

staff assigns the costs to the General Fund. Which now means that those without beach access end up paying these costs with their RFF which is transferred into the General Fund under the disingenuous label of central services cost transfers. And for this you think Indra deserves a bonus? Are you out of your minds?

We all know Indra's performance, his absolute failure to achieve the goals local parcel owners expect of him, and that he deserves no more in compensation than that called for in his employment agreement.

Are we better off now than we were two years ago with our current GM? Has Indra looked out for our interests by creating all of these meaningless directorship positions which justify increased compensation as a means of payback? Of course not. Do away with setting goals for our GM and giving him bonuses. Here's a couple of goals Indra should know without the Board having to create the same:

1. Be truthful!
2. Be financially transparent!

Enough said?

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 22, 2023 MEETING –
AGENDA ITEM G(2) – TRANSFERRING THE COSTS OF PARKS TO THE
GENERAL FUND, AND COMING UP WITH A DISINGENUOUS
REVENUE SOURCE TO PAY FOR THEM**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. Transferring the costs of District parks which are available to be used by the general public as a whole, without payment of a user fee, while contemporaneously creating a new fee to pay for it which ultimately will be paid only by local parcel/dwelling unit owners. And that’s the purpose of this written statement.

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

² 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.”

³ 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.”

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._- _Recreation_Standby_and_Service_Charges.pdf).

Prologue: Here our Director of Finance tells us he can transfer all nearly \$1M in yearly costs for District parks to the General Fund. However if he does, he will have to come up with a means of transferring a like amount of new revenue to that fund inasmuch as NRS 354.626(1) prohibits transfers. So his preferred vehicle is to simply increase central services cost transfer to make up the shortage he requires. This is akin to simply changing the hand from which payment is made. Circumvention! And I object.

My E-Mail of February 20, 2023: On February 20, 2023 I sent an e-mail to the Board sharing my views on this subject⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: The idea of transferring costs associated with the District's public parks, is because they are available to be used by the general population as a whole, and without payment of a user fee. But instead, Mr. Navazio proposes disingenuously assessing local parcel owners higher central services costs to make up the deficiency. I object.

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

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

⁵ That e-mail is attached as Exhibit "A" to this written statement.

EXHIBIT "A"

Agenda Item G(2) to Feb 22, 2023 IVGID Board Meeting - Budget Workshop - Transferring the Cost of Parks to the General Fund

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>, Tulloch Ray <tulloch_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>
Subject: Agenda Item G(2) to Feb 22, 2023 IVGID Board Meeting - Budget Workshop - Transferring the Cost of Parks to the General Fund
Date: Feb 20, 2023 1:05 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

For reasons other than this one, I am opposed to your giving staff a forum to suggest a 2023-24 budget for the Board to adopt. Notwithstanding, there is a subject staff raise I would like to address. And it appears at pages 150-151 of the Board packet for the upcoming February 22, 2023 meeting; transferring the costs of public parks and fabricating the revenue to pay for them to the General Fund.

Why transfer these costs? Are public parks where no user fees are charged limited to use by local parcel owners who pay for their use with their properties' Recreation Facility Fee ("RFF")? Of course not! So why charge them for the costs staff assign to this sub-fund under the auspices of the umbrella Community Services Fund? It's wrong. And staff know it's wrong.

Trustee Schmitz recognizes this truism and for some time has been arguing those costs should be transferred to the General Fund, and paid for with general governmental revenues (i.e., ad valorem and C-taxes) rather than a creative sub-set of the RFF. And now Mr. Navazio responds which is the purpose for this e-mail. And the way within which he responds exposes him as being the same wrongdoer as his predecessor Gerry Eick. Judy won't let me call him what he really is so in the name of civility, let's just say Mr. Navazio speaks with forked tongue.

There are only two ways to pay for the \$1M or more of public park expenses staff admit to out of the General Fund. Either reduce other expenses assigned to the General Fund, or increase revenues by a like amount. Let's deal with the truth rather than Mr. Navazio's propaganda, shall we? Staff's preferred means is to increase revenues by a like amount. And increase them from where?

Page 163 to the Board's May 26, 2022 packet contains a summary of approved budgetary revenues and expenses assigned to the "Parks" sub-fund for the current fiscal year. At the bottom of the page you will find a negative number - \$854,171 in losses. But since this number is masked by \$73,191 of allocated RFF revenues, the true budgeted loss totals \$927,362. And remember. This number only includes \$130,000 in CIP costs. If those costs are closer to the \$827,000 figure staff have included on page 150 of the Board packet for this meeting, then we see the baseline budgeted loss is more realistically \$1,754,362.

So now we know staff needs to come up with approximately \$1M of new revenues they can assign to the General Fund.

Mr. Navazio tells us that the "preferred means to create budget capacity in (the) General Fund requires" increasing central services cost transfers from other District Funds into the General Fund attributable to "Information Technology." Really Mr. Navazio? Who says this is the "preferred means?" Did you ask anyone? Did the Board instruct you? NO! According to you the preferred means is really **YOUR MEANS**.

Okay. What are the current budgeted central services cost transfers to the General Fund? Again let's turn to page 045 of the May 26, 2022 Board packet. There total central services costs total \$2,362,441, and the amount of transfers to the General Fund total \$1,887,589. Let's assume this number remains the same for 2023-24 even though we all know it will not. And let's assume that the current \$927,362 of losses assigned to Parks remains the same for 2023-24 even though we all know

it will not. Add the two numbers together and we get \$2,814,951 of necessary central services cost transfers. That's nearly \$3M annually which is subsidized by the Utility, Community Services and Beach Funds.

So is staff proceeding properly in proposing that the new \$3M in central services cost transfers from the Utility, Community Services and Beach Funds is appropriate? I say no. And here's why.

According to NAC 354.865, et seq. local governments which make transfers from their enterprise fund(s) must determine that those transfers:

1. Result in "an equitable distribution of general, overhead, administrative and similar costs of the local government;"
2. *Only* allocate costs for services and property that have been properly "assignable or chargeable to the cost objective(s) of th(ose) (enterprise) fund(s) from which an allocation has been made;"
3. *Only* allocate indirect costs for services and property provided "on a centralized basis;"
4. In any manner allocate payments for any "costs which are billable directly to a specific department, agency or enterprise fund;"
5. Are "necessary and reasonable for the proper and efficient administration and performance of the enterprise fund(s)" from which an allocation has been made;
6. Are "of a type generally recognized as ordinary and necessary for the operation of the (enterprise) fund(s)" for which an allocation has been made;
7. Are reasonable insofar as "market prices for comparable services or property" are concerned;
8. Are "consistent with sound business practices;"
9. Are "consistent with...uniform...policies, regulations and procedures;"
10. Are the product of "prudence under the circumstances considering (staff's) responsibilities to each pertinent governmental unit (against which they have assessed)...its employees, and...the general public;"
11. Have been "adequately...documented...for independent verification;" and,
12. Have been "determined in accordance with generally accepted accounting principles" ("GAAP").

Do any of you think that the \$3M Mr. Navazio proposes transferring satisfies *any* of these mandatory requirements? Are they reasonable? Necessary? Prudent? Ordinary and in line with market prices for comparable services? Consistent with sound business practices? Other than being a means to justify an end result, Has the Board even asked just one of those questions? Has staff provided answers? Of course not. Because these transfers are required regardless of how one gets to the bottom line answer. I submit there is no justification whatsoever for any of these proposed transfers. And it's your job to find to the contrary! So do your job.

I submit that the "preferred means to create budget capacity in (the) General Fund requires" **REDUCING COSTS!** And since there are excessive "directorship"/other personnel salary and benefit costs assigned to the General Fund, IMO that's the first place where costs should be reduced. In other words Ms. Herron's bogus director of admin services position. The \$30K increase in Ms. Leijon's salary due to her directorship promotion. Termination of Mr. Navazio. He's the same deceiver as his predecessor the Eickman. All costs associated with the GFOA. The \$3K+ worth of travel expenses incurred by our Comptroller to attend last year's GFOA convention. \$30K+ annual billing with Tri-Strategies for legislative lobbying (do you think Indra has entered into a contract with Tri-Strategies without Board approval for this session of the Legislature?). How much of Marcus Faust's \$68K annual billing allocated to the General Fund for legislative lobbying. Membership dues in the Nevada League of Cities (and we're not even a city). Membership dues in the Reno-Sparks Convention and Visitors' Authority aka the Chamber of Commerce. Who knows how much waste buried under services and supplies because staff continue to refuse to share all the expenses assigned to this umbrella cost entry even though I have made public record request to examine the same. Who knows how much waste buried under the \$4M+ of personnel expenses the Board and the public doesn't even know of. And on, and on, and on. Until we've reduced \$1M in expenses.

I urge each of you to **REJECT** Mr. Navazio's so called preferred means to deal with funding of our public parks after assigning their costs to the General Fund. And to call it out for what it really is. I sincerely doubt that when Trustee Schmitz suggested public park expenses be assigned to and paid

from General Fund revenues, she had in mind that staff would come up with a disingenuous alternative to cost cutting to come up with the financial means to pay for it. If that's all we're going to do, then I say do nothing. Leave things as they are even though they are terribly wrong.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 22, 2023 MEETING –
AGENDA ITEM G(3) – CREATING SURVEY QUESTIONS IN A FLASHVOTE
SURVEY ON THE FUTURE OF THE INCLINE BEACH HOUSE**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. Conducting a community survey where if we’re not careful, the results we will get will be skewed to favor the options preferred by staff. And that’s the purpose of this written statement.

Prologue: Here our Board chairperson tells us he seeks “direction as it relates to (an intended) Flashvote survey on the Incline Beach House Project.” Now although I was opposed in the past to

¹ Go to <https://www.djkhaleofficial.com/>.

² 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.”

³ 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.”

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._- _Recreation_Standby_and_Service_Charges.pdf).

contracting with Flashvote for community surveys, my opposition was overruled. So we're going to have community surveys. The questions here are: 1) To whom this survey will be directed; and, 2) the pointed questions to be surveyed given they come with a cost only local parcel/dwelling unit owners with beach access will be required to pay.

My E-Mail of February 20, 2023: On February 20, 2023 I sent an e-mail to the Board sharing my views on this subject⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Conclusion: The only persons to whom this survey should be directed are parcel owners of record with beach access. No one else! Because they're the only ones who will be required to pay. And if we throw in others, we are in essence disenfranchising a number of parcel owners because the weight of their vote will be less than the weight of their neighbor who has household members and tenants if those household members and tenants are permitted to vote.

Moreover, I'm tired of these pie in the sky surveys where those to whom the survey is directed are not told that there will be a cost associated with their "yes" vote, as well as how much that cost will be. It's better to get these issues out in the open right now, and addressed.

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

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

⁵ That e-mail is attached as Exhibit "A" to this written statement.

EXHIBIT "A"

Agenda Item G(3) to Feb 22, 2023 IVGID Board Meeting - Creating a FlashVote Community Survey on the Incline Beach House

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>, "Tulloch Ray" <tulloch_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>
Subject: Agenda Item G(3) to Feb 22, 2023 IVGID Board Meeting - Creating a FlashVote Community Survey on the Incline Beach House
Date: Feb 20, 2023 11:17 AM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Here our Board Chairperson seeks "direction as it relates to (an intended) Flashvote survey on the Incline Beach House project." Given the Board has already entered into a contract with FlashVote for it to conduct up to six (6) surveys in a calendar year, and I and others have called for a survey before the Board decides to commit the \$6M or more it now estimates on the Beach House project, IMO the direction Chair Dent seeks is with respect to two survey questions:

1) Who may legitimately respond to such a survey; and,

2) Are responders in favor of such a project given its projected \$6M cost and if not, are they in favor of a scaled down project at a lesser cost (and if so, what scaled down version and what .lesser cost)?

With the Board's permission, I would like to address both of these questions.

To Whom the Survey Should be Directed: I am against anyone being permitted to weigh in on any survey questions involving a project such as this one unless he/she is an actual local parcel owner with beach access. In other words, no ordinary residents; no parcel owners within IVGID's boundaries without beach access; no guests of a parcel owner with beach access; no tenants of a parcel owner with beach access; no relative of a parcel owner with beach access who may possess a picture pass; no other holder of a picture pass with beach access unless he/she is a parcel owner with beach access; no holder of a punch card with beach access unless he/she is a parcel owner with beach access; no occupant of a local hotel/motel room intended for occupancy; no employee of IVGID unless he/she is a parcel owner with beach access; no IVGID Trustee unless he/she is a parcel owner with beach access; etc.

Parcel owners ONLY!

Yes a parcel owner with beach access' tenants may have some "interest" in a Beach House cafeteria. But they obtain their interest through a parcel owner. The same with a parcel owner with beach access' guests. And the interest is conditioned upon the tenant or guest continuing to be a tenant or guest in the future.

And the same with a parcel owner with beach access' household members. At the end of the day it is the parcel owner with beach access who is the one who will have to pay for this project. And for this reason, any survey should be limited to this person(s). I am against the survey being directed to anyone else and then filters are used to drill down to just parcel owners. Limit the survey to just parcel owners.

Possible Disenfranchising the Weight of Some Parcel Owners' Votes: Finally on this subject, understand that you are marginalizing the weight of the vote of any responder who is a local parcel owner with beach access when you allow

anyone else to weigh in. If we survey the votes of a parcel owners' [let's say there are two parcel owners (a husband and wife for instance)] tenants, and let's say there are two tenants (a husband and wife for instance), potentially there will be four (4) survey results to be counted which are associated with a single parcel. Now compare the weight of these votes to the single parcel owner with beach access who has no tenants. It's not fair. Similarly it's not fair for the same reasons to allow the parcel owners' guests or household members to vote along with those parcel owners. You're disenfranchising the single parcel owner.

Every responder's votes needs to be equally weighted. And that means ONLY local parcel owners with beach access. One vote for one parcel. PERIOD.

On February 8, 2023 I wrote to each of you (see below) making this point. I hope my concerns will not be lost in the effort to commission a survey.

Possible Responders (Local Parcel Owners With Beach Access) Need to be Informed Up Front That the Current Estimated Cost For the Project is in Excess of \$6M: Therefore when they are asked if they support whatever improvements may be presented in a vacuum that is estimated to cost \$6M+, do they still support this project if their BFF pays for it?

Possible Responders (Local Parcel Owners With Beach Access) Need to be Informed That if Any Version of the Project Goes Forward, They Will be Required to Pay For it With a Higher and Higher Beach Facility Fee ("BFF"): If you compare the BFF over the last several years, you can see how it has disingenuously increased to pay for the new Burnt Cedar Pool. And if the Beach House project goes forward, we all know the BFF will again be increased to pay for it as well. Therefore when responders are asked if they support whatever improvements the survey may offer, in a vacuum, they need to be asked whether they still support it if their BFF pays for it?

If Possible Responders (Local Parcel Owners With Beach Access) Are in Favor of Some Downsized, Less Costly, Version of a Beach House, Understanding They Will be Required to Pay For it With Their BFF, They Should be Given the Opportunity to Insert What Maximum \$X.00 They Are in Favor of Paying: so we know.

I remind each of you that the #1 option for 2016 survey responders was that NONE of the proposed upgrades presented were acceptable assuming a \$100 increase in the BFF. Actually "none" was not the #1 option. It was the #2 option. But I was trying to make a case. Here the case was roughly 2.2%; 17.99% to 16.71%

Thank you, Aaron Katz

From: Dave Noble
 Sent: Wednesday, February 15, 2023 8:26 AM
 To: s4s@ix.netcom.com
 Cc: Matthew Dent; Sara Schmitz; Michaela Tonking; Ray Tulloch; Indra Winqwest
 Subject: Re: Feb 8, 2023 IVGID Board Meeting Agenda Item F(3) - WARNING - Blindly Creating a FlashVote Community Survey

Mr. Katz,

The IVGID BOT has received your correspondence.
 Each Trustee will individually decide what, if anything, to do with the information provided.

David Noble

Secretary, IVGID BOT

From: s4s@ix.netcom.com

Sent: Monday, February 13, 2023 7:27:16 PM

To: Matthew Dent

Cc: Sara Schmitz; Michaela Tonking; Dave Noble; Ray Tulloch; Indra Winquest

Subject: Feb 8, 2023 IVGID Board Meeting Agenda Item F(3) - WARNING - Blindly Creating a FlashVote Community Survey

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Chairperson Dent and Other Honorable Members of the IVGID Board -

With respect to the Board's direction to create a FlashVote COMMUNITY SURVEY gathering feedback from the COMMUNITY regarding the Incline Beach House, I ask you vote to ALTER and approve that survey as follows:

The only people who technically have the right to access and use our beaches are local parcel owners with beach access as well as their possible guests and tenants, if that be their choice. And the only people who will be compelled to pay for this project are local parcel owners with beach access. In other words, expressly NOT their possible guests and tenants.

So why are you commissioning a survey which queries anyone else? Why a parcel owner with beach access' possible guests and tenants? Why ordinary members of the community. Why Crystal Bay parcel owners? Why the or so Lake front parcels without beach access?

If you want to unfairly skew the results, go ahead and survey people with no skin in this game.

But if you want the survey to be fair, limit it to local parcel owners with beach access PERIOD! No not all persons with picture passes or punch cards. ONLY local parcel owners with beach access!

Thank you for your understanding and hopeful concurrence. Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 22, 2023 MEETING –
AGENDA ITEM E(1) – MARCUS FAUST'S FEDERAL AFFAIRS REPORT DEM-
ONSTRATES IT'S TIME TO TERMINATE OUR RELATIONSHIP**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. Legislative lobbyist who hasn’t delivered squat to us in at least the last ten (10) years. It’s time for him to go! And that’s the purpose of this written statement.

Prologue: Here Mr. Faust attempts to convince us that he’s been the cause of the District receiving millions and millions of dollars. However, in the last ten (10) and probably twelve (12) years

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

² 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.”

³ 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.”

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._-_Recreation_Standby_and_Service_Charges.pdf).

he hasn't delivered anything. Yet he continues to collect in excess of \$5,000 monthly from us. It's time to put an end to Mr. Faust.

My E-Mail of February 19, 2023: On February 19, 2023 I sent an e-mail to the Board sharing the truth about Marcus Faust⁵. Rather than re-stating all that is included therein, I simply direct the reader to that e-mail.

Will Mr. Faust be Physically Appearing at Our Boardroom to Make His Presentation? I ask this question because Mr. Faust's consultancy agreement provides for reimbursement of his travel costs. But only if approved ahead of time by our GM. It is for this reason that on February 22, 2023 I sent our GM an e-mail asking if he had approved Mr. Faust's proposed travel expenses⁶? Although Indra hasn't yet responded, let's wait and see what happens.

Conclusion: Our written contract with Mr. Faust⁷ provides that either side may terminate it upon thirty (30) days' notice. Since Mr. Faust has essentially delivered nothing to us in at least the last ten (10) if not twelve (12) years, it's time for him to go. Another wasteful expenditure with someone who proclaims it's just over this next hill when the only thing over the hill is yet another hill! Yes Mr. Faust. Fool me once shame on you. Fool me twice shame on me. *End the shame!*

And You Wonder Why the Recreation ("RFF") and Beach ("BFF") Facility Fees Which Pay For This and Other Similar Waste 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).

⁵ That e-mail is attached as Exhibit "A" to this written statement.

⁶ That e-mail is attached as Exhibit "B" to this written agreement.

⁷ See pages 135-145 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/H.1._-_Consent_Calendar_-_Marcus_G._Faust.pdf.

EXHIBIT "A"

Agenda Item E(1) to Feb 22, 2023 IVGID Board Meeting - Marcus Faust's Federal Affairs Report

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>, Tulloch Ray <tulloch_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>
Subject: Agenda Item E(1) to Feb 22, 2023 IVGID Board Meeting - Marcus Faust's Federal Affairs Report
Date: Feb 19, 2023 9:55 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Here federal legislative lobbyist Marcus Fausts presents his "federal affairs report." If he makes this report in person, I urge at least one of you to ask him how much extra his traveling to Incline Village has cost the District? His agreement with the District provides that expenses like travel and lodging are to be reimbursed in addition to his monthly retainer fee. So the public would like to know how much more? And why he couldn't have made his report via zoom rather than in present? Now let's get to the substance of his report.

Although Mr. Faust states that through his efforts millions of dollars have come to the District under Army Corps of Engineers ("USACE") Section 595, associated with effluent export pipeline replacement, **NONE has come since 2013 - ten years ago** (see footnote 1 at page 004 of the Board packet for this meeting).

Mr. Faust takes credit for creating a \$2M funding source for section 595 funding for our pond lining project. But what he doesn't tell us is that a snafu has surfaced in that funding. According to Brad Underwood, procedurally, we are unable to access any of these funds until we provide the necessary Environmental Documentation to be completed for USACE approval (see page 151 of the January 11, 2023 Board packet). This means "this work can(not) be covered by USACE Section 595 funding" until that documentation is provided and acceptable to USACE. An environmental assessment for the pond liner is now SCHEDULED to be completed October 30, 2023. But there is still no partnership agreement with USACE. There is no record of this version of the agreement ever being presented to the Board of Trustees. And USACE Project Manager Laura Whitney transferred from Sacramento to Los Angeles in July, 2022. So IVGID is back to Square One...Again. And given the plan is for initial construction of the project to commence in the 2023 construction season, which begins in a short 60 days or less, and must include commencement of pond lining improvements/replacement construction, the fact of the matter is **there will likely be no section 595 funding available for our pond lining project. EVER!** Thank you Mr. Faust.

Mr. Faust also takes credit for increasing the possible funds available to the USACE pursuant to Section 595, which benefit the entire country and not just potentially the District, which he suggests **may** (or may not) be available in the future to fund some of the replacements to our existing effluent export pipeline. But given we have not realized any funds under that program for at least the last ten years, **DON'T HOLD YOUR BREATH!**

Mr. Faust suggests he is the one for whom credit should be assigned for \$1.6M of funding under the 2023 Omnibus Appropriations Act which can help pay for replacement of a portion of the effluent export pipeline project. But what he doesn't tell you is that he had NOTHING to do with the passage of this Act. Nor did he have anything to do with some \$167.62M being granted to the State of Nevada. Nor \$1.6M of these amounts to IVGID for its effluent export pipeline project. Read the December 21, 2022 press release issued jointly by Senators Cortez-Masto and Rosen (go to <https://www.cortezmasto.senate.gov/news/press-releases/cortez-masto-rosen-secure-major-federal-investments-in-critical-community-projects-across-nevada->): "Today, U.S. Senators Catherine Cortez Masto (D-Nev.) and Jacky Rosen (D-Nev.) announced that they have secured \$167.62 million in Fiscal Year 2023 omnibus appropriations package. Both senators submitted these project funding requests in the summer of 2022 and ensured they were included in the bipartisan omnibus funding bill expected to pass the Senate and House of Representatives and be signed into law...Senators Cortez Masto and

Rosen (rather than Marcus Faust) reached out directly to local and Tribal governments, public colleges, and military installations across Nevada to ensure they requested funding for projects that will make a difference for Nevada residents."

So what did you do Mr. Faust?

Mr. Faust takes credit for securing \$10 million for water infrastructure upgrades for fire protection through the Lake Tahoe Restoration Act, for the entire Lake Tahoe Basin than specifically IVGID. He opines some of these funds may be available for the District's Crystal Peak Road Watermain Replacement project and Slott Creek Waterline Improvements, however this eligibility does not get determined by him. Rather, the funds are subject to disbursement by TRPA.

Although Mr. Faust takes credit for introducing the Incline Village Fire Protection Act in Congress (BTW on behalf of his client the NLTFPD **RATHER THAN IVGID**), he admits it was stripped from the NDAA bill and thus died!

Finally, Mr. Faust admits that he lobbies on behalf of many clients in the Lake Tahoe Basin. And when he does, one of the member organizations upon which he lobbies, is IVGID. Which is a nice way of admitting that if IVGID were not his client, he would continue to lobby on behalf of his many other clients in the Basin. And his efforts would potentially benefit IVGID as much as if it were formally his client.

So that's it Mr. Faust. **What have you done for us lately?** And how much have you cost us? According to Mr. Faust, since 2013 a whopping \$518,184 (see page 007 of the Board packet). And according to Mr. Faust, how much in federal funds has the District per se realized from the Section 595 program? I believe NOTHING but Mr. Faust suggests to a whopping \$356K from other sources.! First of all I DON'T believe the \$356K number. Please Board members, ask Mr. Faust to expressly identify the \$240K in 2016, the \$70K in 2017, and the \$46K in 2018. I'm sure the District incurred internal services expenses when Mr. Faust called Mr. Underwood to learn of the specifics of these three fund amounts (since he could not come up with the fruits of his direct efforts). Mr. Faust represents that since inception, "for every dollar spent in Legislative Advocacy fees, we have received \$17.58 back in Federal funding." But putting in the last ten years, we have spent \$518,184 with Mr. Faust in order to POSSIBLY, and I say POSSIBLY, realize \$356K in federal funding. In other words, **for every dollar spent in Legislative Advocacy fees with Mr. Faust, we have POSSIBLY received \$0.70 back in Federal funding.** Quite a different picture!

Before Bill Horn retired as GM he stated to me that if Mr. Faust was unable to deliver actual Section 595 funds in the forthcoming year, the District was going to terminate its contract with him. Although this didn't happen, it should have. And now that this matter has been agendized and the truth revealed, it's time to end the District's formal association with Mr. Faust. Once and for all!

Respectfully, Aaron Katz

EXHIBIT "B"

Marcus Faust

From: <s4s@ix.netcom.com>
To: "Indra Winqest" <ISW@ivgid.org>
Cc: "Dent Matthew" <dent_trustee@ivgid.org>, "Schmitz Sara" <schmitz_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>
Subject: Marcus Faust
Date: Feb 22, 2023 10:18 AM

Hello Indra -

Is Marcus Faust appearing in person this evening to make his presentation?

Is he seeking reimbursement of his travel expenses associated with that presentation?

If the answer is yes, did you pre-approve that reimbursement as his contract requires?

If the answer is yes, was that approval in writing and might you provide copies of Mr. Faust's request for reimbursement, itemization of amounts, and your approval?

Thank you, Aaron

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 22, 2023 MEETING –
AGENDA ITEM E(2) –DO YOU REALIZE YOUR STAFF WILL BE CHARGING
TENS OF THOUSANDS OF DOLLARS OF THEIR UNREIMBURSED TIME
IN SUPPORT OF ANOTHER MEANINGLESS PRESENTATION – THIS
TIME A “FLEET PRESENTATION”**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. The hidden costs the public is charged when internal services staff make presentations to the Board – this one being a “fleet presentation.”⁰⁰ And that’s the purpose of this written statement.

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

² 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.”

³ 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.”

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._-_Recreation_Standby_and_Service_Charges.pdf).

Prologue: Well this isn't the first time I've brought this criticism to the IVGID Board. Don't you recall how on February 8, 2023 Bree Waters, an engineer whose salary and benefit costs are assigned to the District's Internal Services Fund, made a presentation to the IVGID Board in support of design and pre-construction CMAR management associated with a proposed, \$6.1M Beach House restaurant/cafeteria? And in a companion written statement to be attached to the minutes of this February 22, 2023 Board meeting I documented that the cost to local parcel/dwelling unit owners was nearly \$10,000 just for January 2023's efforts, and likely closer to \$20,000 once staff's billing for February is received in mid-March. Well surprise; they're back. We now have a repeat performance of the very same episode except this time under the label "Fleet Presentation."⁵

My E-Mail of February 20, 2023: On February 20, 2023 I sent an e-mail to the Board outlining the ongoing problems with our Internal Services Department, and how the waste of February 8, 2023 Beach House presentation was about to be replicated insofar as the subject Fleet Presentation were concerned⁶. I recited how and why this happens, and the enormous hidden costs local parcel/dwelling unit owners are involuntarily assessed. The reader may wish to learn how and why.

Conclusion: Every time personnel whose salaries and benefit costs are assigned to the District's Internal Services Fund show up at a Board meeting to make some presentation or otherwise, just like Fleet Personnel here, the public is charged anywhere from \$120-\$160 per hour! This happens because the Board budgets no revenue to the Internal Services Fund, and personnel such as Brad Underwood and Rich Allen (Fleet Superintendent who will be making the power point presentation at tonight's meeting) must recoup the same from their only client; the District! Thus we get charged for all sorts of marginally beneficial services, at a greater than market cost, because if our staff cannot generate sufficient revenues to pay their salaries and benefits, they won't get paid. In other words, the classic conflict of interest situation.

Now that you know how much our in-house internal services staff are really costing us, we need to eliminate our Internal Services Department altogether, and outsource all of our similar needs to the private sector. We'll get far more professional and cost efficient results. Staff will counter that their charges are still less than the private sector. Even if true (and I doubt that they are), we incur other costs associated with internal services than just personnel costs. For instance, we need to provide office space. And support staff. And fleet vehicles. And cellphone service. And retirement benefits. And vacations. Etc., etc., etc. This overhead is already built into the costs the private sector charges.

Finally this time I requested the Board retain the services of a consultant to: determine what jobs our employees perform and what employees are necessary to perform those jobs; and, make

⁵ Go to https://www.yourtahoepalace.com/uploads/pdf-ivgid/E.2._-Reports_-_Fleet_Division_Presentation.pdf.

⁶ That e-mail is attached as Exhibit "A" to this written statement.

recommendations insofar as staffing and compensation levels. We certainly can't rely upon our in-house HR Department to impartially evaluate these matters.

And You Wonder Why the Recreation ("RFF") and Beach ("BFF") Facility Fees Which Pay For This and Other Similar Waste 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"

Agenda Item E(2) to Feb 22, 2023 IVGID Board Meeting - Unreimbursed Internal Services Staff Time Expended on/in Preparation of Feb 22, 2023 Fleet Division Presentation to the IVGID Board

From: <s4s@ix.netcom.com>
To: Dent Matthew <dent_trustee@ivgid.org>
Cc: <trustee_schmitz@ivgid.org>, <tonking_trustee@ivgid.org>, <tulloch_trustee@ivgid.org>, <noble_trustee@ivgid.org>, <ISW@ivgid.org>, Dobler Cliff <cfdobler@aol.com>, <sellingtahoe@sbcglobal.net>
Subject: Agenda Item E(2) to Feb 22, 2023 IVGID Board Meeting - Unreimbursed Internal Services Staff Time Expended on/in Preparation of Feb 22, 2023 Fleet Division Presentation to the IVGID Board
Date: Feb 20, 2023 9:08 AM

Chairperson Dent and Other Honorable Members of the IVGID Board -

I want the Board and those in the public who read communications like these to understand that:

1. When Mike Bandelin makes some presentation to the Board, the costs of his preparation for that presentation and the presentation itself are NOT billed to any IVGID department for reimbursement. They're part of his duties as our Diamond Peak GM.
2. When Darren Howard makes some presentation to the Board, the costs of his preparation for that presentation and the presentation itself are NOT billed to any IVGID department for reimbursement. They're part of his duties as our Director of Community Services.
3. When Sheila Leijon makes some presentation to the Board, the costs of her preparation for that presentation and the presentation itself are NOT billed to any IVGID department for reimbursement. They're part of her duties as our Director of Parks & Recreation.
4. When whomever is working in our facility sales department makes some presentation to the Board, the costs of her preparation for that presentation and the presentation itself are NOT billed to any IVGID department for reimbursement. They're part of her duties as our director of facilities.
5. When Paul Raymore makes some presentation to the Board, the costs of his preparation for that presentation and the presentation itself are NOT billed to any IVGID department for reimbursement. They're part of his duties as our Marketing Manager.
6. When Erin Feore makes some presentation to the Board, the costs of her preparation for that presentation and the presentation itself are NOT billed to any IVGID department for reimbursement. They're part of her duties as Director of HR. It just so happens such a presentation is agendized for the Board's upcoming February 22, 2023 meeting (see pages 97-139 of the Board packet for this meeting). Since Ms. Feore's presentation is part of her duties as HR Director, her time isn't billed to the other District department(s) presumably receiving the benefit of those services. Right? How about you guys grill Ms. Feore and Indra insofar as this time billing question is concerned, and let's see how they respond (i.e., that her costs are not being billed to the departments benefiting from her presentation)? Just so we're all on the same page.
7. When Paul Navazio makes some presentation to the Board, the costs of his preparation for that presentation and the presentation itself are NOT billed to any IVGID department for reimbursement. They're part of his duties as Director of Finance. It just so happens such a presentation is agendized for the Board's upcoming February 22, 2023 meeting (see pages 140-194 of the Board packet for this meeting). Since Mr. Navazio's presentation is part of his duties as Finance Director, his time isn't billed to the other District department(s) presumably receiving the benefit of those services. Right? How about you guys grill Mr. Navazio and Indra insofar as this time billing question is concerned, and let's see how they respond (i.e., that his costs are not being billed to the departments benefiting from his presentation)? Just so we're all on the same page.

8. But the moment any employee whose salary/benefits are assigned to the internal services funds and does ANYTHING that in any way, shape or form can be argued to benefit some other district department, the clock begins to run. And it doesn't just run at the actual cost to the district for his/her salary/benefits, but at a surcharge because according to former GM Bill Horn, "profit isn't a dirty word."

9. So whenever engineer Bree Waters presents anything to the IVGID Board, understand that her time is being billed to our utility rates, or the RFF or the BFF at \$120+/hour. And whenever engineer Kate Nelson presents anything to the IVGID Board, understand that her time is being billed to our utility rates, or the RFF, or the BFF at \$135+/hour. And whenever Director Brad Underwood presents anything to the IVGID Board which is technically outside of his realm of his public works duties (I am informed that at least 20% of his salary and benefits are assigned to internal services expressly because of this fact), understand his time is being billed to our the RFF or the BFF at \$165+/hour. I'm talking EVERYTHING like: making presentations to the Board so staff can secure direction; creating RFPs and RFQs; reviewing proposals submitted in response; reviewing possible public contracts; interviewing prospective vendors or bidders; awarding public contracts; providing updates on various CIPs; dealing with vendors pursuant to contracts which have been entered into with the District; explaining why we allow our vendors to deviate from their contracts with the District; asking the Board to allow expenditure of left over CIP money on pool furniture or other similar projects; coordinating possible donors' requirements into projects such as the expansion of the Rec Center; and on and on and on. Thus the costs for the garbage Fleet Presentation Mr. Underwood will present at the upcoming February 23, 2023 Board meeting (see pages 6-28 of the Board packet for this meeting) are going to be billed to those departments presumably benefiting therefrom (which I assume is all departments within Community Services, the Beaches and Utilities. As Cliff points out, at least \$1M annually just insofar as engineering is concerned.

10. How about you guys grill Mr. Underwood and Indra insofar as this time billing question is concerned, and let's see how they respond? Just so we're all on the same page. And make sure you ask about the amount of time because the Board packet in support of this agenda item looks like the product of many, many hours of fancy presentation efforts. And it discloses that a power point presentation will be made by Rich Allen the Fleet Superintendent. Which means all of his time will be billed as internal services expense to somewhere...everywhere.

Now I don't know the particulars of any of this. But I know the particulars of staff so I can make some educated guesses. So if I were to tell you that \$10K or more is getting billed to wherever to compensate Msrs. Underwood and Allen and their team of fleet personnel (what about other personnel who can create and print out all the fancy power point materials in the Board packet?) just to have made this presentation, how would you respond? Would you not be asking yourself if such efforts were necessary? Proper? Financially responsible? Would you be asking yourself WHO ASKED FOR THIS TYPE OF PRESENTATION AND WHY [according to the staff memo, this agenda item is nothing more than an informational report. No action is required (well if no action is required, why is the matter even on the agenda for the meeting?)]? Would you be asking yourself if this were an example of intentional waste by staff because internal services personnel must come up with millions of dollars of personnel billings each year to generate the revenues necessary to pay for their salaries and benefits (see discussion below)? Well if you wouldn't, in my opinion you certainly should!

11. If you're not outraged by the facts I share, understand that this staff reimbursement is not limited to engineering. Whenever any of the District's vehicles and mowers are serviced, whether necessary or not, the work is done in house and the District departments realizing the "so called" benefit are billed close to \$100/hour for their labor. And whenever any of the District's facilities are serviced or repaired, again whether necessary or not, the work is done in house and the District departments realizing the "so called" benefit are billed who knows how much for their labor. And the costs for these services, whether necessary or not, and whether professionally advanced or not, is ultimately being billed to our utility rates, or the RFF, or the BFF. And you wonder why those fees are higher than they should be?

12. Because staff know that now for once there are people looking at whatever they do, we have an admission that the facts I recite are true. Consider the following admission that appears at page 9 of the packet of materials in support of the upcoming Board meeting: "The Fleet Division charges out the maintenance performed on each piece of equipment or vehicle to the various departments as an internal service allocation. The labor rate used for this allocation takes into account all expenses including wages and benefits, **depreciation of fleet shop equipment**, and outside services and

operating supplies. **The service labor rate for FY 22/23 was determined to be \$99 per hour** and equipment parts are billed at cost." Really? Who determined we will charge our golf courses \$100/fleet hour to repair lawn mowers?

13. And let me explain how staff get away with hiding the truth from the Board and the public. First, they refuse to share records of the precise work these people do, the time expended, and the chart of account number(s) evidencing where these costs have been assigned. I know because I have been trying for years to get these details; unsuccessfully. And if you don't believe me, just look what's going on with the UNbudgeted services associated with the Beach House. But there's more.

Staff will allocate these internal services billings amongst multiple District departments. That way anyone trying to monitor expenses can't get the entire picture because on a department by department basis, the net results are skewed. I realize this is a rather nefarious assessment to make. But guess what? **THE PEOPLE WE'RE DEALING WITH ARE NEFARIOUS** (are you listening Gail and Dr. Riner?).

14. So when a District vehicle is damaged through the negligence of an IVGID employee, and it must be driven to Reno to Greg's Garage for repairs, if the driver's salary and benefits are assigned to internal services, we're paying quite a bit of a surcharge for the employee to provide that transportation. And we're probably paying that surcharge twice, because another employee needs to follow the first one to give him/her a ride back. And we're probably paying that surcharge four times, because two employees must drive back to Reno to pick up the repaired vehicle. And none of these employees are on salary. Their efforts are being billed out at how many hundreds of dollars an hour? And the Board and the public are now wiser.

15. And the various departments which allegedly benefit from these services don't have a choice insofar as whether or not to use District internal services. It's MANDATORY. And it doesn't matter if these departments can get the same work performed by the private sector for less or not, it's MANDATORY.

16. Let me provide another real world example. Angie Rodriguez used to be the head pro at the Mtn Course. She had a problem with a golf cart that needed repair. The cost with an outside vendor was estimated to cost less than \$100. But since the cart had to be repaired in house using internal services personnel, the cost ended up being more than \$2,000. And since essentially all IVGID recreation/beach functions operate at a loss, and must be subsidized by the RFF/BFF, this wasteful spending was in essence paid for by the RFF. And you didn't have a clue!

17. So what happens if we can get the same services our internal services personnel provide from the private sector for less than the inflated prices our departments must pay to internal services?... TOO BAD! We have an internal services department we need to fund. And if we avoid waste by only using the private sector to provide the services our internal services personnel exist to provide, when those services are actually needed, TOO BAD (as Cliff suggests, we might find out what else our engineering staff is doing to spread the \$1 million/annually of their personnel costs? We may find several burial grounds to dump these costs?! Don't you remember when we examined in-house staff's servicing efforts concerning the battery replacement of Champ Golf carts? Don't you remember when I was providing evidence that our professional fleet staff were spending many times the cost if batteries were purchased locally? And the labor being assigned was considerably higher than if we outsourced that replacement labor to the private sector? So don't tell me how talented and professional these people are.

Are you starting to get the picture now?

18. And now we have evidence of a classic conflict of interest between our staff and the public. Since internal services has only one customer (i.e., the District), and the Board has provided no funding to pay for their personnels' salaries and benefits, there is pressure on these persons to create busy work at inflated pricing because if the revenues can't be generated, there's no money to pay their salaries and benefits. So what we get is what we call CHURNING in the legal world. You'd know about this one Trustee Noble, wouldn't you? Charging your client for more time than you actually spend. Or charging your client for needless work that is not actually necessary just to generate billings. Whatever it takes

to generate more revenues. Because the interests of the lawyer are more important than those of the client. And here the interests of our internal services personnel are more important than the District or the public they were hired to serve. The classic conflict of interest.

19. And BTW, who is supervising these internal services personnel? Who is the public's watchdog? Bueller? Bueller? Bueller?

20. You want to know why we're losing nearly \$7M each year on functions related to recreation and the beaches? I've now provided more answers.

21. Okay. Understanding what I hope you now understand, what are you going to do to rectify this sorry state of affairs?

22. IMO Mr. Underwood's presentation is intended to accomplish three goals. First, propaganda. To demonstrate why the District requires his Fleet Dep't. Second, more propaganda. To demonstrate how efficiently his Fleet Dep't operates. And third, to push for a new way of financially accounting for CIP purchases - monthly equipment rental fees payable as an expense to an Equipment Replacement Fund presumably maintained under internal services. Well I have a different request.

23. How about we hire a consultant to: determine what jobs our employees perform and what employees are necessary to perform those jobs? And to make recommendations insofar as staffing and compensation levels. We need to take our employees out of the process altogether to get the insight of impartial third parties. Because we cannot trust our staff (are you reading Gail?).

Respectfully, Aaron Katz

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

From: <cfdobler@aol.com>

Sent: Feb 17, 2023 7:59 AM

To: s4s@ix.netcom.com <s4s@ix.netcom.com>, mnr@ivgid.org <mnr@ivgid.org>

Cc: dent_trustee@ivgid.org <dent_trustee@ivgid.org>, trustee_schmitz@ivgid.org <trustee_schmitz@ivgid.org>, tonking_trustee@ivgid.org <tonking_trustee@ivgid.org>, tulloch_trustee@ivgid.org <tulloch_trustee@ivgid.org>, noble_trustee@ivgid.org <noble_trustee@ivgid.org>, ISW@ivgid.org <ISW@ivgid.org>

Subject: Re: Public Records Request - Unreimbursed Internal Services Staff Time Expended on/in Preparation Fo Feb 8,2023 Beach House Project Presentation to the IVGID Board

I would like to add my two cents. Has anyone ever thought that according to the Internal Services Engineering Department budget for fiscal 2023, the anticipated billings is \$1,018,807. That would be over \$1,000,000 dollars. What projects are budgeted to absorb the costs. We have the pipeline, the storage tank, the Crystal Peak waterline, the small expansion of the pump track and now the Incline Beach Building (consisting of two sheets of paper) and maybe the Mountain Course cart paths. Most are stuck in the mud and will go nowhere over the next 4 months. May I inquire or could you find out, what else the engineering staff might be doing to spread \$1 million. We may find several burial grounds to dump the costs.

Cliff Dobler

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

From: s4s@ix.netcom.com

To: Melissa N Robertson <mnr@ivgid.org>

Cc: Matthew Dent <dent_trustee@ivgid.org>; Sara Schmitz <trustee_schmitz@ivgid.org>; Michaela Tonking <tonking_trustee@ivgid.org>; Ray Tulloch <tulloch_trustee@ivgid.org>; Dave Noble <noble_trustee@ivgid.org>; ISW@ivgid.org

Sent: Thu, Feb 16, 2023 4:25 pm

Subject: Fw: RE: Public Records Request - Unreimbursed Internal Services Staff Time Expended on/in Preparation Fo Feb 8,2023 Beach House Project Presentation to the IVGID Board

Thank you Melissa -

But how your colleagues respond, especially in this case, is not acceptable. And it does not comport with the NPRA. And I expect you as IVGID's PRO, to put your foot down and force your colleagues to comply.

I want to examine records which evidence:

1. What work was performed which resulted in the 73 hours of time indicated.
2. What staff employee performed that work.
3. The date(s) that staff employee performed that work;
4. The hourly rate(s) billed to this project for the staff employee(s) performing that work;
and,00
5. The chart of account name/number assigned to that payment which identifies to which fund the charge was assigned.

Going to staff and asking them to produce whatever it is they want to produce that provides no detail isn't sufficient.

The senior engineer's duties include:

1. Maintaining a daily log of construction and inspection activities;
2. Prepares progress reports;

Where is this log and these reports? I want to examine them.

Mr. Underwood has represented on a number of occasions that Internal Services prepares bills for payment from those departments within the District receiving such services. Where are the billings? I want to examine them.

Board members. I want you to learn that when staff prepare a memo in support of a project like the Beach House, we're being charged in excess of \$125/hour for those services. When Bree Waters shows up at a Board meeting to pitch staff's endeavor of the week we're being charged in excess of \$125/hour for those services. When Brad Underwood shows up at a Board meeting and participates with Bree Waters in the latter's pitch of staff's endeavor of the week, we're being charged in excess of \$125/hour for those services.

Do you intend to make available for my inspection the records I have requested to examine?

Thank you for your cooperation. Aaron Katz

-----Forwarded Message-----

From: Melissa N. Robertson <mnr@ivgid.org>
 Sent: Feb 16, 2023 3:56 PM
 To: s4s@ix.netcom.com <s4s@ix.netcom.com>
 Cc: Matthew Dent <dent_trustee@ivgid.org>, Sara Schmitz <trustee_schmitz@ivgid.org>, Michaela Tonking <tonking_trustee@ivgid.org>, Ray Tulloch <tulloch_trustee@ivgid.org>, Dave Noble <noble_trustee@ivgid.org>
 Subject: RE: Public Records Request - Unreimbursed Internal Services Staff Time Expended on/in Preparation Fo Feb 8,2023 Beach House Project Presentation to the IVGID Board

Hi Mr. Katz,

The attached is what I received back from Staff with regards to the time spent to date on the Incline Beach Study. The report for February is generally completed by mid-March. If you would like that report as well, please let me know by making a new request on or about March 15. 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
<http://yourtahoeplace.com>

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

From: s4s@ix.netcom.com
 Sent: Thursday, February 9, 2023 10:35 AM
 To: Melissa N. Robertson
 Cc: Matthew Dent ; Sara Schmitz ; Michaela Tonking ; Ray Tulloch ; Dave Noble

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 22, 2023 MEETING –
AGENDA ITEM C – PUBLIC COMMENTS – DO YOU REALIZE YOUR STAFF
CHARGED NEARLY \$10,000 OF THEIR UNREIMBURSED TIME, JUST IN
JANUARY, PREPARING FOR AND PRESENTING ITS BEACH HOUSE
PROJECT AT THE BOARD'S FEBRUARY 8, 2023 MEETING?**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more efficiently provided by another district³, or Washoe County, or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, let’s examine another example of the waste the District engages in which ends up costing local parcel/dwelling unit owners even though this waste has nothing to do with parcel/dwelling unit owners’ “availability” to access and use District recreation and beach facilities and the programs offered thereat⁴. it’s the same old, same old. And here we have another example. The hidden costs the public is charged when internal services staff make presentations to the Board. And that’s the purpose of this written statement.

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

² 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.”

³ 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.”

⁴ This is the justification staff claims for its involuntary assessment of the Recreation (“RFF”) and Beach (“BFF”) Facility Fees (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._-_Recreation_Standby_and_Service_Charges.pdf).

The Board's February 8, 2023 Meeting: Bree Waters, an engineer whose salary and benefit costs are assigned to the District's Internal Services Fund, made a presentation to the IVGID Board in support of design and pre-construction CMAR management associated with a proposed, \$6.1M Beach House restaurant/cafeteria. In addition, she/someone on her behalf prepared a comprehensive staff memorandum in support, together with a series of supporting documents⁵. I wanted to know how much this presentation had cost the public since I knew the Board had not budgeted revenues therefore.

My E-Mails of February 9 and 16, 2023: On February 9, 2023 I made a public records ("NPRA") request to examine billings originating from/on behalf of Ms. Waters for her February 8, 2023 presentation to the Board⁶. On February 16, 2023 our Public Records Officer ("PRO"), Melissa Robertson, responded by providing a document evidencing nearly \$10,000 of costs⁷! Furthermore, this document *only* reflected January 2023 billings. According to Ms. Robertson there would be additional billings for February evidenced in a report to be completed by mid-March, and if I wanted to examine that report as well, I would have to make a new NPRA request on or about March 15.

Since I was certain the Board and the public had no clue that staff was charging the public tens of thousands of dollars just to make dog and pony presentations like this one, on February 16, 2023 I e-mailed the Board providing the prior e-mail string between Ms. Robertson and me⁶, together with the document evidencing nearly \$10,000 in unreimbursed staff time costs⁷.

Conclusion: Every time personnel whose salaries and benefit costs are assigned to the District's Internal Services Fund show up at a Board meeting to make some presentation or otherwise, the public is charged anywhere from \$120-\$160 per hour! This happens because the Board budgets no revenue to the Internal Services Fund, and personnel such as Ms. Waters must recoup the same from their only client; the District! Thus we get charges for all sorts of marginally beneficial services, at a greater than market cost because if our staff cannot generate sufficient revenues to pay their salaries and benefits, they won't get paid. In other words, the classic conflict of interest situation.

Now that you know how much our in-house internal services staff are really costing us, we need to eliminate our Internal Services Department altogether, and outsource all of our similar needs to the private sector. We'll get far more professional and cost efficient results. Staff will counter that their charges are still less than the private sector. Even if true (and I doubt that they are), we incur other costs associated with internal services than just personnel costs. For instance, we need to provide office space. And support staff. And fleet vehicles. And cellphone service. And retirement benefits. And vacations. Etc., etc., etc. This overhead is already built into the costs the private sector charges.

⁵ These materials can be reviewed at https://www.yourtahoeplace.com/uploads/pdf-ivgid/F.8._-_General_Business_-_Incline_Beach_House.pdf.

⁶ That request is included in the string of e-mails attached as Exhibit "A" to this written statement.

⁷ This document is attached as Exhibit "B" to this written statement.

And You Wonder Why the RFF/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).

EXHIBIT "A"

Fw: RE: Public Records Request - Unreimbursed Internal Services Staff Time Expended on/in Preparation Fo Feb 8,2023 Beach House Project Presentation to the IVGID Board

From: <s4s@ix.netcom.com>
To: "Melissa N Robertson" <mnr@ivgid.org>
Cc: "Matthew Dent" <dent_trustee@ivgid.org>, "Sara Schmitz" <trustee_schmitz@ivgid.org>, "Michaela Tonking" <tonking_trustee@ivgid.org>, "Ray Tulloch" <tulloch_trustee@ivgid.org>, "Dave Noble" <noble_trustee@ivgid.org>, <ISW@ivgid.org>
Subject: Fw: RE: Public Records Request - Unreimbursed Internal Services Staff Time Expended on/in Preparation Fo Feb 8,2023 Beach House Project Presentation to the IVGID Board
Date: Feb 16, 2023 4:25 PM
Attachments: January 2023 - Engineering Hours Charged.pdf

Thank you Melissa -

But how your colleagues respond, especially in this case, is not acceptable. And it does not comport with the NPRA. And I expect you as IVGID's PRO, to put your foot down and force your colleagues to comply.

I want to examine records which evidence:

1. What work was performed which resulted in the 73 hours of time indicated.
2. What staff employee performed that work.
3. The date(s) that staff employee performed that work;
4. The hourly rate(s) billed to this project for the staff employee(s) performing that work.

Going to staff and asking them to produce whatever it is they want to produce that provides no detail isn't sufficient.

The senior engineer's duties include:

1. Maintaining a daily log of construction and inspection activities;
2. Prepares progress reports;

Where is this log and these reports? I want to examine them.

Mr. Underwood has represented on a number of occasions that Internal Services prepares bills for payment from those departments within the District receiving such services. Where are the billings? I want to examine them.

Board members. I want you to learn that when staff prepare a memo in support of a project like the Beach House, we're being charged in excess of \$125/hour for those services. When Bree Waters shows up at a Board meeting to pitch staff's endeavor of the week we're being charged in excess of \$125/hour for those services. When Brad Underwood shows up at a Board meeting and participates with Bree Waters in the latter's pitch of staff's endeavor of the week, we're being charged in excess of \$125/hour for those services.

Do you intend to make available for my inspection the records I have requested to examine?

Thank you for your cooperation. Aaron Katz

-----Forwarded Message-----

From: Melissa N. Robertson <mnr@ivgid.org>

Sent: Feb 16, 2023 3:56 PM

To: s4s@ix.netcom.com <s4s@ix.netcom.com>

Cc: Matthew Dent <dent_trustee@ivgid.org>, Sara Schmitz <trustee_schmitz@ivgid.org>, Michaela Tonking <tonking_trustee@ivgid.org>, Ray Tulloch <tulloch_trustee@ivgid.org>, Dave Noble <noble_trustee@ivgid.org>

Subject: RE: Public Records Request - Unreimbursed Internal Services Staff Time Expended on/in Preparation Fo Feb 8,2023 Beach House Project Presentation to the IVGID Board

Hi Mr. Katz,

The attached is what I received back from Staff with regards to the time spent to date on the Incline Beach Study.

The report for February is generally completed by mid-March.

If you would like that report as well, please let me know by making a new request on or about March 15.

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

<http://yourtahoeplace.com>

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

From: s4s@ix.netcom.com

Sent: Thursday, February 9, 2023 10:35 AM

To: Melissa N. Robertson

Cc: Matthew Dent ; Sara Schmitz ; Michaela Tonking ; Ray Tulloch ; Dave Noble

Subject: Public Records Request - Unreimbursed Internal Services Staff Time Expended on/in Preparation Fo Feb 8,2023 Beach House Project Presentation to the IVGID Board

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello Melissa -

You may not know this but the District does not budget to fund payment of engineering costs incurred in the District's internal services fund. Instead, it relies upon internal services personnel to bill out their labor and other costs to the District's other departments which arguably benefit from their service.

Last night Bree Waters, an engineer whose salary and benefits are assigned to the District's internal services fund, made a presentation to the IVGID Board in support of design and pre-construction CMAR management associated with a proposed Beach House restaurant/cafeteria. In anticipation of this presentation Ms. Waters prepared a comprehensive staff memo in, together with a series of supporting attachments. At the very least, Ms. Waters' time and out of pocket costs should have been billed out to the Beach House project CIP in the beach fund. And that's what I want to examine

billings to the beach fund for any work or expense associated with researching/supporting/preparing for/presenting this possible aspect of this project for approval at last night's Board meeting should have been/she be billed to this project. In addition to Ms. Waters' labor, I want to examine similar billings for any other unreimbursed employees' labor associated with this CIP. And that would extend to Brad Underwood to the extent a portion of his salary/benefits are allocated to the internal services fund. Or any other support staff assisting Ms. Waters/Mr. Underwood in this endeavor. All from December 1, 2022 forward.

Therefore, I want to examine records (including billings) revealing:

1. The identity of the person(s) performing the above-services;
2. The date those services were performed (including research, updated cost estimates, comparisons to previous estimated plans, etc.);
3. A description of the nature of those services;
4. The time expended on each of those services;
5. The hourly rate assigned to that time;
6. A description of any out of pocket expenditures incurred; and,
7. The amount(s) of those out of pocket expenditures incurred.

I am sending a copy of this request to the Board because I want members to understand that there were and are additional costs incurred simply to seek approval at last evening's meeting. Costs in addition to design and permitting fees. And CMAR surcharge fees. Having nothing directly to do with design or construction of this CIP. Let's just see how much. And then we can have a discussion as to the value of these services in light of the costs associated with the projects they manage.

Thank you for your cooperation. Aaron Katz

EXHIBIT "B"

Incline Beach Facility Study January 2023

			Jan 2023
INCLINE BEACH FACILITY STUDY	3973LH302	Total Hours	73
		Total Cost	\$9,106

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 22, 2023 MEETING –
AGENDA ITEM C – FIVE (5) MORE PARCELS OUR WONDERFUL AND
PROFESSIONAL STAFF ARE NOT ASSESSING A RECREATION
("RFF") AND BEACH ("BFF") FACILITY FEES**

Introduction: Well "here's another one" according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more effectively provided by another district³, or Washoe County. Or more preferably, IVGID should simply be dissolved³. However in the interim, and in order to provide evidence in support of dissolution, it's time to examine more of the wrongdoing the District engages in which ends up costing local parcel/dwelling unit owners even though this wrongdoing has nothing to do with the "availability" local parcel/dwelling unit owners allegedly have to access and use the recreation facilities and programs the District furnishes⁴. And that's the purpose of this written statement.

The Amounts We Pay in RFFs/BFFs is Dependent Upon the Number of Local Parcels/Dwelling Units Assessed: When the Board adopts new RFFs/BFFs each year, it approves a "Report For (the)

¹ Go to <https://www.djkhaleofficial.com/>.

² 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."

³ 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."

⁴ This is the legal justification the District uses to levy the RFF/BFF. If you don't believe me, see pages 224-237 of the packet of materials prepared by staff in anticipation of the Board's May 26, 2022 meeting ["the 5/26/2022 Board packet" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.2._Recreation_Standby_and_Service_Charges.pdf)].

Collection on the County Tax Roll of Recreation Standby and Service Charges” (“the Report”). ¶III of the Report typically recites as follows: “The amount of moneys required for the fiscal year extending from July 1...to June 30...has been determined by this Board to be about \$X.00 for the Recreation Facility Fee and \$Y.00 for Beach Facility Fee.” Staff then divide the total amount required for the RFF by the number of parcels/dwelling units to be assessed that fee⁵, and *voila* they come up with a RFF number each non-exempt parcel/dwelling unit is assessed⁶. Similarly they divide the total amount required for the BFF by the number of parcels/dwelling units to be assessed that fee⁷, and *voila* they come up with a BFF number each non-exempt parcel/dwelling unit is assessed⁸.

So if There Are Five (5) Less Parcels/Dwelling Units Being Assessed, Then the Amount of the RFF/BFF Each Parcel/Dwelling Unit Pays is *More Than it Should Be*: It’s simple math!

895 Incline Way, Incline Village, NV: On February 17, 2023 I happened to be doing some research related to another matter. And I came across the tax records for 895 Incline Way, APN 132-221-09. And I discovered that notwithstanding this parcel is assessed IVGID *ad valorem* taxes, it is not assessed the RFF/BFF. Don’t believe me? I have attached as Exhibit “A” the Tax Collector’s receipt and distribution of taxes for 2022-23 for this parcel. The reader will note that notwithstanding this parcel is assessed both Washoe County and IVGID *ad valorem* taxes, it is not assessed IVGID’s RFF/BFF.

900 Incline Way, Incline Village, NV: Similarly, I came across the tax records for 900 Incline Way, APN 132-222-01. And I discovered that notwithstanding this parcel is assessed IVGID *ad valorem* taxes, it is not assessed the RFF/BFF. Don’t believe me? I have attached as Exhibit “B” the Tax Collector’s receipt and distribution of taxes for 2022-23 for this parcel. The reader will note that notwithstanding this parcel is assessed both Washoe County and IVGID *ad valorem* taxes, it is not assessed IVGID’s RFF/BFF.

0 Village Blvd, Incline Village, NV: Similarly, I came across the tax records for 0 Village Blvd, APN 132-221-11. And I discovered that notwithstanding this parcel is assessed IVGID *ad valorem* taxes, it is not assessed the RFF/BFF. Don’t believe me? I have attached as Exhibit “C” the Tax Collector’s receipt and distribution of taxes for 2022-23 for this parcel. The reader will note that notwithstanding this parcel is assessed both Washoe County and IVGID *ad valorem* taxes, it is not assessed IVGID’s RFF/BFF.

249 Village Blvd, Incline Village, NV: Similarly, I came across the tax records for 0 Village Blvd, APN 132-221-11. And I discovered that notwithstanding this parcel is assessed IVGID *ad valorem* taxes, it is not assessed the RFF/BFF. Don’t believe me? I have attached as Exhibit “D” the Tax

⁵ 8,206 for 2022-23 (see page 227 of the 5/26/2022 Board packet).

⁶ For 2022-23 that fee was \$450 (see page 227 of the 5/26/2022 Board packet).

⁷ 7,748 for 2022-23 (see page 227 of the 5/26/2022 Board packet).

⁸ For 2022-23 that fee was \$330 (see page 227 of the 5/26/2022 Board packet).

Collector's receipt and distribution of taxes for 2022-23 for this parcel. The reader will note that notwithstanding this parcel is assessed both Washoe County and IVGID *ad valorem* taxes, it is not assessed IVGID's RFF/BFF.

894 Southwood Blvd, Incline Village, NV: Similarly, I came across the tax records for 894 Southwood Blvd, APN 132-221-07. And I discovered that notwithstanding this parcel is assessed IVGID *ad valorem* taxes, it is not assessed the RFF/BFF. Don't believe me? I have attached as Exhibit "E" the Tax Collector's receipt and distribution of taxes for 2022-23 for this parcel. The reader will note that notwithstanding this parcel is assessed both Washoe County and IVGID *ad valorem* taxes, it is not assessed IVGID's RFF/BFF.

893 Incline Way, Incline Village, NV: Just so the reader knows how the County reports assessment of the District's RFF/BFF on its tax records, I have attached as Exhibit "F" the Tax Collector's 2022-23 receipt and distribution for 893 Incline Way in Incline Village. This document is similar in form to the five (5) other receipts and distributions attached with one major exception. I have placed an asterisk to the side of "Incline Recreation." To the right you will see "gross tax" of \$780. That's the RFF/BFF.

Do you see this entry on any of the five (5) other receipts and distributions attached? The answer is "no." Why is it no? Because the District didn't notify the County to collect Recreation and Beach Facility Fees against these parcels.

My E-Mails of February 18, 2023: On February 18, 2023 I e-mailed our General Manager regarding my findings. I first asked him to confirm whether my conclusions were or were not correct? Later that day after I discovered the additional four (4) parcels, I augmented my earlier query⁹. Indra has never responded to either of these e-mails.

Conclusion: We know I am right...Again...Because not a peep out of Indra. If I were wrong, the way he accused me of being wrong with the budgeting for Sheila Leijon's new Director of Parks and Recreation position, you know he would be all over me. The fact he isn't is evidence of the fact I am not wrong. So that means more incompetence. More breach of duties. And I for one am tired of incompetence and unprofessionalism over and over and over again. And what exactly is the consequence? Is anyone looking? Bueller? Bueller? Bueller?

You know if this were the first time, I could maybe give staff a break. But we've been through episodes like these how many times in the past? Didn't Indra tell us that a facility fee audit was going to be performed by staff and the results reported back to the Board? Where is it?

And I don't want to hear any lame excuses coming from Indra. I'm tired of your lame excuses. You and your team of incompetents are being compensated as if you were professionals. So I expect

⁹ These two e-mails are part of an e-mail string which is attached as Exhibit "G" to this written statement.

you to do your jobs as professionals. Because now you've cost every parcel/dwelling unit owner who pays the RFF/BFF money. Instead of there being at least 8,211 parcel/dwelling unit owners paying "the amount of moneys required for the fiscal year extending from July 1, 2022...to June 30, 2023," there are at least five (5) parcel/dwelling unit owners less.

So how about making things right? How about the missing \$3,900 coming out of your pocket rather than mine? And when we talk about setting goals so the Board can consider whether or not to give you a raise, how about this goal? DO YOUR JOB!

And You Wonder Why the RFF and BFF Which Pay For Staff's Waste and Their Inability to Professionally Address the Many Problems We Face, 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"

Bill Detail

Parcel/Identifier: 13222109

Owner: LAMAR TAHOE HOLDINGS
 LLC

Last Update: 2/21/2023 1:27:37 PM

895 Incline Way

Tax Distribution by Fund - Summary

For information regarding the charges listed here, please contact the respective taxing agency directly, or call (775) 328-2510.

Tax Authority Fund	Gross Tax	Credit Amount	Net Tax
Incline Village	\$20.22	\$0.00	\$20.22
North Lake Tahoe 2	\$101.12	\$0.00	\$101.12
State Of Nevada	\$26.53	\$0.00	\$26.53
Washoe County	\$217.17	\$0.00	\$217.17
Washoe County Sc	\$177.67	\$0.00	\$177.67
Lake Tahoe Water Basin	\$2.03	\$0.00	\$2.03

Tax Distribution - Select to Expand Authority Detail by Fund

Payment History

Tax Year	Bill Number	Receipt Number	Amount Paid	Last Paid
2022	2022102849	B22.58867	\$544.74	7/30/22

Attention: Important Information, please be advised:

- ALERTS: If your real property taxes are delinquent, the search results displayed may not reflect the correct amount owing. Please contact our office for the current amount due.
- If payment confirmation is not received, please check the "SPAM" folder in your e-mail account. Add "Payments@Bill2Pay.com" to your safe-senders list in order to ensure that the payment confirmation is routed to your inbox.

EXHIBIT "B"

Bill Detail

Parcel/Identifier: 13222201

★ Owner: ZERANG LLC

Last Update: 2/21/2023 2:00:15 PM

900 Incline Way

Tax Distribution by Fund - Summary

For information regarding the charges listed here, please contact the respective taxing agency directly, or call (775) 328-2510

Tax Authority Fund	Gross Tax	Credit Amount	Net Tax
Incline Village	\$132.62	\$0.00	\$132.62
North Lake Tahoe 2	\$663.12	\$0.00	\$663.12
State Of Nevada	\$173.97	\$0.00	\$173.97
Washoe County	\$1,424.17	\$0.00	\$1,424.17
Washoe County Sc	\$1,165.06	\$0.00	\$1,165.06
Lake Tahoe Water Basin	\$2.03	\$0.00	\$2.03

Tax Distribution - Select to Expand Authority Detail by Fund

Payment History

Tax Year	Bill Number	Receipt Number	Amount Paid	Last Paid
2022	2022103183	B22.21636	\$891.77	7/23/22
2022	2022103183	B22.21637	\$889.74	7/23/22
2022	2022103183	B22.21638	\$889.73	7/23/22
2022	2022103183	B22.21640	\$889.73	7/23/22

Attention: Important Information, please be advised:

- ALERTS: If your real property taxes are delinquent, the search results displayed may not reflect the correct amount owing. Please contact our office for the current amount due.

- If payment confirmation is not received, please check the "SPAM" folder in your e-mail account. Add "Payments@Bill2Pay.com" to your safe-senders list in order to ensure that the payment confirmation is routed to your inbox.

EXHIBIT "C"

Bill Detail

Parcel/Identifier: 13222111	* Owner: 26 PROPERTIES LLC O Village Blvd	Last Update: 2/21/2023 2:03:39 PM
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Tax Distribution by Fund - Summary

For information regarding the charges listed here, please contact the respective taxing agency directly, or call (775) 328-2510.

Tax Authority Fund	Gross Tax	Credit Amount	Net Tax
Incline Village	\$41.18	\$0.00	\$41.18
North Lake Tahoe 2	\$205.89	\$0.00	\$205.89
State Of Nevada	\$54.01	\$0.00	\$54.01
Washoe County	\$442.19	\$0.00	\$442.19
Washoe County Sc	\$361.74	\$0.00	\$361.74
Lake Tahoe Water Basin	\$2.03	\$0.00	\$2.03

Tax Distribution - Select to Expand Authority Detail by Fund

Payment History

Tax Year	Bill Number	Receipt Number	Amount Paid	Last Paid
2022	2022162682	B22.119969	\$278.29	8/16/22
2022	2022162682	B22.174848	\$276.25	10/4/22
2022	2022162682	B22.255673	\$276.25	1/5/23
2022	2022162682	U22.16818	\$276.25	1/19/23

Attention: Important Information, please be advised:

- ALERTS: If your real property taxes are delinquent, the search results displayed may not reflect the correct amount owing. Please contact our office for the current amount due.

- If payment confirmation is not received, please check the "SPAM" folder in your e-mail account. Add "Payments@Bill2Pay.com" to your safe-senders list in order to ensure that the payment confirmation is routed to your inbox.

EXHIBIT "D"

Bill Detail

Parcel/Identifier: 13222101

Owner: LAMAR TAHOE HOLDINGS
 LLC
 249 Village Blvd

Last Update: 2/21/2023 2:23:36 PM

Tax Distribution by Fund - Summary

For information regarding the charges listed here, please contact the respective taxing agency directly, or call (775) 328-2510.

Tax Authority Fund	Gross Tax	Credit Amount	Net Tax
Incline Village	\$34.95	\$0.00	\$34.95
North Lake Tahoe 2	\$174.77	\$0.00	\$174.77
State Of Nevada	\$45.85	\$0.00	\$45.85
Washoe County	\$375.35	\$0.00	\$375.35
Washoe County Sc	\$307.06	\$0.00	\$307.06
Lake Tahoe Water Basin	\$2.03	\$0.00	\$2.03

Tax Distribution - Select to Expand Authority Detail by Fund

Payment History

Tax Year	Bill Number	Receipt Number	Amount Paid	Last Paid
2022	2022103359	B22.58693	\$940.01	7/30/22

Attention: Important Information, please be advised:

- ALERTS: If your real property taxes are delinquent, the search results displayed may not reflect the correct amount owing. Please contact our office for the current amount due.
- If payment confirmation is not received, please check the "SPAM" folder in your e-mail account. Add "Payments@Bill2Pay.com" to your safe-senders list in order to ensure that the payment confirmation is routed to your inbox.

EXHIBIT "E"

Bill Detail

Parcel/Identifier: 13222107

Owner: 894 SOUTHWOOD,LLG
 394 Southwood Blvd

Last Update: 2/21/2023 1:56:28 PM

Tax Distribution by Fund - Summary

For information regarding the charges listed here, please contact the respective taxing agency directly, or call (775) 328-2510.

Tax Authority Fund	Gross Tax	Credit Amount	Net Tax
Incline Village	\$70.62	\$0.00	\$70.62
North Lake Tahoe 2	\$353.08	\$0.00	\$353.08
State Of Nevada	\$92.63	\$0.00	\$92.63
Washoe County	\$758.31	\$0.00	\$758.31
Washoe County Sc	\$620.35	\$0.00	\$620.35
Lake Tahoe Water Basin	\$2.03	\$0.00	\$2.03

Tax Distribution - Select to Expand Authority Detail by Fund

Payment History

Tax Year	Bill Number	Receipt Number	Amount Paid	Last Paid
2022	2022102640	B22.85294	\$475.78	8/11/22
2022	2022102640	B22.169482	\$473.75	10/3/22
2022	2022102640	B22.248925	\$473.75	1/4/23

Attention: Important information, please be advised:

- ALERTS: If your real property taxes are delinquent, the search results displayed may not reflect the correct amount owing. Please contact our office for the current amount due.
- If payment confirmation is not received, please check the "SPAM" folder in your e-mail account. Add "Payments@BILL2Pay.com" to your safe-senders list in order to ensure that the payment confirmation is routed to your inbox.

EXHIBIT "F"

Bill Detail

Parcel/Identifier: 13260101

* Owner: NEVADA PACIFIC
 * DEVELOPMENT CORP
 893 Incline Way

Last Update: 2/21/2023 2:17:27 PM

Tax Distribution by Fund - Summary

For information regarding the charges listed here, please contact the respective taxing agency directly, or call (775) 328-2510.

Tax Authority Fund	Gross Tax	Credit Amount	Net Tax
Incline Recreati	\$780.00	\$0.00	\$780.00
Incline Village	\$190.71	-\$7.39	\$183.32
North Lake Tahoe 2	\$953.54	-\$43.30	\$910.24
State Of Nevada	\$250.16	-\$4.19	\$245.97
Washoe County	\$2,047.92	-\$34.32	\$2,013.60
Washoe County Sc	\$1,675.31	-\$28.05	\$1,647.26
Lake Tahoe Water Basin	\$2.03	\$0.00	\$2.03

Tax Distribution - Select to Expand Authority Detail by Fund

Payment History

Tax Year	Bill Number	Receipt Number	Amount Paid	Last Paid
2022	2022165034	B22.108567	\$1,447.13	8/11/22
2022	2022165034	B22.176691	\$1,445.10	10/5/22
2022	2022165034	B22.260024	\$1,445.10	1/10/23

Attention: Important Information, please be advised:

- ALERTS: If your real property taxes are delinquent, the search results displayed may not reflect the correct amount owing. Please contact our office for the current amount due.

- If payment confirmation is not received, please check the "SPAM" folder in your e-mail account. Add "Payments@Bill2Pay.com" to your safe-senders list in order to ensure that the payment confirmation is routed to your inbox.

EXHIBIT "G"

Re: It Just Never Ends - How Come 895 Incline Way Isn't Paying a RFF/BFF - P.S. Apparently it's Not Just This Parcel0

From: <s4s@ix.netcom.com>
To: "Indra Winqest" <ISW@ivgid.org>
Cc: "Dent Matthew" <dent_trustee@ivgid.org>, "Schmitz Sara" <schmitz_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, <seller_auto@auctiva.com>
Subject: Re: It Just Never Ends - How Come 895 Incline Way Isn't Paying a RFF/BFF - P.S. Apparently it's Not Just This Parcel0
Date: Feb 18, 2023 4:46 PM

Apparently also

0 Village Blvd - APN 132-221-11;

249 Village Blvd - APN 132-221-01;

900 Incline Way - APN 132-222-01; and,

894 Southwood Blvd - APN 132-221-07.

That's five so far.

And what's interesting is that the last parcel IS ACROSS THE STREET FROM IVGID CENTRAL!

Show me where I'm wrong Indra.

Respectfully, Aaron Katz

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

From: <s4s@ix.netcom.com>
Sent: Feb 18, 2023 3:58 PM
To: Indra Winqest <ISW@ivgid.org>
Cc: Dent Matthew <dent_trustee@ivgid.org>, Schmitz Sara <schmitz_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, <seller_auto@auctiva.com>
Subject: It Just Never Ends - How Come 895 Incline Way Isn't Paying a RFF/BFF?

Hello Indra -

895 Incline Way. APN 132-221-09.

According to Tax Collector Records, this parcel is not being assessed a RFF/BFF. In fact it hasn't been assessed the RFF/BFF for at least the last five (5) years. If ever! Are those records accurate?

Have our wonderful staff screwed up again (are you reading Gail and Dr Riner) or am I the screw up? Am I justified in

my criticisms?

And how long ago did staff represent to the Board and the public they were going to conduct an audit of all parcels that should be paying the RFF/BFF? Bueller? Bueller? Bueller?

It just never ends does it Indra. Over and over again. And if I am correct, I want a finders fee because I'm tire of doing Director somebody's over compensated job!

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 22, 2023 MEETING –
AGENDA ITEM C – UNMASKING A LOCAL COMMUNITY ADVOCATE FOR
WHO AND WHAT HE REALLY IS – DR. MYLES RINER**

Introduction: Well “here’s another one” according to my friend DJ Khaled¹! I keep telling the IVGID Board and the public that the District is not being properly managed² and as a consequence, the facilities and services it furnishes can be more effectively provided by another district³, or Washoe County. Or more preferably, IVGID should simply be dissolved³. 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 access and use the recreation facilities and programs the District furnishes. And here I intend to focus on private persons in our community our General Manager (“GM”) recruits to enter the public forum and become a public figure to do his bidding⁴. This explains Dr. Myles Riner, and it’s the purpose of this written statement.

Prelude: Those who are readers of my past written statements know that in my opinion one of our greatest problems is our un-elected staff who are “hire(d)...retain(ed)...the(ir) duties...prescribe(d) ...and...their compensation...fix(ed)” by an un-elected GM rather than the Board (as NRS 318.180 and

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

² 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.”

³ 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.”

⁴ These people are bootlickers. “The act of bootlicking is when an oppressed person or persons, such as the working class, sucks up to the oppressor in hopes of appeasing them” (see <https://www.urbandictionary.com/define.php?term=Bootlicker>).

318.185 prescribe). Our staff are the product of indoctrination; indoctrination of “the IVGID culture.” This is a culture where our staff are more committed to themselves, their co-worker colleagues, their true boss (our GM) and special interest groups in our community than the public they were hired to serve. This allows them to arrogantly and narcissistically proclaim they are the District’s most important asset when in truth-and-in-fact the local parcel/dwelling unit owners who involuntarily subsidize their over compensation and over benefits are the District’s most important asset. And they have developed a propaganda machine which reinforces the foregoing and convinces the less informed that they speak the truth and critics like me do not.

Dr. Myles Riner Has Bought Into This Narrative Lock, Stock and Barrel: Recently he has become very vocal on social media, at Board meetings, he has been recruited by our GM to be a member of at least one of his Advisory Committees (the Dog Park Committee⁵), and he has eagerly accepted that appointment. Recently Dr. Riner published a white paper on social media directed to his “friends and neighbors” titled “IVGID’s Staff Deserves Our Support.”⁶ If one reads this paper, one will see where Dr. Riner has fully bought into un-elected staff’s narrative and that critics such as me are the problem.

Dr. Riner’s “Invest in Incline Advocacy Network:” As the reader can see from Exhibit “A,” Dr. Riner claims he is working on a website that “will be loaded with content focused on a number of... grass roots...advocacy initiatives that...will be of interest to our...community.” And that he will be creating regular newsletters “loaded with content.” However, in order to be entitled to receive at least the next edition of his newsletter, Dr. Riner instructs that interested persons must “agree with the...sentiments” expressed in his attached February, 2023 “Letter of Appreciation and Support for IVGID Staff” he intends to present to the Board and ask “Trustees of the District...take note,” by allowing their names to be affixed to that letter. So is Dr. Riner a legitimate interested community member? Or is his “advocacy network” just another propaganda piece?

My E-Mails of February 16 and 20, 2023: Being a member of the community and Dr. Riner’s neighbor, on February 16, 2023 I sent him an e-mail asking he place me on the list to receive future newsletters without including my name on his “letter of appreciation and support.”⁷ Dr. Riner provided no response in essence sending the message that if my name could not be used as support for his “letter of appreciation and support,” then I was not entitled to receive his future newsletters.

When it was clear to me what Dr. Riner’s intent really was, I felt it was appropriate to warn the Board given Dr. Riner has told us he intends to ask “Trustees of the District...(to) take note.” So on February 20, 2023 I did just that⁷.

⁵ To learn more about this committee, go to <https://www.yourtahoeplace.com/ivgid/resources/gms-advisory-committee-on-a-dog-park>.

⁶ This paper is attached as Exhibit “A” to this written statement.

⁷ This e-mail is part of an e-mail string which is attached as Exhibit “B” to this written statement.

Conclusion: So now we know. Dr. Riner and his “Invest in Incline Advocacy” group is clueless. They have no idea of the many, many problems we face which I and others regularly bring to the Board’s attention. How about the five (5) parcels I recently brought to our GM’s attention who haven’t been assessed Recreation (“RFF”) or Beach (“BFF”) Facility Fees⁸? And this is after how many requests over how many years for an audit of all parcels within the District’s boundaries? Unjustified? Not worthy of an expressed lack of confidence? Not worthy of an expressed lack of professionalism? Worthy of staff termination? Since Dr. Riner and his band of lemmings don’t have a clue about the problems, is it any surprise they don’t have solutions? Other than to attack their neighbor messengers and prop up our incompetent staff⁹. That’s why my name for Dr. Riner is “Whiner-Riner.” Let the record so reflect.

And You Wonder Why the RFF and BFF Which Pay For Staff’s Waste and Their Inability to Professionally Address the Many Problems We Face, 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).

⁸ This is the subject of a companion written statement which provides the ugly truth for all to see. Are you reading Dr. Riner?

⁹ Word has it Dr. Riner is positioning himself to run for IVGID Trustee in 2024. Since our voting scheme for trustees disenfranchises local parcel/dwelling unit owners who are not full time residents (60% or more of all 8,200 local parcel owners), and readily enfranchises any IVGID employee who resides in Incline Village or Crystal Bay (and at last count there were more than 1,000 IVGID employees), we see the choir Dr. Riner is preaching to. Let the record reflect.

EXHIBIT "A"



IVGID's Staff Deserves Our Support

Invest in Incline
Advocacy Network Newsletter
Introductory Edition
February 2023

Dear Friends and Neighbors,

You are probably aware that IVGID management and staff have been subjected to frequent personal attacks on their character and integrity at IVGID meetings, community forums, and in social media. These words and actions have had a real and negative impact on IVGID employees. This is your opportunity to respond, in a positive way, to these attacks.

**YOUR HELP IS NEEDED
YOUR VOICE IS IMPORTANT**

Welcome to the first edition of the Invest in Incline Advocacy Network Newsletter. A website is being produced and will be up and running in the near future. It will be loaded with content focused on a number of advocacy initiatives that we hope will be of interest to our Incline Village / Crystal Bay community.

Invest in Incline is a grass roots advocacy network organized to give a collective voice to residents and property owners in Incline Village and Crystal Bay, Nevada, who support prudent investments (of time, effort, and money) in new or revitalized infrastructure, recreational facilities, and other amenities for the benefit of those who live, work, and play in our community. More about this Advocacy Network will be presented on the web site.

We hope you will add your name to the list of other members of the IV/CB community who support the sentiments in the following Letter of Support and Appreciation for IVGID Staff and Management.

Please read this letter below, and if you agree with these sentiments, provide your name, and your email address (which will not be revealed). This will also allow you to receive the next edition of this Newsletter.

Letter of Appreciation and Support for IVGID Staff

February, 2023

To IVGID Management, Staff, and Trustees:

The following is a letter of appreciation and support directed to IVGID staff and management from the members of the IV/CB community whose names are appended to this letter.

In the last several months and years some vocal members of the Incline Village and Crystal Bay community have engaged in **personal attacks on the character and integrity of IVGID management and staff**. These attackers have used innuendo and inflammatory and baseless assertions to:

- undermine confidence in IVGID,
- demoralize and distract IVGID staff,
- disparage the professionalism and good intentions of IVGID management, and
- create ill will towards these staff members.

The resulting impact on staff retention at IVGID has been damaging to the entire community; and many of our residents find this behavior indefensible and inappropriate.

We believe nearly all the members of our community have found the staff and management of IVGID to be both responsive to the needs of our residents, and reliable in the performance of their duties as employees of the General Improvement District. Of course, there is always room for improvement, but overall we feel that General Manager Winquest, his senior staff and expert consultants, and the entire team of IVGID employees, have provided superior services on behalf of IV/CB residents and property owners. This is evident in:

- the quality of the amenities and facilities that this staff maintains,
- the programs the staff supports,
- the courtesy of the staff towards residents and visitors, and
- the effectiveness of the decisions made by IVGID management.

We also appreciate the way that IVGID staff have involved themselves directly in various community events, activities, and organizations. Unfortunately, IVGID does not hear as often from those who are satisfied with their performance as it does from the vocal few who never seem satisfied with anything having to do with IVGID.

We hope that IVGID staff will take some measure of reassurance and pride from this letter of

support and appreciation from the undersigned members of our (and their) community, and that the Board of Trustees of the District will also take note.

Sincerely, the undersigned residents, property owners and business operators of IV/CB:

Email Address (to subscribe to Newsletter)

First Name

Last Name

Comments or Questions: email us at investinincline@gmail.com

Report abuse

Created with

EXHIBIT "B"

Agenda Item C to Feb 22, 2023 IVGID Board Meeting - Public Comment - Our GM's Current Bootlicker of the Month is Winer Riner - Thus His Invest in Incline Advocacy Network is Nothing More Than a Propaganda Tool

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>, "Tulloch Ray" <tulloch_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, <sellingtahoe@sbcglobal.net>
Subject: Agenda Item C to Feb 22, 2023 IVGID Board Meeting - Public Comment - Our GM's Current Bootlicker of the Month is Winer Riner - Thus His Invest in Incline Advocacy Network is Nothing More Than a Propaganda Tool
Date: Feb 20, 2023 12:37 PM

Chairperson Dent and Other Honorable Members of the IVGID Board -

Understand we have a new bootlicker in town. Indra's slobbering king of social media. Dr Myles Riner. Because of his whining, I have appointed the name "Winer Riner."

Dr Riner claims to represent the silent majority. Just like Gail Krolick he thinks every IVGID employee is the greatest thing since electricity and they all deserve our gratitude because demonstrating that gratitude with excessive compensation and benefits just isn't enough. He's quick to complain about members of our community like me who criticize many of these employees backed up by fact. But what positive proposals does the Winer recommend? Bueller? Bueller?

To prove my point, go on social media and you will see where Dr. Riner has created a form to become a member in his new advocacy network and to receive advocacy network newsletters. Except when one signs up, he/she is also authorizing Dr Riner to use his/her name on his petition of support for the rank and file of IVGID. Support he is soliciting in what a number of people believe will be a bid for IVGID Trustee in 2024. If you just want to become a member and nothing more, you're given no option.

So you can see below that on February 16, 2023 I e-mailed Dr Riner pointing out this anomaly, and asking if I could join his new advocacy network without signing his petition? And his response? NOTHING. Nada.

Now is that the way to treat your neighbor and fellow member of our community?

Like I said. Let's recognize this and Dr. Riner for what they are. The silent minority (rather than majority) with nothing good to say about their fellow neighbors who recognize the wrongs in our community and are at least attempting to publicize and correct them..

Respectfully, Aaron Katz

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

From: <s4s@ix.netcom.com>
Sent: Feb 16, 2023 4:02 PM
To: <investinincline@gmail.com>
Subject: Invest in Incline Advocacy Network Newsletter

Hello Dr. Riner -

Being a neighbor of yours and a member of our community, how do I sign up for your new advocacy network's newsletters without having my name appended to your "letter of support and appreciation for IVGID staff and management?"

Thank you for your understanding and cooperation. Aaron Katz

2-22-23

From Margaret Martini

Members of the Board-board meeting

Please add to the minutes of the meeting

Technology is a wonderful thing.

It would seem a prudent idea if all employees kept an hourly log...in the interest of transparency...therefore when records were asked for it would be completely transparent which fund each item is accountable for.

This would completely eliminate all of the time and effort to scan through items that are public records requests. It would also give the department managers (umm, directors?) an opportunity to scan exactly what their employees are working on and then progress can be questioned or discussed. This would also be a directive for the managers (umm, directors) to comply with so that their time can also be correctly charged out and TRANSPARENT.

This is a simple fix for some of the issues brought forth in the agenda item

It **should** only take 1-2 minutes each hour to do a log in of the activities and job they are performing . Maybe this could be a job for Ms. Heron and she could also keep track of each hour expended.

This is a SIMPLE solution to an ongoing problem of extra time in staff charges...and not so extra staff time charges.

Isn't technology wonderful and IVGID has certainly spent LOADS OF MONEY AND STAFF TIME to changing or updating our technology. A lot of this is brought forth on the recommendation of staff and then sold to the GM which is then sold to the board.

Every employee has a number, or at minimum a last name, and can be easily identified when attached to a particular job being done. That way if there is an employee doing several jobs for different departments it is an item that can be accountable. PLUS, THIS MIGHT BE AN INCENTIVE FOR THE ELIMINATION OF SEVERAL PART TIME POSITIONS AND THE AUDIT OF EMPLOYEE TIME AND POSITION DUTIES TO BE LOOKED AT FOR CONSOLIDATION OR ELIMINATION OF DUPLICATION OF DUTIES. IT WOULD ALSO PROVIDE AN ACCURATE COST OF EMPLOYEE TIME TO EACH PROJECT OR JOB (-positions). It is called accountability for the employee and the management.

This is a simple fix for looking at an employee audit that is much needed.

If an employee is not on board with spending a minute or two of recording their time expended then perhaps that employee should seek other less accountable employment opportunities.

Maintaining excellent staff is a priority it seems. But it is not all about staff. It is about efficiently managing the whole of IVGID and that includes maintaining a wage that is commensurate with the market rate of salary. Benefits are just that, a benefit , and should not be considered an expectation for being employed by the district.

Job description needs to be identified so that all this extra staff expenses could be pared down or essentially eliminated.

I am looking to this new board to be on board with employee time efficiency and project efficiency... thus managing costs overall.

Thank you for your service on the board and for keeping in mind that you have the fiduciary responsibility to spend the taxpayers money in the most responsible manner possible.

Abel - Comments for 2/21/23c

I am profoundly disappointed with the board's inaction on my Public Records request. You have not only deprived our community of the \$50K+ that was spent on the work product of the Balkenbush firm but you have also cut you own legs off on the issue of employee beach access. Your vote on employee beach access has zero legal backing. You have based your vote on nothing but your own 3 vacuous opinions. You have set up the issue to get easily reversed by a future board.

Looking back to IVGID's loss in the Smith lawsuit, IVGID management, Nelson and this board continue to maintain a consistant path of secrecy in violation of numerous legal opinions. Numerous legal opinions have asserted that NV boards must er on the side of the public interest.

My next comment is regarding the contract with so called legislative advocate Faust. 1st of all is that he has a 3 year contract adopted in April 2022. This three-year contract is a clear violation of NRS 354.626. Hello Mr. Winquest – Hello Mr. Nelson – is IVGID exempt from NRS statutes?

While Washoe County dropped Faust in 2017, IVGID continues to ignore that he has delivered no results. But as he says, “The money is just over the rainbow”.

By Faust's own numbers on page 7, he has provided a virtually zero return on his so-called efforts since 2013. The Federal Section 595 Program money that is just over the rainbow that just never seems to appear. Glowing comments on “partnership” and “advocacy” sound great, but where is the beef? The funding? The results?

At his report in January 2020 Faust and 595 Program Sacramento representative Laura Whitney told us about the 595 funding just over the rainbow. It never happened. Plus Ms. Whitney is no longer working in the Sacramento office and based on USACE and federal government web sites – no 595 funds have ever been distributed to IVGID in the last 10 years.

With great fanfare, Faust touts his efforts on HR 5243 and the Tahoe related components of the National Defense Authorization Act – both efforts which failed.

He also touts his “results” getting the \$1.6 million funding to IVGID from 2023 omnibus appropriations bill that seems to accrue not from his efforts, but from the efforts of Nevada's two US Senators, Rosen and Cortez-Masto, according to a press release issued by Senator Rosen.

Commented [1]: YOU CAN'T SAY NEVADA – A project in Searchlight Nevada got funding.

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest, District General Manager

FROM: Paul Navazio, Director of Finance

SUBJECT: Authorize the General Manager to Execute State of Nevada Clean Water State Revolving Fund Loan Contracts CW2303 and CW2304 in the aggregate amount of \$16,000,000 to finance Phase 2 of the Effluent Pipeline Project (Requesting Staff Member: Director of Finance Paul Navazio)

RELATED STRATEGIC PLAN INITIATIVE(S): Long Range Principle #2 - Resources and Environment
Long Range Principle #5 - Assets and Infrastructure
Pursue project partnerships and Federal, State and Local funding to reduce District costs of Phase II of the Effluent Pipeline Project

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES

DATE: March 22, 2023

I. RECOMMENDATION

That the Board of Trustees makes a motion to Authorize the General Manager to Execute State of Nevada Clean Water State Revolving Fund Loan Contracts CW2303 and CW2304 in the aggregate amount of \$16,000,000 to finance Phase 2 of the Effluent Pipeline Project

II. BACKGROUND

The District has been advancing a priority capital project to replace sections of the Effluent Pipeline. The current project cost estimate is in the range of \$62.0 million. Funding to support this project is anticipated to include utility funds collected over past several years, debt financing through a State of Nevada Clean Water State Revolving Fund (SRF) Loan, as well as Federal Grant funds.

The District initially submitted an application, and received approval, through the

State of Nevada Department of Environmental Protection (NDEP) for a Clean Water Program SRF Loan in the amount of \$52,740,000. NDEP's Clean Water SRF Loan program requires borrowers to secure the loan through issuance of a private placement bond, to be purchased by the State Treasurer, equal to the amount of the loan.

At their meeting of December 14, 2022, the Board of Trustees approved Resolution No. 1897 establishing the District's Intent to issue Utility Revenue Bonds in the maximum principal amount of \$52,740,000, in one or more series.

In the course of completing the District's SRF loan application, and in consultation with NDEP staff, the amount of the initial SRF loan was reduced to \$16.0 million. This reduction in the (initial) loan amount was made in recognition of efforts currently underway that have the potential for the District to receive Federal Grant funding in support of the project through the Army Corps of Engineers 595 Program. NDEP staff had recommended reducing the initial loan amount in order to avoid the potential de-obligation of loan funds, should the District's efforts to secure Federal Grant funding prove successful.

While the initial loan amount has been reduced, the District has been assured that additional funding through the Clean Water SRF Program, up to the original approved amount of \$52,740,000, will remain available for the Effluent Pipeline Project. In addition, in a letter dated March 1, 2023, NDEP and the State Treasurer's Office formally committed to honoring the interest rate applied to the original loan, to additional loan funds that may be required through project completion. Moreover, should interest rates decrease over the project timeframe, the State will accept the lower market rate at the time of securing additional SRF funding. This commitment provides the District with maximum flexibility in terms of SRF loan funds that may be required through project completion and effectively eliminates any interest rate "risk" that arises as a result of reducing the initial loan amount to \$16.0 million.

This item seeks Board authorization for the General Manager to execute two separate loan contracts between the District and the State Department of Water Conservation and Natural Resources, acting through the Nevada Division of Environmental Protection.

- The first loan contract (Contract No. CW2303), in the amount of \$15,760,000 represents the portion of the SRF loan that will be re-paid, over 30-years, pursuant to the provisions of the related Sewer Bond, Series 2023A, at an interest rate of 2.19%.
- The second loan contract (Contract No. CW2304), in the amount of \$240,000 represents the portion of the SRF loan that NDEP has determined qualifies for principal forgiveness and, as such, is not required to be repaid. This loan contract is subject to the provisions of the related Sewer Bond, Series 2023B.

Loan funds are available to be accessed, on a reimbursement basis, through

project completion, or 3 years, whichever comes first. Interest-only payments on the funds accessed through Contract CW2303 are due and payable twice per year (January and July), based on the amount of loan funds drawn by the District. Principal (and interest) payments on funds accessed through Contract CW2303 will commence at project completion, or 3 years, whichever comes first.

The interest rate on the \$15,760,000 loan (Contract CW2303) is 2.19%, and has been set based at 54% of the "Bond Buyer 20 General Obligation Bond Index (BB20 Index), plus an adjustment factor based on the AAA Municipal Market Data (MMD) scala as of March 10, 2023, to account for the 30-year term of the loan.

III. BID RESULTS

Not applicable

IV. FINANCIAL IMPACT AND BUDGET

The two loan contracts subject of this agenda item result in a combined \$16,000,000 in State of Nevada Clean Water Program SRF Loan funds intended to serve as a component of the financing plan for the District's Effluent Pipeline, Phase 2 Replacement Project.

Of the total loan amounts, up to \$15,760,000 are to be repaid over 30 years (from project completion), at a fixed interest rate of 2.19%. If the entire amount of the loan is accessed by the District, annual debt service payments of \$715,108.68 would be required to pay off the loan. Actual debt service payments will depend on the timing and amount of loan funds accessed throughout the term of the project.

The State's SRF Loan program assesses a loan origination fee of 0.5%, or \$78,800.00, to be paid within 30 days after the loan closing. This fee is considered part of the financing costs included in the overall project budget.

V. ALTERNATIVES

The Board could choose not to proceed with executing SRF loan contracts. This alternative could jeopardize the District's ability to finance the Effluent Pipeline project and/or project schedule.

VI. COMMENTS

The SRF Loans recommended to approval in this agenda item are available to the District on a reimbursement basis and, as such, resulting debt service payments will apply only to loan funds accessed by the District.

The SRF program provides subsidized loans at significantly reduced rates, in comparison to rates available on the municipal bond market.

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

VIII. BUSINESS IMPACT

IX. ATTACHMENTS

1. IVGID Interest Rate Letter
2. CW2303 IVGID Final Contract
3. CW2304 IVGID Draft Contract

X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

Authorization to execute State Revolving Fund loans in support of the Effluent Pipeline Replacement project in order to access favorable financing terms.



NEVADA DIVISION OF
**ENVIRONMENTAL
PROTECTION**

STATE OF NEVADA
Department of Conservation & Natural Resources

Joe Lombardo, *Governor*
James A. Settelmeyer, *Director*
Greg Lovato, *Administrator*

March 1, 2023

Chair Matthew Dent
Incline Village General Improvement District
893 Southwood Boulevard
Incline Village, Nevada 89451

Chair Dent:

The Nevada Division of Environmental Protection, Office of Financial Assistance (OFA), together with the Nevada State Treasurer’s Office, are pleased to partner with Incline Village General Improvement District for the effluent export pipeline project (segment 2). This project will replace approximately 33,000 linear feet of pipeline within the Nevada Department of Transportation’s right-of-way that has deteriorated beyond its service life. The export of effluent water keeps Lake Tahoe’s waters clear and contributes to wetland facilities located in the Carson Valley that provide a year-round home to various avian species.

The need for this project cannot be over emphasized. The Lake Tahoe watershed is one of the most protected in the nation. We understand the existing pipeline has demonstrated limited structural integrity with current, documented leaks being reported. Not only will this project protect our pristine Lake Tahoe watershed, but it will further protect the environment from harmful contaminants and create jobs in the northern Nevada area.

OFA manages the Clean Water State Revolving Fund. The fund is designed to provide funding to infrastructure projects that protect public health and the environment through below-market interest rates. These projects make sure that our nation remains safe, clean, and livable. To ensure this project is completed timely, expeditiously, and on budget, OFA is offering to lock in the same interest rate for each bond issued from the Clean Water State Revolving Fund to complete segment 2 of the effluent export pipeline project should the market interest rate increase. Should the market interest rate decrease, OFA is willing to accept the lower market rate at the time of issuance for this specific project. The Treasurer’s Office has reviewed our offer to lock in the interest rate for multiple issuances for this same project and concurs with this request.

This project will create jobs, safeguard the health of Nevada residents and visitors, and protect the crystal blue waters of Lake Tahoe.

Cordially,

DocuSigned by:
Jason Cooper 3/1/2023 | 4:03 PM PST
7C85443BE32D486...
Jason B. Cooper, CGFM
Administrative Services Officer 3
Nevada Division of Environmental Protection

DocuSigned by:
Jeff Landerfelt 3/1/2023 | 4:08 PM PST
B2117AC2A0DF42B...
Jeff Landerfelt
Senior Deputy Treasurer-Operations
State Treasurer’s Office

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STATE OF NEVADA
CLEAN WATER STATE REVOLVING FUND
LOAN CONTRACT
CONTRACT NO. CW2303

This loan contract is made this 11th day of April, 2023 between the Nevada State Department of Conservation & Natural Resources acting by and through the Nevada Division of Environmental Protection hereafter referred to as the Division, and Incline Village General Improvement District, a political subdivision of the State of Nevada, hereafter referred to as the Recipient. This loan contract is to provide funding for the project as outlined in Section 1.

WHEREAS:

1. The Federal Clean Water Act (33 U.S.C. Sub Section 1251 et seq. as amended) and State Law (NRS 445A.060-445A.160) authorize the Division to enter into contracts with municipalities and other public agencies for financial assistance for construction of publicly owned treatment works and pollution control projects; and
2. The account to finance the construction of treatment works and the implementation of pollution control projects has been created in the state treasury pursuant to NRS 445A.120 for the purposes of providing loans to finance the construction of treatment works and pollution control projects;
3. The Recipient is a municipality or interstate agency eligible for funding from the account;
4. The Recipient has made application for a loan related to construction of the Project hereafter described, and said Project has been determined by the Division to be eligible for a loan pursuant to applicable Federal and State laws, rules, regulations and guidance;
5. The Division has authorized loan funding for the Project hereafter described; and

1 6. Any federal Funds used for funding of this loan will be provided through the Capitalization Grants for
2 the Clean Water State Revolving Funds CFDA #66.458 through the United States Environmental
3 Protection Agency.

4
5 **NOW, THEREFORE,** It is agreed as Follows:

6
7 **SECTION 1. PROJECT DESCRIPTION**

8 In general, funding for this Project will be used for replacing segment two of the effluent export pipeline
9 and appurtenances along State Route 28. Specific details of the Project may be found in the application and
10 supporting documents.

11
12 **SECTION 2. INCORPORATION OF DOCUMENTS AND GENERAL RECIPIENT COMMIT-**
13 **MENTS**

14 This contract incorporates the following documents:

- 15 (A) Exhibit A, Loan Contract Standard Conditions, and
- 16 (B) Exhibit B, Listing of Cross Cutting Federal Authorities for Assistance Sub Grants, and
- 17 (C) Exhibit C, Lobbying Certification Form, and
- 18 (D) Exhibit D, Davis-Bacon Wage Rate Requirements, and
- 19 (E) Exhibit E, American Iron and Steel Requirements, and
- 20 (F) Exhibit F, Disadvantaged Business Enterprise Guidance, and
- 21 (G) Exhibit G, Environmental Protection Agency (EPA) Grant Requirements, and
- 22 (H) Exhibit H, DRAFT Amortization Schedule.
- 23 (I) Exhibit I, Fixed Interest Rate for Estimated Total Project Cost (SECTION 3).

24 The Recipient accepts and agrees to comply with all terms, provisions, conditions, and commitments of this
25 contract, including all incorporated documents, and to fulfill all assurances, declarations, representations,

1 and commitments made by the Recipient in its application, accompanying documents, and communications
2 filed in support of its request for loan.

3
4 **SECTION 3. ESTIMATED COST OF PROJECT**

5 The estimated total cost of the Project, including associated planning and design costs is **sixty-two million,**
6 **eighty thousand, four hundred and fifty-three dollars, (\$62,080,453.00).**

7
8 **SECTION 4. MAXIMUM LOAN AMOUNT**

9 Subject to all of the terms, provisions, and conditions of this contract, and subject to the availability of State
10 and Federal funds, the Division will loan a sum not to exceed **fifteen million, seven hundred and sixty**
11 **thousand dollars (\$15,760,000.00)** to the Recipient.

12
13 **SECTION 5. INTEREST RATE**

- 14 1. The interest rate for the Recipient's loan is computed to equal 54.0% of the last published "Bond Buyer
15 20 General Obligation Bond Index" (BB20 Index) plus an adjustment to account for the 30-year term
16 of the loan, or 54.0% of the last published BB20 index (for market situations such as an inverted yield
17 curve). The adjustment is the difference between the 20-year AAA Municipal Market Data (MMD) rate
18 and the 30-year AAA MMD rate. The BB20 Index is a nationally recognized weekly index as of every
19 Thursday in The Bond Buyer, a weekly publication. The AAA MMD rates are available daily from
20 Thomson Reuters, a municipal market information service. The BB20 Index and AAA MMD rates are
21 also available to the public from many securities brokers and dealers.
- 22 2. The BB20 Index, as of March 9, 2023 (the last index rate published on the Thursday preceding the
23 mailing of final contract for signatures), was 3.73%. As of the same date, the 30-year AAA MMD rate
24 was 3.58% and the 20-year rate was 3.4% which results in an adjustment of .18% ($[3.58]-[3.4]=[.18\%]$).

- 1 3. The annual percentage interest rate for this loan is therefore 2.19%. Interest on any loan funds disbursed
2 to the Recipient shall accrue from the date each disbursement of such funds is made by the Division to
3 the Recipient.
- 4 4. Interest payable on any loan funds disbursed to the Recipient shall be calculated on the basis of a 360
5 day year consisting of twelve 30 day months on the unpaid principal amount advanced from the date
6 or dates of each advance until the principal thereof is paid in full.

7

8 **SECTION 6. REPAYMENT OF LOAN**

- 9 1. Loan funds shall be repaid in accordance with the provisions of the bond ordinance adopted by the
10 Incline Village General Improvement District on March 22, 2023 (the “Ordinance”) authorizing the
11 issuance of the Incline Village General Improvement District Utility Revenue Bonds, Series 2023A
12 (hereafter referred to as the “Bond”) and with calculations provided to the Recipient on a semi-annual
13 basis, by the Division or its designee. Interest payments shall be payable semiannually on January 1
14 and July 1 of each year commencing on the January 1 or July 1 which is at least 30 days immediately
15 succeeding the date of the first principal advance made to the Recipient under this loan contract.
- 16 2. Principal payments shall be made semiannually on January 1 and July 1, commencing on the first
17 January 1 or July 1 which is at least 30 days immediately following the date the Recipient draws the
18 maximum principal amount authorized under this loan contract, the date the Recipient completes the
19 Project, or three years from the date of this loan contract, whichever occurs first. The principal and
20 interest payments shall be structured to produce substantially level payments and amortize the
21 outstanding principal amount of the loan over the term of the loan (Exhibit H).
- 22 3. The Bond is not subject to prepayment unless the State consents to such prepayment or a change in use
23 of the Project occurs which necessitates remedial action under Treasury Reg. 1.141-12 in order to
24 comply with the federal tax covenant in the Ordinance.

25

26

1 **SECTION 7. FEES**

- 2 1. The Division may charge a loan origination fee in an amount authorized by NAC 445A.775.
- 3 2. The loan recipient shall remit to the Division the full amount of the loan origination fee within 30 days
- 4 after the loan closing.
- 5 3. This loan contract contains a loan origination fee in the amount of \$78,800.00. (0.50% of the loan
- 6 amount)

7

8 **SECTION 8. FISCAL SUSTAINABILITY PLAN**

9 The Recipient will maintain a fiscal sustainability plan that outlines the system's assets, identifies the

10 critical assets of the system, determines condition of the assets, and plans for future replacement.

- 11 1. The plan must evaluate the level of service required of the system, and
- 12 2. The plan must address ongoing maintenance of system assets to ensure its maximum useful life,
- 13 and
- 14 3. The plan must be reviewed and updated by the Recipient at least once every five years, and
- 15 4. The Recipient may maintain a fiscal sustainability plan in logical sections of the system rather than
- 16 the entire system upon approval of the Division, and
- 17 5. The plan is subject to periodic review by the Division.

18

19 **SECTION 9. USEFUL LIFE OF PROJECT**

20 For purposes of this contract, the parties agree that the useful life of the Project is at least thirty (30) years

21 from and after Project completion.

22

23 **SECTION 10. TERM**

24 This contract shall take effect upon execution of the contract by the Division and the Recipient, and for the

25 purpose of this section, the term of this contract is for no more than thirty (30) years from the date of this

26 loan contract.

1 **SECTION 11. NOTICES**

2 All notices or other communications hereunder shall be sufficiently given and shall be deemed given when:

3 (a) hand delivered; (b) mailed by registered or certified United States mail, postage; or (c) via email to the
4 parties hereinafter set forth at the following addresses:

5

6 1. Nevada Division of Environmental Protection

7 Office of Financial Assistance

8 901 S. Stewart St., Ste 4001

9 Carson City, NV 89701-5249

10 ndep-ofa@ndep.nv.gov

11

12 2. Incline Village General Improvement District

13 1220 Sweetwater Rd.

14 Incline Village, NV 89451-9214

15 isw@ivgid.org

16

17 **IN WITNESS THEREOF**, the parties have executed this contract on the dates set forth below.

18

19 **RECIPIENT: INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**

20 _____ Date: _____

21 Indra Winqest, General Manager, Incline Village General Improvement District

22

23 **DIVISION OF ENVIRONMENTAL PROTECTION**

24 _____ Date: _____

25 Jennifer Carr, Administrator

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

Condition 1. AWARD OF CONSTRUCTION CONTRACTS; NOTIFICATION OF AWARD AND INITIATION OF CONSTRUCTION

- 1.1 The Recipient shall conduct value engineering if the total estimated cost of building the treatment works is more than \$10,000,000 (NAC 445A.782).
- 1.2 The Division may, upon the request of a recipient, grant an extension of the time provided by subsection 1 in any case where unusual or extenuating circumstances exist. Any request for an extension must be made in writing and must set forth facts justifying the extension.
- 1.3 The Recipient agrees to promptly notify the Division in writing both of the award of the prime construction contract for the project and of initiation of construction of the project.
- 1.4 The Recipient shall require the contractor to submit a schedule for construction at the preconstruction conference. The contractor shall be required to update the schedule as necessary.
- 1.5 The Recipient agrees to expeditiously proceed with and complete construction of the project in substantial accordance with project plans and specifications approved by the Division.

Condition 2. CONSTRUCTION ACTIVITIES AND NOTIFICATIONS

If the loan is awarded for construction of collection lines, the Recipient shall require mandatory connection to the system. This shall be accomplished by including a requirement for mandatory connections in the sewer use ordinance.

The Recipient agrees to promptly notify the Division in writing of:

- 2.1 Any substantial change in scope of the project. The Recipient agrees that no substantial change in the scope of the project will be undertaken until written notice of the proposed change has been provided to the Division and the Division has given written approval for such change.
- 2.2 Cessation of all major construction work on the project where such cessation of work is expected to or does extend for a period of 30 days or more.
- 2.3 Any circumstance, combination of circumstances, or condition, which is expected to or does delay completion of construction for a period of 90 days or more beyond the estimated date of completion of construction previously provided to the Division.
- 2.4 Completion of construction of the project.

After completion of the project the Recipient shall provide the Division with as-built record drawings for the project.

Condition 3. RESIDENT ENGINEER & INSPECTOR

The Recipient is required to hire a qualified full time resident engineer and inspector(s) during the construction of the project unless waived by the Division.

Condition 4. PROJECT ACCESS & STATE REVIEWS

- 4.1 The Recipient agrees to ensure that the Division or any authorized representative thereof will have suitable access to the project site and project documents at reasonable times during project construction.
- 4.2 The parties agree that review or approval of project plans and specifications by the Division is for administrative purposes only and does not relieve the Recipient of the responsibility to properly plan, design, construct, operate and maintain the Project.

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

Condition 5. **INDEMNIFICATION**

- 5.1 As between the Division and the Recipient, the Recipient agrees that it has sole responsibility for proper planning, design, construction, operation and maintenance of the Project, and the Recipient agrees to indemnify the Division, the state of Nevada and their officer, agents and employees against and to hold the same free and harmless from any and all claims, demands, damages, losses costs, expenses or liability due or incident to planning, design, construction, operation or maintenance of the Project.
- 5.2 The parties will not waive and intend to assert available NRS 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.
- 5.3 To the fullest extent of limited liability as set forth above, 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 constructed to negate, abridge, or otherwise reduce any other right or obligation of indemnity, which would otherwise exist to any party or person described in this paragraph.
- 5.4 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.

Condition 6. **PROJECT COMPLETION; INITIATION OF OPERATIONS & OPERATION AND MAINTENANCE**

- 6.1 At the time of completion of construction, the Division, after consultation with the Recipient, will establish a reasonable estimated project completion date, and the Recipient agrees to make all reasonable efforts to meet the date so established. Such date shall be binding upon the Recipient unless modified in writing by the Division upon a showing of good cause by the Recipient. Extension of the project completion date by the Division shall not be unreasonably withheld.
- 6.2 Upon completion of construction of the Project, the Recipient agrees to expeditiously initiate project operations. The Recipient agrees to properly staff, operate and maintain all portions of the Project during its useful life in accordance with all applicable state laws, rules and regulations. Upon reasonable notice, the Recipient shall make available to the Division the operation and maintenance manuals for the Project.

Condition 7. **DEDICATED SOURCE OF REVENUE & SYSTEM USER CHARGES**

- 7.1 The Recipient shall adopt and maintain in effect during the term of this contract a user charge system or other dedicated source of revenue such as connection fees, which at all times complies with the requirements of applicable state rules, regulations and guidelines.

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

- 7.2 The Recipient agrees to administer a system of user charges acceptable to the Division pursuant to NAC 445A.788- 445A.790.
- 7.3 The Recipient further agrees to periodically review and modify the system of user charges as necessary to assure its reasonable adequacy to repay the loan, and to cover operating costs and meet other financial obligations of the Recipient. The system of user charges shall be reviewed at least once every three years and all modifications thereto shall be consistent with NAC 445A.788 and shall be maintained to the reasonable satisfaction of the Division.

Condition 8. CONTINUOUS USE OF PROJECT

The Recipient agrees that it will not abandon, substantially discontinue use of, or dispose of the project during the useful life of the project without prior written approval of the Division. If the Recipient does abandon, substantially discontinue use, of, or dispose of the Project during the useful life of the Project without prior approval of the Division, the Recipient shall repay the account for the revolving fund all remaining principal advanced hereunder due in accordance with the terms of this contract.

Condition 9. REPORTS, RECORDS & ACCOUNTING STANDARDS

- 9.1 The Recipient agrees to expeditiously provide, during construction of the project and thereafter during the useful life of the project, such reports, data, and information as may be reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation by the State Revolving Fund Loan Program or to fulfill any reporting requirements of the federal government. At a minimum, such reports reasonably required by the Division shall include the submission of annual financial statements, prepared on a basis utilizing “Generally Accepted Accounting Principles (GAAP).

Without limitation of the requirement to maintain project accounts in accordance with generally accepted government accounting standards, the Recipient agrees to:

- 9.2 Maintain separate Project accounts in accordance with generally accepted government accounting standards including, but not limited to, standards relating to the reporting of infrastructure assets and those contained in the Standards for Audit of Governmental Organizations, Programs, Activities and Functions, promulgated by the U.S. General Accounting Office.
- 9.3 Comply with requirements described in to 2 CFR §200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements which apply to expenditures by a public or non-profit entity of federal monies from all sources in an amount greater than or equal to \$750,000 in a year.
- 9.4 Establish an official file for the project which shall adequately document all significant actions relative to the project;
- 9.5 Establish accounts which will adequately and accurately depict all amounts received and expended on the project, including all loan funds received under this contract;
- 9.6 Establish accounts which will adequately depict all income received which is attributable to the project, specifically including any income attributable to loan funds disbursed under this contract.
- 9.7 Establish an accounting system which will accurately depict final total costs of the project, including both direct and indirect costs.

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

- 9.8 Maintain records and accounting activities of the wastewater utility separately from other activities of the Recipient.
- 9.9 If a force account is used by the Recipient for any phase of the Project, other than for planning, design and construction engineering and administration provided for by allowance, accounts will be established which reasonable document all employee hours charged to the project and the associated tasks performed by each employee.
- 9.10 Retain project records for a minimum of three (3) years after final loan repayment has been made, and for such longer period as may be required for the Division to fulfill federal reporting requirements under federal statutes and regulations. All Recipient records relative to the project shall be subject at all reasonable times to inspection, copying, and audit by the Division or any authorized representative.

Condition 10. FINANCIAL INFORMATION AUDIT

The Division, at its option, may call for an audit of financial information relative to the project, where the Division determines that an audit is desirable to assure program integrity or where such an audit becomes necessary because of federal requirements. Where such an audit is called for, the audit shall be performed by a Certified Public Accountant independent of the Recipient and at the cost of the Recipient. The audit shall be in the form required by the Division.

Condition 11. LOAN DISBURSEMENT; AVAILABILITY OF FUNDS

- 11.1 The Recipient agrees to draw funds available in section 4 within three (3) years from the date of this contract. Funds will be subject to de-obligation and/or review after this time period by the Division.

Except as may be otherwise provided in this contract, loan amounts will be disbursed as follows:

- 11.2 Loan funds will be promptly disbursed to the Recipient for project costs incurred by the Recipient upon receipt by the Division of proper and acceptable Payment Request Forms from the Recipient.
- 11.3 Additional loan funds will be promptly disbursed to the Recipient for project costs incurred by the Recipient upon receipt of proper and acceptable payment requests from the Recipient provided that payment shall not be made more frequently than once a month.
- 11.4 The Recipient agrees that it will not request payment for any project cost until such cost has been incurred and is due and payable, although it is agreed that actual payment of such cost by the Recipient is not required as a condition of payment request. The Recipient agrees to provide a certification with each payment request that costs shown in the payment request have been incurred and is due and payable at the time of the request.
- 11.5 Each disbursement of loan funds other than for the planning and design allowance will be accompanied by an appropriate prorated percentage of the allowance for construction engineering and inspection services for the project.
- 11.6 The Division's obligation to pay any sum to the Recipient under any provisions of this contract, is contingent upon the availability of sufficient funds to permit the payments provided for herein. In the event that sufficient funds, as determined by the Division, do not become available for any reason, the Division shall not be obligated to make any payments to the Recipient under this contract. This provision shall be construed as a condition precedent to the obligation of the Division to make any payments under this contract. Nothing in this contract shall be construed to provide the Recipient with

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

a right of priority for payment over any other agency. If any payments which are otherwise due to the Recipient under this contract are deferred because of unavailability of sufficient funds, such payments will promptly be made to the Recipient when sufficient funds do become available.

- 11.7 Any federal funds used for funding of this loan will be provided through the Capitalization Grants for Clean Water State Revolving Funds CFDA #66.458.

Condition 12. **COMPLIANCE WITH OTHER FEDERAL STATUTES AND AUTHORITIES**

- 12.1 A number of other federal laws and authorities will be applied to activities supported with SRF funds directly made available by capitalization grants. Exhibit B contains a current list of these other laws and authorities. The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, regulations, and requirements.

- 12.2 The Recipient recognizes as goals the applicable Minority Business Enterprise (MBE)/Women Business Enterprise (WBE) "fair share" goals negotiated with EPA by the Division for construction, supplies, equipment and services as follows:

Construction	MBE 2%	WBE 2%
Equipment	MBE 1%	WBE 1%
Services	MBE 1%	WBE 2%
Supplies	MBE 1%	WBE 1%

- 12.3 The Davis-Bacon Act wage rules apply to the project funded by this loan contract as specified in Exhibit D.
- 12.4 The American Iron and Steel requirements apply for the entirety of the construction activities through completion of construction as specified in Exhibit E.
- 12.5 As required by 2 CFR 200.216, federal grant or loan recipients and subrecipients are prohibited from obligating or expending loan or grant funds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment, video surveillance services or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
- 12.6 Prohibitions extend to the use of Federal funds by recipients and subrecipients to enter into a contract with an entity that "uses any equipment, system, or service that uses covered telecommunications equipment or services" as a substantial or essential component of any system, or as critical technology as part of any system. Certain equipment, systems, or services, including equipment, systems, or services produced or provided by entities subject to the prohibition are recorded in the System for Award Management exclusion list.

Condition 13. **REPAYMENT; PENALTIES; RECIPIENT OBLIGATIONS**

- 13.1 The loan amount, together with all interest accruing thereon, shall be repaid as provided for in the loan contract.
- 13.2 The Recipient agrees to make each loan payment on or before the due date. A ten-day grace period will be allowed. A penalty in the amount of one-tenth of one percent

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(0.1%) of the defaulted payment will be due for each day of nonpayment beyond the grace period. Any penalties assessed will not be added to the loan balance but will be treated as a separate account and obligation of the Recipient, to be paid in full within 30 days after Recipient is in compliance with payment schedule.

- 13.3** The Recipient, as a whole, is obligated to make all payments required by this contract to the Division, notwithstanding any individual default by its constituents or others in the payment to the Recipient of taxes, assessments, fees, or other charges levied by the Recipient. The Recipient shall provide for the punctual payment to the Division of all amounts which become due under this contract and which are received from constituents or others in the payment to the Recipient of taxes, assessments, fees, or other charges levied by the Recipient. In the event of failure, neglect or refusal of any officer of the Recipient to levy or cause to be levied any taxes, assessments, fees or charges necessary to provide payment by the Recipient under this contract, to enforce or to collect such taxes, assessments, fees or charges or to pay over to the Division any money collected on the taxes, assessments, fees or charges necessary to satisfy any amount due under this contract, the Division may take such action in a court of competent jurisdiction as it deems necessary to compel the performance of all duties relating to the levying and collection of the taxes, assessments, fees or charges and the payment of the money collected therefrom to the Division.
- 13.4** Action taken pursuant hereto shall not deprive the Division of, or limit the application of, any other remedy provided by law or by this contract.

Condition 14. **TERMINATION; IMMEDIATE REPAYMENT; INTEREST**

- 14.1** This contract may be terminated by written notice during construction of the project, or thereafter at any time prior to complete repayment by the Recipient, at the option of the Division, upon violation by the Recipient of any material provision of this loan contract after such violation has been called to the attention of the Recipient and after failure of the Recipient to bring itself into compliance with the provisions of this contract within a reasonable time as established by the Division.
- 14.2** In the event of such termination, the Recipient agrees, upon demand, to immediately repay to the Division an amount equal to the current balance due on the loan, including accrued interest, and all penalty assessments due in accordance with the terms of this contract.

Condition 15. **DEFAULTS & REMEDIES**

- 15.1 NOTICE OF DEFAULT.** If an Event of Default shall occur, the non-defaulting party shall give the party in default prompt telephonic notice of the occurrence of such Event of Default, provided the non-defaulting party has knowledge of such Event of Default. Such telephonic notice shall be immediately followed by written notice of such event of Default given in the manner set forth in the contract.
- 15.2 EVENTS OF DEFAULT.** The occurrence of one or more of the following events constitutes an Event of Default, whether occurring voluntarily or involuntarily, by operation of law or pursuant to any order of any court or governmental agency.
- i. Failure by the Recipient to pay, or cause to be paid, any Loan Repayment required to be paid hereunder when due;
 - ii. Failure by the Recipient to observe and perform any duty, covenant, obligation, or agreement on its part to be observed or performed under this

EXHIBIT A
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- Loan Agreement, which failure shall continue for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to the Recipient by NDEP;
- iii. Any representation made by or on behalf of the Recipient contained in this Loan Agreement, or in any instrument furnished in compliance with or with reference to this Loan Agreement or the Loan, is intentionally false or misleading in any material respect.

15.3 REMEDIES, If NDEP determines that an Event of Default has occurred, NDEP may, without further notice:

- i. Declare the outstanding loan amount plus any unpaid accrued interest, fees, and other amounts due hereunder due and payable;
- ii. Cease making disbursement of Loan proceeds or make some disbursements of Loan proceeds and withhold or refuse to make other disbursements;
- iii. Pursue any other legal or equitable remedy it may have.

Condition 16. DISPOSITION OF EQUIPMENT

In accordance with 41 CFR 105-71.132, when original or replacement equipment used to construct the facilities acquired under this contract is no longer needed for the original project, disposition of the equipment will be made as follows:

- 16.1** Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold, or otherwise disposed of with no further obligation to the Division.
- 16.2** Items of equipment with a current per unit fair market value of \$5,000 or greater may be retained or sold and the State shall have a right to an amount calculated by multiplying the current market value or proceed from sale by the Division's share of the equipment. In cases where the Recipient fails to take the appropriate actions, the Division may direct the Recipient to take excess and disposition actions.

Condition 17. DISPUTES

Any dispute arising under this contract which is not otherwise disposed of shall be decided by the Administrator of the Division of Environmental Protection. The decision shall be reduced to writing and a copy thereof furnished to the Recipient. The decision of the Administrator shall be final and conclusive unless, within thirty (30) calendar days after mailing of the Administrator's decision to the Recipient, the Recipient mails or otherwise furnishes a written appeal of the decision to the Director of the Department of Conservation and Natural Resources. The decision of the Director shall be final and conclusive unless overturned by a court of competent jurisdiction. In connection with any appeal under this clause, the Recipient shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Recipient shall continue to fulfill and comply with all the terms, provisions, commitments, and requirements of this loan contract.

Condition 18. FORCE MAJURE

Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligation hereunder due to unforeseeable events including: strikes, failure of public transportation, civil or military authority, acts of public enemy, accidents, fires, explosions, earthquakes, flood, or unusual atmospheric events. In such an event the intervening cause must not

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

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 this Contract after the intervening cause ceases.

Condition 19. **WAIVER**

The parties hereto may, from time to time, waive any rights under this contract unless such waiver is contrary to law, provided that any such waiver must be in writing and must be signed by the party making such waiver.

Condition 20. **AMENDMENT**

This contract may be amended at any time by mutual written agreement of the parties.

EXHIBIT B
Cross-Cutting Federal Authorities

Cross-cutting federal authorities are the requirements of other federal laws and Executive Orders that apply in the case of federally funded projects. The cross-cutters include (but are not limited to): environmental laws such as the Endangered Species Act, the National Historic Preservation Act, executive orders on the protection of wetlands and flood plains, social policy authorities such as executive orders on equal employment opportunity in federally assisted programs, and economic authorities such as rules implementing executive orders on the debarment and suspension of persons who have engaged in misconduct. In the State Revolving Fund programs, compliance with federal cross-cutting authorities is required by all recipients of these federal funds. A list of the possible applicable cross-cutters follows.

Environmental Authorities

- o Archaeological and Historic Preservation Act, Pub. L. 93-291, as amended
- o Protection and Enhancement of the Cultural Environment
- o Clean Air Act, Pub. L. 95-95, as amended
- o Coastal Barrier Resources Act, Pub. L. 97-348
- o Coastal Zone Management Act, Pub. L. 92-583, as amended
- o Endangered Species Act, Pub. L. 93-205, as amended
- o Environmental Justice, Executive Order 12898
- o Flood Plain Management, Executive Order 11988 as amended by Executive Order 12148
- o Protection of Wetlands, Executive Order 11990 as amended by Executive Order 12608
- o Farmland Protection Policy Act, Pub. L. 97-98
- o Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended
- o Magnuson-Stevens Fishery Conservation and Management Act, Pub. L. 94-265
- o National Environmental Policy Act, Pub. L. 91-190
- o National Historic Preservation Act, Pub. L. 89-655, as amended
- o Safe Drinking Water Act, Pub. L. 93-523, as amended
- o Wild and Scenic Rivers Act, Pub. L. 90-54 as amended

Economic and Miscellaneous Authorities

- o Debarment and Suspension, Executive Order 12549
- o Demonstration Cities and Metropolitan Development Act, Pub. L. 89-754, as amended, and Executive Order 12372
- o Drug-Free Workplace Act, Pub. L. 100-690
- o New Restrictions on Lobbying, Section 319 of Pub. L. 101-121
- o Prohibitions relating to violations of the Clean Water Act or Clean Air Act with respect to Federal contracts, grants, or loans under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, and Executive Order 11738
- o Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended

Civil Rights, Nondiscrimination, Equal Employment Opportunity Authorities

- o Older Americans Act, Pub. L. 94-135
- o Equal Employment Opportunity, Executive Order 11246
- o Section 13 of the Clean Water Act, Pub. L. 92-500
- o Section 504 of the Rehabilitation Act, Pub. L. 93-112
- o Title VI of the Civil Rights Act, Pub. L. 88-352

EXHIBIT B
Cross-Cutting Federal Authorities

Disadvantaged Business Enterprise Authorities

- o Small, Minority, and Women-owned Business Enterprises, Executive Orders No.11625, 12138, and 12432
- o Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988 Pub. L. No. 100-590
- o 40 CFR Part 33 Participation by Disadvantaged Business Enterprises in Procurement under Environmental Protection Agency (EPA) Financial Assistance Agreements



EPA Project Control Number

CERTIFICATION REGARDING LOBBYING

**CERTIFICATION FOR CONTRACTS, GRANTS,
LOANS AND COOPERATIVE AGREEMENTS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31 U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Typed Name & Title of Authorized Representative

Signature and Date of Authorized Representative

EXHIBIT D

Preamble

With respect to the Clean Water State Revolving Funds and Safe Drinking Water State Revolving Funds, EPA provides capitalization grants to each State which in turn provides sub grants or loans to eligible entities within the State. Typically, the sub recipients are municipal or other local governmental entities that manage the funds. For these types of recipients, the provisions set forth under Roman numeral I, below, shall apply. Although EPA and the State remain responsible for ensuring sub recipients' compliance with the wage rate requirements set forth herein, those sub recipients shall have the primary responsibility to maintain payroll records as described in Section 3(ii)(A), below and for compliance as described in Section I-5.

Occasionally, the sub recipient may be a private for profit or not for profit entity. For these types of recipients, the provisions set forth in Roman Numeral II, below, shall apply. Although EPA and the State remain responsible for ensuring sub recipients' compliance with the wage rate requirements set forth herein, those sub recipients shall have the primary responsibility to maintain payroll records as described in Section II-3(ii)(A), below and for compliance as described in Section II-5.

I. Requirements Under The Consolidated Appropriations Act For Sub recipients That Are Governmental Entities:

The following terms and conditions specify how recipients will assist EPA in meeting its Davis-Bacon (DB) responsibilities when DB applies to EPA awards of financial assistance - with respect to State recipients and sub recipients that are governmental entities. If a sub recipient has questions regarding when DB applies, obtaining the correct DB wage determinations, DB provisions, or compliance monitoring, it may contact the State recipient. If a State recipient needs guidance, the recipient may contact Elizabeth Borowiec, borowiec.elizabeth@epa.gov, 415-972-3419, of EPA Region 9, for guidance. The recipient or sub recipient may also obtain additional guidance from DOL's web site at <http://www.dol.gov/whd/>

1. Applicability of the Davis- Bacon (DB) prevailing wage requirements.

DB prevailing wage requirements apply to the construction, alteration, and repair of treatment works carried out in whole or in part with assistance made available by Clean Water State Revolving Funds and Safe Drinking Water State Revolving Funds. If a sub recipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the sub recipient must discuss the situation with the recipient State before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Sub recipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

(i) While the solicitation remains open, the sub recipient shall monitor www.wdol.gov weekly to ensure that the wage determination contained in the solicitation remains current. The sub recipients shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the

EXHIBIT D

closing date, the sub recipients may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the sub recipient.

- (ii) If the sub recipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless the State recipient, at the request of the sub recipient, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The sub recipient shall monitor www.wdol.gov on a weekly basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(b) If the sub recipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the sub recipient shall insert the appropriate DOL wage determination from www.wdol.gov into the ordering instrument.

(c) Sub recipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(d) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a sub recipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the sub recipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the sub recipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The sub recipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract provisions.

(a) The Recipient shall insure that the sub recipient(s) shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project under the DWSRF financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1 or Consolidated Appropriations Act, 2017, the following clauses:

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

EXHIBIT D

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis- Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

Sub recipients may obtain wage determinations from the U.S. Department of Labor's web site, www.dol.gov.

(ii)(A) The sub recipient(s), on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the sub recipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the sub recipient (s) to the State award official. The State award official will transmit the request, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the sub recipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the request and the local wage determination, including the views of all interested parties and the recommendation of the State award official, to the Administrator for determination. The request shall

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be sent to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable Standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The sub recipient(s), shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of

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apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the sub recipient, that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the sub recipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <https://www.dol.gov/whd/forms/wh347instr.htm> or its successor site.

The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the sub recipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sub recipient(s).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

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(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or State may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or sub contractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the

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trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and sub recipient(s), State, EPA, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

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(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

4. Contract Provision for Contracts in Excess of \$100,000.

(a) Contract Work Hours and Safety Standards Act. The sub recipient shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Item 3, above or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (a)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (a)(1) of this section, in the sum of \$25 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (a)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The sub recipient, upon written request of the EPA Award Official or an authorized representative of the Department of Labor, shall withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a)(1) through (4) of this section.

(b) In addition to the clauses contained in Item 3, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Sub recipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen,

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working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Sub recipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the (write the name of agency) and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

5. Compliance Verification

(a) The sub recipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(3), all interviews must be conducted in confidence. The sub recipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(b) The sub recipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. Sub recipients must conduct more frequent interviews if the initial interviews or other information indicated that there is a risk that the contractor or subcontractor is not complying with DB.

Sub recipients shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.

(c) The sub recipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The sub recipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the sub recipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Sub recipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the sub recipient shall verify evidence of fringe benefit plans and payments there under by contractors and subcontractors who claim credit for fringe benefit contributions.

(d) The sub recipient shall periodically review contractors and subcontractor's use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(e) Sub recipients must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed above and to the appropriate DOL Wage and Hour District Office listed at <http://www.dol.gov/whd/america2.htm>.

II. Requirements Under The Consolidated Appropriations Act, 2017 (P.L. 115-31) For Sub recipients That Are Not Governmental Entities:

The following terms and conditions specify how recipients will assist EPA in meeting its DB

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responsibilities when DB applies to EPA awards of financial assistance under –FY 2017 Consolidated Appropriations Act with respect to sub recipients that are not governmental entities. If a sub recipient has questions regarding when DB applies, obtaining the correct DB wage determinations, DB provisions, or compliance monitoring, it may contact the State recipient for guidance. If a State recipient needs guidance, the recipient may contact Elizabeth Borowiec, borowiec.elizabeth@epa.gov, 415-972-3419, EPA Grants Management Office for guidance. The recipient or sub recipient may also obtain additional guidance from DOL's web site at <http://www.dol.gov/whd/>

Under these terms and conditions, the sub recipient must submit its proposed DB wage determinations to the State recipient for approval prior to including the wage determination in any solicitation, contract task orders, work assignments, or similar instruments to existing contractors.

1. Applicability of the Davis- Bacon (DB) prevailing wage requirements.

Under the FY 2017 Consolidated Appropriations Act -, DB prevailing wage requirements apply to the construction, alteration, and repair of treatment works carried out in whole or in part with assistance made available by a Clean Water State Revolving Funds and Safe Drinking Water State Revolving Funds,-. If a sub recipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the sub recipient must discuss the situation with the recipient State before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Sub recipients must obtain proposed wage determinations for specific localities at www.wdol.gov. After the Sub recipient obtains its proposed wage determination, it must submit the wage determination to Elizabeth Borowiec, borowiec.elizabeth@epa.gov, 415-972-3419, EPA Region 9, for approval prior to inserting the wage determination into a solicitation, contract or issuing task orders, work assignments or similar instruments to existing contractors (ordering instruments unless subsequently directed otherwise by the State recipient Award Official.)

(b) Sub recipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

- (i) While the solicitation remains open, the sub recipient shall monitor www.wdol.gov on a weekly basis to ensure that the wage determination contained in the solicitation remains current. The sub recipients shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the sub recipients may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the sub recipient.
- (ii) If the sub recipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless the State recipient, at the request of the sub recipient, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The sub recipient shall monitor www.wdol.gov on a weekly basis if it does

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not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(c) If the sub recipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the sub recipient shall insert the appropriate DOL wage determination from www.wdol.gov into the ordering instrument.

(d) Sub recipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(e) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a sub recipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the sub recipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the sub recipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The sub recipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract provisions.

(a) The Recipient shall insure that the sub recipient(s) shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project under the DWSRF financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1 or the FY 2017 Consolidated Appropriations Act -, the following clauses:

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work

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actually performed, without regard to skill, except as provided in §5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis- Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

Sub recipients may obtain wage determinations from the U.S. Department of Labor's web site, www.dol.gov.

(ii)(A) The sub recipient(s), on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the sub recipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the sub recipient(s) to the State award official. The State award official will transmit the report, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the sub recipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the request, and the local wage determination, including the views of all interested parties and the recommendation of the State award official, to the Administrator for determination. The request shall be sent to the EPA Regional Coordinator concurrently. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

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(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The sub recipient(s) shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the sub recipient, that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the sub recipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified

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week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/whd/forms/wh347instr.htm> or its successor site.

The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the sub recipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sub recipient(s).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or State may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR

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5.12.

(4) Apprentices and trainees--

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractors registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee

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performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and Sub recipient(s), State, EPA, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

4. Contract Provision for Contracts in Excess of \$100,000.

(a) Contract Work Hours and Safety Standards Act. The sub recipient shall insert the following clauses

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set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Item 3, above or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$25 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The sub recipient shall upon the request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (a)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a)(1) through (4) of this section.

(c) In addition to the clauses contained in Item 3, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Sub recipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Sub recipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the (write the name of agency) and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

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5. Compliance Verification

(a) The sub recipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(3), all interviews must be conducted in confidence. The sub recipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(b) The sub recipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. Sub recipients must conduct more frequent interviews if the initial interviews or other information indicated that there is a risk that the contractor or subcontractor is not complying with DB. Sub recipients shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence."

(c). The sub recipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The sub recipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable the sub recipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Sub recipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB . In addition, during the examinations the sub recipient shall verify evidence of fringe benefit plans and payments there under by contractors and subcontractors who claim credit for fringe benefit contributions.

(d). The sub recipient shall periodically review contractors and subcontractors use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(e) Sub recipients must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed above and to the appropriate DOL Wage and Hour District Office listed at <http://www.dol.gov/whd/america2.htm>.

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Use of American Iron and Steel (AIS requirement)
H.R. 3547, Division G, Title IV

Sec. 436. (a)(1) None of the funds made available by a State water pollution control revolving fund as authorized by title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) or made available by a drinking water treatment revolving loan fund as authorized by section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12) shall be used for a project for the construction, alteration, maintenance, or repair of a public water system or treatment works **unless all of the iron and steel products used in the project are produced in the United States.**

(a) **Definitions.** As used in this award term and condition—

- (1) “iron and steel products” means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.
- (2) *Steel* means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) **Domestic preference.**

- (1) This award term and condition implements P.L. 114-133, Consolidated Appropriations Act, 2016, Section 424, by requiring that all iron and steel products used for a project for the construction, alteration, maintenance or repair of a public water system are produced in the United States except as provided in paragraph (b)(2) of this section and condition.
- (2) This requirement shall not apply in any case or category of cases in which the Administrator of the Environmental Protection Agency finds that:—
 - (i) applying the requirement would be inconsistent with the public interest;
 - (ii) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or
 - (iii) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.

(c) **Request for a Waiver under (b)(3) of this section**

- (1) Any recipient request to use foreign iron or steel products in accordance with paragraph (b)(3) of this section shall include adequate information for Federal Government evaluation of the request, including—
 - (A) A description of the foreign and domestic iron, steel, and/or manufactured goods;
 - (B) Unit of measure;
 - (C) Quantity;
 - (D) Cost;
 - (E) Time of delivery or availability;
 - (F) Location of the project;
 - (G) Name and address of the proposed supplier; and
 - (H) A detailed justification of the reason for use of foreign iron or steel products cited in accordance with paragraph (b)(3) of this section.
- (2) If the Administrator receives a request for a waiver under this section, the waiver request shall be made available to the public for at least 15 days prior to making a finding based on the request.
- (3) Unless the Administrator issues a waiver of this term, use of foreign iron and steel products is noncompliant with the Consolidated Appropriations Act, 2016 (P.L. 114-133).

(d) This term and condition shall be applied in a manner consistent with United States obligations under international agreements.

EXHIBIT E

If you require further clarification or guidelines, please contact Michelle Stamates at (775) 687-9331 or mstamate@ndep.nv.gov.

State Revolving Fund

Disadvantaged Business Enterprise Program

Guidance to Borrowers & Contractors

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5700-52A Part II

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– DBE Subcontractor Participation

State Revolving Fund

Disadvantaged Business Enterprise Program

Section 1: Overview

As stipulated by the Environmental Protection Agency (EPA), Nevada State Revolving Fund (SRF) borrowers and their contractors are required to make good faith efforts to utilize businesses classified as Disadvantaged Business Enterprises (DBEs) for goods and services associated with SRF financed projects. A borrower and their contractors should utilize DBEs through prime contracting, subcontracting, joint-ventures, other business relationships, and through the procurement of supplies, materials, and equipment.

Section 2: Definition of Disadvantaged Business Enterprise (DBE)

A DBE is a business owned and/or controlled by socially and economically disadvantaged individuals including Minority and Women Business Enterprises.

Minority Business Enterprise (MBE) – A business which is at least 51% owned and/or controlled by one or more U.S. citizens who are Black, Hispanic, Portuguese, Asian American, American Indian, or groups found to be economically and socially disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Federal Small Business Act.

Women Business Enterprise (WBE) – A business which is at least 51% owned and/or controlled by one or more U.S. citizens who are women.

Section 3: Disadvantage Business Enterprise (DBE) requirements and contract conditions

The following pages include conditions which must be included in all bidding and contract documents for SRF financed projects including:

- DBE related laws, rules, and regulations
- Equal Employment
- DBE Participation Goals
- Good Faith Effort for DBE Participation
- DBE Contract Terms and Conditions

Nevada State Revolving Fund Disadvantaged Business Enterprise (DBE) and Contract Conditions

The DBE Solicitation and Contract Conditions must be physically included in all bidding and contract documents for SRF financed projects.

DBE Related Laws, Rules, and Regulations

This project is being financed in whole or in part by the Nevada State Revolving Fund (SRF). The borrower is required to comply with the following laws, rules and regulations and must ensure that their contractor(s) also comply with these laws, rules, and regulations.

1. Ensures access to facilities or programs regardless of race, color, national origin, sex, age or handicap: Title VI of the Civil Rights Act of 1964 (P.L. 88-352, Section 504 of the Rehabilitation Act, P.L. 93-112 (87 Stat. 355, 29 U.S.C. Sec. 794), Older Americans Act (P.L. 94-135, 89 Stat. 713, 89 Stat. 728 Sec. 303, 42 U.S.C. 6102).
2. Encourages recipients of federal funds to award construction, supply and professional service contracts to minority and women's business enterprises (MBE/WBE) and small businesses and requires recipients to utilize affirmative steps in procurement: Executive Orders 11625, 12138 and 12432; Section 129 of P. L. 100-590 Small Businesses Reauthorization & Amendment Act of 1988; Public Law 102-389 (42 U.S.C. 4370d); a 1993 appropriations act ("EPA's 8% statute"); Title X of the Clean Air Acts Amendments of 1990 (42 U.S.C. 7601 note) ("EPA's 10% statute").
3. Prohibits entering into contracts or sub-contracts with individuals or businesses who are debarred or suspended: Executive Order 12549, 3 CFR, 189 and 40 CFR Part 32. Borrowers are required to check the status of all contractors (construction and professional services) and must require contractors to check the status of subcontractors for contracts expected to be equal to or over \$25,000. Information on debarment is available at the following website: www.sam.gov.
4. 40 CFR Part 33 Participation by Disadvantaged Business Enterprises in Procurement under Environmental Protection Agency (EPA) Financial Assistance Agreements.
5. Prohibits discrimination by federal contractors and subcontractors for reasons of race, color, religion, sex, and national origin: Equal Employment Executive Order 11246, as amended by Executive Orders 11375 and 12086 and subsequent regulations. Inclusion of the seven clauses (located below in the Equal Employment section) from Section 202 of E. O. 11246 as amended by E. O. 11375 and 12086 are required in all project related contracts and subcontracts over \$10,000.

Equal Employment (must be included in all contracts over \$10,000)

During the performance of this contract, the contractor agrees as follow:

1. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action 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. The contractor agrees to post in conspicuous places, available to employees and applicants

EXHIBIT F

for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

2. The contractor will, in all solicitations or advancements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
3. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
5. The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
6. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
7. The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

DBE Participation Goals

Borrowers and their prime contractors must follow and document good faith efforts to meet the DBE Participation Goals listed below:

Goods or Services	MBE Participation Goal	WBE Participation Goal
Construction	2%	2%
Equipment	1%	1%
Services	1%	2%
Supplies	1%	1%

The DBE Participation Goals are not quotas – SRF will not penalize a borrower and their contractors if they cannot meet the goals. However, SRF will require a borrower and their contractors to make a good faith effort to meet these goals.

Good Faith Effort for DBE Participation

EPA defines "Good Faith Effort" to include, at a minimum, the following actions by a borrower and their contractors and sub-contractors:

1. Include DBEs on solicitation lists.
2. Assure that DBEs are solicited once they are identified.
3. Divide total requirements into smaller tasks to permit maximum DBE participation, where feasible. Encourage the joint submission of bids by multiple DBE businesses.
4. Establish delivery schedules which will encourage MBE/WBE participation, where feasible.
5. Encourage use of the services of the Small Business Administration (SBA) and the Minority Business Development Agency of the Department of Commerce (MBDA) OR State/Regional/Local equivalent.
6. Require that each party to a subgrant, subagreement, or contract award take the good faith efforts outlined.

DBE Contract Terms and Conditions

The following conditions must be included in all procurement contracts entered into by the borrower and their contractors and subcontractors for SRF financed projects:

1. The prime contractor must pay its subcontractor for satisfactory performance no more than 30 days from the prime contractor's receipt of payment from the loan recipient.
2. The prime contractor must document its efforts towards meeting the six "Good Faith Efforts for DBE Participation" even if the prime contractor has achieved its fair share objectives.
3. The prime contractor must notify the loan recipient in writing prior to the termination of any DBE subcontractor for convenience by the prime contractor.
4. If a DBE subcontractor fails to complete work under the subcontract for any reason, the prime contractor must employ the six "Good Faith Efforts for DBE Participation" if soliciting a replacement subcontractor.
5. All DBE procurements whether from bid documents or subsequent draw request are to be **reported on form 5700-52A to the SRF.**
6. The prime contractor must submit **Form 6100-4 – DBE Subcontractor Utilization** to the borrower as part of bid proposals.
7. The prime contractor must ensure DBE subcontractors submit **Form 6100-3 – DBE Subcontractor Performance**. In turn, the prime contractor submits the forms to the borrower.
8. The prime contractor must provide **Form 6100-2 – DBE Subcontractor Participation** to DBE subcontractors. DBE subcontractors may submit Form 6100-2 to:

DBE/MBE/WBE Coordinator
U.S. Environmental Protection Agency,
Region 9 75 Hawthorne Street (PMD-1)
San Francisco, CA 94105

EXHIBIT F

Report	Provided By:	Completed By:	Submitted To:	Appendix
DBE Reporting Form 5700-52A Part II	SRF	Borrower	SRF	A
Form 6100-4	Borrower	Prime Contractor	Borrower	B
Form 6100-3	Prime Contractor	Sub-Contractor	Borrower	C
Form 6100-2	Prime Contractor	Sub-Contractor	EPA, Region 9	D

8. Each procurement contract signed must include the following term and condition:

“The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.”

EXHIBIT F

**Disadvantaged Business Enterprise
Utilization Guidance to Borrowers and
Prime Contractors**

Sources to Identify and Certify DBEs

Source	Phone	Website/E-mail
Nevada Department of Transportation Civil Rights Program (DBE assistance and list)	External Civil Rights and Contract Compliance-Nevada Unified Certification Program 800-267-1971	http://nevadadbe.com
Nevada Department of Transportation DBE Program		http://nevadadot.com/nevadaDBE/dbe.aspx
Nevada Governor's Office of Economic Development – Procurement Outreach Program	800-336-1600	http://diversifynevada.com/programs-resources/procurement-outreach
Nevada Small Business Development Center (NSBDC)	800-240-7094 DBE assistance 775-687-9921	http://dbe.nsbdc.org/
Hispanic Business Nevada		http://hispanicbusinessnevada.com/
US Small Business Admin. (SBA)		http://www.sba.gov/
Minority Business Development Agency-US Dept. of Commerce		http://www.mbda.gov/

EXHIBIT F

**Disadvantaged Business Enterprise
Utilization Guidance to Borrowers and
Prime Contractors**

Appendix A

DBE Reporting Form 5700-52A Part II

When requesting loan draws which involve procurements to MBE/WBE businesses, information must be reported on forms provided by SRF as shown on the next page.

EXHIBIT F

PART II.

MBE/WBE PROCUREMENTS MADE DURING REPORTING PERIOD
EPA Financial Assistance Agreement Number: _____

1. Procurement Made By			2. Business Enterprise		3. \$ Value of Procurement	4. Date of Procurement MM/DD/YY	5. Type of Product or Services _A (Enter Code)	6. Name/Address/Phone Number of MBE/WBE Contractor or Vendor
Recipient	Sub-Recipient and/or SRF Loan Recipient	Prime	Minority	Women				

Type of product or service codes:

1 = Construction

2 = Supplies

3 = Services

4 = Equipment

Note: Refer to Terms and conditions of your Assistance Agreement to determine the frequency of reporting. Recipients are required to submit MBE/WBE reports to EPA beginning with the Federal fiscal year quarter the recipients receive the award, continuing until the project is completed. EPA FORM 5700-52A - (Approval Expires 06/30/14)

Instructions for Part II:

For each MBE/WBE procurement made under this assistance agreement during the reporting period, provide the following information:

1. Check whether this procurement was made by the recipient, sub-recipient/SRF loan recipient, or the prime contractor.
2. Check either the MBE or WBE column. If a firm is both an MBE and WBE, the recipient may choose to count the entire procurement towards EITHER its MBE or WBE accomplishments. The recipient may also divide the total amount of the procurement (using any ratio it so chooses) and count those divided amounts toward its MBE and WBE accomplishments. If the recipient chooses to divide the procurement amount and count portions toward its MBE and WBE accomplishments, please state the appropriate amounts under the MBE and WBE columns on the form. **The combined MBE and WBE amounts for that MBE/WBE contractor must not exceed the "Value of the Procurement" reported in column #3**
3. Dollar value of procurement.
4. Date of procurement, shown as month, day, year. Date of procurement is defined as the date the contract or procurement was awarded, **not** the date the contractor received payment under the awarded contract or procurement, unless payment occurred on the date of award. **(Where direct purchasing is the procurement method, the date of procurement is the date the purchase was made)**
5. Using codes at the bottom of the form, identify type of product or service acquired through this procurement (e.g., enter 1 if construction, 2 if supplies, etc).
6. Name, address, and telephone number of MBE/WBE firm.
7. Send to SRF.

**This data is requested to comply with provisions mandated by: statute or regulations (40 CFR Part 30, 31, and 33); OMB Circulars; or added by EPA to ensure sound and effective assistance management. Accurate, complete data are required to obtain funding, while no pledge of confidentiality is provided.

The public reporting and recording burden for this collection of information is estimated to average 1 hour per

response annually. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclosure or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, OPPE Regulatory Information Division, U.S. Environmental Protection Agency (2136), 1200 Pennsylvania Avenue, NW, Washington, D.C. 20460. Include the OMB Control number in any correspondence. Do not send the completed form to this address.

EXHIBIT F

**Disadvantaged Business Enterprise
Utilization Guidance to Borrowers and
Prime Contractors**

**Appendix
B**

Form 6100-4 – DBE Subcontractor Utilization

The borrower must require potential prime contractors to submit Form 6100-4, as shown on the next page, to the borrower as part of bid proposals.



OMB Control No: 2090-0030 Approved: 8/13/2013 Approval Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE)
Program DBE Subcontractor
Utilization Form**

This form is intended to capture the prime contractor’s actual and/or anticipated use of identified certified DBE¹ subcontractors² and the estimated dollar amount of each subcontract. An EPA Financial Assistance Agreement Recipient must require its prime contractors to complete this form and include it in the bid or proposal package. Prime contractors should also maintain a copy of this form on file.

Prime Contractor Name		Project Name	
Bid/ Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address			
Telephone No.		Email Address	
Issuing/Funding Entity:			

I have identified potential DBE certified subcontractors	<input type="radio"/> YES	<input checked="" type="radio"/> NO	
If yes, please complete the table below. If no, please explain:			
Subcontractor Name/ Company Name	Company Address/ Phone/ Email	Est. Dollar Amt	Currently DBE Certified?
	Continue on back if needed		

¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.205 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202. Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an EPA award of financial assistance.

EXHIBIT F



OMB Control No: 2090-0030 Approved:
8/13/2013 Approval
Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE)
Program DBE Subcontractor
Utilization Form**

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware of that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

Prime Contractor Signature	Print Name
Title	Date

The public reporting and recordkeeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.

EXHIBIT F

**Disadvantaged Business Enterprise
Utilization Guidance to Borrowers and
Prime Contractors**

**Appendix
C**

Form 6100-3 – DBE Subcontractor Performance

The prime contractor must require potential subcontractors to submit Form 6100-3, as show on the next page, as part of bid proposals. In turn, prime contractors submit the data to the borrower.

EXHIBIT F



OMB Control No: 2090-0030 Approved: 8/13/2013 Approval Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE)
Program DBE Subcontractor
Performance Form**

This form is intended to capture the DBE¹ subcontractor's² description of work to be performed and the price of the work submitted to the prime contractor. An EPA Financial Assistance Agreement Recipient must require its prime contractor to have its DBE subcontractors complete this form and include all completed forms in the prime contractors bid or proposal package.

Subcontractor Name		Project Name	
Bid/ Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address			
Telephone No.		Email Address	
Prime Contractor Name		Issuing/Funding Entity:	

Contract Item Number	Description of Work Submitted to the Prime Contractor Involving Construction, Services , Equipment or Supplies	Price of Work Submitted to the Prime Contractor
DBE Certified By: <input type="radio"/> DOT <input type="radio"/> SBA <input type="radio"/> Other: _____		Meets/ exceeds EPA certification standards? <input type="radio"/> YES <input type="radio"/> NO <input type="radio"/> Unknown

¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.205 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

² Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an EPA award of financial assistance.



OMB Control No: 2090-0030 Approved: 8/13/2013 Approval Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE)
Program DBE Subcontractor
Performance Form**

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware of that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

Prime Contractor Signature	Print Name
Title	Date

Subcontractor Signature	Print Name
Title	Date

The public reporting and recordkeeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.

EXHIBIT F

**Disadvantaged Business Enterprise
Utilization Guidance to Borrowers and
Prime Contractors**

**Appendix
D**

Form 6100-2 – DBE Subcontractor Participation

The prime contractor must provide subcontractors the opportunity to submit Form 6100-2, as shown on the next page, to:

DBE/MBE/WBE Coordinator
U.S. Environmental Protection Agency,
Region 9 75 Hawthorne Street (PMD-1)
San Francisco, CA 94105



OMB Control No: 2090-0030 Approved: 8/13/2013 Approval Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE)
Program DBE Subcontractor
Participation Form**

An EPA Financial Assistance Agreement Recipient must require its prime contractors to provide this form to its DBE subcontractors. This form gives a DBE¹ subcontractor² the opportunity to describe work received and/or report any concerns regarding the EPA-funded project (e.g., in areas such as termination by prime contractor, late payments, etc.). The DBE subcontractor can, as an option, complete and submit this form to the EPA DBE Coordinator at any time during the project period of performance.

Subcontractor Name		Project Name	
Bid/ Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address			
Telephone No.		Email Address	
Prime Contractor Name		Issuing/Funding Entity:	

Contract Item Number	Description of Work Received from the Prime Contractor Involving Construction, Services , Equipment or Supplies	Amount Received by Prime Contractor

¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.205 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

² Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an EPA award of financial assistance.

EPA FORM 6100-2 (DBE Subcontractor Participation Form)



OMB Control No: 2090-0030 Approved: 8/13/2013 Approval Expires: 8/31/2015

Disadvantaged Business Enterprise (DBE) Program DBE Subcontractor Participation Form

Please use the space below to report any concerns regarding the above EPA-funded project:

Multiple horizontal lines for reporting concerns.

Table with 2 columns: Subcontractor Signature, Print Name, Title, Date.

The public reporting and recordkeeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.

EPA FORM 6100-2 (DBE Subcontractor Participation Form)

Exhibit G

Infrastructure Investment and Jobs Act (IIJA) Signage Required Term and Condition

This Term & Condition applies to construction projects funded in whole or in part by the Infrastructure Investment and Jobs Act (IIJA) for the following programs: Clean Water State Revolving Fund (CWSRF), Drinking Water State Revolving Fund (DWSRF), Brownfields, Superfund, Emerging Contaminants, Great Lakes Restoration Initiative (GLRI), and Solid Waste Infrastructure for Recycling (SWIFR).

1. Signage Requirements

a. Building A Better America Emblem: The recipient will ensure that a sign is placed at construction sites supported under this award displaying the official Building A Better America emblem and must identify the project as a “project funded by President Biden’s Bipartisan Infrastructure Law.” Construction is defined at 40 CFR 33.103 as “erection, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other improvements to real property, and activities in response to a release or a threat of a release of a hazardous substance into the environment, or activities to prevent the introduction of a hazardous substance into a water supply.” The sign must be placed at construction sites in an easily visible location that can be directly linked to the work taking place and must be maintained in good condition throughout the construction period.

The recipient will ensure compliance with the guidelines and design specifications for using the official Building A Better America emblem and corresponding logomark available at:

<https://www.whitehouse.gov/wp-content/uploads/2022/08/Building-A-Better-America-Brand-Guide.pdf>

b. EPA Logo: The recipient will ensure that signage displays the EPA logo along with the official Building A Better America emblem. The EPA logo must not be displayed in a manner that implies that EPA itself is conducting the project. Instead, the EPA logo must be accompanied with a statement indicating that the recipient received financial assistance from EPA for the project.

The recipient will ensure compliance with the sign specifications provided by the EPA Office of Public Affairs (OPA) available at: <https://www.epa.gov/grants/epa-logo-seal-specifications-signage-produced-epa-assistance-agreement-recipients>. As provided in the sign specifications from OPA, the EPA logo is the preferred identifier for assistance agreement projects and use of the EPA seal requires prior approval from the EPA. To obtain the appropriate EPA logo or seal graphic file, the recipient should send a request directly to OPA and include the EPA Project Officer in the communication. Instructions for contacting OPA is available on the [Using the EPA Seal and Logo page](#).

c. Procuring Signs: Consistent with section 6002 of RCRA, 42 U.S.C. 6962, and 2 CFR 200.323, recipients are encouraged to use recycled or recovered materials when procuring signs. Signage costs are considered an allowable cost under this assistance agreement provided that the costs associated with signage are reasonable. Additionally, to increase public awareness of projects serving communities where English is not the predominant language, recipients are encouraged to translate the language on signs (excluding the official Building A Better America emblem or EPA logo or seal) into the appropriate non-English language(s). The costs of such translation are allowable, provided the costs are reasonable.

2. Public or Media Events

EPA encourages the recipient to notify the EPA Project Officer listed in this award document of public or media events publicizing the accomplishment of significant events related to construction projects as a result of this agreement and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

EXHIBIT H

Borrower Name	Incline Village General Improvement District	
First Payment Date	July 1, 2023	
Principal Amount	\$15,760,000.00	
Interest Rate ^A	2.19%	
Length of Amortization	30	
Total Number of Payments	60	Annual pmts 715,108.68
Fixed Payment Amount	\$357,554.34	
Closing Date	April 11, 2023	

Payment	Due Date	Principal	Interest	Total Payment	Remaining Balance
1	7/1/2023	\$280,855.35	\$76,698.67	\$357,554.02	\$15,479,144.65
2	1/1/2024	\$188,057.71	169,496.63	\$357,554.34	\$15,291,086.94
3	7/1/2024	\$190,116.94	167,437.40	\$357,554.34	\$15,100,970.00
4	1/1/2025	\$192,198.72	165,355.62	\$357,554.34	\$14,908,771.28
5	7/1/2025	\$194,303.29	163,251.05	\$357,554.34	\$14,714,467.99
6	1/1/2026	\$196,430.92	161,123.42	\$357,554.34	\$14,518,037.07
7	7/1/2026	\$198,581.83	158,972.51	\$357,554.34	\$14,319,455.24
8	1/1/2027	\$200,756.31	156,798.03	\$357,554.34	\$14,118,698.93
9	7/1/2027	\$202,954.59	154,599.75	\$357,554.34	\$13,915,744.34
10	1/1/2028	\$205,176.94	152,377.40	\$357,554.34	\$13,710,567.40
11	7/1/2028	\$207,423.63	150,130.71	\$357,554.34	\$13,503,143.77
12	1/1/2029	\$209,694.92	147,859.42	\$357,554.34	\$13,293,448.85
13	7/1/2029	\$211,991.08	145,563.26	\$357,554.34	\$13,081,457.77
14	1/1/2030	\$214,312.38	143,241.96	\$357,554.34	\$12,867,145.39
15	7/1/2030	\$216,659.10	140,895.24	\$357,554.34	\$12,650,486.29
16	1/1/2031	\$219,031.52	138,522.82	\$357,554.34	\$12,431,454.77
17	7/1/2031	\$221,429.91	136,124.43	\$357,554.34	\$12,210,024.86
18	1/1/2032	\$223,854.57	133,699.77	\$357,554.34	\$11,986,170.29
19	7/1/2032	\$226,305.78	131,248.56	\$357,554.34	\$11,759,864.51
20	1/1/2033	\$228,783.82	128,770.52	\$357,554.34	\$11,531,080.69
21	7/1/2033	\$231,289.01	126,265.33	\$357,554.34	\$11,299,791.68
22	1/1/2034	\$233,821.62	123,732.72	\$357,554.34	\$11,065,970.06
23	7/1/2034	\$236,381.97	121,172.37	\$357,554.34	\$10,829,588.09
24	1/1/2035	\$238,970.35	118,583.99	\$357,554.34	\$10,590,617.74
25	7/1/2035	\$241,587.08	115,967.26	\$357,554.34	\$10,349,030.66
26	1/1/2036	\$244,232.45	113,321.89	\$357,554.34	\$10,104,798.21
27	7/1/2036	\$246,906.80	110,647.54	\$357,554.34	\$9,857,891.41
28	1/1/2037	\$249,610.43	107,943.91	\$357,554.34	\$9,608,280.98
29	7/1/2037	\$252,343.66	105,210.68	\$357,554.34	\$9,355,937.32
30	1/1/2038	\$255,106.83	102,447.51	\$357,554.34	\$9,100,830.49
31	7/1/2038	\$257,900.25	99,654.09	\$357,554.34	\$8,842,930.24
32	1/1/2039	\$260,724.25	96,830.09	\$357,554.34	\$8,582,205.99
33	7/1/2039	\$263,579.18	93,975.16	\$357,554.34	\$8,318,626.81
34	1/1/2040	\$266,465.38	91,088.96	\$357,554.34	\$8,052,161.43
35	7/1/2040	\$269,383.17	88,171.17	\$357,554.34	\$7,782,778.26
36	1/1/2041	\$272,332.92	85,221.42	\$357,554.34	\$7,510,445.34
37	7/1/2041	\$275,314.96	82,239.38	\$357,554.34	\$7,235,130.38
38	1/1/2042	\$278,329.66	79,224.68	\$357,554.34	\$6,956,800.72
39	7/1/2042	\$281,377.37	76,176.97	\$357,554.34	\$6,675,423.35
40	1/1/2043	\$284,458.45	73,095.89	\$357,554.34	\$6,390,964.90
41	7/1/2043	\$287,573.27	69,981.07	\$357,554.34	\$6,103,391.63
42	1/1/2044	\$290,722.20	66,832.14	\$357,554.34	\$5,812,669.43
43	7/1/2044	\$293,905.61	63,648.73	\$357,554.34	\$5,518,763.82
44	1/1/2045	\$297,123.88	60,430.46	\$357,554.34	\$5,221,639.94
45	7/1/2045	\$300,377.38	57,176.96	\$357,554.34	\$4,921,262.56
46	1/1/2046	\$303,666.51	53,887.83	\$357,554.34	\$4,617,596.05

Payment	Due Date	Principal	Interest	Total Payment	Remaining Balance
47	7/1/2046	\$306,991.66	50,562.68	\$357,554.34	\$4,310,604.39
48	1/1/2047	\$310,353.22	47,201.12	\$357,554.34	\$4,000,251.17
49	7/1/2047	\$313,751.59	43,802.75	\$357,554.34	\$3,686,499.58
50	1/1/2048	\$317,187.17	40,367.17	\$357,554.34	\$3,369,312.41
51	7/1/2048	\$320,660.37	36,893.97	\$357,554.34	\$3,048,652.04
52	1/1/2049	\$324,171.60	33,382.74	\$357,554.34	\$2,724,480.44
53	7/1/2049	\$327,721.28	29,833.06	\$357,554.34	\$2,396,759.16
54	1/1/2050	\$331,309.83	26,244.51	\$357,554.34	\$2,065,449.33
55	7/1/2050	\$334,937.67	22,616.67	\$357,554.34	\$1,730,511.66
56	1/1/2051	\$338,605.24	18,949.10	\$357,554.34	\$1,391,906.42
57	7/1/2051	\$342,312.96	15,241.38	\$357,554.34	\$1,049,593.46
58	1/1/2052	\$346,061.29	11,493.05	\$357,554.34	\$703,532.17
59	7/1/2052	\$349,850.66	7,703.68	\$357,554.34	\$353,681.51
60	1/1/2053	\$353,681.51	3,872.81	\$357,554.32	\$0.00
		\$15,760,000.00	\$5,693,260.06	\$21,453,260.06	\$0.00

^ASee Section 5 for final interest rate for this contract.

First Interest Payment Calculation

Date	Amount	Day count	Interest Amount
4/11/2023	\$15,760,000.00	80	\$76,698.67
			\$0.00
			\$76,698.67

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STATE OF NEVADA
CLEAN WATER STATE REVOLVING LOAN FUND
LOAN CONTRACT
CONTRACT NO. CW2304

This loan contract is made this 11th day of April, 2023 between the Nevada State Department of Conservation & Natural Resources acting by and through the Nevada Division of Environmental Protection hereafter referred to as the Division, and Incline Village General Improvement District, a political subdivision of the State of Nevada, hereafter referred to as the Recipient. This loan contract is to provide funding for the project as outlined in Section 1.

WHEREAS:

1. The Federal Clean Water Act (33 U.S.C. Sub Section 1251 et seq. as amended) and State Law (NRS 445A.060-445A.160) authorize the Division to enter into contracts with municipalities and other public agencies for financial assistance for construction of publicly owned treatment works and pollution control projects; and
2. The account to finance the construction of treatment works and the implementation of pollution control projects has been created in the state treasury pursuant to NRS 445A.120 for the purposes of providing loans to finance the construction of treatment works and pollution control projects;
3. The Recipient is a municipality or interstate agency eligible for funding from the account;
4. The Recipient has made application for a loan related to construction of the Project hereafter described, and said Project has been determined by the Division to be eligible for a loan pursuant to applicable Federal and State laws, rules, regulations and guidance;
5. The Division has authorized loan funding for the Project hereafter described; and

1 6. Any federal Funds used for funding of this loan will be provided through the Capitalization Grants for
2 the Clean Water State Revolving Funds CFDA #66.458 through the United States Environmental
3 Protection Agency.

4
5 **NOW, THEREFORE,** It is agreed as Follows:

6
7 **SECTION 1. PROJECT DESCRIPTION**

8 In general, funding for this Project will be used for this Project will be used for replacing segment two of
9 the effluent export pipeline and appurtenances along State Route 28. Specific details of the Project may be
10 found in the application and supporting documents.

11
12 **SECTION 2. INCORPORATION OF DOCUMENTS AND GENERAL RECIPIENT COMMIT-**
13 **MENTS**

14 This contract incorporates the following documents:

- 15 (A) Exhibit A, Loan Contract Standard Conditions, and
- 16 (B) Exhibit B, Listing of Cross Cutting Federal Authorities for Assistance Sub Grants, and
- 17 (C) Exhibit C, Lobbying Certification Form, and
- 18 (D) Exhibit D, Davis-Bacon Wage Rate Requirements, and
- 19 (E) Exhibit E, American Iron and Steel Requirements, and
- 20 (F) Exhibit F, Disadvantaged Business Enterprise Guidance, and
- 21 (G) Exhibit G, Environmental Protection Agency (EPA) Grant Requirements, and

22 The Recipient accepts and agrees to comply with all terms, provisions, conditions, and commitments of this
23 contract, including all incorporated documents, and to fulfill all assurances, declarations, representations,
24 and commitments made by the Recipient in its application, accompanying documents, and communications
25 filed in support of its request for loan.

1 **SECTION 3. ESTIMATED COST OF PROJECT**

2 The estimated total cost of the Project, including associated planning and design costs is **sixty-two million,**
3 **eighty thousand, four hundred and fifty-three dollars, (\$62,080,453.00).**

4
5 **SECTION 4. MAXIMUM LOAN AMOUNT**

6 Subject to all of the terms, provisions, and conditions of this contract, and subject to the availability of State
7 and Federal funds, the Division will loan a sum not to exceed **two hundred and forty thousand dollars**
8 **(\$240,000)** to the Recipient.

9
10 **SECTION 5. INTEREST RATE**

11 The annual percentage interest rate for this loan is 0.00%.

12
13 **SECTION 6. REPAYMENT OF LOAN**

14 The Division has determined that the Recipient is eligible to receive additional subsidy as spelled out in
15 Nevada's Intended Use Plan. Since the recipient is eligible for additional subsidy, 100% of the principal is
16 forgiven.

17
18 **SECTION 7. FEES**

- 19 1. The Division may charge a loan origination fee in an amount authorized by NAC 445A.775.
20 2. The loan recipient shall remit to the Division the full amount of the loan origination fee within 30 days
21 after the loan closing.
22 3. This loan contract does not contain a loan origination fee.

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26

1 **SECTION 8. FISCAL SUSTAINABILITY PLAN**

2 The Recipient will maintain a fiscal sustainability plan that outlines the system’s assets, identifies the
3 critical assets of the system, determines condition of the assets, and plans for future replacement.

- 4 1. The plan must evaluate the level of service required of the system, and
- 5 2. The plan must address ongoing maintenance of system assets to ensure its maximum useful life,
6 and
- 7 3. The plan must be reviewed and updated by the Recipient at least once every five years, and
- 8 4. The Recipient may maintain a fiscal sustainability plan in logical sections of the system rather than
9 the entire system upon approval of the Division, and
- 10 5. The plan is subject to periodic review by the Division.

11
12 **SECTION 9. MAINTAIN A CAPITAL ASSET REPLACEMENT RESERVE ACCOUNT**

13 The Recipient agrees to maintain a dedicated capital asset replacement reserve account.

- 14 1. Funds within this account can be used to purchase any capital asset of the water utility.
- 15 2. Funds within this account cannot be used for operations, maintenance, debt service, or other non-
16 capital expenditures.
- 17 3. The Recipient agrees to fund the account at least annually based upon the needed replacement cost
18 of the system’s short-lived assets (15 years or less) amortized on a straight-line basis. The
19 replacement cost of the system’s short-lived assets must be re-evaluated at least every five (5) years.
- 20 4. The reserve account must be identifiable on the Recipient’s financial statements provided to the
21 Division.
- 22 5. The Division may consider other funding available for capital assets to meet this condition.

23
24 **SECTION 10. USEFUL LIFE OF PROJECT**

25 For purposes of this contract, the parties agree that the useful life of the Project is at least thirty (30) years
26 from and after Project completion.

1 **SECTION 11. TERM**

2 This contract shall take effect upon execution of the contract by the Division and the Recipient, and for the
3 purpose of this section, the term of this contract is for no more than thirty (30) years from the date of this
4 loan contract.

5
6 **SECTION 12. NOTICES**

7 All notices or other communications hereunder shall be sufficiently given and shall be deemed given when:
8 (a) hand delivered; (b) mailed by registered or certified United States mail, postage; or (c) via email to the
9 parties hereinafter set forth at the following addresses:

10
11 1. Nevada Division of Environmental Protection
12 Office of Financial Assistance
13 901 S. Stewart St., Ste 4001
14 Carson City, NV 89701-5249
15 ndep-ofa@ndep.nv.gov

16
17 2. Incline Village General Improvement District
18 1220 Sweetwater Rd.
19 Incline Village, NV 89451-9214
20 isw@ivgid.org

1 **IN WITNESS THEREOF**, the parties have executed this contract on the dates set forth below.

2

3 **RECIPIENT: INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**

4 _____ Date: _____

5 Indra Winquest, General Manager, Incline Village General Improvement District

6

7 **DIVISION OF ENVIRONMENTAL PROTECTION**

8 _____ Date: _____

9 Jennifer Carr, Deputy Administrator

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

Condition 1. AWARD OF CONSTRUCTION CONTRACTS; NOTIFICATION OF AWARD AND INITIATION OF CONSTRUCTION

- 1.1 The Recipient shall conduct value engineering if the total estimated cost of building the treatment works is more than \$10,000,000 (NAC 445A.782).
- 1.2 The Division may, upon the request of a recipient, grant an extension of the time provided by subsection 1 in any case where unusual or extenuating circumstances exist. Any request for an extension must be made in writing and must set forth facts justifying the extension.
- 1.3 The Recipient agrees to promptly notify the Division in writing both of the award of the prime construction contract for the project and of initiation of construction of the project.
- 1.4 The Recipient shall require the contractor to submit a schedule for construction at the preconstruction conference. The contractor shall be required to update the schedule as necessary.
- 1.5 The Recipient agrees to expeditiously proceed with and complete construction of the project in substantial accordance with project plans and specifications approved by the Division.

Condition 2. CONSTRUCTION ACTIVITIES AND NOTIFICATIONS

If the loan is awarded for construction of collection lines, the Recipient shall require mandatory connection to the system. This shall be accomplished by including a requirement for mandatory connections in the sewer use ordinance.

The Recipient agrees to promptly notify the Division in writing of:

- 2.1 Any substantial change in scope of the project. The Recipient agrees that no substantial change in the scope of the project will be undertaken until written notice of the proposed change has been provided to the Division and the Division has given written approval for such change.
- 2.2 Cessation of all major construction work on the project where such cessation of work is expected to or does extend for a period of 30 days or more.
- 2.3 Any circumstance, combination of circumstances, or condition, which is expected to or does delay completion of construction for a period of 90 days or more beyond the estimated date of completion of construction previously provided to the Division.
- 2.4 Completion of construction of the project.

After completion of the project the Recipient shall provide the Division with as-built record drawings for the project.

Condition 3. RESIDENT ENGINEER & INSPECTOR

The Recipient is required to hire a qualified full time resident engineer and inspector(s) during the construction of the project unless waived by the Division.

Condition 4. PROJECT ACCESS & STATE REVIEWS

- 4.1 The Recipient agrees to ensure that the Division or any authorized representative thereof will have suitable access to the project site and project documents at reasonable times during project construction.
- 4.2 The parties agree that review or approval of project plans and specifications by the Division is for administrative purposes only and does not relieve the Recipient of the responsibility to properly plan, design, construct, operate and maintain the Project.

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

Condition 5. **INDEMNIFICATION**

- 5.1 As between the Division and the Recipient, the Recipient agrees that it has sole responsibility for proper planning, design, construction, operation and maintenance of the Project, and the Recipient agrees to indemnify the Division, the state of Nevada and their officer, agents and employees against and to hold the same free and harmless from any and all claims, demands, damages, losses costs, expenses or liability due or incident to planning, design, construction, operation or maintenance of the Project.
- 5.2 The parties will not waive and intend to assert available NRS 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.
- 5.3 To the fullest extent of limited liability as set forth above, 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 constructed to negate, abridge, or otherwise reduce any other right or obligation of indemnity, which would otherwise exist to any party or person described in this paragraph.
- 5.4 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.

Condition 6. **PROJECT COMPLETION; INITIATION OF OPERATIONS & OPERATION AND MAINTENANCE**

- 6.1 At the time of completion of construction, the Division, after consultation with the Recipient, will establish a reasonable estimated project completion date, and the Recipient agrees to make all reasonable efforts to meet the date so established. Such date shall be binding upon the Recipient unless modified in writing by the Division upon a showing of good cause by the Recipient. Extension of the project completion date by the Division shall not be unreasonably withheld.
- 6.2 Upon completion of construction of the Project, the Recipient agrees to expeditiously initiate project operations. The Recipient agrees to properly staff, operate and maintain all portions of the Project during its useful life in accordance with all applicable state laws, rules and regulations. Upon reasonable notice, the Recipient shall make available to the Division the operation and maintenance manuals for the Project.

Condition 7. **DEDICATED SOURCE OF REVENUE & SYSTEM USER CHARGES**

- 7.1 The Recipient shall adopt and maintain in effect during the term of this contract a user charge system or other dedicated source of revenue such as connection fees, which at all times complies with the requirements of applicable state rules, regulations and guidelines.

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

- 7.2 The Recipient agrees to administer a system of user charges acceptable to the Division pursuant to NAC 445A.788- 445A.790.
- 7.3 The Recipient further agrees to periodically review and modify the system of user charges as necessary to assure its reasonable adequacy to repay the loan, and to cover operating costs and meet other financial obligations of the Recipient. The system of user charges shall be reviewed at least once every three years and all modifications thereto shall be consistent with NAC 445A.788 and shall be maintained to the reasonable satisfaction of the Division.

Condition 8. CONTINUOUS USE OF PROJECT

The Recipient agrees that it will not abandon, substantially discontinue use of, or dispose of the project during the useful life of the project without prior written approval of the Division. If the Recipient does abandon, substantially discontinue use, of, or dispose of the Project during the useful life of the Project without prior approval of the Division, the Recipient shall repay the account for the revolving fund all remaining principal advanced hereunder due in accordance with the terms of this contract.

Condition 9. REPORTS, RECORDS & ACCOUNTING STANDARDS

- 9.1 The Recipient agrees to expeditiously provide, during construction of the project and thereafter during the useful life of the project, such reports, data, and information as may be reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation by the State Revolving Fund Loan Program or to fulfill any reporting requirements of the federal government. At a minimum, such reports reasonably required by the Division shall include the submission of annual financial statements, prepared on a basis utilizing "Generally Accepted Accounting Principles (GAAP).

Without limitation of the requirement to maintain project accounts in accordance with generally accepted government accounting standards, the Recipient agrees to:

- 9.2 Maintain separate Project accounts in accordance with generally accepted government accounting standards including, but not limited to, standards relating to the reporting of infrastructure assets and those contained in the Standards for Audit of Governmental Organizations, Programs, Activities and Functions, promulgated by the U.S. General Accounting Office.
- 9.3 Comply with requirements described in to 2 CFR §200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements which apply to expenditures by a public or non-profit entity of federal monies from all sources in an amount greater than or equal to \$750,000 in a year.
- 9.4 Establish an official file for the project which shall adequately document all significant actions relative to the project;
- 9.5 Establish accounts which will adequately and accurately depict all amounts received and expended on the project, including all loan funds received under this contract;
- 9.6 Establish accounts which will adequately depict all income received which is attributable to the project, specifically including any income attributable to loan funds disbursed under this contract.
- 9.7 Establish an accounting system which will accurately depict final total costs of the project, including both direct and indirect costs.

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

- 9.8 Maintain records and accounting activities of the wastewater utility separately from other activities of the Recipient.
- 9.9 If a force account is used by the Recipient for any phase of the Project, other than for planning, design and construction engineering and administration provided for by allowance, accounts will be established which reasonable document all employee hours charged to the project and the associated tasks performed by each employee.
- 9.10 Retain project records for a minimum of three (3) years after final loan repayment has been made, and for such longer period as may be required for the Division to fulfill federal reporting requirements under federal statutes and regulations. All Recipient records relative to the project shall be subject at all reasonable times to inspection, copying, and audit by the Division or any authorized representative.

Condition 10. FINANCIAL INFORMATION AUDIT

The Division, at its option, may call for an audit of financial information relative to the project, where the Division determines that an audit is desirable to assure program integrity or where such an audit becomes necessary because of federal requirements. Where such an audit is called for, the audit shall be performed by a Certified Public Accountant independent of the Recipient and at the cost of the Recipient. The audit shall be in the form required by the Division.

Condition 11. LOAN DISBURSEMENT; AVAILABILITY OF FUNDS

- 11.1 The Recipient agrees to draw funds available in section 4 within three (3) years from the date of this contract. Funds will be subject to de-obligation and/or review after this time period by the Division.

Except as may be otherwise provided in this contract, loan amounts will be disbursed as follows:

- 11.2 Loan funds will be promptly disbursed to the Recipient for project costs incurred by the Recipient upon receipt by the Division of proper and acceptable Payment Request Forms from the Recipient.
- 11.3 Additional loan funds will be promptly disbursed to the Recipient for project costs incurred by the Recipient upon receipt of proper and acceptable payment requests from the Recipient provided that payment shall not be made more frequently than once a month.
- 11.4 The Recipient agrees that it will not request payment for any project cost until such cost has been incurred and is due and payable, although it is agreed that actual payment of such cost by the Recipient is not required as a condition of payment request. The Recipient agrees to provide a certification with each payment request that costs shown in the payment request have been incurred and is due and payable at the time of the request.
- 11.5 Each disbursement of loan funds other than for the planning and design allowance will be accompanied by an appropriate prorated percentage of the allowance for construction engineering and inspection services for the project.
- 11.6 The Division's obligation to pay any sum to the Recipient under any provisions of this contract, is contingent upon the availability of sufficient funds to permit the payments provided for herein. In the event that sufficient funds, as determined by the Division, do not become available for any reason, the Division shall not be obligated to make any payments to the Recipient under this contract. This provision shall be construed as a condition precedent to the obligation of the Division to make any payments under this contract. Nothing in this contract shall be construed to provide the Recipient with

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

a right of priority for payment over any other agency. If any payments which are otherwise due to the Recipient under this contract are deferred because of unavailability of sufficient funds, such payments will promptly be made to the Recipient when sufficient funds do become available.

- 11.7 Any federal funds used for funding of this loan will be provided through the Capitalization Grants for Clean Water State Revolving Funds CFDA #66.458.

Condition 12. **COMPLIANCE WITH OTHER FEDERAL STATUTES AND AUTHORITIES**

- 12.1 A number of other federal laws and authorities will be applied to activities supported with SRF funds directly made available by capitalization grants. Exhibit B contains a current list of these other laws and authorities. The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, regulations, and requirements.

- 12.2 The Recipient recognizes as goals the applicable Minority Business Enterprise (MBE)/Women Business Enterprise (WBE) "fair share" goals negotiated with EPA by the Division for construction, supplies, equipment and services as follows:

Construction	MBE 2%	WBE 2%
Equipment	MBE 1%	WBE 1%
Services	MBE 1%	WBE 2%
Supplies	MBE 1%	WBE 1%

- 12.3 The Davis-Bacon Act wage rules apply to the project funded by this loan contract as specified in Exhibit D.
- 12.4 The American Iron and Steel requirements apply for the entirety of the construction activities through completion of construction as specified in Exhibit E.
- 12.5 As required by 2 CFR 200.216, federal grant or loan recipients and subrecipients are prohibited from obligating or expending loan or grant funds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment, video surveillance services or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
- 12.6 Prohibitions extend to the use of Federal funds by recipients and subrecipients to enter into a contract with an entity that "uses any equipment, system, or service that uses covered telecommunications equipment or services" as a substantial or essential component of any system, or as critical technology as part of any system. Certain equipment, systems, or services, including equipment, systems, or services produced or provided by entities subject to the prohibition are recorded in the System for Award Management exclusion list.

Condition 13. **REPAYMENT; PENALTIES; RECIPIENT OBLIGATIONS**

- 13.1 The loan amount, together with all interest accruing thereon, shall be repaid as provided for in the loan contract.
- 13.2 The Recipient agrees to make each loan payment on or before the due date. A ten-day grace period will be allowed. A penalty in the amount of one-tenth of one percent

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

(0.1%) of the defaulted payment will be due for each day of nonpayment beyond the grace period. Any penalties assessed will not be added to the loan balance but will be treated as a separate account and obligation of the Recipient, to be paid in full within 30 days after Recipient is in compliance with payment schedule.

- 13.3** The Recipient, as a whole, is obligated to make all payments required by this contract to the Division, notwithstanding any individual default by its constituents or others in the payment to the Recipient of taxes, assessments, fees, or other charges levied by the Recipient. The Recipient shall provide for the punctual payment to the Division of all amounts which become due under this contract and which are received from constituents or others in the payment to the Recipient of taxes, assessments, fees, or other charges levied by the Recipient. In the event of failure, neglect or refusal of any officer of the Recipient to levy or cause to be levied any taxes, assessments, fees or charges necessary to provide payment by the Recipient under this contract, to enforce or to collect such taxes, assessments, fees or charges or to pay over to the Division any money collected on the taxes, assessments, fees or charges necessary to satisfy any amount due under this contract, the Division may take such action in a court of competent jurisdiction as it deems necessary to compel the performance of all duties relating to the levying and collection of the taxes, assessments, fees or charges and the payment of the money collected therefrom to the Division.
- 13.4** Action taken pursuant hereto shall not deprive the Division of, or limit the application of, any other remedy provided by law or by this contract.

Condition 14. **TERMINATION; IMMEDIATE REPAYMENT; INTEREST**

- 14.1** This contract may be terminated by written notice during construction of the project, or thereafter at any time prior to complete repayment by the Recipient, at the option of the Division, upon violation by the Recipient of any material provision of this loan contract after such violation has been called to the attention of the Recipient and after failure of the Recipient to bring itself into compliance with the provisions of this contract within a reasonable time as established by the Division.
- 14.2** In the event of such termination, the Recipient agrees, upon demand, to immediately repay to the Division an amount equal to the current balance due on the loan, including accrued interest, and all penalty assessments due in accordance with the terms of this contract.

Condition 15. **DEFAULTS & REMEDIES**

- 15.1 NOTICE OF DEFAULT.** If an Event of Default shall occur, the non-defaulting party shall give the party in default prompt telephonic notice of the occurrence of such Event of Default, provided the non-defaulting party has knowledge of such Event of Default. Such telephonic notice shall be immediately followed by written notice of such event of Default given in the manner set forth in the contract.
- 15.2 EVENTS OF DEFAULT.** The occurrence of one or more of the following events constitutes an Event of Default, whether occurring voluntarily or involuntarily, by operation of law or pursuant to any order of any court or governmental agency.
- i. Failure by the Recipient to pay, or cause to be paid, any Loan Repayment required to be paid hereunder when due;
 - ii. Failure by the Recipient to observe and perform any duty, covenant, obligation, or agreement on its part to be observed or performed under this

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

Loan Agreement, which failure shall continue for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to the Recipient by NDEP;

- iii. Any representation made by or on behalf of the Recipient contained in this Loan Agreement, or in any instrument furnished in compliance with or with reference to this Loan Agreement or the Loan, is intentionally false or misleading in any material respect.

15.3 REMEDIES, If NDEP determines that an Event of Default has occurred, NDEP may, without further notice:

- i. Declare the outstanding loan amount plus any unpaid accrued interest, fees, and other amounts due hereunder due and payable;
- ii. Cease making disbursement of Loan proceeds or make some disbursements of Loan proceeds and withhold or refuse to make other disbursements;
- iii. Pursue any other legal or equitable remedy it may have.

Condition 16. DISPOSITION OF EQUIPMENT

In accordance with 41 CFR 105-71.132, when original or replacement equipment used to construct the facilities acquired under this contract is no longer needed for the original project, disposition of the equipment will be made as follows:

16.1 Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold, or otherwise disposed of with no further obligation to the Division.

16.2 Items of equipment with a current per unit fair market value of \$5,000 or greater may be retained or sold and the State shall have a right to an amount calculated by multiplying the current market value or proceed from sale by the Division's share of the equipment. In cases where the Recipient fails to take the appropriate actions, the Division may direct the Recipient to take excess and disposition actions.

Condition 17. DISPUTES

Any dispute arising under this contract which is not otherwise disposed of shall be decided by the Administrator of the Division of Environmental Protection. The decision shall be reduced to writing and a copy thereof furnished to the Recipient. The decision of the Administrator shall be final and conclusive unless, within thirty (30) calendar days after mailing of the Administrator's decision to the Recipient, the Recipient mails or otherwise furnishes a written appeal of the decision to the Director of the Department of Conservation and Natural Resources. The decision of the Director shall be final and conclusive unless overturned by a court of competent jurisdiction. In connection with any appeal under this clause, the Recipient shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Recipient shall continue to fulfill and comply with all the terms, provisions, commitments, and requirements of this loan contract.

Condition 18. FORCE MAJURE

Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligation hereunder due to unforeseeable events including: strikes, failure of public transportation, civil or military authority, acts of public enemy, accidents, fires, explosions, earthquakes, flood, or unusual atmospheric events. In such an event the intervening cause must not

EXHIBIT A
CWSRF STANDARD LOAN CONDITIONS

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 this Contract after the intervening cause ceases.

Condition 19. WAIVER

The parties hereto may, from time to time, waive any rights under this contract unless such waiver is contrary to law, provided that any such waiver must be in writing and must be signed by the party making such waiver.

Condition 20. AMENDMENT

This contract may be amended at any time by mutual written agreement of the parties.

EXHIBIT B
Cross-Cutting Federal Authorities

Cross-cutting federal authorities are the requirements of other federal laws and Executive Orders that apply in the case of federally funded projects. The cross-cutters include (but are not limited to): environmental laws such as the Endangered Species Act, the National Historic Preservation Act, executive orders on the protection of wetlands and flood plains, social policy authorities such as executive orders on equal employment opportunity in federally assisted programs, and economic authorities such as rules implementing executive orders on the debarment and suspension of persons who have engaged in misconduct. In the State Revolving Fund programs, compliance with federal cross-cutting authorities is required by all recipients of these federal funds. A list of the possible applicable cross-cutters follows.

Environmental Authorities

- o Archaeological and Historic Preservation Act, Pub. L. 93-291, as amended
- o Protection and Enhancement of the Cultural Environment
- o Clean Air Act, Pub. L. 95-95, as amended
- o Coastal Barrier Resources Act, Pub. L. 97-348
- o Coastal Zone Management Act, Pub. L. 92-583, as amended
- o Endangered Species Act, Pub. L. 93-205, as amended
- o Environmental Justice, Executive Order 12898
- o Flood Plain Management, Executive Order 11988 as amended by Executive Order 12148
- o Protection of Wetlands, Executive Order 11990 as amended by Executive Order 12608
- o Farmland Protection Policy Act, Pub. L. 97-98
- o Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended
- o Magnuson-Stevens Fishery Conservation and Management Act, Pub. L. 94-265
- o National Environmental Policy Act, Pub. L. 91-190
- o National Historic Preservation Act, Pub. L. 89-655, as amended
- o Safe Drinking Water Act, Pub. L. 93-523, as amended
- o Wild and Scenic Rivers Act, Pub. L. 90-54 as amended

Economic and Miscellaneous Authorities

- o Debarment and Suspension, Executive Order 12549
- o Demonstration Cities and Metropolitan Development Act, Pub. L. 89-754, as amended, and Executive Order 12372
- o Drug-Free Workplace Act, Pub. L. 100-690
- o New Restrictions on Lobbying, Section 319 of Pub. L. 101-121
- o Prohibitions relating to violations of the Clean Water Act or Clean Air Act with respect to Federal contracts, grants, or loans under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, and Executive Order 11738
- o Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended

Civil Rights, Nondiscrimination, Equal Employment Opportunity Authorities

- o Older Americans Act, Pub. L. 94-135
- o Equal Employment Opportunity, Executive Order 11246
- o Section 13 of the Clean Water Act, Pub. L. 92-500
- o Section 504 of the Rehabilitation Act, Pub. L. 93-112
- o Title VI of the Civil Rights Act, Pub. L. 88-352

EXHIBIT B
Cross-Cutting Federal Authorities

Disadvantaged Business Enterprise Authorities

- Small, Minority, and Women-owned Business Enterprises, Executive Orders No.11625, 12138, and 12432
- Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988 Pub. L. No. 100-590
- 40 CFR Part 33 Participation by Disadvantaged Business Enterprises in Procurement under Environmental Protection Agency (EPA) Financial Assistance Agreements



EPA Project Control Number

CERTIFICATION REGARDING LOBBYING

CERTIFICATION FOR CONTRACTS, GRANTS, LOANS AND COOPERATIVE AGREEMENTS

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31 U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Typed Name & Title of Authorized Representative

Signature and Date of Authorized Representative

EXHIBIT D

Preamble

With respect to the Clean Water State Revolving Funds and Safe Drinking Water State Revolving Funds, EPA provides capitalization grants to each State which in turn provides sub grants or loans to eligible entities within the State. Typically, the sub recipients are municipal or other local governmental entities that manage the funds. For these types of recipients, the provisions set forth under Roman numeral I, below, shall apply. Although EPA and the State remain responsible for ensuring sub recipients' compliance with the wage rate requirements set forth herein, those sub recipients shall have the primary responsibility to maintain payroll records as described in Section 3(ii)(A), below and for compliance as described in Section I-5.

Occasionally, the sub recipient may be a private for profit or not for profit entity. For these types of recipients, the provisions set forth in Roman Numeral II, below, shall apply. Although EPA and the State remain responsible for ensuring sub recipients' compliance with the wage rate requirements set forth herein, those sub recipients shall have the primary responsibility to maintain payroll records as described in Section II-3(ii)(A), below and for compliance as described in Section II-5.

I. Requirements Under The Consolidated Appropriations Act For Sub recipients That Are Governmental Entities:

The following terms and conditions specify how recipients will assist EPA in meeting its Davis-Bacon (DB) responsibilities when DB applies to EPA awards of financial assistance - with respect to State recipients and sub recipients that are governmental entities. If a sub recipient has questions regarding when DB applies, obtaining the correct DB wage determinations, DB provisions, or compliance monitoring, it may contact the State recipient. If a State recipient needs guidance, the recipient may contact Elizabeth Borowiec, borowiec.elizabeth@epa.gov, 415-972-3419, of EPA Region 9, for guidance. The recipient or sub recipient may also obtain additional guidance from DOL's web site at <http://www.dol.gov/whd/>

1. Applicability of the Davis- Bacon (DB) prevailing wage requirements.

DB prevailing wage requirements apply to the construction, alteration, and repair of treatment works carried out in whole or in part with assistance made available by Clean Water State Revolving Funds and Safe Drinking Water State Revolving Funds. If a sub recipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the sub recipient must discuss the situation with the recipient State before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Sub recipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

- (i) While the solicitation remains open, the sub recipient shall monitor www.wdol.gov weekly to ensure that the wage determination contained in the solicitation remains current. The sub recipients shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the

EXHIBIT D

closing date, the sub recipients may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the sub recipient.

- (ii) If the sub recipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless the State recipient, at the request of the sub recipient, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The sub recipient shall monitor www.wdol.gov on a weekly basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(b) If the sub recipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the sub recipient shall insert the appropriate DOL wage determination from www.wdol.gov into the ordering instrument.

(c) Sub recipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(d) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a sub recipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the sub recipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the sub recipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The sub recipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract provisions.

(a) The Recipient shall insure that the sub recipient(s) shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project under the DWSRF financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1 or Consolidated Appropriations Act, 2017, the following clauses:

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

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Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in § 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis- Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

Sub recipients may obtain wage determinations from the U.S. Department of Labor's web site, www.dol.gov.

(ii)(A) The sub recipient(s), on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (2) The classification is utilized in the area by the construction industry; and
- (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the sub recipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the sub recipient (s) to the State award official. The State award official will transmit the request, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the sub recipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the request and the local wage determination, including the views of all interested parties and the recommendation of the State award official, to the Administrator for determination. The request shall

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be sent to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable Standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The sub recipient(s), shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of

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apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the sub recipient, that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the sub recipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <https://www.dol.gov/whd/forms/wh347instr.htm> or its successor site.

The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the sub recipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sub recipient(s).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

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(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or State may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) Apprentices and trainees

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or sub contractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the

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trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and sub recipient(s), State, EPA, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

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(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

4. Contract Provision for Contracts in Excess of \$100,000.

(a) Contract Work Hours and Safety Standards Act. The sub recipient shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Item 3, above or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (a)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (a)(1) of this section, in the sum of \$25 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (a)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The sub recipient, upon written request of the EPA Award Official or an authorized representative of the Department of Labor, shall withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a)(1) through (4) of this section.

(b) In addition to the clauses contained in Item 3, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Sub recipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen,

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working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Sub recipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the (write the name of agency) and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

5. Compliance Verification

(a) The sub recipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(3), all interviews must be conducted in confidence. The sub recipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(b) The sub recipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. Sub recipients must conduct more frequent interviews if the initial interviews or other information indicated that there is a risk that the contractor or subcontractor is not complying with DB.

Sub recipients shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.

(c) The sub recipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The sub recipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the sub recipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date of the contract or subcontract. Sub recipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the sub recipient shall verify evidence of fringe benefit plans and payments there under by contractors and subcontractors who claim credit for fringe benefit contributions.

(d) The sub recipient shall periodically review contractors and subcontractor's use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.

(e) Sub recipients must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed above and to the appropriate DOL Wage and Hour District Office listed at <http://www.dol.gov/whd/america2.htm>.

II. Requirements Under The Consolidated Appropriations Act, 2017 (P.L. 115-31) For Sub recipients That Are Not Governmental Entities:

The following terms and conditions specify how recipients will assist EPA in meeting its DB

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responsibilities when DB applies to EPA awards of financial assistance under –FY 2017 Consolidated Appropriations Act with respect to sub recipients that are not governmental entities. If a sub recipient has questions regarding when DB applies, obtaining the correct DB wage determinations, DB provisions, or compliance monitoring, it may contact the State recipient for guidance. If a State recipient needs guidance, the recipient may contact Elizabeth Borowiec, borowiec.elizabeth@epa.gov, 415-972-3419, EPA Grants Management Office for guidance. The recipient or sub recipient may also obtain additional guidance from DOL's web site at <http://www.dol.gov/whd/>

Under these terms and conditions, the sub recipient must submit its proposed DB wage determinations to the State recipient for approval prior to including the wage determination in any solicitation, contract task orders, work assignments, or similar instruments to existing contractors.

1. Applicability of the Davis- Bacon (DB) prevailing wage requirements.

Under the FY 2017 Consolidated Appropriations Act -, DB prevailing wage requirements apply to the construction, alteration, and repair of treatment works carried out in whole or in part with assistance made available by a Clean Water State Revolving Funds and Safe Drinking Water State Revolving Funds,-. If a sub recipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the sub recipient must discuss the situation with the recipient State before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Sub recipients must obtain proposed wage determinations for specific localities at www.wdol.gov. After the Sub recipient obtains its proposed wage determination, it must submit the wage determination to Elizabeth Borowiec, borowiec.elizabeth@epa.gov, 415-972-3419, EPA Region 9, for approval prior to inserting the wage determination into a solicitation, contract or issuing task orders, work assignments or similar instruments to existing contractors (ordering instruments unless subsequently directed otherwise by the State recipient Award Official.)

(b) Sub recipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

- (i) While the solicitation remains open, the sub recipient shall monitor www.wdol.gov on a weekly basis to ensure that the wage determination contained in the solicitation remains current. The sub recipients shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the sub recipients may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the sub recipient.
- (ii) If the sub recipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless the State recipient, at the request of the sub recipient, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The sub recipient shall monitor www.wdol.gov on a weekly basis if it does

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not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(c) If the sub recipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the sub recipient shall insert the appropriate DOL wage determination from www.wdol.gov into the ordering instrument.

(d) Sub recipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(e) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a sub recipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the sub recipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the sub recipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The sub recipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract provisions.

(a) The Recipient shall insure that the sub recipient(s) shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project under the DWSRF financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1 or the FY 2017 Consolidated Appropriations Act -, the following clauses:

(1) Minimum wages.

(i) All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work

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actually performed, without regard to skill, except as provided in §5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis- Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

Sub recipients may obtain wage determinations from the U.S. Department of Labor's web site, www.dol.gov.

(ii)(A) The sub recipient(s), on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The State award official shall approve a request for an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the sub recipient(s) agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), documentation of the action taken and the request, including the local wage determination shall be sent by the sub recipient(s) to the State award official. The State award official will transmit the report, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA DB Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification request within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the sub recipient(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the request, and the local wage determination, including the views of all interested parties and the recommendation of the State award official, to the Administrator for determination. The request shall be sent to the EPA Regional Coordinator concurrently. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt of the request and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

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(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) Withholding. The sub recipient(s) shall upon written request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the sub recipient, that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the sub recipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified

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week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/whd/forms/wh347instr.htm> or its successor site.

The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the sub recipient(s) for transmission to the State or EPA if requested by EPA, the State, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sub recipient(s).

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or State may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR

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5.12.

(4) Apprentices and trainees--

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractors registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee

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performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended and 29 CFR part 30.

(5) Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and Sub recipient(s), State, EPA, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

4. Contract Provision for Contracts in Excess of \$100,000.

(a) Contract Work Hours and Safety Standards Act. The sub recipient shall insert the following clauses

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set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Item 3, above or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$25 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The sub recipient shall upon the request of the EPA Award Official or an authorized representative of the Department of Labor, withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (a)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a)(1) through (4) of this section.

(c) In addition to the clauses contained in Item 3, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the Sub recipient shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Sub recipient shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the (write the name of agency) and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

EXHIBIT D

5. Compliance Verification

- (a) The sub recipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(3), all interviews must be conducted in confidence. The sub recipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.
- (b) The sub recipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. Sub recipients must conduct more frequent interviews if the initial interviews or other information indicated that there is a risk that the contractor or subcontractor is not complying with DB. Sub recipients shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence."
- (c). The sub recipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The sub recipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable the sub recipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Sub recipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB . In addition, during the examinations the sub recipient shall verify evidence of fringe benefit plans and payments there under by contractors and subcontractors who claim credit for fringe benefit contributions.
- (d). The sub recipient shall periodically review contractors and subcontractors use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.
- (e) Sub recipients must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed above and to the appropriate DOL Wage and Hour District Office listed at <http://www.dol.gov/whd/america2.htm>.

EXHIBIT E

Use of American Iron and Steel (AIS requirement)
H.R. 3547, Division G, Title IV

Sec. 436. (a)(1) None of the funds made available by a State water pollution control revolving fund as authorized by title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) or made available by a drinking water treatment revolving loan fund as authorized by section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12) shall be used for a project for the construction, alteration, maintenance, or repair of a public water system or treatment works **unless all of the iron and steel products used in the project are produced in the United States.**

(a) **Definitions.** As used in this award term and condition—

- (1) “iron and steel products” means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.
- (2) *Steel* means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.

(b) **Domestic preference.**

- (1) This award term and condition implements P.L. 114-133, Consolidated Appropriations Act, 2016, Section 424, by requiring that all iron and steel products used for a project for the construction, alteration, maintenance or repair of a public water system are produced in the United States except as provided in paragraph (b)(2) of this section and condition.
- (2) This requirement shall not apply in any case or category of cases in which the Administrator of the Environmental Protection Agency finds that:—
 - (i) applying the requirement would be inconsistent with the public interest;
 - (ii) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or
 - (iii) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.

(c) **Request for a Waiver under (b)(3) of this section**

- (1) Any recipient request to use foreign iron or steel products in accordance with paragraph (b)(3) of this section shall include adequate information for Federal Government evaluation of the request, including—
 - (A) A description of the foreign and domestic iron, steel, and/or manufactured goods;
 - (B) Unit of measure;
 - (C) Quantity;
 - (D) Cost;
 - (E) Time of delivery or availability;
 - (F) Location of the project;
 - (G) Name and address of the proposed supplier; and
 - (H) A detailed justification of the reason for use of foreign iron or steel products cited in accordance with paragraph (b)(3) of this section.
- (2) If the Administrator receives a request for a waiver under this section, the waiver request shall be made available to the public for at least 15 days prior to making a finding based on the request.
- (3) Unless the Administrator issues a waiver of this term, use of foreign iron and steel products is noncompliant with the Consolidated Appropriations Act, 2016 (P.L. 114-133).

(d) This term and condition shall be applied in a manner consistent with United States obligations under international agreements.

EXHIBIT E

If you require further clarification or guidelines, please contact Michelle Stamates at (775) 687-9331 or mstamate@ndep.nv.gov.

State Revolving Fund

Disadvantaged Business Enterprise Program

Guidance to Borrowers & Contractors

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5700-52A Part II

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– DBE Subcontractor Participation

State Revolving Fund

Disadvantaged Business Enterprise Program

Section 1: Overview

As stipulated by the Environmental Protection Agency (EPA), Nevada State Revolving Fund (SRF) borrowers and their contractors are required to make good faith efforts to utilize businesses classified as Disadvantaged Business Enterprises (DBEs) for goods and services associated with SRF financed projects. A borrower and their contractors should utilize DBEs through prime contracting, subcontracting, joint-ventures, other business relationships, and through the procurement of supplies, materials, and equipment.

Section 2: Definition of Disadvantaged Business Enterprise (DBE)

A DBE is a business owned and/or controlled by socially and economically disadvantaged individuals including Minority and Women Business Enterprises.

Minority Business Enterprise (MBE) – A business which is at least 51% owned and/or controlled by one or more U.S. citizens who are Black, Hispanic, Portuguese, Asian American, American Indian, or groups found to be economically and socially disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Federal Small Business Act.

Women Business Enterprise (WBE) – A business which is at least 51% owned and/or controlled by one or more U.S. citizens who are women.

Section 3: Disadvantage Business Enterprise (DBE) requirements and contract conditions

The following pages include conditions which must be included in all bidding and contract documents for SRF financed projects including:

- DBE related laws, rules, and regulations
- Equal Employment
- DBE Participation Goals
- Good Faith Effort for DBE Participation
- DBE Contract Terms and Conditions

Nevada State Revolving Fund Disadvantaged Business Enterprise (DBE) and Contract Conditions

The DBE Solicitation and Contract Conditions must be physically included in all bidding and contract documents for SRF financed projects.

DBE Related Laws, Rules, and Regulations

This project is being financed in whole or in part by the Nevada State Revolving Fund (SRF). The borrower is required to comply with the following laws, rules and regulations and must ensure that their contractor(s) also comply with these laws, rules, and regulations.

1. Ensures access to facilities or programs regardless of race, color, national origin, sex, age or handicap: Title VI of the Civil Rights Act of 1964 (P.L. 88-352, Section 504 of the Rehabilitation Act, P.L. 93-112 (87 Stat. 355, 29 U.S.C. Sec. 794), Older Americans Act (P.L. 94-135, 89 Stat. 713, 89 Stat. 728 Sec. 303, 42 U.S.C. 6102).
2. Encourages recipients of federal funds to award construction, supply and professional service contracts to minority and women's business enterprises (MBE/WBE) and small businesses and requires recipients to utilize affirmative steps in procurement: Executive Orders 11625, 12138 and 12432; Section 129 of P. L. 100-590 Small Businesses Reauthorization & Amendment Act of 1988; Public Law 102-389 (42 U.S.C. 4370d); a 1993 appropriations act ("EPA's 8% statute"); Title X of the Clean Air Acts Amendments of 1990 (42 U.S.C. 7601 note) ("EPA's 10% statute").
3. Prohibits entering into contracts or sub-contracts with individuals or businesses who are debarred or suspended: Executive Order 12549, 3 CFR, 189 and 40 CFR Part 32. Borrowers are required to check the status of all contractors (construction and professional services) and must require contractors to check the status of subcontractors for contracts expected to be equal to or over \$25,000. Information on debarment is available at the following website: www.sam.gov.
4. 40 CFR Part 33 Participation by Disadvantaged Business Enterprises in Procurement under Environmental Protection Agency (EPA) Financial Assistance Agreements.
5. Prohibits discrimination by federal contractors and subcontractors for reasons of race, color, religion, sex, and national origin: Equal Employment Executive Order 11246, as amended by Executive Orders 11375 and 12086 and subsequent regulations. Inclusion of the seven clauses (located below in the Equal Employment section) from Section 202 of E. O. 11246 as amended by E. O. 11375 and 12086 are required in all project related contracts and subcontracts over \$10,000.

Equal Employment (must be included in all contracts over \$10,000)

During the performance of this contract, the contractor agrees as follow:

1. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action 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. The contractor agrees to post in conspicuous places, available to employees and applicants

EXHIBIT F

for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

2. The contractor will, in all solicitations or advancements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
3. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
5. The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
6. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
7. The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

DBE Participation Goals

Borrowers and their prime contractors must follow and document good faith efforts to meet the DBE Participation Goals listed below:

Goods or Services	MBE Participation Goal	WBE Participation Goal
Construction	2%	2%
Equipment	1%	1%
Services	1%	2%
Supplies	1%	1%

The DBE Participation Goals are not quotas – SRF will not penalize a borrower and their contractors if they cannot meet the goals. However, SRF will require a borrower and their contractors to make a good faith effort to meet these goals.

Good Faith Effort for DBE Participation

EPA defines "Good Faith Effort" to include, at a minimum, the following actions by a borrower and their contractors and sub-contractors:

1. Include DBEs on solicitation lists.
2. Assure that DBEs are solicited once they are identified.
3. Divide total requirements into smaller tasks to permit maximum DBE participation, where feasible. Encourage the joint submission of bids by multiple DBE businesses.
4. Establish delivery schedules which will encourage MBE/WBE participation, where feasible.
5. Encourage use of the services of the Small Business Administration (SBA) and the Minority Business Development Agency of the Department of Commerce (MBDA) OR State/Regional/Local equivalent.
6. Require that each party to a subgrant, subagreement, or contract award take the good faith efforts outlined.

DBE Contract Terms and Conditions

The following conditions must be included in all procurement contracts entered into by the borrower and their contractors and subcontractors for SRF financed projects:

1. The prime contractor must pay its subcontractor for satisfactory performance no more than 30 days from the prime contractor's receipt of payment from the loan recipient.
2. The prime contractor must document its efforts towards meeting the six "Good Faith Efforts for DBE Participation" even if the prime contractor has achieved its fair share objectives.
3. The prime contractor must notify the loan recipient in writing prior to the termination of any DBE subcontractor for convenience by the prime contractor.
4. If a DBE subcontractor fails to complete work under the subcontract for any reason, the prime contractor must employ the six "Good Faith Efforts for DBE Participation" if soliciting a replacement subcontractor.
5. All DBE procurements whether from bid documents or subsequent draw request are to be **reported on form 5700-52A to the SRF.**
6. The prime contractor must submit **Form 6100-4 – DBE Subcontractor Utilization** to the borrower as part of bid proposals.
7. The prime contractor must ensure DBE subcontractors submit **Form 6100-3 – DBE Subcontractor Performance**. In turn, the prime contractor submits the forms to the borrower.
8. The prime contractor must provide **Form 6100-2 – DBE Subcontractor Participation** to DBE subcontractors. DBE subcontractors may submit Form 6100-2 to:

DBE/MBE/WBE Coordinator
U.S. Environmental Protection Agency,
Region 9 75 Hawthorne Street (PMD-1)
San Francisco, CA 94105

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Report	Provided By:	Completed By:	Submitted To:	Appendix
DBE Reporting Form 5700-52A Part II	SRF	Borrower	SRF	A
Form 6100-4	Borrower	Prime Contractor	Borrower	B
Form 6100-3	Prime Contractor	Sub-Contractor	Borrower	C
Form 6100-2	Prime Contractor	Sub-Contractor	EPA, Region 9	D

8. Each procurement contract signed must include the following term and condition:

“The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.”

**Disadvantaged Business Enterprise
Utilization Guidance to Borrowers and
Prime Contractors**

Sources to Identify and Certify DBEs

Source	Phone	Website/E-mail
Nevada Department of Transportation Civil Rights Program (DBE assistance and list)	External Civil Rights and Contract Compliance-Nevada Unified Certification Program 800-267-1971	http://nevadadbbe.com
Nevada Department of Transportation DBE Program		http://nevadadot.com/nevadaDBE/dbe.aspx
Nevada Governor's Office of Economic Development – Procurement Outreach Program	800-336-1600	http://diversifynevada.com/programs-resources/procurement-outreach
Nevada Small Business Development Center (NSBDC)	800-240-7094 DBE assistance 775-687-9921	http://dbe.nsbdc.org/
Hispanic Business Nevada		http://hispanicbusinessnevada.com/
US Small Business Admin. (SBA)		http://www.sba.gov/
Minority Business Development Agency-US Dept. of Commerce		http://www.mbda.gov/

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**Disadvantaged Business Enterprise
Utilization Guidance to Borrowers and
Prime Contractors**

Appendix A

DBE Reporting Form 5700-52A Part II

When requesting loan draws which involve procurements to MBE/WBE businesses, information must be reported on forms provided by SRF as shown on the next page.

EXHIBIT F

PART II.

MBE/WBE PROCUREMENTS MADE DURING REPORTING PERIOD
 EPA Financial Assistance Agreement Number: _____

1. Procurement Made By			2. Business Enterprise		3. \$ Value of Procurement	4. Date of Procurement MM/DD/YY	5. Type of Product or Services _A (Enter Code)	6. Name/Address/Phone Number of MBE/WBE Contractor or Vendor
Recipient	Sub-Recipient and/or SRF Loan Recipient	Prime	Minority	Women				

Type of product or service codes:

1 = Construction

2 = Supplies

3 = Services

4 = Equipment

Note: Refer to Terms and conditions of your Assistance Agreement to determine the frequency of reporting. Recipients are required to submit MBE/WBE reports to EPA beginning with the Federal fiscal year quarter the recipients receive the award, continuing until the project is completed. EPA FORM 5700-52A - (Approval Expires 06/30/14)

Instructions for Part II:

For each MBE/WBE procurement made under this assistance agreement during the reporting period, provide the following information:

1. Check whether this procurement was made by the recipient, sub-recipient/SRF loan recipient, or the prime contractor.
2. Check either the MBE or WBE column. If a firm is both an MBE and WBE, the recipient may choose to count the entire procurement towards EITHER its MBE or WBE accomplishments. The recipient may also divide the total amount of the procurement (using any ratio it so chooses) and count those divided amounts toward its MBE and WBE accomplishments. If the recipient chooses to divide the procurement amount and count portions toward its MBE and WBE accomplishments, please state the appropriate amounts under the MBE and WBE columns on the form. **The combined MBE and WBE amounts for that MBE/WBE contractor must not exceed the "Value of the Procurement" reported in column #3**
3. Dollar value of procurement.
4. Date of procurement, shown as month, day, year. Date of procurement is defined as the date the contract or procurement was awarded, **not** the date the contractor received payment under the awarded contract or procurement, unless payment occurred on the date of award. **(Where direct purchasing is the procurement method, the date of procurement is the date the purchase was made)**
5. Using codes at the bottom of the form, identify type of product or service acquired through this procurement (e.g., enter 1 if construction, 2 if supplies, etc).
6. Name, address, and telephone number of MBE/WBE firm.
7. Send to SRF.

**This data is requested to comply with provisions mandated by: statute or regulations (40 CFR Part 30, 31, and 33); OMB Circulars; or added by EPA to ensure sound and effective assistance management. Accurate, complete data are required to obtain funding, while no pledge of confidentiality is provided.

The public reporting and recording burden for this collection of information is estimated to average 1 hour per

response annually. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclosure or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, OPPE Regulatory Information Division, U.S. Environmental Protection Agency (2136), 1200 Pennsylvania Avenue, NW, Washington, D.C. 20460. Include the OMB Control number in any correspondence. Do not send the completed form to this address.

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**Disadvantaged Business Enterprise
Utilization Guidance to Borrowers and
Prime Contractors**

**Appendix
B**

Form 6100-4 – DBE Subcontractor Utilization

The borrower must require potential prime contractors to submit Form 6100-4, as shown on the next page, to the borrower as part of bid proposals.

EXHIBIT F



OMB Control No: 2090-0030 Approved: 8/13/2013 Approval Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE)
Program DBE Subcontractor
Utilization Form**

This form is intended to capture the prime contractor's actual and/or anticipated use of identified certified DBE¹ subcontractors² and the estimated dollar amount of each subcontract. An EPA Financial Assistance Agreement Recipient must require its prime contractors to complete this form and include it in the bid or proposal package. Prime contractors should also maintain a copy of this form on file.

Prime Contractor Name		Project Name	
Bid/ Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address			
Telephone No.		Email Address	
Issuing/Funding Entity:			

I have identified potential DBE certified subcontractors	<input type="radio"/> YES	<input checked="" type="radio"/> NO	
If yes, please complete the table below. If no, please explain:			
Subcontractor Name/ Company Name	Company Address/ Phone/ Email	Est. Dollar Amt	Currently DBE Certified?

Continue on back if needed

¹A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.205 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202. Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an EPA award of financial assistance.



OMB Control No: 2090-0030 Approved: 8/13/2013 Approval Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE)
Program DBE Subcontractor
Utilization Form**

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware of that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

Prime Contractor Signature	Print Name
Title	Date

The public reporting and recordkeeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.

EXHIBIT F

**Disadvantaged Business Enterprise
Utilization Guidance to Borrowers and
Prime Contractors**

**Appendix
C**

Form 6100-3 – DBE Subcontractor Performance

The prime contractor must require potential subcontractors to submit Form 6100-3, as show on the next page, as part of bid proposals. In turn, prime contractors submit the data to the borrower.

EXHIBIT F



OMB Control No: 2090-0030 Approved: 8/13/2013 Approval Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE)
Program DBE Subcontractor
Performance Form**

This form is intended to capture the DBE¹ subcontractor's² description of work to be performed and the price of the work submitted to the prime contractor. An EPA Financial Assistance Agreement Recipient must require its prime contractor to have its DBE subcontractors complete this form and include all completed forms in the prime contractors bid or proposal package.

Subcontractor Name		Project Name	
Bid/ Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address			
Telephone No.		Email Address	
Prime Contractor Name		Issuing/Funding Entity:	

Contract Item Number	Description of Work Submitted to the Prime Contractor Involving Construction, Services , Equipment or Supplies	Price of Work Submitted to the Prime Contractor
DBE Certified By: <input type="radio"/> DOT <input type="radio"/> SBA <input type="radio"/> Other: _____		Meets/ exceeds EPA certification standards? <input type="radio"/> YES <input type="radio"/> NO <input type="radio"/> Unknown

¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.205 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

² Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an EPA award of financial assistance.

EXHIBIT F



OMB Control No: 2090-0030 Approved: 8/13/2013 Approval Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE)
Program DBE Subcontractor
Performance Form**

I certify under penalty of perjury that the forgoing statements are true and correct. Signing this form does not signify a commitment to utilize the subcontractors above. I am aware of that in the event of a replacement of a subcontractor, I will adhere to the replacement requirements set forth in 40 CFR Part 33 Section 33.302 (c).

Prime Contractor Signature	Print Name
Title	Date

Subcontractor Signature	Print Name
Title	Date

The public reporting and recordkeeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.

EXHIBIT F

**Disadvantaged Business Enterprise
Utilization Guidance to Borrowers and
Prime Contractors**

**Appendix
D**

Form 6100-2 – DBE Subcontractor Participation

The prime contractor must provide subcontractors the opportunity to submit Form 6100-2, as shown on the next page, to:

DBE/MBE/WBE Coordinator
U.S. Environmental Protection Agency,
Region 9 75 Hawthorne Street (PMD-1)
San Francisco, CA 94105

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OMB Control No: 2090-0030 Approved: 8/13/2013 Approval Expires: 8/31/2015

**Disadvantaged Business Enterprise (DBE)
Program DBE Subcontractor
Participation Form**

An EPA Financial Assistance Agreement Recipient must require its prime contractors to provide this form to its DBE subcontractors. This form gives a DBE¹ subcontractor² the opportunity to describe work received and/or report any concerns regarding the EPA-funded project (e.g., in areas such as termination by prime contractor, late payments, etc.). The DBE subcontractor can, as an option, complete and submit this form to the EPA DBE Coordinator at any time during the project period of performance.

Subcontractor Name		Project Name	
Bid/ Proposal No.	Assistance Agreement ID No. (if known)	Point of Contact	
Address			
Telephone No.		Email Address	
Prime Contractor Name		Issuing/Funding Entity:	

Contract Item Number	Description of Work Received from the Prime Contractor Involving Construction, Services , Equipment or Supplies	Amount Received by Prime Contractor

¹ A DBE is a Disadvantaged, Minority, or Woman Business Enterprise that has been certified by an entity from which EPA accepts certifications as described in 40 CFR 33.204-33.205 or certified by EPA. EPA accepts certifications from entities that meet or exceed EPA certification standards as described in 40 CFR 33.202.

² Subcontractor is defined as a company, firm, joint venture, or individual who enters into an agreement with a contractor to provide services pursuant to an EPA award of financial assistance.

EPA FORM 6100-2 (DBE Subcontractor Participation Form)



OMB Control No: 2090-0030 Approved: 8/13/2013 Approval Expires: 8/31/2015

Disadvantaged Business Enterprise (DBE) Program DBE Subcontractor Participation Form

Please use the space below to report any concerns regarding the above EPA-funded project:

Multiple horizontal lines for reporting concerns.

Table with 2 columns: Subcontractor Signature, Print Name, Title, Date.

The public reporting and recordkeeping burden for this collection of information is estimated to average three (3) hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including through the use of automated collection techniques to the Director, Collection Strategies Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address.

Exhibit G

Infrastructure Investment and Jobs Act (IIJA) Signage Required Term and Condition

This Term & Condition applies to construction projects funded in whole or in part by the Infrastructure Investment and Jobs Act (IIJA) for the following programs: Clean Water State Revolving Fund (CWSRF), Drinking Water State Revolving Fund (DWSRF), Brownfields, Superfund, Emerging Contaminants, Great Lakes Restoration Initiative (GLRI), and Solid Waste Infrastructure for Recycling (SWIFR).

1. Signage Requirements

a. Building A Better America Emblem: The recipient will ensure that a sign is placed at construction sites supported under this award displaying the official Building A Better America emblem and must identify the project as a "project funded by President Biden's Bipartisan Infrastructure Law." Construction is defined at 40 CFR 33.103 as "erection, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other improvements to real property, and activities in response to a release or a threat of a release of a hazardous substance into the environment, or activities to prevent the introduction of a hazardous substance into a water supply." The sign must be placed at construction sites in an easily visible location that can be directly linked to the work taking place and must be maintained in good condition throughout the construction period.

The recipient will ensure compliance with the guidelines and design specifications for using the official Building A Better America emblem and corresponding logomark available at:

<https://www.whitehouse.gov/wp-content/uploads/2022/08/Building-A-Better-America-Brand-Guide.pdf>

b. EPA Logo: The recipient will ensure that signage displays the EPA logo along with the official Building A Better America emblem. The EPA logo must not be displayed in a manner that implies that EPA itself is conducting the project. Instead, the EPA logo must be accompanied with a statement indicating that the recipient received financial assistance from EPA for the project.

The recipient will ensure compliance with the sign specifications provided by the EPA Office of Public Affairs (OPA) available at: <https://www.epa.gov/grants/epa-logo-seal-specifications-signage-produced-epa-assistance-agreement-recipients>. As provided in the sign specifications from OPA, the EPA logo is the preferred identifier for assistance agreement projects and use of the EPA seal requires prior approval from the EPA. To obtain the appropriate EPA logo or seal graphic file, the recipient should send a request directly to OPA and include the EPA Project Officer in the communication. Instructions for contacting OPA is available on the [Using the EPA Seal and Logo page](#).

c. Procuring Signs: Consistent with section 6002 of RCRA, 42 U.S.C. 6962, and 2 CFR 200.323, recipients are encouraged to use recycled or recovered materials when procuring signs. Signage costs are considered an allowable cost under this assistance agreement provided that the costs associated with signage are reasonable. Additionally, to increase public awareness of projects serving communities where English is not the predominant language, recipients are encouraged to translate the language on signs (excluding the official Building A Better America emblem or EPA logo or seal) into the appropriate non-English language(s). The costs of such translation are allowable, provided the costs are reasonable.

2. Public or Media Events

EPA encourages the recipient to notify the EPA Project Officer listed in this award document of public or media events publicizing the accomplishment of significant events related to construction projects as a result of this agreement and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest, District General Manager

FROM: Paul Navazio, Director of Finance

SUBJECT: Approval of Resolution No 1899 Providing for the Issuance of Sewer Bond Series 2023A in the maximum amount of \$15,760,000 and Sewer Bond Series 2023B in the maximum amount of \$240,000; Providing the Forms, Terms and Conditions Thereof; Securing Payment Through a Pledge of Net Revenues Derived from the Utility System of Which the Financed Project is a Part; Ratifying Actions Previously Taken Toward the Issuance of the Bonds; and Providing Other Matters Relating Thereto (Requesting Staff Member: Director of Finance Paul Navazio)

RELATED STRATEGIC PLAN INITIATIVE(S): Long Range Principle #2 - Resources and Environment
Long Range Principle #5 - Assets and Infrastructure
Pursue project partnerships and Federal, State and Local funding to reduce District costs of Phase II of the Effluent Pipeline Project.

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES Board Policy 14.1. - Debt Management and Limits

DATE: March 22, 2023

I. RECOMMENDATION

That the Board of Trustees makes a motion to approve Resolution 1899 providing for the issuance of Sewer Bond Series 2023A in the maximum amount of \$15,760,000 and Sewer Bond Series 2023B in the maximum amount of \$240,000; providing the forms, terms and conditions thereof; securing payment through a pledge of net revenues derived from the utility system of which the financed project is a part; ratifying actions previously taken toward the issuance of the bonds; and providing other matters pertaining thereto.

II. BACKGROUND

This agenda item is a companion action item related to authorization to execute State of Nevada Clean Water State Revolving Fund (SRF) Loan Contracts CW2303 and CW2304 in the aggregate amount of \$16,000,000 to support financing Phase 2 of the Effluent Pipeline Replacement Project. Under the structure of the State's Clean Water State Revolving Fund loan program, borrowers are required to authorize, concurrent with execution of loan documents, issuance of private placement bonds, to be purchased by the State Treasurer, as security for the loans.

This agenda item seeks Board approval of Resolution 1899 authorizing the issuance of Sewer Bond Series 2023A, in the maximum amount of \$15,760,000 (securing SRF Loan Contract CW2303) and issuance of Sewer Bond Series 2023B, in the maximum amount of \$240,000 (securing SRF Loan Contract CW2304).

At their meeting of December 14, 2022, the Board of Trustees approved Resolution No. 1897 establishing the District's Intent to issue Utility Revenue Bonds in the maximum principal amount of \$52,740,000, in one or more series. As noted in the previous agenda item (related to authorization to execute the SRF loan contracts), the District, in consultation with the Nevada Department of Environmental Protection (NDEP), reduced the amount of the initial loan to \$16.0 million. In addition, NDEP has determined that a portion of the loan qualifies for principal forgiveness. Accordingly, consistent with the loan being authorized under two separate SRF Loan Contracts (CW2303 and CW2304), Resolution 1889 provides for the issuance of two separate bonds, Series 2023A and Series 2023B, in the maximum amounts of \$15,760,000 and \$240,000, respectively. The latter represents the portion of the \$16.0 million loan that qualified for principal forgiveness.

Both Sewer Bond series authorized by Resolution 1899 represent private-placement bonds to be purchased by the State Treasurer as security for the SRF loans. The Sewer Bond Series 2023A, in the maximum amount of \$15,760,000, represent the portion of the SRF loan to be repaid over 30-years at a fixed interest rate of 2.19%, and has been set based at 54% of the "Bond Buyer 20 General Obligation Bond Index (BB20 Index), as of March 10, 2023, plus an adjustment factor to account for the 30-year term of the loan, based on the AAA Municipal Market Date (MMD) scale. Interest-only payments are due and payable twice per year (January and July), based on the amount of loan funds drawn by the District. Principal (and interest) payments on funds accessed through Contract CW2303 will commence at project completion, or 3 years, whichever comes first.

Pursuant to the requirements of the State's Clean Water State Revolving Fund loan program, Resolution 1889 provides that the Sewer Bonds Series 2023A and 2023B are secured by a pledge of net revenues of the District's utility system, and are to be issued "on parity" with existing debt of the District's utility system. Additionally, the Series 2023A Bond requires the establishment of a Reserve Account, held for the account of the District by the State Treasurer in the Local

Government Investment Pool (LGIP), pursuant to the provisions of Resolution 1899.

III. BID RESULTS

The Sewer Bond Series 2023A and 2023B represent private placement issues, to be purchased by the State Treasurer. The interest rates are set based on the formula established by the SRF loan program. As such, there is no "bidding" as typically associated with bonds issued through the municipal bond market.

IV. FINANCIAL IMPACT AND BUDGET

The Sewer Bond Series 2023A and 2023B authorized by Resolution 1899 represent a maximum combined debt of \$16,000,000, and are secured by the SRF loan contracts (CW2303 and CW2304).

The Sewer Bond issued under Series 2023A, up to \$15,760,000, is to be repaid over 30 years (from project completion), at a fixed interest rate of 2.19%. If the entire amount of the loan is accessed by the District, annual debt service payments of \$715,108.68 would be required to pay off the loan. Actual debt service payments will depend on the timing and amount of loan funds accessed throughout the term of the project. The bonds are secured by a pledge of net revenues of the District's utility system and are thus to be repaid through rate revenues collected from utility customers of the District.

The District has incurred "cost of issuance" fees related to the two bond series in the amount of \$82,916. These costs represent fees for services provided by the District's Financial Advisor and Bond Counsel, and have been included in the project funding reimbursable through the SRF loan.

V. ALTERNATIVES

The Board could choose not to proceed with authorizing the issuance of bonds. This alternative could jeopardize the District's ability to finance the Effluent Pipeline project and/or project schedule.

VI. COMMENTS

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

VIII. BUSINESS IMPACT

IX. ATTACHMENTS

1. Resolution 1899_ Utility Revenue Bonds_SRF

X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

Consider approval of Resolution 1899 authorizing the issuance of Sewer Bonds Series 2023A and 2023B, related to the SRF loans supporting the Effluent Pipeline project.

Summary - A resolution authorizing the issuance by the Incline Village General Improvement District, Nevada, of its Sewer Bond, Series 2023A in the maximum aggregate principal amount of \$15,760,000 and Series 2023B in the maximum aggregate principal amount of \$240,000 and providing other matters relating thereto.

RESOLUTION 1899

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT, NEVADA, PROVIDING FOR THE ISSUANCE OF ITS SEWER BOND, SERIES 2023A, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$15,760,000 AND ITS SEWER BOND, SERIES 2023B, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$240,000; PROVIDING THE FORM, TERMS AND CONDITIONS THEREOF; SECURING PAYMENT OF THE BONDS BY A PLEDGE OF REVENUES DERIVED FROM THE UTILITY SYSTEM OF WHICH THE FINANCED PROJECT IS A PART; RATIFYING ACTION PREVIOUSLY TAKEN TOWARD THE ISSUANCE OF THE BONDS; AND PROVIDING OTHER MATTERS RELATING THERETO.

WHEREAS, the Incline Village General Improvement District in the State of Nevada (the "District" and the "State," respectively) is a political subdivision of the State duly incorporated as a general improvement district under the provisions of Chapter 318 (the "Project Act") of the Nevada Revised Statutes (the "NRS"); and

WHEREAS, the District now owns and operates a water system and sewer system and is responsible for municipal trash collection in the District (the "Utility System"); and

WHEREAS, the Board of Trustees of the District (the "Board") has determined and hereby declares that the public interest, health and welfare necessitates making certain improvements to the Utility System by constructing, reconstructing, improving, and extending facilities pertaining to the sewer system (the "Project"); and to issue and sell sewer revenue bonds of the District to defray, in whole or in part, the cost of the Project; and

WHEREAS, pursuant to the Project Act, NRS chapter 350 and all laws amendatory thereof which includes the Local Government Securities Laws, being Sections 350.500 through 350.720, NRS, and all laws amendatory thereof (the "Bond Act"), the District is authorized to borrow money and to issue revenue bonds of the District for the purpose of defraying wholly or in part the cost of the Project; and

WHEREAS, the Board is therefore authorized by the Project Act, the Bond Act and NRS 350.020, without any further preliminaries:

(A) To commence the Project;

(B) To issue and sell the District's registered, negotiable Sewer Bond, Series 2023A in the maximum aggregate principal amount of \$15,760,000 (the "2023A Bond") and Sewer Bond, Series 2023B in the maximum aggregate principal amount of \$240,000 (the "2023B Bond" and together with the 2023A Bond, the "Bonds" or the "Municipal Securities") for the Project; and

(C) To exercise the incidental powers provided in the Bond Act in connection with the powers authorized therein; and

WHEREAS, the District requested the Director of the Department of Conservation and Natural Resources as Administrator of the State of Nevada Account to Finance the Construction of Treatment Works and the Implementation of Pollution Control Projects (the "Director" and "Revolving Fund," respectively), under NRS 445A.060 to 445A.160, inclusive (the "State Project Act"), to make loans to the Authority by purchasing the Municipal Securities in the maximum principal amount of \$16,000,000; and

WHEREAS, the Director, upon approval of the Director of the Office of Finance, Office of the Governor, authorized loans to the Authority in the maximum principal amount of \$16,000,000; and

WHEREAS, Section 32 of the Act, NRS 350.105 to 350.195, inclusive, and the State Project Act permit Municipal Securities to be sold at private sale to the State; and

WHEREAS, after private negotiation pursuant to the Bond Act and the Project Act, the Board has determined to sell its Municipal Securities designated as the 2023A Bond in the maximum principal amount of \$15,760,000 and the 2023B Bond in the maximum principal amount of \$240,000 to the State for a price equal to the principal amount thereof, and otherwise upon the terms provided below; and

WHEREAS, the effective interest rate on the Bonds does not exceed by more than 3% the "Index of Revenue Bonds" which was most recently published in The Bond Buyer before a negotiated offer was accepted for the Bonds; and

WHEREAS, the District has previously issued its Superior Securities and Parity Securities (as defined herein) which are payable from and secured by liens on the Net Revenues; and

WHEREAS, the Board has determined and hereby declares:

(A) It is necessary and for the best interests of the District to effect the Project and to issue the Bond; and

(B) Each of the limitations and other conditions to the issuance of the Bond in the Project Act, the Bond Act and in any other relevant act of the State or the Federal Government, has been met; and pursuant to NRS 350.708 of the Bond Act, this determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary or gross abuse of discretion; and

(C) This Resolution pertains to the sale, issuance and payment of the Bond; this declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of NRS 350.579(2).

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT, NEVADA, DOES RESOLVE:

SECTION 1. **Short Title.** This Resolution shall be known and may be cited as the "2023 Sewer Bond Resolution."

SECTION 2. **Definitions.** The terms in this section and in the preambles hereof defined for all purposes of this Resolution and of any instrument amendatory hereof or supplemental hereto, and of any other instrument or any other document relating hereto, except where the context by clear implication otherwise requires, shall have the meanings in this section and in said preambles specified:

"2004 Bonds" means the "Incline Village General Improvement District, General Obligation (Limited Tax) Water Bonds (Additionally Secured by Pledged Revenues), Series 2004".

"2006 Bonds" means the "Incline Village General Improvement District, General Obligation (Limited Tax) Sewer Bonds (Additionally Secured by Pledged Revenues), Series 2006".

"2012 Bonds" means the "Incline Village General Improvement District, General Obligation (Limited Tax) Water Bond (Additionally Secured by Pledged Revenues), Series 2012".

"2023A Bond" means the "Incline Village General Improvement District, Nevada, Sewer Bond, Series 2023A" issued hereunder in the maximum principal amount of \$15,760,000.

"2023B Bond" means the "Incline Village General Improvement District, Nevada, Sewer Bond, Series 2023B" issued hereunder in the maximum principal amount of \$240,000 which is a principal forgiveness bond.

"Bonds" means the 2023A Bond and the 2023B Bond.

"Bond Fund" means the two separate accounts designated as the "Incline Village General Improvement District, Nevada, Sewer Bond, Series 2023, Interest Account" (the "Interest Account") and the "Incline Village General Improvement District, Nevada, Sewer Bond, Series 2023, Principal Account" (the "Principal Account") created herein.

"Bond Requirements" means the payment of the principal, interest and any prior redemption premiums due in connection with the Bond.

"Bond Year" means the 12 month period commencing on July 1 of a calendar year and ending on June 30 of the following calendar year.

"Commercial Bank" means a state or national bank or trust company which is a member of the Federal Deposit Insurance Corporation.

"Cost of the Project" means all or any part designated by the Board for the cost of the Project, or interest therein, which cost, at the option of the Board, except as limited by law, may include all or any part of the incidental costs relating to the Project, including, without limitation:

- (a) Preliminary expenses advanced by the District from money available for use therefor, or advanced by the Federal Government, or from any other source, with the approval of the Board;

(b) The costs in the making of surveys, audits, preliminary plans, other plans, specifications, estimates of costs and other preliminaries;

(c) The costs of premiums on builders' risk insurance and performance bonds, or a reasonably allocable share thereof;

(d) The costs of appraising, printing, estimates, advice, services of engineers, architects, accountants, financial consultants, attorneys at law, clerical help or other agents or employees;

(e) The costs of making, publishing, posting, mailing and otherwise giving any notice in connection with the Project, the filing or recordation of instruments, the taking of options, the issuance of the Bond and any other securities relating to the Project, and bank fees and expenses;

(f) The costs of contingencies;

(g) The costs of the capitalization with the proceeds of the Bond or other securities relating to the Project of any operation and maintenance expenses appertaining to the Project and of any interest on the Bond or other securities relating to the Project for any period not exceeding the period estimated by the Board to effect the Project plus one year, of any discount on the Bond or such other securities, and of any reserves for the payment of the principal of and interest on the Bond or such other securities, of any replacement expenses, and of any other cost of the issuance of the Bond or such other securities;

(h) The costs of amending any resolution or other instrument authorizing the issuance of or otherwise appertaining to outstanding bonds or other securities of the District;

(i) The costs of funding any medium-term financing, construction loans and other temporary loans of not exceeding ten years appertaining to the Project and of the incidental expenses incurred in connection with such loans;

(j) The costs of any properties, rights, easements or other interests in properties, or any licenses, privileges, agreements and franchises;

(k) The costs of demolishing, removing or relocating any buildings, structures or other facilities on land acquired for the Project, and of acquiring lands to which such buildings, structures or other facilities may be moved or relocated;

(l) The administrative expenses and costs of the State Treasurer through the Department of Conservation and Natural Resources relevant to its making a loan for the Project; and

(m) All other expenses necessary or desirable and appertaining to the Project, as estimated or otherwise ascertained by the Board.

"Department" means the State of Nevada Department of Conservation and Natural Resources acting by and through the Nevada Division of Environmental Protection.

"Director" means the Director of the Department of Conservation and Natural Resources as Administrator of the State of Nevada Account to Finance the Construction of Treatment Works and the Implementation of Pollution Control Projects.

"Director of Finance" means the Director of Finance of the District and the de jure or de facto chief financial officer of the District, or successor.

"Federal Government" means the United States, or any agency, instrumentality or corporation thereof.

"Federal Securities" means bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal and interest of which securities are unconditionally guaranteed by, the United States.

"Fiscal Year" means the 12 months commencing on July 1 of any calendar year and ending on June 30 of the next succeeding calendar year; but if the Nevada Legislature changes the statutory fiscal year relating to the District, the Fiscal Year shall conform to such modified statutory fiscal year from the time of each such notification, if any.

"Gross Revenues" means all income and revenues derived directly or indirectly by the District from the operation and use and otherwise pertaining to the Utility System or any

part thereof, whether resulting from repairs, enlargements, extensions, betterments or other improvements to the Utility System, or otherwise, and includes all revenues received by the District from the Utility System, including, without limitation, all fees, rates, and other charges for the use of the Utility System, or for any service rendered by the District in the operation thereof, directly or indirectly, the availability of any such service or the sale or other disposal of any commodity derived therefrom, but excluding any moneys borrowed and used for the acquisition of capital improvements and any moneys received as grants, appropriations or gifts from the United States, the State or other sources, the use of which is limited by the grantor or donor to the construction of capital improvements for the Utility System, except to the extent any such moneys shall be received as payments for the use of the Utility System, services rendered thereby, the availability of any such service or the disposal of any such commodities. "Gross Revenues" shall also include all income or other gain from the investment of such income and revenues and of the proceeds of securities payable from Gross Revenues or Net Revenues.

"2023A Loan Contract" means the loan agreement between the Department and the District concerning the 2023A Bond.

"2023B Loan Contract" means the loan agreement between the Department and the District concerning the 2023B Bond.

"Net Revenues" means the Gross Revenues remaining after the deduction of Operation and Maintenance Expenses.

"Operation and Maintenance Expenses" means all reasonable and necessary current expenses of the District, paid or accrued, of operating, maintaining and repairing the Utility System, including, without limitation:

- (a) engineering, auditing, reporting, legal and other overhead expenses relating to the administration, operation and maintenance of the Utility System;
- (b) fidelity bond and property and liability insurance premiums pertaining to the Utility System or a reasonably allocable share of a premium of any blanket bond or policy pertaining to the Utility System;
- (c) payments to pension, retirement, health and hospitalization funds, and other insurance and to any self-insurance

fund as insurance premiums not in excess of such premiums which would otherwise be required for such insurance;

(d) any general taxes, assessments, excise taxes or other charges which may be lawfully imposed upon the District, the Utility System, revenues therefrom or the District's income from or operations of any properties under its control and pertaining to the Utility System, or any privilege in connection with the Utility System or its operations;

(e) the reasonable charges of any Paying Agent or Registrar and any depository bank pertaining to the Bond or any other securities payable from Gross Revenues or otherwise pertaining to the Utility System;

(f) contractual services, professional services, salaries, other administrative expenses and costs of materials, supplies, repairs and labor pertaining to the Utility System or to the issuance of the Bond, or any other securities relating to the Utility System, including, without limitation, the expenses and compensation of any receiver or other fiduciary under the Bond Act;

(g) the costs incurred by the Board in the collection and any refunds of all or any part of Gross Revenues;

(h) any costs of utility services furnished to the Utility System;

(i) any lawful refunds of any Gross Revenues; and

(j) all other administrative, general and commercial expenses pertaining to the Utility System, including payment of any amounts due the United States under Section 148(f) of the Tax Code in connection with any securities payable from revenues of the Utility System in such amounts as are required to meet the District's obligations under Section 148(f) of the Tax Code;

but excluding:

(i) any allowance for depreciation;

(ii) any costs of extensions, enlargements, betterments and other improvements, or any combination thereof;

(iii) any reserves for major capital replacements, other than normal repairs;

(iv) any reserves for operation, maintenance or repair of the Utility System;

(v) any allowance for the redemption of any Bond or other security or the payment of any interest thereon or any prior redemption premium due in connection therewith;

(vi) any liabilities incurred in the acquisition or improvement of any properties comprising any project or any existing facilities, or any combination thereof, pertaining to the Utility System, or otherwise; and

(vii) any liabilities imposed on the District for any ground of legal liability not based on contract, including, without limitation, negligence in the operation of the Utility System.

"Outstanding" when used with reference to the Bond or any other designated securities payable from Net Revenues and as of any particular date means all of the bonds in any manner theretofore and thereupon being executed and delivered:

(a) Except any Bond or other security canceled by the District, the Paying Agent or otherwise on the District's behalf, at or before such date;

(b) Except any Bond or other security for the payment or the redemption of which moneys at least equal to its Bond Requirements to the date of maturity or to any Redemption Date shall have theretofore been deposited with a trust bank in escrow or in trust for that purpose, as provided in Section 56 hereof; and

(c) Except any Bond or other security in lieu of or in substitution for which another Bond or other security shall have been executed and delivered.

"Parity Securities" means the 2023A Bond, the 2023B Bond, the 2012 Bond, the 2006 Bonds and the 2004 Bonds and any other securities of the District pertaining to the Utility System and payable from and secured by Net Revenues on a parity with the Bond, to the extent issued in accordance with the terms, conditions and limitations hereof.

"Paying Agent" means the District Director of Finance or any successor thereto as paying agent for the Bond appointed by the Board.

"Person" means a corporation, firm, other body corporate (including, without limitation, the Federal Government, the State or any other body corporate and politic other than the District), partnership, association or individual, and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

"Purchaser" means the State of Nevada, acting by and through the Director of the Department of Conservation and Natural Resources as Administrator of the Account to Finance the Construction of the Treatment Works and Implementation of Pollution Control Projects of the State of Nevada.

"Redemption Date" means a date fixed for the redemption prior to the respective maturities of any Bond or other designated securities payable from any Net Revenues in any notice of prior redemption or otherwise fixed and designated by the District.

"Redemption Price" means, when used with respect to a Bond or other designated security payable from any Net Revenues, the principal amount thereof plus accrued interest thereon to the Redemption Date plus the applicable premium, if any, payable upon the redemption thereof prior to the stated maturity date of such Bond or other security on a Redemption Date in the manner contemplated in accordance with the security's terms.

"Registrar" means the Director of Finance of the District or any successor thereto as registrar for the Bond appointed by the Board.

"Reserve Account" means the "Incline Village General Improvement District, Nevada, Sewer Bond, Series 2023, Reserve Account" created herein.

"Revenue Fund" means the means the "Incline Village General Improvement District Utility Facilities Revenue Fund" heretofore created and continued herein in Section 37 hereof.

"**Revolving Fund**" means the Account to Finance the Construction of Treatment Works and the Implementation of Pollution Control Projects of the State of Nevada created by NRS 445A.120.

"**Single Bond**" means the single registered, negotiable sewer bond for each of the 2023A Bond and the 2023B Bond in lieu of serial bonds.

"**Subordinate Securities**" means securities of the District pertaining to the Utility System and payable from and secured by Net Revenues subordinate and junior to the pledge thereof to the Bond, to the extent issued in accordance with the terms, conditions and limitations hereof.

"**Superior Securities**" means any securities of the District hereafter issued pertaining to the Utility System and payable from and secured by Net Revenues superior and senior to the pledge thereof to the Bond.

"**Tax Code**" means the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds.

"**Trust Bank**" means a "commercial bank", as defined herein, which bank is authorized to exercise and is exercising trust powers, and also means any branch of Federal Reserve Bank.

"**Utility System**" means the trash collection, water system and sewer system of the District, consisting of all properties, real, personal, mixed or otherwise, now owned or hereafter acquired by the District through purchase, construction or otherwise, and used in connection with such systems of the District, and in any way pertaining thereto, whether or not located within or without or both within and without the boundaries of the District, including, without limitation, machinery, apparatus, structures, buildings and related or appurtenant furniture, fixtures and other equipment, as such systems are from time to time extended, bettered or otherwise improved, or any combination thereof.

Other capitalized terms used herein shall have the meanings given to such terms in the text hereof, except where the context by clear implication otherwise requires.

SECTION 3. **Sale of Bond and Approval of Loan Contract**. The sale of the Bond to the State on the terms provided herein and in accordance with the Loan Contract, to be executed by the General Manager on behalf of the District, is hereby approved and accepted in substantially the form as is now on file in the office of the District, with such changes as are

approved by the General Manager, whose execution thereof shall constitute conclusive evidence of the approval of such changes.

SECTION 4. **Ratification**. All action heretofore taken by the Board and the officers of the District directed toward the Project and toward the issuance, sale and delivery of the Bond is hereby ratified, approved and confirmed.

SECTION 5. **Estimated Life of Facilities**. The Board, on behalf of the District, has determined and does hereby declare:

A. The estimated life or estimated period of usefulness of the Project to be acquired with the 2023A Bond is not less than 31 years; and

B. The 2023A Bond shall mature at such time or times not exceeding such estimated life or estimated period of usefulness.

SECTION 6. **Necessity of Project and Bond**. It is necessary and in the best interests of the Board, its officers, and the inhabitants of the District, that the District effect the Project and defray wholly or in part the cost thereof by the issuance of the Bond therefor; and it is hereby so determined and declared.

SECTION 7. **Authorization of Project**. The Board hereby authorizes the Project.

SECTION 8. **Resolution to Constitute Contract**. In consideration of the purchase and the acceptance of the Bond by those who shall own the same from time to time, the provisions hereof shall be deemed to be and shall constitute a contract between the District and the registered owners from time to time of the Bond.

SECTION 9. **Bond Equally Secured**. The covenants and agreements herein set forth to be performed shall be for the equal benefit, protection and security of the owner of the outstanding Bonds all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction except as otherwise expressly provided in or pursuant to this Resolution.

SECTION 10. **Special Obligations**. The Bonds, as to the Bond Requirements, shall constitute special revenue obligations of the District. The Bond Requirements shall be

paid only from Net Revenues of the Utility System of which the Project is a part (the "Pledged Revenues").

SECTION 11. **Limitations upon Security.** The payment of the Bond is not secured by an encumbrance, mortgage or other pledge of property of the District, except for the Net Revenues pledged for the payment of the Bonds. No property of the District, subject to such exception, shall be liable to be forfeited or taken in payment of the Bonds.

SECTION 12. **No Recourse Against Officers and Agents.** No recourse shall be had for the payment of the Bond Requirements of the Bonds or for any claim based thereon or otherwise upon this Resolution or any other instrument relating thereto, against any individual member of the Board or any officer or other agent of the Board or District, past, present or future, either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of the Bond and as a part of the consideration of its issuance specially waived and released.

SECTION 13. **Authorization of Bonds.** For the purpose of providing funds to pay all or a portion of the cost of the Project, the District shall issue its "Incline Village General Improvement District, Nevada, Sewer Bond, Series 2023A", in the maximum principal amount of \$15,760,000 (the "2023A Bond") and its "Incline Village General Improvement District, Nevada, Sewer Bond, Series 2023B", in the maximum principal amount of \$240,000 (the "2023B Bond"). The State has requested, and the District has agreed, that the obligation of the District hereunder shall be represented in the form of a single, registered, negotiable sewer bond for each series.

SECTION 14. **Bond Details.** The Bonds shall be issued in fully registered form, i.e., registered as to both principal and interest, in compliance with Section 149 of the Tax Code, and the regulations of the Secretary of the Treasury thereunder. The Bonds shall be dated initially as of the date of delivery thereof to the State, and shall be each issued as a single bond in the maximum principal amount of \$15,760,000 for the 2023A Bond and \$240,000 for the 2023B Bond. The District's indebtedness as represented by the Bonds shall be \$16,000,000 or such lesser amount as shall represent the aggregate principal amount advanced under the applicable Loan Contract as shown on the principal advance panel attached to each Bond. The 2023B Bond may be issued in one series or more and shall be issued and the principal amount forgiven by the

Department pursuant to the Department's loan forgiveness program on the date of issue of the 2023B Bond under the 2023B Loan Contract. The Bond shall bear interest (calculated on the basis of a 360 day year consisting of twelve 30 day months) at the rate set forth in the 2023A Loan Contract on the unpaid principal amount advanced from the date or dates of each advance until the principal thereof is paid in full. Interest payments on the 2023A Bond shall be payable semiannually on January 1 and July 1 of each year commencing on the January 1 or July 1 immediately succeeding the date of the first principal advance made to the District under the 2023A Loan Contract. Principal payments under the 2023A Bond shall be made semiannually on January 1 and July 1, commencing on the first January 1 or July 1 immediately following the date the District draws the maximum principal amount authorized (i.e. \$15,760,000) under the 2023A Loan Contract, the date the District completes the Project, or three years from the date of the initial principal advance under the Loan Contract, whichever occurs first. The amount of principal and interest payments shall be substantially in the amounts set forth in the 2023A Loan Contract, provided that the principal and interest payments shall be structured so as to produce payments substantially consistent in amount from payment date to payment date and which shall amortize the outstanding principal amount of the 2023A Bond as set forth in the 2023A Loan Contract.

If a Bond is reissued upon replacement, it shall bear interest from the most recent interest payment date to which interest has been paid, or if no interest has been paid, from the date of the initial advance to the District under the applicable Loan Contract. The installments of principal and interest on the Bond shall be paid by check or warrant made to the order of the registered owner of the Bond and mailed to the address of the registered owner shown on the registration records kept by the Director of Finance, acting in the capacity as registrar for the Bond (the "Registrar") as of the close of business on the day immediately prior to such payment date, or if such date is not a business day, on or before the next succeeding business day. So long as the State is the registered owner, such payment shall be made by depositing with the State Treasurer, not later than the principal or interest payment date, the amount coming due on the 2023A Bond on such date, or if such payment date is not a business day, on or before the next succeeding business day, immediately available funds in an amount sufficient to make the payment then due. The final installment of principal on the 2023A Bond whether at maturity or prior redemption (if the State consents to such prior redemption), shall be made only on

presentation and surrender of the 2023A Bond, as provided in Section 22 hereof, at the office of the Paying Agent. If any installment of principal shall not be paid when due, interest shall continue to accrue at the rate set forth in the 2023A Loan Contract until the principal thereof is paid in full, plus a penalty in the amount of one-tenth of one percent (0.1%) will be due for each day of nonpayment commencing 10 days after the maturity date of that principal installment. The Paying Agent may make payments of interest on the 2023A Bond by such alternative means as may be mutually agreed to between the owner of such 2023A Bond and the Paying Agent. All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

SECTION 15. **Prior Redemption or Prepayment Option.** The 2023A Bond, or portions thereof, are subject to redemption prior to the respective maturities of the installments of principal, in whole or in part, at the option of the District at a price equal to the principal amount of the 2023A Bond or portion thereof, so prepaid and the accrued interest thereon to the Redemption Date; provided that (i) the State consents in writing to such prepayment, or (ii) a change in use of the facilities financed by the 2023A Bond occurs which change in use necessitates remedial action under Treas. Reg. 1.141-12 in order to comply with the covenant in Section 55 hereof. If all or a portion of the principal of the 2023A Bond is so called for prior redemption, no payment of the principal of or interest on the 2023A Bond due on or after the date fixed for redemption shall be made unless the 2023A Bond is presented to the Paying Agent and notation of the installments of principal redeemed is made on such Bond.

Unless waived by the owner of the 2023A Bond, notice of prepayment shall be given by the Registrar, by first class, postage prepaid mail, at least 30 days prior to the date fixed for prepayment to the registered owner of the 2023A Bond at the address as it last appears on the registration records kept by the Registrar. Actual receipt of mailed notice by the registered owner shall not be a condition precedent to prepayment. A certificate by the Registrar that notice of prepayment has been given as provided in this Section shall be conclusive as against all parties; and no owner may object thereto or may object to the cessation of interest on the prepayment date on the ground that he failed actually to receive such notice of prepayment.

Notwithstanding the provisions of this Section, any notice of prepayment may contain a statement that the prepayment is conditional upon the receipt by the Paying Agent of funds on or before the date fixed for prepayment sufficient to pay the redemption price of the

installments of principal of the 2023A Bond so called for prepayment, and that if such funds are not available, such prepayment shall be cancelled by written notice to the owner of the 2023A Bond called for prepayment in the same manner as the original prepayment notice was given.

SECTION 16. **Compliance with Federal and State Laws.** The District agrees that it will, at all times that the Bonds are outstanding, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations and requirements. The District covenants that it will comply with the requirements of the 40 CFR Part 31 and comply with, implement and fulfill all environmental mitigation measures committed to by the District as a part of its request to the Administrator for financing from the Revolving Fund.

SECTION 17. **Registration of Bonds.**

A. Records for the registration of the Bonds shall be kept by the Registrar. The person in whose name any Bond shall be registered, on the registration records kept by the Registrar, shall be deemed and regarded as the absolute owner thereof for the purpose of payment and for all other purposes; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the owner thereof or legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

B. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the District may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond. If such lost, stolen, destroyed or mutilated Bond shall have matured or shall have been called for redemption, the Registrar may direct that such Bond be paid by the Paying Agent in lieu of replacement.

C. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the District.

D. The Registrar shall maintain at her office a registration record for the Single Bond showing the name and address of the registered owner and the amounts and dates of any principal prepayments on the Single Bond.

SECTION 18. **Execution and Authentication.**

A. The Bond shall be approved, signed and executed in the name of and on behalf of the District with the manual or electronic signature of the Chairman, shall be countersigned and executed with the manual or electronic signature of the District Treasurer, and shall bear a manual or electronic impression of the official seal of the District attested with the manual or electronic signature of the Secretary.

B. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication thereon, substantially in the form hereinafter provided, has been duly manually executed by the Registrar. By authenticating any of the Bond initially delivered pursuant to this Resolution, the Registrar shall be deemed to have assented to all of the provisions of this Resolution.

C. The Chairman, the District Treasurer and the Secretary are hereby authorized and directed to prepare and to execute the Bond as herein provided.

SECTION 19. **Use of Predecessor's Signature.** The Bond bearing the signatures of the officers in office at the time of the execution of the Bonds shall be a valid and binding obligation of the District, notwithstanding that before its delivery any or all of the persons who executed it shall have ceased to fill their respective offices. The Chairman, the District Treasurer, and the Secretary at the time of the execution of a signature certificate relating to the Bonds, may each adopt as and for such officer's own facsimile signature the signature of his predecessor in office if such signature appears upon the Bonds.

SECTION 20. **Incontestable Recital.** Pursuant to NRS 350.628, the Bonds shall contain a recital that they are issued pursuant to the Bond Act, which recital shall be conclusive evidence of the validity of the Bonds and the regularity of its issuance.

SECTION 21. **State Tax Exemption.** Pursuant to NRS 350.710, the Bonds, their transfer and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to the provisions of chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to chapter 375B of NRS.

SECTION 22. **Use of Single Bond.** Each Bond shall be evidenced by a single registered Bond, which Bond shall be manually or electronically signed and executed in the name of and on behalf of the District by the Chairman, countersigned and manually or

electronically subscribed by the District Treasurer, with the seal of the District affixed thereto and attested and manually or electronically signed by the Secretary. So long as the State is the registered owner, payment of principal and interest shall be made by depositing with the State Treasurer, on or before such payment date, or if such payment date is not a business day, on or before the next succeeding business day, immediately available funds in an amount sufficient to make the payment then due. The final installment of principal on the Bond shall be paid only upon surrender of the Bond at the office of the Paying Agent. If the State Treasurer consents to a portion of principal of the 2023A Bond being called for prior redemption, no payment of the principal or redemption price of or interest on the 2023A Bond, due on or after the date fixed for redemption shall be made unless the 2023A Bond is presented to the Paying Agent and notation of the installments of principal so called for prior redemption is made on such 2023A Bond. The Bonds must be registered in the name of its owner and may be assigned by the registered owner in the manner and with the effect set forth in the provisions for registration contained in the form thereof hereinafter set forth. The District shall pay to the State such amounts as are necessary to pay the District's share of the State's costs of administration for the loans to fund the Bonds.

The District Director of Finance shall act as Registrar and Paying Agent and shall maintain at his office registration records for the Bond showing the name and address of the registered owner and the amounts and dates of any principal prepayments on the Bond.

SECTION 23. **Form of the Bond.** The Bond shall be in substantially the following form, said form to be completed with necessary or appropriate variations, insertions, omissions, or endorsements consistent with the provisions of this Resolution:

(Form of Single Bond)

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT, NEVADA
SEWER BOND
SERIES 2023[A][B]**

No. R-1 **MAXIMUM PRINCIPAL AMOUNT: [\$15,760,000.00]**
[240,000.00]

LOAN CONTRACT NO. _____

Incline Village General Improvement District (the "District"), in the State of Nevada (the "State") for value received hereby acknowledges itself to be indebted and promises to pay to the State of Nevada, c/o the State Treasurer, for deposit to the Account to Finance the Construction of Treatment Works and the Implementation of Pollution Control Projects (the "Revolving Fund") the maximum principal amount of

_____ **DOLLARS (\$_____ .00)**

or such lesser amount as shall represent the aggregate principal amount advanced under the State Water Pollution Control Revolving Fund Loan Contract (the "Loan Contract") between the District and the State of Nevada Department of Conservation and Natural Resources, as is hereby required to be shown by the District Director of Finance, acting as registrar (the "Registrar"), on the principal advance panel appended hereto, in installments of principal in the amounts and dates to be determined in accordance with the Loan Contract and pursuant to the resolution duly adopted by the Board of Trustees (the "Board") of the District on _____, 2023 (the "Resolution") (unless the State Treasurer consents to prepayment and such prepayment is noted on the Prepayment Panel appended hereto) in lawful money of the United States of America, together with interest on the unpaid advances of principal until payment of such advances of principal shall have been discharged as provided in the Resolution, said interest being payable on January 1 and July 1 of each year immediately succeeding the date of the first advance, and said installments of principal bearing interest at the rate of _____% per annum (calculated on the basis of a 360 day year consisting of twelve 30 day months), as set forth in the Loan Contract, and being payable on January 1 and July 1 of the years and in the amounts and at the times designated in the Loan Contract and the Resolution.

[For 2023B Bond: The 2023B Bond is issued in the principal amount of \$240,000.00 and the principal amount shall be forgiven by the Department pursuant to the Department's loan forgiveness program on the date of issue of the 2018B Bond under the 2018B Loan Contract and the 2023B Bond shall bear no interest.]

The principal and interest due in connection with this Bond (the "Bond Requirements") are payable by check, draft or warrant made to the order of the registered owner hereof and mailed by the Director of Finance of the District or any successor thereto as paying agent for this Bond (the "Paying Agent") to the address shown on the registration records of the Director of Finance of the District or any successor thereto as registrar for the Bond (the

"Registrar"). So long as the State is the registered owner, payment of the Bond Requirements shall be made by depositing with the State Treasurer, on or before any principal or interest payment date or prior redemption date, the amount coming due on such payment date by electronic transfer in immediately available funds. If any payment date is not a business day, payment may be made on or before the next succeeding business day. If payment of any installment of principal of this Bond is not made when due, interest on such installment shall continue at the interest rate specified for such installment in the Ordinance until such principal installment is paid in full, plus a penalty in the amount of one-tenth of one percent (0.1%) will be due for each day of nonpayment commencing 10 days after the maturity date of that principal installment. The final installment of principal on this Bond is payable only on presentation and surrender of this Bond at the office of the Paying Agent.

This Bond is a duly authorized bond of the District issued in the maximum principal amount of _____ Dollars (\$ _____ .00) (the "Bond") to defray, in part, the cost of constructing, reconstructing, improving, and extending facilities pertaining to the sewer system for the District and all appurtenances thereto (the "Project") under the authority of and in full compliance with the constitution and laws of the State.

This Bond is issued pursuant to Nevada Revised Statutes ("NRS") 350.500 through 350.720, and all laws amendatory thereof designated in NRS 350.500 as the Local Government Securities Law (the "Bond Act"); pursuant to NRS Chapter 318 (the "Project Act"), and pursuant to NRS chapter 348. Pursuant to NRS 350.628, this recital is conclusive evidence of the validity of the Bond and the regularity of its issuance; and pursuant to NRS 350.710, the Bond, its transfer, and the income therefrom shall forever be and remain free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to the provisions of Chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to the provisions of Chapter 375B of NRS.

If a prepayment is made on this Bond, upon consent of the State Treasurer as specified in the Resolution, interest shall cease to accrue on the amount prepaid from and after the date fixed for prepayment. If a portion of the principal of this Bond is called for prepayment, no payment of the principal of, interest on or any prior redemption premium due in connection with this Bond due on and after the prepayment date shall be made unless this Bond is presented to the Paying Agent and notation of the installments of principal so called for prepayment is made on Prepayment Panel appended hereto.

It is hereby certified and recited that all of the requirements of law have been fully complied with by the proper officers of the District in the issuance of this Bond.

Payment of the principal of and interest on this Bond is secured by a pledge of the net revenues (herein called the "Net Revenues") derived by the District from the operation and use of, and otherwise pertaining to, the Utility System of the District of which the Project is a part, consisting of all properties, real, personal, mixed or otherwise, now owned or hereafter acquired by the District, through purchase, construction or otherwise, and in any way pertaining thereto, whether or not located within or without or both within and without the boundaries of the District, including, without limitation, machinery, apparatus, structures and buildings, and related or appurtenant furniture, fixtures and other equipment, as such systems are from time to

time extended, bettered or otherwise improved, or any combination thereof (herein called the "Utility System"), whether resulting from extension, enlargements, repairs, betterments or other improvements to the Utility System, or otherwise, after provision is made for the payment of all necessary and reasonable operation and maintenance expenses of the Utility System, which Net Revenues are so pledged as more specifically provided in the Resolution.

This Bond is equally and ratably secured by such pledge of the Net Revenues, and such pledge constitutes an irrevocable lien (but not necessarily an exclusive lien) upon the Net Revenues on a parity with certain outstanding bonds of the District and subject to certain outstanding superior securities of the District (as described in the Resolution). Additional securities may be issued and made payable from the Net Revenues of the Utility System and having a lien thereon superior to, subordinate to or on a parity with such pledge, in each case subject to the conditions of and in accordance with the Resolution. This Bond is also secured by the 2023A Reserve Account (as defined in the Resolution).

Reference is made to the Resolution and to the Bond Act for an additional description of the nature and extent of the security for this Bond, the accounts, funds, or revenues pledged, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the registered owner of this Bond with respect thereto, the terms and conditions upon which this Bond is issued, and a statement of rights, duties, immunities, and obligations of the District, and other rights and remedies of the owner of this Bond.

To the extent and in the respects permitted by the Resolution, the provisions of the Resolution may be amended or otherwise modified by action of the District taken in the manner and subject to the conditions and exceptions prescribed in the Resolution. The pledge of Net Revenues under the Resolution may be discharged at or prior to the respective maturities of the installments of principal or prior redemption of the Bond upon the making of provision for the payment thereof on the terms and conditions set forth in the Resolution.

This Bond shall not be entitled to any benefits under the Resolution, or be valid or obligatory for any purpose until the registration panel hereon shall have been manually signed on behalf of the Registrar.

No recourse shall be had for the payment of the Bond Requirements of this Bond or for any claim based thereon or otherwise in respect to the Resolution or any other instrument pertaining thereto, against any individual member of the Board, or any officer or other agent of the District, past, present or future, either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specially waived and released.

IN WITNESS WHEREOF, the Incline Village General Improvement District, Nevada, has caused this Bond to be executed in its name by the manual or electronic signature of its Chairman, to be countersigned by the manual or electronic signature of its District Treasurer, and attested by the manual or electronic signature of its District Secretary and has caused the seal of the District to be reproduced hereon, all as of _____, 2023, i.e., the date of delivery of this Bond.

(Form of Registration Panel)

MANDATORY REGISTRATION FOR PAYMENT
AS TO PRINCIPAL AND INTEREST

The within single Bond is registered in the office of the Director of Finance of Incline Village General Improvement District, Nevada, as Registrar in the name of the last owner listed below, and the principal amount of the bond and interest thereon shall be payable only to such owner, all in accordance with the within-mentioned Resolution.

<u>Date of Registration</u>	<u>Name of Owner</u>	<u>Address of Owner</u>	<u>Signature of Registrar</u>
_____	State of Nevada, Treasurer, as Custodian of the Revolving Fund of the State of Nevada	State Treasurer 101 N. Carson Street Suite #4 Carson City, Nevada 89701	_____
_____	_____	_____	_____
_____	_____	_____	_____

(End of Form of Registration Panel)

(Form of Principal Prepayment Panel on Single Bond)

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT, NEVADA
SEWER BOND
SERIES 2023[A][B]**

Maximum Principal Amount of \$ _____ 000

Loan Contract No. CW # _____

PREPAYMENT PANEL

The following installments of principal (or portions thereof) of this single Bond have been prepaid by the Incline Village General Improvement District, Nevada, in accordance with the terms of the within-mentioned Resolution.

<u>Date of Prepayment</u>	<u>Due Date of Installments (or portions thereof) Prepaid</u>	<u>Principal Amount Prepaid</u>	<u>Signature of Paying Agent</u>
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	

(End of Form of Principal Prepayment Panel)

(Form of Principal Advance Panel)

PRINCIPAL ADVANCE PANEL

Incline Village General Improvement District, Nevada
Sewer Bond
Series 2023[A][B]
Loan Contract No. _____
Maximum Principal Amount \$_____,000

<u>Amount of Principal Advanced</u>	<u>Date of Advance</u>	<u>Signature of District Director of Finance or General Manager</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
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_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(End of Form of Principal Advance Panel)

SECTION 24. **Delivery of the Single Bonds for Each Series; Deposit of Proceeds.** When the Bonds has been duly executed, the District Treasurer shall cause it to be delivered to the State upon receipt of the agreed purchase price and shall authenticate and register it in the name of the State on the Bond registration records of the Registrar and make notation of such registration on the Single Bond for each series. The District Treasurer shall cause the proceeds of the Bonds to be deposited into a special account hereby created and designated as the "Incline Village General Improvement District, Nevada, Sewer Bond, Series 2023A and B, Acquisition Account" (the "Acquisition Account") to be held by the District. Moneys in the Acquisition Account shall be used solely to defray wholly or in part the Cost of the Project including, without limitation, as provided in NRS 350.516, all costs of issuing the Bonds and other costs and fees associated with the State's administration of the loan related to the Bonds which the Board hereby determines are necessary and desirable and appertain to the Project. After the Project is complete and after all expenses have been paid or adequate provision therefor is made, pursuant to NRS 350.650, any unexpended balance of Bond proceeds (or, unless otherwise required by law, any other moneys) remaining in the Acquisition Account shall be deposited into the Bond Fund hereinafter created to be used to pay the principal of and interest on the Bond.

Upon the date of issuance of the 2023A Bond, the District shall deposit to the Reserve Account from legally available funds of the District, if necessary to meet the Minimum Reserve (as defined below), an amount not greater than 10 percent of each principal advance under the 2023A Loan Contract, into a separate account hereby created to be known as the "Incline Village General Improvement District, Nevada, Sewer Bond, Series 2023A, Reserve Account" (the "Reserve Account"). The Reserve Account shall be maintained in an amount equal to 10 percent of the maximum principal amount of the 2023A Bond, the average annual debt service on the 2023A Bond or the maximum annual debt service on the 2023A Bond, whichever is less (the "Minimum Reserve"), which Minimum Reserve may be based on estimates determined by the District with the consent of the State Treasurer until the earlier of the completion of the Project or the advance of the maximum principal amount of the 2023A Bond. The Reserve Account shall be evaluated, held and maintained as provided in Section 39C hereof.

SECTION 25. **Completion of Project.** The District, with the proceeds derived from the sale of the Bonds, shall proceed to complete the Project with due diligence.

SECTION 26. **Use of Investment Gain.** Pursuant to NRS 350.658, and except as may otherwise be required herein, any gain from any investment and any reinvestment of any proceeds of the Bonds shall be deposited promptly upon the receipt of such gain at any time or from time to time into the Acquisition Account to defray, in part, the Cost of the Project or, if adequate provision has been made for the Project, into the Bond Fund, for the respective payment of the principal of or interest on the Bonds or any combination thereof.

SECTION 27. **Prevention of Bond Default.** Subject to the provisions of this Resolution, the Director of Finance shall use any Bond proceeds credited to the Acquisition Account, without further order or warrant, to pay the Bond Requirements of the Bonds as the same become due whenever and to the extent moneys otherwise available therefor are insufficient for that purpose, unless such Bond proceeds shall be needed to defray obligations accrued and to accrue under any contracts then existing and relating to the Project. The Director of Finance shall promptly notify the Board of any such use.

SECTION 28. **Purchaser Not Responsible.** The validity of the Bonds shall not be dependent on nor be affected by the validity or regularity of any proceedings relating to the Project, or any part thereof, or to the completion of the Project. The State shall not in any manner be responsible for the application or disposal by the District or by any of its officers, agents and employees of the moneys derived from the sale of the Bonds or of any other moneys referred to in this Resolution.

SECTION 29. **Pledge of Net Revenues.** Subject only to the provisions of this Resolution permitting the application thereof for or to the purposes and on the terms and conditions set forth herein, there are hereby pledged to secure the payment of principal of and interest on the Bonds in accordance with its terms and the provisions of this Resolution, all of the Net Revenues. This pledge shall be valid and binding from and after the date of the delivery to the State of the Single Bonds. The Net Revenues, as received by the District, shall immediately be subject to the lien of this pledge without any physical delivery thereof, any filing or further act; and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the District (except as herein otherwise provided) irrespective of whether such parties have notice thereof. The lien of this pledge and the

obligation to perform the contractual provisions hereby made shall have priority over any and all other obligations and liabilities of the District payable from the Net Revenues, except the Superior Securities and as herein otherwise provided. The lien on this pledge for payment on the Bonds, the Outstanding Parity Securities and any Parity Securities hereafter issued shall be ratably and equitably secured by the pledge of the Net Revenues hereunder. The Bonds, the Outstanding Parity Securities and any Parity Securities hereafter issued are not entitled to any priority one over the other in the application of the Net Revenues.

SECTION 30. **Revenue Fund.** So long as the Bond shall be outstanding, the entire Gross Revenues, upon their receipt from time to time by the District, shall be set aside and credited immediately to a separate account heretofore created and designated as the "Incline Village General Improvement District Utility Facilities Revenue Fund" (the "Revenue Fund"), and the Revenue Fund shall be administered and the moneys on deposit therein shall be applied in the order of priority specified in Sections 38 through 42 hereof.

SECTION 31. **Operation and Maintenance Fund.** First, from time to time there shall be transferred and credited to a separate account designated as the "Incline Village General Improvement District Utility System Operation and Maintenance Fund" (the "Operation and Maintenance Fund"), moneys sufficient to pay Operation and Maintenance Expenses, as budgeted and approved in accordance with law, as such expenses become due and payable, and thereupon they shall be promptly paid. Any surplus remaining in the Operation and Maintenance Fund at the end of the fiscal year of the District and not needed for Operation and Maintenance Expenses shall be transferred to the Revenue Fund.

SECTION 39. **Bond Funds and Reserve Funds.**

A. **Superior Securities Bond Fund.** Second, from any moneys thereafter remaining in the Revenue Fund, i.e., from the Net Revenues, there shall continue to be transferred and credited to the bond fund for any Superior Securities concurrently with transfers to any bond fund created to pay the bond requirements of any Superior Securities hereafter issued:

1. Monthly, commencing on each interest payment date, one sixth of the amount necessary to pay the next maturing installment of interest on any Outstanding Superior Securities, except to the extent any other moneys are available therefor.

2. Monthly, commencing on each principal payment date, one-twelfth of the amount necessary to pay the next maturing installment of principal of any Outstanding Superior Securities, except to the extent any other moneys are available therefor.

B. **Reserve Fund for Superior Securities.** Third, after the aforementioned deposits, and from the Net Revenues there shall be transferred and credited to any debt service reserve funds established for any Superior Securities hereafter issued, such amounts as are required to be deposited to the such reserve funds to maintain the reasonably required reserve requirements as defined in the bond resolutions authorizing such Superior Securities.

C. **Parity Securities Bond Funds and Reserve Accounts.** Fourth, from any monies thereafter remaining in the Revenue Fund there shall be transferred and credited to the Bond Fund, concurrently with transfers to any bond funds created to pay the bond requirements of any Parity Securities heretofore or hereafter issued, monthly, commencing the first day of the month immediately succeeding the delivery date of the Bond, an amount in substantially equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next maturing installments of principal and interest on the Bond and any Parity Securities heretofore or hereafter issued. The money credited to the Bond Fund shall be used to pay the Bond Requirements of the Bond and any Parity Securities as such Bond Requirements become due.

After the aforementioned deposits in the immediately preceding paragraph, and from the Net Revenues there shall be transferred and credited to a special and separate account hereby created and designated as the "Incline Village General Improvement District, Nevada, Sewer Bond, Series 2023A, Reserve Account" (the "2023A Reserve Account"), concurrently with any transfers required to be made to any other debt service reserve funds established for any Parity Securities hereafter issued, such amounts as are required to be deposited to the 2023 Reserve Account to maintain, so long as the 2023A Bonds are Outstanding, the Minimum Reserve Requirement, or such other minimum reserve requirement that may hereafter be reasonably required in a resolution authorizing the issuance of Parity Securities.

After the earlier of completion of the Project or advance of the maximum principal amount of the 2023A Bond, amounts shall be deposited annually from the Revenue Fund or other legally available monies of the District into the Reserve Account sufficient to maintain the

Reserve Account in an amount not less than the Minimum Reserve. The Reserve Account shall be held for the account of the District by the State Treasurer in the Local Government Investment Pool. Amounts on deposit in the Reserve Account shall be evaluated for compliance with the Minimum Reserve:

(i) on the delivery date of the 2023A Bond based on estimates of the Minimum Reserve determined by the District with the consent of the State Treasurer,

(ii) on the date that 75% of the maximum principal amount of the 2023A Bond has been advanced based on estimates of the Minimum Reserve determined by the District with the consent of the State Treasurer,

(iii) upon completion of the Project or the advance of the maximum principal amount of the 2023A Bond, whichever is earlier, and

(iv) after the earliest to occur of completion of the Project or the advance of the maximum principal amount of the 2023A Bond, annually on the anniversary of the date of delivery of the 2023A Bond.

In the event that, on any principal or interest payment date for the 2023A Bond, the amount on deposit in the Bond Fund shall be less than the amount coming due on the 2023A Bond on such payment date, an amount equal to such deficiency shall be transferred by the District from the Reserve Account to the Bond Fund and applied solely for the purpose of paying the principal and interest then coming due on the 2023A Bond. Investment income or gain on moneys in the Reserve Account shall be retained in the Reserve Account to the extent necessary to restore the total amount on deposit in the Reserve Account to the Minimum Reserve; otherwise such investment income or gain on moneys in the Reserve Account shall be deposited into the Bond Fund.

SECTION 40. **Rebate Account.** Fifth, from any monies thereafter remaining in the Revenue Fund there shall be transferred and credited to any Rebate Accounts established for the payment of rebates to the United States in accordance with Section 148(f) of the Tax Code for Parity Securities heretofore or hereafter issued, such amounts as are required to be deposited therein to meet the District's obligations under the covenant contained in Section 55 hereof, in accordance with Section 148(f) of the Tax Code. Such deposits shall be made at such times as are required by Section 148(f) of the Tax Code. Any amounts in such Rebate Accounts in excess

of those required to be on deposit therein may be withdrawn therefrom and deposited into the Revenue Fund.

SECTION 41. **Payment of Subordinate Securities.** Sixth, any moneys thereafter remaining in the Revenue Fund may be used by the District for the payment of the principal of and interest on Subordinate Securities and may be used to create reasonable reserves for such securities.

SECTION 42. **Surplus Revenues.** Seventh, at the end of the Fiscal Year of the District, or whenever there shall have been credited all amounts required to be deposited in the respective foregoing separate accounts for all of that Fiscal Year, the remaining Net Revenues may be used for any lawful purposes of the District, as the Board may from time to time determine, including, without limitation, for the creation of operation and maintenance reserves and capital reserves, the payment of capital costs and major maintenance costs of the Utility System, to pay any other obligations pertaining to the Utility System or otherwise, provided that so long as any Superior Securities are Outstanding, surplus funds may be used only in the order of priority provided in and in accordance with the resolutions authorizing the Superior Securities.

SECTION 43. **Termination of Deposits.** No payment need be made into the Bond Fund if the amounts in that fund total a sum at least equal to the entire amount of the Outstanding Bond as to all Bond Requirements to their respective maturities both accrued and not accrued, in which case moneys in such fund in an amount, except for any interest or other gain to accrue from any investment of moneys in Federal Securities from the time of any such investment to the time or respective times the proceeds of any such investment or deposit shall be needed for such payment, at least equal to such Bond Requirements, shall be used, together with any such gain from such investments, solely to pay such Bond Requirements as the same become due.

SECTION 44. **Equal Security.** The Bonds and any Parity Securities from time to time Outstanding shall be equally and ratably secured by the pledge of Net Revenues hereunder and shall not be entitled to any priority one over the other in the application of the Net Revenues regardless of the time or times of the issuance of the Bond and any Parity Securities.

SECTION 45. **Defraying Delinquencies.** If at any time the District shall for any reason fail to pay into the Bond Fund or the Rebate Account the full amount above stipulated from the Net Revenues, then an amount shall be paid first into the Bond Fund and second into

the Rebate Account at such time equal to the difference between that paid from the Net Revenues and the full amount so stipulated. If Parity Securities are Outstanding, and if the proceedings authorizing issuance of those securities require the replacement of moneys in a bond fund, reserve fund or rebate account therefor, then the moneys replaced in such funds shall be replaced on a pro rata basis related to the principal amount of the then Outstanding Bond and the then Outstanding Parity Securities, as moneys become available therefor, first into all of such bond and reserve funds and second into all such rebate accounts.

SECTION 46. Conditions to Additional Parity Securities.

A. Nothing herein, except as expressly hereinafter provided, shall prevent the issuance by the District of additional securities payable from Net Revenues and constituting a lien thereon on a parity with the lien thereon of the Bonds, provided, however, that the following are express conditions to the authorization and issuance of any such Parity Securities:

(1) At the time of adoption of the instrument authorizing the issuance of the additional Parity Securities, the District shall not be in default in the payment of principal of or interest on the Bonds.

(2) The Net Revenues (subject to adjustments as hereinafter provided) projected by the District General Manager, the Director of Finance or an independent accountant to be derived in the later of (i) the Fiscal Year immediately following the Fiscal Year in which the facilities to be financed with the proceeds of the additional Parity Securities are projected to be completed or (ii) the first Fiscal Year for which no interest has been capitalized for the payment of any Parity Securities, including the Parity Securities proposed to be issued, will be sufficient to pay at least an amount equal to the principal and interest requirements (to be paid during that Fiscal Year) of the Outstanding Superior Securities, Outstanding Bonds, any Outstanding Parity Securities of the District and the Parity Securities proposed to be issued (excluding any reserves therefor).

B. In any determination of whether or not additional Parity Securities may be issued in accordance with the foregoing earnings test, consideration shall be given to any probable estimated increase or reduction in Operation and Maintenance Expenses that will result from the expenditure of the funds proposed to be derived from the issuance and sale of the additional Parity Securities.

C. In any determination of whether or not additional Parity Securities may be issued in accordance with the foregoing earnings test, the respective annual principal (or redemption price) and interest requirements shall be reduced to the extent such requirements are scheduled to be paid with moneys held in trust or in escrow for that purpose by any Trust Bank within or without the State, including the known minimum yield from any investment in Federal Securities.

D. A written certificate or written opinion by the District General Manager, the District's Director of Finance, or an independent accountant that the foregoing earnings test is met shall be conclusively presumed to be accurate in determining the right of the District to authorize, issue, sell and deliver additional Parity Securities.

E. In connection with the authorization of any such additional securities the Board may on behalf of the District adopt any additional covenants or agreements with the holders of such additional securities; provided, however, that no such covenant or agreement may be in conflict with the covenants and agreements of the District herein and no such covenant or agreement may be materially adverse to the interests of the owners of the Bonds. Any finding of the Board to the effect that the foregoing requirements are met shall, if made in good faith, conclusively establish that the foregoing requirements have been met for purposes of this Resolution.

F. Nothing herein prohibits the issuance of Superior Securities if the requirements of this Section are met.

SECTION 47. **Subordinate Securities for the Utility System.** Nothing herein, except as expressly hereinafter provided, shall prevent the District from issuing additional securities payable from Net Revenues and constituting a lien thereon subordinate to the lien thereon of the Bonds and any outstanding Parity Securities.

SECTION 48. **Issuance of Refunding Bonds.**

A. At any time after the Bond, or any part thereof, is issued and remains Outstanding, if the District shall find it desirable to refund any Outstanding Bond or other Outstanding Parity or Subordinate Securities, such Bond or other securities, or any part thereof, may be refunded only if the Bond or other securities at the time or times of their required surrender for payment shall then mature or shall be then callable for prior redemption for the purpose of refunding them at the District's option upon proper call, unless the owner or owners of all such Outstanding securities consent to such surrender and payment, regardless of whether the priority of the lien for the payment of the refunding securities on the Gross Revenues is changed (except as provided in subsection D of this Section).

B. The refunding bonds or other refunding securities so issued shall enjoy complete equality of lien with the portion of any securities of the same issue which is not refunded, if there is any; and the owner or owners of the refunding securities shall be subrogated to all of the rights and privileges enjoyed by the owner or owners of the unrefunded securities of the same issue partially refunded by the refunding securities.

C. Any refunding bonds or other refunding securities payable from any Gross Revenues shall be issued with such details as the Board may by resolution provide, subject to the provisions of this section but without any impairment of any contractual obligation imposed upon the District by any proceedings authorizing the issuance of any unrefunded portion of the Outstanding securities of any one or more issues (including, without limitation, the Bond).

D. If only a part of the Outstanding Bond and other Outstanding securities of any issue or issues payable from the Gross Revenues is refunded, then such securities may not be refunded without the consent of the owner or owners of the unrefunded portion of such securities:

(1) Unless the refunding bonds or other refunding securities do not increase for any Bond Year the aggregate principal and interest requirements evidenced by the refunding securities and by the Outstanding securities not refunded on and before the last maturity date or last Redemption Date, if any, whichever is later, of the unrefunded securities, and unless the lien of any refunding bonds or other refunding securities on the Net Revenues is not raised to a higher priority than the lien thereon of the Bond or other securities thereby refunded; or

(2) Unless the lien on any Gross Revenues for the payment of the refunding securities is subordinate to each such lien for the payment of any securities not refunded; or

(3) Unless the refunding bonds or other refunding securities are issued in compliance with Section 46 hereof.

SECTION 49. **Operation of the Utility System.** The District shall at all times operate the Utility System properly and in a sound and economical manner and shall maintain, preserve and keep the Utility System properly, or cause the same so to be maintained, preserved and kept, in good repair, working order and condition. The District also shall from time to time make or cause to be made all necessary and proper repairs, replacements and renewals so that at all times the operation of the Utility System may be properly and advantageously conducted in conformity with standards customarily followed by municipalities operating Utility Systems of like size and character.

Except for the use of the Utility System or services pertaining thereto in the normal course of business, neither all nor a substantial part of the Utility System shall be sold, leased, mortgaged, pledged, encumbered, alienated or otherwise disposed of until the Bond Requirements of the Bond have been paid in full, or unless provision has been made therefor as hereinafter provided.

SECTION 50. **Insurance.** The District shall at all times maintain with responsible insurers all such insurance as is customarily maintained with respect to works and properties of like character against loss of or damage to such works or properties and against public or other liability to the extent reasonably necessary to protect the interest of the District and the owners of the Bonds issued hereunder. If any useful part of the works and properties of the Utility System shall be damaged or destroyed, the District shall repair or replace the damaged works or properties so as to restore the same to use. The proceeds of any insurance policies covering any such loss or damage shall be payable to the District, and shall be applied to the District's reasonable and necessary reconstruction costs and, to the extent not so applied, shall be paid into the Revenue Fund and used in the same manner as other moneys in said fund.

SECTION 51. **Payment of Taxes.** The District shall pay or cause to be paid all taxes, assessments and other municipal or governmental charges, if any, lawfully levied or assessed upon or in respect of the Utility System or any part thereof, or upon any portion of the

Gross Revenues, when the same shall become due. The District shall duly observe and comply with all valid requirements of any municipal or governmental authority relative to the Utility System or any part thereof, except for any period during which the validity of the same is being contested in good faith by proper legal proceedings. The District shall not create or suffer to be created any lien or charge on the Utility System or any part thereof, or upon the Gross Revenues, except the pledge and lien created by this Resolution for the payment of the Bond and any outstanding Parity or Subordinate Securities issued in accordance herewith, and except as herein otherwise permitted. The District shall pay or cause to be discharged or shall make adequate provision to satisfy and to discharge within 60 days after the same shall become payable, all lawful claims and demands for labor, materials, supplies or other objects which, if unpaid, might by law become a lien upon the Utility System or any part thereof, or upon the Gross Revenues. Nothing herein contained requires the District to pay or cause to be discharged or to make provision for any such tax, assessment, lien, charge or demand before the time when payment thereon shall be due, or so long as the validity thereof shall be contested in good faith by appropriate legal proceedings.

SECTION 52. **No Competing Facilities.** The District shall neither construct nor permit to be constructed other facilities or structures to be operated by the District separate from the Utility System and competing for Gross Revenues otherwise available for the payment of the Bond or any other securities payable from Net Revenues; provided, however, that nothing herein contained shall impair the police powers of the District or otherwise cause the District to violate any applicable law.

SECTION 53. **Rate Covenant.** The District shall charge against users or against purchasers of services or commodities pertaining to the Utility System such fees, rates and other charges as shall be sufficient to produce Gross Revenues annually which, together with any other funds available therefor, will be in each Fiscal Year of the District at least equal to the sum of:

- (a) an amount equal to the annual Operation and Maintenance Expenses for such Fiscal Year;
- (b) an amount equal to the debt service due in such Fiscal Year on the Outstanding Superior Securities and any Outstanding Parity Securities and an amount equal to 125% of the debt service due in such Fiscal Year on the Outstanding Bond; and

(c) any other amounts payable from the Net Revenues and pertaining to the Utility System, including, without limitation, debt service on any Subordinate Securities and any other securities pertaining to the Utility System, operation and maintenance reserves, capital reserves, including amounts necessary to maintain the Minimum Reserve Requirement at its required level of funding and prior deficiencies pertaining to any account relating to Gross Revenues.

The foregoing rate covenant is subject to compliance by the District with any legislation of the United States of America, the State or other governmental body, or any regulation or other action taken by the United States, the State or any agency or political subdivision of the State pursuant to such legislation, in the exercise of the police power thereof for the public welfare, which legislation, regulation or action limits or otherwise inhibits the amounts of fees, rates and other charges collectible by the District for the use of or otherwise pertaining to, and all services rendered by, the Utility System.

Subject to the foregoing, the District shall cause all fees, rates and other charges pertaining to the Utility System to be collected as soon as reasonable and shall provide methods of collection and penalties to the end that the Gross Revenues shall be adequate to meet the requirements hereof.

SECTION 54. **Record and Account.** So long as any of the Bonds remain outstanding, proper records and accounts shall be kept by the District, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Utility System and to all moneys pertaining thereto, including, without limitation, the Gross Revenues.

SECTION 55. **Tax Covenant.** The District covenants for the benefit of the owners of the 2023A Bond that it will not take any action or omit to take any action with respect to the Bond, the proceeds thereof, any other funds of the District or any facilities financed with the proceeds of the 2023A Bond if such action or omission (i) would cause the interest on the 2023A Bond to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code or (ii) would cause interest on the 2023A Bond to lose its exclusion from alternative minimum taxable income as defined in Section 55(b) of the Tax Code. The

foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the 2023A Bond until the date on which all obligations of the District in fulfilling the above covenant under the Tax Code have been met. The District makes no covenant with respect to taxation of interest on the 2023A Bond as a result of the inclusion of that interest in the "adjusted financial statement income" of "applicable corporations" (as defined in Sections 56A and 59(k), respectively, of the Tax Code).

SECTION 56. **Defeasance**. When all Bond Requirements of the Bond have been duly paid, the pledge, the lien, and all obligations hereunder shall thereby be discharged and the Bond shall no longer be deemed to be outstanding within the meaning of this Resolution. There shall be deemed to be such due payment when the District has placed in escrow or in trust with a Trust Bank located within or without the State, an amount sufficient (including the known minimum yield available for such purpose from the Federal Securities in which such amount may be initially invested wholly or in part) to meet all Bond Requirements of the Bond, as the same become due to the final maturities of the Bond, or upon any redemption date as of which the State Treasurer shall have consented to and the District shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of Bond for payment then. The Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the District and the Trust Bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure availability as needed to meet the schedule. For the purpose of this section "Federal Securities" shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the issuer thereof. When such defeasance is accomplished the Paying Agent shall mail written notice of the defeasance to the registered owners of the Bond at the addresses last shown on the registration records for the Bond maintained by the Registrar.

SECTION 57. **Events of Default**. Each of the following events is hereby declared an "event of default":

A. Payment of the principal of any of the Bonds, or any prior redemption premium due in connection therewith, or both, is not made when the same becomes due and payable, either at maturity or by proceedings for prior redemption, or otherwise;

B. Payment of any installment of interest is not made when the same becomes due and payable;

C. The District for any reason is rendered incapable of fulfilling its obligations hereunder;

D. The District fails to carry out and to perform (or in good faith to begin the performance of) all acts and things lawfully required to be carried out or to be performed by it under any contract relating to the Net Revenues or to the Utility System, or otherwise, including, without limitation, this Resolution, and such failure continues for 60 days after receipt of notice from the owners of at least 10% in principal amount of the Bonds then Outstanding;

E. The District discontinues or unreasonably delays or fails to carry out with reasonable dispatch the reconstruction of any part of the Utility System which is destroyed or damaged and is not promptly repaired or replaced (whether the failure promptly to repair the same is due to impracticality of the repair or replacement or is due to a lack of moneys therefor or for any other reason);

F. An order or decree is entered by a court of competent jurisdiction with the consent or acquiescence of the District appointing a receiver or receivers for the Utility System or for the Net Revenues and any other moneys subject to the lien to secure the payment of the Bonds, or both the Utility System and such moneys, or if an order or decree having been entered without the consent or acquiescence of the District is not vacated or discharged or stayed on appeal within 60 days after entry; and

G. The District makes any default in the due and punctual performance of any other of the representations, covenants, conditions, agreements and other provisions contained in the Bonds or in this Resolution on its part to be performed, and if the default continues for 60 days after written notice specifying the default and requiring the same to be remedied is given to the District by the owners of 10% in principal amount of the Bonds then Outstanding.

SECTION 58. **Remedies for Defaults.** Upon the happening and continuance of any of the events of default, then and in every case the owner or owners of not less than 10% in principal amount of the Bonds then Outstanding, including, without limitation, a trustee or trustees therefor, may proceed against the District and its agents, officers and employees to protect and to enforce the rights of any owner of Bonds under this Resolution by mandamus or by other suit, action or special proceedings in equity or at law, in any court of competent

jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award of execution of any power herein granted for the enforcement of any proper, legal or equitable remedy as the owner or owners may deem most effectual to protect and to enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any owner of any Bond, or to require the District to act as if it were the trustee of an express trust, or any combination of such remedies. All proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all owners of the Bonds, and any Parity Securities then Outstanding.

SECTION 59 **Receivers.** Any receiver appointed in any proceedings to protect the rights of owners hereunder, the consent to any such appointment being hereby expressly granted by the District, may enter and may take possession of the Utility System, subject to the rights and privileges of any lessee or other user under any lease or other contract, may operate and maintain the same, may prescribe fees, rates and other charges, and may collect, receive and apply all Net Revenues arising after the appointment of the receiver in the same manner as the District itself might do.

SECTION 60. **Rights and Privileges Cumulative.** The failure of any owner of any Outstanding Bond to proceed in any manner herein provided shall not relieve the District, the Board or any officers, agents or employees thereof of any liability for failure to perform or carry out any duty, obligation or other commitment. Each right or privilege of any owner (or trustee thereof) is in addition and is cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any owner shall not be deemed a waiver of any other right or privilege thereof.

SECTION 61. **Duties upon Default.** Upon the happening of any of the events of default, the District, in addition, shall do and perform all proper acts on behalf of and for the owners of Bonds to protect and to preserve the security created for the payment of their Bonds and to insure the payment of the Bond Requirements promptly as the same become due. During any period of default, so long as any of the Bonds issued hereunder, as to any Bond Requirements, are Outstanding, except to the extent it may be unlawful to do so, all Net Revenues shall be paid into the Bond Fund and the bond funds established for Parity Bonds, on a pro rata basis. If the District fails or refuses to proceed as in this Section provided, the owner or owners of not less than 10% in principal amount of the Bonds then Outstanding, after demand in

writing, may proceed to protect and to enforce the rights of the owners of the Bonds as hereinabove provided; and to that end any such owners of Outstanding Bonds shall be subrogated to all rights of the District under any agreement or other contract involving the Utility System or the Net Revenues entered into before the effective date of this Resolution or thereafter while any of the Bonds are Outstanding.

SECTION 62. **User Bankruptcies.** If any lessee or other user of the Utility System or any Person paying fees, rates or other charges pertaining thereto or to Net Revenues, or to both such Utility System and such money, proceeds under any laws of the United States relating to bankruptcy, including, without limitation, any action under any law providing for corporate reorganization, it shall be the duty of the District, and its appropriate officers are hereby authorized and directed, to take all necessary steps for the benefit of the owners of the Bonds in such proceedings, including the filing of any claims for unpaid fees, rates, other charges and any other payments or otherwise arising from the breach of any of the covenants, terms or conditions of any contract involving the Utility System or the Net Revenues.

SECTION 63. **Prejudicial Action Unnecessary.** Nothing herein requires the District to proceed as provided herein if the Board determines in good faith and without any gross abuse of its discretion that if the District so proceeds it is more likely than not to incur a net loss rather than a net gain, or the action is otherwise likely to affect materially and prejudicially the owners of the Outstanding Bonds and any Outstanding Parity Securities.

SECTION 64. **Amendments.** This Resolution may be amended or supplemented by instruments adopted by the District, without receipt by the District of any additional consideration, but with the written consent of the State Treasurer at the time of the adoption of the amendatory or supplemental instrument, excluding bonds which may then be held or owned for the account of the District, but including such refunding securities as may be issued for the purpose of refunding any of the Bond if the refunding securities are not owned by the District. No such instrument shall permit:

- (a) A change in the maturity or in the terms of redemption of the principal or any installment thereof of any outstanding Bond or any installment of interest thereon without the consent of the State Treasurer; or

(b) A reduction in the principal amount of any Bond, the rate of interest thereon, without the consent of the State Treasurer; or

(c) A reduction of the principal amount or percentages or otherwise affecting the description of Bond or the consent of the State Treasurer of which is required for any modification or amendment; or

(d) The establishment of priorities as between Bond issued and outstanding under the provisions of this Resolution; or

(e) The modification of, or other action which materially and prejudicially affects the rights or privileges of the State.

Whenever the District proposes to amend or modify this Resolution under the provisions hereof, it shall cause notice of the proposed amendment to be mailed within 30 days to the State Treasurer. The notice shall briefly set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory instrument is on file in the office of the District Secretary for public inspection.

Whenever at any time within one year from the date of such notice there shall be filed in the office of the District Secretary an instrument or instruments executed by the State Treasurer which instrument or instruments shall refer to the proposed amendatory instrument described in the notice and shall specifically consent to and approve the adoption of the instrument; thereupon, but not otherwise, the Board may adopt the amendatory instrument and the instrument shall become effective. Any consent given by the State Treasurer pursuant to the provisions hereof shall be irrevocable.

Any Bond authenticated and delivered after the effective date of any action taken as provided in this Section may bear a notation by endorsement or otherwise in a form approved by the District as to the action; and if any Bond so authenticated and delivered shall bear such notation, then upon demand of the State Treasurer at such effective date and upon presentation of his Bond, suitable notation shall be made on the Bond as to any such action. If the District so determines, a new Bond so modified as in the opinion of the District to conform to such action shall be prepared, registered and delivered; and upon demand of the owner of any Bond then outstanding, shall be exchanged without cost to the owner for the Bond then outstanding upon surrender of such Bond.

SECTION 1. SECTION 65. **Replacement of Registrar or Paying Agent.** If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the City as directed by the Director of Finance shall determine to replace said Registrar or Paying Agent, the City may, upon notice sent by electronic mail or otherwise, to each Owner of the Bond at such Owner's address last shown on the registration records, appoint a successor Registrar or Paying Agent, or both. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. It shall not be required that the same person or institution serve as both Registrar and Paying Agent hereunder, but the City shall have the right to have the same person or institution serve as both Registrar and Paying Agent. Any successor by merger with the Registrar and Paying Agent is automatically appointed as Registrar and Paying Agent hereunder without any further action of the Council, as long as the successor otherwise is qualified to act as Registrar and Paying Agent pursuant to this section. Any bank, trust company or national banking association into which the Registrar and/or Paying Agent or its successor may be converted, merged or with which it may be consolidated, or to which it may sell or otherwise transfer all or substantially all of its corporate trust business shall be the successor of the Registrar and/or Paying Agent under this Resolution with the same rights, powers, duties and obligations and subject to the same restrictions, limitations, and liabilities as its predecessor, all without the execution or filing of any papers or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 66. **Delegated Powers.** The officers of the District are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including, without limitation:

- A. The printing of the Bonds;
- B. The execution of such certificates as may be reasonably required by the State, relating, inter alia,
 - (1) to the signing of the Bonds,
 - (2) to the tenure and identity the officials of the District,
 - (5) the exemption of interest on the 2023A Bond from federal income taxation,

(6) the delivery of the Bonds and the receipt of the Bond purchase price,

(7) the completeness and accuracy of any information provided the State in connection with the Bonds as of the date of delivery of the Bonds, and

(8) if it is in accordance with the fact, the absence of litigation, pending or threatened, affecting the validity of the Bonds;

C. The assembly and dissemination of financial and other information concerning the District and the Bonds; and

D. The execution of the Loan Contracts by the Director of Finance or the General Manager.

SECTION 67. **Implied Repealer**. All resolutions, bylaws and orders, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any resolution, bylaw, order, or part thereof, heretofore repealed.

SECTION 68. **Severability**. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

PASSED, ADOPTED AND APPROVED on March 22, 2023.

INCLINE VILLAGE GENERAL

Chairman

—
(SEAL)

ATTEST:

District Clerk

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

I am the duly chosen, qualified, and acting Secretary of the Incline Village General Improvement District (herein the "District"), do hereby certify:

1. The foregoing constitutes a true, correct, complete and compared copy of a resolution of the Board of Trustees of the District (the "Board") designated in Section 1 thereof by the short title "2023 Sewer Bond Resolution".

2. The resolution designated above was voted on by the Board at a meeting held on March 22, 2023 as follows:

Those Voting Aye:

Those Voting Nay:

Those Absent:

Those Abstaining:

3. The original of the resolution has been approved and authenticated by the signatures of the Chairman of the District and the Board and myself as Secretary of the District and the Board, and sealed with the seal of the District, and has been recorded in the minute book of the Board kept for that purpose in my office which record has been duly signed by such officers and properly sealed.

4. All members of the Board were given due and proper notice of the meeting.

5. Written notice of the meeting was given pursuant to and in full compliance with NRS 241.020.

6. A copy of the notice so given of the meeting of the Board held on March 22, 2023, is attached to this certificate as Exhibit A.

IN WITNESS WHEREOF, I have hereunto set my hand on March 22, 2023.

—

District

District Clerk, Board of Trustees
Incline Village General Improvement

EXHIBIT A

(Attach Copy of March 22, 2023 Meeting Notice)

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
District General Manager

FROM: Erin Feore
Director of Human Resources

SUBJECT: Review, discuss and provide feedback/direction on possible Employee Incentives in replacement of the removal of the privilege of beach access from non-resident employees

RELATED STRATEGIC PLAN INITIATIVE(S): LONG RANGE PRINCIPLE #4 – WORKFORCE - *Attract, maintain and retain a highly qualified, motivated and productive workforce to meet the needs of district venues, facilities, services and operations.*

RELATED DISTRICT POLICY, PRACTICES, RESOLUTIONS OR ORDINANCES: District Employee Benefits and Recreation Privileges

DATE: March 22, 2023

I. RECOMMENDATION

Review, discuss and provide feedback/direction on possible Employee Incentives in replacement of the removal of the privilege of beach access from non-resident employees.

II. BACKGROUND

Following recommendations from the General Manager's Advisory Committee on Ordinance 7 and outside special legal counsel, the Board of Trustees, out of an abundance of caution for compliance with the District's beach deed, made the difficult decision to eliminate beach access for all District employees and holders of Silver/Gold cards. During this meeting, the Board of Trustees directed the District's General Manager and Director of Human Resources to develop a list of recommended additions to employee privileges as a way to offset the recent loss of beach access.

General Manager Winqest and Director of Human Resources Feore met with managers and staff alike to consider alternative privileges to offer staff, in lieu of beach access. The recommendations were considerable and the Senior Leadership Team reviewed the list to evaluate viability and consideration for all staff. Below are the top five recommended privileges for the Board to consider:

1.	Gas/Mileage Assistance	Employees living 10 or more miles away can receive (taxable) tiered reimbursement costs to offset the price of fuel.
2.	Additional time off benefits	Provide for seasonal or other non-benefitted Staff a lump sum of hours for personal time off, available for use at the employee's discretion but with Manager approval. Will not carry over year-to-year. Must use it or lose it.
3.	Employee Referral Program	Employees who refer candidates to work for IVGID receive a choice of "award" (i.e. paid time off, compensation, etc.)
4.	Buddy Passes for the Venues	X # of Buddy Passes to venues with limitations and set parameters.
5.	Provide childcare reimbursement to non-benefitted Staff	With a pre-determined reimbursement amount, employees who elect this benefit will be required to provide proof of payment to childcare provider. Additional restrictions may be required.
6.	Increase annual vacation accrual amounts for benefitted staff.	Increase annual vacation time off accruals from 200 to 240; all accrued hours above 240 not used before 1/1 will not be carried over into the next calendar year. Currently, this threshold is set at 200 hours.
7.	Other	Any additional ideas and concepts that arise during discussion.

III. BID RESULTS

Not applicable to this agenda item.

IV. FINANCIAL IMPACT AND BUDGET

The financial impact has not yet been determined at this preliminary stage of the proposal. It is possible that based on direction and potential action, there could be budgetary implications.

V. ALTERNATIVES

The Board may suggest alternatives.

VI. COMMENTS

The current labor market is extremely competitive. Recruitment and Retention is crucial to the overall success of the district based on the operational needs to provide services to our parcel owners, the community and guests/visitors. The lack of workforce or available housing combined with the cost of commuting into the basin have resulted in an even more challenging recruitment and retention environment over the past few years. Based on direction from the board, staff will bring back this item at an upcoming meeting for formal action including approval of the updated Employee Recreation Privileges document.

VIII. BUSINESS IMPACT/BENEFIT

Improving the benefits and privileges of District employees continues to support the District's Strategic Plan #4 – Workforce, #7, Analyze current recruiting trends to meet the challenges of hiring top candidates.

IX. ATTACHMENTS

1. Proposal of Employee Privileges
2. Copies of other regional agency employee privileges, to include:
 - a. Mount Rose Ski Resort
 - b. Tahoe Donner
 - c. Washoe County
 - d. Northstar California
 - e. Homewood
 - f. Various Golf Courses
 - g. Clear Creek Tahoe (Golf & Residential Development)

X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

1. Is there additional information the Board of Trustees will require to provide further direction to the General Manager and Director of Human Resources?
2. Which items are acceptable and which requires further research and/or information?

	EMPLOYEE CATEGORY 1	EMPLOYEE CATEGORY 2	DEPENDENT CATEGORY 3	DEPENDENT CATEGORY 4	SILVER CARD*	GOLD CARD*
<i>All usage is subject to peak period restrictions and availability</i>						
GOLF	DISCOUNT	DISCOUNT	DISCOUNT	DISCOUNT	DISCOUNT	DISCOUNT
Golf (daily & season access)	Free	50% off	25% off	50% off	50% off	Free
<i>Refer to "Employee Golf Policy" for details. Must be 18 years old to drive a golf cart.</i>						
Driving Range	Free	Free	No Discount		50% off	Free
<i>Tokens can be obtained in the Golf Pro Shop</i>						
Equipment Rentals	Free	50% off	No Discount		50% off	Free
Merchandise In Shops	20% off	20% off	20% off	20% off	20% off	20% off
PARKS AND RECREATION						
Rec Center (daily & monthly membership)	Free	50% off	25% off	50% off	50% off	Free
Merchandise @ Rec Center	20% off	50% off	No Discount		20% off	20% off
Recreation Programs (limited)	20% off	20% off	20% off	20% off	20% off	20% off
Tennis (hourly, daily & season access)	Free	Free	Free	Free	50% off	Free
SKI						
Ski (daily & season access)	Free	50% off	25% off	50% off	50% off	Free
Ski & Snowboard Rental	Free	50% off	No Discount		50% off	Free
Ski Tuning and Repairs	50% off	50% off	No Discount		50% off	Free
<i>There is a \$250 cash/credit card deposit for all snowboard rentals</i>						
FOOD & NON-ALCOHOLIC BEVERAGES	20% off	20% off	No Discount			No Discount
<i>Ski & Golf employees receive 50% off F&B purchase if scheduled to work, in uniform & on break</i>						
HUNTING (Wetlands in Carson Valley)						
Hunting (daily & season access)	Free	50% off	25% off	50% off	50% off	Free
CATEGORIES DEFINED						
Category 1 Employee = FT/YR, SM, MY1, MY2, Seasonal FT, or PT/YR working 20 or more hours per week						
Category 2 Employee = LPT, Seasonal PT, or OC working 6 or more hours but less than 20 hrs per week or PT Seasonal working <i>Department Specific Only - Privileges are determined by Venue Director or designee</i> <i>Subject to change by the Board of Trustees</i>						
Category 3 Dependents = Dependents of a Category 1 employee						
Category 4 Dependents = Dependents of a Category 2 employee						
<i>Dependents are defined as IRS eligible dependents:</i> <i>Spouse; Children under the age of 19; children under the age of 24 who are enrolled in school (proof of enrollment may be required.)</i>						
Legend						
FT/YR = Full Time/Year Round			PT/YR = Part Time/Year Round			
LPT = Limited, Part Time		OC = On Call		Seasonal FT/PT = seasonal full or part time		
Board of Trustees: please refer to the Board of Trustees Handbook for your recreational privileges.						

IVGID Employees may be eligible to enjoy free reduced rates at IVGID facilities. Participation is strictly voluntary and considered a privileged amenity for working for the District. An employee photo pass must be shown to access each venue for use. Please remember, IVGID's paying customers have priority access to each facility

and employees are expected to leave if a paying customer would otherwise be turned away. Venue managers have the right to refuse service to any employee violating District policies, rules and expectations. IVGID employee privileges are subject to change by the Board of Trustees at any time. Further, privileges may be revoked if the privilege is abused by an employee and/or their qualified dependents. For more information about these privileges, please contact Human Resources at (775) 832-1100.

Mount Rose Ski Resort

Privileges vary based on employee status (FT/PT/Year-Round)

<https://skirose.com/employment/>

EMPLOYEE PERKS

Working at a Ski Resort has its advantages – All Mt. Rose employees receive the following PERKS!

- **FREE Staff Season Pass***
- **Free Employee Guest Pass* (AKA Dependent Pass)**
1 Dependent Pass (Spouse/friend/guest of your choice) plus dependent children up to age 26
- **Complimentary Lift Tickets**
(for friends / visiting friends & relatives / etc.)
- **431 Sports Discounts**
25 – 40% off store items
- **Food Discounts** – 50-70%
- **Beverage / Bar Discounts**
Free Sodas / Coffee / Hot Chocolate / Beer & Wine discounts (ages 21+)
- **Equipment Rental**
Free Daily Ski or Snowboard Personal Rental Equipment
- **Ski School Lessons**
Free Ski & Snowboard Lessons

Tahoe Donner

<https://www.tahoedonner.com/community/general/employment/perks-benefits/>



EMPLOYMENT

[Current Openings + Application](#)

[Perks + Benefits](#)

[Contact Us](#)

Perks + Benefits

All TD employees – including seasonal employees – receive exclusive perks throughout Tahoe Donner's amenities and restaurants.

- 50% off food and non-alcoholic beverages
- 25% off regularly priced retail merchandise
- Discounted golf
- Gym + Spa access at the Trout Creek Rec Center
- Tennis access
- Bike rentals
- Free Downhill and Cross Country skiing
- Spouse/dependent perks at the start of their third season

REASONS TO WORK AT TAHOE DONNER:

- Competitive wages
- \$500 sign-on bonus after the first 20 shifts for the following positions: greenskeepers, seasonal maintenance workers and Trout Creek Recreation Center hosts
- \$1,000 sign-on bonus after the first 20 shifts for the following positions: custodians, cooks and kitchen stewards/prep cooks
- Free downhill and cross country skiing
- Gym and spa access at the Trout Creek Recreation Center
- Food and merchandise discounts
- Great benefits for full-time, year-round employees – like up to 90% employer-paid health insurance and 401(k) with 4% employer matching + 100% vesting on first day of eligibility
- A fun, friendly and supportive work environment
- Employee appreciation events, social events and performance awards

REFERRAL PROGRAM

Refer a friend, colleague or other for employment, and with their successful hire and completion of 30 days of work, you can receive the following:

- Seasonal Position Hire: \$100 of Tahoe Donner Mountain Money, which can be used anywhere in Tahoe Donner for food, lessons and/or retail purchases
- Full-time, Year-Round Position Hire: \$250 of Tahoe Donner Mountain Money, which can be used anywhere in Tahoe Donner for food, lessons and/or retail purchases
- An additional \$100 of Tahoe Donner Mountain Money will be awarded for the following critical hire positions: custodians, prep cook/dishwasher, cooks, Trout Creek Rec. Center hosts, seasonal maintenance workers, greenskeepers, irrigation tech/landscapers and shuttle bus drivers.

Mountain money is valid throughout Tahoe Donner, including at all ski areas and restaurants! The referral must be a new-hire to qualify.

Washoe County Employee Benefits

<https://www.washoecounty.gov/humanresources/Benefits/index.php>

Benefits include:

Medical, Dental, Vision, and supplement benefits (AD&D, Life, Disability, etc)

Flexible Spending Plans to include medical and dependent care

Retirement (PERS & Deferred Compensation)

Educational Assistance:

 \$750/year on approved courses for tuition reimbursement

 External and internal training opportunities

Employee Assistance Programs

Paid time off (holidays, sick, vacation)

Career Incentive/Longevity Pay

 \$100 per year following 5th year work anniversary

 Maximum \$3,000 at 30 years

Merit Increase – 5% until max salary reached

Northstar California (Ski Resort)

https://jobs.vailresortscareers.com/northstar/content/Northstar-Perks-and-Benefits/?locale=en_US

Benefits Include:

ComPsych Employee Assistance Program (available for employee & dependents)

Medical, Dental & Vision (for seasonal employees after working 750 hours)

Retirement Benefits (for eligible employees only)*

Free Ski Pass: *Employees receive a free season pass providing access to skiing and snowboarding at many of the resorts in our family. Full-Time eligible employee dependents receive a free pass while part-time dependents may receive the same access for \$40. (Dependent passes not available for Holiday Help Employees).*

Paid Time Off: *Hourly employees are eligible for paid time off (PTO) that is accrued based on the number of regular hours worked each pay period. Salaried employees are eligible for flexible time off (FTO) that is paid time away from work for rest and relaxation, including medical and personal appointments. There are no minimum or maximum limits on FTO unless taking time off for a reason that qualifies for a Leave of Absence. Paid Parental Leave (PPL) is also offered to eligible year-round employees with up to 160 hours.*

Lodging Discounts: *offers eligible employees discounted lodging rates at our Rock resort Locations. Discounted lodging rates can be reserved by all active employees on a space available basis. Discount restrictions may apply during our busiest times such as the Christmas/New Year's and other peak periods.*

Food Discounts: *50% discount for employees for Vail owned restaurants. 10-25% discount for Starbucks locations.*

Retail and Pro Deals: *Employees are eligible for discounts from our partners like Helly Hansen, GoPro and more. You will also be able to take advantage of your employee discount at participating retail locations. In addition to these great deals, you will also qualify for pro deals, allowing you to access discounts from top outdoor brands.*

Homewood (Ski Resort)

<https://www.skihomewood.com/jobs/>

Share Our View of Our People

Spanning peak to shore, our team is responsible for creating a unique experience for our guest within our little slice of Lake Tahoe. In turn, we are responsible for providing a great working environment while encouraging professional development for our employees. Through our three properties and numerous year-round offerings, you'll be surprised to see that we're hosting a great environment for professional and individual development, all packaged in a small resort town feel.

Our Perks

Year Round

- 50% off Food & Beverage discounts across the property (excludes alcohol)
- FREE transportation to and from work with the TART, the local bus system
- Up to 60% off the industries top outdoor gear & sporting good brands through ExpertVoice
- Discounts to Homewood branded events
- Winter and Summer Seasonal Employee housing availability
- Work & play right on Lake Tahoe
- Year-round employment opportunities available with medical, PTO, and 401k benefits offered

Lakeridge, Wolf Run, Toiyabe, Eagle Valley and Winchester (golf courses)

<https://www.duncangolfreno.com/employment/>

Flexible work schedules and free golf

Clear Creek Tahoe (Golf & Residential Development)

Found on old job posting for Food Server. Benefits listed below were not defined by eligible employee.

Competitive wages, benefits which include medical, dental and vision insurance, paid time off (sick, holiday and vacation days), retirement, supplemental insurance, flex spending accounts, employee assistance, employer paid short and long-term disability insurance, employer paid life insurance, food discounts, etc.

MEMORANDUM

TO: IVGID Board of Trustees

THROUGH: District General Manager Indra Winqest

FROM: Director of Parks & Recreation Shelia Leijon

SUBJECT: Review, discuss, and provide feedback/direction on Survey 1 from the General Manager's Dog Park Committee

RELATED STRATEGIC PLAN INITIATIVE(S):

LONG RANGE PRINCIPLE #1 – SERVICE

The District will provide superior quality service through responsible stewardship of District resources and assets with an emphasis on the parcel owner and customer experience.

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

Budgeted Initiative G. Advance the planning of the Community Dog Park.

RELATED DISTRICT POLICIES, PRATICES, RESOLUTIONS OR ORDINANCES:

Policy and Procedure 135, Resolution 1760 (Website Link: https://www.yourtahoepace.com/uploads/pdf-ivgid/IVGID_PolicyAndProcedure135_Resolution1760.pdf)

DATE: March 22, 2023

I. RECOMMENDATION

Review, discuss, and provide feedback/direction on Survey 1 from the General Manager's Dog Park Advisory Committee (Committee).

II. BACKGROUND

A Committee was created by IVGID General Manager Indra Winqest to aid the Board of Trustees and Staff in solidifying the vision for a potential community dog park, initiating fundraising to support the project, and to work through the preliminary and conceptual design process. The Committee consists of community members Janet Pahl, Simi Balter, Myles Riner, Judith Miller, Leighton Pratt,

Review, discuss, and provide feed- -2-
back/direction on Survey 1 from the
General Manager's Dog Park Committee

March 22, 2023

Michelle Lintzner and IVGID Staff Members Shelia Leijon and Susan Herron with support from Communications Coordinator Kari Ferguson on the development of the draft survey.

Over the past several months, the Committee has evaluated five (5) potential sites as Dog Park locations. They include the Village Green, United States Forest Service) lot across from Incline High School, land adjacent to the Geno Menchetti Visitors Center, Fit Trail, and a bi- season option at Diamond' Peak's Schoolhouse run in Summer and Ski beach in the winter. From these five (5) options, the committee has narrowed the selection to two (2) locations: the United States Forest Service lot across from Incline High School and the Temporary Dog Park at the Village Green.

The Committee is committed to receiving community input related to the Dog Park project process by:

- By email at: info@ivgid.org
- On yourtahoeplace.com at:
<https://www.yourtahoeplace.com/ivgid/resources/construction-updates/community-dog-park-project/gms-advisory-committee-on-a-dog-park>; and,
- Through two (2) focused surveys distributed with the Alchemer survey tool, designed to solicit specific community input as outlined below.

SURVEY I: Survey I will provide the Committee, as well as the Board of Trustees, with data that identifies the level of continued community interest in a designated Community Dog Park. If the Committee and the Board of Trustees determine the data collected in Survey I provides sufficient community support for the Dog Park project, Staff will be recommending approval for the launch of Survey II.

SURVEY II: Survey II will include questions pertaining to final location selection, the community's desire for specific, viable conceptual design features; and, to measure the community's appetite for funding construction costs. The data collected will provide the Board of Trustees with the sufficient community input to make an informed decision on the direction of the proposed Dog Park project.

III. BID RESULTS

There are no bid results associated with this action.

IV. FINANCIAL IMPACT AND BUDGET

Review, discuss, and provide feed- -3-
back/direction on Survey 1 from the
General Manager's Dog Park Committee

March 22, 2023

This is a community survey intended to solicit information and solidify the community's interest for a designated Dog Park. There are no financial or budget impacts associated with this survey. Survey results could inform the District's Capital Improvement budget to execute a Community Dog Park project.

V. ALTERNATIVES

The Board of Trustees may elect to direct Staff to revise and bring back the survey for further review and possible approval. Please note that this action would significantly delay the launch of the survey and subsequently reception of information needed to determine next steps.

VI. COMMENTS

There are no further comments at this time.

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

By gathering community input, we anticipate a 100% return on investment, as we will actually benefit from what the community is thinking about this potential amenity.

VIII. BUSINESS IMPACT

There is no direct business impact as a result of conducting the survey. However, survey results could inform the potential for a Community Dog Park Project.

IX. ATTACHMENT

Draft Dog Park Survey

X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

1. General Feedback from the Board on the survey.
2. Should the survey allow visitors to participate in order to gain an additional data point as the temporary dog park and ski beach are currently used by members of the general public.
3. Any additional information that the Board of Trustees would like to get from the survey?

IVGID Community Dog Park Survey

Respondent Information

1. Are you a property owner in Incline Village/Crystal Bay?

*

- Yes
- No

2. What is your property's parcel number (APN)?

*Should be an 8-digit property APN number with hyphens - please enter as **XXX-XXX-XX**. If you don't know it, your Washoe County Assessor Parcel Number (APN) can be found on your property tax bill or at www.washoecounty.us/assessor/cama/index.php by entering your address in the search field. A maximum of two surveys per parcel will be included in the survey results.*

3. Do you have an IVGID Recreation Pass (aka an IVGID Picture Pass)?*

- Yes
- No

4. What is your Recreation Pass (Picture Pass) number? *

5. How much time do you and your family typically spend in Incline Village/Crystal Bay?

- All year long
- Part(s) of the year
- I/we do not spend any time in the region

6. Which months do you and your family typically spend in Incline Village/Crystal Bay throughout the year? *(select all that apply)*

- January
- February
- March
- April
- May
- June
- July
- August
- September
- October
- November
- December

7. Which activities/events do you attend at Village Green - the large grassy field south of the Incline Village Recreation Center? (select all that apply)

- Community events
- Music festivals
- Picnics/Parties
- Youth soccer programs
- Temporary dog park
- Fit Trail
- Other - Write In
- Other - Write In
- I don't use Village Green at all

8. What activities would you like to see/participate in at Village Green?

Dog Owner Information

9. Do you own or care for dog(s)? *

- Yes
- No

10. Do you take dog(s) to Village Green? *

- Yes
- No

11. How do you get to Village Green with your dog(s)? *

- Walk
- Drive

12. Which season(s) do you use the current temporary dog park at Village Green? (select all that apply) *

- Summer
- Fall
- Winter
- Spring

13. What best describes the frequency of your visits with your dog(s) to Village Green: *

- Several times a week
- About once a week
- About once every two weeks
- About once a month
- About once a year

Opinions on Dog Park Location & Features

14. Currently, we have an unfenced temporary dog park on Village Green. Which of the following options do you prefer: *

- Fencing off a part of the Village Green as a permanent dog park
- Creating a dedicated fenced-in dog park at an alternative location
- Leaving the temporary dog park at Village Green as it is presently used (off-leash, unfenced)
- Getting rid of the temporary dog park at Village Green without replacing it
- Other - Write In

15. Knowing a fenced-in dog park could modestly increase the Recreation Facility Fee for ongoing maintenance, **and** that it will cost an estimated \$1 - \$3 million (which may be funded by donations), would you... *

- Not support it
- Support it if the total cost is \$1 million or less
- Support if the total cost is \$2 million or less
- Support it if the total cost is \$3 million or less
- Support it more than \$3 million
- Support it if the construction and maintenance costs are fully funded by donations

16. If IVGID develops a fenced-in dog park, please let us know how important the following features are to you (keeping in mind the cost of installation and maintenance of each feature).

1 star = not important, 5 stars = very important

Grass	<input checked="" type="checkbox"/> ★ ★ ★ ★ ★
Water feature	<input checked="" type="checkbox"/> ★ ★ ★ ★ ★
Large cleared area (may require extensive tree removal)	<input checked="" type="checkbox"/> ★ ★ ★ ★ ★
Sitting area for humans to socialize	<input checked="" type="checkbox"/> ★ ★ ★ ★ ★

Final thoughts

Page description:

17. Please provide any ideas or comments you may have related to the Community Dog Park Project.

18. Please provide us your email address if you would like your responses sent to you. (optional)

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest, District General Manager

FROM: Mike Bandelin, Ski Resort General Manager

SUBJECT: Review, discuss and possibly award a Procurement Agreement for Replacement Snowboard Rental Equipment – 2021/2022 Capital Project: Fund: Community Services; Division: Ski; Project # 3468RE0002; Project Type Equipment & Software; Vendor: Amer Sports Salomon in the amount of \$131,880.00 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)

RELATED STRATEGIC PLAN INITIATIVE(S): Long Range Principle #1 – Service – The District will provide superior quality service through responsible stewardship of District resources and assets with an emphasis on the parcel owner and customer experience.
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 Incline Village General Improvement District - Purchasing Policy 20.1.0

DATE: March 22, 2023

I. RECOMMENDATION

That the Board of Trustees makes a motion to Authorize and award a Procurement Agreement for Replacement Snowboard Rental Equipment – 2021/2022 Capital Project: Fund: Community Services; Division: Ski; Project # 3468RE0002; Project Type; Equipment & Software; Vendor: Amer Sports - Salomon in the amount of \$131,880.00.

II. BACKGROUND

The general purpose of this project is to maintain District operations through the necessary maintenance and replacement cycles. The proposed award addresses the end of life cycle replacement of the rental snowboards, snowboard boots, and snowboard bindings utilized by Diamond Peak customers.

The proposed procurement will replace the entire inventory of snowboard rental equipment within the ski venue equipment rental shop. The current inventory was approved for purchase by the Incline Village Board of Trustees in 2017 and has been utilized for six winter operating seasons. The attached proposal also represents a change in the current inventory of 408 snowboard units to 320 snowboards, the boot inventory was increased from 596 to 612 pairs of boots, and the amount of bindings was reduced from 545 units to 375 units. The proposed purchase reduces the current inventory of total pieces of snowboard equipment from 1,549 to 1,307.

III. BID RESULTS

As per District Purchasing Policy 20.1.0, the District publicly advertised this project within a competitive solicitation process for bidding. Requests for Proposals were sent out to four potential bidders and two bids were received and opened on December 14, 2022. The results for the replacement of snowboard equipment per the proposals are as follows:

Vendor - Total Bid Amount

Amer Sports - Salomon \$131,880

Elan USA \$151,455

IV. FINANCIAL IMPACT AND BUDGET

Replace Ski Rental Equipment is identified as Capital Improvement Project #34680002 within fund (340) ski. This project replaces the inventory of rental equipment at the ski venue for ski equipment and snowboard equipment on a four-year replacement schedule. At your meeting on March 8, 2023 the Board of Trustees were provided a CIP report that included approved carry forward funding as well expenditures and available budget. The report identifies \$259,133 in FY2022/23 of available funding for the Replacement Ski Rental Equipment Project. Provided that the recommended purchase agreement is approved for \$131,880 there will be \$127,253 remaining in the ski fund Capital Improvement Project Budget. Staff will note that the 10 year CIP funding plan has been updated to reflect the four-year replacement cycle with more accurate forecasts of funding the projects.

V. ALTERNATIVES

The Board of Trustees could not award the purchase agreement and defer the replacement of the snowboard rental equipment to a future date. Doing so would require staff to provide snowboard rentals to the customer that have been used within the operation for seven seasons.

VI. COMMENTS

The project complies with the District's Policy 20.1.0 Purchasing Policy for Goods and Services, governed by provisions of Nevada Revised Statutes Chapter 332. District Staff, per policy, section 2.2.6 Purchase of Goods and/or General Services Greater than \$100,000 followed policy guide lines of a Competitive Solicitation of Request for Proposals.

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

The Equipment Rental shop is a major revenue contributor to Diamond Peak's annual operating budget and maintaining the condition of the rental fleet is critical to that revenue stream. A reliable and well functioning rental fleet is also an important component of providing a great customer experience at Diamond Peak. The Board of Trustees approved a procurement contract for replacement snow board rental equipment to; Vendor; Burton Snowboards in the amount of \$178,104.83 at your meeting on March 31, 2017. The table below provides a detail on the return on investment of the replacement snowboard equipment.

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. Request for Proposal - Salomon
2. CIP Datasheet - Replace Ski Rental Equipment
3. IVGID Draft Equipment Purchase Agreement - Amer Sports

X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES



**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (IVGID)
dba
DIAMOND PEAK SKI RESORT
REQUEST FOR PROPOSALS
Diamond Peak Ski Resort 2023 Rental Shop Snowboard Equipment Procurement
CIP 3468RE0002**

November 30, 2022

SECTION 1 – REQUEST FOR PROPOSALS

IVGID is accepting proposals to provide new rental snowboard equipment for use at the District's Diamond Peak Ski Resort. The procurement includes Adult and Junior snowboards, snowboard bindings and snowboard boots. Sealed proposals will be received at the offices of the Engineering Division, Incline Village General Improvement District (IVGID or District), 1220 Sweetwater Road, Incline Village, Nevada 89451, until **2:00 p.m., December 14, 2022**, at which time they will be publicly opened and read for:

2023 Rental Shop Snowboard Equipment Procurement

Submission of samples for proposed snowboards, bindings and boots in advance of bid opening is required. Samples shall be delivered and picked up at the sole cost of the Bidder.

Complete Proposal Documents may be obtained at the IVGID Engineering office, or downloaded from our website at <https://www.yourtahoeplace.com/ivgid/resources/purchasing>. It is the Bidder's sole responsibility to obtain a complete set of documents.

All proposals will be evaluated by District Staff for responsiveness in accordance with the Proposal Evaluation Checklist, which is included with the Proposal Documents. Following this evaluation, District Staff will make a recommendation to the IVGID Board of Trustees at its next regularly scheduled Board Meeting, anticipated to be on January 11, 2023 to award a procurement contract to the most qualified lowest responsive bidder.

The District reserves the right to reject any or all proposals and to waive any irregularities therein.

To request a copy of the Proposal Documents or if you have any questions concerning this procurement bid, contact the District Engineering Office at 775-832-1267.

SECTION 2 INSTRUCTIONS AND GENERAL CONDITIONS

A. GENERAL PROPOSAL INFORMATION

1. SCOPE AND INTENT:

- a. It shall be the intent of this Request for Proposal to select a vendor to provide new rental snowboard equipment for use at Diamond Peak Ski Resort.

- b. In the space provided on the Proposal Form, bidders shall indicate the minimum order quantities that may apply to additional orders placed during the term of the resultant agreement.
- c. There shall be no guarantee beyond initial awarded quantities as to any additional quantities to be purchased during the period of time for which a resultant agreement shall be in effect.

2. **PROPOSAL RESPONSES:** It is assumed that all responses to this proposal specification are on behalf of the Bidder acting either as an authorized dealer or distributor for the manufacturer of the items being proposed and that these responses are supplied by the manufacturer. If this is not the case, Bidder shall explain, in writing, in a statement to be included with the proposal.

3. **PROPOSAL EVALUATION:** All proposals will be evaluated to determine the most qualified lowest responsive proposal. Proposal exceptions are permissible, provided that what the Bidder is offering meets the intent of the proposal specifications, as determined by the Buyer.

B. SUBMISSION OF PROPOSALS

1. Proposals shall be submitted in a **sealed opaque envelope**, with the outside clearly marked as follows:

"Diamond Peak Rental Snowboard Equipment Bid"

- Bidders are cautioned to mark their envelopes clearly and plainly. If the envelope is not so marked and the Proposal is opened by mistake prior to the specified date and time, the Proposal will **NOT** be considered.
 - All Proposals must be sealed. Proposals submitted unsealed, by telephone, email or facsimile will **NOT** be accepted.
2. Sealed proposals will be received at the offices of the IVGID Engineering Division, 1220 Sweetwater Road, Incline Village, Nevada 89451, until the date and time specified in Section 1, at which time they will be publicly opened and read.
 3. Late, incomplete or unsigned Proposals shall receive no consideration.
 4. Proposals shall be made on the forms provided herein and all blank spaces in the forms shall be filled in. The Bidder or an authorized agent must sign all Proposals.
 5. The District assumes no responsibility for errant delivery of Proposals, including those relegated to a courier agent who fails to deliver in accordance with the time and receiving point specified.
 6. Proposals may be withdrawn by written notice, provided the notice of withdrawal is received prior to the Proposal opening time.
 7. Proposals are subject to acceptance at any time within sixty (60) days after the Proposal opening.
 8. Prices must be stated in units specified. Prices for initial purchase quantities must be effective until delivery.
 9. Prices quoted must be exclusive of Federal and State taxes, as IVGID is exempt from such taxes.

C. DELIVERY INFORMATION:

1. Shipping is FOB Destination, shipping cost must be included in the bid amount. Merchandise purchased shall be delivered to the Diamond Peak Ski Resort preferably no later than November 1, 2023; see Bid Form Section 6, for proposed alternate delivery date. Diamond Peak is located at 1210 Ski Way, Incline Village, Washoe County, Nevada 89451.
2. Liquidated Damages: Supplier and IVGID recognize that time is of the essence with this procurement and that the District will suffer financial loss if delivery of equipment is not completed within the time specified in Paragraph C.1., above, or as agreed upon at award of contract; see Bid Form Section 6, for proposed alternate delivery date. The parties also recognize the delays, expense and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by the District if equipment is not received in time. Accordingly, instead of requiring any such proof, District and Supplier agree that, as liquidated damages for delay (but not as a penalty), Supplier shall pay District \$250 for each day that expires after the time specified in Paragraph C.1., above, until the complete order is delivered.

D. COMPLETE PROPOSAL PACKAGE:

1. A complete Proposal shall include this document, pages 1 through 10 inclusive, together with the following:
 - a. Warranty information per Section 5 of this Proposal Package.
 - b. A list of references for a minimum of three (3) ski resorts in the last five (5) years supplied with a snowboard rental fleet of an equivalent contract size and scope to that requested in this request for proposals.
 - c. A guarantee to provide additional equipment in the same style in unlimited quantities for three (3) years.
2. To aid in the proposal evaluation process, the proposal package submitted by Bidder should also include product specifications, brochures, pictures and other support data for the merchandise proposed.
3. Bidder is required to submit samples of its proposed product to IVGID by end-of-business December 1, 2022, with pick up on or after January 22, 2023.
 - a. All samples submitted for evaluation shall be made available to Diamond Peak Ski Resort for a minimum of ten (10) days to allow for a thorough evaluation. All samples shall be submitted, delivered, and picked up at Bidder's own expense.
 - b. A minimum of one (1) sample of each bid item must be provided in the adult and junior equipment. Each sample item shall be conspicuously marked as to which bid item it represents and the name of the vendor providing the sample.
 - c. Delivery and pick-up of samples shall be at a mutually agreed-upon time and date during the period of time referenced in Section 2.D.3 above. Deliveries of samples must be coordinated with Diamond Peak Rental Manager, Tatiana Montabello at 775-832-1161. Samples shall be delivered to Diamond Peak Ski Resort 1210 Ski Way, Incline Village, Nevada. 89451. Attn. Tatiana Montabello.

- E. ADDITIONAL ORDERS:** Additional orders that meet the successful bidder's minimum order requirements shall include coordination of delivery as specified above. Pricing for shipment shall be itemized at the time of placement of additional orders.

- F. FIRM PRICING REQUIRED:** Prices submitted shall remain firm for all deliveries specified in this Invitation and Proposal. For any additional orders, bidders shall guarantee their prices for a minimum of one (1) year from proposal award exclusive of itemized shipping costs. District reserves the right to purchase additional items at any point during the three (3) year product availability guarantee.
- G. EXCEPTIONS:**
 - 1. Proposals shall note any and all exceptions to the specifications and/or the terms and conditions that are contained herein.
 - 2. All exceptions to the proposal must be stated in writing on the Proposal Form, so that they may be considered. If exceptions are not stated, it will be assumed that the bidder meets all requirements.
- H. DAMAGED GOODS:** Damaged goods shall be replaced by the successful bidder at no cost to the District, whether damage is observed at time of delivery or upon the unpacking of the equipment. District is to notify supplier within 2 weeks of discovery of any damaged or faulty goods. Such notice shall be provided in writing.
- I. TERMS AND CONDITIONS:** Bidders shall be aware of, and agree to abide by, the terms and conditions contained in this Invitation and Proposal.
- J. OPEN MEETING LAW:** The Incline Village General Improvement District shall adhere to NRS 241 which provides that public business shall be conducted in an open meeting.
- K. DISCLOSURE OF PRINCIPALS:** Bidders shall complete and return with their Proposal response, the attached copy of the form titled "Disclosure of Principals."
- L. ACCEPTANCE AND/OR REJECTION OF PROPOSALS:** IVGID agencies shall reserve the right to accept or reject any or all resultant proposal response, or parts thereof, including but not necessarily limited to, alternatives offered. Such acceptance and/or rejection shall be based solely on the considered value of such offers to the District.

SECTION 3 PROPOSAL EVALUATION CHECKLIST

- A.** Proposals shall be reviewed for responsiveness by District staff on the following parameters:
 - Proposal conditions met Text
 - Conformance to the Specifications
 - Unit Pricing – 1-Year Guarantee
 - Additional Quantities – 3-Year Availability Guarantee
 - Warranty
 - Defined Exceptions
 - Environmental and Social Responsibility

SECTION 4 – SNOWBOARD EQUIPMENT TECHNICAL SPECIFICATIONS:

A. GENERAL INFORMATION

- All proposals will be evaluated by District Staff for responsiveness in accordance with the Proposal Evaluation Checklist included in Section 3. Following this evaluation, District Staff will make a recommendation to the IVGID Board of Trustees at its next regularly scheduled Board Meeting to award a procurement contract to the lowest responsive bidder.
- Products that feature one or more of the following environmentally friendly materials and socially responsible manufacturing processes will be given priority in the bid selection process:
 - FSC (Forest Stewardship Council) Certified sustainable wood cores.
 - Recycled content sidewalls or core materials.
 - Low VOC resins and/or glues.
 - Alternative inks, printing and/or laminating processes.
 - Factory wax without chlorofluorocarbon chemicals (PFCs or PFOAs)
 - End of use recycling or take-back program.
 - Fair Trade Certified or other independent fair labor assessment of manufacturing facilities.
 - Manufacturing facilities are powered by renewable energy.
 - Zero waste program at manufacturing facilities.
 - Hazardous waste management program at manufacturing facilities.
 - Product and/or manufacturing emissions are offset with carbon credits.

SECTION 5 - PRODUCT WARRANTY

- A. General:** All warranty offerings from the manufacturer shall cover the quality of labor, workmanship and materials that go into the combination of components that make up the rental snowboards, bindings and boots equipment. Warranty conditions and limitations considered standard in this equipment's manufacturing industry are acceptable.

As a condition of product final acceptance, all warranties offered from all manufacturers shall be available in written form and be included, properly filled out, with the merchandise when delivered. All warranties shall be directly from the appropriate manufacturer of that portion of the merchandise, and not modified or backed by a subsequent manufacturer who performed work on the merchandise at a later stage in the manufacturing process.

- B. Basic Warranty:** Total shall be covered for materials and workmanship for a minimum of one (1) year from the date of the Buyer's first use.

All warranty work required during the operating season shall be completed in a time period not to exceed two (2) weeks. All warranty work stated above shall be at no cost to IVGID, including materials, labor, travel time, and travel expense and/or equipment transportation.



SECTION 6 PROPOSAL FORM

Multiple bids may be submitted based on Bidder's proposed equipment, and must be provided separately, using additional copies of this Form.

The undersigned vendor shall provide new rental snowboard equipment for the Diamond Peak Ski Resort meeting the attached specifications.

A price should be stated in both numbers and in words in the spaces provided on this form.

Proposals returned on a form other than this one will **not** be accepted.

Description	Unit	Est. Qty.	Unit Price	Total Price
Adult Snowboards, Size 130cm to 165cm	Ea.	185	\$ 157.50	\$ 22,050.00
Junior Snowboards, Size 80cm to 125cm	Ea.	135	\$ 120.00	\$ 20,835.00
Adult Snowboard Boot, Size 5 to 15	Pair	402	\$ 112.50	\$ 45,225.00
Junior Snowboard Boot, Size 11c to 4k	Pair	210	\$ 49.50	\$ 10,395.00
Adult Snowboard Bindings	Pair	325	\$ 90.00	\$ 29,250.00
Junior Snowboard Bindings	Pair	50	\$ 82.50	\$ 4,125.00
Total Price in Numbers:	\$ 131,880.00			
Total Price in Words:	One hundred thirty one thousand eight hundred eighty dollars			

Bidder can meet the proposed November 1, 2023 delivery date: Yes No

If "No," what delivery date does Bidder propose: _____

Exceptions (attach additional pages if necessary): Stomp pads are not integrated. The company will supply
and apply stomp pads upon product delivery. Boot bar codes to be supplied/installed by manufacturer.

List any additional merchandise or options that may be included with this purchase at no additional cost to IVGID dba Diamond Peak Ski Resort:

Free Freight savings equates to \$8,550.00

Quick disk handles will be supplied to assist with disc mounting efficiency.

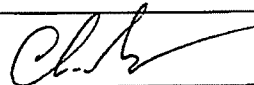


REFERENCES

A list of references for a minimum of three (3) ski resorts in the last five (5) years supplied with a snowboard rental fleet of an equivalent contract size and scope to that requested in this request for proposals.

Contact Name & Phone Number	Description of Items	Contract Value	Date Complete
Ben Stranger Mammoth Resorts 760-934-2571, ext 2071	Basic Fleet rental-boards, boots, bindings	\$ 125,000.00	Re-occurring Annually
Jay Sanchez 702-385-2754 jaysanchev@leecanyonlv.com	Basic Fleet Rental-board, boots, bindings	\$ 175,000.00	December 2022
Jack Kanapel Ski Pro 602-955-3939	Rental boards, boots, bindings	\$ 50,000	Re-occurring Annually

Firm Name: Salomon

Signature of Bidder: 

Date: 12/10/22 Phone # 916-502-2472

Title: Sales Representative Email: chris@cts-sports.com

SECTION 7 DISCLOSURE OF PRINCIPALS

PRINT OR TYPE:

Firm Name: Amer Sports Winter and Outdoor

Address: 2030 Lincoln Ave

City, St, Zip: Ogden, UT. 84401

Date Business Started: March 1985

Principal Address of Company: 2030 Lincoln Ave, Ogden UT 84401



NAMES OF OFFICERS, MEMBERS, OR OWNERS OF CONCERN, PARTNERSHIP

Name: Jordan Judd Official Capacity: General Manager

Address: 2030 Lincoln Ave, Ogden, UT 84401

Name: Erik Anderson Official Capacity: VP of Wintersports Equipment

Address: 2030 Lincoln Ave, Ogden, UT 84401

Name: Ryan Hardy Official Capacity: Sales Manager

Address: 2030 Lincoln Ave, Ogden, UT. 84401

SECTION 8 – Snowboard Equipment Technical Specifications

1. GENERAL INFORMATION

- Provide a training program to train Diamond Peak staff on use and application of equipment for both Adults and Juniors.
- Products may not include graphics which discriminate on the basis of an individual's race, color, religion, sex, nation origin, height weight, marital status, political belief, genetic information, disability, and/or handicap. Graphics shall not be sexual or profane in nature.
- Adult and Junior specific snowboards and snowboard bindings available.
- Unisex and Junior specific snowboard boots available.
- An Integrated bar code system on snowboards and boots shall be available.
- Shall include a color coordinated snowboard boot and binding sizing system.

2. EQUIPMENT

a. Snowboards:

- All snowboards shall be a symmetrical beginner specific model/type.
- All snowboards shall include an integrated stomp pad.
- An Integrated bar code system on snowboards.

b. Snowboard Bindings:

- Shall include a high back binding with tool free forward lean adjustment (i.e. not step in design).
- Shall be a disk mounted binding system.
- Shall include ratchet strap adjustment system

- Shall include a tool-free binding adjustment. An ability to change binding size, angle and stance without the use of any tools.
- Shall include Junior specific bindings.
- Shall include a color coordinated boot and binding sizing system.

c. Snowboard Boots:

- Shall include a color coordinated boot and binding sizing system.
- Shall include a laced inner boot
- Shall include a laced outer boot (B.O.A. System is not acceptable)
- Shall include a factory integrated barcode on each pair of boots
- Shall include the size of the boot easily identifiable on boot exterior
- Shall include metal hook or eyelets on top part of the lacing on the outer boot.

3. ESTIMATED QUANTITIES

a. Snowboards:

185 Adult Snowboards:

130cm = 45	140cm = 50	150cm = 35	155cm = 30
160cm = 25			

135 Junior Snowboards:

80cm = 15	90cm = 15	100cm = 30	110cm = 30
120cm = 45			

b. Snowboard Boots:

402 Pairs of Adult Boots, Unisex Sizes:

5m = 45 pairs	6m = 45 pairs	7m = 50 pairs	
8m = 50 pairs	9m = 50 pairs	10m = 60 pairs	11m = 60 pairs
12m = 25 pairs	13m = 10 pairs	14m = 5 pairs	15m = 2 pairs

210 Pairs of Junior Boots:

11c = 20 pairs	12c = 20 pairs	13c = 20 pairs	1k = 35 pairs
2k = 35 pairs	3k = 35 pairs	4k = 45 pairs	

c. Snowboard bindings:

325 Pairs of Adult Bindings:

Large bindings, accommodating boot sizes 11m-15m = 65 pairs
 Medium bindings, accommodating boot sizes 7m-10m = 130 pairs
 Small bindings, accommodating boot sizes 5m-6m = 130 pairs



50 Pairs Junior Bindings:

X-Small bindings, accommodating boot sizes 10c – 4k = 50 pairs

END OF PROPOSAL DOCUMENT



Project Summary

Project Number:	3468RE0002
Title:	Replace Ski Rental Equipment
Project Type:	G - Equipment & Software
Division:	68 - Rental & Repair
Budget Year:	2023
Finance Option:	
Asset Type:	RE - Rental Equipment
Active:	Yes

Project Description

The District owns and maintains a fleet of 1,365 skis and bindings (ranging in size from 70cm to 188cm), 1,550 ski boots, 320 snowboards, and 612 snowboard boots in its rental shop. The rental shop equipment replacement purchases are part of a comprehensive program to maintain a functional and reliable rental fleet at Diamond Peak. This ongoing program replaces rental equipment on a four year cycle and is vital to ensuring a safe and enjoyable experience for the guests at Diamond Peak that utilize the rental shop.

Project Internal Staff

Project Justification

The general purpose of this project is to improve our facilities through required maintenance and replacement improvements that directly or indirectly reflect on our guest's experience. This project is designed to maintain the value of the Diamond Peak Ski Resort asset and customer service.

Forecast			
Budget Year	Total Expense	Total Revenue	Difference
2023 - Carryover = \$259,133			
2024			
Snowboard equipment	259,133	0	259,133
Year Total	259,133	0	259,133
2025			
Adult / Child skis, bindings and boots	300,000	0	300,000
Year Total	300,000	0	300,000
2027			
Snowboard equipment	160,000	0	160,000
Year Total	160,000	0	160,000
2029			
Adult / Child skis, bindings and boots	310,000	0	310,000
Year Total	310,000	0	310,000
2031			
Snowboard equipment	170,000	0	170,000
Year Total	170,000	0	170,000
	1,199,133	0	1,199,133

Year Identified	Start Date	Est. Completion Date	Manager	Project Partner
2016	Jul 1, 2020	Dec 1, 2031	Director of Skier Services	

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
EQUIPMENT PURCHASE AGREEMENT**

This Equipment Purchase Agreement (“Agreement”) is entered into as of March 23, 2023 by and between the Incline Village General Improvement District, a Nevada general improvement district (“District”), and Salomon, a Division of Amer Sports Winter and Outdoor with its principal place of business at 2030 Lincoln Ave. Ogden, UT. 84401 (“Contractor”). District and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

Section 1. DEFINITIONS.

A. “Equipment” means all machinery, equipment, items, parts, materials, labor or other services, including design, engineering and installation services, provided by Contractor as specified in Exhibit “A,” attached hereto and incorporated herein by reference.

B. “Delivery Date(s)” means that date or dates upon which the Equipment is to be delivered to District, ready for approval, testing and/or use as specified in Exhibit “B.”

Section 2. MATERIALS AND WORKMANSHIP.

When Exhibit “A” specifies machinery, equipment or material by manufacturer, model or trade name, no substitution will be made without District’s written approval. Machinery, equipment or material installed in the Equipment without the approval required by this Section 2 will be deemed to be defective material for purposes of Section 4. Where machinery, equipment or materials are referred to in Exhibit “A” as equal to any particular standard, District will decide the question of equality. When requested by District, Contractor will furnish District with the name of the manufacturer, the performance capabilities and other pertinent information necessary to properly determine the quality and suitability of any machines, equipment and material to be incorporated in the Equipment. Material samples will be submitted at District’s request.

Section 3. INSPECTIONS AND TESTS.

District shall have the right to inspect and/or test the Equipment prior to acceptance. If upon inspection or testing the Equipment or any portion thereof are found to be nonconforming, unsatisfactory, defective, of inferior quality or workmanship, or fail to meet any requirements or specifications contained in Exhibit “A,” then without prejudice to any other rights or remedies, District may reject the Equipment or exercise any of its rights under Section 4.C. The inspection, failure to make inspection, acceptance of goods, or payment for goods shall not impair District’s right to reject nonconforming goods, irrespective of District’s failure to notify Contractor of a rejection of nonconforming goods or revocation of acceptance thereof or to specify with particularity any defect in nonconforming goods after rejection or acceptance thereof.

Section 4. WARRANTY.

A. Contractor warrants that the Equipment will be of merchantable quality and free from defects in design, engineering, material and workmanship for a period of one (1) year, or such longer period as provided by a manufacturer’s warranty or set forth in Exhibit “A,” from the

date of final written acceptance of the Equipment by District as required for final payment under Section 7. Contractor further warrants that any services provided in connection with the Equipment will be performed in a professional and workmanlike manner and in accordance with the highest industry standards.

B. Contractor further warrants that all machinery, equipment or process included in the Equipment will meet the performance requirements and specifications specified in Exhibit "A" and shall be fit for the purpose intended. District's inspection, testing, approval or acceptance of any such machinery, equipment or process will not relieve Contractor of its obligations under this Section 4.B.

C. For any breach of the warranties contained in Section 4.A and Section 4.B, Contractor will, immediately after receiving notice from District, at the option of District, and at Contractor's own expense and without cost to District:

1. Repair the defective Equipment;
2. Replace the defective Equipment with conforming Equipment, F.O.B. District's plant, office or other location of District where the Equipment was originally performed or delivered; or
3. Repay to District the purchase price of the defective Equipment.

If District selects repair or replacement, any defects will be remedied without cost to District, including but not limited to, the costs of removal, repair and replacement of the defective Equipment, and reinstallation of new Equipment. All such defective Equipment that is so remedied will be similarly warranted as stated above. In addition, Contractor will repair or replace other items of the Equipment which may have been damaged by such defects or the repairing of the same, all at its own expense and without cost to District.

D. Contractor also warrants that the Equipment is free and clear of all liens and encumbrances whatsoever, that Contractor has a good and marketable title to same, and that Contractor owns or has a valid license for all of the proprietary technology and intellectual property incorporated within the Equipment. Contractor agrees to indemnify, defend and hold District harmless against any and all third party claims resulting from the breach or inaccuracy of any of the foregoing warranties.

E. In the event of a breach by Contractor of its obligations under this Section 4, District will not be limited to the remedies set forth in this Section 4, but will have all the rights and remedies permitted by applicable law.

Section 5. PRICES.

Unless expressly provided otherwise, all prices and fees specified in Exhibit "C," attached hereto and incorporated herein by reference, are firm and shall not be subject to change without the written approval of District. No extra charges of any kind will be allowed unless specifically agreed to in writing by District's authorized representative. The total price shall include (i) all federal, state and local sales, use, excise, privilege, payroll, occupational and other taxes applicable

to the Equipment furnished to District hereunder; and (ii) all charges for packing, freight and transportation to destination.

Section 6. CHANGES.

District, at any time, by a written order, and without notice to any surety, may make changes in the Equipment, including but not limited to, District's requirements and specifications. If such changes affect the cost of the Equipment or time required for its performance, an equitable adjustment will be made in the price or time for performance or both. Any change in the price necessitated by such change will be agreed upon between District and Contractor and such change will be authorized by a change order document signed by District and accepted by Contractor.

Section 7. PAYMENTS.

A. Terms of payment, are net thirty (30) days, less any applicable retention, after receipt of invoice, or completion of applicable Progress Milestones. Final payment shall be made by District after Contractor has satisfied all contractual requirements. Payment of invoices shall not constitute acceptance of Equipment. All invoices shall be sent to AP@IVGID.org

B. If Progress Milestones have been specified Exhibit "B," then payments for the Equipment will be made as the requirements of such Progress Milestones are met. Progress payments for the Equipment will be made by District upon proper application by Contractor during the progress of the Equipment and according to the terms of payment as specified in Exhibit "B." Contractor's progress billing invoice will include progress payments due for the original scope of work and changes. Each "Item for Payment" shown in Exhibit "B" and each change order will be itemized on the invoice. Invoices for cost plus work, whether part of Exhibit "B" or a change order, must have subcontractor and/or supplier invoices attached to Contractor's invoice. Other format and support documents for invoices will be determined by District in advance of the first invoice cycle.

C. Payments otherwise due may be withheld by District on account of defective Equipment not remedied, liens or other claims filed, reasonable evidence indicating probable filing of liens or other claims, failure of Contractor to make payments properly to its subcontractors or for material or labor, the failure of Contractor to perform any of its other obligations under the Agreement, or to protect District against any liability arising out of Contractor's failure to pay or discharge taxes or other obligations. If the causes for which payment is withheld are removed, the withheld payments will be made promptly. If the said causes are not removed within a reasonable period after written notice, District may remove them at Contractor's expense.

D. Payment of the final Progress Milestone payment or any retention will be made by District upon:

1. Submission of an invoice for satisfactory completion of the requirements of a Progress Milestone as defined in Exhibit "B" and in the amount associated with the Progress Milestone;
2. Written acceptance of the Equipment by District;

3. Delivery of all drawings and specifications, if required by District;
4. Delivery of executed full releases of any and all liens arising out of this Agreement; and
5. Delivery of an affidavit listing all persons who might otherwise be entitled to file, claim or maintain a lien of any kind or character, and containing an averment that all of the said persons have been paid in full.

If any person refuses to furnish an actual release or receipt in full, Contractor may furnish a bond satisfactory to District to indemnify District against any claim or lien at no cost to District.

E. Acceptance by Contractor of payment of the final Progress Milestone payment pursuant to Section 7.D will constitute a waiver, release and discharge of any and all claims and demands of any kind or character which Contractor then has, or can subsequently acquire against District, its successors and assigns, for or on account of any matter or thing arising out of, or in any manner connected with, the performance of this Agreement. However, payment for the final Progress Milestone by District will not constitute a waiver, release or discharge of any claims or demands which District then has, or can subsequently acquire, against Contractor, its successors and assigns, for or on account of any matter or thing arising out of, or in any manner connected with, the performance of this Agreement.

Section 8. SCHEDULE FOR DELIVERY.

A. The time of Contractor's performance is of the essence for this Agreement. The Equipment will be delivered in accordance with the schedule set forth in Exhibit "B." Contractor must immediately notify District in writing any time delivery is behind schedule or may not be completed on schedule. In addition to any other rights District may have under this Agreement or at law, Contractor shall pay District the sum of \$250.00 per item of Equipment for each calendar day for which the item of Equipment is unavailable beyond the scheduled delivery date(s) specified in Exhibit "B."

B. In the event that the Equipment is part of a larger project or projects that require the coordination of multiple contractors or suppliers, then Contractor will fully cooperate in scheduling the delivery so that District can maximize the efficient completion of such project(s).

Section 9. TAXES.

A. Contractor agrees to timely pay all sales and use tax (including any value added or gross receipts tax imposed similar to a sales and use tax) imposed by any federal, state or local taxing authority on the ultimate purchase price of the Equipment provided under this Agreement.

B. Contractor will withhold, and require its subcontractors, where applicable, to withhold all required taxes and contributions of any federal, state or local taxing authority which is measured by wages, salaries or other remuneration of its employees or the employees of its subcontractors. Contractor will deposit, or cause to be deposited, in a timely manner with the appropriate taxing authorities all amounts required to be withheld.

C. All other taxes, however denominated or measured, imposed upon the price of the Equipment provided hereunder, will be the responsibility of Contractor. In addition, all taxes assessed by any taxing jurisdiction based on Contractor property used or consumed in the provision of the Equipment such as and including ad valorem, use, personal property and inventory taxes will be the responsibility of Contractor.

D. Contractor will, upon written request, submit to District written evidence of any filings or payments of all taxes required to be paid by Contractor hereunder.

Section 10. INDEPENDENT CONTRACTOR.

Contractor enters into this Agreement as an independent contractor and not as an employee of District. Contractor shall have no power or authority by this Agreement to bind District in any respect. Nothing in this Agreement shall be construed to be inconsistent with this relationship or status. All employees, agents, contractors or subcontractors hired or retained by the Contractor are employees, agents, contractors or subcontractors of the Contractor and not of District. District shall not be obligated in any way to pay any wage claims or other claims made against Contractor by any such employees, agents, contractors or subcontractors or any other person resulting from performance of this Agreement.

Section 11. SUBCONTRACTS.

Unless otherwise specified, Contractor must obtain District's written permission before subcontracting any portion of the Equipment. Except for the insurance requirements in Section 13.A, all subcontracts and orders for the purchase or rental of supplies, materials or equipment, or any other part of the Equipment, will require that the subcontractor be bound by and subject to all of the terms and conditions of the Agreement. No subcontract or order will relieve Contractor from its obligations to District, including, but not limited to Contractor's insurance and indemnification obligations. No subcontract or order will bind District.

Section 12. TITLE AND RISK OF LOSS.

Unless otherwise agreed, District will have title to, and risk of loss of, all completed and partially completed portions of the Equipment upon delivery, as well as materials delivered to and stored on District property which are intended to become a part of the Equipment. However, Contractor will be liable for any loss or damage to the Equipment and/or the materials caused by Contractor or its subcontractors, their agents or employees, and Contractor will replace or repair said Equipment or materials at its own cost to the complete satisfaction of District. Notwithstanding the foregoing, in the event that the District has paid Contractor for all or a portion of the Equipment which remains in the possession of Contractor, then District shall have title to, and the right to take possession of, such Equipment at any time following payment therefor. Risk of loss for any Equipment which remains in the possession of Contractor shall remain with Contractor until such Equipment has been delivered or District has taken possession thereof. Contractor will have risk of loss or damage to Contractor's property used in the construction of the Equipment but which does not become a part of the Equipment.

Section 13. INDEMNIFICATION.

A. To the fullest extent permitted by law, Contractor 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 or incident to any alleged acts, omissions, negligence or willful misconduct of Contractor, its officials, officers, employees, agents, subcontractors and subconsultants arising out of or in connection with the Equipment or the performance of this Agreement, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses except such loss or damage which was caused by the sole negligence or willful misconduct of the District.

B. Contractor's defense obligation for any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the District, its officials, officers, employees, agents or volunteers shall be at Contractor's own cost, expense and risk. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against District or its officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse District and its 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.

C. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, its officials, officers, employees, agents or volunteers.

Section 14. INSURANCE.

A. General. Contractor shall take out and maintain:

1. Commercial General Liability Insurance, of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury and property damage;

2. Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, of at least \$1,000,000 per accident for bodily injury and property damage;

3. Workers' Compensation in compliance with applicable statutory requirements; and

4. If Contractor is also the manufacturer of any equipment included in the Equipment, Contractor shall carry Product Liability and/or Errors and Omissions Insurance which covers said equipment with limits of not less than \$1,000,000.

B. Additional Insured; Primary; Waiver of Subrogation; No Limitation on Coverage. The policies required under this Section shall give District, its officials, officers, employees, agents or volunteers additional insured status. Such policies shall contain a provision stating that Contractor's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by the District or any additional insureds shall not be called upon to contribute to any loss, and shall contain or be endorsed with a waiver of subrogation in favor of the District, its

officials, officers, employees, agents, and volunteers. The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. 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.

C. Insurance Carrier. All insurance required under this Section is to be placed with insurers with a current A.M. Best's rating no less than A-:VII, licensed to do business in Nevada, and satisfactory to the District.

D. Evidence of Insurance. Contractor shall furnish District with original certificates of insurance and endorsements effecting coverage required by the Agreement. 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 supplied or approved by the District. All certificates and endorsements must be received and approved by the District before delivery commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time.

E. Subcontractors. All subcontractors shall meet the requirements of this Section before commencing work. In addition, Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

F. Freight. Contractor shall ensure that third party shippers contracted by Contractor have adequate insurance coverage for the shipped Equipment.

Section 15. LIENS.

A. Contractor, subcontractors and suppliers will not make, file or maintain a mechanic's or other lien or claim of any kind or character against the Equipment, for or on account of any labor, materials, fixtures, tools, machinery, equipment, or any other things furnished, or any other work done or performance given under, arising out of, or in any manner connected with the Agreement (such liens or claims referred to as "Claims"); and Contractor, subcontractor and suppliers expressly waive and relinquish any and all rights which they now have, or may subsequently acquire, to file or maintain any Claim and Contractor, subcontractor and suppliers agree that this provision waiving the right of Claims will be an independent covenant.

B. Contractor will save and hold District harmless from and against any and all Claims that may be filed by a subcontractor, supplier or any other person or entity and Contractor will, at its own expense, defend any and all actions based upon such Claims and will pay all charges of attorneys and all costs and other expenses arising from such Claims.

Section 16. TERMINATION OF AGREEMENT BY DISTRICT.

A. Should Contractor at any time refuse or fail to deliver the Equipment with promptness and diligence, or to perform any of its other obligations under the Agreement, District may terminate Contractor's right to proceed with the delivery of the Equipment by written notice

to Contractor. In such event District may obtain the Equipment by whatever method it may deem expedient, including the hiring of another contractor or other contractors and, for that purpose, may take possession of all materials, machinery, equipment, tools and appliances and exercise all rights, options and privileges of Contractor. In such case Contractor will not be entitled to receive any further payments until the Equipment is delivered. If District's cost of obtaining the Equipment, including compensation for additional managerial and administrative services, will exceed the unpaid balance of the Agreement, Contractor will be liable for and will pay the difference to District.

B. District may, for its own convenience, terminate Contractor's right to proceed with the delivery of any portion or all of the Equipment by written notice to Contractor. Such termination will be effective in the manner specified in such notice, will be without prejudice to any claims which District may have against Contractor, and will not affect the obligations and duties of Contractor under the Agreement with respect to portions of the Equipment not terminated.

C. On receipt of notice under Section 16.B, Contractor will, with respect to the portion of the Equipment terminated, unless the notice states otherwise,

1. Immediately discontinue such portion of the Equipment and the placing of orders for materials, facilities, and supplies in connection with the Equipment,
2. Unless otherwise directed by District, make every reasonable effort to procure cancellation of all existing orders or contracts upon terms satisfactory to District; and
3. Deliver only such portions of the Equipment which District deems necessary to preserve and protect those portions of the Equipment already in progress and to protect material, plant and equipment at the Equipment site or in transit to the Equipment site.

D. Upon termination pursuant to Section 16.B, Contractor will be paid a pro rata portion of the compensation in the Agreement for any portion of the terminated Equipment already delivered, including material and services for which it has made firm contracts which are not canceled, it being understood that District will be entitled to such material and services. Upon determination of the amount of said pro rata compensation, District will promptly pay such amount to Contractor upon delivery by Contractor of the releases of liens and affidavit, pursuant to Section 7.C.

Section 17. MISCELLANEOUS PROVISIONS.

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

DISTRICT:
Incline Village General Improvement District
893 Southwood Blvd.
Incline Village, NV 89451
Attn: Mike Bandelin – Diamond Peak Resort

CONTRACTOR:
Amer Sports Winter and Outdoor
2030 Lincoln Ave. Ogden, UT. 84401
Attn: Chris Tiller – Sales Representative

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.

B. Assignment or Transfer. Contractor shall not assign or transfer any interest in this Agreement whether by assignment or novation, without the prior written consent of the District, which will not be unreasonably withheld. Provided, however, that claims for money due or to become due Contractor from the District under this Agreement may be assigned to a financial institution or to a trustee in bankruptcy, without such approval. Notice of any assignment or transfer, whether voluntary or involuntary, shall be furnished promptly to the District.

C. Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

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

E. 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.

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

G. Interpretation. 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.

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

I. Authority to Enter 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.

J. 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.

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

L. District's Right to Employ Other Contractors. District reserves its right to employ other contractors in connection with the Equipment.

M. Entire Agreement. This Agreement constitutes the entire agreement between the Parties relative to the Equipment specified herein. There are no understandings, agreements, conditions, representations, warranties or promises with respect to this Agreement, except those contained in or referred to in the writing.

N. Limitation of Liability. In no event shall this Agreement be interpreted to waive the limitations of liability applicable to the District set forth in NRS Chapter 41 or other applicable law.

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

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

CONTRACTOR:
Amer Sports Winter and Outdoor
Agreed to:

By: _____
Indra Winquest
District General Manager

By: _____
Signature of Authorized Agent

Print or Type Name and Title

Date

Date

Reviewed as to Form:

Joshua Nelson
District General Counsel

Date

EXHIBIT A
EQUIPMENT SPECIFICATIONS

SECTION 8 – Snowboard Equipment Technical Specifications

1. GENERAL INFORMATION

- Provide a training program to train Diamond Peak staff on use and application of equipment for both Adults and Juniors.
- Products may not include graphics which discriminate on the basis of an individual's race, color, religion, sex, nation origin, height weight, marital status, political belief, genetic information, disability, and/or handicap. Graphics shall not be sexual or profane in nature.
- Adult and Junior specific snowboards and snowboard bindings available.
- Unisex and Junior specific snowboard boots available.
- An Integrated bar code system on snowboards and boots shall be available.
- Shall include a color coordinated snowboard boot and binding sizing system.

2. EQUIPMENT

a. Snowboards:

- All snowboards shall be a symmetrical beginner specific model/type.
- All snowboards shall include an integrated stomp pad.
- An Integrated bar code system on snowboards.

b. Snowboard Bindings:

- Shall include a high back binding with tool free forward lean adjustment (i.e. not step in design).
- Shall be a disk mounted binding system.
- Shall include ratchet strap adjustment system

- Shall include a tool-free binding adjustment. An ability to change binding size, angle and stance without the use of any tools.
- Shall include Junior specific bindings.
- Shall include a color coordinated boot and binding sizing system.

c. Snowboard Boots:

- Shall include a color coordinated boot and binding sizing system.
- Shall include a laced inner boot
- Shall include a laced outer boot (B.O.A. System is not acceptable)
- Shall include a factory integrated barcode on each pair of boots
- Shall include the size of the boot easily identifiable on boot exterior
- Shall include metal hook or eyelets on top part of the lacing on the outer boot.

Exceptions (attach additional pages if necessary):

Stomp pads are not integrated. The company will supply

and apply stomp pads upon product delivery. Boot bar codes to be supplied/installed by manufacturer.

ESTIMATED QUANTITIES

a. Snowboards:

185 Adult Snowboards:

130cm = 45 140cm = 50 150cm = 35 155cm = 30
160cm = 25

135 Junior Snowboards:

80cm = 15 90cm = 15 100cm = 30 110cm = 30
120cm = 45

b. Snowboard Boots:

402 Pairs of Adult Boots, Unisex Sizes:

5m = 45 pairs 6m = 45 pairs 7m = 50 pairs
8m = 50 pairs 9m = 50 pairs 10m = 60 pairs 11m = 60 pairs
12m = 25 pairs 13m = 10 pairs 14m = 5 pairs 15m = 2 pairs

210 Pairs of Junior Boots:

11c = 20 pairs 12c = 20 pairs 13c = 20 pairs 1k = 35 pairs
2k = 35 pairs 3k = 35 pairs 4k = 45 pairs

c. Snowboard bindings:

325 Pairs of Adult Bindings:

Large bindings, accommodating boot sizes 11m-15m = 65 pairs
Medium bindings, accommodating boot sizes 7m-10m = 130 pairs
Small bindings, accommodating boot sizes 5m-6m = 130 pairs

50 Pairs Junior Bindings:

X-Small bindings, accommodating boot sizes 10c – 4k = 50 pairs

SECTION 5 - PRODUCT WARRANTY

- A. General:** All warranty offerings from the manufacturer shall cover the quality of labor, workmanship and materials that go into the combination of components that make up the rental snowboards, bindings and boots equipment. Warranty conditions and limitations considered standard in this equipment's manufacturing industry are acceptable.

As a condition of product final acceptance, all warranties offered from all manufacturers shall be available in written form and be included, properly filled out, with the merchandise when delivered. All warranties shall be directly from the appropriate manufacturer of that portion of the merchandise, and not modified or backed by a subsequent manufacturer who performed work on the merchandise at a later stage in the manufacturing process.

- B. Basic Warranty:** Total shall be covered for materials and workmanship for a minimum of one (1) year from the date of the Buyer's first use.

All warranty work required during the operating season shall be completed in a time period not to exceed two (2) weeks. All warranty work stated above shall be at no cost to IVGID, including materials, labor, travel time, and travel expense and/or equipment transportation.

EXHIBIT B
DELIVERY SCHEDULE

C. DELIVERY INFORMATION:

1. Shipping is FOB Destination, shipping cost must be included in the bid amount. Merchandise purchased shall be delivered to the Diamond Peak Ski Resort preferably no later than November 1, 2023; see Bid Form Section 6, for proposed alternate delivery date. Diamond Peak is located at 1210 Ski Way, Incline Village, Washoe County, Nevada 89451.
-

Bidder can meet the proposed November 1, 2023 delivery date: Yes No

If "No," what delivery date does Bidder propose: _____

EXHIBIT C
PRICING

Description	Unit	Est. Qty.	Unit Price	Total Price
Adult Snowboards, Size 130cm to 165cm	Ea.	185	\$ 157.50	\$ 22,050.00
Junior Snowboards, Size 80cm to 125cm	Ea.	135	\$ 120.00	\$ 20,835.00
Adult Snowboard Boot, Size 5 to 15	Pair	402	\$ 112.50	\$ 45,225.00
Junior Snowboard Boot, Size 11c to 4k	Pair	210	\$ 49.50	\$ 10,395.00
Adult Snowboard Bindings	Pair	325	\$ 90.00	\$ 29,250.00
Junior Snowboard Bindings	Pair	50	\$ 82.50	\$ 4,125.00
Total Price in Numbers:	\$ 131,880.00			
Total Price in Words:	One hundred thirty one thousand eight hundred eighty dollars			

List any additional merchandise or options that may be included with this purchase at no additional cost to IVGID dba Diamond Peak Ski Resort:

Free Freight savings equates to \$8,550.00

Quick disk handles will be supplied to assist with disc mounting efficiency.

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 22, 2023

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

- Approve a ten-dollar increase to all Picture Pass holder daily ticket products for fiscal year 2023-2024.
- Approve an increase to all Picture Pass holder season pass products as shown in (Table 4) 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 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 pass purchases and will not affect our community's PPH ski pass purchasing tiers. The proposed additional pricing tier, including the rate increase of five-dollars for all Non-PPH pass products and an overall increase in all PPH season pass products for the 2023/24 season as shown in (table 4) allows 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. Staff will note that PPH season pass rates have remained the same with no increase since the 2012/13 season when the rates were reduced from the 2011/12 season pass rate structure as shown in (table 9) within the report.

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. Staff is recommending that a ten-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 ten-dollar increase to the product are included in (table 1 and 2) of the staff report. 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 may include approximately \$388,104 in additional revenue for FY2023/24. Recommended increases to PPH daily tickets may include an estimated additional \$69,252 within daily ticket revenue. Provided the recommendation for pricing of passes and PPH daily lift tickets is approved by the Board of Trustees, staff shall reflect an increase in revenue allocations within the ski fund (340) FY2023/24 operating budget. .

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
Projected Skier Visits	130,000	Projected Skier Visits	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. Board Practice_6_2_0_Pricing_for_Products_and_Services
2. Attachment - Pricing and Financial Tables

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.

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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.

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- 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

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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

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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

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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.

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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

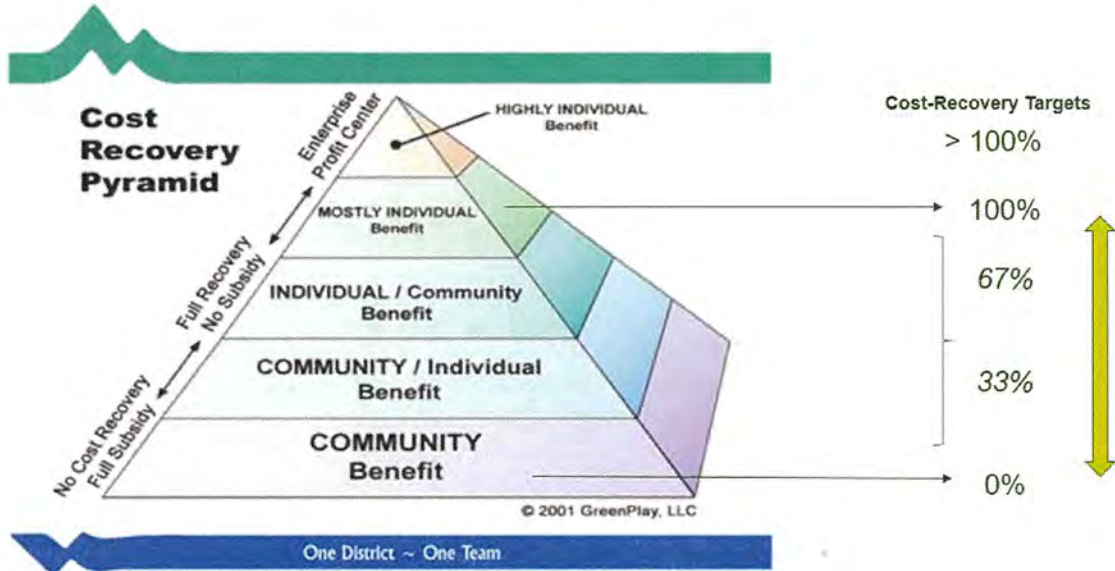


Table 1

Picture Pass Holder Daily Lift Ticket Price – Current and Proposed

Age Group	Week Days		Weekends		Peak Periods	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
Adult	\$25	\$35	\$25	\$35	\$35	\$45
Youth/Senior	\$20	\$30	\$20	\$30	\$30	\$40
Child	\$15	\$25	\$15	\$25	\$20	\$30
Beginner	\$18	\$28	\$18	\$28	\$20	\$30
6 & under / 80+	\$0	\$0	\$0	\$0	\$0	\$0

Table 2

Picture Pass Holder Daily Lift Ticket Price – Current Quantity, Revenue and Proposed

FY 2023 Picture Pass Holder Daily Lift Tickets					
<i>PPH Daily Lift Tickets</i>	Quantity	Amount	Avg. Amount	Proposed	Amount
Peak Period	Actual	Actual	Actual		
<i>Adult</i>	2,837	\$98,798.00	\$34.82	\$45.00	\$127,665.00
<i>Beginner</i>	21	\$588.00	\$28.00	\$38.00	\$798.00
<i>Child</i>	183	\$3,630.00	\$19.84	\$30.00	\$5,490.00
<i>Senior</i>	126	\$3,780.00	\$30.00	\$40.00	\$5,040.00
<i>Youth</i>	578	\$17,250.00	\$29.84	\$40.00	\$23,120.00
Peak Total	3,745	\$124,046.00	\$33.12	\$43.29	\$162,113.00
Value-Weekend					
<i>Adult</i>	2,491	\$61,725.00	\$24.78	\$35.00	\$87,185.00
<i>Beginner</i>	24	\$432.00	\$18.00	\$28.00	\$672.00
<i>Child</i>	104	\$1,537.50	\$14.78	\$25.00	\$2,600.00
<i>Senior</i>	181	\$3,610.00	\$19.94	\$28.00	\$5,068.00
<i>Youth</i>	358	\$7,060.00	\$19.72	\$28.00	\$10,024.00
Value-Weekend Total	3,158	\$74,364.50	\$23.55	\$33.42	\$105,549.00
Peak-Value-Weekend Total	6,903	\$198,410.50	\$28.74	\$38.77	\$267,662.00

Table 3

The table below illustrates previous, current and proposed rates for Non-Picture Pass Holder Season Passes

<i>Fiscal Year</i>	<i>2020/21</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2020/21</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2020/21</i>	<i>2021/22</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2023/24</i>
<i>Non- PPH Full Pass</i>	Tier 1				Tier 2				Tier 3				Tier 4
<i>Adult (24-64)</i>	\$419	\$439	\$444	\$449	\$474	\$494	\$499	\$504	\$509	\$620	\$625	\$630	TBD
<i>Youth (13-23)</i>	\$249	\$339	\$344	\$349	\$274	\$414	\$419	\$424	\$289	\$520	\$525	\$530	TBD
<i>Child (7-12)</i>	\$179	\$199	\$204	\$208	\$204	\$229	\$234	\$239	\$229	\$280	\$285	\$290	TBD
<i>Senior (65-69)</i>	\$179	\$409	\$415	\$420	\$204	\$434	\$439	\$444	\$229	\$520	\$525	\$530	TBD
<i>Super Senior (70-79)</i>	\$159	\$159	\$164	\$169	\$174	\$174	\$179	\$184	\$199	\$220	\$225	\$230	TBD
<i>6 & under / 80+</i>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Transferable</i>	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 current and proposed rates for Picture Pass Holder Season Passes

	Tier 1				Tier 2				Tier 3			
<i>PPH Full Pass</i>	<i>2022/23</i>	<i>2023/24</i>	<i>Variance</i>	<i>Increase</i>	<i>2022/23</i>	<i>2023/24</i>	<i>Variance</i>	<i>Increase</i>	<i>2022/23</i>	<i>2023/24</i>	<i>Variance</i>	<i>Increase</i>
<i>Adult (24-64)</i>	\$289	\$319	\$30	10%	\$319	\$358	\$39	12%	\$349	\$447	\$98	28%
<i>Youth (13-23)</i>	\$139	\$248	\$109	78%	\$159	\$301	\$142	89%	\$189	\$376	\$187	99%
<i>Child (7-12)</i>	\$109	\$148	\$39	35%	\$129	\$170	\$41	32%	\$149	\$206	\$57	38%
<i>Senior (65-69)</i>	\$109	\$298	\$189	174%	\$119	\$315	\$196	165%	\$149	\$376	\$227	153%
<i>Super Senior (70-79)</i>	\$29	\$120	\$91	314%	\$39	\$131	\$92	235%	\$49	\$163	\$114	233%
<i>6 & under / 80+</i>	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%

Table 5

The table below provides the Non-PPH Season Pass Revenue FY 2023

Non PPH Full Pass	Tier 1			Tier 2			Tier 3			Tier 4			Grand Total		
	Fiscal Year 2023	Passes Sold	Price per Pass	Revenue	Passes Sold	Price per Pass	Revenue	Passes Sold	Price per Pass	Revenue	Passes Sold	Price per Pass	Revenue	Passes Sold	Avg Price per Pass
Adult (24-64)	776	\$ 444	\$ 344,544	459	\$ 499	\$ 229,041	442	\$ 625	\$ 276,250	-	\$ -	\$ -	1,677	\$ 507	\$ 849,835
Youth (13-23)	219	\$ 344	\$ 75,336	118	\$ 419	\$ 49,442	140	\$ 525	\$ 73,500	-	\$ -	\$ -	477	\$ 416	\$ 198,278
Child (7-12)	463	\$ 204	\$ 94,452	209	\$ 234	\$ 48,906	261	\$ 285	\$ 74,385	-	\$ -	\$ -	933	\$ 233	\$ 217,743
Senior (65-69)	34	\$ 415	\$ 14,110	12	\$ 439	\$ 5,268	14	\$ 525	\$ 7,350	-	\$ -	\$ -	60	\$ 445	\$ 26,728
Super Senior (70-79)	223	\$ 164	\$ 36,572	55	\$ 179	\$ 9,845	30	\$ 225	\$ 6,750	-	\$ -	\$ -	308	\$ 173	\$ 53,167
6 & Under / 80+	181	\$ -	\$ -	124	\$ -	\$ -	319	\$ -	\$ -	-	\$ -	\$ -	624	\$ -	\$ -
Grand Total	1,896	\$ -	\$ 565,014	977	\$ -	\$ 342,502	1,206	\$ -	\$ 438,235	-	\$ -	\$ -	4,079	\$ 330	\$ 1,345,751

Table 6

The table below provides the Non-PPH Season Pass Projected Revenue FY 2024

Non PPH Full Pass	Tier 1			Tier 2			Tier 3			Tier 4 Estimate			Grand Total		
	Fiscal Year 2024	Passes Sold	Price per Pass	Projected Revenue	Passes Sold	Price per Pass	Projected Revenue	Passes Sold	Price per Pass	Projected Revenue	Passes Sold	Price per Pass	Projected Revenue	Passes Sold	Avg Price per Pass
Adult (24-64)	776	\$ 449	\$ 348,424	459	\$ 504	\$ 231,336	34	\$ 630	\$ 21,420	408	\$ 680	\$ 277,440	1,677	\$ 524	\$ 878,620
Youth (13-23)	219	\$ 349	\$ 76,431	118	\$ 424	\$ 50,032	8	\$ 530	\$ 4,240	132	\$ 580	\$ 76,560	477	\$ 435	\$ 207,263
Child (7-12)	463	\$ 208	\$ 96,304	209	\$ 239	\$ 49,951	15	\$ 290	\$ 4,350	246	\$ 340	\$ 83,640	933	\$ 251	\$ 234,245
Senior (65-69)	34	\$ 420	\$ 14,280	12	\$ 444	\$ 5,328	2	\$ 530	\$ 1,060	12	\$ 580	\$ 6,960	60	\$ 460	\$ 27,628
Super Senior (70-79)	223	\$ 169	\$ 37,687	55	\$ 184	\$ 10,120	6	\$ 230	\$ 1,380	24	\$ 280	\$ 6,720	308	\$ 182	\$ 55,907
6 & Under / 80+	181	\$ -	\$ -	124	\$ -	\$ -	24	\$ -	\$ -	295	\$ -	\$ -	624	\$ -	\$ -
Grand Total	1,896	\$ -	\$ 573,126	977	\$ -	\$ 346,767	89	\$ -	\$ 32,450	1,117	\$ -	\$ 451,320	4,079	\$ 344	\$ 1,403,663

Table 7

The table below provides the PPH Season Pass Revenue FY 2023

PPH Full Pass	Tier 1			Tier 2			Tier 3			Grand Total		
	<i>Fiscal Year 2023</i>	<i>Passes Sold</i>	<i>Price per Pass</i>	<i>Revenue</i>	<i>Passes Sold</i>	<i>Price per Pass</i>	<i>Revenue</i>	<i>Passes Sold</i>	<i>Price per Pass</i>	<i>Revenue</i>	<i>Passes Sold</i>	<i>Avg Price per Pass</i>
Adult (24-64)	1,093	\$ 289	\$ 315,877	523	\$ 319	\$ 166,837	555	\$ 349	\$ 193,695	2,171	\$ 312	\$ 676,409
Youth (13-23)	240	\$ 139	\$ 33,360	148	\$ 159	\$ 23,532	168	\$ 189	\$ 31,752	556	\$ 159	\$ 88,644
Child (7-12)	235	\$ 109	\$ 25,615	100	\$ 129	\$ 12,900	107	\$ 149	\$ 15,943	442	\$ 123	\$ 54,458
Senior (65-69)	275	\$ 109	\$ 29,975	65	\$ 119	\$ 7,735	48	\$ 149	\$ 7,152	388	\$ 116	\$ 44,862
Super Senior (70-79)	384	\$ 29	\$ 11,136	74	\$ 39	\$ 2,886	64	\$ 49	\$ 3,136	522	\$ 33	\$ 17,158
6 & Under / 80+	110	\$ -	\$ -	49	\$ -	\$ -	113	\$ -	\$ -	272	\$ -	\$ -
Grand Total	2,337	\$ -	\$ 415,963	959	\$ -	\$ 213,890	1,055	\$ -	\$ 251,678	4,351	\$ 203	\$ 881,531

Table 8

The table below provides the PPH Season Pass Projected Revenue FY 2024

PPH Full Pass	Tier 1			Tier 2			Tier 3			Grand Total		
	<i>Fiscal Year 2024</i>	<i>Passes Sold</i>	<i>Price per Pass</i>	<i>Projected Revenue</i>	<i>Passes Sold</i>	<i>Price per Pass</i>	<i>Projected Revenue</i>	<i>Passes Sold</i>	<i>Price per Pass</i>	<i>Projected Revenue</i>	<i>Passes Sold</i>	<i>Avg Price per Pass</i>
Adult (24-64)	1,093	\$ 319	\$ 348,667	523	\$ 358	\$ 187,234	555	\$ 447	\$ 248,085	2,171	\$ 361	\$ 783,986
Youth (13-23)	240	\$ 248	\$ 59,520	148	\$ 301	\$ 44,548	168	\$ 376	\$ 63,168	556	\$ 301	\$ 167,236
Child (7-12)	235	\$ 148	\$ 34,780	100	\$ 170	\$ 17,000	107	\$ 206	\$ 22,042	442	\$ 167	\$ 73,822
Senior (65-69)	275	\$ 298	\$ 81,950	65	\$ 315	\$ 20,475	48	\$ 376	\$ 18,048	388	\$ 310	\$ 120,473
Super Senior (70-79)	384	\$ 120	\$ 46,080	74	\$ 131	\$ 9,694	64	\$ 163	\$ 10,432	522	\$ 127	\$ 66,206
6 & Under / 80+	110	\$ -	\$ -	49	\$ -	\$ -	113	\$ -	\$ -	272	\$ -	\$ -
Grand Total	2,337	\$ -	\$ 570,997	959	\$ -	\$ 278,951	1,055	\$ -	\$ 361,775	4,351	\$ 278	\$ 1,211,723

Table 9

The table below provides the Non-PPH and PPH year over year history of season pass pricing

Season Pass Price History																					Proposed
PPH- Full Pass	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Adult (24-64)	\$435	\$435	\$435	\$435	\$461	\$461	\$461	\$461	\$461	\$349	\$349	\$349	\$349	\$349	\$349	\$349	\$349	\$349	\$349	\$349	\$447
Youth (13-23)	\$180	\$180	\$180	\$180	\$191	\$191	\$191	\$191	\$191	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$376
Child (7-12)	\$150	\$150	\$150	\$150	\$159	\$159	\$159	\$159	\$159	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$206
Senior (65-69)	\$180	\$180	\$180	\$180	\$191	\$191	\$191	\$191	\$191	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$376
Super Senior (70-79)	\$50	\$50	\$50	\$50	\$53	\$53	\$53	\$53	\$53	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$163
6 & under / 80+	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non- PPH Full Pass																					Proposed
Non- PPH Full Pass	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2022/23	2022/23	2023/24
Adult (24-64)	\$535	\$535	\$535	\$535	\$567	\$567	\$567	\$567	\$567	\$449	\$449	\$449	\$449	\$469	\$479	\$479	\$489	\$509	\$620	\$625	\$630
Youth (13-23)	\$221	\$221	\$221	\$221	\$235	\$235	\$235	\$235	\$235	\$239	\$239	\$239	\$239	\$249	\$259	\$259	\$269	\$289	\$520	\$525	\$530
Child (7-12)	\$185	\$185	\$185	\$185	\$196	\$196	\$196	\$196	\$196	\$169	\$169	\$169	\$169	\$179	\$189	\$199	\$209	\$229	\$280	\$285	\$290
Senior (65-69)	\$221	\$221	\$221	\$221	\$235	\$235	\$235	\$235	\$235	\$169	\$169	\$169	\$169	\$179	\$189	\$199	\$209	\$229	\$520	\$525	\$530
Super Senior (70-79)	\$62	\$62	\$62	\$62	\$65	\$65	\$65	\$65	\$65	\$69	\$69	\$69	\$69	\$89	\$169	\$169	\$179	\$199	\$220	\$225	\$230
6 & under / 80+	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest, District General Manager

FROM: Darren Howard, Director of Golf/Community Services

SUBJECT: Review, discuss and possibly approve (a) Couples Play Pass pricing to first individual at the individual rate and second person to individual rate less 15%, (b) either a 5%, 8% or 11% increase for the Golf Play Passes rates, (c) either a 5%, 8% or 11% increase for the Daily Green fees; (d) keep the Charity rates as approved last year; and (e) increase the Range fee rates by \$1 per product for the Incline Village Golf Courses for the 2023 season.

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 22, 2023

I. RECOMMENDATION

That the Board of Trustees Review, discuss and possibly makes a motion to approve (a) Couples Play Pass pricing to, first individual at the individual rate and second person to individual rate less 15%, (b) either a 5%, 8% or 11% increase for the Golf Play Passes rates, (c) either a 5%, 8% or 11% increase for the Daily Green fees; (d) keep the Charity rates as approved last year; and (e) increase the Range fee rates by \$1 per product for the Incline Village Golf Courses for 2023.

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 contributing to 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

Depending on the percent of increase directed by the Board of Trustees, (a) Couples Play Pass pricing to, first individual at the individual rate and second person to individual rate less 15%, (b) either a 5%, 8% or 11% increase for the Golf Play Passes rate;, (c) either a 5%, 8% or 11% increase for the Daily Green fees; (d) keep the Charity rates as approved last year; and (d) increase the Range fee rates by \$1 per product for the 2023 season, the expected increase in revenue will be an estimated \$400,000+ 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	5%	8%	11%
Picture Pass.....	\$74.43	\$75.36	\$78.68
Guests.....	\$133.64	\$137.46	\$141.28
Non-Picture Pass.....	\$160.32	\$164.90	\$169.48
Play Pass.....	\$66.57	\$66.38	\$68.22
Total \$/round for green fees -	\$96.19	\$98.53	\$101.65
Total \$/round green fees, range fees & club rentals	\$103.78	\$106.12	\$109.24

Rounds of Golf 27,693

Cost Per round:

Operating Costs.....	\$83.67
Operating Costs + Overhead.....	\$101.20
Operating, OVHD, Capital.....	\$121.13
Operating, OVHD, Capital, Debt.....	\$121.13

Proposed revenue increases:

- Projected increase from deleting 2pm to 4pm discounts during the season and 3pm to 4pm in shoulder seasons- \$85,200 to \$150,000 (depends on play mix)
- Projected increase for Range Fees - \$16,722
- Projected increase for moving to 10 minute intervals - \$200,000+ (using a 65% fill rate)

- o Club rental increases - \$3,410
- o Projected total Green Fee revenue with the following recommendations -
 - o 5% - \$2,663,902
 - o 8% - \$2,728,751
 - o 11% - \$2,815,052

Mountain Course

Estimated Revenue per Round	5%	8%	11%
Picture Pass	\$ 35.84	\$36.86	\$37.88
Guests	\$ 54.66	\$56.22	\$57.78
Non-Picture Pass	\$ 66.06	\$67.94	\$69.83
Play Pass	\$ 26.44	\$27.19	\$27.94
Total \$/round for green fees -	\$42.45	\$43.67	\$44.88
Total \$/round green fees, club rentals -	\$44.56	\$45.78	\$46.99

Rounds of Golf 17,800

Cost per round:

- Operating Costs \$51.57
- Operating + Overhead \$63.46
- Operating, OVHD, Capital \$72.29
- Operating, OVHD, Capital, Debt \$72.29

Proposed revenue increases:

- o Proposed increase for moving to 12 minute intervals at the Mountain course - \$110,242 (using a 65% fill rate)
- o Projected Green Fee revenue with recommendations -
 - o 5% - \$755,739
 - o 8% - \$777,739
 - o 11% - \$799,013

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 playing 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

Couples Play Passes - (See Exhibit A)

The revised recommendation related to Couples Play Pass rates for the 2023 season is as follows (See Exhibit A):

1) Couples Play Pass rate to be calculated by: The first individual at the individual rate and the second person at the individual rate, less 15%.

Golf Play Passes – (See Exhibit B,C & D)

The revised recommendation related to Golf Play Pass rates for the 2023 golf season is as follows (See Exhibit B,C&D)

1) Increase all Play Passes by 5% to 11%

Daily Green Fee Rates – (See Exhibits B,C & D)

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% to 11%, Non-Picture Pass 5% to 11% and Guests 5% to 11%.

- Guest Daily Green Fees for the Championship Course are proposed to be increased in the range of 5% to 11% (See Exhibit B,C&D).
- Guest Daily Green Fees for the Mountain Course are proposed to be in the range of 5% to 11% based on time of year and time slots (See Exhibit B,C&D).

Preferred Partner Rates –

Eliminate Hyatt and Preferred Partner rates

Charity Golf Event Rates- (See Exhibit B,C & D)

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 B,C&D).

- 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. Copy of Couples Play Pass Pricing
2. Copy of 20232024 Golf Rates - 5%
3. Copy of 20232024 Golf Rates - 8%
4. Copy of 20232024 Golf Rates - 11%
5. 2023 Projected revenues vs 3 years
6. Golf Course Financials - 3-yr Trend

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

Play Passes		5% Increases		
Both Courses	<u>2023</u>	<u>2022</u>		Percentage change 2023 vs 2022
Unlimited All you Can Play - Couples	\$ 6,336.00	\$ 5,258.00		21%
Championship Course Only				
Limited All You Can Play - Couple	\$ 5,043.00	\$ 4,060.00		24%
Mountain Course Only				
Unlimited All You Can Play - Couples	\$ 1,679.00	\$ 1,331.00		26%

Play Passes		8% Increases		
Both Courses	<u>2023</u>	<u>2022</u>		Percentage change 2023 vs 2022
Unlimited All you Can Play - Couples	\$ 6,514.00	\$ 5,258.00		24%
Championship Course Only				
Limited All You Can Play - Couple	\$ 5,187.00	\$ 4,060.00		28%
Mountain Course Only				
Unlimited All You Can Play - Couples	\$ 1,728.00	\$ 1,331.00		30%

Play Passes		11% Increases		
Both Courses	<u>2023</u>	<u>2022</u>		Percentage change 2023 vs 2022
Unlimited All you Can Play - Couples	\$ 6,695.00	\$ 5,258.00		27%
Championship Course Only				
Limited All You Can Play - Couple	\$ 5,332.00	\$ 4,060.00		31%
Mountain Course Only				
Unlimited All You Can Play - Couples	\$ 1,776.00	\$ 1,331.00		33%

EXHIBIT B - 5% INCREASE

Championship Course Rates 5% Increases					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	Percentage increase from 2022			
Shoulder Season (Open - June 11)													
Monday-Thursday					Monday-Thursday								
Resident	\$ 73.00	Open to 3PM	\$ 34.00	\$ 25.00	Resident	\$ 69.00	\$ 43.00	\$ 32.00	\$ 24.00	6%	-100%	6%	4%
Guest	\$ 109.00		\$ 51.00	\$ 38.00	Guest	\$ 104.00	\$ 75.00	\$ 48.00	\$ 36.00	5%	-100%	6%	6%
Non-Resident	\$ 142.00		\$ 66.00	\$ 49.00	Non-Resident	\$ 135.00	\$ 85.00	\$ 63.00	\$ 47.00	5%	-100%	5%	4%
Friday-Sunday (Holidays)					Friday-Sunday (Holidays)								
Resident	\$ 84.00		\$ 39.00	\$ 28.00	Resident	\$ 80.00	\$ 54.00	\$ 37.00	\$ 27.00	5%	-100%	5%	4%
Guest	\$ 128.00		\$ 56.00	\$ 49.00	Guest	\$ 122.00	\$ 90.00	\$ 53.00	\$ 47.00	5%	-100%	6%	4%
Non-Resident	\$ 165.00		\$ 73.00	\$ 56.00	Non-Resident	\$ 157.00	\$ 100.00	\$ 69.00	\$ 53.00	5%	-100%	6%	6%
High Season (June 12 - September 24)													
Monday-Thursday					Monday-Thursday								
Resident	\$ 101.00	Open to 4PM	\$ 50.00	\$ 34.00	Resident	\$ 96.00	\$ 70.00	\$ 48.00	\$ 32.00	5%	-100%	4%	6%
Guest	\$ 162.00		\$ 79.00	\$ 50.00	Guest	\$ 154.00	\$ 110.00	\$ 75.00	\$ 48.00	5%	-100%	5%	4%
Non-Resident	\$ 219.00		\$ 104.00	\$ 66.00	Non-Resident	\$ 209.00	\$ 147.00	\$ 99.00	\$ 63.00	5%	-100%	5%	5%
Friday-Sunday (Holidays)					Friday-Sunday (Holidays)								
Resident	\$ 106.00		\$ 62.00	\$ 42.00	Resident	\$ 101.00	\$ 80.00	\$ 59.00	\$ 40.00	5%	-100%	5%	5%
Guest	\$ 176.00		\$ 90.00	\$ 55.00	Guest	\$ 168.00	\$ 120.00	\$ 86.00	\$ 60.00	5%	-100%	5%	-8%
Non-Resident	\$ 240.00		\$ 116.00	\$ 71.00	Non-Resident	\$ 229.00	\$ 158.00	\$ 110.00	\$ 49.00	5%	-100%	5%	45%
Shoulder Season (September 25-Closing)													
Monday-Thursday					Monday-Thursday								
Resident	\$ 73.00	Open to 3PM	\$ 28.00	\$ 25.00	Resident	\$ 69.00	\$ 48.00	\$ 27.00	\$ 24.00	6%	-100%	4%	4%
Guest	\$ 118.00		\$ 48.00	\$ 38.00	Guest	\$ 112.00	\$ 78.00	\$ 46.00	\$ 36.00	5%	-100%	4%	6%
Non-Resident	\$ 160.00		\$ 66.00	\$ 49.00	Non-Resident	\$ 152.00	\$ 105.00	\$ 63.00	\$ 47.00	5%	-100%	5%	4%
Friday-Sunday (Holidays)					Friday-Sunday (Holidays)								
Resident	\$ 84.00		\$ 34.00	\$ 28.00	Resident	\$ 80.00	\$ 59.00	\$ 32.00	\$ 27.00	5%	-100%	6%	4%
Guest	\$ 134.00		\$ 54.00	\$ 43.00	Guest	\$ 128.00	\$ 94.00	\$ 51.00	\$ 41.00	5%	-100%	6%	5%
Non-Resident	\$ 182.00		\$ 72.00	\$ 56.00	Non-Resident	\$ 173.00	\$ 126.00	\$ 68.00	\$ 53.00	5%	-100%	6%	6%

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	
Shoulder Season (Open-June 11)				Shoulder Season (Open-June 13)						
Monday-Thursday				Monday-Thursday						
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%	
Friday-Sunday (Holidays)				Friday-Sunday (Holidays)						
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%	
High Season (June 12 - September 24)				High Season (June 14 - September 12)						
Monday-Thursday				Monday-Thursday						
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%	
Friday-Sunday (Holidays)				Friday-Sunday (Holidays)						
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%	
Shoulder Season (September 25-Closing)				Shoulder Season (September 13-Closing)						
Monday-Thursday				Monday-Thursday						
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%	
Friday-Sunday (Holidays)				Friday-Sunday (Holidays)						
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%	

Nine Hole Rates (Mountain Course)

Shoulder Season (Open-June 11)										
Monday-Thursday				Monday-Thursday						
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%
Friday-Sunday (Holidays)				Friday-Sunday (Holidays)						
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%
High Season (June 12 - September 24)				High Season (June 14 - September 12)						
Monday-Thursday				Monday-Thursday						
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%
Friday-Sunday (Holidays)				Friday-Sunday (Holidays)						
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%
Shoulder Season (September 25-Closing)				Shoulder Season (September 13-Closing)						
Monday-Thursday				Monday-Thursday						
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%
Friday-Sunday (Holidays)				Friday-Sunday (Holidays)						
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%

Play Passes

Both Courses	2023	2022
Unlimited All you Can Play - Individual	\$ 3,425.00	\$ 3,260.00
Unlimited Junior	\$ 315.00	\$ 300.00
Unlimited College	\$ 499.00	\$ 475.00
Championship Course Only		
10 Play	\$ 873.00	\$ 831.00
20 Play	\$ 1,575.00	\$ 1,500.00
Limited All You Can Play - Individual	\$ 2,726.00	\$ 2,596.00
All You Can Play PM (After 2pm)	\$ 1,335.00	\$ 1,270.00
Mountain Course Only		
10 Play	\$ 425.00	\$ 405.00
Unlimited All You Can Play - Individual	\$ 908.00	\$ 865.00
All You Can Play - PM	\$ 630.00	\$ 600.00
10 Play Nine Holes (new in 2022)	\$ 284.00	\$ 270.00
Unlimited Junior	\$ 189.00	\$ 180.00

Percentage change 2023 vs 2022
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%
5%

	2023			2022		
Range Fees	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

Last changed in 2020

Championship Course	2023	2022
Golf Club Rentals	\$ 95.00	\$ 85.00
Rider Fees (per person)	\$ 35.00	\$ 35.00

Mountain Course	2023	2022
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

Charity Tournaments	2023	20212
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%

EXHIBIT C - 8% INCREASE

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	Percentage increase from 2022			
Shoulder Season (Open - June 11)													
Monday-Thursday Open to 3 PM					Monday-Thursday								
Resident	\$ 75.00		\$ 35.00	\$ 26.00	Resident	\$ 69.00	\$ 43.00	\$ 32.00	\$ 24.00	9%	-100%	9%	8%
Guest	\$ 112.00		\$ 52.00	\$ 39.00	Guest	\$ 104.00	\$ 75.00	\$ 48.00	\$ 36.00	8%	-100%	8%	8%
Non-Resident	\$ 146.00		\$ 68.00	\$ 51.00	Non-Resident	\$ 135.00	\$ 85.00	\$ 63.00	\$ 47.00	8%	-100%	8%	9%
Open to 3 PM					Friday-Sunday (Holidays)								
Resident	\$ 86.00		\$ 40.00	\$ 29.00	Resident	\$ 80.00	\$ 54.00	\$ 37.00	\$ 27.00	8%	-100%	8%	7%
Guest	\$ 138.00		\$ 57.00	\$ 51.00	Guest	\$ 122.00	\$ 90.00	\$ 53.00	\$ 47.00	13%	-100%	8%	9%
Non-Resident	\$ 170.00		\$ 75.00	\$ 57.00	Non-Resident	\$ 157.00	\$ 100.00	\$ 69.00	\$ 53.00	8%	-100%	9%	8%
High Season (June 12 - September 24)													
Monday-Thursday Open to 4PM					Monday-Thursday								
Resident	\$ 104.00		\$ 52.00	\$ 35.00	Resident	\$ 96.00	\$ 70.00	\$ 48.00	\$ 32.00	8%	-100%	8%	9%
Guest	\$ 166.00		\$ 81.00	\$ 52.00	Guest	\$ 154.00	\$ 110.00	\$ 75.00	\$ 48.00	8%	-100%	8%	8%
Non-Resident	\$ 226.00		\$ 107.00	\$ 68.00	Non-Resident	\$ 209.00	\$ 147.00	\$ 99.00	\$ 63.00	8%	-100%	8%	8%
Open to 4PM					Friday-Sunday (Holidays)								
Resident	\$ 109.00		\$ 64.00	\$ 43.00	Resident	\$ 101.00	\$ 80.00	\$ 59.00	\$ 40.00	8%	-100%	8%	8%
Guest	\$ 181.00		\$ 93.00	\$ 57.00	Guest	\$ 168.00	\$ 120.00	\$ 86.00	\$ 60.00	8%	-100%	8%	-5% Corrected from previous yr
Non-Resident	\$ 247.00		\$ 119.00	\$ 73.00	Non-Resident	\$ 229.00	\$ 158.00	\$ 110.00	\$ 49.00	8%	-100%	8%	49%
Shoulder Season (September 25-Closing)													
Monday-Thursday Open to 3PM					Monday-Thursday								
Resident	\$ 75.00		\$ 29.00	\$ 26.00	Resident	\$ 69.00	\$ 48.00	\$ 27.00	\$ 24.00	9%	-100%	7%	8%
Guest	\$ 121.00		\$ 50.00	\$ 39.00	Guest	\$ 112.00	\$ 78.00	\$ 46.00	\$ 36.00	8%	-100%	9%	8%
Non-Resident	\$ 164.00		\$ 68.00	\$ 51.00	Non-Resident	\$ 152.00	\$ 105.00	\$ 63.00	\$ 47.00	8%	-100%	8%	9%
Friday-Sunday (Holidays) Open to 3PM					Friday-Sunday (Holidays)								
Resident	\$ 86.00		\$ 35.00	\$ 29.00	Resident	\$ 80.00	\$ 59.00	\$ 32.00	\$ 27.00	8%	-100%	9%	7%
Guest	\$ 138.00		\$ 55.00	\$ 44.00	Guest	\$ 128.00	\$ 94.00	\$ 51.00	\$ 41.00	8%	-100%	8%	7%
Non-Resident	\$ 187.00		\$ 74.00	\$ 57.00	Non-Resident	\$ 173.00	\$ 126.00	\$ 68.00	\$ 53.00	8%	-100%	9%	8%

Mountain Course Rates					2022 Rates							
2023					2022 Rates							
Time of Day												
Fee Type	Open-2pm	2pm-4pm	After 4pm	After 5:30pm	8% Inceases	Fee Type	Open-2pm	2pm-4pm	After 4pm	After 5:30pm		
Shoulder Season (Open-June 11)						Shoulder Season (Open-June 13)						
Monday-Thursday						Monday-Thursday						
Resident	\$ 42.00	\$ 38.00	\$ 24.00			Resident	\$ 39.00	\$ 35.00	\$ 22.00	8%	9%	9%
Guest	\$ 51.00	\$ 42.00	\$ 36.00			Guest	\$ 47.00	\$ 39.00	\$ 33.00	9%	8%	9%
Non-Resident	\$ 59.00	\$ 47.00	\$ 47.00			Non-Resident	\$ 54.00	\$ 43.00	\$ 43.00	9%	9%	9%
Friday-Sunday (Holidays)						Friday-Sunday (Holidays)						
Resident	\$ 48.00	\$ 43.00	\$ 28.00			Resident	\$ 44.00	\$ 40.00	\$ 26.00	9%	8%	8%
Guest	\$ 57.00	\$ 53.00	\$ 40.00			Guest	\$ 53.00	\$ 49.00	\$ 37.00	8%	8%	8%
Non-Resident	\$ 64.00	\$ 64.00	\$ 52.00			Non-Resident	\$ 59.00	\$ 59.00	\$ 48.00	8%	8%	8%
High Season (June 12 - September 24)						High Season (June 14 - September 12)						
Monday-Thursday						Monday-Thursday						
Resident	\$ 51.00	\$ 51.00	\$ 30.00			Resident	\$ 47.00	\$ 47.00	\$ 28.00	9%	9%	7%
Guest	\$ 66.00	\$ 63.00	\$ 41.00			Guest	\$ 61.00	\$ 58.00	\$ 38.00	8%	9%	8%
Non-Resident	\$ 81.00	\$ 75.00	\$ 52.00			Non-Resident	\$ 75.00	\$ 69.00	\$ 48.00	8%	9%	8%
Friday-Sunday (Holidays)						Friday-Sunday (Holidays)						
Resident	\$ 55.00	\$ 55.00	\$ 34.00			Resident	\$ 51.00	\$ 51.00	\$ 31.00	8%	8%	10%
Guest	\$ 71.00	\$ 68.00	\$ 46.00			Guest	\$ 66.00	\$ 63.00	\$ 43.00	8%	8%	7%
Non-Resident	\$ 86.00	\$ 81.00	\$ 58.00			Non-Resident	\$ 80.00	\$ 75.00	\$ 54.00	8%	8%	7%
Shoulder Season (September 25-Closing)						Shoulder Season (September 13-Closing)						
Monday-Thursday						Monday-Thursday						
Resident	\$ 42.00	\$ 38.00	\$ 24.00			Resident	\$ 39.00	\$ 35.00	\$ 22.00	8%	9%	9%
Guest	\$ 51.00	\$ 42.00	\$ 36.00			Guest	\$ 47.00	\$ 39.00	\$ 33.00	9%	8%	9%
Non-Resident	\$ 64.00	\$ 58.00	\$ 47.00			Non-Resident	\$ 59.00	\$ 54.00	\$ 43.00	8%	7%	9%
Friday-Sunday (Holidays)						Friday-Sunday (Holidays)						
Resident	\$ 48.00	\$ 43.00	\$ 28.00			Resident	\$ 44.00	\$ 40.00	\$ 26.00	9%	8%	8%
Guest	\$ 57.00	\$ 53.00	\$ 40.00			Guest	\$ 53.00	\$ 49.00	\$ 37.00	8%	8%	8%
Non-Resident	\$ 69.00	\$ 64.00	\$ 52.00			Non-Resident	\$ 64.00	\$ 59.00	\$ 48.00	8%	8%	8%

Nine Hole Rates (Mountain Course)

Shoulder Season (Open-June 11)										
Monday-Thursday				Monday-Thursday						
Resident	\$ 28.00	\$ 23.00	\$ 15.00	Resident	\$ 26.00	\$ 21.00	\$ 14.00	8%	10%	7%
Guest	\$ 34.00	\$ 28.00	\$ 20.00	Guest	\$ 31.00	\$ 26.00	\$ 18.00	10%	8%	11%
Non-Resident	\$ 39.00	\$ 34.00	\$ 25.00	Non-Resident	\$ 36.00	\$ 31.00	\$ 22.00	8%	10%	14%
Friday-Sunday (Holidays)				Friday-Sunday (Holidays)						
Resident	\$ 31.00	\$ 28.00	\$ 19.00	Resident	\$ 28.00	\$ 26.00	\$ 17.00	11%	8%	12%
Guest	\$ 37.00	\$ 34.00	\$ 25.00	Guest	\$ 34.00	\$ 31.00	\$ 23.00	9%	10%	9%
Non-Resident	\$ 43.00	\$ 39.00	\$ 32.00	Non-Resident	\$ 40.00	\$ 36.00	\$ 29.00	8%	8%	10%
High Season (June 12 - September 24)				High Season (June 14 - September 12)						
Monday-Thursday				Monday-Thursday						
Resident	\$ 35.00	\$ 30.00	\$ 19.00	Resident	\$ 32.00	\$ 27.00	\$ 17.00	9%	11%	12%
Guest	\$ 42.00	\$ 37.00	\$ 25.00	Guest	\$ 39.00	\$ 34.00	\$ 23.00	8%	9%	9%
Non-Resident	\$ 49.00	\$ 43.00	\$ 30.00	Non-Resident	\$ 45.00	\$ 40.00	\$ 28.00	9%	8%	7%
Friday-Sunday (Holidays)				Friday-Sunday (Holidays)						
Resident	\$ 38.00	\$ 35.00	\$ 22.00	Resident	\$ 35.00	\$ 32.00	\$ 20.00	9%	9%	10%
Guest	\$ 46.00	\$ 42.00	\$ 28.00	Guest	\$ 42.00	\$ 39.00	\$ 27.00	10%	8%	4%
Non-Resident	\$ 53.00	\$ 49.00	\$ 37.00	Non-Resident	\$ 49.00	\$ 45.00	\$ 34.00	8%	9%	9%
Shoulder Season (September 25-Closing)				Shoulder Season (September 13-Closing)						
Monday-Thursday				Monday-Thursday						
Resident	\$ 28.00	\$ 23.00	\$ 15.00	Resident	\$ 26.00	\$ 21.00	\$ 14.00	8%	10%	7%
Guest	\$ 35.00	\$ 29.00	\$ 19.00	Guest	\$ 32.00	\$ 27.00	\$ 17.00	9%	7%	12%
Non-Resident	\$ 39.00	\$ 34.00	\$ 24.00	Non-Resident	\$ 36.00	\$ 31.00	\$ 22.00	8%	10%	9%
Friday-Sunday (Holidays)				Friday-Sunday (Holidays)						
Resident	\$ 31.00	\$ 28.00	\$ 19.00	Resident	\$ 28.00	\$ 26.00	\$ 17.00	11%	8%	12%
Guest	\$ 37.00	\$ 34.00	\$ 25.00	Guest	\$ 34.00	\$ 31.00	\$ 23.00	9%	10%	9%
Non-Resident	\$ 43.00	\$ 37.00	\$ 32.00	Non-Resident	\$ 40.00	\$ 34.00	\$ 29.00	8%	9%	10%

Play Passes

Both Courses	2023	2022
Unlimited All you Can Play - Individual	\$3,521.00	\$ 3,260.00
Unlimited Junior	\$ 324.00	\$ 300.00
Unlimited College	\$ 513.00	\$ 475.00
Championship Course Only		
10 Play	\$ 898.00	\$ 831.00
20 Play	\$1,620.00	\$ 1,500.00
Limited All You Can Play - Individual	\$2,804.00	\$ 2,596.00
All You Can Play PM (After 2pm)	\$1,372.00	\$ 1,270.00
Mountain Course Only		
10 Play	\$ 437.00	\$ 405.00
Unlimited All You Can Play - Individual	\$ 934.00	\$ 865.00
All You Can Play - PM	\$ 648.00	\$ 600.00
10 Play Nine Holes (new in 2022)	\$ 292.00	\$ 270.00
Unlimited Junior	\$ 195.00	\$ 180.00

8% Increases

Percentage change 2023 vs 2022

8%
8%
8%
8%
8%
8%
8%
8%
8%
8%
8%
8%

Range Fees	Small	Medium	Large
Resident	\$ 6.00	\$ 11.00	\$ 16.00
Non-Resident	\$ 8.00	\$ 13.00	\$ 18.00

Small	Medium	Large
\$ 5.00	\$ 10.00	\$ 15.00
\$ 7.00	\$ 12.00	\$ 17.00

Last changed in 2020

Championship Course

	2023	2022
Golf Club Rentals	\$ 95.00	\$ 85.00
Rider Fees (per person)	\$ 35.00	\$ 35.00

Mountain Course

	2023	2022
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

Charity Tournaments

2023 20212

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%

EXHIBIT D - 11% INCREASE

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	Percentage increase from 2022			
Shoulder Season (Open - June 11)													
Monday-Thursday	Open to 3PM				Monday-Thursday								
Resident	\$ 77.00		\$ 36.00	\$ 27.00	Resident	\$ 69.00	\$ 43.00	\$ 32.00	\$ 24.00	12%	-100%	13%	13%
Guest	\$ 115.00		\$ 54.00	\$ 40.00	Guest	\$ 104.00	\$ 75.00	\$ 48.00	\$ 36.00	11%	-100%	13%	11%
Non-Resident	\$ 150.00		\$ 70.00	\$ 52.00	Non-Resident	\$ 135.00	\$ 85.00	\$ 63.00	\$ 47.00	11%	-100%	11%	11%
Friday-Sunday (Holidays)	Open to 3PM				Friday-Sunday (Holidays)								
Resident	\$ 89.00		\$ 41.00	\$ 30.00	Resident	\$ 80.00	\$ 54.00	\$ 37.00	\$ 27.00	11%	-100%	11%	11%
Guest	\$ 135.00		\$ 59.00	\$ 52.00	Guest	\$ 122.00	\$ 90.00	\$ 53.00	\$ 47.00	11%	-100%	11%	11%
Non-Resident	\$ 174.00		\$ 77.00	\$ 59.00	Non-Resident	\$ 157.00	\$ 100.00	\$ 69.00	\$ 53.00	11%	-100%	12%	11%
High Season (June 12 - September 24)													
Monday-Thursday	Open to 4PM				Monday-Thursday								
Resident	\$ 107.00		\$ 54.00	\$ 36.00	Resident	\$ 96.00	\$ 70.00	\$ 48.00	\$ 32.00	11%	-100%	13%	13%
Guest	\$ 171.00		\$ 83.00	\$ 54.00	Guest	\$ 154.00	\$ 110.00	\$ 75.00	\$ 48.00	11%	-100%	11%	13%
Non-Resident	\$ 232.00		\$ 110.00	\$ 70.00	Non-Resident	\$ 209.00	\$ 147.00	\$ 99.00	\$ 63.00	11%	-100%	11%	11%
Friday-Sunday (Holidays)	Open to 4PM				Friday-Sunday (Holidays)								
Resident	\$ 112.00		\$ 66.00	\$ 45.00	Resident	\$ 101.00	\$ 80.00	\$ 59.00	\$ 40.00	11%	-100%	12%	13%
Guest	\$ 186.00		\$ 96.00	\$ 59.00	Guest	\$ 168.00	\$ 120.00	\$ 86.00	\$ 60.00	11%	-100%	12%	-2% Corrected from previous yr
Non-Resident	\$ 254.00		\$ 122.00	\$ 75.00	Non-Resident	\$ 229.00	\$ 158.00	\$ 110.00	\$ 49.00	11%	-100%	11%	53%
Shoulder Season (September 25-Closing)													
Monday-Thursday	Open to 3PM				Monday-Thursday								
Resident	\$ 77.00		\$ 30.00	\$ 27.00	Resident	\$ 69.00	\$ 48.00	\$ 27.00	\$ 24.00	12%	-100%	11%	13%
Guest	\$ 124.00		\$ 51.00	\$ 40.00	Guest	\$ 112.00	\$ 78.00	\$ 46.00	\$ 36.00	11%	-100%	11%	11%
Non-Resident	\$ 169.00		\$ 70.00	\$ 52.00	Non-Resident	\$ 152.00	\$ 105.00	\$ 63.00	\$ 47.00	11%	-100%	11%	11%
Friday-Sunday (Holidays)	Open to 3PM				Friday-Sunday (Holidays)								
Resident	\$ 89.00		\$ 36.00	\$ 30.00	Resident	\$ 80.00	\$ 59.00	\$ 32.00	\$ 27.00	11%	-100%	13%	11%
Guest	\$ 142.00		\$ 57.00	\$ 45.00	Guest	\$ 128.00	\$ 94.00	\$ 51.00	\$ 41.00	11%	-100%	12%	10%
Non-Resident	\$ 192.00		\$ 76.00	\$ 59.00	Non-Resident	\$ 173.00	\$ 126.00	\$ 68.00	\$ 53.00	11%	-100%	12%	11%

Mountain Course Rates					2022 Rates				
2023					2022 Rates				
Time of Day					2022 Rates				
Fee Type	Open-2pm	2pm-4pm	After 4pm	After 5:30pm	Fee Type	Open-2pm	2pm-4pm	After 4pm	After 5:30pm
Shoulder Season (Open-June 11)					Shoulder Season (Open-June 13)				
Monday-Thursday					Monday-Thursday				
Resident	\$ 44.00	\$ 39.00	\$ 25.00		Resident	\$ 39.00	\$ 35.00	\$ 22.00	
Guest	\$ 52.00	\$ 44.00	\$ 37.00		Guest	\$ 47.00	\$ 39.00	\$ 33.00	
Non-Resident	\$ 60.00	\$ 48.00	\$ 48.00		Non-Resident	\$ 54.00	\$ 43.00	\$ 43.00	
Friday-Sunday (Holidays)					Friday-Sunday (Holidays)				
Resident	\$ 49.00	\$ 45.00	\$ 29.00		Resident	\$ 44.00	\$ 40.00	\$ 26.00	
Guest	\$ 59.00	\$ 55.00	\$ 41.00		Guest	\$ 53.00	\$ 49.00	\$ 37.00	
Non-Resident	\$ 66.00	\$ 66.00	\$ 54.00		Non-Resident	\$ 59.00	\$ 59.00	\$ 48.00	
High Season (June 12 - September 24)					High Season (June 14 - September 12)				
Monday-Thursday					Monday-Thursday				
Resident	\$ 52.00	\$ 52.00	\$ 31.00		Resident	\$ 47.00	\$ 47.00	\$ 28.00	
Guest	\$ 68.00	\$ 65.00	\$ 42.00		Guest	\$ 61.00	\$ 58.00	\$ 38.00	
Non-Resident	\$ 83.00	\$ 77.00	\$ 54.00		Non-Resident	\$ 75.00	\$ 69.00	\$ 48.00	
Friday-Sunday (Holidays)					Friday-Sunday (Holidays)				
Resident	\$ 57.00	\$ 57.00	\$ 35.00		Resident	\$ 51.00	\$ 51.00	\$ 31.00	
Guest	\$ 73.00	\$ 70.00	\$ 48.00		Guest	\$ 66.00	\$ 63.00	\$ 43.00	
Non-Resident	\$ 89.00	\$ 83.00	\$ 60.00		Non-Resident	\$ 80.00	\$ 75.00	\$ 54.00	
Shoulder Season (September 25-Closing)					Shoulder Season (September 13-Closing)				
Monday-Thursday					Monday-Thursday				
Resident	\$ 44.00	\$ 39.00	\$ 25.00		Resident	\$ 39.00	\$ 35.00	\$ 22.00	
Guest	\$ 52.00	\$ 44.00	\$ 37.00		Guest	\$ 47.00	\$ 39.00	\$ 33.00	
Non-Resident	\$ 66.00	\$ 60.00	\$ 48.00		Non-Resident	\$ 59.00	\$ 54.00	\$ 43.00	
Friday-Sunday (Holidays)					Friday-Sunday (Holidays)				
Resident	\$ 49.00	\$ 45.00	\$ 29.00		Resident	\$ 44.00	\$ 40.00	\$ 26.00	
Guest	\$ 59.00	\$ 55.00	\$ 41.00		Guest	\$ 53.00	\$ 49.00	\$ 37.00	
Non-Resident	\$ 71.00	\$ 66.00	\$ 54.00		Non-Resident	\$ 64.00	\$ 59.00	\$ 48.00	

	13%	11%	14%
	11%	13%	12%
	11%	12%	12%
	11%	13%	12%
	11%	12%	11%
	12%	12%	13%
	11%	11%	11%
	11%	12%	11%
	11%	12%	13%
	12%	12%	13%
	11%	11%	12%
	11%	11%	11%
	13%	11%	14%
	11%	13%	12%
	12%	11%	12%
	11%	13%	12%
	11%	12%	11%
	11%	12%	13%

Nine Hole Rates (Mountain Course)

Shoulder Season (Open-June 11)										
Monday-Thursday				Monday-Thursday						
Resident	\$ 29.00	\$ 24.00	\$ 16.00	Resident	\$ 26.00	\$ 21.00	\$ 14.00	12%	14%	14%
Guest	\$ 35.00	\$ 29.00	\$ 20.00	Guest	\$ 31.00	\$ 26.00	\$ 18.00	13%	12%	11%
Non-Resident	\$ 40.00	\$ 35.00	\$ 25.00	Non-Resident	\$ 36.00	\$ 31.00	\$ 22.00	11%	13%	14%
Friday-Sunday (Holidays)				Friday-Sunday (Holidays)						
Resident	\$ 31.00	\$ 29.00	\$ 19.00	Resident	\$ 28.00	\$ 26.00	\$ 17.00	11%	12%	12%
Guest	\$ 38.00	\$ 35.00	\$ 26.00	Guest	\$ 34.00	\$ 31.00	\$ 23.00	12%	13%	13%
Non-Resident	\$ 45.00	\$ 40.00	\$ 33.00	Non-Resident	\$ 40.00	\$ 36.00	\$ 29.00	13%	11%	14%
High Season (June 12 - September 24)				High Season (June 14 - September 12)						
Monday-Thursday				Monday-Thursday						
Resident	\$ 36.00	\$ 30.00	\$ 19.00	Resident	\$ 32.00	\$ 27.00	\$ 17.00	13%	11%	12%
Guest	\$ 44.00	\$ 38.00	\$ 26.00	Guest	\$ 39.00	\$ 34.00	\$ 23.00	13%	12%	13%
Non-Resident	\$ 50.00	\$ 45.00	\$ 31.00	Non-Resident	\$ 45.00	\$ 40.00	\$ 28.00	11%	13%	11%
Friday-Sunday (Holidays)				Friday-Sunday (Holidays)						
Resident	\$ 39.00	\$ 36.00	\$ 23.00	Resident	\$ 35.00	\$ 32.00	\$ 20.00	11%	13%	15%
Guest	\$ 47.00	\$ 44.00	\$ 30.00	Guest	\$ 42.00	\$ 39.00	\$ 27.00	12%	13%	11%
Non-Resident	\$ 55.00	\$ 50.00	\$ 38.00	Non-Resident	\$ 49.00	\$ 45.00	\$ 34.00	12%	11%	12%
Shoulder Season (September 25-Closing)				Shoulder Season (September 13-Closing)						
Monday-Thursday				Monday-Thursday						
Resident	\$ 29.00	\$ 24.00	\$ 16.00	Resident	\$ 26.00	\$ 21.00	\$ 14.00	12%	14%	14%
Guest	\$ 36.00	\$ 30.00	\$ 19.00	Guest	\$ 32.00	\$ 27.00	\$ 17.00	13%	11%	12%
Non-Resident	\$ 40.00	\$ 35.00	\$ 25.00	Non-Resident	\$ 36.00	\$ 31.00	\$ 22.00	11%	13%	14%
Friday-Sunday (Holidays)				Friday-Sunday (Holidays)						
Resident	\$ 31.00	\$ 29.00	\$ 19.00	Resident	\$ 28.00	\$ 26.00	\$ 17.00	11%	12%	12%
Guest	\$ 38.00	\$ 35.00	\$ 26.00	Guest	\$ 34.00	\$ 31.00	\$ 23.00	12%	13%	13%
Non-Resident	\$ 45.00	\$ 38.00	\$ 33.00	Non-Resident	\$ 40.00	\$ 34.00	\$ 29.00	13%	12%	14%

Play Passes

Both Courses	2023	2022
Unlimited All you Can Play - Individual	\$ 3,619.00	\$ 3,260.00
Unlimited Junior	\$ 333.00	\$ 300.00
Unlimited College	\$ 527.00	\$ 475.00
Championship Course Only		
10 Play	\$ 923.00	\$ 831.00
20 Play	\$ 1,665.00	\$ 1,500.00
Limited All You Can Play - Individual	\$ 2,882.00	\$ 2,596.00
All You Can Play PM (After 2pm)	\$ 1,410.00	\$ 1,270.00
Mountain Course Only		
10 Play	\$ 450.00	\$ 405.00
Unlimited All You Can Play - Individual	\$ 960.00	\$ 865.00
All You Can Play - PM	\$ 667.00	\$ 600.00
10 Play Nine Holes (new in 2022)	\$ 300.00	\$ 270.00
Unlimited Junior	\$ 200.00	\$ 180.00

11% Increases

Percentage change 2023 vs 2022
11%
11%
11%
11%
11%
11%
11%
11%
11%
11%
11%
11%
11%
11%
11%

2023				2022		
Range Fees	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

Last changed in 2020.

Championship Course		
	2023	2022
Golf Club Rentals	\$ 95.00	\$ 85.00
Rider Fees (per person)	\$ 35.00	\$ 35.00

Mountain Course		
	2023	2022
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

Charity Tournaments	2023	20212
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%

Championship Revenue Financial Comparison (Net)

Revenues	2019	2020	2021	2022	2023 Projected
Golf Fees	\$1,705,463	\$1,622,659	\$1,875,596	\$2,083,934	\$2,431,086
Range Fees	\$128,196	\$178,898	\$160,243	\$166,538	\$178,476
Lessons	\$38,579	\$52,273	\$50,985	\$ 44,146	\$60,000
Merchandise Sales	\$466,263	\$376,312	\$487,403	\$495,668	\$522,432
Club Rentals	\$52,881	\$9,135	\$45,037	\$50,017	\$60,200
Food Sales*	\$384,707	\$268,274	\$243,651	\$369,377	\$576,400
Beer Sales*	\$96,049	\$58,970	\$84,993	\$90,228	\$155,000
Wine Sales*	\$55,891	\$40,715	\$31,419	\$31,899	\$58,200
Liquor Sales*	\$103,592	\$55,126	\$78,785	\$84,885	\$155,000
Totals	\$3,031,621	\$2,662,362	\$3,058,112	\$3,416,692	\$4,196,794
	<i>* These totals do not include Weddings & Events</i>				+23%

Mountain Course Revenue Financial Comparison (Net)

Revenues	2019	2020	2021	2022	2023 Projected
Golf Fees	\$472,977	\$621,827	\$574,896	\$686,165	\$777,456
Club Rentals	\$26,700	\$335	\$24,412	\$31,240	\$38,021
Merchandise Sales	\$72,979	\$54,596	\$56,831	\$68,089	\$108,565
Food Sales*	\$29,860	\$23,530	\$32,396	\$27,273	\$82,600
Beer Sales*	\$36,552	\$28,942	\$30,129	\$34,996	\$39,600
Wine Sales*	\$18,147	\$4,026	\$7,386	\$2,122	\$6,300
Liquor Sales*	\$16,746	\$18,318	\$19,548	\$17,770	\$25,300
Totals	\$673,961	\$751,574	\$745,598	\$876,655	\$1,077,842
					+23%

* These totals do not include Weddings & Events

STATEMENT OF INCOME, EXPENSES AND CHANGE IN NET POSITION

	Championship Course				Mountain Course				Total Golf Fund (320)			
	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2019-20	FY2020-21	FY2021-22	FY2022-23
	Actuals	Actuals	Actuals	Amended Budget	Actuals	Actuals	Actuals	Amended Budget	Actuals	Actuals	Actuals	Amended Budget
Operating Income												
Charges for Services	\$ 4,037,096	\$ 3,214,950	\$ 3,062,626	\$ 3,778,822	\$ 724,464	\$ 809,745	\$ 717,965	\$ 1,004,338	\$ 4,761,560	\$ 4,024,695	\$ 3,780,591	\$ 4,783,160
Facility Fees	171,994	33,019	-	520,251	327,607	222,882	-	1,139,874	499,601	255,901	-	1,660,125
	4,209,090	3,247,969	3,062,626	4,299,073	1,052,071	1,032,627	717,965	2,144,212	5,261,161	4,280,596	3,780,591	6,443,285
									0	0	0	0
									0	0	0	0
Operating Expenses												
Salaries and Wages	1,511,829	1,170,676	1,256,237	1,535,541	320,393	346,777	356,823	500,207	1,832,222	1,517,453	1,613,060	2,035,748
Employee Fringe	421,675	349,938	360,061	457,288	96,581	112,455	115,737	162,915	518,256	462,393	475,798	620,203
Total Personnel Cost	1,933,504	1,520,614	1,616,298	1,992,829	416,974	459,232	472,560	663,122	2,350,478	1,979,846	2,088,858	2,655,951
Professional Services	6,010	6,403	5,234	6,380	7,025	2,296	1,759	2,570	13,035	8,699	6,993	8,950
Services and Supplies	1,119,686	797,277	885,825	1,078,693	483,269	333,305	345,354	399,290	1,602,955	1,130,582	1,231,179	1,477,983
Insurance	68,363	72,765	77,941	81,800	15,687	16,725	17,932	18,800	84,050	89,490	95,873	100,600
Utilities	244,614	227,960	223,990	252,595	83,695	84,117	88,192	98,346	328,309	312,077	312,182	350,941
Cost of Goods Sold	913,275	491,861	437,588	615,505	64,580	61,792	47,980	113,366	977,855	553,653	485,568	728,871
Central Services Cost	236,800	225,626	179,012	231,348	54,000	56,533	61,381	77,236	290,800	282,159	240,393	308,584
Depreciation	676,015	661,006	681,320	623,292	156,361	204,637	199,433	198,528	832,376	865,643	880,753	821,820
TOTAL OPERATING INCOME	5,198,267	4,003,512	4,107,208	4,882,442	1,281,591	1,218,637	1,234,591	1,571,258	6,479,858	5,222,149	5,341,799	6,453,700
NET INCOME (EXPENSE)	(989,177)	(755,543)	(1,044,582)	(583,369)	(229,520)	(186,010)	(516,626)	572,954	(1,218,697)	(941,553)	(1,561,208)	(10,415)
									0	0	0	0
Non-Operating Income												
Investment Earnings	-	-	248	(2,748)	-	-	248	(2,748)	-	-	496	(5,496)
Non Operating Income/Leases	-	-	-	-	40,256	41,464	54,791	43,989	40,256	41,464	54,791	43,989
Proceeds from Capital Asset Dispositions	10,330	14,176	21,446	-	244,352	(8,002)	17,029	-	254,682	6,174	38,475	-
TOTAL NON-OPERATING INCOME	10,330	14,176	21,694	(2,748)	284,608	33,462	72,068	41,241	294,938	47,638	93,762	38,493
									0	0	0	0
Non-Operating Expense												
Debt Service Interest Expense	-	(1,213)	4,910	2,055	-	-	-	-	-	(1,213)	4,910	2,055
TOTAL NON-OPERATING EXPENSE	-	(1,213)	4,910	2,055	-	-	-	-	-	(1,213)	4,910	2,055
INCOME (EXPENSE) BEFORE TRANSFERS	(978,847)	(740,154)	(1,027,798)	(588,172)	55,088	(152,548)	(444,558)	614,195	(923,759)	(892,702)	(1,472,356)	26,023
Transfers In												
Transfers Out	623,201	-	-	-	1,592,962	-	-	-	2,216,163	-	-	-
TOTAL TRANSFERS	(623,201)	-	-	-	(1,592,962)	-	-	-	(2,216,163)	-	-	-
CHANGE IN NET POSITION	(1,602,048)	(740,154)	(1,027,798)	(588,172)	(1,537,874)	(152,548)	(444,558)	614,195	(3,139,922)	(892,702)	(1,472,356)	26,023
Less Facility Fees	(171,994)	(33,019)	-	(520,251)	(327,607)	(222,882)	-	(1,139,874)	(499,601)	(255,901)	-	(1,660,125)
Sources (Uses) excl. Facility Fees	(1,774,042)	(773,173)	(1,027,798)	(1,108,423)	(1,865,481)	(375,430)	(444,558)	(525,679)	(3,639,523)	(1,148,603)	(1,472,356)	(1,634,102)
Food and Beverage												
Revenues	1,175,600	485,108	327,523	864,100	95,161	82,517	86,127	86,737	1,270,761	567,625	413,650	950,837
Expenses	973,773	470,509	352,888	868,254	73,030	49,766	62,293	69,565	1,046,803	520,275	415,181	937,819
Net	201,827	14,599	(25,365)	(4,154)	22,131	32,751	23,834	17,172	223,958	47,350	(1,531)	13,018
Pro Shop												
Revenues	485978	463390	544213	503685	71096	54554	63948	109930	557,074	517,944	608,161	613,615
Expenses	503231	514981	396115	476297	43022	53052	63418	106187	546,253	568,033	459,533	582,484
Net	-17253	-51591	148098	27388	28074	1502	530	3743	10,821	(50,089)	148,628	31,131
Golf Operations	(1,958,616)	(736,181)	(1,150,531)	(1,131,657)	(1,915,686)	(409,683)	(468,922)	(546,594)	(3,874,302)	(1,145,864)	(1,619,453)	(1,678,251)
Net of F&B and Pro Shop												

STATEMENT OF SOURCES AND USES

	Championship Course				Mountain Course				Total Golf Fund (320)			
	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2019-20	FY2020-21	FY2021-22	FY2022-23
	Actuals	Actuals	Actuals	Amended Budget	Actuals	Actuals	Actuals	Amended Budget	Actuals	Actuals	Actuals	Amended Budget
SOURCES												
Charges for Services	\$ 4,037,096	\$ 3,214,950	\$ 3,062,626	\$ 3,778,822	\$ 724,464	\$ 809,745	\$ 717,965	\$ 1,004,338	\$ 4,761,560	\$ 4,024,695	\$ 3,780,591	\$ 4,783,160
Facility Fees	171,994	33,019	-	520,251	327,607	222,882	-	1,139,874	499,601	255,901	-	1,660,125
Non Operating Income/Leases	-	-	-	-	40,256	41,464	54,791	43,989	40,256	41,464	54,791	43,989
Investment Earnings	-	-	248	(2,748)	-	-	248	(2,748)	-	-	496	(5,496)
Proceeds from Capital Asset Dispositions	10,330	14,176	21,446	-	244,352	(8,002)	17,029	-	254,682	6,174	38,475	-
Transfers In	-	-	181,455	-	-	-	-	-	-	-	181,455	-
TOTAL SOURCES	\$ 4,219,420	\$ 3,262,145	\$ 3,265,775	\$ 4,296,325	\$ 1,336,679	\$ 1,066,089	\$ 790,033	\$ 2,185,453	\$ 5,556,099	\$ 4,328,234	\$ 4,055,808	\$ 6,481,778
USES												
Salaries and Wages	1,511,829	1,170,676	1,256,237	1,535,541	320,393	346,777	356,823	500,207	1,832,222	1,517,453	1,613,060	2,035,748
Employee Fringe	421,675	349,938	360,061	457,288	96,581	112,455	115,737	162,915	518,256	462,393	475,798	620,203
Total Personnel Cost	\$ 1,933,504	\$ 1,520,614	\$ 1,616,298	\$ 1,992,829	\$ 416,974	\$ 459,232	\$ 472,560	\$ 663,122	\$ 2,350,478	\$ 1,979,846	\$ 2,088,858	\$ 2,655,951
Professional Services	6,010	6,403	5,234	6,380	7,025	2,296	1,759	2,570	13,035	8,699	6,993	8,950
Services and Supplies	1,119,686	797,277	885,825	1,078,693	483,269	333,305	345,354	399,290	1,602,955	1,130,582	1,231,179	1,477,983
Insurance	68,363	72,765	77,941	81,800	15,687	16,725	17,932	18,800	84,050	89,490	95,873	100,600
Utilities	244,614	227,960	223,990	252,595	83,695	84,117	88,192	98,346	328,309	312,077	312,182	350,941
Cost of Goods Sold	913,275	491,861	437,588	615,505	64,580	61,792	47,980	113,366	977,855	553,653	485,568	728,871
Central Services Cost	236,800	225,626	179,012	231,348	54,000	56,533	61,381	77,236	290,800	282,159	240,393	308,584
Capital Improvements	-	-	96,520	1,281,417	-	-	556,500	1,138,000	-	-	653,020	2,419,417
Debt Service	-	-	182,305	185,551	-	-	1,225	1,874	-	-	183,530	187,425
TOTAL USES	\$ 4,522,252	\$ 3,342,506	\$ 3,704,713	\$ 5,726,118	\$ 1,125,230	\$ 1,014,000	\$ 1,592,883	\$ 2,512,604	\$ 5,647,482	\$ 4,356,506	\$ 5,297,596	\$ 8,238,722
Transfers (Out)	-	-	-	-	-	-	-	-	-	-	-	-
SOURCES(USES)	\$ (302,832)	\$ (80,361)	\$ (438,938)	\$ (1,429,793)	\$ 211,449	\$ 52,089	\$ (802,850)	\$ (327,151)	\$ (91,383)	\$ (28,272)	\$ (1,241,788)	\$ (1,756,944)
<i>Less Facility Fees</i>	<i>(171,994)</i>	<i>(33,019)</i>	<i>-</i>	<i>(520,251)</i>	<i>(327,607)</i>	<i>(222,882)</i>	<i>-</i>	<i>(1,139,874)</i>	<i>(499,601)</i>	<i>(255,901)</i>	<i>-</i>	<i>(1,660,125)</i>
<i>Sources (Uses) excl. Facility Fees</i>	<i>(474,826)</i>	<i>(113,380)</i>	<i>(438,938)</i>	<i>(1,950,044)</i>	<i>(116,158)</i>	<i>(170,793)</i>	<i>(802,850)</i>	<i>(1,467,025)</i>	<i>(590,984)</i>	<i>(284,173)</i>	<i>(1,241,788)</i>	<i>(3,417,069)</i>
Food and Beverage												
Revenues	1,175,600	485,108	327,523	864,100	95,161	82,517	86,127	86,737	1,270,761	567,625	413,650	950,837
Expenses	973,773	470,509	352,888	868,254	73,030	49,766	62,293	69,565	1,046,803	520,275	415,181	937,819
Net	201,827	14,599	(25,365)	(4,154)	22,131	32,751	23,834	17,172	223,958	47,350	(1,531)	13,018
Pro Shop												
Revenues	485978	463390	544213	503685	71096	54554	63948	109930	557,074	517,944	608,161	613,615
Expenses	503231	514981	396115	476297	43022	53052	63418	106187	546,253	568,033	459,533	582,484
Net	-17253	-51591	148098	27388	28074	1502	530	3743	10,821	(50,089)	148,628	31,131
Golf Operations	(659,400)	(76,388)	(561,671)	(1,973,278)	(166,363)	(205,046)	(827,214)	(1,487,940)	(825,763)	(281,434)	(1,388,885)	(3,461,218)
<i>Net of F&B and Pro Shop</i>												

MEMORANDUM

TO: Board of Trustees

THROUGH: Chair Dent

FROM: Sara Schmitz, Trustee

SUBJECT: Review, discuss and possibly provide direction to advertise for the proposed management consulting engagement

RELATED STRATEGIC PLAN INITIATIVE(S): While not a budget strategic plan initiative, it is being Board directed to address areas of need within the District

RELATED DISTRICT POLICY, PRACTICES, RESOLUTIONS or ORDINANCES: Policy 20.1, Purchasing Policy for Goods and Services

DATE: 3/15/2023

I. RECOMMENDATION

It is recommended that the Board of Trustees makes a motion to approve the management engagement Request for Proposals (RFP) and directs staff to advertise the request. 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 advertise the attached 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**

See the attached RFP that includes Exhibit A, the Scope of Work.

Please note that while the RFP has many listed documents listed in the Exhibits sections, they intentionally are not included in the board packet simply to reduce the size of the packet. The documents are available for review, should Trustees and/or the public have interest in reviewing.

Legal counsel has reviewed and provided input on the language contained in the RFP.

The RFP references the board's appointed liaison being the person to receive weekly written updates and to be the point of contact during the engagement. This is Trustee Tulloch.

The RFP states proposals are sent to our District Clerk and for questions related to the proposal, those are directed to Trustee Schmitz.

VI. **BUSINESS IMPACT/BENEFIT**

Recommendations for change implementation must include either cost benefit, service improvement, operational or compliance improvements.

VII. **DECISION POINTS NEEDED BY THE BOARD OF TRUSTEES**

Decisions are needed re: email addresses, contact info and dates within the RFP

**REQUEST FOR PROPOSAL
MANAGEMENT CONSULTING SERVICES**

March 23, 2023

To: All Prospective Proposers
Subject: Request for Proposals: Management Consulting Services
Date Issued: [DATE]
Responses Due: [April 10th, 2023]

Owner

Incline Village General Improvement District (IVGID or District)
893 Southwood Blvd.
Incline Village, NV 89451

IVGID RFP Contact: Sara Schmitz, Trustee
Schmitz_Trustee@ivgid.org or 925-858-4384
Melissa Robertson, District Clerk
mnrmp@ivgid.org or 775-832-1268

Field Code Changed

About the District

The District is a General Improvement District, established under Nevada Revised Statutes (NRS) Chapter 318 and chartered to provide water, sewer, trash and recreation services for over 9,000 residents in the communities of Incline Village and Crystal Bay, Nevada. Within the limits of the NRS, IVGID is empowered to determine what facilities and services it should offer that will preserve or enhance the general health, safety and welfare of the community. For more information about the District, please visit: <https://www.yourtahoeplace.com/ivgid>.

Project Identification

Project Name: Management Consulting Services

The purpose of this Request for Proposals is to select a qualified firm(s) to provide some or all of the outlined Scope of Work services.

Delivery of Proposals

Proposal packages from all interested parties will be submitted in PDF electronic format to the District Clerk at mnrmp@ivgid.org, and will be subject to the terms, conditions and scope of services herein stipulated and/or attached hereto.

Deadline for receipt of proposals is **April 10th, 2023**.

Confidentiality: All documents and other information submitted in response to this Request for Proposal are confidential and will not be disclosed until notice of intent to award the contract is issued.

ARTICLE 1 PROJECT OVERVIEW

A. PROJECT DESCRIPTION

The Incline Village General Improvement District Board of Trustees is seeking proposals for the initial phase of a two-phase project. This initial phase will involve reviewing and analyzing the current scope, adequacy, and viability of a number of current policies, documents and systems identified in the Scope of Work, including the District's Strategic Plan and organizational and staffing structure. The initial phase will also include formulating recommendations for the potential second phase of the project, which will be contracted for separately and will involve all facets of change implementation associated with the recommendations obtained through the first phase. Should an interested firm not have the ability to deliver on all aspects of the Scope of Work, the Board of Trustees will consider partial responses.

The Board of Trustees will be reviewing all responses and will select their preferred vendor(s) for all or portions of the defined Scope of Work. Submitted proposals should provide cost estimates by enumerated subjects identified in the Scope of Work.

B. PROJECT SCHEDULE

All proposals are to include project start and completion dates for each of the identified Scope of Work items.

C. PERSONNEL

The firm's personnel shall be qualified and trained to accomplish the work in a professional manner and in compliance with all applicable federal, state and local requirements. This includes, but is not limited to:

- Demonstrated experience reviewing and analyzing foundational public agency documents
- Understanding of applicable state and local laws, regulations, and policies
- Demonstrated experience reviewing and identifying potential concerns with financial and software systems

D. EQUIPMENT

The firm shall provide all materials and equipment necessary to accomplish the Work.

E. INSURANCE REQUIREMENTS

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, Professional Liability, Workers' Compensation, and Professional Liability Insurance.

General Liability: Contractor shall purchase General Liability coverage with a minimum of \$2,000,000 combined single limit per occurrence, \$4,000,000 aggregate for bodily injury, personal injury and property damage. Contractor shall have a Certificate of Insurance issued to the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT naming it as additional insured, and indicating coverage types, amounts and duration of the policy.

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 \$2,000,000 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.

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.

Notice of Change/Non-Renewal: All certificates of insurance required under this section E. 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.

F. LICENSES

Consultant shall have a Washoe County business license if applicable, and all appropriate Contractor's licenses and certifications for the services to be performed.

G. STAFFING PLAN AND STAFF QUALIFICATIONS

The firm shall provide a staffing plan identifying total number of consultants and the number of each category of consultants who will be assigned to complete the Work; names of key individuals, number of years' experience and specific responsibilities; and job descriptions for each category of each person who will be performing the work.

H. SIMILAR ENGAGEMENTS

Submitted proposals must include examples of similar engagements and the results delivered.

ARTICLE 2 PROPOSAL SUBMITTAL REQUIREMENTS

Please submit an electronic (PDF) written proposal to mnrfa@ivgid.org, with the subject line "RFP – Management Consulting," by the Proposal Submission Deadline that addresses the following matters. Proposers must provide the following information in the order listed below. Please respond to each section on a separate page, in the order listed. Use this Article 2 as a checklist to be sure all information is included. **PROPOSALS NOT RECEIVED IN THIS FORMAT MAY BE CONSIDERED NON-RESPONSIVE.**

Submission of a Proposal shall be deemed a representation that the proposer:

1. Has carefully read and fully understands the information provided by IVGID as part of this RFP, including all Exhibits;
2. Represents that all information submitted is true and correct;

3. Did not, in any way, collude, conspire to agree, directly or indirectly, with any person, firm, corporation or other firm regarding the amount, terms or conditions of its Proposal; and
4. Acknowledges that IVGID has the right to make any inquiry it deems appropriate to substantiate or supplement information as necessary.

□ A – COVER LETTER

Include a cover letter with a summary of the firm's experience and capability in management and software consulting and service delivery related to the Scope of Work identified. Include the founding date of your organization, parent/subsidiary/affiliation relationship with other firms, types of services provided and the number of years your firm has been in business. Detail any exclusions to the Scope of Work.

□ B – COMPANY BACKGROUND AND ORGANIZATION

Include your firm's complete:

1. Name
2. Address
3. Contact person
4. Phone number
5. Email
6. Website address
7. Provide company's mission statement, values, and ethical standards
8. Describe your company's major lines of business
9. What differentiates your services/company from other companies offering similar services?
10. Identify any litigation pending or threatened against your company as of the submission date

□ C – EXPERIENCE

1. Number of years in management and software consulting and implementation
2. Referrals – List of similar Project-related clients, including:
 - a. Service provided
 - b. Client organization
 - c. Scale of project (e.g. project \$ amount, location, size, duration)
 - d. Contact name and number
3. Special Considerations
4. Describe any attribute of your firm that would enhance this proposal

□ D – STAFFING PLAN

1. Number of staff assigned to the work, by category
2. Job descriptions of staff, by category
3. Staff qualifications
 - a. Education/relevant experience (type and number of years) of key employees
 - b. Training of each employee or category of employee
 - i. Scope, frequency, employees covered, training, organization
4. Proposed staffing and project schedule

□ E – FINANCIAL DATA

Provide a copy of your most recent audited Financial Statement

□ **F – PROJECT COST AND SCHEDULE**

The proposal must contain the cost estimate for each item listed in the Scope of Work and the estimated timeline for completion of the required analysis, recommendations and formulation of the cost and timeline estimate for the potential implementation of the recommendations.

ARTICLE 3 EVALUATION AND AWARD

- A. **Proposal Evaluation:** Per NRS 332 and IVGID's Purchasing Policy for Goods and Services, IVGID is not required to select the lowest priced offer, but may look at all factors concerning an offer, including, but not limited to, whether the proposal has:
1. the appropriate financial, materials, equipment, facility, personnel resources and expertise available, or the ability to obtain these as necessary to indicate the capability to meet all contractual requirements;
 2. demonstrated a thorough and accurate response to each requested item;
 3. a satisfactory record of performance, including a demonstrated history of successfully completing projects of a similar type, meeting delivery deadlines, and experience with similar work;
 4. any requested exceptions to IVGID's standard professional services agreement (Exhibit G);
 5. a satisfactory record of customer service;
 6. a satisfactory record of integrity;
 7. the legal authority to contract with IVGID; and
 8. any other factors IVGID deems relevant.
- B. IVGID reserves the right not to contract with any person submitting a bid in response to this Request for Proposal. If IVGID decides to contract, it will do so with the proposer whose responses best meet its needs, consistent with the selection process set forth herein. This Request for Proposal shall not be binding on IVGID until such time as a formal written contract and related documents have been approved by IVGID and fully executed by the parties.
- C. The Board of Trustees shall evaluate, interview, and select the firm(s) it determines to be best suited for this engagement. Evaluation of a response does not constitute a commitment by IVGID to acquire such services from any source. IVGID is not obligated in any way to proceed with this RFP or consider or enter into any agreement or undertake any liability to any firm in connection with this RFP, and any and all responses, whether qualified or not, may be rejected without any liability whatsoever to any firm on the part of IVGID. IVGID shall not be responsible for any costs incurred by a firm to prepare, submit, negotiate, contract or otherwise participate in this RFP process.
- D. IVGID further reserves the right to:
1. Make a selection based on its sole discretion;
 2. Reject any and all proposals;
 3. Issue subsequent solicitations;
 4. Postpone any of the time periods set forth in this RFP, for its own convenience;
 5. Remedy technical errors in the RFP;
 6. Approve or disapprove the use of particular subconsultants;

7. Negotiate with any, all, multiple or none of the Proposers that respond;
8. Negotiate a final project scope that includes all, just a portion, or related additional items relative to the proposed Scope of Work set forth in this RFP;
9. Waive informalities and irregularities in this RFP;
10. Utilize others to perform or supply work of the type contemplated by this RFP;
11. Request proposals from others with or without requesting proposals from contractors for the work of the type contemplated by this RFP; and/or
12. Enter into an agreement with another firm or re-solicit this project in the event the originally selected firm defaults or fails to execute an agreement with IVGID.

ARTICLE 4 FIRM SELECTION SCHEDULE; QUESTIONS REGARDING RFP; ADDENDA

The following dates are tentative and subject to revision by the District:

RFP for Services Advertised	March 23, 2023
RFP - Last Day for Questions	April 10th, 2023, 5 pm
Proposals Due	April 17th, 2023, 5 pm
Negotiations completed and selection of Consultant	April 26th, 2023
Award of Project – IVGID Board of Trustees Meeting.....	April 27th, 2023

For questions regarding this RFP, please contact: Schmitz_Trustee@ivgid.org, with the subject line clearly marked “RFP – Management Consulting.” Questions must be received no later than the deadline set forth above. IVGID does not guarantee that it will provide answers to questions submitted after that deadline, but will make reasonable efforts to do so.

In the event it becomes necessary to revise any part of this RFP, IVGID will issue written addenda. Any amendment to this RFP is only valid if it is in writing and issued by IVGID. No oral interpretations or answers will bind IVGID. All addenda issued by IVGID will become part of this RFP.

No proposals will be accepted after the proposal due date listed above.

ARTICLE 5 SELECTION PROCESS, EVALUATION AND SELECTION CRITERIA

The firm(s) selection process will be conducted in accordance with all requirements stipulated in NRS Chapter 332 and IVGID Board Policy 20.1.0, Purchasing Policy for Goods and Services. All responsive Proposals received will be reviewed and evaluated by the Board of Trustees.

A short-list of firms will be determined based on qualifications and the completeness of the Proposal. The Board of Trustees may elect to conduct interviews prior to the final selection of a firm or firms. By submitting a Proposal, the proposer acknowledges that the IVGID Board of Trustees has sole and absolute discretion in the evaluation and the selection of one or more firms for this project.

ARTICLE 6 WITHDRAWAL OF PROPOSAL

The firm’s authorized representative may, prior to the date and time set as the deadline for receipt of the Proposals, modify or withdraw a response by contacting the District’s contact shown above via email and phone. A modification or withdrawal received prior to the deadline for proposal receipt shall be considered timely.

ARTICLE 7 DISQUALIFICATION OF PROPOSALS

Firms may be disqualified and Proposals may be rejected for any of, but not limited to, the following causes:

1. Lack of signature by an authorized representative on the Proposal
2. Failure to properly and/or accurately complete the Proposal
3. Evidence of collusion

IVGID reserves the right to waive any minor informality or irregularity, or to request clarification of such minor informalities or irregularities from any or all firms.

ARTICLE 8 CONFLICT OF INTEREST

No employee, officer, or agent of IVGID shall participate in the selection, or in the award or administration, of the Agreement if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when one of the following has a financial or other interest in any firm proposing on or selected for the award:

1. The employee, or an officer or agent of the employee
2. Any member of the employee's immediate family
3. The employee's business partner
4. An organization which employs, or is about to employ, any of the above

IVGID's officers, employees, and agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from prospective firms. Prior to entering into the Consulting Services Agreement, the firm is required to inform IVGID of any real or apparent organizational conflict of interest.

RFP EXHIBITS

Exhibit A – Scope of Work

Exhibit B – Scope of Work item 1 Strategic Plan materials to be found here:

https://www.yourtahoepace.com/uploads/pdf-ivgid/District_Strategic_Plan_-_FINAL.pdf

Exhibit C – Scope of Work item 2 materials

1. DRAFT – Accounting and Finance Manual
2. DRAFT – Purchasing Policies and Procedures
3. Management Partners scope of services

Exhibit D – Scope of Work item 3 materials

1. IVGID Point of Sale Software Structure dated 3-14-2023
2. Tyler Munis training document
3. Tyler Munis Statement of Work

Exhibit E – Scope of Work item 4 materials

1. Job Descriptions for Senior Management
2. Current Organizational Chart
3. Raftelis Report

Exhibit F – Scope of Work item 5 materials to be found here:

<https://www.yourtahoeplace.com/ivgid/resources/board-policies-practices>

<https://www.yourtahoeplace.com/ivgid/resources/district-policy-procedure-resolutions>

Exhibit G – Standard IVGID Services Agreement Example

EXHIBIT A
Scope of Work

The Incline Village General Improvement District Board of Trustees is seeking proposals for the initial phase of a two-phase project. This initial phase will involve reviewing and analyzing the current scope, adequacy, and viability of a number of current policies and documents identified in the Scope of Work, including the District's Strategic Plan and financial and software systems. The initial phase will also include formulating recommendations for the potential second phase of the project, which will be contracted for separately and will involve all facets of change implementation associated with the recommendations obtained through the first phase. Should an interested firm not have the ability to deliver on all aspects of the Scope of Work, the Board of Trustees will consider partial responses.

In the first phase, the firm will be asked to provide deliverables, in the form of written reports, that include recommendations for changes and methods of implementation for each of the below-identified areas. These recommendations must include discussion of how they will provide a cost-benefit, level of service, or operational or compliance improvement to the District. The deliverables must also include detailed scopes of work for subsequent change implementation procedures, including cost estimates and project implementation plans. The areas to be covered by these deliverables are:

1. **Strategic Plan** - Review with the BOT and senior management the existing strategic plan and formulate recommendations for improvements. The existing strategic plan may be found by using the link provided below:
https://www.yourtahoeplace.com/uploads/pdf-ivgid/District_Strategic_Plan_-_FINAL.pdf
2. **Internal Controls** –Review the financial operational procedures and formulate recommendations for improvements. The existing internal financial procedures are included in Exhibit C.
3. **Financial and Software System(s)** - Review the status of the Tyler Munis software conversion, review the point-of-sale systems, the system for maintaining the Recreation Cards, and system used to scan and verify Recreation Cards. The firm is to analyze the current situation, formulate plans and recommendations for completing the Tyler Munis system implementation to meet the District's needs and assess the other systems utilized by the District for potential consolidation and/or system improvements. The systems are outlined in the attached Exhibit D.
4. **Organizational and Staffing Structure** – Review the District's organizational structure and the current responsibilities and job descriptions of the Senior

Management Team. Formulate recommendations including refinement of the senior management job descriptions and responsibilities. The organizational chart and existing senior management job descriptions are contained in Exhibit E.

5. **Policies** – Review current Resolutions and Board policies and document their compliance. All Resolutions and Board policies may be found at the links below:

<https://www.yourtahoepalce.com/ivgid/resources/board-policies-practices>

<https://www.yourtahoepalce.com/ivgid/resources/district-policy-procedure-resolutions>

In addition to the final deliverables, the consulting firm will also be responsible for reporting to the Board of Trustees' appointed liaison by providing a written weekly status report of the project, including potential additional needs for materials and/or staff time.

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.

EXHIBIT B

Scope of Work Item 1 Strategic Plan

https://www.yourtahoepace.com/uploads/pdf-ivgid/District_Strategic_Plan_-_FINAL.pdf

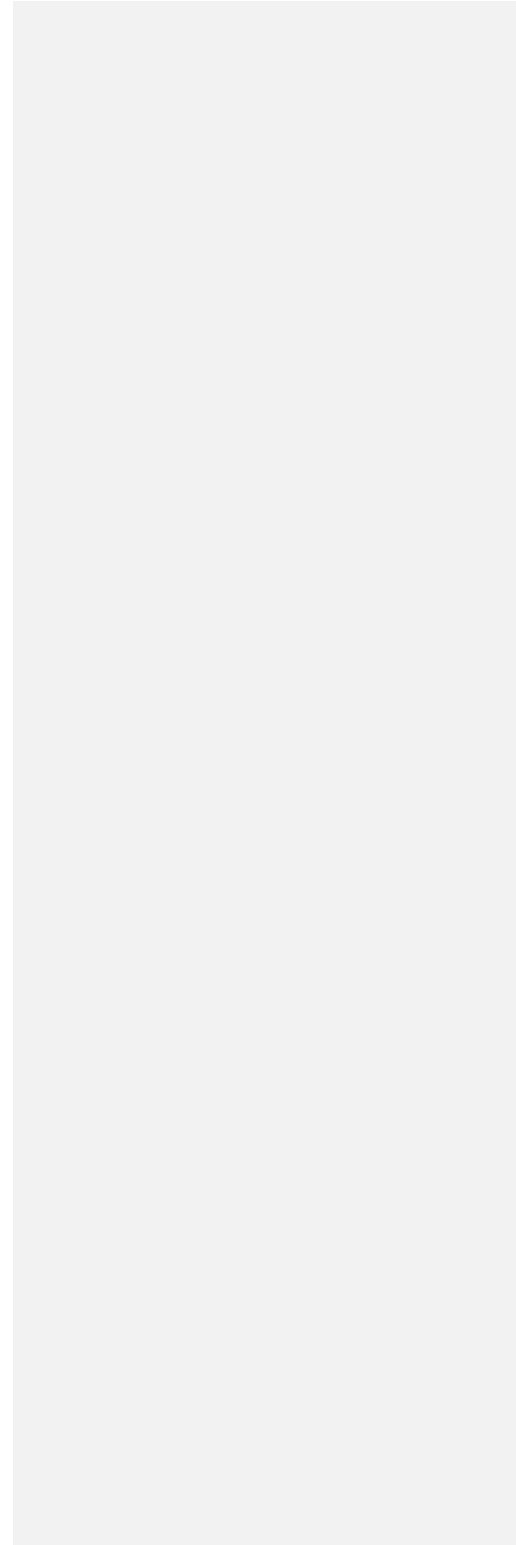


EXHIBIT C

Scope of Work Item 2 Internal Controls

Accounting and Finance Manual

Purchasing Policies and Procedures

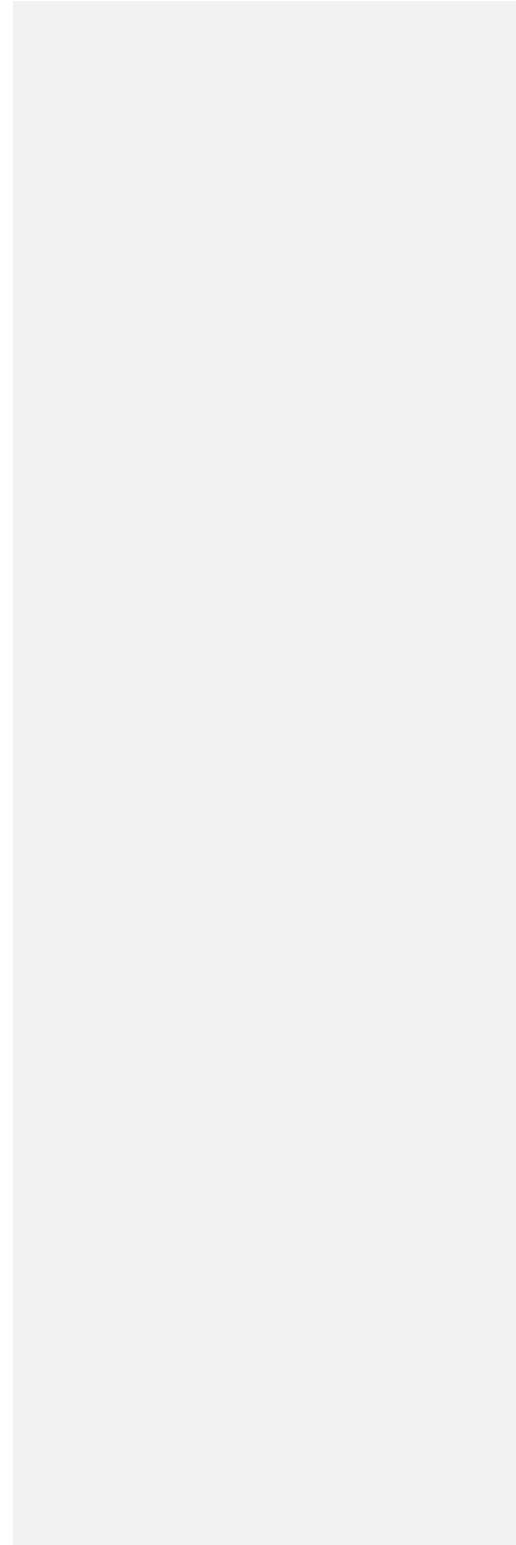


EXHIBIT D

Scope of Work Item 3 Materials

IVGID Point of Sale Software Structure

Tyler Munis training document
Tyler Munis Statement of Work

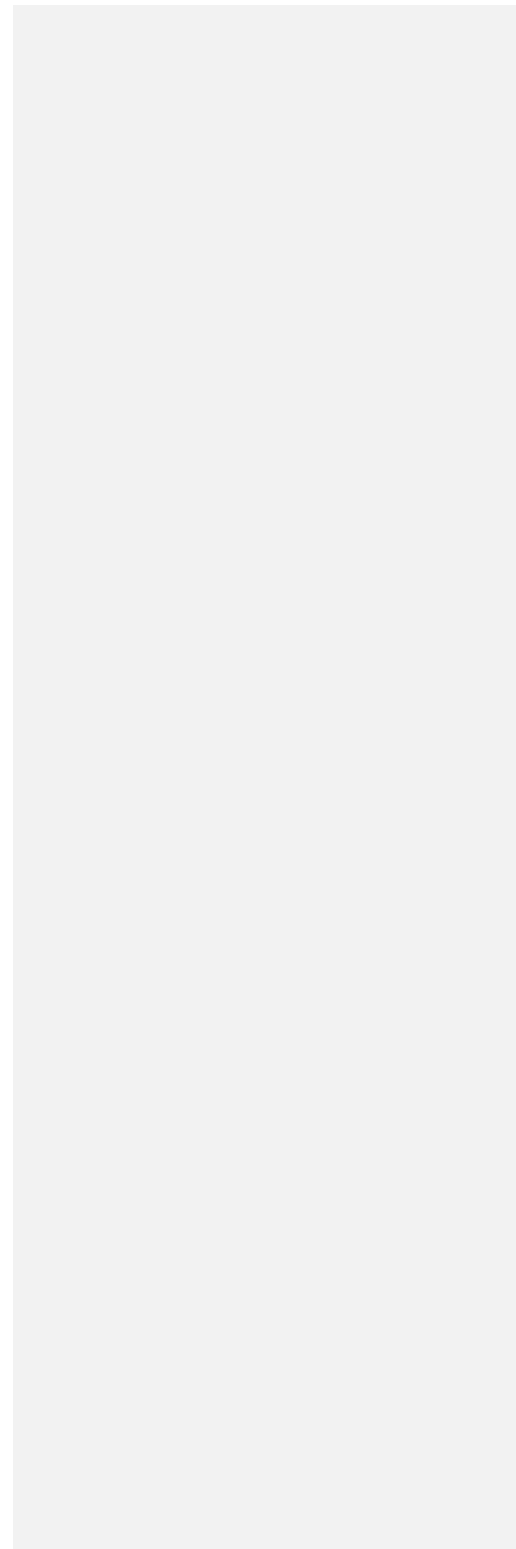


EXHIBIT E

Scope of Work Item 4 Materials

Job Descriptions for Senior Management

Organizational Chart

Raftelis Report

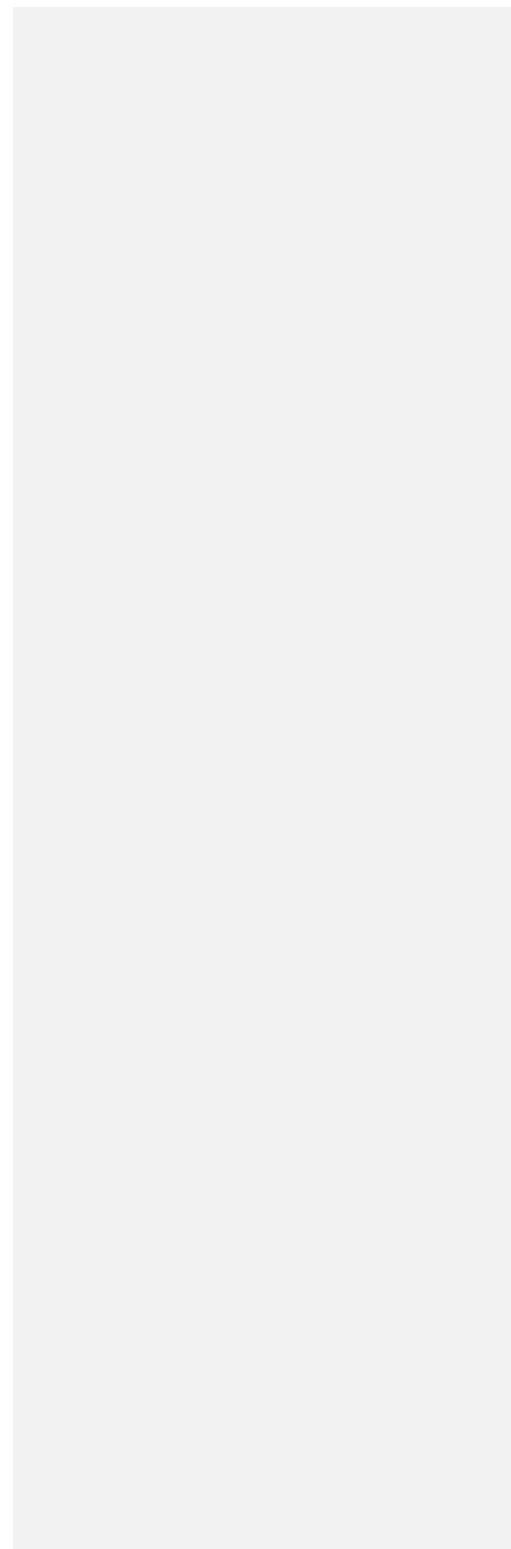


EXHIBIT F

Scope of Work Item 5 Materials

<https://www.yourtahoeplace.com/ivgid/resources/board-policies-practices>

<https://www.yourtahoeplace.com/ivgid/resources/district-policy-procedure-resolutions>

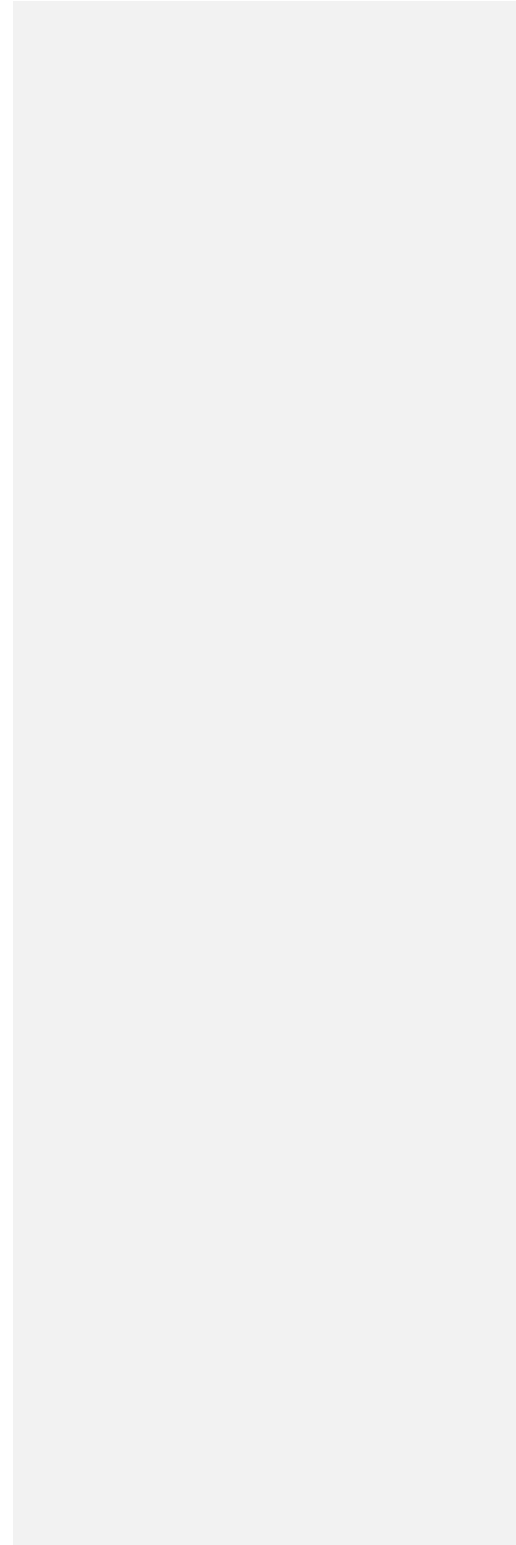
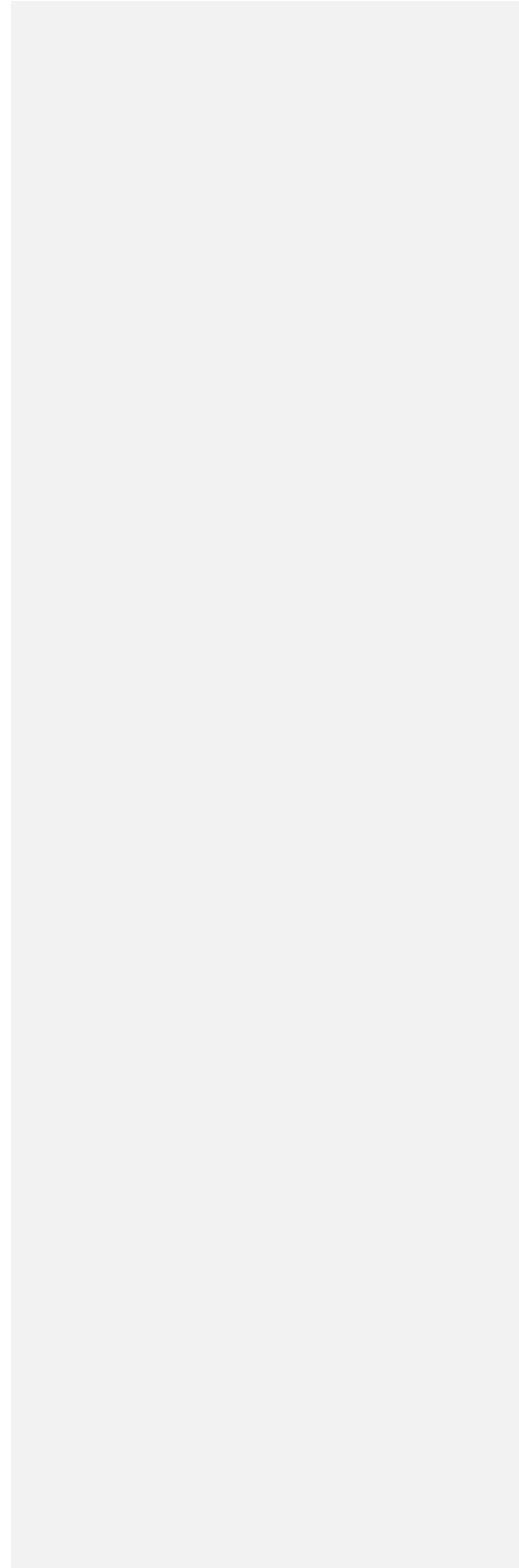


EXHIBIT G
STANDARD SERVICES AGREEMENT EXAMPLE





LONG RANGE CALENDAR

Wednesday, April 12, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom

Items Slated for Consideration

Board approval of FY 2023/2024 Tentative Budget (Form 4404LGF) (to be filed April 15, 2023)

Begin Using new Long Range Calendar Template Format

- 1. Award Construction Contract for Wetlands Improvements – PW
2. Award CMAR GMP 1 Contract for Effluent Pipeline – PW
3. Tahoe Water for Fire Suppression Partnership Grant -Update of the project summary and bring back an augmentation of the Capital Budget to remove the project savings from the budget, (3/8)
4. 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
5. External Organization Involvement Disclosure Policy (Nelson – 01/11/2023)
6. Review Revised Public Records Policy based on Trustee Feedback (Nelson)
7. Capital Advisory Committee – Bring back Criteria and Process (Trustee Schmitz – 3/8)
8. Two –phase Consulting Engagement - Draft RFP for SOW (Trustee Schmitz – 3/8)
9. Punch Card Recommendations
10. Review CIP Roles & Responsibilities
11. GM Report – Reject Construction Bid for Bike Park Improvements
12. Bring back LSC study (beaches) and Close-Out Report
13. Public Hearing – Ordinance 7
14. Amend FY 2022/23 capital budget to reflect financing plan/sources, etc
15. Utility Rate Study - bring back additional information related to components of the Rate Study (3/8)

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
6. Pricing Practice 6.2.0 – Review and Update (Trustee Tulloch 3/8)
7. Policy 16.1 – Recreation Roll
8. Annual Contract Review – Tahoe Forest Hospital District for DP Ski Area First Aid Station – expires 4/30/23

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
5. Approval of USACE 595 Model Agreement for Grant Funds (Effluent Pipeline and Storage Tank) – PW



LONG RANGE CALENDAR

Wednesday, May 25, 2023 at 6 p.m. – Special Board of Trustees Meeting - Boardroom

Public Hearings: FY 2023/24 Recreation Roll; FY 2023/24 Annual Budget
Presentation by Waste Management regarding proposed improvements to their Transfer Station property - PW

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

Contract Review 3 year – contract(s) – Operating Engineers Local Union No 3 (3) – expires 6/30/23
Annual Contract Review – Clean Tahoe, EXL Media, Wells Fargo – expires – 6/30/23
Review and Possible Approval of Revisions to Policy 2.1.0

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
- 2. Contract renewal with Best, Best & Krieger for legal services

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

Wednesday, August 30, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom

Items Slated for Consideration



LONG RANGE CALENDAR

Wednesday, September 13, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom

Items Slated for Consideration

Contract Review – Sand Harbor Water Sports – expires 9/30/23

Incline Spirits - expires 9/30/23

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

Contract Review – Alta Vista Cleaning Services – expires 10/31/23

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

Contract Review – OpenGOV – expires 11/30/23

Wednesday, December 13, 2023 at 6 p.m. – Regular Board of Trustees Meeting - Boardroom

Items Slated for Consideration

Contract Review – Parasol Tahoe Community Foundation, First Non Profit, USFS, Best Best & Krieger LLP, TRPA, – expires 12/31/23



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>
	Possible discussion on IVGID needs as it relates to potential land use agreement with DPSEF (Request by Trustee Schmitz – 01/18/2021)
	Next step on Diamond Peak parking lot/Ski Way – Staff added reminder
	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. Follow up with District Counsel Nelson
	Modifications to current budget to reflect grant funding and cost sharing on Effluent Tank (added by Director of Public Works)
	Liaisons with Washoe County
	Capitalization Policy (Schmitz – 02/08/2023)
	Update on Snowflake Lodge (Noble)
	Resolution 1575 – Group Use of the Beaches – Repealed 06/29/2022 (Winquest 2/8/23)
	Workforce Housing for Seasonal Employees (Noble - 2/8)
	Disengage with certain outside agencies i.e. NDSL (Schmitz – 2/8)

*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.