

NOTICE OF MEETING

The regular meeting of the Incline Village General Improvement District Board of Trustees will be held starting at 6:00 PM on February 28, 2024 in the Boardroom, 893 Southwood Boulevard, Incline Village, Nevada.

Public comment is allowed and the public is welcome to make their public comment via telephone at (877)853-5247 (the webinar ID will be posted to our website on the day of the meeting). The meeting will be available for viewing at <https://livestream.com/accounts/3411104>.

- A. PLEDGE OF ALLEGIANCE*
- B. ROLL CALL OF TRUSTEES*
- C. INITIAL PUBLIC COMMENTS - *Unless otherwise determined, the time limit shall be three (3) minutes for each person wishing to make a public comment. Unless otherwise permitted by the Chair, no person shall be allowed to speak more than once on any single agenda item. Not to include comments on General Business items with scheduled public comment. The Board of Trustees may address matters brought up during public comment at the conclusion of the comment period but may not deliberate on any non-agendized item.*
- D. APPROVAL OF AGENDA *(for possible action)*
The Board of Trustees may make a motion for a flexible agenda which is defined as taking items on the agenda out of order; combining agenda items with other agenda items; removing items from the agenda; moving agenda items to an agenda of another meeting, or voting on items in a block.
-OR- The Board of Trustees may make a motion to accept and follow the agenda as submitted/posted.
- E. REPORTS TO THE BOARD - Reports are intended to inform the Board and/or the public.
1. **SUBJECT:** Verbal update report on the Tennis Center Project by Interim Public Works Director Kate Nelson and District Project Manager Bree Waters.
- F. CONSENT CALENDAR (for possible action)
1. **SUBJECT:** Approval of the Meeting Minutes for January 31, 2024. ~ **pages 6 - 93**
 2. **SUBJECT:** Approval of the Meeting Minutes for February 14, 2024. ~ **pages 94 - 177**
 3. **SUBJECT:** Review, discuss and possibly approve the Agreement for Services for Sewer Pump Station #10 Line Stop - 2023/24 Operating Fund: Public Works; Utilities; Sewer; General Ledger #20002522-7510; Vendor: Tap Master, in the amount of \$10,675.00. (Requesting Staff Member: Interim Public Works Director Kate Nelson) ~ **pages 178 - 184**

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

1. Approve the Agreement for Services with Tap Master, for the total amount of \$10,675.00.
2. Direct the Interim Director of Public Works to sign and execute the Agreement.

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Agenda for the Board Meeting of February 28, 2024 - Page 2

4. **SUBJECT:** Review, discuss and possibly approve the Agreement for Services for sewage hauling from Sewer Pump Station #10 - 2023/24 Operating Fund: Public Works; Utilities; Sewer; General Ledger #20002522-7510; Vendor: Alpine Septic, in the amount of \$5,400.00. (Requesting Staff Member: Interim Public Works Director Kate Nelson) ~ **pages 185 - 189**

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

1. Approve the award of the Agreement for Services with Alpine Septic, for the total amount of \$5,400.00.
2. Direct the Interim Director of Public Works to sign and execute the Agreement.

5. **SUBJECT:** Review, discuss and possibly approve the Agreement for Services for crane services at Burnt Cedar Water Disinfection Plant - 2023/24 Operating Fund: Public Works; Utilities; Water; General Ledger #20002222-7510; Vendor: Connolly Crane, in the amount of \$5,610.00. (Requesting Staff Member: Interim Public Works Director Kate Nelson) ~ **pages 190 - 196**

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

1. Approve the award of the Agreement for Services with Connolly Crane Services, for the total amount of \$5,610.00.
2. Direct the Interim Director Of Public Works to sign and execute the Agreement.

6. **SUBJECT:** Review, discuss and possibly approve the Agreement for Services with Finest LLC - 2023/24 Operating Fund: Public Works; Utilities; Sewer; General Ledger #20002524-7510; Vendor: Finest LLC, in the amount of \$10,045.22. (Requesting Staff Member: Interim Public Works Director Kate Nelson) ~ **pages 197 - 203**

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

1. Approve the award of the Agreement for Services with Finest LLC, for the total amount of \$10,045.22.
2. Direct the Interim Director of Public Works to sign and execute the Agreement.

7. **SUBJECT:** Review, discuss and possibly approve the Agreement for Services for sodium silicate pumping and disposal at the Burnt Cedar Water Disinfection Plant - 2023/24 Operating Fund: Public Works; Utilities; Water; General Ledger #20002223-7510; Vendor: Hero Environmental Services, in the amount not to exceed \$10,400.50. (Requesting Staff Member: Interim Public Works Director Kate Nelson) ~ **pages 204 – 209**

Incline Village General Improvement District

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

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NOTICE OF MEETING

Agenda for the Board Meeting of February 28, 2024 - Page 3

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

1. Approve the award of the Agreement for Services with Hero Environmental Services, for the total amount not to exceed \$10,400.50.
 2. Direct the Interim Director of Public Works to sign and execute the Agreement.
8. **SUBJECT:** Review, discuss and possibly approve the Amendment to the current Agreement for Professional Services - 2023/24 Operating Fund: Public Works; Utilities; Sewer and Water; General Ledger #20002223-7330 and 20002225-7330; Vendor: Jacobs Engineering Group Inc., in the amount of \$12,000.00. (Requesting Staff Member: Interim Public Works Director Kate Nelson). ~ *pages 210 - 215*

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

1. Approve Amendment 1 to the Professional Services Agreement with Jacobs, for the total amount of \$12,000.00.
 2. Direct the Interim Director of Public Works to sign and execute the Agreement.
9. **SUBJECT:** Review, discuss and possibly approve the Agreement for Surveying Services for the Ponderosa Ranch Road Water Main Replacement Project - 2023/24 Capital Improvement Project; Fund: Utilities; Division: Water; Project #2299WS1803 Watermain Replacement - Future; Vendor: Walsh Odyssey Engineering, LTD, dba Odyssey Engineering, Inc., in a not-to-exceed amount of \$7,800.00. (Requesting Staff Member: Interim Engineering Manager Hudson Klein). ~ *pages 216 - 233*

Recommendation for Action: The Board of Trustees makes a motion to:

1. Review, discuss and possibly authorize the Agreement for surveying services of the Ponderosa Ranch Road Water Main Replacement Project - CIP 2299WS1803; Vendor: Walsh Odyssey Engineering, LTD, dba Odyssey Engineering, Inc., for an amount not to exceed \$7,800.00.
 2. Authorize the Interim Director of Public Works to sign and execute the Agreement.
10. **SUBJECT:** Review, discuss and possibly approve the Agreement for Services for painting the interior of the Public Works Administration Building (Building A) - 2023/24 Capital Improvement Project; Fund: Utilities; Division: Public Works Shared; Project #2097BD1202 - Paint Interior Building #A; Vendor: Tahoe Workz, in an amount not to exceed \$28,750. (Requesting Staff Member: Interim Director of Public Works Kate Nelson) ~ *pages 234 - 250*

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

1. Approve the Agreement for Services with Tahoe Workz, Inc. for the amount not to exceed \$28,750.00.
2. Direct the Interim Director of Public Works to sign and execute the Agreement.

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G. GENERAL BUSINESS (for possible action)

1. **SUBJECT:** Review, discuss and possibly approve Diamond Peak Ski Resort’s 2024/25 Recreation Pass Holder daily lift ticket rates and Recreation Pass Holder season pass rates proposal. (Requesting Staff Members: General Manager of Diamond Peak Ski Resort, Mike Bandelin) ~ **pages 251 - 264**

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

1. Approve an increase to all Recreation Pass Holder daily ticket products as shown in (Table 1) for FY 2024/25; and,
2. Approve an increase to all Public (i.e. Non-Recreation Pass Holder) season pass products as shown in (Table 3 - Exhibit A) for FY 2024/25; and
3. Approve a \$0 increase to Recreation Pass Holder season pass prices (Table 3 - Option A) for FY 2024/25; and,
4. Direct District Staff to include an additional pricing tier (Tier 4) for Public season pass products at rates to be determined by market conditions.
2. **SUBJECT:** Review, discuss and possibly approve the Agreement for the 30% Schematic Design contract for Incline Beach House Project - 2023/24 Capital Improvement Project; Fund: Community Services; Division: Beaches; Project #3973LI1302; Contractor: CORE West Inc. dba CORE Construction in the amount of \$103,500.00. Review, discuss and possibly approve the Agreement for the 30% Schematic Design for the Incline Beach Access Project - 2023/24 Capital Improvement Project; Fund: Community Services; Division: Beaches; Project #3972BD2102; Contractor: CORE West Inc. dba CORE Construction in the amount of \$18,000.00. (Requesting Staff Member: Interim Public Works Director Kate Nelson) ~ **pages 265 - 282**

Recommendation for Action: The Board of Trustees makes a motion to:

1. Approve the Agreement for the 30% Schematic Design for the Incline Beach House Project - 2023/24 Capital Improvement Project; Fund: Community Services; Division: Beaches; Project #3973LI1302; Contractor: CORE West Inc. dba CORE Construction for the amount of \$103,500.00; and,
2. Approve the Agreement for the 30% Schematic Design for the Beach Access Project - 2023/24 Capital Improvement Project; Fund: Community Services; Division: Beaches; Project #3972BD2102; Contractor: CORE West Inc. dba CORE Construction for the amount of \$18,000.00; and,
3. Direct the Chair and Secretary to sign and execute the Agreements.
3. **SUBJECT:** Review, discuss and possibly provide direction for Staff to pursue execution of a CMAR Construction contract in the amount of \$6,636,173.51 and a budget augmentation of \$800,000 for the WRRF Storage Tank Project - 2023/24 Capital Improvement Project; Fund: Sewer; Division: Utilities; Project #2599SS2010; Contractor: Granite Construction. (Requesting Staff Member: Interim Public Works Director Kate Nelson) ~ **pages 283 - 292**

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NOTICE OF MEETING

Agenda for the Board Meeting of February 28, 2024 - Page 5

Recommendation for Action: That the Board of Trustees Makes a Motion to:

1. Provide direction to Staff to pursue execution of a CMAR Construction Agreement with Granite Construction for the WRRF Storage Tank Project with a Guaranteed Maximum Price in the Amount of \$6,636,173.51 (inclusive of Owner controlled Project risk register in the Amount of \$407,270.00).
2. Prepare a budget augmentation in the amount of \$800,000 to support the award of the CMAR construction contract, a contract with Jacobs for engineering services during construction, Staff time for project management and operational assistance, and inspection and testing, as required during construction.

- H. REDACTIONS FOR PENDING PUBLIC RECORDS REQUESTS (for possible action)
- I. LONG RANGE CALENDAR ~ *pages 293 - 297*
- J. BOARD OF TRUSTEES UPDATE
- K. FINAL PUBLIC COMMENTS - Limited to a maximum of three (3) minutes in duration.
- L. ADJOURNMENT (for possible action)

CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before 9:00 a.m. on Friday, February 23, 2024, a copy of this agenda (IVGID Board of Trustees Session of February 28, 2024) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were e-mailed to those people who have requested; and a copy was posted, physically or electronically, at the following locations in accordance with Assembly Bill 213:

1. IVGID Anne Vorderbruggen Building (893 Southwood Boulevard, Incline Village, Nevada; Administrative Offices)
2. IVGID's website (www.yourtahoeplace.com/ivgid/board-of-trustees/meetings-and-agendas)
3. State of Nevada public noticing website (<https://notice.nv.gov/>)
4. IVGID's Recreation Center (980 Incline Way, Incline Village, Nevada)

Persons may request copies of all agenda materials by contacting the District Clerk or by visiting the Administrative Offices at the address listed above.

/s/ Heidi H. White

Heidi H. White

District Clerk (e-mail: hwh@ivgid.org/phone # 775-832-1268)

IVGID Board of Trustees: Sara Schmitz - Chair, Matthew Dent - Vice Chair, Michaela Tonking - Secretary, Raymond Tulloch - Treasurer, and David Noble

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

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2 INCLINE VILLAGE
3 GENERAL IMPROVEMENT DISTRICT
4 BOARD OF TRUSTEES
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8
9 TRANSCRIPT OF HEARING
10 PUBLIC MEETING
11 Live and Via Zoom
12
13 Held at the Boardroom
14 893 Southwood Boulevard
15 Incline Village, Nevada
16
17 Wednesday, January 31, 2024
18
19
20
21
22
23
24 Reported by: Brandi Ann Vianney Smith
25 Job Number: IVGID 22

1 APPEARANCES
2
3 **BOARD MEMBERS PRESENT**
4 SARA SCHMITZ, CHAIR
5 MATTHEW DENT, VICE CHAIR
6 MICHAELA TONKING, SECRETARY
7 RAY TULLOCH, TREASURER
8 DAVE NOBLE, MEMBER
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10
11 **ALSO PRESENT**
12 SERGIO RUDIN, LEGAL COUNSEL
13 HEIDI WHITE, DISTRICT CLERK
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1 Incline Village, Nevada - 1/31/2024 - 6:00 P.M. 4
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5 CHAIR SCHMITZ: Good evening. It's six
6 o'clock here in Incline Village. I'm calling to
7 order the Incline Village General Improvement
8 District Board of Trustees meeting to order on
9 January 31st, here in the Boardroom at 893 Southwood
10 Boulevard. We will begin with the Pledge of
11 Allegiance.
12 A. PLEDGE OF ALLEGIANCE
13 (Pledge of Allegiance.)
14 CHAIR SCHMITZ: Now we'll begin with the
15 roll call of trustees.
16 B. ROLL CALL OF TRUSTEES
17 CHAIR SCHMITZ: Trustee Tonking?
18 TRUSTEE TONKING: Here.
19 CHAIR SCHMITZ: Trustee Tulloch?
20 TRUSTEE TULLOCH: Here.
21 CHAIR SCHMITZ: Trustee Noble?
22 TRUSTEE NOBLE: Here.
23 CHAIR SCHMITZ: Trustee Dent?
24 TRUSTEE DENT: Here.
25 CHAIR SCHMITZ: And myself, Trustee

5

1 Schmitz. We're all here. Moving on to initial
 2 public comments.
 3 C. INITIAL PUBLIC COMMENTS
 4 MR. KLEIN: Good evening. My name is John
 5 Klein. I'm proud to be a full-time resident
 6 homeowner here in Incline Village.
 7 While I've spent most of my career as a
 8 sales and operations consultant, I am currently,
 9 among other things, ski instructor Ray, the Incline
 10 High boys and girls varsity tennis coach.
 11 Through a joint usage agreement, IVGID
 12 hosts the home matches for the Incline High at the
 13 Tennis Center. While there are courts at the high
 14 school, there's not enough to complete matches
 15 before dark. I also captain USTA tennis teams, and
 16 we play our league matches at the Tennis Center.
 17 Additionally, I'm involved in the annual Incline
 18 Open, which I'm proud to say, we've filled to
 19 maximum capacity last year.
 20 Tennis is a lifetime sport and a great
 21 sport to learn at a young age. It builds character,
 22 as it's the only non-officiated sport in high school
 23 where you call your opponent's fouls. Furthermore,
 24 as a not-contact sport, the incidents of
 25 life-altering concussions is minimized.

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1 The high school tennis team grew one
 2 hundred percent from 2022 to 2023, and it will grow
 3 another hundred percent in 2024.
 4 Now, the courts of the Tennis Center were
 5 a subject of report commissioned by IVGID eight
 6 years ago. That report determined if the courts
 7 have now greatly exceeded their life span, and
 8 suggest that IVGID put aside money for their
 9 rehabilitation and rebuild. That has not occurred.
 10 While the courts may look fine to the naked eye,
 11 anyone who plays on them regularly can tell you
 12 about the weak and dead spots on the courts, where
 13 the substrate has washed away, as well as the large
 14 cracks that pop up in the spring and hosts snakes
 15 and chipmunks. Yes, I said snakes.
 16 Therefore, I'm very pleased to see the
 17 Board will be considering, tonight, taking the first
 18 step towards accepting bids to determine the cost
 19 for consideration it may take to save this valued
 20 community asset.
 21 Thank you.
 22 MS. MILLER: Good evening, Trustees.
 23 Well, it's another budget time. My
 24 comments are directed toward the recreation beach
 25 funds. This year's budget workshops will

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1 undoubtedly reflect the inflation we've all
 2 experienced. I believe we'll see a substantial
 3 increase in both operating and capital expenses.
 4 Since user fees are already at or close to market
 5 rate, the facility fees will likely require a sharp
 6 increase.
 7 There's one alternative I'll hope you'll
 8 explore. I know people think outsourcing is a
 9 four-letter word, so how about concessions?
 10 I worked at an airport for a number
 11 of years. The airport, of course, had many aviation
 12 responsibilities. Airports have bars, they have
 13 taxi services, they have restaurants. Our airport
 14 employees had no part in that, other than managing
 15 contracts for concessions. So I hope you'll
 16 consider that in some of the operations we do.
 17 Some years ago, we had a consultant to
 18 help with our strategic plan. He recommended an
 19 annual evaluation of operations and services to
 20 determine which ones were successful, both
 21 financially as well as in participation, and were
 22 truly part of the mission of IVGID.
 23 Sadly, his advice was never heeded, the
 24 book went on a shelf.
 25 But when you reflect on IVGID's mission to

8

1 provide recreation services, there are some services
 2 that really aren't within your scope of recreation.
 3 Instead, they compete with the private sector in a
 4 variety of business activities, some I've already
 5 mentioned.
 6 I recently heard GM Bandelin tell the Golf
 7 Committee that the food and beverage venues no
 8 longer adhere to the old rule of not competing with
 9 private local business. That would be fine if it
 10 weren't for the fact the only reason IVGID is
 11 empowered to offer those services is that they're
 12 considered an essential feature of a ski or golf
 13 operation. Once those operations close, the
 14 justification to operate bars and restaurants
 15 ceases. That seems to have been forgotten or
 16 perhaps not understood by those whose experience is
 17 primarily in private clubs.
 18 If we thought that way about other IVGID
 19 services, we'd be expanding into even more
 20 businesses. Maybe we'd have auto maintenance or
 21 landscape maintenance. Maybe some heavy equipment
 22 operations for our local contractors. What would be
 23 the limit?
 24 IVGID could grow and our staff would be
 25 gainfully employed even when ski and golf venues are

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1 closed. That's just not the purpose of local
 2 government, especially when it's subsidized by the
 3 property owners.

4 Restaurants are not an easy business. I
 5 have friends in those businesses, and I think we
 6 really need to look at the other ways to run them.
 7 It would drastically reduce the rec fee subsidies.

8 Thank you.

9 MS. WELLS: Good evening, Board. Kristie
 10 Wells, Incline Village resident. Please include the
 11 comments in the official minutes of the January 31st
 12 meeting.

13 Three of the IVGID trustees, Dent,
 14 Schmitz, and Tulloch, the chair of the Audit
 15 Committee, Chris Nolet, and the interim Director of
 16 Finance, Bobby Magee, insist that we need a forensic
 17 audit of past IVGID financial reports and
 18 administrative financial activities.

19 This is based on decisions related to past
 20 issues with IVGID policies and procedures and other
 21 issues that have been exasperated by severe staffing
 22 shortages in the finance department.

23 They have all stated there's been no
 24 indication of fraud, but they're moving forward with
 25 this audit in the hopes of justifying their effort

10

1 to discredit the last IVGID administration and/or
 2 justify their heavy-handed approach of dealing with
 3 the IVGID staff.

4 This past November, the Board approved a
 5 budget for the forensic audit, and scope of work was
 6 set for this project. RubinBrown provided the
 7 lowest bid, Baker Tilly was in second place, Moss
 8 Adams was a distant third. These are all based on
 9 the price. The interesting thing here is that
 10 RubinBrown is a part of Baker Tilly, so,
 11 technically, the same company provided two of the
 12 three bids.

13 Magee was hired on to IVGID's payroll from
 14 Baker Tilly, and IVGID paid Baker Tilly a \$10,000
 15 finder's fee, just FYI.

16 At the November 8th public meeting, the
 17 Board authorized Trustee Tulloch to negotiate the
 18 terms and conditions with RubinBrown, as well as the
 19 final scope of work to be conducted on a forensic
 20 audit. The negotiated contract was then to be sent
 21 back to the Board for review and approval. The
 22 dollar amount budgeted by the Board for the contract
 23 was to be for a total fixed price of \$110,000 for
 24 three years' review or \$160,000 for a five-year
 25 fiscal review.

11

1 Sometime between November 8th and January
 2 10th, the scope of work was increased that led the a
 3 contract amount not to exceed \$350,000, almost
 4 \$250,000 more than what was approved by this Board.
 5 Seems like a bait and switch from RubinBrown in this
 6 handling of the negotiations by Tulloch and possibly
 7 Magee.

8 Also, Magee, placed by Baker Tilly as I
 9 mentioned, is now on IVGID's payroll, and he
 10 probably should have recused himself from
 11 negotiations if he was present with RubinBrown.

12 Tulloch and Magee revised the contract and
 13 presented it to interim District Manager Bandelin
 14 for his signature without first informing the rest
 15 of the Board, sending it to the Board for their
 16 review and approval, or giving the community an
 17 opportunity to learn about or comment on this change
 18 in scope and contract pricing.

19 This community also needs to understand
 20 that the expense of this forensic audit is not just
 21 the cost of the RubinBrown contract, which is now
 22 either \$110,000 or \$350,000, but the additional
 23 expense of the consultants, like Pam Day, Baker
 24 Tilly, and other individuals Magee has hired that
 25 will need to stay on and assist IVGID staff during

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1 this audit.

2 There are problematic reporting delays
 3 that could come from this and real hard costs for a
 4 pet project to prove something that is likely going
 5 to turn up no fraud found. It seems there are
 6 better ways to spend our money.

7 Thank you.

8 MS. CARS: Please include this in the
 9 board meeting, tonight's minutes. Good evening,
 10 Board of Trustees.

11 Shame on Sara, Trustee Schmitz, for the
 12 demeaning, rude reprimand of Trustee Tonking at the
 13 1/25 board meeting during a FlashVote discussion.
 14 We hope that Schmitz will publicly apologize to
 15 Trustee Tonking tonight.

16 We are here at 6:00 p.m. instead of 4:30
 17 because the candidates for GM interviews were
 18 canceled. There were three candidates listed in the
 19 packet. Why was this, the most important agenda
 20 item, removed? Trustees, please explain tonight
 21 with every interview -- why every interview was
 22 removed and by whom.

23 Regarding the new general manager, please,
 24 please, please heed or advice: We, the residents,
 25 need a general manager who will not be a puppet at

13

1 the whims of the current board majority, but one who
 2 will reach out to learn about and understand the
 3 needs of the community and the staff, someone who
 4 can be a willing volunteer in youth and community
 5 activities, and be an integral part of the
 6 community.

7 Again, we do not want a GM who will do
 8 whatever the current board majority requests without
 9 regard to the District policies and procedures and
 10 the community needs. We care because we care about
 11 our staff who are trying their very best to keep
 12 this district running for our community in the
 13 absence of senior staff who have departed under the
 14 watch of Schmitz, Dent, and Tulloch, and have yet to
 15 be replaced.

16 Let's look at the forensic audit, which
 17 falls on the heels of the five -- yes, five clean
 18 audits. Five. This forensic audit is a desperate
 19 attempt by the trustees to distract from the recall
 20 effort, which is not dead and currently under
 21 recount by the Secretary of State.

22 The forensic audit by Trustees Schmitz,
 23 Dent, and Tulloch, appears to be a witch hunt
 24 designed to justify the attack on and the
 25 heavy-handed treatment of IVGID staff and

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1 management. This abuse is only exasperated and
 2 precipitated the very accounting and other issues
 3 they say warrant this audit.

4 As a result, the entire district has now
 5 been placed on a horrific situation of multitude of
 6 unnecessary binds and risks with potential long
 7 term, negative consequences.

8 Let's look at the status of Susan Herron
 9 who was placed on paid administrative leave over 11
 10 weeks ago without being told why. How is this
 11 possible in today's world of employment laws
 12 designed to protect the employee?

13 The entire community should be in uproar
 14 mainly because no one knows why. Over 20 years of
 15 outstanding, dedicated service, and she is
 16 apparently rewarded with administrative leave and
 17 the hiring of a \$50,000 investigator to look for
 18 something. Will her reputation remain in tact? No
 19 one deserves this treatment. No one.

20 Any person in her situation deserves
 21 transparency. Ah, transparency is what Trustees
 22 Schmitz, Dent, and Tulloch claimed to espouse.
 23 Transparency is what the community demands yet still
 24 awaits. We are grateful that we do have two
 25 transparent trustees, Trustee Tonking and Trustee

15

1 Noble, who are, unfortunately, silenced by the
 2 current majority. This must change.

3 (Expiration of three minutes.)

4 MR. HOMAN: Mick Homan, Incline Village.

5 I want to comment on the Board's hunt for
 6 fraud. Just so we're clear, a forensic audit is
 7 called for when you have specific indications of
 8 fraudulent act. That requires intent. It's not
 9 called for when you have unintentional sloppy
 10 accounting.

11 First some background: IVGID's annual
 12 audit costs \$50,000. That includes an internal
 13 controller review and the auditor's consideration of
 14 indicators of fraud. The Board also paid its
 15 auditors \$20,000 for two special reviews in 2022,
 16 one covering purchasing policies and compliance, the
 17 other tested capitalization accounting.

18 In addition, when I was on the Audit
 19 Committee, we spent hundreds of hours investigating
 20 Mr. Dobler's claims of fraudulent and bad accounting
 21 and capital spending. There was no evidence of
 22 fraud in any of this work.

23 The Board's also spending \$265,000 with an
 24 independent accounting firm to help get the 2023
 25 books in shape for the audit. That firm is helping

16

1 completing bank and other account reconciliations.
 2 We should expect to be notified if they find any
 3 indication of fraud in their work areas.

4 To date, no mention of fraud.

5 Finally, the District just completed the
 6 reconciliation of its old and new financial
 7 enterprise systems, despite repeated comments by
 8 certain trustees and residents that early,
 9 unreconciled differences indicated possible or even
 10 likely fraud, they tied out exactly.

11 So even with no evidence of fraud, the
 12 Board approved the issuance of a forensic audit RFP.

13 In my 40-year finance accounting and
 14 auditing career, I worked on multiple fraud
 15 investigations. I'm well versed in how they are
 16 typically structured. So when I read that initial
 17 RFP, I was at a loss. It's glaringly obvious the
 18 Board had no idea what they were looking for. It
 19 was a shotgun approach with no focus. It looked
 20 more like a full audit, looking at everything and
 21 everybody.

22 So it's no surprise the preliminary bid
 23 was comparable to the audit fee at \$110,000 for a
 24 three-year look back. But it gets worse. Trustee
 25 Tulloch, working with interim finance director and

17

1 the Audit Committee chair increased that to up to
 2 \$350,000. That's more than three times the initial
 3 three year bid and seven times the annual audit fee.
 4 And then two weeks ago, Trustee Tulloch
 5 tried to forced this cost increase through without
 6 Board or community disclosure or discussion. His
 7 action raise serious concerns. Thankfully, Trustees
 8 Tonking and Noble stopped him.
 9 The revised scope in tonight's materials
 10 remains completely unfocused. Most items are fully
 11 redundant with the normal annual audit tests and the
 12 other projects I just outlined. The rest are
 13 unfocused shots in the dark.
 14 To many, this does look like a witch hunt,
 15 a desperate attempt to justify a reckless narrative
 16 by the majority board members and to satisfy the
 17 rants of a local minority.
 18 And you've unnecessarily harmed IVGID.
 19 You've scared our auditors, and now they won't
 20 complete the annual audit, which is already due,
 21 until your fraud hunt is over. So we have no choice
 22 to complete some level of work.
 23 I'd limit that to the forensic risk
 24 assessment in item 9 of the revised scope. If that
 25 or any other findings to date reveal

18

1 specific evidence of fraud, then design focus
 2 procedures to investigate the specific matter. This
 3 will dramatically reduce the time and the cost to
 4 complete the process. Your current proposal and
 5 scope and its \$350,000 price tag is both wasteful
 6 and irresponsible.
 7 Thank you.
 8 MR. KATZ: Just a question first. Are we
 9 having public comment on the public hearing that was
 10 noted? Okay.
 11 Aaron Katz, Incline Village. I have a
 12 written statement to be attached to the minutes of
 13 the meeting.
 14 I'm now going to speak backwards. Bobby
 15 Magee just cost us \$1.55 million of our rec fee, our
 16 beach fee, and excess water sewer rates. Those are
 17 called "central services," but people that really
 18 know the budget know exactly what it is. He just
 19 increased central service costs by \$666,700. They
 20 now total 3.2 million a year. Ten years ago,
 21 central service costs were \$778,000.
 22 Mr. Magee has increased the cost of our
 23 new GM to as much \$300,000. And the cost of a new
 24 finance direct to \$312,000. We're going to be out
 25 of a fund balance in our general fund, maybe at the

19

1 end of this year, if not, for sure next year.
 2 So where's the money going to come from?
 3 What happens in this District is it always comes
 4 from rec fee and the beach fee. It doesn't pay for
 5 recreation. So people that are listening to this,
 6 please wake up. It comes from the rec fee.
 7 And I hate to come down on any segment of
 8 the District -- the public, but the 250 or so
 9 tennis/pickleballers out there, how can you feel
 10 good about forcing your neighbors, who have to pay
 11 \$3 million now for your tennis courts, plus we paid
 12 an additional \$1.25 million for upgrades several
 13 years ago, and there's like about 250 from the
 14 District that pay for it. If you want to have your
 15 own private tennis club, buy ours and do whatever
 16 you want. But why force us to go along on your
 17 ride? You're really no more moral, in my opinion,
 18 than your core golfer neighbors who have been
 19 pulling the same stunt here for decades. You should
 20 be embarrassed of yourselves.
 21 Thank you.
 22 CHAIR SCHMITZ: Seeing no other public
 23 comments in the room, do we have any online?
 24 MS. GUMZ: For the record, Joy Gumz,
 25 Incline resident and homeowner.

20

1 My comments are regarding agenda item H 3,
 2 the Forensic Audit Service Agreement. The contract
 3 form is improper and does not use the clauses
 4 expected in a forensic audit engagement.
 5 First, language requiring IVGID to
 6 promptly provide the information, resources, and
 7 assistance, including access to record systems,
 8 promises and people, is not in the contract.
 9 Second, language requiring the auditor's
 10 contract law enforcement if it spotted potential
 11 crimes, generally a standard practice in such
 12 contracts, is not included.
 13 Third, there is no mention of an opinion,
 14 often part of the report delivered in a forensic
 15 audit. The contract form is the same as used by
 16 Public Works when engineering consulting contract
 17 with Far West. Contrast that with 2020 when IVGID
 18 used the CPA firm Moss Adams' contract form.
 19 And the scope of work appears inadequate.
 20 First, at least 59 employees have
 21 procurement cards. These are credit cards that have
 22 been used at local restaurants and other
 23 questionable purchases. But only eight employee
 24 cards are being examined?
 25 Second, the requirement to examine emails

21

1 is a waste of time. But maybe that is what IVGID
 2 wants.
 3 Third, the scope does not address any of
 4 the 30 points that were given to Trustee Tulloch and
 5 Chair Nolet in November 2023, which are attached to
 6 this comment and become public record.
 7 It is shocking that Audit Committee Chair
 8 Nolet would agree to use an agreement that lacked
 9 expected clauses and for RubinBrown to agree to
 10 this. It's more shocking that the scope is
 11 inadequate.
 12 Financial statement fraud has been
 13 discovered by myself and another residents. We both
 14 held CPAs before retirement. I'll repeat that:
 15 Financial statement fraud has already been
 16 discovered.
 17 Over \$13 million for stream restoration
 18 and other improper expenses had been hidden in the
 19 land account on the IVGID balance sheet. This what
 20 was done at WorldCom in 2002, and part of the
 21 financial scandals in the Enron era.
 22 External auditor Davis Farr never
 23 requested a fixed asset inventory list or a
 24 reconciliation of the land account. So they never
 25 discovered the fraud. This goes back decades.

22

1 After these scandals, I spent years
 2 auditing with the Institute of Internal Auditors,
 3 the certifying body of internal auditors. The
 4 engagements on which I worked improved and enhanced
 5 the audit practices and internal controls of major
 6 corporations world wide. So I know of what I speak.
 7 One other key point --
 8 (Expiration of three minutes.)
 9 MR. DOBLER: Cliff Dobler, 995 Fairway.
 10 Regarding the RubinBrown forensic audit
 11 contract, I want to provide some information to
 12 consider.
 13 Number one, when Magee was asked by
 14 Tonking at a previous meeting about other bidders
 15 for the audit, he indicated that there were two, but
 16 actually there were three.
 17 Number two, RubinBrown came up at
 18 \$110,000, followed by Baker Tilly at \$369,000,
 19 followed by Moss Adams at \$382,000, and Grassley
 20 (phonetic) at \$750,000.
 21 Number three, these bidders were provided
 22 an RFP requirement to look back for five years, but
 23 RubinBrown's bid was only for three years. Brown
 24 did not comply with the RFP.
 25 Number four, Magee took the low price and

23

1 accepted the noncompliance from RubinBrown.
 2 Number five, comparing to the two and
 3 three bidders, RubinBrown was only 30 percent of the
 4 other two bids; a red flag sure.
 5 Six, so four months went by, and as
 6 expected, RubinBrown increased their prices to
 7 \$350,000 to be comparable with the second and third
 8 place bidders. Had those bidders known the look
 9 back was only for three years rather than
 10 five years, there would be no doubt their pricing
 11 would have gone down.
 12 Number seven, so we have Magee, the
 13 Navazio plant, running the show without any
 14 supervision.
 15 Number eight, the scope of work is
 16 something to behold: less work than the original
 17 RFP.
 18 Nine, so what do we have here? Less work
 19 for more pay, the IVGID style. By only allowing the
 20 three-year look back, it can be ascertained that the
 21 11 million of costs for repairs and maintenance to
 22 land, which occurs over several years and was
 23 inappropriately capitalized as land, will not be
 24 looked at and will escape and be hidden under a rug.
 25 This is a scam by one person who, in my

24

1 opinion, does not have qualifications to be a
 2 finance director. He is not a CPA and was not
 3 vetted by anyone other than the departing director
 4 of finance Navazio, who created most of the problems
 5 which now exist.
 6 The bidding process stunk, and if this
 7 Board decides to proceed with RubinBrown, so be it.
 8 I would go along with Trustee Noble on
 9 this one that we got hoodwinked. Another thing, if
 10 the shoe fits, wear it. The shoe does not fit.
 11 Thank you.
 12 MR. ABEL: Michael Abel, resident.
 13 This Board has failed our community.
 14 Roughly a year ago, many of this committee were
 15 overjoyed to have a board majority who we felt were
 16 going to look out for the resident taxpayers and
 17 ratepayers at Incline Village who provide the monies
 18 that make the District operate.
 19 For too long, the board was run by a bunch
 20 of sycophants like Wong, Calecrate, Morris, and
 21 Moran, who did nothing but always defer to the crap
 22 put forth by staff and GM. I thought that with the
 23 new day that things would change. How wrong I and
 24 my fellow residents were.
 25 Let's look at the Board's achievements

25

1 from the last year. Yes, to your credit, you did
2 get the effluent project pipeline under way. But
3 under the shadow of another over-priced, terribly
4 written CMAR contract with the infamous 14 percent.
5 Yes, to your credit, you did get rid of the
6 incompetent Winquest. And, yes, to your credit, we
7 got rid of the incompetent Navazio or maybe he just
8 got rid of himself.
9 On the negative side, which is much
10 larger, we're stuck with BBK as attorney of record.
11 The prior, worthless Nelson green flagged Noble to
12 demonize Mr. Dobler, a resident who has selflessly
13 given his time and effort to make IVGID a more
14 better operation.
15 We still lack a competent business
16 attorney to evaluate contracts. We still have a
17 Director of Recreation who feels her right to use
18 IVGID funds as her private bank account to subsidize
19 her pet nonprofit. And we still have the illegally
20 elevated Susan Herron sucking on the IVGID teat to
21 the tune of something north of \$15,000 a month. We
22 still do not have a permanent GM who knows how to
23 run business, and it looks like we're seriously only
24 looking at three government flacks in the mold of
25 Pinkerton.

27

1 (Expiration of three minutes.)
2 MR. WRIGHT: Frank Wright, Crystal Bay,
3 49-year resident.
4 I'd like to throw out an offer to Cars,
5 Homan, and Wells, and I'd like to have you give me a
6 call and come in with the open mind to listen to
7 what has been uncovered as far as fraud, and listen
8 to what is going on in this district.
9 Mr. Abel just went through a ton of things
10 that are wrong with this district. This is our
11 community. We got major, major problems. We got
12 tons and tons of fraud. It's uncovered every day.
13 Residents have been bringing things forward that are
14 outrageous, me included.
15 There are things going on right now that
16 have employees misusing our finances and abusing our
17 people in this community, and it is expensive. It's
18 been going on way too long.
19 If you don't know what's going on and you
20 make accusations and assumptions without having any
21 idea of what is behind the scenes and what's really
22 going on, that's too bad, because you're saying
23 stuff that's really stupid. When you say there is
24 no fraud, you're full of crap. There is fraud.
25 It's been identified, it's been explained, and we're

26

1 We still have no plan or desire to stop
2 IVGID from losing a million dollars a year on golf
3 operations. We still have an accountant that makes
4 \$325,000 a year while working on the books, working,
5 he's working.
6 Finally, our books are out of balance by 5
7 million. What the heck's going on there?
8 IVGID has no standardized accounting
9 system tracking capital equipment like trucks,
10 vehicles, machines, and ATVs, and the accounting for
11 the disposition of that equipment.
12 Procurement cards are still unaudited and
13 out of any kind of control. And the parameters for
14 the forensic, well, they're a joke, as Mr. Dobler
15 laid out. Competitive bidding, what the hell is
16 that?
17 Finally, we have a staff that stonewalls
18 public records, just like it did for the last 15
19 years.
20 What does the Board plan to do for '24? A
21 new policy on whistleblowers, a new proposal and a
22 mislocated ice skating rink, a new Hyatt contract
23 for the sports shop or a new location for the dog
24 park. Let's keep beating that drum.
25 My friends and I worked hard to get --

28

1 waiting for something to happen.
2 Now, that's the big problem. We've been
3 waiting a long time for something to happen, and
4 nothing ever happens. It just keeps getting pushed
5 down the street.
6 We've got to come together as a community.
7 We've got to stop this stuff. We got to accept the
8 fact that there are people here who have done very,
9 very bad things. And they have to be stopped now.
10 We keep going every month with nothing
11 happening and no one being held accountable for all
12 the bads things that are taking place here. The
13 accounting is miserable. The audit should have
14 already been started. People should have been
15 fired -- and I mean fired on the spot -- but they're
16 not being fired. They're being hung around for
17 whatever reasons because of this thing that we have,
18 we can't get rid of our valued employees.
19 Our employees are some kind of criminals.
20 I can't believe what is happening here. They're
21 giving away our public property to people for free,
22 they're using their positions to give away public
23 property for free. That's a fraud. That's illegal.
24 Public records, you can't get them. You
25 can't get them all you. You get some of them, but

29

1 you don't get them all. They hide things that they
2 don't want you to know.
3 It's got to come to an end. So you three,
4 rather than just spout off, give me a call. I'll
5 share what I have.
6 Thank you.
7 MR. MILLER: Good evening. Charley
8 Miller, Incline resident.
9 It's been a few months since I've been
10 able to listen in to one of the meetings. And I'm a
11 bit surprised, with the majority as the three now, I
12 would have thought that the Angry Eight would have
13 been a little less angry, but it doesn't seem like
14 that tune as changed a whole lot. I haven't missed
15 a whole lot. It's so sad to listen to such angry
16 people in such a beautiful, great community here.
17 Disappointing, to say the least.
18 I really just called in, besides having to
19 listen to the last three callers, was to recommend
20 or put my two cents in about the Incline Beach
21 House. I think it's a real opportunity for this
22 board to truly build an incredible facility at the
23 beach. I know -- I understand there's an RFP going
24 out, and you're going to do it design-build.
25 One of those first pieces is to give them

31

1 CHAIR SCHMITZ: Moving on, item D is
2 missing from our agenda, and that is the approval of
3 the agenda.
4 D. APPROVAL OF THE AGENDA
5 CHAIR SCHMITZ: Are there any changes or
6 modifications?
7 Trustee Noble?
8 TRUSTEE NOBLE: Maybe just a question, but
9 for item H 1, I'm wondering why that is first when
10 we're going to have discussion on some of the items
11 that are in -- up for consideration in each one?
12 CHAIR SCHMITZ: I had the same question.
13 And it had to do with legalities of approving a
14 contract.
15 But here's how I was going to propose we
16 handle it: We actually moved the section of H
17 3, where we review and discuss the scope of work and
18 related contracts, up to H 1, and we leave the
19 approval of the contracts. And we come back to it
20 and revisit after we have conducted the public
21 hearing and the appropriation of funds.
22 Does that suffice?
23 TRUSTEE NOBLE: Yes. Thank you.
24 TRUSTEE TONKING: Can we move H 4 too?
25 Since that's also in that grouping. It's a \$100,000

30

1 a budget. And I just feel like in a town like this,
2 with the funds that we have, let's go for it on this
3 opportunity, and not just add a few bathrooms.
4 The designs that we worked on six, seven
5 years ago were phenomenal. And I recommend that the
6 Board just not cut corners on this and really go for
7 it.
8 And the other piece is the ice rink. That
9 was brought up, Ice Rink Foundation, in town that, I
10 believe, might have purchased this and wants to
11 donate it in some respect and come -- and I
12 understand we need to work out how it works from an
13 operational standpoint.
14 Tahoe City does it, there's a lot of other
15 places that do it. In Montana, they just leave the
16 thing open and people and go whenever you want.
17 It's completely owner operated. It's beautiful.
18 I think Mr. Dobler agreed that the golf
19 course is the right place for it, but we need to
20 plan for this to be able to have it next year, and
21 include some site civil plans and electrical to be
22 able to have that facility.
23 Thank you for time. Appreciate it.
24 MATT: That was our last public comment on
25 Zoom.

32

1 additional for Baker Tilly.
2 CHAIR SCHMITZ: Absolutely. What we will
3 do is we will do the discussion portion of both of
4 those prior to the public hearing.
5 Is that acceptable, counsel?
6 MR. RUDIN: Yeah, absolutely.
7 CHAIR SCHMITZ: Are there any other
8 changes to the agenda?
9 Seeing none, we'll move on, and I'll try
10 to figure out how to number those when we get there.
11 Moving on to agenda E.
12 E. GENERAL MANAGER SELECTION
13 CHAIR SCHMITZ: This has been reduced in
14 scope, but we left it on the agenda because as part
15 of this agenda item was for some discussion with
16 next steps. So rather than completely pull the
17 agenda item with the cancellation of the interviews,
18 we opted to leave it on agenda so that all of us
19 could have a discussion of what we would like to see
20 as next steps.
21 With that -- that's beginning on pages 4
22 through 26 of the board packet, and I believe
23 Director of HR Feore did put on page 26, I think
24 that's where the options -- I'm sorry not on
25 page 26. It is on page 6, she listed the

33

1 alternatives.

2 With that, I'll open it up for discussion.

3 Are there any recommendations or suggestions of next

4 steps?

5 TRUSTEE TONKING: Question: Can someone

6 remind me what we paid Bob Hall and Associates?

7 CHAIR SCHMITZ: I believe that was the

8 \$50,000. It was not to exceed the \$50,000 contract.

9 TRUSTEE TONKING: We're at 50,000?

10 CHAIR SCHMITZ: I don't have the answer to

11 that.

12 TRUSTEE TONKING: Just curious.

13 MS. FEORE: I can double check and let you

14 know exactly where we are with that.

15 TRUSTEE TULLOCH: Yeah. I thought the Bob

16 Hall contract was significantly less than that.

17 CHAIR SCHMITZ: It was a not to exceed --

18 my recollection is it was a not-to-exceed \$50,000.

19 And I'll defer to Director of HR. She nodding.

20 MS. FEORE: That's correct. It was not to

21 exceed, and it wasn't anywhere near that, but not to

22 exceed 50,000. I will make sure I get the exact

23 information over to the Board.

24 TRUSTEE DENT: I'll just say I think it's

25 unfortunate that we got to this position. We've put

35

1 one of the alternatives I suggested at the January

2 10th meeting was that we consider looking for an

3 interim executive, a professional interim executive.

4 No disrespect to Mr. Bandelin, it's not intended

5 that way, but somebody that can come in and drive

6 some of the changes since, obviously, some of the

7 feedback is people are afraid to come in here. I

8 think that's certainly left you one option.

9 I think in parallel with that, we should

10 be looking for a new executive search firm. From

11 what -- we've obviously not had much in the way of

12 candidates come forward from this firm, they never

13 brought anyone from the private sector forward,

14 despite assurances.

15 I think there's a number of different

16 options there. I would ask staff if we're going to

17 wait two weeks to the next meeting, I'd ask staff

18 come back with a full range of alternatives,

19 including these.

20 TRUSTEE TONKING: I'm great with what the

21 Board has suggested.

22 CHAIR SCHMITZ: I, too, want to thank Bob

23 Hall and Associates. I want to thank the people who

24 did submit their applications. I want to thank

25 staff for their time in this effort.

34

1 a lot of time and effort into this -- or staff's put

2 a lot of time and effort into this. I want to thank

3 staff for doing that. It's just frustrating that it

4 seems like all that effort's been set aside, and

5 we're starting over.

6 I don't know if one of these alternatives

7 is the right alternative, but I would like to,

8 maybe, hear from staff or propose staff comes back

9 with what they're recommendation is or -- and it

10 doesn't necessarily have to be something that's

11 listed as an alternative.

12 TRUSTEE NOBLE: I would echo Trustee

13 Dent's comments in that instead of taking one of the

14 alternative recommendations on page 6 of 202, given

15 that this memo went out and was provided before we

16 knew that at least one of the candidates had pulled

17 their name, to go back and bring alternatives to us

18 at the February 14th meeting.

19 And they may include these, they may have

20 something else, but just given that time, I'd rather

21 have them spend another two weeks, go back and

22 figure out the best recommendations for moving

23 forward for our consideration.

24 TRUSTEE TULLOCH: I'll echo Trustee Dent.

25 I think these are not all the alternatives. I think

36

1 And it's been very disappointing to have

2 qualified candidates back out. And it's

3 unfortunate, but, in reality, it's an opportunity

4 for all of us to take a little look in the mirror,

5 because just like we all have the ability to Google

6 search other people's backgrounds, they have the

7 ability to Google search our community. And our

8 community, if you Google it right now, it doesn't

9 have a very friendly appearance.

10 So, I think that we will take that into

11 consideration, and we'll work with staff and come

12 back with some recommendations for options to move

13 forward at the February meeting.

14 If there aren't any other further

15 comments, then we'll close out that agenda item.

16 And we will move to reports to the board, beginning

17 with the treasurer's report on pages 27 through 45

18 of your board packet.

19 F. REPORTS TO THE BOARDS

20 F 1. Treasurer's report

21 TRUSTEE TULLOCH: You'll note, we're still

22 working on refining it.

23 I have a question from the community: Why

24 are you just printing just fancy bar graphs? You're

25 just wasting paper.

37

1 Well, actually, we're not. Actually,
 2 we're putting it in an intelligible format for the
 3 six people in the community that want to see the
 4 detailed spreadsheets, there are still available.
 5 We're trying to make this in a similar format to
 6 most corporate organizations where we move into
 7 easily understandable charts.
 8 If we look at the top one, there the gross
 9 payroll expenses, you'll see we're in December,
 10 we're almost 50 percent over our budget.
 11 Now, all these numbers against budget are
 12 not totally correct because, funny enough, IVGID has
 13 never prepared a monthly budget requirement.
 14 Despite a lot of our operations being seasonal,
 15 we've never actually prepared the budget with what
 16 we expect month by month. That's something we'll be
 17 looking at in budget process.
 18 It's critical because without that
 19 information, it's almost impossible to tell from a
 20 broad brush where we actually are. If golf is
 21 running for several months with no revenues, we
 22 should not be projecting the budget for that month
 23 that way. We should be arranging the budget on a
 24 month-by-month basis.
 25 Just to put it in essence there, that's

39

1 budget. We're also starting to see a peak now.
 2 We're starting to overshoot on the budget there.
 3 That may be because of seasonal.
 4 I would expect it not because if we're
 5 doing a monthly allocation, we're starting to see
 6 the impact of ski here, the ski budget, but it's
 7 probably for next three or four months, so it's a
 8 little bit concerning that we're starting to
 9 overshoot there.
 10 Next one, again, accounts payable, hard to
 11 tell where we are. I think the only indicator we
 12 see there, we're running at a total for accounts
 13 payable and for payroll expenses for the six months
 14 at \$32 million.
 15 For those of you that think that IVGID is
 16 just a small community organization, \$32 million is
 17 fairly serious money to most of us. I think that's
 18 tracking at approximately 50 percent of the budget,
 19 which is just somewhere north of 64 million. So we
 20 look like we're just about on track there at the
 21 moment.
 22 Next, our current investments. The one
 23 ray of hope there, you'll see the monthly dividends,
 24 which is actually the interest we're now generating
 25 on our current account, which previously was in a

38

1 three million bucks on salaries and wages just in
 2 December alone.
 3 If we move down to the next one, in terms
 4 of accounts payable, unfortunately from this graph,
 5 I have no idea whether we're good or bad because,
 6 again, none of our budgets reflect our payment
 7 cycles or projected payments. All we can look at is
 8 the total to date and see if that's maybe at
 9 50 percent of where we expected it to be. But,
 10 again, it's an area we need to address. I will be
 11 working with Director of Finance Magee and his staff
 12 to actually improve this.
 13 The whole purpose of these graphs is to
 14 actually make these things intelligible, rather than
 15 have to dig through -- I'm sure most of you remember
 16 my magnifying glass I used to bring in when
 17 Mr. Navazio brought in his monthly figures. The
 18 only thing small was the print. This purpose here
 19 is to give an easily understandable one.
 20 Next one, you'll see where we are in terms
 21 of total payroll expenses, et cetera, et cetera, for
 22 the month. Move further down, we'll see the total
 23 expenditure. Again, you'll see, to date, we've been
 24 tracking for payroll, we've been tracking,
 25 approximately, to the monthly allocations of the

40

1 noninterest bearing account. It's now picking up
 2 44,000 bucks a month, which is, again, not to be
 3 sneezed at. That's a move we've made in the last
 4 three months, and it's paying off in terms of that.
 5 Again, our investments, if there's a
 6 change in market value, it changes month to month,
 7 so it's hard to see any clear trends there.
 8 Fortunately at the moment, it's like a 401k, it's
 9 slightly on the up again, which is good. I think
 10 the monthly dividends is real cash not just market
 11 to market or anything.
 12 Debt service, showing where our debt. We
 13 were almost getting to the stage of almost
 14 debt-free. We've got a few small outstanding loans.
 15 Obviously, the balance of that is going to change
 16 dramatically with the effluent pipeline funding.
 17 Next one, again, costs and/or revenues,
 18 this one still needs some work because I've had
 19 members come and tell me, look, we told you golf was
 20 always profitable.
 21 Golf revenues are showing high there and
 22 expenses low, but we're now facing four or five
 23 months of golf expenses. With staff expenses and
 24 things, that will suddenly change the shape of that
 25 graph.

41

1 I think the beaches there needs a little
 2 bit of review. It shows 3.3 million in revenues
 3 from the beaches; 2.7 of that is just the rec fee,
 4 it's not revenues. So some of things are
 5 slightly -- we need to look at how we present that
 6 more effectively to see where it is. It's the same
 7 as where it was showing net versus -- minus budget
 8 is better, that's also including drawdowns from
 9 funds. It's not a direct subsidy, it's from the
 10 existing funds has exactly the same effect. We need
 11 to do some work there.

12 You can see where things are improving.
 13 You can see ski, we would expect the revenues to be
 14 well behind the expenses at this stage. We would
 15 expect to see that becoming more -- at least level
 16 going forward.

17 In the past, it's where ski has
 18 contributed quite a lot, I suspect that this
 19 season's snow conditions, most areas are seeing
 20 downturns in revenues. I know Mike's working very
 21 hard on that, but I think we should not expect a
 22 huge dividend from ski this year, I would expect.

23 Next one, some of the disbursements, it's
 24 interesting to look at some of these major checks.
 25 If we pick out some from there, you've got BBK with

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1 \$55,000, I think there was also another \$10,000
 2 there, just to show where some of our outlays go.

3 The check register, it's always
 4 interesting to do a run through to see where all
 5 these payments are going. Some things slightly
 6 surprised me because expenses seemed to be paid to
 7 staff through checks, rather than paid through
 8 payroll. Slightly strange situation for most of us,
 9 corporate setup, where it's paid through payroll.

10 I'll let you all go through all these at
 11 your leisure. There's always some payments that
 12 look weird. We dig into samples of them every month
 13 to see what's there.

14 Then if we go down further and then go to
 15 the procurement cards expenditures, several there
 16 I've asked to be looked at further.

17 I also need to speak -- we need to discuss
 18 with IT and things, I find it strange that we have
 19 multiple contracts with Spectrum for different
 20 places. We seem to have an awful lot of cable TV
 21 all over the place. I'm not quite sure why. Some
 22 places, I can understand it. Other places, it seems
 23 strange.

24 I also see a lot of software purchases,
 25 which I know Director Gove tries to make sure

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1 there's a control of software, but there still seems
 2 to be a lot of random purchases there. I won't go
 3 into them. I won't pick out any here. We have
 4 picked out several for analysis, and we'll keep
 5 doing that every month to understand why they're
 6 there.

7 That's it. The format is still a work in
 8 progress, but hopefully these graphs do help make
 9 understandable without having to drill down through
 10 a spreadsheet. For those who want to drill down
 11 through a spreadsheet, that's available as well.

12 TRUSTEE TONKING: I was looking at that
 13 gross payroll expenses, that first table and the
 14 third table, I guess, chart.

15 Since it's divided by twelve months --
 16 right? -- we'd be expecting in our shoulder seasons
 17 to see the payroll budget be better than the
 18 expenses because it's not actually budgeted month to
 19 month, so it's not including the seasonal employees;
 20 they're spread across the full year.

21 So I am seeing that, which is promising,
 22 but I am still a little concerned because we are at
 23 a shortage of staff, so it shouldn't be -- like the
 24 difference here in December was not making up the
 25 gap differences. I think that's just a concern, and

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1 I agree with you there.

2 Then my other issue was when we looked at
 3 cost, year-to-date revenues and related expenses. I
 4 think we just have to remember -- golf is a specific
 5 one -- this isn't including any of the revenues they
 6 had in May and June, and then they will have all the
 7 pass purchase, all that stuff, this May and June. I
 8 just wanted to clarify that part too.

9 TRUSTEE TULLOCH: Absolutely. But at the
 10 end of the day, the budget is based on a July to
 11 June basis, and understood. We also inquired with
 12 the State to see whether we could actually change
 13 our financial years so we would get full years in
 14 there as well.

15 But, yes, there should be some revenues in
 16 May and June from golf. But, again, the season
 17 passes, et cetera, purchased are also allocated
 18 between the years. They don't just all hit at the
 19 end of the year. These revenues are allocated
 20 across the different budget years as well.

21 Obviously, there's still some work to do
 22 on this, but hopefully this is starting to clarify
 23 some of the expenditures.

24 CHAIR SCHMITZ: Any other questions?
 25 I have a couple of questions on page 34,

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1 on the disbursements. The \$64,000 for Tahoe Workz
 2 Snow Removal Services, I don't recall seeing a
 3 contract for that. And I thought that Public Works
 4 did all of our snow removal.

5 Do you know what that is for?

6 TRUSTEE TULLOCH: No, I don't. It's one
 7 of the ones that myself and Director Magee had
 8 identified for further investigation, because it
 9 surprised we as well, given we haven't had much snow
 10 so far this year.

11 CHAIR SCHMITZ: Thank you. Then with
 12 North Lake Tahoe Fire Protection District, I know we
 13 pay them in our budget roughly about \$200,000
 14 a year. Do we ever get any sort of a report from
 15 them far as what work is being done that we're
 16 paying for, does that come with the invoice?

17 TRUSTEE TULLOCH: Negative, to the best of
 18 my understanding. We do budget, and then give them
 19 work that seems to use that budget. But we're
 20 getting no reporting. It's an area that we should
 21 be following up on.

22 CHAIR SCHMITZ: And then, lastly, the BBK,
 23 according to our contract, the Chair, I believe, is
 24 to be reviewing and approving those.

25 Have you been -- is this an invoice that

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1 you reviewed and approved?

2 TRUSTEE DENT: I did not review or approve
 3 this invoice for \$55,000. But I may have approved
 4 and reviewed smaller invoices that added up to
 5 \$55,000. It's been awhile since I've approved an
 6 invoice.

7 CHAIR SCHMITZ: Those were my questions.
 8 Seeing no other further questions, we'll
 9 move on to the next report to the Board.

10 F 2. Director of Golf Recruitment Update

11 CHAIR SCHMITZ: A verbal report and an
 12 update from the Director of Human Resources on the
 13 golf recruitment, pages 46 through 61 of your board
 14 packet.

15 MS. FEORE: We have interviewed a few
 16 candidates. We've interviewed a few candidates that
 17 have had a varied level of experience, and we've
 18 learned a lot. It's interesting because normally we
 19 learn about candidates during the interview process,
 20 and we have, but we've also actually learned about
 21 the position itself.

22 There have been some conversations with
 23 the panel about the position that we currently have
 24 as it is currently written. The position is
 25 currently written as a director of golf or director

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1 of golf operations. But some of the job duties
 2 and/or some of the expectations currently set in
 3 that job description are very similar to what folks,
 4 perhaps in the PGA world, would view as perhaps a
 5 more-elevated head golf pro.

6 And so it's really kind of opened the door
 7 to ask questions about our expectations of this
 8 position and is this position aptly titled? Do we
 9 need to be looking at a general manager of golf
 10 operations?

11 So I have spent a lot of time, most
 12 recently, a lot of time talking with folks, going
 13 through the PGA's website, taking a look at general
 14 manager positions, reviewing their job descriptions,
 15 and it feels like a lot of those jobs descriptions
 16 hit with what our expectations are with this
 17 position.

18 What we're looking for, as I understand
 19 it, is we're looking for someone to really oversee
 20 the fiscal and strategic and operational oversight
 21 of not just the golf operations, but also the events
 22 and catering facilities, food and beverage, which is
 23 a large division in and of itself.

24 And one of things I noticed as I was going
 25 through and looking at these job descriptions for

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1 general manager is, number one, food and beverage
 2 was almost always included, but a lot of other
 3 ancillary divisions and departments as well.

4 And so it kind of opened the door for me
 5 to ask the question: Do we need to take a look at
 6 the position and are we at a point where there's an
 7 opportunity to, perhaps, reconsider whether we're
 8 really looking for general manager versus a head
 9 golf pro? And/or is there an opportunity to,
 10 conversely, increase the expectations of the head
 11 golf pro so that -- and I'm trying not to get too
 12 far ahead of myself, so stop me if you need to.

13 Does it make sense to have a general manager of golf
 14 operations who is kind of on the back end, doing all
 15 of the strategic planning and the fiscal oversight
 16 and the budgeting and all this stuff, while the head
 17 golf pro, perhaps, is more in charge of the day to
 18 day?

19 Now, obviously the general manager would
 20 also be in charge of the day to day, as they would
 21 be supervising the head golf pro.

22 It just -- I had so many questions, and
 23 found so much information. And I thought, perhaps,
 24 maybe this is a good time to start this
 25 conversation.

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1 I will let everybody know that I do have a
 2 meeting with a representative fro PGA. Mike
 3 Bandelin and I both have a meeting from PGA -- a
 4 representative from PGA tomorrow, so I'm going to be
 5 speaking with her as well to get some feedback.
 6 But, yeah, I guess that's kind of the
 7 starting point.
 8 CHAIR SCHMITZ: If I may add to that a
 9 little bit. I've been on the interview panel as
 10 well as a representative from the Golf Committee.
 11 And to just to sum it up, what we learned through
 12 this process is our job description, that is a
 13 director of golf, maps to the PGA's job description
 14 of a general manager of golf operations.
 15 So, we had applicants that applied who
 16 were looking for a director of golf position, which
 17 doesn't include food and beverage, doesn't include
 18 oversight of the maintenance, more of a head golf
 19 pro. But we also then had applicants that had the
 20 budgeting and financial management side of it.
 21 So we sort of concluded, and why it's
 22 included in this packet, is for you to see what the
 23 PGA describes as a director of golf and to just give
 24 you a perspective.
 25 We don't think that we have a problem to

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1 be solved. It's more of just our description
 2 doesn't necessarily match with PGA's. And as we
 3 move forward, it might be something that we want to
 4 get our titles more aligned with PGA.
 5 We have interviewed at least one really
 6 strong candidate, and we'll see what next steps are.
 7 But I'm grateful for all of the team work
 8 in this process. And as Erin said, we really did
 9 learn that we were sort of asking for this but
 10 looking for something else. And we pulled it
 11 together, and we're in consensus that we need to be
 12 looking for what would be classified as a PGA golf
 13 operations manager versus a director of golf.
 14 With that, I'll ask if there's questions.
 15 TRUSTEE TULLOCH: I think the question is,
 16 you've encapsulated it, do we know what we're
 17 actually looking for? One thing that would concern
 18 me is if we end up having three general managers.
 19 We've already got two in the staff.
 20 Once you have three general managers, it
 21 starts becoming extremely confusing, externally.
 22 CHAIR SCHMITZ: It's just the general
 23 manager of golf, just like we have a general
 24 manager. And really it explains it, it's a general
 25 manager of the operations, food and beverage, the

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1 whole thing, and that's how most golf organizations
 2 actually are staffed.
 3 TRUSTEE TULLOCH: And that may be if we
 4 were just a golf organization, but we're a local
 5 government, and it looks kind of weird having
 6 three general managers in terms of that.
 7 I understand it may be a PGA term, and
 8 that maybe what we're advertising for. I see the
 9 chart still shows it as director of golf and
 10 community services. I think there's certainly room
 11 for a lot of these. I agree with a lot of these.
 12 I've discussed with interim General
 13 Manager in the past, to me, food and beverage is an
 14 integral part of the golf operation. And certainly
 15 it's an integral part of the ski operations. I've
 16 been more familiar with the ski industry, yes, food
 17 and beverage is an integral part of the operations.
 18 That's why I disagreed with public comment last week
 19 that we should have a separate food and beverage
 20 department. To me, it's an integral part of the
 21 operation in both cases.
 22 If that's the case -- and it may well be
 23 golf also includes facilities and things as well,
 24 which may make the role more there. Just as long as
 25 we know what we're actually looking for.

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1 Again, I look at the chart, we seem to
 2 have quite a few golf pros there already, so let's
 3 understand what we're looking for and whether it
 4 needs some further structural changes in the
 5 District to make sure we're properly addressing
 6 these.
 7 CHAIR SCHMITZ: Any other comments? Go
 8 ahead.
 9 TRUSTEE TONKING: I think it makes sense
 10 in the same way that we have a GM of ski, just have
 11 the same idea. I don't think we should then say
 12 that the GM of ski would become the director of ski.
 13 It's a term of the industry, so I think it just
 14 makes sense.
 15 CHAIR SCHMITZ: And we really did do a lot
 16 of analysis to say what is it that we truly want,
 17 and we went through the job description again. And
 18 the job description does define what exactly we're
 19 looking for. It just is different in how it maps
 20 over into the PGA terminology.
 21 MS. FEORE: Can I quickly clarify as well
 22 that we did remove -- I believe it may be on an org
 23 chart that was developed back in early 2023, but
 24 when or former Director of Golf and Community
 25 Services left, we did rename the position to take

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1 the community services expectation out.
 2 So this is an actual -- right now the way
 3 it stands is a director of golf and not community
 4 services. Just wanted to clarify.
 5 TRUSTEE TULLOCH: Yes, I was aware of
 6 that. I know it's the old chart. I was just making
 7 sure we're up to date. I was surprised when I
 8 pulled it up on the laptop here that it showed the
 9 old one. That was all.
 10 CHAIR SCHMITZ: Part of why we wanted to
 11 show the chart was to show the inconsistencies. And
 12 it is something that can be improved upon.
 13 With that, seeing -- hearing no other
 14 comment on that, we will move forward to item F 3.
 15 F 3. Contract Review Process Verbal Report
 16 CHAIR SCHMITZ: Verbal report on the
 17 contract review process, pages 62 through 65.
 18 That is my agenda item. Attached is the
 19 spreadsheet that has -- I've keeping for the
 20 last year, logging contracts that are being reviewed
 21 outside of the Board's purview.
 22 We continue to have issues. Last week, I
 23 know that General Manager Bandelin met with BBK, and
 24 they are taking a different approach and saying that
 25 contracts cannot go forward to legal review until it

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1 is complete because we're continuing to have issues
 2 with contracts and not getting them processed in a
 3 timely fashion and having backdates and what not.
 4 So this continues to be an area of
 5 challenge. And I know that interim General Manager
 6 Bandelin and our legal team have been working to get
 7 this situation right sided so this red ink doesn't
 8 continue on this spreadsheet.
 9 And if you have questions, I'll be happy
 10 to answer. Otherwise, we will move on.
 11 TRUSTEE TONKING: How do contracts end up
 12 on here? I'm just wondering because it seems mainly
 13 like Public Works. I don't see any of our finance
 14 contracts or any of the other ones. I am just
 15 curious on how things get decided.
 16 CHAIR SCHMITZ: The only contracts that
 17 show up on this report are the contracts that are
 18 not brought before the Board. So most of the
 19 finance contracts and things have all been brought
 20 before the Board.
 21 Part of my liaison responsibilities is
 22 that I was to keep the Board informed of contracts
 23 that I was reviewing on sort of an emergency basis,
 24 and so I have been keeping this log.
 25 Does that answer your question?

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1 TRUSTEE TONKING: Yes. Thank you.
 2 CHAIR SCHMITZ: Anything else?
 3 Seeing none, we will move on to item G.
 4 G. CONSENT CALENDAR
 5 CHAIR SCHMITZ: We have on the consent
 6 calendar the approval of the meeting minutes from
 7 January 10th, pages 66 through 145.
 8 TRUSTEE DENT: Chair, I move to accept the
 9 consent calendar.
 10 CHAIR SCHMITZ: Second?
 11 TRUSTEE TONKING: Second.
 12 CHAIR SCHMITZ: All in favor?
 13 TRUSTEE TONKING: Aye.
 14 TRUSTEE TULLOCH: Aye.
 15 TRUSTEE NOBLE: Aye.
 16 TRUSTEE DENT: Aye.
 17 CHAIR SCHMITZ: Aye.
 18 Unanimously approved of the consent
 19 calendar.
 20 I'm going to ask the Board, can we
 21 continue on to public hearing, take a quick break?
 22 TRUSTEE TONKING: Don't we have to do the
 23 others before the public hearing?
 24 CHAIR SCHMITZ: You're right. Refreshing
 25 my memory.

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1 H. GENERAL BUSINESS
 2 CHAIR SCHMITZ: Before the public hearing,
 3 let's take -- make item H 0 be formerly H 3, but
 4 it's only the review and discuss portion of that
 5 particular agenda item. We will revisit the
 6 approval on the contract after the public hearing.
 7 H 0. RubinBrown Forensic Due Diligence Audit
 8 CHAIR SCHMITZ: With that, we'll open up
 9 agenda item H 3, now H 0, pages 161 through 180 of
 10 your board packet.
 11 MR. MAGEE: This first item is to review,
 12 discuss, and approve the scope of work and related
 13 contract pricing for the forensic due diligence
 14 auditing services.
 15 I'd like to -- if the Board would indulge
 16 me, I would like to give a little bit of a review on
 17 how we got here because initially some things have
 18 been brought to my attention that we, in the finance
 19 department, started to look at and attempt to
 20 reconcile, and there were a number of items that
 21 were brought forth by a number of different people.
 22 Some of those items we were able to fully reconcile
 23 and determine that there were concerns. And there
 24 were couple of items that have come to our attention
 25 that I have mentioned in the past that we have not

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1 been able to fully reconcile.

2 And as I've mentioned previously, the

3 appearance that the fraud triangle may be present is

4 there. And so does that mean that fraud exists?

5 No. I can't definitively say that. What I am

6 saying is is that it certainly warrants us digging

7 in a little deeper and figuring out: Was this poor

8 accounting, sloppily staff work, or was this actual

9 fraud?

10 And so that's one of the reasons why we

11 made that initial recommendation to issue the RFP.

12 The RFP review process, one of the

13 questions that I was asked at a previous meeting is

14 how much will this cost? And my comments at that

15 time were it may cost \$50,000, it may cost

16 \$1 million. Where this is going to ultimately land

17 depends on the negotiated scope of work.

18 We went through the RFP process. The RFP

19 process was a two-phase process designed to find the

20 highest-qualified firm to do the work. The RFP

21 review committee did not get an opportunity to see

22 the prices that were proposed by the firms until

23 after they had chosen who the highest-qualified firm

24 was.

25 Once they had made that determination, I

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1 by the committee, and so no matter what RubinBrown's

2 pricing had been, their scoring was so much higher

3 than every other firm it would not have changed the

4 results even if they had bid a higher amount.

5 And so the contract amount is not for

6 \$350,000. That's for a not-to-exceed amount of

7 \$350,000. And what that does is that allows the

8 forensic auditors to get in, do the work they need

9 to do, do the due diligence, look at items that they

10 believe may require some further investigation. And

11 that will be myself, working with the chair of the

12 Audit Committee, to determine: Should we continue

13 to go down this road and make sure that we are doing

14 our full due diligence?

15 And if we find any suspected evidence of

16 fraud, then, of course, the due diligence forensic

17 auditors would turn that over to the proper

18 authorities if something like that were to happen.

19 Under normal circumstances, I would not

20 address public comment, but I did hear one comment

21 tonight that I feel is appropriate to address, which

22 is did I recuse myself during these negotiations.

23 And I want to be very clear that I am not

24 an employee of Baker Tilly nor have I ever been an

25 employee of Baker Tilly. The way that I ended up

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1 revealed the prices to the committee, and they were

2 allowed to interview the various firms that made the

3 cut on to round two; there were three firms that

4 made the cut to round two in the interview process.

5 At that time, the members of the RFP

6 review committee actually questioned RubinBrown and

7 said you're pricing does not appear to be in

8 accordance with what IVGID's needs are. And so we

9 knew there was the potential that RubinBrown had not

10 fully understood what we were trying to communicate

11 to them through the written document. And when I

12 brought this item back to the Board for its

13 approval, I actually wrote that in the staff report

14 that this is not the amount that we're asking the

15 Board to approve. This is the starting point for

16 contract negotiations.

17 And so at that point, myself and chair of

18 Audit Committee engaged with RubinBrown and started

19 to discuss what the scope of work would look like.

20 And as we approached the end of that, the chair of

21 the Audit Committee proposed the not-to-exceed

22 amount, which was more inline with what the other

23 firms expectations were as part of this process.

24 And I will say that irrespective of the

25 pricing, RubinBrown was still the highest-rated firm

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1 here in this chair was when IVGID decided to find an

2 interim director of finance, they reached out to

3 Baker Tilly and asked if they knew of anybody who

4 might fit the bill.

5 I am an independent contractor. Baker

6 Tilly called me, asked me if I was interesting in

7 interviewing for the position, which I did. I was

8 ultimately offered the position. I am a temporary,

9 part-time employee of IVGID.

10 And so my relationship with Baker Tilly

11 was really limited to them giving me a phone call

12 and asking, "Would you be interested in interviewing

13 for this position?" So I just want to be very clear

14 that's why I did not recuse myself, and I am aware

15 that RubinBrown is a subsidiary of Baker Tilly.

16 With that, I'm happy to answer any

17 questions that the Board may have.

18 TRUSTEE TULLOCH: I'd also like to correct

19 some things stated in the public record. Just

20 because they're stated in the public record doesn't

21 necessarily make them true.

22 I've tried to find these five years of

23 clean audit opinions. I can't find them. I haven't

24 gone back 20 years or something. Most of us are

25 aware that the last several have identified material

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1 weaknesses, material defects, they highlighted
2 internal control issues. As the past chair of the
3 Audit Committee, I've very well aware of these.
4 I also hear, well, you're just on a witch
5 hunt, this Board. Funny enough, the gentleman that
6 was leading the recall committee campaigned in 2018
7 on doing a forensic audit. Funny how that's quickly
8 forgotten.
9 And you're correct. We can't say that
10 we've found evidence of fraud, because fraud can
11 only be decided -- we can find suspected fraud,
12 fraud can only be decided, at the end of the day, in
13 a court of law. I think what we've discussed is we
14 have not found anything actionable at this stage.
15 We have found lots of issues, some of them maybe
16 sloppy, some of them may be otherwise.
17 In terms of -- I'm glad you highlighted,
18 that the -- yes, the 350 was a not to exceed, and
19 the reason for that was because once you get going
20 in an audit, if you find areas that you need to go
21 further deep dive into because it may be fraud or
22 whatever, we can't just suddenly stop everything.
23 You need to make sure that that is addressed.
24 That's why there's a not to exceed there.
25 I think, also, it's claimed the Board

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1 directors involved there were involved or did
2 something that's suspicious, it would still be
3 covered by directors and officers liability
4 insurance. So we would be paying for that if there
5 was a defense against it, which it should be.
6 What we're trying to do in the forensic
7 audit is identify that if we have further
8 outstanding issues, areas that we can address now
9 rather than just going back to the past for a
10 restatement of accounts, which would be nice to
11 have, but at the end of the day, it doesn't resolve
12 the current situation.
13 I just wanted to clear that.
14 TRUSTEE NOBLE: I'll go back to when we
15 authorized Trustee Tulloch to negotiate the final
16 terms, and we had a formal bid of 110 to 160,
17 depending on if it was three or five years.
18 Now, to me, rational, reasonable
19 negotiations, there may be some creep of scope, and
20 so looking at three years, if that was -- and when I
21 was looking at the scope of services, I was thinking
22 110. And there's a lot of stuff in here that I
23 thought: I don't know if it's really relevant, but
24 for 110, great. And if that contract amount crept
25 up to 120, 130, so be it.

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1 didn't give me authority. Actually, if you go back
2 and check the minutes, the Board delegated the
3 authority to the treasurer to negotiate and sign the
4 final contract. It was not stopped by Tonking and
5 Noble. It was stopped because we found from our
6 legal advisers that we didn't have the augmentation
7 in place at the time. That was the reason it was
8 not signed to date. Just to correct the record
9 there.
10 We did get three- and and five-year
11 courts. It's there.
12 I've also heard comments about the scope.
13 Why aren't you going back 15 years and looking at
14 the land tractions? Well, we could. We do know we
15 have a major issue. We've been capitalizing things
16 for a long, long time. For as long as I've observed
17 at IVGID, we have incorrect -- what would normally
18 be regarded as incorrect capitalization. The asset
19 base we're reporting could be as much as 50 percent
20 overvalued.
21 If we're going back 15 years to land
22 tractions, yes, the only thing we could do is we
23 could do a restatement and we could clean up there.
24 We don't -- we're past the statute of limitations
25 for any inappropriate behavior. If some of our past

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1 But to hear that it went from 110 to 350,
2 I just don't see how that is reasonable and is
3 consistent with the authority that was given by this
4 board to negotiate the final terms.
5 With that said, what I'd like to do is I'm
6 just going to go through what I -- in the scope of
7 services, what I think is relevant and irrelevant.
8 I would start with number 9, the fraud
9 risk assessment, and this is going on pages 176
10 through 178 of our board packet. To me, that's the
11 starting point. And, in fact, it basically says
12 it's inline with the RubinBrown's template included
13 in their proposal.
14 Then I would go to number 11,
15 investigation, up to seven complaints as identified
16 by the interim Director of Finance, that's all
17 logical. The interim Director of Finance has been
18 living and breathing this for over six months now,
19 and should be the closest to any purported
20 irregularities that should be at least looked at
21 more closely to determine whether or not it is in
22 fact elevated to fraud or sloppy practices or
23 something else.
24 And in speaking with Mr. Magee, I've asked
25 if that number 7 is adequate, and he has indicated

65

1 that he believes that that is at this time.

2 Then, obviously, number 12, reporting

3 would be consistent with that.

4 Then we go back to number 1, and that, to

5 me, should be obvious that there's a certain number

6 of people that should be interviewed, and basically

7 these are all people that are close to the finances,

8 at least some. I don't know if I actually am, based

9 on my position and stuff, I'm not the treasurer, I'm

10 not reviewing the finances on a day-to-day basis.

11 Number 2, searching emails and stuff,

12 unless it's tied to number 11, to me, that's just a

13 fishing expedition. And there's no -- and so that's

14 where just it's there, but there's tieback to make

15 sure that we're not just targeting individuals with

16 no basis whatsoever to any specific complaints that

17 would lead to need to go through those emails for

18 three years.

19 Vendor disbursements analysis, while

20 that's something that would be normally be done in a

21 regular audit, so be it for this.

22 Vendors awards, number 4, I believe that's

23 something that Davis Farr looked at in 2022. And as

24 far as I know, there's been no suggestion of fraud

25 or irregularities, so I don't see why that's even

66

1 necessary here.

2 The same thing with credit cards. There's

3 been no suggestion of ay irregularities that would

4 rise to the level that we need further review at

5 this time.

6 Going to number 6, 6A and B, I believe are

7 things that have been reviewed by Davis Farr back in

8 2022, and that was part of a memo dated May 11th. I

9 believe it was the next board meeting following May

10 11th that that was approved.

11 6C, to me, ties into A, B, and C, and I

12 don't know why those are separate and apart. I

13 think that that's fine to review those.

14 6D, this seems to be duplicative of number

15 10, looking at whistleblower activities tied to

16 whistleblower complaints. And I'll get to number 10

17 at the end.

18 Financial statement analysis, I have not

19 seen or heard or any reason why that's necessary.

20 And then with number 10, the 12

21 whistleblower complaints, to me, that should be part

22 of the seven complaints that the interim Director of

23 Finance is recommending to RubinBrown to look at

24 after information received from the forensic

25 auditor, internal staff, and the chair of Audit

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1 Committee. The chair of the Audit Committee is

2 reviewing those whistleblower complaints and

3 recommends to Mr. Magee that at least one of those

4 should part of that seven, so be it, but otherwise,

5 I feel, just looking at this, that I don't want to

6 bring in the Audit Committee's work, roll into it

7 this item if it's not necessary. If the Audit

8 Committee needs help in reviewing their own

9 whistleblower complaints that don't rise to the

10 level that they would need to be in number 11 as one

11 of those seven specific complaints, so be it, but

12 just don't roll it into here.

13 Those are the reasons why, if we move

14 forward and there's a recommendation for \$350,00 for

15 this, I do not agree.

16 TRUSTEE TONKING: I am not going to add on

17 to what Trustee Noble said. I'll just say a few

18 things, and then I have some questions within the

19 contract and some issues. I don't know if it's

20 easier to do this first, scope. Do everything?

21 Okay.

22 Similar to Trustee Noble, I'm great with

23 1. I agree with most of what he said. There are

24 some things, like if you at number 7, I looked back

25 and Management Consultants and Davis Farr did

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1 number 7. As well as number 6, we had Moss Adams

2 and Davis Farr to both of those, so I'm just

3 worrying that we're doing a bunch of the same work

4 again and again and hoping for a different result.

5 It feels like we're parent shopping.

6 My fraud risk assessment for number 9, I

7 feel like number 9 would lead to number 5. Right?

8 If you're doing this fraud risk assessment and

9 you're looking at procurement cards and you're doing

10 that and you see issues, then, yes, I think you

11 should. I guess my concern is we are dictating a

12 scope to this project without them even doing

13 number 9 and 10 and 11. And then we're saying

14 here's the other things that you need to find, where

15 they might not find those as an issue in here.

16 And here's my other issue: There's no

17 cost allocation and schedule of deliverables.

18 And we've talked about this a little bit

19 off record, but I can't even piecemeal some of this

20 together to get an amount that make sense. If they

21 start doing 9, 10, and 11, and then from there,

22 okay, we do need to look into X number of -- I don't

23 understand why we're already doing their sample

24 sizing for them too. We're like, here's the sample

25 size you should do. They might find a different

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1 sample size. The scope feels really prescribed for
2 something that we think they need to assess.
3 I'm a little concerned about 10, but I
4 could be fine with it if we just changed 11 to 12
5 specific complaints. And our chair of our Audit
6 Committee -- or Audit Committee can throw in: There
7 was similar complaints that they need looked into.
8 But I really think 9 needs to be done.
9 They can come back and tell us this extra work
10 that's been quoted in this other section of what
11 they need to do going forward and what they found.
12 I think that's where I'd like to be.
13 I have a question for legal. When we put
14 out this RFP, we had a certain RFP, we interviewed,
15 and we didn't go with the lowest bidder. We
16 chose -- as Mr. Magee said, we chose who the
17 committee agreed with the most.
18 My question is because we changed the
19 scope greatly, did we put those other firms at a
20 disadvantage of not bidding on the same thing that
21 now RubinBrown is doing, and are we in violation in
22 any way of any legal issues?
23 MR. RUDIN: No. And based on what Bobby
24 discussed about qualifications, the base process, I
25 suspect the answer is no. We would have the

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1 MR. RUDIN: Which page of the board
2 packet?
3 TRUSTEE TONKING: 168, I'm looking 3.3.1,
4 it says "Compensation," and it says, "The total
5 compensation, including reimbursement, to be
6 provided under the agreement shall not exceed
7 \$350,000 without written approval by the District
8 Board Chair," but I'm guessing that would have to
9 come back to the Board, correct?
10 MR. RUDIN: Yeah. No, it would have to
11 come back to the Board, because the Board Chair does
12 not have the approval to singly approve it without
13 authorization of the rest of the Board.
14 TRUSTEE TONKING: Okay. "Extra work may
15 be authorized as described below," and then they
16 give the work, but that extra work is never going
17 above that \$350,000; is that correct?
18 MR. RUDIN: Yeah, that would be correct.
19 Typically, the way that this would be handled is it
20 would come back to the Board for approval of a
21 contract amendment, which the Board would approve,
22 if you needed to exceed the not to exceed price.
23 TRUSTEE TONKING: And so then, I guess for
24 me, I would like RubinBrown to really do 9, 10 slash
25 11, and get that done, and then tell us what extra

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1 opportunity to refine the scope with any other party
2 that we negotiated with. So, I'm not seeing that
3 being a specific issue.
4 TRUSTEE TONKING: Great. Then for number
5 12, if they did 9, 10, and 11, they could give us an
6 update of the results and findings, and then we
7 could go -- and any opinions they have on what
8 they've seen, and then we go dig into these other
9 things, is kind of like how I'm feeling about it.
10 I also was speaking to the point -- I
11 think we all know this and I'm not going to beat a
12 dead horse -- I was really disappointed with the way
13 this process was done. I was sent a new scope of
14 work, but I was never even sent the new price. So
15 it felt really hidden and gave me an icky feeling.
16 If we go to the contract -- I was a little
17 bit confused and I'm not a lawyer so this could not
18 be a problem at all -- I'm looking at section 3.3,
19 page 168, and I'm looking at 3.3.1, compensation,
20 and 3.3.4, extra work. That extra work would never
21 go above that 350,000 -- is that correct? -- without
22 Board approval because right now -- I just don't
23 know if I was reading it correctly, and I just
24 wanted to ensure that I'm understanding this before,
25 all of a sudden, I'm dealing with \$500,000.

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1 work they need to do to move to us forward. That's
2 kind of how I would like to see this done.
3 That's my opinion.
4 TRUSTEE DENT: I would just like to hear
5 Bobby respond to just doing that portion of the
6 scope of work.
7 MR. MAGEE: Sure. There, obviously, were
8 multiple people involved in the scope of work, so if
9 the chair of the Audit Committee would like to make
10 any comments also, I would encourage the Board to
11 listen to his perspective as well.
12 I certainly understand the concerns that
13 the individual board members have made. And the
14 scope of work here that you see that is recommended
15 tonight was developed collaboratively with myself,
16 the chair of the Audit Committee, Trustee Tulloch,
17 and RubinBrown, the individuals from RubinBrown.
18 Some of this, we rely on their expertise
19 and listen to what they have to say and give us
20 their perspective on why they feel this should be
21 included in the scope.
22 It's definitely several people in the room
23 that got us to this point, but, of course, I will
24 take the direction of the Board, and we'll move
25 forward with whatever the Board decides.

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1 At this time, if the chair of the Audit
 2 Committee is willing, I would encourage the Board to
 3 listen to any perspective he may as well.
 4 CHAIR SCHMITZ: I just have a couple of
 5 questions, if I may.
 6 Typically when we review contracts,
 7 each -- if you have a task order, and these appear
 8 to be individual task orders, that you will
 9 basically order up and you'll decide what one of
 10 these and in what order; is that correct?
 11 MR. MAGEE: Under normal circumstance,
 12 yes. And so what we have done here, what the
 13 RubinBrown folks have discussed with us is that they
 14 would really like to dig in using the process that
 15 they follow. Even though this says "task order,"
 16 essentially it's all task order 1. We would issue
 17 the notice to proceed, and then they would start
 18 digging in and using some of their software and
 19 proprietary methods that they use to dig into the
 20 financial statement analysis, some of the reporting.
 21 And then as they move through the process,
 22 some of the things as you see that I felt was
 23 important was to take a look at our cash handling,
 24 for example. They would need to interview some
 25 people and get an understanding of how we do those

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1 types of things before they could make an assessment
 2 of it, and then start digging into whether there's
 3 any concerns that they may have related to that
 4 item, for example.
 5 CHAIR SCHMITZ: And I just want to clarify
 6 a couple of things because comments have been made
 7 about the prior Moss Adams reports and prior Davis
 8 Farr reports.
 9 The prior Moss Adams reports had found
 10 that the District had paid for services that were
 11 never received, we had issues that were identified.
 12 Davis Farr was asked to come in to sort of confirm
 13 that the gaps and the areas that had been improved
 14 upon. And when they did their analysis, they found
 15 the same issues.
 16 And so in both of those, they identified
 17 the issues, the issues hadn't been resolved.
 18 I don't want to go and spend money doing
 19 over what Moss Adams did and what Davis Farr did,
 20 but it's clear that the steps were not taken by
 21 management to address the issues that were
 22 identified in both of those independent consultants'
 23 reports.
 24 So I think it's important that they take
 25 those and use them, but not to duplicate their work.

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1 But it's clear that the steps were not taken to
 2 correct the issues that those reports had
 3 identified.
 4 So these -- this is recommendations from
 5 them on their process. Because I, too, was
 6 surprised by this number 2, which is search
 7 three years of emails. Is this just normal, how
 8 they approach doing this type of a due diligence
 9 audit?
 10 MR. MAGEE: Sure. So, two questions there
 11 that I'd like to answer.
 12 The difference between what Davis Farr and
 13 Moss Adams has done and how this would work, the
 14 best analogy I could use is that the previous
 15 auditors had looked at information that was a mile
 16 wide and three inches deep. And the difference with
 17 this is it's intended to go a mile deep and three
 18 inches wide and really drill down on these types of
 19 things that have been previously identified. And
 20 that is something that Mr. Nolet and I have actually
 21 discussed with the forensic auditors, that these
 22 reports are out there. We will provide them to them
 23 and ask them to do a little bit of a deeper dive.
 24 With respect to scope of service, item
 25 number 2, that is something that it's not that we're

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1 on a fishing expedition, we're not just going to
 2 randomly grab three years' of emails for any given
 3 12 individuals. The intent of adding that in there
 4 is to search up to 12, as determined by RubinBrown,
 5 so if they see something that they believe requires
 6 further investigation, they wanted to have it in the
 7 contract to have the ability to get into the emails
 8 to review to see if there was anything in there that
 9 might suggest -- the rabbit hole that they're going
 10 down, whether that has any merit to it or whether
 11 they're just on a fishing expedition. That's
 12 something they had requested.
 13 CHAIR SCHMITZ: And I think that with that
 14 and with that approach, it make sense. But it also
 15 means that someone needs to oversee them and make
 16 sure that they aren't just doing busywork, that it's
 17 actually meaningful work for us, the taxpayers and
 18 the rec fee payers, for these services.
 19 The other question I have is that normally
 20 with something like this, I would see tasks, where
 21 things were broken down, and pricing. And I think
 22 you made a comment that they really didn't provide a
 23 bid, that it was suggested by the Audit Committee
 24 chair, could you please clarify that?
 25 MR. MAGEE: Yeah, that's correct. And so

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1 after the scope had been negotiated and we came to
2 this conclusion that this was going to be the
3 recommended scope to Trustee Tulloch, we started
4 discussing what the price would look like. And
5 Mr. Nolet suggested that, in accordance with what he
6 believed was -- and I hate to speak for him, but he
7 may wish to weigh in on this as well. In accordance
8 with the other bids that were received -- and we
9 believe that they had understood IVGID's needs on
10 this forensic audit a little bit better -- that that
11 not-to-exceed amount be slightly less than what the
12 other bids were, and that is the recommended amount
13 that was sent over to Trustee Tulloch.

14 TRUSTEE NOBLE: So, Mr. Magee, as you
15 explained on number 2, that sort dovetails out of
16 anything that comes up with number 9. I'm trying to
17 understand how it went from 110 to 350, because I
18 would think that in their bid for 110,000 for three
19 years, that would be sort of the normal protocols
20 that they would dig into, and if there were
21 emails -- or people that would need to dig deeper
22 into, they go look at that.

23 I just don't understand how we more than
24 tripled in price on this, unless you can explain
25 which of these pieces is what drove the extra

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1 TRUSTEE TONKING: Going back to the
2 pricing situation, I don't remember the Board giving
3 direction to the Audit Committee Chair Nolet to
4 negotiate terms. I believe it was to Trustee
5 Tulloch, so I'm a little confused on how that
6 happened.

7 MR. MAGEE: Sure. As I recall, and I
8 don't have the item in front of me, but authority to
9 negotiate the final terms and conditions was granted
10 to Trustee Tulloch, and staff report, as I recall,
11 directed staff and myself to work with the chair of
12 the Audit Committee and Trustee Tulloch as the
13 three-headed monster to really negotiate this.

14 And, ultimately, it was Trustee Tulloch
15 that had the final say in this.

16 TRUSTEE TONKING: So then going off of
17 that, I'm just concerned this is an arbitrary
18 \$350,000, I just feel it's arbitrary, no one can
19 pinpoint -- and I get what you're saying, financial,
20 they had one view of what they are doing.

21 And that's how I really like the idea of
22 them starting 9, 10, 11, and then maybe we do -- us
23 getting updated because I feel like this whole
24 process has been behind closed doors, secretive, and
25 now -- from the community and from the people who

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1 \$240,000 here.

2 MR. MAGEE: Sure. And I will say in years
3 of running these RFP processes, this does happen
4 from time to time where a vendor doesn't fully
5 understand what we're attempting to communicate to
6 them in writing, because in order to protect the
7 process and have a level playing field for vendors,
8 we don't have individual communications with them.
9 We literally put everything out in writing, and that
10 is to be interpreted by them.

11 In this case, three of the firms were
12 significantly, significantly higher. And when the
13 RFP review committee, during the interview, started
14 asking these types of questions, RubinBrown's
15 responses were similar to, you know, we thought
16 we're really going to be reviewing your financial
17 statements.

18 And I don't think that they understood
19 that there were very specific items that we intended
20 for them to look at already that we've already
21 identified, and that we needed them to dig in and
22 really look a lot deeper. And I think that's a huge
23 part of what their misunderstanding was when they
24 initially provided by pricing proposal as part of
25 the RFP response.

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1 are supposed to be overseeing it.

2 CHAIR SCHMITZ: May I just make a
3 suggestion? I think -- I mean, I feel that as a
4 board we agree that this work needs to be done. Is
5 there a way that we can say let's pick our arbitrary
6 number, and as you approach that arbitrary number,
7 you come back to the Board and say here's what we
8 have and here's what we need and we need to go the
9 next step and take bite -- a different dollar amount
10 off. And then say we agree with the scope, we agree
11 with the process, let's change the dollar amount,
12 you come back to us with where you are. And if you
13 need additional funding, you come back to us and
14 explain where you are and what we need to do.

15 Would that be a workable solution?

16 MR. MAGEE: I believe that would be a
17 workable solution.

18 One thing that I would recommend is to
19 appropriate, as part of the public hearing later
20 tonight, the full amount of 350,000, then direct
21 staff -- pick a number that the Board is comfortable
22 with, and direct staff to provide periodic reports
23 back to the Board. And that number be for us not to
24 exceed without Board direction.

25 I would be happy to come back and provide

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1 the Board with any information it wants. And we
2 could continue down that path so that you're -- that
3 we are handling the financial piece of this in open
4 session and it's very transparent for everyone.

5 TRUSTEE TULLOCH: Can I modify that
6 suggestion? I think, for one reason -- some member
7 of the public mentioned Enron and WorldCom. And one
8 of the things that once you go down a fraud
9 investigation if we start finding things, the last
10 thing you want to do is stop the whole process, give
11 people time to shred documents to get rid of various
12 evidence. One of the reasons that we have that not
13 to exceed rather than 150 to 200,000 if, God forbid,
14 we find some serious issues there, we need to move
15 quickly on them.

16 We don't want to be in a situation where
17 we have to come back to the Board and explain, well,
18 look, we found Mr. X and Ms. Y has some serious
19 issues here. Then you defeat the whole object of
20 the audit.

21 I think it's an excellent suggestion to
22 come back to the Board at some level of
23 expenditures. I think we need to have that
24 flexibility to actually go ahead with it. I see
25 Mr. Nolet nodding his head as well, being involved

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1 monthly financial reports three or four months late,
2 normally, but with no indication that there hadn't
3 been any bank reconciliation.

4 Eighty percent of our revenues come in
5 through different fees from different venues. That
6 does present a completely different situation to any
7 normal, local government situation where 90 percent
8 comes through taxation.

9 TRUSTEE DENT: I agree with appropriating
10 the full amount. I do agree with potentially
11 approving a lesser amount. And I understand from
12 what Finance Director Magee had said that he will be
13 updating us on the process. If the funds are
14 already appropriated, then there shouldn't be
15 anything slowed down. And if the process is being
16 managed, we should be updated and be forecasting
17 that we're going to be needing to spend a little bit
18 more money.

19 And so -- I don't know if at that point,
20 perhaps, becomes a nonmeeting legal issue where we
21 aren't in front of the community discussing what the
22 issues are and debating that, but that could be
23 something where we're updated at that point.

24 But if we don't appropriate the funds,
25 then this whole thing could come to a halt.

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1 in various internal investigations and things. Time
2 tends to be of the essence once you discover
3 something that's there.

4 I think I'd also add that when we issued
5 the RFP in September, were just starting to do some
6 of the internal work. As we were doing the internal
7 work, we found various areas of concern, that's
8 probably the best way to phrase it at the moment.
9 Some of these things added to the scope there
10 because we did do it.

11 I think we also need to remember about
12 80 percent of our revenues come from user fees in
13 the District, they don't come from taxes, they come
14 from user fees.

15 The last two financial years, we've gone a
16 whole 12 months each time without a bank
17 reconciliation. That becomes an extremely serious
18 issue. We were told after the '22 CAFR, we were
19 assured by former director of finance that, yes, it
20 resolved for '23, then we went another 12 months
21 without any reconciliation of it. That is an
22 incredibly dangerous situation.

23 We were also given financial reports to
24 the Board without any footnotes saying that there'd
25 been no bank reconciliation. We'd been given

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1 MR. MAGEE: If I might offer up an item
2 for the Board to consider as I'm hearing the
3 comments, I would suggest that the Board may
4 consider appropriating the full amount, picking an
5 amount that you feel comfortable with us not to
6 exceed, and then authorizing the Director of Finance
7 a certain amount of contingency money so that if an
8 item is identified and work does not slow down
9 between then and the next board meeting, that with
10 the stipulation that if I need to dip into that
11 contingency amount in order to keep the work moving,
12 that provide the Board with a memorandum, that I
13 will be returning to the Board at the next meeting
14 and letting you know that I've used that contingency
15 amount and asking for additional funds as necessary.

16 TRUSTEE NOBLE: I would recommend
17 authorizing an amount of 110, with a contingency of
18 40.

19 CHAIR SCHMITZ: We are just here -- we're
20 not approving this contract. This was our
21 discussion as it related, then we can go back and
22 talk about appropriation, and then we'll come back
23 and talk about the details of the contract.

24 We can hold that thought for now.

25 TRUSTEE TONKING: I had one more thing to

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1 consider. Can we make sure we change the dates if
 2 we do move forward to this, on page 164, 3.1.2, it
 3 says "the term shall be from January 8th, 2024," so
 4 unless we've started work that we didn't know, that
 5 is wrong.

6 MR. MAGEE: Thank you. Yes, we will make
 7 sure to change those dates. No work has started, no
 8 work has been done at all.

9 CHAIR SCHMITZ: If there's no further
 10 discussion, we will come back to this, as it talks
 11 about awarding the contract.

12 Then continuing with our discussion, we'll
 13 do H 0-2.

14 H 0-2. Baker Tilly Increased Amount

15 CHAIR SCHMITZ: Which is the discussion
 16 portion of the H 4, which is on page 181 through
 17 184, regarding the increased amount for Baker Tilly.

18 MR. MAGEE: On another item on tonight's
 19 agenda, the Board, on a couple of different
 20 occasions back in August, asked me to present some
 21 of the issues that the finance department was
 22 facing.

23 And so the Board held a special meeting on
 24 August 24th, in which we discussed extensively some
 25 of the director's active and special projects list,

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1 and the Board weighed in on what the priority
 2 projects were for that. At that time, the Board
 3 directed me to continue to utilize some of the
 4 consultants and to identify any additional
 5 consulting resources we need to move through this
 6 list rapidly.

7 As we have struggled to fill the senior
 8 accountant position, we've continued to use some of
 9 these people to fill that role. And then we've also
 10 had a number of items that were on the special
 11 projects lists that we've been trying to get to in a
 12 rapid fashion.

13 And so the Baker Tilly folks have worked
 14 on a number of different projects for us. They have
 15 completed the reconciliations for the entire
 16 previous fiscal year. We have a couple of
 17 outstanding items on that reconciliation that we're
 18 still researching. We believe we have found them.
 19 We are in the process of independently verifying
 20 those amounts as of today.

21 And so I do believe there will not be any
 22 material discrepancies on that as part of the audit
 23 process. I've been working with Davis Farr on that.

24 But some of other things that we were
 25 intending to assign to the senior accountant, for

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1 example, the internal controls review project, which
 2 they would be working on that, as well as some of
 3 these other reconciliations that still have not been
 4 completed in over a year, which we will discuss
 5 later tonight, and some of the internal controls
 6 reviews and things like that, that we have asked
 7 Baker Tilly to continue to assist us with.

8 So, there were two separate actions by the
 9 Board. The first one was for 125,000, the second
 10 one was for an additional 40,000, bringing a total
 11 value of the Baker Tilly contract up to 165,000.

12 And at this point, we're requesting that
 13 the Board authorize an additional \$100,000 on this
 14 contract so that we can continue to move through the
 15 Board's priority projects expediently. We will get
 16 to them eventually either way, but we also feel that
 17 it's important to keep this moving at a rapid pace.
 18 We do want to get these things correct moving
 19 forward, and so that's reason for the recommendation
 20 tonight.

21 I would be happy to answer any questions
 22 related to this item.

23 TRUSTEE TONKING: In here, you talk a lot
 24 about how Baker Tilly has also been helpful in some
 25 of the daily operational work. My one concern is

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1 when we are using consultants for that type of work,
 2 we lose that knowledge base when they leave.

3 Have you been doing -- are they doing some
 4 training too of your staff or helping to make sure
 5 that they understand how that work is completed and
 6 how to do it going forward?

7 MR. MAGEE: That's a great point. And
 8 that's exactly what we are asking them to do, and
 9 that's part of the reason we need some additional
 10 funds for this.

11 When we eventually get this position
 12 filled, we definitely need Baker Tilly to train
 13 these people on how, for example, we do our bank
 14 reconciliations. Each agency does it a little bit
 15 different.

16 As I've been working with our accounting
 17 staff, they've said, "Some of this stuff, I don't
 18 understand what these acronyms mean," and things
 19 like that. And that is work that Baker Tilly has
 20 indicated that they would be happy to provide the
 21 additional training, but, obviously, there's a costs
 22 associated with that, and we definitely want to make
 23 sure we have enough money that when this position
 24 gets filled, they are able to provide that training
 25 to staff.

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1 In the meantime, some of the day-to-day
2 work that they have helped us with on completing the
3 audit processes, they are definitely training our
4 controller right now, as well as some of our audit
5 staff and providing that assistance on bringing them
6 up to speed on what their findings were and what
7 they believe we should be looking at moving forward.

8 TRUSTEE TULLOCH: We heard a lot in public
9 comment, yes, we're bringing in all these extra
10 finance staff, this is ridiculous, we don't need
11 them.

12 We're now compensating for previous
13 finance directors and general managers and boards
14 slimming this down so the work wasn't actually
15 getting done. I mean, the fact that we went
16 two years without any bank reconciliations in and of
17 itself is an indication there.

18 I think a lot of this is cleanup work.
19 And as one who in my professional career has slimmed
20 down lots of organizations and cut out fat where we
21 don't need it, I think this is a problem where it
22 was, whether by design or by accident, just kept
23 understaffed, and people were putting out just
24 enough to keep the -- stop all the wheels from
25 falling off.

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1 This is a learning for us. I think,
2 obviously, once we get things properly squared away,
3 then we look at process this. But this is a good
4 example, it's like not maintaining your car and you
5 suddenly have huge bills for a new engine. Anything
6 you've saved in the past is thrown away.

7 It's -- like Trustee Tonking says, I don't
8 like using consultants for day-to-day work. Some
9 cases it can actually be cheaper, of course, but I
10 think it's -- we need to get things back on an even
11 keel.

12 CHAIR SCHMITZ: My comment is that I think
13 it's very important to properly manage these
14 consultants because they are expensive resources,
15 and I personally don't think they should be working
16 on things like public records requests and even the
17 treasurer's report.

18 These folks are being brought in to do the
19 heavily lifting of the work that needs to be done to
20 get us caught up and start producing timely
21 financial statements. And they need to be managed
22 so they're not being distracted by other activities.

23 I will leave you in charge of that.

24 MR. MAGEE: Perhaps I could have written
25 that a little more clear. So, no, Baker Tilly is

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1 not doing work that would be beneath what we would
2 want professional consultants to do. I certainly
3 understand that, Pam Day, in coordinating the audit
4 for us, certainly understood that.

5 We routinely have conversations and
6 meetings with the Baker Tilly folks on the nature of
7 the types of things they're working on for the
8 audit. It is not something that our existing staff
9 has the capacity, or some cases, the technical
10 aptitude to do, and that's why we end up sending
11 that over to Baker Tilly.

12 CHAIR SCHMITZ: Any other discussion on
13 this? Otherwise, we will take a short break until
14 8:05, and we will come back and begin the public
15 hearing.

16 (Recess from 7:57 to 8:05.)

17 CHAIR SCHMITZ: It's 8:05, and I'd like
18 to call the meeting to back to order. Continuing on
19 with our agenda, we will continue now to the public
20 hearing.

21 And would anyone on the Board like to make
22 a motion to officially open the public hearing?

23 TRUSTEE TULLOCH: I'll make a motion to
24 open the public hearing.

25 CHAIR SCHMITZ: Do I hear a second?

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1 TRUSTEE NOBLE: Second.

2 CHAIR SCHMITZ: All those in favor?

3 TRUSTEE TONKING: Aye.

4 TRUSTEE TULLOCH: Aye.

5 TRUSTEE NOBLE: Aye.

6 TRUSTEE DENT: Aye.

7 CHAIR SCHMITZ: Aye.

8 H 1. PUBLIC HEARING

9 CHAIR SCHMITZ: The District is holding
10 this public hearing in compliance with the Nevada
11 Revised Statutes. And for the record, do we have
12 confirmation that this notice was properly posted
13 according to NRS?

14 MR. MAGEE: Yes, we do.

15 CHAIR SCHMITZ: Thank you. As I mean
16 "posted," I mean noticed, properly noticed?

17 MR. MAGEE: Properly noticed. It was run
18 through the clerk of the Board.

19 CHAIR SCHMITZ: With that, I'd like to
20 hand over the floor to Director of Finance Bobby
21 Magee to provide an overview. If we could hold our
22 questions to the end, and then we will have public
23 comment.

24 MR. MAGEE: I appreciate that the public
25 hearing was opened already, and so I'd like to make

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1 a few brief comments on the staff report, be happy
 2 to listen to any discussion that the Board may have.
 3 It is recommend at that time that the
 4 Board receive any public comments related to this
 5 public hearing, and then recommended that ultimately
 6 the Board close the public hearing and then take the
 7 vote on it, if I understand the process correctly
 8 from our legal counsel.
 9 One thing I did want to make a couple
 10 of -- point out a couple of items here in the
 11 memorandum that were errors on my part. Obviously
 12 when these types of items go together, there's a lot
 13 of staff that works on this. We did it in a little
 14 bit of a compressed timeframe this time. Not making
 15 any excuses for myself, but did want to point out a
 16 couple of things to the Board, just corrections on
 17 the staff report.
 18 So in Financial Impact and Budget section,
 19 those bullet point figures, those are accurate,
 20 those are correct.
 21 And then in the wording below that, I
 22 accidentally misidentified that it was \$3,904,000
 23 in recreation services reserves. That's actually
 24 the number that's identified above, 3654000.
 25 And then separately from that, the numbers

95

1 I want to be clear that those are the fully loaded,
 2 full cost of those various positions from the time
 3 they were either hired or from now until the end
 4 of year if they're still under recruitment. That's
 5 not the full-year cost, but that is the fully loaded
 6 cost that we're expecting in this fiscal year.
 7 There's also some other items that are on
 8 here related to the Baker Tilly contract, the
 9 forensic diligence audit, which the Board will vote
 10 on later tonight, some additional support for Tyler
 11 Munis, which is something we'll discuss on the other
 12 item related to my special projects list, some
 13 additional assistance with compiling the ACFR, and
 14 the information technology carryforwards, which we
 15 could not bring forward as part of the carryforward
 16 report earlier this year because it requires a
 17 public hearing. And so at that time, we asked the
 18 Board to carryforward everything, except for the
 19 information technology ones from last year, which
 20 were part of the carryforward report previously.
 21 In addition, you've heard a little bit
 22 about the tennis court reconstruction project and
 23 the needs for that. It is recommended at this time
 24 that the full amount of that be appropriated,
 25 because that is what the law requires for us to

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1 identified in the beach fund and the utility fund
 2 are actually correct.
 3 One of the things that I should note, in
 4 the finance department we call it "recreation
 5 services" all the time because that is the official
 6 name of that fund. However, it's commonly known as
 7 the "community services fund." And so when I say
 8 "recreation services," I actually mean what people
 9 understand to be the community services fund.
 10 Just wanted to provide those
 11 clarifications on there.
 12 As I mentioned previously, there was a
 13 couple of different board meetings where we
 14 discussed some of the issues related the finance
 15 department, and we did receive direction from the
 16 Board on August 9th and August 24th for a number of
 17 these items that we had identified we had a need
 18 for, and that we would be returning back to the
 19 Board, asking the Board to increase the ultimate
 20 budget and related appropriations. And those are
 21 completely different things.
 22 One of things that I would suggest is that
 23 if you look down on the table below, I've gotten
 24 asked a couple of times, those positions that are
 25 identified there, what does that actually mean? And

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1 enter into the contract, even though we know we will
 2 not spend \$3 million this year. The intention is to
 3 appropriate it, start phase one, which is the design
 4 phase, and then a portion of that would be carried
 5 forward into next year's budget as that project gets
 6 completed.
 7 And then the point of sale update, and I
 8 know that's been talked about quite a bit.
 9 Then below that, I have a table that says
 10 "Cost Allocation to Other Funds," and I think that a
 11 more-accurate way to say that would have been: Cost
 12 allocation to other funds and subfunds.
 13 So, utility, is obviously a fund, beach is
 14 obviously a fund, and internal services is a fund.
 15 However, everything in between Championship Golf and
 16 the community services admin, that actually all
 17 rolls up into what is known as the "community
 18 services fund."
 19 We broke that out into subfunds so that we
 20 could show what the cost allocation amounts to each
 21 one of those funds and subfunds are so that each one
 22 of those items would be paying their fair share of
 23 the needed employees and some of these other
 24 projects that are on the list here.
 25 With that, I'd be happy to answer any

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1 questions that the Board may have.

2 TRUSTEE TULLOCH: You're saying golf is

3 not a separate fund?

4 MR. MAGEE: So, golf is actually a subfund

5 within the community services fund.

6 TRUSTEE TULLOCH: You also said we're

7 familiar with the 3 million for the tennis court

8 reconstruction project. I think I've only missed

9 one board meeting in the last year. It's the first

10 I've heard of it, other than the public comment.

11 I'm kind of flabbergasted that suddenly

12 we're supposed to have heard of it and know about

13 something with nothing coming forward.

14 MR. MAGEE: Sure. So, no, this item has

15 not appeared before the Board. I know that this

16 item was discussed as part of the tennis committee,

17 this item has been discussed with Trustee Tonking a

18 little bit on the needs for this, and then some of

19 the public comment and then my comments in tonight's

20 staff report.

21 TRUSTEE TULLOCH: I mean, I'm certainly

22 not comfortable with just allocating suddenly 3

23 million appearing out of thin air. We've got people

24 complaining about costs of an audit to try and put

25 our finances in order, and then we suddenly just

99

1 make some hard choices. If we suddenly just

2 allocate 3 million now to tennis without any further

3 validation or ranking of projects, it's like

4 somebody jumping the queue and try to get the money

5 ring fence first. That's my concern.

6 That should be part of budget negotiation

7 process.

8 TRUSTEE TONKING: I want to speak a little

9 to this point to give some context.

10 My understanding was that there -- this

11 came forward to be done faster so that they could

12 put the project out for design before the budget

13 process, because the courts -- we've talked about

14 this now in two different budget cycles, the safety

15 of those courts.

16 And then the consultant came out, looked

17 at it, and that's when Bobby was given the 3

18 million. There's 1.5 million, I believe, in our

19 capital plan for this right now, is that correct?

20 MR. MAGEE: I believe that's correct. I

21 don't know if that's ever been approved by the full

22 Board, though. I'm not certain on that one.

23 TRUSTEE TONKING: Yes. It's in the

24 five-year capital, I believe, the CIP plan. I just

25 didn't know if it was 1.5 or 1.7. I couldn't

98

1 slip in 3 million.

2 I'm concerned because the director of

3 community services came to the Board in December.

4 She had a list of projects that were required.

5 Maintenance, repairs, et cetera, were required at

6 the Recreation Center, and asked to bring forward a

7 full list of what these were so we could take a

8 proper look at it. I've seen nothing there, and

9 suddenly I see 3 million for tennis courts.

10 It may well be justified, but I'm not sure

11 why you're appropriating it now with nothing coming

12 to the Board and no information.

13 MR. MAGEE: Sure. The recommendation

14 action is to obviously appropriate this now. To

15 move through the process, this will require further

16 Board action obviously.

17 My understanding in the way that that was

18 developed, this figure was developed -- and I was

19 not involved in this -- is that the Public Works

20 department has been working with community services.

21 There are some consultant reports related to this,

22 and this is a part of the engineer's estimate that

23 has been developed.

24 TRUSTEE TULLOCH: We're just moving into

25 budget season, and I'm sure we're going to have to

100

1 remember the exact amount.

2 MR. MAGEE: I can't either. The number

3 sounds familiar, though.

4 TRUSTEE TONKING: But the idea behind this

5 was to then at least get the concept of what it

6 would cost to design before we hit the next cycle.

7 What we've heard from Public Works is that in order

8 to get on somebody's books, you have to be at least

9 six months to eight months out, and that could be,

10 maybe, not the case anymore since we're coming out

11 of COVID, but that was the thought.

12 In terms of your December projects, I know

13 that Parks and Rec director had asked if you had any

14 input on that. I also sat down with them, and they

15 put out all the bids. I can give you documentation,

16 not what the rec bid amount would be, didn't

17 actually get a bid, but I can send you a sheet that

18 shows you all those estimates.

19 TRUSTEE TULLOCH: I'm encouraged to hear

20 that, since I've heard accusations of things being

21 done in secret previously.

22 The director of community services was

23 specifically to bring the list of things back to the

24 Board. You can go back and check the minutes.

25 Again, this is seems to be something being done by

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1 default. And, again, this is an attempt to put
 2 3 million, to secure 3 million up front for tennis.
 3 Money, as I recall, just because something
 4 is in the five-year capital CIP -- I mean, we've
 5 discussed this before -- it doesn't mean the
 6 out years have been authorized or approved. That's
 7 a point I made during the last budget cycle, because
 8 it's -- people -- things get stuck in out years in
 9 the CIP, and then suddenly it's approved. That's
 10 certainly not the case.
 11 I'm not against spending the money on the
 12 tennis courts if that's required, but I'm against
 13 prejudging something now when nothing has come to
 14 the Board. It's come to one trustee, that's good,
 15 but I would expect something this important to come
 16 to the Board so we can decide whether it is a top
 17 priority, whether something else, whether --
 18 somebody else in public comment was asking for a
 19 magnificent beach house. Is that more deserving?
 20 I think that's normally what's decided
 21 during the budget process.
 22 CHAIR SCHMITZ: I don't see how this fits
 23 with our process and our policy on how we do things,
 24 because this should be something if we're going out
 25 to do a design phase, we should have a budget for

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1 design phase, and that is how we would handle it. I
 2 don't quite understand why we suddenly are
 3 allocating \$3 million. And understanding, this is
 4 in the community services fund, it has excess fund
 5 balance, we all know that. We know these tennis
 6 courts need to be dealt with, but the process of how
 7 we are approving the funding and approving the
 8 phases of the project.
 9 This just seems to be a little bit out of
 10 step from my perspective.
 11 TRUSTEE DENT: I think you guys have all
 12 asked the right questions. I would agree. And that
 13 is where I was going to go is what's the process for
 14 this?
 15 Is this project needed? Absolutely. And
 16 I guess the part I'm not understanding is how can we
 17 not hire a consultant to put a design together
 18 without approving a \$3 million budget, and that's
 19 the part that -- there's no information in the
 20 packet and there's no information on the project, so
 21 I'm assuming if this is a 7-, \$8 million project,
 22 well, then ten percent of that is typically what
 23 goes to a design.
 24 And so needing \$3 million seems about
 25 three times as much as what we actually need.

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1 CHAIR SCHMITZ: And I would confirm that
 2 the Board has asked multiple times for this tennis
 3 court to come, by the director, before the Board.
 4 So, we're sitting here, and I support the project.
 5 We need to do the tennis courts, but not I'm sure
 6 that this needs to be done at this moment in time in
 7 order to keep the project moving forward.
 8 MR. MAGEE: Sure. So, the intention of
 9 adding this into the items is so the Board would
 10 consider the appropriations at one time. The reason
 11 that the full amount is appropriate is because
 12 that's what is required by law, that if we move
 13 forward this project to enter into a contract, we
 14 have to have the full amount appropriated. And so
 15 we know there's going to be multiple phases here.
 16 Now, this is not coming out of the general
 17 fund, and so if the Board chose to direct staff to
 18 move forward with a different process, we could
 19 certainly appropriate the money later. The
 20 intention was is to give the Board an opportunity to
 21 appropriate the money now. Of course the Board
 22 would have to approve any contracts, any release of
 23 an RFP for design services, an RFQ for design
 24 services, theoretically.
 25 But we could certainly follow a different

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1 track if that's what the Board directed, but we
 2 would definitely recommend that this project stay on
 3 track, given some of the reports that we got from
 4 the consultants.
 5 CHAIR SCHMITZ: I agree with keeping the
 6 project on track.
 7 TRUSTEE TONKING: I was just going to say
 8 that I think we can bring this back, either at our
 9 next meeting or the one with design services. I
 10 think that was my understanding at our meeting as we
 11 were going to do design services.
 12 I didn't realize, to do design, we also
 13 had to augment the whole budget for the whole amount
 14 without knowing what that full amount would be. I
 15 guess that's where I got a little confused on how
 16 that part happens.
 17 But these have to happen, like soon. So,
 18 if we can bring it up at the next meeting, I think
 19 that might solve this dilemma.
 20 TRUSTEE TULLOCH: There's a process for
 21 going through these. If there's reports out there,
 22 the Board has not seen any of these reports. It's
 23 hard for us to make a decision based on just there.
 24 I mean, this is a bit like, well, we have an ice
 25 rink now, we'll just put it in, when nobody has

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1 approached the Board with any that.

2 I think we need to be very careful that we

3 don't just suddenly authorize huge, high-value

4 projects without ranking them. It's never come to

5 the CIC either.

6 TRUSTEE DENT: If one of my colleagues can

7 answer my question, please jump in. I believe in

8 the past, the tennis court project was much higher

9 than a \$3 million project. I think it was more like

10 a 6- or \$9 million project.

11 I'm just having a hard time following the

12 logic on why we need to approve \$3 million if the

13 project could end up being much greater than that.

14 And I think if we look at the five-year CIP, we're

15 going to see that there's significantly more money

16 set aside for this project than just \$3 million.

17 CHAIR SCHMITZ: So do we have consensus

18 here that we will remove that for now?

19 (Inaudible response.)

20 If there's no discussion -- oh, go ahead,

21 Trustee Tonking.

22 TRUSTEE TONKING: I have lots of questions

23 that don't have anything to do with the Tennis

24 Center.

25 I'm looking at the point of sale update,

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1 that is only going to be used by community services,

2 that won't have to touch the beaches -- right? --

3 because we're not allocating to that; is that

4 correct? Or are we?

5 CHAIR SCHMITZ: You bring up a great

6 question. We did have this discussion, and a

7 portion of that project does need to be allocated to

8 to beach fund, because the point of sales system

9 will impact the beach fund as well.

10 So is that an adjustment that has to be

11 made today to break that amount out?

12 MR. MAGEE: I'm not sure that we have a

13 handle of whose portion would be allocated to what

14 at this time, but, yes, that ultimately would need

15 to happen. That split will need to happen at some

16 point, yes.

17 TRUSTEE TONKING: Then, yes, I want that

18 just sat there.

19 Then my other issue when I spoke to you,

20 because we didn't have financials in here, I wanted

21 to know our ending fund balances. And our general

22 fund, from what I wrote down that you told me, was

23 \$595,831.00, would be the amount that's in it at the

24 end of this. That's in violation of our reserve

25 policy that we passed on June 30th, 2022. It says

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1 that we have to have ten percent of -- 15 percent of

2 annual budgeted expenditures. Our budget

3 expenditures are at roughly \$10 million. So that's

4 in violation there.

5 But what I'm even more concerned about

6 we're getting really close to the four percent of

7 expenditures that's required under the Nevada

8 Administrative Code section 354, and that's an

9 actual issue.

10 And so now I'm a little concerned on how

11 low we're getting in our general fund with these

12 issues here.

13 MR. MAGEE: Sure. The recommended action

14 tonight is based on those -- those estimates are

15 based on what is budgeted and what we believe we may

16 finish at the end of year.

17 We've talked about this internally, we

18 recognize that some budget solutions will need to be

19 provided to the Board in order to bring this general

20 fund reserve back into compliance with the Board

21 policy.

22 Now, the Board certainly has the right and

23 the ability to go below what that Board's policy is

24 and direct staff to do and to come back with some

25 budget solutions as part of the budget process;

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1 that's fully our intent.

2 CHAIR SCHMITZ: Does that number that

3 Trustee Tonking just mentioned, does that take into

4 account that while we are appropriating a

5 million-five for the general fund, but we're also

6 receiving 666,000 in cost allocation chargebacks,

7 does that take that into account? I don't have the

8 numbers.

9 MR. MAGEE: Yes, that does.

10 And so the way this works is the general

11 fund needs the appropriations in order to pay the

12 bill, and then the cost allocation, those various

13 funds need those appropriations in order to

14 reimburse the general fund.

15 So the number that Trustee Tonking just

16 provided, that was our analysis of the net of all of

17 those actions that need to happen at the end of

18 the year.

19 TRUSTEE TONKING: I just want to point out

20 that we are about a \$100,000 difference of hitting

21 the Nevada administrative issues and that makes me

22 concerned, just so everyone's aware that we could be

23 there.

24 TRUSTEE TULLOCH: Is internal services

25 part of the general fund? Where does internal

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1 services lie?

2 MR. MAGEE: Internal services is not part

3 of the general fund. That is, in theory, a

4 break-even fund. It should be recovering its actual

5 costs.

6 The internal services funds contains a

7 number of different items, such as fleet and

8 building maintenance, and those types of things.

9 And so it's designed to recover actual costs, and,

10 in theory, would net to zero at any given thyme.

11 TRUSTEE TULLOCH: Will there be increasing

12 the charges to the user groups to recover this

13 \$52,700?

14 MR. MAGEE: In order to recover the

15 52,000, then, yes, they would, in theory, have to

16 either reduce expenses or come up with a way to

17 increase some of its charges out to its user

18 departments.

19 TRUSTEE TULLOCH: So it basically gets --

20 this 52,700 can then be further broken up, I guess.

21 MR. MAGEE: Is that correct, yes. That is

22 correct.

23 CHAIR SCHMITZ: Any other discussion?

24 Then moving on, we'll open it up to public

25 comment at this time. Three minutes of public

110

1 comment. We have one public comment requested here

2 in the room.

3 PUBLIC COMMENT

4 MR. HOMAN: Hi. Nothing prepared, but I

5 just want to react to a couple things that were said

6 tonight. Some of this circles back to the forensic

7 audit because it's part of the requested funding.

8 I would counsel the trustees to be very

9 careful about who's influencing your decisions. A

10 number of people made public comments about rampant

11 fraud, most in general terms, but there were some

12 specifics that have been called out, Mr. Dobler,

13 Ms. Gumz, and others, and I normally wouldn't

14 comment on this, but Trustee Tulloch parroted some

15 of this back. And so I just want to make sure that

16 he's not being unduly influenced by people that

17 aren't necessarily educated about what they're

18 talking about.

19 Let me throw out just a couple of

20 examples. There's been a lot of allegations about

21 rampant fraud in capital spending. Audit Committee

22 Chair Nolet and I spent months and hundreds of hours

23 working through -- and I don't know if it was 29 or

24 30 -- memos from Mr. Dobler. We got through 21 or

25 22 of them. And as part of that, we sat down with

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1 Mr. Dobler and walked him through our findings.

2 In all the memos that we got through,

3 there was no there there. There was no prior period

4 adjustments, there, maybe, had some disclosure we

5 had that prove going forward, but there was nothing

6 there.

7 And we started working on the other ones,

8 but, unfortunately, staff all left, there was no one

9 left to help us. But as we talked through those --

10 at least it was apparent to me, and I certainly

11 won't put words in Mr. Nolet's mouth -- there may

12 have been a few hundred thousand here or there that

13 we needed to clean up, but certainly nothing

14 rampant.

15 There was also a couple discussions of

16 this \$13 million of land improvements tonight.

17 Again, Trustee Tulloch parroted that, talked

18 about -- and that was in the context of this is

19 Enron, WorldCom. I went back and looked at that. I

20 looked at the reports from year to year, and, for

21 me, here's what happened:

22 You had land and improvements in one

23 account. The next year, they were split into two

24 separate accounts, so things came out of land and

25 improvements, and the foot note said "land and

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1 improvements." The next year, there was a land

2 account and there was an improvement account. That

3 13 million moved from one to the other.

4 That's a reclassification to provide more

5 transparency, that is not fraud. And for anybody

6 that -- I'm sorry, Mr. Dobler is obviously a very

7 bright guy, and he's been very successful, but for

8 anybody to suggest -- to claim to be a CPA and

9 suggest that this is fraud, that is just wrong.

10 So I would counsel you to be very careful

11 about who you're taking guidance from.

12 I also just want to correct the record.

13 Mr. Magee said he told you it could be 50,000 to a

14 million. His comments in response to a question

15 from Ms. Schmitz said that it could be 50 to 150.

16 Someone might come forward with all sort of things

17 that could cost 350, but those types of things get

18 rejected.

19 So I just wanted to make sure you're aware

20 of that as well. Thank you.

21 MR. KATZ: You know, what we're hearing

22 tonight, I hope you people out there are listening.

23 We've been running a shell game. Didn't I say in my

24 other statements we're going to run out of money in

25 the general fund? Why? Because we got all of these

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1 expenses that are getting funneled into it. So
 2 where does the money come from? Why don't you make
 3 money at the golf course? It can come from there.
 4 It's impossible.
 5 There is one thing, it's our heroin, it's
 6 the rec fee and the beach fee, it's the cause of
 7 every problem we have here. You need to address
 8 that.
 9 And I'm sorry, if we got to spend several
 10 million dollars on a tennis center, go out of the
 11 tennis business. Let somebody else go do it.
 12 I had such high hopes for Bobby Magee when
 13 I first heard he was here. Thought he'd come in
 14 here and clean our finances, found out the shell
 15 game we got and address it. For 6,000 a week,
 16 322,000 a year, but it turns out he's just like all
 17 his predecessors. He got seduced by Incline
 18 Village, Lake Tahoe, how beautiful it is.
 19 And now he sees his job as making the
 20 means possible to justify the ends. And his product
 21 is this proposed budget augmentation on
 22 three business days' notice, after we were told
 23 December 13, any discussion like this wouldn't take
 24 place until mid February or mid March.
 25 Bobby Magee wants a Lamborghini fix.

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1 We're a mosquito district, we're not a city, we're
 2 not a county. We can maybe afford a Toyota, but not
 3 a Lamborghini. But you guys want to keep spending
 4 it, and it comes from the rec fee.
 5 So, rather than standing firm and saying,
 6 hey, we can't do this anymore. He says, let's spend
 7 another 1.55 million. It's vital.
 8 It isn't vital. He calls the money coming
 9 from reserve, they're not reserves. The only place
 10 you budgeted from reserves is in the utility fund
 11 for protected money for the pipeline, which I
 12 predict, they will invade that and get the Board to
 13 say no, it's no longer restricted, spend it on the
 14 general fund because we're running out of money.
 15 This is all Jerry Ike (phonetic), don't
 16 you remember? Smoothing, repurposing. It's all
 17 coming to life again. Another name, same problem.
 18 If you board members go along with this,
 19 you're going to be just as bad off as the bad staff
 20 we had. Vote no.
 21 Thank you.
 22 CHAIR SCHMITZ: Trustee Tulloch has
 23 requested to make a public comment, so if you would
 24 please set the timer.
 25 TRUSTEE TULLOCH: I wouldn't normally, but

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1 since public comment sort of called me out and
 2 quoted remarks, attributed remarks to me. I don't
 3 think at any stage I've made the remark "rampant
 4 fraud."
 5 I'd also point out, as everyone in the
 6 community knows me, I speak my mind. I don't speak
 7 other people's words. I don't parrot other people's
 8 words. I don't have other people write my board
 9 comments for me.
 10 If you care, Mr. Homan, to go back and
 11 look at the record, I pointed out that there was no
 12 point in going 15 years looking at land transaction
 13 when it's too late to do anything about it.
 14 I specifically pointed out that we would
 15 have no course of action, and if we did have any
 16 course of action, it would be covered under our
 17 insurance. So it was kind of -- back to, as
 18 somebody else commented, a shell game. I'd like to
 19 make that clear.
 20 My statements are my own. They're not
 21 Ms. Gumz', they're not Mr. Dobler's, they're mine.
 22 They're my viewpoint, and I'll stand by that.
 23 Thank you.
 24 CHAIR SCHMITZ: Any online public
 25 comments?

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1 MS. KNAAK: Yolanda Knaak, Martis Peak
 2 Drive.
 3 I wanted to make a few comments. I think
 4 that the Board did a good job trying to shave down
 5 what the most important things are for the forensic
 6 audit, so I appreciate that. I think that we should
 7 go forward with the forensic audit.
 8 I wanted to just make one comment about
 9 the role of the treasurer. I know that you know
 10 there was a lack of bank reconciliations, which
 11 started the summer before last, which means that we
 12 have had two different trustees during this time.
 13 And is there nothing in the Board handbook that the
 14 treasurer should take a look at how much money is in
 15 our IVGID accounts especially when they're doing
 16 planning for spending money? I think that's an
 17 important thing. And I was pretty shocked where we
 18 had two different trustee who did not bring that to
 19 our attention that there was no bank reconciliation.
 20 I was really disappointed in that.
 21 Thank you very much.
 22 MR. DOBLER: Cliff Dobler, 995 Fairway.
 23 Number one item, budget augmentation,
 24 asking a \$1,512,949 from the fund balance of the
 25 general fund for spending required to fix a broken

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1 financial system. Because the general fund is a
 2 governmental fund, NRS requires an augmentation. No
 3 augmentation is required for enterprise funds.
 4 Based on these numbers, and I agree with
 5 Tonking, the general fund will be broke and will not
 6 be able to fund operations next year.
 7 Mr. Magee has not provided an augmentation
 8 for the \$666,700 of community service cost
 9 allocations to be reimbursed by enterprise funds to
 10 the general fund. This must be done. This is not a
 11 one-sided transaction.
 12 As to capital projects, as to increasing
 13 the capital budget by \$3 million for tennis courts
 14 is folly. There is not a chance that tennis courts
 15 could be designed, permitted, and constructed within
 16 the next five months. Demolition can't even start
 17 until mid-May, according to TRPA requirements.
 18 Apparently there's the study indicating
 19 the need for immediate replacement, which citizens
 20 have not seen nor has been presented at any board
 21 meeting.
 22 So I guess this board has decided to
 23 continue the old ways: Include budgets for capital
 24 projects that cannot be in proper timeframes and
 25 continue to build up massive carryover budgets for

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1 which work that could never have been completed.
 2 Why would this board and management
 3 continue this to occur? Is it to make everyone feel
 4 good that the group is doing something but really
 5 doing nothing?
 6 In the carryover amounts for fiscal year
 7 2023 to fiscal year 2024, according to Magee's
 8 presentation last August, was \$18.4 million,
 9 consisting of 53 projects not done. In 2023, only
 10 12 million was spent, of which 52 percent was the
 11 pipeline. Very little got done. Now get a grip on
 12 this: 53 projects was not done.
 13 Please rethink this 3 million for the
 14 tennis courts and provide for design only. I am not
 15 against new tennis courts, but I am against
 16 establishing budgets in a year when a project will
 17 not be done in that year.
 18 As to Homan, I was supposed to get a
 19 resolution of the 21 items that were brought. He's
 20 says it's not a problem, we don't know, because
 21 nothing signed, nothing said, and he can say
 22 whatever he wants. Not quite factual at all.
 23 Thank you.
 24 MATT: That was our last public comment on
 25 Zoom.

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1 CHAIR SCHMITZ: Seeing no other public
 2 comments, would a board member like to make a motion
 3 to close the public hearing?
 4 TRUSTEE DENT: Chair, I'll move to close
 5 the public hearing.
 6 TRUSTEE TONKING: I'll second.
 7 CHAIR SCHMITZ: All those in favor?
 8 TRUSTEE TONKING: Aye.
 9 TRUSTEE TULLOCH: Aye.
 10 TRUSTEE NOBLE: Aye.
 11 TRUSTEE DENT: Aye.
 12 So what action would the Board like to
 13 take on this? Would you like to have more
 14 discussion?
 15 TRUSTEE TONKING: I just have a little bit
 16 more discussion.
 17 I would kind of like -- as we discussed, I
 18 would like Director of Finance Magee to get together
 19 with the Director of Parks and Rec and work on this,
 20 because I think she has a lot of insight, and Public
 21 Works, so that this is just not as random, the 3
 22 million.
 23 And then the point of sale update, I think
 24 I'd also like you to go back and tell us what is
 25 going to beaches and what's going to recreation

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1 before we approve this. Because those are two very
 2 separate funds that we have to make sure we're not
 3 intertwining monies.
 4 I don't know how to fix the general fund
 5 issue, but I'm very concerned about it. I don't
 6 have a solution, which is not helpful, but -- I
 7 don't know what everyone else is thinking, but it's
 8 making me very concerned.
 9 CHAIR SCHMITZ: We can move forward with a
 10 motion, and we can exclude or change the tennis
 11 court renovation amount.
 12 The point of sale assessment, that will be
 13 coming before the Board at our next meeting, is my
 14 plan, for the Board's approval. And at that point
 15 in time, we can identify the allocation between
 16 community services and the beach. So, we could
 17 potentially remove that this evening and take of it
 18 when we bring the contract forward since it is in
 19 community services. That is acceptable?
 20 MR. MAGEE: Yes, that would be acceptable.
 21 CHAIR SCHMITZ: Okay. Thank you.
 22 TRUSTEE DENT: Speaking to the concern of
 23 all of us as it relates to the general fund and
 24 where that's forecasting to be, last year we, I
 25 believe, took on a huge added cost of moving parks

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1 into the general fund.

2 Given that we're, say, half way through

3 the fiscal year, would it make sense to unwind that

4 move and have parks be picked up, say, for the

5 remaining half of the year in the community services

6 fund and see how that forecasts out for next year?

7 If it picks up part of it, and knowing that that's

8 -- I think that was the goal of the Board and been

9 the goal of previous boards for many years, given

10 that it is a general function.

11 MR. MAGEE: Yeah, I would ask that the

12 Board direct staff to work with legal counsel on how

13 that might work, how that might look.

14 Obviously, we share the concerns of the

15 Board about where the general fund reserves are

16 right now, and our budget team is already working on

17 coming up with some proposed budget solutions that

18 we will be recommending to the Board in order to get

19 back into full compliance with the Board's stated

20 policies.

21 CHAIR SCHMITZ: So could we request that

22 you come back to the Board with ideas on how you

23 intend to address the general fund financial

24 situation? Can we do that before the budgeting

25 process?

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1 MR. MAGEE: Absolutely. We can certainly

2 expedite that, if that's what the Board wishes to

3 direct us to do, and we'll see what we can come up

4 with.

5 CHAIR SCHMITZ: Yeah. Because there maybe

6 other ideas as well, and I think we should entertain

7 all ideas that you might like to present to the

8 Board, if that's acceptable to Trustee Dent.

9 TRUSTEE DENT: (Nods).

10 CHAIR SCHMITZ: All right. Thank you.

11 We'll put that on the long range calendar.

12 TRUSTEE TULLOCH: Director Magee, I'm

13 equally concerned about the impact on the general

14 fund. Can we also break out and see what the impact

15 is of removing a lot of these one-time costs? Since

16 the assumption is a lot of these costs, then, keep

17 going -- rolling over continuously, once one we

18 strip out the one-off costs, then we can take a more

19 rational look at it.

20 I think also in terms of -- one thing that

21 confused me, we pulled the funding for parks out of

22 community services and into general fund. It's

23 still being managed under community services; is

24 that correct?

25 MR. MAGEE: That is correct. Currently,

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1 that is correct.

2 TRUSTEE TULLOCH: And I also looked at

3 some of the multiple recharges to beaches, when I

4 think almost every person in Parks and Rec was

5 charging time to the beaches during the winter. I

6 think there's a lot more deep dive work to do there

7 in terms of costs allocations as well.

8 But the one-off costs, I think we need to

9 strip out and see what the impact of that was.

10 CHAIR SCHMITZ: I just want to keep us on

11 topic here. And so that will be something that we

12 are requesting that you bring back to the Board for

13 discussion.

14 Trustee Tonking, did you have a question

15 or comment?

16 TRUSTEE TONKING: Yeah. So I already did

17 that math. It was 825,000 for the one-times that

18 were put in there.

19 My concern is that Baker Tilly's

20 considered a one-time, and we've added on to it

21 three different times. It doesn't really feel quite

22 one time consistently. I feel like it's an ongoing.

23 And my fear is some of these other

24 consulting needs that we seem to keep having are

25 going to exist. So I'm not sure there's a lot of

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1 the 825 that's truly one time. That's another one

2 of my concerns.

3 But I think that's a valid point. I don't

4 know if that's going to get us much closer.

5 CHAIR SCHMITZ: Would anyone propose a

6 motion?

7 (No response.)

8 CHAIR SCHMITZ: Well, I can tell you based

9 on what -- so, we all have the revised motion that

10 was posted on the website. And basically what I

11 have heard so far is that the community services, to

12 remove the 3 million and the 290,000, which would

13 bring that total amount down to \$364,000, if my math

14 is correct.

15 So that would be the change related to the

16 tennis courts and the point of sales systems.

17 That's the revision that we discussed.

18 TRUSTEE DENT: Does it make sense to keep

19 the 290 in just for now? Otherwise, we're going to

20 have to do another public hearing to augment.

21 CHAIR SCHMITZ: It will not require a

22 public hearing because it's community services. So

23 we will just augment the budget from --

24 TRUSTEE DENT: Correct. Makes sense.

25 CHAIR SCHMITZ: The question here is that

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1 the -- on the general fund, do we want to
 2 appropriate -- that's what Director of Finance Magee
 3 has suggested, is that we appropriate the full
 4 amount, and then when we discuss the contract, if we
 5 want to make some changes to that, we can do that.
 6 But at least then we would have the appropriation in
 7 place. That was Director of Finance Magee's
 8 suggestion.

9 TRUSTEE TULLOCH: I'll make the motion.
 10 I make a motion that we augment the
 11 general fund balance by \$354,000.

12 CHAIR SCHMITZ: No. We have to do the
 13 resolution.

14 (Inaudible cross talk.)

15 CHAIR SCHMITZ: Go ahead. You can propose
 16 it, and we can break it into pieces.

17 TRUSTEE TONKING: Do you do the community
 18 services without adopting this resolution right now?
 19 Because I'm fine doing that piece of it.

20 CHAIR SCHMITZ: We have all of these
 21 others. It's not just community services.

22 TRUSTEE TONKING: What I mean is can I do
 23 those parts without the resolution to the general
 24 fund?

25 CHAIR SCHMITZ: Go ahead.

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1 fund remaining.

2 TRUSTEE TULLOCH: I'll make a motion the
 3 Board adopts Resolution 19 -- 1907 to appropriate
 4 funds from the general fund balance in the amount of
 5 \$1,512,949.

6 CHAIR SCHMITZ: Motion's been made. Do I
 7 hear a second?

8 TRUSTEE DENT: I'll second.

9 CHAIR SCHMITZ: Any discussion?

10 All those in favor?

11 TRUSTEE TULLOCH: Aye.

12 TRUSTEE NOBLE: Aye.

13 TRUSTEE DENT: Aye.

14 CHAIR SCHMITZ: Aye.

15 Those opposed?

16 TRUSTEE TONKING: Abstain.

17 CHAIR SCHMITZ: Motion passes four to
 18 zero.

19 That closes out agenda H 1. Then moving
 20 on to agenda item H 2.

21 H 2. Finance Active and Special Project List

22 CHAIR SCHMITZ: Receive a report and
 23 update on the finance active special projects list.
 24 Requested by Director of Finance Bobby Magee, found
 25 on pages 156 through 160.

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1 TRUSTEE TONKING: I move that the Board
 2 approves appropriate in community service balance in
 3 the amount of \$354,000 for costs allocations.

4 MR. MAGEE: If I may? I just did the
 5 math, it is \$364,000.

6 TRUSTEE TONKING: By 346. I'll amend it.
 7 I move that the Board approves
 8 appropriated beach fund balance in the amount of
 9 \$41,200 for costs allocation, the Board approves
 10 appropriating utility fund balance in the amount of
 11 \$208,800 for cost allocation, and the Board approves
 12 increase in the internal services fund budget by
 13 \$52,700 for cost allocations.

14 CHAIR SCHMITZ: Motion's been made. Do I
 15 hear a second?

16 TRUSTEE DENT: I'll second.

17 CHAIR SCHMITZ: Any discussion?
 18 All those in favor?

19 TRUSTEE TONKING: Aye.

20 TRUSTEE TULLOCH: Aye.

21 TRUSTEE NOBLE: Aye.

22 TRUSTEE DENT: Aye.

23 CHAIR SCHMITZ: Aye.

24 Opposed? No. So that passes 5/0.
 25 Now we have the resolution for the general

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1 MR. MAGEE: At the August 24th meeting, as
 2 I had mentioned previously, the Board considered the
 3 list of items that I wanted to work on. I call it
 4 my "Active and Special Projects List." At every
 5 agency that I go to as a consultant, as a
 6 professional consultant, I start looking at things
 7 that I'd like to take a closer look at and some
 8 process that I think needs to be improved. And the
 9 Board wishes to weigh in on those items and state
 10 what its priorities were, and I happily accepted
 11 that direction.

12 And so after that time, we immediately got
 13 to work on some of these projects. And since that
 14 time, I will note that we have a new finance
 15 leadership team. We've hired a new revenue manager
 16 and new controller and a new assistant director in
 17 accordance with previous direction.

18 And so we have been plowing our way
 19 through these things as rapidly as we can. We do
 20 feel it's important to continue moving as
 21 expediently as possible. I'll say that, personally,
 22 I'm very proud of the entire finance team on the
 23 things we've completed that are on this completed
 24 list in the short amount of time, because it's only
 25 been a few months since these people have been on

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1 board.

2 And yet at the same time, as you'll note,

3 the projects in progress, there are number of items

4 that we are still trying to get to.

5 And so at the August 24th meeting, the

6 Board asked me to provide some periodic reports back

7 to the Board. I did that in the form of an

8 off-agenda memo, at which point Chair Schmitz asked

9 me to agendize this. And, essentially, this

10 reflects an update of that memo is all it is, the

11 projects that have been completed and the projects

12 that are still in process.

13 Obviously, our number one priority project

14 is the audit and getting that thing completed. The

15 Board's number priority that was given to me was

16 anything related to the Tyler Munis system at that

17 time.

18 One of things that I'll note in here, and

19 this was a typo, is that the Munis PO rollover

20 process was identified on this staff report as an

21 item number 4, and that's my mistake. That should

22 have been moved up to priority number 1, because

23 that was part of the Munis system.

24 We believe we've identified a solution to

25 that, and we think that we'll be able to have that

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1 one completed very quickly. We're making great

2 progress on getting the Tyler Munis system fully

3 functional and working. We are starting to see

4 reports that we independently verified, and we're

5 starting to believe in the data in the reports that

6 we're getting out of the system.

7 We continue to work with the departments.

8 Right now, we are working on developing the budget

9 module so that we can provide training to the

10 departments. We started with Public Works. The

11 feedback we got was this looks like a significantly

12 simplified process for them on the end user side,

13 and yet it's going to spit out more meaningful

14 results and reports that helps them manage to their

15 budget. And that was what our intent was from the

16 beginning.

17 So far, we're confident that our process

18 and our goals are working. And I will continue to

19 provide reports back to the Board in the form of the

20 general manager's report on the progress related to

21 Munis.

22 These other items, I know there's a lot of

23 them here, I'm happy to address any of these that

24 the Board may have questions about.

25 TRUSTEE DENT: Can you give an update -- I

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1 understand here on page 159, the food and beverage

2 deep dive is delayed pending new golf director, but

3 how far along is that process? I would hate a new

4 director of golf to come and have no clue that this

5 is an issue, and we haven't -- we don't really have

6 a deep dive into the financials. I think that's all

7 the Board has asked for in the past is what's the

8 driving factor? We're just buying \$20,000 more a

9 month food than we actually need and it goes to

10 waste? Are we overstaffing a restaurant at certain

11 times?

12 I don't think any of us have an answer to

13 that, and it seems like, perhaps, you guys have more

14 information on that that you can update us on.

15 MR. MAGEE: This item was obviously

16 delayed because, candidly, I wasn't sure who to work

17 with over at golf when the golf director left and

18 then the number two person left over there as well.

19 We understand that this is a priority for

20 the Board. As we have started going through the

21 recruitment process and interviewing some of the

22 candidates, we've identified to them that this

23 special project is out there, and this will be a

24 priority project for them on day one.

25 We know we need to look at this really

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1 closely. As soon as we have somebody on board, the

2 very first day, I intend to let them know: Hi.

3 Welcome. Here's your office. I'm Bobby, and I need

4 to start working on this project with you.

5 CHAIR SCHMITZ: It seems like what you

6 have discovered is there really weren't many

7 controls, inventory controls, that sort of thing;

8 correct?

9 MR. MAGEE: I think that would be a fair

10 statement, yes.

11 CHAIR SCHMITZ: So that identifies a

12 problem to be solved.

13 MR. MAGEE: Certainly.

14 CHAIR SCHMITZ: Any update on the audit?

15 Because I know -- just a quick just to let us know

16 where you are with the audit progress.

17 MR. MAGEE: Sure. I'm meeting with the

18 team daily. What we are doing -- and I'm providing

19 periodic reports back to the chair of the Audit

20 Committee and I still stay in communication -- we

21 are making every effort -- my direction to staff is

22 that we make every effort that any requests we get

23 from Davis Farr, we jump on it within 24 hours, we

24 do not want them waiting on us.

25 There's a number of items that they've

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1 sent back to us over the last week, week and a half,
2 that we're researching, and we're trying to get back
3 to them. And sometimes, they take more than a
4 couple of days to figure out.

5 And so we -- I've also worked with the
6 Department of Taxation. They've indicated that
7 they, as I mentioned previously, would be willing to
8 look at these requests for extensions one month at a
9 time, and that's what we've requested of them.

10 I did mention at the Audit Committee
11 meeting the other day that we requested the 30-day
12 extension, we've requested a second 30-day
13 extension, which has been approved, and I correspond
14 with them weekly. I tend to call them directly and
15 give them some updates on where we're at and how
16 rapidly we're trying to move through everything.

17 This is absolutely the number one priority
18 for me at the moment. Not necessarily the
19 department, because we also have a second team that
20 is working on the Tyler Munis items, obviously, but
21 those are our two priority items right now.

22 TRUSTEE TULLOCH: If I can come back to
23 the food and beverage. Don't we have a couple of
24 managers in food and beverage currently? Can they
25 not do an initial high-level review? Obviously,

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1 we're on high ground, because all we're doing is
2 taking time and staff effort away from completing
3 these very important tasks. And you need to stay
4 focused.

5 And so I caution us, as a board, trying to
6 throw more priorities at the accounting department
7 at this moment in time.

8 TRUSTEE TULLOCH: Perhaps you
9 misunderstood, Chair. I was suggesting that we use
10 the food and beverage people to do this, not the
11 accounting department, to give us an initial
12 assessment for what it is, as they're the people
13 close to the ground.

14 I'm not suggesting adding this to the
15 finance department's load. I mean, it's -- the food
16 and beverage manager, they should be able to give us
17 some indicating of what's been happening, where
18 things are going.

19 MR. MAGEE: Apologies, Trustee Tulloch. I
20 made the same mistake. I thought you were
21 suggesting we do it.

22 I think we could certainly ask the current
23 food and beverage manager to start looking at it and
24 start compiling some data so that when we're ready
25 to go, we can hit the ground running. That makes

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1 it's not totally independent, but surely we can
2 utilize them over this, which is probably fairly
3 quiet season for the facilities and weddings, et
4 cetera.

5 MR. MAGEE: Certainly. If the Board wants
6 to direct me to do that now, I'll make that a
7 priority as well, in advance of the golf director
8 being hired.

9 CHAIR SCHMITZ: Well, we need to
10 understand the impact it has on the accounting
11 department, because we have to get through this
12 audit, and we have to get through this due diligence
13 audit. We can only have so many tasks on a task
14 list, otherwise, we don't get anything done.

15 I think that we need to lean on you to
16 prioritize the activities, and I don't think that,
17 perhaps, we should be throwing extra things on. If
18 you're saying, right now, this just has to wait a
19 little bit. I understand that we want to have it
20 resolved and fix the problem, but I'm very concerned
21 about you can't have 15 number one priorities, you
22 just can't. So, I caution that.

23 I also caution making more revisions to
24 the treasurer's report and what not, until we get
25 all of our finances cleaned up, squared away, and

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1 sense.

2 CHAIR SCHMITZ: Don't they have to come
3 back to you to get all of their numbers and all of
4 their data?

5 MR. MAGEE: So, hopefully, we'll be able
6 to get some meaningful data to them pretty quickly,
7 given the progress that we've made within the Munis
8 system. I don't think it would be any type of a
9 heavily lift to at least pull the reports for them,
10 even though at some point they'll be able to pull
11 them themselves.

12 I think it would be pretty easy for us to
13 just pull and give them the data and say start
14 giving us your evaluation and your opinions on it.

15 CHAIR SCHMITZ: Okay. That's fine. But
16 you understand the point I was trying to make about
17 the accounting department and their priorities?

18 TRUSTEE TULLOCH: Absolutely.

19 I'm assuming that the Tyler Munis has the
20 data, and they can't run business without that, so
21 I'm assuming they do have access to it.

22 TRUSTEE TONKING: I met with interim GM
23 and I've also spoken with the F&B manager, so I'm
24 not going to put words in Mr. Bandelin's mouth, but
25 I know that they have a list of things that they've

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1 discovered that they want to do. I know they're
 2 doing monthly inventory to help fix.
 3 So, maybe they can tell us the suggestions
 4 that they've had, because I know they have a lot.
 5 CHAIR SCHMITZ: I'll work with General
 6 Manager Bandelin to see if that can be put, perhaps,
 7 on our long range calendar. I'll just put it as a
 8 question mark.
 9 TRUSTEE TULLOCH: One other item. The
 10 month-end accounting checklist, Director Magee, is
 11 that -- I'm not quite sure. You say it's currently
 12 in progress on page 160, fourth from the bottom.
 13 Is that in progress or not applicable?
 14 Not quite sure. It seems contradictory.
 15 MR. MAGEE: Sure. So, yes, this is
 16 currently in progress.
 17 We have identified that there was a
 18 checklist that existed previously. However, staff
 19 was not utilizing it or following it at all, and
 20 that's part of the reason why we find ourself in
 21 this position today.
 22 I've asked our consultant, Pam Day, to
 23 coordinate this process. She's very, very well
 24 versed in creating and training staff on how to have
 25 strict adherence to the types of activities that

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1 need to be completed on a daily, weekly, and monthly
 2 basis. And so we've asked or entire accounting
 3 team, as well as our revenue team, as well as our
 4 budget team: What are the items that need to be on
 5 this list?
 6 And so we're starting to have weekly
 7 meetings on this, on what this list is ultimately
 8 going to look like to ensure that, once we get
 9 caught up, we never find ourself in this position
 10 again.
 11 TRUSTEE TULLOCH: And just to point out,
 12 in response to public comment relevant to this,
 13 because both the former treasurer and myself looked
 14 at each other, we can look at the bank accounts, we
 15 don't know from that whether there's been any
 16 reconciliation or not. It's not something we've
 17 missed if we've been informed by the previous
 18 predecessor that it's been counted out. We wouldn't
 19 necessarily know.
 20 CHAIR SCHMITZ: Any other discussion or
 21 questions?
 22 (Inaudible cross talk.)
 23 CHAIR SCHMITZ: No. No, I'm sorry, it's
 24 not appropriate. You can give public comment at the
 25 end.

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1 That closes out agenda item H 2. Moving
 2 on to H 3, which we have previously discussed.
 3 H 3. Forensic Due Diligence Audit Contract
 4 CHAIR SCHMITZ: This is the contract for
 5 the due diligence audit. We're back to pages 161
 6 through 180.
 7 TRUSTEE DENT: So, Chair, can I jump in?
 8 CHAIR SCHMITZ: Please. Go ahead.
 9 TRUSTEE DENT: We have a number at 310 --
 10 or 350, and we had a number of 110. I'm just trying
 11 to get us moving along that number because I feel
 12 like that's going to be the biggest point for us to
 13 consider.
 14 I would just offer up, why don't we split
 15 that or average those two out, and I think were a
 16 little over 200 grand. And then add a little bit
 17 more than our normal contingency for that, say, a
 18 20 percent contingency instead of 10, just given how
 19 expensive consultants are on their hourly rate.
 20 That may be a starting point.
 21 CHAIR SCHMITZ: I appreciate that.
 22 TRUSTEE TONKING: I would like it to get
 23 no more than 225 with contingency. That's kind of
 24 where I'm thinking.
 25 TRUSTEE TULLOCH: I think I'd like to hear

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1 the comments of my fellow board members. I totally
 2 understand them. The 350, as you said, was a not to
 3 exceed, it wasn't a number to be spent. Obviously,
 4 internally we discussed where that cut off.
 5 I think the difficulty is, I agree with
 6 Trustee Dent, I think at 240, it's a sensible
 7 number. I would suggest we do something like 240,
 8 but we come back to the Board at, say, the 175.
 9 CHAIR SCHMITZ: My suggestion is that the
 10 Board is updated on a monthly basis, exactly where
 11 we stand, financially, so that we're all informed,
 12 not only of the dollars spent, but the progress
 13 made, the issues, as much you can, because I
 14 understand this is potentially sensitive
 15 information.
 16 But I think that should be an expectation
 17 from the Board.
 18 TRUSTEE DENT: We can be updated offline
 19 about this, and we may want to be updated more often
 20 than once the month. Yeah.
 21 And I just want to go on the record and
 22 correct my math. 350 plus 110 is 460, splitting
 23 that in two is 230.
 24 CHAIR SCHMITZ: It seems as though the 350
 25 number was an arbitrary number. It just seems like

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1 it was thrown out.

2 We're doing the same thing. We're

3 throwing things out. We're not trying to

4 micromanage staff, but we want to at least

5 understand where the money is being spent and that

6 it's being spent wisely.

7 So if we could agree to say that the

8 contract amount is not to exceed 200,000, with some

9 sort of contingency, whether it's 10 percent or

10 20 percent, but that we need to be kept apprised of

11 the progress and the financial status of the

12 project.

13 That might be a compromise.

14 TRUSTEE TULLOCH: Yeah. I think if we're

15 allowing that contingency, we need to conclude that

16 in the not to exceed, otherwise, you are starting to

17 get into contract amendment and things. I think we

18 can do the 200 plus 20 percent, and, obviously,

19 coming back to the Board at that stage.

20 But I think the not no exceed would be the

21 full amount, otherwise, you've got to come back and

22 reauthorize the amendment.

23 MR. RUDIN: I agree. And if -- depending

24 on the figure the Board ultimately arrives at, I

25 would be prepared to suggest language amending 3.31

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1 of the contract to state that the total

2 compensation, including reimbursements to provide

3 contingency to exceed, shall not exceed the number

4 to be suggested by the Board without written

5 approval of the -- without written approval of the

6 District Board Chair. So that would be the final

7 not-to-exceed amount. And you would modify the task

8 order to provide for the lower amount.

9 And additionally in 3.31, you would state

10 that the Director of Finance is authorized to issue

11 task orders -- issue additional tasks order in the

12 amount of the contingency, basically.

13 So that would be the way that you would

14 address this.

15 TRUSTEE TULLOCH: That makes sense.

16 TRUSTEE DENT: Trustee Tonking, what are

17 your numbers over there?

18 TRUSTEE TONKING: I had 200,000, and then

19 with the 15 percent contingency.

20 TRUSTEE DENT: I can get on board with

21 that.

22 CHAIR SCHMITZ: Would someone like to make

23 a motion?

24 TRUSTEE TONKING: I move that the Board of

25 Trustees approve a contract amount \$200,000 with a

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1 contingency of 15 percent, and not exceed that total

2 amount. I don't have the exact number in front of

3 me.

4 MR. RUDIN: That would be 230.

5 TRUSTEE TONKING: Not to exceed \$230,000.

6 And that we amend the contract in 3.3.1 to say "not

7 to exceed \$230,000 without written approval of the

8 District Board Chair," as well as the appropriate

9 areas in Exhibit B of the Tax Order.

10 Also change the date in 3.1.2 to be

11 whatever date that this contract is assigned and

12 implemented.

13 MR. RUDIN: And also authorize the

14 Director of Finance to issue tasks orders for the

15 contingency amount of \$30,000.

16 TRUSTEE TONKING: And authorize the

17 Director of Finance to implement task orders in the

18 contingency amount, and then direct the General

19 Manager to execute the contract.

20 CHAIR SCHMITZ: Do I hear a second?

21 TRUSTEE TULLOCH: I'll second that.

22 CHAIR SCHMITZ: All those in favor?

23 TRUSTEE NOBLE: I do appreciate members of

24 the Board working to come down in the price figure.

25 I still think that it's too high given the initial

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1 bid by RubinBrown for the three years at 110,000. I

2 also think that's driven, in part, by the

3 open-endedness of the scope of services that are not

4 tied directly to anything that has been brought to

5 light by the Director of Finance up to this point.

6 And while it may lead to additional costs

7 down the road, I just feel that scope of services,

8 at least some of the items as I've previously have

9 expressed, are too open-ended and amount to an

10 exercise with out my direction, and so that's why

11 I'll be voting no.

12 However, I do agree that there should be a

13 forensic audit, I just think that scope of services

14 is too broad at this point, given what we know.

15 CHAIR SCHMITZ: Any other discussion?

16 TRUSTEE TONKING: I actually think I would

17 want to either amend or rescind my motion because I

18 didn't think about that, that scope still exists

19 with this new thing. Because if they're still going

20 to do it all, they're just going to ask for

21 amendments.

22 I would like to focus on 9, 10, 11, 1 and

23 2, and see what that leads into.

24 CHAIR SCHMITZ: Go ahead, Trustee Tulloch,

25 and then I'd like to have Director of Finance Magee

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1 weigh in.

2 TRUSTEE TULLOCH: Yeah, I think it's --

3 again, we're coming back to the initial bid. The

4 initial bid was at a stage -- the RFP was put out in

5 September. As I've said previously, we done a lot

6 of work since then. We've unearthed a number of

7 things internally, which, for obvious reasons,

8 cannot be made public at this stage. There is

9 various things, and hopefully they amount to

10 nothing. We would be remiss if we did not include

11 these.

12 I don't see this as open-ended. And,

13 again, the 350k was a not to exceed. It's not what

14 RubinBrown asked for. It was sufficient to give us

15 contingency if we need to do any additional work.

16 I would be against changing the agreed

17 scope and going back there. It's going to take us

18 back another month, six or eight weeks, or whatever.

19 All this holds up the completion of the Davis Farr

20 audit as well.

21 I think we need to now get moving on this.

22 If, as we're going into this, we find that some of

23 these things are not required and a lot of these --

24 the nature of the audit, we will be doing some

25 initial high-level analysis in these areas. We have

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1 allowed for deep dives as required, but it will be

2 an initial high level, and we can find out from the

3 initial high level, using some of their forensic

4 analysis tools, whether we do need to dive down

5 deeper into these areas.

6 It's not just a: We'll drill down into

7 these regardless even though we're fining nothing.

8 It is a process there, and I would be

9 against changing the scope at the moment.

10 CHAIR SCHMITZ: I appreciate the comments

11 about the scope of work because I, too, like things

12 to be buttoned up.

13 But when I hear the explanation from our

14 Director of Finance, and that this RubinBrown, this

15 is the process that they use, I don't want to

16 dictate their process. I want them to use the

17 process that has worked for them and allow them to

18 do their job, but I do expect staff to manage their

19 efforts and make sure that they are doing

20 productive, constructive work on our behalf.

21 I don't want to change -- I don't want to

22 prioritize these because now I'm micromanaging

23 somebody who really knows how to do this work, and

24 it's not my area of expertise.

25 TRUSTEE TONKING: What happens if we

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1 require that in their invoices, they invoice with a

2 task since I don't have any cost allocation sheet

3 for them on how much things are costing? So they

4 invoice per task, which I don't know if that's

5 micromanaging them, but then I can see what they're

6 doing and the cost of those things so if they come

7 back asking for more, I can have a better

8 understanding of what that's looking like.

9 So, I'd like a pretty in-depth invoice.

10 MR. MAGEE: We can certainly ask them to

11 do that. My gut feeling is they would probably be

12 amenable to that. They're accustomed to breaking

13 these things apart pretty significantly and taking a

14 deep dive into what they're actually spending their

15 time on.

16 I think that they would be agreeable to

17 that.

18 CHAIR SCHMITZ: Any other comments,

19 discussions?

20 MR. RUDIN: I was just wanting to address

21 the trustee's concern. 3.32 requires that they

22 submit an itemized invoice which indicates work

23 completed and hours of services rendered, and

24 additionally, they're supposed to apply to project

25 task tracking sheet with each invoice.

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1 CHAIR SCHMITZ: Thank you. I didn't see

2 that.

3 TRUSTEE DENT: Ready to vote, Chair.

4 CHAIR SCHMITZ: We have a motion, it had

5 been seconded, we've had some discussion, I'll call

6 for a vote. All those in favor?

7 TRUSTEE TONKING: Aye.

8 TRUSTEE TULLOCH: Aye.

9 TRUSTEE DENT: Aye.

10 CHAIR SCHMITZ: Aye.

11 Opposed?

12 TRUSTEE NOBLE: Opened.

13 CHAIR SCHMITZ: 4/1, it passes. Thank

14 you. We will move on to the scope relative to Baker

15 Tilly, that is H 4.

16 H 4. Baker Tilly Contract Amendment

17 CHAIR SCHMITZ: Pages 181 through 184.

18 This is really just -- we've already had our

19 discussion on this, so this would just be for the

20 Board to have any discussion regarding the contract

21 and potentially approve the contract.

22 TRUSTEE TONKING: I move -- direct staff

23 to increase Baker Tilly contract by 100,000 for

24 additional account resources required to support

25 continued work on a daily operational activities and

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1 special projects as previously prioritized by the
 2 Board, contingent upon approval of the budget
 3 augmentation request, authorize the General Manager
 4 to execute the contract.
 5 CHAIR SCHMITZ: Do I hear a second?
 6 TRUSTEE TULLOCH: Can I amend the motion
 7 slightly? I would like to add the similar terms
 8 Sergio just described in the forensic audit one.
 9 CHAIR SCHMITZ: The billing?
 10 TRUSTEE TULLOCH: Yes. The monthly task
 11 orders and reporting tracking against. I've heard
 12 the concerns, oh, we're just giving them an open
 13 check.
 14 I don't believe that's the case, but I
 15 think this keeps the Board informed as well.
 16 MR. MAGEE: That's correct. And we are
 17 already receiving those from Baker Tilly. And so we
 18 can certainly ask them to continue to provide those.
 19 CHAIR SCHMITZ: So there was no amendment
 20 then?
 21 TRUSTEE DENT: Nope.
 22 I'll second.
 23 CHAIR SCHMITZ: All those in favor?
 24 TRUSTEE TONKING: Aye.
 25 TRUSTEE TULLOCH: Aye.

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1 TRUSTEE NOBLE: Aye.
 2 TRUSTEE DENT: Aye.
 3 CHAIR SCHMITZ: Aye.
 4 Motion passes, 5/0. Moving on to item H
 5 5.
 6 H 5. Board's Goals for 2024
 7 CHAIR SCHMITZ: Review, discuss, and
 8 identify Board goals. That is my agenda item, and
 9 what I put before you is just something for the
 10 Board's discussion. And what I was trying to do was
 11 leverage the training that we had with Governance
 12 Sciences and talking about, in solving any problem,
 13 you first have to clearly identify a problem.
 14 And I thought that this approach would
 15 help us, as a board, identify the priorities that we
 16 feel we want to have accomplished as a board within
 17 this calendar year. It may be too much, it may be
 18 too little. But I put -- identified problems on the
 19 list, and then I brainstormed ideas of what
 20 potential solutions might be. And the whole intent
 21 was just for us, as a board, to have clear a vision
 22 of what we're trying to accomplish in this
 23 calendar year, and, therefore, that will help staff
 24 understand as well.
 25 So open for criticism, additions,

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1 deletions. I just did not want to start with a
 2 blank sheet of paper. So, that's what you have
 3 before you. I will stop talking and let the rest of
 4 you talk.
 5 Any comments? Any feedback on this?
 6 TRUSTEE TULLOCH: On 2 part 3, the Board
 7 packet materials, absolutely agreed. I think I made
 8 this comment several times last year, we keep
 9 parroting out these phrases and requests for capital
 10 funding for projects, this complies with section,
 11 subsection of a strategic plan that's ten years old
 12 or something, and they're meaningless. Then we say
 13 this has no impact.
 14 So let's clean up the Board memos so it
 15 just gets to the point: What decisions are
 16 required, what it's going to cost us, what the time
 17 timeline is.
 18 To me, that's a huge issue.
 19 CHAIR SCHMITZ: And the outcome that we
 20 had -- I'm directing this at our District Clerk,
 21 because we did, as a board, request that our memos
 22 be of the same mindset of: What is the problem
 23 we're trying to solve? What are the various
 24 solutions? What are the options? What's the cost
 25 or the impacts of the problem?

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1 So, we need to change our memo format,
 2 that is something that the District Clerk took away
 3 from that training, so I think there's concurrence
 4 on that.
 5 TRUSTEE TONKING: On that same page, I
 6 believe we still have another training on that, that
 7 we need to have publicly, and who is going to help
 8 us do those memos. So it would be great to see an
 9 example of that with him. I might be wrong, but we
 10 were supposed to do one on -- we hadn't noticed it;
 11 correct?
 12 TRUSTEE DENT: Yeah, we still do need to
 13 schedule the noticed meeting where we can discuss a
 14 potential item that could be coming before us at a
 15 meeting, and then use the format that we laid out.
 16 TRUSTEE TONKING: That might help with
 17 that one.
 18 My next one was we can get rid of legal
 19 counsel, which I think we know.
 20 My other is in number 10, you listed some
 21 Board priority projects. I think I'd really like to
 22 see that kind of center -- or the tennis courts,
 23 either we don't need to list each priority project
 24 or add it as a number. So, one or two ways of doing
 25 what you have there.

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1 The other thing is when you say -- this is
2 number 7 -- intensions and concerns from the Board
3 in various golf committees in the community, I
4 wasn't really sure what your meant by "MOUs of
5 transparency," but if we have those MOUs, we
6 probably have to do them for all sorts of clubs that
7 we have across the District, so I wouldn't just
8 single out one group.

9 And then the other thing I wanted to add
10 was public records requests. Throughout this
11 meeting, we talked a lot about the time and
12 extension that it's taking to do some of these
13 public records requests, and I've probably been a
14 broken record on this for the last three years, I
15 really want to think about charging for some of
16 them, because I think a lot of them cost a lot of
17 money, and we've started to see the time that goes
18 into them.

19 CHAIR SCHMITZ: I agree with you. And
20 it's actually a conversation --

21 Sergio, doesn't our policy already give
22 staff the ability to provide charging?

23 MR. RUDIN: Yeah. But state law does
24 severely limit the manner and ways in which we can
25 charge for responding to public records requests.

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1 public record, which I believe under NRS, you can
2 have more leniency in charging for data requests
3 than you can for public records requests.

4 So I'd like to work on a way, because I
5 think a lot of our public records requests require
6 compiling a bunch of data to create a public records
7 request.

8 CHAIR SCHMITZ: So what problem are you
9 trying to solve?

10 TRUSTEE TONKING: The time. And I think
11 if we're going to be using so much staff time on it,
12 the resource we're using, we need to recuperate some
13 of that.

14 CHAIR SCHMITZ: So it's staff cost is the
15 problem. Okay. Got it. Thanks.

16 TRUSTEE NOBLE: Just to piggyback on that,
17 I think when you do start charging, it focuses
18 people who are making the requests on what exactly
19 they want so that -- because right now, at least the
20 stuff, when receive emails that are requests for
21 public records, some of them are fairly flippant,
22 just throwing it out there, give me this, give me
23 that. When they have to be charged, and as long as
24 it's consistent with the NRS, they become much more
25 focused. At least that's been my experience at the

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1 Yeah, that's all I'll say about that right now.

2 But, yeah, it is addressed by our policy.

3 CHAIR SCHMITZ: You are working with staff
4 on public records requests, handling and processing;
5 correct? Or is it only if legal counsel needs to
6 review?

7 MR. RUDIN: I think it's mostly when legal
8 counsel needs to review. We'll answer questions of
9 staff as to what records should be disclosed, when
10 it makes sense to try and redact records, what
11 redactions are appropriate under case law.

12 If they are very run-of-the-mill requests,
13 they may not consult us. They may not be necessary.

14 CHAIR SCHMITZ: With that, Trustee
15 Tonking, what would be the problem you're trying to
16 solve? Are you trying to solve the time or are you
17 trying to solve the reduction of public records
18 requests? How would you measure success of that?

19 TRUSTEE TONKING: I think that is where I
20 wanted to talk -- and I can talk to Sergio more
21 about it offline.

22 There's a difference between a public
23 records request and a data request. And a lot of
24 requests aren't actually public records; they're
25 data that need to be put together to then create a

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1 PUC.

2 They aren't flippant about it. When they
3 want something, they ask specifically for it, and
4 are very particular because they know that if they
5 ask for the moon, they might get charged more
6 than -- for stuff that they actually didn't want or
7 need.

8 CHAIR SCHMITZ: Understood.

9 TRUSTEE TULLOCH: Just some clarification
10 on a couple of the points that were made.

11 In terms of the MOUs, the only other
12 organization to really have any sort of remotely
13 similar affiliation with is Diamond Peak Ski
14 Education Foundation, where there is an MOU clearly
15 stating out who is responsible for what and what the
16 relevant charges are.

17 This isn't singling out the golf clubs,
18 it's putting them on similar footing and make sure
19 that we're not favoring them.

20 Also with regards to public records, I'm
21 completely confused because members of the community
22 have brought up with me, we've brought in this new
23 system where it's supposed to make it more easy for
24 people to not have to ask for the same record again.

25 Yet we're publishing things with

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1 spreadsheets and various things on them, that can't
 2 be accessed by anyone else, so they go and ask for
 3 it again. That seems some sort of hiccup.
 4 CHAIR SCHMITZ: Let's take that offline.
 5 We must stay on topic here.
 6 Backing up to your comment on the MOUs and
 7 the golf clubs, the only reason why I brought it up
 8 is I was identifying what is a problem. And one of
 9 problems is tension, and if we have a clear
 10 understanding, it would, hopefully, alleviate that.
 11 I was trying to stay with the concept of
 12 what is the problem -- what problem are we faced
 13 with and what might be solutions?
 14 I was just brainstorming and this is what
 15 I put together. Does that help with why it's just
 16 golf? That was a problem, so ...
 17 Any other feedback on this? Because what
 18 I'm intending to do is map this, then, to our long
 19 range calendar, and then midyear sort of reflect and
 20 say if these were the things that we thought were
 21 problems we're trying to solve, how are we doing,
 22 what progress have we made?
 23 Thought I would -- if people were
 24 comfortable with this type of an approach, we would
 25 at least have something where we can all work from a

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1 document that says this is kind of what we're trying
 2 to accomplish.
 3 I appreciate the dialogue.
 4 TRUSTEE DENT: I appreciate you putting
 5 this together. I feel like it starts to give us at
 6 least an outline of where we're starting and where
 7 we're going. There's a lot of stuff that we've been
 8 talking about over the last year.
 9 So, I think having it written down and,
 10 quote/unquote, having a plan we can check in on will
 11 be good.
 12 CHAIR SCHMITZ: We've already accomplished
 13 one task.
 14 Any other feedback on this? Otherwise,
 15 I'll close that agenda item and move on to our last
 16 general business, that is H 6.
 17 H 6. FlashVote Service Agreement
 18 CHAIR SCHMITZ: Review, discuss, and
 19 possibly approve the agreement for FlashVote
 20 services not to exceed the amount of \$7,900.
 21 Requesting trustee, Trustee Dent, pages 193 to 202.
 22 TRUSTEE DENT: There's a recommendation
 23 here to accept the FlashVote services agreement in
 24 the amount of \$7,900. It would be providing the
 25 FlashVote surveys, and we wouldn't have any of the

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1 training that was included in last year's proposal.
 2 Here to answer any questions.
 3 CHAIR SCHMITZ: Any questions?
 4 TRUSTEE TONKING: I'm just still, as I
 5 mentioned before, concerned that we don't use the
 6 six surveys per year, so I'm just a little concerned
 7 about that, and money we spend on it.
 8 Then I was confused on the initial service
 9 term, one or two years, are we supposed to pick one?
 10 TRUSTEE DENT: Yeah, this is typical of
 11 what Government Sciences provides to all their other
 12 clients, so it gives us the option of one year or
 13 two year. And then the initial service would start
 14 from when our last ended. But this was put together
 15 as far as the initial term of service, it would
 16 start when our prior expired.
 17 And that's to answer previous questions
 18 you had as to when this expires.
 19 TRUSTEE TONKING: When does it expire?
 20 TRUSTEE DENT: I don't know that answer.
 21 I fall back to I believe it is March. I don't want
 22 you to think we're approving something for January 1
 23 and it's already January 31.
 24 TRUSTEE TONKING: I think it says January
 25 31st on here.

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1 CHAIR SCHMITZ: It does say January 31st.
 2 TRUSTEE TULLOCH: Picking up on Trustee
 3 Tonking's point. Yes, let's make sure we get the
 4 six surveys.
 5 I noticed, we almost seem to have a
 6 dueling between staff putting out surveys and
 7 FlashVote putting out surveys. I think we should be
 8 looking at -- before staff come up with surveys that
 9 we don't even know about, they come to the Board to
 10 see whether it's more suitable for a FlashVote,
 11 because we know it can be more a scientific survey.
 12 CHAIR SCHMITZ: Good suggestion. And I
 13 think that I agree with Trustee Tonking, let's do
 14 our six surveys.
 15 We will have to, maybe, put them on a
 16 calendar to just remind us and say, okay, what would
 17 we like? And perhaps staff has things that they
 18 need to have taken care of. That could be
 19 incorporated in.
 20 TRUSTEE DENT: I think the one thing that
 21 I learned from this process is we don't want to be
 22 telling the community what we're going to be
 23 surveying for. So as far as what gets surveyed or
 24 where that discussion goes, we can always talk
 25 offline regarding that, as the liaison to the Board

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1 for this.

2 CHAIR SCHMITZ: Perhaps that is why,

3 Trustee Tonking, you didn't know that I had

4 requested something. And I don't know who else, but

5 I know there were requests. So, please feel free to

6 reach out to Trustee Dent if there is something,

7 because he did a great job of handing these past

8 ones. But I think we should work to get our six in,

9 for sure.

10 Would anyone like to make a motion?

11 TRUSTEE DENT: I'll move that we approve

12 the agreement for FlashVote services in the

13 not-to-exceed amount of \$7,900.

14 CHAIR SCHMITZ: Do I hear a second?

15 TRUSTEE TULLOCH: I'll second.

16 CHAIR SCHMITZ: Any discussion?

17 TRUSTEE NOBLE: I did appreciate the

18 training we received initially from FlashVote. I

19 thought it was helpful.

20 I have not been as impressed with the

21 quality of the surveys that have gone out. There is

22 a lot of deep dive data explaining why people have

23 voted, but I haven't been impressed with the

24 questions and the information, ultimately, that

25 comes out of it.

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1 And the fact that we have the ability to

2 send surveys to every single parcel owner and we can

3 do it internally, I don't think it's necessary to

4 move forward with this contract.

5 For those reasons, I'll be voting no.

6 CHAIR SCHMITZ: Any other further

7 discussion?

8 TRUSTEE TONKING: I'll also be voting no.

9 I don't believe we utilize it to the extent we

10 should. I also just haven't found -- similar to

11 Trustee Noble, a lot the questions are not well

12 worded, and I would expect more if we're paying that

13 much.

14 CHAIR SCHMITZ: So we have a motion on the

15 table, it's been seconded, I'll call for a vote.

16 All those in favor?

17 TRUSTEE TULLOCH: Aye.

18 TRUSTEE DENT: Aye.

19 CHAIR SCHMITZ: Aye.

20 All those opposed?

21 TRUSTEE TONKING: No.

22 TRUSTEE NOBLE: Opposed.

23 CHAIR SCHMITZ: The motion passes, 3/2.

24 Moving on to item I.

25

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1 I. REDACTIONS FOR PENDING PUBLIC RECORDS REQUESTS

2 CHAIR SCHMITZ: I don't believe we have

3 any at this point in time.

4 Item J.

5 J. LONG RANGE CALENDAR

6 CHAIR SCHMITZ: It is not in our board

7 packet this evening, but one of items that I know

8 was requested is that interim Director of Finance

9 has requested a Board special meeting. And he had

10 originally requested it sometime, I believe, in

11 early February, but I spoke with him today, and he

12 would like to meet with the Board in a special

13 meeting to discuss budget the last week of February.

14 So if we could potentially try to schedule

15 something either like on the 29th of February, if

16 that would work, he was hoping we could do something

17 starting at a noon timeframe.

18 That was what he was suggesting, but I

19 wanted to get your input and your feedback of

20 availability.

21 TRUSTEE TONKING: It's really hard for me

22 to do midday without taking PTO. And I'm also out

23 of the country that week, the entire week.

24 CHAIR SCHMITZ: He said that would be okay

25 if we need to push it to the beginning of March,

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1 but, man, we're getting close to budgets being due.

2 The tentative budget is due, I think, April 15th, if

3 I remember correctly.

4 But if we want to schedule something, are

5 you never available to do a daytime meeting?

6 TRUSTEE TONKING: Just noon, that's

7 literally me having to take a half day of PTO that I

8 would prefer not to take.

9 CHAIR SCHMITZ: If we started at 3?

10 TRUSTEE TONKING: Yeah, that's fine, but

11 noon is just rough.

12 TRUSTEE DENT: I would second Trustee

13 Tonking's comments.

14 CHAIR SCHMITZ: Okay. I will ask the

15 District Clerk to find a date and time that will

16 work for everyone.

17 And then the other things I wanted to run

18 through, I have on my list from tonight's meeting

19 things for the long range calendar include staff's

20 recommendations of alternatives related to filling

21 the general manager position, the tennis project,

22 long range calendar, the general fund to explain the

23 plan for fund balance. I have food and beverage,

24 the food and beverage deep dive, what are the

25 issues, what are the changes. And then I have

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1 FlashVote, potential item with a new format.
 2 Those were the things from this evening
 3 that I have captured for long range calendar.
 4 Anything missing?
 5 TRUSTEE TONKING: I think you also said
 6 you were going to put some of your goals on the long
 7 range calendar to talk about.
 8 CHAIR SCHMITZ: Individual ones, you mean?
 9 TRUSTEE TONKING: Like a check-in on that.
 10 CHAIR SCHMITZ: Absolutely. Okay. I
 11 think I put it on in July already, but I don't have
 12 it in front of me.
 13 TRUSTEE TULLOCH: I would like to add it's
 14 time we start looking at what the future situation
 15 for this building is. It's obviously coming to end
 16 of life, there's various different issues.
 17 I think should be starting to look at our
 18 space requirements, as well as what space we have,
 19 and start looking forward to see what's --
 20 CHAIR SCHMITZ: It was added to the long
 21 range calendar, and I think it's something that
 22 we'll discuss when we start talking about a
 23 five-year plan.
 24 Anything else?
 25 What I may request our clerk do is when we

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1 get it updated, to actually post it on the website,
 2 so it's not embedded in board packet material, but
 3 it's out there so that we can click on it and view
 4 it, not only us, but the community.
 5 MR. BANDELIN: I had a note also that the
 6 staff would bring back a discussion on the District
 7 tennis court project.
 8 And then I would like to have the Board,
 9 if I could recommend a little bit more discussion --
 10 I'm checking to see if Erin's still on the call --
 11 it's kind of a broad recommendation, staff to bring
 12 back a recommendation, it's a little open-ended, on
 13 the GM recruiting process.
 14 I just thought if Erin could be on the
 15 call, if she's listening. Staff feels it's a
 16 recruiting for your position, and if we leave here
 17 tonight without any more discussion on possible
 18 recommendations, we heard some different
 19 recommendations from Trustee Tulloch. I just
 20 thought -- don't want you to leave here tonight and
 21 us go in the back room and work towards coming back
 22 on the February 14th meeting without a little bit
 23 more direction on what possible recommendations
 24 might be to bring to you.
 25 TRUSTEE NOBLE: A couple things I'd like

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1 to see is whether or not to -- it's worthwhile to
 2 continue with Bob Hall and Associates or to pivot
 3 and look at the alternative firm or if there's a
 4 third alternative with regards to another recruiting
 5 agency?
 6 CHAIR SCHMITZ: I also had on the list:
 7 Potential to have an interim executive.
 8 I think staff has done a really great job.
 9 I've been happy with this process, but I think Erin
 10 did have some ideas.
 11 And so do you need more direction, Erin,
 12 or is this sufficient?
 13 MS. FEORE: No. I think this is
 14 sufficient. I think I need to have some offline
 15 conversations with legal about what kind of
 16 participation and/or involvement the Board may be
 17 permitted to have. I feel like that was probably
 18 one of the things that hindered us the most to a
 19 certain degree.
 20 I was -- outside of looking at the
 21 description and hearing some of the requests from
 22 the Board, I was kind of flying blind. And as I had
 23 talked with IGM Bandelin, satisfying the intentions
 24 of the requests of five differing board members is a
 25 little difficult sometimes. Getting that wide range

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1 of applications was what we were hoping for.
 2 I think that is what I would like to,
 3 maybe, work with Sergio and his team to see what
 4 kind of, if any, availability we would have to
 5 partner with a board member, a board liaison,
 6 something so that process as it starts and continues
 7 is on the right track.
 8 MR. RUDIN: I think that the main
 9 restriction is you don't want to have the Board form
 10 a subcommittee because the Board itself, or any
 11 subcommittee, is subject to Open Meeting Law, and
 12 the Open Meeting Law says that the hiring of the GM
 13 has to be done at an open and noticed meeting.
 14 You could have one board member
 15 participate, and we can discuss that further
 16 offline.
 17 CHAIR SCHMITZ: Moving on.
 18 K. BOARD OF TRUSTEES UPDATE
 19 CHAIR SCHMITZ: Do we have updates from
 20 various trustees relative to their liaison role?
 21 TRUSTEE TULLOCH: Yeah. We're reviewing
 22 candidates for the Beach House design, hundred
 23 percent design. That's taking place tomorrow.
 24 We're also meeting with Granite on the GMP
 25 for the tank project, the effluent storage tank, on

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1 Monday.

2 CHAIR SCHMITZ: Good. I'm excited to keep

3 those things moving forward.

4 Anyone else?

5 Moving on, then.

6 L. FINAL PUBLIC COMMENT

7 MS. KNAAK: Hi. Yolanda Knaak.

8 I thought it was a really good meeting.

9 Thank you for all your hard work. Bye.

10 MR. DOBLER: Cliff Dobler again.

11 Mick Homan, which was a quitter on the

12 Audit Committee, gave some public comments tonight,

13 and mention about the 29 memorandums that I had

14 given to the Audit Committee that were kind of

15 shuffled under rug.

16 Now, myself, Homan, Navazio, and Nolet met

17 last March, and we went through the 29 memorandums

18 and found out that we had one 21 of them that we

19 were in agreement that we had to have corrections to

20 improper accounting and disclosure. Never was it

21 discussed whether it was fraud or not fraud, and he

22 is indicating -- Homan tonight is indicating that

23 that was my energy that fraud was being created, and

24 that is not true. Okay? It was over improper

25 filing and disclosure.

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1 Fraud is to be decided by others above me.

2 But I will say that when you have a cumulative

3 number of items that are accounting and reporting

4 disclosures not done properly, you may have fraud.

5 Now, nine of the items were serious, and

6 they were considered to be talked about in the

7 future. Of course that was never done. And then of

8 course Navazio, before he took off, was going to

9 write a closure report on the 21 memos that we had

10 agreement on what was to be corrected, and then

11 these other eight memos or nine memos were to be

12 discussed later. A report was never done.

13 Now, I spent endless hours, over

14 three years, putting this together to get the ball

15 rolling on this improper accounting and disclosure.

16 And I think there should be a closure report on the

17 21 memos and be given to this RubinBrown because

18 it's pretty expansive. And then the eight memos

19 that have not been resolved at all because they're

20 serious issues should probably also be given to

21 them, but Nolet seems to have checked out and

22 doesn't seem to have given it to them -- or I don't

23 know, I'm going to find out -- but I think he

24 probably should because it's only fair and the right

25 thing to do.

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1 But I don't appreciate Homan, for what

2 it's worth, indicating to me that we didn't find any

3 fraud. We weren't looking for it. We were only

4 looking for improper accounting and disclosure and

5 what needed to be corrected.

6 So that's all I have. Good luck to you

7 guys. I will talk about capital projects at another

8 time.

9 Thank you.

10 MR. HOMAN: Hi. Mick Homan.

11 I just wanted to apologize to Trustee

12 Tulloch. Might be the danger of making comments on

13 the fly instead of preparing them.

14 I didn't mean to say that Trustee Tulloch

15 had said that there was rampant fraud or that he

16 agreed with those who claimed there was. My point

17 was that there were a lot of claims, and I was

18 concerned, when in the meeting tonight, he

19 referenced some of those claims.

20 And if I misspoke or said something that I

21 didn't mean to say, I'm apologizing.

22 TRUSTEE TULLOCH: Thank you.

23 MATT: That's our last public comment in

24 the Zoom queue.

25

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1 M. ADJOURNMENT

2 CHAIR SCHMITZ: We will adjourn our

3 meeting at 9:50 p.m. Thank you, all.

4 (Meeting adjourned at 9:50 p.m.)

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

3

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

6 That I was present on January 31, 2024, at
7 the Board of Trustees meeting, via Zoom, and took
8 stenotype notes of the proceedings entitled herein,
9 and thereafter transcribed the same into typewriting
10 as herein appears.

11 That the foregoing transcript is a full,
12 true, and correct transcription of my stenotype
13 notes of said proceedings consisting of pages 173,
14 inclusive.

15 DATED: At Reno, Nevada, this day of 11th
16 day of February, 2024.

17

18 /s/ Brandi Ann Vianney Smith

19

20 BRANDI ANN VIANNEY SMITH

21

22

23

24

25

INVOICE

BAVS SM-LLC
brandiavsmith@gmail.com
United States

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

775-832-1218
AP@ivgid.org

Invoice Number: IVGID 22

Invoice Date: February 11, 2024

Payment Due: March 2, 2024

Amount Due (USD): \$1,388.00

Items	Quantity	Price	Amount
Appearance fee January 31, 2024 BOT meeting	1	\$350.00	\$350.00
Per page fee January 31, 2024 BOT meeting	173	\$6.00	\$1,038.00

Subtotal: \$1,388.00

Total: \$1,388.00

Amount Due (USD): \$1,388.00

From: [Kristie Wells](#)
To: [Sara Schmitz](#); [Matthew Dent](#); trustee_noble@ivgid.org; trustee_tonking@ivgid.org; trustee_tulloch@ivgid.org
Cc: [Info IVGID](#)
Subject: Public Comment and Additional Document to be added to the official minutes of the January 31, 2024 IVGID Board of Trustees Public Meeting
Date: Wednesday, January 31, 2024 5:40:58 PM
Attachments: [Exposing the Forensic Audit Contract to a Little Sunshine.pdf](#)

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

Please include this comment and the attached document in the official minutes of the January 31, 2024 meeting

Kristie Wells, Incline Village Resident

Three of IVGID's Trustees (Dent, Schmitz, and Tulloch), the Chair of the Audit Committee (Nolet), and the Interim Director of Finance (Magee) insist we need a forensic audit of past IVGID financial reports and administrative financial activities. This is based on decisions related to past issues with IVGID's policies and procedures and other issues exacerbated by severe staffing shortages in the financial department.

They all have stated ***there has been no indication of fraud***, but they are moving forward with this audit in the hopes of justifying their effort to discredit the last IVGID administration, and/or justify their heavy-handed approach to dealing with IVGID staff.

This past November, the Board approved a budget for the forensic audit and a scope of work for the project.

- RubinBrown LLP provided the lowest bid. Baker Tilly was in second place. Moss Adams was a distant third (all based on price). The interesting thing here is that [RubinBrown is a part of Baker Tilly International](#), so technically the same company provided two of the three bids.
- Magee was hired onto IVGID's payroll from Baker Tilly, and [IVGID paid Baker Tilly a \\$10,000 'finders' fee](#).
- At the November 8, 2023 public meeting, the Board authorized Trustee Tulloch to negotiate terms and conditions with Rubin Brown, as well as the final scope of work to be conducted on a forensic audit. The negotiated contract was then to be sent to the Board for their review and approval.
- The dollar amount budgeted by the Board for the contract was to be for a total fixed-price of \$110,000 for the three years fiscal review or \$160,000 for five years fiscal review.

Sometime between November 8, 2023, and January 10, 2024, the scope of work was increased leading to a contract amount “not-to-exceed \$350,000.” Almost \$250,000 more than was approved by this Board. Seems like a bait and switch from Rubin Brown and the mishandling of the negotiations by Tulloch and Magee. Also, Magee, placed by Baker Tilley and now on IVGID’s payroll, probably should have recused himself from negotiating with Rubin Brown.

Tulloch and Magee revised the contract and presented it to Interim District Manager Bandelin for his signature without first informing the rest of the Board, sending it to the Board for their review and approval, or allowing the community to learn about or comment on this change in scope and contract pricing.

This community also needs to understand that the expense of this forensic audit is not just the cost of the Rubin Brown contract (which is now either \$110,000 or up to \$350,000), but the additional expense of the consultants like Pam Day, Baker Tilly, and other individuals Magee has hired that will need to stay on and assist IVGID staff during this audit. There are problematic reporting delays and real, hard costs, for a pet project to prove something likely going to turn up “no fraud found.” Seems there are way better ways to spend our money.

Kristie Wells

Additional documentation to be attached to my public comment made at the January 31, 2024 IVGID Board of Trustees Public Meeting.

Why should Incline Village and Crystal Bay (IV/CB) residents care about the forensic due diligence audit contract up for approval at the January 31st IVGID Board meeting?

Perhaps because this forensic audit is an unwarranted witch hunt.

Let's dive into the forensic due diligence audit contract. It's been a wish, desire, and siren call from a small, but very vocal number of members in our community. This item, [General Business Item H.3 on the January 31, 2024](#) Incline Village General Improvement District (IVGID) Board of Trustees meeting agenda, will be seen to those few community members as a win, and demonstrate that Trustees Schmitz, Dent, and Tulloch are acting on their behalf.

As a reminder, Trustees Tulloch, Chris Nolet, the Chair of the Audit Committee and Bobby Magee, the Interim Director of Finance, have all stated ***there has been no indication of fraud or suspected fraud***, but they want to move forward with a forensic audit to determine if the elements of the 'fraud triangle' are present. There is a [great article penned by Mick Homan](#), a former Committee Member on the IVGID Audit Committee, that discusses the financial issues within IVGID, and also reiterates no fraud has been found to date.

So here we are.

The Request for Proposal (RFP) for this audit was written and advertised. These are professional services, as defined by the Nevada Revised Statutes, so the rules are a little different for selection. The key one is: ***you don't have to select from the responses based on lowest price.***

The bids were to include pricing for a one year plan, and also a three and five year span. Three responses came in, according to the accompanying memorandum.

RubinBrown LLP provided the lowest bid at \$110,000 for either a three fiscal years' review or \$160,000 for a five fiscal years' review. Baker Tilly was in second place. Moss Adams was a distant third (and distant is based on price). Interesting thing here is that [RubinBrown LLP is a part of Baker Tilly International](#), so they provided two of the three bids.

And here is where the plot thickens.

IVGID's Interim Director of Finance Magee was hired onto IVGID's payroll from Baker Tilly, and [IVGID paid Baker Tilly a \\$10,000 'finders' fee](#) (see the invoice below). As noted above, RubinBrown LLP is part of Baker Tilly. So should Magee, placed by Baker Tilly and now on IVGID's payroll, have been allowed to negotiate with

RubinBrown LLP? That's for the reader to ponder, but the opinion of this author is no. He should have been recused from these discussions, at least for transparency's sake.

Moving on, for now at least. At the [November 8, 2023 Board of Trustees meeting](#), the Trustees gave very specific instructions, via a motion, to the Treasurer of the Board (Tulloch) and the Interim Director of Finance (Magee) to negotiate with the low bidder, RubinBrown LLP, who again is a part of Baker Tilly International.

Sometime between November 8, 2023 and January 10, 2024, the scope of work was increased that led to a contract amount "not-to-exceed \$350,000". Almost \$250,000 more than was approved by this Board. Seems like a bait and switch from Rubin Brown LLP and mishandling of the negotiations by Tulloch, and by Magee.

When you go back to prior Board discussions about this "due diligence" audit that has now turned into a "forensic audit," there was an interesting dialogue between Trustee Schmitz and Magee in the August 24, 2023 meeting where Magee was asking for approval to put out an RFP for the forensic audit.

In that discussion Schmitz asks for likely range for forensic audit. Magee says \$50,000 - \$150,000 and then goes on to mention that someone may offer all kinds of amazing stuff and it will be \$350,000 (he actually used that exact number). He then goes on to say those kind of proposals generally get rejected (see the screenshot below). This starts at the bottom of page 258 of 657 of Item F.3 of the September 19, 2023 materials, which is the transcript from the August 24th meeting. Coincidence?

The negotiations ensued with RubinBrown LLP and both parties came to a mutual understanding, and the work began. Yes, the work began. Even though no executed contract has been provided [in response to public records requests](#) and, to date, no notice to proceed has been provided. The contract in the Board packet states this very clearly in the paragraph entitled Term. The work began on January 8, 2024.

Now this puts the "House of Cards" out into the sunshine, and exposes a very awkward arrangement initiated by our Interim Director of Finance, Treasurer to the Board and the Audit Committee Chair. To add insult to injury, this contract was presented to IVGID's Interim General Manager, Mike Bandelin, for final signature before negotiated changes, in both scope of work and a contract fee that more than doubled from the original bid, to the Board for final review and approval, and to the IVGID residents for their feedback.

The community should be outraged at this act of bait and switch.

Let's recap. The IVGID Board of Trustees is about to approve a \$350,000 contract to a firm that has deep ties to our Interim Director of Finance, and the process has been flawed from the onset, and Trustee Tulloch admitted that if there were any mistakes with this process, he was to blame. Just go watch the start of the [January 10, 2024 Board of Trustees meeting on Livestream](#).

And here's a little preview of what's to come, as the gamesmanship continues. The District representative on this contract would be the Interim Director of Finance, who will also approve the invoices on this contract.

Community members this is your wake-up call. You need to make your voices heard and demand that the Interim General Manager be the District's representative on this contract, and that the Director of Administrative Services be the person who gets the invoices for approval. Sure, the Interim Director of Finance must be involved, but he now has a team of people who can help; so let's bring these people forward and make this audit, which we all know will find absolutely no fraud, a transparent process. After all, that's the Trustees motto – transparency.

Let's pull back the curtain and let the sunshine in.

The following are a list of irregular and possibly illegal activities that have been discovered by residents. We want to ensure the forensic auditor RubinBrown LLP is aware of all of these activities, so they can leverage the work that has been done. [THIS LIST WAS PROVIDED Nov 30, 2023 TO TRUSTEE RAY TULLUCH who acknowledged receipt, and AUDIT CHAIR CHRIS NOLET.]

The Association of Certified Fraud Examiners (ACFE) defines occupational fraud as **"using one's occupation for personal enrichment through the deliberate misuse or misapplication of the employing organization's resources or assets."**

1. **Financial statement fraud** – capitalization of expenses, e.g. LAND account. Over \$13 million. CFE Fraud Tree: Understated expenses. This should be the first assignment for the forensic auditor. It is easy to understand and has been clearly documented.

<https://ourivcbvoice.com/land-misstated-on-ivgid-financials-for-over-a-decade/>

<https://ourivcbvoice.com/opinion-cooking-the-books-part-2/>

<https://ourivcbvoice.com/cooking-the-books-in-lake-tahoe-part-3/>

IVGID has purchased a Government Finance Officers Award since the mid 1990s. As the “books” have been being “cooked” since 1990, this is deceptive. GFOA’s excuse for allowing government agencies to buy an award is that they rely on a “clean” audit opinion, and do no additional validation. By purchasing the award AND improperly capitalizing expenses for over 30 years, IVGID’s management has intentionally deceived the property owners (taxpayers).

2. **Financial statement fraud** – capitalization of expenses of capital projects (over \$9 million). CFE Fraud Tree: Understated expenses. Cliff Dobler has documented this area. Kendra Wong refused even the possibility of restating the financial statements.

<https://ourivcbvoice.com/forensic-audit-the-need-to-investigate-accounting-fraud-by-past-ivgid-management/>

<https://ourivcbvoice.com/ivgid-accounting-cover-up/>

3. **Recreational Facility Fee has been classed as operating revenue**, which is improper. (over \$155 million since 1989) CFE Fraud Tree: Overstated revenues.

4. **Government grants have been classed as revenue**, which is improper. (millions) CFE Fraud Tree: Overstated revenues.

5. **IVGID operates recreation programs that are unauthorized – which property owners are forced to subsidize. (Rec Center loses about \$1.5 million a year)..** For example, IVGID operates money-losing recreation programs. In addition to salary/wages, IVGID pays COMMISSIONS to some Recreation Center employees. IVGID is NOT authorized to provide recreation programs – ONLY recreational FACILITIES – as its mandate was set by Washoe County Ordinance 97. In its OFFICIAL STATEMENTS, part of its municipal bond offering filings, the District states, *“The District is empowered through its enabling legislation to acquire, provide and maintain pavement, curbs, gutters, sidewalks, storm drainage facilities, water systems, sanitary sewer systems, street lighting, garbage and refuse removal and electric power. The District may also acquire, construct and maintain lands, works, systems and facilities-for recreation.”* and *“The District was formed pursuant to provisions of the State's General Improvement District Law (Chapter 318, Nevada Revised Statutes) on June 1, 1961 as a body corporate and public, and a quasimunicipal corporation in the State of Nevada.”* (Official Statement, August 1, 1993 emma.msrb.org The District used the same boilerplate phrases in all Official Statements 1991-2008) **There is NO MENTION of RECREATION PROGRAMS because neither Ordinance 97 nor NRS 318 include this phrase.** The District is only empowered to provide RECREATION FACILITIES. To see

legislation that empowers recreation programs, NRS 377A authorizes SMALLER NEVADA COUNTIES to provide recreation programs and senior citizen programs. But NRS 377A does not apply to the District, which was formed under NRS 318. So all the recreation programs, and the payments to these employees of salaries and commissions, are improper and not authorized by law.

Nevada is a Dillon's Rule state whereby the powers of local government are limited to those expressly granted by statute. Although COUNTIES were given more leeway in 2015 by Legislative action, Districts, such as IVGID, were not.

The Nevada Attorney General stated in opinion 2006-07, "the Nevada Supreme Court has adopted and applied a common law limitation of local government power known as Dillon's Rule. See *Ronnow v. City of Las Vegas*, 57 Nev. 332, 342, 65 P.2d 133, 136 (1937). Under that general rule, a local government is authorized to exercise only those powers which are expressly granted, which are necessarily implied to carry out powers expressly granted, or essential to the accomplishment of the declared objects and purposes of the local government. "Any fair [or] reasonable . . . doubt concerning the existence of power" is resolved against a local government entity seeking to exercise it, and it "is denied. . . . All acts beyond the scope of the powers granted are void.") *Id.* at 343, 65 P.2d at 136. Dillon's Rule is a rule of construction, serving as an aid in determining legislative intent. BLACK'S LAW DICTIONARY 412 (5th ed. 1979)."

Prior legal counsel ignored Dillon's Rule and said certain powers were "incidental". This goes against what the Nevada Attorney General and case law has laid down.

For the Veteran's Club, IVGID controls payments and takes in revenues from their fund-raisers. These payments are made from IVGID's operating checking account, which is co-mingling funds. IVGID is not authorized to be the Trustee of any Clubs – The "Incliners" are another club for which IVGID sometimes pays expenditures. The excuse in the past was the District was exempt from sales tax – but it pays sales tax for Vet's Club purchases.

Senior Transportation – IVGID received \$17,000 from Washoe County for "Senior Transportation" – but it spends tens of thousands on vehicles, wages for drivers, fuel, and other costs. IVGID is not authorized to provide transportation.

CFE Fraud Tree: Economic Extortion may be the category for these activities. The category is used for "pay-to-play" schemes, where vendors pay employees to receive contracts. The Recreation Facility Fee has characteristics of extortion. It is extortion because it is levied on all property owners, except government, who must pay the fee or be in fear that their property will be confiscated because tax liens will be placed against the property. Fear is an essential part of extortion, and Washoe County has confiscated parcels In Incline Village and Crystal Bay for tax delinquencies. It is extortion because the fee grew so large – at \$830 per year – that it was no longer "reasonable". It is extortion because the tax was called a "standby charge" even though no calculations justifying the fee levy were ever provided. Instead, the ALLOCATION of the fee was to various IVGID venues, and not to the purchase of facilities or capital expenditures for facilities. The fees became a slush fund to be used as IVGID management wished. If an entity is levying a tax, using the proceeds in ways other than the fee was intended, and threatens confiscation for non-payment – that would seem to fit the term "economic extortion".

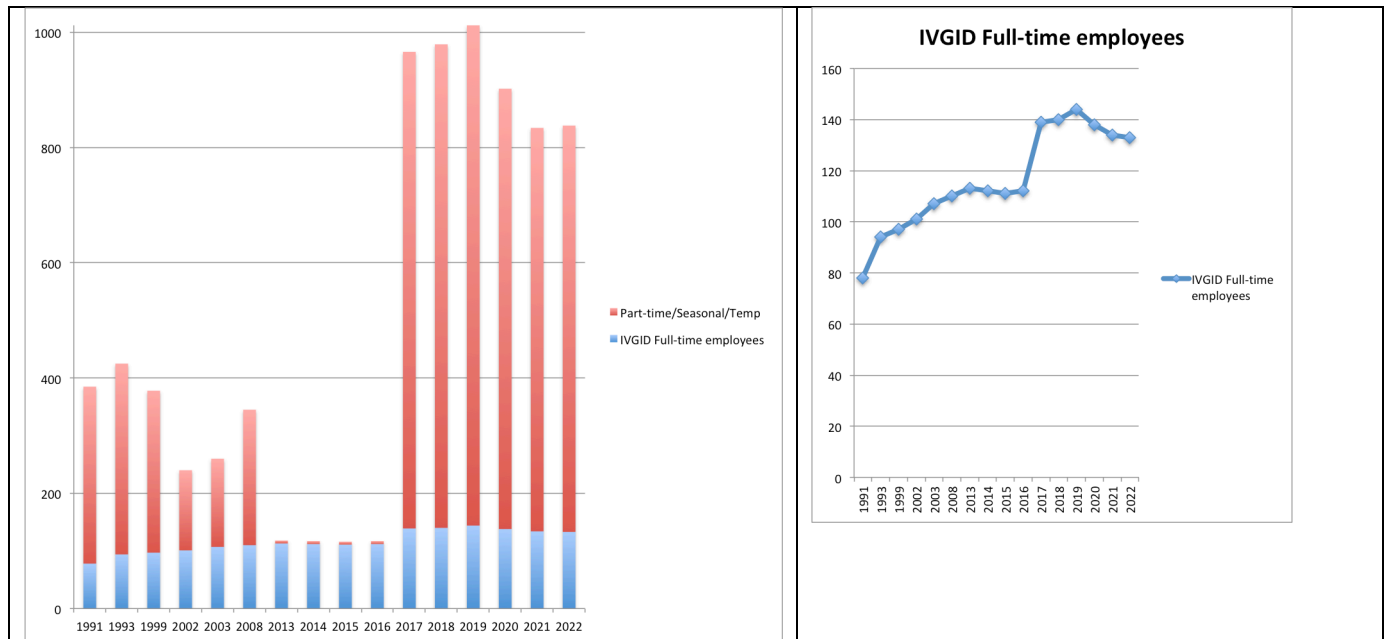


6. Lack of competitive bidding. Excuse is that Nevada law allows this. (Potential cost: millions of dollars a year). CFE fraud tree: potential bid rigging. The CMAR contract for Burnt Cedar pool was inappropriate as pool construction is commonly performed. The Granite Construction contract using CMAR may also be improper, as pipeline construction is commonly performed. The District purchases pavement, sealing and other services. A resident's analysis of 2018 & 2019 procurement showed red flags for bid-rigging.

7. Payment of 14% to Granite construction when no % is in contract. (over \$900,000 over life of contract). <https://ourivcvoice.com/deficient-contract-raises-specter-of-false-claims-fraud/> Paying more than what the contract specifies; although this is not OCCUPATIONAL FRAUD – it is FALSE CLAIMS FRAUD. Nevada law NRS 357.

8. No fixed asset inventory performed for years – likely decades. (Over \$1.4 million computer equipment assets likely need to be removed from the books. Another \$16.5 million in assets need to be evaluated to determine if they should be removed from the books.) CFE Fraud Tree : possible asset transfer. The accounting manual last updated 2014 has NO PROCEDURES regarding physical inventory of fixed assets, as pointed out by the Moss Adams August 2023 report. In response to public records requests, IVGID has not been able to produce the "FA vs GL Variances" report, even though per the IVGID 1994 Records Retention Schedule indicated the last 8 years should be available. Financial statement fraud: Overstatement of assets. Possible misappropriation of assets by employees.

9. Massive increase in employees (graph) – both full-time and part-time, without justification. (over a million a year). Some employees, such as FLEET, may be paid year-round but only work full-time during April – October (golf season). The "Supervisor" works from his home in the Reno/Storey County area – not how can he supervise employees?



For years 1991 – 2008, the data is from the municipal bond OFFICIAL STATEMENT filed by IVGID with the Municipal Bond Rules organization msrb.org. For years 2013-2016, IVGID refused to provide part-time and seasonal employee numbers, except for Trustees. Both Transparent Nevada and residents were provided with only full-time employees and Trustees.

The data that IVGID provided for payroll is suspect. For 10 high level salaried employees, their “base pay” went DOWN sometime between 2014 and 2018. This likely means the “base pay” was not being reported accurately in the public records request. Or, it could mean that base pay excludes tax-deferred income. But then the definition of base pay is being manipulated, doesn’t it?

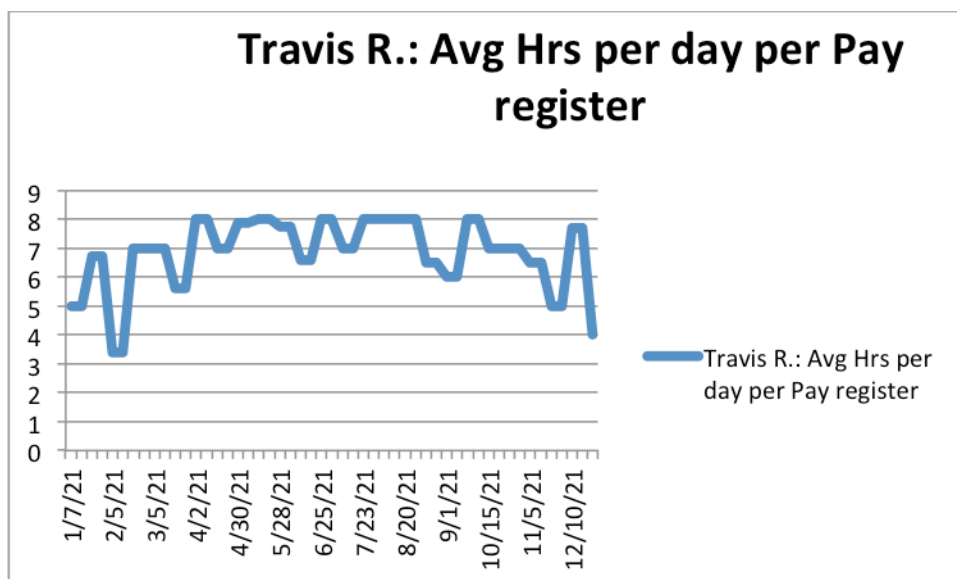
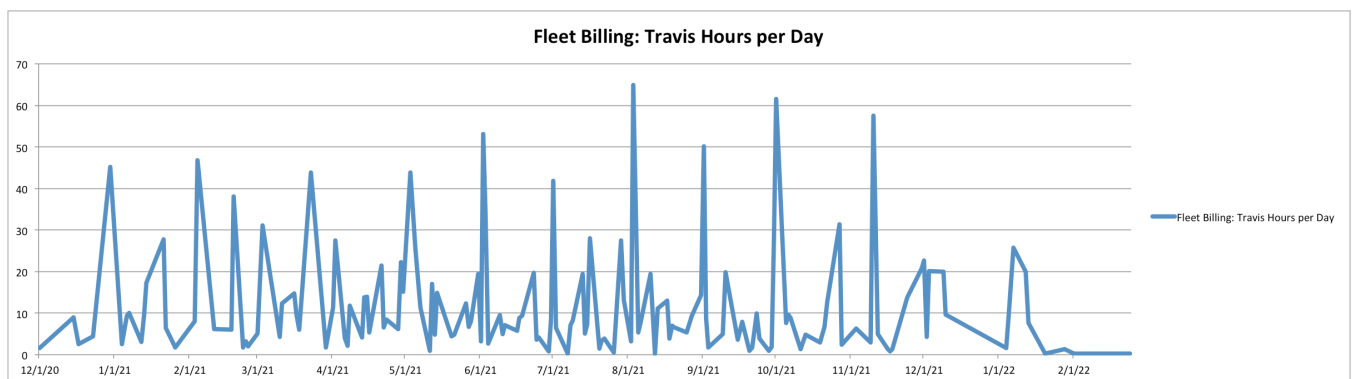
The increase in full-time employees in 1993 is because of the Recreation Center opening. No new venues requiring staffing have been added since 1993. The creation of patronage jobs, regardless of labor needs to staff venues and run operations, has substantially increased the payroll costs of IVGID.

Labor Distribution Reports (LDR) with hours and wages/salary/benefits have not been provided although public records requests have been made, with the exception of Calendar Year 2021. That year, it was accidentally included as it was part of the Excel file provided. IVGID Trustees time is recorded for them by some unknown employee – per the LDR 2021, Trustees worked 80 hours every two weeks. But the Trustees are part-time. An analysis of the 2021 LDR performed in November 2023 by a resident brought multiple questionable practices to light. The LDR was obtained in response to a PRR for ALL payroll, benefits, and emoluments of employees. **a) Vacation and “Comp time” pay was not included in the report. This means public records regarding vacation time costs were concealed, as the payroll was understated substantially.** b) For salaried staff, 8 hours appears to be recorded – even though more – or less – than 8 hours is actually worked. For example, Tim Kelly, a recreation programs supervisor, consistently had 80 hours every pay period. But he coaches for both the Lake Tahoe School and Incline High School. These teaching activities would conflict with being a supervisor, as he would be away from IVGID during business hours of 8 am – 5 pm., in particular 3 – 5 pm. How can he supervise staff if he is not there? Who is recording the time for which an individual is paid – human resources? OR the person who is working? c) Is IVGID receiving value for money? 6 employees consistently worked below 80 hours a week, including HR staff. Is IVGID over-staffed? Twelve

employees were in seasonal roles, but paid year-round. They did not have an alternate seasonal role. What duties did they perform in the 5 to 7 months that their venue was not open? Four seasonal employees were paid well beyond the season end of their venue. d) How are comp time and vacation time tracked?

A payroll earnings report was obtained on November 20, 2023 after a second request for a LDR. The report showed the District paid \$220,012 in overtime, but the payroll data reported to Transparent Nevada showed 0 overtime. The report showed the District paid \$1,272,434.78 in “other earnings” (acct 5020) and \$228,478.24 in “Other earnings” (account 5013) but the Transparent Nevada report showed 0 in “other earnings”. Only the categories of base pay and benefits were reported to the Transparent Nevada. The Earnings report did not include any data on benefits cost.

The request for “Attendance / timekeeping records for all employees for calendar year 2022” was not provided. Only a time-card summary report for one employee was provided: Travis Riley. But the billing log report for Travis often exceed 8 hours per day as shown by the graph below. The billing records should be a accurate and reliable record of work performed – and they are not. In 2021, for Travis time, Fleet billed the 2 golf courses & Chateau 1,647 hours Labor \$: \$154,246.2 at a rate that included overhead: \$86.865 per hr. the Labor Distribution Report showed he was paid for 1,747 hours. A year has 2,000 hours with 2 weeks vacation (80 hours).



This analysis was done because of a public records request for equipment records for 6 mowers showed

Internal Billing by Fleet staff exceeds 8 hours a day, and sometimes as much as 34 hours per day. The billing charges affect golf rates, and should be accurate and verifiable. These billing records contain falsified dates – do they also contain falsified hours? Are replacement parts cost accurate – using a specific markup - or falsified?

\$22,567.34	Repair parts purchased by Rich Allen in 2021 with p-card. Wes & Travis have no p-card)
\$57,314.12	Repair Parts\$ for just Travis for 2021 per Equip Work log

Based on Travis Riley’s data, Fleet mechanics are full-time employees receiving benefits – but Travis Railey’s 2021 shows he worked 75 to 80 hours prepay period only 10 of 26 pay periods of the year. CFE Fraud Tree: Potential ghost employees. Why is he not assigned to work on Ski Dept equipment during the “off-season” of golf?

The MUNIS payroll system appears to be mis-configured. Salaried employee pay for vacation hours is being debited to account 5012: “Hourly payroll”. A separate account should be used for vacation pay, sick pay and leave pay. In 2022, Over \$500,000 was debited to account 5012 for salaried employees. This setup issue was brought to the attention of Director of Finance Bobby Magee and Trustee Sara Schmitz, who wrote by email Nov 30, 2023, “I have discussed this with Mr. Magee. This is how the system works and IVGID will not be spending \$ to have this customized.” Ms. Schmitz is confused; This is a configuration issue – NOT how a payroll system “works”.

Since 1979, gold and silver cards for lifetime recreational privileges have been awarded to a variety of people. One of the first recipients was Arthur Wood, owner of the developer of Incline Village, Crystal Bay Development Co. Ten cards were awarded to Boise Cascade in 1976. Over 130 current and past employees, including Trustees prior to 1994, have been given cards. These cards buy loyalty and omerta. No statute allows GIDs to give lifetime privileges to anyone, so this appears to violate Dillon’s Rule. No budget is set for the use of public funds for these cards. No reporting is done on their cost to the public.

10. Procurement of rolling stock, regardless of condition. (likely \$100,000 of more a year). IVGID procures vehicles, service equipment for golf, ski, parks generally on a 5-year replacement schedule REGARDLESS of CONDITION or USE of the fixed asset. These “early replacements” are costly, especially with high inflation. WHY is Rich Allen of FLEET doing these early replacements? It has likely always been done that way. Vendors may be happy – but IVGID taxpayers are footing the bill. No disposal forms are completed even though signed forms are an Accounting Manual requirement. And are there any kickbacks involved? <https://ourivcbvoice.com/ivgids-financial-meltdown-part-1/> CFE Fraud Tree: potential kickbacks. CFE Fraud Tree: Asset Transfer.

11. Bonus payments are made that are NOT approved by the Board of Trustees. (over \$290,000 a year). CFE Fraud Tree: payroll schemes. For example, some catering employees receive the 15% service charge that IVGID includes in its catering contract. In fact, these payments were NOT “tips”. The government of California has a FAQ on tips and gratuities, including this relevant question/answer:

Q. Is a mandatory service charge considered to be the same as a tip or gratuity?

A. No, a tip is a voluntary amount left by a patron for an employee. A mandatory service charge is an amount that a patron is required to pay based on a contractual agreement or a specified

required service amount listed on the menu of an establishment. An example of a mandatory service charge that is a contractual agreement would be a 10 or 15 percent charge added to the cost of a banquet. [emphasis added] Such charges are considered as amounts owed by the patron to the establishment and are not gratuities voluntarily left for the employees. Therefore, when an employer distributes all or part of a service charge to its employees, the distribution may be at the discretion of the employer and the service charge, which would be in the nature of a bonus, would be included in the regular rate of pay when calculating overtime payments.

https://www.dir.ca.gov/dlse/faq_tipsandgratuities.html

Over \$290,000 of the \$448,000 were service charges for banquets at IVGID facilities. IVGID then paid the 19 employees who worked at the banquets these service charges. [General Ledger fiscal year 2020 and fiscal year 2021]. The general ledger clearly shows “SERVICE CHARGE” in the transaction description when banquet transactions were processed. These were discretionary payments, and not a tip or gratuity left by a patron. The payments were “in the nature of a bonus” – **a bonus not approved by the IVGID Board of Trustees**. The Nevada Commission on Ethics stated in Opinion No.93-34, “*The IVGID Board of Trustees, who approve the pay levels for management and employees as well as bonuses and perquisites for those employees, is the only authority that has jurisdiction to develop and follow criteria based upon merit and performance, for determining which employee should be awarded gifts or other special recognition for excellent employee performance.*”

Another example of bonuses not approved by the Board of Trustees is the payment of \$1.47 million bonuses to employees for 2013 and 2014. These bonuses were not approved by the Board of Trustees. CFE Fraud Tree: Payroll schemes.

12. Propaganda Magazine published at taxpayer expense. IVGID publishes a magazine 5 times a year and MAILED it to all owners plus distributes this with the local newspaper. (including labor hours of IVGID staff: \$60,000+). CFE Fraud Tree: Misuse. This magazine has advertising and is a puff public relations magazine, for which owners foot the bill. The vendor CC MEDIA receives ALL the advertising revenue. The many reasons why this magazine should be stopped are described here:

https://ourivcbvoice.com/trashing-the-ivgid_quarterly/

13. About half of IVGID’s full-time staff have p-cards, and controls are extremely lax. (Misuse may range from \$7,000+ to over \$100,000, depending on how the forensic auditor evaluates questionable transactions). CFE Fraud Tree: Personal Purchases. There are thousands of dollars in questionable payments. Some payments are not approved. Some appear to be personal benefit, not public benefit. Amazon is a frequent vendor. There is no separation of duties – the purchaser is the receiver of the goods. Descriptions of purchases are often the name of the General Ledger account used, such as Operating. Some p-card purchases have no GL account assigned when purchase is made. This means the purchaser likely did not verify there were budgeted funds available.

14. Golf Fees (GHIN Fees) paid for by IVGID – this is potential vote buying. Payments have no public purpose. There is no statute authorizing such expenditures. <https://ourivcbvoice.com/why-does-ivgid-pay-golf-fees-for-some-voters/> CFE Fraud Tree: Misuse.

15. There is no statute allowing DONATIONS by a GID- another mechanism for vote buying. *But*

IVGID makes donations disguised as “marketing” and in-kind use of its facilities for less than the rack rate. CFE Fraud Tree: Misuse.

16. Uniforms, meals and other cash payments to employees are made with no withholding. *(estimated \$30,000 per year) CFE Fraud Tree: Personal Purchases.*

17. Public funds and resources are being used for employee parties, meals for staff and management, holiday gifts for public works employees and other improper uses for PUBLIC FUNDS and RESOURCES (see attached pages for EXAMPLES: over \$20,000). CFE Fraud Tree: Mischaracterized expenses. There is no statute authorizing such expenditures.

Employee EVENTS were organized using public resources, and were likely usually held at IVGID-owned property: the Chateau at 955 Fairway Blvd in Incline Village, NV. These events included going-away parties for former General Manager Steven Pinkerton, former Director of Finance Gerald Eick. An employee EVENT was held at RENO ACES – entertainment for employees is an improper use of public funds. The all employee barbeque may have been held at Burnt Cedar Beach – which is a violation of the Beach Deed, as it is to only be used by Incline Village residents and their guests. See the transaction list, including other IVGID parties for employees.

18. There is no statute authorizing payment for travel by GID employees. (\$35,000+ annually). *There are over 70 statutes authorizing travel for employees of other government entities. IVGID pays lobbyists – but never has sought to get a travel statute passed by the legislature. These travel payments have amounted to tens of thousands of dollars a year in the past. COVID reduced them, but they have been on the rise again. CFE Fraud Tree: Mischaracterized expenses.*

19. Lease of public land to IVCBVCB for \$1 per year. (Over \$25,000 annually) – this benefits tourists, and certain local businesses – but not the inhabitants who are overwhelmed by tourists in summer and parts of the rest of the year. CFE Fraud Tree: Misuse.

20. Lease of public land to Parasol Foundation for \$1 a year. (Over \$25,000 annually) When the sale by Boise Cascade to IVGID placed a restrictive covenant on the land, stating it was to be used only for recreational use. CFE Fraud Tree: Misuse.

21. Petty cash accounts –*these accounts hold thousands of dollars – not \$200. Are expenditures for a public purpose? Or personal use? Are receipts reviewed and approved? There are NO PROCEDURES for petty cash in the accounting manual (2014) as pointed out by Moss Adams Aug 2023 report. CFE Fraud Tree: Expense Reimbursements.*

22. There is no statute authorizing GID to join associations, e.g. TWSA or Cities organization. *Without an authorizing statute, all its expenditures are unauthorized. In contrast, cities can join associations. NRS 270A.010 Power of cities and towns to join organization. It shall be lawful for the governing body of any city or town in this state, whether organized under the general laws or a special or home rule charter, to join with the governing body of any other city or town, or cities or towns, in the formation of an organization of municipalities for the purpose of securing concerted action among such municipalities in behalf of such measures as the organization shall determine to be in the common interest of the municipalities.*

23. In furtherance of the conspiracy and to effect the objects of the conspiracy, the Director of Finance

EICK changed the type of fund used for “business-type activities” from Enterprise Fund to Government Fund effective fiscal year 2015. These changes affected the two golf courses, the beaches, the recreation center and the Diamond Peak ski resort. The purpose was to manipulate the financial statements to avoid showing depreciation and asset renewal costs and to avoid setting user charges at rates sufficient to cover all costs including capital assets and debt service. The district charges each residential parcel owner an annual standby and service charge fee (“recreation facility fee”) to subsidize its operations with monetary losses totaling several million annually. The standby and service charge fee was originally intended for sewer and water districts to have a mechanism to charge for vacant parcels with no sewer / water billing yet in place. The standby and service charge was also used as a fee to be charged for non-payment as a one-time disconnect or reconnect fee. Such a charge might range from \$50 to \$75. From FY 2010 – 2020, the “recreation facility fee” was \$830 per parcel annually for Incline Village residents with beach access, generating nearly \$7 million dollars. For FY 2021, the fee was decreased to \$780. For FY 2023, the fee was decreased to \$455, with all money directed to the Beach Fund. Crystal Bay residents paid \$0. In May 25, 2023 Board minutes, Trustee Tulloch said, *“I think I made clear, I'm against collecting in anticipation of something we may or may not do. I think we've been going that far too long. When we talked with the capital budget spend earlier, we've spent 5 million in the first three quarters of a 29 million budget. Yeah, it's obvious we're over-collecting.”* Trustee Schmitz said, *“We have been over-collecting, we have been intending to do projects and spend down the fund balance, and we don't deliver on that. And from an NRS perspective, an enterprise fund cannot collect more than what it needs. It can be on an annual basis, it can be in a longer-term perspective, but you have a plan. And our plans, we have haven't executed on, and that's been demonstrated by our continued growth of the fund balance. So, as we look at this budget also, community services does not need a facility fee in order to over its cash flow. It does not. And it hasn't for a few years, which is why we keep building up this fund balance.”*

In a 12/7/2020 report, CPA Firm Moss Adams recommended changing financial reporting methods back to using an Enterprise Fund, stating, *“These activities generally meet the GAAP definition of ‘business-type’ activities and are better suited for reporting within enterprise funds.”*

Trustee Wong was Chair in 2015 when the change from an Enterprise Fund took place. As a licensed CPA in California, and since her CPA credential helped get her elected, she should be held to a higher standard. As a CPA, she KNEW that the change from an Enterprise Fund was improper – and allowed it to happen. As a CPA, she knew the change was a cover-up. Residents had complained about questionable activities and improper accounting, requesting a forensic audit. As Chair, she set the Board agenda. There is a federal law to address cover-up of a felony: it is called misprision of a felony.

24. THREE Unauthorized sales of land by Director of Finance Gerald Eick. Eick sold 3 parcels for which Washoe County has transferred ownership to IVGID. CFE Fraud Tree: Asset transfer. These parcels were included in 87 parcels that were transferred in 2013 under the condition that the parcels remain open space. Instead, Eick spent \$11,000 in district funds to obtain an appraisal for 9 of the lots which were placed in the General Fund. He capitalized this amount in the LAND account. The 2017 CAFR stated the other parcels were placed in the Community Services Fund – but the detail Fixed Asset Ledger did not contain ANY of the parcels acquired from Washoe County. The LAND account for the Community Services Fund did not contain the land. In 2020, more stream restoration costs were capitalized in the LAND account. Three parcels (shown below) from the Community Services Fund were sold without public knowledge and without Board approval to private parties known to EICK. EICK signed the deed of sale documents even though he was not the legal owner, and was not authorized to

sell the parcels. SUSAN HERRON notarized the real estate sales documents, even though she knew Eick was not authorized to make the sales. The parcels were sold without an appraisal to the following buyers:

Date	Buyer	Parcel ID	Purchase Price
3/3/2014	Sabin Living Trust (Jonathan Robert Sabin)	126-294-28	\$14,095
7/18/2014	Randolph-Wall Living Trust	126-294-29	\$14,095
12/10/2015	JDG Trust (James Robert Gately)	126-294-18	\$19,000

The District denied wrong-doing and no one was held accountable.

25. Kickback payment by Waste Management to IVGID. (estimated 325,000 per year). There is no statute authorizing such a payment to General Improvement Districts. Nevada statutes allow such a payment only to a city or a county. <https://ourivcbvoice.com/why-were-the-mark-smith-emails-kept-secret/> CFE Fraud Tree: Kickbacks.

26. Concealment of public records. According to ACFE, destroying or withholding physical documents is one of the five concealment methods used by fraudsters. The fraud of false financial statements and misuse of public funds was aided through concealment of public records. Evidence is available from the emails released from the Mark Smith lawsuit. The District Clerk, Susan Herron has conspired with legal Counsel to hide public records from the residents who request them. In 2017, multiple residents requested the General Ledger for various fiscal years, including Ray Tulloch, Kevin Lyons and Judith Miller. All requests were refused. Ms. Herron said in an email, *"I don't have a public record entitled General Ledger."* The General Ledger is a PERMANENT public record per the 1994 Retention Schedule IVGID filed with the state of Nevada. <https://www.projectauditors.com/Private/iv-app/readpdf.php?file=b.pdf&page=63> Trustee Matthew Dent requested a Chart of Accounts; General Manager Pinkerton responded that the Chart of Accounts could not be provided. <https://www.projectauditors.com/Private/iv-app/readpdf.php?file=b.pdf&page=2131> The District paid Mark Smith's attorney about \$77,000, basically admitting they had concealed public records. Kendra Wong was originally charged, as was Jason Guinasso, but Mark Smith elected to drop them from the lawsuit. <https://ourivcbvoice.com/nevada-globe-reports-on-ivgid-public-records-concealment-allegations/>

Not until a reporter from the Nevada Globe, Megan Barth, requested the FY2020 and FY2021 General Ledgers was a PRR for a General Ledger provided. District Clerk Susan Herron conspired with Steven Pinkerton, IVGID attorney Jason Guinasso to conceal these public records.

Susan Herron conspired with Josh Nelson, IVGID attorney from BB&K, to conceal public records. Picture pass holder (PPH) records and punch card records were denied, citing a statute of Nevada law regarding reservations for recreation classes being confidential. Punch cards and PPH cards are mechanisms to allow beach entry – for which there is NO reservation system. The cards allow for DISCOUNTS at Diamond Peak – for which there are no reservations. There are over 85,000 picture pass cards according to a Board packet on the PPH system. As IVGID has demonstrated a lack of internal controls across all departments, it is clear an examination is needed of these cards.

A detail fixed asset list (ledger) was requested in 2023. The list that was provided was 10 pages, with a

font type so small it required reverse engineering to read. Diana C. Robb, former IVGID accountant, and current Public Works employee conspired with Susan Herron to conceal the data by making it unreadable to the naked eye. However, using software the list was able to be readable and it was analyzed, revealing the financial statement fraud regarding the LAND account that has been going on for over 30 years, since at least 1991.

Public records requests for payroll records for part-time and seasonal employees were refused by Susan Herron in 2020. Transparent Nevada requested the employee payroll records beginning in 2013. However, records for 2013-2016 did not provide part-time and seasonal employees; only the Trustee records and full-time employees were provided to Transparent Nevada. Were there ghost employees in these records? Why were these records Nevada provided when multiple requests were made?

General Manager Indra Winquest promoted Susan Herron to a position that was not authorized in the budget. <https://ourivcbvoice.com/public-records-concealed-promotion/> Was this a thank you for concealing public records?

27. Concealment and potential destruction of records by implementing a new payroll and accounting system. According to ACFE, destroying or withholding physical documents is one of the five concealment methods used by fraudsters. In November, 2020, Director of Human Resources, Dee Carey, Dir of Finance Paul Navazio and Director of Information Technology Michael Gove requested the Board spend \$\$\$\$ to replace the hr/payroll and accounting systems. No specifics were provided regarding why the current systems needed replaced. The Board approved the project 5-0, over protests by residents.

As of November 12, 2023, the books had not been closed for AN ENTIRE YEAR, in part because the data conversion was out of balance by \$3.9 million and all accounts had not been converted, e.g. Land, Vehicles, and other accounts were missing from the OOB general Ledger obtained by a resident through a public records request.

The old system are no longer available for inquiry or reporting. This will make the activities of the forensic auditor much more difficult.

<https://ourivcbvoice.com/ivgids-financial-meltdown-part-2/>

<https://ourivcbvoice.com/audit-chair-nolet-ivgid-gross-mismanagement/>

28. Misrepresentation regarding effluent pipeline reserve. Public Works began accumulating \$2,000,000 per year in savings for the construction of the Effluent Export Project. *“We expect to have accumulated a total of \$8,000,000 by the construction project start date in spring 2016 while also continuing to collect \$2 million annually for this critical project.”* Source: New homeowner packet.

The Chair of the Board, Kendra Wong, did not agendaize reservation of the funds for a Board vote, as she should have. Instead, the district diverted millions of those funds for other purposes and delayed replacement of the compromised pipeline. They erected a cold storage building which cost over \$2,500,000. Hired a Canadian contractor PICA; their work was not completed per scope, but they were paid anyway (over \$100,000). Paid unapproved bonuses in 2013 and 2014 to District staff of \$1.4 million dollars.

As a result of the delay, cost of that replacement has soared from \$23 million to over \$78 million and the current board has been forced to a) obtain financing from the State Revolving Fund, that will be tens of millions of dollars to fund the project and b) dramatically increase the Water/sewer rates in coming years. <https://ourivcbvoice.com/opinion-effluent-projects-costs-balloon-to-78-million>

This is what IVGID said in its “New Homeowner Packet”: *Phase II will replace the remaining six miles of aging pipeline within the Lake Tahoe basin. The six miles of pipeline is comprised of approximately 17,300 lineal feet of welded, cement mortar lined, high pressure pipe and 13,700 lineal feet of bell and spigot, cement mortar lined, low pressure steel pipe. This pipeline experienced a significant leak in 2009. Subsequent investigations confirmed progressive corrosion of this pipeline that necessitates replacement. Design of this project is underway with construction estimated to start in 2014.*

29. Audit Committee was a sham when Kendra Wong was on it.

30. IVGID’s legal counsel has acted as a fixer for the District, rather than providing honest legal advice. The lawyer provides counsel that what the Board or General Manager wants to do is ok – even when it is not. Example: employee access of Beaches in 1988, when Beach Deed does not authorize such access. Attorney Geno Menchetti, deceased 2019. This practice was finally stopped in 2022. Obtaining a WRITTEN legal opinion, rather than a verbal opinion, took MONTHS because the lawyer, the Thorndal firm, was taking direction from the General Manager, and not the Board. Josh Nelson of BB&K and Jason Guinasso both facilitated IVGID’s management’s practice, aided and abetted concealment of public records, and were not independent advisors reporting to the Board.

Chair – IVGID Board of Trustees

Chair: Kendra Wong, 2015 – 2018, elected 2014

Chair: Tim Callicrate, 2019-2022, elected 2014

Chair: Matthew Dent, 2023-present, appointed 2015

Note: All individuals accused of allegations are assumed innocent until proven guilty in a court of law. This is why a law enforcement investigation is a necessity.

Statute of Limitations

As this matter is a conspiracy, federal law, 18 USC Section 371 Conspiracy states that until the conspiracy is uncovered, the clock for the statute of limitations does not begin to run. No federal law enforcement has investigated – or Nevada law enforcement. So the clock has not yet started.

My Comments are regarding Agenda item H.3, the forensic audit service agreement.

The contract form is improper and does use the clauses expected in a forensic audit engagement. First, Language requiring IVGID to promptly provide **the information, resources and assistance (including access to records, systems, premises and people)** is not in the contract. Second, Language requiring the auditor to contact law enforcement if it spotted potential crimes — generally a standard practice in audit contracts. — is not included. Third, there is no mention of an opinion — often part of the report delivered in a forensic audit. The contract form is the same as used by Public Works for a engineering consulting contract with Farr West. Contrast that with 2020, when IVGID used the CPA firm Moss Adams contract form.

And the scope of work appear inadequate. First, At least 59 employees have procurement cards — these are credit cards that have been used at local restaurants and other questionable purchases. But only 8 employee's cards are being examined? Second, the requirement to examine emails is a waste of time — but maybe that is what IVGID wants. Third, the scope does not address many of the 30 points that were given to Trustee Tulloch and Chair Nolet in November 2023, which are attached to this comment and become public record.

It is shocking that Audit Committee Chair Nolet would agree to use an agreement that lacked expected clauses — and for Rubin Brown to agree to this. It is more shocking that the scope is inadequate.

Financial statement fraud has already been discovered — by residents who held CPAs before they retired. Over \$13 million dollars in improper expenses has been hidden in the land account on the IVGID balance sheet. This is what was done at Worldcom, in 2002, and part of the financial scandals in the Enron era.

After these scandals, I spent years auditing with the Institute of Internal Auditors, the certifying body for internal auditors. The engagements on which I worked improved and enhanced audit practices and internal controls at major corporations. So I know of what I speak.

One other key point - Regarding the Statute of Limitations

The financial statement fraud has been covered up for decades by IVGID management. Watergate taught us — the cover-up is worse than the crime. As the financial statement fraud appears a conspiracy, federal law, 18 USC Section 371 Conspiracy states that until the conspiracy is uncovered, the clock for the statute of limitations does not begin to run. No federal law enforcement has investigated — or Nevada law enforcement. So the clock has not yet started.

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD’S SPECIAL JANUARY 31, 2024 MEETING –
AGENDA ITEM H(1) – PUBLIC COMMENT – ANATOMY OF ADDITIONAL
LIES BY THE BOARD AND STAFF – PUBLIC HEARING ON NEARLY
\$5.5 MILLION OF PROPOSED BUDGET AUGMENTATIONS**

Introduction: Well here’s yet “another one” as my friend DJ Kahled would say¹. More evidence of now Board and staff incompetence, lies, a lack of transparency, and a flagrant disregard for the truth and financial sustainability of the District. The proposed augmentation to the 2023-24 budget, and “appropriating General Fund Reserves in the amount of \$1,512,949 and Recreational Services Reserves, Beach Utility Reserves, (and) Internal Services Reserves in the cumulative amount of \$3,956,700” (for a total of \$5,469,649). And that’s the purpose of this written statement.

The Board’s December 13, 2023 Meeting, Agenda Item I(1) – Long Range Calendar: At the Board’s December 13, 2023 meeting members set forth its intended long rate calendar². Marked by asterisks are public hearings for budget augmentation, at the Board’s February 14 and 28, 2024, and March 13 and 27, 2024 meetings. Anyone attending the Board’s December 13, 2023 meeting or listening to the livestream of that meeting would have advance notice thereof.

The District’s First Notice to the Public of Its January 31, 2024 Public Hearing to Augment Its Budget: Rather than waiting until mid-February or beyond, yesterday (January 24, 2024) staff published notice of a January 31, 2024 public hearing to consider an increase in the District’s total current budget by \$5,469,649. For those of you who didn’t see the notice, it is attached as Exhibit “B” to this written statement.

My Request For The Proposed Documents in Support of The January 31, 2024 Public Hearing on Budget Augmentation: Take a look at the rear page of Exhibit “B” where I’ve placed an asterisk next to the following language: “copies of the proposed documents (in support of staff’s proposed current budget augmentation) are available at 893 Southwood Blvd., Incline Village, NV. 89451.”

So in response, at about 10:30 A.M. on January 25, 2024, I sent our District Clerk an e-mail requesting those documents allegedly “available” in support of this public hearing. A copy of this e-mail is attached as Exhibit “C” to this written statement.

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

² Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/2023-12-13_Item_I.pdf (“the 12/13/2023 Board packet”). A copy is attached as Exhibit “A” to this written statement.

Our Chair's E-Mail Chastism That "If (I) Am Unable to Refrain From Derogatory E-Mail (Criticisms, My) E-Mails Will Not Be Routed to Staff, But" Rather Censored³: Can anyone actually believe Trustee Schmitz would do something like this? And then to demonstrate she's really a "team player," she chose to send copies of her e-mail to me to staff and fellow Board members. Why? Because she wants to let all know that rather than supporting a member of the alleged "angry eight," she's really a kool-aid drinker of staff propaganda! In other words, members of the public are free to criticize staff or members of the Board ONLY if that criticism is constructive.

My E-Mail Response to Chair Schmitz Outlining How Staff Lied to The Public When it Represented Staff Documents in Support of Their Request The Board Augment Its Budget Were Available For Examination at District Offices³: When Heidi hadn't responded to my request for documents in support of the January 31, 2024 Public Hearing, I informed her I would be coming to District Offices at 1:30 P.M. to pick up those documents. And at about 1:40 P.M. when I arrived, I learned there were no such documents. That contrary to Exhibit "B," they had not yet been prepared. In other words, more lies and more propaganda intended to paint a façade of untruths in the staff name for transparency.

Let's Understand What Staff Are Really Asking: At pages 147-148 of the packet of materials prepared by staff in anticipation of this meeting⁴ ("the 1/31/2024 Board packet"), staff tell us that as a result of a "recently conducted...budgetary check based on previous Board direction to (and)... review(ing staff's)...ongoing needs in completing all accounting and financial reporting duties, both past and present," their "list of "estimated cost(s assigned to the General Fund) for...enhanced staffing levels and other items previously approved by the Board (for the)...remainder of FY 2023/24" was \$749,800. Then there was another \$763,149 of costs for a: forensic due diligence audit (\$350,000), Baker Tilly contract (\$265,000), additional Tyler-Munis support (\$16,000), additional support for preparation of the 2022-23 Comprehensive Annual Financial Report ("CAFR") (\$10,000), IT CIP carry forward⁵ (\$89,387) which had been previously funded (so why fund a second time?), and carry forward IT operational expenses (\$32,762). All told, **staff is asking for an additional \$1,512,949 for more overspending!**

In addition, at page 148 of the 1/31/2024 Board packet staff is asking for \$3 million to complete a tennis court reconstruction project, and another \$290,000 for an update to the District's point of sale system. All told, **an additional \$3,290,000 of overspending!**

³ This e-mail is part of a string of January 25, 2024 e-mails between Chairperson Schmitz and me which are attached as Exhibit "D" to this written statement.

⁴ Go to https://www.yourtahoepace.com/uploads/pdf-ivgid/2024-01-31_BOT_Special_Agenda_Packet.pdf.

⁵ Carry forward of what? I have gone back to the 2022-23 CIP and find no project which was budgeted to cost \$89,387. How exactly is the public supposed to follow staff's logic?

But wait. There's more. At page 148 of the 1/31/2024 Board packet staff is asking for an additional \$666,700 for added overspending assigned to our enterprise funds. Namely, \$208,800 to the Utility Fund; \$364,000 to the Community Services Fund; \$41,200 to the Beach Fund; and, \$52,700 to the Internal Services Fund.

Add all these numbers together, and we get a combined \$5,469,649 of new overspending!

Where The Money is Going to Come From: At page 149 of the 1/31/2024 Board packet staff tell the Board and the public that "the(se) recommended actions (i.e., overspending) will increase appropriations (i.e., expenses assigned) to the (following) identified funds:"

- General Fund - \$1,512,949;
- Recreational Services Fund - \$3,654,000;
- Beach Fund - \$41,200;
- Utility Fund - \$208,800; and,
- Internal Services Funds (ISF) – \$52,700.

And on the same page we are told that "the(se) appropriated amounts will be funded through a reduction of \$1,512,949 in (alleged) General Fund Reserves, \$3,904,000 in (alleged) Recreation Services Reserves, and \$52,700 from the (alleged) ISF Reserves."

But We Have No Reserves in The General Fund: First of all, *nowhere* have we budgeted for reserves in the General Fund, let alone nearly \$1,513M of them. Disagree? **Show me where!**

Furthermore, the tax and interest revenues we assign to the General Fund aren't sufficient to cover personnel costs. So where possibly can excess funds come from to create a reserve we can transfer to cover the enhanced appropriations necessitated by this proposed action? The answer is twofold. First, phony excess central services cost revenues billed to other IVGID departments. They're phony because staff refuses to comply with the requirements of NAC 354.865, et seq.

And second, the monies appropriated for previous year capital improvement projects ("CIPs") which miraculously are never prosecuted. A good example of this is the \$89,387 in carry forward IT CIPs referenced above. Weren't these CIP costs previously funded? So why fund them a second time?

And since central services cost transfers are the product of Recreation ("RFF") and Beach ("BFF") Facility Fees, and water/sewer utility rates, tolls and charges, that's exactly where the subject proposed appropriations will come from. Just so everyone knows!

We Have No Reserves in The Community Services Fund Where “Recreation Services” is a Sub-Fund: In fact we have a deficit. That deficit is covered by the RFF. Which staff propose now “repurposing” and using for purposes other than those represented (the alleged availability to access and use public recreation facilities other than the beaches).

We Have No Reserves in The Beach Fund: Like the Community Services Fund, we have a deficit in the Beach Fund. That deficit is covered by the BFF. Which staff propose now “repurposing” and using for purposes other than those represented (the alleged availability to access and use the beaches).

We Have No Reserves in The Internal Services Fund: We budget no revenues to the Internal Services Fund. Rather, this Fund must bill other District Divisions for the allegedly necessary and reasonable cost for the services it furnishes. If there are any excess funds in this fund, it means that the employees assigned to this fund must be charging other District Divisions more than the allegedly necessary and reasonable costs it bills for the services it furnishes. I call that theft.

Although We Do Have Reserves in The Utility Fund, They Are Required to Be Spent on The Reasonable And Necessary Costs Incurred to Furnish Public Water And Sewer Services: And here it’s not. In fact, it is likely that the funds staff propose transferring from this fund are restricted for use on the replacement of our export effluent pipeline project.

NRS 354.613(1): Makes it unlawful⁶ for “the governing body of a local government (to)...transfer money from an enterprise fund (unless)...(a) In accordance with a medium-term obligation issued...in compliance with the provisions of chapter 350 of NRS...(b) To pay the expenses related to the purpose for which the enterprise fund was created; or, (c) For a cost allocation for employees, equipment or other resources related to the purpose of the enterprise fund which is approved by the governing body under a nonconsent item that is separately listed on the agenda for a regular meeting of the governing body.”

Page 149 of the 1/31/2024 Board packet tells us that \$3,904,000 in (alleged) Recreation Services Reserves, And on the same page we are told that “the(se) appropriated amounts will be funded through a reduction of \$1,512,949 in (alleged) General Fund Reserves, \$3,904,000 in (alleged) Recreation Services Reserves and \$52,700 of (alleged) Internal Services Reserves will be used to fund the proposed \$5,469,649 of new overspending. Therefore, staff propose transferring \$3,904,000 of enterprise funds.

So the questions: what is the \$3,904,000 being spent on; and, is the expenditure in compliance with NRS 354.613(1). According to page 148 of the 1.31/2024 Board packet: \$3,000,000 is assigned to

⁶ NRS 354.626(1) makes it unlawful for “any officer or employee of a local government (to) willfully violate...NRS 354.470 to 354.626, inclusive.”

the costs of the Tennis Court Reconstruction Project; \$290,000 is assigned to the costs of Point-of-Sale software upgrades; and, \$666,700 is assigned to the costs of additional allocated central services. But what additional allocated central services? Especially given the fact that page 152 of the 1/31/2024 Board packet discloses the \$1,512,949 of alleged additional central services.

Moreover, look at the costs identified on page 152 of the 1/31/2024 Board packet. Not all of them can be characterized as central services costs, let alone those central services costs included in the District's 2023-24 allocated central services cost plan. For instance, \$350,000 for a forensic due diligence audit; \$265,000 for the Baker-Tilly contract; \$16,000 for additional support associated with integrating Tyler-Munis; \$10,000 for additional costs associated with the District's CAFR; and, \$122,149 for previously budgeted (and previously funded) IT expenses, Since these costs are not associated with the District's allocated central services cost plan, how can they be authorized by NRS 354.613(1)?

My Warning to Anyone Who Relies Upon The Lies of Staff And Now The Board: Fool me once, shame on you. Fool me twice, shame on me!

Conclusion: So you see the more things change, the more they remain the same. The District is just as dirty as it has always been. It's theft, smoothing and re-purposing all over again. Yes the faces may have changed. And their attitudes may have improved. But at the end of the day, this place is as dirty as ever! And this is really the definition of a criminal syndicate⁷. Dirty players may come or go. But in the end, the organization survives to engage in racketeering activities!

And now you the reader may have a better idea of what the District's RFF and BFF really pay for which you can see for yourself have nothing to do with making public recreational and beach facilities available for local parcel owners' access and use.

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

⁷ See NRS 207.370 which defines criminal syndicate as a "combination of persons, so structured that the organization will continue its operation even if individual members enter or leave the organization, which engages in or has the purpose of engaging in racketeering activit(ies)."

EXHIBIT "A"

BOARD OF TRUSTEES LONG RANGE CALENDAR

JANUARY 10, 2024	
SCHEDULE	<i>1st draft agenda to Board Chairman on 12/29; all memos materials due in by 01/02; Packet out on 01/04; agenda posted no later than 8:45 a.m. on 01/05</i>
Finance	Approval of Tentative Budget Calendar
PW	Waste Management
Marketing	Report: IVGID Magazine – survey results
PW	Report: Utility Master Plan Update
IT	Contract Award: Point-of-Sale System?
P&R	Ordinance 7 modifications/recommendations (may include a discussion about the family tree, punch card recommendations, and Policy 16.1.0)
BOT	Liaisons assignment with Washoe County, Venues, etc.
PW	Agreement: HDR Utility Rate Study Update

JANUARY 31, 2024	
SCHEDULE	<i>1st draft agenda to Board Chairman on 01/19; all memos materials due in by 01/22; Packet out on 01/24; agenda posted no later than 8:45 a.m. on 01/26</i>
HR	Agreement: First Non-Profit 2024
PW	Agreement: Professional Services Jacobs Construction Services for Effluent Storage Tank – Approve & Award
PW	Procurement: Lab Equipment
GM	Pricing Pyramid and Policy?

FEBRUARY 14 AND 28, 2024	
PW	Easement: SPS #5 Easement
PW	Agreement: Professional Services for Rec Center HVAC Replacement
Finance	Augmentation for the budget including a public hearing
PW	Agreement: Diamond Peak Electrical Entrance Construction Contract Approval and Award

MARCH 13 AND 27, 2024	
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BOARD OF TRUSTEES LONG RANGE CALENDAR

Finance	Augmentation for the budget including a public hearing
PW	Agreement: Incline Beach House Design/Build Award with a stop at 30%, and return to the BOT to select the preferred design option
PW	Agreement: Skate Park Design/Build Award with a stop at 30%, and return to the BOT, to review the two options (spend \$250K or spend \$500K)

EXHIBIT "B"

NOTICE OF PUBLIC HEARING

IVGID is proposing a budget augmentation including a General Fund appropriation increase.

The proposed augmentation would increase the total IVGID budget by \$5,469,649 which includes a General Fund increase of \$1,512,949.

The proposed budget increases are due to the following factors:

- Funding of the Tennis Court rehabilitation project
- Funding the Finance Department for additional accounting resources
- Carryforward of the Information Technology General Fund items from Fiscal Year 2022-23
- Funding of the recommended Forensic Due Diligence Audit contract
- Funding of the recommended Point of Sale system
- Funding of the Finance Department staffing additions

The unanticipated revenue sources are:

- General Fund Reserves in the amount of \$1,512,949
- Recreational Services Reserves, Beach Utility Reserves, Internal Services Reserves in the cumulative amount of \$3,956,700.

Copies of the proposed documents are available at 893 Southwood Blvd., Incline Village, NV 89451

The public hearing will be held:

**Wednesday, January 31, 2024 not earlier than 6:00 pm and as soon thereafter as practicable at
893 Southwood Blvd, Incline Village, Nevada**

Please check the posted Board of Trustees Notice of Meeting for any changes.

The 2023 Budget, which were presented to the Board of Trustees on May 25, 2023, is available on the website:
<https://www.yourtahoepace.com/ivgid/board-of-trustees/archived-agendas-and-packets-2023-january-june>

If you have comments about the proposed changes to the budget augmentation, please contact the IVGID Clerk.

By mail: 893 Southwood Boulevard Incline
Village, Nevada 89451 Attn:
Department Of Finance

Phone: (775) 832-1100
Fax: (775) 832-1331
E-mail: info@ivgid.org



EXHIBIT "C"

Request For Proposed Jan 31, 2024 IVGID BOT Meeting Documents

From: <s4s@ix.netcom.com>
To: "White Heidi" <hhw@ivgid.org>
Cc: <info@ivgid.org>, <bma@ivgid.org>, "Bandelin Mike" <MLB@ivgid.org>, "Schmitz Sara" <schmitz_trustee@ivgid.org>, "Dent Matthew" <dent_trustee@ivgid.org>, "Tonking Michaela" <tonking_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>
Subject: Request For Proposed Jan 31, 2024 IVGID BOT Meeting Documents
Date: Jan 25, 2024 10:34 AM

Hello Heidi -

According to the District's web site,

"IVGID is proposing a budget augmentation including a General Fund appropriation increase...(via a) NOTICE OF PUBLIC HEARING - JANUARY 31, 2024 (did anyone know there was going to be a public hearing for this purpose other than staff? When were you going to tell us? Tomorrow in the Tahoe Daily Tribune?)...The proposed augmentation would increase the total IVGID budget by \$5,469,649 which includes a General Fund increase of \$1,512,949.

The proposed budget increases are due to the following factors:

- Funding of the Tennis Court rehabilitation project
- Funding the Finance Department for additional accounting resources
- Carryforward of the Information Technology General Fund items from Fiscal Year 2022-23
- Funding of the recommended Forensic Due Diligence Audit contract
- Funding of the recommended Point of Sale system
- Funding of the Finance Department staffing additions

The unanticipated revenue sources are:

- General Fund Reserves in the amount of \$1,512,949 (even though WE HAVE NO RESERVES)!
- Recreational Services Reserves (even though WE HAVE NO RESERVES)!
- Beach Utility Reserves (even though WE HAVE NO RESERVES)!
- Internal Services Reserves (even though WE HAVE NO RESERVES)!

in the cumulative amount of \$3,956,700.

Copies of the proposed documents are available at 893 Southwood Blvd., Incline Village, NV 89451."

Heidi. I want those proposed documents. Please advise when I can pick them up. TODAY!

Hey Bobby Magee. Are you reading? WE HAVE NO RESERVES in any any of these funds! What you call "reserves" are really nothing more than excess fund balances created from prior years' misrepresentations of fact. In other words, we really didn't require the Rec Facility Fee to make our public recreational facilities available for those real properties' use which are assessed. Instead, we required them to create an excess fund balance in our Community Services Fund so the money could be stolen and re-purposed (i.e., "smoothed") on January 31, 2024. Right Bobby?

And we really didn't require the Beach Facility Fee to make our beach facilities available for those real properties' use which are assessed. Instead, we required them to create an excess fund balance in our Beach Fund so the money could be stolen and re-purposed (i.e., "smoothed") on January 31, 2024. Right Bobby?

And we really didn't require our water and sewer utility charges to be as high as they've been to pay the reasonable and necessary costs we've assigned to providing water and sewer utility services to those real properties' use which are assessed. Instead, we required them to create an excess fund balance in our Utility Fund so the money could be stolen and re-purposed (i.e., "smoothed") on January 31, 2024. Right Bobby?

What you're proposing is STEALING:

Excess involuntary Rec and Beach Fees unoeiowekt assessed in prior years;

Excess involuntary water and sewer rates improperly assessed in prior years;

Unspent previous capital improvement charges improperly collected in prior years.

That's right Bobby. STEALING. The same stealing former Finance Director Gerry Eick perfected, and former Finance Director Paul Navazio perpetuated. And now you're doing the same thing. Instead of sharing the truth with the public and putting an end to this wrongdoing. Because that's what an ethical Finance Director for IVGID would be doing.

All of this talk about your integrity and ethics. Come on Bobby. You fully understand the broken system we have here that a number of us have been telling you about for months. Welcome to the party! And now you're trying to come up with a fix NOT because it's the honest and ethical thing to do. But rather, because the ends justify the means. You've been dealt a hand of cards which is a loser unless you regress to the ways of the past!

But we're on to you Bobby. And now you know that we're on to you. And we won't be quiet in our criticism. Because the truth is more important than your job!

Hey Board members. I am sending each of you a copy of this e-mail. Because if you're not smart enough to figure out the truth, now I've laid it out to you. It's called "smoothing" and "re-purposing" all over again. And if any of you support this garbage you're no better than Kendra Wong. Or Peter Morris. Or Bruce Simonian. Or Gene Brockman. Or Steve Pinkerton. Or Bill Horn. Or Indra Winquest. ALL LOSERS! And deceivers.

You may think of yourselves differently. But at the end of the day, you're no better than the rest of these individuals. And we're on to you. Just like we're on to Bobby Magee.

Thank you for your cooperation. And I want my documents Heidi. Respectfully, Aaron Katz

EXHIBIT "D"

Re: Request For Proposed Jan 31, 2024 IVGID BOT Meeting Documents - SURPRISE - They Haven't Even Been Prepared

From: <s4s@ix.netcom.com>
To: "Sara Schmitz" <trustee_schmitz@ivgid.org>
Cc: "Bobby Magee" <bma@ivgid.org>, "Mike L. Bandelin" <MLB@ivgid.org>, "Matthew Dent" <dent_trustee@ivgid.org>, "Michaela Tonking" <tonking_trustee@ivgid.org>, "Ray Tulloch" <tulloch_trustee@ivgid.org>, "Dave Noble" <noble_trustee@ivgid.org>
Subject: Re: Request For Proposed Jan 31, 2024 IVGID BOT Meeting Documents - SURPRISE - They Haven't Even Been Prepared
Date: Jan 25, 2024 2:29 PM

Thank you Sara -

You're really a piece of work.

You know I've already requested to receive District communications. So why restate the below?

And then you have the gall to tell me "if (I am) unable to refrain from derogatory emails, (my) emails will not be routed to staff, but will be filtered."

How about if you and your staff are unable to publish the truth, no one should listen to you?

So let's deal with facts.

The District web site that unofficially announces a public hearing for next Wednesday (<https://www.yourtahoeplace.com/news/notice-of-public-hearing-january-31-2024>) clearly states that "Copies of the proposed documents are available at 893 Southwood Blvd., Incline Village, NV 89451."

So this morning at about 10:30 A.M. I e-mail Heidi and ask to review the proposed available documents as represented (see your replication of the e-mail below). Heidi does not respond.

Then at about 1:00 P.M. I follow up and inform Heidi that I will be coming to the Southwood Blvd. address noted at 1:30 P.M. to pick up those represented documents.

Then at about 1:40 P.M. I come to the Southwood Blvd. address noted to pick up those documents. I ask to speak to Heidi who tells me she has no documents. She states Bobby Magee is still working on them and once he's finished, she'll let me know and provide electronic copies.

I then ask Heidi why the web site states otherwise? Of course she has no response.

So now we see that not only are you and your fellow Board members untruthful, unethical and non-transparent, but so are your staff. Why would staff inform members of the public that documents related to a \$5M+ augmentation of the budget are available for pick up when in truth, they're not?

And you wonder why the public can't believe anything that comes out of your collective mouths?

And in the hope your vaunted staff is reading this e-mail, or better yet, our four proposed GM candidates, wake up and smell the roses. I'm tired of listening to staff like Erin Fiore who proclaim that their fellow workers are the most wonderful, competent and ethical people to work with. Bolderdash! The truth is they're generally incompetent, grossly overpaid and over benefited, and just as dirty and untruthful as our Board. These are the facts!

You know, the more things change, the more they remain the same.

Respectfully, Aaron Katz

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

From: Sara Schmitz <trustee_schmitz@ivgid.org>

Sent: Jan 25, 2024 1:29 PM

To: s4s@ix.netcom.com <s4s@ix.netcom.com>, Heidi White <hhw@ivgid.org>

Cc: Info IVGID <info@ivgid.org>, Bobby Magee <bma@ivgid.org>, Mike L. Bandelin <MLB@ivgid.org>, Matthew Dent <dent_trustee@ivgid.org>, Michaela Tonking <tonking_trustee@ivgid.org>, Ray Tulloch <tulloch_trustee@ivgid.org>, Dave Noble <noble_trustee@ivgid.org>

Subject: Re: Request For Proposed Jan 31, 2024 IVGID BOT Meeting Documents

Mr. Katz,

If you have not, please subscribe to receive the emails related to board activities. You and the public will all be informed when they are available on the District's website. Here is the link to the page: <https://www.yourtahoeplace.com/email-subscribe>.

Subscribe to IVGID emails | Incline Village General Improvement District - IVGID - Incline Village, Crystal Bay, Lake Tahoe

www.yourtahoeplace.com

Subscribe to email newsletters for the Incline Village Golf Courses, Parks & Recreation Updates, Tennis & Pickleball Center, and general IVGID news.

All materials will be made available to the public and the board members.

If you are unable to refrain from derogatory emails, your emails will not be routed to staff, but will be filtered. Please be advised.

Sara

Sara Schmitz

Incline Village General Improvement District 2024 Board Chair

893 Southwood Blvd.

Incline Village, NV 89451

925-858-4384

[https://lh4.googleusercontent.com/4oZZCbA3zNbR4_gljv067kdrC1i457NxnXGrommed48vAbJZcmfJoU4-mA2cew-xeDtrhd8DQeWFTaPUDQA7nECs7RN2g3BQyuEq3SDIBaDSGsNn12OQSXdluJ-Bw_-hZ91TlqXZ]

From: s4s@ix.netcom.com

Sent: Thursday, January 25, 2024 10:34 AM

To: Heidi White

Cc: Info IVGID; Bobby Magee; Mike L. Bandelin; Sara Schmitz; Matthew Dent; Michaela Tonking; Ray Tulloch; Dave Noble

Subject: Request For Proposed Jan 31, 2024 IVGID BOT Meeting Documents

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

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Thank you for your cooperation. And I want my documents Heidi. Respectfully, Aaron Katz

1-21-2024

Good evening. My name is John Klein. I'm proud to be a full-time-resident homeowner here in Incline Village. While I've spent most of my career as an operations consultant, I am currently, among other things, the Incline High Boys and Girls Varsity Tennis Coach.

Though a joint usage agreement, IVGID hosts the home matches for Incline High at the Tennis Center. While there are courts at the high school, there are not enough to complete matches before dark. I also captain USTA tennis teams and we play our league matches at the Tennis Center. Additionally, I'm involved in the annual Incline Open which, I am proud to say, we filled to maximum capacity last year.

Tennis is a lifetime sport, and a great sport to learn at a young age. It builds character as it is the only non-officiated sport in high school where you call your opponents fouls. Furthermore, as non-contact sport, the incidents of life altering concussions is minimized. Our high school tennis team grew 100% from 2022 to 2023 and it will grow another 100% in 2024.

Now, our courts at the Tennis Center were a subject of a report commissioned by IVGID 8 years ago. That report determined the courts have now greatly exceeded their life span and suggested IVGID put aside money for their rehabilitation and rebuild them. This has not occurred.

While the courts may look fine to the naked eye anyone who plays on them regularly can tell you about the weak and dead spots on the courts, where the substrate has washed away, as well as the large cracks that pop up in the spring and hosts snakes and chipmunks - yes I said "snakes".

Therefore I am very pleased to see the board will be considering, tonight, taking the first step towards accepting bids to determine the cost, for consideration, it may take to save this valuable community asset.

Thank you.

John Klein

Kristie Wells, Incline Village Resident

Please include this comment in the official minutes for the January 31, 2024 meeting

January 31, 2024

Three of IVGID's Trustees (Dent, Schmitz, and Tulloch), the Chair of the Audit Committee (Nolet), and the Interim Director of Finance (Magee) insist we need a forensic audit of past IVGID financial reports and administrative financial activities. This is based on decisions related to past issues with IVGID's policies and procedures and other issues exacerbated by severe staffing shortages in the financial department.

They all have stated **there has been no indication of fraud**, but they are moving forward with this audit in the hopes of justifying their effort to discredit the last IVGID administration, and/or justify their heavy-handed approach to dealing with IVGID staff.

This past November, the Board approved a budget for the forensic audit and a scope of work for the project.

- RubinBrown LLP provided the lowest bid. Baker Tilly was in second place. Moss Adams was a distant third (all based on price). Interesting thing here is that RubinBrown is a part of Baker Tilly International, so technically the same company provided two of the three bids.
- Magee was hired onto IVGID's payroll from Baker Tilly, and IVGID paid Baker Tilly a \$10,000 'finders' fee.
- At the November 8, 2023 public meeting, the Board authorized Trustee Tulloch to negotiate terms and conditions with Rubin Brown, as well as the final scope of work to be conducted on a forensic audit. The negotiated contract was then to be sent to the Board for their review and approval.
- The dollar amount budgeted by the Board for the contract was to be for a total fixed-price of \$110,000 for the three years' fiscal review or \$160,000 for five years' fiscal review.

Sometime between November 8, 2023 and January 10, 2024, the scope of work was increased that led to a contract amount "not-to-exceed \$350,000." Almost \$250,000 more than was approved by this Board. Seems like a bait and switch from Rubin Brown and mishandling of the negotiations by Tulloch and Magee. Also, Magee, placed by Baker Tilley and now on IVGID's payroll, probably should have recused himself from negotiating with Rubin Brown.

Tulloch and Magee revised the contract and presented it to Interim District Manager Bandelin for his signature without first informing the rest of the Board, sending it to the Board for their review and approval, or giving the community the opportunity to learn about or comment on this change in scope and contract pricing.

This community also needs to understand that the expense of this forensic audit is not just the cost of the Rubin Brown contract (which is now either \$110,000 or up to \$350,000), but the additional expense of the consultants like Pam Day, Baker Tilly, and other individuals Magee has hired that will need to stay on and assist IVGID staff during this audit. There are problematic reporting delays and real, hard costs, for a pet project to prove something that is likely going to turn up "no fraud found." Seems there are way better ways to spend our money.

official

Linda Kahrs, Public Comment Please include in the Board Minutes of Jan 31

Good evening Board of Trustees,

Shame on Trustee Schmitz for her demeaning, rude reprimand of Trustee Tonking at the 1/25 board during a flashvote discussion. We hope that Schmitz will publicly apologize to Trustee Tonking tonight!

We are here at 6pm instead of 4:30 pm because the candidates for GM interviews were canceled. There were 3 candidates listed in the packet. Why was THIS, the most important agenda item, removed? Trustees, please explain tonight why every interview was removed & by whom.

Regarding the new General Manager: Please heed our advice! We the residents need a General Manager who will not be a puppet at the whims of the current board majority but one who will reach out to learn about and understand the needs of the community and the staff, someone who can be a willing volunteer in youth and community activities and be an integral part of the community.

Again, we do not want a GM who will do whatever the current Board majority requests without regard to the District's policies and procedures and the community needs. We care because we care about our Staff who are trying their very best to keep this District running for our community in

the absence of the Senior Staff who have departed under the watch of Schmitz, Dent & Tulloch and have yet to be replaced.

Let's look at the FORENSIC AUDIT which follows on the heels of five, YES FIVE, CLEAN audits. This forensic audit is a desperate attempt by the trustees to distract from the recall effort, which is NOT dead and currently under recount by the Secretary of State.

The forensic audit, by Trustees Schmitz, Dent and Tulloch, appears to be a witch hunt designed to justify the attack on, and the heavy handed treatment of IVGID staff and management. This abuse has only exacerbated and precipitated the very accounting and other issues they say warrant this audit. As a result, the entire District has now been placed in an horrific situation of a multitude of unnecessary binds and risks with potential long-term negative consequences.

Let's look at the status of SUSAN HERRON who was placed on PAID ADMINISTRATIVE LEAVE over 11 weeks ago without being told why. How is this possible in today's world of employment laws designed to protect the employee? The entire community should be in an UPROAR mainly because no one knows why. Over 20 years of outstanding dedicated service and she is apparently rewarded with ADMINISTRATIVE leave and the hiring of a \$50,000 investigator to look for something. Will her

reputation remain intact? No one deserves this treatment. Any person in her situation deserves transparency.

Transparency is what Trustees Schmitz, Dent and Tulloch claim to espouse. Transparency is what the community DEMANDS, yet still awaits. We are grateful that we do have two transparent trustees, Trustees Tonking and Noble, who are unfortunately silenced by the current majority. This must change.

Mick Homan – Incline Village

I want to comment on the Board's hunt for fraud.

Just so we're clear, a Forensic audit is called for when you have specific indications of a fraudulent act. This requires intent. It's not called for when you have unintentional sloppy accounting.

So first some background

IVGID's annual audit costs \$50,000. That includes an internal control review – and the auditor's consideration of indicators of fraud.

The board also paid its auditors \$20,000 for 2 special reviews in 2022.

One covering purchasing policies and compliance.

The other tested capitalization accounting.

In addition, while I was on the audit committee, we spent hundreds of hours investigating Mr. Dobler's claims of fraudulent and bad accounting in capital spending.

The was no evidence of fraud in any of this work.

The Board's also spending \$265,000 with an independent accounting firm to help get the 2023 books in shape for the audit. That firm is helping complete bank and other account reconciliations. We should expect to be notified if they find any indications of fraud in their work areas. **To date, no mention of fraud.**

Finally, the district **just completed** the reconciliation of its old and new financial enterprise systems. Despite repeated comments by certain trustees and residents that early unreconciled differences indicated possible or even likely fraud, **they tied out exactly.**

So even with no evidence of fraud, the board approved the issuance of a forensic audit RFP.

In my 40-year finance, accounting and auditing career, I've worked on multiple fraud investigations. I'm well versed in how they're typically structured.

So when I read the initial RFP, I was at a loss. It's glaringly obvious the board had no idea what they were looking for. It was a shotgun approach with no focus. It looked more like a full audit, looking at everything and everybody.

So it's no surprise the preliminary bid was comparable to the audit fee - at \$110,000 for a 3 year lookback.

But it gets worse. Trustee Tulloch, working with our interim finance director and audit committee chair, increased that to up to \$350,000.

That's more than 3 times the initial 3-year bid, and 7 times the annual audit fee.

And then 2 weeks ago, Trustee Tulloch tried to force this cost increase through without board or community disclosure or discussion.

His actions raise serious concerns.

Thankfully, Trustees Tonking and Noble stopped him.

The revised scope in tonight's materials remains completely unfocused. Most items are fully redundant with normal annual audit tests and the other projects I just outlined. The rest are unfocused shots in the dark.

To many, this looks like a witch hunt – a desperate attempt to justify a reckless narrative by the majority board members, and to satisfy the rants of a vocal minority.

And you've unnecessarily harmed IVGID. You've scared our auditors and they won't complete the annual audit, which is already overdue, until your fraud hunt is done. So, we have no choice but to complete some level of work. I'd limit that to the Fraud Risk Assessment in item 9 of the revised scope. If that or any other findings to date reveal specific evidence of fraud, then design focused procedures to investigate the specific matter. This will dramatically reduce the time and costs to complete the process.

Your current proposal and scope, and its \$350,000 price, is both wasteful and irresponsible.

1
2 INCLINE VILLAGE
3 GENERAL IMPROVEMENT DISTRICT
4 BOARD OF TRUSTEES
5
6
7
8
9 TRANSCRIPT OF HEARING
10 PUBLIC MEETING
11 Live and Via Zoom
12
13 Held at the Boardroom
14 893 Southwood Boulevard
15 Incline Village, Nevada
16
17 Wednesday, February 14, 2024
18
19
20
21
22
23
24 Reported by: Brandi Ann Vianney Smith
25 Job Number: IVGID 23

1 APPEARANCES
2
3 **BOARD MEMBERS PRESENT**
4 SARA SCHMITZ, CHAIR
5 MATTHEW DENT, VICE CHAIR
6 MICHAELA TONKING, SECRETARY (via Zoom)
7 RAY TULLOCH, TREASURER (via Zoom)
8 DAVE NOBLE, MEMBER
9
10
11 **ALSO PRESENT**
12 SERGIO RUDIN, LEGAL COUNSEL
13 HEIDI WHITE, DISTRICT CLERK
14
15 -o0o-
16
17
18
19
20
21
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24
25

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1 Incline Village, Nevada - 2/14/2024 - 6:00 P.M. 4
2 -o0o-
3
4
5 CHAIR SCHMITZ: Good evening. I'd like to
6 call the meeting to order of the Incline Village
7 General Improvement District regular meeting at 6:00
8 p.m. on February 14th, here at the Boardroom, 893
9 Southwood Boulevard in Incline Village, Nevada.
10 We will begin with the Pledge of
11 Allegiance.
12 A. PLEDGE OF ALLEGIANCE
13 (Pledge of Allegiance.)
14 CHAIR SCHMITZ: Thank you. On to the roll
15 call of trustees.
16 B. ROLL CALL OF TRUSTEES
17 CHAIR SCHMITZ: Trustee Tonking?
18 TRUSTEE TONKING: Here.
19 CHAIR SCHMITZ: Trustee Tulloch?
20 TRUSTEE TULLOCH: Here.
21 CHAIR SCHMITZ: Trustee Dent?
22 TRUSTEE DENT: Here.
23 CHAIR SCHMITZ: Trustee Noble?
24 TRUSTEE NOBLE: Here.
25 CHAIR SCHMITZ: And Trustee Schmitz, here.

5

1 We have a quorum. We will then move on to initial
 2 public comments. We'll start with the public
 3 comments here in the room and then move to the Zoom.
 4 C. INITIAL PUBLIC COMMENT
 5 MS. USINGER: Caroline Usinger, 582
 6 Jackpine.
 7 I've been thinking about 2024 compared to
 8 2023, and I always hope that the world gets a little
 9 bit better every year. This year, I'm not too sure.
 10 \$350,000 spent on an unwarranted audit.
 11 \$50,000 to find a new general manager, only for
 12 their findings to be thrown out. \$350,000 to have
 13 people not work. \$800,000 for consultants and
 14 attorneys. Destroying long-term, strong financials
 15 by switching from community-based recreation funding
 16 to individual venue fee-based services. No
 17 improvements for tennis center, no improvements for
 18 golf, no improvements for Diamond Peak, no
 19 improvements for beaches, no improvements to the Rec
 20 Center. Demotivating the entire IVGID staff. No
 21 dog park. The reserve fund wiped out. Saying no to
 22 a \$25 million donation.
 23 I am left to wonder whether this is
 24 incompetence or a planned effort to destroy IVGID.
 25 So I'm going to go back again: \$350,000

6

1 for an unwarranted audit. \$50,000 to find a general
 2 manager and then not use their proposals. \$350,000
 3 to have people not work. \$800,000 for consultants
 4 and attorneys. Destroying long-term, strong
 5 financials by switching from community-based
 6 recreation funding to individual venue fee-based
 7 services. The reserve fund wiped out. Is this
 8 incompetence or a planned effort to destroy IVGID?
 9 I fear terribly for the year 2024 that
 10 this list will just be added to. And what can I
 11 say? Is this incompetence or a planned effort to
 12 destroy IVGID? We're watching and we will vote you
 13 out.
 14 MR. CARS: Bill Cars, full-time resident.
 15 Good evening, Trustees and fellow residents.
 16 During the January 31st meeting, the IVGID
 17 board of directors sanctioned an allocation of
 18 another \$7,900 for the utilization of FlashVote, a
 19 survey service to administer six surveys across the
 20 Incline Village and Crystal Bay community.
 21 The decision to commission a series of
 22 surveys raises inquires regarding the specific
 23 objectives sought by the Board and the IVGID staff
 24 particularly, given the substantial history of a
 25 previous community surveys.

7

1 The questions have emerged regarding the
 2 four and/or slanted survey questions, also the
 3 utilization of data accumulated from prior surveys
 4 and the translation of the results into actionable
 5 measures for community enhancement. With the
 6 Board-slanted commitment to prudent financial
 7 stewardship, some stakeholders have expressed
 8 reservations about the process leading to this
 9 expenditure. Suggestions have been made for a more
 10 methodical approach, involving collaboration between
 11 the staff and the trustees to ascertain the precise
 12 data requirements and also to determine the optimal
 13 number of surveys needed and select the most
 14 appropriate survey tool.
 15 In addition, the District needs to ensure
 16 that the survey is sent to all residents and/or
 17 property owners, and not just a small,
 18 non-representative sampling composed of FlashVote
 19 enrollees. And while FlashVote has been chosen to
 20 conduct the surveys, alternative options were not
 21 thoroughly explored or at least presented.
 22 You have spent a lot of money on this
 23 service and what additional data do you need that
 24 requires this budgeted item? Surely, you already
 25 have enough to get you through the next year or two

8

1 of decision-making.
 2 Thank you.
 3 MS. WELLS: Kristie Wells, Incline Village
 4 resident. Good evening, Board.
 5 Item F 5 on the agenda tonight is a
 6 \$50,000 request for a contract to McDonald Carano
 7 for a review of client policies on restricted access
 8 beaches in Incline Village and IVGID beaches.
 9 Trustee Schmitz has not provided in the board packet
 10 any indication of what questions need to be answered
 11 that requires us to spend another \$50,000.
 12 We doubt that you're actively working to
 13 find a way to give employees access to the IVGID
 14 beaches again, so what exactly are you asking this
 15 law firm to review? The community needs to know
 16 what your intentions are well in advance of this
 17 item showing up on an agenda.
 18 Speaking of McDonald Carano, it appears
 19 there's a potential conflict of interest here, as
 20 Joshua Hicks, the attorney representing the firm in
 21 this engagement, was retained by both Trustee Sara
 22 Schmitz and Matthew Dent to represent them,
 23 personally, in their attempts to block the recall
 24 efforts just about six months ago. Documents
 25 supporting this statement will be attached to my

9

1 comments, submitted to the clerk.

2 This \$50,000 could easily be seen as

3 reward or a quid pro quo for Mr. Hicks' support of

4 you both in the recall efforts. Which is a reminder

5 to the community it's still active and remains in

6 review by the Secretary of State.

7 You don't think this community's paying

8 attention, but we are. And you need to confirm that

9 neither this firm nor Mr. Hicks is representing

10 either one of you currently for interests related to

11 the recall campaign.

12 Moving to item G 1, one of your

13 recommendations is to develop a two-year contract

14 that appoints Bobby Magee as the general manager. A

15 two-year agreement for someone who has finance

16 experience but has never managed a district before,

17 how is this even an option? If you really believe

18 in Bobby's ability -- he's an amazing finance guy as

19 I understand it -- why not start with a ten-month

20 agreement through the end of this year and make sure

21 he can actually do this job?

22 Not to mention, Bobby doesn't even live in

23 this district full time, as best as I understand it,

24 nor does he live in Washoe County. Not sure how

25 he's going to be responsive to a 24/7, 365-day

10

1 emergency management protocol that you were so clear

2 in making sure was set in your contract review a

3 couple of weeks ago.

4 This board is going to look quite

5 different come January, and you would be committing

6 this district to a path that the future board will

7 not be willing to tread. I highly suggest you

8 reconsider these contract terms if this is the path

9 that you're choosing.

10 So, this evening I'm going to ask the

11 Board three things: Be open and transparent about

12 why you want more legal work for Ordinance 7. Be

13 open and transparent about your relationship with

14 Mr. Hicks and his firm. And don't make a long-term

15 commitment to an unproven general manager.

16 Thank you.

17 MS. CARS: Linda Cars, Incline Village

18 resident. Good evening, Board.

19 I have done a financial summary of the

20 funds spent for the past calendar year, and I was

21 shocked that it totaled over \$1.8 million. \$1.8

22 million. Even more so that only \$74,500 was spent

23 on an unnecessary capital improvement called, quote,

24 Beach Gate Access.

25 Taking the remaining monies, the District

11

1 has spent over \$900,000 on personnel costs, which

2 weren't budgeted, and this includes payments to

3 employees for severance arrangement and a paid leave

4 of absence. This leaves approximately \$800,000 in

5 consultant fees.

6 The Board majority, Schmitz, Dent, and

7 Tulloch, along with the interim Director of Finance

8 have appeared to have engaged in gross, gross

9 mismanagement of IVGID resources by allocating funds

10 towards various expenditures such as FlashVote

11 surveys, investigations, consultant fees without

12 tangible results for the community members. This is

13 a huge, huge, huge problem.

14 Why did they spend 1.8 million this year?

15 Well, a small amount in comparison to the consulting

16 expenses, they spent over \$30,000 for FlashVote and

17 didn't even use the service to its fullest. This is

18 a waste of precious money as the IVGID staff can

19 reach five to six times more residents with better

20 focus survey.

21 Did you know they are paying for people

22 not to work? Susan Herron was paid on leave, still

23 on leave, Indra Winquest was given severance at a

24 cost to the community of over \$350,000 for both

25 them, including benefits.

12

1 Money wasted in the finance area to

2 investigate fraud and hire consultants like Moss

3 Adams and RubinBrown. But, wait, according to the

4 Nevada Department of Taxation, we were doing fine

5 with our past five audits. And by the way, audits

6 are supposed to find something, and they did, but we

7 were doing fine.

8 What have they accomplished, Schmitz,

9 Dent, and Tulloch? Nothing for the facilities and

10 everything to put IVGID on a path towards

11 bankruptcy.

12 So here we are today watching your \$4.5

13 million budget augmentation due to this

14 overspending. We must point out the gross

15 negligence and ignorance by moving Parks from

16 community service to the general fund. This, in

17 addition the wild, superfluous spending, is another

18 cause for the budget augmentation.

19 It was ludicrous, ludicrous, Sara, to move

20 Parks, as this action did draw down, unnecessarily,

21 resources from the general fund. It should be moved

22 back to community services immediately.

23 In closing, 1.8 million of our money was

24 spent on their pet projects and not where it should

25 have been: investing in our facilities and community

13

1 assets.

2 Thank you.

3 MR. KATZ: Good evening. Aaron Katz,

4 Incline Village. I've given several written

5 statements to be included in the minutes of the

6 meeting to Heidi.

7 I want my public records. Pages 6 through

8 7 of the board packet indicate they were provided to

9 me; they were not.

10 Rather than going off the deep end when I

11 saw this in the board packet, I reached out to Heidi

12 to indicate this fact and again asked for the

13 records. I received no response back. Then I sent

14 the board members an email on February 13, where I

15 set forth to truth. My written statement now has

16 the documents to back up the truth.

17 I want the statements directed to my -- if

18 I don't get them, since it's criminal, I'm going to

19 file a criminal complaint with the AG tomorrow. So

20 I hope you'll give the records.

21 Business as usual. The truth to the

22 public and to the Board is rarely given because our

23 employees want to protect their own. Okay. Let's

24 talk about some more of these clean employees, and I

25 gave the Board an opportunity on this one. Tim

14

1 Buxton is an employee in Public Works. His job is

2 to inspect the backflow prevention devices and then

3 to repair them. He charges a fee for IVGID to do

4 it.

5 Well, I've discovered he has his own

6 competing business. What's the business? They

7 inspect backflow prevention devices. So here you

8 have an employee competing with his employer, who

9 should know better, there shouldn't even be a policy

10 on it, and yet he's allowed to continue.

11 When this came to the Audit Committee,

12 their decision was, oh, well, it's okay for him to

13 do it because Joe Pomroy told him he could do it.

14 No, it's not all right. But it's not just

15 Mr. Buxton.

16 Let's go to Tim Kelly in the Rec Center.

17 He's got another job with the school district where

18 he uses IVGID time to go work for them. In fact,

19 I'm informed he's leaving IVGID, Friday, to go to

20 West Wendover to represent his other employer to our

21 detriment. No, you can't do this during our IVGID

22 time. You don't need a policy to know you can't do

23 this.

24 So I want you to take some action, tell

25 him: Either work for us or work for your employees,

15

1 but not the two of you.

2 I'm against the giveaway of the Rec Center

3 to Vitalant. I did a written statement on it.

4 Insofar as McDonald Carano, if there is a

5 potential conflict, please disclose it.

6 Thank you.

7 CHAIR SCHMITZ: Seeing no other public

8 comments in the room, we'll shift to online.

9 MR. DOBLER: Cliff Dobler, 995 Fairway.

10 While I appreciate the efforts of

11 Mr. Bandelin's GM reports to have each venue manager

12 provide a report on activities, the reports have

13 little meaning without reasons for large variances

14 or conclusions.

15 For an example, look at the 2024 estimated

16 results for facilities and events and focus on

17 weddings. During the past three years, weddings

18 averaged 49 per year, this year only 31 is

19 projected, a 37 seven percent decline. Aspen Grove

20 is worse, with only seven weddings projected, when

21 the previous three years averaged 17, a 55 percent

22 decline.

23 No discussion on monetary impacts, yet at

24 the same time, the 2024 budget was to hit revenues

25 out of the park, but would still have a loss. The

16

1 2024 revenue budget was 1.9 million, with a loss of

2 \$157,000.

3 Weddings are the only profitable venue.

4 Services for golf, community, corporate, social, and

5 intercompany are losers when full accounting is

6 applied. What will be the actual losses expected in

7 fiscal 2024?

8 As an excuse, the memo indicates that

9 consecutive smoke and unsafe air quality existed in

10 the summer of 2023. The statement is untrue. There

11 was little smoke last summer.

12 Bandelin indicates that Diamond Peak has a

13 new special use permit and has been signed by the

14 Forest Service, but no indication of any changes

15 from the previous permit. Has IVGID assigned it?

16 The permit requires Board approval.

17 The Rec Center comprehensive facilities

18 maintenance list has been fine-tuned, but to data is

19 presented. It has it been completed?

20 Aquatics is disturbing that only

21 three kids participated in the swim team, and only

22 five kids participated in the youth swim clinic.

23 Are these programs staffed full time? What did the

24 Parks maintenance team do during January? The memo

25 indicates some drivers' training and fire alarms

17

1 were done. How many people are on the staff? There
 2 is no lawn mowing or irrigation during the winter,
 3 so how do they keep busy?
 4 Where is the DOWL report on the utility
 5 infrastructure master plan? The contract is close
 6 to \$500,000, was issued 16 months ago, and was due
 7 in November last year.
 8 The general fund reserve shortage occurred
 9 because of adding the Parks expenses and the
 10 explosion in high-priced, general administrative
 11 expenses. It can only be cured by increasing the
 12 central service cost billing to recreational venues
 13 and the utilities, expect more rec fees to cover
 14 costs, making less available for capital projects.
 15 Let's face it, this is been a game of
 16 Chinese checkers. The devil --
 17 (Expiration of three minutes.)
 18 DR. RINER: Dr. Myles Riner, Incline
 19 Village resident.
 20 Forty-seven minutes into the January 31st
 21 IVGID board meeting, Trustee Schmitz made an
 22 interesting comment when missing the inability to
 23 find more qualified applicants for the general
 24 manager position and to have two who did initially
 25 apply and then backed out. She out pointed to the

18

1 fact that this is, quote, An opportunity for all of
 2 us to take a look in the mirror because if the
 3 candidate for GM were to Google our community right
 4 now, it doesn't have a very friendly appearance.
 5 I'm not sure you could say that Incline
 6 Village and Crystal Bay don't come across as
 7 friendly, but it is certainly true that a candidate
 8 for GM who does a little digging would easily
 9 discover that the majority of the Board has not been
 10 very friendly to IVGID management and staff.
 11 Several members of our community, the
 12 angry eight, the perpetually aggrieved, have made
 13 disparaging comments and hurled unfounded
 14 accusations of fraud and malfeasance and
 15 incompetence at IVGID at just about every board
 16 meeting, three IVGID trustees have made and continue
 17 to make life difficult for several IVGID senior
 18 managers, two trustees are facing recall, a forensic
 19 audit witch hunt is underway, and many, many IVGID
 20 staff members and managers have bailed on the
 21 District over the last few years, often citing a
 22 toxic work environment. If that doesn't give
 23 potential GM candidates pause, perhaps they might
 24 not be the right person for this job.
 25 The folks that really need to take a good,

19

1 hard look in the mirror are not, quote, all of us in
 2 the community, unquote, but the small number of
 3 citizens who abuse the right to express their
 4 concerns at public meetings, displaying their often
 5 inappropriate and tasteless and occasionally mean
 6 and vile invective at the people who serve on or
 7 behalf and the three trustees who have enabled and
 8 even facilitated this abuse.
 9 Tim Crowley and I attempted to get these
 10 trustees to adopt a code of conduct policy,
 11 consistent with Nevada Open Meeting Law, which would
 12 allow the Board to curb this abusive, disruptive,
 13 and uncivil behavior at board meetings. The
 14 suggestion fell of deaf ears, but it should be
 15 revisited.
 16 Today the Board is considering spending
 17 upwards of \$400,000 a year for an underqualified
 18 candidate for GM who, along with these three
 19 trustees, have dug the District into a financial
 20 hole.
 21 The Nevada Department of Taxation concedes
 22 concerns throughout this mess, and so should we. As
 23 a result, the majority of this board will saddle us
 24 with a GM the new board in November will likely not
 25 want to have serve for another two years.

20

1 Look in the mirror, Sara, Matt, and Ray,
 2 and you will see an easily understood explanation
 3 for the struggle to find candidates for the GM
 4 position.
 5 Thank you.
 6 MS. KNAAK: Hi. Yolanda Knaak, full-time
 7 resident here in Incline Village.
 8 Wow, it sounds like the angry eight is now
 9 the recall people. It's very disappointing.
 10 I think that if we do go with the
 11 different head hunter, that the candidates' names
 12 should be withheld from the community after what
 13 happened this last time.
 14 As far as Bobby Magee, I think that there
 15 should be like an evaluation after a few months, and
 16 if need be, have someone that is a consultant -- I
 17 know he's a consultant, but he's more on the
 18 financial piece. So, have a consultant come in to
 19 work with him. I think that would be important.
 20 Also, thank you to the trustees for
 21 FlashVote. I think it's a great tool, and I
 22 actually like FlashVote. I think it's important to
 23 hear from the community.
 24 And I just want that say thank you to our
 25 Board. I think they're doing a great job. Thank

21

1 you very much. Bye.

2 MS. HUSSONG-JOHNSON: Good afternoon,

3 Trustees. This is Sarah Hussong-Johnson, 785 Mays

4 Boulevard. I'm a full-time resident here in

5 Incline.

6 I'm compelled to call in tonight, wish I

7 could be there in person. But as I reviewed the

8 latest agenda published on the website, I was

9 certainly concerned to see the status of our

10 recruitment for a new general manager here at the

11 District.

12 As I looked into the public comment on

13 this call, I can certainly understand why we find

14 ourselves in this situation. And I call in today as

15 an extremely concerned resident, with much care and

16 much pride for our community.

17 First of all, I would like to thank

18 Ms. Linda Cars for her articulate comments. I think

19 her summary of expenditures does a good job of kind

20 of highlighting concerns of how money is being spent

21 in our district right now. I appreciate her

22 attention to detail on the expenditures relative to

23 legal services and consultants versus capital

24 projects.

25 I eagerly look forward to the agenda each

22

1 month with hopes of updates on many of our critical

2 capital projects that benefit the essential services

3 that IVGID was formed for, which I think we should

4 all be reminded as to what those are. That's clean

5 drinking water for fire protection -- or clean water

6 for drinking and fire protection, the collection and

7 treatment of sewage, and recreation services. This

8 is what our district was formed for, and I wish that

9 this is what we could spend more of our time

10 focusing on instead of the current business.

11 As I listened to the other public

12 comments, I think of the existing staff that is

13 currently remaining here and dedicated to the

14 District, our long-term employees that I hear under

15 attack, and I ask us all to remember the fact that

16 since our previous general manager separation in

17 June of 2023, we have also suffered the loss of a

18 director of public works, a director of finance, a

19 director of food and beverage, a director of golf, a

20 director of administrative services that has been on

21 paid leave since November of 2023.

22 I can't even calculate the tenure of these

23 employees and the loss of institutional knowledge to

24 the District that they represent. I know just the

25 Director of Administrative Services alone, I

23

1 believe, is a 23-year employee.

2 So, again, I'm calling in today as a

3 concerned citizen. Very interested in seeing our

4 district refocus its efforts on our core essential

5 services of clean drinking water, clean water for

6 drinking and protection, for the collection and the

7 treatment of sewage, and for recreational services

8 for which it was formed. And I would ask that our

9 board members consider this at --

10 (Expiration of three minutes.)

11 MR. WRIGHT: Frank Wright, Crystal Bay.

12 Couple things. First of all, the blood

13 drive, I'd like the community to understand that

14 we're giving up our recreation center for a whole

15 day for a blood drive from a corporation company

16 that's located outside the Basin. It has nothing to

17 do with the citizens here. We give our blood, they

18 sell it to the hospitals, they don't make a lot of

19 money. We get nothing in return for it, nothing

20 ever comes back to us. Sure it's a nice gesture,

21 but you're giving up the Rec Center for a whole day.

22 All the employees are going to be sitting around

23 picking their noses, and we're paying for it.

24 The Parks and Rec director somehow has

25 gotten herself into believing that our facilities

24

1 are to be given away to outside venues for free, and

2 we get to pay all the costs for drawing up

3 contracts, her involvement. It's unbelievable.

4 Leave that as it may, throw that thing away, get rid

5 of these people, and we don't give them a year

6 contract or give them any kind of contract.

7 The second thing is the Beach Deed.

8 Believe me, I understand the Beach Deed inside and

9 out. Hiring an attorney to review and go over the

10 Beach Deed does no good. It's worthless. The

11 attorney's opinion is the attorney's opinion. You

12 can get a janitor to do the same thing.

13 The thing is you need to get a judicial

14 review, then you find out exactly what the Beach

15 Deed is capable of doing. So unless we do that,

16 then you're just wasting your time and wasting a lot

17 of our money.

18 As far as Riner, Wells, Cars, Usinger,

19 your hand-picked financials, that's nice. I'm glad

20 that someone is looking into these things, but you

21 only pick certain things.

22 Let's pick Mr. Winquest's promotion, of

23 all these people, costs us \$2 million in added

24 employee costs. Why didn't you point that out? You

25 seemed to skip that.

25

1 As far as the three people that we had
 2 that we're going to interview for the general
 3 manager position, all three of them were not capable
 4 of doing the job. That came from your selection of
 5 a company to go out and screen these people.
 6 Obviously they didn't do a very good job of
 7 screening them. Why would you want to hire any one
 8 of the three?
 9 And as far as the people that have left
 10 here, most of them took off because they knew all
 11 the crap was going to come to an end.
 12 Wells, Cars, Usinger, Riner, I offered an
 13 olive branch to you guys. Call, we'll talk about
 14 all this stuff. I'm more than happy to share with
 15 you what I know. But you don't. You just make up
 16 you own numbers, your own facts, your own figures,
 17 and then you sit here and spout them out.
 18 As far calling people "the angry eight,"
 19 the disgruntled human beings of community, look at
 20 you guys. You caused a mess with your recall.
 21 It's -- you spent thousands of dollars trying to
 22 take it and get rid of two trustees. You --
 23 (Expiration of three minutes.)
 24 MATT: That was our final comment on Zoom,
 25 Chair.

27

1 MR. BANDELIN: As stated, the report
 2 begins on page 4 of your packet materials. The
 3 report includes and contains the public -- the
 4 records request log dating back several months, we
 5 also include the January venue department status
 6 reports as well, and the quarterly disclosures of
 7 external energy reports.
 8 I'll note that staff has developed a
 9 closeout report for the effluent export pipeline,
 10 GMP1, and I didn't get it in the packet materials in
 11 time to deliver, so I'll include that in a future
 12 board meeting, and also we'll provide a couple other
 13 closeout reports for construction projects and so
 14 forth.
 15 I think what staff's intention to do is
 16 develop a new kind of form and get some board input
 17 on really a nice form that would identify all the
 18 financials in the report and other items, such as
 19 what we learned from the particular project, what
 20 went right, what went wrong.
 21 I do have a copy of the Burnt Cedar pool
 22 closeout report. I was at that board meeting, and I
 23 don't recall it being received very well. I think
 24 our intention here in next few meetings with these
 25 closeout reports of capital projects is, one,

26

1 D. APPROVAL OF AGENDA
 2 CHAIR SCHMITZ: Moving on to approval of
 3 the agenda, the Board has been informed that agenda
 4 item F 4 has been removed, requested to be removed
 5 by staff, so that is one change to the agenda.
 6 Are there any other requests for
 7 modifications?
 8 TRUSTEE NOBLE: I'd like to move F 5 to
 9 general business, please.
 10 CHAIR SCHMITZ: F 5, we will move that to
 11 general business 0, then, if that's all right. Any
 12 other changes?
 13 Seeing none, we will --
 14 Counsel, do I have to take a motion or a
 15 vote on that or are we able to just move forward if
 16 there aren't any other comments?
 17 MR. RUDIN: In terms of moving the agenda,
 18 no, you don't have to take a motion.
 19 CHAIR SCHMITZ: Thank you.
 20 Moving on, then, to reports to the board.
 21 REPORTS TO THE BOARD
 22 E 1. General Manger's Monthly Status Report
 23 CHAIR SCHMITZ: Beginning with the interim
 24 General Manager's monthly status report for January,
 25 found on pages 4 through 35 of the board packet.

28

1 identify what constitutes a report, maybe not
 2 procurement items, but what dollar amount or is it
 3 construction or is it -- kind of what is it? That
 4 might be an item that we bring to the Board that
 5 just talks about what would the Board like to see in
 6 the closeout report that would suffice the needs of
 7 the community and the Board as well.
 8 Also just wanted to touch on a couple
 9 items. It almost kind of relates to a couple of the
 10 calls that we heard this evening, but if I could
 11 just get your attention to the venue facilities and
 12 status report on page 8 and 9 of that section. The
 13 Board had asked, and we brought together a venue
 14 status report for the facilities and events within
 15 this fiscal year, to date. We identified kind of
 16 the different groups of events that you would see at
 17 The Chateau facility, and then we provided like a
 18 narrative of those different characteristics of
 19 events.
 20 What I wanted to point out is if I was a
 21 board member, you would probably ask, well, we talk
 22 about -- like towards of each sentence, we talk
 23 about the revenue per guest, and the question there
 24 would be: What was the cost of each one of those
 25 guests?

29

1 I can tell you, our finance department is
2 working really hard. We're going to get there, and
3 we are going to -- these particular venue status
4 reports are not financial reports, and we hear quite
5 a bit during public comments over the course of
6 these months and meetings that -- we're getting
7 there. I can tell you that the finance department
8 is working diligently. We're looking at the past,
9 we're looking at the future, we're looking at
10 internal controls. We're going to get there to
11 where we'll have financial reports, they'll be
12 separate from the venue status reports, because the
13 venue status reports are updates on the venue, not
14 particularly all the financial pieces of it.

15 Also, we'll bring you a report on Your
16 Tahoe Place web redesign and rebuild of that
17 project. I got a small report from Paul Raymore,
18 the lead of the instrumental piece of working
19 through that project, and I'll provide that in our
20 next meeting, an update on how that project is
21 going.

22 Then, I guess, I'll hit on the public
23 records a little bit. Why don't I take some
24 questions first, and then I'll have a couple more
25 comments.

31

1 October 27th request with regards emails, does that
2 one, then, it's not complete at this point? I'm
3 just wondering.

4 MR. BANDELIN: I'm looking at the District
5 Clerk, but I know correspondence, we did today, with
6 Mr. Homan on that particular request that we're
7 asking -- we were getting to inform that particular
8 person that we need an extension to be able to
9 complete that item.

10 TRUSTEE NOBLE: Okay. So then just if
11 that could be corrected, because I know there was
12 another one that said "extended."

13 And then the one that Caroline Usinger
14 submitted on October 2nd, do you know -- if you
15 could update whether it was extended or was in fact
16 completed.

17 MR. BANDELIN: I don't know the answer to
18 that one. But we'll reflect this to be updated with
19 the -- maybe it's a different column or something.
20 Maybe we should talk to staff or the Board if
21 there's another column that says we're working it or
22 we provide an extension or ask for an extension.

23 CHAIR SCHMITZ: May I just interject
24 really quickly because I had the same question on
25 that. I know I asked it, but I couldn't remember

30

1 TRUSTEE NOBLE: On page 5 of the board
2 packet on public records request log, there's two
3 items. One was requested on October 2nd, the other
4 on October 27th. In the first column, that status
5 says they're complete, however, on the date
6 completed or due date, they're blank. I was
7 wondering if you could provide any information on
8 the status of those.

9 MR. BANDELIN: I can. With this new
10 platform, NextRequest, we're still working through,
11 I would say, some formatting or relaying information
12 on completed or when they were requested. And then
13 we're also working with counsel on kind of the
14 procedure or the best way to -- the harder ones for
15 us to do right now is to do a query of when we have
16 a statement of a records request for particular
17 emails, we're working through some processes to be
18 able to be able to do that, and then be able to
19 provide that to legal counsel to be able, then,
20 forward on to the requester themselves.

21 I'll be the first to admit that we're not
22 quite there with our processes and procedures, but
23 we're working towards being very proficient with the
24 NextRequest platform.

25 TRUSTEE NOBLE: With regards, then, to the

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1 what the answer was.

2 The ones that are prior to the ones that
3 have those little green checkmarks, the ones with
4 the little green checkmarks and with the hours in
5 the columns, the first two columns, that has been
6 since Heidi has taken over, and these are in
7 NextRequest. And the ones that are above it with
8 the old process and Heidi didn't have the date
9 information on those.

10 So, everything that is here is now out in
11 NextRequest. You can view it by going out to the
12 public records page on our website, and if you click
13 on where it's a logo for NextRequest, you can
14 actually pull up this entire list and view things.

15 But those two, why they don't have dates,
16 is just because it was done by Ms. Herron prior to
17 Heidi's taking over.

18 TRUSTEE NOBLE: Then what interim General
19 Manger Bandelin has said that the one from
20 October 27th is not actually completed at this
21 point, so just on the next agenda for 28th, that
22 those could be updated.

23 MS. WHITE: That item specifically from
24 Mr. Homan has been given a new NextRequest number,
25 so it is further down the line. You could find

33

1 Mr. Homan's number in there. I have recently
 2 corresponded with him to let him know that between
 3 legal and IT, I will have that information or at
 4 least a date to him on when information will be
 5 available.

6 TRUSTEE TONKING: I think my question
 7 Heidi just answered, because it looks like there's
 8 duplicates in there, and I think that answered my
 9 question with the Mr. Homan one.

10 And I just -- as soon as we can get an
 11 updated date, I see a lot of these have dates of
 12 yesterday and today, and so I just want to make sure
 13 that we could get an updated form as soon as you
 14 have one.

15 TRUSTEE TULLOCH: You got the heart of my
 16 questions on the venues as well, because while these
 17 reports are very well and good telling us how many
 18 people we had, the danger is sometimes if we're
 19 losing money on them, we're actually making it worse
 20 by increasing volumes.

21 Do you have an estimate of time of when
 22 we'll actually see some financial reports to support
 23 these? Obviously with the budget cycle coming up,
 24 it's important that we understand whether these
 25 activities are actually supporting us or whether

34

1 they're actually draining funds. And with
 2 facilities, there's one, there's several questions
 3 brought up during the last budget cycle by the
 4 projections.

5 Having an average revue of 145 bucks or
 6 something doesn't really help if the average cost is
 7 165. Do you have an estimate when we'll actually
 8 see some financial reports along with these?

9 MR. BANDELIN: I will confer with the
 10 finance director and the assistant finance director,
 11 and we'll provide some information on when we can
 12 start seeing some financial reports for the venues.

13 TRUSTEE TULLOCH: Following up on public
 14 records requests, I'm disappointed to see that we've
 15 unearthed former finance director Navazio's
 16 four-point font again. Can we put these in
 17 landscape format so they're actually readable by my
 18 old eyes?

19 The other question, I understood with the
 20 new system it would save us staff time responding
 21 again to the same question, but I've heard
 22 complaints from the community that while we file the
 23 answers, if the file's supplied along with the
 24 answers, they're not viewable, so the same question
 25 has to be asked again.

35

1 Is that correct? Is that a feature or is
 2 that a flaw?

3 MS. WHITE: Inside of the system, every
 4 request that is in there currently, if the answer
 5 has been released to the requester, it is public for
 6 anybody within this community to view. The only
 7 time is it not viewable is when staff is still
 8 working on it or legal is still working on
 9 redaction.

10 CHAIR SCHMITZ: I suggest that, as board
 11 members, we have a quick tutorial on how to use the
 12 system. I went through it with Heidi yesterday, and
 13 it is very informative, it's very easy to find
 14 things, but we need to make sure people are
 15 understanding how to look for things and where to
 16 look for things, and that includes all of us.

17 I will ask that we all undergo that
 18 training as well.

19 TRUSTEE TULLOCH: Can I just clarify,
 20 Heidi, if there's a spreadsheet supplied to the
 21 original request, that spreadsheet is also viewable
 22 by anyone else in the public? You know, last time I
 23 looked a month ago, I found some situations where I
 24 couldn't access the spreadsheet.

25 MS. WHITE: After this evening, after we

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1 go through this specific log, which is currently
 2 available to anybody in the community here in this
 3 building, it will be posted on the website.

4 I was waiting for Kari and Paul Raymore to
 5 find a place on our website to place it on a regular
 6 basis, and it will be there as well.

7 CHAIR SCHMITZ: Trustee Tulloch, you're
 8 unaware, but here in the room, yesterday when I was
 9 going through this with our District Clerk, she was
 10 kind enough to create and populate a spreadsheet
 11 that is larger in font and, in addition, it is
 12 resized to include all of the text that is contained
 13 in every individual public records request so that
 14 instead of just the first sentence, we can see the
 15 entire thing. That has made it much more helpful as
 16 well.

17 We will have this new format in all board
 18 packets and posted on the website. Again, you can
 19 go in an view them individually as well as -- it's
 20 more interactive than looking at the spreadsheet.

21 TRUSTEE TULLOCH: We're talking about two
 22 different spreadsheets. I'm not taking about the
 23 spreadsheet of the listing.

24 CHAIR SCHMITZ: What spreadsheet are you
 25 referring to?

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1 TRUSTEE TULLOCH: The response to the
2 inquiry includes a file attachment. I looked at of
3 some these, and I was not able to open the
4 attachment. That's why I want to make sure -- my
5 understanding is that should be viewable by
6 everyone, and I just wanted to check that that was
7 the case.

8 CHAIR SCHMITZ: Yes, that is the case.

9 TRUSTEE DENT: On page 15, I don't know if
10 that's an appropriate place to get an update on the
11 DOWL report that was mentioned in the public
12 comment.

13 And then page 20, I had a couple of
14 questions. One refers to, a couple of meetings
15 back, we asked -- requested the Rec Center
16 maintenance list to be brought to the Board, and we
17 haven't seen that yet.

18 I think we also, last meeting, discussed
19 there was a \$3 million potential appropriation for
20 tennis, and I want to get an update on what is going
21 on there with the tennis courts.

22 And dog park, I think, has kind of fallen
23 off the long range calendar.

24 Also, just a comment, because you brought
25 this up earlier as it relates to prior section as

39

1 requests have been, new questions, because there was
2 a twist to the wording, came back, and this was not
3 what he asked for.

4 So, I requested some backup and some
5 information from Ms. Nelson, and she feels the same
6 way, that this was not the same request.

7 And so until I could get that response, I
8 was holding on responding back to Mr. Katz. And he
9 will get an email once I have more information on
10 how to handle this type of request, because they do
11 tend to change the question with a small twist and
12 say: This is not what I was requesting.

13 There needs to be more clarification in
14 these requests, a more-pointed request on exactly
15 what document you are actually looking for.

16 CHAIR SCHMITZ: Okay. Thank you.

17 TRUSTEE DENT: I was just going to ask:
18 Are we requesting the requesters use the form?
19 Isn't that the intent, to get a little bit more
20 pointed with questioning rather than having pages of
21 an email?

22 MS. WHITE: We are requesting, but, by
23 law, they are not required to to fill those form
24 out. And inside of the NextRequest system, there's
25 also that same specific information. But, again, we

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1 far as just listings revenues, page 20, we list just
2 revenues, such as swim team, three kids, \$218
3 revenue. And I'm just curious if we're just picking
4 certain -- or how we're going about selecting these?

5 A few years ago, we had no reporting on
6 programs, and it seems like the youth programs have
7 kind of fallen off. I know we do make decent money
8 on some of the programs from having one of my kids
9 in the programs, seeing what we pay, and what they
10 do.

11 It would be just interesting to get a more
12 comprehensive report in the near future, especially
13 since we're going into the budget season, and it
14 seems like we have been left in the dark for the
15 last year.

16 CHAIR SCHMITZ: I have a couple of
17 questions, seeing that -- my question is there was a
18 comment made by Mr. Katz about a public records
19 request that we have not fulfilled, but it sounds
20 like we have fulfilled, would you like to clarify
21 that, please?

22 MS. WHITE: With Mr. Katz's request, he
23 asked specific questions of Public Works, interim
24 Public Works Director Kate Nelson, and we provided
25 the information. And with as many as our other

40

1 are not requiring that they use or system. By law,
2 we cannot.

3 TRUSTEE DENT: Understood. I'm just
4 trying to help the requesters.

5 CHAIR SCHMITZ: And I think if a
6 request -- we fulfill a request and feel that we've
7 fulfilled it, if a new question comes back, my
8 feeling is we open a new public records request and
9 it gets processed that way.

10 So we will just continue to work on this.
11 I appreciate all of the effort. And I would
12 encourage people go out to the public records
13 request page and click on that large NextRequest,
14 and you can view the status of everything as
15 requests are being completed. It is a very nice
16 user interface.

17 The other question I have, Mr. Bandelin,
18 is related to the U.S. Forest Service contract. Is
19 there action that the Board needs to take with that
20 extension of the lease from the U.S. Forest Service
21 at Diamond Peak?

22 MR. BANDELIN: I don't believe so, unless
23 the Board would like me to bring it to them for
24 viewing. But I don't believe -- there's no
25 particular district policy that says that would have

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1 been approved by the Board, but we can certain bring
2 it forward.

3 CHAIR SCHMITZ: I was just curious. But,
4 yeah, that's fine. I'm happy that you were so
5 proactive and you got it taken care of and it's
6 still skiable terrain.

7 I wanted to make sure that we get on our
8 long range calendar these closeout reports from
9 Public Works.

10 And I, too, notice that tennis has just
11 disappeared. It's not listed on the Public Works
12 status report, and it's not listed -- there's no
13 reference from the Director of Parks and Rec, so I'm
14 a bit puzzled because I know we've asked for that.
15 And we asked for it again at our last meeting with
16 the change of the budget.

17 But I agree with Trustee Dent that our
18 Parks and Rec report, we need to be all
19 encompassing, and youth programs seem to be not
20 included in this, and I think that's a very
21 important aspect of the services we provide to our
22 community.

23 Thank you. I do like where you're headed
24 with these monthly reports, and I appreciate the
25 time it takes to put them together. They are

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1 Assistant Director of Finance. I asked Mr. Cripps
2 to really take charge of the budget process, and
3 this team has really hit the ground running.
4 They've taken off, and we've gotten very positive
5 feedback from the departments.

6 We felt this was a very appropriate
7 question that was asked by the Board at the last
8 meeting when we made the recommendation to fund some
9 of the activities that we had talked about. And so
10 given some of the items that are on the agenda later
11 tonight, I asked Mr. Cripps to be in attendance
12 tonight.

13 And with permission from the Chair, I'd
14 like to turn it over to Mr. Cripps and allow him to
15 make the presentation tonight.

16 CHAIR SCHMITZ: Please. Thank you,
17 Mr. Cripps.

18 MR. CRIPPS: Good evening. As Bobby
19 mentioned, my name is Adam Cripps, and I am the
20 Assistant Director of Finance here at the District.

21 To jump right into it, at the meeting of
22 January 31st, '24, the Board approved the
23 augmentation to the general fund in order to fund
24 the steps the Board has taken to right the
25 financials of the District.

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1 informative, not only for us, but for the public as
2 well.

3 TRUSTEE DENT: I was going to make a
4 comment. We are making huge strides forward, and
5 just, like, echoing what Trustee Schmitz said.
6 Thank you. I still think there's some work to be
7 done, but that the reporting is much better than
8 it's been in the past.

9 CHAIR SCHMITZ: With to other questions,
10 we'll move on to E 2.

11 E 2. General Fund Reserves

12 CHAIR SCHMITZ: Report to the Board, a
13 verbal report, from the Director of Finance on the
14 department's strategy for returning the general fund
15 reserves to be in compliance with Board Policy 7.1,
16 section 2.1. Requesting staff is interim Director
17 of Finance Bobby Magee, page 36 of the board packet.

18 MR. MAGEE: Several months ago, I made a
19 recommendation to the Board to build out the budget
20 team within the finance department, and the Board
21 ultimately accepted that recommendation. And one of
22 those positions was the assistant director of
23 finance.

24 Tonight, I would like to introduce to the
25 Board Mr. Adam Cripps, who is our permanent

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1 At that meeting, Trustee Tonking stated a
2 valid concern of the fund balance in the general
3 fund and meeting the Board's set requirements of
4 fund balance. Fund Balance Policy 7.1.0, which
5 directs staff to meet the target general fund
6 reserve level of 15 percent of annual budgeted
7 expenditures, less transfers and debt.

8 So, to rectify any shortcomings with the
9 fiscal year '25 budget, the finance department has
10 taken approach of running a zero dollar-based budget
11 cycle. Through this methodology, a full analysis of
12 each budget line will be completed. Revenue
13 estimates which apply to the general fund are due
14 from the State mid-March. A reassessment will be
15 completed once those estimates are received.

16 Starting with the fiscal year '25 budget
17 cycle, staff will no longer recommend any additional
18 inter-fund transfers from the general fund.

19 Progress and expectations toward meeting
20 fund balance compliance will be presented to the
21 Board throughout the remaining budget workshops. It
22 is not an attempt to increase CAP contributions; it
23 is an exercise of living within our means. To set
24 expectations, this actually could become a
25 multi-year approach.

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1 With that, I am happy to answer any
2 questions you may have.
3 CHAIR SCHMITZ: Are there any questions?
4 TRUSTEE TONKING: I have two questions.
5 In terms of zero-based budgeting, are you only doing
6 that in the general fund?
7 MR. CRIPPS: No. That's going to be
8 district wide.
9 TRUSTEE TONKING: Great.
10 And I'm guessing you're pretty far in that
11 process? Because it does take a long time, and
12 we're getting close to May.
13 MR. CRIPPS: That is correct. We've
14 already established opening up the '25 budget, as
15 well as given it to the departments to begin entry.
16 TRUSTEE TONKING: Great.
17 And then I am -- when you were talking
18 about -- I guess one of my concerns is I think in
19 some areas, our budget is already pretty lean. Do
20 you have a plan B for when we still can't increase
21 reserves? Because I'm not sure just inter-fund
22 transferring -- we shouldn't be inter-fund
23 transferring at all anyway because we no money and
24 we will be in violation of NRS.
25 But my bigger concern is: How are we

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1 compliance benchmarks?
2 So, it's not just a one-and-done approach
3 to it where we enter the budget, we take it to a
4 budget workshop. There's actually reviews that are
5 done with management throughout the entire district
6 to make sure: What levels of reserve do we have?
7 Are we using fund balance? Are we meeting
8 compliance benchmarks? And we don't take it just as
9 the status quo anymore.
10 TRUSTEE TONKING: Okay. I think, maybe,
11 we're talking about two different things.
12 I think my question for you is -- and
13 maybe I can frame this a little differently -- what
14 plan do we have in place if some sort of emergency
15 or something comes up, in terms of our general fund,
16 when we only have roughly \$100,000 left before we
17 are in violation of NRS? I'm less even concerned
18 about Policy 7.1.0 at this point.
19 MR. CRIPPS: So, you're talking about
20 contingencies looking forward?
21 TRUSTEE TONKING: Yes. Because we're very
22 close to that four percent threshold now. I think
23 we're at 5.6 percent, and I could have my math
24 wrong.
25 MR. CRIPPS: With that, what -- so that's

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1 going to build them up? Because I have a fear that
2 zero-based budgeting isn't going to get us all the
3 way there. I've done this in a lot of different
4 places, and it's not always as successful as people
5 hoped to increase reserves.
6 Do we have any other plans in mind to
7 increase them?
8 MR. CRIPPS: Well, it's a multi-faceted
9 approach. What you do is you start off with a
10 zero-based budget, and then you have your bottom
11 line. Once you have a bottom line, how far off
12 target are you? And, then, can you make adjustments
13 within those budgets at that time?
14 So, you've gone through your analysis and
15 through the zero base, you give yourself, okay,
16 here's my starting point, what metrics are we trying
17 to hit?
18 Just suspending any kind of inter-fund
19 transfers, that's just an approach for a
20 temporary until we get fund balance more in order
21 and under compliance.
22 But what you do is you take steps and you
23 take several cracks at: How many times are we going
24 to review the budget? How long will it take us at
25 this point with the resources we have to meet

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1 what the budget cycle in the zero-based budget is
2 going to do for us this year. How close are we to
3 meeting compliance, and not just NRS compliance,
4 Board compliance?
5 So just because at this point in time
6 we're, maybe, one percent away from NRS compliance,
7 that doesn't mean taking a look at the fiscal '25
8 budget, that will also be that low.
9 In '24, and what we've accomplished
10 through the budget augmentation, we anticipate
11 several of those items being a one-time cost. There
12 are going to be definitely some ongoing costs that
13 are included with that, but not all of it.
14 TRUSTEE TONKING: That's totally fair.
15 I guess my question is do we have any
16 concerns between now and June 30th of 2024 that we
17 will become out of compliance with NRS before we do
18 the 2025 budget? I guess I'm not being very clear,
19 and I don't know how rephrase it to make sense.
20 MR. MAGEE: I can take this question
21 because I've actually looked at this one
22 specifically.
23 We did take a look at the NRS, and the
24 four percent is -- it's not an actual hard cap.
25 What it is is it's a cap that, if we were to fall

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1 below that at the end of the fiscal year, that,
 2 then, the local Committee on Government Finance
 3 through the State would have the opportunity to
 4 bring this in front of their board and to discuss
 5 whether a fiscal emergency exists.
 6 And so I've been working with the budget
 7 team on this, and as of right now, we do not have
 8 any concerns that we will fall below that threshold.
 9 As Mr. Cripps has indicated, we're going
 10 to be looking at this budget line by line and
 11 figuring out what was one-time costs and what are
 12 things -- recommendations for various budget
 13 solutions that we can bring forward to the Board in
 14 order to start to bolster those reserves back up to
 15 come into Board compliance, which is obviously far
 16 greater than the NRS requirement.
 17 I hope that answers your question.
 18 TRUSTEE TONKING: Yeah, that does answer
 19 my question.
 20 So then my guess is even for some reason
 21 we were to fall below, if we talked to the local
 22 committee, they -- our budget for '25 is looking
 23 like we've made those proper adjustments, it would
 24 probably be less of a concern.
 25 MR. MAGEE: That is correct.

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1 I've already disclosed to the State where
 2 we're at with our current projections. And, as
 3 Mr. Cripps indicated, we will be doing some
 4 estimated actuals on this year's budget as we move
 5 through the process.
 6 We'll have a little better of an
 7 understanding around end of March, mid-April on
 8 where we think this budget is going to finish
 9 this year.
 10 TRUSTEE TULLOCH: I'm pleased to hear that
 11 we're going down to zero-based budgeting. I think
 12 that has been long overdue.
 13 I do echo Trustee Tonking's point, it does
 14 take a lot of time and effort. I do believe it's
 15 worth it because we've just historically built up
 16 budgets, once something gets in as a budget line
 17 item, it tends to stay there. And I know during
 18 last year's budget cycle, the trustees were having
 19 to do almost random picks of certain line items,
 20 which is not the most effective way to do it. I'm
 21 happy to hear we're moving forward.
 22 How far down are you going to go to each
 23 individual line item?
 24 MR. CRIPPS: Yes, every single line item,
 25 district wide.

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1 TRUSTEE TULLOCH: Excellent. Thank you.
 2 And any way we can help, feel free to reach out.
 3 CHAIR SCHMITZ: Any other questions?
 4 TRUSTEE DENT: This has been a request of
 5 trustees for years. We were told it was impossible,
 6 couldn't happen, take too long. So, sounds like you
 7 may have a path through that, so maybe you guys know
 8 what you're doing, so I appreciate that.
 9 One area of focus -- and I stressed it
 10 quite a bit last year and in year's past -- is the
 11 capital improvement projects. We're constantly
 12 overbudgeting what we need for our projects. And so
 13 we tell the community that we're going to be
 14 building these projects that we never get to, and
 15 then it becomes a carryover.
 16 And ever year, it seems like there's at
 17 least a million dollars of projects that either fall
 18 off or don't happen. And I would just like us to
 19 try and get a little bit more accurate with that
 20 number. If we have the bandwidth to perform those
 21 projects, let's collect the money, and let's do
 22 them.
 23 But it sounds like the last year's budget,
 24 we didn't have the bandwidth to perform several of
 25 these projects, such as the Beach House, such as the

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1 skate park; two projects we all thought were
 2 starting this year, and now another year out because
 3 capacity for staff.
 4 So I think we should be looking at taking
 5 a deep dive into the projects, and it sounds like
 6 you guys will get there.
 7 Thank you both.
 8 CHAIR SCHMITZ: I concur with the
 9 comments. Thank you for going to zero-based
 10 budgeting. It's lot of work. And I agree with
 11 Trustee Dent because when we budget for capital
 12 improvement projects and then we don't deliver them,
 13 we're impacting the pricing structure that we're
 14 passing on to our ratepayers, be it through a rec
 15 fee or be it through a user fee.
 16 And so we need to be realistic and say,
 17 yes, we're going to get these projects done.
 18 Because it's too many years that we go, year
 19 after year, and don't get something accomplished. I
 20 think that's really important.
 21 The other thing I wanted to just ask about
 22 is as you're going to through this process, are you
 23 also evaluating -- one of the issues that Moss Adams
 24 identified was that we had sort of an antiquated and
 25 outdated central services cost allocation model.

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1 Is that something that you're also
 2 tackling through this process?
 3 MR. CRIPPS: One of the items that we will
 4 be looking to add into this year's upcoming budget
 5 will be an updated version of a cost allocation
 6 plan.
 7 What they're going to do is a full-blown
 8 study on every metric that can possibly fit into
 9 what a cost allocation should be, and we do
 10 anticipate including that in the budget.
 11 CHAIR SCHMITZ: Okay. Thank you. That's
 12 been long overdue as well. Thank you for taking on
 13 these really difficult issues and moving them
 14 forward.
 15 TRUSTEE TULLOCH: One other follow-up
 16 question. Obviously the zero-based budgeting is
 17 going to help us look at the cost angle.
 18 But given that so much of our funding
 19 comes from user revenues, are we confident that
 20 we're going to have accurate-enough summations and
 21 assessments of potential revenues based on this
 22 year's -- are we going to be able to get the numbers
 23 out timely, in a timely manner, so we can actually
 24 look at what's happening on the revenue side?
 25 MR. CRIPPS: Yes, I am confident with

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1 that. What the budget team is doing is working side
 2 by side with the departments almost on a daily
 3 basis. We're really taking into consideration their
 4 perspective and how they operate, and we can see the
 5 financials that are coming in with that, so I'm
 6 confident in that.
 7 TRUSTEE TULLOCH: And there's going to be
 8 a sanity check on these as well?
 9 CHAIR SCHMITZ: They just chuckled, so I
 10 guess that's a yes.
 11 MR. CRIPPS: Yes, there will be.
 12 TRUSTEE DENT: I thank both of you, but
 13 thank your staff as well. I know a lot of changes
 14 have happened over the last six months, and we
 15 appreciate the implementation of new processes.
 16 Thank you.
 17 MR. MAGEE: I appreciate that. We will
 18 definitely pass that message along to staff, and I
 19 know they're very appreciative when they receive
 20 comments like that from the Board.
 21 Thank you.
 22 CHAIR SCHMITZ: Seeing no further
 23 comments, we'll close the agenda item. Moving on to
 24 item F.
 25

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1 F. CONSENT CALENDAR
 F 1. Meeting Minutes Approval
 2 F 2. Board Policies Numerical Sequence
 3 F 3. Whistleblower Procedure Modifications
 4 CHAIR SCHMITZ: The items that remain on
 5 the consent calendar are items 1 through 3, 4 was
 6 removed, and 5 was moved to general business. Do I
 7 hear a motion for approval of the consent calendar?
 8 TRUSTEE TONKING: I move we approve the
 9 consent calendar.
 10 CHAIR SCHMITZ: Do I hear a second?
 11 TRUSTEE DENT: I'll second.
 12 CHAIR SCHMITZ: All those in favor?
 13 TRUSTEE TONKING: Aye.
 14 TRUSTEE TULLOCH: Aye.
 15 TRUSTEE NOBLE: Aye.
 16 TRUSTEE DENT: Aye.
 17 CHAIR SCHMITZ: Aye. Motion passes
 18 five to zero.
 19 Moving on, then, to general business.
 20 G. GENERAL BUSINESS
 21 G 0. McDonald Carano - Beach Deed
 22 CHAIR SCHMITZ: General business item G 0
 23 to is review, discuss, and possibly approve an
 24 agreement with McDonald Carano for legal services as
 25 it relates to the Beach Deed and Incline Village

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1 General Improvement District beaches in an amount
 2 not to exceed \$50,000.
 3 I was the requesting trustee on that, and
 4 the impetus behind this is that last March, the
 5 Board had approved an amount to -- not to exceed for
 6 any questions that came up during the year related
 7 to policies, what have you, that pertained to the
 8 Beach Deed.
 9 We did not use more than about \$6,000 of
 10 that budgeted fund. And we had been recently --
 11 when reaching out and asking for some assistance
 12 with reviewing Policy 16.1, existing legal counsel
 13 had advised myself to seek alternatives. Those
 14 alternatives were sought out, and it was the
 15 recommendation -- the recommendation is to move
 16 forward with McDonald Carano.
 17 McDonald Carano has a history with the
 18 District. They were the District's legal counsel
 19 for many years in the past. They also are legal
 20 counsel for the effort surrounding the interest in
 21 pursuing a city of Incline Village and Crystal Bay.
 22 And one of the first issues that the group pursuing
 23 the city investigated was issues pertaining to the
 24 Beach Deed and the legalities of the Beach Deed, so
 25 it was a natural fit.

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1 We reached out, and they did a conflict of
 2 interest research and background and came to the
 3 conclusion that they felt comfortable that they
 4 would be able to answer questions as they would come
 5 up.
 6 It's not to go and spend this amount; it
 7 is to retain legal services for the Board so that as
 8 we have questions related to ordinance changes, what
 9 have you, policies that have an impact to the
 10 beaches for special legal counsel review.
 11 That's the background of that. I'll open
 12 it up to questions.
 13 TRUSTEE NOBLE: This would be on page 175
 14 of the board packet, and it would just be something
 15 to clarify, under number 2, hourly rates for
 16 personnel, under the associate Eric Duhon. It's
 17 \$475 per hour, but when I look at associates
 18 three lines down, it's 300 to 425 per hour. And
 19 so just would want a clarification on which is it,
 20 and is Eric Duhon an exception to the general
 21 associates or is it -- that dollar amount, it just
 22 doesn't match.
 23 And the other thing, just for full
 24 transparency, and this was last spring, I believe,
 25 Todd Lowe, who you had referenced, had reached out,

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1 who's been exploring the prospects of incorporating
 2 Incline Village, and reached out to the Board and
 3 asked if we wanted to talk to Josh Hicks to query
 4 him on their research with regards to beach access.
 5 It was determined that a minority of the Board could
 6 do that, and so Trustee Schmitz and myself met with,
 7 I believe it was Josh Nelson, Indra Winquest --
 8 TRUSTEE DENT: Point of order. Since it
 9 was a nonmeeting legal meeting --
 10 CHAIR SCHMITZ: We can't be --
 11 TRUSTEE NOBLE: I wasn't going to disclose
 12 what we were going to -- just that it took place.
 13 Sorry, and thank you for that.
 14 Just it was -- and we queried Mr. Hicks
 15 with regards to beach access. I thought that his --
 16 it was very clear that they had done a tremendous
 17 amount of research, and he is very professional.
 18 And that carries on to my previous
 19 interactions with Mr. Hicks over the last 15, 20
 20 years, mainly with the PUC and the Governor's
 21 office, and he's always been a consummate
 22 professional. With that regards, I'm fine with
 23 that.
 24 It's a little bit difficult with regards
 25 to the conflicts of waivers, because I don't know

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1 what else they have been reviewing, but I put my
 2 trust in Mr. Hicks. If he -- given my knowledge of
 3 his professionalism, if he doesn't believe that
 4 there's a conflict, then I will put my faith in
 5 that. It would be just nice to verify that.
 6 I did see that there was one public
 7 records request that he had submitted back on
 8 September 11th, with regards to Golf Genius. It's
 9 not -- these are two separate issues, and so I can
 10 see that. And Northern Nevada is a very small legal
 11 community, and it is difficult to get proper counsel
 12 without some sort of crossover.
 13 At this point, I am fine with that.
 14 TRUSTEE TULLOCH: I'm just a (Zoom drop).
 15 CHAIR SCHMITZ: You might have to turn
 16 your camera off. It's seeming that you might not
 17 have sufficient bandwidth.
 18 TRUSTEE TULLOCH: I wanted to confirm that
 19 McDonald Carano will have sufficient background
 20 information so we should be able to respond to a lot
 21 of these queries very quickly without going and
 22 having to do extensive research (Zoom drop) because
 23 we already have the knowledge.
 24 TRUSTEE DENT: I'll just disclose that I
 25 did work with McDonald Carano in a private capacity

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1 as for a, I guess, previous recall campaign thing,
 2 but that all ended.
 3 CHAIR SCHMITZ: Are there any other
 4 questions or comments?
 5 I appreciate the discussion on this. I
 6 think this discussion, potentially, answered
 7 concerns that were raised during public comment as
 8 well. Thank you for that.
 9 Would anyone care to make a motion?
 10 TRUSTEE TONKING: I move that the Board of
 11 Trustees approve an agreement with McDonald Carano
 12 for legal services as it relates to the Beach Deed
 13 and IVGID beaches in the amount not to exceed
 14 \$50,000, replacing the existing agreement with
 15 Thorndal Armstrong.
 16 TRUSTEE DENT: I'll second.
 17 CHAIR SCHMITZ: I'd like to just clarify
 18 that I heard Trustee Noble's question about the
 19 associate's rate, and I will inquire about that and
 20 I will get clarification on that. So that being
 21 said, are there any other discussion?
 22 All those in favor?
 23 TRUSTEE TONKING: Aye.
 24 TRUSTEE TULLOCH: Aye.
 25 TRUSTEE NOBLE: Aye.

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1 TRUSTEE DENT: Aye.
2 CHAIR SCHMITZ: Aye.
3 5/0. Thank you.
4 Moving on to G 1.
5 G 1. General Manager Recruitment Process
6 CHAIR SCHMITZ: Review and possibly
7 approve the action plan for the general manager
8 recruitment process based on staff's recommendation.
9 Requesting staff member is Director of Human
10 Recourses Erin Feore, pages 183 through 188 of the
11 board packet.
12 MS. FEORE: You've all probably had a
13 chance to read through my memo.
14 Just to give you a quick little update, I
15 have reached to a number of executive search firms,
16 and one from two weeks ago replied back late last
17 night, so I haven't had a chance to pull their
18 information and take a look at it. I can if so
19 directed at a future board meeting.
20 But that's one of the reasons -- and I
21 noted that in my notes on background -- we just
22 struggled with finding some folks who have the
23 capability of working with us at this time.
24 Additionally, I strongly suspect we're
25 going to run into the same delays and/or concerns

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1 MS. FEORE: Yeah, I haven't received any
2 feedback from any of the firms that I reached out
3 to, which is kind of part of the concern or part of
4 the delay on this one. Nobody has reached out to
5 say: I don't want to work in the District.
6 They just haven't reached out at all, so
7 I'm at a little bit of loss there.
8 I did get feedback from Bob Hall and
9 Associates. I spoke with a representative there,
10 and they basically said that there's no point in
11 defining insanity by doing the same thing over and
12 over again and expecting a different outcome. They
13 thought that for the best results for the District
14 would be to, potentially, work with another outside
15 firm to provide us with the information that we need
16 and the services that we need.
17 TRUSTEE TONKING: When you first reached
18 out to firms back when we began this process, did
19 you get a faster response from them?
20 MS. FEORE: Yes, I did. I received
21 response within a couple of days. The responses --
22 like I said, I sent out information following our
23 last board meeting, and like I said, I just heard
24 back from one today.
25 TRUSTEE TONKING: Okay. Thank you.

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1 with engaging with a direct placement service.
2 And so the staff is recommending that the
3 Board consider appointing current interim Director
4 of Finance Bobby Magee into the general manager
5 role, and direct me to work with general counsel on
6 a contract however that may look.
7 I'll leave it to you.
8 CHAIR SCHMITZ: I'm going to take a pause
9 because Trustee Dent isn't here. And I apologize.
10 Usually I'm the one asking for a break. I guess
11 when I'm behind the mic, I'm forgetting. Trustee
12 Tonking and Trustee Tulloch, are you okay if we just
13 continue with this agenda item once Trustee Dent
14 comes back? Yes. Okay.
15 So, Trustee Dent, we're at the point of
16 taking any questions from Director of Human
17 Resources. Are there questions, things that anyone
18 would like to comment on this point?
19 TRUSTEE TONKING: So, thank you for all
20 your efforts in this. We're -- is there any
21 insight, even in the future, of what we need to do
22 as a board in order to ensure that we can start
23 working with these types of partners? Any feedback
24 you received from the firms that would be helpful
25 for us?

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1 TRUSTEE TULLOCH: We've heard a lot in
2 public comment about the (Zoom drop) of contractors
3 being proposed. Can you confirm -- I seem to recall
4 the most recent general manager's appointment, he
5 was given a three-year contract; is that correct?
6 MS. FEORE: I believe, and perhaps Sergio
7 can assist with this one, but I believe in the State
8 of Nevada -- if I remember right, it was originally
9 requested to be three years, but then it was
10 determined, per NRS statutes, that you can only go,
11 potentially, up to two years. I think it was
12 brought back after that.
13 MR. RUDIN: Under NRS Chapter 354, there's
14 an exception to the requirement that you not expend
15 unappropriated funds, and one of those exceptions is
16 employment agreements for professional services for
17 two years or less.
18 CHAIR SCHMITZ: For two years or less.
19 TRUSTEE TULLOCH: (Zoom drop), so the two
20 years (Zoom drop).
21 MS. FEORE: I'm not sure if you can still
22 hear us, but I couldn't -- it was very choppy. I
23 couldn't hear what you were asking.
24 TRUSTEE TULLOCH: I'm just pointing out
25 that despite the (Zoom drop) collections, the

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1 previous general manager was initially appointed on
 2 a three-year contract, it was incorrect, it was
 3 reduced (Zoom drop) years, so we're just following
 4 precedent in that respect.
 5 MS. FEORE: Okay.
 6 TRUSTEE DENT: I don't know if I have a
 7 question, but I guess I, last meeting, suggested
 8 staff come back with some recommendations, so thank
 9 you for doing that.
 10 Number 3 caught me off guard a little bit
 11 from the standpoint of didn't think about that. But
 12 having been the chair over the last -- in the tenure
 13 that Bobby has been here, I know how integral of a
 14 piece he's been to the puzzle to make things happen
 15 and continue to move things forward, so it makes a
 16 lot of sense.
 17 But, yeah, thank you for bringing forward
 18 the recommendations.
 19 CHAIR SCHMITZ: Any other comments or
 20 questions?
 21 TRUSTEE NOBLE: Going to page 185 of the
 22 recommendation with regards to the length of the
 23 contract of two years, given that Mr. Magee, for
 24 reasons outside of his control, won't be here always
 25 on a daily basis, and that's unique relative to past

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1 position.
 2 I am a lot more hesitant on this
 3 recommendation for a few reasons. I would prefer a
 4 one-year trial period, and then the option to renew
 5 for three years or two years, but I sound a little
 6 bit more extreme than Trustee Noble is on this.
 7 I just think this person really has to
 8 have a pulse on the community and know what's going
 9 on, and being here 50 percent of the time is really
 10 hard. I also am unsure about his qualifications in
 11 this field and having not really seen him that long
 12 within the District or him being at all integrated
 13 in our community, I fear that there could be some
 14 pushback.
 15 That's just my thoughts right now.
 16 CHAIR SCHMITZ: I have had the opportunity
 17 to work very closely with interim director Magee
 18 over the past few months, with it being more intense
 19 since becoming Board Chair. And I have been
 20 impressed by his ability to take very complicated,
 21 very mixed up situations and make sense of them.
 22 And he's not afraid to tackle the really difficult
 23 issues, as I think we've already seen him
 24 demonstrate.
 25 I think it's in the best interest of the

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1 GM's over the last decade or two, the two-year
 2 length of the contract gives me pause, just because
 3 it's such a unique circumstance, and so what I'd
 4 like to see is a one-year contract with an option to
 5 extend it to a second, given that it's unique and
 6 we're in transitional period.
 7 That would be my recommendation with that.
 8 I would support hiring Mr. Magee at this point, but
 9 the two-year length of the contract, all else being
 10 equal, gives me pause.
 11 TRUSTEE TONKING: I have some similar
 12 concerns about the 50 percent time in person, and I
 13 understand that is out of his control. I just have
 14 a concern about that.
 15 And I also am a little bit concerned about
 16 losing our financial director right when we just
 17 started putting all this money into finances. So it
 18 makes me a little nervous in that sense.
 19 And I think it's probably not an
 20 apples-to-apples comparison to compare the term
 21 length of how long the interim financial director
 22 had been here to our prior GM. Our prior GM had
 23 been with the District for 17 years before and had
 24 been serving as interim GM for 18 months, so we got
 25 a good trial period before he was appointed to his

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1 District that we keep the momentum going. He's
 2 integrated well with the Board, he's integrated well
 3 with staff, and he has more knowledge than anyone
 4 from the outside has about what going on, what
 5 challenges we face, and I'm appreciative of his
 6 interest and willingness to step up to those
 7 challenges.
 8 I think he's the right person, with right
 9 demeanor, and the right capabilities and educational
 10 background to do -- have a positive impact on the
 11 District, not only the staff, but the residents as
 12 well, by getting all of these issues of the past
 13 resolved.
 14 I think it's great to hear my fellow
 15 trustees being supportive of staff's recommendation
 16 with moving this forward. I do hear that there's
 17 some concerns to be addressed about time in the
 18 office and duration of the contract. And I would be
 19 willing to work with Mr. Magee and director of
 20 finance Feore to come back to the Board with a
 21 proposed contract for the Board's consideration.
 22 I think that we're making really good
 23 progress, and I think that the best way to keep the
 24 progress moving is to go forward with Mr. Magee.
 25 I feel that we have learned so much about

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1 what is missing and what needs to be cleaned up,
2 from HR policies to contracts, to our finances, it's
3 going to take us a couple of years to get all this
4 in order.

5 And so I personally would like to see it
6 with a two-year commitment, because I think it's
7 going to take that amount of time to work through
8 from one issue to the other. But that's something
9 that we could bring back after review and for board
10 discussion.

11 That's my recommendation. And I just
12 wanted to say thank you to all of the effort that
13 has been put into this and all thought that's been
14 put into this and the willingness of staff to work
15 together and find a solution.

16 Thank you all for working together and
17 coming up with a solution.

18 TRUSTEE TONKING: I have one more
19 question. Trustee Schmitz, what are you thinking on
20 a timeline for this?

21 CHAIR SCHMITZ: I know you had told me
22 this morning that you were going to be gone, right?

23 TRUSTEE TONKING: Yes.

24 CHAIR SCHMITZ: So my thought process was
25 to take your recommendation and either attempt to

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1 further before I make a motion. I would say one of
2 the concerns that I've learned in what HR has to go
3 through when hiring new employees is are they going
4 to be a good fit? Are they going to work, you know
5 like our community be, put up with our community,
6 whatever you want to call it.

7 And given that Mr. Magee has been here
8 six, seven months and is saying yes to this, we're
9 not -- there's already been a trial run, and we
10 talked about an interim director position for 18
11 months. It seems like Mr. Magee's jumped in and is
12 running with it.

13 Appreciate your leadership. Since you've
14 been here, you've tackled a lot of things that
15 either the Board's been oblivious to, unaware of, or
16 just sat shelf for too long because we couldn't do
17 it. There's a lot of stuff coming off that list. I
18 appreciate your efforts.

19 When I think of the duration associated
20 with -- or the term associated with this sort of
21 contract, to me, stability is the most important
22 thing, especially through a transition like this,
23 and having an interim general manager in the role
24 for seven, eight months, I think, another general
25 manager in a role for another year doesn't really do

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1 bring it back for our special meeting on the 6th.
2 That would be what I would target.

3 TRUSTEE TONKING: Okay. I was just
4 confirming timeline. Thank you.

5 CHAIR SCHMITZ: Does that sound
6 acceptable?

7 Do I need to have a motion to move this
8 forward, counsel, or do we have direction?

9 MR. RUDIN: If you want the Board to
10 designate you as the person responsible for working,
11 I think a motion would be appropriate.

12 CHAIR SCHMITZ: Okay. Thank you.
13 Would anyone care to make a motion?

14 MR. RUDIN: And also a motion would help
15 us in terms of knowing what to put in the contract,
16 if the Board has further direction.

17 TRUSTEE DENT: As far as what to put in
18 the contract?

19 MR. RUDIN: Yes. In terms of term length.
20 Additionally, the Board was presented with a draft,
21 sort of placeholder agreement, so if there are any
22 other directions that the Board would like to
23 provide on contract terms, this is the best time to
24 do so.

25 TRUSTEE DENT: I will elaborate a little

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1 it.

2 There's a lot of things that have been
3 moving and changing, and I think it's important to
4 have stability. I would be in favor of the two-year
5 agreement, per staff's recommendation.

6 And then also given Mr. Cripps'
7 presentation this evening, it seems very
8 knowledgeable, very confident, very impressive. I
9 think we're in good hands having Mr. Magee as, say,
10 his lead in helping bring him up to speed, I feel
11 like it answers the call to what we were looking for
12 back in the hiring process.

13 And we talked, there was concern by the
14 Board of hiring an assistant director of finance and
15 adding more staff and questions brought up: Is this
16 someone that's going to be able to move into that
17 role? There's was some back and forth, and it
18 sounds like we found to right person.

19 I definitely would be in favor of this.

20 TRUSTEE TULLOCH: I would echo (Zoom
21 drop).

22 CHAIR SCHMITZ: Trustee Tulloch, you're
23 muted right now. And, perhaps, you could actually
24 call -- try it again.

25 MATT: Trustee Tulloch, there should be a

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1 phone number on your Zoom invite that you might have
 2 better success with.
 3 CHAIR SCHMITZ: Why don't we just take a
 4 brief break, five-minute break, allow Trustee
 5 Tulloch --
 6 If you can hear us, if you could please
 7 exit the Zoom and use the dial-in phone number.
 8 We will reconvene at 7:45. Thank you.
 9 (Recess 7:40 p.m. to 7:45 p.m.)
 10 CHAIR SCHMITZ: Trustee Tulloch, I think
 11 you were trying to make some comments and we
 12 couldn't understand, so go ahead.
 13 TRUSTEE TULLOCH: I would just like to
 14 echo the comments made by Trustee Dent. I think
 15 having also worked very closely with interim Finance
 16 Director Magee over the last six months, and as we
 17 uncovered so many issues on the finance side, start
 18 making movement to get these corrected, Trustee Dent
 19 is correct, it needs a two-year term to get -- carry
 20 through all these things.
 21 I think also the revelation tonight that
 22 we're going to be able to move to zero-based
 23 budgeting, which many of us have campaigned for for
 24 years, it's a huge step forward as well.
 25 I would echo Trustee Dent's sentiment, and

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1 and make sure that if this isn't a good fit, we
 2 still have the opportunity to figure that out,
 3 especially given the difference that has occurred
 4 from any other GM that we have where they're
 5 spending 50 percent of their time not here,
 6 physically.
 7 CHAIR SCHMITZ: Understood. This would
 8 not -- what this would be is directing us to come
 9 back to the Board for the Board's review of the
 10 details. So that's what it would be. That would
 11 happen at the meeting on the 6th.
 12 The other thing that I would like to
 13 include is clarification as to time in the office so
 14 that we all are clearly understanding what the
 15 expectations are. And I would like Mr. Magee to
 16 come back at the March 6th meeting with his vision
 17 of an organizational chart.
 18 Because we, as Trustee Tonking stated,
 19 don't want to lose any of the momentum that we have
 20 had for the efforts in the finance department. And
 21 so I think that he needs to make sure that all of us
 22 are comfortable with his organization, and that
 23 we're not going to be missing a beat on all of these
 24 very timely and important efforts that they're
 25 undertaking.

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1 we should move forward on a two-year contract basis.
 2 CHAIR SCHMITZ: Back to the question:
 3 Would anyone care to make a motion to give clarity
 4 to the direction being given?
 5 TRUSTEE DENT: I'll move that we accept
 6 staff's recommendation number 3 for -- yeah, as
 7 written, and allow for Chair Schmitz to be the
 8 liaison through this process.
 9 CHAIR SCHMITZ: There's a motion. Is
 10 there a second?
 11 TRUSTEE TULLOCH: I'll second.
 12 CHAIR SCHMITZ: Any discussion?
 13 TRUSTEE NOBLE: I think there are two
 14 trustees that expressed some reservations with the
 15 regards to the two-year contract at least at this
 16 point.
 17 I would request that the motion and the
 18 second be amended to allow Chair Schmitz to take
 19 that into consideration when she's negotiating the
 20 final terms of the proposed contract with Mr. Magee
 21 and bring it back. And that we can decide at that
 22 point what is -- if it is, in fact, appropriate.
 23 TRUSTEE TONKING: I was just going to say
 24 that I support that amendment. But also I just feel
 25 like we need to practice some of our due diligence

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1 With that amendment, go ahead, Trustee
 2 Dent.
 3 TRUSTEE DENT: I just accepted -- or I
 4 move that we accept option 3 of staff's
 5 recommendation, and everything you just said, I feel
 6 like it's in line with option 3.
 7 CHAIR SCHMITZ: Is there a second?
 8 Trustee Tulloch seconded. Okay.
 9 The motion has been made, it's been
 10 seconded, so all those in favor, please state aye.
 11 TRUSTEE TULLOCH: Aye.
 12 TRUSTEE DENT: Aye.
 13 CHAIR SCHMITZ: Aye.
 14 Opposed?
 15 TRUSTEE TONKING: No.
 16 TRUSTEE NOBLE: No. Because with the
 17 two-year contract element, I'm still not clear
 18 whether or not that is in play or it's a hard
 19 two years. So with without that clarification, I'm
 20 a no.
 21 CHAIR SCHMITZ: Okay. All right. Thank
 22 you.
 23 So the motion passed three to two. We
 24 will come back at the March 6th meeting with a draft
 25 of a contract and a draft of a proposed

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1 organizational structure.

2 And that will be on the meeting of March

3 the 6th, the special meeting. Trustee Tonking will

4 not be available for a meeting at the end of

5 February, and we agree that it's important for all

6 of us to be partaking in this discussion.

7 H. REDACTIONS FOR PENDING PUBLIC RECORDS REQUESTS

8 CHAIR SCHMITZ: Moving on to redactions, I

9 don't believe we have any.

10 I. LONG RANGE CALENDAR

11 CHAIR SCHMITZ: Moving on, then, to the

12 long range calendar, can be found on page 189

13 through 188 -- I'm sorry -- 90. The numbers are a

14 little off here.

15 MR. BANDELIN: The District Clerk and I

16 took quite a few notes of the comments that were

17 brought up during the General Manager's report. I

18 think I would be safe to say that the Chair and I

19 have a really good working relationship with the

20 clerk, and I'll just note that -- if I could get

21 just some acceptance to be able to get this agenda

22 and the narratives of the agenda out to the Chair

23 and counsel for review earlier than that date that's

24 suggested of 2/16, the Chair and I and the clerk

25 will work on making sure we bring back all the items

79

1 bringing to the Board, on March 13th,

2 recommendations related to clubs. She has that

3 agenda item for the 13th.

4 And just to let my fellow trustees know

5 that we have discovered that there's been a number

6 of things that sort of have fallen off this

7 calendar, so there's much that needs to be added

8 here that was on it at one point in time. We're

9 implementing a new process to ensure that things

10 don't disappear from our long range calendar because

11 this is our working template for the year.

12 I do have a question about on -- for the

13 28th, what is this survey, the Tennis Center? I

14 know that we did a geo-type study. Is this related

15 to coming back to the Board with recommendations on

16 tennis? I just didn't understand what this survey

17 was. It might just be a land survey?

18 MR. BANDELIN: I'll have to report back on

19 that in a future item.

20 CHAIR SCHMITZ: Okay. The other thing,

21 just to let my fellow trustees know, many of these

22 things for the 28th, from Public Works are small

23 dollar items. I had reached out to staff and said,

24 "If these things are budgeted and are part of our

25 plan, that they either will be on the consent

78

1 that we mentioned in the General Manager's report.

2 I will tell you that the utility master --

3 or infrastructure master plan, there was an

4 amendment to that DOWL agreement with more work to

5 be done. It's not on the calendar, but I checked

6 today and it's slated to come, the April 10th

7 meeting, because of that amendment. I believe the

8 amendment was fire flows, and that amendment was

9 brought up in the last report we did on contracts,

10 so that's why it was pushed out for that additional

11 work that was done by the DOWL group.

12 The Chair and I and the District Clerk

13 will come up with the narrative for the agenda of

14 the Tennis Center reports.

15 I would -- and the Chair and I could talk

16 about -- I would just make a suggestion that the Rec

17 Center maintenance costs survey might be something

18 that we inform the Board, may be more in line with

19 our strategic budget planing workshop at the special

20 meeting, because that's just one venue where all

21 that list of all the items needs to be put in a

22 prior list. And we can talk about all the venues at

23 once, versus just one particular, as an agenda.

24 CHAIR SCHMITZ: One thing I just want to

25 inform the Board on is that Trustee Tonking will be

80

1 calendar or perhaps staff will choose to utilize the

2 approval process that BBK has put together."

3 MR. BANDELIN: That's correct. They will

4 be following Policy 3.1.0. These are not emergency

5 projects, I would say. The policy really states to

6 emergency projects would go to Trustee Schmitz.

7 We just thought it would be like a kind of

8 little bit more transparent to bring in front of the

9 Board. And if they don't meet the criteria outlined

10 in Policy 3.1.0 by not being funded or budgeted for,

11 then they wouldn't meet the criteria and would be in

12 general business.

13 CHAIR SCHMITZ: Thank you for that

14 clarification.

15 TRUSTEE DENT: One recommendation on page

16 189 would be to group some of these, like for the

17 agreements, and if they're all Public Works, put

18 them all together. If you look through this, there

19 will be agreement, fifth one down is an agreement,

20 sixth one down's an agreement.

21 It just seems like all the agreements

22 would go together, and same with if it's all coming

23 from Public Works, maybe we could group Public Works

24 together rather than having ski in the middle.

25 MR. BANDELIN: That's exactly right.

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1 That's one of the tasks that the Chair and the clerk
 2 and I are working on, to make this calendar a little
 3 bit more pro.
 4 And then could we talk a little bit about
 5 the proposed date for the town hall meeting?
 6 CHAIR SCHMITZ: Sure.
 7 MR. BANDELIN: And time?
 8 CHAIR SCHMITZ: I want to back up, if I
 9 could, for one second.
 10 One of the items that fell off the long
 11 range calendar was an agenda item for Trustee
 12 Tulloch, and it was for the capital -- the Capital
 13 Investment Committee to come back to the Board with
 14 recommendations related to the capitalization
 15 policy.
 16 Trustee Tulloch, do you want to get back
 17 to me with a date that that should be included on
 18 our long range calendar?
 19 TRUSTEE TULLOCH: Let's shoot for March
 20 13th. We're having problems all the CIC committee
 21 members available on the same date.
 22 CHAIR SCHMITZ: Okay. That's fine.
 23 Then to segue, as we were taking about, we
 24 have penciled in a town hall on March 27. The
 25 Chateau is available, and I believe our District

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1 Clerk was checking to see if the IT staff had time
 2 to set that up at The Chateau.
 3 We can have it as an open forum, we can
 4 pick a topic, but we had talked about wanting to do
 5 this once a quarter, so we slated it in on our
 6 March 27th.
 7 I'll work with anyone if you want to just
 8 open it up like we did the last time with questions
 9 that the public can ask and answer. It seemed like
 10 that was a good approach. Or we could specifically
 11 say we'd like to hear community input on our
 12 five-year capital plan.
 13 What would we like to do?
 14 TRUSTEE DENT: I like the idea of the
 15 community asking questions. I think one thing,
 16 maybe a takeaway from the last, we didn't get
 17 through them all because people were showing up with
 18 50 notecards that were all questions. So maybe
 19 limit the amount of questions per person or
 20 something. That way, we can actually get real
 21 questions from folks and not a hundred questions
 22 from one person.
 23 CHAIR SCHMITZ: And I believe -- it's a
 24 good suggestion. And I believe last time we had
 25 Kevin Lyons and Kristin Miller as moderators. Would

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1 Kristin be available to be a moderator at that
 2 event?
 3 MR. BANDELIN: I'll report back on that
 4 now that we have a confirmed, approved --
 5 CHAIR SCHMITZ: I thought she did a great
 6 job. And I think that I don't want get into a
 7 situation like we had last time where we had all
 8 these unanswered questions. If there's a way that
 9 we can try to limit how many questions, like you
 10 suggested, I think that's a good attempt at least.
 11 Any other thoughts or comments on the town
 12 hall? We will solicit the community to ask
 13 questions, and hopefully we can do it in a format
 14 like last time. That was very nicely done.
 15 Any other comments on the long range
 16 calendar?
 17 Seeing none, we will move on.
 18 J. BOARD OF TRUSTEES UPDATE
 19 TRUSTEE DENT: I can report back to the
 20 Board, but working through any survey questions you
 21 may have or ideas for surveys, feel free to reach
 22 out. Been in contact with Mr. Lyons regarding a
 23 couple items, and don't have a finalized response
 24 yet.
 25 I'll report back on that. One has to do

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1 with the inquiry regarding the template and working
 2 with us on the template training, which we did do in
 3 a previous training, but working through a little
 4 bit of clarity on that or, potentially, observation
 5 by Mr. Lyons on what we put in our board packet at
 6 the last meeting, because I think that was the
 7 format we wanted to go. I forget which item it was.
 8 Then the other was we're working -- and
 9 I'll work the clerk on this -- fulfilling a part of
 10 our contract with Government Sciences from
 11 last year, and that was the community training,
 12 community outreach. We're working on trying to
 13 figure out a few dates that work with Mr. Lyons.
 14 And I'll loop in Heidi on that, because I know Heidi
 15 has reached on both those fronts.
 16 I'll have an update at the next meeting.
 17 CHAIR SCHMITZ: I have a question for you:
 18 Would it be something to consider to potentially,
 19 depending on how long this community outreach
 20 training lasts, if it's 15 or 20 minutes, would that
 21 be worthwhile to incorporate into our town hall?
 22 TRUSTEE DENT: Yeah, and it's -- I think
 23 one thing we didn't talk about tonight is how long
 24 do we want the town hall to be? And I think it's
 25 important to have the community members that have

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1 questions to be heard, rather than making them go to
 2 school.
 3 I think it is very important and it could
 4 kill two birds with one stone, so we can look into
 5 that.
 6 CHAIR SCHMITZ: My suggestion on the time
 7 is that we would go from 6:00 until 9:00. And I
 8 don't recall what timeline we gave last time.
 9 Two hours, so it was shorter than that.
 10 Does anyone have a strong feeling one way
 11 or another? Is 6:00 to 9:00 too long?
 12 TRUSTEE DENT: And a lot of that depends
 13 on public comment too, right? I think we shortened
 14 the public comment for everybody, just so we could
 15 get to questions, and then we had hundreds of
 16 questions we didn't get to.
 17 CHAIR SCHMITZ: All right. We'll do 6:00
 18 to 8:00, and we'll have condensed public comment.
 19 I have a couple. It was really
 20 interesting -- this is related to pickleball. The
 21 pickleball sort of self-appointed committee is
 22 working so hard. And they actually did a
 23 competitive analysis and produced it for the entire
 24 committee. And they actually discovered that some
 25 of the courts in the Tahoe Basin are able to offer

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1 free play because their tournaments generate so much
 2 revenue that it covers the costs of operating their
 3 pickleball centers.
 4 And they do these tournaments off peak,
 5 and the pickleball community is very interested in
 6 tournaments because it's an opportunity to entice
 7 outside play and to play with players they don't
 8 play with on a daily basis.
 9 So I think that when we're looking at
 10 budgeting and we're looking at our venues, we really
 11 should think about outside tournaments and how much
 12 would that help to fund our venues and, potentially,
 13 lower rates for our locals. I thought that was
 14 really interesting.
 15 And I wanted to just also update as it
 16 relates to contracts. General counsel reviewed the
 17 contract that was used for a charitable event up at
 18 Diamond Peak last week and noted that there were
 19 some deficiencies in the language of the contract.
 20 He's working with staff to update the language and
 21 ensure that the District is properly and legally
 22 protected. So, things with contracts continue to
 23 evolve.
 24 The last thing I just want to point out is
 25 that for the committee leaders, such as Trustee

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1 Tonking, Trustee Tulloch, it has been requested by
 2 our clerk that you inform staff at least a week
 3 before the meeting if they are to be providing
 4 materials for your meeting so that they have
 5 adequate time to prepare whatever it is that you're
 6 needing for your meetings.
 7 Just a reminder, you know, not to leave it
 8 until the three-day window of an agenda going out,
 9 but to be a bit proactive and let staff know if you
 10 have needs for them produce something for the
 11 meeting. Does that make sense?
 12 Great. If there's no other comments
 13 relative to Board of Trustees updates, we will go to
 14 final public comments.
 15 K. FINAL PUBLIC COMMENTS
 16 MS. JEZYCKI: Good evening. My name is
 17 Michelle Jezycki. I am a local here, full time.
 18 I'm also a product of Incline schools,
 19 grew up here. I also have 30 years of human
 20 resources experience, and hearing the dialogue this
 21 evening about the GM and the contracting drafted, I
 22 would just ask for great consideration of some of
 23 the comments that were made tonight.
 24 I think there are similar skill sets, but
 25 also varying skill sets that I think it's fair, not

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1 only to a candidate, not to just Mr. Magee, but I'm
 2 talking about other positions that I've been
 3 involved with in terms of executive searches and so
 4 forth, to look through both lenses, the lense of
 5 what's best for the person who is willing to take on
 6 a challenge like this, as well as what's best for
 7 the community.
 8 I do think the challenge of being here
 9 50 percent poses a very unique concern.
 10 Growing up here, I always heard Incline
 11 was so unique, even though we went to "income high
 12 school," people called us as we went to different
 13 towns across the state. But coming back as an
 14 adult, I see how unique Incline is.
 15 I would just ask that you give great
 16 consideration on behalf Mr. Magee as well the
 17 community in making that decision in drawing up the
 18 terms of a draft contract.
 19 Thank you.
 20 CHAIR SCHMITZ: Are there any public
 21 comments here in the room? Seeing none, we will
 22 move to online.
 23 MR. DOBLER: Cliff Dobler, 995 Fairway.
 24 I brought to your attention tonight that
 25 the contract between the Forest Service and IVGID

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1 regarding half of the land that Diamond Peak rests
 2 on is on a ground lease or a special use permit with
 3 the Forest Service. And that has been -- it expired
 4 in December. I assume now been it's done, but
 5 Mr. Bandelin's statement that there's no board
 6 policy to have the Board review that contract, which
 7 is the ten-year contract and provides for lease
 8 rentals of somewhere between 25- and 35-, 40,000
 9 a year would certainly exceed the \$100,000 where
 10 it's required to bring that contract to the Board.
 11 Now, when you have a ten-year-old lease
 12 and it's being updated after ten years, the odds are
 13 that there may be language changes within that
 14 contract, and yet five members of this Board doesn't
 15 even seem to be aware of it. And I doubt seriously
 16 if our lawyers even looked at the contract.
 17 So, the idea of just saying, well, we
 18 don't have a board policy, I don't know what the
 19 heck he's even talking about, Mr. Bandelin. I mean
 20 at \$30,000 a year for ten years, that's 300 grand.
 21 And I would think -- I'm certainly interested in
 22 knowing what changes might have been made to that
 23 original lease -- special use permit contract to
 24 know what we're getting ourselves into over the next
 25 ten years.

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1 charge homeowners for the beach facilities, rather
 2 than provide them with a homeowner's association,
 3 they represented to all purchasers they were going
 4 to do.
 5 Crystal Bay lobbied the legislature to
 6 have this new basic power possible for GIDs, and
 7 they were successful because they were represented
 8 by Mr. McDonald of McDonald Carano.
 9 Then IVGID petitioned the board, County
 10 Board, to secure that new power. And we had a
 11 public hearing, this is after formation. At the
 12 public hearing, IVGID board members represented to
 13 the County Board that no facilities would be
 14 acquired with this power except for the beaches.
 15 That the beaches would be paid for with ad valorem
 16 taxes, no rec fee, and that every other recreational
 17 facility would be privately owned, operated, and
 18 funded. This is or history. If we adhere to this
 19 history, we get out of the golf, ski, tennis,
 20 facilities rental, Rec Center, food and beverage,
 21 marketing, magazine publishing business. That's
 22 what you should do. And guess what? You'll find
 23 that we don't lose money anymore.
 24 Now, on my public record request, what
 25 Heidi told you is not accurate. I asked for A and

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1 This is too big of a deal just to brush
 2 aside. It's half of the land at Diamond Peak.
 3 Half. Okay? And to think this a will be slid under
 4 the table without any review by the Board makes
 5 absolutely to sense to me, and is one of the
 6 problems that you have at IVGID is everything is
 7 under cover and has to be pried away from the
 8 management to be able to get it to the Board so they
 9 can make appropriate decisions.
 10 I would like to see this brought to the
 11 Board and reviewed to see if any contract changes
 12 were made and what new rental rates may be. And I
 13 would appreciate it.
 14 Thank you very much.
 15 MR. KATZ: Hello. This is Aaron Katz.
 16 There was previous public comment, I think
 17 by Mrs. Johnson, stating what the purpose allegedly
 18 was of IVGID and how we should adhere to what the
 19 purposes were and nothing more. And then she
 20 recited it was water, sewer, and recreation. Well,
 21 I hope she's listening. She's wrong.
 22 When IVGID was formed, no GID had the
 23 power to furnish facilities for recreation, so that
 24 was not part of our original charter. And what
 25 happened here is Crystal Bay Development chose to

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1 staff responded with B. In other words, they didn't
 2 comply. I gave a detailed timeline in my email to
 3 the Board, it's all there. All you need to look.
 4 Bottom line, I had not gotten the records
 5 I asked for. I have not changed the request. It's
 6 concealment, they're making excuses up. I want the
 7 records. I am going to file tomorrow unless
 8 somebody tells me before I'm getting them.
 9 Thank you.
 10 MATT: That was our last public comment on
 11 Zoom.
 12 CHAIR SCHMITZ: Thank you. We have one
 13 additional public comment in the room.
 14 MR. SCHULTZ: Good evening. Joe Schultz,
 15 Putter Court.
 16 With regards to the town hall meeting, it
 17 was so well attended last, and despite the fact that
 18 there was an overwhelming number questions, it
 19 should seem obvious to everybody that the community
 20 is very interested in being able to ask questions
 21 and get a response.
 22 So in light of that, I would like to
 23 encourage you to think of a longer timeframe than
 24 two hours. I understand it's a burden on your time,
 25 and we do appreciate all the time you spend here.

1 And congratulations on a good meeting, despite the
 2 fact that some negativity was expressed during the
 3 first three minutes of talk, it was a very good
 4 meeting.
 5 Thank you.
 6 CHAIR SCHMITZ: That's the end of public
 7 comment.
 8 L. ADJOURNMENT
 9 CHAIR SCHMITZ: We will adjourn at 8:17.
 10 Thank you all.
 11 (Meeting ended at 8:17 p.m.)

1 STATE OF NEVADA)
 2 COUNTY OF WASHOE) ss.
 3
 4 I, BRANDI ANN VIANNEY SMITH, do hereby
 5 certify:
 6 That I was present on February 14, 2024,
 7 at the Board of Trustees meeting, via Zoom, and took
 8 stenotype notes of the proceedings entitled herein,
 9 and thereafter transcribed the same into typewriting
 10 as herein appears.
 11 That the foregoing transcript is a full,
 12 true, and correct transcription of my stenotype
 13 notes of said proceedings consisting of pages 94,
 14 inclusive.
 15 DATED: At Reno, Nevada, this day of 18th
 16 day of February, 2024.
 17
 18 /s/ Brandi Ann Vianney Smith
 19
 20 BRANDI ANN VIANNEY SMITH
 21
 22
 23
 24
 25

INVOICE

BAVS SM-LLC
brandiavsmith@gmail.com
United States

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

775-832-1218
AP@ivgid.org

Invoice Number: IVGID 23

Invoice Date: February 18, 2024

Payment Due: March 14, 2024

Amount Due (USD): \$914.00

Items	Quantity	Price	Amount
Base fee February 14, 2024 BOT meeting	1	\$350.00	\$350.00
Per page fee February 14, 2024 BOT meeting	94	\$6.00	\$564.00

Subtotal: \$914.00

Total: \$914.00

Amount Due (USD): \$914.00

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 14, 2024 MEETING –
AGENDA ITEM E(2) – HOW TO FUND MINIMUM RESERVES AND GROSS
OVERSPENDING ASSIGNED TO THE DISTRICT'S GENERAL FUND**

Introduction: Here our interim Finance Director, Bobby Magee, deceitfully discusses the financial emergency we are in in our General Fund, and his soon to be announced means of addressing it. Specifically, take expenses out of the General Fund related to our public parks, and put them into our Community Services Fund which doesn't have the resources to pay for them, and increasing central services cost transfers from Community Services, Utility and Beach Funds, and depositing them into our General Fund. In other words, what I call the shell game fix, and the use of our Rec Fees for inappropriate purposes guided by the principle "the ends justify the means." Can it get any worse? Yes it can. And here's yet "another one" as my friend DJ Kahled would say¹. More evidence of staff deceit, lack of transparency, lack of ethics, lack of oversight, and a lack of internal controls. Wow! And that's the purpose of this written statement.

My February 10, 2024 E-Mail to The Board: wherein I put the Board on notice of the shell game and inappropriate increase in central services costs which were about to take place. This e-mail is attached as Exhibit "A" to this written statement. Rather than me regurgitating everything I shared with the Board, I refer the reader to the exhibit attached.

Conclusion: So you see the more things change, the more they remain the same. The District is just as dirty as it has always been. The characters and their attitudes may have changed. But at the end of the day, this place is as dirty as ever! And this is really the definition of a criminal syndicate². Dirty players come and go. But in the end, the organization survives to engage again in racketeering activities! Here to cheat local parcel owners out of money represented to pay for the availability to access and use public recreational and beach facilities, when in truth and in fact, staff want to use that money to pay for intentional overspending.

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

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

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

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

EXHIBIT "A"

February 14, 2024 IVGID BOT Meeting - Agenda Item E(2) - Increasing Transfers of Our RFF/BFF And Water/Sewer Charges to The General Fund to Cover The Enhanced Costs of Further Waste - Follow Upaip

From: <s4s@ix.netcom.com>
To: "Schmitz Sara" <schmitz_trustee@ivgid.org>
Cc: "Tonking Michaela" <tonking_trustee@ivgid.org>, "Dent Matthew" <dent_trustee@ivgid.org>, "Noble Dave" <noble_trustee@ivgid.org>, "Tulloch Ray" <tulloch_trustee@ivgid.org>, <bma@ivgid.org>
Subject: February 14, 2024 IVGID BOT Meeting - Agenda Item E(2) - Increasing Transfers of Our RFF/BFF And Water/Sewer Charges to The General Fund to Cover The Enhanced Costs of Further Waste - Follow Upaip
Date: Feb 10, 2024 9:02 AM

Chairperson Schmitz and the Other Honorable Members of the IVGID BOT -

This is a follow up to my e-mail of Feb 9 on this subject matter, where I predicted what Bobby Magee would be "reporting" about on this subject at next Wednesday's BOT meeting. You'll note I'm sending a copy of this e-mail just to keep Bobby in the loop. And maybe to suggest some "strategies" to implement since he and his team are working on them.

The Board packet is now out and we can see at page 36 what Bobby has in mind. And didn't I predict it? Wasn't I clairvoyant? Amazing. Don't you think?

The problem with Bobby is that he has decided to veer "out of his lane." Rather than fixing our many finance problems, Bobby has decided to take on Board policy. How to pay for all this "stuff." And since that policy starts out with the premise "the ends justify the means," rather than fixing the true genesis of our problem, Bobby suggests "games." Thinking members of the public are too stupid to see through his facade. Well news to Bobby. Although I and a growing number of others may have been born at night, it just wasn't LAST NIGHT.

So what does Bobby tell us at page 36? First of all, we're going to be out of money in the General Fund before July. Congratulations. BTW, thank you Michaela for publicizing this fact at the last Board meeting.

According to Bobby some of the factors contributing to this loss of funds are:

1. "The unanticipated one-time costs to maintain expected future workload levels" [more than offset by "ongoing costs to maintain expected future workload levels," right Bobby? If so, there is no "one-time cost." So why make us think there is?];
2. "Previous movement from the Community Services Fund to the General Fund" [the shell game you suggested at the last Board meeting Bobby. Remove these costs from the General Fund, and tack them back on in the Community Services Fund. Instead of eliminating the costs altogether].

What others Bobby?

Could it be Bobby's "one time" \$322K annual cost?

What about Sheila Leijon's year after year after year nearly \$200K just in salary as a "Director" of Parks and Recreation?
 What about the cost for a new GM?

What about Sheila Leijon's unauthorized expenditure with our attorneys to review the proposed Vitalant contract where according to her, we give away use of the Rec Center gymnasium floor for a day?

What about this same stunt Kate Nelson pulled recently when she incurred attorney's fees with our attorney to review a proposed HDR Engineering contract for an updated utility rate study, before the contract was ever approved by the Board?

What about the loss of income from the possible rent of our gymnasium to Vitalant?

What about the complimentary food and beverage we're going to spring for our friends at Vitalant? Just like we did for our friends at IVCBA? After all, Vitalant personnel are going to be there all day (9 AM - 4 PM). They're going to get hungry too!

What about another \$716 for a certified shorthand reporter to take minutes of the last Board meeting? Or this coming up one?

I hear Bobby has suggested Sheila cut costs. What a joke. Our staff isn't going to cut anything. And here we're talking MILLIONS OF DOLLARS that need to be cut. Where's that going to come from Bobby? Should Sheila turn the heat down at the Rec Center pool to save energy costs?

The problems we have here are the same we have everywhere. So please pay attention to the fix Board members because it is the same fix needed everywhere!

1. GIDs weren't envisioned by the Legislature to do all the things IVGID does. Because if they were, the funding source would have been provided as well. But in IVGIDville it doesn't exist. So we have to manufacture phony sources that essentially no other public agency realizes: the Rec Fee. Which for those of us who come from California, know this expense as a special tax against real property. Our facilities are available to be accessed and used by the world. But the only people who pay for their availability are local parcel owners. Which might be all right if they weren't charged user fees like the world's tourists, but unfortunately they are.

2. So our only legitimate sources of revenue for the General Fund are ad valorem and C-taxes. About \$4 million annually.

3. So that's your allowance kids! You can only spend \$4 million annually on expenses assigned to the General Fund. That's it!

4. But for fifty years your staff have refused. And stupid prior BOTs have gone along with the program. And for this fiscal year, you Board members have approved \$7.5 Million in expenses assigned to the General Fund.

5. So you either have to cut costs, cut services which translate into cut costs, or come up with phony sources of revenue to make up the deficiency. So what have you done? You have come up with phony sources of revenue. It's called "central services cost transfers." Really the General Fund's version of the Rec Fee. But bearing a different label so nobody should think the two charges are really the same.

6. Bobby tells us "the Finance department is currently evaluating options on how to return the General Fund Reserves to the target reserve level" of 15% of budgeted expenses. While you're at it Bobby, why don't you come up with options on how to pay to raze our outdated Admin Bldg and build a new spiffy replacement (what's the cost of this going to be Bobby? \$7 million? \$10 million?).

7. It doesn't take a rocket scientist to figure out you need to cut costs. So start cutting. For this year we need to cut \$3.5 million. Let's start with our GM. Since that's not enough, let's move to Bobby. Still not enough? Let's eliminate IT. And eliminate HR. And eliminate our alleged "wellness" program. And eliminate the IVGID Magazine. And withdraw our membership in the GFOA. And make sure we don't hire lobbyists (like Marcus Faust) to attempt to influence legislation. And how about eliminating each of your salaries? They're not mandatory BTW. And if you won't work for free, get out of the way and let others come forward who will!

8. What you're going to discover is that by the time you've cut the intentional overspending, you can't run IVGID according to your ideas of what IVGID is supposed to be. Which means it's time to end the charade. Got it? Game over.
9. I understand you don't like the options available, but they're reality. We've discussed this before. The quickest way to get out of a hole is to stop digging. STOP DIGGING! Because I and others I know don't want to go along with you for the ride. If the haters in our community do, then let them pony up!
10. You know this is what we must do Bobby. Right? So why are you telling us that instead, you "will present to the Board the strategies (you) intend...to employ during the upcoming budget process?" Springing them on us with our backs against the wall! Pretty saavy Bobby. Right? And BTW, how's that budgeting going? We're already two months into the season and we haven't even started. I guess it's time to incur some additional "one-time costs" to get the ball moving. Right?
11. Because there's ONLY two strategies you can come up with. And we don't have to wait for May to arrive. Right Bobby?
12. First, transfer costs assigned to the General Fund to other Funds that actually have a steady source of revenue to pay for them (that way we actually don't have to cust costs). Like the Utility Fund. You know. Let's pro-rate the cost of our audit to the Utility Fund. As if this fund is required by law to conduct an audit. And that \$2K lunch some of our employees charge to their procurement cards. Let's assign that cost to the Utility Fund as well. And when Utility complains that it's unfair to divert all of these costs to the Utility Fund, let's start parsing them out to Community Services and the Beaches. Even though neither of those funds requires the services represented by these costs to be pro-rated.
13. Second, increase "central services cost transfers" from our other funds that actually have a steady source of revenue. Like the Utility Fund. 10 years ago staff was making \$778K of money transfers annually. Now we're over \$3 million. And if we don't transfer Parks out of the General Fund, next year we'll be over \$4 million. Until we get up to \$7.5 million because we're spending \$7.5 million annually in the General Fund.
14. Okay. Now you've got the program. Let's extend this same "strategy" to our other money losing funds. Or wake up and smell the coffee as principle Rooney announced in Ferris Bueller's Day Off. This path is UNSUSTAINABLE! It's time to close shop. Since the beaches really belong to local parcel owners, transfer use of the beaches to US! We can do such a better job than you. And since we're paying for them already, we don't need you to make the hard decisions like spending another \$50K to get some attorneys to opine that the beaches are supposed to be private.
15. Okay, how do we transfer the beaches? Let's follow the Parasol model. You know. Enter into a 99 year lease with a non-profit HOA created for purposes of operating the beaches, at a rent of \$1 per year! We'll elect our own Board members, eliminate the BFF, and assess members HOA dues. And as a side benefit, for the first time in history the owners of all parcels assessed will be able to vote for Board members.
16. For utilities, continue to do the fine job you've been doing. And if you can't. Or don't want to. Turn them over to the county!
17. Now for the rest of what it is that you do, live within your financial means. Which means if your appetites are greater than your pocket books, downsize or go out of business. Sell the tennis courts to the pickel ballers. Sell the Champ golf course to the core golfers. Turn the Mountain golf course into employee housing. Sell the Rec Center to High Altitude Fitness. Sell the Village Green to AYSO. Sell Preston Field to Little League. Sell Diamond Peak to Mt Rose. Start charging user fees at our public parks.

18. Oh. And when you get finished selling all of these wonderful businesses, disburse the proceeds to those of us who have been paying for them for the last 50 or more years. It's what being a community is all about. Right Bobby?

Respectfully, Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Feb 9, 2024 11:27 AM

To: Schmitz Sara <schmitz_trustee@ivgid.org>

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

Subject: February 14, 2024 IVGID BOT Meeting - Agenda Item E(2) - Increasing Transfers of Our RFF/BFF And Water/Sewer Charges to The General Fund to Cover The Enhanced Costs of Further Waste

Chairperson Schmitz and the Other Honorable Members of the IVGID Board -

Here we learn Bobby Magee is going to provide a report on his strategy for increasing the fund balance in the General Fund in compliance with Board Policy 7.1.0 (Appropriate Level of Reserves). The alleged purpose of this policy is to maintain prudent reserves for each of its major funds, consistent with best practices.

That means a targeted fund balance of 15% of annual budgeted expenditures. Of this amount, 5% is designated as a reserve for economic uncertainty in the event that general fund revenues received within the fiscal year fall short of the amounts assumed in the approved budget. An additional 10% is to be designated as an emergency reserve to cover unanticipated expenditures resulting from emergencies or unanticipated mandates. In no case shall the fund balance for the District's General Fund fall below 4% of expenditures.

So let's look at this year's budgeted expenditures assigned to the General Fund. Are you ready for this one? \$7.242 million (see schedule B-10)! And it's really \$666,700 more because you board members in your lack of wisdom agreed to modify the budget by this much for add'l vital personnel costs. So that puts budgeted expenditures at nearly \$8 million!

What's 15% of \$8 million? Another \$1.2 million. And remember, this is on top of the central services transfers which are made to the General Fund from our RFF/BFF and excessive utility rates to cover intentional overspending! And how much did we budget for those central services transfers? According to page 522 of the May 25, 2023 Board packet (when the current budget was approved), \$2.552 million is budgeted for central services transfers. And now we're going to increase this number first by the add'l \$666,700 referenced above, and \$1.2 million to be in compliance with Policy 7.1.0?

Are you people CRAZY? For a stupid equivalent of a mosquito district?

If it takes this kind of money to run a GID, you can't operate any facility or program at a break even or profit, your only other source of revenue is about \$4 million of taxes, and thus you have to come to local parcel owners to subsidize your intentional overspending, IT'S TIME TO HANG IT UP! END IT! We don't need it, and we can't afford it. Pure and simple. Remember, NRS 318.515(1) instructs 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) A district of which the board of county commissioners is not the board of trustees is not being properly managed;

(b) The board of trustees of the district is not complying with the provisions of this chapter or with any other law; or

(c) The service plan established for the district (surprise, we have no service plan) is not being complied with,

the board of county commissioners of the county in which the district is located shall hold a hearing to consider the notification or petition."

So what is Bobby Magee's message going to be? Play games by transferring public parks financial reporting out of the General Fund (to make it look like the General Fund is reducing its overspending), or increase central services transfers from the Community Services, Beach and Utility Funds. In other words, more of our RFF/BFF and excessive water/sewer rates. And for what? Total garbage. Let's see if I'm clairvoyant. And if I am, remember you didn't have to pay me \$322K annually to come up with the same message.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 14, 2024 MEETING –
AGENDA ITEM F(5) – WASTING ADDITIONAL \$50,000 OF BEACH FEES
ON INTERPRETING THE BEACH DEED AND/OR ORDINANCE NO. 7
NOTWITHSTANDING BOTH HAVE BEEN INTERPRETED MANY
PREVIOUS TIMES**

Introduction: Can it get any worse? Yes it can. And here's yet "another one" as my friend DJ Kahled would say¹. Here our chairperson seeks approval to spend another \$50,000 on attorney's fees interpreting a deed which requires no further interpretation. And on the consent calendar no less. And that's the purpose of this written statement.

My February 11, 2024 E-Mail to The Board: wherein I put the Board on notice of my opposition to this proposed matter is attached as Exhibit "A" to this written statement. Rather than me regurgitating everything I shared with the Board in that e-mail, I refer the reader to the exhibit itself.

The MacDonald Carano Firm Has a Conflict of Interest: The details appear in the exhibit attached to this written statement.

Conclusion: Many years ago former Trustee Gene Brockman indicated that the beach deed had been interpreted at least three times. Somewhat recently, the beach deed has been interpreted at least one additional time. There's nothing left to interpret.

Similarly, Ordinance No. 7 has recently been interpreted, major modifications have been improved, and the wording of those modifications have been reviewed/approved by legal counsel. So what more needs to be approved?

Increasing the legal cost as outlined in the exhibit attached is unwarranted. And it is a waste. Whereas Ms. Parks required a retainer of \$0.00, MacDonald Carano requires \$20,000. That is no insignificant sum. I ask the Board reject this request.

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

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

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

EXHIBIT "A"

February 14, 2024 IVGID BOT Meeting - Agenda Item F(5) - Spending Up to Another Wasteful \$50K On Attorneys Fees to Review Beach Access Policies Which Don't Exist

From: <s4s@ix.netcom.com>
To: Schmitz Sara <schmitz_trustee@ivgid.org>
Cc: Tonking Michaela <tonking_trustee@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: February 14, 2024 IVGID BOT Meeting - Agenda Item F(5) - Spending Up to Another Wasteful \$50K On Attorneys Fees to Review Beach Access Policies Which Don't Exist
Date: Feb 11, 2024 10:09 AM

Chairperson Schmitz and the Other Honorable Members of the IVGID Board -

Well here's another stupid one. As I have observed many times before, essentially everything the Board does is stupid. And a waste of money. Just look at the agenda for this meeting. Is this the best you can come up with for the expense of a Board meeting? What expense? Well let's count the numbers.

1. An attorney at nearly \$300 per hour.
2. Transportation costs for the attorney from/to Sacramento at \$140 per hour.
3. An official certified shorthand reporter at anywhere from \$750-\$2,300.
4. Staff time and expense to create the staff memo and attachments associated with this agenda item.
5. Plus all the other costs we regularly incur with staff/otherwise.

And for what? What is so earthshaking and necessary on the agenda for this meeting? As I have noted so many times before, Bueller? Bueller?

And now this matter. On the consent calendar no less? At the initiative of our chairperson. Well I guess she forgot to read her own modified Policy 3.1.0 (the conduct of BOT meetings). So let me refresh her recollection:

"Each consent item shall be separately listed on the agenda, under the heading of 'Consent Calendar'. A memorandum containing all relevant information will be included in the packet materials for each Consent Calendar item. **The memorandum should include the justification as a consent item in the Background Section.**"

Okay. Let's examine the background section of the memorandum prepared by our chairperson in support of this agenda item (page 158 of the Board packet). **Where has Sara included the justification for this matter to have gone on the consent calendar?** Remember, here Sara is proposing that we: increase the hourly rate we pay our attorneys for this allegedly vital service from \$250 per hour to \$595-\$750 per hour. And we increase our up front retainer from \$0-\$20,000. Come on Sara.

Initially I ask that at least one of your Board members "request the removal of (this) particular item from the Consent Calendar, at the time of the agenda approval, (or beforehand), and that the matter shall be removed and addressed in the General Business section of the meeting." **Just as Policy 3.1.0 instructs.** Right Sara?

But there's a lot more to this agenda item that Sara/staff hasn't shared with the rest of you and the public. Given Policy 3.1.0 instructs that "a memorandum containing **all relevant information** (sha)ill be included in the packet materials for each Consent Calendar item," where's all the relevant information? I guess you're forcing me to fill in the blanks Sara. Thank you very much.

First, we have a financial emergency on our hands. Just look at what's happening in the General Fund. So disingenuously, our chairperson and staff are looking to another source of funds to pay for

this initiative (see page 168 of the Board packet). So to my detriment, and the detriment of all other local parcel owners with beach access, the staff memo tells us that "The Finance Department has confirmed that the Beach Fund has enough in available budgeted appropriations for the recommended action." What? You're going to use the equivalent of an excess fund balance in the Beach Fund for a garbage expenditure like this? Stop it Sara! I'm not involuntarily paying the BFF so you can blow the funds on this unnecessary expense. When are you going to begin being financially responsible?

Second, and this is the one that really gets me. Sara states we should spend up to another \$50K with "McDonald Carano...DUE TO THEIR EXTENSIVE RESEARCH...since they have provided considerable input related to the beaches and the beach deed TO THE GROUP WORKING TO DEVELOP A PLAN FOR INCLINE VILLAGE AND CRYSTAL BAY TO BECOME A CITY." Are you crazy Sara?

What do we care about the group working to develop a plan for IV/CB to become a city? Many of these "leaders" are the same haters in our community who led the recall charge against Trustees Schmidt and Dent. And now we're going to be manipulated by the same attorneys who are working so closely with these haters? Conflict of interest?

But here's the big one! Who are the attorneys who master minded everything that's wrong with our community nearly 60 years ago? That's right. The founders of McDonald Carano! Don't you understand this Sara?

I have stated several times before in the past that whoever concocted the current direction of the District and our phony Rec Fee, were pretty sharp cookies. And they didn't give a damn about the initial and current property owners of Incline Village. They cared about themselves and our beloved founders (Art Wood and Harold Tiller). So let's go back in memory, shall we?

Do you know who the "McDonald" is in McDonald Carano? Let's go back to the District's "History" page (<https://www.yourtahoeplace.com/ivqid/about-ivqid/history-of-ivqid>): "The Incline Village General Improvement District (IVGID) was created by Washoe County under State law (Nevada Revised Statute 318), effective June 1, 1961 (Washoe County Ordinance No. 97, Bill No. 57). NRS 318 authorized...five...Trustees to set up and run the District. The initial Board...**consisted of Robert L. McDonald**, Raymond Plunkett, Raymond M. Smith, Harold B. Tiller, and John H. Uhalde." That's right! Robert McDonald.

Mr. McDonald was founding partner in the firm of Bible, McDonald, Carano and Wilson (now known simply as McDonald Carano) of Reno, NV. "Bob McDonald and former United States Senator Alan Bible created the firm in 1949. Prior to its launch (1942-1950), Alan Bible served as Attorney General for the State of Nevada with Bob McDonald serving as his Deputy" Attorney General. And subsequent to its launch (1954-1974), Mr. Bible served as United States Senator for the State of Nevada. Thus is it any surprise that with Mssrs. McDonald's and Bible's governmental "connections" and "assistance," the State Legislature enacted Nevada's General Improvement District Law on April 30, 1959. That's right! These attorneys were instrumental in creation of the GID law.

Because GIDs were a new form of local government, and "there were no criteria to guide county commissioners insofar as to whether or not a (GID) should be created" (undoubtedly by design), residential real estate developers such as Crystal Bay Development Co. were free to use the artifice of a GID to transfer the financial and other obligations of constructing public infrastructure improvements (such as streets, gutters, storm drains, sewerage and water services) onto persons *other than* themselves. And that's exactly what happened in Incline Village! Thank you Bob McDonald.

And then when the Legislature was lobbied to modify the GID law to include public recreation as a new basic power, who was doing the lobbying? You've got it. McDonald and Bible.

And when the District formally asked Washoe County to grant it this new basic power, who did the asking on IVGID's behalf? Who represented the District in its formal public hearing before the Washoe County Board of Commissioners? Who assisted Harold Tiller in making the misrepresentations he made to the County Board which resulted in this new basic power being granted to IVGID? You've got it. McDonald and Bible.

And when a homeowners' association was created by Crystal Bay Development Co. to own and operate the beaches for local parcel owners' benefit, who was appointed president? You've got it! Robert McDonald.

And when Crystal Bay Development Co. balked at transferring the beaches to this HOA, who concocted the idea the HOA should actually pay for the privilege? Knowing full well it had no ability to assess local parcel owners for the funding required. You've got it. McDonald and Bible.

And then when the principals of Crystal Bay Development Co. decided to dissolve this HOA and enter into a settlement agreement whereby the IVGID Board influenced by Robert McDonald would purchase the beaches from the successor to Crystal Bay Development Co., who carried out this task on their behaves? You've got it. McDonald and Bible.

And who participated in the crafting of the very unusual language included in the beach deed which granted all local parcel owners an easement to access and use the beaches? You've got it. McDonald and Bible.

And then when the District had to come up with a revenue source to pay the premiums on revenue bonds whose proceeds were used to purchase the beaches, who concocted the Rec Fee? You've got it. McDonald and Bible.

So if you're looking for a firm which has extensive knowledge concerning the beach deed, who better than McDonald Carano? In other words, what better wolf to guard our hen house? Who I and others I know submit has a conflict of interest with the client it proposes serving for another up to \$50K?

Did you know all of this Sara?

So with this history as a back drop, let's continue.

Apparently in March of 2023 the Board agreed to hire attorney Katherine Parks, at \$250 per hour, "to provide legal services on several issues related to the...Beach Deed and Ordinance 7" (see page 181 of the Board packet). Now what issues were those? And how vital were and are they given nearly a year has elapsed and still, they either have or have not been addressed? And hasn't Ordinance 7 been revised so there's little chance we're going to be revising it yet again? Right Sara? In fact, didn't we pay tens of thousands of dollars to yet another law firm to assist with coming up with the language on modifying Ordinance 7 to today's format? If so, why do we need to pay yet another attorney to provide the same vital work? Bueller? Bueller?

Continuing, apparently somewhat recently, Ms. Parks notified our Board Chair that she could no longer perform services for the District. Which has led Sara to the McDonald Carano law firm. Which now wants \$575-\$750 per hour (see page 175 of the Board packet) with a retainer of \$20,000 (see page 171 of the Board packet) to "review...(unspecified) policies on restricted...beach...access" (see page 170 of the Board packet).

What beach policies require review Sara? How vital are they? And for \$575-\$750 per hour. From a law firm with an arguable conflict of interest? Are you people crazy? I and others I know resent deeply that our BFF is being spent on waste like this. And with a firm which many of us view was the architect of everything that's wrong here in Incline Village. And at twice the hourly rate quoted by Ms. Parks!

By the way. How are our finances doing under your tenure Sara? You've told us the General Fund will be out of money at the end of this fiscal year. And Bobby Magee has told us the District will have to come up with a new funding source to cover the \$3.5 million or greater deficiency for 2024-25. And he'll be telling us about what I and others already know about, during the 2024-25 budget process. And since I and others know that ultimately those funds are going to come from, in part, the BFF, come next year I predict the Beach Fund will essentially be out of money (assuming it isn't already out of money because of the funding of capital projects which will never be completed). Meaning **don't blow the proceeds of our BFF with up to \$50K of wasted attorney's fees with McDonald Carano.**

Finally, look at the "Alternatives" section of Sara's staff memo: "**DO NOTHING AND HAVE NO OUTSIDE SPECIAL COUNSEL TO ASSIST WITH BEACH DEED RELATED QUESTIONS AND/OR ISSUES.**" Well now you've got it right Sara. That's exactly what you Board members should do. NOTHING. And save our \$50K for more pressing beach issues. Do I really have to come up with a laundry list?

Respectively, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 14, 2024 MEETING –
AGENDA ITEM E(4) – ANOTHER INAPPROPRIATE GIVEAWAY OF A PUBLIC
ASSET TO A FAVORED COLLABORATOR WHICH IS FINANCIALLY
SUPPORTED BY OUR REC FEES – THE REC CENTER GYM TO
VITALANT FOR BLOOD COLLECTION**

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

My February 11, 2024 E-Mail to The Board: wherein I put the Board on notice of the many things our Director of Public Works was doing that were and are no in accordance with Board policy. This e-mail is attached as Exhibit "A" to this written statement. Rather than me regurgitating everything I shared with the Board, I refer the reader to the exhibit attached.

Conclusion: The cost of this giveaway is not "NO COST" as staff represents. It's plenty. And it's to an organization which is not a qualified non-profit according to our policies, and an organization which has hundreds of millions of dollars a year in revenues. So you see the more things change, the more they remain the same. The District is just as dirty as it has always been. The characters and their attitudes may have changed. But at the end of the day, this place is as dirty as ever! And this is really the definition of a criminal syndicate². Dirty players come and go. But in the end, the organization survives to engage again in racketeering activities! I ask the Board summarily reject this request and send a message to the similar takers in our community.

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

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

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

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

EXHIBIT "A"

February 14, 2024 IVGID BOT Meeting - Agenda Item F(4) - Give Away The Rec Center For FREE to Some Other Favored Collaborator to Make Money Off of We Local Parcel Owners - AND ON THE CONSENT CALENDAR NO LESS!

From: <s4s@ix.netcom.com>
To: Schmitz Sara <schmitz_trustee@ivgid.org>
Cc: Dent Matthew <dent_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>, Bandelin Mike <MLB@ivgid.org>
Subject: February 14, 2024 IVGID BOT Meeting - Agenda Item F(4) - Give Away The Rec Center For FREE to Some Other Favored Collaborator to Make Money Off of We Local Parcel Owners - AND ON THE CONSENT CALENDAR NO LESS!
Date: Feb 11, 2024 10:25 PM

Chairperson Schmitz and the Other Honorable Members of the IVGID Board -

Well here's another stupid one. Three for three just on this agenda! As I have observed so many times before, essentially everything the Board does is stupid. And that's because of the quality/lack thereof of our wonderful staff. And a waste of money. Just look at the agenda for this meeting. Is this the best you can come up with for the expense of a Board meeting? What expense? Well let's count the numbers.

1. An attorney at nearly \$300 per hour.
2. Transportation costs for the attorney from/to Sacramento at \$140 per hour.
3. An official certified shorthand reporter at anywhere from \$750-\$2,300.
4. Staff time and expense to create the staff memo and attachments associated with a stupid agenda item like this one.
5. Plus all the other costs we regularly incur with staff/otherwise.

And for what? What is so earthshaking and necessary on the agenda for this meeting? As I have noted so many times before, Bueller? Bueller?

And now this matter. On the consent calendar no less? At the initiative of our Director of Parks and Recreation. Who forgot to read the District's Policy 3.1.0 (the conduct of BOT meetings). So let me refresh her education. Which as a "Director" one would think she should be the one educating me.

"Each consent item shall be separately listed on the agenda, under the heading of 'Consent Calendar'. A memorandum containing all relevant information will be included in the packet materials for each Consent Calendar item. The memorandum should include the justification as a consent item in the Background Section."

Okay. Let's examine the background section of the memorandum prepared by Sheila Leijon in support of this agenda item (page 162-63 of the Board packet). Where has Sheila included the justification for this matter to have been placed on the consent calendar in the first place? Bueller? Bueller? Remember, here Sheila is proposing we: give away use of the Rec Center gymnasium area for free (allegedly at "No Cost"), and that we pay money with the BOT's attorney for his "review and proposed modification ["The (proposed) Draft Premise Use Agreement...has been reviewed and modified by IVGID's Legal Counsel" (see page 163 of the Board packet)] of the "Premises Use Agreement" (see pages 164-67 of the Board packet).

Initially I ask that at least one of you Board members "request the removal of (this) particular item from the Consent Calendar, at the time of the agenda approval, (or preferably beforehand), and that the matter...be removed and addressed in the General Business section of the meeting." Just as Policy 3.1.0 instructs. Right Sheila?

But there's a lot more to this agenda item that Sheila hasn't shared with the rest of you and the public. Notwithstanding Policy 3.1.0 instructs that **"a memorandum containing all relevant information (sh)ill be included in the packet materials for each Consent Calendar item."** You're forcing me to fill in the blanks Sheila. Thank you very much.

Let's start with the popaganda Sheila has gratuitously included in her staff memo. Look at the fonts of the language under the Background portion of Sheila's staff memorandum. Starting with the words "The coronavirus disease.." on page 162 of the Board packet through the words "'Becoming a Hero' makes you feel good" on page 163 of the Board packet, we have a different font! Now why is that Sheila? Could it be that you asked Vitalant to provide you with their propaganda so you could copy and paste it into the body of your staff memorandum? As if these were your words? And we're supposed to believe any of it as if it were coming from our staff? We won't be heros unless we agree to give away our facilities at no cost to a favored collaborator? Come on Sheila. I think we'll be heros if we terminate the employ of at least 30% of the staff under your supervision.

And I didn't realize it was your job to be wing man/cheerleader for third party favored collaborators? I thought you owed your 200% loyalty to we the public?

Let's transition to POLICY AND PROCEDURE RESOLUTION NO. 141 RESOLUTION 1895. Shall we? "Community Focused Non-Profits shall be eligible for complimentary or discounted use of District facilities and recreational programs as set forth in applicable Board of Trustees Policies and Practices. **Eligible non-profits shall be a local non-profit, a national non-profit with a local chapter, or local government agency or school district providing services to the local community. Local shall be defined as the Incline Village/Crystal Bay community."**

Okay. Is Vitalant an Incline Village/Crystal Bay non-profit?
Is Vitalant a national non-profit with an Incline Village/Crystal Bay chapter?
Is Vitalant a local government agency?
Is Vitalant a school district?

Since the answers to these questions are no, no, no and no, why have you given Vitalant the time of day? Why didn't you just tell them no? And why have you caused this item to be placed on the BOT's agenda for possible approval? You ask members of our community to "contribute to our community? Or contribute to Vialant's bottom line (see discussion below)? You be the judge Board members.

WHY HAVE YOU PLACED THIS MATTER ON THE BOT'S CONSENT AGENDA? So hopefully approval will be slipped through with the other consent items? Sorry Sheila. Your motives are DIRTY insofar as I am concerned. The same dirt behavior that has plagued this District for years. I keep talking about our employees being dirty. And here's another example. If you as a Director, no less, can't even follow Board Policy, you shouldn't be a District employee. It's that simple. Got that Board?

But wait. There's more and it gets WORSE if you can believe. At page 163 of the Board packet you state Vitalant's proposed Premise Use Agreement "has been reviewed and modified by IVGID's Legal Counsel." Really Sheila? IVGID's Legal Counsel is the BOT's Legal Counsel. NOT YOURS. Don't you recall we made this so perfectly clear more than a year ago with Josh? So who asked Sergio to review the agreement? And modify the agreement? And incur a cost of nearly \$300 per hour which would be billed to the General Fund? You know. The Fund Bobby Magee has told us runs out of money this fiscal year. Wasn't it you Sheila? And if the answer is yes, WHO AUTHORIZED YOU TO INCUR THIS EXPENSE? Did you go to Mike Bandelin and get his approval ahead of time? Or did you just come up with the justification yourself? It's getting DIRTIER Board members. I know you're just so in love with Sheila and her crew. But take a step back and look at what's going on here. More crap like the stunt revered Kate Nelson pulled off with the propose HDR Engineering rate study update agreement. Stupid me did a records request to find out how much good ole Kate unnecessarily cost us. Also I wanted written confirmation of who asked Sergio to do this work. And how did staff respond? NO PUBLIC INFORMATION. And my request for e-mails between whoever asked Sergio to do this work and Sergio's staff's response was none of your business. This is privileged information between an attorney and his client (remember, Kate Nelson wasn't and isn't Sergio's client). So stonewalled again. Just like the good old days!

So if I ask for the same information between Sheila and Sergio, how do you think staff is going to respond? And this is acceptable. Damn it get the information and share it with the public. And if it's embarrassing to Kate Nelson or Sheila Leijon, too bad! And if they don't like it, or think I am bullying them, I've got a message for both. Go work for Brad Johnson like the rest of our loser past employees who jumped ship and went to work for Brad did.

I know you make a big deal about telling us this giveaway is at NO COST to the District. But how much was the cost with Sergio? Did he waive all of his fees because he believes the propaganda included in your staff memo? Or are we on "the hook" for this NO COST item? And assuming the latter, how much are we on the hook for Sheila? \$500? \$1,000? How much Sheila. And is this part of your definition of "NO COST?"

Let's look and the proposed agreement itself. Let's see the benefit we received from paying Sergio to represent our interests.

Although Sheila tells us use of our gymnasium will be between 11 AM - 3 PM (page 161 of the Board packet), ONLY MID-DAY, that's not what the agreement says. Section 1 - 9 AM - 4 PM. That's all day Sheila. Isn't it? And aren't your statements to the contrary deceptive as hell? Or what I would call...you got it. Dirty.

And I love this one. "This Agreement will have a term of one (1) year, beginning on the Effective Date." So "additional dates and times may be agreed upon by the parties during the Term which shall NOT require a written amendment to this Agreement." You mean this won't be a one time "NO COST" event? And you, Sheila, won't have to come to the Board next time to secure approval for future similar events? Bueller? Bueller?

How about this one at section 6 of the agreement? "Contractor (that's IVGID, right Sheila?) acknowledges that it may have access...to confidential information of VITALANT as a result of VITALANT's use of the premises." Really? What confidential information? Well how about the identities of and contact info for the donors giving away their blood to Vitalant. So Vitalant can hit them up for cash donations (yes Vitalant gladly accepts cash in addition to blood). So Vitalant requires us "to protect and maintain as confidential any such information, including, but not limited to, any and all donor(s)..." Wait a minute. Aren't OUR donors OUR confidential information? Shouldn't Vitalant be protecting our customers' confidential information? Oh. But we're being compensated for our covenant to protect Vitalant's confidential client information, right? No and no. It's "No Cost" stupid. Right Sheila?

Who reviewed this agreement on our behalf? And they charged us? So we could agree to bush league provisions such as these? Come on...

But wait. There's more. Really? Word has it Sheila has ALREADY signed the proposed use agreement with Vitalant even though the Board hasn't approved entrance into it. Is this true Sheila? And if so where have you gotten off doing something like this? Why have you even agendized this matter? As a formality after the fact? To make it look different than it really is? And you know, don't you, that Vitalant/you are already advertising this event? Well sure you do! Just go to: <https://www.yourtahoepace.com/events/incline-community-blood-drive>. Or look at the article in the Tahoe Tribune: <https://www.tahoedailytribune.com/news/blood-donations-urgently-needed-to-maintain-supply-for-patients-in-tahoe/>. It's a done deal. Right Sheila?

And why are we giving our recreational facility away for Vitalant's use? Why not Raley's Shopping Center or the Hyatt Hotel? Ooops! Apparently Vitalant held a blood drive at the Hyatt on February 8. Where our community members could become heros without having to wait around until February 26 to participate in your shindig. What exactly is par on being a hero in Incline Village? Bueller? Bueller?

But wait. There's more.

What do you know about Vitalant? Shouldn't you educate yourself before you jump hook, line and sinker into their propaganda? Assuming you know as much as you know about BOT policies, why are you opening your mouth with accolades as you have done in your staff memo?

Formerly known as Blood Systems, Inc., on Sep 24, 2018 - 10 blood center brands, research institute and specialty laboratory united as one cohesive brand under the new name Vitalant (<https://c212.net/c/link/?t=0&l=en&o=2243143-1&h=3778086531&u=http%3A%2F%2Fwww.vitalant.org%2F&a=Vitalant>). Unifying the combined capabilities and national (as opposed to local) presence of the organization's many brands, Vitalant brings together the benefits of a cohesive centralized support structure and enhanced research opportunities to advance transfusion care and reach people most in need. It also reflects a commitment to donors to ensure a consistent and seamless experience across all centers and blood drives. Vitalant's 127 nationwide donation centers and 30,000 mobile blood drives welcome more than 780,000 **volunteer blood donors** who supply 1.8 million donations per year. You mean our blood donors are volunteers? They don't get paid?

Cha cha ching (see below).

Then it turns out a former Spokane blood bank foundation leader filed a whistleblower complaint against Vitalant. Did you know about this one? "I want the public to be aware and want the attorney general and the state of Washington to understand **the greed and under-handedness that's happening**," she said. Greed and under-handedness? Is that word speak for it's what being a community is all about?

Continuing with the article, "I hope the attorney general will hold them (Vitalant) to being a grant-making private foundation." Read about it here Sheila and Board members: <https://www.spokesman.com/stories/2019/jan/08/former-blood-bank-foundation-leader-files-whistleb/>. What does this whistleblower want us to know? "Converting the nonprofit to a type 3 supporting organization, which has fewer regulations and restrictions and typically exists to fund one organization...(This) could give control of foundation assets to Vitalant, separating the foundation from its original mission instead of providing grants to the community." And you had the gumption Sheila to recommend this type of an operation to the good people of Incline Village/Crystal Bay?

How about this one Sheila? "Blood Donors Aren't Getting Paid, But Their Blood Is Being Sold." Although this article is about the Red Cross, I've been informed that the same business model has been plagerized by Vitalant. "We operate on a cost recovery basis, not profit...We supply approximately 40 percent of the nation's blood supply. In order to recover the cost of recruiting blood donors and testing of blood, we recover that cost by being reimbursed by hospitals." This sounds like re-selling to me. What about you? Continuing, this money is "spent...on recruiting donors, testing blood and paying staff." Read about it here: <https://otenews.com/blood-donors-arent-getting-paid-but-their-blood-is-being-sold/>. Right?

We know Vitalant pays NOTHING to the good people of Incline Village/Crystal Bay who will be donating blood because you told us. So what does it charge hospitals and others? I hear starting at \$160/unit. And going higher in price depending upon the type of blood being furnished. Have you determined yourself Sheila, what Vitalant charges? Have you examined the form 990 statement of finances for Vitalant? A summary for 2022 is published at <https://projects.propublica.org/nonprofits/organizations/860098929> and it discloses the following:

Revenues \$700 million;
Total Assets \$811 million;
Liabilities \$236 million; and,
Expenses \$689 million (what else would you expect? It's a non-profit. Right?)

But only in name.

Let's start with revenues sources. I like this one. Apparently Vitalant can't label its sale of blood as the sale of blood (apparently outfits like Vitalant "operate on a cost recovery basis, not profit...In order to recover the cost of recruiting blood donors and testing of blood, we recover that cost by being reimbursed by hospitals"), so it calls this revenue source "program services." Kind of like IVGID calls revenues "sources" and expenses "uses."

Okay. How much in "program services" does it charge? Ready for this one? A whopping nearly \$624 million annually! That's million as in "money" Sheila. Cha cha ching! And you wonder why it costs so much to go to the hospital?

Now let's take a look at some of the notable expenses:

Executive compensation - \$7.56 million
Other salaries and wages - \$293.1 million

Key employees and officers:

President/CEO David Green - \$1.427 million
COO Rober Van Tuyle - \$777.7K
CMO Ralph Vassallo - \$701.8K

That's nearly 43% of revenue going to vital salaries and executive compensation! And they just can't seem to come up with a buck to pay us for use of our facilities. Pitty!

And you have the gall Sheila to refer to these people as "our partners?" You play the guilt game of "community building," You play the "coronavirus disease card affecting millions of people." You tell us "there is little to no business impact." Really? Our community's "priceless donation" (all at page 162 of the Board packet).

Which apparently does have a price tag! It's nearly \$624 million!

How about this one Sheila? You promote the Rec Fee and state it pays for payors' availability to access and use the Rec Center gymnasium when they elect to use it. Right? Okay. I want to use the Rec Center gymnasium on February 26, 2024. Is it available to me? Assuming the answer is no, do I get a refund of my RFF? Of course not. Stupid me. And wonderful you Sheila. Right? Bueller?

Okay. This is an isolated incident. Right Sheila? Just this one incident. WRONGO. Didn't you pull the same stunt a month or so ago with your buddies at IVCBA? You remember. "NO COST" use of the Rec Center's parking lot for their "so called" job fair. You know the fair when IVCBA reportedly charged job seekers \$50 each to attend the fair? And the District provided free refreshments to attendees. How much did this "no cost" actually cost the District? About the same as this proposed event?

Okay. How many other undisclosed IVCBAs or Vitalants have you pulled this same stunt with? Are we really supposed to believe these are just the only two examples? I've said this before. Frank and I may have been born at night. Just not last night. And I say this to Bobby Magee. If you're looking where to go on your forensic audit, how about going to the Rec Center and having a little talk with Sheila Leijon?

We don't lose enough money at the Rec Center Sheila so we can lose a bit more giving away our recreational facilities FOR FREE? So this favored collaborator can make money off we local parcel owners using our facilities at "NO COST?" It's the IVGID way! It's what being a village is all about.

And then you throw in this gratuitous opinion: "For these reasons and many more, staff is requesting the BOT approve the Draft Premise Use Agreement." Really, Is this staff's opinion? Are you for real Sheila?

Stupid me. I have a couple of suggestions.

Under V. Alternatives, we're told the BOT can **"NOT approve the Draft Premise Use Agreement, and deny use of the Gymnasium."** Even though Sheila has allegedly already entered into it. This is the preferable option. Do not approve the proposed agreement, and deny Vitalant use of our Rec Center gymnasium.

Or, KILL THIS DEAL. Tell Vitalant they can't use our Rec Center. And to compensate them for the hidden promises Sheila apparently made to them, let's just write them a check for \$2,000. Kind of like "hush money" we pay disgruntled employees to keep their mouths shut. Just our way of saying "sorry." And this way least the real cost to us will be less than playing Sheila's little charade game.

Finally, let's agendize the termination of Sheila as a District employee? Just like you should have done with the many other dirty employees I have called to your attention. Do I really need to share more?

Thank you for your cooperation. Respectfully, Aaron Katz

WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 14, 2024 MEETING – AGENDA ITEM C – PUBLIC COMMENT – WE HAVE A PUBLIC EMPLOYEE WHO IS RUNNING HIS OWN BUSINESS WHICH DIRECTLY COMPETES WITH HIS EMPLOYER. AND THERE'S NOTHING WRONG WITH THIS? AND WE HAVE ANOTHER PUBLIC EMPLOYER WHO IS BEING PAID TO WORK DOING THE IVGID WORKDAY AND HE'S WORKING FOR SOMEONE ELSE. AND THERE'S NOTHING WRONG WITH THIS?

Introduction: Can it get any worse? Yes it can. And here's yet "another one" as my friend DJ Kahled would say¹. More evidence of Board and staff incompetence, lies, deceit, a lack of transparency, a lack of ethics, a lack of oversight, and internal controls, and a flagrant disregard for the truth and financial sustainability of the District. Wow! Here we have long time Public Works employee Tim Buxton who set up his own business, out of his house in Incline Village, to directly compete with his employer insofar as mandatory backflow prevention device testing and repair. And we have Rec Center Tim Kelly who is working for someone else during the IVGID workday, while he gets paid by us. An both of these behaviors are supposed to be acceptable? And ethical? And what is our Board doing to put an end to this behavior? NOTHING! And that's the purpose of this written statement.

IVGID Public Works Employee Tim Buxton is Competing Directly With His Employer in The Business of Testing And Repairing Incline Village/Crystal Bay Backflow Prevention Devices: That's right! He and his wife set up a company, B&L Backflow Testing, which competes directly with IVGID insofar as backflow prevention device testing and repairs are concerned. Which means he's taking away revenue from his employer. Which is creating more net expenses which need to be covered by the utility rates, tolls and charges all local parcel owners are compelled to pay. And this is ethical? And acceptable? And I'm the problem person for exposing this wrongdoing to the Board and the public?

IVGID Recreation Center Employee Tim Kelly Has Another Job During the IVGID Workday While He Gets Paid by IVGID in Addition to His Other Employer: That's right! Tim is and for some years has been the head Boy's Basketball Coach for Incline High. He regularly leaves his IVGID job in the afternoons so he can coach the Incline High boy's basketball team. And when the team travels, Tim travels with them. Even if it means he must be absent from his IVGID job. Like this coming Friday (February 16, 2024) when he travels with the team to West Wendover. And even though Tim isn't at his IVGID job, he gets paid by us as if he were. And this is ethical? And acceptable? And I'm the problem person for exposing this wrongdoing to the Board and the public?

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

My February 14, 2024 E-Mail to The Board: wherein I put the Board on notice of these two wrongful acts is attached as Exhibit "A" to this written statement. Rather than me regurgitating everything I shared with the Board, I refer the reader to the exhibit attached.

Conclusion: So you see the more things change, the more they remain the same. The District is just as dirty as it has always been. The characters and their attitudes may have changed. But at the end of the day, this place is as dirty as ever! And this is really the definition of a criminal syndicate². Dirty players come or go. But in the end, the organization survives to engage in racketeering activities!

And now you the reader may have a better idea of what the District's RFF and BFF really pay for which you can see for yourself have nothing to do with making public recreational and beach facilities available for local parcel owners' access and use.

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

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

EXHIBIT "A"

Can It Really Get Any Worse? You Betchum! February 14, 2024 BOT Meeting Agenda Item C - Public Comment - Our Revered Tim Buxton Competes With IVGID

From: <s4s@ix.netcom.com>
To: Schmitz Sara <schmitz_trustee@ivgid.org>
Cc: Bandelin Mike <MLB@ivgid.org>, <bma@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>, <bma@ivgid.org>
Subject: Can It Really Get Any Worse? You Betchum! February 14, 2024 BOT Meeting Agenda Item C - Public Comment - Our Revered Tim Buxton Competes With IVGID
Date: Feb 14, 2024 10:34 AM

Chairperson Schmitz and the Other Honorable Members of the IVGID Board -

Well can you believe this one? I keep telling you that essentially everything that goes on here is (Judy won't let me use the word I want to use. But you know). And wrong. And unethical. And hidden from the Board and the public. As I've demonstrated to you BOT members so many times before, we're really nothing less than a criminal syndicate! Wake up and smell the coffee Mrs. Bueller. And you too Bobby Magee! Because if you think there's anything good and moral here, you're sadly mistaken.

I keep telling you that if you give me a subject of how wonderful IVGID is, and how wonderful our employees are, and I will dissect what you've given, get to the core of the onion, and expose the District and its employees for what they really are. And how we local parcel owners are being forced to involuntarily finance everything that's wrong in the District.

Don't believe me? Let's examine another one of our revered Public Works employees, Tim Buxton. This is after just today, I've again pointed you to our (I can't use the word) employees Kate Nelson, Sheila Leijon and Heidi White. That isn't enough for one meeting? Okay. Now we're going to add the "Timothys" who work for us. Buxton and Kelly.

You know Tim Buxton, don't you? He's one of our longest tenured employees. A compliance supervisor working out of Public Works. Being paid nearly \$10K per month in salary plus benefits costing the public a combined \$161K per year (according to transparentnevada.org).

So what work does Tim perform for us? Primarily, the inspection and repair of local parcel owners' backflow prevention devices as mandated by our water ordinance. You know. If you have an irrigation system, or the heat in your home is provided by a water boiler, or if you have sprinkler fire prevention system, you are required to have a separate backflow prevention device. And for every one of these devices you have, you are required to have it checked yearly for compliance adhering to the District's requirements. And the District provides this testing service, and charges each of us \$75 per device to inspect the same. Right?

So did you know we're not compelled to use IVGID and Tim to test our devices? We can go to any certified third party to perform the same work. And then that third party sends in its inspection report to...guess who...Tim Buxton...to satisfy that local parcel owner's backflow prevention device inspection requirement(s). Tim must insure that the person who performed the inspection is certified. Tim must review the inspection to insure it is complete. And then Tim must insert the particulars into the District's records.

Well do you know who these certified third parties are? Why don't you do a google search to learn for yourself? Type in the key words "backflow inspections incline village." And guess who's number 1 or 2 in response? B&L Backflow Testing (<https://bandlbackflow.com/>). What does this outfit do? According to its web site (<https://bandlbackflow.com/services>), "Annual Backflow Testing and Repair (to) ensure...the proper functionality of...Backflow Prevention Devices." Okay, who are the owners/officers of this outfit? According to the Secretary of State, under officer information, Timothy Buxton is the "managing member." Who is the agent for service of process? Linda Buxton, his wife. Where is this

outfit located? According to the Secretary of State, 472 WINDING WAY, INCLINE VILLAGE, NV, 89451, USA." Okay. Who owns this parcel? According to the County Assessor, Timothy and Linda Buxton. How long has B&L been in business? According to the Secretary of State, since February 21, 2002.

Okay. Does Tim's company perform backflow prevention device testing and repair in Incline Village/Crystal Bay? Yes it does! How do I know this? I know some local parcel owners who use B&L's services. Do I really have to come up with names? Why don't you ask Timmy how many of our customers he's ripped off for himself?

And when Tim's company sends in its inspections to Public Works so they can be confirmed by the District and their information entered into our records, who is the IVGID employee who is doing the examination and entry? You've got it. Timothy Buxton.

So here we have a valued employee who is actively competing with his employer in the business of his employer. And every time Tim's company performs a backflow prevention device inspection in Incline Village/Crystal Bay, he is depriving his employer of revenues which could result in lower water rates and charges for all of us! Thank you Timmy. And glad you shared all of this with the Board and the public before today.

Is there anything wrong with what Tim is doing and apparently has been doing since 2002? You know, your conscious mind knows many things about many subjects. But your sub-conscious mind just knows. What does your sub-conscious mind tell you about the ethics of what Tim is doing and has done? Do I really have to go any farther?

So it turns out what Tim is doing was turned over to our Audit Committee. For investigation in accordance with our whistleblower policy (<https://www.yourtahoeplace.com/ivgid/resources/ivgid-whistleblower-procedure>). You know. Our policy against "Misconduct and/or reasonable suspicions of misconduct in accordance with the District's Whistleblower Procedure...Misconduct means (a) questionable or improper accounting or auditing matters, (b) violations and suspected violations of federal, state, local laws, and (c) violations and suspected violations of IVGID Ordinances, Policies, Practices and Resolutions." Did you know about this one Board members? How about you Bobby Magee? Did you know about this one?

And what did our Audit Committee do? Well they turned the matter over to HR Director Feore, and our attorney for investigation and report. You know. Rather than turning the matter over to a fair and impartial source, we turned it over to the wolf guarding our hen house. And what the Committee apparently learned, is that Tim wasn't doing anything wrong. Even though he was using IVGID materials as part of his competing business. And why wasn't Tim doing anything wrong?

First and unbelievably, we have no specific policy (as if we need such a policy) that prevents what Timmy has been doing. And second, apparently Tim asked his former boss (Joe Pomroy) if his competing business was okay, and allegedly Mr. Pomroy told him yes. Can you believe this? Now why did Timmy ask Pomroy this question? Because in Timmy's heart of hearts, he knew that this was improper conduct. But he wanted to cover his behind, so he asked a co-worker who he knew had less ethics than he. Remember, you're sub-conscious mind just knows!

Well I'm sorry. I can't give Timmy and pass! And even if what Tim has been doing for 21 or more years is not impermissible and unethical insofar as his employer is concerned, today it is and the public demands that you Board members do something. Like what you're probably asking because you're incapable of thinking in an ethical manner? How about this one: Tim, according to former President George Bush, you need to choose if you want to work for us, or the terrorists. In other words, divest yourself of your competing business or terminate your employ with the District. Is this such a difficult thing to comprehend? And why hasn't interim GM Bandelin come up with this one? Why is it I have to be the one? Because none of you know the difference between right and wrong. And Erin Feore doesn't know the difference. And our attorneys don't know the difference because they're too busy trying to run interference for our unethical employees. But you the reader know what's right and wrong. And what Tim is doing is WRONG!

Well guess what. It's not just Tim Buxton. How about Timothy Kelly? Tim Kelly is another revered employee in our Parks Department. And according to transparentnevada, this "Tim" is being paid nearly \$99K annually in salary, and \$138K in salary and benefits. But like Timothy Buxton, Timothy Kelly doesn't beat his drum to a single master. He has a job with the WCSD as a head coach for the boys' basketball team. He gets paid a salary from IVGID, and a second salary from WCSD. He lets his WCSD team use IVGID's basketball facilities for no charge. Because it's what being a community is all about. He leaves his IVGID job on afternoons, to become the head coach for his WCSD boys' basketball team. Even though this is part of the IVGID work day, according to this Tim he is working on his "off time." Right!

And then this Tim takes off WCSD basketball team travel days, when he would and should otherwise be working for IVGID. And of course this isn't during his IVGID work day because he's going to work an extra hour for the next 14 weeks, at no additional pay, to make up for it. I'm sorry, in my mind, this is the same type of conflict of interest as the other Tim is guilty of. And no one has figured it out that thought that this Tim should be offered the same choice of working for the WCSD as a basketball coach, or working for the District? But not both?

Well where did Tim learn that he could work as unethically as the other Timmy? He looked to his boss' version of Joe Pomroy. Indra Winquest! Indra was pulling the very same stunt for years. I guess this Tim figured that if his boss could cheat the public and get away with it, so could he.

And this Tim had another valued colleague to look at for guidance. Do you remember we used to have a former employee by the name of Goddard who pulled the same stunt with his kids sports team?

And then we need to listen to that tennis pro coach who gave public comment at the last BOT meeting in favor of spending millions of dollars on new tennis courts. Remember? Didn't he tell us he gives tennis lessons to the kids on OUR tennis courts? And the kids pay nothing for use of our tennis courts. I got it. It's what being a community is all about.

It just goes on and on and on. It never ends. We never learn anything by our past mistakes. We continue to lose nearly \$7 million annually on intentional overspending, and you wonder why? We never put our feet down and say that's it. There's a new sheriff in town, and he/she isn't going to put up with this crap anymore.

Take charge and demand that both Tim's quit their jobs with the WCSD or alternatively, quit their jobs with us. And then adopt a formal policy which prevents garbage like this from happening. I can't believe that Board members have to fill out forms in accordance with their external entity involvement (see pages 23-35 of the Board packet), and yet Tim and Tim don't?

Thank you. Respectively, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR FEBRUARY 14, 2024 MEETING –
AGENDA ITEM E(1) – GM REPORTS – WHERE ARE MY RECORDS THAT
YOU INTENTIONALLY MIS-STATE WERE MADE AVAILABLE FOR
MY EXAMINATION/**

Introduction: Can it get any worse? Yes it can. And here's yet "another one" as my friend DJ Kahled would say¹. More evidence of staff incompetence, lies, deceit, lack of transparency, lack of ethics, lack of oversight, lack of internal controls, and a flagrant disregard for the truth and financial sustainability of the District. Wow! How much of this am I required to share with the Board until you members get it? And do something about it? For years Susan Herron concealed public records which were embarrassing to her fellow co-workers, and/or shielded them from the unlawful or unethical conduct which they were guilty of. And then this Board finally woke up and directed our interim GM to terminate her employ. And then we got a new employee to take over Ms. Herron's Public Records Officer duties; Heidi White. So it was curious to me how long it would take for Heidi to become totally seduced in her fellow co-worker's ways? What I call the IVGID culture. Well now we now. Because it's business as usual insofar as public record concealment is concerned. And that's the purpose of this written statement.

My February 13, 2024 E-Mail to The Board: wherein I put the Board on notice that our interim GM and our Board Clerk weren't and aren't being truthful with the Board and the public when they represent my public records request has been honored and completed. What I was trying to discover was the wasteful cost the public incurred when interim Public Works Director attempted to contract with HDR Engineering for an unnecessary updated water/sewer rate study. This e-mail is attached as Exhibit "F" to this written statement. Rather than me regurgitating everything I shared with the Board, I refer the reader to the exhibit attached.

Conclusion: So you see the more things change, the more they remain the same. The District is just as dirty as it has always been. The characters and their attitudes may have changed. But at the end of the day, this place is as dirty as ever! And this is really the definition of a criminal syndicate². Dirty players come and go. But in the end, the organization survives to engage again in racketeering activities!

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

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

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

EXHIBIT "A"

Public Records Request Log

Friday, February 9, 2024

Due Today:	1
Overdue:	1

Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due by	Assignment to
		Complete	Monday, September 11, 2023	Katz, Aaron	NVEnergy replacement - helicopter charges	9/12/2023	
		Complete	Monday, September 11, 2023	Barth, Megan	Banking information, reconciliations, salaries and benefits, general ledger	9/12/2023	
		Complete	Monday, September 11, 2023	Hicks, Joshua	Golf Genius emails	10/24/2023	
		Complete	Tuesday, September 19, 2023	Becker, Mary	Employment Contracts for Dobler, Schmitz, Dent and Tulloch	9/19/2023	
		Complete	Wednesday, September 20, 2023	Dobler, Cliff	3 invoices: Granite Construction	9/21/2023	
		Complete	Thursday, September 21, 2023	Johnson, John	Vote Tally - Golf Advisory Committee	9/21/2023	
		Complete	Friday, September 22, 2023	Wright, Frank	Submission by Trish McKowen read at the 09/19/2023 BOT meeting	9/27/2023	
		Complete	Monday, September 25, 2023	Dobler, Cliff	Invoices from Silver State Law	10/4/2023	
		Complete	Tuesday, September 26, 2023	Riner, Dr. Myles	Emails: Schmitz and Winquest during 09/11/2022 to 09/14/2022	9/26/2023	
		Complete	Tuesday, September 26, 2023	Dobler, Cliff	Correspondence between Granite and Silver State Law from 9/1/2022 to	9/26/2023	
		Complete	Wednesday, September 27, 2023	Katz, Aaron	Travel to Nat's Recreation and Parks Ass'n Convention in Dallas, TX in	10/2/2023	
		Complete	Monday, October 2, 2023	Usinger, Carolyn	Complaint Documentation from 7/12/2023 BOT Meeting		
		Complete	Monday, October 2, 2023	Usinger, Carolyn	Pricing Practice - Older Versions	10/2/2023	
		Complete	Thursday, October 5, 2023	Usinger, Carolyn	Personnel/HR Policies to include whistleblower anti-discrimination and	10/9/2023	
		Complete	Monday, October 8, 2023	Dobler, Cliff	Emails from Carey to Dobler between 8/1/2020 to 1/31/21	10/9/2023	
		Complete	Monday, October 9, 2023	Dobler, Cliff	Estimates - Engineering Department	10/26/2023	
		Complete	Thursday, October 12, 2023	Katz, Aaron	Senior Transportation	10/12/2023	
		Complete	Monday, October 16, 2023	Wells, Kristie	Emails - Schmitz to Golf Advisory Committee	10/23/2023	
		Complete	Friday, October 20, 2023	Katz, Aaron	TCF - Rockfest	11/1/2023	
		Complete	Tuesday, October 24, 2023	Becker, Mary	Emails - Schmitz and Krasner	10/25/2023	
		Complete	Tuesday, October 24, 2023	Courtney, Cindy	Agreement between IVGID and NVEnergy	10/24/2023	
		Complete	Thursday, October 26, 2023	Katz, Aaron	Lawn Mower service hours and service/maintenance records	10/26/2023	
		Complete	Friday, October 27, 2023	Homan, Mick	Emails on a variety of topics from 5/1/2023 to 8/1/2023		
		Complete	Friday, October 27, 2023	Dobler, Cliff	Listing of Kitchen Equipment from 8/9 Packet	10/30/2023	
		Complete	Friday, October 27, 2023	Katz, Aaron	P-Card: 1/1/2019 to present, Allen, Riley and Rau	12/13/2023	Accounting/ Finance
		Complete	Saturday, October 28, 2023	Dobler, Cliff	Brycon Contract and Amendment along with McCuen Construction bid	11/10/2023	
		Complete	Tuesday, October 31, 2023	Dobler, Cliff	Maintenance records for Championship Golf course equipment from 8/1	11/7/2023	
		Complete	Saturday, November 4, 2023	Katz, Aaron	Agreement for purchase/ sale of Sister Bay pool deck furniture (Burnt C	11/7/2023	Parks, Rec. & Beaches
23-099	4.5 hrs	Complete	Sunday, November 5, 2023	Gumz, Joy	Fixes asset Physical Inventory and general ledger sheets for each depart	11/6/2023	Accounting/ Finance
23-100	1.5 hrs	Complete	Sunday, November 5, 2023	Dobler, Cliff	Statement of qualifications from Byron and McCuen Construction RE: D	11/10/2023	Public Works
23-101	1.5 Hours	Complete	Thursday, November 9, 2023	Dobler, Cliff	Correspondence regarding 2018 conversation with Dobler and IVGID Em	1/25/2024	Human Resources
23-102	30 min	Complete	Saturday, December 23, 2023	Dobler, Cliff	Emails from Dobler to Herron stated in 10-01-2020 draft letter Dee Carey	1/25/2024	Human Resources
23-103	30 min	Complete	Thursday, November 9, 2023	Dobler, Cliff	request 10-06-2023 Dee Carey e-mails	1/25/2024	Human Resources
23-104	30 min	Complete	Thursday, November 9, 2023	Dobler, Cliff	Request file on Cliff Dobler	1/25/2024	Human Resources
23-105	1.5 hrs	Complete	Monday, November 13, 2023	Gumz, Joy	1) 12/15/2020 to 01/18/2022, Asset service records repair transaction cl	1/25/2024	Human Resources
23-106		Complete	Monday, November 13, 2023	Gumz, Joy	2) Attendance / timekeeping records for all employees for the calendar	Extended	Human Resources
23-107	30 Minute	Complete	Monday, November 13, 2023	Gumz, Joy	3) Labor distribution report for calendar year 2022 GL Detail	11/17/2023	Human Resources
23-108	30 Minute	Complete	Wednesday, November 22, 2023	Dobler, Cliff	IVGID Request for Qualifications DP Coolers and Prep Reconfiguration	11/22/2023	Public Works
23-109		Complete withdrawn	Monday, November 27, 2023	Wright, Frank	IVGID payments to IVCB Business Alliance (IVCBA) for the past three	11/28/2023	Parks, Rec. & Beaches
23-110	10 Minutes	Complete	Tuesday, November 28, 2023	Van Mittenburg, Jan Willem	De PGA Members/ Professional golfers receive Reduced Green Fee	11/29/2023	Golf Course
23-111		Complete (withdrawn)	Wednesday, November 29, 2023	Frank Wright	Who Authorized the use of IVGID logo	12/05/2023	Interim General Manager
23-112		Complete (withdrawn)	Wednesday, November 29, 2023	Wright, Frank	Who gave permission to IVCBA to use the parking lot for Job Fair, who	12/5/2023	Interim General Manager
23-113		Complete (withdrawn)	Wednesday, November 29, 2023	Wright, Frank	who authorized our involvement and how much did it cost IVGID	12/5/2023	Interim General Manager
23-114		Complete (No record)	Wednesday, November 29, 2023	Gumz, Joy	Provide the Date(s) the Fixed Asset Physical Inventories were performed	12/6/2023	Accounting/ Finance
23-115	1.5 hrs	Complete	Monday, December 4, 2023	Miller, Judith	Table of Approved Pesticides for FY 22-23 including grade & class	12/4/2023	Human Resources
23-116	1.0 hrs	Complete	Sunday, December 3, 2023	Dobler, Cliff	Executed Agreement between IVGID and Diamond Peak Ski Education	12/6/2023	Clerk
23-117	2.0 hrs	Complete	Sunday, December 3, 2023	Dobler, Cliff	provide Opinion of Probable Construction Costs (OPPC)- July 2023 - E	12/7/2023	Public Works

Public Records Request Log

Friday, February 9, 2024

The Today
Overdue

Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due	Assigned to
23-118	1.0 hrs	Complete	Sunday, December 3, 2023	Dobler, Cliff	Request - Agreement between IVGD and Federal Gov on the wetlands	12/9/2023	Public Works
23-119	1.0 hrs	Complete	Saturday, December 9, 2023	Wright, Frank	Request - Offer Letter to Ms. Heron for her promotion, signed by then G	12/15/2023	Human Resources
23-120	2.0 hrs	Complete	Sunday, December 17, 2023	Wright, Frank	Request - S. Heron's Bi-monthly paystub's records for pay periods 09-1	12/18/2023	Human Resources
23-121	0.5 hrs	Complete	Monday, December 18, 2023	Wright, Frank	Request - copy of all applications for Director of Administrative Services	12/20/2023	Human Resources
23-122	2.5 hrs	Complete	Monday, December 18, 2023	Wright, Frank	Names interview committee with time and date of interviews held for Ad	12/20/2023	Human Resources
23-123	4.0 hrs	Complete	Tuesday, December 19, 2023	Dobler, Cliff	NLTPFD - Amendment to cooperative Agreement with IVGD	1/9/2024	Accounting/ Finance
23-124	2.5 hrs	Complete	Tuesday, December 26, 2023	Taniguchi, Michaela	Provide all invoices from BBK Law - dates 01/01/2021 to present.	12/28/2023	Accounting/ Finance
23-125	2.5 hrs	Complete	Tuesday, December 26, 2023	Gumz, Joy	Attendance/ timekeeping records for All employees for CY 2023, 2021,	1/14/2024	Human Resources
23-126	30 minutes	Complete	Wednesday, December 27, 2023	Wright, Frank	All payments made to IVCBA and MOUs, Who provided authorization,	1/3/2024	Accounting/ Finance
24-001	1.0 hrs	Complete	Sunday, December 31, 2023	Dobler, Cliff	Please provide for my examination a listing of all charges to capital acco	1/8/2024	Parks, Rec. & Beaches
24-002	30 minutes	Complete	Wednesday, January 3, 2024	Kahrs, Linda	Please provide a copy of the contract and/or letter of agreement for whom	1/10/2023	Human Resources
24-003	30 minutes	Complete	Thursday, January 4, 2024	Kahrs, Linda	Please provide the Entity involvement reports have not included the Audit	1/15/2023	Clerk
24-004			Friday, January 5, 2024	Kahrs, Linda	I would like to receive the quarterly report prepared by the IGM on the V	2/14/2024	General Manager
24-005	1.5 hrs	Complete	Friday, January 5, 2024	Dobler, Cliff	According to sworn testimony by Kevin McKowen, an IVGD resident, I	1/25/2025	Human Resources
24-006	1.0 hrs	Complete	Friday, January 5, 2024	Dobler, Cliff	Please provide for my examination copies of the \$11,874 in charges an	2/1/2024	Human Resources
24-007	1.0 hrs	Complete	Saturday, January 6, 2024	Gumz, Joy	provide by email a copy of the General Ledger for July 1, 2022 - to date.	1/22/2024	Accounting/ Finance
24-008			Saturday, January 6, 2024	Wells, Kriabe	I would like to receive copies of all of the Director of Information Technol	2/13/2024	General Governance
24-009	30 Minutes	Complete	Monday, January 8, 2024	Katz, Aaron	1. Billings from BB&K re: review/approval proposed HDR Engineering co	1/12/2024	Public Works
24-010	30 Minutes	Complete	Monday, January 8, 2024	Dobler, Cliff	Request Granite IVGD correspondence: Diamond Peak Walk in Cooler	1/17/2024	Public Works
24-011	10 Minutes	Complete	Thursday, January 11, 2024	Kahrs, Linda	Please send me pdf copy via email of the executed contract with Rubin	1/18/2024	Accounting/ Finance
24-012			Thursday, January 11, 2024	Wells, Kriabe	I would like copies of all of the Interim Director of Finance emails from 1	4/15/2024	General Governance
24-013			Thursday, January 11, 2024	Homan, Mick	Please provide all emails, texts and/or other documentation sent in/tra	2/14/2024	General Governance
24-014	1.1 hrs	Complete	Friday, January 19, 2024	Wright, Frank	Did Shelia Iejon have the authority to make payments to IVCB/BA on be	01/25/2024	Accounting/ Finance
24-015			Friday, January 12, 2024	Katz, Aaron	Kate Nelson's staff time billed to Public Works (to include date services	2/9/2024	Public Works
24-016	10 Minutes	Complete	Tuesday, January 16, 2024	Homan, Mick	Please provide me with the updated terms and conditions and/or scope	1/23/2024	Accounting/ Finance
24-017	1.5 hrs	Complete	Tuesday, January 16, 2024	Dobler, Cliff	Please provide for my examination any and all invoices and any and all	1/23/2024	Accounting/ Finance
24-018	10 Minutes	Complete	Tuesday, January 16, 2024	Dobler, Cliff	Please provide for my examination the contract and scope of work with	1/23/2024	Accounting/ Finance
24-019			Friday, January 19, 2024	Dobler, Cliff	Please provide for my examination the Incident report filed by Darren Ho	2/14/2024	Human Resources
24-020	10 Minutes	Complete	Sunday, January 21, 2024	Cat	Please email me a PDF copy of the negotiated scope of work AND high	1/28/2024	Accounting/ Finance
24-021	15 Minutes	Complete	Friday, January 19, 2024	Katz, Aaron	1. Writings originating from IVGD offering Bobby Magee's firm the pos	1/26/2024	Accounting/ Finance
24-022	10 Minutes	Complete	Tuesday, January 23, 2024	Cat	Please provide a PDF copy of the Notice to Proceed issued to Rubin/En	1/28/2024	Accounting/ Finance
24-023	10 Minutes	Complete	Monday, January 22, 2024	Gumz, Joy	Update and Explain 8 digit expense organization GL Code	1/28/2024	Accounting/ Finance
24-024	15 Minutes	Complete	Wednesday, January 19, 2023	Katz, Aaron	To Bobby Magee - What is your your firm's compensation and benefits	1/25/2024	Accounting/ Finance
24-025			Monday, January 29, 2024	Gumz, Joy	1. Audited Financial statements from fiscal year 1988, fiscal year 1989,	2/28/2024	Accounting/ Finance
24-026	15 Minutes	Complete	Tuesday, January 30, 2024	Brstcher, Becky	Copies of the Winning Statements of Qualification for the following 2 pro	2/8/2024	Public Works
24-027	10 Minutes	Complete	Wednesday, January 31, 2024	Cat	May I have the Baker Tilly invoice listed on the most recent Treasurers	2/1/2024	Accounting/ Finance
24-028	10 Minutes	Complete	Thursday, February 1, 2024	McKowen, Patricia	Human Resources Cliff Dobler File which is now public Record	2/8/2024	Human Resources

III. ATTACHMENTS

January 2024 Venue Status Reports

Policy 22.1.0 –Reporting for October 1 to December 31, 2023

EXHIBIT "B"

Public Records Request

From: <s4s@ix.netcom.com>
To: "White Heidi" <hhw@ivgid.org>
Cc: <info@ivgid.org>
Subject: Public Records Request
Date: Jan 12, 2024 3:00 PM
Attachments: Kate.Nelson.staff.time.billed.2.PW.re.updated.HDR.Engineering.water.sewer.rate.study.1.12.2024.pdf

Attached -

Form wouldn't accept date.

In case description cut off, it is replicated below:

Kate Nelson's staff time billed to Public Works (to include date services provided, amount of time, description of services, hourly rate applied, out of pocket costs incurred) associated with:

1. Communications with HDR Engineering pertaining to an update of last June's (2023's) water/sewer rate study;
2. Familiarity with and researching water/sewer rate studies in anticipation of her request the Board authorize an update to last June's water/sewer study;
3. Preparation of staff memo and attachments included in Board packet for January 10, 2024 meeting;
4. Preparation for presentation of this agenda item to the Board on January 10, 2024;
5. Actual presentation of this agenda item to the Board on January 10, 2024.

Thank you. Aaron Katz



PUBLIC RECORDS REQUEST

Hand Deliver to:
 893 Southwood Blvd.
 Incline Village, NV 89451
 Attn: Public Records Officer

E-Mail to:
 info@ivgid.org
 Subject: Public Records Request

Date of Request	
Requestor Contact Information	
Name:	Aaron Katz
Organization:	
Address:	P.O. Box 3022
City, State, Zip:	Incline Village, NV. 89450
Phone:	408.741.1008
E-mail:	s4s@ix.netcom.com

Records Requested:
Check one: <input type="checkbox"/> Paper copies <input checked="" type="checkbox"/> Electronic copies <input type="checkbox"/> Certified copies <input type="checkbox"/> Inspection (in person)
<i>Please be specific and include as much detail as possible regarding the records you are requesting.</i> Kate Nelson's staff time billed to Public Works (to include date services provided, amount of time, description of services, hourly rate applied, out of pocket costs incurred) associated with: 1. Communications with HDR Engineering pertaining to an update of last June's (2023's) water/sewer rate study; 2. Familiarity with and researching water/sewer rate studies in anticipation of her request the Board authorize an update to last June's water/sewer study;

<i>To complete the request, the agency will need the following information:</i>			
<input type="checkbox"/> I will pick up	<input type="checkbox"/> Please FedEx Fed Ex billing number:	<input type="checkbox"/> Please send USPS	<input checked="" type="checkbox"/> E-mail (if format allows)

Office Use Only	
Request status:	
Date	
_____	Request received
_____	Receipt acknowledgement issued
_____	Request filled
_____	Estimated completion date
_____	Request denied in whole
_____	Other:

March 7, 2023

EXHIBIT "C"

PRR No.24-009 - RE: Public Records Request - BB&K Charges to Review Proposed HDR Engineering Agreement

From: <s4s@ix.netcom.com>
To: Info IVGID <info@ivgid.org>
Cc: Schmitz Sara <schmitz_trustee@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>, Bandelin Mike <MLB@ivgid.org>
Subject: PRR No.24-009 - RE: Public Records Request - BB&K Charges to Review Proposed HDR Engineering Agreement
Date: Jan 12, 2024 2:45 PM

Thank you Heidi -

You are wrong. And so is your Sergio if he is the source of the information.

NRS 49.095 makes clear that ONLY "confidential communications" are privileged. And between a lawyer and his/her client. Here there was not and is not anything confidential. And your Sergio knows this!

Board members (I'm sending you a copy), this is the same garbage I brought to your attention with Sergio's last form of legal services agreement. The client is NOT IVGID. It does NOT include staff. It's the IVGID Board. Period.

Further, there was nothing privileged about Kate Nelson's request to the Board's attorney to examine a proposed contract with HDR Engineering. Not all communications between an attorney and a client are privileged. Only communications intended to be confidential are privileged. NRS 49.055 defines confidential as "a communication is confidential" if it is not intended to be disclosed to third persons other than those to whom disclosure is in furtherance of the rendition of professional legal services to the client or those reasonably necessary for the transmission of the communication." Nothing here was intended to be confidential. Presumably all Ms. Nelson asked was for the attorney to review and approve the contract. If Ms. Nelson/the attorney assert otherwise, disclose what was intended to be confidential.

Moreover, if Sergio disagrees, Ms. Nelson WAIVED the privilege! That's right. Take a look at Ms. Nelson's staff memo on this subject (page 274 of the Board packet for January 10, 2024's meeting). There she states "the proposed agreement between the District and HDR Engineering Inc. has been reviewed by District Legal Counsel." The implication is that it has been approved by legal counsel. Therefore the subjects of review and approval are neither confidential nor privileged.

Nor was the attorney's response to Kate Nelson intended to be confidential. Therefore it is not privileged. Replying back that the attorney reviewed and approves of the contract was neither intended to be privileged nor was it confidential.

And if by some chance there is anything confidential contained therein, you can simply redact it and provide the remainder for my examination.

The fact of the matter is Ms. Nelson had no authority to engage the attorney's services and as a result of her actions she has unnecessarily cost local parcel owners hundreds if not thousands of dollars.

So I want to examine the communications. And I am putting the Board on notice of my request and your response because this is the same crap which has plagued this District for decades. Transparency doesn't exist in staff's vocabulary. And here we have another example. Ms. Nelson had no authority to make this request of the Board's attorney. So I want evidence of it to share with the Board and the public. And then we can have a discussion about what we do with public employees which breach their duties owed to the public.

And this is not the first time with Ms. Nelson Board members!

But let's get the evidence before we start with any accusations. Thank you for your cooperation. Aaron Katz

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

From: Info IVGID <info@ivgid.org>

Sent: Jan 12, 2024 1:10 PM

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

Subject: PRR No.24-009 - RE: Public Records Request - BB&K Charges to Review Proposed HDR Engineering Agreement

PRR No. 24-009

Good Morning Mr. Katz,

Thank you again for your request PRA No. 24-009. Your request for email communications between IVGID and BB&K regarding the HDR agreement are confidential and not subject to disclosure pursuant to NRS 239.010 (1) and NRS 49.095 (attorney-client privilege). The District will make available information related to the total amount billed from BB&K related to review of the HDR agreement after redaction of attorney-client confidential information, once those bills are received by the District. At present the District has no records that are subject to disclosure.

Respectfully,

Heidi H. White
District Clerk

Incline Village General Improvement District
893 Southwood Blvd., Incline Village, NV 89451
Cell: 775-558-9500 hhw@ivgid.org

Email: info@ivgid.org
Office: (775)832-1268
Cell: (775)558-9500

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

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

Sent: Monday, January 8, 2024 1:56 PM

To: Heidi White <hhw@ivgid.org>

Cc: Info IVGID <info@ivgid.org>

Subject: Public Records Request - BB&K Charges to Review Proposed HDR Engineering Agreement

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

Attached.

Your form continues to not allow requesters to insert the date of their request.

Thank you, Aaron Katz

EXHIBIT "D"

Fw: Public Records Request - You're Late - AGAIN! - January 10, 2024 IVGID BOT Meeting - Agenda C - Public Comment

From: <s4s@ix.netcom.com>
To: White Heidi <hhw@ivgid.org>
Subject: Fw: Public Records Request - You're Late - AGAIN! - January 10, 2024 IVGID BOT Meeting - Agenda C - Public Comment
Date: Jan 22, 2024 1:06 PM
Attachments: [Kate.Nelson.staff.time.billed.2.PW.re.updated.HDR.Engineering.water.sewer.rate.study.1.12.2024.pdf](#)

Hello Heidi -

Where are my public records?

Today is **beyond** the five business day statutory limitation for providing the attached requested public records, and no response.

Don't you see? Whenever it comes to embarrassing or inappropriate matters, staff initiate their "stall" technique. And here we have it again. It's an example of what staff really mean by the word "transparency." Just so we all understand.

Here you have an employee who is out of her league, and who is attempting to hide the truth. Which once revealed will help demonstrate why she is out of her league. So the balancing test. The truth in the name of transparency? Or let's hide the truth because we're trying to protect one of our own?

In other words, the more things change around here, the more they remain the same.

I'm sending a copy of this e-mail to the Board and our interim GM so they can both see for themselves. And since this now becomes evidence of public record concealment, I guess I should just forget about my request and simply file another complaint with the OAG. Right Heidi?

Or Board members. DO YOUR JOBS and compel staff to provide the requested public records. Which include the communications I requested between Ms. Nelson and our attorneys wherein I believe she asked our attorneys to review and approve the form of HDR Engineering contract for possible update of our last utility rate study; our attorneys communicated back that the contract as presented was approved; and the cost the District incurred with our attorneys therefore. Two of which staff responded represented confidential attorney-client communications. Even though there was nothing confidential in those communications, and Ms. Nelson was not and is not the client!

And while you're cogitating, cogitate on this one. According to the Tahoe Daily Tribune, at the Board's January 10, 2024 meeting "in the discussion about General Business Item 4 (G4), Interim Public Works Director Kate Nelson asked the Board to consider approving or declining a Professional Services Agreement between IVGID and HDR Engineering, Inc. to complete an updated Water and Sewer Rate Study for Fiscal Year 2024 for \$41,865. A prior utility rate study was completed in June 2023 and **Nelson (allegedly) recommended that they do not spend this money on a rate study this year**" (go to <https://www.tahoe-daily-tribune.com/news/ivgid-board-meeting-new-year-brings-talks-on-positions-and-contracts/>).

Now I want you to read this same Ms. Nelson's January 10, 2024 staff memo to the Board in support of this agenda item (https://www.yourtahoepace.com/uploads/pdf-ivgid/20240110_BOT_Item_G4_HDR_Sewer_Rate-Study_Agmt.pdf): "The purpose of this work is to provide staff with an update to the previously completed Utility Rate Study to ensure that current and future operating, capital expenses, and reserves remain adequately funded. (Because) current staff were not immediately involved in the prior rate study (they) **are requesting HDR perform the study again this year.**"

Who's telling the truth? Kayla Anderson who wrote the piece in the Tahoe Daily Tribune I have quoted and purportedly spoke to Ms. Nelson about her recommendations so they could be included in her article? Or Ms. Nelson herself in her own words? Why don't you Board members get to the truth? For once!

And why is this important? Because Ms. Nelson is one of our valuable employees who has a history of not sharing the truth with the Board and the public. I have provided you with prior evidence she didn't share the truth insofar as the Duffield Foundation's Rec Center expansion donation conditions (which she knew conflicted with prior Board action). And she didn't share the truth insofar as the appointed contractor's completion of the contract for phase I to the Mountain Golf Course cart pathway replacement project. And now this.

How many times does it take? How much is this woman costing local parcel owners? Is it more important to come up with "a body" to fulfill one of our employment positions as opposed to someone who is qualified, truthful and ethical? Don't we have a right to know? And yet District staff are fighting us! And this is supposed to be acceptable?

Respectfully, Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Jan 12, 2024 3:00 PM

To: White Heidi <hhw@ivgid.org>

Cc: <info@ivgid.org>

Subject: Public Records Request

Attached -

Form wouldn't accept date.

In case description cut off, it is replicated below:

Kate Nelson's staff time billed to Public Works (to include date services provided, amount of time, description of services, hourly rate applied, out of pocket costs incurred) associated with:

1. Communications with HDR Engineering pertaining to an update of last June's (2023's) water/sewer rate study;
2. Familiarity with and researching water/sewer rate studies in anticipation of her request the Board authorize an update to last June's water/sewer study;
3. Preparation of staff memo and attachments included in Board packet for January 10, 2024 meeting;
4. Preparation for presentation of this agenda item to the Board on January 10, 2024;
5. Actual presentation of this agenda item to the Board on January 10, 2024.

Thank you. Aaron Katz

EXHIBIT "E"

Fw: [Document Released] Incline Village GID, NV public records request #24-15

From: <s4s@ix.netcom.com>
To: White Heidi <hhw@ivgid.org>
Cc: Bandelin Mike <MLB@ivgid.org>
Subject: Fw: [Document Released] Incline Village GID, NV public records request #24-15
Date: Jan 31, 2024 3:12 PM

Furthermore, I don't believe I asked to examine either of the docs described below.

Aaron Katz

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

From: <ivgid_24-15-requester-notes@inbound.nextrequest.com>
Sent: Jan 31, 2024 2:40 PM
To: <s4s@ix.netcom.com>
Subject: [Document Released] Incline Village GID, NV public records request #24-15

-- Attach a non-image file and/or reply ABOVE THIS LINE with a message, and it will be sent to staff on this request. --

Incline Village GID, NV Public Records

Documents have been released for record request #24-15:

- AWWA Certificate - Kate Nelson.pdf
- 20240110_BOT_Item_G4_HDR_Sewer_Rate-Study_Agmt.pdf

View Request 24-15

<https://ivgid.nextrequest.com/requests/24-15>

Document links are valid for one month. After February 29, you will need to sign in to view the document(s).

EXHIBIT "F"

Fw: Your Incline Village GID, NV public records request #24-15 has been closed - February 14, 2024 IVGID BOT Meeting - Agenda Item E(1) - GM Reports

From: <s4s@ix.netcom.com>
To: Schmitz Sara <schmitz_trustee@ivgid.org>
Cc: Bandelin Mike <MLB@ivgid.org>, <bma@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: Fw: Your Incline Village GID, NV public records request #24-15 has been closed - February 14, 2024 IVGID BOT Meeting - Agenda Item E(1) - GM Reports
Date: Feb 13, 2024 11:54 AM

Chairperson Schmitz and Other Honorable Members of the Board -

Well it just keeps happening over and over and over again. Doesn't it BOT members? It doesn't matter who the staff players are. The same wrongdoing just keeps happening. That's why the District is a criminal syndicate. Go look at the definition at NRS 207.370 of criminal syndicate: "any combination of persons, so structured that the organization will continue its operation even if individual members enter or leave the organization, which engages in or has the purpose of engaging in racketeering activit(ies)." Sound familiar?

Are you looking at this Bobby Magee? Because if you choose to become interim GM (agenda item G), and you're at the helm when your staff acts as our staff has acted in this circumstance, and you refuse to step in and compel your staff to comply with the law, as Mike Bandelin has failed to do, you'll become criminally responsible!

Continuing, so I call the wrong to your attention because staff refuses to do anything about it because they're more concerned with hiding the truth and protecting one or more of their own (i.e., fellow employees) than complying with the law and being transparent to our community (what I have labeled the "IVGID culture"). And what do you the Board do? What does our interim GM do? NOTHING. Which makes you as bad as your dirty employees. And it makes you BOT members as bad as your do nothing predecessors like Callicrate, Wong, Morris, etc., etc.

If you're concerned in any manner with your legacies, let the record reflect you're no better than the overwhelming majority of bums we've had as trustees for over five (5) decades!

Well here's your chance to atone.

Pages 6 and 7 of the Board packet for the upcoming BOT meeting tomorrow, includes a "Public Records Log since September 11, 2023 (I will be attaching a copy of this log to my written statement to be submitted on this subject - marked as Exhibit "A"). Let me first call your attention to Request #24-015 because that's the one referenced by staff's response below. According to the log, on January 12, 2024 I requested records evidencing Kate Nelson's staff time associated with negotiating a proposed updated water/sewer rate study with HDR Engineering ("HDR"), and presenting that matter to the Board at your meeting of January 10, 2024 [see agenda item G(4)] for approval.

Why don't you refresh your recollection by examining my January 7, 2024 e-mail to each of you on this subject? It is attached to a written statement I asked be included in the approved minutes of the BOT's January 10, 2024 meeting (see pages 137-140 of the Board packet for the BOT's January 31, 2024 meeting). There I complained, in part, that your revered Kate Nelson asked the Board's attorney to review and approve the proposed contract tendered by HDR, at a cost of many hundreds or thousands of wasteful public dollars. I also complained that since Ms. Nelson bills out all of her time to various District divisions which are the involuntary beneficiaries of her services (in other words, the public), at a cost in excess of \$130 per hour). Again costing the public many hundreds or thousands of additional wasteful public dollars.

I wanted to learn this hidden cost and then share it with the Board and the public so we could all see, in black and white, what this single employee is costing us because she lacks competence, training, and internal control. An example of similar behavior which takes place every day of the year throughout the District. And you wonder why we can't seem to make a buck doing essentially anything we do?

So on January 12, 2024 I made a formal records request (I will be attaching a copy of that request to my written statement to be submitted on this subject - marked as Exhibit "B"). I wanted to examine:

1. Communications reduced to writing or memorialized in writing between anyone at IVGID and the Board's attorneys, whereby our attorneys: were asked to review and approve HDR's proposed contract for an updated utility rate study; and, our attorneys responded;
2. Billings from the Board's attorney associated with communicating with staff insofar as paragraph 1 above was concerned, and reviewing HDR's proposed contract; and,
3. Kate Nelson's time and charges billed to Public Works associated with her research on this subject, agendizing on the BOT's calendar entrance into an updated water/sewer rate study contract with HDR, preparing her staff memorandum in support (that's right Kate, your support and not your opposition you after-the-fact represented), and presenting the matter to the Board for approval on January 10, 2024.

The public records log states that my request for our attorney's billings (paragraph 2 above) was the subject of Request #24-009, and that it was complied with and completed on January 12, 2024. The same day of my initial public records request.

The public records log states that my request for Ms. Nelson's billings to Public Works (paragraph 3 above) was complied with and completed on February 9, 2024.

And there is no disclosure insofar as staff's compliance with my paragraph 1 above.

So now let me share with each of you the truth:

4. Insofar as my request identified in paragraph 1 above, on January 12, 2024, the same day as my public records request, I received an e-mail from Heidi White advising that my request was attorney-client privileged and as a result, no requested records would be produced for my examination. Not even redacted records as NRS 239.010(3) mandates the District provide ("a governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential **if the governmental entity can redact, delete, conceal or separate, including, without limitation, electronically, the confidential information from the information included in the public book or record that is not otherwise confidential**"). I will be attaching a copy of staff's response to my records request and my follow up e-mail to the BOT on this subject to my written statement to be submitted on this subject - marked as Exhibit "C."

5. As a result I sent an e-mail to the BOT objecting to staff's response and behavior asking you members step in and compel release of the NON-privileged material requested. And you did NOTHING. So now we can't say with 100% accuracy who it was who unilaterally asked the Board's attorney to perform this work for which local parcel owners were charged. Even though we all know it was Kate Nelson. Congratulations Board members!

6. Insofar as my request identified in paragraph 2 above, look at the Request # referenced in staff's January 12, 2024 e-mail (paragraphs 4-5 above), and the corresponding number (#24-009) on the Board packet's public records log (Exhibit "A"). They're different. The log tells us the request was for BB&K's billings, and they were provided on January 12, 2024. Staff's e-mail tells us the request was for written communications between staff and our attorneys identifying who it was who requested the latter incur wasteful work and cost to the public. BB&K's billings have **NEVER BEEN PRODUCED**.

7. On January 22, 2024, not having received the records identified in paragraphs 2-3 above, I had to e-mail Heidi advising her that she had violated the Public Records Act. And I sent a copy to you BOT members (I will be attaching a copy of this e-mail to my written statement to be submitted on this subject - marked as Exhibit "D"). Now why does a requester even have to send a writing such as this one? Has not Heidi been trained so that she knows such requests must be responded to within five (5) business days? Is her work not overseen by our interim GM? Are there not internal controls in place? Bueller? Bueller?

8. In response, on January 31, 2024, staff attempted to belatedly respond. And this was by providing records never, never requested. Kate Nelson's AWWA certificate, and HDR's initial water/sewer rate study contract. I of course notified Heidi that these documents did not respond to my request. I will be attaching a copy of staff's document disclosure notice and my e-mail response to my written statement to be submitted on this subject - marked as Exhibit "E."

9. This means that the log's statement that Kate Nelson's time and charges billed to Public Works associated with her research, agendizing on the BOT's calendar, preparing her staff memorandum, and presenting that matter to the BOT for approval on January 10, 2024 (see paragraph 3), was in fact completed on February 9, 2024, **IS FALSE!**

10. Giving Heidi every benefit of doubt, yesterday I e-mailed her advising of the falsity of her statements. And I asked when I was going to receive the records requested that she claimed had been produced for examination that I never received? You can each see that request for yourselves below.

11. Now if Heidi were honest and ethical, she would have immediately responded and provided the records she had stated were actually provided. Wouldn't she? **BUT SHE DID NOTHING.** And now you're hearing about it! Just like I observed above, it doesn't matter "if individual members enter or leave the organization which engages in or has the purpose of engaging in racketeering activit(ies)...the organization...continue(s) its operation even (though) individual members (have) enter(ed) or le(ft) the organization."

When do I receive the records I requested? When do we learn how much Kate Nelson has unnecessarily cost local parcel owners? When do we take up the issue of when we're going to terminate Kate Nelson's employ because she's just as dirty as her predecessors? And now, when do we take up the issue of Heidi White's continued employ? Here I've demonstrated she can't comply with the Public Records Act. She conceals public records. And then she lies to the Board and the public that she has complied when in truth she hasn't.

But instead the haters in our community will chastise me. I'm the problem. I'm wasting staff's time. It's terrible I criticize our wonderful staff because they're leaving the District's employ because of the attention on their wrongful acts. No I'm not the problem.

I'm giving the BOT until tomorrow evening to step in and correct staff's intentional concealment of public records. Bring the subject up during each of your updates to the Board and the public. If you members don't, then I will file a criminal complaint with the OAG. Because, NRS 239.310 tells us that willful concealment of public records is criminal. And NRS 195.020 tells us that now that each of you know the truth, you, our interim GM Mike Bandelin, and our attorneys, are all co-principals and equally responsible! Congratulations!

Respectfully submitted, Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Feb 12, 2024 2:33 PM

To: <ivgid_24-15-requester-notes@inbound.nextrequest.com>

Cc: <info@ivgid.org>, White Heidi <hhw@ivgid.org>

Subject: Re: Your Incline Village GID, NV public records request #24-15 has been closed.

Hello Heidi -

I have none of the records I requested.

Your detail for what it is that's closed includes "Document(s) released Kate.Nelson.staff.time.billed.2.PW.re.updated.HDR.Engineering.water.sewer.rate.study.1.12.2024.pdf 2024-01-12_Request_A.Katz_Email.pdf

I never received this.

I never received the attorney's fees billings incurred for the legal work Kate Nelson directed.

I never received redacted e-mails from whomever at IVGID and BBK attorneys asking for legal work to be performed insofar as the HDR contract for an updated rate study was concerned, and BBK attorneys response(s). You have a duty to redact confidential attorney communications rather than the entirety of communications and then produce them for examination. You never did this.

When do I receive what I requested?

Aaron Katz

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

From: <ivgid_24-15-requester-notes@inbound.nextrequest.com>

Sent: Feb 12, 2024 1:24 PM

To: <s4s@ix.netcom.com>

Subject: Your Incline Village GID, NV public records request #24-15 has been closed.

-- Attach a non-image file and/or reply ABOVE THIS LINE with a message, and it will be sent to staff on this request. --

Incline Village GID, NV Public Records

**Record request #24-15 has been closed.
The closure reason supplied was:**

This is not a public records request.

View Request 24-15

<https://ivgid.nextrequest.com/requests/24-15>

Good evening Trustees and fellow residents.

During the January 31st meeting, the IVGID Board of Trustees sanctioned an allocation of another \$7,900 for the utilization of FlashVote, a survey service, to administer six surveys across the Incline Village and Crystal Bay community.

The decision to commission a series of surveys raises inquiries regarding the specific objectives sought by the Board and IVGID staff; particularly given the substantial history of previous community surveys. Questions have emerged regarding poor and/or slanted survey questions, ^{ALSO} the utilization of data accumulated from prior surveys, and the translation of the results into actionable measures for community enhancement.

With the Board's stated commitment to prudent financial stewardship, some stakeholders have expressed reservations about the process leading to this expenditure. Suggestions have been made for a more methodical approach involving collaboration between IVGID Staff and Trustees to ascertain the precise data requirements, ^{ALSO to} determine the optimal number of surveys needed, and select the most appropriate survey tool.

Public Comment, Bill Kahrs, Please put in the minutes of tonights BoT meeting

In addition, the District needs to ensure that the survey is sent to all residents and/or property owners, and not just a small, non-representative sampling composed of FlashVote enrollees. While FlashVote has been chosen to conduct these surveys, alternative options were not thoroughly explored. *or presented.*

have spent
You ~~are spending~~ a lot of money on this service; what additional data do you need that requires this budget item? Surely you *ALREADY* have enough to get you through the next year or two of decision-making.
^

Kristie Wells
Incline Village Resident

Good evening Board.

Item F.5. on the agenda tonight is a \$50,000 request for a contract to McDonald Carano for a "review of Client's policies on restricted access beaches in Incline Village and IVGID Beaches." Trustee Schmitz has not provided in the Board packet any indication of what questions need to be answered that requires us to spend another \$50,000? We doubt you are actively working to find a way to give beach access back to IVGID employees, so what exactly are you asking this law firm to review? The community needs to know what your intentions are in advance of this Board meeting.

Speaking of McDonald Carano, it appears there is a potential conflict of interest here as Joshua Hicks, the attorney representing the firm in this engagement, was retained by Trustees Sara Schmitz and Matt Dent to represent them personally in their attempts to block the recall efforts just about six months ago. Documents supporting this statement will be attached to my comment submitted to the clerk.

This \$50,000 could easily be seen as a reward or quid pro quo for Mr. Hicks' support of you both in the recall efforts, which, as a reminder to the community, is still active and remains under review by the Secretary of State.

You don't think this community is paying attention. We are, and you need to confirm that neither this firm nor Mr. Hicks is representing either of you currently for interests related to the recall campaign.

Moving to item G.1. one of your recommendations is to develop a two-year contract that appoints Bobby Magee as the General Manager. A two-year agreement for someone who has finance experience, but has never managed a District before. How is this even an option? If you really believe in Bobby's ability, why not start with a 10-month agreement through the end of this year and make sure he can actually do this job? Not to mention, Bobby doesn't even live in this District full-time. This Board is going to look quite different come January, and you would be committing this District to a path that the future board may not be willing to tread. I highly suggest you reconsider his contract terms if this is the path you are choosing.

I'm asking this Board for three things tonight:

1. Be open and transparent about why you want more legal work for Ordinance 7.
2. Be open and transparent about your relationship with Mr Hicks and his firm.
3. Don't make a long term commitment to an un-proven General Manager.

SECTION 3.

COMPLAINT IS AGAINST

Please detail the nature of your complaint. Include the name and contact information (if known) of the individual, candidate, campaign, or group that is the subject of your complaint. Your complaint must also include a clear and concise statement of facts sufficient to establish that the alleged violation occurred. Any relevant documents or other evidence that support your complaint should be listed and attached. You may attach additional sheets if necessary.

See the attached letter dated 8/11/2023 from Joshua Hicks of McDonald Carano.

SECTION 4.

Sign and date this form. The Secretary of State's Office cannot process any unsigned, incomplete, or illegible complaints. In order to resolve your complaint, we may send a copy of this form to the person or group about whom you are complaining.

I am filing this complaint to notify the Office of the Secretary of State of the activities of a particular candidate, campaign, individual or group. I understand that the information contained in this complaint may be used to establish violations of Nevada law in both private and public enforcement actions. I authorize the Office of the Secretary of State to send my complaint and supporting documents to the individual or group identified in this complaint.

By signing my name below, I certify under penalty of perjury that the information provided in this complaint is true and correct to the best of my knowledge.

Sara Schmitz

Signature

08/11/2023

Date (mm/dd/yyyy)

Sara Schmitz

Print Name

McDONALD CARANO

Joshua Hicks, Esq., Partner
jhicks@mcdonaldcarano.com

Reply to Reno

August 11, 2023

Via Email to: nvelect@sos.nv.gov

Francisco Aguilar
Nevada Secretary of State
101 N. Carson St.
Carson City, NV 89701

Re: Election Integrity Violation Report against Committee to Recall IVGID Trustee Matthew Dent and Committee to Recall IVGID Trustee Sara Schmitz.

Dear Secretary Aguilar,

Our office represents IVGID Trustees Matthew Dent and Sara Schmitz. This letter is filed in support of the Election Integrity Violation Report ("Complaint") filed by Sara Schmitz dated August 11, 2023 against The Committee to Recall IVGID Trustee Matthew Dent ("Dent Committee") and The Committee to Recall IVGID Trustee Sara Schmitz ("Schmitz Committee").

As more fully explained below, both the Dent Committee and the Schmitz Committee have disseminated campaign materials throughout Incline Village in blatant violation of Nevada law, and have failed to appropriately disclose contributions and expenses required by Nevada law.

Campaign Material Disclosures

Pursuant to NRS 294A.348, any person (including a committee to recall a public officer) that expends more than \$100 to finance a communication expressly advocating against a clearly identified candidate must include a disclaimer on the communication informing the public as to the identity of the person that paid for the communication.

The Incline Village community has been blanketed with signs and flyers urging residents to recall both Matthew Dent and Sara Schmitz, expressly naming each of them in those communications. Copies and pictures of flyers and signs are included with the Complaint. Further, a review of the contribution and expense reports filed by the Dent Committee and Schmitz Committee indicate that each has reported well in excess of \$100 in expenses that are communication related. More specifically, both the Dent Committee and the Schmitz Committee

mcdonaldcarano.com

100 West Liberty Street • Tenth Floor • Reno, Nevada 89501 • P: 775.788.2000
2300 West Sahara Avenue • Suite 1200 • Las Vegas, Nevada 89102 • P: 702.873.4100

 MERITAS

reported \$530.50 to "Rainbow Printing" and \$500.43 to "Traffic Builders Inc. Signs and Graphics," among other expenses.

There is no question that the Dent Committee and the Schmitz Committee have spent over \$100 to finance communications expressly advocating for the recall of both Matthew Dent and Sara Schmitz. Such communications must include the disclaimer required by NRS 294A.348. Both the Dent Committee and the Schmitz Committee should be ordered to immediately take down and cease disseminating all communications in violation of Nevada law and be further subject to appropriate civil and criminal penalties.

Contribution and Expense Reports

Pursuant to NRS 294A.270, the Dent Committee and the Schmitz Committee are required to disclose contributions and expenditures.

On August 8, the Dent Committee filed a Recall Contributions and Expense Report stating the Dent Committee had \$735 in contributions, \$1,459 in expenditures and an ending fund balance of \$234.58. On August 8, the Schmitz Committee filed a Recall Contributions and Expense Report stating the Schmitz Committee had \$735 in contributions and \$1,459 in expenditures and an ending fund balance of \$234.58.

The math on each report doesn't add up. If the Dent Committee and Schmitz Committee truly had \$735 in contributions and \$1,459 in expenditures, the ending fund balance of each should be negative \$724. Clearly, the reports are inaccurate and/or fail to disclose all contributions and expenditures. Both the Dent Committee and Schmitz Committee should be investigated and required to explain the discrepancies on their contribution and expense reports.

Sincerely,



Joshua Hicks, Esq.

Linda Kahrs

Incline Village Resident

Good evening Board. I have done a financial summary of the funds spent for the past calendar year, and I was shocked that it totaled over \$1.8 million dollars. Even more so that ONLY \$74,500 was spent on an unnecessary capital improvement project called "beach access gate."

Taking the remaining monies, the District has spent over \$900,000 on personnel costs which weren't budgeted, and this includes payments to employees for a severance arrangement and paid leave of absence. This leaves approximately \$800,000 in consultant fees.

The board majority, Schmitz, Dent & Tulloch, along with the interim director of Finance have appeared to have engaged in gross mismanagement of IVGID resources by allocating funds towards various expenditures, such as FlashVote surveys, investigations, and consultant fees, without tangible results for the community. Community members, this is a HUGE problem.

What did they spend \$1.8 million on this year?

- While a small amount in comparison to the consulting expenses, they spent over \$30,000 for the FlashVote surveys, and didn't even use the service to its fullest. This is a waste of our precious money as the IVGID staff can reach 5 to 6 times more residents with better focused surveys.
- Did you know they are PAYING PEOPLE NOT TO WORK?! Susan Herron was placed on leave and Indra Winquist was given severance at a cost to the community of over \$350,000 (benefits included).

- Money wasted in the finance area to investigate fraud and hire consultants like Moss Adams and Rubin Brown. But wait, according to the Nevada Department of Taxation, we were doing just fine with our past five audits?

What have they accomplished? Nothing for the facilities & everything to put IVGID on a path towards bankruptcy.

So, here we are today watching your \$4.5 million dollar budget augmentation due to this overspending.

We must point out the GROSS NEGLIGENCE and IGNORANCE by moving Parks from Community Services to the General Fund. This, in addition to the wild, superfluous spending, is another cause for the budget augmentation. It was ludicrous to move Parks as this action did draw down unnecessarily resources from the General Fund. It should be moved back to Community Services, immediately.

In closing, \$1.8 million of our money was spent on their pet projects and not where it should have been, investing in our facilities and community assets.

MEMORANDUM

TO: Board of Trustees

THROUGH: Mike Bandelin, Interim General Manager

FROM: Kate Nelson, Interim Public Works Director, Jim Youngblood, Utilities Superintendent

SUBJECT: Review, discuss and possibly approve the Agreement for Services for Sewer Pump Station #10 Line Stop - 2023/24 Operating Fund: Public Works; Utilities; Sewer; General Ledger #20002522-7510; Vendor: Tap Master, in the amount of \$10,675.00. (Requesting Staff Member: Interim Public Works Director Kate Nelson)

RELATED STRATEGIC PLAN BUDGET INITIATIVE(S): **LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE**

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services. Maintain, renew, expand and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES Ordinance No. 2: Sewer; Purchasing Policy for Public Works 21.2.0.

DATE: February 28, 2024

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Approve the Agreement for Services with Tap Master, for the total amount of \$10,675.00.
2. Direct the Interim Director of Public Works to sign and execute the Agreement.

II. BACKGROUND

The Public Works staff is responsible for maintaining all the District's sewer infrastructure. The line stop is needed to allow staff to perform repairs and maintenance on Sewer Pump Station #10 (SPS #10). Currently, the two discharge isolation valves and check valves do not seal, so staff is unable to perform needed maintenance on the pump station. The installation of the line stop will allow staff to replace the non-functioning discharge valves and check valves, and allow staff to perform maintenance on the pump station. At this time, there is no other way to work on the pump station without causing a potential sewage spill.

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

III. BID RESULTS

The proposed agreement is in compliance with the District's Purchasing Policy for Public Works 21.2.0 Subsection 1.6.2 - C: Construction Projects \$100,000 or less and NRS 332.115.1 (c) and is exempt from competitive solicitation requirements. Staff did not seek competitive bids for the proposed purchase because the purchase is less than \$25,000 and is in accordance with NRS 332.115 - 1, contracts which, by their nature, are not adapted to award by a competitive solicitation, including contracts for: (c) additions to and repairs and maintenance of equipment which may be more efficiently added to, repaired or maintained by a certain person.

IV. FINANCIAL IMPACT AND BUDGET

This purchase will be paid out of the Approved FY 2023/24 Operating Budget.

V. ALTERNATIVES

The District Board of Trustees may defer or delay the purchase of the line stop. This would put the District at high risk of a sewage spill into Lake Tahoe if the pump station should fail. This sewer pump station is a critical sewage lift station that is located less than 100 feet from the shore of the lake. It is imperative that this station is maintained in good working condition at all times.

VI. COMMENTS

In conclusion:

1. The installation of a line stop is required at SPS #10 to allow staff to perform the required repairs and maintenance on the pump station.
2. The proposed work is planned, budgeted and funded through the Public Works Sewer Operating Budget.
3. The agreement between the District and Tap Master has been reviewed and approved by the District Legal Counsel.

VII. BUSINESS IMPACT/BENEFIT

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

VIII. ATTACHMENTS

1. Tap Master Agreement for Services

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

<p>Account No. 20002522-7510</p>	<p>Req. No. TBD</p>	<p>Purchase Order No. TBD Order Date: Delivery By: Buyer: Jim Youngblood Phone:775-832-1214 E-mail: jey@ivgid.org</p>
<p>CONTRACTOR Tap Master 1647 Willow Pass Road, #136 Concord, CA 94520</p>		<p>INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT Public Works Department 1220 Sweetwater Road Incline Village, NV 89451 Attn: Jim Youngblood</p>

This Purchase Order is subject to the attached terms and conditions.

Services:

Contractor will furnish the following:

- Mobilize personnel and equipment to job site.
- Provide all material to properly complete the project.
- Weld line stop onto a steel discharge pipe inside of Sewer Pump Station 10 (SPS #10), leaving a 4” valve.
- Leave line stop in place while IVGID replaces two valves inside of SPS #10.
- Remove line stop.
- The following materials/services are expressly provided in connection with this Purchase Order:

LABOR, TRUCK, EQUIPMENT, TRAVEL, FREIGHT
(1) 6" X 4" WELD NOZZLE FOR 6.63" STEEL PIPE O.D
INCLUDES COMPLETION PLUG, BLIND, GASKETS AND BOLTS
(1) 6" X 1-1/2" TOL
(1) 1-1/2" LINE STOP NIPPLE W/PLUG AND CAP
(1) 1-1/2" BALL VALVE WITH NIPPLE & PLUG
(1) 6" X 4" LINE STOP ON 6.63 STEEL SEWER LINE

(1) 6" x 1-1/2" HOT TAP FOR BLOW OFF/VERIFY I.D.

Contractor will not provide the following service, unless agreed to in a separate signed writing:

- Accelerated schedule/overtime.
- Unforeseen obstacles.

District will supply the following in connection with this Purchase Order:

1. LIFTING EQUIPMENT FOR 16" AND LARGER LINE STOP MACHINES, VALVES AND EQUIPMENT.
2. FURNISH INFORMATION FOR MATERIAL REQUIREMENTS, PROJECT INFORMATION, TEMPERATURE, DESIGN PRESSURE, LINE CONDITIONS, FLOW RATES, PREVAILING WAGE/PUBLIC WORKS PROJECT INFORMATION.
3. CONFIRMATION OF PIPE OD, TYPE OF PIPE AND ACTUAL PRESSURE.
4. EXCAVATION, SHORING BACKFILL, DEWATERING, TRAFFIC PLATING AND FENCING OF WORK AREA.
5. ENGINEERED, DESIGNED AND INSTALLED THRUST BLOCK RESTRAINT AND SUPPORT FOR LINE STOP FITTING AND EQUIPMENT ON OUTDOOR WORK. (PRESSURE AGAINST HEAD CAN MOVE PIPING AND SEPARATE UP STREAM PIPE JOINTS).
6. TRAFFIC BARRICADES, TRENCH PLATES AND TRAFFIC CONTROL
7. PERMITS, FEES, BONDS AND ANY SPECIAL LICENSES IF REQUIRED
8. MAINTAIN A DRY AND WORKABLE ENVIRONMENT AND SECURITY FOR THE LINE STOP UNIT.
9. CUSTOMER TO REPLACE THE COATING AT THE POINT OF THE LINE STOP & HOT TAP FITTINGS. (WHAT EVER THE THRUST BLOCK DOESN'T COVER).
10. NEW PIPING, NEW VALVES, DISH HEADS, CONNECTIONS OR TERMINATION OF PIPING.
11. ANY UPGRADE COSTS TO 304/316 SS BOLTS FOR THE LINE STOP BLIND IF REQUIRED.
12. VERIFY APPROVAL OF SUBMITTALS AND THE PIPE OD PRIOR TO ORDERING OF MATERIALS.
13. OPERATION OF ALL MAIN VALVES TO STOP FLOW DURING LINE STOP INSERTION.
14. DECHLORINATION AND REMOVAL OF ANY AND ALL WATER THAT MAY LEAK BY LINE STOP SEAL.
15. DECHLORINATION AND REMOVAL OF ALL WATER IN PIPING DURING DRAINING OF LINE.
16. CERTIFIED WELD INSPECTOR IF REQUIRED.

LIGHTS, LADDERS, WORK PLATFORM FOR WORK OVER 10'
PROTECTION & CLEAN UP OF FLOORS, WALLS AND EQUIPMENT
DISPOSAL OF SEWAGE FROM LINE STOP
PIPE REPAIRS, VALVE ADDITIONS AND DELETIONS
PIPE COATING REPAIRS

Price

Contractor's price for the work provided for in this PO is \$10,675.00. This price will remain valid for 60 days from the quote date of January 30, 2024, #48928. Contractor is to be paid \$10,675.00 payment upon completion and District's acceptance of project, and submission of a final invoice to District per Section 2 of the attached terms and conditions.

PURCHASE ORDER TERMS AND CONDITIONS FOR SERVICES

1. Acceptance; Entire Agreement. This purchase order for services issued by the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT ("DISTRICT") to the Contractor designated in the purchase order must be promptly accepted and acceptance is expressly limited to the terms of this order. Any addition or different terms in the Contractor's forms are hereby deemed to be material alterations and notice of objection to them and rejection of them is hereby given. Contractor's performance of any portion of this order shall be considered acceptance by the Contractor of the terms herein.

2. Compensation. Contractor shall be paid on a firm fixed fee basis, as agreed upon by the parties as described in this Purchase Order, or in documents attached hereto and hereby made a part hereof, within 30 days of receipt of invoice. If the work is performed on a time and materials basis, the invoice shall include a detailed description of the work performed, labor hours and materials. Invoices shall be sent to ap@ivgid.org.

3. Compliance with Law. Contractor shall comply with all applicable laws and regulations of the federal, state and local government. DISTRICT shall assist Contractor, as requested, in obtaining and maintaining all permits required of Contractor by Federal, State and local regulatory agencies. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of his or her work.

4. Standard of Care. The Contractor shall perform the work in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession practicing under similar conditions. Contractor shall also comply with State and Federal environmental and safety regulations as they apply to the scope of work.

5. Insurance. Contractor shall take out and maintain: A. Commercial General Liability Insurance, of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury and property damage, naming DISTRICT as an Additional Insured; B. 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 occurrence for bodily injury and property damage; C. Workers' Compensation in compliance with applicable statutory requirements and Employer's Liability Coverage of at least \$1,000,000 per occurrence; and D. Contractors providing professional services shall provide Professional Liability (Errors and Omissions) Insurance of at least \$1,000,000. Insurance carriers shall be licensed or authorized to do business in Nevada.

6. Indemnification. The Contractor shall indemnify and hold harmless DISTRICT, its officials, officers, agents and employees from and against any and all claims, liabilities, expenses or damages, including reasonable attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, or patent infringement or fees for use of patented items, or any claim of the Contractor or a subcontractor for wages or benefits which arise in connection with the performance of the Contract, except to the extent caused or resulting from the active or sole negligence or willful misconduct of DISTRICT. The foregoing indemnity includes, but is not limited to, the cost of prosecuting or defending such action with legal counsel acceptable to DISTRICT and DISTRICT's

attorneys' fees incurred in such an action. If Contractor's obligation to defend, indemnify, and/or hold harmless arises out of Contractor's performance of "design professional" services subject to NRS 338.155, then, and only to the extent required by NRS 338.155, which is fully incorporated herein, Contractor's indemnification obligation shall be limited to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Contractor or its employees and agents. Moreover, while Contractor shall not be required to initially defend the District, Contractor, if adjudicated to be liable by a trier of fact, the Contractor shall be reimburse the District or the attorney's fees and costs incurred by the District defending the action in an amount which is proportionate to the liability of the Contractor.

7. Contract Terms. Nothing herein shall be construed to give any rights or benefits to anyone other than DISTRICT and the Contractor. The unenforceability, invalidity or illegality of any provision(s) of this Contract shall not render the other provisions unenforceable, invalid or illegal. Notice may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the parties to the addresses set forth in the purchase order. Contractor shall not assign, sublet, or transfer this Contract or any rights under or interest in this Contract without the written consent of DISTRICT, which may be withheld for any reason. Contractor is retained as an independent contractor and is not an employee of DISTRICT. No employee or agent of Contractor shall become an employee of DISTRICT. This is an integrated Contract representing the entire understanding of the parties as to those matters contained herein, and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. This Contract may not be modified or altered except in writing signed by both parties hereto. This Purchase Order is not intended to and will not preclude Contractor's employees from exercising available rights under the DISTRICT's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the DISTRICT in accordance with the Whistleblower Policy.

8. Notice of Labor Dispute. Whenever Contractor has knowledge that an actual or potential labor dispute may delay performance under this purchase order, Contractor shall immediately notify and submit all relevant information to DISTRICT.

9. Changes. By written notice, DISTRICT may from time to time, direct work suspension or make changes in quantities, drawings, designs, specifications, place of delivery or delivery schedules, methods of shipment and packaging, and property and services furnished to DISTRICT by Contractor. If such change causes an increase or decrease in the price of this purchase order or in the time required for performance, Contractor or DISTRICT shall promptly notify the other party thereof and assert its claim for adjustment within thirty (30) days after the change is ordered, and an equitable adjustment shall be made. However, nothing in this clause shall excuse the Contractor from proceeding immediately with the purchase order as changed.

10. Obligations. Except as otherwise expressly set forth in the cover page to this Purchase Order, Contractor shall be solely responsible for providing all materials, labor, tools,

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT – PURCHASE ORDER (SERVICES)

equipment, water, light, power, transportation, superintendence, and temporary construction of every nature and all other services and all facilities necessary to execute, complete, and deliver the work within the specified time.

11. Damage to District Facilities. Damage to DISTRICT or public facilities or private property caused by the Contractor or by its subcontractors during performance of services shall be repaired and/or replaced in kind at no cost to the DISTRICT.

12. Site Safety and Cleanup. The project site shall be kept clean and free of hazards at all times during performance of services. After and installation is completed at the site, as

applicable, Contractor shall clean the surrounding area to the condition prior to delivery and installation.

13. Installation. If the Contractor is responsible for providing installation services, finished installation work and/or equipment shall be subject to final inspection and acceptance or rejection by the DISTRICT.

14. Whistleblower Provisions. This Agreement is not intended to and will not preclude Contractor's employees from exercising available rights under the District's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the District in accordance with the Whistleblower Policy.

OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:

By: _____
Kate Nelson, P. E.
Interim Director of Public Works

_____ Date

Reviewed as to Form:

Sergio Rudin
District General Counsel

_____ Date

CONTRACTOR:
Tap Master
Agreed to:

By: _____
[Signature]
Signature of Authorized Agent
Irene Harden, Secretary
Print or Type Name and Title

_____ 2/15/2024 _____
Date

MEMORANDUM

TO: Board of Trustees

THROUGH: Mike Bandelin, Interim General Manager

FROM: Kate Nelson, Interim Public Works Director, Jim Youngblood, Utilities Superintendent

SUBJECT: Review, discuss and possibly approve the Agreement for Services for sewage hauling from Sewer Pump Station #10 - 2023/24
Operating Fund: Public Works; Utilities; Sewer; General Ledger #20002522-7510; Vendor: Alpine Septic, in the amount of \$5,400.00. (Requesting Staff Member: Interim Public Works Director Kate Nelson)

RELATED STRATEGIC PLAN BUDGET INITIATIVE(S):

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services. Maintain, renew, expand and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES

Ordinance No. 2: Sewer; Purchasing Policy for Public Works 21.2.0.

DATE: February 28, 2024

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Approve the award of the Agreement for Services with Alpine Septic, for the total amount of \$5,400.00.
2. Direct the Interim Director of Public Works to sign and execute the Agreement.

II. BACKGROUND

The Public Works staff is responsible for maintaining all the District's sewer infrastructure. The hauling of sewage while the line stop is being installed at Sewer Pump Station #10 (SPS #10) is needed to allow staff to perform maintenance on the pump station. Currently, the two discharge isolation valves and check valves do not seal, therefore staff is unable to perform needed maintenance on the pump station. The installation of the line stop will allow staff to replace the non-functioning discharge valves and check valves, and then perform maintenance on the pump station. At this time, there is no other way to work on the pump station without causing a potential sewage spill.

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

III. BID RESULTS

The proposed agreement is in compliance with the District's Purchasing Policy for Public Works 21.2.0 Subsection 1.6.2 - C: Construction Projects \$100,000 or less and NRS 332.115.1.(c) and is exempt from competitive solicitation requirements. Staff did not seek competitive bids for the proposed purchase because the purchase is less than \$25,000 and is in accordance with NRS 332.115-1, contracts which, by their nature, are not adapted to award by a competitive solicitation, including contracts for: (c) additions to and repairs and maintenance of equipment which may be more efficiently added to, repaired or maintained by a certain person.

IV. FINANCIAL IMPACT AND BUDGET

This purchase will be paid out of the Approved FY 2023/24 Operating Budget.

V. ALTERNATIVES

The District Board of Trustees may defer or delay the hauling of the sewage.

This would put the District at high risk of a sewage spill into Lake Tahoe if the pump station should fail. This sewer pump station is a critical sewage lift station and is located less than 100 feet from the shore of the lake. It's imperative that this station is maintained in good working condition at all times.

VI. COMMENTS

In conclusion:

1. The hauling of sewage is required at SPS #10 to allow staff to perform required repairs and maintenance on the pump station.
2. The proposed work is planned, budgeted and funded through the Public Works Sewer Operating Budget.
3. The agreement between the District and Alpine Septic has been reviewed and approved by District Legal Counsel.

VII. BUSINESS IMPACT/BENEFIT

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

VIII. ATTACHMENTS

1. 2024 Alpine Septic SPS #10 Agreement for Services

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

Account No. 20002522-7510	Purchase Order No.
CONTRACTOR Alpine Septic, Vendor #2152 P. O. Box 13345 South Lake Tahoe, CA 96151 alpineseptic@sbcglobal.net	INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT Public Works Department 1220 Sweetwater Road Incline Village, NV 89451 Attn: Jim Youngblood JEY@IVGID.ORG or 775-832-1214

This Purchase Order is subject to the attached terms and conditions.

Services:

Contractor will provide two (2) pumping trucks to off-haul sewage from the District’s Sewer Pump Station 10 while IVGID staff performs maintenance on the pump station. The station needs to be offline while staff performs this work.

Contractor will provide two trucks for a time period of 12 hours, at \$225/hour per truck, with services to be performed in the window of March 1 to April 19, 2024.

Price: \$5,400.00

PURCHASE ORDER TERMS AND CONDITIONS FOR SERVICES

1. Acceptance; Entire Agreement. This purchase order for services issued by the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (“DISTRICT”) to the Contractor designated in the purchase order must be promptly accepted and acceptance is expressly limited to the terms of this order. Any addition or different terms in the Contractor's forms are hereby deemed to be material alterations and notice of objection to them and rejection of them is hereby given. Contractor's performance of any portion of this order shall be considered acceptance by the Contractor of the terms herein.

2. Compensation. Contractor shall be paid on a time and materials or firm fixed fee basis, as may be agreed upon by the parties as described in this Purchase Order, or in documents attached hereto and hereby made a part hereof, within 30 days of receipt of invoice. If the work is performed on a time and materials basis, the invoice shall include a detailed description of the work performed, labor hours and materials. Invoices are to be sent to AP@IVGID.ORG.

3. Compliance with Law. Contractor shall comply with all applicable laws and regulations of the federal, state and local government. DISTRICT shall assist Contractor, as requested, in obtaining and maintaining all permits required of Contractor by Federal, State and local regulatory agencies. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of his or her work.

4. Standard of Care. The Contractor shall perform the work in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession practicing under similar conditions. Contractor shall also comply with State and Federal environmental and safety regulations as they apply to the scope of work.

5. Insurance. Contractor shall take out and maintain: A. Commercial General Liability Insurance, of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury

and property damage, naming DISTRICT as an Additional Insured; B. 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 occurrence for bodily injury and property damage; C. Workers' Compensation in compliance with applicable statutory requirements and Employer's Liability Coverage of at least \$1,000,000 per occurrence; and D. Contractors providing professional services shall provide Professional Liability (Errors and Omissions) Insurance of at least \$1,000,000. Insurance carriers shall be licensed or authorized to do business in Nevada.

6. Indemnification. The Contractor shall indemnify and hold harmless DISTRICT, its officials, officers, agents and employees from and against any and all claims, liabilities, expenses or damages, including reasonable attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, or patent infringement or fees for use of patented items, or any claim of the Contractor or a subcontractor for wages or benefits which arise in connection with the performance of the Contract, except to the extent caused or resulting from the active or sole negligence or willful misconduct of DISTRICT. The foregoing indemnity includes, but is not limited to, the cost of prosecuting or defending such action with legal counsel acceptable to DISTRICT and DISTRICT's attorneys' fees incurred in such an action. If Contractor's obligation to defend, indemnify, and/or hold harmless arises out of Contractor's performance of "design professional" services subject to NRS 338.155, then, and only to the extent required by NRS 338.155, which is fully incorporated herein, Contractor's indemnification obligation shall be limited to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Contractor or its employees and agents. Moreover, while Contractor shall not be required to initially defend the District, Contractor, if adjudicated to be liable by a trier of fact, the Contractor shall be reimburse the District or the attorney's fees and costs incurred by the District

defending the action in an amount which is proportionate to the liability of the Contractor.

7. Contract Terms. Nothing herein shall be construed to give any rights or benefits to anyone other than DISTRICT and the Contractor. The unenforceability, invalidity or illegality of any provision(s) of this Contract shall not render the other provisions unenforceable, invalid or illegal. Notice may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the parties to the addresses set forth in the purchase order. Contractor shall not assign, sublet, or transfer this Contract or any rights under or interest in this Contract without the written consent of DISTRICT, which may be withheld for any reason. Contractor is retained as an independent contractor and is not an employee of DISTRICT. No employee or agent of Contractor shall become an employee of DISTRICT. This is an integrated Contract representing the entire understanding of the parties as to those matters contained herein, and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. This Contract may not be modified or altered except in writing signed by both parties hereto. This Purchase Order is not intended to and will not preclude Contractor's employees from exercising available rights under the DISTRICT's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the DISTRICT in accordance with the Whistleblower Policy.

8. Notice of Labor Dispute. Whenever Contractor has knowledge that an actual or potential labor dispute may delay performance under this purchase order, Contractor shall immediately notify and submit all relevant information to DISTRICT.

9. Changes. By written notice, DISTRICT may from time to time, direct work suspension or make changes in quantities, drawings, designs, specifications, place of delivery or delivery schedules, methods of shipment and packaging, and property and services

furnished to DISTRICT by Contractor. If such change causes an increase or decrease in the price of this purchase order or in the time required for performance, Contractor or DISTRICT shall promptly notify the other party thereof and assert its claim for adjustment within thirty (30) days after the change is ordered, and an equitable adjustment shall be made. However, nothing in this clause shall excuse the Contractor from proceeding immediately with the purchase order as changed.

10. Obligations. Contractor shall be solely responsible for providing all materials, labor, tools, equipment, water, light, power, transportation, superintendence, and temporary construction of every nature and all other services and all facilities necessary to execute, complete, and deliver the work within the specified time.

11. Damage to District Facilities. Damage to DISTRICT or public facilities or private property caused by the Contractor or by its subcontractors during performance of services shall be repaired and/or replaced in kind at no cost to the DISTRICT.

12. Site Safety and Cleanup. The project site shall be kept clean and free of hazards at all times during performance of services. After and installation is completed at the site, as applicable, Contractor shall clean the surrounding area to the condition prior to delivery and installation.

13. Installation. If the Contractor is responsible for providing installation services, finished installation work and/or equipment shall be subject to final inspection and acceptance or rejection by the DISTRICT.

14. Whistleblower Provisions. This Agreement is not intended to and will not preclude Consultant's employees from exercising available rights under the District's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the District in accordance with the Whistleblower Policy.

**OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:**

By: _____
Kate Nelson, P. E.
Interim Director of Public Works

Date


Reviewed as to Form:

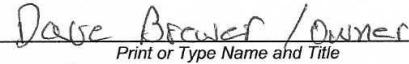
Sergio Rudin
District General Counsel


Date

CONTRACTOR:

Agreed to:

By:  _____
Signature of Authorized Agent

 _____
Print or Type Name and Title

 _____
Date

MEMORANDUM

TO: Board of Trustees

THROUGH: Mike Bandelin, Interim General Manager

FROM: Kate Nelson, Interim Public Works Director, Jim Youngblood, Utilities Superintendent

SUBJECT: Review, discuss and possibly approve the Agreement for Services for crane services at Burnt Cedar Water Disinfection Plant - 2023/24 Operating Fund: Public Works; Utilities; Water; General Ledger #20002222-7510; Vendor: Connolly Crane, in the amount of \$5,610.00. (Requesting Staff Member: Interim Public Works Director Kate Nelson)

RELATED STRATEGIC PLAN BUDGET INITIATIVE(S):

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services. Maintain, renew, expand and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES

Ordinance No. 4: Water; Purchasing Policy for Public Works 21.2.0.

DATE: February 28, 2024

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Approve the award of the Agreement for Services with Connolly Crane Services, for the total amount of \$5,610.00.
2. Direct the Interim Director Of Public Works to sign and execute the Agreement.

II. BACKGROUND

The Public Works staff is responsible for maintaining all the District's water infrastructure. There are two pieces of equipment at the Burnt Cedar Water Disinfection Plant (BCWDP) that need to be lifted through the roof access hatch by crane. One piece of equipment is one of the two inlet water pumps that is due for reconditioning based on the number of run time hours. Therefore, staff will swap one pump with the spare pump that is in storage. The pump weighs approximately 1,500 lbs., and will be lifted approximately 25 feet to facilitate the removal of the pump to be reconditioned, and install the spare pump. The second piece of equipment is a pump control valve, which is on a separate water pump inside the finished water pump room, which needs to be replaced. In order to replace this valve, the water pump needs to be lifted through the roof access hatch as well. The District does not own a crane that can accomplish these lifts.

Staff plans to perform both activities on the same day. However, the agreement amount of \$5,610.00 will cover two days of crane work if the crane is needed for a second day. It is critical that the inlet pump station remain in good working condition as it is the only source of water for the entire District. This water source provides the citizens of Incline Village and Crystal Bay with potable water and fire protection, and meets the water demands of snow-making and irrigation at the golf courses during the summer. This work will be done in between the snow-making and golf course irrigating seasons.

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

III. BID RESULTS

The proposed Agreement is in compliance with the District's Purchasing Policy for Public Works 21.2.0 Subsection 1.6.2 - C: Construction Projects \$100,000 or less, and NRS 332.115.1.(c), and is exempt from competitive solicitation requirements. Staff did not seek competitive bids for the proposed purchase because the purchase is less than \$25,000 and is in accordance with NRS 332.115-1, contracts which, by their nature, are not adapted to award by a competitive solicitation, including contracts for: (c) additions to and repairs and maintenance of equipment which may be more efficiently added to, repaired or maintained by a certain person.

IV. FINANCIAL IMPACT AND BUDGET

This purchase will be paid out of the Approved FY 2023/24 Operating Budget.

V. ALTERNATIVES

The District Board of Trustees may defer or delay the swapping out of the inlet pump and the replacement of the pump control valve. However, this would put the District at a high risk of not being able to provide potable water or fire protection to the citizens of Incline Village and Crystal Bay, nor would the District

be able to meet the demands of snow making and irrigation at the golf courses.

VI. COMMENTS

In conclusion:

1. The use of the crane will allow staff to perform the required repairs and maintenance on the water pump station.
2. The proposed work is planned, budgeted and funded through the Public Works Water Operating Budget.
3. The agreement between the District and Connolly Crane has been reviewed and approved by District Legal Counsel.

VII. BUSINESS IMPACT/BENEFIT

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

VIII. ATTACHMENTS

1. 2024 BCWDP Inlet Pump Agreement for Services

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

Account No. 20002222-7510	Purchase Order No.
CONTRACTOR Connolly Crane Service, Inc. 2276 Pinenut Road Gardnerville, NV 89410 Attn: Victor Slater 775-235-4321 (o) 775-240-1551 (c) victor@connollycrane.com	INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT Public Works Department 1220 Sweetwater Road Incline Village, NV 89451 Attn: Jim Youngblood JEY@IVGID.ORG or 775-832-1214

This Purchase Order is subject to the attached terms and conditions.

Services:

Per Estimate dated January 31, 2024, contractor will provide all services, equipment, and personnel needed to remove and replace an inlet pump at the District's Burnt Cedar Water Disinfection Plant, located at 665 Lakeshore Boulevard in Incline Village, Nevada.

Services to be completed prior to June 30, 2024.

Anticipated Price: \$5,610.00, based on one and one-half eight-hour (1.5 8-hour) day's work (changes in price will require a separate signed written notice, pursuant to Section 9 of this Purchase Order).

PURCHASE ORDER TERMS AND CONDITIONS FOR SERVICES

1. Acceptance; Entire Agreement. This purchase order for services issued by the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT ("DISTRICT") to the Contractor designated in the purchase order must be promptly accepted and acceptance is expressly limited to the terms of this order. Any additional or different terms in the Contractor's forms are hereby deemed to be material alterations and notice of objection to them and rejection of them is hereby given. Contractor's performance of any portion of this order shall be considered acceptance by the Contractor of the terms herein. Notwithstanding the foregoing, DISTRICT acknowledges receipt of the Connolly Crane Service Crane Rental Agreement, and agrees to be bound by its terms and conditions by reference to said Agreement herein.

2. Compensation. Contractor shall be paid on a time and materials or firm fixed fee basis, as may be agreed upon by the parties as described in this Purchase Order, or in documents attached hereto and hereby made a part hereof, within 30 days of receipt of invoice. If the work is performed on a time and materials basis, the invoice shall include a detailed description of the work performed, labor hours and materials. Invoices are to be sent to AP@IVGID.ORG.

3. Compliance with Law. Contractor shall comply with all applicable laws and regulations of the federal, state and local government. DISTRICT shall assist Contractor, as requested, in obtaining and maintaining all permits required of Contractor by Federal, State and local regulatory agencies. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of his or her work.

4. Standard of Care. The Contractor shall perform the work in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill

ordinarily exercised by members of the profession practicing under similar conditions. Contractor shall also comply with State and Federal environmental and safety regulations as they apply to the scope of work.

5. Insurance. Contractor shall take out and maintain: A. Commercial General Liability Insurance of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury and property damage, naming DISTRICT as an Additional Insured; B. 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 occurrence for bodily injury and property damage; C. Workers' Compensation in compliance with applicable statutory requirements and Employer's Liability Coverage of at least \$1,000,000 per occurrence. Insurance carriers shall be licensed or authorized to do business in Nevada.

6. Indemnification. The Contractor shall indemnify and hold harmless DISTRICT, its officials, officers, agents and employees from and against any and all claims, liabilities, expenses or damages, including reasonable attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, or patent infringement or fees for use of patented items, or any claim of the Contractor or a subcontractor for wages or benefits which arise in connection with the performance of the Contract, except to the extent caused or resulting from the active or sole negligence or willful misconduct of DISTRICT. The foregoing indemnity includes, but is not limited to, the cost of prosecuting or defending such action with legal counsel acceptable to DISTRICT and DISTRICT's attorneys' fees incurred in such an action. If Contractor's obligation to defend, indemnify, and/or hold harmless arises out of Contractor's performance of "design professional" services subject to NRS 338.155, then, and only to

the extent required by NRS 338.155, which is fully incorporated herein, Contractor's indemnification obligation shall be limited to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Contractor or its employees and agents. Moreover, while Contractor shall not be required to initially defend the District, Contractor, if adjudicated to be liable by a trier of fact, the Contractor shall be reimburse the District or the attorney's fees and costs incurred by the District defending the action in an amount which is proportionate to the liability of the Contractor.

7. **Contract Terms.** Nothing herein shall be construed to give any rights or benefits to anyone other than DISTRICT and the Contractor. The unenforceability, invalidity or illegality of any provision(s) of this Contract shall not render the other provisions unenforceable, invalid or illegal. Notice may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the parties to the addresses set forth in the purchase order. Contractor shall not assign, sublet, or transfer this Contract or any rights under or interest in this Contract without the written consent of DISTRICT, which may be withheld for any reason. Contractor is retained as an independent contractor and is not an employee of DISTRICT. No employee or agent of Contractor shall become an employee of DISTRICT. This is an integrated Contract representing the entire understanding of the parties as to those matters contained herein, and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. This Contract may not be modified or altered except in writing signed by both parties hereto.

8. **Notice of Labor Dispute.** Whenever Contractor has knowledge that an actual or potential labor dispute may delay performance under this purchase order, Contractor shall immediately notify and submit all relevant information to DISTRICT.

9. **Changes.** By written notice, DISTRICT may from time to time, direct work suspension or make changes in quantities, drawings, designs, specifications, place of delivery or delivery schedules, methods of shipment and packaging, and property and services furnished to DISTRICT by Contractor. If such change causes an increase or decrease in the price of this purchase order or in the time required for performance, Contractor or DISTRICT shall promptly notify the other party thereof and assert its claim for adjustment within thirty (30) days after the change is ordered, and

an equitable adjustment shall be made. However, nothing in this clause shall excuse the Contractor from proceeding immediately with the purchase order as changed.

10. **Obligations.** Contractor shall be solely responsible for providing all materials, labor, tools, equipment, water, light, power, transportation, superintendence, and temporary construction of every nature and all other services and all facilities necessary to execute, complete, and deliver the work within the specified time. DISTRICT shall provide unobstructed access to the facility to allow Contractor to transport the crane to and from the job site, and to stage the crane to complete the work. DISTRICT shall be responsible for any required lane closure, traffic control, and/or encroachment permits associated with the work. Should any electrical, mechanical, or anchor connections or disconnections or final alignments be required, DISTRICT shall be responsible for such work.

11. **Damage to District Facilities.** Damage to DISTRICT or public facilities or private property caused by the Contractor or by its subcontractors during performance of services shall be repaired and/or replaced in kind at no cost to the DISTRICT. Notwithstanding the foregoing, Contractor shall not be responsible for the structural integrity of the inlet pump replaced under this Agreement.

12. **Site Safety and Cleanup.** The project site shall be kept clean and free of hazards at all times during performance of services. After and installation is completed at the site, as applicable, Contractor shall clean the surrounding area to the condition prior to delivery and installation.

13. **Installation.** If the Contractor is responsible for providing installation services, finished installation work and/or equipment shall be subject to final inspection and acceptance or rejection by the DISTRICT.

14. **Whistleblower Provisions.** This Agreement is not intended to and will not preclude Consultant's employees from exercising available rights under the District's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the District in accordance with the Whistleblower Policy.

[Signatures on Following Page]

OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:

By: _____
Kate Nelson, P. E.
Interim Director of Public Works

Date


Reviewed as to Form:

Sergio Rudin
District General Counsel

Date

CONTRACTOR:

Agreed to:

By:  _____
Signature of Authorized Agent
Michelle Neubauer

Print or Type Name and Title
2/15/24

Date

EXHIBIT A – Contractor’s Estimate



2276 Pinet Road + Gardnerville, NV 89410
 NV: (775) 782-3036 + CA: (530) 573-1618 + Fax: (775) 235-4321
 Email: connollycrane@frontier.com
 Web: www.connollycrane.com
 NV License: 0068843

Estimate 1/31/2024

Name & Address	Contact Info	Project/Job Description	Project/Job Date
Incline Village General Improvement District 1220 Sweetwater Rd. Incline Village, NV. 89451 Attn: Jim Youngblood	Office: 775-832-1214 Fax: Cell: 775-671-2207 Email: jey@lvgid.org	Remove and replace pumps at Burnt Cedar Water Disinfection Plant, Incline Village	TBD

<u>Equipment/Service</u>	<u>Rate</u>
National 18127 40 Ton Truck Crane w/Operator (4hr. min)	\$235.00/hr
29 CFR OSHA Certified Signal Person/Rigger (If required)	\$125.00/hr.
Overtime Rate (In addition to the hourly rate for any work over an 8-hour up to 10 hours or Saturdays)	\$55.00/hr
Double Time (In addition to the hourly rate for any work provided after 10 hours weekdays Saturdays after 8 hours and on Sundays and Holidays)	\$110.00/hr
Crew Time (Oiler, rigger or any extra man provided by us if needed)	N/A
Rigging/Man baskets/Rock Buckets (determined per job scenario)	N/A
Mobilization In – (load & travel time) (Approx.: 1 hr.)	\$235.00/hr.
Mobilization Out – (load & travel time) (Approx.: 1hr.)	\$235.00/hr.
Permits (road closures, travel, etc.)	\$50.00
Subsistence (if required, per man per day)	N/A
Fuel Surcharge	10%

Special Instructions/Notes:
 Please review and sign all documents, return via fax or e-mail, projects will be scheduled when all documents have been returned. Note: That all equipment & labor is charged by the hour, please do not hesitate to give us a call with any questions.
Victor Slater
 775.240-1551 Cell
victor@connollycrane.com

MEMORANDUM

TO: Board of Trustees

THROUGH: Mike Bandelin, Interim General Manager

FROM: Kate Nelson, Interim Public Works Director, Jim Youngblood, Utilities Superintendent

SUBJECT: Review, discuss and possibly approve the Agreement for Services with Finest LLC - 2023/24 Operating Fund: Public Works; Utilities; Sewer; General Ledger #20002524-7510; Vendor: Finest LLC, in the amount of \$10,045.22. (Requesting Staff Member: Interim Public Works Director Kate Nelson)

RELATED STRATEGIC PLAN BUDGET INITIATIVE(S): **LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE**

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services. Maintain, renew, expand and enhance district infrastructure to meet the capacity needs and desires of the community for future generations.

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES Ordinance No. 2: Sewer; Purchasing Policy for Public Works 21.2.0.

DATE: February 28, 2024

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Approve the award of the Agreement for Services with Finest LLC, for the total amount of \$10,045.22.
2. Direct the Interim Director Of Public Works to sign and execute the Agreement.

II. BACKGROUND

A fence will be installed on the District's parcel #124-921-07, located to the northwest of 398 Willow Court. This parcel has a long-standing issue of vehicles, trash, etc. being parked and dumped here. Staff has made many attempts to work with the property owner of the parcel adjacent to the District's parcel, without responses or removal of the unwanted debris. The District-owned parcel has a sewer main running through it and there have been problems gaining access to the parcel to facilitate routine and emergency maintenance on the sewer main. Adjacent property owners within the vicinity have also repeatedly requested the District to do something regarding this issue. The District's towing company, Milne Towing, will properly post and notify the owners of the vehicles, some of which are non-operational, to clear the District's property, and then have Finest LLC install a fence, with the goal of eliminating access to allow future dumping of debris and abandonment of vehicles on the District's property.

In accordance with Board Policy 3.1.0. Subsection 0.4, this item is included on the Consent Calendar as it is routine business of the District and within the currently approved District's FY 2023-2024 Operating Budget within the Utility Division 200 Fund.

III. BID RESULTS

The proposed purchase agreement is in compliance with the District's Purchasing Policy for Public Works 21.2.0 (1.6.2 - C) Construction Projects \$100,000 or less and NRS 332.115.1.(c) and is exempt from competitive solicitation requirements. Staff did not seek competitive bids for the proposed purchase because the purchase is in accordance with NRS 332.115-1, contracts which, by their nature, are not adapted to award by a competitive solicitation, including contracts for: (b) Professional Services.

IV. FINANCIAL IMPACT AND BUDGET

This purchase will be paid out of the Approved FY 2023/24 Operating Budget.

V. ALTERNATIVES

The District Board of Trustees may defer or delay the removal of abandoned vehicles, removal of the debris and installation of the fence. This may put the District at risk of a solids waste ordinance violation, as abandoned vehicles and debris would continue to accumulate on the District's property and will not allow staff to perform maintenance on the existing sewer line on the property.

VI. COMMENTS

In conclusion:

1. The installation of a fence on the District's property is imperative to provide access for District personnel to maintain the existing sewer line on the property.
2. The proposed work is planned, budgeted and funded through the Public Works Sewer Operating Budget.

3. The Agreement between the District and Finest LLC has been reviewed and approved by District Legal Counsel.

VII. BUSINESS IMPACT/BENEFIT

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

VIII. ATTACHMENTS

1. 2023-11-30 Finest LLC Agreement for Services

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

<p>Account No. 20002524-7510</p>	<p>Req. No. TBD</p>	<p>Purchase Order No. TBD Order Date: Delivery By: Buyer: Jim Youngblood Phone: 775-832-1214 E-mail: jev@ivgid.org</p>
<p>CONTRACTOR Finest LLC 9 Adair Drive Carson City, NV 89706</p>		<p>INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT Public Works Department 1220 Sweetwater Road Incline Village, NV 89451 Attn: Jim Youngblood</p>

This Purchase Order is subject to the attached terms and conditions.

Services:

Contractor will furnish the following:

- Mobilize personnel and equipment to job site (the vacant District-owned lot, through which a District sewer line runs, behind 398 Willow Court, Incline Village NV).
- Provide all material to properly complete the project.
- Provide and install 160 linear feet of 6-foot high cedar fence on 2-7/8 schedule 20 round galvanized posts.
- Board on board dog-ear pickets sandwiched between redwood 2” x 4” rails. Four 2” x 4” per bay. Four carriage bolts per bay.
- Posts to be set in concrete and/or bolted to boulders with 8” weld-on plates where necessary.
- Application and approval of required Washoe County Building Permit

Contractor will not provide the following service, unless agreed to in a separate signed writing:

- Accelerated schedule/overtime.
- Site work unless noted above.
- Unforeseen obstacles.

Price: \$10,045.22

This price will remain valid until April 5, 2024.

PURCHASE ORDER TERMS AND CONDITIONS FOR SERVICES

1. Acceptance; Entire Agreement. This purchase order for services issued by the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT ("DISTRICT") to the Contractor designated in the purchase order must be promptly accepted and acceptance is expressly limited to the terms of this order. Any addition or different terms in the Contractor's forms are hereby deemed to be material alterations and notice of objection to them and rejection of them is hereby given. Contractor's performance of any portion of this order shall be considered acceptance by the Contractor of the terms herein.

2. Compensation. Contractor shall be paid on a firm fixed fee basis, as agreed upon by the parties as described in this Purchase Order, or in documents attached hereto and hereby made a part hereof, within 30 days of receipt of invoice. If the work is performed on a time and materials basis, the invoice shall include a detailed description of the work performed, labor hours and materials. Invoices shall be sent to AP@ivgid.org.

3. Compliance with Law. Contractor shall comply with all applicable laws and regulations of the federal, state and local government. DISTRICT shall assist Contractor, as requested, in obtaining and maintaining all permits required of Contractor by Federal, State and local regulatory agencies. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of his or her work.

4. Standard of Care. The Contractor shall perform the work in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession practicing under similar conditions. Contractor shall also comply with State and Federal environmental and safety regulations as they apply to the scope of work.

5. Insurance. Contractor shall take out and maintain: A. Commercial General Liability Insurance, of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury and property damage, naming DISTRICT as an Additional Insured; B. 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 occurrence for bodily injury and property damage; C. Workers' Compensation in compliance with applicable statutory requirements and Employer's Liability Coverage of at least \$1,000,000 per occurrence; and D. Contractors providing professional services shall provide Professional Liability (Errors and Omissions) Insurance of at least \$1,000,000. Insurance carriers shall be licensed or authorized to do business in Nevada.

6. Indemnification. The Contractor shall indemnify and hold harmless DISTRICT, its officials, officers, agents and employees from and against any and all claims, liabilities, expenses or damages, including reasonable attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, or patent infringement or fees for use of patented items, or any claim of the Contractor or a subcontractor for wages or benefits which arise in connection with the performance of the Contract, except to the extent caused or resulting from the active or sole negligence or willful misconduct of DISTRICT. The foregoing indemnity includes, but is not limited to, the cost of prosecuting or defending such action with legal counsel acceptable to DISTRICT and DISTRICT's

attorneys' fees incurred in such an action. If Contractor's obligation to defend, indemnify, and/or hold harmless arises out of Contractor's performance of "design professional" services subject to NRS 338.155, then, and only to the extent required by NRS 338.155, which is fully incorporated herein, Contractor's indemnification obligation shall be limited to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Contractor or its employees and agents. Moreover, while Contractor shall not be required to initially defend the District, Contractor, if adjudicated to be liable by a trier of fact, the Contractor shall be reimburse the District or the attorney's fees and costs incurred by the District defending the action in an amount which is proportionate to the liability of the Contractor.

7. Contract Terms. Nothing herein shall be construed to give any rights or benefits to anyone other than DISTRICT and the Contractor. The unenforceability, invalidity or illegality of any provision(s) of this Contract shall not render the other provisions unenforceable, invalid or illegal. Notice may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the parties to the addresses set forth in the purchase order. Contractor shall not assign, sublet, or transfer this Contract or any rights under or interest in this Contract without the written consent of DISTRICT, which may be withheld for any reason. Contractor is retained as an independent contractor and is not an employee of DISTRICT. No employee or agent of Contractor shall become an employee of DISTRICT. This is an integrated Contract representing the entire understanding of the parties as to those matters contained herein, and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. This Contract may not be modified or altered except in writing signed by both parties hereto. This Purchase Order is not intended to and will not preclude Contractor's employees from exercising available rights under the DISTRICT's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the DISTRICT in accordance with the Whistleblower Policy.

8. Notice of Labor Dispute. Whenever Contractor has knowledge that an actual or potential labor dispute may delay performance under this purchase order, Contractor shall immediately notify and submit all relevant information to DISTRICT.

9. Changes. By written notice, DISTRICT may from time to time, direct work suspension or make changes in quantities, drawings, designs, specifications, place of delivery or delivery schedules, methods of shipment and packaging, and property and services furnished to DISTRICT by Contractor. If such change causes an increase or decrease in the price of this purchase order or in the time required for performance, Contractor or DISTRICT shall promptly notify the other party thereof and assert its claim for adjustment within thirty (30) days after the change is ordered, and an equitable adjustment shall be made. However, nothing in this clause shall excuse the Contractor from proceeding immediately with the purchase order as changed.

10. Obligations. Except as otherwise expressly set forth in the cover page to this Purchase Order, Contractor shall be solely responsible for providing all materials, labor, tools,

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT -- PURCHASE ORDER (SERVICES)

equipment, water, light, power, transportation, superintendence, and temporary construction of every nature and all other services and all facilities necessary to execute, complete, and deliver the work within the specified time.

11. Damage to District Facilities. Damage to DISTRICT or public facilities or private property caused by the Contractor or by its subcontractors during performance of services shall be repaired and/or replaced in kind at no cost to the DISTRICT.

12. Site Safety and Cleanup. The project site shall be kept clean and free of hazards at all times during performance of services. After and installation is completed at the site, as

applicable, Contractor shall clean the surrounding area to the condition prior to delivery and installation.

13. Installation. If the Contractor is responsible for providing installation services, finished installation work and/or equipment shall be subject to final inspection and acceptance or rejection by the DISTRICT.

14. Whistleblower Provisions. This Agreement is not intended to and will not preclude Contractor's employees from exercising available rights under the District's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the District in accordance with the Whistleblower Policy.

OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:

By: _____
Kate Nelson, P. E.
Interim Director of Public Works


Date

Reviewed as to Form:

Sergio Rudin
District General Counsel

Date

CONTRACTOR:
Finest LLC
Agreed to:

By:  _____
Signature of Authorized Agent
James Hardiman
Print or Type Name and Title

1/7/2024
Date

Finest LLC
 9 Adair Dr
 Carson City, NV 89706
 775-883-1117
 FinestCarson@gmail.com

Estimate

ADDRESS
Darel Barlow Incline Village General Improvement District 1220 Sweetwater Rd Incline Village, NV 89451

ESTIMATE #	DATE	EXPIRATION DATE
4007	12/26/2023	01/12/2024

SALES REP
 James

JOB LOCATION
 398 Willow Ct. Incline

ACTIVITY	QTY	RATE	AMOUNT
Cedar Privacy Fence Materials and labor: 160' of 6' Cedar fence on 2-7/8 sch 20 round galvanized posts. Board on board dog ear pickets sandwiched between Redwood 2x4 rails. Four 2x4 per bay. Four carriage bolts per bay. Posts set in concrete and/or bolted to boulders with 8" weld on plates where necessary. No tear out and haul away.	1	9,745.22	9,745.22
Cedar Privacy Fence Permit fee	1	300.00	300.00

Materials are subject to flaws such as scratches, shrinking, dings, warping, splitting and knots which are beyond our control. We are not responsible for damage to vegetation, conduit, landscape, wiring, waterlines, sprinkler lines, or septic lines. Property lines must be properly marked by the property owner. Building permits are not included in this estimate unless otherwise indicated. Warranty does not cover mistreatment or acts of god. Estimate is for completing the job as described above, based on our evaluation, and does not include material price increases, additional labor or materials which may be required should unforeseen issues arise. Any materials used in the performance of this work remain the property of Finest LLC until all sums due are paid in full. A 1.5% monthly interest charge will be assessed on unpaid balances. Credit cards will be assessed a fee of 3.5%. Agreement of terms by paying deposit and/or signing contract.

SUBTOTAL	10,045.22
TAX	0.00
TOTAL	\$10,045.22

MEMORANDUM

TO: Board of Trustees

THROUGH: Mike Bandelin, Interim General Manager

FROM: Kate Nelson, Interim Public Works Director, Jim Youngblood, Utilities Superintendent

SUBJECT: Review, discuss and possibly approve the Agreement for Services for sodium silicate pumping and disposal at the Burnt Cedar Water Disinfection Plant - 2023/24 Operating Fund: Public Works; Utilities; Water; General Ledger #20002223-7510; Vendor: Hero Environmental Services, in the amount not to exceed \$10,400.50. (Requesting Staff Member: Interim Public Works Director Kate Nelson)

RELATED STRATEGIC PLAN BUDGET INITIATIVE(S):

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services. Maintain, renew, expand and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES

Ordinance No. 4: Water; Purchasing Policy for Public Works 21.2.0.

DATE: February 28, 2024

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Approve the award of the Agreement for Services with Hero Environmental Services, for the total amount not to exceed \$10,400.50.
2. Direct the Interim Director of Public Works to sign and execute the Agreement.

II. BACKGROUND

The sodium silicate tank was installed in the early 1980s at the Burnt Cedar Water Disinfection Plant (BCWDP) and is used to provide corrosion control throughout our water system. Recently, the system has stopped working and staff is using totes to provide sodium silicate treatment to the water system. The tank needs to have the remaining sodium silicate removed, disposed of and the tank cleaned out. Once this process is completed, staff will run a new line from the sodium silicate tank to the injection pump, located within the UV room at the BCWDP.

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

III. BID RESULTS

The proposed Purchase Agreement is in compliance with the District's Purchasing Policy for Public Works 21.2.0 (1.6.2 - C) Construction Projects \$100,000 or less and NRS 332.115.1.(c), and is exempt from competitive solicitation requirements. Staff did not seek competitive bids for the proposed purchase because the purchase is less than \$25,000 and is in accordance with NRS 332.115-1, contracts which, by their nature, are not adapted to award by a competitive solicitation, including contracts for: (c) additions to and repairs and maintenance of equipment which may be more efficiently added to, repaired or maintained by a certain person.

IV. FINANCIAL IMPACT AND BUDGET

This purchase will be paid out of the Approved FY 2023/24 Operating Budget.

V. ALTERNATIVES

The District Board of Trustees may defer or delay the pumping out of the sodium silicate and tank cleaning. Staff would continue to provide corrosion control for the water system utilizing totes. This is a safety issue, having to transport the sodium silicate totes from the WRRF to the BCWDP, swapping out the totes and hoses.

VI. COMMENTS

In conclusion:

1. The pumping of the sodium silicate, tank cleaning and disposal of the silicate is required as it is a safety issue for staff.
2. The proposed work is planned, budgeted and funded through the Public Works Water Operating Budget.
3. The agreement between the District and Hero Environmental has been reviewed and approved by District Legal Counsel.

VII. BUSINESS IMPACT/BENEFIT

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

VIII. ATTACHMENTS

1. 2024 BCWDP Silicate Agreement for Services

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

Account No. 20002223-7510	Purchase Order No.
CONTRACTOR HERO Environmental 4900 Mill Street, #7 Reno, Nevada 89502 775-900-4376 gary@heroenv.com	INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT Public Works Department 1220 Sweetwater Road Incline Village, NV 89451 Attn: Jim Youngblood JEY@IVGID.ORG or 775-832-1214

This Purchase Order is subject to the attached terms and conditions.

Services:

Per Estimate 1462 dated February 5, 2024 (attached hereto and incorporated by this reference), Contractor will provide personnel, labor, and equipment required to remove and properly dispose of sodium silicate, and clean the inside of the storage tank, at the District's Burnt Cedar Water Disinfection Plant, located at 665 Lakeshore Boulevard in Incline Village, Nevada.

Services to be completed prior to June 30, 2024.

Price: \$10,400.50

PURCHASE ORDER TERMS AND CONDITIONS FOR SERVICES

1. Acceptance; Entire Agreement. This purchase order for services issued by the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT ("DISTRICT") to the Contractor designated in the purchase order must be promptly accepted and acceptance is expressly limited to the terms of this order. Any addition or different terms in the Contractor's forms are hereby deemed to be material alterations and notice of objection to them and rejection of them is hereby given. Contractor's performance of any portion of this order shall be considered acceptance by the Contractor of the terms herein.
2. Compensation. Contractor shall be paid on a time and materials or firm fixed fee basis, as may be agreed upon by the parties as described in this Purchase Order, or in documents attached hereto and hereby made a part hereof, within 30 days of receipt of invoice. If the work is performed on a time and materials basis, the invoice shall include a detailed description of the work performed, labor hours and materials. Invoices are to be sent to AP@IVGID.ORG.
3. Compliance with Law. Contractor shall comply with all applicable laws and regulations of the federal, state and local government. DISTRICT shall assist Contractor, as requested, in obtaining and maintaining all permits required of Contractor by Federal, State and local regulatory agencies. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of his or her work.
4. Standard of Care. The Contractor shall perform the work in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession practicing under similar conditions. Contractor shall also comply with State and Federal environmental and safety regulations as they apply to the scope of work.
5. Insurance. Contractor shall take out and maintain: A. Commercial General Liability Insurance of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury and property damage, naming DISTRICT as an Additional Insured; B. 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 occurrence for bodily injury and property damage; C. Workers' Compensation in compliance with applicable statutory requirements and Employer's Liability Coverage of at least \$1,000,000 per occurrence; and D. Contractors providing professional services shall provide Professional Liability (Errors and Omissions) Insurance of at least \$1,000,000. Insurance carriers shall be licensed or authorized to do business in Nevada.
6. Indemnification. The Contractor shall indemnify and hold harmless DISTRICT, its officials, officers, agents and employees from and against any and all claims, liabilities, expenses or damages, including reasonable attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, or patent infringement or fees for use of patented items, or any claim of the Contractor or a subcontractor for wages or benefits which arise in connection with the performance of the Contract, except to the extent caused or resulting from the active or sole negligence or willful misconduct of DISTRICT. The foregoing indemnity includes, but is not limited to, the cost of prosecuting or defending such action with legal counsel acceptable to DISTRICT and DISTRICT's attorneys' fees incurred in such an action. If Contractor's obligation to defend, indemnify, and/or hold harmless arises out of Contractor's performance of "design professional" services subject to NRS 338.155, then, and only to the extent required by NRS 338.155, which is fully incorporated herein, Contractor's indemnification obligation shall be limited to

the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Contractor or its employees and agents. Moreover, while Contractor shall not be required to initially defend the District, Contractor, if adjudicated to be liable by a trier of fact, the Contractor shall be reimburse the District or the attorney's fees and costs incurred by the District defending the action in an amount which is proportionate to the liability of the Contractor.

7. Contract Terms. Nothing herein shall be construed to give any rights or benefits to anyone other than DISTRICT and the Contractor. The unenforceability, invalidity or illegality of any provision(s) of this Contract shall not render the other provisions unenforceable, invalid or illegal. Notice may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the parties to the addresses set forth in the purchase order. Contractor shall not assign, sublet, or transfer this Contract or any rights under or interest in this Contract without the written consent of DISTRICT, which may be withheld for any reason. Contractor is retained as an independent contractor and is not an employee of DISTRICT. No employee or agent of Contractor shall become an employee of DISTRICT. This is an integrated Contract representing the entire understanding of the parties as to those matters contained herein, and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. This Contract may not be modified or altered except in writing signed by both parties hereto.

8. Notice of Labor Dispute. Whenever Contractor has knowledge that an actual or potential labor dispute may delay performance under this purchase order, Contractor shall immediately notify and submit all relevant information to DISTRICT.

9. Changes. By written notice, DISTRICT may from time to time, direct work suspension or make changes in quantities, drawings, designs, specifications, place of delivery or delivery schedules, methods of shipment and packaging, and property and services

furnished to DISTRICT by Contractor. If such change causes an increase or decrease in the price of this purchase order or in the time required for performance, Contractor or DISTRICT shall promptly notify the other party thereof and assert its claim for adjustment within thirty (30) days after the change is ordered, and an equitable adjustment shall be made. However, nothing in this clause shall excuse the Contractor from proceeding immediately with the purchase order as changed.

10. Obligations. Contractor shall be solely responsible for providing all materials, labor, tools, equipment, water, light, power, transportation, superintendence, and temporary construction of every nature and all other services and all facilities necessary to execute, complete, and deliver the work within the specified time.

11. Damage to District Facilities. Damage to DISTRICT or public facilities or private property caused by the Contractor or by its subcontractors during performance of services shall be repaired and/or replaced in kind at no cost to the DISTRICT.

12. Site Safety and Cleanup. The project site shall be kept clean and free of hazards at all times during performance of services. After and installation is completed at the site, as applicable, Contractor shall clean the surrounding area to the condition prior to delivery and installation.

13. Installation. If the Contractor is responsible for providing installation services, finished installation work and/or equipment shall be subject to final inspection and acceptance or rejection by the DISTRICT.

14. Whistleblower Provisions. This Agreement is not intended to and will not preclude Consultant's employees from exercising available rights under the District's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the District in accordance with the Whistleblower Policy.

OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:

By: _____
Kate Nelson, P. E.
Interim Director of Public Works

Date

Reviewed as to Form:

Sergio Rudin
District General Counsel

Date

CONTRACTOR:
HERO Environmental
Agreed to:

By: _____
[Signature]
Signature of Authorized Agent

Gary Grimes Owner
Print or Type Name and Title

2/8/2024
Date

HERO Environmental
 4900 Mill St. #7
 Reno, NV 89502
 +1 7759004376
 gary@heroenv.com



ADDRESS
 Jim Youngblood
 IVGID

SHIP TO
 Jim Youngblood
 IVGID

Estimate 1462

DATE 02/05/2024

DATE		DESCRIPTION	QTY	RATE	AMOUNT
02/05/2024	Basic Tank Cleaning	Basic tank cleaning pull all sodium silicate from tank, rinse and inspect from surface level.	1	850.00	850.00
	Guzzler w/operator		8	250.00	2,000.00
	tanker w/operator		8	125.00	1,000.00
	Labor and Equipment:Labor		8	42.50	340.00
	high heat/ high pressure - pressure washer	High pressure washer with high heat to clean	1	425.00	425.00
	Crew Truck		1	250.00	250.00
	non-haz liquid disposal	liquid sodium silicate profile #120597NV	5,000	0.71	3,550.00
	Non-Haz Manifest Fee		1	50.00	50.00
	Admin Fee	Standard Fee	1	60.00	60.00
	ERF Fee's	Environmental Recovery Fee *Subject to change with national fluctuating rates*	8,525	0.22	1,875.50
Actual work hours may vary and the invoicing will reflect if hours are less and liquid volume is less or more.					
SUBTOTAL					10,400.50
TAX					0.00

MEMORANDUM

TO: Board of Trustees

THROUGH: Mike Bandelin, Interim General Manager

FROM: Kate Nelson, Interim Public Works Director, Jim Youngblood, Utilities Superintendent

SUBJECT: Review, discuss and possibly approve the Amendment to the current Agreement for Professional Services - 2023/24 Operating Fund: Public Works; Utilities; Sewer and Water; General Ledger #20002223-7330 and 20002225-7330; Vendor: Jacobs Engineering Group Inc., in the amount of \$12,000.00. (Requesting Staff Member: Interim Public Works Director Kate Nelson).

RELATED STRATEGIC PLAN BUDGET INITIATIVE(S):

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services. Maintain, renew, expand and enhance district infrastructure to meet the capacity needs and desires of the community for future generations.

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES

Ordinance No. 2 – Sewer Ordinance, Ordinance No. 4 – Water Ordinance, Purchasing Policy for Goods and Services 21.1.0.

DATE: February 28, 2024

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Approve Amendment 1 to the Professional Services Agreement with Jacobs for the total amount of \$12,000.00.
2. Direct the Interim Director of Public Works to sign and execute the Agreement.

II. BACKGROUND

Jacobs has provided the District with Supervisory Control and Data Acquisition (SCADA) and technical support for the Burnt Cedar Water Disinfection Plant (BCWDP), Water Resource Recovery Facility (WRRF), water and wastewater pumping facilities since 2010. During this time, the District did not have a SCADA technician on staff. In November 2021, the District hired a full-time SCADA technician who worked with Jacobs and was trained in the ongoing operations of the District's BCWDP, WRRF and water and sewer pump stations, SCADA Systems.

In November 2023, the District's SCADA technician resigned. Therefore, due to the separation with this employee, for continuity of services, the District will be increasing its reliance on Jacobs. The original agreement with Jacobs was exempt from competitive solicitation for the following reasons: Purchasing Policy for Goods and Services Policy 21.1.0 Subsection 2.2.4 and 3.0 and NRS 332.115.1.(b). The SCADA technician position remains vacant. However, Public Works will be actively recruiting for this position soon. The District currently can no longer perform tasks in-house, so an amendment is required to increase Jacobs contract through the end of this fiscal year.

Jacobs will continue to provide upgrades to control systems at BCWDP, SCADA troubleshooting and programming for all water and wastewater sites, technical support services, including patching, upgrading and license management associated with the ongoing operation of IVGID's BCWDP and WRRF. Jacobs will also provide formal documentation of all engagements, including resolutions and recommendations, following standard change management with the District's IT Director and the Utilities Superintendent.

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

III. BID RESULTS

The original contract is in compliance with the District's Purchasing Policy for Goods and Services, Policy 20.1.0 Subsection 2.2.4 and 3.0 and NRS 332.115.1 (b). The recommended contract amendment is not subject to competitive solicitation.

IV. FINANCIAL IMPACT AND BUDGET

This purchase will be paid out of the approved FY 2023/24 Operating Budget.

V. ALTERNATIVES

The District Board of Trustees may defer or delay the approval of this Amendment. This may put the District at risk of not being able to monitor water and wastewater sites and make control adjustments.

VI. COMMENTS

In conclusion:

1. Jacobs Engineering Group Inc., provides the District with SCADA and technical support for the BCWDP, the WRRF, water and wastewater pumping facilities.
2. The proposed work is planned, budgeted and funded through the Public Works Sewer and Water Operating Budget.
3. The Amendment between the District and Jacobs has been reviewed and approved by District Legal Counsel.

VII. BUSINESS IMPACT/BENEFIT

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

VIII. ATTACHMENTS

1. Amendment 1 - Professional Services Agreement

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

**AMENDMENT NO. 1
TO PROFESSIONAL SERVICES AGREEMENT DATED MAY 1, 2023
BETWEEN
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
AND
JACOBS ENGINEERING GROUP, INC.**

This Amendment No. 1 to the Professional Services Agreement dated May 1, 2023 (“Amendment”) is made and entered into as of February 29, 2024, by and between the Incline Village General Improvement District (“District”) and Jacobs Engineering Group, Inc., a Delaware Corporation (“Consultant”). District and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

Recitals

- A. **Original Agreement.** On May 1, 2023, the Parties entered into a Professional Services Agreement for on-call engineering services, outlined in Section 3.1.1 of the Original Agreement (“Original Agreement”), which is incorporated herein by reference as if fully set forth herein, for the purpose of District retaining Consultant to provide the Services set forth therein.
- B. **Amendment Purpose.** District and Consultant wish to amend the Original Agreement to extend the Term of Service to June 30, 2024 and increase the total contract Compensation to a not to exceed amount of \$32,000.00 (an increase of \$12,000.00 from the current not to exceed amount of \$20,000.00 as provided in the Original Agreement).
- C. **Amendment Authority.** This Amendment is authorized pursuant to Sections 3.1.2 and 3.5.15 of the Original Agreement.

Amendment

Now therefore, the Parties hereby modify the Original Agreement as follows:

- 1. **Definitions.** All capitalized terms used in this Amendment not defined in this Amendment shall have the same meaning as set forth in the Original Agreement if defined in the Original Agreement.
- 2. **Term.** This Amendment extends the term of the original Agreement from April 30, 2024 to June 30, 2024 to allow Consultant to continue to perform the work set forth in Section 3.1.1 of the Original Agreement as requested by the District.
- 3. **Compensation:** Amount of Compensation to be added with this Amendment will be Twelve Thousand Dollars (\$12,000.00), with payment to Consultant per Article 3 of the Original Agreement. This will bring the contract total to a not to exceed amount of \$32,000.00.
 - a. Billing rates will be as shown on Exhibit A to this Amendment, Consultant’s 2024 Rate Schedule.
- 4. **Continuing Effect of Agreement.** All provisions of the Original Agreement otherwise remain in full force and effect and are reaffirmed. From and after the date of this Amendment, whenever the term “Agreement” appears in the Original Agreement, it shall mean the Original Agreement

as amended by this Amendment.

5. Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.
6. Severability. If any portion of this Amendment is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:

By:

Kate Nelson, P. E.
Acting Director of Public Works

Date


Reviewed as to Form:

Sergio Rudin
District General Counsel

Date

CONTRACTOR:
Jacobs Engineering Group
Agreed to:

By:



Signature of Authorized Agent
John Schoonover, Manager of Projects

Print or Type Name and Title
2/15/2024

Date

**EXHIBIT A
CONSULTANT'S 2024 RATE SCHEDULE**

**Jacobs
2024 Rate Schedule
Professionals and Technicians*
Hourly Billing Rates**

Classification	2024 Rate
Principal Project Manager	\$258
Sr. Technologist*/Sr. Project Manager	\$242
Engineer Specialist*/Project Manager	\$215
Project Engineer*	\$200
Associate Engineer*	\$175
Staff Engineer 2*	\$155
Staff Engineer 1*	\$134
Engineering/Environmental Tech 5	\$170
Engineering/Environmental Tech 4	\$155
Engineering/Environmental Tech 3	\$134
Engineering/Environmental Tech 2	\$113
Office/Clerical/Accounting	\$93

Notes:

1. A markup of 10% will be applied to all other Direct Costs and Expenses.
2. Rate schedule subject to annual revision to reflect current rates.

*Includes engineering, consulting, planner, and scientist disciplines

MEMORANDUM**TO:** Board of Trustees**THROUGH:** Mike Bandelin, Interim General Manager**FROM:** Kate Nelson, Interim Public Works Director, Hudson Klein, Principal Engineer**SUBJECT:** Review, discuss and possibly approve the Agreement for Surveying Services for the Ponderosa Ranch Road Water Main Replacement Project - 2023/24 Capital Improvement Project; Fund: Utilities; Division: Water; Project #2299WS1803 Watermain Replacement - Future; Vendor: Walsh Odyssey Engineering, LTD, dba Odyssey Engineering, Inc., in a not-to-exceed amount of \$7,800.00. (Requesting Staff Member: Interim Engineering Manager Hudson Klein)**RELATED STRATEGIC PLAN BUDGET INITIATIVE(S):** **LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE**

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services.

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES Ordinance No. 4 - Water; Policy 21.1.0 - Purchasing Policy for Public Works Contracts.**DATE:** February 28, 2024**I. RECOMMENDATION**

The Board of Trustees makes a motion to:

1. Review, discuss and possibly authorize the Agreement for surveying services of the Ponderosa Ranch Road Water Main Replacement Project - CIP 2299WS1803; Vendor: Walsh Odyssey Engineering, LTD, dba Odyssey Engineering, Inc., for an amount not to exceed \$7,800.00.
2. Authorize the Interim Director of Public Works to execute the Agreement.

II. BACKGROUND

The existing waterline running along Ponderosa Ranch Road is an old steel pipeline that has been in operation well beyond its design life and requires frequent repairs. Leaks are occurring on a regular basis which require IVGID staff to respond and make repairs. The upcoming Ponderosa Ranch Road Water Line Replacement Project will remove and replace the existing steel line as part of the District effort to replace these outdated water mains (Attachment 2). This proposed survey is necessary to enable accurate design and construction documents ready for the eventual public bid.

In accordance with Board Policy 3.1.0. Subsection 0.4, this item is included on the Consent Calendar as it is routine business of the District and within the currently approved District's FY 2023-2024 Capital Improvement Project Water Utility Fund.

III. BID RESULTS

The proposed Agreement is in compliance with the District's Purchasing Policy for Goods and Services, Policy 21.1.0; Subsection 2.2.3 - Purchase of Goods and General Services up to \$10,000 and NRS 332.115.1 (b), Professional Services. Staff did not seek competitive bids for the proposed work because it is in accordance with these policies.

IV. FINANCIAL IMPACT AND BUDGET

The Watermain Replacement - Future CIP #2299WS1803 has an approved FY 2023/24 budget of \$50,000 for 2024, with \$600,000 approved for fiscal years 2025, 2026 and 2027.

V. ALTERNATIVES

The Board of Trustees may deny execution of the proposed Agreement and the proposed survey work will not go forward and the existing steel water main will remain in operation indefinitely. In this case, the outdated water main is expected to continue failing with repair work increasing in frequency and scope. This will affect several parcel owners and businesses along both Ponderosa Ranch Road and Tunnel Creek Road.

VI. COMMENTS

In conclusion:

1. The original steel waterline in Ponderosa Ranch Road is failing and must be replaced as part of the ongoing effort to replace all steel lines within the District.
2. In order to correctly design the replacement project, a topographic site survey must be completed.
3. The proposed work is planned, budgeted and funded through the Public Works Water Utility capital improvements budget.
4. The Professional Services Agreement between the District and Odyssey

Engineering has been reviewed and approved by District Legal Counsel.

VII. BUSINESS IMPACT/BENEFIT

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

VIII. ATTACHMENTS

1. Agreement Ponderosa Ranch Road Surveying
2. Ponderosa Waterline Replacement Vicinity Map

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT PROFESSIONAL SERVICES AGREEMENT

1. PARTIES AND DATE.

This Agreement is made and entered into on February 29, 2024 by and between the Incline Village General Improvement District, a Nevada general improvement district (“District”) and **Walsh Odyssey Engineering, LTD, dba Odyssey Engineering Inc.**, a Domestic Professional Corporation with its principal place of business at 895 Roberta Lane, Suite 104, Sparks, NV 89431 (“Consultant”). The District and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 District. District is a general improvement district organized under the laws of the State of Nevada, with power to contract for services necessary to achieve its purpose.

2.2 Consultant. Consultant desires to perform and assume responsibility for the provision of certain professional surveying services required by the District on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing surveying services to public clients, is licensed in the State of Nevada, and is familiar with the plans of District.

2.3 Project. District desires to engage Consultant to render professional surveying services for the Ponderosa Ranch Road Water Main Replacement Project (“Project”).

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the District, all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply survey and mapping services necessary for the Project (“Services”). The types of services to be provided are more particularly described in Exhibit A, Scope of Work, attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations. As described in Section 3.3, the District shall pay for such services in accordance with the Fee Schedule set forth in Exhibit B.

3.1.2 Term. The term of this Agreement shall be March 1, 2024 to April 15, 2024, weather permitting, unless earlier terminated as provided herein. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Project.

3.2 Responsibilities of Consultant.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement and such directions and amendments from District as herein provided. The District retains Consultant on an independent contractor basis and not as an employee. No employee or agent of Consultant shall become an employee of District. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of the District and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform its services in a prompt and timely manner within the term of this Agreement.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the District's approval.

3.2.4 Substitution of Key Personnel. Consultant has represented to the District that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence subject to the District's written approval. In the event that the District and Consultant cannot agree as to the substitution of key personnel, the District shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the District, or who are determined by the District to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the District. The key personnel for performance of this Agreement are as follows: Rusty Combest.

3.2.5 District's Representative. The District hereby designates Interim Engineering Manager Hudson Klein or her designee, to act as its representative for the performance of this Agreement ("District's Representative"). The District's Representative shall have the power to act on behalf of the District for all purposes under this Contract. Consultant shall not accept direction or orders from any person other than the District's Representative or his or her designee.

3.2.6 Consultant's Representative. Consultant hereby designates Rusty Combest or his designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible

for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with the District staff in the performance of Services and shall be available to the District's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of Nevada. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a Washoe County Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the District, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the District to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the District, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, and shall give all notices required by law. If required, Consultant shall assist District, as requested, in obtaining and maintaining all permits required of Consultant by federal, state and local regulatory agencies. Consultant shall be liable for all violations of local, state and federal laws, rules and regulations in connection with the Project and the Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the District, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold the District, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Consultant shall not commence the Services under this Agreement until it has provided evidence satisfactory to the District that it has secured all insurance required under this section. In addition, Consultant shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the District that the subcontractor has secured all insurance required under this section.

3.2.10.2 Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance meeting the requirements set forth herein. Consultant shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) *General Liability*: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 combined single limit (each accident) for bodily injury and property damage; and (3) *Industrial Insurance*: Workers' Compensation limits as required by the Labor Code of the State of Nevada. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease; and (4) *Professional Liability/Errors and Omissions*: Consultant shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Services, professional liability/errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$1,000,000 per claim, and shall be endorsed to include contractual liability. "Covered Professional Services" as designated in the Professional Liability/Errors and Omissions policy must specifically include work performed under this Agreement.

Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as additional insured pursuant to this Agreement. Defense costs shall be payable in addition to the limits.

3.2.10.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by the District to add the following provisions to the insurance policies:

(A) Commercial General Liability. The commercial general liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Consultant to waive its right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(B) Automobile Liability. The automobile liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Consultant to waive its right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(C) Industrial (Workers' Compensation and Employers Liability) Insurance. The insurer shall agree to waive all rights of subrogation against the District, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the District, its directors, officials, officers, employees, agents and volunteers.

3.2.10.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the District, its directors, officials, officers, employees, agents and volunteers.

3.2.10.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the District. Consultant shall guarantee that, at the option of the District, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its directors, officials, officers, employees, agents and volunteers; or (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.10.6 Acceptability of Insurers. Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Nevada and with an "A.M. Best" rating of not less than A-VII. The District in no way warrants that the above-required minimum insurer rating is sufficient to protect the Consultant from potential insurer insolvency.

3.2.10.7 Verification of Coverage. Consultant shall furnish the District with original certificates of insurance and endorsements effecting coverage required by

this Agreement on forms satisfactory to the District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the District if requested. All certificates and endorsements must be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.10.8 Subconsultants. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the District that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the District as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, District may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

3.2.10.9 Compliance With Coverage Requirements. If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Consultant or District will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, District may terminate this Agreement for cause.

3.2.11 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation per Exhibit B, Fee Schedule, attached hereto and incorporated herein by reference, including authorized reimbursements, for all Services rendered under this Agreement. The total compensation to be provided under this Agreement shall not exceed **Seven Thousand Eight Hundred Dollars (\$7,800.00)** without written approval of District's Acting Director of Public Works. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to District a monthly itemized invoice which indicates work completed and hours of Services rendered by Consultant. The invoice shall describe the amount of Services and supplies provided since the initial commencement date of Services under this Agreement, and since the start of the subsequent billing periods, through the date of the invoice. Invoices shall be sent to ap@ivgid.org. Consultant shall include a Project Task Tracking Sheet with each invoice submitted. District shall, within forty-five (45) days of receiving such invoice and Project Task Tracking Sheet, review the invoice and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized under Exhibit A, or otherwise in writing by the District.

3.3.4 Extra Work. At any time during the term of this Agreement, the District may request that Consultant perform Extra Work. As used herein, “Extra Work” means any work which is determined by the District to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from the District’s Representative. Where Extra Work is deemed merited by the District, an amendment to the Agreement shall be prepared by the District and executed by both Parties before performance of such Extra Work, or the District will not be required to pay for the changes in the scope of work. Such amendment shall include the change in fee and/or time schedule associated with the Extra Work. Amendments for Extra Work shall not render ineffective or invalidate unaffected portions of this Agreement.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Consultant shall maintain accurate and complete books, documents, accounting records and other records pertaining to the Services for six (6) years (or longer as required by applicable law) from the date of final payment under this Agreement. Consultant shall make such records available to the District for inspection, audit, examination, reproduction, and copying at Consultant’s offices at all reasonable times. However, if requested, Consultant shall furnish copies of said records at its expense to the District, within seven (7) business days of the request.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. The District may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to the District, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause. Consultant shall not be entitled to payment for unperformed Services, and shall not be entitled to damages or compensation for termination of this Agreement by District except for the amounts authorized herein.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, the District may require Consultant to provide all finished or unfinished Documents and Data (defined below) and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such documents and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, the District may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

District

Incline Village General Improvement
District
893 Southwood Blvd.
Incline Village, NV 89451
Attn: Kate Nelson

Consultant

Odyssey Engineering Inc.
895 Roberta Lane, Suite 104
Sparks, NV 89431
Attn: Rusty Combest

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data. All source code, reports, programs, manuals, disks, tapes, and any other material prepared by or worked upon by Consultant for the Services shall be the exclusive property of the District, and the District shall have the right to obtain from Consultant and to hold in District's name copyrights, trademark registrations, patents, or whatever protection Consultant may appropriate to the subject matter. Consultant shall provide District with all assistance reasonably required to perfect the rights in this subsection.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of the District, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use the District's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of the District.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.5 Attorney's Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.6 Indemnification. To the fullest extent permitted by law, Consultant shall defend, indemnify and hold the District, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or relating to any negligence or willful misconduct of Consultant, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Services, the Project, or this Agreement, including without limitation the payment of all consequential damages, expert witness fees, and attorney's fees and other related costs and expenses. Consultant shall defend, at Consultant's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against District, its directors, officials, officers, employees, agents, or volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against District or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Consultant shall reimburse District and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided, including correction of errors and omissions. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, its directors, officials officers, employees, agents or volunteers.

3.5.6.1 Design Professional. To the extent required by NRS 338.155, Consultant's obligation to defend, indemnify, and hold District, its officials, officers, employees, volunteers, and agents free and harmless shall not include any liability, damage, loss, claim, action or proceeding caused by the negligence, errors, omissions, recklessness or intentional misconduct of the employees, officers or agents of the District. Moreover, Consultant's obligation to defend, indemnify, and hold District, its officials, officers, employees, volunteers, and agents free and harmless from any liability, damage, loss, claim, action or proceeding caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Consultant or the employees or agents of the Consultant which are based upon or arising out of the professional services of the Consultant. If the Consultant is adjudicated to be liable by a trier of fact, the trier of fact shall award reasonable attorney's fees and costs to be paid to the District, as reimbursement for the attorney's fees and costs incurred by the District in defending the action, by the Consultant in an amount which is proportionate to the liability of the Consultant. This Section shall only apply to the extent required by NRS 338.155 and shall not otherwise limit Consultant's obligation to defend, indemnify and hold the District harmless as required under Section 3.5.6.

3.5.7 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both Parties.

3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of Nevada. Venue shall be in Washoe County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.10 District's Right to Employ Other Consultants. The District reserves right to employ other consultants in connection with this Project.

3.5.11 Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each Party.

3.5.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the District. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Subcontracting. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of District. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

3.5.14 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subcontractors of Consultant, except as otherwise specified in this Agreement. All references to the District include its officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.5.15 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.16 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.5.17 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.18 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.22 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.23 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.5.24 Limitation of Liability. The District does not and will not waive and expressly reserves all available defenses and limitations contained in Chapter 41 of the Nevada Revised Statutes. Contract liability of both parties shall not be subject to punitive damages.

3.5.25 Non-Appropriations. The District may terminate this Agreement, effective immediately upon receipt of written notice on any date specified if for any reason the District's funding source is not appropriated or is withdrawn, limited, or impaired.

3.5.26 Compliance with Laws. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services. Consultant shall not discriminate against any person on the grounds of race, color, creed, religion, sex, sexual orientation, gender identity or gender expression, age, disability, national origin or any other status protected under any applicable law. Consultant is not currently engaged in, and during the duration of the Agreement shall not engage in, a Boycott of Israel. The term "Boycott of Israel" has the meaning ascribed to that term in NRS 332.065. Consultant shall be responsible for all fines, penalties, and repayment of any State of Nevada or federal funds (including those that the District pays, becomes liable to pay, or becomes liable to repay) that may arise as a direct result of the Consultant's non-compliance with this subsection.

3.5.27 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, District shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of District, during the term of his or her service with District, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.28 Whistleblower Provisions. This Agreement is not intended to and will not preclude Consultant's employees from exercising available rights under the District's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the District in accordance with the Whistleblower Policy.

OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:

By: _____
Kate Nelson, P. E.
Interim Director of Public Works


Date

Reviewed as to Form:

Sergio Rudin
District General Counsel

Date

CONTRACTOR:
ODYSSEY ENGINEERING, INC.
Agreed to:

By:  _____
Signature of Authorized Agent
Gabriel Wittler, P.E. - Vice President

Print or Type Name and Title

1-31-24

Date

EXHIBIT A

SCOPE OF WORK

Incline Village General Improvement District Ponderosa Ranch Road Survey for Water Main Replacements

Introduction:

Incline Village GID has requested Odyssey Engineering Inc. to assist with surveying and mapping services for the Ponderosa Ranch Road water main replacement project. Odyssey will perform a field survey and prepare a topographic survey of the project footprint to be subsequently utilized for design purposes.

Scope of Work:

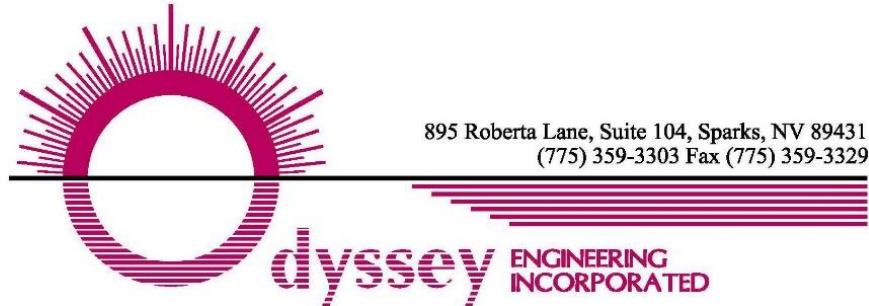
- Prepare a base map showing recorded information as shown on the surrounding recorded maps or provided title reports. Base map will show parcel lines, right-of-way, centerlines, and recorded easements, based from record mapping, and any other applicable items, as provided.
- Conduct an as-built topographic map, at 1-foot contour intervals, of the subject area in order to produce future design drawings. The topographic map will include hardscape surfaces such as edge of pavement, curb and gutter, concrete pads, valley gutters, asphalt surfaces, walkways, ground shots, surface utilities, observed evidence of sub-surface utilities (marked by a private utility marking company), top/toe and grade breaks of existing slopes, existing walls, and fence lines.

Deliverables:

- Odyssey Engineering Inc. will provide a Civil 3d drawing containing the topographic survey/surface, base map and an orthophoto overlay (if weather allows).

EXHIBIT B

Consultant's Fee Schedule



ENGINEERING FEE SCHEDULE

January 1, 2024, to July 31, 2024
HOURLY FEE RATES

Principal Engineer	\$215.00/hr.
Senior Engineer	\$190.00/hr.
Staff Engineer	\$175.00 /hr.
Engineering Technician	\$135.00 /hr.
Professional Land Surveyor	\$190.00 /hr.
Survey Technician	\$100.00 /hr.
1 Man Surveyor	\$180.00 /hr.
2 Man Survey Crew	\$210.00 /hr.
3 Man Survey Crew	\$240.00 /hr.
Prevailing Wage – 1 Man Surveyor	\$210.00 /hr.
Prevailing Wage – 2 Man Surveyor	\$250.00 /hr.
Draftsperson	\$90.00 / hr.
Administrative Assistant	\$60.00 / hr.

Accounts will be invoiced monthly as work progresses. Invoices will be due and payable upon electronic receipt. Accounts are considered past due 30 days after the invoice date. Past due balances are subject to an interest charge of 1.5% per month.

Reproduction costs, agency submittal and review fees and outside consulting fees will be billed directly to the client.

Odyssey Engineering carries commercial general liability, automobile liability, workers compensation, and professional liability insurance.

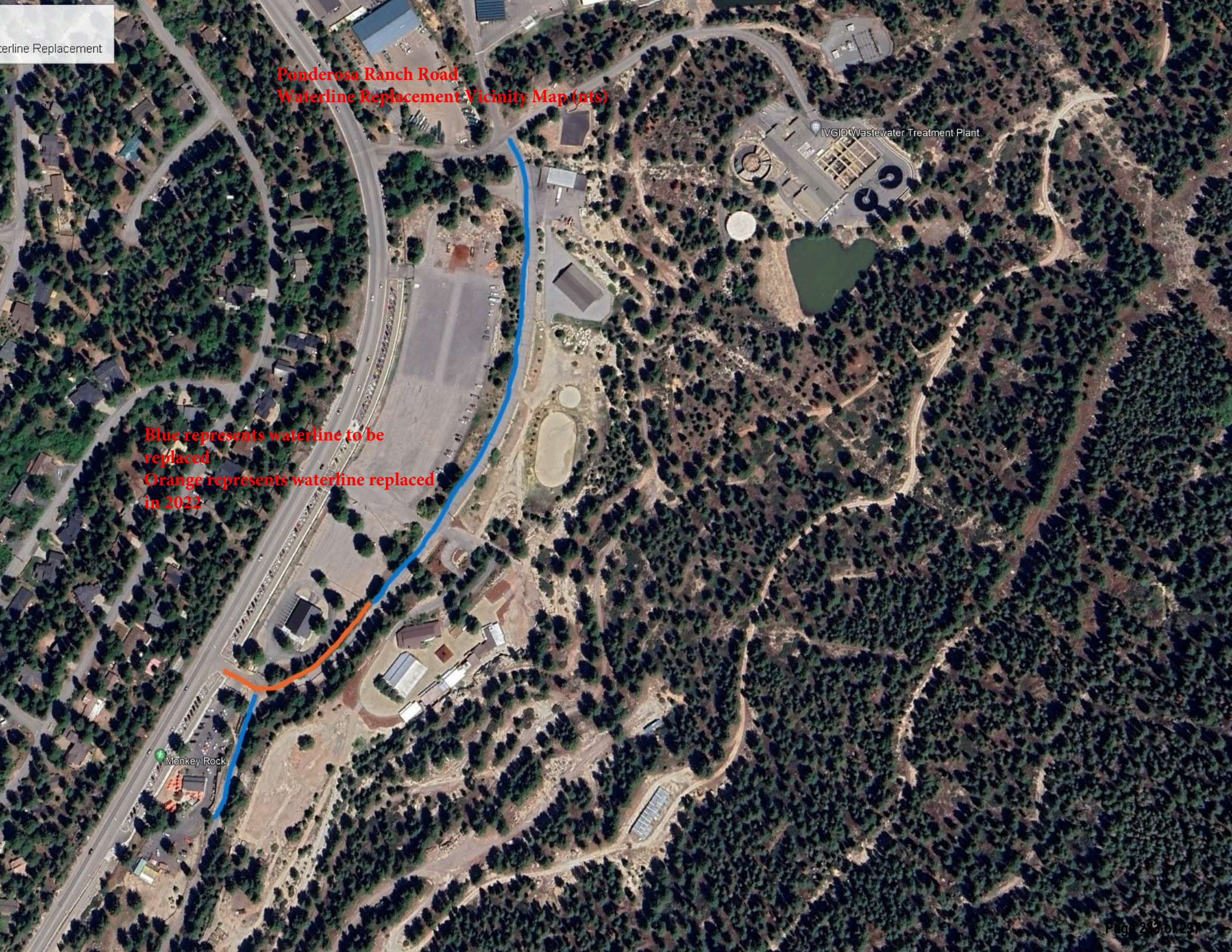
Odyssey Engineering, Incorporated
895 Roberta Lane, Suite 104 - Sparks, Nevada 89431
Ph: (775) 359-3303 Fax: (775) 359-3329
www.odyssey-civil-engineering.com

**Ponderosa Ranch Road
Waterline Replacement Vicinity Map (mts)**

**Blue represents waterline to be replaced
Orange represents waterline replaced in 2022**

WCGID Wastewater Treatment Plant

Monkey Rock



MEMORANDUM**TO:** Board of Trustees**THROUGH:** Mike Bandelin, Interim General Manager**FROM:** Kate Nelson, Interim Public Works Director, Bree Waters, District Project Manager**SUBJECT:** Review, discuss and possibly approve the Agreement for Services for painting the interior of the Public Works Administration Building (Building A) - 2023/24 Capital Improvement Project; Fund: Utilities; Division: Public Works Shared; Project #2097BD1202 - Paint Interior Building #A; Vendor: Tahoe Workz, in an amount not to exceed \$28,750. (Requesting Staff Member: Interim Director of Public Works Kate Nelson)**RELATED STRATEGIC
PLAN BUDGET
INITIATIVE(S):****LONG RANGE PRINCIPLE #5 – ASSETS AND
INFRASTRUCTURE**

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long-term utility services and recreation venues, facilities, and services.

**RELATED DISTRICT
POLICIES, PRACTICES,
RESOLUTIONS OR
ORDINANCES**

Purchasing Policy for Public Works 21.2.0;
Capital Planning Multi-Year Capital Planning
Policy 12.1.0

DATE: February 28, 2024**I. RECOMMENDATION**

That the Board of Trustees makes a motion to:

1. Approve the Agreement for Services with Tahoe Workz, Inc. for the amount not to exceed \$28,750.00.
2. Direct the Interim Director of Public Works to sign and execute the Agreement.

II. BACKGROUND

The Public Works Administration Building (Building A) was built in 2003. The

interior of the building has not been fully repainted since original construction; instead, isolated areas have been repainted following specific building maintenance projects, changes in use, and/or in areas of heavy use, such as the conference and lunchroom and the main entryway. As a result, the interior painting finish is inconsistent and noticeably variable throughout. This project proposes to repaint the entire building interior, both upper and lower floors. The proposed work is consistent with the Board's policy 12.1.0, in reference to maintaining existing facilities.

In accordance with Board Policy 3.1.0. Subsection 0.4, this item is included on the Consent Calendar as it is routine business of the District and within the currently approved District's FY 2023/24 Capital Improvements Expense Budget within the Public Works Shared Utilities budget.

III. BID RESULTS

The Public Works Buildings Division solicited bids for this work in January 2024 from three local, qualified contractors and received two responsive proposals: Tahoe Workz (\$28,750) and Blue-Collar Legacy LLC. (\$35,500); Elements Painting did not respond.

Note: the Tahoe Workz proposal includes a potential discount of 20% if the work is scheduled and completed prior to March 31, 2024. Staff will pursue meeting this schedule to take advantage of the offered discount. However, the requested approval for project funding of \$28,750 does not include this discount. The discounted contract value is \$23,000.

IV. FINANCIAL IMPACT AND BUDGET

The District (200 Utility) fund FY 2023/24 Capital Expense budget includes \$49,000 for "Paint Interior Building #A."

V. ALTERNATIVES

The Board of Trustees may defer or decide not to move forward with the recommendation and the interior of Building A will remain as originally painted at the time of construction.

VI. COMMENTS

In conclusion:

1. The interior paint of Public Works Building A is the original paint applied at the time of building construction; the current paint conditions are inconsistent due to miscellaneous touch-ups throughout the building since original construction.
2. The proposed work is planned, budgeted and funded through the Public Works Shared budget.
3. The Agreement between the District and Tahoe Workz has been reviewed

and approved by District Legal Counsel.

VII. BUSINESS IMPACT/BENEFIT

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

VIII. ATTACHMENTS

1. Agreement Tahoe Wortz - PW Bldg A Painting

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

**SHORT FORM CONSTRUCTION CONTRACT
BETWEEN INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
and
TAHOE WORKZ, INC.
for
CONSTRUCTION SERVICES**

1. PARTIES AND DATE.

This Contract is made and entered as of February 29, 2024, by and between the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT, a Nevada general improvement district (“District”) and Tahoe Workz, Inc., a domestic corporation (“Contractor”). District and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this Contract.

2. RECITALS.

2.1 District. District is a general improvement district organized under the laws of the State of Nevada, with power to contract for services necessary to achieve its purpose.

2.2 Contractor. Contractor desires to perform and assume responsibility for the provision of certain construction services required by the District on the terms and conditions set forth in this Contract. Contractor represents that it is duly licensed and experienced in providing construction services relating to the repainting of the interior of the Public Works Administration Building A, that it and its employees or subcontractors have all necessary licenses and permits to perform the services in the State of Nevada, and that it is familiar with the plans of District.

2.3 Project. District desires to engage Contractor to render such services for the repainting of the interior of the Public Works Administration Building A (“Project”) as set forth in this Contract.

2.4 Project Documents. Contractor has obtained, and delivers concurrently herewith, all insurance documentation, as required by the Contract. By reference herein, Contractor agrees to review and comply with the District’s Ordinances and *Standard Specification for Public Works Construction* (the “Orange Book”).

3. TERMS

3.1 Incorporation of Documents. This Contract includes and hereby incorporates in full by reference the following documents, including all exhibits, drawings, specifications and documents therein, and attachments and addenda thereto:

- Contractor’s Proposal 168259, dated January 15, 2024 (Exhibit A)

3.2 Contractor’s Basic Obligation; Scope of Work. Contractor promises and agrees, at its own cost and expense, to furnish to the District all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately complete the Project, including all structures and facilities necessary for the Project or described in the Contract (hereinafter sometimes referred to as the “Work”), for a Total Contract Price as specified in Section 3.7 of and pursuant to this Contract. All Work shall be subject to, and performed in accordance with the above referenced documents, as well as the exhibit attached hereto and incorporated herein by reference.

The Work is generally described as follows: Repainting the interior of the Public Works Administration Building A, located at 1220 Sweetwater Road in Incline Village, Washoe County, Nevada

3.2.1 Change in Scope of Work. Any change in the scope of the Work, method of performance, nature of materials or price thereof, or any other matter materially affecting the performance or nature of the Work shall not be paid for or accepted unless such change, addition or deletion is approved in writing by a valid change order executed by the District. Should Contractor request a change order due to unforeseen circumstances affecting the performance of the Work, such request shall be made within five (5) business days of the date such circumstances are discovered or shall waive its right to request a change order due to such circumstances. If the Parties cannot agree on any change in price required by such change in the Work, the District may direct the Contractor to proceed with the performance of the change on a time and materials basis.

3.3 Period of Performance.

3.3.1 Contract Time. Contractor shall perform and complete all Work under this Contract by March 31, 2024 ("Contract Time"). Contractor shall perform its Work in strict accordance with any completion schedule, construction schedule or project milestones developed by the District. Such schedules or milestones may be included as part of Exhibit A attached hereto, or may be provided separately in writing to Contractor.

3.3.2 Force Majeure. Neither District nor Contractor shall be considered in default of this Contract for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Contract, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; pandemics or epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Contract. Contractor's exclusive remedy in the event of delay covered under this section shall be a non-compensable extension of the Contract Time.

3.3.3 Liquidated Damages. Contractor and District recognize that time is of the essence, and that District will suffer financial and other losses if the Work is not completed in the Contract Time, as may be modified by mutual agreement of the parties. The parties also recognize the delays, expense, and difficulties involved in proving, in a legal or arbitration proceeding, the actual loss suffered by District if the Work is not completed on time. Accordingly, instead of requiring any such proof, District and Contractor agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay to District two hundred fifty dollars (\$250.00) for each working day beyond the Contract Time that the Work is not completed, without an extension of time approved by the District in writing. If District recovers liquidated damages for a delay in completion by Contractor, such liquidated damages are District's sole and exclusive remedy for such delay, and District is precluded from recovering any other damages, whether actual, direct, excess, or consequential, for such delay, except for special damages (if any) specified in this Contract.

3.3.4 Hours of Work. Working hours, including equipment "warm up," shall occur between 8 a.m. and 5 p.m. Monday through Friday. Only emergency work may occur on weekends, with prior approval of District.

3.4 Standard of Performance; Performance of Employees.

3.4.1 Contractor shall perform all Work under this Contract in a skillful and workmanlike manner, and consistent with the Contract Documents and the standards generally recognized as being employed by professionals in the same discipline in the State of Nevada. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Work. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it, its employees, and its subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Work, including any required business license, and that such licenses and approvals shall be maintained throughout the term of this Contract. As provided for in the indemnification provisions of this Contract, Contractor shall perform, at its own cost and expense and without reimbursement from the District, any work necessary to correct errors or omissions which are caused by Contractor's failure to comply with the standard of care provided for herein. Any employee who is determined by the District to be uncooperative, incompetent, a threat to the safety of persons or the Work, or any employee who fails or refuses to perform the Work in a manner acceptable to the District, shall be promptly removed from the Project by Contractor and shall not be re-employed on the Work.

3.4.2 Contractor's warranty and guarantee hereunder excludes defects or damage caused by abuse, modification, or improper maintenance or operation by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or normal wear and tear under normal usage.

3.4.3 Contractor's obligation to perform and complete the Work in accordance with the Contract Documents is absolute. None of the following will constitute an acceptance of work that is not in accordance with the Contract Documents or a release of Contractor's obligation to perform the work in accordance with the Contract Documents:

- a. Observations by District's representative;
- b. Recommendation by District's representative or payment by District of any progress or final payment;
- c. The issuance of a certificate of substantial completion by District's representative or any payment related thereto by District;
- d. Use or occupancy of the Project or any part thereof by District;
- e. Any review and approval of a shop drawing or sample submittal or the issuance of a notice of acceptability by District's representative;
- f. Any inspection, test, or approval by others; or
- g. Any correction of defective work by District.

3.5 Correction Period.

3.5.1 If, within one year after the date of substantial completion (or such longer period of time as may be prescribed by the terms of any applicable special guarantee required by the Contract Documents) or by any specific provision of the Contract Documents, any work is found to be defective, or if the repair of any damages to the land or areas made available for Contractor's use by District or permitted by laws and regulations is found to be defective, Contractor shall promptly, without cost to District and in accordance with District's written instructions:

- a. Repair such defective land or areas; or
- b. Correct such defective work; or
- c. If the defective work has been rejected by District, remove it from the Project and replace it with work that is not defective, and
- d. Satisfactorily correct or repair or remove and replace any damage to other work, to the work of others or other land or areas resulting therefrom.

3.5.2 If Contractor does not promptly comply with the terms of District's written instructions, or in an emergency where delay would cause serious risk of loss or damage, District may have the defective work corrected or repaired or may have the rejected work removed and replaced. All claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others) will be paid by Contractor.

3.5.3 In special circumstances where a particular item of equipment is placed in continuous service before substantial completion of all the Project, the correction period for that item may start to run from an earlier date if so provided in the Specifications.

3.5.4 Where defective work (and damage to other work resulting therefrom) has been corrected or removed and replaced under this Section 3.5, the correction period hereunder with respect to such work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.

3.5.5 Contractor's obligations under this Section 3.5 are in addition to any other obligation or warranty. The provisions of this Section 3.5 shall not be construed as a substitute for or a waiver of the provisions of any applicable statute of limitation or repose.

3.6 District's Basic Obligation. District agrees to engage and does hereby engage Contractor as an independent contractor to furnish all materials and to perform all Work according to the terms and conditions herein contained for the sum set forth above. Except as otherwise provided in the Contract, the District shall pay to Contractor, as full consideration for the satisfactory performance by Contractor of the services and obligations required by this Contract, the below-referenced compensation in accordance with compensation provisions set forth in the Contract.

3.7 Compensation and Payment.

3.7.1 Amount of Compensation. For all work as described in Exhibit A, Contractor will be paid a lump sum of **Twenty-Eight Thousand Seven Hundred Fifty Dollars (\$28,750.00)** ("Total Contract Price") provided that such amount shall be subject to adjustment pursuant to the applicable terms of this Contract or written change orders approved and signed in advance by the District.

3.7.2 Payment of Compensation. On or before the fifth (5th) day of each month, Contractor shall submit to the District an itemized invoice indicating the amount of Work completed since commencement of the Work or since the last progress payment. The Contractor shall certify that the Work for which payment is requested has been done. Contractor may be required to furnish a detailed schedule of values upon request of the District and in such detail and form as the District shall request, showing the quantities, unit prices, overhead, profit, and all

other expenses involved in order to provide a basis for determining the amount of progress payments. Invoices shall be sent to ap@ivgid.org.

3.8 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work. In carrying out its Work, Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the Work and the conditions under which the Work is to be performed. Safety precautions as applicable shall include, but shall not be limited to, adequate life protection and lifesaving equipment; adequate illumination for underground and night operations; instructions in accident prevention for all employees, such as machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and adequate facilities for the proper inspection and maintenance of all safety measures.

3.9 Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Contract or the Work, including all labor requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Work. If Contractor observes that the drawings or specifications are at variance with any law, rule or regulation, it shall promptly notify the District in writing. Any necessary changes shall be made by written change order. If Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the District, Contractor shall be solely responsible for all costs arising therefrom. District is a public entity of the State of Nevada subject to certain provisions of the NRS. It is stipulated and agreed that all provisions of the law applicable to the public contracts of a quasi-municipal corporation are a part of this Contract to the same extent as though set forth herein and will be complied with. Contractor shall defend, indemnify and hold District, its officials, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Contract, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.9.1 By executing this Contract, Contractor acknowledges that it is aware of District's Ordinance 1, the Solid Waste Ordinance, and specifically Section 4.5. thereof, Dumpster Use, Location and Enclosure. Any construction dumpster on the job site that is not properly enclosed shall be a fully locking roll-top, and is to remain locked and secured at all times.

3.10 Permits and Licenses. Contractor shall be responsible for securing District permits and licenses necessary to perform the Work described herein, including, but not limited to, any required business license.

3.11 Completion of Work. When Contractor determines that it has completed the Work required herein, Contractor shall so notify District in writing and shall furnish all labor and material releases required by this Contract. District shall thereupon inspect the Work. If the Work is not acceptable to the District, the District shall indicate to Contractor in writing the specific portions or items of Work which are unsatisfactory or incomplete. Once Contractor determines that it has completed the incomplete or unsatisfactory Work, Contractor may request a re-inspection by the District. Once the Work is acceptable to District, District shall pay to Contractor the Total Contract Price remaining to be paid, less any amount which District may be authorized or directed by law to retain.

3.12 Dispute Resolution.

3.12.1 Contractor and District hereby agree to engage in alternate dispute resolution (“ADR”) pursuant to NRS 338.150, under the prevailing Nevada law in the Second Judicial District Court of the State of Nevada in and for the County of Washoe. Any dispute arising under this contract will be sent to mediation. Any mediation shall occur in Incline Village, Washoe County, Nevada. The mediation shall be conducted through the American Arbitration Association (AAA) and be governed by the AAA’s Mediation Procedures.

3.12.2 The mediator is authorized to conduct separate or ex parte meetings and other communications with the parties and/or their representatives, before, during and after any scheduled mediation conference. Such communications may be conducted via telephone, in writing, via email, online, in person or otherwise.

3.12.3 District and Contractor are encouraged to exchange all documents pertinent to the relief requested. The mediator may request the exchange of memorandum on all pertinent issues. The mediator does not have the authority to impose a settlement on the parties but such mediator will attempt to help District and Contractor reach a satisfactory resolution of their dispute. Subject to the discretion of the mediator, the mediator may make oral or written recommendations for settlement to a party privately, or if the parties agree, to all parties jointly.

3.12.4 District and Contractor shall participate in the mediation process in good faith. The mediation process shall be concluded within sixty (60) days of a mediator being assigned.

3.12.5 In the event that a complete settlement of all or some issues in dispute is not achieved within the scheduled mediation session(s), the mediator may continue to communicate with the parties, for a period of time, in an ongoing effort to facilitate a complete settlement. Any settlement agreed upon during mediation shall become binding if within thirty (30) days after the date that any settlement agreement is signed, either the District or Contractor fails to object or withdraw from the agreement. If mediation shall be unsuccessful, either District or Contractor may then initiate judicial proceedings by filing suit. District and Contractor will share the cost of mediation equally unless agreed otherwise.

3.13 Loss and Damage. Except as may otherwise be limited by law, Contractor shall be responsible for all loss and damage which may arise out of the nature of the Work agreed to herein, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the Work until the same is fully completed and accepted by District.

3.14 Indemnification.

3.14.1 Scope of Indemnity. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the District, its officials, employees, agents and authorized volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, (collectively, “Claims”) in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Contractor’s services, the Project or this Contract, including without limitation the payment of all consequential damages, expert witness fees and attorneys’ fees and other related costs and expenses. Notwithstanding the foregoing, Contractor’s indemnity obligation shall not apply to liability for

damages for death or bodily injury to persons, injury to property, or any other loss, damage or expense arising from the sole or active negligence or willful misconduct of the District or the District's agents, servants, or independent contractors who are directly responsible to the District, or for defects in design furnished by those persons.

3.14.2 Additional Indemnity Obligations. Contractor shall defend, with counsel of District's choosing and at Contractor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against District or its officials, employees, agents and authorized volunteers. In addition, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against District or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Contractor shall also reimburse District for the cost of any settlement paid by District or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for District's attorney's fees and costs, including expert witness fees. Contractor shall reimburse District and its officials, employees, agents and authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, its officials, employees, agents and authorized volunteers.

3.15 Insurance.

3.15.1 Time for Compliance. Contractor shall not commence Work under this Contract until it has provided evidence satisfactory to the District that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the District that the subcontractor has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the District to terminate this Contract for cause.

3.15.2 Minimum Requirements. Contractor shall, at its expense, 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 Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Contract. Such insurance shall meet at least the following minimum levels of coverage:

a. Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 00 01) OR Insurance Services Office Owners and Contractors Protective Liability Coverage Form (CG 00 09 11 88) (coverage for operations of designated contractor); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 00 01, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of Nevada and Employer's Liability Insurance. Policies shall not contain exclusions contrary to this Contract.

b. Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability*: \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury, personal injury and property damage; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' compensation limits as required by the State of Nevada. Employer's Liability limits of \$1,000,000 each accident, policy limit bodily injury or disease, and each employee bodily injury

or disease. Defense costs shall be available in addition to the limits. Notwithstanding the minimum limits specified herein, any available coverage shall be provided to the parties required to be named as additional insureds pursuant to this Contract.

3.15.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements (amendments) on forms supplied or approved by the District to add the following provisions to the insurance policies:

a. General Liability. The commercial general liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Contractor to waive its right of recovery prior to a loss. Contractor hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

b. Automobile Liability. The automobile liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Contractor to waive its right of recovery prior to a loss. Contractor hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

c. Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the District, its officials, employees, agents and authorized volunteers for losses paid under the terms of the insurance policy which arise from work performed by Contractor.

d. All Coverages. Each insurance policy required by this Contract shall be endorsed to state that: (1) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District; and (2) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the District, its officials, employees, agents and authorized volunteers.

3.15.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the District, its officials, employees, agents and authorized volunteers.

3.15.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the District. Contractor shall guarantee that, at the option of the District, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its officials, employees, agents and authorized volunteers; or (2) the Contractor shall procure a bond or other financial guarantee acceptable to the District guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.15.6 Acceptability of Insurers. Insurance 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. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

3.15.7 Verification of Coverage. Contractor shall furnish District with original certificates of insurance and endorsements effecting coverage required by this Contract on forms satisfactory to the District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms supplied or approved by the District. All certificates and endorsements must be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.15.8 Subcontractors. All subcontractors shall meet the requirements of this Section before commencing Work. Contractor shall furnish separate certificates and endorsements for each subcontractor. Subcontractor policies of General Liability insurance shall name the District, its officials, employees, agents and authorized volunteers as additional insureds using form ISO 20 38 04 13 or endorsements providing the exact same coverage. All coverages for subcontractors shall be subject to all of the requirements stated herein except as otherwise agreed to by the District in writing.

3.15.9 Reporting of Claims. Contractor shall report to the District, in addition to Contractor's insurer, any and all insurance claims submitted by Contractor in connection with the Work under this Contract.

3.15.10 Compliance with Coverage Requirements. If at any time during the life of the Contract, any policy of insurance required under this Contract does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Contractor or District will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, District may terminate this Contract for cause.

3.16 Bond Requirements.

3.16.1 Payment Bond. Not applicable.

3.16.2 Performance Bond. Not applicable.

3.16.3 Bond Provisions. Not applicable.

3.17 Employee/Labor Certifications.

3.17.1 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be

limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

3.17.2 Verification of Employment Eligibility. By executing this Contract, Contractor verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subcontractors and sub-subcontractors to comply with the same.

3.18 General Provisions.

3.18.1 District's Representative. The District hereby designates Kate Nelson, P.E. or her designee, to act as its representative for the performance of this Contract ("District's Representative"). District's Representative shall have the power to act on behalf of the District for all purposes under this Contract. Contractor shall not accept direction or orders from any person other than the District's Representative or his or her designee.

3.18.2 Contractor's Representative. Before starting the Work, Contractor shall submit in writing the name, qualifications and experience of its proposed representative who shall be subject to the review and approval of the District ("Contractor's Representative"). Following approval by the District, Contractor's Representative shall have full authority to represent and act on behalf of Contractor for all purposes under this Contract. Contractor's Representative shall supervise and direct the Work, using his best skill and attention, and shall be responsible for all construction means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Contract. Contractor's Representative shall devote full time to the Project and either he or his designee, who shall be acceptable to the District, shall be present at the Work site at all times that any Work is in progress and at any time that any employee or subcontractor of Contractor is present at the Work site. Arrangements for responsible supervision, acceptable to the District, shall be made for emergency Work which may be required. Should Contractor desire to change its Contractor's Representative, Contractor shall provide the information specified above and obtain the District's written approval.

3.18.3 Termination. This Contract may be terminated by District at any time, either with or without cause, by giving Contractor three (3) days' advance written notice. In the event of termination by District for any reason other than the fault of Contractor, District shall pay Contractor for all Work performed up to that time as provided herein. In the event of breach of the Contract by Contractor, District may terminate the Contract immediately without notice, may reduce payment to Contractor in the amount necessary to offset District's resulting damages, and may pursue any other available recourse against Contractor. Contractor may not terminate this Contract except for cause. In the event this Contract is terminated in whole or in part as provided, District may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated. Further, if this Contract is terminated as provided, District may require Contractor to provide all finished or unfinished documents, data, diagrams, drawings, materials or other matter prepared or built by Contractor in connection with its performance of this Contract. District shall not be liable for any costs other than the charges or portions thereof which are specified herein. Contractor shall not be entitled to payment for unperformed Work including, without limitation, any overhead and profit on the portion of the Work that is terminated and shall not be entitled to damages or compensation of any kind or nature for termination of Work.

3.18.4 Contract Interpretation. Should any question arise regarding the meaning or import of any of the provisions of this Contract or written or oral instructions from District, the matter shall be referred to District's Representative, whose decision shall be binding upon Contractor.

3.18.5 Notices. All notices hereunder and communications regarding interpretation of the terms of the Contract or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

CONTRACTOR: Tahoe Workz, Inc.
P. O. Box 3586
Incline Village, Nevada 89450
Attn: Carl Kurashewich III, President

DISTRICT: Incline Village General Improvement District
893 Southwood Blvd.
Incline Village, Nevada 89451
Attn: Anthony Ansotegui

Any notice so given shall be considered received by the other Party three (3) days after deposit in the U.S. Mail as stated above and addressed to the Party at the above address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.18.6 Assignment Forbidden. Contractor shall not, either voluntarily or by action of law, assign or transfer this Contract or any obligation, right, title or interest assumed by Contractor herein without the prior written consent of District. If Contractor attempts an assignment or transfer of this Contract or any obligation, right, title or interest herein, District may, at its option, terminate and revoke the Contract and shall thereupon be relieved from any and all obligations to Contractor or its assignee or transferee.

3.18.7 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.18.8 Controlling Law. This Contract shall be interpreted in accordance with the laws of the State of Nevada.

3.18.9 Counterparts. This Contract may be executed in counterparts, each of which shall constitute an original.

3.18.10 Successors. The Parties do for themselves, their heirs, executors, administrators, successors, and assigns agree to the full performance of all of the provisions contained in this Contract.

3.18.11 Conflict of Interest. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Contract. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, District shall have the right to rescind this Contract without liability. For the term of this Contract, no official, officer or employee of District, during the term of his or her service with District, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom.

3.18.12 Certification of License. Contractor certifies that as of the date of execution of this Contract, Contractor has a current contractor's license of the classification indicated below under Contractor's signature.

3.18.13 Authority to Enter Contract. Each Party warrants that the individuals who have signed this Contract have the legal power, right and authority to make this Contract and bind each respective Party.

3.18.14 Entire Contract; Modification. This Contract contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Contract may only be modified by a writing signed by both Parties.

3.18.15 Non-Waiver. None of the provisions of this Contract shall be considered waived by either party, unless such waiver is specifically specified in writing.

3.18.16 District's Right to Employ Other Contractors. District reserves right to employ other contractors in connection with this Project or other projects.

IN WITNESS WHEREOF, the Parties have entered into this Contract as of the day and date of the year first set forth above.

OWNER:

CONTRACTOR:

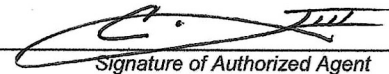
Agreed to:

Agreed to:

By:

By:

Kate Nelson, P. E.
Interim Director of Public Works



Signature of Authorized Agent

Carl Kurnashewich III President
Print or Type Name and Title

02-06-2024

Date

Date

Reviewed as to Form:

Sergio Rudin
District General Counsel

Date

EXHIBIT A

CONTRACTOR'S PROPOSAL DATED JANUARY 15, 2024

Tahoe Workz Inc

NV License 0089312

P.O. Box 3586

Estimate

Date	Estimate #
1/15/2024	168259

Name / Address
IVGID Andrew Ansotegui 893 Southwood blvd Incline Village, NV 89451

Description	Total
PROPERTY ADDRESS: 1220 Sweetwater, Incline Village, NV 89451	
<p>PREP TO INCLUDE:</p> <ol style="list-style-type: none"> 1. Mask off all areas not to be painted to protect from any overspray. 2. Cover all items including carpeting, flooring, cabinets, furniture, etc. to protect from any overspray. 3. Remove and replace all faceplates as needed. 4. Remove and/or cover any light fixtures as needed. 5. Caulk and/or spackle all holes as needed. <p>PAINT TO INCLUDE:</p> <ol style="list-style-type: none"> 1. All walls are to be painted with a high quality interior finish. 2. Kitchen, locker rooms, offices, conference room & bathrooms are to be painted with a high quality interior finish. 3. Paint drywalled ceiling with a high quality interior finish. <p>* Includes upper and lower levels.</p>	28,750.00
20% Discount applies if job is scheduled and completed before March 31, 2024.	-5,750.00
Balance due upon completion.	Total \$23,000.00

Accepted: _____

PAYMENT OPTIONS:

- Mail to P.O. Box 3586, Incline Village, NV 89450
- Hand deliver to 910 Incline Way #14, Incline Village, NV 89451
- ZELLE - tahoeworkz@gmail.com
- VENMO @tahoeworkz - IMPORTANT: add 3% to the total
- Credit card - IMPORTANT: add 3% to the total

MEMORANDUM**TO:** Board of Trustees**THROUGH:** Mike Bandelin, Interim General Manager**FROM:** Mike Bandelin, Diamond Peak Ski Resort General Manager**SUBJECT:** Review, discuss and possibly approve Diamond Peak Ski Resort's 2024/25 Recreation Pass Holder daily lift ticket rates and Recreation Pass Holder season pass rates proposal. (Requesting Staff Members: General Manager of Diamond Peak Ski Resort, Mike Bandelin)

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

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES District Board of Trustees Practice 6.2.0 - Pricing

DATE: February 28, 2024**I. RECOMMENDATION**

That the Board of Trustees makes a motion to:

1. Approve an increase to all Recreation Pass Holder daily ticket products as shown in (Table 1) for FY 2024/25; and,
2. Approve an increase to all Public (i.e. Non-Recreation Pass Holder) season pass products as shown in (Table 3 - Exhibit A) for FY 2024/25; and,
3. Approve a \$0 increase to Recreation Pass Holder season pass prices (Table 3 - Option A) for FY 2024/25; and
4. Direct District Staff to include an additional pricing tier (Tier 4) for Public season pass products at rates to be determined by market conditions.

II. BACKGROUND

The District-operated ski venue provides the sale of season pass products to Non-Recreation Pass Holders (Public) as well as discounted season pass products to Recreation Pass Holders (RPH) in a variety of age groups. (Recreation Pass Holders are also known as "Picture Pass Holders")

Historically, Staff will initiate the sale of season passes to RPH and Public beginning on or around March 15, and continue with the 3-tiered pricing structure for RPH and a 4-tiered pricing structure for Public, with (Tier 1) rates available through April 30; (Tier 2) rates available from May 1 – October 31; (Tier 3) rates from November 1 through the end of the season for RPH, or November 1 - December 20 for Public; and (Tier 4) rates for Public available from December 21 through the end of the season.

The Tier 4 pricing for public pass rates, plus the recommended 10% rate increases for public pass products* as shown in the supporting tables, allow staff to practice yield management on purchased pass revenue, as preliminary FY 2024/25 draft operating and capital project/expense budgets reflect an increase in the operational cost of the District's ski venue.

* Staff is recommending a 10% increase to all public pass rates, with the exception of the Super Senior rate, which is proposed as a 35% - 38% increase to bring Super Senior pricing in line with the child rates, per industry standards (see Table 3 - Exhibit A).

The recommended 10% increase will allow the resort to remain competitive in the Lake Tahoe Basin ski season pass marketplace, while driving additional season pass revenue to help offset increased operational costs. For public pass pricing, the District generally tries to keep the season pass "pay off" ratio (i.e. the number of visits it takes to "pay off" one's season pass, based on the equivalent daily lift ticket costs) just below 5:1 - i.e. it will take slightly less than five visits to "pay off" one's season pass. (See Chart 4 for the proposed 2025 pass-to-visit "pay off" ratios, and Chart 1 for 2023/24 ski season pass holder utilization rates as of February 18, 2024.)

The ski venue also provides discounted daily lift tickets for RPH throughout the season, as well as offering free daily lift tickets to RPH during IVGID Appreciation week at the ski resort. At the Board of Trustees meeting on March 22, 2023 (Item G6), the Board approved a \$10 increase to all RPH daily lift tickets for the 2023/24 ski season (compared to the 2022/23 season prices).

Staff is recommending that a \$5 increase be applied to RPH daily lift tickets in all categories (except the Beginner tickets, which would have a \$2 increase) to support an estimated increase in annual operating costs in the FY 2024/25 draft operating budget. The rate structure for the RPH daily tickets, including a chart showing current fiscal year quantities as of February 18, 2024, revenue associated with the sale of tickets and the proposed price increases to the

product are included in (Table 2) of the staff report.

III. BID RESULTS

N/A

IV. FINANCIAL IMPACT AND BUDGET

The FY2023/24 approved budget includes \$2,460,000 in revenue allocated to season passes purchased. With rate adjustments recommended in this report, season pass revenues may include approximately \$123,000 - \$246,000 in additional revenue for FY2024/25.

Recommended increases to Recreation Pass Holder daily tickets may include an estimated additional \$50,000 - \$75,000 in daily ticket revenue.

Provided the recommendation for pricing of passes and RPH daily lift tickets is approved by the Board of Trustees, staff shall reflect an increase in revenue allocations within the ski fund (340) FY2024/25 operating budget. .

V. ALTERNATIVES

N/A

VI. COMMENTS

Provided the recommendation is approved, staff will initiate a FY2024/25 Diamond Peak season pass sale for Recreation Pass Holders and the Public (Non-Recreation Pass Holders) on March 15, 2024, and continue with the 4-tiered pricing structure, with (Tier 1) rates available through April 30, 2024; (Tier 2) rates available from May 1 – October 31, 2024; and (Tier 3) rates from November 1 – December 20, 2024. Beginning on December 21, 2024, staff will initiate the sale of passes to the public within a (Tier 4) including a to-be-determined rate structure.

VII. BUSINESS IMPACT/BENEFIT

This item is not a “rule” within the meaning of NRS, Chapter 237, and does not require a Business Impact Statement.

VIII. ATTACHMENTS

1. Pass and Ticket Pricing Tables for 2024 BOT Memo - Tables 1-5
2. 2023-24 Pass & Visit Analysis Charts for 2024 BOT Memo - Charts 1 - 5

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

N/A

TABLE 1

Recommended \$5 increase to Recreation Pass Holder Daily Ticket prices

<u>Age Group</u>	<u>Non-Peak Dates</u>		<u>Peak (holiday) Dates</u>	
	FY2024	FY2025	FY2024	FY2025
Adult	\$35	\$40	\$45	\$50
Youth/Senior	\$30	\$35	\$40	\$45
Child	\$25	\$30	\$30	\$35
Beginner	\$28	\$30	\$38	\$40
6 & under / 80+	Free	Free	Free	Free

TABLE 2

Recommended (\$5) and alternate (\$10) Recreation Pass Holder Daily Ticket pricing proposals

FY 2024 Recreation Pass Holder Daily Lift Tickets								
	2023-24 Actuals (through 2/19/2024)				\$5 Increase Proposal		\$10 Increase Option	
	Price	Quantity	Revenue	Average Price	Price	Revenue	Price	Revenue
<u>Peak Dates</u>								
Adult 1-Day Ticket	\$45.00	2,035	\$90,999	\$44.72	\$50.00	\$101,750.00	\$55.00	\$111,925.00
Beginner 1-Day Ticket	\$38.00	28	\$1,064	\$38.00	\$40.00	\$1,120.00	\$40.00	\$1,120.00
Child 1-Day Ticket	\$30.00	200	\$5,805	\$29.03	\$35.00	\$7,000.00	\$40.00	\$8,000.00
Senior 1-Day Ticket	\$40.00	106	\$4,240	\$40.00	\$45.00	\$4,770.00	\$50.00	\$5,300.00
Youth 1-Day Ticket	\$40.00	512	\$20,280	\$39.61	\$45.00	\$23,040.00	\$50.00	\$25,600.00
PEAK TOTAL		2,881	\$122,388	\$42.48		\$137,680.00		\$151,945.00
<u>Value-Weekend Dates</u>								
Adult 1-Day Ticket	\$35.00	2,551	\$54,441	\$21.34	\$40.00	\$102,040.00	\$45.00	\$114,795.00
Beginner 1-Day Ticket	\$28.00	11	\$294	\$26.73	\$30.00	\$330.00	\$35.00	\$385.00
Child 1-Day Ticket	\$25.00	102	\$1,724	\$16.90	\$30.00	\$3,060.00	\$35.00	\$3,570.00
Senior 1-Day Ticket	\$30.00	229	\$3,960	\$17.29	\$35.00	\$8,015.00	\$40.00	\$9,160.00
Youth 1-Day Ticket	\$30.00	278	\$6,225	\$22.39	\$35.00	\$9,730.00	\$40.00	\$11,120.00
VALUE-WEEKEND TOTAL		3,171	\$66,644	\$21.02		\$123,175.00		\$139,030.00
ALL DATES TOTAL		6,052	\$189,032.00	\$31.23		\$239,720.00		\$290,975.00

TABLE 3

Recommended 10% increase to Public Season Pass rates, with options A & B for Resident Pass rates

Exhibit A: Raise Public 2025 rates by factor of: 10% (Exception: raise Super Senior to match Child rates)

Fiscal Year	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2024	2025
Public Full Pass	Tier 1					Tier 2					Tier 3					Tier 4	
Adult (24-64)	\$419	\$439	\$444	\$454	\$499	\$474	\$494	\$499	\$509	\$560	\$509	\$620	\$625	\$635	\$699	\$799	TBD
Youth (13-23)	\$249	\$339	\$344	\$354	\$389	\$274	\$414	\$419	\$429	\$472	\$289	\$520	\$525	\$535	\$589	\$699	TBD
Senior (65-69)	\$179	\$409	\$415	\$425	\$468	\$204	\$434	\$439	\$449	\$494	\$229	\$520	\$525	\$535	\$589	\$699	TBD
Child (7-12)	\$179	\$199	\$204	\$214	\$235	\$204	\$229	\$234	\$244	\$268	\$229	\$280	\$285	\$295	\$325	\$349	TBD
Super Senior (70-79)	\$159	\$159	\$164	\$174	\$235	\$174	\$174	\$179	\$189	\$268	\$199	\$220	\$225	\$235	\$325	\$349	TBD
6 & under / 80+	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transferable	N/A	N/A	N/A	N/A	N/A	\$799	\$1,099	\$1,099	\$1,099	\$1,209	\$799	\$1,099	\$1,099	\$1,099	\$1,209	\$1,099	\$1,209

Option A: Keep Resident rates the same as 2024 (Staff recommendation)

Fiscal Year	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2024	2025
RPH Full Pass	Tier 1					Tier 2					Tier 3					Tier 4	
Adult (24-64)	\$289	\$289	\$289	\$319	\$319	\$319	\$319	\$319	\$358	\$358	\$349	\$349	\$349	\$447	\$447	\$447	\$447
Youth (13-23)	\$139	\$139	\$139	\$177	\$177	\$159	\$159	\$159	\$215	\$215	\$189	\$189	\$189	\$268	\$268	\$268	\$268
Senior (65-69)	\$109	\$109	\$109	\$213	\$213	\$129	\$119	\$119	\$225	\$225	\$149	\$149	\$149	\$268	\$268	\$268	\$268
Child (7-12)	\$109	\$109	\$109	\$107	\$107	\$129	\$129	\$129	\$122	\$122	\$149	\$149	\$149	\$148	\$148	\$148	\$148
Super Senior (70-79)	\$29	\$29	\$29	\$87	\$87	\$39	\$39	\$39	\$95	\$95	\$49	\$49	\$49	\$118	\$118	\$118	\$118
6 & under / 80+	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Option B: Raise Resident rates by the same percentage as Public rates: 10%

Fiscal Year	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2024	2025
RPH Full Pass	Tier 1					Tier 2					Tier 3					Tier 4	
Adult (24-64)	\$289	\$289	\$289	\$319	\$351	\$319	\$319	\$319	\$358	\$394	\$349	\$349	\$349	\$447	\$492	\$447	\$492
Youth (13-23)	\$139	\$139	\$139	\$177	\$195	\$159	\$159	\$159	\$215	\$237	\$189	\$189	\$189	\$268	\$295	\$268	\$295
Senior (65-69)	\$109	\$109	\$109	\$213	\$234	\$129	\$119	\$119	\$225	\$248	\$149	\$149	\$149	\$268	\$295	\$268	\$295
Child (7-12)	\$109	\$109	\$109	\$107	\$118	\$129	\$129	\$129	\$122	\$134	\$149	\$149	\$149	\$148	\$163	\$148	\$163
Super Senior (70-79)	\$29	\$29	\$29	\$87	\$96	\$39	\$39	\$39	\$95	\$105	\$49	\$49	\$49	\$118	\$130	\$118	\$130
6 & under / 80+	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

TABLE 4

Comparison of Public vs. Recreation Pass Holder rates by %

2025 Public Rates Recommendation

Public Full Pass	Tier 1	Tier 2	Tier 3	Tier 4
Adult (24-64)	\$499	\$560	\$699	TBD
Youth (13-23)	\$389	\$472	\$589	TBD
Senior (65-69)	\$468	\$494	\$589	TBD
Child (7-12)	\$235	\$268	\$325	TBD
Super Senior (70-79)	\$235	\$268	\$325	TBD
6 & under / 80+	\$0	\$0	\$0	\$0
Transferable	N/A	\$1,209	\$1,209	\$1,209

2025 Resident (Option A)

RPH Full Pass	Tier 1	Tier 2	Tier 3	Tier 4
Adult (24-64)	\$319	\$358	\$447	\$447
Youth (13-23)	\$177	\$215	\$268	\$268
Senior (65-69)	\$213	\$225	\$268	\$268
Child (7-12)	\$107	\$122	\$148	\$148
Super Senior (70-79)	\$87	\$95	\$118	\$118
6 & under / 80+	\$0	\$0	\$0	\$0

2025 Resident (Option A)

Tier 1	Tier 2	Tier 3	Tier 4
64%	64%	64%	N/A
45%	46%	46%	N/A
46%	46%	46%	N/A
45%	45%	46%	N/A
37%	35%	36%	N/A
N/A	N/A	N/A	N/A

** percentage of Public price*

2025 Resident (Option B)

RPH Full Pass	Tier 1	Tier 2	Tier 3	Tier 4
Adult (24-64)	\$351	\$394	\$492	\$492
Youth (13-23)	\$195	\$237	\$295	\$295
Senior (65-69)	\$234	\$248	\$295	\$295
Child (7-12)	\$118	\$134	\$163	\$163
Super Senior (70-79)	\$96	\$105	\$130	\$130
6 & under / 80+	\$0	\$0	\$0	\$0

2025 Resident (Option B)

Tier 1	Tier 2	Tier 3	Tier 4
70%	70%	70%	N/A
50%	50%	50%	N/A
50%	50%	50%	N/A
50%	50%	50%	N/A
41%	39%	40%	N/A
N/A	N/A	N/A	N/A

** percentage of Public price*

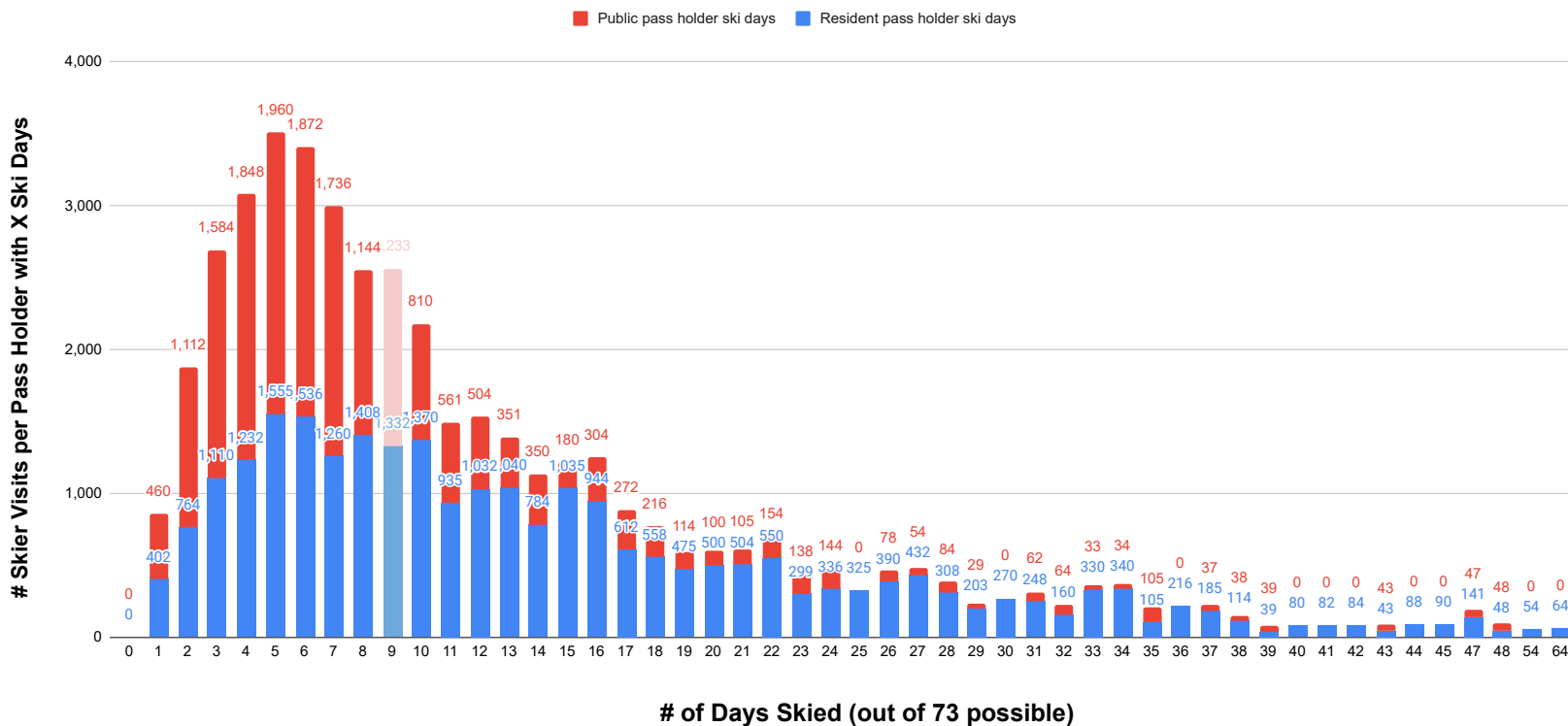
TABLE 5

Recreation Pass holder vs. Public (non-RPH) final (Tier 3) season pass pricing over the past 20 years

	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	Option A 2024/25	Option B 2024/25	
Recreation Pass Holders																								
Adult (24-64)	\$435	\$435	\$435	\$435	\$461	\$461	\$461	\$461	\$461	\$349	\$349	\$349	\$349	\$349	\$349	\$349	\$349	\$349	\$349	\$349	\$349	\$447	\$447	\$492
Youth (13-23)	\$180	\$180	\$180	\$180	\$191	\$191	\$191	\$191	\$191	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$189	\$268	\$268	\$295
Child (7-12)	\$150	\$150	\$150	\$150	\$159	\$159	\$159	\$159	\$159	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$148	\$148	\$163
Senior (65-69)	\$180	\$180	\$180	\$180	\$191	\$191	\$191	\$191	\$191	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$149	\$268	\$268	\$295
Super Senior (70-79)	\$50	\$50	\$50	\$50	\$53	\$53	\$53	\$53	\$53	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$49	\$118	\$118	\$130
6 & under / 80+	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Public																								
Adult (24-64)	\$535	\$535	\$535	\$535	\$567	\$567	\$567	\$567	\$567	\$449	\$449	\$449	\$449	\$469	\$479	\$479	\$489	\$509	\$620	\$625	\$635	\$699	\$699	\$699
Youth (13-23)	\$221	\$221	\$221	\$221	\$235	\$235	\$235	\$235	\$235	\$239	\$239	\$239	\$239	\$249	\$259	\$259	\$269	\$289	\$520	\$525	\$535	\$589	\$589	\$589
Child (7-12)	\$185	\$185	\$185	\$185	\$196	\$196	\$196	\$196	\$196	\$169	\$169	\$169	\$169	\$179	\$189	\$199	\$209	\$229	\$280	\$285	\$295	\$325	\$325	\$325
Senior (65-69)	\$221	\$221	\$221	\$221	\$235	\$235	\$235	\$235	\$235	\$169	\$169	\$169	\$169	\$179	\$189	\$199	\$209	\$229	\$520	\$525	\$535	\$589	\$589	\$589
Super Senior (70-79)	\$62	\$62	\$62	\$62	\$65	\$65	\$65	\$65	\$65	\$69	\$69	\$69	\$69	\$89	\$169	\$169	\$179	\$199	\$220	\$225	\$235	\$325	\$325	\$325
6 & under / 80+	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

CHART 1

DP Pass Holder pass utilization (Resident + Public passes) as of 2/18/24



Total passes used to date: 7,019
Total passes sold to date: 8,731
Total pass holder skier visits to date: 44,059
Total skier visits to date: 86,655

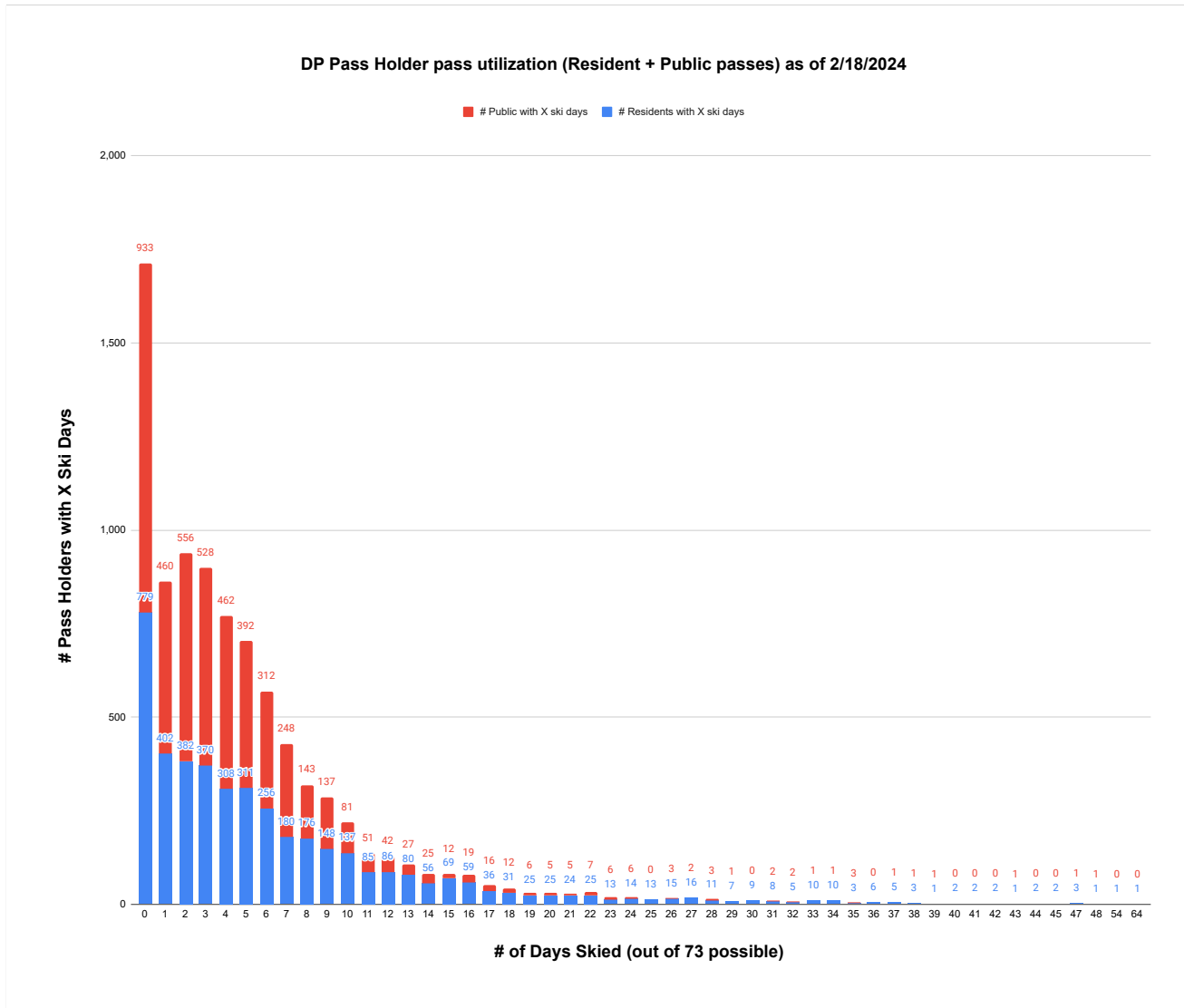
** Excludes DP & IVGID Employee passes & Transferable passes*

51% <- Percentage of Total Skier Visits

Median of Total Skier Visits falls between 8 & 9 days

Pass holders with <= 8 days: 20,983 skier visits
 Pass holders with 9 days: 2,565 skier visits
 Pass holders with <= 10 days: 20,511 skier visits

CHART 2



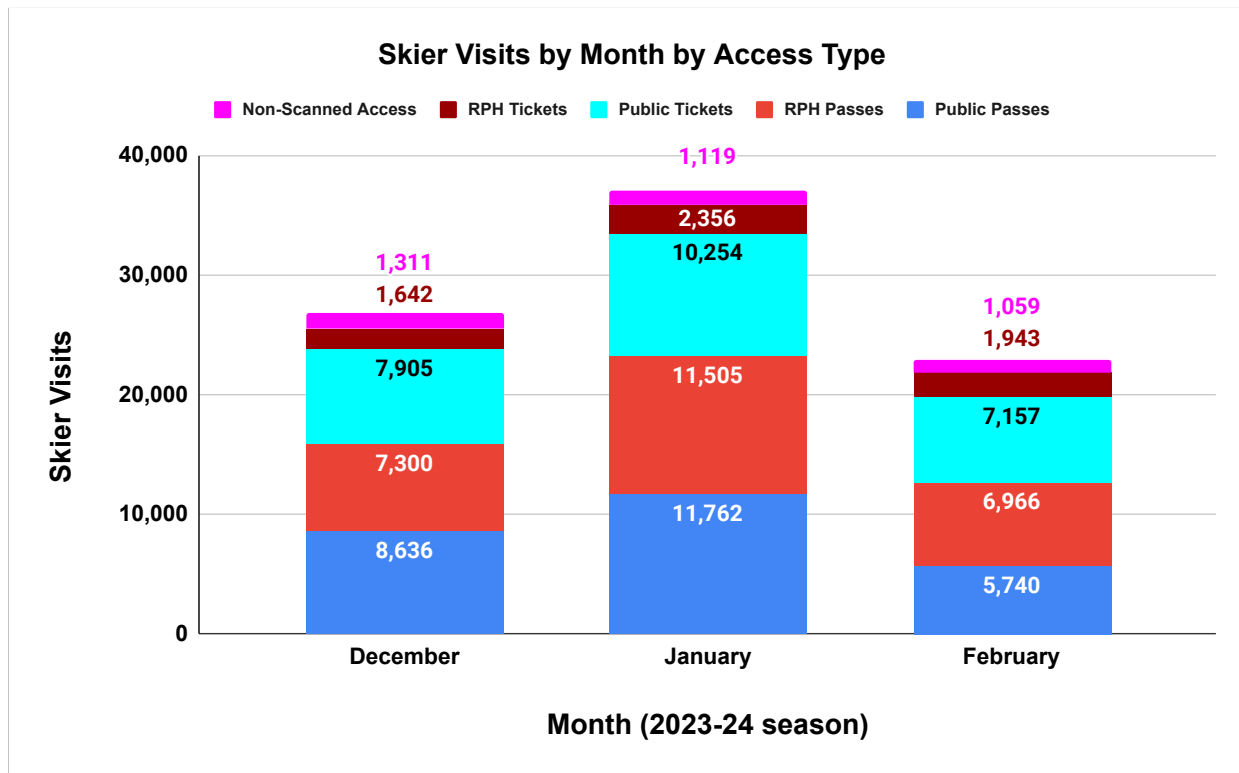
Total passes used to date: 7,019
Total passes sold to date: 8,731
 Pass holders with 0 days: 1,712
 Pass holders with <= 3 days: 4,410
 Pass holders with >= 4 days: 4,321

** Excludes DP & IVGID Employee passes & Transferable passes*

** Median of pass holder usage falls right around 3 days (i.e. half of pass holders have used pass 3 or less days & vice versa)*

MONTH	TOTAL VISITS	Public Passes	RPH Passes	TOTAL PASSES	Public Tickets	RPH Tickets	TOTAL TICKETS	Non-Scanned Access
December	26,794	8,636	7,300	15,936	7,905	1,642	9,547	1,311
January	36,996	11,762	11,505	23,267	10,254	2,356	12,610	1,119
February	22,865	5,740	6,966	12,706	7,157	1,943	9,100	1,059
March								
April								

CHART 3

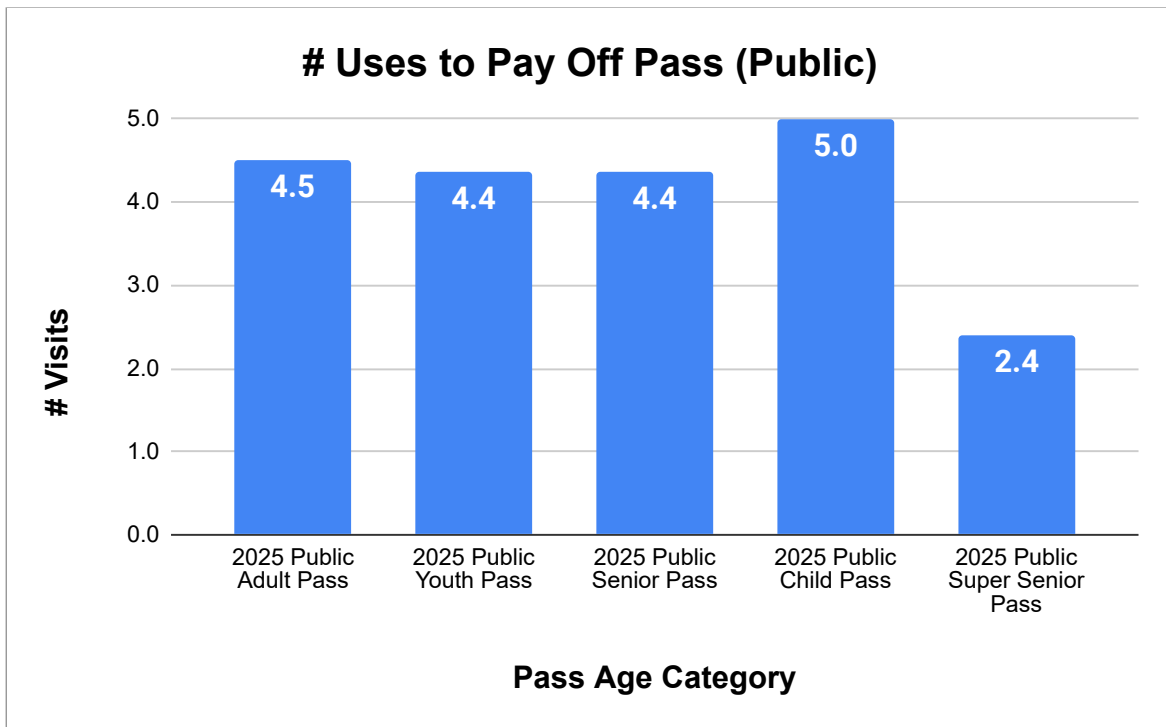


* Note: "Non-Scanned Access" consists of customers who purchased an access product but never got scanned at any of the gates. For example, many beginner skiers purchase lift tickets but never advance past the "bump" learning area to a chairlift where they would get scanned. The vast majority of these (90+%) are Public Tickets (none are passes).

CHART 4

2025 Season Pass Recommendation vs. Daily Lift Ticket Cost Ratios

Product	Price	# Uses to Pay Off Pass
Public (Non-RPH) Products		
2025 Public Adult Pass	\$699	4.5
2025 Public Youth Pass	\$589	4.4
2025 Public Senior Pass	\$589	4.4
2025 Public Child Pass	\$325	5.0
2025 Public Super Senior Pass	\$325	2.4



Notes:

Pass prices are Tier 3 prices

RPH pass prices include Option A (no increase) and Option B (10% increase)

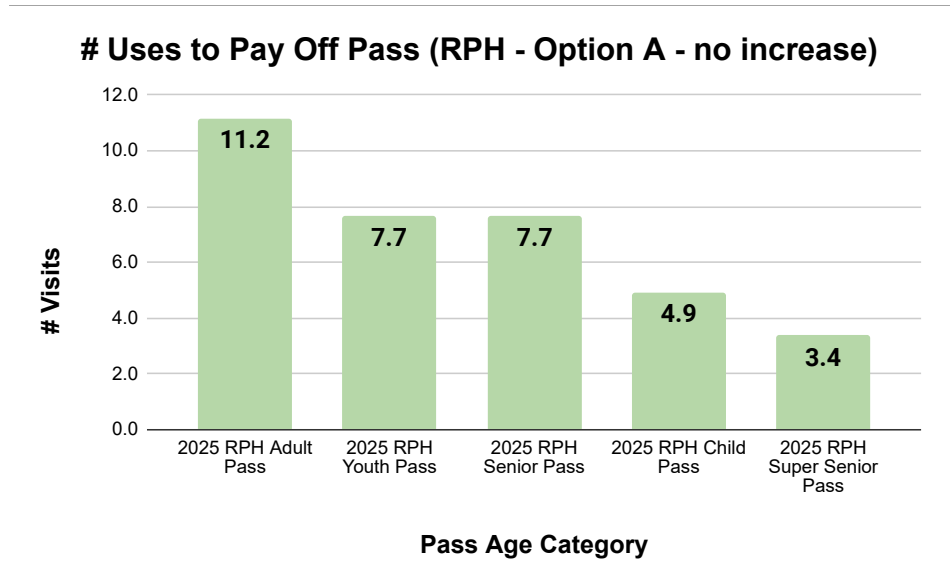
Ticket prices are Weekend (non-peak) Online prices

Public ticket prices are 2023-24 prices

RPH ticket prices are 2025 proposed rates (\$5 increase to 2023-24 rates)

Recreation Pass Holder (RPH) Products - OPTION A

2025 RPH Adult Pass	\$447	11.2
2025 RPH Youth Pass	\$268	7.7
2025 RPH Senior Pass	\$268	7.7
2025 RPH Child Pass	\$148	4.9
2025 RPH Super Senior Pass	\$118	3.4



Recreation Pass Holder (RPH) Products - OPTION B

2025 RPH Adult Pass	\$492	12.3
2025 RPH Youth Pass	\$295	8.4
2025 RPH Senior Pass	\$295	8.4
2025 RPH Child Pass	\$163	5.4
2025 RPH Super Senior Pass	\$130	3.7

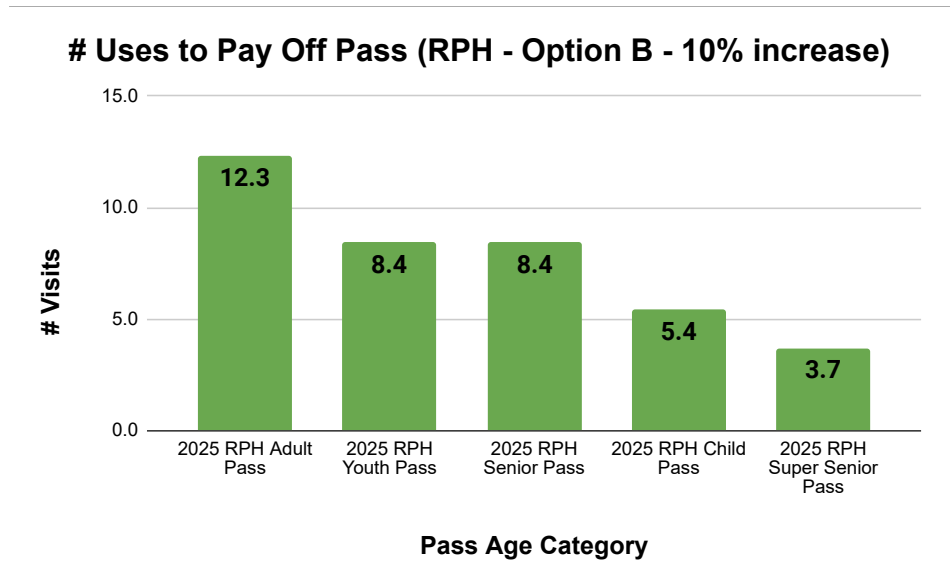
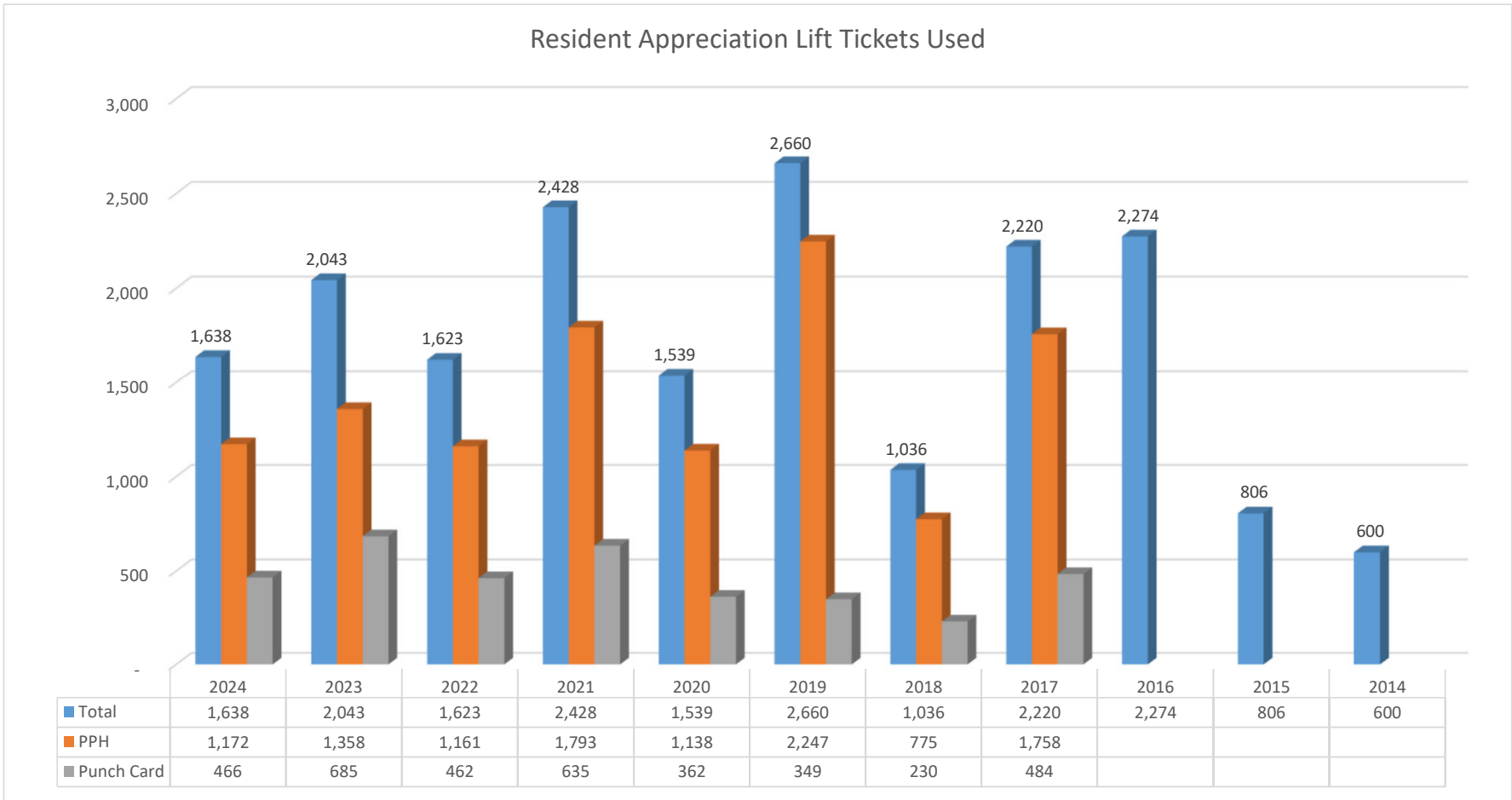


CHART 5



MEMORANDUM

TO: Board of Trustees

THROUGH: Mike Bandelin, Interim General Manager

FROM: Kate Nelson, Interim Public Works Director, Bree Waters, District Project Manager , Shelia Leijon, Director of Parks & Recreation

SUBJECT: Review, discuss and possibly approve the Agreement for the 30% Schematic Design contract for Incline Beach House Project - 2023/24 Capital Improvement Project; Fund: Community Services; Division: Beaches; Project #3973LI1302; Contractor: CORE West Inc. dba CORE Construction in the amount of \$103,500.00. Review, discuss and possibly approve the Agreement for the 30% Schematic Design for the Incline Beach Access Project - 2023/24 Capital Improvement Project; Fund: Community Services; Division: Beaches; Project #3972BD2102; Contractor: CORE West Inc. dba CORE Construction in the amount of \$18,000.00. (Requesting Staff Member: Interim Public Works Director Kate Nelson)

RELATED STRATEGIC PLAN BUDGET 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

Board Policy 12.1.0 Multi-Year Capital Planning; 13.2.0 Capital Planning Expenditures; 21.1.0 Purchasing Policy for Public Works Contracts

DATE: February 28, 2024

I. RECOMMENDATION

The Board of Trustees makes a motion to:

1. Approve the Agreement for the 30% Schematic Design for the Incline Beach House Project - 2023/24 Capital Improvement Project; Fund: Community Services; Division: Beaches; Project #3973LI1302; Contractor: CORE West Inc. dba CORE Construction for the amount of \$103,500.00; and,
2. Approve the Agreement for the 30% Schematic Design for the Beach Access Project - 2023/24 Capital Improvement Project; Fund: Community Services; Division: Beaches; Project #3972BD2102; Contractor: CORE West Inc. dba CORE Construction for the amount of \$18,000.00; and,
3. Direct the Chair and Secretary to sign and execute the Agreements.

II. BACKGROUND

The Board identified the Incline Beach House Project (Project) as a Community Services Master Plan Priority project, a Top Tier Recommendation at the January 12, 2022 (Item G4) Board meeting. Staff brought the historical timeline of the Project to the Board on July 27, 2022 (Item H1) and then again on February 8, 2023 (Item F8). At the February 8, 2023, Board meeting, the Board determined there was a need for further community input. After FlashVote surveys were released and the results were made available, staff returned to the Board on July 26, 2023 (Item H1), to clarify these results and requested direction in order to release a Request for Qualification (RFQ). Staff also requested the Board clarify the delivery method to be used in this process, i.e. Design-Bid-Build, CMAR or Design-Build. The Board gave staff direction to release an RFQ for the Project for a Design-Build team for the 30% schematic design.

The RFQ was a two-step process which was released on November 16, 2023, with a due date of December 19, 2023. Four Design-Build teams responded to the RFQ which were shortlisted by a Selection Committee to three final teams. These three teams were given further Technical Documents and were asked to interview with the Selection Committee on February 1, 2024. The Selection Committee was made up of two members of the Board of Trustees, two members of the District's executive team, two members of the Public Works staff and one member of the Capital Investment Committee.

The three Design-Build teams were asked to propose on the overall project, which is currently budgeted as two separate projects; the Incline Beach House Project and the Beach Access Project. These two projects are planned to be combined during the 100% Design Phase contingent upon final estimates and budgeting for FY 2024/25. The Incline Beach Access Project, which will be presented to the Board in its entirety at a future date, at a minimum, will include the following:

1. Provide a way for the entrance to Incline Beach to be gated with a Radio Frequency Identification (RFID) for both pedestrians and vehicles.
2. The lanes should be configured such that there is a turnaround for rejected

vehicles.

3. This project will be a part of the FY 2024/25 budgeting process. It is not a part of the \$4M budget associated with the Incline Beach House Project.

The 30% Schematic Design estimated timeline, including milestones, meeting dates and deliverables is included in Attachment #1.

III. BID RESULTS

The RFQ was released per NRS 338.1711 for Design-Build. Four Design-Build teams submitted Statements of Qualifications for the Project and were shortlisted to three teams. CORE Construction was determined by the Selection Committee to be the most qualified Design-Build team.

IV. FINANCIAL IMPACT AND BUDGET

The FY 2023/24 approved budget included \$4 Million for the total Project Budget for the Incline Beach House Project. This budget includes programming, planning, permitting, design, and construction as well as staff time. The FY 2023/24 approved budget for the Beach Access Project is \$100,000, of which \$18,000 will be used for the 30% Schematic Design of the project. The Agreement for the 30% Schematic Design for the Incline Beach House Project and the Agreement for the 30% Schematic Design for the Incline Beach Access Project CORE Construction are included in Attachments #2 and #3 respectively.

V. ALTERNATIVES

N/A

VI. COMMENTS

The Owner and Design-Builder Preliminary Agreements have been reviewed and approved by Silver State Law and District's Legal Counsel.

VII. BUSINESS IMPACT/BENEFIT

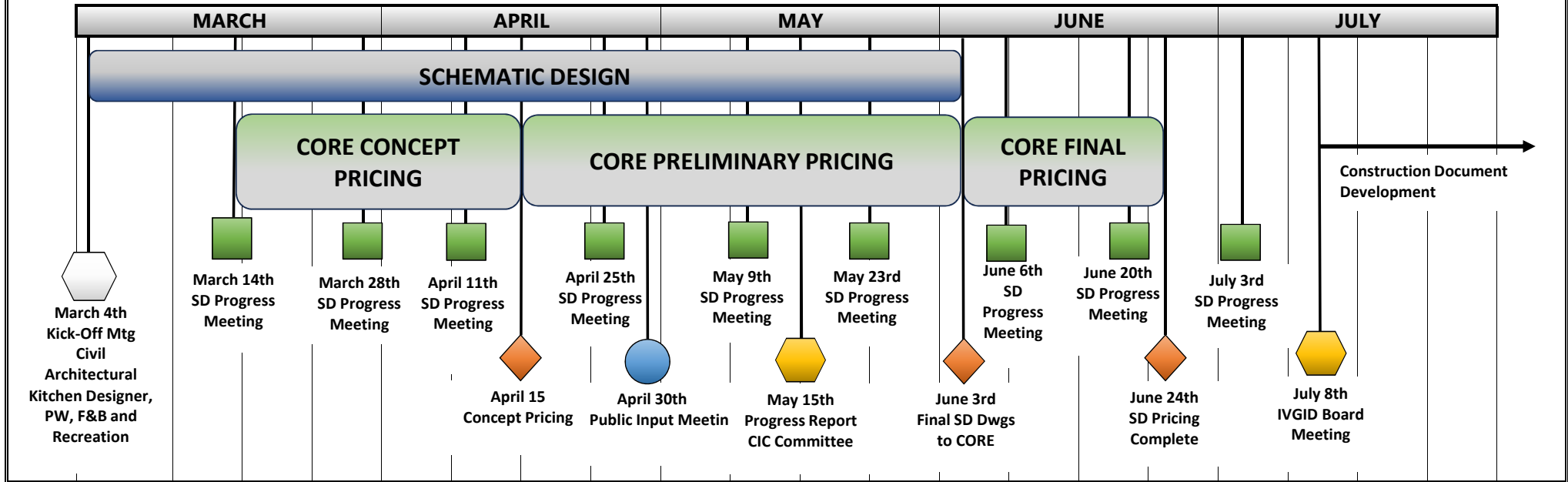
This item is not a "rule" within the Nevada Revised Statute, Chapter 237 and does not require a Business Impact Statement.






VIII. ATTACHMENTS

1. Incline Beach House 30% Timeline
2. Owner and Design-Builder Preliminary Agreement - Incline Beach House Project
3. Owner and Design-Builder Preliminary Agreement - Incline Beach Access Project

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

IVGID INCLINE BEACH HOUSE & ACCESS PROJECTS | 30% SCHEMATIC DESIGN ESTIMATED TIMELINE



-  Kick-Off Meeting with Design-Build Team, PW, F&B and Dir. of Recreation
-  Board & CIC Meetings (Actual Meeting Date TBD)
-  Progress Meetings: Design-Build Team, PW, F&B, and Recreation.
-  Delivery Dates: Concept and 30% Schematic Design Pricing and Final Schematic Design
-  Schematic Design Public Input Meeting (Location to be Determined)

ConsensusDocs® 400

PRELIMINARY DESIGN-BUILD AGREEMENT BETWEEN OWNER AND DESIGN-BUILDER



TABLE OF ARTICLES

1. TEAM RELATIONSHIP
2. DESIGN-BUILDER'S RESPONSIBILITIES
3. OWNERSHIP OF DOCUMENTS
4. OWNER'S RESPONSIBILITIES
5. CONTRACT TIME
6. COMPENSATION
7. INSURANCE

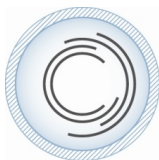
This Agreement is made this 28th day of February in the year 2024, by and between the OWNER, Incline Village General Improvement District, located at 1220 Sweetwater Road, Incline Village, Washoe County Nevada, and the DESIGN-BUILDER, CORE West Inc dba CORE Construction, located at 7150 Cascade Valley Court, Las Vegas Nevada, for preliminary services in connection with the following PROJECT

30% Schematic Design of the Incline Beach Access Project

Notice to the Parties shall be given at the above addresses.

ARTICLE 1 TEAM RELATIONSHIP

1.1 The Owner and the Design-Builder agree to proceed on the basis of trust, good faith and fair dealing, and shall take all actions reasonably necessary to perform this Agreement in an economical and timely



manner. The Owner and the Design-Builders shall perform their obligations with integrity, ensuring at a minimum that: (a) conflicts of interest shall be avoided or disclosed promptly to the other Party; and (b) the Design-Builder and the Owner warrant that they have not and shall not pay nor receive any contingent fees or gratuities to or from the other Party, including their agents, officers and employees, Subcontractors or others for whom they may be liable, to secure preferential treatment.

ARTICLE 2 DESIGN-BUILDER'S RESPONSIBILITIES

2.1 The Design-Builder shall exercise reasonable skill and judgment in the performance of its services. Architectural and engineering services shall be procured from licensed, independent design professionals retained by the Design-Builder or furnished by licensed employees of the Design-Builder, or as permitted by the law of the State in which the Project is located. The person or entity providing architectural and engineering services shall be referred to as the Design Professional. If the Design Professional is an independent design professional, the architectural and engineering services shall be procured pursuant to a separate agreement between the Design-Builder and the Design Professional. The Design Professional for the Project is 30% Schematic Design of the Incline Beach Access (Project).

2.2 The Design-Builder is responsible for the following Preliminary Design-Build Services:

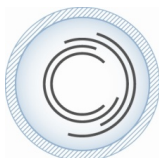
2.2.1 **OWNER'S PROGRAM** If requested by the Owner as an Additional Service, the Design-Builder shall assist the Owner in the development and preparation of the Owner's Program, which is an initial description of the Owner's objectives. The Owner's Program may include budget and time criteria, space requirements and relationships, flexibility and expandability requirements, special equipment and systems, and site requirements.

2.2.2 **PRELIMINARY EVALUATION** The Design-Builder shall review the Owner's Program to ascertain the requirements of the Project and shall verify such requirements with the Owner. The Design-Builder's review shall also provide to the Owner a preliminary evaluation of the site with regard to access, traffic, drainage, parking, building placement and other considerations affecting the building, the environment and energy use, as well as information regarding applicable governmental laws, regulations and requirements. The Design-Builder shall review the Owner's existing test reports but will not undertake any independent testing nor be required to furnish types of information derived from such testing in its preliminary evaluation. The Design-Builder shall also propose alternative architectural, civil, structural, mechanical, electrical and other systems for review by the Owner, in order to determine the most desirable method of achieving the Owner's requirements in terms of cost, technology, quality and speed of delivery. Based upon its review and verification of the Owner's Program and other relevant information, the Design-Builder shall provide a preliminary evaluation of the Project's feasibility for the Owner's acceptance. The Design-Builder's preliminary evaluation shall specifically identify any deviations from the Owner's Program.

2.2.3 **PRELIMINARY SCHEDULE** The Design-Builder shall provide a preliminary schedule for the Owner's written approval. The schedule shall show the activities of the Owner and the Design-Builder necessary to meet the Owner's completion requirements.

2.2.4 **PRELIMINARY ESTIMATE** The Design-Builder shall prepare for the Owner's written approval a preliminary estimate utilizing area, volume, or similar conceptual estimating techniques. The level of detail for the estimate shall reflect the Owner's Program and any additional available information. If the preliminary estimate exceeds the Owner's budget, the Design-Builder shall make written recommendations to the Owner.

2.2.5 **SCHEMATIC DESIGN DOCUMENTS** The Design-Builder shall submit for the Owner's written approval Schematic Design Documents based on the agreed upon Preliminary Evaluation. Schematic Design Documents shall include drawings, outline specifications and other conceptual documents



illustrating the Projects basic elements, scale and their relationship to the Worksite. One set of these Documents shall be furnished to the Owner. When the Design-Builder submits the Schematic Design Documents, the Design-Builder shall identify in writing all material changes and deviations from the Design-Builder's preliminary evaluation, schedule and estimate. The Design-Builder shall update the preliminary schedule and preliminary estimate based on the Schematic Design Documents.

2.2.6 ADDITIONAL SERVICES The Design-Builder shall provide the following Additional Services:

2.2.6.1 OWNER'S PROGRAM The Design-Builder shall assist the Owner in the development and preparation of the Owner's Program, which is an initial description of the Owner's objectives. The Owner's Program will include budget and time criteria, space requirements and relationships, flexibility and expandability requirements, special equipment and systems, and site requirements. The Owner's Program will also include initial strategies and timelines for obtaining all permits required for the Project including but not limited to Washoe County and TRPA.

ARTICLE 3 OWNERSHIP OF DOCUMENTS

3.1 OWNERSHIP OF TANGIBLE DOCUMENTS Upon the making of final payment to the Design-Builder, the Owner shall receive ownership of the property rights, except for copyrights, of all documents, drawings, specifications, electronic data and information (hereinafter "Documents") prepared, provided or procured by the Design-Builder, its Design Professional, Subcontractors or consultants and distributed to the Owner for this Project.

3.2 COPYRIGHT The Parties agree that Owner shall obtain ownership of the copyright of all Documents. The Owner's acquisition of the copyright for all Documents shall be subject to the making of payments as required by ARTICLE 6 and the payment of the fee reflecting the agreed value of the copyright set forth below:

If the Parties have not made a selection to transfer copyright interests in the Documents, the copyright shall remain with the Design-Builder.

3.3 OWNER'S USE The Owner shall have the right to use, reproduce or make derivative works of the Design-Build Documents for other projects without the written authorization of the Design-Builder, who shall not unreasonably withhold consent. The Owner's use of the Design-Build Documents on other projects or without the Design-Builder's written authorization or involvement is at the Owner's sole risk, and the Owner shall indemnify and hold harmless the Design-Builder, the Design Professional and Subcontractors, and the agents, officers, directors and employees of each of them from and against any and all claims, damages, losses, costs and expenses, including but not limited to attorneys' fees, costs and expenses incurred in connection with any dispute resolution process, arising out of or resulting from such use of the Design-Build Documents.

3.4 DESIGN-BUILDER'S USE Where the Design-Builder has transferred its copyright interest in the Documents, the Design-Builder may reuse Documents prepared by it pursuant to this Agreement in its practice, but only in their separate constituent parts and not as a whole. The Design-Builder shall obtain from its Design Professional, Subcontractors and consultants property rights and rights of use that correspond to the rights given by the Design-Builder to the Owner in this Agreement.

3.5 ELECTRONIC DOCUMENTS If the Owner requires that the Owner and Design-Builder exchange documents and data in electronic or digital form, prior to any such exchange, the Owner and Design-Builder shall agree on a written protocol governing all exchanges in ConsensusDocs 200.2 or a separate Agreement.



ARTICLE 4 OWNER'S RESPONSIBILITIES

4.1 The Owner shall provide to the Design-Builder all relevant information for the Project, including the Owner's Program, unless the Owner's Program is developed and prepared with the assistance of the Design-Builder as an Additional Service. The Owner shall timely review and approve schedules, estimates, Schematic Design Documents and other documents provided under this Agreement.

4.2 OWNER'S ELECTION TO PROCEED If the Owner elects to proceed with the Project beyond the Preliminary Design-Build Services provided in this Agreement, the Owner and the Design-Builder shall enter into an additional agreement for the completion of the design and the construction of the Project. If the Owner elects not to proceed with the Project, the Owner shall have no further obligation to the Design-Builder other than the payment of compensation as set forth in this Agreement.

ARTICLE 5 CONTRACT TIME

5.1 The Design-Builder's Services provided under this Agreement shall commence on or about Feb. 28, 2024, and shall be completed on or about July 1, 2024.

ARTICLE 6 COMPENSATION

6.1 The Owner shall compensate the Design-Builder monthly for Preliminary Design-Build Services performed under the Agreement on the following basis:

A stipulated sum in the amount of **Eighteen Thousand Dollars (\$18,000)** that shall be paid in four equal payments over four months.

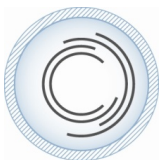
If the Owner elects to proceed with the Project beyond the Preliminary Design-Build Services provided in this Agreement, the Owner and the Design-Builder shall enter into additional agreements for the completion of the design and the construction of the Project. For the construction phase of the Project, the Design-Builder agrees to the following fees:

Design Build Team's Construction Fee	%4.75
Design Build Team's General Liability Insurance Fee	%1.15
Design Build Team's Bonding Fee	%0.90

ARTICLE 7 INSURANCE

7.1 The Design-Builder shall obtain insurance for claims arising from the negligent performance of professional services under this Agreement, which shall be:

Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) General Liability: \$5,000,000 per occurrence for bodily injury, personal injury and property damage, and shall be endorsed to include contractual liability. Limits can be satisfied by providing Excess Liability coverage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) Automobile Liability: \$2,000,000 combined single limit (each accident) for bodily injury and property damage; and (3) Industrial Insurance: Workers' Compensation limits as required by the Labor Code of the State of Nevada. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease; and (4) Professional Liability/Errors and Omissions: Consultant shall procure and maintain, and



require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Services, professional liability/errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$2,000,000 per claim. "Covered Professional Services" as designated in the Professional Liability/Errors and Omissions policy must specifically include work performed under this Agreement.

7.1.1 Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as additional insured pursuant to this Agreement. Defense costs shall be payable in addition to the limits.

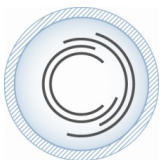
7.1.2 Insurance Endorsements. The insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms supplied or approved by the District to add the following provisions to the insurance policies:

7.1.2.1 Commercial General Liability. The commercial general liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Consultant to waive its right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

7.1.2.2 Automobile Liability. The automobile liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Consultant to waive its right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

7.1.2.3 Industrial (Workers' Compensation and Employers Liability) Insurance. The insurer shall agree to waive all rights of subrogation against the District, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

7.1.2.4 All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District; and (B) any failure to comply with reporting



or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the District, its directors, officials, officers, employees, agents and volunteers.

7.1.3 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the District, its directors, officials, officers, employees, agents and volunteers.

7.1.4 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the District. Consultant shall guarantee that, at the option of the District, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its directors, officials, officers, employees, agents and volunteers; or (2) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

7.1.5 Acceptability of Insurers. Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Nevada and with an "A.M. Best" rating of not less than A-VII. The District in no way warrants that the above-required minimum insurer rating is sufficient to protect the Consultant from potential insurer insolvency.

7.1.6 Verification of Coverage. Consultant shall furnish the District with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the District if requested. All certificates and endorsements must be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time.

7.1.7 3.2.10.8 Subconsultants. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the District that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the District as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, District may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

7.1.8 Compliance With Coverage Requirements. If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Consultant or District will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, District may terminate this Agreement for cause.

7.1.9 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.



OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:

Trustee Sara Schmitz, Chairperson

Date

Trustee Michaela Tonking, Secretary

Date

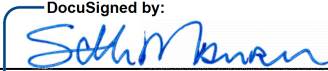
Reviewed as to Form:

Sergio Rudin
District Legal Counsel

Date

CONTRACTOR:
CORE West Inc dba CORE Construction
Agreed to:

By:

DocuSigned by:


Signature of Authorized Agent

Seth Maurer President

Print or Type Name and Title

2/22/2024 | 1:55 PM CST

Date

If CONTRACTOR is a Corporation, attach evidence of authority to sign.



ConsensusDocs® 400

PRELIMINARY DESIGN-BUILD AGREEMENT BETWEEN OWNER AND DESIGN-BUILDER



TABLE OF ARTICLES

1. TEAM RELATIONSHIP
2. DESIGN-BUILDER'S RESPONSIBILITIES
3. OWNERSHIP OF DOCUMENTS
4. OWNER'S RESPONSIBILITIES
5. CONTRACT TIME
6. COMPENSATION
7. INSURANCE

This Agreement is made this 28th day of February in the year 2024, by and between the OWNER, Incline Village General Improvement District, located at 1220 Sweetwater Road, Incline Village, Washoe County Nevada, and the DESIGN-BUILDER, CORE West Inc dba CORE Construction, located at 7150 Cascade Valley Court, Las Vegas Nevada, for preliminary services in connection with the following PROJECT

30% Schematic Design of the Incline Beach Access Project

Notice to the Parties shall be given at the above addresses.

ARTICLE 1 TEAM RELATIONSHIP

1.1 The Owner and the Design-Builder agree to proceed on the basis of trust, good faith and fair dealing, and shall take all actions reasonably necessary to perform this Agreement in an economical and timely



manner. The Owner and the Design-Builders shall perform their obligations with integrity, ensuring at a minimum that: (a) conflicts of interest shall be avoided or disclosed promptly to the other Party; and (b) the Design-Builder and the Owner warrant that they have not and shall not pay nor receive any contingent fees or gratuities to or from the other Party, including their agents, officers and employees, Subcontractors or others for whom they may be liable, to secure preferential treatment.

ARTICLE 2 DESIGN-BUILDER'S RESPONSIBILITIES

2.1 The Design-Builder shall exercise reasonable skill and judgment in the performance of its services. Architectural and engineering services shall be procured from licensed, independent design professionals retained by the Design-Builder or furnished by licensed employees of the Design-Builder, or as permitted by the law of the State in which the Project is located. The person or entity providing architectural and engineering services shall be referred to as the Design Professional. If the Design Professional is an independent design professional, the architectural and engineering services shall be procured pursuant to a separate agreement between the Design-Builder and the Design Professional. The Design Professional for the Project is 30% Schematic Design of the Incline Beach Access (Project).

2.2 The Design-Builder is responsible for the following Preliminary Design-Build Services:

2.2.1 **OWNER'S PROGRAM** If requested by the Owner as an Additional Service, the Design-Builder shall assist the Owner in the development and preparation of the Owner's Program, which is an initial description of the Owner's objectives. The Owner's Program may include budget and time criteria, space requirements and relationships, flexibility and expandability requirements, special equipment and systems, and site requirements.

2.2.2 **PRELIMINARY EVALUATION** The Design-Builder shall review the Owner's Program to ascertain the requirements of the Project and shall verify such requirements with the Owner. The Design-Builder's review shall also provide to the Owner a preliminary evaluation of the site with regard to access, traffic, drainage, parking, building placement and other considerations affecting the building, the environment and energy use, as well as information regarding applicable governmental laws, regulations and requirements. The Design-Builder shall review the Owner's existing test reports but will not undertake any independent testing nor be required to furnish types of information derived from such testing in its preliminary evaluation. The Design-Builder shall also propose alternative architectural, civil, structural, mechanical, electrical and other systems for review by the Owner, in order to determine the most desirable method of achieving the Owner's requirements in terms of cost, technology, quality and speed of delivery. Based upon its review and verification of the Owner's Program and other relevant information, the Design-Builder shall provide a preliminary evaluation of the Project's feasibility for the Owner's acceptance. The Design-Builder's preliminary evaluation shall specifically identify any deviations from the Owner's Program.

2.2.3 **PRELIMINARY SCHEDULE** The Design-Builder shall provide a preliminary schedule for the Owner's written approval. The schedule shall show the activities of the Owner and the Design-Builder necessary to meet the Owner's completion requirements.

2.2.4 **PRELIMINARY ESTIMATE** The Design-Builder shall prepare for the Owner's written approval a preliminary estimate utilizing area, volume, or similar conceptual estimating techniques. The level of detail for the estimate shall reflect the Owner's Program and any additional available information. If the preliminary estimate exceeds the Owner's budget, the Design-Builder shall make written recommendations to the Owner.

2.2.5 **SCHEMATIC DESIGN DOCUMENTS** The Design-Builder shall submit for the Owner's written approval Schematic Design Documents based on the agreed upon Preliminary Evaluation. Schematic Design Documents shall include drawings, outline specifications and other conceptual documents



illustrating the Projects basic elements, scale and their relationship to the Worksite. One set of these Documents shall be furnished to the Owner. When the Design-Builder submits the Schematic Design Documents, the Design-Builder shall identify in writing all material changes and deviations from the Design-Builder's preliminary evaluation, schedule and estimate. The Design-Builder shall update the preliminary schedule and preliminary estimate based on the Schematic Design Documents.

2.2.6 ADDITIONAL SERVICES The Design-Builder shall provide the following Additional Services:

2.2.6.1 OWNER'S PROGRAM The Design-Builder shall assist the Owner in the development and preparation of the Owner's Program, which is an initial description of the Owner's objectives. The Owner's Program will include budget and time criteria, space requirements and relationships, flexibility and expandability requirements, special equipment and systems, and site requirements. The Owner's Program will also include initial strategies and timelines for obtaining all permits required for the Project including but not limited to Washoe County and TRPA.

ARTICLE 3 OWNERSHIP OF DOCUMENTS

3.1 OWNERSHIP OF TANGIBLE DOCUMENTS Upon the making of final payment to the Design-Builder, the Owner shall receive ownership of the property rights, except for copyrights, of all documents, drawings, specifications, electronic data and information (hereinafter "Documents") prepared, provided or procured by the Design-Builder, its Design Professional, Subcontractors or consultants and distributed to the Owner for this Project.

3.2 COPYRIGHT The Parties agree that Owner shall obtain ownership of the copyright of all Documents. The Owner's acquisition of the copyright for all Documents shall be subject to the making of payments as required by ARTICLE 6 and the payment of the fee reflecting the agreed value of the copyright set forth below:

If the Parties have not made a selection to transfer copyright interests in the Documents, the copyright shall remain with the Design-Builder.

3.3 OWNER'S USE The Owner shall have the right to use, reproduce or make derivative works of the Design-Build Documents for other projects without the written authorization of the Design-Builder, who shall not unreasonably withhold consent. The Owner's use of the Design-Build Documents on other projects or without the Design-Builder's written authorization or involvement is at the Owner's sole risk, and the Owner shall indemnify and hold harmless the Design-Builder, the Design Professional and Subcontractors, and the agents, officers, directors and employees of each of them from and against any and all claims, damages, losses, costs and expenses, including but not limited to attorneys' fees, costs and expenses incurred in connection with any dispute resolution process, arising out of or resulting from such use of the Design-Build Documents.

3.4 DESIGN-BUILDER'S USE Where the Design-Builder has transferred its copyright interest in the Documents, the Design-Builder may reuse Documents prepared by it pursuant to this Agreement in its practice, but only in their separate constituent parts and not as a whole. The Design-Builder shall obtain from its Design Professional, Subcontractors and consultants property rights and rights of use that correspond to the rights given by the Design-Builder to the Owner in this Agreement.

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ARTICLE 5 CONTRACT TIME

5.1 The Design-Builder's Services provided under this Agreement shall commence on or about Feb. 28, 2024, and shall be completed on or about July 1, 2024.

ARTICLE 6 COMPENSATION

6.1 The Owner shall compensate the Design-Builder monthly for Preliminary Design-Build Services performed under the Agreement on the following basis:

A stipulated sum in the amount of **Eighteen Thousand Dollars (\$18,000)** that shall be paid in four equal payments over four months.

If the Owner elects to proceed with the Project beyond the Preliminary Design-Build Services provided in this Agreement, the Owner and the Design-Builder shall enter into additional agreements for the completion of the design and the construction of the Project. For the construction phase of the Project, the Design-Builder agrees to the following fees:

Design Build Team's Construction Fee	%4.75
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ARTICLE 7 INSURANCE

7.1 The Design-Builder shall obtain insurance for claims arising from the negligent performance of professional services under this Agreement, which shall be:

Minimum Limits of Insurance. Consultant shall maintain limits no less than: (1) General Liability: \$5,000,000 per occurrence for bodily injury, personal injury and property damage, and shall be endorsed to include contractual liability. Limits can be satisfied by providing Excess Liability coverage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) Automobile Liability: \$2,000,000 combined single limit (each accident) for bodily injury and property damage; and (3) Industrial Insurance: Workers' Compensation limits as required by the Labor Code of the State of Nevada. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease; and (4) Professional Liability/Errors and Omissions: Consultant shall procure and maintain, and



require its sub-consultants to procure and maintain, for a period of five (5) years following completion of the Services, professional liability/errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$2,000,000 per claim. "Covered Professional Services" as designated in the Professional Liability/Errors and Omissions policy must specifically include work performed under this Agreement.

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7.1.2.1 Commercial General Liability. The commercial general liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Consultant to waive its right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

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or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the District, its directors, officials, officers, employees, agents and volunteers.

7.1.3 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the District, its directors, officials, officers, employees, agents and volunteers.

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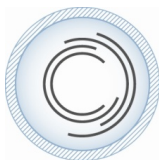
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7.1.7 3.2.10.8 Subconsultants. Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the District that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the District as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, District may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

7.1.8 Compliance With Coverage Requirements. If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Consultant or District will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, District may terminate this Agreement for cause.

7.1.9 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.



OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:

Trustee Sara Schmitz, Chairperson

Date

Trustee Michaela Tonking, Secretary

Date

Reviewed as to Form:

Sergio Rudin
District Legal Counsel

Date

CONTRACTOR:
CORE West Inc dba CORE Construction
Agreed to:

By:

DocuSigned by:


Signature of Authorized Agent

Seth Maurer President

Print or Type Name and Title

2/22/2024 | 1:55 PM CST

Date

If CONTRACTOR is a Corporation, attach evidence of authority to sign.



MEMORANDUM**TO:** Board of Trustees**THROUGH:** Mike Bandelin, Interim General Manager**FROM:** Kate Nelson, Interim Public Works Director, Hudson Klein, Principal Engineer**SUBJECT:** Review, discuss and possibly provide direction for Staff to pursue execution of a CMAR Construction contract in the amount of \$6,636,173.51 and a budget augmentation of \$800,000 for the WRRF Storage Tank Project - 2023/24 Capital Improvement Project; Fund: Sewer; Division: Utilities; Project #2599SS2010; Contractor: Granite Construction. (Requesting Staff Member: Interim Public Works Director Kate Nelson)**RELATED STRATEGIC
PLAN BUDGET
INITIATIVE(S):****LONG RANGE PRINCIPLE #5 – ASSETS
AND INFRASTRUCTURE**

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services.

**RELATED DISTRICT
POLICIES, PRACTICES,
RESOLUTIONS OR
ORDINANCES**

Board Policy 12.1.0 Multi-year Capital Planning;
13.2.0 Capital Planning Capital Expenditures;
21.1.0 Purchasing Policy for Public Works
Contracts

DATE: February 28, 2024**I. RECOMMENDATION**

That the Board of Trustees Makes a Motion to:

1. Provide direction to Staff to pursue execution of a CMAR Construction Agreement with Granite Construction for the WRRF Storage Tank Project with a Guaranteed Maximum Price in the Amount of \$6,636,173.51 (inclusive of Owner controlled Project risk register in the Amount of \$407,270.00).
2. Prepare a budget augmentation in the amount of \$800,000 to support the award of the CMAR construction contract, a contract with Jacobs for engineering services during construction, Staff time for project management and operational assistance, and inspection and testing, as

required during construction.

II. BACKGROUND

At the Board of Trustees on January 28, 2021 (Item K1), Granite Construction (Granite) was selected as Construction Manager at Risk (CMAR) for both the effluent export line replacement project (CIP #2524SS1010) and the emergency pond lining project (CIP #2599SS2010). Granite was selected by a panel comprised of Board of Trustees and Staff members; the selection of the CMAR was following Board instruction issued at the February 6, 2020 (Item G1 & G2), Board meeting to pursue external management support through design and construction of the projects.

The Wastewater Recovery Resource Facility (WRRF) Storage Tank Project (Tank Project) was formally started in mid-2021 with Jacobs Engineering Group (Jacobs) as lead design consultant and Granite Construction as pre-construction CMAR. The project is intended to satisfy existing Nevada Division of Environmental Protection (NDEP) discharge permit conditions for the WRRF requiring the impermeable lining of any emergency-use storage pond to prevent degradation of groundwater. The original scope of the Tank Project was to line Pond 2 (refer to Attachment A) in conjunction with replacement of the Effluent Export Pipeline in order to satisfy discharge permit conditions and provide additional storage to facilitate the effluent export line replacement within the existing pipeline alignment. However, regulatory requirements designated by the Nevada Division of Water Resources were confirmed in December 2021, resulting in the need to re-evaluate options as lining Pond #2 was not feasible due to the requirement that the dam, designed in 1962, meet present day design standards if modified to accommodate the proposed high density polyethylene line (HDPE) liner.

In March 2022, following investigation of feasible alternatives to the Pond 2 HDPE lining, Jacobs was authorized to develop 30% schematic designs for three options to provide emergency effluent storage at the WRRF: an HDPE liner installation in Pond 1 (refer Attachment A), a two million gallon (2MG) welded steel storage tank, and a 2MG pre-stressed concrete storage tank - each tank option sited within existing Pond 1. At the June 8, 2022 (Item H1), Board meeting, the Board approved the Staff recommendation for selection of a 2MG pre-stressed concrete tank as the best solution for the emergency storage needs at the WRRF. The 30% design level estimated total project cost was \$6.8M as prepared by Jacobs with cost inputs from both welded steel (\$2.8M) and pre-stressed concrete tank (\$1.9M) manufacturers; the construction cost was estimated at \$5.5M with other project soft costs totaling the \$6.8M estimate. At the June 29, 2022 (Item G3), Board meeting, Jacobs was approved to complete 100% design documents that were delivered in July 2023.

A 100% Opinion of Probable Construction Cost (OPCC) was prepared by Granite in January 2024 and the construction cost estimate increased to \$6.1M, inclusive of approximately \$450,000 allocated in the (owner controlled) project risk register and plug-number estimates (formal subcontractor bid-process required for actual values) for the subcontractor portions of the Tank Project.

Following completion of the subcontractor bid process as required by NRS (Section 338.1696) and additional negotiations, Granite delivered a guaranteed maximum price (GMP) proposal for the project of \$6.64M, inclusive of \$407,270 in Owner-controlled risk register.

A summary table of progressive Tank Project Estimates is as follows:

Date	Total Constr. Cost	Tank Cost	Mech/Elec Portion	Constr. Admin/Inspection	Risk Reserve	Forecast Project Total Construction-Phase Cost
July 2022 30% design est.	\$5.5M	\$1.9M	\$100k	\$1.3M	\$530k	\$6.8M
January 2024 100% OPCC	\$6.1M	\$1.9M	\$100k	\$1.0M	\$446k	\$7.1M
February 2024 GMP	\$6.6M	\$2.7M	\$325k	\$0.6M	\$407k	\$7.2M

The total construction cost has increased by approximately \$0.8M. As shown above, there were \$800,000 and \$225,000 movements in the tank price and the mechanical/electrical prices, respectively.

The tank price increased significantly (~40%). Note that the original cost estimate prepared by Jacobs at 30% schematic design level was provided in collaboration with DN Tanks - the subcontractor selected and included in the proposed CMAR GMP. Staff requested DN Tanks provide some context for the increased cost and the following brief summary was provided:

- A) \$50,000 sales tax not included at 30% schematic design
- B) \$50,000 due to increased design specification requirements
- C) \$50,000 due to schedule requirements to accommodate a single construction season (vs. a two-season schedule)
- D) \$500,000-\$600,000 due to seismic and structural loads not adequately identified at 30% schematic design

DN Tanks have stated these costs were always going to be realized during bid/construction; however, they further acknowledged that IVGID and the CMAR have

been disadvantaged by these omissions at the time of 30% design cost preparation and are revising their budgeting tools as a result of the IVGID Tank Project miscalculation.

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

III. BID RESULTS

Granite Construction, PW Staff, and Board Trustee liaison completed negotiations as required by NRS 338.1969.1.a-c. However, the GMP presented is inclusive of a competitive bidding process per NRS 338.1685 - 338.16995, completed by Granite Construction for the subcontracted portions of the Tank Project scope. PW Staff were involved in the review of the publicly bid portions and agreed with selections included in the current GMP proposal.

The subcontracted portions of the project include:

- A) Pre-stressed concrete tank construction (~\$2.7M)
- B) Civil Electrical Works (~\$325k)
- C) Permanent Erosion Controls (~\$150k)

IV. FINANCIAL IMPACT AND BUDGET

The remaining Tank Project cost totals hinge on final determination of the timing and model for construction delivery; these final costs/contracts will be formally presented at subsequent Board meetings (March 2024) when related consultant contracts and Staff allocations are finalized. Under the current CMAR delivery method, the total project budget is estimated at \$7.2M; This includes the GMP cost, contract contingency, Staff time for construction and closeout periods, special inspection and materials testing, as well as design and Staff time to date. A summary of forecast costs is as follows:

Description	Cost Estimate
Direct Construction Costs	\$ 5,663,000
CMAR Fee	\$ 566,300
Risk Reserve	\$ 410,000
IVGID Operations Staff	\$ 38,000
IVGID Proj. Mgmt.	\$ 90,000

Engineering services	\$ 150,000
Special Inspections	\$ 50,000
Contract Contingency	\$ 190,000
Temporary SCADA	\$ 26,500
Subtotal	\$ 7,183,800
Spent to date	\$ 880,000
TOTAL	\$ 8,063,800

The US Army Corps of Engineers (USACE) Section 595 Program Project Partnering Agreement (PPA) was signed in 2023 including reimbursement of up to 75% of the project costs calculated as \$7.6M at the time of signing. This provides up to \$5.7M of reimbursement. Since the start of the project in July 2021, approximately \$880,000 has been spent in consultant fees, CMAR preconstruction, permitting, US Army Corps of Engineers (USACE) funding administration, and Staff management and operations time. Roughly \$745,000 of this is eligible under Section 595 Funds with \$559,000 currently submitted and in the process of reimbursement.

IVGID currently has approximately \$6.4M currently in the project budget inclusive of FY24 spend to date and the carry-forward approved in October 2023; this does not include the \$559,000 USACE reimbursement referenced above. Should the Board direct the Staff to finalize a CMAR construction contract with Granite Construction, Staff will request a budget augmentation of \$800,000 to account for the difference between the \$6.4M available and the \$7.2M forecast in order to award the construction contract and secure appropriate budget for all project costs.

V. ALTERNATIVES

The alternatives include abandoning the CMAR delivery method and pursuing either:

- A) Publicly bid project, as is.
- B) Re-design project to include bid-options for either welded steel tank or pre-stressed concrete tank.

Note that re-bid or re-design will preclude construction completion and operational use of the new storage tank in 2024. The operational risk IVGID faces is in the event of an emergency (i.e. export pipeline break) when the WRRF has limited storage capacity available, especially at peak visitor times. If

discharge to the existing ponds is required, this will be a clear violation of the NDEP Discharge Permit for the WRRF. This has been the case since 2016 when NDEP first attached the Special Condition to the permit that the existing ponds cannot be used in their unlined condition. Staff have been actively engaged with NDEP via regular updates on project progress since that time; most recently in 2023, the discharge permit was issued/approved with specific reference to the construction of the new tank and a reiteration of the prohibition on use of the existing emergency Storage Ponds.

If the Board opts to abandon the CMAR delivery and bid the project publicly, a separate bid package will need to be prepared for advertisement. This will require additional Staff time and a new contract amendment with Jacobs for bid-support services to adequately facilitate a public bid process. Similarly, if a re-design to incorporate the option for a welded steel tank for competitive pricing purposes is desired, this too will require additional consultant services and/or Staff time to complete. In either scenario, there is no certainty that the total project costs will be reduced. With the added engineering and administration costs and the one-year delay to the start of construction, there is the possibility project costs will increase from the CMAR delivery discussed herein.

VI. COMMENTS

The Tank Project and District have been disadvantaged by the inaccurate cost estimation in the schematic design and budget phase in mid-2022. However, the cost increases reflect what the Tank Project will require for completion and should have been more accurately represented in 2022. The largest movement in the project cost came from subcontracted portions of the project and these costs were competitively bid. Therefore, if the project is publicly re-bid, there is a low likelihood that the costs for these large items will decrease and a reasonable likelihood the cost will further increase due to inflation impacts if construction is delayed until 2025.

Although the performance of the CMAR and tank subcontractor does not reflect favorably with regard to accurate cost estimation for the tank and mechanical costs in early design stages, their value to the project has been a net positive by a wide margin.

VII. BUSINESS IMPACT/BENEFIT

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

VIII. ATTACHMENTS

1. ATTACHMENT A - SITE_PLANS

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

1. Provide direction to Staff to pursue or abort execution of a CMAR Construction Agreement with Granite Construction for the WRRF Storage

Tank Project with a Guaranteed Maximum Price in the Amount of \$6,636,173.51 (inclusive of Owner controlled Project risk register in the Amount of \$407,270.00).

2. Prepare a budget augmentation in the amount of \$800,000 to support the award of the CMAR construction contract, a contract with Jacobs for engineering services during construction, staff time for project management and operational assistance, and inspection and testing, as required during construction.



BOARD OF TRUSTEES LONG RANGE CALENDAR

Special Meeting March 6th 2024 3:30 P.M.	
<i>SCHEDULE</i>	<i>1st draft agenda to Board Chairman on 2/23; all memos materials due in by 02/27; Packet out on 02/29; agenda posted no later than 8:45 a.m. on 3/01</i>
Finance	Board of Trustees Retreat- Departments on Capital Budgeting and 5-year Planning
GM	Review Pricing Practice 6.2.0
Legal	Approval of appointment of Bobby Magee to the General Manager position and the proposed employment contract between Bobby Magee and IVGID

MARCH 13, 2024	
<i>SCHEDULE</i>	<i>1st draft agenda to Board Chairman on 03/01; all memos materials due in by 03/05 GM Venue Report Due; Packet out on 03/06; agenda posted no later than 8:45 a.m. on 03/08</i>
Finance	Report: Beach Year End Food and Beverage actual results
Finance	Augmentation for the budget including a public hearing
IT	Agreement: for POS Assessment
P&R	Review, discuss and possibly receive Board direction on Food, Beverage, and Bar RFP
PW	Agreement: Survey Tennis Center – Odyssey (\$19,200)
PW	Procurement: Lab Equipment
PW	Budget Augmentation and approval of Tennis Courts Project
PW	Close Out Reports from monthly report (GMP #1; Diamond Peak Kitchen etc.)
PW	Agreement: YSI Nitrate/Nitrite/Ammonia Probes and Controller at WRRF (getting new quote but approximately \$135,000)
PW	Agreement: Install Carpet in Bldg. A – Tahoe Carpet Specialties (Waiting on quotes)
PW	Agreement: Skate Park Design/Build Award with a stop at 30%, and return to the BOT, to review the two options (spend \$250K or spend \$500K)
PW	Agreement: Professional Services for Rec Center HVAC Replacement
PW	Agreement: Effluent Storage Tank Inspection and Testing
PW	Agreement: EEP Full Time Inspection and Testing
BOT	Review and discuss possible changes to Policy 22.1.0
BOT	CIC Recommendations for Capital Policy (Trustee Tulloch)
BOT	Marcus Foust Agreement (Legal Counsel)
BOT	Golf Club recommendations (Trustee Tonking)

BOARD OF TRUSTEES LONG RANGE CALENDAR

MARCH 27, 2024 6:00 – 9:00 P.M.	
SCHEDULE	<i>1st draft agenda to Board Chairman on 03/15; all memos materials due in by 03/19; Packet out on 03/20; agenda posted no later than 8:45 a.m. on 03/22</i>
BOT	Proposed Townhall – FlashVote Community Training Q&A
PW	Easement: SPS #5 Easement ?
PW	Agreement: Professional Services for Rec Center HVAC Replacement?

APRIL 10, 2024	
SCHEDULE	<i>1st draft agenda to Board Chairman on 03/29; all memos materials due in by 04/02 GM Venue Report Due; Packet out on 04/03; agenda posted no later than 8:45 a.m. on 04/05</i>
BOT	Interview and appoint At-Large members to the Audit Committee. Appoint 2 Trustees to the Audit Committee. Terms effective March 1.
PW	Utility Master Plan
PW	Easement: SPS #5 Easement ?
PW	Agreement: Professional Services for Rec Center HVAC Replacement?

APRIL 24, 2024	
SCHEDULE	<i>1st draft agenda to Board Chairman on 04/12; all memos materials due in by 04/16; Packet out on 04/17; agenda posted no later than 8:45 a.m. on 04/19</i>
DOF	Adoption of final budget

BOARD OF TRUSTEES LONG RANGE CALENDAR

May 8, 2024	
SCHEDULE	<i>1st draft agenda to Board Chairman on 04/26; all memos materials due in by 04/30 GM Venue Report Due; Packet out on 05/01; agenda posted no later than 8:45 a.m. on 05/03</i>
P&R	Public Hearing: Ordinance 7 revisions per recommendations

May 29, 2024	
SCHEDULE	<i>1st draft agenda to Board Chairman on 05/17; all memos materials due in by 05/21; Packet out on 05/22; agenda posted no later than 8:45 a.m. on 05/24</i>

June 12, 2024	
SCHEDULE	<i>1st draft agenda to Board Chairman on 05/31; all memos materials due in by 06/04 GM Venue Report Due; Packet out on 06/05; agenda posted no later than 8:45 a.m. on 06/07</i>

June 26, 2024	
SCHEDULE	<i>1st draft agenda to Board Chairman on 06/14; all memos materials due in by 06/18; Packet out on 06/19; agenda posted no later than 8:45 a.m. on 06/21</i>
	Review board goals for the year

July 10, 2024

SCHEDULE	<i>1st draft agenda to Board Chairman on 06/28; all memos materials due in by 07/02 GM Venue Report Due; Packet out on 07/03; agenda posted no later than 8:45 a.m. on 07/05</i>

July 31, 2024

SCHEDULE	<i>1st draft agenda to Board Chairman on 07/19; all memos materials due in by 07/23; Packet out on 07/24; agenda posted no later than 8:45 a.m. on 07/26</i>

BOARD OF TRUSTEES LONG RANGE CALENDAR

PARKING LOT ITEMS

Date of Request	Item	Requester	Status/Notes	Date Completed
1/18/21	Possible discussion on IVGID needs as it relates to potential land use agreement with DPSEF	Trustee Schmitz	DPSEF continues to have discussion amongst themselves about this item	
Unknown	Next step on Diamond Peak parking lot/Ski Way — Staff added reminder	GM DPSR Bandelin	This should be a part of the Budget Planning Process.	To be removed after the Board review in December
2/8/23		Trustee Schmitz	Assigned to the Investment/Capital Improvement Committee	
2/8/23	Update on Snowflake Lodge	Trustee Noble		
2/8/23	Workforce Housing for Seasonal Employees	Trustee Noble	Staff to share with Trustee Noble the current situation.	
5/25/23		Trustee Schmitz	This is correct and it will be corrected when one of these policies comes before the Board	
06/28/23	Redactions — needs a legal non-meeting as a Trustee requested that the PE's be made public	Chairman Dent		Complete Date?
07/12/23	Writing a letter to schools regarding programs	Chairman Dent		
07/26/23	Update on Food and Beverage (from 7/26/2023 meeting)	GM Bandelin/Interim Director of Finance Magee	<i>To be determined</i>	
08/09/23	UNR and Washoe County BOT's Additional Training	Trustee Tonking	<i>Date to be determined after 2nd training is rescheduled</i>	
08/09/23	Revise State Budget Forms (if needed)	GM Bandelin/Interim Director of Finance Magee	<i>Will be agenized at the appropriate time</i>	
11/21/2023	Strategic Plan update	GM Bandelin/Interim Director		
12/13/2023	Consolidate advisory Meeting Minutes	Trustee Tonking		
07/12/2023	Waste Management	Trustee Schmitz		
	CIC		Update on the Capitalization Policy (old policies 12.1, 13.1 and practice 13.2 – combined into new policy 8.1) Moss Adams Recommendations related to these policies	