incline Village Nevada 89451  
P: 775-832-1268  
[mnr@ivgid.org](mailto:mnr@ivgid.org)  
<http://yourtahoeplace.com>

**From:** [Dave Noble](#)  
**To:** [Melissa N. Robertson](#)  
**Cc:** [Indra Winquest](#)  
**Subject:** Re: Capital Advisory Committee - Follow Up  
**Date:** Tuesday, January 31, 2023 9:29:44 AM

---

Melissa,

At this point, I don't think that IVGID should have a Capital Advisory Committee. I believe that each department knows best what they need to put forward a quality product for this community to use and enjoy. I'm concerned that this will add a level of bureaucracy where various special interests will try to insert their people and biases into the decision-making process. Ultimately, I don't want unelected members of this community hijacking the decision-making process entrusted to the BOT.

If we must have such a committee, here are my recommendations:

- 1--no specific qualifications necessary
- 2--resume and cover letter expressing why that person wants to be on committee and what specific qualifications he/she will bring to the decision-making process
- 3--selections made by GM / 7
- 4--outcome should be annual updates of 5/10-year plans for each venue--anything less gets into micromanagement
- 5--venue specific determination
- 6--board will self-determine its chair
- 7--board will determine its schedule
- 8--I don't know

Planning process: master plans should be updated every 5 years; planning period should be 10 years (with focus on 5 years)

Prioritization of capital projects: priority should be based on the needs/desires of the community

Establishing a capital projects advisory committee: I don't think we should have one, but if we do it should be GM appointed, review and inform updates to multi-year capital budget, not supersede committees on specific projects

Capital project reporting: no opinion at this time--just want to make sure we aren't hindering Staff from doing their jobs with excessive reporting requirements

Capital project delivery: I'm not sure what is being asked here--just want to make sure BOT is not micro-managing and derailing projects once the decision has been made to proceed.

My Thoughts,

Dave

---

**From:** Melissa N. Robertson  
**Sent:** Thursday, January 26, 2023 3:20:11 PM  
**To:** Melissa N. Robertson  
**Subject:** Capital Advisory Committee - Follow Up

Hello Trustees via BCC,

Shortly after the November 9<sup>th</sup> BOT meeting, I sent an email out to the Trustees as it relates to the Capital Advisory Committee. I asked for comments/thoughts on the following questions:

1. What are the qualifications for the members that the Board of Trustees is seeking? i.e. former business owner? Engineering degree? Certain numbers of years lived in the community? Home remodeling experience? Public sector experience? Other?
2. What will be the application process and what information do you desire to be included.
3. Once the applications are submitted, how will be the appointments/selections be made? What is the maximum number of appointments to be made to this committee?
4. How will the committee operate? If it is Board appointed, it will be governed by the Nevada Open Meeting Law. Does it have to be Livestreamed? What will be their charge and/or desired outcome?
5. What projects will be reviewed? Is there a dollar level threshold or it is a venue specific determination? Or other?
6. What 1 or 2 Trustees will be appointed to serve on this committee? Which Trustee will be Chair? Or will the Board allow the Committee to self-determine its Chair i.e. hold an election?
7. What will be the meeting schedule? Or will the Board allow the Committee to determine its own schedule? Other?
8. What materials are to be provided to the Committee members?

Upon sending the original email out, I received responses from 2 Trustees. As such, I am sending this out as a follow up.

Additionally, I am attaching the associated memo to this email for your reference; you will notice that there was a section for Board Discussion and Feedback – read in part below:

*Board Discussion and Feedback*

*To facilitate Board discussion on the updated draft of Policy 12.1.0, staff has identified the*

*following areas of focus where Board feedback would be helpful in finalizing the new policy document:*

*Planning Process:*

1. *How often should Master Plans be formally updated?*
  1. *Annually*
  2. *3-5 years*
  3. *5-7 years*
  4. *7-10 years*
  
2. *Projects identified in approved Master Plans should be reflected in the District's Multi-Year Capital Improvement Plan. What planning period should Multi-Year Capital Improvement Plan cover:*
  1. *5-years (current)*
  2. *10-years*
  3. *20-years*

*Prioritization of Capital Projects*

3. *Priority 1 – Existing facilities to support existing service levels, capital maintenance, replacement of rolling stock, equipment and software*
4. *Priority 2 – Projects that expand service capacity in existing facilities*
5. *Priority 3 – Projects that expand service capacity through construction or acquisition of new facilities with new resources*
6. *Priority 4 - Projects that expand service capacity through construction or acquisition of new facilities with existing funding*

*Consideration of Establishing a Capital Projects Advisory Committee:*

1. *Appointed by Board (formal) or General Manager (informal)*
2. *Focus of the Capital Projects Advisory Committee*
  1. *Assist in the Development and Update of Master Plans*
  2. *Review and inform updates to Multi-Year Capital Budget*
  3. *Focus and Major Projects and Board Priority Projects*
3. *Would Capital Projects Advisory Committee preclude the need for separate advisory committees on specific projects (ex. Pool, Snowflake Lodge, Beach House, etc.)?*

*Capital Project Reporting:*

1. *Feedback on Updating (current Quarterly CIP Popular Status Report)*
2. *Focus of Major Projects Status Report*
  1. *Definition of "Major" Projects*
    1. *Over \$1,000,000 and 20 years useful life (current)*
    2. *Over \$5,000,000 and 20+ years useful life (proposed)*
  2. *Board Priority Projects*
3. *Project Close-out Reports*
  1. *Major Capital Projects*
  2. *Board Priority Projects*
  3. *Other*

*Capita Project Delivery – Roles and Responsibilities*

1. *Board approval of project through budget process*
2. *Board authority for contract award (< \$100,000)*

3. *Board approval of final design and construction specifications prior to bidding*
4. *General Manager's authority to re-allocate resources*
  1. *Between project phases (planning, design, construction)*
  2. *Between capital projects or sub-projects*

Kindly review and respond to the original 8 questions (if you have not done so already) and the “discussion and feedback” portion above. Please respond by 2-1-2023. Let me know if you should have any questions.

Thank you.

**Melissa Robertson**

District Clerk

Incline Village General Improvement District

893 Southwood Boulevard

Incline Village Nevada 89451

P: 775-832-1268

[mnr@ivgid.org](mailto:mnr@ivgid.org)

<http://yourtahoeplace.com>



**From:** [Sara Schmitz](#)  
**To:** [Melissa N. Robertson](#)  
**Cc:** [Indra Winqwest](#)  
**Subject:** Re: Capital Advisory Committee - Follow Up  
**Date:** Thursday, February 2, 2023 1:08:54 PM

---

I will put my thoughts in blue below. Scroll down to your original email. Let me know if I left "gaps".

**Sara Schmitz**

Incline Village General Improvement District Trustee and Vice Chair  
893 Southwood Blvd.  
Incline Village, NV 89451  
**925-858-4384**



---

**From:** Melissa N. Robertson  
**Sent:** Tuesday, January 31, 2023 8:31 AM  
**To:** Sara Schmitz  
**Cc:** Indra Winqwest  
**Subject:** RE: Capital Advisory Committee - Follow Up

Thanks so much. You were one of the two that responded to the first email that had went out in November.

Your response was:

“

*I suggest there are 3 community members, appointed by the BOT. They should be knowledgeable of the District's capital projects and have relevant experience such as construction management, project management, and/or finance experience. We should have one Trustee, as appointed by the BOT. I would want this committee to oversee all capital, construction type, projects. This would include projects deemed to be maintenance, but would exclude projects such as IT type projects.*

*I feel they should be appointed early in 2023.” [This remains my thoughts.](#)*

If you could look at the additional information (below) and respond with input, that would be appreciated.

Thank you again.

**Melissa Robertson**

District Clerk  
Incline Village General Improvement District  
893 Southwood Boulevard  
Incline Village Nevada 89451  
P: 775-832-1268  
[mnr@ivgid.org](mailto:mnr@ivgid.org)  
<http://yourtahoeplace.com>

---

**From:** Sara Schmitz <trustee\_schmitz@ivgid.org>  
**Sent:** Monday, January 30, 2023 8:30 PM  
**To:** Melissa N. Robertson <mnr@ivgid.org>  
**Cc:** Indra Winqest <ISW@ivgid.org>  
**Subject:** Re: Capital Advisory Committee - Follow Up

Melissa,

This requires me to provide thoughtful feedback. I will review and provide my comments on Wednesday.

Sara

**Sara Schmitz**

Incline Village General Improvement District Trustee and Vice Chair  
893 Southwood Blvd.  
Incline Village, NV 89451  
**925-858-4384**



---

**From:** Melissa N. Robertson  
**Sent:** Thursday, January 26, 2023 3:20 PM  
**To:** Melissa N. Robertson  
**Subject:** Capital Advisory Committee - Follow Up

Hello Trustees via BCC,

Shortly after the November 9<sup>th</sup> BOT meeting, I sent an email out to the Trustees as it relates to the Capital Advisory Committee. I asked for comments/thoughts on the following questions:

What are the qualifications for the members that the Board of Trustees is seeking? i.e. former business owner? Engineering degree? Certain numbers of years lived in

the community? Home remodeling experience? Public sector experience? Other? I think I answered this.

What will be the application process and what information do you desire to be included. Email to the BOT by a deadline with explanation as to why they are interested and what skills/experience they have to be a contribution to the committee.

Once the applications are submitted, how will be the appointments/selections be made? What is the maximum number of appointments to be made to this committee? 3 plus one Trustee. By the BOT.

How will the committee operate? If it is Board appointed, it will be governed by the Nevada Open Meeting Law. Does it have to be Livestreamed? What will be their charge and/or desired outcome? To assist the District and the BOT in making the best decisions for the rate payers. To make recommendations on prioritization, alternatives, etc.

What projects will be reviewed? Is there a dollar level threshold or it is a venue specific determination? Or other? They should be working from our budget. Projects that are budgeted for the year. We tend not to get things completed as budgeted, so I would like to have them assist in the planning and budgeting process.

What 1 or 2 Trustees will be appointed to serve on this committee? Which Trustee will be Chair? Or will the Board allow the Committee to self-determine its Chair i.e. hold an election? Only 1 Trustee, if feel at this time. I feel the Trustee should be chair so as to guide the efforts for what will help the District and the BOT.

What will be the meeting schedule? Or will the Board allow the Committee to determine its own schedule? Other? They can determine, but I would think once a quarter.

What materials are to be provided to the Committee members? Budget, strategic plan, project data sheets and the project (popular report) report.

sending the original email out, I received responses from 2 Trustees. As such, I am sending this out as a follow up.

onally, I am attaching the associated memo to this email for your reference; you will notice that there was a section for Board Discussion and Feedback – read in part below:

### *Board Discussion and Feedback*

*To facilitate Board discussion on the updated draft of Policy 12.1.0, staff has identified the following areas of focus where Board feedback would be helpful in finalizing the new policy document:*

#### *Planning Process:*

1. *How often should Master Plans be formally updated?*

*Annually - it should be reviewed prior to budgeting*

*3-5 years*

*5-7 years*

*7-10 years*

2. *Projects identified in approved Master Plans should be reflected in the District's Multi-Year Capital Improvement Plan. What planning period should Multi-Year Capital Improvement Plan cover:*

5-years (current) *this is fine for recreation, but a longer time period is needed for Public Works.*

10-years

20-years

*Prioritization of Capital Projects*

3. *Priority 1 – Existing facilities to support existing service levels, capital maintenance, replacement of rolling stock, equipment and software*
4. *Priority 2 – Projects that expand service capacity in existing facilities*
5. *Priority 3 – Projects that expand service capacity through construction or acquisition of new facilities with new resources*
6. *Priority 4 - Projects that expand service capacity through construction or acquisition of new facilities with existing funding*

*Consideration of Establishing a Capital Projects Advisory Committee:*

1. *Appointed by Board (formal) or General Manager (informal)*
2. *Focus of the Capital Projects Advisory Committee*

*Assist in the Development and Update of Master Plans*

*Review and inform updates to Multi-Year Capital Budget*

*Focus and Major Projects and Board Priority Projects*

3. *Would Capital Projects Advisory Committee preclude the need for separate advisory committees on specific projects (ex. Pool, Snowflake Lodge, Beach House, etc.)? *I would think we may have different groups to again assist the committee.**

*Capital Project Reporting:*

1. *Feedback on Updating (current Quarterly CIP Popular Status Report)*
2. *Focus of Major Projects Status Report*

*Definition of "Major" Projects*

*Over \$1,000,000 and 20 years useful life (current)*

*Over \$5,000,000 and 20+ years useful life (proposed)*

*Board Priority Projects*

3. *Project Close-out Reports*

*Major Capital Projects*

*Board Priority Projects*

*Other*

*Capita Project Delivery – Roles and Responsibilities*

*Board approval of project through budget process*

*Board authority for contract award (< \$100,000)*

*Board approval of final design and construction specifications prior to bidding*

*General Manager's authority to re-allocate resources*

*Between project phases (planning, design, construction)*

*Between capital projects or sub-projects*

review and respond to the original 8 questions (if you have not done so already) and the “discussion and feedback” portion above. Please respond by 2-1-2023. Let me know if you should have any questions.

: you.

**Melissa Robertson**

District Clerk

Incline Village General Improvement District

893 Southwood Boulevard

Incline Village Nevada 89451

P: 775-832-1268

[mnr@ivgid.org](mailto:mnr@ivgid.org)

<http://yourtahoeplace.com>



## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Chairman Dent

**FROM:** Sara Schmitz, Trustee

**SUBJECT:** Discuss and possibly approve a scope of work for use in soliciting competitive proposals for the first phase of a two-phase consulting engagement focused on improving the District

**RELATED STRATEGIC PLAN INITIATIVE(S):** This is not a budgeted initiative and therefore is not in the Strategic Plan.

**RELATED DISTRICT POLICY, PRACTICES, RESOLUTIONS or ORDINANCES:** This proposed initiative may have recommendations to many of the District's policies

**DATE:** 2/27/2023

---

### **I. RECOMMENDATION**

The board makes a motion to approve the scope of work outlined and direct staff to formulate a request for proposals and solicit competitive bids for the first of a two-phase project.

Proposals will be delivered for the Board of Trustees to select their preferred vendor and potentially augment the budget for the first phase of the initiative at a later date.

### **II. BACKGROUND**

The District has been faced with many challenges over the recent years. The conversion to the Tyler Munis system has been a challenge to complete while staff is also operating the District's systems, internal controls over financial accounting and reporting have been an ongoing issue and have not been adequately addressed as highlighted by our external auditor in the annual financial reports and their consulting engagement report, the District's disjoint

software systems continue to be a challenge, as highlighted in our budgeting process the District needs to have more robust strategic plans for the venues, and our policies and resolutions have challenges related to compliance and common understanding. Additionally, the senior management team has expanded over the years with salary grades that appear to be inconsistent. This engagement, as identified in the proposed scope of work, would deliver recommendations for improvement and phase 2 project implementation plans and estimated costs for the implementation of the recommendations.

### III. **BID RESULTS**

The Board is requesting staff formulate a request for proposals so that the Board may review the responses and potentially select a vendor to deliver on the project scope.

### IV. **ALTERNATIVES**

Do nothing and allow the current situation to linger resulting in further delay of the implementation of improved internal controls over financial reporting and the other issues identified in the background section of this memo to continue.

### V. **COMMENTS – Scope of Work**

For the first of a two-phase project, the Board of Trustees is seeking a management consulting **team** to review and analyze the current environment of the areas listed below and formulate recommendations for the potential second phase of the project being change implementation. Recommendations for change implementation must include either cost benefit, service improvement, operational or compliance improvements. The first phase deliverable is the detailed scope of work for potential change implementation with cost estimates and a project implementation plan for the following efforts:

1. Strategic Plan - Review with the BOT and senior management the existing strategic plan and formulate recommendations for improvements
2. Internal Controls – Review the financial procedures
3. Financial and Software System(s) - Review the status of the Tyler software conversion, review the point-of-sale systems, the system for maintaining the Recreation Cards, and system used to scan and verify Recreation Cards



4. Organizational and Staffing Structure – Review the District’s staffing structure and responsibilities of the Senior Management Team; inclusive of public works and recreation
5. Policies – Review current Resolutions and Board policies; identify which are being adhered to, what needs to be changed, and recommendations for improvement

### **Management Engagement Objectives**

- Identify specific opportunities for improvement for each of the listed areas.
- Identify opportunities to improve overall performance, including operational efficiency and productivity, organizational effectiveness and cost savings.
- Develop recommendations and action plan for implementing changes necessary to achieve performance improvements as phase 2 potential projects.
- Develop qualitative and quantified benefit analyses and other applicable guidance for the implementation of improvement opportunities and recommendations.
- Provide a written report that meets the scope and objectives, including factual findings, conclusions and recommendations for the phase 2 implementation projects including proposed costs and benefits for each potential implementation project.

### **VI. BUSINESS IMPACT/BENEFIT**

Recommendations for change implementation must include either cost benefit, service improvement, operational or compliance improvements.



## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Chairman Dent

**FROM:** Sara Schmitz, Trustee

**SUBJECT:** Review, discuss and possibly provide direction regarding the contract with the Nevada Division of State Lands

**RELATED STRATEGIC PLAN INITIATIVE(S):** While not a budget strategic plan initiative, it relates to the long range principle #2, Resources and Environment

**RELATED DISTRICT POLICY, PRACTICES, RESOLUTIONS or ORDINANCES:** There appear to be no policies related to the selling of District Coverage

**DATE:** 3/1/2023

---

### **I. RECOMMENDATION**

It is recommended the Board review the contract (attached) and the report from the Nevada Division of State Lands (attached) and possibly provide direction related to the contract. The contract is set to expire on June 30<sup>th</sup> and can be terminated with a 30-day notice.

### **II. BACKGROUND**

For many years, the District has participated with the Nevada Division of State Lands for the sale of excess District coverage. In 2021, the Board of Trustees voted to approve the contract with the Nevada Division of State Lands for the sale of District coverage.

In recent years, community members have noticed and complained about the transformation of neighborhoods. Homes have been torn down and substantially larger homes built resulting in changes to the character of the neighborhoods. By the District selling coverage, the District is participating in, and enabling, this transformation. For environmental sustainability and to reduce sediment runoff into our streams and Lake Tahoe, coverage for water penetration is essential.

It should be noted that if the District terminated their agreement for the sale of coverage, property owners would still have the ability to purchase coverage from the Nevada Division of State Lands “bank”, coverage provided by sources other than the District, so the termination of the contract would not necessarily stop the changes the community is witnessing.

It has yet to be clarified if the District, should the agreement be terminated, would have the ability to purchase coverage for future potential projects. The General Manager is seeking clarification on this issue.

### III. ALTERNATIVES

The Board could modify the contract requiring Board approval of sales, prior to the execution of the sale of coverage.

The Board could take no action and continue the practice of selling excess District coverage in conflict with the District’s strategy to protect the lake and the environment.

The Board could terminate the agreement.

### IV. COMMENTS

None.

### V. BUSINESS IMPACT/BENEFIT

Terminating the agreement would have a minor change to venue revenues, such as golf. The revenue from the sale of the coverage is credited to the venue that provided the excess coverage.

The report attached shows the total net revenue to IVGID since 2005 of \$1,792,087.20.

The business impact would be the elimination of revenue for the sale of the excess coverage.

ATTACHED:

Board memo and related documents from June 9<sup>th</sup>, 2021

Report from the Nevada Division of State Lands dated September 21,2022

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winquest  
District General Manager

**FROM:** Brad Underwood  
Director of Public Works

**SUBJECT:** Interlocal Contract Amendment with Nevada Division of State Lands for Sale and Transfer of Coverage Owned by Incline Village General Improvement District

**DATE:** May 24, 2021

---

### **I. RECOMMENDATION**

That the Board of Trustees makes a motion to:

1. Approve Amendment #1 of the Interlocal Contract, dated March 2017, between the Nevada Division of State Lands (NDSL) – Nevada Land Bank and the Incline Village General Improvement District for the Management, Sale and Transfer of Coverage Owned by Incline Village General Improvement District.
2. Authorize Chair to execute the Amendment based on a review by General Counsel and Staff.

### **II. BACKGROUND**

The Nevada Division of State Lands (NDSL) has administered the operation of the Nevada Land Bank for the sale and transfer of Incline Village General Improvement District's (IVGID) surplus potential land coverage since 2002. The program is governed by an Interlocal contract and a policies and procedure manual to implement the land coverage sales program. There have been a series of contracts and amendments since the original contract in 2002. Past practice has been to have Board approval of the contract with any Amendments being signed by the General Manager or Director of Public Works. The most recent Interlocal contract from March 2017 did not follow this practice and was signed by the Director of Public Works without Board approval. This contract had an expiration date of May 9, 2021 and IVGID was provided with an Amendment to the 2017 contract to approve. In following past practice, Public Works staff requested the General Manager sign the Amendment which was done in advance of the Contract expiration date. However, in discussions between the General Manager, District Counsel and Director of Public Works, it has been decided that the Board be

requested to approve this Amendment. This is due to the March 2017 Interlocal contract not being approved by the Board.

The totals for the land coverage sales on the open market since inception of the program for services from NDSL are 96,060 square feet, netting a total of \$1,525,040 to IVGID. The IVGID Board also approved three transactions to retire 168,210 square feet of Class 6 coverage to the State of Nevada in, netting a total of \$1,707,070 to IVGID. All proceeds are used to fund capital projects in community services.

### Land Coverage Sales 2002-Present

<b>Class of Coverage</b>	<b>Sq. Ft of Coverage Sold</b>	<b>Net to IVGID</b>
Class 1a Sold	14,864	\$585,721
Class 4 & 6 Sold	60,206	\$939,319
<b>Subtotal</b>	<b>75,070</b>	<b>\$1,525,040</b>
Class 4 & 6 Retired by State of Nevada	168,210	\$1,707,070
<b>Total Retired or Sold</b>	<b>243,280</b>	<b>\$3,232,110</b>

This program has proven to be very successful to IVGID and to the customers and property owners of Incline Village who are now able to complete their projects under TRPA coverage procedures. IVGID currently has 23,021 square feet of potential Class 4 and 6 coverage and 10,919 square feet of potential Class 1a coverage available for sale in the Nevada Land Bank pending approval of this Amendment.

The NDSL has proposed entering into this Amendment for the management, sale, and transfer of coverage until June 30, 2023. The only changes from the previous contract are minor policy and procedure changes to reflect current practices such as a minimum purchase requirement of 50 square feet, a fee for services to NDSL of \$1.00 per square foot sold and transferred, a \$250 application fee paid to NDSL from each applicant.

All sales of coverage are split 50/50 between IVGID coverage and State of Nevada coverage. Revenues to each entity are calculated as the amount of coverage sold from each agency's land bank times the land coverage sale price.

### III. BID RESULTS

This item is not subject to competitive bidding within the meaning of the Nevada Revised Statutes 332.115.

### IV. FINANCIAL IMPACT AND BUDGET

As detailed under Background, the land coverage sales program has netted \$3,232,110 for IVGID. This agreement will continue the land coverage sales program but future

revenues are unknown. Transactions are to be split 50/50 between IVGID and the State of Nevada with a small administrative fee deducted from IVGID's share from the coverage sale. Overall, the program has been very successful and provided a resource for the community to purchase land coverage to complete development projects while meeting environmental thresholds.

## V. ALTERNATIVES

Do not approve the Amendment to the Interlocal contract, which will require the District to administer the land coverage and provide 100% of the property instead of a 50/50 split with NDSL.

## VI. BUSINESS IMPACT

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

Attachments:

- Amendment #1
- Interlocal Contract Between Public Agencies





CETS #:	18594
Solicitation #:	

**AMENDMENT # 1**

**TO CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR**  
 Between the State of Nevada  
 Acting by and Through Its

Agency Name:	Nevada Division of State Lands
Address:	901 S. Stewart Street STE # 5003
City, State, Zip Code:	Carson City, NV 89701
Contact:	Sherri Barker
Phone:	775-530-1707
Fax:	775-684-2721
Email:	sbarker@lands.nv.gov

Contractor Name:	Incline Village General Improvement District
Address:	1220 Sweetwater Road
City, State, Zip Code:	Incline Village, NV 89451-9214
Contact:	Indra Winqwest, General Manager
Phone:	775-832-1203
Fax:	N/A
Email:	pw@ivgid.org

I. **AMENDMENTS.** For and in consideration of mutual promises and other valuable consideration, all provisions of the original Contract resulting from Request for Proposal #18594 and dated 04/07/2017, attached hereto as Exhibit A, remain in full force and effect with the exception of the following:

A. **Provide a brief explanation for contract amendment.** The current contract expires 5/9/2021. This will be an amendment to extend the expiration date and to add \$10,000.00 to the current revenue contract of \$20,000.00 for a new total of \$30,000.00. The current revenue amount is not mentioned in the original contract. This amendment is to add an additional 2 years and 52 days to extend the expiration date until June 30, 2023. Add language to page 11 III. POLICIES (add line #14): An application to purchase coverage must request to purchase greater than 50 square feet for the NDSL Land Bank to include IVGID's coverage in a split sale.

B. **Current Contract Language:**

3. Contract Term. This Contract shall be effective upon approval to May 9, 2021, unless sooner terminated by either party as set forth in this Contract.

7. Consideration. NDSL agrees to provide the services set forth in paragraph (6) for a fee of ONE DOLLAR (\$1.00) per square foot of land coverage sold and transferred by NDSL to a receiving parcel in the Incline Village area. This fee shall be paid to NDSL from funds received by IVGID at the close of each escrow. NDSL shall also receive from each applicant an application fee in the amount of TWO HUNDRED AND FIFTY DOLLARS (\$250.00) when the completed application is reviewed and accepted for processing. A

CETS #:	18594
Solicitation #:	

total Interlocal Contract amount is not applicable in this case because NDSL is providing a service to IVGID and it is unknown how many square feet of IVGID's land coverage will be sold during the term of the contract. This Interlocal Contract will not involve any significant expenditure of funds from a State Budget Account and involves the State receiving income from services rendered. The monies received by the State as a result of this Interlocal Contract will be used to carry out the intent of the Nevada Land Bank as established pursuant to Chapter 355, Statutes of Nevada, 1993. Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the results of legislative appropriation may require. In addition, other forms of the contract notwithstanding, NDSL may, in its sole discretion, supply in any sale and/or transfer, HALF (1/2) of the total land coverage to be sold and transferred, from land coverage owned by NDSL. In such event, NDSL shall remain entitled to the square footage fee based on the total land coverage amount being sold and transferred by IVGID and NDSL to a receiving parcel.

### III. POLICIES

1. The Parties agree that transfers of potential coverage derived from IVGID properties and, where applicable, NDSL coverage must be in accordance with Chapter 30 of the TRPA Code of Ordinances and all applicable laws.
2. The Parties agree to seek fair market value for the public asset.
3. The Parties agree to preclude speculation by preventing IVGID's potential coverage from feeding a "secondary" market. The Program will not compete unfairly with the private market.
4. The parties agree to assure a fair and equitable process whereby public and private needs can be met.
5. The IVGID Board of Trustees is the sole arbiter and policy maker for IVGID's Surplus Potential Land Coverage Program.
6. NDSL shall be the sole arbiter and policy maker for the Nevada Land Bank.
7. IVGID will refer all inquiries regarding the purchase of potential land coverage to NDSL.
8. NDSL shall handle all inquiries and sales regarding IVGID's potential coverage per the procedures outlined below.
9. The Parties agree that the potential coverage shall be made available only for projects within Hydrologic Zone One-Incline Village.
10. The Parties agree to meet on a regular basis to discuss issues regarding the Program.
11. Either IVGID or NDSL shall have the right to cancel the Program, at their sole discretion. Any amendments or modifications are subject to written approval by both IVGID and NDSL.
12. For transactions involving a Class of coverage outside of the coverage inventory maintained by IVGID, NDSL reserves the right to supply the full amount for the transfer. This would apply to

CETS #:	18594
Solicitation #:	

Class 1b restored, Class 1b potential and Class 6 restored. In these situations, only NDSL would not collect any management fees from IVGID. NDSL would communicate this sale information to IVGID and the sale would be reported to IVGID as part of the written, year-end fiscal reporting requirements by

NDSL. Should IVGID obtain these classes of coverage and make them available for transfer, NDSL would manage the coverage sale transaction in the normal manner with each entity supplying half of the coverage needed. A management fee would apply in these cases.

13. For transactions involving Class 6 coverage, NDSL reserves the right to transfer its Class 6 restored soft or Class 6 potential coverage to satisfy its portion of the transfer.
  - a. For example, if the transfer involves 1,200 square feet of Class 6 coverage, IVGID would supply 600 square feet of its Class 6 potential coverage and NDSL could supply 600 square feet of its restored coverage. This example would only apply to the extent of the availability of the Class 6 restored coverage.

**C. Amended Contract Language:**

3. Contract Term. This Contract shall be effective upon approval to June 30, 2023, unless sooner terminated by either party as forth in this Contract.

7. Consideration. NDSL agrees to provide the services set forth in paragraph (6) for a fee of ONE DOLLAR (\$1.00) per square foot of land coverage sold and transferred by NDSL to a receiving parcel in the Incline Village area. This fee shall be paid to NDSL from funds received by IVGID at the close of each escrow. NDSL shall also receive from each applicant an application fee in the amount of TWO HUNDRED AND FIFTY DOLLARS (\$250.00) when the completed application is reviewed and accepted for processing. A total Interlocal Contract amount is up to \$30,000.00. This Interlocal Contract will not involve any significant expenditure of funds from a State Budget Account and involves the State receiving income from services rendered. The monies received by the State as a result of this Interlocal Contract will be used to carry out the intent of the Nevada Land Bank as established pursuant to Chapter 355, Statutes of Nevada, 1993. Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the results of legislative appropriation may require. In addition, other forms of the contract notwithstanding, NDSL may, in its sole discretion, supply in any sale and/or transfer, HALF (1/2) of the total land coverage to be sold and transferred, from land coverage owned by NDSL. In such event, NDSL shall remain entitled to the square footage fee based on the total land coverage amount being sold and transferred by IVGID and NDSL to a receiving parcel.

**II. POLICIES**

1. The Parties agree that transfers of potential coverage derived from IVGID properties and, where applicable, NDSL coverage must be in accordance with Chapter 30 of the TRPA Code of Ordinances and all applicable laws.
2. The Parties agree to seek fair market value for the public asset.
3. The Parties agree to preclude speculation by preventing IVGID's potential coverage from feeding a "secondary" market. The Program will not compete unfairly with the private market.

CETS #:	18594
Solicitation #:	

4. The parties agree to assure a fair and equitable process whereby public and private needs can be met.
5. The IVGID Board of Trustees is the sole arbiter and policy maker for IVGID's Surplus Potential Land Coverage Program.
6. NDSL shall be the sole arbiter and policy maker for the Nevada Land Bank.
7. IVGID will refer all inquiries regarding the purchase of potential land coverage to NDSL.
8. NDSL shall handle all inquiries and sales regarding IVGID's potential coverage per the procedures outlined below.
9. The Parties agree that the potential coverage shall be made available only for projects within Hydrologic Zone One-Incline Village.
10. The Parties agree to meet on a regular basis to discuss issues regarding the Program.
11. Either IVGID or NDSL shall have the right to cancel the Program, at their sole discretion. Any amendments or modifications are subject to written approval by both IVGID and NDSL.
12. For transactions involving a Class of coverage outside of the coverage inventory maintained by IVGID, NDSL reserves the right to supply the full amount for the transfer. This would apply to Class 1b restored, Class 1b potential and Class 6 restored. In these situations, only NDSL would not collect any management fees from IVGID. NDSL would communicate this sale information to IVGID and the sale would be reported to IVGID as part of the written, year-end fiscal reporting requirements by NDSL. Should IVGID obtain these classes of coverage and make them available for transfer, NDSL would manage the coverage sale transaction in the normal manner with each entity supplying half of the coverage needed. A management fee would apply in these cases.
13. For transactions involving Class 6 coverage, NDSL reserves the right to transfer its Class 6 restored soft or Class 6 potential coverage to satisfy its portion of the transfer.
  - a. For example, if the transfer involves 1,200 square feet of Class 6 coverage, IVGID would supply 600 square feet of its Class 6 potential coverage and NDSL could supply 600 square feet of its restored coverage. This example would only apply to the extent of the availability of the Class 6 restored coverage.
14. An application to purchase coverage must request to purchase greater than 50 square feet for the NDSL Land Bank to include IVGID's coverage in a split sale.

IV. **INCORPORATED DOCUMENTS.** Exhibit A (original Contract) is attached hereto, incorporated by reference herein and made a part of this amended contract.

V. **REQUIRED APPROVAL.** This amendment to the original Contract shall not become effective until and unless approved by the Nevada State Board of Examiners.



**INTERLOCAL CONTRACT BETWEEN PUBLIC AGENCIES**

A Contract Between the State of Nevada  
Acting By and Through Its

Division of State Lands, Nevada Land Bank  
901 South Stewart Street #5003  
Carson City, Nevada 89701  
(775) 684-2720 phone  
(775) 684-2721 fax

and

Incline Village General Improvement District  
1220 Sweetwater Road  
Incline Village, Nevada 89451  
(775) 832-1337 phone  
(775) 832-1260 fax



WHEREAS, NRS 277.180 authorizes any one or more public agencies to contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and

WHEREAS, the Incline Village General Improvement District hereinafter referred to as "IVGID", owns a substantial amount of potential land coverage, which deems to be a surplus commodity. IVGID and the Nevada Division of State Lands, hereinafter referred to as "NDSL" have determined that there is a demand for coverage by both the public and private sectors of Incline Village, Nevada, and therefore it would be a public benefit to make this surplus potential land coverage available for sale for projects in Incline Village that require additional coverage;

WHEREAS, NDSL desires to be part of a cooperative effort and has the ability and expertise to provide the service of administering the sale and transfer of IVGID's surplus land coverage to the public and private sectors of Incline Village;

WHEREAS, it is deemed that the services to be provided by NDSL and the Nevada Land Bank have been requested by IVGID and are in the best interests of both the State of Nevada and IVGID;

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. REQUIRED APPROVAL. This Contract shall not become effective until and unless approved by appropriate official action of the governing body of each party.

2. DEFINITIONS. "State" means the State of Nevada and any state agency identified herein, its officers, employees and immune contractors as defined in NRS 41.0307. "Land coverage" means a man-made structure, improvement or covering that prevents normal precipitation from directly reaching the surface of the land underlying the structure, improvement or covering. "Potential land coverage" means the land coverage allowed as base

coverage on a parcel of land, per Chapter 30 of the Tahoe Regional Planning Agency Code of Ordinances, but which does not physically exist.

3. **CONTRACT TERM.** This Contract shall be effective upon approval to May 9, 2021, unless sooner terminated by either party as set forth in this Contract.

4. **TERMINATION.** This Contract may be terminated by either party prior to the date set forth in paragraph (3), provided that a termination shall not be effective until THIRTY (30) days after a party has served written notice upon the other party. This Contract may be terminated by mutual consent of both parties or unilaterally by either party without cause. The parties expressly agree that this Contract shall be terminated immediately if for any reason federal and/or State Legislature funding ability to satisfy this Contract is withdrawn, limited, or impaired.

5. **NOTICE.** All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other party at the address set forth above.

6. **INCORPORATED DOCUMENTS.** The parties agree that the services to be performed shall be specifically described; this Contract incorporates the following attachments in descending order of constructive precedence:

ATTACHMENT A: POLICIES AND PROCEDURES FOR THE MANAGEMENT, SALE AND TRANSFER OF COVERAGE OWNED BY THE INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT.

7. **CONSIDERATION.** NDSL agrees to provide the services set forth in paragraph (6) for a fee of ONE DOLLAR (\$1.00) per square foot of land coverage sold and transferred by NDSL to a receiving parcel in the Incline Village area. This fee shall be paid to NDSL from funds received by IVGID at the close of each escrow. NDSL shall also receive from each applicant an application fee in the amount of TWO HUNDRED AND FIFTY DOLLARS (\$250.00) when the completed application is reviewed and accepted for processing. A total Interlocal Contract amount is not applicable in this case because NDSL is providing a service to IVGID and it is unknown how many square feet of IVGID's land coverage will be sold during the term of the contract. This Interlocal Contract will not involve any significant expenditure of funds from a State Budget Account and involves the State receiving income from services rendered. The monies received by the State as a result of this Interlocal Contract will be used to carry out the intent of the Nevada Land Bank as established pursuant to Chapter 355, Statutes of Nevada, 1993. Any intervening end to a biennial appropriation period shall be deemed an automatic renewal (not changing the overall Contract term) or a termination as the results of legislative appropriation may require. In addition, other forms of the contract notwithstanding, NDSL may, in its sole discretion, supply in any sale and/or transfer, HALF (1/2) of the total land coverage to be sold and transferred, from land coverage owned by NDSL. In such event, NDSL shall remain entitled to the square footage fee based on the total land coverage amount being sold and transferred by IVGID and NDSL to a receiving parcel.

8. **ASSENT.** The parties agree that the terms and conditions listed on incorporated attachments of this Contract are also specifically a part of this Contract and are limited only by their respective order of precedence and any limitations expressly provided.

9. **INSPECTION & AUDIT.**

a. **Books and Records.** Each party agrees to keep and maintain under general accepted accounting principles full, true and complete records, agreements, books, and documents as are necessary to fully disclose to the State or United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all state and federal regulations and statutes.

b. Inspection & Audit. Each party agrees that the relevant books, records (written, electronic, computer related or otherwise), including but not limited to relevant accounting procedures and practices of the party, financial statements and supporting documentation, and documentation related to the work product shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location where such records may be found, with or without notice by the State Auditor, Employment Security, the Department of Administration, Budget Division, the Nevada State Attorney General's Office or its Fraud Control Units, the State Legislative Auditor, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the Inspector General, or any of their authorized representatives.

c. Period of Retention. All books, records, reports, and statements relevant to this Contract must be retained a minimum three years and for five years if any federal funds are used in this Contract. The retention period runs from the date of termination of this Contract. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.

10. BREACH; REMEDIES. Failure of either party to perform any obligation of this Contract shall be deemed a breach. Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including but not limited to actual damages, and to a prevailing party reasonable attorneys' fees and costs. It is specifically agreed that reasonable attorneys' fees shall include without limitation \$125 per hour for State-employed attorneys.

11. LIMITED LIABILITY. The parties will not waive and intend to assert available NRS chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Actual damages for any State breach shall never exceed the amount of funds which have been appropriated for payment under this Contract, but not yet paid, for the fiscal year budget in existence at the time of the breach.

12. FORCE MAJEURE. Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Contract after the intervening cause ceases.

13. INDEMNIFICATION.

a. To the fullest extent of limited liability as set forth in paragraph (11) of this Contract, each party shall indemnify, hold harmless and defend, not excluding the other's right to participate, the other from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of the party, its officers, employees and agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this paragraph.

b. The indemnification obligation under this paragraph is conditioned upon receipt of written notice by the indemnifying party within 30 days of the indemnified party's actual notice of any actual or pending claim or cause of action. The indemnifying party shall not be liable to hold harmless any attorneys' fees and costs for the indemnified party's chosen right to participate with legal counsel.

14. INDEPENDENT PUBLIC AGENCIES. The parties are associated with each other only for the purposes and to the extent set forth in this Contract, and in respect to performance of services pursuant to this Contract, each party is and shall be a public agency separate and distinct from the other party and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its



duties under this Contract. Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for one agency whatsoever with respect to the indebtedness, liabilities, and obligations of the other agency or any other party.

15. WAIVER OF BREACH. Failure to declare a breach or the actual waiver of any particular breach of the Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

16. SEVERABILITY. If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the nonenforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.

17. ASSIGNMENT. Neither party shall assign, transfer or delegate any rights, obligations or duties under this Contract without the prior written consent of the other party.

18. OWNERSHIP OF PROPRIETARY INFORMATION. Unless otherwise provided by law any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by either party in performance of its obligations under this Contract shall be the joint property of both parties.

19. PUBLIC RECORDS. Pursuant to NRS 239.010, information or documents may be open to public inspection and copying. The parties will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests.

20. CONFIDENTIALITY. Each party shall keep confidential all information, in whatever form, produced, prepared, observed or received by that party to the extent that such information is confidential by law or otherwise required by this Contract.

21. PROPER AUTHORITY. The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract and that the parties are authorized by law to perform the services set forth in paragraph (6).

22. GOVERNING LAW; JURISDICTION. This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada. The parties consent to the jurisdiction of the Nevada district courts for enforcement of this Contract.

23. ENTIRE AGREEMENT AND MODIFICATION. This Contract and its integrated attachment(s) constitute the entire agreement of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto, approved by the Office of the Attorney General.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.

STATE OF NEVADA, DIVISION OF STATE LANDS

Bradley Crowell 3/31/17  
Bradley Crowell Date

Director, Department of Conservation and Natural Resources  
Title

Charles Donohue 3/22/17  
Charles Donohue Date

Administrator, Nevada Division of State Lands  
Title

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

Joseph J. Pomroy March 21, 2017  
Joseph J Pomroy Date

Director of Public Works  
Title

Curtis Palmer for James R. Wells  
Signature - Nevada State Board of Examiners

APPROVED BY BOARD OF EXAMINERS

Approved as to form and compliance with law by:

Lori M. Stoy  
Senior Deputy Attorney General for Attorney General, State of Nevada

On 4/7/17  
(Date)

On March 29, 2017  
(Date)

# ATTACHMENT A

**POLICIES AND PROCEDURES**  
**FOR THE MANAGEMENT, SALE AND TRANSFER**  
**OF COVERAGE OWNED BY**  
**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**

**I. AUTHORITY**

The authority for the Nevada Land Bank to administer the sale and transfer of coverage for Incline Village General Improvement District's Surplus Potential Land Coverage Program is provided for in:

- Nevada Revised Statutes 277.180, 321.5953, 321.5954 and 321.5956.
- The Interlocal Contract between the Nevada Division of State Lands ("NDSL") and Incline Village General Improvement District ("IVGID") dated June 14, 2007, amended for time January 27, 2011; new Interlocal Contract ("Contract") began April 1, 2013 through March 31, 2017. A new proposed Interlocal Contract ("Contract") set to begin April 1, 2017.
- The Memorandum of Understanding between the Tahoe Regional Planning Agency the Nevada Division of State Lands dated July 10, 2000.

**II. GOAL AND PROGRAM OVERVIEW**

IVGID owns a substantial amount of potential coverage on lands including, but not limited to, the Mountain and Championship Golf Courses. IVGID has surveyed both present and future requirements for coverage within their District and determined, by utilizing conservative assumptions, that they have a significant surplus of potential coverage. This "surplus coverage" is viewed by IVGID as a "non-performing asset". IVGID shall maintain a sufficient inventory of potential land coverage to meet all future needs of IVGID.

IVGID and NDSL have determined that there is a demand for coverage from both the public and private sectors of Incline Village and that, through a cooperative effort, a public benefit could be achieved by developing a fair and equitable program allowing for the disposal of this "surplus coverage". The Board of Trustees of IVGID desire to put this coverage into beneficial use for the residents and property owners of Incline Village and for public service projects necessary to serve those residents and property owners.

NDSL desires to administer the sale and transfer of coverage for IVGID based upon NDSL's ability and expertise to do so within the Nevada Land Bank. This cooperative effort will, in part, assist in the implementation of the Environmental Improvement Program and in accomplishing Regional Plan objectives of the Tahoe Regional Planning Agency.

THEREFORE, IVGID and NDSL shall jointly develop a program ("Program") to allow the sale and transfer of IVGID's "non-performing asset" of potential coverage as provided for in the

Tahoe Regional Planning Agency's Code of Ordinances. As set forth in the Contract, NDSL may, in its sole discretion, supply half of the total coverage to be sold in any transaction, from coverage owned by NDSL. The following policies and procedures have been cooperatively developed by the IVGID Board of Trustees and NDSL (“the Parties”). Changes or modifications may be made at any time, subject to written approval by both IVGID and NDSL.

### **III. POLICIES**

1. The Parties agree that transfers of potential coverage derived from IVGID properties and, where applicable, NDSL coverage must be in accordance with Chapter 30 of the TRPA Code of Ordinances and all applicable laws.
2. The Parties agree to seek fair market value for the public asset.
3. The Parties agree to preclude speculation by preventing IVGID’s potential coverage from feeding a “secondary” market. The Program will not compete unfairly with the private market.
4. The parties agree to assure a fair and equitable process whereby public and private needs can be met.
5. The IVGID Board of Trustees is the sole arbiter and policy maker for IVGID’s Surplus Potential Land Coverage Program.
6. NDSL shall be the sole arbiter and policy maker for the Nevada Land Bank.
7. IVGID will refer all inquiries regarding the purchase of potential land coverage to NDSL.
8. NDSL shall handle all inquiries and sales regarding IVGID’S potential coverage per the procedures outlined below.
9. The Parties agree that the potential coverage shall be made available only for projects within Hydrologic Zone One-Incline Village.
10. The Parties agree to meet on a regular basis to discuss issues regarding the Program.
11. Either IVGID or NDSL shall have the right to cancel the Program, at their sole discretion. Any amendments or modifications are subject to written approval by both IVGID and NDSL.
12. For transactions involving a Class of coverage outside of the coverage inventory maintained by IVGID, NDSL reserves the right to supply the full amount for the transfer. This would apply to Class 1b restored, Class 1b potential and Class 6 restored. In these situations only NDSL would not collect any management fees from IVGID. NDSL would communicate this sale information to IVGID and the sale would be reported to IVGID as part of the written, year-end fiscal reporting requirements by

NDSL. Should IVGID obtain these classes of coverage and make them available for transfer, NDSL would manage the coverage sale transaction in the normal manner with each entity supplying half of the coverage needed. A management fee would apply in these cases.

13. For transactions involving Class 6 coverage, NDSL reserves the right to transfer its Class 6 restored soft or Class 6 potential coverage to satisfy its portion of the transfer.
  - a. For example, if the transfer involves 1,200 square feet of Class 6 coverage, IVGID would supply 600 square feet of its Class 6 potential coverage and NDSL could supply 600 square feet of its restored coverage. This example would only apply to the extent of the availability of the Class 6 restored coverage.

#### **IV. PROCEDURES**

##### **A. PLANNING**

1. The IVGID Board of Trustees shall periodically establish a maximum limit of surplus potential coverage for disposal and assure that a sufficient amount is held for all needs of IVGID, now and in the future. The Board may establish maximum annual quotas of the sale of coverage on an annual or other basis.
2. The IVGID Board of Trustees and NDSL will evaluate the program at least annually and make amendments or modifications as deemed appropriate.
3. NDSL may meet at least quarterly with representatives of IVGID to set goals/objectives for the following quarter. Items to be discussed may include the amount, type and price of the coverage to be offered for sale and IVGID'S priorities for projects/buyers.

##### **B. REPORTING**

1. NDSL may meet at least quarterly with representatives of IVGID to report on the previous quarter's activities. Items for discussion may include completed and on going transactions. NDSL will also provide quarterly reports to IVGID outlining the details of any closed or pending transactions that occurred during the last quarter.
2. NDSL will provide IVGID a written fiscal year-end report, no later than September 30<sup>th</sup> of each year, summarizing the past years activities.
3. IVGID will be provided notice regarding the close of escrow of each sale.
4. NDSL will provide data, summaries, or periodic reports as may be reasonably requested by IVGID.

##### **C. MANAGEMENT FEE**

IVGID shall pay NDSL a fee for the administration, sale and transfer of their coverage. The

fee paid to NDSL shall equal One Dollar (\$1.00) for each square foot of coverage transferred by NDSL. NDSL shall be paid their fee through escrow from IVGID's proceeds at the close of escrow. As set forth in the Contract, NDSL shall be entitled to said fee as to the total coverage sold and transferred in any and all transactions wherein NDSL has supplied half of the coverage.

D. SALES/TRANSFERS OF COVERAGE

1. Pricing of Coverage – Most documents regarding the sale and transfer of coverage shall be signed by a designated NDSL representative. The selling price of the potential coverage shall be established by IVGID as follows:
  - a. For transactions or projects involving coverage amounts of 4,999 square feet or less, the selling price may be set by IVGID based on appraisals done by an independent, licensed, professional appraiser. IVGID may obtain appraisals at least annually and more often, in its discretion. The selling price may also be determined by discussions between NDSL and IVGID based on current fair market pricing and demand.
  - b. Transactions or projects involving coverage amounts of 5,000 square feet or more shall be contingent on approval of the IVGID Board of Trustees. The selling price shall be established by IVGID either based upon an appraisal as set forth in D.1.a. above or as otherwise determined by IVGID. The appraiser shall be hired by IVGID. The cost of an appraisal for a specific transaction shall be paid by IVGID; however, IVGID shall be reimbursed for costs associated with the appraisal by the buyer at close of escrow. A copy of the appraisal shall be provided to NDSL.
2. Application for the Purchase and Transfer of Coverage - Applications for the purchase of coverage will be accepted only for a specific project as defined in Chapter 30.4.4 – Method of Transferring Land Coverage, of the TRPA Code of Ordinances.
  - a. Application Process - Applications for the purchase of coverage are to be taken on a “first-come, first served” basis, with the amount of coverage to be purchased limited to no more than what is actually required for a specific project.

Each applicant for purchase of coverage shall obtain from NDSL an “Application for the Purchase and Transfer of Land Coverage” (See Forms, Exhibit “A”). *The applicant shall be required to certify that they made reasonable efforts to locate and purchase their required coverage from another source and that their needs could not be met within the private market.* NDSL and IVGID may maintain a list of other known sources of coverage to be made available to the public.

The application may be signed by the owner of the “Receiving Parcel” or the owner's representative/agent, however the application must provide proper identification of both. The application is to be completed by applicant and returned to NDSL along with a \$250.00 application fee made payable to “Nevada Division of State Lands”, along with the documents required in the application, which are:

- 1) Proof of ownership (of the receiving parcel); and
- 2) If an agent is acting on behalf of the owner, a letter of authorization from the owner;
- 3) A copy of the site plan, showing coverage calculations, IPES score or land capability districts;
- 4) Either a copy of the conditional project permit as issued by the governing agency (TRPA or Washoe County Building Department) or a copy of the application for a permit along with a letter from the governing agency stating the application is complete.

NDSL shall, within fifteen (15) working days after receipt, review the application to reasonably ensure it meets all IVGID criteria and TRPA regulations and either accept (see D. 2. b. below) or reject (see D. 2. d. below) the application for processing, or provide a letter of future intent (See D. 2. e. below).

In the event a proposed transaction for the purchase of coverage conflicts with these Policies and Procedures or is deemed inconsistent with state policies by the Administrator of the Nevada Division of State Lands, representatives of IVGID and NDSL shall meet in an effort to resolve the of conflict. In the event resolution of the conflict cannot be agreed to, NDSL may in its discretion withdraw from involvement in said transaction. NDSL's withdrawal from any single transaction shall not invalidate or change any provision of this agreement as to all other transactions wherein NDSL participates.

- b. Application Approved for Processing - In the event the application is complete, including either a copy of the conditional project permit or a copy of the application for a permit along with a letter issued by the governing agency stating the application is complete [See D. 2. a. 4) above], NDSL shall notify the applicant with an "Acknowledgement Letter", (for a copy, see Forms, Exhibit "B") and for additional info on the Acknowledgement Letter, see below. At this point the \$250.00 application fee becomes non-refundable and is not applicable to the purchase price. This application fee shall be retained by NDSL for staff time and effort involved in processing the application and associated paperwork.
- c. Acknowledgement Letter - The initial Acknowledgement Letter is drafted based upon the square footage as indicated by the applicant. In the event the square footage changes due to TRPA or Washoe County recalculations, evidence of this change shall be submitted to this office and an amended Acknowledgement Letter will be sent out to the applicant.
- d. Application Rejected for Processing - In the event the application is rejected for Processing a "Rejection Letter" (See Forms, Exhibit "C"), will be sent to the applicant, along with the application fee, stating the reason(s) for rejection, minus 10% for processing.



- e. “Sale Pending Letter” - In the event the Application for the Purchase and Transfer of Coverage is otherwise complete but does not contain either a copy of the conditional project permit or a copy of the application for a permit along with a letter issued by the governing agency stating the application is complete [See D. 2. a. 4) above], the application will be deferred and sale pending letter may be issued (See Forms, Exhibit “D”). In order for a sale pending letter to be issued, the buyer must own the “receiving parcel” or be under contract to purchase the “receiving parcel” and provide NDSL with the items outlined in D. 2. a 1) 2) and 3) above.

The sale pending letter will identify the buyer, the site of the proposed project, a reasonable “not to exceed” amount of coverage (square footage), the land classification of the coverage to be purchased and the unit price per square foot of the coverage. The sale pending letter will include a statement providing for expiration one year from the date of issuance. A one year extension of the sale pending letter may be made available for a non-refundable fee of \$100.00 and at the then current selling price for the coverage involved. The \$100.00 fee shall not be applicable to the coverage purchase price. If an appraisal is required in determining the new price, the buyer shall reimburse IVGID per paragraph IV. D. 1. b, above. The sale pending letter will be prepared, signed and sent to the buyer by an authorized NDSL representative.

The sale pending letter does not constitute a binding contract or commitment, but is intended to show good faith of the parties and a desire to accommodate the applicant at the point in time the applicant has filed for a project permit. The intent being that priority shall be given to those applicants who have completed project plans and have either filed for a permit or has received a conditional permit from the governing agency.

3. Purchase Agreement - Within fifteen (15) business days of the date of the “Acknowledgement Letter” a “Purchase Agreement” (See Forms, Exhibit “E”) will be prepared based on, but not limited to, the following:
  - a. The purchase agreement will require a minimum down payment of 10% of the total purchase price with the balance due and payable in cash prior to close of escrow.
  - b. IVGID and NDSL shall have the right to repurchase at the same price any coverage that remains unused two and one-half (2 1/2) years following conditional approval of the project permit by the governing agency (TRPA or Washoe County).
  - c. NDSL will open and oversee an escrow to conclude the transaction. Neither IVGID or NDSL will be subject to escrow costs.
  - d. All coverage is restricted to use on the project property and may not be assigned or transferred to any other property.
  - e. Escrow shall close within one hundred twenty (120) days after opening.

- f. IVGID or NDSL, acting on behalf of IVGID, may cancel the transaction if approvals of the sale and transfer of the coverage is not obtained.
  - g. The approval and transaction shall be cancelled if the Purchase Agreement is not executed and returned to NDSL within fifteen (15) business days after presentation.
4. Escrow - Upon NDSL's receipt of the executed purchase agreement and deposit an escrow shall be opened by NDSL at the title/escrow company that NDSL is under contract with at the time escrow is to be opened. Presently, NDSL is under contract with First American Title Company of Nevada located at 1663 Hwy 395 #101 Minden, Nevada 89423.
- a. Escrow's responsibilities shall include, but not be limited to, collection and disbursement of funds, ensure proper procedures required by the purchase agreement, send to NDSL for approval the estimated settlement statements of both buyer and seller, upon written authorization from NDSL shall close escrow and send notification of such to NDSL and ensure proper recordation of documents. NDSL shall in turn send written notification of the escrow closing to IVGID and the governing agency that issued the permit (TRPA or Washoe County).
  - b. NDSL shall send a land coverage transfer "Documentation Letter" (See Forms, Exhibit "F") to the agency having jurisdiction over the project, to confirm the applicable governing agency permit number, verify the receiving parcel, and that the coverage being sold and transferred will:
    - 1) meet all applicable requirements of Chapter 30 of the TRPA Code of Ordinances; and
    - 2) that the coverage will fulfill, in whole or in part, the coverage requirements of the permit.
    - 3) If the coverage being transferred is potential coverage associated with property owned by IVGID, NDSL shall prepare and have executed, a "Deed Restriction" (See Forms, Exhibit "G") to be recorded against IVGID's parcel(s).
  - c. NDSL shall prepare and have executed by all owners of the receiving parcel (per the Lot Book Guarantee or other document provided by the Title Company) a "Notice of Transfer, Option to Repurchase and Restrictions on Assignment of Coverage" (See Forms, Exhibit "H") to be recorded against the receiving parcel. The original copy of the "Notice of Transfer, Option to Repurchase and Restrictions on Assignment of Coverage" shall be deposited into escrow.
  - d. All escrow costs regarding the purchase and transfer of coverage are to be paid by the buyer. These costs include, but are not limited to, title, escrow and recording costs

and fees. Additionally, the buyer shall be responsible for any fees and costs required by any governing agency such as the TRPA and federal, state or county agencies.

e. Prior to close of escrow:

- 1) Escrow shall have received all required funds.
- 2) Escrow shall have received the executed Documentation Letter from the agency having jurisdiction over the project verifying the information in D.4. b., above.
- 3) NDSL or IVGID shall have deposited into escrow the executed "Deed Restriction" (see Item IV. D. 4. c. above) to be recorded against IVGID's parcel(s).
- 4) NDSL shall have deposited into escrow, the executed, original "Notice of Transfer, Option to Repurchase and Restrictions on Assignment of Coverage" (see Item IV. D. 4. d. above) to be recorded against the receiving parcel.
- 5) NDSL shall review and approve the escrow Settlement Statements for both Sellers and have they Buyer review and sign their copy.

f. At close of escrow, Escrow Holder shall:

- 1) Disburse to NDSL their management fee due. These proceeds may be transferred via electronic wire transfer.
- 2) Disburse to IVGID proceeds due. These proceeds may be transferred via electronic wire transfer.
- 3) Disburse funds to any other entity as required by the purchase agreement/escrow instructions.
- 4) Record all pertinent documents.
- 5) Notify NDSL, in writing, that all pertinent documents have been recorded, proceeds have been disbursed and escrow has closed.

h. NDSL shall prepare and mail the escrow "Closing Letter" (See Forms, Exhibit "I"), informing the TRPA/Washoe County and IVGID that all documents have been recorded, funds disbursed and escrow closed.

## E. TRACKING

1. NDSL shall prepare and maintain "Tracking Reports" (See Forms,

Exhibit “J”), showing pending and completed transactions for the potential coverage to provide IVGID with information regarding the Program status.

# EXHIBIT "A"

**NEVADA LAND BANK**  
**Nevada Division of State Lands**  
**Nevada Tahoe Resource Team**  
**901 South Stewart Street, Suite 5003**  
**Carson City, Nevada 89701**  
**(775) 684-2720**

Application No. \_\_\_\_\_

**APPLICATION FOR PURCHASE AND TRANSFER**  
**OF LAND COVERAGE**

Please complete this application and either mail or deliver it to the address listed above. Applicant must complete a separate Application for each Assessor's Parcel Number to which you wish to transfer coverage.

This application must be submitted along with proper documentation and an application fee. The application fees are as follows:

For coverage transactions taking place in Hydrozone 1, Incline Village - **\$250.00 application fee**

For coverage transactions taking place in Hydrozones 2, 3, 4 and 9 - **\$100.00 application fee**  
(Agate Bay, Marlette, Cave Rock and South Stateline Hydrozones)

Please make the check payable to "Nevada Division of State Lands".

In the event you have any questions please contact Elyse Randles, State Land Agent for the Division of State Lands at (775) 684-2735.

Hydrologic Zone: \_\_\_\_\_

This application is for the purchase of \_\_\_\_\_ square feet of Class \_\_\_\_\_,

Potential or Restored Coverage (circle one)

Proposed Date of Sale: \_\_\_\_\_

Receiving Site APN: \_\_\_\_\_

*Applicant/Agent hereby certifies that applicant, or agent on behalf of applicant, has made a reasonable effort to locate and purchase the required coverage at competitive market rates within the private market and has been unsuccessful in said search.*

\_\_\_\_\_  
Applicant/Agent

\_\_\_\_\_  
Date

IVGID Coverage Application  
Revised October 2012

**1. Project Identification**

Please identify the property to which you would be applying the coverage.

Address: \_\_\_\_\_  
Lot No.: \_\_\_\_\_  
Subdivision: \_\_\_\_\_  
County: \_\_\_\_\_  
APN: \_\_\_\_\_

If you have filed for a building permit with the Tahoe Regional Planning Agency or Washoe County, please fill-in the following information:

Agency (applied to for permit): \_\_\_\_\_

Permit or Application No: \_\_\_\_\_

Name of Applicant: \_\_\_\_\_

**2. Eligibility Criteria**

Do you have current project plans to develop the above property, requiring a transfer of coverage?

YES / NO (circle one)

Do you intend to obtain a TRPA or Washoe County building permit for the project within the next 12 months?

YES / NO (circle one)

If neither of the above situations applies, please explain why below:

\_\_\_\_\_  
\_\_\_\_\_

**3. Coverage Needs of Project (contact the TRPA if you do not have this information)**

Bailey Classification (if applicable): \_\_\_\_\_

IPES Score (if any): \_\_\_\_\_

Total area of property: \_\_\_\_\_

Allowable Base Coverage: \_\_\_\_\_

Allowable Coverage with Transfer: \_\_\_\_\_

Existing Coverage: \_\_\_\_\_

Amount of coverage proposed to be transferred on to site: \_\_\_\_\_  
(Off-site coverage can be mitigated by means other than coverage transfer)

Have you obtained or contracted for transfer of coverage from any other source?

YES / NO (circle one)

If so, how much? \_\_\_\_\_

#### 4. Applicant Identification

The following information should be supplied for the person who will be purchasing coverage on behalf of the above project.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: Office: \_\_\_\_\_ Cell: \_\_\_\_\_

Email: \_\_\_\_\_

Please describe the relationship of Applicant to the subject project (check all that apply).

- Applicant is: \_\_\_\_\_ the owner of the property.  
\_\_\_\_\_ agent or attorney-in-fact for property owner.  
\_\_\_\_\_ under contract to purchase the property.  
\_\_\_\_\_ agent or attorney-in-fact for party with contract to purchase the property.

Other: \_\_\_\_\_  
\_\_\_\_\_

#### 5. Documentation

This application must be returned with the following documents/materials to assist us in our review:

IVGID Coverage Application  
Revised October 2012



- a. \_\_\_\_\_ Proof of ownership (Copy of Grant Deed).
- b. \_\_\_\_\_ If an agent is acting on behalf of the owner, a letter of authorization from the owner.
- c. \_\_\_\_\_ Copy of the Project Site Plan showing the coverage calculations and IPES score or land capability districts.
- d. \_\_\_\_\_ Copy of the TRPA or Washoe County conditional project permit or a copy of the permit application, along with a letter from the governing agency stating the application is complete; or a copy of the permit application along with evidence of filing, e.g. receipt, showing the amount of coverage to be transferred. In this case a will-serve letter may be issued.

In the event these documents are not available at the time of filing this application, the application will be rejected. In the event the applicant has submitted 5.a., b., and c., however did not submit 5. d., applicant may be placed on the "Will-Serve Letter Waiting List". A purchase agreement cannot be prepared until NDSL has received items 5. a., b., c. and d. above.

**6. Application Fee**

This application must be submitted, in addition to the items listed in Item #5 above, along with a check in the amount of \$250.00, made payable to Nevada Division of State Lands. In the event this application is not approved for processing, the application fee will be returned to applicant. In the event this application is approved for processing, the \$250.00 fee will become non-refundable for any reason, including whether or not a coverage transfer actually takes place. This fee is not applicable to the purchase price of the coverage or any other fees or costs.

Applicant's Initials \_\_\_\_\_

I understand that the amount of coverage which I propose to purchase is subject to the review and approval of the Nevada Land Bank and/or the Incline Village General Improvement District. I further understand that I will not be able to purchase more than the amount of coverage which is required for the above project and which can be transferred onto the subject property.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

# EXHIBIT "B"

BRADLEY CROWELL  
*Director*

Department of Conservation  
and Natural Resources

CHARLES C. DONOHUE  
*Administrator*

BRIAN SANDOVAL  
*Governor*



State Land Office  
State Land Use Planning Agency  
Nevada Tahoe Resource Team  
Conservation Bond Program -Q1

*Address Reply to*

Division of State Lands  
901 S. Stewart St. Suite 5003  
Carson City, Nevada 89701-5246  
Phone (775) 684-2720  
Fax (775) 684-2721  
Web [www.lands.nv.gov](http://www.lands.nv.gov)

STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

## Division of State Lands

### ACKNOWLEDGEMENT LETTER

\_\_\_\_\_, 20\_\_

Mr. John Doe  
423 Mystery Street  
Incline Village, Nevada 89451

Re: Nevada Division of State Lands Application No. \_\_\_\_\_  
Receiving Site APN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
TRPA or Washoe County Permit # \_\_\_\_\_

Dear Mr. Doe:

This letter is to notify you that your Application for purchase of land coverage has been reviewed and accepted for processing.

According to your Application, you are requesting to purchase \_\_\_\_\_ square feet of land coverage classified by the Tahoe Regional Planning Agency ("TRPA") as land capability \_\_\_\_\_, for your project located at \_\_\_\_\_. The purchase price will be \$\_\_\_\_\_ per square foot, for a total purchase price of \$\_\_\_\_\_.

You will also be responsible for any fees and costs involved in the proposed sale and transfer of the coverage, including but not limited to, title, escrow, recording fees and any TRPA fees, taxes and legal fees incurred by you. As a reminder, your application fee is not applicable to the purchase price or any costs involved with the sale of the coverage and is non-refundable.

Should you have any questions, please contact Brenda Swart at the Nevada Division of State Lands at (775) 684-2735.

Sincerely,

Brenda Swart  
State Land Agent II  
Nevada Tahoe Resource Team  
[bswart@lands.nv.gov](mailto:bswart@lands.nv.gov)

# EXHIBIT "C"

Bradley Crowell  
Director

Department of Conservation  
and Natural Resources

Charles C. Donohue  
Administrator

BRIAN SANDOVAL  
Governor



State Land Office  
State Land Use Planning Agency  
Nevada Tahoe Resource Team  
Conservation Bond Program -Q1

*Address Reply to*

Division of State Lands  
901 S. Stewart St. Suite 5003  
Carson City, Nevada 89701-5246  
Phone (775) 684-2720  
Fax (775) 684-2721  
Web www.lands.nv.gov

STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

## Division of State Lands

### REJECTION LETTER

\_\_\_\_\_, 20\_\_

Mr. John Doe  
423 Mystery Street  
Incline Village, Nevada 89451

Re: Nevada Division of State Lands Application No. \_\_\_\_\_  
Receiving Site APN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
TRPA or Washoe County Permit # \_\_\_\_\_

Dear Mr. Doe:

This letter is to notify you that your Application for purchase of land coverage has been reviewed and rejected for the following reasons:

---

---

---

---

---

Please find enclosed a check for the application fee in the amount of \$\_\_\_\_\_. In the event you have any questions please contact Elyse Randles, Nevada Division of State Lands, at (775) 684-2735.

Sincerely,

Brenda Swart  
State Land Agent II  
Nevada Tahoe Resource Team  
bswart@lands.nv.gov

# EXHIBIT "D"

BRADLEY CROWELL  
*Director*

Department of Conservation  
and Natural Resources

CHARLES C. DONOHUE  
*Administrator*

BRIAN SANDOVAL  
*Governor*



State Land Office  
State Land Use Planning Agency  
Nevada Tahoe Resource Team  
Conservation Bond Program -Q1

*Address Reply to*

Division of State Lands  
901 S. Stewart St. Suite 5003  
Carson City, Nevada 89701-5246  
Phone (775) 684-2720  
Fax (775) 684-2721  
Web www.lands.nv.gov

STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

## Division of State Lands

### SALE-PENDING LETTER

\_\_\_\_\_, 20\_\_

Mr. John Doe  
423 Mystery Street  
Incline Village, Nevada 89451

Re: Nevada Division of State Lands Application No. \_\_\_\_\_  
Receiving Site APN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
TRPA Permit # \_\_\_\_\_

Dear Mr. Doe:

Due to the fact that you are unable to provide this office with either a copy of the conditional project permit or a copy of the application for a permit along with a letter issued by the governing agency stating your application is complete, we cannot at this time enter into a formal purchase agreement to sell to you the required coverage for your project. However, the Nevada Land Bank is willing to issue a sale-pending letter for your project.

This is not a commitment or binding contract for the sale of coverage. It is a letter to show good faith and our intent to enter into a purchase agreement to sell you coverage when you have provided this office with the required information. Our ability to enter into a purchase agreement at a future date is contingent upon the availability of coverage at that time.

---

**This sale pending letter shall expire at 5:00 p.m., one year from the date of this letter.**

Applicant/Buyer: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Project Site: \_\_\_\_\_  
Address: \_\_\_\_\_

Lot No.

Subdivision:

County:

APN:

# EXHIBIT "E"



# PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

Date: February 13, 2019

To: Stewart Title Company  
10539 Professional Circle, Suite 102  
Reno, Nevada 89521

Re: Escrow No. 5115041662  
Buyer: NV Energy  
Sellers: Nevada Division of State Lands (“NDSL”)  
Incline Village General Improvement District (“IVGID”)

You are hereby instructed and authorized to act as Escrow Holder herein, and the undersigned parties hereby agree as follows:

## 1. GENERAL PROVISIONS

In consideration of your acting as Escrow Holder herein, it is agreed that you shall in no case or event be liable for the failure of any of the conditions of this escrow or damage caused by the exercise of your discretion in any particular manner, or for any other reason, except negligence or willful misconduct with reference to the said escrow, and you shall not be liable or responsible for your failure to ascertain the terms or conditions, or to comply with any of the provisions of, any agreement, contract or other document filed herewith or referred to herein, nor shall you be liable or responsible for forgeries or false impersonation.

As Escrow Holder you need not be concerned with any matters agreed upon or arising outside of these joint escrow instructions. If any controversy arises between the parties hereto or with any third person, with respect to the subject matter of this escrow, its terms or conditions, you shall not be required to determine the same or take any action in the premises, but you may await the settlement of any such controversy by final appropriate legal proceeding.

## 2. DEFINITION OF SALE

Through this escrow, Buyer is paying Sellers to perform and complete those actions necessary in order to credit certain real property dedicated to the Buyer, identified as \_\_\_\_\_ County Assessor Parcel 540-301-00, and described in Exhibit "A" (the "Receiving Parcel"), with certain land coverage recognized by the Tahoe Regional Planning Agency ("TRPA") as meeting, in whole or in part, the coverage requirements of TRPA # \_\_\_, (hereinafter "the Permit") for development on the Receiving Parcel and specifically described as follows: 16 square feet of Class 4, potential coverage, (hereinafter the "Coverage"). When credited to the Receiving Parcel, the Coverage shall be used solely as described below, and subject to all of the terms and understandings set forth herein.

The Coverage being purchased and transferred under this Agreement shall provide the Buyer the additional coverage required as one of the conditions for TRPA permit ERSP2019-0350 to authorize the replacement of existing NV energy infrastructure in Incline Village.

Buyer acknowledges that the TRPA needs to authorize the transfer of this Coverage in order to meet the Coverage requirements for this project. If for any reason the TRPA does not authorize the transfer of additional Coverage, this agreement will be cancelled and the Sellers will not be obligated to provide Coverage for this project. In this event, Buyer shall have no remedy to enforce the completion of the purchase of the Coverage or to receive damages of any kind.

Buyer's Initials \_\_\_\_\_

**Buyer is not obtaining from Seller any interest in real property in this transaction.**

### 3. PURCHASE PRICE

A. The Purchase Price for the Coverage is \$27.00 per square foot for the Class 4, potential land coverage for a total purchase price of \$432.00 to be paid by Buyer through escrow.

1) Buyer deposits herewith a cashiers' check or money order made payable to "Stewart Title Company" in the amount of \$ \_\_\_\_\_. This amount represents payment of Ten Percent (10%) of the total purchase price. A balance of \$ \_\_\_\_\_ is to be paid by Buyer in cash at close of escrow.

**Buyer may also choose to submit the entire purchase price, including the fees described below in Paragraph 5.B, upon execution of this document.**

### 4. ESCROW

A. Escrow No. ? has been established for this transaction at Stewart Title Company, 10539 Professional Circle, Reno Nevada 89521. Escrow Holder is hereby authorized and instructed to act in accordance with the provisions of this Agreement; provided, however, the parties shall execute such additional instructions as required by the Escrow Holder containing the Escrow Holder's general provisions that are not inconsistent with the provisions hereof.

B. Escrow Opening Date is the date of the last signature to this Agreement.

C. Both Buyer and Sellers shall deposit all necessary funds and documents into escrow from time to time as required and shall make and execute any further escrow instructions or documents necessary to carry out the terms and conditions of this Agreement.

### 5. CLOSING COSTS; FEES

A. Buyer shall bear any fees and costs incurred by Buyer in anticipation of the sale of the Coverage in this transaction.

- B. Buyer shall pay all title, escrow fee and recording fees in this transaction.
- C. In the event there are any **TRPA** fees, taxes or legal fees on behalf of Buyer in connection with this transaction, such costs shall be solely the responsibility of Buyer.
- D. Any costs or fees to be paid by Sellers may be deducted from Seller's proceeds at close of escrow.

## 6. COMMISSIONS

- A. Buyer shall indemnify, defend, and hold Sellers, and the State of Nevada, their officers, employees and agents harmless from loss, cost or expense, including but not limited to, attorney fees and court costs, resulting from any fee or commission claim by a broker or finder claiming through Buyer.

## 7. MANAGEMENT FEE

Per the contract between NDSL and IVGID, NDSL shall be paid at the close of escrow, a Management Fee equal to **One Dollar (\$1.00) per square foot** for the administration, sale and transfer of the total coverage involved in this transaction regardless of whether NDSL has supplied ½ of the total coverage to be sold and transferred per the Contract. **The Fee is not an additional cost to the Buyer.** The Fee shall be paid through escrow, from proceeds by Escrow Holder's bank check made payable to the "Nevada Division of State Lands", with the check bearing notations of "Coverage Sale 5115041662". The funds may also be disbursed electronically. The check shall be sent to the following address, or such other address as NDSL may hereafter designate:

Nevada Land Bank  
Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

## 8. CLOSE OF ESCROW

- A. Notwithstanding any other provision herein, escrow shall in no event close later than 120 days from the opening of escrow (the "Scheduled Closing Date"), unless escrow has been extended by written agreement of the parties (see section 9).
- B. Buyer shall be responsible for carrying out all actions necessary to satisfy the requirements and conditions of the Permit, other than the transfer of the Coverage as provided under this Agreement.
- C. In the event the final project plans approved by the **TRPA** do not require the transfer of coverage to the Receiving Parcel in an amount as large as the Coverage specified in 2 above, Buyer and Sellers shall execute an amendment to this Purchase Agreement, adjusting the amount of the Coverage to be provided to Buyer and pro-rating the Purchase Price.
- D. As Escrow Holder, you may close escrow when:
  - 1) Buyer has deposited into escrow the full amount of the Purchase Price and any additional closing costs required from Buyer and any other funds due by Buyer under this Agreement.
  - 2) Buyer has deposited into escrow an executed and acknowledged "Notice of Transfer, Option to Repurchase, and Restrictions on Assignment of Coverage; and
  - 3) The "Documentation Letter" has been deposited into escrow (hereinafter called "the Documentation"), signed by a representative of the **TRPA**, confirming that:
    - a) The Nevada Land Bank's transfer of the Coverage meets all applicable requirements of Chapter 30 of the TRPA Code of Ordinances; and
    - b) Effective upon close of escrow the Coverage has been transferred to the Receiving Parcel to satisfy, in whole or in part, the transfer of coverage condition in the Permit.
  - 4) Sellers have deposited into escrow the executed and acknowledged Deed Restriction titled "Declaration of Covenants, Conditions and Restrictions for Coverage Assignment".

5) The Buyer and Sellers have received and approved copies of the Settlement Statements.

6) The Sellers have authorized escrow holder, in writing, to proceed to close escrow.

F. At close of escrow, Escrow Holder shall:

1) Record the "Notice of Transfer, Option to Repurchase, and Restrictions on Assignment of Coverage" in the Washoe County official records; and

2) Record the Deed Restriction titled "Declaration of Covenants, Conditions and Restrictions for Coverage Assignment" in the Washoe County official records; and

3) Pay fees and costs to be paid by Buyer.

4) Pay any fees and costs to be paid by Sellers.

5) Disburse to Sellers the proceeds due, including any amounts paid by Buyer for extension of the escrow; and

6) Release the appropriate Documentation to Buyer.

7) Give written notice and a copy of the Documentation to the Sellers that all documents have been recorded and escrow has closed.

## **9. EXTENSION OR CANCELLATION OF ESCROW**

A. This Agreement is subject to and contingent upon Seller's right to cancel this escrow if at any time prior to the close of escrow, in Seller's reasonable judgment, circumstances arise or events occur that effectively impair Seller's legal ability to perform under the escrow and generate the Coverage. In this event Buyer shall have no remedy to enforce the completion of the purchase of the Coverage or to receive damages of any kind.

B. If Sellers exercise their cancellation right, Buyer agrees to sign escrow cancellation instructions within ten (10) days of receipt of same.

C. Buyer may extend the close of escrow past the Scheduled Closing Date for sixty (60) days at a time by depositing with the Escrow Holder a sum equal to two percent (2%) of the Purchase Price or \$100.00, whichever is greater, for each extension; however, in no event shall escrow be held open for more than one (1) year. Amounts paid for extension of the escrow are non-refundable and will not be credited toward the Purchase Price.

D. If, owing to Seller's failure or inability to perform, escrow does not close by the Scheduled Closing Date, or such later closing date as may be mutually agreed between the parties, Buyer shall have the choice of:

- 1) Cancelling escrow and receiving disbursement of all sums deposited in escrow by Buyer; or
- 2) Continuing the escrow in effect.

Nothing in this Paragraph shall detract from any other legal remedies which Buyer may have in the event of Seller's breach.

E. If, owing to Buyer's failure or inability to perform, escrow does not close by the Scheduled Closing Date, upon request from Sellers, Escrow Holder shall cancel escrow and disburse to Seller the Initial Deposit and any subsequent deposits made by Buyer for the purpose of extending escrow.

Buyer's Initials \_\_\_\_\_

F. In the event that escrow is cancelled, any escrow cancellation fee shall be borne by the party whose failure or inability to perform was the cause or reason for the cancellation.

#### **10. SELLER'S OPTION TO REPURCHASE UNUSED COVERAGE**

A. In the event that Buyer fails to commence construction under the Permit within two and one-half years following conditional approval of the Permit by the TRPA or the resulting project does not require the full amount of Coverage being sold through this escrow, the Sellers shall have the exclusive option to repurchase the unused Coverage from Buyer, at the original Purchase Price, pro-rated if necessary, less any closing costs born by Sellers in the sale and repurchase of the Coverage. The term of Seller's option shall be for 180 days following the

expiration of said two and one-half year period (hereinafter, the "Option Term"). Exercise of the option shall be by written notice from Sellers to Buyer, and shall be subject to a 30 day close of escrow.

- B. Buyer agrees that, if it fails to utilize all of the Coverage on the Receiving Parcel(s) within the two and one-half year period, Buyer shall give Sellers written notice of same within 30 days after the expiration of the two and one-half year period. Buyer will not transfer the remaining Coverage away from the Receiving Parcel unless and until Buyer has received written notice from Sellers, which Sellers shall give within the 180 day "Option Term", that Sellers do not desire to exercise its Option to Repurchase Unused Coverage.
- C. Buyer further agrees that, following close of escrow, a signature on behalf of the Sellers shall be required on all applications to the TRPA to transfer ground coverage away from the Receiving Parcel. This subparagraph C. shall not apply if at least three years have elapsed since the conditional approval of the Permit by the TRPA, and Sellers have not, within the Option Term, exercised its option to repurchase the Coverage.

## **11. SUCCESSORS AND ASSIGNS**

- A. Buyer shall not assign its rights and obligations under this Agreement except to a transferee of the Receiving Parcel in connection with a conveyance of said parcel; nor shall any other party succeed to Buyer's rights hereunder, who does not also succeed to Buyer's rights and interest in the Permit.
- B. Subject to 11. A. above, all rights and obligations arising under this Agreement shall bind and inure to the benefit of the assigns and successors in interest of the parties.

## **12. MUTUAL UNDERSTANDINGS AND ACKNOWLEDGEMENTS**

- A. Use of Coverage restricted to the Receiving Parcel.
  - 1) All Coverage sold through this escrow may be applied only toward satisfying the



Requirements and conditions of the Permit on the Receiving Parcel, except that prior to close of escrow, Buyer shall have the right to designate a substitute Receiving Parcel, provided:

- a. The Sellers are notified of Buyer's intent to designate the substitute Receiving Parcel no later than the Scheduled Closing Date; and
- b. As of close of escrow, the substitute Receiving Parcel is owned by the original Buyer in this transaction (i.e., not an assignee or successor in interest); and
- c. The transfer of the Coverage to the substitute Receiving Parcel, and the close of escrow, shall be subject to Sellers and the TRPA approval of a permit allowing said transfer; and
- d. The transfer of the Coverage to the substitute Receiving Parcel shall be subject to the land classification of the Coverage being compatible to the Receiving Parcel per TRPA Code of Ordinances.

B. Consideration.

- 1) Buyer understands and acknowledges that the Purchase Price being paid by Buyer is in consideration for Seller's agreement to restrict the development potential of property owned by Sellers and to eliminate ground coverage thereon; for the resulting diminution in value of Seller's property; and for costs incurred in transferring the Coverage to Buyer.

C. Seller's Disclaimer's.

- 1) The obligations of the Sellers in this transaction are limited to providing the Documentation to Buyer at close of escrow. Sellers do not guarantee the ability of Buyer to obtain any other development approvals from the TRPA.
- 2) Sellers make no representation:
  - a. That the amount of the Coverage will be sufficient to satisfy all of Buyer's coverage needs under the Permit; and

- b. That the Coverage can be applied or transferred to any real property other than the Receiving Parcel; and
- c. That, once the Coverage has been purchased by Buyer, the Coverage and/or the Receiving Parcel can be marketed or re-sold to any other party; and
- d. That the Coverage now has, or will in the future have, any value deriving from the possibility that they may be marketed or re-sold to any other party; and
- e. That no taxable event or property tax reassessment of the Receiving Parcel will result from the transfer of the Coverage.

D. Buyer's Representations and Acknowledgments.

- 1) Buyer represents to Sellers that Buyer is seeking the transfer of the Coverage for the purpose of development of the Receiving Parcel.
- 2) Buyer acknowledges that this transaction does not constitute the sale of a "security" under Federal or State law.
- 3) Buyer agrees to execute and acknowledge, at Seller's request, such amendments to this Agreement or other documents as may be necessary to comply with applicable law or TRPA Code of Ordinances, provided said amendments do not materially alter the financial terms of this agreement.

### 13. ENTIRE AGREEMENT

- A. This Agreement and the items incorporated herein contain all of the agreements between Buyer and Sellers with respect to the matters contained herein. No prior agreement, understanding or verbal statement made by any party are a part hereof. No provisions of this Agreement may be amended or modified in any manner whatsoever unless incorporated in writing and executed by both Buyer and Sellers.

**14. CHOICE OF LAWS**

A. This Agreement shall be governed by the laws of the State of Nevada, and any question arising hereunder shall be construed or determined according to such law.

**15. NOTICES**

A. All notices under this Agreement and Joint Escrow Instructions shall be either:

- 1) In writing and shall be sent by U.S. Mail, registered or certified, return receipt requested.  
The date of notice shall be deemed to be the first business day following mailing; or
- 2) Sent via email transmission.

B. The parties' addresses for purposes of notice are shown beneath the signature blocks below.

**Seller: INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**  
By Nevada Division of State Lands, it's Agent

By: \_\_\_\_\_  
Charles Donohue  
Administrator and State Land Registrar

Date: \_\_\_\_\_

Address: Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

**Seller: NEVADA DIVISION OF STATE LANDS**

By: \_\_\_\_\_  
Charles Donohue  
Administrator and State Land Registrar

Date: \_\_\_\_\_

Address: Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

**Buyer:**      **NAME(S)**

By: \_\_\_\_\_  
LEE SIMPKINS  
Easement Holder

Date: \_\_\_\_\_

Address:      NV Energy  
6100 Neil Rd.  
Reno, NV 89511

# EXHIBIT "F"



## DOCUMENTATION LETTER

August 25, 2020

**Re: Land Coverage Transfer for TRPA Permit Application #ERSP2020-0439;  
Receiving APN 132-012-02**

The Nevada Division of State Lands, on behalf of itself and the Incline Village General Improvement District, ("IVGID") has entered into an agreement to sell **120 square feet of potential** land coverage ("the Coverage"), classified by the Tahoe Regional Planning Agency as land **capability 4**, to **Sierra Pacific Power dba NV Energy** ("Buyer"), for use in meeting the requirements of TRPA Permit Number **ERSP2020-0439** ("the Permit").

The **120 square feet** of Coverage will be divided such that the Incline Village General Improvement District ("IVGID") will be selling **60** square feet of Coverage and the Nevada Land Bank will be selling **60** square feet of Coverage. The IVGID Coverage being transferred to the project site, Washoe County APN 132-012-02 ("the Receiving Parcel"), is from the IVGID project area known as Washoe County Assessor Parcel Number's 131-240-02, 131-100-01 131-012-07 ("the Sending Parcels"). Coverage coming from the Nevada Land Bank was originally transferred into the Nevada Land Bank from Washoe County Assessor Parcel number 048-041-15 and when this parcel sold it was split into two new Parcel Numbers: 048-140-04 (USFS) and 048-140-03 (IVGID), as part of the Incline Lakes Corporation transaction. Both the Receiving and Sending Parcels are located within Hydrologic Zone 1, Incline Village.

**Escrow No. 890676** has been opened with Stewart Title Company, 10539 Professional Circle, Suite 102, Reno, Nevada, 89521 to consummate the sale of the Coverage. We are prepared, as of close of escrow, to **permanently retire 120 square feet of Class 4, potential coverage** on the Buyer's behalf, from the above referenced Sending Parcels.

Subsequent to your review of the project plans for the residential project on the above referenced Receiving Parcel, we ask that you confirm below that, upon close of escrow, the Nevada Land Bank's transfer of the Coverage to the above referenced Receiving Parcel will: 1) meet all applicable requirements of Chapter 30 of the TRPA Code of Ordinances; and 2) be deemed by the ***TRPA*** to fulfill, in whole or in part, the coverage requirements of the Permit.

Escrow is currently scheduled to close as soon as possible. Should any circumstances arise, prior to close of escrow, which would alter the amount of coverage which the Receiving Parcel is eligible to receive by transfer, please immediately contact me at (775) 684-2735.

Please confirm your approval below and return this letter to the address at the top of this letter. Thank you for your assistance.

Sincerely,



Sherri Barker  
State Land Agent II  
Nevada Tahoe Resource Team  
Nevada Land Bank  
sbarker@lands.nv.gov

---

**APPROVED BY TAHOE REGIONAL PLANNING AGENCY**

By: \_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Name and Title

# EXHIBIT "G"



APN'S 131-240-02, 131-100-01  
131-012-07,  
(Sending Parcels)

**RECORDING REQUESTED BY**

Incline Village General Improvement District  
893 Southwood Boulevard  
Incline Village, Nevada 89451

**WHEN RECORDED MAIL TO:**

Nevada Land Bank  
Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

Escrow No. \_\_\_\_\_  
Stewart Title Company, Reno, Nevada

---

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR COVERAGE ASSIGNMENT ("DEED RESTRICTION") TO BE  
RECORDED AGAINST APN 131-240-02, 131-100-01& 131-012-07**

This Deed Restriction is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by the  
Incline Village General Improvement District ("Declarant").

**RECITALS**

1. WHEREAS, Declarant is the owner of that certain real property located in  
\_\_\_\_\_ County, State of Nevada, described as follows:

Washoe County Assessor Parcel Number's 131-240-02, 131-100-01 and  
131-012-07 (hereinafter "Sending Parcels"), collectively known as a  
project area. For complete legal descriptions see Exhibit "A" attached  
hereto and incorporated herein by this reference. The legal description  
for APN 131-240-02 appeared previously in that certain document  
recorded on December 1, 1992, in Book 3623, Page 345, as Instrument  
No.1626864; the legal descriptions for APN'S 131-100-01 and 131-012-  
07 appeared previously in that certain document recorded April 1, 1976,  
in Book 962, Page 511, as Instrument No. 402368; both documents

being recorded in the official records of the Washoe County Recorder's Office, State of Nevada.

Said Exhibit "A" was recorded in the Office of the County Recorder of Washoe County on March 19, 2002 as Document Number 2665454.

2. WHEREAS, Declarant has received approval from to transfer (only put half the coverage here) **644 square feet of Class 6 Potential land coverage** to the following Receiving Parcel(s) described as follows:

(put the receiving parcels description here) LOT 14 IN BLOCK I OF INCLINE VILLAGE UNIT NO. 1, AS SHOWN ON THE MAP THEREOF, FILED IN THE OFFICE OF THE COUNTY RECORDER OF WASHOE COUNTY, NEVADA, ON THE 9<sup>TH</sup> DAY OF SEPTEMBER 1968.

Washoe County Assessor Parcel Number: APN 125-223-12

3. WHEREAS, both the Sending Parcels and the Receiving Parcel(s) are located in the Tahoe Region as described in the Tahoe Regional Planning Compact (P.L. 98-551, 94 Stat. 3233,1980), which region is subject to the regional plan and ordinances adopted by the Tahoe Regional Planning Agency ("TRPA") pursuant to the Tahoe Regional Planning Compact.
4. WHEREAS, the "Nevada Land Bank" was established per the Memorandum of Understanding dated July 19, 1993, between the TRPA and the Department of Conservation and Natural Resources, Nevada Division of State Lands, wherein said MOU allows, in part, the Nevada Land Bank to transfer land coverage and other development rights.
5. WHEREAS, as a condition of the transfer approval, Chapter 30 of the TRPA Code of Ordinances Subsection 30.4.3.G.1.c requires that the appropriate deed restriction be recorded against the Sending Parcels documenting the retirement of land coverage and the requirement that the area of the retired land coverage on the Sending Parcels be maintained in a natural or near-natural state. The deed restriction must likewise document that the area of the retired coverage on the Sending Parcels must be protected from soil disturbance.







**Exhibit "A"**

All that certain real property situate in the County of Washoe, State of Nevada, described as follows:

PARCEL 1 (Ptn. 131-240-02)

All that certain real property being a portion of the E-1/2 of Section 15 and the W-1/2 of Section 14, Township 16 North, Range 18 East, M.D.B.&M., more particularly described as follows:

Beginning at the Southwest corner of Lot 92 as said Lot 92 is shown on the map of Fairway Estates No. 1, Lake Tahoe, Washoe County, Nevada, filed in the office of the County Recorder of Washoe County, State of Nevada, on 29 July 1963;

Thence running along the exterior boundary of said Fairway Estates No. 1, the following seven courses and distances:

North 68°12'01" East 129.15 feet; North 59°55'19" East 281.62 feet; North 51°44'25" East 162.50 feet; North 45°20'50" East 159.08 feet; North 46°29'31" East 240.00 feet;  
South 48°55'36" East 124.21 feet; South 34°55'46" East 105.00 feet; to the Northwest corner of Lot 82 of said Fairway Estates No. 1

Thence leaving the exterior boundary of said Fairway Estates No. 1, the following three courses and distances:

South 43°35'45" West 30.00 feet; South 23°51'46" East 107.40 feet; North 47°51'12" East 50.00 feet to the Southwesterly corner of said Lot 82;

Thence North 47°51'12" East 160.00 feet along the Southerly boundary of said Lot 82 to the Southeasterly corner of said Lot 82; last said point being on the Westerly right-of-way of Country Club Drive of said Fairway Estates No. 1, and being on a curve concave to the West, having a radius of 459.85 feet, a central angle of 23°55'10", the tangent to which bears South 22°30'33" East 97.41 feet, and said curve is designated-112 on the map of said Fairway Estates No. 1;

Thence Southerly along the arc of said curve A-112 and arc length of 191.98 feet to the most Easterly corner of Lot 81 of said Fairway Estates No. 1; thence running along the exterior boundary of said Fairway Estates No. 1, the following courses and distances:

North 88°35'23" West 55.00 feet; South 55°42'49" West 195.20 feet; South 32°18'46" West 325.75 feet; South 42°07'00" West 218.59 feet; South 61°08'32" West 121.58 feet; South 67°13'54" West 119.73 feet; South 65°46'38" West 431.89 feet; South 22°47'35" East 490.23 feet; South 35°24'30" East 174.81 feet to the most Southerly corner of Lot 60 and the Northwesterly boundary of Wedge Court, as said Lot 60 and Wedge Court are shown on the map of said Fairway Estates No. 1;

Thence South 45°18'35" West 128.84 feet to the most Westerly point of said Wedge Court; thence South 44°41'25" East 10.00 feet; thence leaving the boundary of said Fairway Estates No. 1, South 45°18'35" West 81.00 feet; thence South 78°46'10" West 228.08 feet, thence South 04°01'41" East 152.00 feet; thence North 86°35'27" East 192.24 feet; thence North 68°41'25" East 110.26 feet; thence South 86°25'24" East 147.52 feet; thence North 24°08'22" West 55.00 feet to the most Southerly corner of said Lot 56 of said Fairway Estates No. 1;

Thence leaving the boundary of said Fairway Estates No. 1, the following three courses and distances:

South 78°22'57" East 72.11 feet; North 52°54'16" East 151.33 feet; North 44°41'25" West 80.00 feet;

Thence running along the boundary of said Fairway Estates No. 1, the following courses and distances:

North 45°18'35" East 68.05 feet; thence South 68°49'44" East 395.59 feet; thence South 61°52'38" East 503.32 feet; thence South 43°14'25" East 218.05 feet; thence South 36°07'58" East 101.17 feet; thence South 25°20'01" East 95.65 feet; thence South 12°42'44" East 95.91 feet; thence South 5°29'38" West 98.95 feet to the most Westerly corner of Lot 32 of said Fairway Estates No. 1, last said point being on the Northerly right-of-way of Fourth Green Drive, as said Fourth Green Drive is shown on the map of said Fairway Estates No. 1;

Thence running along the Northerly line of said Fourth Green Drive the following two courses and distances:

South 88°06'36" West 248.47 feet to a tangent curve to the left, having a radius of 1600.00 feet a central angle of 01°58'43" and is designated A-41 on the map of said Fairway Estates No. 1; thence Southwesterly along the arc of said curve A-41

an arc length of 55.25 feet to the most Easterly corner of Lot 24 of said Fairway Estates No. 1;

Thence continuing along the exterior boundary of said Fairway Estates No. 1, the following courses and distances:

North 11°47'50" West 144.38 feet; North 24°51'19" West 157.71 feet; North 47°34'53" West 156.16 feet; North 53°09'23" West 120.10 feet; North 87°57'03" West 276.54 feet; North 64°54'48" West 159.11 feet; South 73°45'00" West 180.00 feet; North 88°30'00" West 445.00 feet; South 86°45'00" West 279.00 feet; South 37°56'28" West 63.72 feet; thence South 56°30'43" feet; thence leaving the boundary of said Fairway Estates No. 1, South 00°00'34" East 52.00 feet; thence South 69°18'12" East 195.80 feet to the Southwest corner of Lot 13 of said Fairway Estates No. 1;

Thence running along the boundary of said Fairway Estates No. 1, the following courses and distances:

South 56°30'34" East 57.30 feet; South 74°07'41" East 245.00 feet; thence South 57°57'49" East 299.80 feet; South 50°56'02" East 118.32 feet, thence North 38°30'40" East 19.53 feet; thence South 60°11'08" East 126.90 feet; thence South 35°36'36" West 40.00 feet; thence South 06°30'26" East 81.60 feet; South 48°37'29" East 185.89 feet; South 33°32'26" East 174 feet; North 55°37'19" East 451.57 feet; North 57°02'56" East 198.19 feet; North 01°53'24" West 70.00 feet to the Fourth Green Drive;

Thence North 88°06'36" East 181.71 feet along the Southerly right-of-way of said Fourth Green Drive;

Thence leaving said right-of-way South 01°53'24" East 108.72 feet to a point on the Westerly boundary of Lot 117 of said Fairway Estates No. 1; thence South 45°00'00" West 172.60 feet to the most Westerly corner of said Lot 117; thence leaving said boundary of said Fairway Estates No. 1, North 79°18'50" West 50.00 feet; thence South 40°18'58" West 354.77 feet; thence South 17°34'14" West 236.77 feet; thence South 41°23'51" East 309.62 feet; thence South 29°42'38" West 109.36 feet to the Northeasterly right-of-way line of Tahoe Boulevard;

Thence along said right-of-way North 50°33'02" West 1189.55 feet; thence curving to the left through a central angle of 23°26'36" and a radius of 3070.00 feet, a distance of 1256.13 feet; thence North 73°59'38" West 225.16 feet to a curve concave Easterly having a radius of 40.00 feet and a central angle of



135°11'02"; thence along the arc of said curve a distance of 94.38 feet; thence North 84°11'24" East 170.00 feet; thence North 65°11'24" East 217.00 feet; thence North 09°56'24" East 182.00 feet; thence North 21°56'24" East 80.00 feet; thence South 86°16'08" West 221.78 feet to the Easterly right-of-way line of Northwood Boulevard;

Thence along said right-of-way North 20°07'58" West 584.55 feet to a curve concave to the Southwest, having a radius of 740.00 feet, a central angle of 18°44'05"; along the arc of said curve a distance of 241.97 feet, to an arc at the intersection of Northwood Boulevard and Fairway Boulevard, concave to the Southeast, having a radius of 40.00 feet, a central angle of 93°45'19"; along said arc a distance of 65.45 feet to a point on the Southerly right-of-way line of Fairway Boulevard;

Thence North 54°53'16" East 22.48 feet to an arc concave to the Southeast, having a radius of 310.00 feet, a central angle of 09°20'45"; along said arc a distance of 34.25 feet; thence North 64°14'01" East 107.55 feet; to an arc concave to the Northwest, having a radius of 740.00 feet, a central angle of 28°00'00"; along said arc a distance of 361.63 feet; thence North 36°14'01" East 327.77 feet, to an arc concave to the Southeast, having a radius of 528.80 feet, a central angle of 22°44'27"; along said arc a distance of 209.88 feet to the Northwest corner of Incline Villa, a condominium, recorded 17 March 1972, under File No. 238019;

Thence along the exterior boundaries of Incline Villa, South 23°12'19" East 239.25 feet; thence North 74°08'08" East 214.77 feet; thence North 26°57'01" East 85.70 feet to the Southwest corner of Lot 92 of Fairway Estates No. 1 and the Point of Beginning.

Excepting therefrom that certain parcel deeded to Incline Village General Improvement District on 5 December, 1969 under File No. 161146, and more commonly known as Sewage Pumping Section No. 8.

#### PARCEL 2:

All that portion of land lying Southerly of Parcel 1 hereinabove described and lying Westerly of Lot 20 and Easterly of Lot 19 of Fairway Estates No. 1, according to the map filed in the office of the County Recorder of Washoe County, State of Nevada, on July 29, 1963 and lying Northerly of Sand Iron Drive.

NOTE: The above metes and bounds description appeared previously in that certain document recorded December 1, 1992, in Book 3623, Page 345, as Instrument No. 1626864.

PARCEL 3: (131-100-01)

All that certain real property being a portion of the S ½ of Section 10, and the N ½ of Section 15, Township 16 North, Range 18 East, M.D.B.&M., particularly described as follows:

Beginning at the Northwest corner of Lot 23 as said Lot 23 is shown on the Map of Fairway Estates No. 2, Lake Tahoe, Washoe County, Nevada, filed in the office of the County Recorder of Washoe County, State of Nevada on August 28, 1963; thence South 07°32'42" East 747.48 feet to the Southwesterly corner of Lot 17 of said Fairway Estates No. 2; thence running along the exterior boundary of said Fairway Estates No. 2 the following courses and distances:

South 83°25'45" East 107.13 feet; thence South 40°25'45" East 80.00 feet; thence South 05°34'15" West 165.00 feet; thence North 73°04'15" East 145.00 feet; thence North 37°35'15" East 80.00 feet to a point on the Westerly right of way line of Country Club Drive as said Country Club Drive is shown on the map of said Fairway Estates No. 2; thence South 52°24'45" East 40.67 feet; thence leaving said Country Club Drive and continuing on the exterior boundary of said Fairway Estates No. 2 South 23°23'44" West 102.93 feet; thence South 70°13'31" West 174.00 feet; thence South 54°13'31" West 242.00 feet; thence South 83°28'31" West 98.00 feet; thence South 57°58'31" West 330.00 feet; thence South 18°28'31" West 205.00 feet;

Thence South 26°04'56" East 118.61 feet to a point on the Northerly right of way line of Fairway Boulevard as said boulevard is shown on the map of said Fairway Estates No. 2, last said point being on a curve concave to the South having a radius of 640.00 feet, a central angle of 29°18'43"; and the tangent to which bears South 65°36'56" West; thence Southwesterly along the arc of said curve an arc length of 327.42 feet; thence leaving said Fairway Boulevard and the exterior boundary of Fairway Estates No. 2, the following courses and distances;

North 18°19'01" West 127.48 feet; thence North 00°01'39" East 191.88 feet; thence South 89°58'21" East 16.49 feet; thence North 15°43'20" East 221.54 feet; thence North 23°47'24" East 153.30 feet; thence North 72°05'09" East 223.47 feet; thence North 69°49'43" East 260.30 feet; thence North 07°11'51" East 78.08 feet; thence North 88°26'23" West 107.20 feet; thence South 80°26'51" West

162.11 feet; thence South  $64^{\circ}53'14''$  West 215.46 feet; thence North  $42^{\circ}15'50''$  West 109.33 feet; thence South  $29^{\circ}45'16''$  West 193.77 feet; thence South  $20^{\circ}04'42''$  West 120.40 feet; thence South  $01^{\circ}59'44''$  East 273.80 feet; thence South  $89^{\circ}58'21''$  East 16.49 feet; thence South  $00^{\circ}01'39''$  West 198.66 feet; thence South  $18^{\circ}19'01''$  East 164.16 feet to a point on the Northerly right of way line of said Fairway Boulevard; thence South  $36^{\circ}14'01''$  West 99.46 feet along the Northerly line of said Fairway Boulevard; thence leaving said Fairway Boulevard North  $26^{\circ}02'59''$  West 196.43 feet; thence North  $28^{\circ}26'54''$  West 109.30 feet; thence North  $08^{\circ}24'58''$  West 618.70 feet; thence North  $12^{\circ}15'53''$  East 235.37 feet; thence North  $46^{\circ}44'09''$  East 233.45 feet; thence North  $72^{\circ}04'20''$  West 367.35 feet; thence North  $76^{\circ}21'52''$  West 256.75 feet; thence South  $69^{\circ}23'20''$  West 615.00 feet; thence South  $73^{\circ}08'53''$  West 51.66 feet; thence North  $80^{\circ}58'04''$  West 101.98 feet; thence North  $23^{\circ}28'45''$  West 46.49 feet; thence North  $16^{\circ}04'09''$  West 215.00 feet; thence South  $73^{\circ}55'51''$  West 130.00 feet; thence North  $16^{\circ}04'09''$  West 87.00 feet; thence North  $60^{\circ}40'51''$  East 70.00; thence North  $36^{\circ}22'46''$  West 87.98 feet to the Southerly boundary of Lot 42 of said Fairway Estates No. 2; thence running along the exterior boundary of said Fairway Estates No. 2 North  $89^{\circ}10'51''$  East 243.00 feet; thence North  $56^{\circ}10'51''$  East 345.00 feet; thence North  $65^{\circ}02'17''$  East 180.66 feet to a point on the Southerly right of way line of Driver Way as said Driver Way is shown on the map of said Fairway Estates No. 2, last said point is located on a curve concave to the Southwest, having a radius of 975.00 feet a central angle of  $08^{\circ}39'28''$ ; the Tangent to which bears South  $85^{\circ}58'46''$  East 73.80 feet and is designated A-31 on the map of said Fairway Estates No. 2; thence Southeasterly along the arc of said curve A-31 and the Southerly right of way of said Driver Way an arc length of 147.33 feet; thence South  $77^{\circ}19'18''$  East 185.00 feet along the Southerly right of way of said Driver Way to a curve to the left, having a radius of 1975.00 feet and a central angle of  $10^{\circ}15'00''$ ; thence Southeasterly along the arc of last said curve and the Southerly right of way of said Driver Way an arc length of 353.32 feet; thence South  $87^{\circ}34'18''$  East 102.00 feet along the Southerly right of way of said Driver Way to the Northwesterly corner of Lot 37 of said Fairway Estates No. 2; thence continuing along the exterior boundary of said Fairway Estates No. 2 South  $07^{\circ}55'20''$  West 322.32 feet; thence South  $59^{\circ}20'29''$  East 451.05 feet; thence North  $54^{\circ}57'50''$  East 212.51 feet; thence North  $15^{\circ}50'35''$  East 153.84 feet; thence North  $00^{\circ}11'59''$  East 287.00 feet; thence North  $11^{\circ}59'25''$  West 202.61 feet to a point on the Southerly right of way of said Driver Way; thence North  $52^{\circ}55'42''$  East 35.00 feet along the Southerly right of way of said Driver Way to a tangent curve to the right, having a radius of 1715.00 feet and a central angle of  $6^{\circ}03'48''$ ; thence Northeasterly along the arc of last said curve and the Southerly right of way of said Driver Way and arc length of 181.49 feet; thence leaving Driver Way and the exterior boundary of

said Fairway Estates No. 2, South 08°33'27" East 125.55 feet; thence North 79°09'33" East 37.50 feet to the point of beginning of this description.

NOTE: The above metes and bounds description appeared previously in that certain document recorded April 1, 1976, in Book 962, Page 511, as Instrument No. 402368.

PARCEL 4: (131-012-07)

All that certain real property being a portion of the S ½ of Section 10, Township 16 North, Range 18 East, M.D.B.&M., more particularly described as follows:

Beginning at the Southwest corner of Lot 64 as said Lot 64 is shown on the map of Fairway Estates No. 2, Lake Tahoe, Washoe County, Nevada, filed in the office of the County Recorder of Washoe County, State of Nevada, on August 28, 1963; thence North 66°53'23" East 1014.06 feet to the Southwest corner of Lot 72 of said Fairway Estates No. 2; thence South 24°14'22" East 20.00 feet; thence North 17°21'49" West 80.00 feet to the lot corner common to Lots 74 and 75 of Fairway Estates No. 2, said lot corner also being on the West line of Glenrock, a Townhouse, recorded June 23, 1967, under File No. 90533, Official Records; thence along the West boundary of Glenrock South 29°13'26" East 205.25 feet; thence Southeasterly along the arc of a tangent curve to the right having a radius of 200.00 feet and a central angle of 20°46'43"; an arc distance of 72.53 feet; thence South 08°26'43" East 185.76 feet; thence South 89°48'54" East 257.41 feet to the Southeast corner of Glenrock, a Townhouse; thence North 00°54'54" East 50.17 feet; thence North 75°33'22" East 121.17 feet; thence South 62°42'38" East 107.80 feet; thence South 07°12'18" East 191.68 feet; thence South 25°10'18" East 80.02 feet; thence Southeasterly, Southerly and Southwesterly along the arc of a tangent curve to the right having a radius of 20.00 feet and a central angle of 85°05'46" and arc distance of 29.70 feet to a point on the Northerly right of way of Driver Way as said Driver Way is shown on the map of said Fairway Estates No. 2; thence running along the Northerly right of way of said Driver Way Southeasterly along the arc of a curve concave Southerly having a radius of 1765.00 feet, a central angle of 6°59'46" and the tangent to which bears South 59°55'28" West 107.89 feet; said curve is a portion of that designated A-125 on the map of said Fairway Estates No. 2; thence South-Westerly along a portion of the arc of said curve A-125 and the Northerly right of way line of said Driver Way an arc distance of 215.52 feet; thence continuing along the Northerly line of said Driver Way South 52°55'42" West 28.00 feet to the Southeast corner of Lot 128 as said Lot 128 is shown on the map of Fairway Estates No. 2, Lake Tahoe, Washoe County, Nevada, filed in the office of the County Recorder of

Washoe County, State of Nevada, on August 28, 1963; thence running along the Easterly boundary of said Lot 128 the following courses and distances:

North 35°03'44" West 55.90 feet; thence North 05°54'42" East 60.88 feet; thence South 69°25'42" West 167.00 feet; thence South 20°34'18" East 35.00 feet; thence along the arc of a curve to the left having a radius of 204.00 feet, a central angle of 16°30'00" and an arc length of 58.75 feet; thence South 37°04'18" West 36.33 feet;

thence along the arc of a curve to the left having a radius of 20.00 feet, a central angle of 90°00'00" and an arc length of 31.42 feet to the North line of Driver Way; thence along said North line South 52°55'42" West 82.00 feet; thence leaving said Driver Way along the arc of a curve to the left and concave Westerly having a radius of 20.00 feet, a central angle of 90°00'00" and an arc length of 31.42 feet; thence North 37°04'18" West 36.33 feet; thence along the arc of a curve to the right of having a radius of 246.00 feet, a central angle of 16°30'00"; and an arc length of 70.84 feet; thence North 20°34'18" West 244.00 feet to the Northeast corner of Lot 126 of said Fairway Estates No. 2; thence North 46°22'01" West 50.00 feet; thence North 87°21'03" West 93.90 feet to a point on Cart Court as said Cart Court is shown on the map of Fairway Estates No. 2, last said point being on a curve concave Southwesterly, having a radius of 45.00 feet, a central angle of 90°47'14" and the tangent to which bears North 52°27'51" West 45.62 feet; thence Northwesterly, Westerly and Southwesterly along the arc of last said curve and arc distance of 71.30 feet to the beginning of a curve designated A-117, concave Northwesterly, having a radius of 40.00 feet, a central angle of 33°46'04" and the tangent to which bears South 36°44'55" West 12.14 feet; thence Southwesterly along the arc of said curve A-117, an arc distance of 23.57 feet to the Southeast corner of Lot 57 of Fairway Estates No. 2; thence running along the exterior boundary of said Fairway Estates No. 2 the following courses and distances:

North 24°16'56" West 148.58 feet; thence South 69°36'28" West 252.99 feet; thence South 73°45'00" West 148.00 feet; thence South 81°45'00" West 244.00 feet; thence South 00°30'00" West 50.00 feet; thence South 65°31'28" East 194.04 feet; thence South 59°04'18" East 330.00 feet; thence South 76°49'18" East 198.00 feet to the most Southerly corner of Lot 51 of said Fairway Estates No. 2; thence South 00°19'18" East 37.30 feet along the Westerly right of way line of Caddie Court as said Caddie Court is shown on the map of said Fairway Estates No. 2, to the beginning of a tangent curve to the right having a radius of 30.00 feet, a central angle of 92°45'00" and designated curve A-104 on the map of said Fairway Estates No. 2; thence Southeasterly, Southerly, Southwesterly,

Westerly and Northwesterly along the arc of said curve A-104 an arc distance of 48.56 feet; thence North  $87^{\circ}34'18''$  West 25.80 feet along the Northerly right of way of said Driver Way to a tangent curve to the right having a radius of 1925.00 feet, a central angle of  $10^{\circ}15'00''$  and designated A-103 on the map of said Fairway Estates No. 2; thence Northwesterly along the arc of said curve A-103 an arc length of 344.38 feet; thence continuing along the Northerly right of way of said Driver Way North  $77^{\circ}19'18''$  West 185.00 feet to a tangent curve to the left having a radius of 1025.00 feet, a central angle of  $27^{\circ}15'00''$  and is designated A-102 on the map of said Fairway Estates No. 2; thence Northwesterly, Westerly, and Southwesterly along the arc of said curve A-102 an arc length of 487.49 feet; thence continuing along the Northerly right of way of said Driver Way South  $75^{\circ}25'42''$  West 83.00 feet to a tangent curve to the right, having a radius of 1775.00 feet, a central angle of  $05^{\circ}34'33''$  and designated A-101 on the map of said Fairway Estates No. 2; thence Southwesterly along the arc of said curve A-101 an arc distance of 172.74 feet to the Southeasterly corner of Lot 45 of said Fairway Estates No. 2; thence North  $19^{\circ}31'13''$  West 143.01 feet to the Northeasterly corner of said Lot 45; thence South  $84^{\circ}36'18''$  West 25.00 feet to the Southeasterly corner of Lot 50 of Fairway Estates No. 2; thence North  $33^{\circ}32'19''$  West 135.62 feet to an angle point in the Easterly line of said Lot 50; thence North  $70^{\circ}55'22''$  West 35 feet; thence on a curve to the left on Ace Court as said Court is shown on Fairway Estates No. 2 and designated A-155 to a point on the Southerly line of Lot 58 of said Fairway Estates No. 2; thence North  $68^{\circ}11'09''$  East 273.86 feet to the true point of beginning.

Together with a strip of land 20 feet in width lying between Lots 66 and 67 of Fairway Estates No. 2 and bordered on the North by 14<sup>th</sup> Green Drive.

NOTE: The above metes and bounds description appeared previously in that certain document recorded April 1, 1976, in Book 962, Page 511, as Instrument No. 402368.

# EXHIBIT "H"

Add address here

APN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

(Receiving Parcel)

**RECORDING REQUESTED BY:**

Incline Village General Improvement District  
893 Southwood Boulevard  
Incline Village, Nevada 89451

Nevada Land Bank  
Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

**WHEN RECORDED MAIL TO:**

Nevada Land Bank  
Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

Escrow No. \_\_\_\_\_

Stewart Title Company, Reno, NV

---

**NOTICE OF TRANSFER, OPTION TO REPURCHASE AND  
RESTRICTIONS ON ASSIGNMENT OF COVERAGE**

Notice is hereby given that the Incline Village General Improvement District, a quasi municipal corporation and political subdivision of the State of Nevada, ("IVGID") and the Nevada Division of State Lands ("NDSL") Nevada Land Bank ("Sellers") have transferred \_\_\_\_\_ square feet of Class \_\_\_\_, potential coverage (hereafter "Coverage") as defined in Chapter 30 of the Code of Ordinances of the Tahoe Regional Planning Agency (hereinafter "TRPA"), to that certain real property (the "Receiving Parcel") belonging to the undersigned Owner, more particularly described in Exhibit "A" attached hereto.

Seller has retained an Option to Repurchase any portion of the Coverage which remains unused on the Receiving Parcel at the end of two and one-half years from the date of approval by the **TRPA permit** conditioned upon the transfer of the Coverage. The option term shall be for 180 days, commencing at the end of said two and one-half year period. Exercise of the option shall be by written notice from Seller to the Owner or the Owner's successor in interest.

The terms of the agreement regarding transfer of the Coverage are more particularly set forth in the "Purchase and Sale Agreement and Joint Escrow Instructions" dated \_\_\_\_\_, executed by Seller and the Owner ("Agreement").





By: \_\_\_\_\_ Date: \_\_\_\_\_  
Charles Donohue  
Administrator and State Lands Registrar

State of Nevada )  
 ) ss  
County of \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, personally appeared \_\_\_\_\_ personally known to me, (or proved on the basis of satisfactory evidence) to be the person whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon their behalf of which the person acted, executed the instrument.

\_\_\_\_\_  
Notary Public

**Seller: Nevada Division of State Lands**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Charles Donohue  
Administrator and State Lands Registrar

State of Nevada )  
 ) ss  
County of \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, personally appeared \_\_\_\_\_ personally known to me, (or proved on the basis of satisfactory evidence) to be the person whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon their behalf of which the person acted, executed the instrument.

\_\_\_\_\_  
Notary Public

**EXHIBIT "A"**  
(Legal Description of Receiving Parcel)



# EXHIBIT "I"

BRADLEY CROWELL  
*Director*

Department of Conservation  
and Natural Resources

CHARLES C DONOHUE  
*Administrator*

BRIAN SANDOVAL  
*Governor*



State Land Office  
State Land Use Planning Agency  
Nevada Tahoe Resource Team  
Conservation Bond Program -Q1

*Address Reply to*

Division of State Lands  
901 S. Stewart St. Suite 5003  
Carson City, Nevada 89701-5246  
Phone (775) 684-2720  
Fax (775) 684-2721  
Web [www.lands.nv.gov](http://www.lands.nv.gov)

STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

## Division of State Lands

\_\_\_\_\_, 20\_\_

(To be mailed to TRPA/\_\_\_\_\_ County)

Regarding: Land Coverage Transfer Escrow  
Receiving Parcel APN \_\_\_\_-\_\_\_\_-\_\_\_\_  
Address: \_\_\_\_\_  
Buyer: \_\_\_\_\_  
Seller: Nevada Division of State Lands/IVGID

Dear Mr Boyd:

This is to advise you that the above referenced transaction closed escrow on \_\_\_\_\_, 20\_\_ and all documents have been recorded. In this transaction \_\_\_\_\_ square feet of Class \_\_, \_\_\_\_\_ land coverage was transferred to the above referenced Receiving Parcel from \_\_\_\_\_ APN \_\_\_\_-\_\_\_\_-\_\_\_\_ and from the Nevada Land Bank.

In the event you have any questions please contact me at (775) 684- 2735.

Sincerely,

Brenda Swart  
State Land Agent II  
Nevada Tahoe Resource Team  
[bswart@lands.nv.gov](mailto:bswart@lands.nv.gov)

Enclosures



September 21, 2022

Mr. Brad Underwood  
Director of Public Works  
Incline Village General Improvement District  
1220 Sweetwater Way  
Incline Village, Nevada 89451

**Re: Fiscal Year 2022 (July 1, 2021 – June 30, 2022) IVGID land coverage report.**

Dear Mr. Underwood:

Per the Policies and Procedures for the Management, Sale and Transfer of Coverage owned by the Incline Village General Improvement District (IVGID), the following is a summary of the activities for the Fiscal Year July 1, 2021 to June 30, 2022.

- I. Transactions Closed
- II. Transactions in Process
- III. Miscellaneous Items
- IV. Tracking Chart for Class 4 and 6 Potential Coverage (Exhibit A)
- V. Tracking Chart for Class 1a Potential Coverage (Exhibit B)

I. Transactions Closed:

There were nine (9) transactions that closed between July 1, 2021 and June 30, 2022:

1. On **September 21, 2021**, a transaction was finalized involving the sale of **1200 square feet of Class 6, Potential** land coverage to the Klinger Living Trust dated October 22, 2008, to provide the additional coverage required as one of the conditions for TRPA permit ERSP2021-0656 to authorize a teardown of an existing single-family dwelling and the rebuild of a new single-family dwelling located at 1055 Tiller Drive, Incline Village, NV 89451 in Washoe County APN 130-201-11.

2. On **November 5, 2021**, a transaction was finalized involving the sale of **117 square feet of Class 4, Potential** land coverage to Kuchulis 2013 Family Trust as **required as one of the conditions for TRPA permit ERSP2021-0090 to authorize an addition/modification to an existing single-family residence to include the expansion of the existing garage, and the expansion of living space and decks** located at 580 Valley Drive, Incline Village, NV 89451 in Washoe County APN 125-502-05.
3. On **December 10, 2021**, two transactions were finalized involving the sale of **3,005 and 1,262 square feet of Class 1a, Potential** land coverage to EVC Incline Village, LLC., **to provide the additional coverage required as one of the conditions for TRPA permit ERSP2021-0546 to authorize a commercial redevelopment project on a two-parcel project area. The existing commercial and residential buildings will be demolished, and a new 10,800 square foot commercial building constructed. One freestanding sign and two building signs are included as part of the project, as well as parking, landscaping, and a stormwater infiltration system** located at 869 and 873 Tahoe Blvd, Incline Village, NV 89451 in Washoe County APNs 132-240-20 & 132-240-21.
4. On **December 20, 2021**, a transaction was finalized involving the sale of **3,840 square feet of Class 1a, Potential** land coverage to Sun Dog, LLC., **to provide the additional coverage required as one of the conditions for TRPA permit ERSP2018-1321-01 to authorize the construction of a swimming pool, pool deck, accessory building, mechanical building, pathways, and other miscellaneous improvements that are accessory to an existing single-family residence** located at 230 Estates Drive, Incline Village, NV 89451 in Washoe County APN 130-163-27.
5. On **April 15, 2022**, a transaction was finalized involving the sale of **1,560 square feet of Class 1a, Potential** land coverage to **Terry and Sarah Alsberg** as **required as one of the conditions for TRPA permit ERSP2019-0702 to authorize the construction of a new single-family dwelling in Incline Village** located at 1034 Tomahawk Trail, Incline Village, NV 89451 in Washoe County APN 130-083-06.
6. On **June 15, 2022**, a transaction was finalized involving the sale of **6,860 square feet of Class 6, Potential** land coverage to **Tahoe Forest Hospital District** as **required as one of the conditions for TRPA permit ERSP2021-0954 to authorize the construction of a new parking area with all required stormwater Best Management Practices (BMPs) at the existing Incline Village Community Hospital site** located at 880 Alder Avenue, Incline Village, NV 89451 in Washoe County APN 132-011-07. Per the NDSL/IVGID Interlocal Contract, transfers of land coverage above 4,999 square feet shall be appraised by IVGID and approved by the IVGID Board of Trustees. The cost of the appraisal was reimbursed to IVGID by the buyer.

- 7. On **June 17, 2022**, a transaction was finalized involving the sale of **2,969 square feet of Class 1a, Potential** land coverage to **Richard and Wendy Aronwald Trust, dated October 6, 2021** as **required as one of the conditions for TRPA permit ERSP2021-1900 to authorize the construction of a new single-family dwelling on a vacant lot in Incline Village Zone #4 of the Washoe County Tahoe Area Plan** located at 606 Doeskin Court, Incline Village, NV 89451 in Washoe County APN 125-511-05.
- 8. On **June 22, 2022**, a transaction was finalized involving the sale of **1,600 square feet of Class 1a, Potential** land coverage to **K2 Holdings, LLC.** as **required as one of the conditions for TRPA permit ERSP2022-0116 to authorize the construction of a new single-family dwelling** located at 1065 Lucerne Way, Incline Village, NV 89451 in Washoe County APN 126-084-07.

II. Transactions in Process:

There are currently no transactions in process.

III. Miscellaneous Items:

Presently, the remaining balance of Class 4 and 6 Potential land coverage is calculated to be 16,952 square feet and the remaining balance of Class 1a Potential land coverage is 5,720 square feet. NDSL continues to receive regular inquiries regarding the purchase of land coverage in Washoe County for the Incline Village Hydrologic Zone.

IV. Please see Exhibit A Tracking Chart of Class 4 and 6 Coverage.

V. Please see Exhibit B Tracking Chart of Class 1a Coverage.

If you have any questions regarding this report, please feel free to contact me at (775) 684-2735.

Sincere Regards,



Sherri Barker  
State Land Agent III  
Nevada Division of State Lands

CC: Charles Donohue, Administrator and State Land Registrar, Nevada Division of State Lands  
Ellery Stahler, Deputy Administrator, Nevada Division of State Lands  
Meredith Gosejohan, Tahoe Program Manager, Nevada Division of State Lands



Exhibit A

**MANAGEMENT, SALE AND TRANSFER OF COVERAGE  
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT  
TRACKING CHART FOR CLASS 4 AND 6 POTENTIAL COVERAGE**

Sending Parcel APNs 131-240-02, 131-012-07, and 131-100-01

Number	APPLICANT				WAITING LIST		PURCHASE AGREEMENT		COVERAGE TRANSFERRED		PRICE	TOTAL	NDSL MGMT.	NDSL	NET TO	Balance 50,000 Sq. Ft.	
	Name O=Owner;A=Agent	Date In System	Receiving FALSE	Class	Sq. Ft. Coverage	Expiration Date	Sq. Ft. Coverage	COE Date	Sq. Ft. Coverage	Date	PER SF	PURCHASE	FEEES COLLECTED	Application	IVGID		
												PRICE	(\$1.00 psf transferred)	Fee			
1	O= SBC Nevada Bell	6/4/2003	Co. Right-of-Way; adjacent to APN 130-050-02	4				18	9/9/2003	18	9/9/2003	\$27.00	\$486.00	\$18.00	\$250.00	\$468.00	49,982
2	O=N. Lake Tahoe Fire Protection Dist.	9/15/2003	132-223-03,04,0	6				17,406	9/7/2004	17,406	9/7/2004	\$15.67	\$272,752.00	\$17,406.00	\$250.00	\$253,926.50	32,576
3	O=Washoe County Maintenance Station	12/9/2003	124-032-34	4				2,999	8/30/2004	2,999	8/30/2004	\$22.00	\$65,978.00	\$2,999.00	\$250.00	\$62,979.00	29,577
4	O=Washoe County New Library	2/20/2004	132-020-04	6				19,703	1/26/2005	19,703	1/26/2005	\$14.78	\$291,210.00	\$19,703.00	\$250.00	\$269,032.00	9,874
5	O=Robert Piccinini Trust. A=Dave Shelton	6/28/2004	122-126-11	6				906	8/26/2004	906	8/26/2004	\$25.00	\$22,650.00	\$906.00	\$250.00	\$21,744.00	8,968
January 26, 2005-TRPA AUTHORIZED RELEASE OF 25,000 SQ. FT. OF ADDITIONAL LAND COVERAGE OF CLASS 4/6 LAND COVERAGE (25,000 sq. ft. + 8,968 sq. ft.=33,968 sq ft.)																33,968	
6	O=Rye	5/13/2005	125-482-10	6				39	7/12/2005	39	7/12/2005	\$27.00	\$1,053.00	\$39.00	\$250.00	\$1,014.00	33,929
7	O=Schmidt/Berger	5/16/2005	125-231-19	6				48	9/8/2005	48	9/8/2005	\$27.00	\$1,296.00	\$48.00	\$250.00	\$1,248.00	33,881
8	O=J. Meyrelles	3/6/2006	125-051-05	4				1,204	4/27/2006	1,204	4/27/2006	\$25.00	\$30,100.00	\$1,204.00	\$250.00	\$28,896.00	32,677
9	O=Piccinini	5/11/2006	122-127-11	4				102	9/8/2006	102	9/8/2006	\$27.00	\$2,754.00	\$102.00	\$250.00	\$2,652.00	32,575
10	O=North Tahoe Community Church *	5/22/2007	130-050-01	**4 & 6				7,395	9/27/2007	7,395	9/27/2007	\$15.29	\$115,069.55	\$14,789.00	\$250.00	\$100,280.55	25,180
11	A=Hill Planning O=WCSO	12/18/2007	132-012-05	*6				20,302	4/29/2008	10,151	4/29/2008	\$17.90	\$363,405.80	\$20,302.00	See 1a	\$161,400.90	15,029
12	A= Susie Yanagi O=Jon/Amy Smith	7/24/2008	130-161-12	*6				205	08/11/08	103	08/11/08	\$25.00	\$5,125.00	\$205.00	\$250.00	\$2,370.00	14,926
13	O=Ridgeview Estates, LLC	11/6/2008	125-162-18	*6				24	12/8/2008	12	12/8/2008	\$27.00	\$648.00	\$24.00	\$250.00	\$300.00	14,914
14	A=Kevin Agan O=Richard & Lisa Andriano	6/23/2009	131-211-10	*4				229	7/28/2009	115	7/28/2009	\$25.00	\$5,725.00	\$229.00	\$250.00	\$2,646.00	14,799
15	A=Kevin Agan O=Stevan & Lynn Berardo	7/21/2010	131-221-01	*4				9	1/19/2011	5	1/19/2011	\$27.00	\$243.00	\$9.00	\$250.00	\$126.00	14,794
16	A=Gary Taylor O=Frank Delfer	4/15/2013	122-132-22	*4				267	5/30/2013	134	5/30/2013	\$25.00	\$6,675.00	\$267.00	\$250.00	\$3,083.00	14,660
17	A=Jason Hummel O=Balfrey	9/5/2013	125-132-06	*4				301	9/26/2013	151	9/27/2013	\$25.00	\$7,525.00	\$301.00	\$250.00	\$3,474.00	14,509
18	A=Kevin Agan O=Lemos-Petalas	9/25/2013	122-251-10	*6				1,019	12/31/2013	510	12/31/2013	\$25.00	\$25,475.00	\$1,019.00	\$250.00	\$11,731.00	13,999
19	O=Manuel and Mary Jo Stein	3/27/2014	128-170-02	*6				76	6/5/2014	38	6/5/2014	\$27.00	\$2,052.00	\$76.00	\$250.00	\$950.00	13,961

Exhibit A

20	O=Tom and Debra Annese	1/2/2015	125-231-18	*4			298	2/23/2015	149	2/23/2015	\$25.00	\$7,450.00	\$298.00	\$250.00	\$3,427.00	13,812
<b>FEBRUARY 26, 2016-TRPA AUTHORIZED RELEASE OF 25,000 SQ. FT. OF ADDITIONAL LAND COVERAGE OF CLASS 4/6 (25,000 sq. ft. + 13,812 sq. ft.=38,812 sq ft.)</b>																
21	IVGID (request coverage from bank)	7/24/2017	127-030-31	6			13,485		13,485		\$0.00		\$0.00	\$0.00	\$0.00	25,327
22	NV Energy						71	5/18/2018	36	5/18/2018	\$27.00	\$1,917.00	\$71.00	\$250.00	\$887.50	25,291
23	O=Ryan Mitchell	5/7/2018	125-253-02	*4			84	6/27/2018	42	6/27/2018	\$27.00	\$2,268.00	\$84.00	\$250.00	\$1,092.00	25,249
24	A=Kristina Hill O=Jonathan Sabin	06/15/18	125-482-33	*4			466	07/24/18	233	7/24/2018	\$25.00	\$11,650.00	\$233.00	\$250.00	\$5,592.00	25,016
25	O=Brent J. Robinson Trust	04/18/19	125-223-12	*6			644	05/15/19	322	5/15/2019	\$25.00	\$16,100.00	\$644.00	\$250.00	\$7,406.00	24,694
26	O=Stuart Lakeshore Residence Trust, A= Agan	08/12/19	130-312-14	*6			662	09/27/19	331	9/27/2019	\$25.00	\$16,550.00	\$662.00	\$250.00	\$7,613.00	24,363
27	O= IVGID (purchase of their own coverage) Cost to IVGID \$1.00 per SF	03/25/20	127-040-07	6			1342	05/28/20	1342	5/28/2020	\$1.00	\$0.00	\$1,342.00	\$250.00	\$0.00	23,021
28	O= Incline Center LLC A= NV Energy	07/29/20	132-012-02	*4			120	03/16/21	60	3/16/2021	\$27.00	\$1,620.00	\$120.00	\$250.00	\$1,500.00	22,961
29	O: KlingerLiving Trust, dated October 22, 2008	09/10/21	130-201-11	*6			1200	09/21/21	600	9/21/2021	\$25.00	\$30,000.00	\$1,200.00	\$250.00	\$13,800.00	22,361
30	Kuchulis 2013 Family Trust	07/05/21	125-502-05	*4			117	11/05/21	59	11/05/21	\$27.00	\$3,159.00	\$117.00	\$250.00	\$1,476.00	22,302
31	Sun Dog LLC	11/15/21	130-163-27	*6			3,840	11/15/21	1,920	12/20/2021	\$20.00	\$76,800.00	\$3,840.00	\$250.00	\$34,560.00	20,382
32	Tahoe Forest Hospital District	2/28/2022	132-011-07	*6			6860	6/15/2022	3430	6/15/2022	N/A	\$51,250.00	\$6,860.00	\$250.00	\$44,390.00	16,952
<b>Total Remaining Coverage</b>																
<b>16,952</b>																

\*A portion the square footage sold came from the Nevada Land Bank

Exhibit B

**MANAGEMENT, SALE AND TRANSFER OF COVERAGE  
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT  
TRACKING CHART FOR CLASS 1a POTENTIAL COVERAGE**

**Sending Parcels APNs 125-030-09 and 125-030-06**

Number	APPLICANT				PURCHASE AGREEMENT		COVERAGE TRANSFERRED		PRICE PER	IVGIDsTOTAL	NDSL MGMT.	NDSL	NET TO	Balance 10,000 Sq. Ft.
	Name	Date In System	Receiving Site APN	Class	Sq. Ft. Coverage	COE Date	Sq. Ft. Coverage	Date	SF	PURCHASE PRICE	FEEs COLLECTED (\$1.00 psf transferred)	Application Fee	IVGID	
	O=Owner;A=Agent													
1	O= Niran & Norma Shah	7/15/2003	125-221-08	1a	1,439	9/7/2004	1,439	9/7/2004	\$37.50	\$53,962.50	\$1,439.00	\$250.00	\$52,523.50	8,561
2	O= Lynn & Melody Fetterly	3/1/2004	126-470-08	1a	1,891	8/31/2004	1,891	8/31/2004	\$33.50	\$63,348.50	\$1,891.00	\$250.00	\$61,457.00	6,670
3	A= Stephen Kacyra, O= Ben and Barbara Kacyra	3/4/2004	125-211-06	1a	3,768	7/9/2004	3,768	7/9/2004	\$34.48	\$129,920.64	\$3,768.00	\$250.00	\$126,152.00	2,902
4	A= Stephen Kacyra, O= KGI-1	3/4/2004	125-211-07	1a	96	7/9/2004	96	7/9/2004	\$40.00	\$3,840.00	\$96.00	\$250.00	\$3,744.00	2,806
5	O=Walter & Nancy Simon	7/1/2004	125-562-09	1a	1,729	11/2/2004	1,729	11/2/2004	\$33.50	\$57,921.50	\$1,729.00	\$250.00	\$56,192.50	1,077
<b>March 28, 2005- TRPA Authorized Release of 10,000 sq. ft. of Additional Class 1a Land Coverage (10,000 sq. ft. + 1,077 sq. ft. =11,077)</b>														<b>11,077</b>
6	O=John Helm	7/7/2004	122-125-05	1a	2,616	6/8/2005	2,616	6/8/2005	\$33.50	\$87,636.00	\$2,616.00	\$250.00	\$85,020.00	8,461
7	O=Richard Hanson	5/24/2006	125-386-07	1a	63	6/13/2006	63	6/13/2006	\$40.00	\$2,520.00	\$63.00	\$250.00	\$2,457.00	8,398
8	A=Gary Taylor O=George Kleinman	11/13/2007	125-181-16	1a*	868	2/20/2008	434	2/20/2008	\$37.50	\$16,275.00	\$868.00	\$250.00	\$15,407.00	7,964
9	O=Ridgeview Estates, LLC	3/1/2008	125-162-19	1a*	65	4/18/2008	33	4/18/2008	\$40.00	\$1,320.00	\$65.00	\$100.00	\$1,255.00	7,931
10	A=Hill Planning O=WCSO	12/18/2007	132-012-05	1a*	42	4/29/2008	21	4/29/2008	\$40.00	\$840.00	\$42.00	\$250.00	\$798.00	7,910
11	A=Steve Geiszler O=Tom Neville	7/23/2008	125-521-05	1a*	1808	08/07/08	904	08/07/08	\$33.50	\$30,284.00	\$1,808.00	\$250.00	\$28,476.00	7,006
12	A=Peggy Colombo O=Martin Edelshain	4/17/2009	125-222-02	1a*	280	06/18/09	140	06/18/09	\$37.50	\$5,250.00	\$280.00	\$250.00	\$4,970.00	6,866
13	A=Kristina Hill O=Cari Wilson	4/10/2009	126-570-31	1a*	48	11/30/09	24	11/30/09	\$40.00	\$960.00	\$48.00	\$250.00	\$912.00	6,842
14	O=Grant Paulson	5/28/2010	125-531-18	1a*	813	07/09/10	407	07/09/10	\$37.50	\$15,262.50	\$813.00	\$250.00	\$14,449.50	6,435
15	O=Grant Paulson	5/6/2011	125-531-18	1a*	40	07/13/11	20	07/13/11	\$40.00	\$800.00	\$40.00	\$250.00	\$760.00	6,415
16	O=Ridgeview Estates, LLC	8/17/2009	125-503-29	1a*	2,473	08/26/11	1,237	08/26/11	\$33.50	\$41,439.50	\$2,473.00	\$250.00	\$38,966.50	5,178
17	A=Gary Taylor O=John Baillie	1/11/2012	126-082-08	1a*	84	03/06/12	41	03/06/12	\$40.00	\$1,640.00	\$84.00	\$250.00	\$1,596.00	5,137
18	A= Scott Boyd, O=Matthew O'Connell	4/2/2015	125-162-20	1a*	146	06/05/15	73	06/05/15	\$40.00	\$2,920.00	\$146.00	\$250.00	\$2,774.00	5,064
19	A=Gary Taylor O=Juli and Blake Riva	5/13/2015	131-212-04	1a*	576	07/13/15	288	07/13/15	\$37.50	\$10,800.00	\$576.00	\$250.00	\$10,224.00	4,776
20	A=Gary Taylor O=Michael and Nell Lacey	3/16/2016	122-142-13	1a*	785	05/16/16	393	05/16/16	\$37.50	\$14,737.50	\$785.00	\$250.00	\$13,933.75	4,383
<b>FEBRUARY 26, 2016- TRPA Authorized Release of 10,000 sq. ft. of Additional Class 1a Land Coverage (10,000 sq. ft. + 4,383 sq. ft. =14,383)</b>														<b>14,383</b>
21	**IVGID Note: No fees involved. IVGID needed 1a coverage back for a project. I deed restricted the receiving parcel and deducted the square foot	3/27/2016	130-0108	1a	1447		1447	4/5/2017						12,936
22	O=Kretchmer-Jarak	5/17/2017	126-590-04	1a*	2000	8/3/2017	1000	8/3/2017	\$33.50	\$33,500.00	\$2,000.00	\$250.00	\$31,500.00	11,936

Exhibit B

23	O=Brent Robinson	6/29/2017	131-232-04	1a*	1997	7/18/2017	999	7/18/2017	\$33.50	\$33,466.50	\$1,997.00	\$250.00	\$31,469.50	10,937
24	**IVGID Note: Selling 18 SF to NV Energy on NV Energy's easement	7/30/2019	125-030-06	1a*	36	11/7/2019	18	11/7/2019	\$40.00	\$720.00	\$36.00	\$250.00	\$684.00	10,919
25	O: EVC Incline Village, LLC	9/23/2021	132-240-20	1a*	1262	12/10/2021	631	12/10/2021	\$30.00	\$18,930.00	\$1,262.00	\$250.00	\$17,668.00	10,288
26	O: EVC Incline Village, LLC	9/23/2021	132-240-21	1a*	3005	12/10/2021	1503	12/10/2021	\$30.00	\$45,090.00	\$3,005.00		\$42,085.00	8,785
27	O: Terry & Sarah T Alsberg A: Kevin Agan	8/9/2021	130-083-06	1a*	1560	4/15/2022	780	4/15/2022	\$33.50	\$26,130.00	\$1,560.00	\$250.00	\$24,570.00	8,005
28	O: Richard and Wendy Aronwald Trust A: Exline Corp.	4/18/2022	125-511-05	1a*	2969	6/17/2022	1485	6/17/2022	\$33.50	\$49,747.50	\$2,969.00	\$250.00	\$46,778.50	6,520
29	O: K2 Holdings, LLC. A: Phil GilanFarr	4/13/2022	126-084-07	1a*	1600	6/22/2022	800	6/22/2022	\$33.50	\$26,800.00	\$1,600.00	\$250.00	\$25,200.00	5,720
<b>Total Remaining Coverage</b>														<b>5,720</b>

\*A portion the square footage sold came from the Nevada Land Bank

**MEMORANDUM**

**TO:** Board of Trustees

**FROM:** Matthew Dent  
Chair

Josh Nelson  
General Counsel

**SUBJECT:** Review, discuss, and provide direction on redactions for pending public records requests

**RELATED STRATEGIC PLAN INITIATIVES:** Long Range Principle #7 Governance

**RELATED DISTRICT POLICY:** Policy and Procedure No. 137/Resolution No. 1801 (Policy for the Provision of Records and Information to the Public)

**DATE:** March 1, 2023

---

**I. RECOMMENDATION**

That the Board of Trustees review, discuss, and provide direction on redactions for pending public records requests.

**II. BACKGROUND**

Attached is a list of the pending public records redactions since our last Board meeting.

**III. FINANCIAL IMPACT AND BUDGET**

No direct impact by this item.

**IV. ALTERNATIVES**

Below is an alternative to the recommended action:

1. Discontinue or modify the proposed reporting for public records.

**V. BUSINESS IMPACT**

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

**VI. ATTACHMENTS**

N/A

Date of Request	Requestor	Request	Dated Responded	Dated Records Provided	Exemption Applied and Rationale
1-9-2023	Joy Gumz	Payroll records for 2022, including the city where employees' W2s were sent.	1-9-2023 1-17-2023 1-25-2023 1-26-2023 2-28-2023	2-28-2023	The 2022 W2 register was provided with employee name, pay information, and home city, state, and zip code. Addresses were redacted as confidential personnel records.





## MEMORANDUM

**TO:** Board of Trustees

**FROM:** Indra Winquest  
District General Manager

**SUBJECT:** General Manager's Status Report  
Prepared for the meeting of March 8, 2023

**DATE:** March 1, 2023

### General Manager & Board of Trustees Priority Projects & Tasks

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Effluent Storage Tank Project <i>*updated 3/1/23</i>		GM Winquest/Director of PW Underwood	Jacobs is working to complete 100% plans and specifications
Effluent Pipeline Project <i>*updated 3/1/23</i>		GM Winquest/ Director PW Underwood	Granite Construction is advertising the bid package for subcontractors for the work to be completed in 2023.
<b>Internal Controls Project(s)</b> Review of Internal Control Policies and Procedures	Ongoing	Director of Finance Navazio	Purchasing policies drafted and approved by BOT 7/27/22; initial re-write of Finance and Accounting procedures manual has been completed; currently being reviewed in conjunction with Tyler system implementation.
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)  <i>*updated 2/8/23</i>	Fall/Winter 2022	Director of Finance Navazio	New Capitalization and Reserve policies completed – approved by BOT 1/12/22. Draft updates to Capital Program Planning and Budgeting policies presented to BOT 11/9 – final review and adoption <i>Pending.</i>
Incline Beach House Project  <i>*updated 3/1/23</i>	TBD	Engineering Dept/GM Winquest/Chairman Dent	The Board will be sending out a community survey to solicit information to inform scope and design of the project. Additionally, staff and the Board will be continuing discussions related to the LSC Traffic Study to identify areas that

			could potentially implemented as part of a broader Incline Beach House project.
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  <i>*updated 3/1/23</i>	Completed	GM Winquest/Legal Counsel Nelson	Completed. Board of Trustees
Community Dog Park Committee  <i>*updated 3/1/23</i>	Ongoing	GM Winquest	The GM Advisory Committee on a Community Dog Park is now actively meeting and have most recently met the following dates: 1/4/23, 1/18/23, 2/1/23 and 2/16/23. The committee is currently finalizing a community wide survey to solicit information to inform final recommendations to the board of trustees.
USACE Grant Funding for Tank (Pond Lining)/Pipeline Projects  <i>*updated 3/1/23</i>	TBD	GM Winquest/ Director PW Underwood	Army Corp has submitted for their internal review, a draft Model Agreement for Tank project grant funding.
Employee Privileges (ideas for replacement of recession of beach access)	March 22 or April 12	GM Winquest with Senior Team	Staff is working to gather ideas and thoughts on items that could replace the loss of beach access for employees; an initial list has been put together. Input is being sought from a variety of Staff and Staff hopes to have an updated list of ideas and thoughts for the Board to consider at the March 22 or April 12 meeting.
Ordinance 7 Amendments	Additional revisions Winter 2022/23	GM Winquest/Director of Parks & Recreation Leijon.	Staff provided an end of season report on how the revisions to Ordinance 7 worked and any potential recommendation for further revisions and/or operational changes at the 11/9/22 meeting. A public hearing has been set for

			further revisions to the Ordinances as discussed by the Board of Trustees.
<i>*updated 3/1/23</i>			
Utility Rate Study  <i>*updated 3/1//23</i>	Year 1- Completed 4/22 Year 2 - Target April '23	Director of Finance Navazio/Director of PW Underwood	See Board Memo for this meeting 3/8/23

**Diamond Peak Ski Resort Update**

The ski venue completed its 88<sup>th</sup> day of operation at the end of February where last season the count was 75 days at the end of February. Through February, the year to date total daily visit count was 66,960 as compared to 75,475 visits through the end of February 2022, noting that last season included 13 less operating days as the ski area opened on December 16 2021.

Visits for the month of February were 26,688, 15% below the 31,505 visit count for February 2022. February included visits 16% below the 5-year average and 18% below the 10-year average. During the 9 day Saturday through Sunday period of Presidents week we saw 13,519 visits as compared to 16,216 in 2022, the 5-year average for Ski week period includes 16,785 skier visits and a record high of 25,807 visits for the 9-day period in 2017. On Saturday February 19, a clear sunny day, we recorded 2,901 visits, the high for the current season. During the remainder of the holiday week high winds, extremely cold temperatures and snowfall equated to an average daily visitation of 1,200 for the period. For the month, we recorded 82" of snowfall as compared to 10" in February 2022. The season to date total for the 2022/23 season is at 285" whereas last season we recorded 187" at the end of February.

The table below provides current (CY Actual) and prior year (PY Actual) performance indicators for the month of February.

Diamond Peak Ski Resort Key Performance Indicators 02/01/2023 - 02/28/2023			
Item	February 22	February 23	Variance
	PY Actual	CY Actual	
Operating Days	28	28	-
Skier Visits	31,313	26,688	(4,625)
PPH Lift Tickets	3,551	3,054	(497)
Non-PPH Lift Tickets	11,697	11,435	(262)
PPH Season Passes YTD	4,371	4,351	(20)
Non-PPH Season Passes YTD	4,035	4,079	44
Food & Beverage Guest Checks	18,904	22,108	3,204
Food & Beverage Guest Check Average	\$23.26	\$21.61	-\$1.65
Rental Equipment Units	5,437	5,035	(402)
Child Ski Center Lessons Taught	1,685	1,053	(632)
Ski and Ride Center Lessons Taught	2,673	2,225	(448)
Personnel Hours Worked	20,898	23,501	2,603
Snow Grooming Operating Hours	1,209	1,094	(115)
Snow Grooming Operating Miles	4,021	3,716	(305)

## **Key Project Updates**

*For more information on current district capital projects.*

Webpage Link:

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

## **Employee Recruitment and Retention**

At the January 25<sup>th</sup> Board of Trustees Meeting, the Board of Trustees took action to eliminate beach access as a recreation benefit for all IVGID employees. The Board has directed Staff to develop additional recruitment and retention concepts and strategies to possibly replace the loss of this benefit as well as remaining focused on ensuring IVGID is a desirable place to work in the existing extremely competitive labor environment. Staff has developed draft concepts and strategies and is currently in the process of preparing to gather additional information from district staff. Staff is planning to agendize a discussion with the Board at the March 22, 2023 Meeting.

## **Ordinance 7, paragraph 110 - Report**

Following is the excerpt from Ordinance 7, which dictates this report:

110. The Director of Parks and Recreation and the General Manager shall set up systems to collect and shall collect data electronically and otherwise, and make reports available to the Board of Trustees as to the impact of the changes in this Ordinance on or before March 1 of each year, commencing on March 1, 2023, at a public meeting, so that the policies and procedures set forth in this Ordinance 7 effective June 1, 2022 can be reviewed. Thereafter, each year, on or about March 1, the policies and procedures set forth in this Ordinance 7, effective dated June 1, 2022, will be reviewed by the General Manager and Director of Parks and Recreation, with the Board, which review shall include detailed usage information that shall be tracked electronically.

On November 9, 2022, the Director of Parks and Recreation gave a 2022 beach season report in reference to this paragraph from Ordinance 7. Additionally, staff is currently working with the Board on further revisions to Ordinance 7. Here is the link to this report as a reference:

[https://www.yourtahoepace.com/uploads/pdf-ivgid/2022\\_Beach\\_update\\_PowerPoint\\_Final.pdf](https://www.yourtahoepace.com/uploads/pdf-ivgid/2022_Beach_update_PowerPoint_Final.pdf)

## **Update on Evaluation of Recreation Punch Cards**

Staff was given direction, during the Ordinance 7 Revision process, to evaluate the concept, as recommended by the Ordinance 7 Committee, of the ability to use a recreation punch card to purchase up to the full value of daily access to IVGID recreation venues including ski, golf, the recreation center, and the tennis and pickleball center. The current process only allows

the card to discount the rate from the Non IVGID Passholder rate to the IVGID Passholder Rate. Staff has evaluated this along with other concepts that may alleviate some of the existing challenges that exist with administering recreation punch cards. Including financial transparency and reporting, budgeting, and how and what venues the recreation punch card values are being utilized as these values relate to the allocation of the Recreation and Beach Facility Fees.

On the subject of allowing recreation punch cards the ability to purchase the full daily value for access, Staff has determined that the District can administrate this, however it's really challenging to predict if this will change the behavior of recreation punch card usage and furthermore affect the venues both financially and operationally. If the Board wants to pursue this concept, it's recommended that Staff implements a one year pilot/trial program to measure the effectiveness and overall value to the parcel owners as well as any impacts it may have either favorable or unfavorable at the district venues.

However, Staff is concerned that if the goal is to significantly revise how recreation punch cards are structured or possibly replace with a different concept, it makes very little sense to implement any changes to recreation punch cards at this time. Staff will be agendizing a discussion regarding this topic at an upcoming meeting during the budget process where concepts and ideas will be presented for discussion and feedback that could inform the 2023-24 budget.

### **Financial Transparency**

The Finance Department has completed the January close and posted monthly financial reports to the District's website for the months. Accounting Staff has updated its month-end close schedule to ensure that all month-end activity is posted to the general ledger within 10-business days, and monthly reports posted within 14 business days following the end of the accounting period. Staff is also working on producing a monthly Capital Projects status report to supplement the quarterly CIP Popular Status Report presented to the Board.

Update on significant projects currently underway include:

*Implementation of Tyler/Munis Financial System* – Staff resolved issue related to payment processing and is in the process of updating new procedures to facilitate timely approval and processing of invoices. We are also developing training tools to support financial reporting.

*OpenGov Conversion to Tyler* – This project is underway with a go live target date of April 15<sup>th</sup>.

*Review and update of selected Board Policies and Practices* – Capital Planning and Budgeting Policies/Practices (Policy 12.1.0, 13.1.0 and Practice 13.2.0) – Pending/delayed.

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

See the attached report for February 2023.

**Public Records Requests**

Following are the public records requests from **February 2, 2023 to March 1, 2023.**

Date Requested	By Whom	Subject	Date Responded	Status/Comments
01/09/2023	Gumz, Joy	Payroll Information – CY 2022	02/28/2023	Complete
01/12/2023	Abel, Mike	Please provide by email: 1.unredacted invoices dated from Dec 2021 to Jan 10, 2023 from legal firm Thorndal Armstrong Delk Balkenbush Eisinger; 2. any emails, memorandum or other written materials related to the Scope of Services to be provided by Thorndal Armstrong Delk Balkenbush Eisinger per the engagement letter dated Dec 8, 2021 and accepted by General Manager Winquest Dec 20, 2021; 3. Any "work product" such as recommendations and/or opinion or report or legal definitions or other materials as the engagement letter dated Dec 9, 2021 stated opinion and recommendation were to be provided.	02/04/2023	Complete
01/26/2023	Katz, Aaron	Ski Resort and Burnt Cedar Beach	02/02/2023 02/08/2023 Complete	Burnt Cedar Beach items; Ski resort items.
01/26/2023	White, Lilly	E-Mails/Text Messages: All Trustees from 11/13 to present		Requester was advised that Staff is looking at a schedule to respond. 01/31/23: Trustees requested to provide information. 02/03/23: Trustee Noble's information sent and Requester advised of a 2/28 fulfillment. 02/17/23: Trustee Dent's information sent 02/08/23:Trustee Tulloch's information sent 02/28/23: Requestor advised of new delivery date of 3/24
01/27/2023	Wright, Frank	Balkenbush Invoices	02/04/2023	Complete
01/27/2023	Martini, Margaret	Balkenbush invoices, salary range, job description, Chateau invoice	02/06/2023	Complete
01/30/2023	Katz, Aaron	Line Item Budget	02/01/2023 02/07/2023	Complete Additional information sent Note: Line item budget posted to the IVGID website after the 02/22/2023 BOT meeting
01/30/2023	Miller, Judith	Recreational Privilege Document	01/31/2023	Complete

01/30/2023	Wright, Frank	Same items that he requested on 11/15/2022 and that he was provided/responded to on 11/18/2022	02/02/2023	Complete
02/06/2023	Katz, Aaron	Salary Range Grade Numbers and Monetary Ranges of 14 positions	02/07/2023	Complete
02/06/2023	Wright, Frank	The total compensations for employees for the years 2017, 2018, 2019, 2020, 2021 and 2022	02/08/2023	Complete
02/09/2023	Katz, Aaron	Unreimbursed Internal Services Staff Time expended in preparation of the 2/8/2023 Beach House Project presentation to the IVGID Board	02/16/2023	Complete
02/13/2023	Dobler, Cliff	Evidence of pre-approval of the State Treasurer's office for the \$52 million SRF loan	02/28/2023	Complete
02/13/2023	Katz, Aaron	IVGID's Electric Vehicle Charging Stations	03/01/2023	Complete
02/16/2023	Katz, Aaron	10-year CIP detail assigned to Ski		
02/17/2023	Wright, Frank	Name of the account assigned to the funds paying for Staff time for the Beach House	02/28/2023	Complete
02/22/2023	Gumz, Joy	Tyler: Project schedule for implementation and all status reports since 12/10/2022	02/28/2023	Requestor advised of a 3/24 completion date
02/22/2023	Wright, Frank	Job Posting, Job Description, etc. and Job titles and descriptions for all newly created Director positions as well as advertisements, etc. and salaries.		Note: These are the same items that he requested on 11/15/2022 and that he was provided/ responded to on 11/18/2022 and that were resent on 02/02/2023
02/23/2023	Wright, Frank	Copy of the document that Dr. Myles Riner submitted to the Board at the 2/22/2023 Board meeting	02/28/2023	Complete
02/25/2023	Gumz, Joy	Requesting an updated Chart of Accounts		
02/28/2023	Wright, Frank	Beach House Project – multiple items		
02/28/2023	Wright, Frank	Balkenbush invoices again	02/28/2023	Complete
02/28/2023	Gumz, Joy	P-Card (Jan 2022 – February 28, 2023)		

**PURCHASE ORDERS APPROVED BY GENERAL MANAGER  
February 2023**

<b>PO Number</b>	<b>Fiscal Year</b>	<b>Description</b>	<b>Status</b>	<b>Open Amount</b>	<b>Total Amount</b>	<b>Vendor</b>	<b>Vendor Name</b>	<b>Department</b>	<b>Approved</b>
<a href="#">22300275</a>	2023	Completion of Rate Study, Water	Printed	\$ 38,762.50	\$ 54,885.00	1441 HDR Engineering, Inc		Public Works	2/23/2023
<a href="#">22300276</a>	2023	Network Upgrades	Printed	70,608.52	70,608.52	3475 SHI International Co		Admin. - I/T	2/23/2023
<a href="#">22300277</a>	2023	Pool Maintenance	Printed	50,000.00	50,000.00	2738 Lee Joseph, Inc.		Recreation - Aquatics	2/24/2023





**LONG RANGE CALENDAR**

\*\*\*\*\*  
**Wednesday, March 22, 2023 at 6 p.m. – Regular Board of Trustees Meeting – Boardroom  
(Chairman Dent not available in person)**

Items Slated for Consideration

Budget Workshop #3 – Operating Budget Update, Capital Improvement Plan Update and Final Facility Fees (Venue Manager Presentations)

1. Approval of Bonds and SRF Loan Documents (Effluent Pipeline)
2. Amend FY 2022/23 capital budget to reflect financing plan/sources, etc.
3. Award Construction Contract for Bike Park Improvements – PW
4. Award Design/Build contract for Diamond Peak Kitchen Remodel – PW
5. Bring back LSC study (beaches)
6. Punch card recommendations

\*\*\*\*\*  
**Wednesday, April 12, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

1. Board approval of FY 2023/2024 Tentative Budget (Form 4404LGF) (to be filed April 15, 2022)
2. Public Hearing: Ordinance 7
3. Presentation by Waste Management regarding proposed improvements to their Transfer Station property - PW
4. Award Construction Contract for Wetlands Improvements – PW
5. Award CMAR GMP 1 Contract for Effluent Pipeline – PW
6. Ordinance 7, An Ordinance Establishing Rates, Rules and Regulations for IVGID Recreation Passes and Recreation Punch Cards by the Incline Village General Improvement District effective June 1, 2022 - Actions on Fees as stated in paragraphs 36, 69, 71 and 81 – do at budget time – PLACEHOLDER – could move to another date
7. External Organization Involvement Disclosure Policy (Nelson – 01/11/2023)
8. Review Revised Public Records Policy Based on Trustee Feedback (Nelson)

\*\*\*\*\*  
**Wednesday, April 26, 2023 at 6 p.m. – Regular Board of Trustees Meeting – Boardroom**

Items Slated for Consideration

1. Conduct the Public Hearing for the Proposed Amendments to the Sewer and Water Schedule of Service Charges – PW
2. Award Construction Contract for Mountain Golf Phase 2 – PW
3. Award Construction Contract for Mountain Golf Phase 3 - PW
4. Award Construction Contract for Water Reservoir Coatings and Site Improvements – PW
5. Award Construction Contract for Utility Adjustments within SR 28 NDOT ROW - PW

\*\*\*\*\*  
**Wednesday, May 10, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

1. Discuss General Manager’s Goals before evaluation occurs (Trustee Dent – 09282022)
2. Board approval of final FY 2023/2024 Annual Budget (Form 4404LGF) (to be filed with State 06/01/2023) **and** Facility Fees and Recreation Roll
3. Fiscal Year 2022/2023 Third Quarter Budget Update and Expense Projects Report– Presented by Director of Finance Paul Navazio
4. Fiscal Year 2022/2023 Third Quarter CIP Popular Status Report – Presented by Director of Finance Paul Navazio
7. Approval of USACE 595 Model Agreement for Grant Funds (Effluent Pipeline and Storage Tank) – PW

\*\*\*\*\*



**LONG RANGE CALENDAR**

\*\*\*\*\*  
**Wednesday, May 24, 2023 at 6 p.m. – Special Board of Trustees Meeting - Boardroom**

Public Hearings: FY 2023/24 Recreation Roll; FY 2023/24 Annual Budget

\*\*\*\*\*  
**Wednesday, June 7, 2023 at 6 p.m. – Special Meeting of Board of Trustees - Boardroom**

- 1. General Manager’s Performance Evaluation
- 2. General Manager’s Goals for Next Fiscal Year

\*\*\*\*\*  
**Wednesday, June 14, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

- 1. Goals for the District General Manager Discussion

\*\*\*\*\*  
**Wednesday, June 28, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

\*\*\*\*\*  
**Wednesday, July 12, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

- 1. Annual report – PP 141/Resolution 1895 (added by Director of Administrative Services Herron 07/28/2022) – due date is last meeting in July 2023

\*\*\*\*\*  
**Wednesday, July 26, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

Board approval of Annual Indebtedness Report (Form 4410LGF)  
Board approval of 5-Year Capital Plan (Form 4411LGF)

\*\*\*\*\*  
**Wednesday, August 9, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

- 1. Finalize General Manager’s goals by the end of August 2023
- 2. Fiscal Year 2022/2023 Fourth Quarter Budget Update and Expense Projects Report – Presented by Director of Finance Paul Navazio
- 3. Fiscal Year 2022/2023 Fourth Quarter CIP Popular Status Report – Presented by Director of Finance Paul Navazio
- 4. Review and Discuss Results of Staff’s tracking on time regarding public records requests



**LONG RANGE CALENDAR**

\*\*\*\*\*  
**Wednesday, August 30, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

\*\*\*\*\*  
**Wednesday, September 13, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

\*\*\*\*\*  
**Wednesday, September 27, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

\*\*\*\*\*  
**Wednesday, October 11, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

\*\*\*\*\*  
**Wednesday, October 25, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

\*\*\*\*\*  
**Wednesday, November 8, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration

FLASHVOTE contract review

\*\*\*\*\*  
**Wednesday, December 13, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom**

Items Slated for Consideration



**LONG RANGE CALENDAR**

**Parking Lot Items – To be scheduled**

	<i>Items sitting in the parking lot (to be discussed but (a) not yet scheduled for a specific Regular Board Meeting) or (b) a future Board not on this calendar</i>
1	Possible discussion on IVGID needs as it relates to potential land use agreement with DPSEF (Request by Trustee Schmitz – 01/18/2021)
2	Next step on Diamond Peak parking lot/Ski Way – Staff added reminder
3	Request that the Board discuss a strategy for dealing with e-mails and correspondence that the Board receives. Need to have a strategy and approach on who responded – come up with a consensus by the Board on who responds. (Request by Trustee Schmitz – 11/03/2021) Related to Policy 20.1.0. <b>Follow up with District Counsel Nelson</b>
4	Modifications to current budget to reflect grant funding and cost sharing on Effluent Tank (added by Director of Public Works)
5	Liaisons with Washoe County
6	Capitalization Policy (Schmitz – 02/08/2023)
7	Update on Snowflake Lodge (Noble)
8	Discuss Employee Recreational Privileges and comparison to other agencies (From 02/08/2023 BOT Meeting)
9	Report from GM's Dog Park Committee – once survey results start coming in (Date to be determined)
10	Contracts Review

\*Budget approval is required after the third Monday however whatever date is selected, a 10-day notice must be given. Must accomplish no later than June 1, 2023.