

1
2 INCLINE VILLAGE
3 GENERAL IMPROVEMENT DISTRICT
4 BOARD OF TRUSTEES
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9 TRANSCRIPT OF HEARING
10 PUBLIC MEETING
11 SPECIAL MEETING
12 Live and Via Zoom
13
14 Held at the Boardroom
15 893 Southwood Boulevard
16 Incline Village, Nevada
17
18 Thursday, March 28, 2024
19
20
21
22
23
24 Reported by: Brandi Ann Vianney Smith
25 Job Number: IVGID 32

1 APPEARANCES
2
3 **BOARD MEMBERS PRESENT**
4 SARA SCHMITZ, CHAIR
5 MATTHEW DENT, VICE CHAIR (via Zoom)
6 MICHAELA TONKING, SECRETARY
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
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1 Incline Village, Nevada - 3/28/2024 - 4:30 P.M. 4
2 -o0o-
3
4
5 (Audio starts at 6:04 p.m.)
6 CHAIR SCHMITZ: Will you lead us in the
7 pledge?
8 A. PLEDGE OF ALLEGIANCE
9 (Pledge of Allegiance.)
10 B. ROLL CALL OF TRUSTEES
11 CHAIR SCHMITZ: We'll continue with the
12 roll call of trustees. I'll start with Trustee
13 Tulloch online.
14 TRUSTEE TULLOCH: Present.
15 CHAIR SCHMITZ: Trustee Noble?
16 TRUSTEE NOBLE: Here.
17 CHAIR SCHMITZ: Trustee Tonking?
18 TRUSTEE TONKING: Here.
19 CHAIR SCHMITZ: And Trustee Dent will be
20 joining us at roughly five o'clock. And then
21 myself, Sara Schmitz, that makes a quorum of the
22 Board.
23 We will continue on with initial public
24 comments.
25

5

1 C. INITIAL PUBLIC COMMENTS

2 MR. NOLET: Good afternoon. Chris Nolet,

3 Incline Village resident and former IVGID Audit

4 Committee chair through February 26, 2024.

5 I want to address two matters tonight.

6 The first was discussed at the Town Hall last night,

7 that is staff retention. I understand that we are

8 now on our third controller in 15 months. If true,

9 it seems obvious to say that we need to take a new

10 approach to training and retaining this

11 professional.

12 One suggestion is to provide several weeks

13 of extensive, off-site, professional training

14 focused on, one, the controllership function, and,

15 two, U.S. GAP and GASB standards, which are the

16 basis of the District's financial statements.

17 The second matter I want to speak to

18 tonight relates to the false assertion that the 2023

19 financial statements are audited, quote/unquote. I

20 listened for over 90 minutes to Monday night's Audit

21 Committee meeting where the term "audited" was used

22 almost a dozen times. The reality is that the

23 current draft audit report from Davis Farr disclaims

24 an opinion on the financial statements and notes the

25 following, and I quote:

6

1 "We have not been able to obtain

2 sufficient appropriate audit evidence to provide a

3 basis for an audit opinion. There were numerous

4 mistakes in the accounting records. We are unable

5 to complete the other procedures, particularly over

6 revenues and expenses. We were unable to obtain

7 sufficient audit evidence supporting other amounts

8 in the financial statements."

9 The audit also noted, as did the Audit

10 Committee members Monday night, that other

11 additional adjustments are likely required in order

12 for the financial statements to be fairly presented.

13 The auditors also reported the District

14 did not maintain an effective system of internal

15 control for the year end of June 30, 2023, noting

16 two material weaknesses and one significant

17 deficiency. To have described these financial

18 statements to our community as audited, as agendized

19 and on the website tonight, is very misleading.

20 And lastly, we should all know and

21 recognize that it will be extremely difficult to

22 complete the audit, the 2023 audit, at a later date,

23 which will be a requirement before you can start the

24 2024 audit.

25 The dramatic stated disrepair of our

7

1 financial reporting systems is noted by our auditor

2 this month was left to us by Paul Navazio and Indra

3 Winquest last summer. While the current finance

4 leadership team has made significant strides to get

5 us far along, the path back to being able to produce

6 financial statements that are fairly presented,

7 let's not compound the current circumstances by

8 asserting that the June 30, 2023, financial

9 statements are audited when clearly they are not.

10 If you read the Davis Farr draft report, it couldn't

11 be more clear.

12 Lastly, I want to clarify, because these

13 kinds of questions come up, the fact that we get a

14 signed report does not mean the financial statements

15 are audited. If you look at what's online and you

16 look at what was handed out Monday night, it's a

17 complete, one hundred percent disclaimer.

18 Thank you.

19 MS. CARS: Good afternoon, Trustees.

20 Sara Schmitz' legacy looking at the facts.

21 In the last year and a half, you've turned down a

22 25.9 million donation from the Duffield Foundation,

23 the largest in District history. Turned down a

24 \$500,000 ice rink. Removed gold and silver card

25 holders and employee's access to the beach.

8

1 Dismantled the senior leadership team in less than

2 one year. Reversed your own decision that the GM in

3 IVCV and gave a two-year contract to a GM who

4 doesn't live in Washoe County full time, and who

5 will work remote part time. Will he be allowed

6 access to the beaches? Tossed out the opportunity

7 for the Board to dictate beach guests. Denied

8 resident elementary school children, whose parents

9 aren't parcel holders, access to the beach for

10 safety training, reversing a decades-old precedent;

11 the children have to go to Sand Harbor. The

12 micromanagement legacy is well known.

13 Is there anything you can do in the next

14 nine months to turn around some of these egregious

15 decisions?

16 The District is gutted of senior

17 management now. There are nine months before you

18 are off the board to rectify these gross infractions

19 against our community. Otherwise, your legacy will

20 be one of an ill-equipped and ill-prepared person to

21 be elected to a trustee position. The grossly

22 inappropriate misrepresentation of the job of a

23 trustee has been flushed out in realtime to the

24 incredulity of the community. It will take years to

25 rectify the ills of the majority of the Board --

9

1 Dent, Tulloch, and Schmitz -- for which you have
2 been the leader.
3 It pains me to say this, and I am sorry to
4 say this, but right now your legacy is how not to be
5 a trustee. You've shown a complete lack of
6 understanding of the community that you moved to.
7 I'm sorry to say this.
8 Thank you.
9 MR. CARS: Bill Cars, permanent resident.
10 Yesterday at the Town Hall, Trustees Noble
11 and tonking were asked: What's it like to be a
12 minority trustee?
13 In reality, the two minority votes are
14 basically ignored. Trustee Dent was bluffing, but
15 was well acting when he brought up the GM contract
16 as an example of cooperation. This was a 3/2 vote,
17 which could have been 5/0 by reducing the GM
18 contract to one year. Yet there was no reason for a
19 two-year contract. The new GM doesn't even need to
20 move to Incline.
21 Well, Trustees Schmitz' view that it'll
22 take at least two years to understand Incline,
23 that's simply not true. If he cannot manage well
24 after one year, he should not deserve a renewal.
25 Plus the three trustees managed to add a penalty

11

1 MR. DALTON: Oh, Heidi Baley. It's the
2 same concept.
3 They had statements where there's certain
4 deficiencies, but that's okay. So now we have the
5 gang of three. Well, you wanted to say that the
6 Carr family says "gang of three" now, then I'll say
7 the gang of three before. Well, we're just going to
8 pass it by.
9 And one of the things that represented
10 that has not been discussed about the Board to tell
11 it like the '22 or '23, then initial stuff in '17
12 was like 17 to 20 million dollars for the effluent
13 pipeline. 1.5 to 3 for the pond.
14 So now we have the stuff where the
15 District, thanks to the gang of three prior, didn't
16 pay any attention to the audit. Now we have an
17 audit that's, quote, blamed on other people, that's
18 blamed on -- have to blame it on the prior board
19 where there was three to two. We can't have a
20 system that allows not to have an audit, which is
21 not necessarily the minority, and that's you,
22 Mr. Noble, that has not supported the audits as it
23 should be. Or you, Michaela, as it should be.
24 So thank you for the people that have been
25 involved in the audit that is now and has not been

10

1 clause for next board, should the two-year contract
2 be terminated, and that is a one-year severance for
3 Mr. Magee.
4 No way was the GM contract an example of
5 trustee cooperation. It is an example of the
6 continued powerplay by three trustees to drive their
7 views to the exclusion of the two others. The last
8 vote by this board where there was a difference in
9 the three majority trustees was the Duffield
10 proposal. After that, all three were in lockstep.
11 So let's be clear, there's no cooperation
12 or attempts to meet in the middle with the minority
13 and majority trustees.
14 CHAIR SCHMITZ: For the record, Jack
15 Dalton.
16 MR. DALTON: 980 Cart Court, Incline
17 Village, 89451 9000.
18 I started going to the IVGID trustee
19 meetings. And what was interesting as I heard the
20 audit, quote, committees saying that Moss Adams, I
21 think was that time for the last two years; right?
22 I'm asking, Moss Adams was before Davis Farr? Am I
23 wrong? Davis Farr's always been the case? Right?
24 My hearing aid's on, I'm listening.
25 TRUSTEE TONKING: Heidi Baley.

12

1 completed.
2 So I don't know what is going to happen
3 tonight. I'm hoping that there's a way out that,
4 that we can have a test -- the stuff, the issues of
5 what the audit should be and verified.
6 Thank you.
7 CHAIR SCHMITZ: Online?
8 MR. DOBLER: Clifford Dobler, Incline
9 Village, Nevada.
10 On Monday, an Audit Committee meeting was
11 held to discuss the 2023 financials, which were
12 provided less than one hour before the meeting. The
13 external auditor provided a disclaimer and no
14 opinion would be expressed. Several reasons were
15 given.
16 Towards the end of meeting, however, I
17 believe Bobby Magee stated that the financials were
18 accurate. Hum?
19 At the meeting, my public comments
20 provided four items which were deemed inaccurate.
21 One was rejected because park expenses did not
22 become part of the general fund until fiscal 2025.
23 Over the past two days, I spent time reviewing the
24 42 pages, which were not numbered, and found ten
25 additional errors. I only have three minutes so I

13

1 will highlight a few.

2 Management is required to provide the

3 auditor with a GASB 34 statement on management's

4 discussion and analysis. This required statement

5 was never provided.

6 Our favorite punch card accounting in note

7 16, which is labeled incorrectly, states that

8 payments made with punch cards for beach access

9 exceeded all beach revenue other than the rec fee.

10 This, of course, would be impossible, as cash

11 payments and bar leases are part of the revenues.

12 In note 1 E, the policy on budgetary

13 accounting indicating the budget augmentations for

14 fiscal year were 14.7 million, of which the largest

15 was 24.4 million for the new Burt Cedar pool. The

16 pool only cost around 4 million.

17 To game the system there is an internal

18 service funds which tracks salaries and expenses for

19 the fleet, engineering, and facility personnel. A

20 hundred percent of these expenses must be billed to

21 the other revenues, resulting in no gain or loss.

22 For 2023, 3.3 million was billed with only

23 2.8 million, resulting in a half-a-million-dollar

24 loss? How were these expenses paid? Simple, borrow

25 from the general fund.

14

1 The Board must approve transfers from the

2 general fund to enterprise funds, but of course that

3 was not done. As result, including fiscal year

4 2021, billings for expenses of 600,000 have not been

5 done or else payments were made to staff to do

6 nothing and could not be billed.

7 As Trustee Schmitz pointed out at the

8 Audit Committee, punch card accounting should not

9 even exist. It exists because management has found

10 a way to illegally transfer funds from the community

11 service fund to the beach fund, thus depriving

12 residents without beach access to pay beach

13 expenses.

14 I discussed this with Trustee Tonking

15 about six months ago. She understood it, the phony

16 transactions, but apparently did nothing about it.

17 Now, Nolet is dead on: Davis Farr is

18 pulled out and they won't return and we are now in

19 search of --

20 (Expiration of three minutes.)

21 MATT: That was our only public comment

22 online.

23 D. APPROVAL OF AGENDA

24 CHAIR SCHMITZ: We'll move on to the

25 approval of the agenda. Do we have any changes or

15

1 recommendations for the agenda?

2 Hearing none, the agenda then moves

3 forward as published. Moving on to general

4 business.

5 E. GENERAL BUSINESS

6 E 1. Ivgid Audited Financial Statements

7 CHAIR SCHMITZ: I will hand it over to, I

8 believe, Adam or to General Manager Magee to discuss

9 the financial statements, the auditor's report, and

10 the report on internal control for the fiscal year

11 ending June 30, 2023. And we do have Jennifer Farr

12 online also.

13 MR. MAGEE: Thank you. So this item

14 tonight, as you heard a little bit in the public

15 comment, we brought this to the Audit Committee

16 on -- earlier this week. And those statements that

17 were presented to the Audit Committee were noted as

18 the draft audited financial statements,

19 specifically.

20 Staff has continued to work on finalizing

21 the items that are needed to complete the audited

22 financial statements, which ultimately we anticipate

23 turning over to the State in compliance with the NRS

24 sometime tomorrow.

25 We have a number of items that we have

16

1 continued to work on that are unaudited and end up

2 as part of what is know as the "ACFR," the Annual

3 Comprehensive Financial Report. So staff has

4 continued to work on items such as the management

5 discussion and analysis statical sections, the

6 management representation letter, and other items

7 that are required to be included as part of that.

8 And so we literally were working right up

9 until the deadline for the board meeting today, and

10 documents have been sent over to Jennifer Farr and

11 her team within the last hour, hopefully, completing

12 what she does need in order to issue a final opinion

13 that we can then submit the statements over to the

14 State.

15 With that, I'd like to turn it over to

16 Jennifer Farr for her verbal report.

17 MS. FARR: I actually have a short

18 PowerPoint presentation to facilitate the discussion

19 of audit results. We are at the end of road for the

20 audit for the fiscal year ended June 30, 2023.

21 I wanted to speak briefly about the timing

22 of the audit. I know all of you are aware of the

23 fact that the audit was delayed, but I wanted to go

24 over my understanding of the reasons for the delay.

25 First of all, there was implementation of

17

1 a new accounting system at the beginning of the
 2 fiscal year so it went into effect in July of 2022,
 3 and that new accounting system created some
 4 difficulties in reconciling the accounts and closing
 5 the fiscal year ended for June 30, 2023.
 6 As you know, there's significant turnover
 7 in the finance department, which created a backlog
 8 of tasks and some challenges and a need to learn new
 9 systems and processes.
 10 The third reason is because when the audit
 11 did get started in December, the books were provided
 12 to us to audit; however the books were not exactly
 13 closed and there continued to be numerous
 14 corrections and adjustments proposed by the Davis
 15 Farr team and the IVGID team continue to make
 16 corrections to the numbers in the accounting
 17 records. That made it difficult to audit because
 18 it's kind of like a moving target.
 19 Lastly, as you're ongoing, there's an
 20 ongoing forensic due diligence investigation. We
 21 had met previously and explained to you that I would
 22 not be able to express an audit opinion until that
 23 forensic due diligence investigation was completed.
 24 It's my understanding that that is still ongoing,
 25 which kind of led to the conclusions that we had to

18

1 reach in this year's audit report.
 2 We have assembled a draft of the Annual
 3 Comprehensive Financial Report. And I finalized
 4 this presentation about a half an hour ago, so
 5 there's been some changes to it since I've prepared
 6 the presentation. But currently the draft that I
 7 have assembled so far was missing the transmittal
 8 letter, management's discussion analysis, and the
 9 list of elected officials.
 10 I've since then received the transmittal
 11 letter, the management's discussion and analysis is
 12 in review on our end. And I'm still pending the
 13 list of elected officials, but I assume that's an
 14 easy document to put together. I don't -- I
 15 believe, certainly, by the end of day today or
 16 tomorrow morning, we will have the full draft Annual
 17 Comprehensive Financial Report.
 18 **I'm not anticipating any significant**
 19 **changes to the financial statements or the**
 20 **footnotes. The only change from the current version**
 21 **will be the -- related to that introductory section**
 22 **of items noted there.**
 23 **That kind of brings me to the auditor's**
 24 **opinion. As mentioned in the public comments,**
 25 **ultimately, because of the items discussed, we are**

19

1 **unable to obtain sufficient audit evidence to reach**
 2 **a conclusion about whether or not the financial**
 3 **statements are materially misstated. We are**
 4 **planning to issue a disclaimer of the opinion, and**
 5 **I've included the basis for disclaimer of opinion,**
 6 **which is just an excerpt from the draft report, that**
 7 **kind of talks about the issues that I discussed: the**
 8 **accounting system and turnover in the finance staff,**
 9 **and our inability to obtain sufficient audit**
 10 **evidence in order to express an opinion.**
 11 **I did want to -- there's been some**
 12 **discussion about the report itself. I just did want**
 13 **to clarify. What you will have is a set of**
 14 **financial statements with an opinion letter that**
 15 **says we disclaimed an opinion, but it will be an**
 16 **Annual Comprehensive Financial Report, and that is**
 17 **our intention to finalize and sign that tomorrow.**
 18 **There are a couple of other communications**
 19 **required by the auditors to those in governance.**
 20 **There's two separate letters. There's a letter to**
 21 **those in governance, and there's a letter of**
 22 **internal control recommendations.**
 23 **Per the letter to those in governance, we**
 24 **communicated the implementation of a new accounting**
 25 **standard related to subscription-based information**

20

1 **technology arrangements. We include in our letter**
 2 **any known or likely misstatements that we believed**
 3 **were immaterial, and because of that, they were not**
 4 **reported as adjustments to the accounting records.**
 5 **We also included a list of the material**
 6 **misstatements detected during the audit process, and**
 7 **because there were several misstatements, we just**
 8 **included all of our -- all of the corrections that**
 9 **had been made to the accounting records, and it's**
 10 **included in the letter.**
 11 And then we also communicated difficulties
 12 encountered during the audit, which largely the
 13 delay and the other reasons I previously mentioned
 14 tonight.
 15 The financial statements are comparable to
 16 the prior year in terms of the types of disclosures
 17 and the language that's in the financial statements.
 18 I did want to point out that we added a new
 19 statement for the subscription-based information
 20 technology arrangements, which includes some
 21 information about the accounting, essentially an
 22 asset and a liability get reported for any
 23 arrangements that you have for software or other
 24 systems that extend out more than one year. So
 25 you'll have an asset and what's called a "SBITA." A

21

1 SBITA's a payable that shows up as part of your
 2 long-term liabilities, and I've highlighted how that
 3 shows in the financial statement in footnotes below
 4 with the yellow highlight.

5 Lastly, I wanted to go over to internal
 6 control recommendations that are summarized in a
 7 separate letter. We have kind of a big overarching
 8 recommendation about journal entries detected during
 9 the audit. In a perfect world, the audit -- when
 10 you're done with the books and done with the
 11 year-end close, you're telling the auditors that you
 12 believe all the numbers are correct, then the
 13 auditor's job is to verify whether or not they
 14 believe that's true and whether or not the numbers
 15 are materially correct. Anytime we detect errors in
 16 the accounting records, we're required to
 17 communicate that to you as an area of weakness
 18 because the internal system did not detect those
 19 errors. You should not be relying on the auditors
 20 to detect those errors; you should have a system of
 21 internal controls to ensure accurate financial
 22 reporting.

23 The second issue was related to timeliness
 24 of financial reporting and account reconciliations,
 25 for example, bank reconciliations were not performed

22

1 in a timely manner throughout the year, and the
 2 timeliness of not doing those reconciliations
 3 ultimately leads to the errors in the accounting
 4 records. Ideally, you're going to want to do your
 5 bank reconciliations within 30 days of the month
 6 end, and so that way if there are errors in that
 7 month, you're detecting them quickly and correcting
 8 the accounting records quickly.

9 Then lastly, although there was some
 10 improvements in the physical inventory observation
 11 performed that were during the year, we found that
 12 not all of the inventory areas were counted or
 13 subject to a physical count. Just a reminder that
 14 as you get closer to June 30, 2024, to make sure
 15 that all of the inventory is subject to a physical
 16 observation and adjustments are made as necessary.

17 With that, I'm going to stop sharing, and
 18 turn it back over to you for discussion.

19 CHAIR SCHMITZ: Jennifer, I'm not seeing
 20 in our packet here the letter that you've been
 21 referencing, and I believe it was included in the
 22 Audit Committee packet. Are we missing that
 23 component? Or is it here, and I'm just not seeing
 24 it? And the pages aren't numbered, so it makes it
 25 really difficult.

23

1 MS. FARR: I'll let staff answer that
 2 question because I did not put the packet together.

3 CHAIR SCHMITZ: Jennifer, this ties to our
 4 conversation that we had at the Audit Committee, in
 5 your letter, the Independent Auditor's Report, in
 6 your disclaimer of opinion, you didn't adjust where
 7 the language about the forensic due diligence audit,
 8 it's still using the language of "forensic audit."
 9 Would you be able to adjust that so it
 10 corresponds with the other communication letter that
 11 you put together?

12 MS. FARR: Yes. Definitely. And I'm
 13 sorry, I'm at a loss and don't know what version of
 14 the report you have, if you have the report from
 15 Monday?

16 CHAIR SCHMITZ: I'm going to hand it over
 17 to Mr. Magee to answer that question. The question
 18 is: Is this letter that we have in here the current
 19 and up to date because the language still uses the
 20 forensic audit as opposed to the forensic due
 21 diligence audit.

22 And is the communications that Ms. Farr
 23 was referencing -- and I believe we saw at the Audit
 24 Committee meeting -- is that included in this packet
 25 somewhere and I'm just not able to find it?

24

1 MR. MAGEE: So that letter was from
 2 Monday. I'm getting a text from staff right now
 3 that it has not been updated yet. They are working
 4 on that as we speak, actually.

5 That particular one has not been updated.
 6 I'm trying to get a copy of that for the Board that
 7 was included in the Audit Committee package.

8 CHAIR SCHMITZ: But wasn't that a letter
 9 from Davis Farr, and that Davis Farr was supposed to
 10 make the corrections? I am puzzled as to why staff
 11 would have been modifying that document.

12 MR. MAGEE: Oh, I see. This is --
 13 The document is that missing out of the
 14 package, Jennifer, just so you're aware is the
 15 Independent Auditor's Report from Davis Farr.
 16 (Inaudible cross talk.)

17 MR. MAGEE: Oh, the statement of Davis
 18 Farr's responsibility in the audit, and then the
 19 internal -- yeah.

20 TRUSTEE TONKING: And then Trustee Schmitz
 21 asked did they change the language to say "due
 22 diligence" right here.

23 MR. MAGEE: Got it. And then -- yeah, if
 24 I'm communicating this correctly, on the Independent
 25 Auditor's Report, under the section basis for

25

1 disclaimer of opinion, it refers to the forensic
2 investigation when that should be a forensic due
3 diligence audit. That was the change that was
4 requested to be made.

5 MS. FARR: Yes. And that change will be
6 made.

7 MR. MAGEE: Great. Thank you.

8 CHAIR SCHMITZ: What is -- in this
9 outline, what is it that we reviewed on Monday that
10 you had sent us? It was another communication
11 letter, you referenced it here in your discussion,
12 and I'm not seeing it. I'm wondering if it is in
13 this material.

14 MR. MAGEE: No. Thank you. That's what I
15 was -- apologies if I wasn't clear on that in my
16 opening comments.

17 We've been working on that. I did receive
18 it, and we've been working right up until the start
19 of the board meeting. And actually staff is
20 obviously multitasking and still working on it at
21 this moment, but several updates have been made.
22 There were a number of changes, typographical
23 errors, dates, and things like that that were noted
24 at the Audit Committee meeting, that I know Ms. Farr
25 has already corrected and I've seen that, that

27

1 looking at the internal controls one. All of those
2 corrective actions require a management response
3 regarding the corrective action or planned to be
4 taken.

5 Is management planning on doing that?

6 MR. MAGEE: Are we planning on responding
7 to the question that was -- if I'm understanding
8 what you're asking, yes, there will be a management
9 response to each one of the items that Davis Farr
10 has identified. Yes.

11 TRUSTEE TONKING: When can we expect to
12 see that?

13 MR. CRIPPS: Once we have this document
14 finalized -- we already have a pretty good handle on
15 what deficiencies are already going to be stated in
16 there, which General Manager Magee has already
17 started the process, but as far as our written
18 response to those, we should be able to produce
19 those relatively quickly. I don't have an exact
20 date, but it can be a very quick turnaround to that
21 response.

22 TRUSTEE TONKING: A week? A month? Three
23 days?

24 MR. CRIPPS: No. I would imagine a
25 response can be taken care of within a week or two.

26

1 document.

2 But we were unable to get it into the
3 Board's packet as supplement materials as we
4 continue to work on that.

5 CHAIR SCHMITZ: Thank you for that
6 clarification because she was referencing documents
7 that we don't have to review or to look at, I will
8 hand this over.

9 And would the record please show that
10 Trustee Dent has joined.

11 (Noted at 7:02 p.m., Trustee Dent has
12 joined the meeting.)

13 CHAIR SCHMITZ: I didn't identify what
14 time, but he is online and he is going to remain
15 remote for, I believe, the remainder of the meeting.

16 TRUSTEE TONKING: I guess I have a lot of
17 more detailed questions, but to start just with some
18 housekeeping.

19 In the letters that were given, so when we
20 talk about the physical inventory or we talk about
21 the bank recs, there's a section that asks for
22 management response regarding corrective action
23 taken or planned. Is management adding those
24 responses now? Is that what's happening? I'm in
25 the letter, Jennifer's correspondence letter. I'm

28

1 MS. FARR: Just to clarify the report,
2 those letters require the response in order for me
3 to finalize those letters.

4 TRUSTEE TONKING: Then I think they need
5 to be part of it to be filed; correct?

6 MR. MAGEE: That's correct. We're going
7 to have to get that done tonight or tomorrow
8 morning. Absolutely.

9 TRUSTEE TONKING: I have a legal question.
10 Are we allowed to say we received an incomplete ACFR
11 and give that to the Department of Taxation?

12 MR. RUDIN: So you're allowed to receive
13 anything. That much I can answer for certain.
14 Whether you're allowed to give an
15 incomplete ACFR to the Department of Taxation, I
16 suspect the answer's also you're allowed to do that.
17 Now, of course, they may be allowed to reject it.

18 TRUSTEE TONKING: I guess my question is
19 can we say to the Department of Taxation we received
20 the ACFR when we haven't received a complete ACFR?

21 MR. RUDIN: I'm just pulling up the
22 provisions of Chapter 354 so I have them handy as
23 I'm answering this question.

24 CHAIR SCHMITZ: While you're looking that
25 up, can we allow Mr. Magee to just comment here

29

1 quickly?

2 Go ahead.

3 MR. MAGEE: So we have not communicated to

4 the Department of Taxation that we will be

5 submitting an ACFR. What they have shared with us

6 is they do understand that these will be audited

7 financial statements, the ACFR is still forthcoming.

8 There's a number of pieces of that that they

9 understand we will not have ready by tomorrow.

10 The audited financial statements, as long

11 as -- what they've shared with us, they will accept

12 that, and we would be in compliance with the NRS if

13 we are able to submit that by tomorrow.

14 CHAIR SCHMITZ: I just want to ask a

15 question of Ms. Farr. The Department of Taxation is

16 expecting audited financial statements. Does that

17 imply that you have to have an opinion? Because you

18 are stating you're not making an opinion. Have they

19 been audited? Does it meet the requirements of the

20 Department of Taxation?

21 MS. FARR: It's my understanding that the

22 Department of Taxation understands the language that

23 is going to be in the opinion. They understand it's

24 a disclaimer of opinion.

25 TRUSTEE TONKING: Just to continue with

31

1 report, that is supposed to be presented to the

2 Board. After it's presented to the Board, it is

3 supposed to include an opinion, an expression of

4 opinion on the financial statements. I think a

5 disclaimer of opinion is an expression of opinion.

6 Immediately after being presented to the Board, it

7 must be filed with the Department of Taxation, with

8 the management letter.

9 There are requirements for the Board to

10 consider any recommendations and to make statements

11 about whether or not you're -- let's see. There's a

12 general requirement for you guys to respond to

13 whether or not you're going to implement any

14 recommendations of the auditor.

15 And then to the extent that the audit is

16 deficient, there is a process by which the

17 Department of Taxation will review. If it believes

18 it doesn't comply with the requirements of Chapter

19 354, then they can issue a plan of correction, and

20 so the District would need to address that at that

21 point.

22 But, again, given the issues that are

23 raised in this particular report may not necessarily

24 warrant a plan of correction. That is the other

25 thing to remember aware of.

30

1 that other question, what is the Department of

2 Taxation expecting to receive from us? So they are

3 only expecting to receive this packet I have in my

4 hand? Because that's what I would be saying that I

5 received.

6 MR. MAGEE: So, yes, what you see here is

7 what we will be submitting once it is in finalized

8 form by Davis Farr. This is still marked as draft

9 right here.

10 TRUSTEE TONKING: Yes. But there will be

11 nothing in addition to what is sitting right here in

12 my hand? Nothing with these letters that we don't

13 have -- I just want to understand what is going to

14 the Department of Taxation.

15 MR. MAGEE: Understood. Fair question.

16 The audited financial statements with the disclaimer

17 of opinion is what we are submitting to the State

18 tomorrow. They are understanding that we are going

19 to continue to work on what is ultimately going to

20 be the finalized and completed ACFR.

21 That will then be presented back to the

22 Audit Committee and then back to the full Board once

23 that has been finalized and is complete.

24 MR. RUDIN: Just to address your earlier

25 statement, we are supposed to receive the audit

32

1 TRUSTEE TONKING: My other question, then,

2 is so we aren't submitting this right now with any

3 of management's letter; right? Because we have not

4 seen that.

5 MR. MAGEE: I would have to defer to

6 Jennifer Farr on that one, if that is allowable.

7 I'm not sure. I signed the management

8 representation letter within the last hour and sent

9 it over to her.

10 TRUSTEE TONKING: I guess where my

11 confusion is, my understanding is you were just

12 submitting what we can currently see. And all I can

13 currently see is in this packet, and so I have a

14 hard time -- and I don't mean to be causing ruckus

15 on this. I just have a hard time saying I received

16 something I didn't receive.

17 MR. MAGEE: Yes. Understood.

18 What we're intending to submit to the

19 State is as the audited financial statements.

20 That's it. I don't think we have to submit anything

21 else to them.

22 MR. RUDIN: And the management letter.

23 MR. MAGEE: The management letter is

24 required?

25 MR. RUDIN: Yes.

33

1 MR. MAGEE: Sergio, is that something that
 2 Jennifer Farr can present on the screen at this
 3 time? She does have a copy of it.
 4 MR. RUDIN: I mean, if she has the
 5 physical ability, yes, she can present it.
 6 Again, the actual Chapter 354 requires
 7 that you present the opinion findings of the auditor
 8 to the Board, you have to present the audited
 9 financials, and then after you've made that
 10 presentation, all of that, together with the
 11 management letter required by GAP has to be -- must
 12 be filed as a public record with the county clerk
 13 and the Department of Taxation.
 14 CHAIR SCHMITZ: Thank you for that
 15 clarification.
 16 Do we want to display the management
 17 letter? Does Ms. Farr have that capability to share
 18 that on the screen? Our tech wizard is out of the
 19 building.
 20 MS. FARR: I can do that.
 21 Draft report, draft ACFR, the last three
 22 pages of it are the internal control letter. As
 23 previously mentioned, there are two material
 24 weaknesses.
 25 One of them is journal entries detected

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1 during the audit, and as mentioned, it is still
 2 pending management's response to corrective actions
 3 taken or planned.
 4 The second one is timeliness of financial
 5 reporting and account reconciliations that I
 6 mentioned during my presentation. And the
 7 recommendation was to allow management and the Board
 8 of Trustees, with accurate and timely information,
 9 to enable them to make informed decisions. The bank
 10 reconciliations should be completed within 30 days
 11 of month end. The District staff should reconcile
 12 other assets and liability balances to subsidiary
 13 listings on a monthly basis to ensure there are no
 14 errors in the financial statements. This would
 15 include reconciling receivables, payables, and
 16 unearned revenue to supporting documentation.
 17 Capital asset accounting should be reported and
 18 reconciled throughout the year to ensure the
 19 accuracy of the accounting records. And the
 20 District should ensure their staffing and systems
 21 are sufficient to allow for timely reporting to meet
 22 State and other deadlines.
 23 And, again, we'll need a comment regarding
 24 corrective actions there, and then the significant
 25 deficiency is related to the physical inventory

35

1 observation, particularly of food and beverage
 2 inventory.
 3 CHAIR SCHMITZ: And the management letter?
 4 MS. FARR: This is colloquially called the
 5 management letter. It's the letter of internal
 6 control recommendations.
 7 CHAIR SCHMITZ: What is it that Mr. Magee
 8 turned into you an hour ago that he and Mr. Cripps
 9 signed? Do you have that document that you can
 10 share?
 11 MS. FARR: The management representation
 12 letter?
 13 CHAIR SCHMITZ: Yes.
 14 MS. FARR: Yes. I can pull that up,
 15 although that is not an item that would be submitted
 16 the State Board of Taxation.
 17 TRUSTEE TONKING: Is management adding in
 18 those highlighted areas before you submit it, we
 19 won't have seen those -- is that correct? -- that
 20 has to be added in.
 21 MS. FARR: Yes, that's correct.
 22 TRUSTEE TONKING: And so we won't have
 23 reviewed those; correct?
 24 (Inaudible response.)
 25 TRUSTEE TONKING: Okay. Great.

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1 A couple of questions, just one general
 2 question about your statement, and then one for
 3 Bobby Magee -- GM Magee. The first question I have
 4 in terms of your opinion, what are some things that
 5 you think from this situation that the Board needs
 6 to be thinking of compared to prior years or is this
 7 pretty consistent with what we've seen in
 8 prior years?
 9 MS. FARR: Maybe I'll ask you to explain
 10 your question little bit. There's nothing --
 11 TRUSTEE TONKING: Well --
 12 MS. FARR: -- (inaudible) about the audit
 13 opinion for this year.
 14 TRUSTEE TONKING: I guess you're saying in
 15 here you can't obtain sufficient audit evidence.
 16 You can't -- you're unable to complete our
 17 analytical review. There's all these other things
 18 that you've stated. I understand the financial due
 19 diligence audit was your lead cause then, really the
 20 software transition, is that really what it is, and
 21 so if we get that under control this will be looking
 22 better? Or is there a lot of other factors we, as a
 23 board, need to consider?
 24 MS. FARR: There was four main factors
 25 that I included on my presentation. One of them was

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1 the implementation of the accounting system that we
 2 would hope that maybe that issue is already resolved
 3 or on its way to be resolved. The second issue was
 4 related to errors that were detected during the
 5 audit process. I don't know if those errors are
 6 related to the accounting system or the staffing
 7 resources.

8 TRUSTEE TONKING: Okay. But it's related
 9 to those four issues.

10 And then I guess my question to Mr. Magee
 11 is what concerns do you have from the Department of
 12 Taxation with the ability for them not to express an
 13 opinion? What are some concerns you think would
 14 come from the Department of Taxation?

15 MR. MAGEE: Obviously, this is not an
 16 ideal situation. This is not where we wanted to be
 17 at this point. I think that the Department of
 18 Taxation has been very clear with us that they wish
 19 to see what we have as of today. I think that's the
 20 most important thing, this is where we're at of 5:17
 21 on March 28, 2024.

22 I apologize to the Board that we do not
 23 have the responses back to the items in question
 24 that you saw highlighted. I absolutely believe that
 25 it is our intention to agree with the auditor's

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1 recommendations, and that's what will be included in
 2 the packet within the next, realistically, 23 hours
 3 because that's how much time we have left to get
 4 this over to the State.

5 Do I have concerns about the way the
 6 opinion is phrased? Of course I do. I have
 7 communicated that to the State, though, that this is
 8 what we are expecting, and they have suggested to us
 9 that they will accept it knowing that we are going
 10 to continue to work on these things, not only on
 11 this year's ACFR, but also moving forward, because
 12 since I got here nine months ago, I have been
 13 telling everyone, "Let's get it right moving
 14 forward. We know that there are issues from
 15 last year. We know that."

16 And so I've been very clear in my
 17 communications with the State that this is what they
 18 should expect to see.

19 MR. RUDIN: To supplement Bobby's answer,
 20 to the extent that this is comforting, the statutory
 21 requirements are that: You shall act upon the
 22 recommendations of the report of audit within
 23 three months of the receipt of the report, unless
 24 prompter action is required concerning violation of
 25 the law of regulation, by setting forth in

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1 your minutes your intention to adopt the
 2 recommendations, to adopt them with modifications,
 3 or to reject them for reasons.

4 So, you've got some time to digest the
 5 report, for staff to figure out what recommendations
 6 they're going to present to you regarding how you
 7 address the issues that are identified in the
 8 report.

9 TRUSTEE TONKING: Can you, Chair Schmitz,
 10 make sure that gets on our long range calendar
 11 sometime in the next 90 days?

12 CHAIR SCHMITZ: Absolutely.

13 And I just want to recognize when
 14 Mr. Navazio of left the organization, the Tyler
 15 conversion had not been successfully completed, we
 16 did not have bank reconciliations for an
 17 entire year, there was an entire year of work to
 18 catch up on. And I think that to get to the point
 19 where we are today, we need to acknowledge where we
 20 started, and it was not in a good place on multiple
 21 fronts.

22 To touch on the recommendations, we have
 23 had multiple years of issues related to internal
 24 controls. And only this year do we actually have an
 25 engagement to address and put in place and review

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1 the internal controls. It's on our long range
 2 calendar.

3 I think that finally we're actually
 4 confronting the issues openly, honestly,
 5 transparently, and we're taking action to ensure
 6 that bank reconciliations are being done on time,
 7 and that was -- basically I heard you say it was
 8 completely redone because of all of the errors that
 9 were discovered with the transition between the old
 10 system and the new system.

11 So, let's recognize where we are, but
 12 let's always recognize that we are in a -- we're on
 13 solid ground to go forward with having improvements
 14 to all of these things, including the ongoing
 15 issue that we have had year over year, which is
 16 concerns that have been expressed in our audits
 17 related to internal controls.

18 I think that we have what we have in front
 19 of us, and I appreciate the teamwork that was
 20 involved between both Davis Farr and staff and even
 21 the Baker Tilly group.

22 So, this is where we are. We need to
 23 deliver to the State what the State is requiring.
 24 And I believe everyone has worked very diligently to
 25 get us to this point. It's not complete. We need

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1 to get on our long range calendar when we have all
 2 of the components of ACFR complete, because there
 3 are components that aren't required to be audited
 4 and that aren't being required at this moment by the
 5 State Department of Taxation.
 6 We will get that on our long range
 7 calendar. We have to do first things first. And
 8 this is the first thing, and we will continue to
 9 work on that. And there may be changes depending on
 10 what comes out of the due diligence audit. There
 11 may be some potential restatements of financials,
 12 but until that is identified, these are our audited
 13 financial reports.
 14 So, I just want to recognize the efforts
 15 that it's taken and the situation that Mr. Magee
 16 walked into August -- or July or August of
 17 last year.
 18 Are there any other comments, questions?
 19 TRUSTEE TULLOCH: Yes. I would echo these
 20 comments that you've made in terms of this. As just
 21 stated, General Manager Magee, our then Finance
 22 Director Magee, found complete shambles when he came
 23 in in terms of no reconciliations, the issues with
 24 the Tyler implementation, which many of us
 25 (inaudible) have stressed to the previous board on

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1 several occasions that were ignored.
 2 I think let's be honest about what we have
 3 here. We're under the gun to present something,
 4 anything basically, to the State Board of Taxation.
 5 It's -- there seems to be more concern to the State
 6 Board of Taxation to tick a box, to have something
 7 submitted, rather than wait for the actual corrected
 8 version. I think let's all be honest about it.
 9 What we're doing here is representing something
 10 that's as near as we can get to what their asking.
 11 I think there will still be lots of revisions
 12 required. It's -- we're meeting an arbitrary
 13 deadline, and what we're submitting is not something
 14 that we would normally like to submit.
 15 I think it's of particular concern that
 16 Jennifer Farr and Davis Farr and are not prepared to
 17 express any opinion. I think that's very telling in
 18 and of itself.
 19 In think with regard -- there's a question
 20 raised on what's going to happen with the
 21 remediation, the remediation matters and the staff
 22 responses to that. Those who were listening to the
 23 Audit Committee will know that I asked General
 24 Manager Magee to come up with a timetable to make
 25 sure that this year these actions that we're

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1 claiming to take have actually been executed at
 2 regular reporting to the Board upon the execution of
 3 these remedial actions.
 4 Unlike the last two years where we claimed
 5 we were remedial actions on things like the bank
 6 reconciliations, it was just on paper only, it was
 7 never actually done.
 8 So, yeah, I think let's be honest. This
 9 is far from our (inaudible) documents, but it's what
 10 we have to submit at this stage.
 11 CHAIR SCHMITZ: Any other comments?
 12 TRUSTEE NOBLE: I would strongly disagree
 13 with Trustee Tulloch's representation that the
 14 Department of Taxation is simply ticking off a box.
 15 I think they have been more than
 16 accommodating, and I very much appreciate the
 17 Department of Taxation providing the extensions that
 18 have been requested. And obviously they want to see
 19 where we're at this point, and that is what we're
 20 going to be providing with the understanding that
 21 there will be more coming forward.
 22 And I would just like to again appreciate
 23 what the Department of Taxation has done with their
 24 understanding of our situation at this time.
 25 TRUSTEE DENT: I appreciate your comments

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1 earlier, Chair. I think those are a great overall
 2 summary of where we've been and where we're going.
 3 I want to thank General Manager Magee for
 4 leading this effort over the last nine months to get
 5 us to where we are today. Although it's not perfect
 6 and we have a long way to go, it seems like we've
 7 corrected course. I appreciate everyone in the
 8 finance department, Mr. Cripps kind of running with
 9 this, and everyone involved in that process.
 10 I sat into the Audit Committee meeting on
 11 Tuesday, so I heard a lot of this up front.
 12 And last comment I'll just make is I do
 13 appreciate Trustee Tonking's comments as to -- and
 14 questions as to when are we going to have this
 15 turned in and what are they going to be submitting.
 16 In years past, things would get submitted that the
 17 Board didn't review, and I think it's important that
 18 we continue to ask those questions so we can correct
 19 that course and then didn't go down that path again.
 20 I have nothing further to add.
 21 TRUSTEE TONKING: I think my biggest
 22 concern is not being able to see all the pieces
 23 before we put it in. But I think for me as long as
 24 you inform us of something, if you disagree with one
 25 of those recommendations or something like that

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1 occurs, I think it's vital that you let us know
 2 before that goes in.
 3 I think the other thing is -- my other
 4 concern is that then we get to sit down after you
 5 get it all together and have a conversation on this,
 6 because I think there's a lot of questions in
 7 general.
 8 You guys did get something, and I think
 9 that's super important, so thank you. And thank you
 10 for -- even though we are under the gun, we're going
 11 to give them something, which we needed to do.
 12 CHAIR SCHMITZ: I just wanted to add that
 13 this situation that we were in, the Board was
 14 completely blindsided. So it's clear that the Board
 15 was never micromanaging the financial department
 16 because we had no idea that bank reconciliations
 17 weren't done, we had no idea how understaffed we
 18 were when Trustee Dent and myself had been offering
 19 and to bring it to the Board to ask for staffing.
 20 I look forward to changes moving forward,
 21 and changes that bring through transparency so that
 22 another board is never blindsided like we were with
 23 the situation with the Tyler conversion and the
 24 situation with our financial, our monthly financial
 25 reports.

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1 Are there any other comments?
 2 Seeing none, we will close out that agenda
 3 item and move on.
 4 E 2. Beach House Construction
 5 1. Verbal report
 6 CHAIR SCHMITZ: Receiving a verbal report
 7 on the board-appointed liaisons to construction and
 8 to beaches for the Beach House construction and
 9 access projects; and receiving the recommended scope
 10 of work for the Incline Beach House and access
 11 project.
 12 We will hand this over to to Ms. Nelson.
 13 This portion of the agenda is on pages 6 through 8
 14 of the board packet.
 15 MS. NELSON: I'm going to provide a verbal
 16 update on the Beach House project. We've received
 17 quite a bit of interest on the Beach House progress
 18 meetings, and we appreciate the interest from the
 19 Board.
 20 However, we can't allow more than two
 21 Board of Trustees to be at the meeting because we
 22 don't want to create a quorum. It's been determined
 23 that the best course of action is to follow the
 24 previously appointed liaisons to the beach and to
 25 construction, and those liaison are the beach

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1 liaison, Chair Schmitz, and construction liaison,
 2 Vice Chair Dent. You will be receiving the invites
 3 for the remaining progress meetings.
 4 The intent of the Public Works staff is to
 5 be as transparent and open as possible throughout
 6 the 30 percent design process for the Beach House.
 7 We understand that this is an extremely important
 8 asset to the community, and we want to do this
 9 project right.
 10 Our intent is to have the Board liaisons
 11 attend the progress meetings and observe and bring
 12 back any updates they feel important to the Board.
 13 Each meeting will have an agenda item. At the end
 14 of the meeting, that will be the opportunity for the
 15 liaison to ask any questions or provide input. And,
 16 again, any meeting updates and decision points
 17 needed will be brought back in front of the entire
 18 Board.
 19 At this time, are there any questions,
 20 comments, or concerns in that portion?
 21 TRUSTEE DENT: I do not have any questions
 22 or comments at this time. I think -- I did have a
 23 call earlier this week with Ms. Nelson. And with
 24 that, I think it's just important that we make sure
 25 the schedule that is presented to the Board, we stay

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1 to that schedule, we don't want to see it creeping,
 2 and we've talked about that.
 3 As we move forward, I will update the
 4 Board as need be.
 5 CHAIR SCHMITZ: Any other questions or
 6 comments?
 7 I have one question, and that is -- last
 8 night I had mentioned it as well -- is that on the
 9 original schedule that you had provided in a prior
 10 board packet, it referenced having public input
 11 meeting on April 30th. Is that still something that
 12 the Board should get on our calendar, April 30th,
 13 and would we be doing that at The Chateau?
 14 MS. NELSON: We're envisioning that it
 15 will be at The Chateau. April 30th is a about date.
 16 We will work with The Chateau to see when it's
 17 available, and then we'll announce that is actually
 18 set.
 19 But it will be around that time frame.
 20 CHAIR SCHMITZ: Are you planning to bring
 21 schematics, drawings, things like that? Is that
 22 what you're planning to bring so that we can share
 23 it with the public and get public input at that
 24 time?
 25 MS. NELSON: I think what we definitely

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1 will have is we'll outline the programming that's
2 been developed for the building, a general idea of
3 where in space it will be located, at the bare
4 minimum.

5 CHAIR SCHMITZ: Any other questions or
6 comments?
7 Seeing none, we will close that agenda
8 item.

9 MS. NELSON: There's a second part. That
10 was just the verbal report.

11 E 2. Beach House Construction
12 2. Direction and recommended scope of
13 work

14 MS. NELSON: I am going to just provide
15 some update on the Beach House because it kind of
16 leads into what we're asking of the Board.

17 Public Works staff has already conducted
18 four meetings since the approval on February 28th.
19 Those meetings have been held on March 1st, 4th,
20 3rd, and the 18th. They've consisted of a kick-off
21 meeting and meetings between the contractor, the
22 permitting consultant, the A & E team, the kitchen
23 designer, and District staff stakeholders. The
24 future progress meetings have been set for April 8,
25 15, 29, May 13, and 29.

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1 something they can do, that would be great.

2 TRUSTEE DENT: I mean, I guess one thing
3 to consider when we are dividing the costs, is there
4 a part of -- I just don't know, I think we might
5 need to be a little more clear on what we're
6 actually dividing. As we know up at ski, we
7 purchased a dozen or more RFID printers. And so I
8 don't know if we're buying specific printers just
9 for the beach or some of those printers get involved
10 or what, but if we do break out that cost
11 separately, it would be good to know what exactly
12 that all includes.

13 TRUSTEE NOBLE: I guess my question is
14 with regards to the gated entry, is staff
15 recommending both people and vehicle access based on
16 previous Board discussions or do you believe that it
17 is appropriate to have?

18 The reason why I'm asking, I'm questioning
19 whether or not we need RFID access for vehicles
20 because I can see that being problematic with snow,
21 other things, vehicles getting stuck in there, and
22 wondering if that's also going to drive up the costs
23 tremendously by having vehicles come in versus just
24 people.

25 I can't make an informed decision whether

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1 As part of those meetings, it is been
2 determined that the access project needs some
3 definition, and it's staff recommendation that we
4 move forward with utilizing RFID technology for both
5 the vehicle and pedestrian access.

6 We went back to a couple of the board
7 meetings previously and kind of have conflicting
8 Board direction, and that's why we came back with
9 this our recommendation. If the Board would like to
10 see something different, now is your opportunity.
11 The consultants need this direction so we are able
12 to get the budget that we're shooting for for April
13 15th.

14 If the Board has any questions about the
15 access or any differing opinions, then we're here to
16 hear those.

17 TRUSTEE TONKING: I just have one quick
18 question. Is this going to be -- I guess it's
19 more -- can they divide the cost of what this RFID
20 looks like? I'm guessing it's a more costly
21 investment, and so I just want to be aware of what
22 that costs. Is that possible?

23 MS. NELSON: You want a specific line item
24 for the RFID access?

25 TRUSTEE TONKING: If possible, if that's

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1 or not that's appropriate to do both without any
2 more information on what that might entail,
3 especially from a cost perspective and from a
4 practical perspective.

5 MS. NELSON: I'll have Hudson, who worked
6 with the LSC consultants on the access project, come
7 up and maybe address some of those questions.

8 MR. KLEIN: Just so I'm clear, you are
9 just looking for a distinction between the
10 recommendation for both a vehicle and pedestrian
11 gate as opposed to just a pedestrian gate?

12 TRUSTEE NOBLE: Yes.

13 MR. KLEIN: On an automated access entry?

14 TRUSTEE NOBLE: Yes.

15 MR. KLEIN: Mainly where this stems from
16 was our understanding of having year-round access
17 for residents that visit the beach by vehicle for
18 potentially accessible reasons, that's what's
19 driving the recommendation for the gates.

20 We do acknowledge your comments that there
21 could be operational issues. I think everyone needs
22 to be pretty up front about that, that power
23 outages, eventually there will be maintenance
24 failure that would be expected, not on a regular
25 basis, certainly, but across the lifetime of the

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1 gate. That's a very realistic outcome.
2 And the other -- that pretty much is where
3 the recommendation for the vehicle gate comes from,
4 relative to the pedestrian gate, that's to allow,
5 you know, we can close off the vehicle access. At a
6 minimum, the pedestrian gate provides access to the
7 beach year around in an unstaffed, say, protected
8 set up.
9 Does that answer your question?
10 TRUSTEE NOBLE: I guess when you start to
11 add vehicle access and all the moving parts with
12 that, how much more does -- from a cost perspective,
13 how much more expensive and complicated does the
14 project become?
15 MR. KLEIN: I wouldn't be comfortable
16 giving you a number right now. Certainly, it's
17 going to be in a six figure at a minimum, I would
18 say, but I couldn't put a price on that not, I'm not
19 familiar enough with those gates at this stage.
20 Relative to the complexity of it, it's
21 probably not substantially larger, other than it
22 might -- if we go forward with the vehicle, it will
23 dictate the horizontal layout, the orientation of
24 the circulation to get vehicles both in with gate
25 access or if rejected or don't have access to the

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1 such. My question is what are we actually achieving
2 with RFID? And (inaudible) it's pretty easy with
3 RFID cards as well.
4 MR. KLEIN: I suppose to answer that,
5 again this isn't really my area of expertise here,
6 but there's an opportunity for those entrances to be
7 cameraed, so anytime an RFID was triggered, the
8 camera can automatically be switched on so you would
9 have an opportunity to at least, admittedly
10 retrospectively, review what was happening. And
11 you're running the risk, of course, of one person
12 with a card in the gate and maybe a car full of
13 clowns coming in with them. The only way that could
14 be mitigated in realtime is a staffing option.
15 It's certainly something more than
16 nothing, but by no means is it a lockdown, hundred
17 percent security solution. I don't really think
18 that exists in practical terms, but the RFID does
19 offer some improved security measures to current, at
20 least.
21 TRUSTEE TULLOCH: Understood.
22 When we use RFID cards in the ski
23 business, we do also have somebody checking. We
24 have somebody checking the standards to make sure it
25 is the correct RFID that's used or the correct user

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1 access to the beach, to be able to exit.
2 It's -- that's probably among the easier
3 parts of the puzzle to solve, you could say.
4 There's not a great deal, it might increase that
5 civil cost by a certain margin.
6 Again, I wouldn't speak to that just yet,
7 but it would be noticeable.
8 TRUSTEE TULLOCH: I'm going to shock the
9 audience here. I'm going to half agree with Trustee
10 Noble on some of this.
11 Hudson, did you just say it's a six-figure
12 cost?
13 MR. KLEIN: That's a guess for both
14 because you have to have both entering automated
15 gate and an exiting automated gate as well in order
16 to provide that continuous restricted access.
17 Again, not knowing exactly where the costs
18 lay, by the time you have the two of them in and the
19 underground infrastructure to support those
20 operational gates, I'm suspecting it will
21 comfortably crest a six-figure mark.
22 TRUSTEE TULLOCH: My next question is for
23 security, does RFID actually provide any securities
24 in this sense, since it's basically anybody that
25 gets a card can use it? There's no real controls as

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1 of it.
2 I'm just wondering, given -- echoing
3 Trustee Noble's thoughts there, the extensive cost
4 of this, how much we're actually improving or
5 whether we're just -- I hate to use the word again,
6 but whether this is just another shell solution.
7 TRUSTEE TONKING: I wanted give my
8 thoughts on this because I have to leave in
9 five minutes. I just wanted to say the reason I
10 agree with Trustee Tulloch on his last statement,
11 especially that I'm not sure it's really solving the
12 problem that needs to solved at an expense cost.
13 So, that's just my concern with it and that's my
14 voice on the matter.
15 Thank you guys for putting this together.
16 TRUSTEE NOBLE: With regards to the RFID
17 access, I don't think at this point -- my position
18 would be that we would not pursue that at Incline
19 and Ski Beach access points.
20 CHAIR SCHMITZ: I will disagree with every
21 single trustee because we have a problem, and we
22 have a problem that we have to solve. And the
23 problem that we have that we have to solve is people
24 accessing our restricted access beaches, and we
25 don't staff them in the wintertime, and specifically

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1 Incline Beach and Ski Beach are the ones that get
2 hit hardest and all you have to do is go down there
3 on a beautiful weekend or a holiday.
4 And I think that we need to hear from our
5 community, and we need to hear from our residents.
6 Because I hear from many of our residents, and I
7 think I forwarded something to you that I had
8 received is that our residents don't want to be gate
9 monitors in the winters, and our residents don't
10 particularly like non-residents coming to Ski Beach
11 with their dogs. They would like to enjoy it
12 because these are beaches that are for our residents
13 and for our residents' use. And oftentimes the
14 people who are using it, they don't know the rules.
15 I was down today and there was an
16 ambassador trying to chase somebody off with their
17 dogs on Incline Beach. Dog's aren't allowed there.
18 They don't know that.
19 I think that we really need to solicit
20 input from our community to understand how important
21 is it to have our restricted access beaches more
22 controlled so that our residents can enjoy those
23 beaches, even in the off season.
24 So I think that it's something that needs
25 to be evaluated. I think that we need to do that

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1 I think maybe community outreach solution was the
2 issues that would come when people can't access
3 their beach, because it is also their beach.
4 So, I think Hudson brought up a lot of
5 great ideas too of issues that could lead them to
6 not being able to access their beach with RFID, and
7 so I think we really need to weigh both the
8 accessibility, because it is the community's beach,
9 as well as how do you restrict that.
10 I just want to pull the counter argument
11 to what you had said.
12 CHAIR SCHMITZ: And it's a problem that
13 you first have to identify what are all the possible
14 solutions and what might be the downfalls of various
15 solutions.
16 TRUSTEE DENT: I'm just a little confused
17 about where this -- we're going with this direction.
18 It's my understanding, last summer, we gave
19 direction to staff and authorized spending money to
20 install a gate so we can actually start to monitor
21 the beaches and restrict access to those that are
22 supposed to be on the beaches. But now it sounds
23 like we're reversing that but in a roundabout way,
24 and so I'm a little bit confused about this whole
25 process.

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1 with potentially some additional community input
2 because it has been an ongoing issue, and it's been
3 an issue we've talked about with special legal
4 counsel.
5 Incline Beach and Ski Beach seem to be the
6 two beaches that are most impacted, and it's
7 probably because of their proximity to the Hyatt and
8 the great parking that's over at Aspen Grove and the
9 knowing that there's a dog park there.
10 I feel that we need to take a step back
11 and understand that we do have a problem, and if
12 RFID is not the solution, then what is the solution?
13 We had talked about staffing, potentially staffing
14 those beaches in the wintertime, but that comes as a
15 cost too. And it makes for more staff because
16 Diamond Peak needs staff in the wintertime also,
17 there's more competing of having staff, and those
18 booths are not winterized, so there are other costs
19 to other alternatives.
20 And I think that we need to recognize that
21 we do have a problem, and we need to identify what
22 potential solutions are.
23 TRUSTEE TONKING: I was just going to say
24 the other problem that was given to us in public
25 comment when we had this conversation last time, and

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1 And I think we do need to learn more.
2 Some of the -- Mr. Klein had mentioned some of the
3 concerns with it, but as we know, any powered,
4 battery -- electronically powered system always has
5 a backup. Obviously there can be a mechanical
6 failure, and will that happen from time to time?
7 Sure. Will that happen a couple of times in the
8 life of this? Will a gate be left open? Sure. You
9 can't really stop these things. You can't stop
10 someone from putting clowns in the back of their car
11 and driving in. I don't have any issues if someone
12 puts clowns in their car and comes into the beaches.
13 There's a lot of ways you can get around
14 this whole process of allowing people in, but if
15 we're just going to continue to leave our beaches
16 open, I think we should have a real agenda item to
17 discuss that and not have a roundabout way to the
18 direction the Board gave at a prior meeting.
19 CHAIR SCHMITZ: I'm going to turn it back
20 to you. Go ahead.
21 MS. NELSON: I just want to caution the
22 Board that if you would like to go out for
23 additional surveys and community input, we would
24 respect that, it will slow down the Beach House
25 project. This is a key part of the project to get

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1 right, so we can't move forward with developing the
 2 budget for access side of the project, we can't put
 3 that in the CIP budget, so our consultants would
 4 then be on hold for the access portion. They could
 5 still move forward on the Beach House, however there
 6 might be an instance where something is not going to
 7 align correctly if that's it.

8 I just want to make sure you're aware of
 9 that.

10 CHAIR SCHMITZ: My question is, because I
 11 think this does tie back to some comments that were
 12 made specifically with Trustee Tonking wanting to
 13 know a bit of cost benefit analysis. So if that is
 14 the desire of the Board, is to -- if the RFID is a
 15 possible solution to -- we would have to go forward
 16 to get a cost estimate so that we could make an
 17 informed decision to determine what are the
 18 benefits, what are the risks, what are the
 19 alternatives.

20 So I would think that it would be to move
 21 forward with that in order to obtain that
 22 information so that then we can evaluate it and
 23 determine whether we want to actually go forward
 24 with the expenditure. I think that would be not to
 25 just say we're not going to do it. I think we

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1 should move forward so that we can evaluate doing
 2 it.

3 MS. NELSON: Would you want the
 4 consultants to move forward with looking at both,
 5 the RFID and the manning of gates, as part of their
 6 budget development?

7 CHAIR SCHMITZ: I think that that would
 8 take staff. I believe that the Board had asked the
 9 Director of Parks and Rec last summer about some of
 10 what are the costs. I think that she was already
 11 working on putting some information together. As
 12 opposed to paying a consultant to do it, I think
 13 staff would be able to give us that information.

14 MS. NELSON: I'm speaking of the
 15 construction side. I'm looking at there's a cost to
 16 put in a RFID access, but there's also a cost to
 17 manning the gate 24 hours or all year long. We
 18 would have to winterize and do improvements to the
 19 gate house.

20 We're looking at it from what it's going
 21 to impact on the construction side. Of course, we
 22 would need staff's input on the operation side.
 23 Then you would have a complete package, I would say.

24 CHAIR SCHMITZ: I'm sort of reading into
 25 what you're saying. With the egress/ingress

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1 recommendations, the likelihood is is that the
 2 location of these booths is probably going to
 3 change, and with that, it means constructing new
 4 booths; correct?

5 MS. NELSON: Um-hum.

6 CHAIR SCHMITZ: So that's the question.
 7 And I think that my feeling is, and I'm just one
 8 trustee, that even if we had an RFID gate, I would
 9 think that during the busy summertimes, we would
 10 probably opt to have staff there because, I would
 11 assume, it would be efficient to get people in in an
 12 efficient manner. I think we would still need to
 13 have those booths, even if we had RFID gates, we
 14 would need to have some sort of a booth for
 15 coverage.

16 I would think that should be part of the
 17 design.

18 TRUSTEE DENT: I would agree with that.
 19 When you're talking about winterizing the booths,
 20 you're adding some insulation and a small heater to
 21 it. It's maybe a thousands bucks for one of those
 22 booths to be insulated and a little heater put into
 23 it. There's some electronic that goes to it, I
 24 understand there's more to it, but it's a small
 25 cost. And, regardless, it sounds like we're going

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1 to have booths for a while.

2 I think as we're reworking the entrance,
 3 we need to have a different path to consider, and
 4 really the add-on of RFID is really simply just an
 5 add-on. It seems like during that process, you're
 6 putting in some trenching, you're adding on the
 7 technology, but we're going to be buying new gates,
 8 potentially, it sounds like, regardless of which way
 9 we go.

10 And so I think we kind of need to see both
 11 paths to be able to decide if this is something we
 12 should move forward with for the community or, no,
 13 let's scale this portion down and do something else.

14 CHAIR SCHMITZ: Is this clear direction
 15 and is the Board comfortable with the direction
 16 being given to staff?

17 MS. NELSON: I just want to recap here.
 18 From the contractor perspective, we're
 19 going to evaluate -- we'll have to keep the booth
 20 and evaluate separately what that entails, as well
 21 as incorporating that into the RFID axis.

22 Then from staffing's perspective, they'll
 23 come up with the operational costs of manning the
 24 booths full season versus what they do currently.
 25 Anything else?

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1 CHAIR SCHMITZ: I think you did a good job
 2 of summarizing. If there are questions, feel free,
 3 Trustee Dent is the construction liaison, and I'm
 4 sure he can fill in any gaps.
 5 That does finally close out that agenda
 6 item. We will move on.
 7 E 3. Review, Discuss, and Approve:
 8 1. Granite CMAR contract
 9 2. Jacobs construction agreement
 10 CHAIR SCHMITZ: It is on pages 9 through
 11 67 of the board packet. It is a CMAR construction
 12 agreement for Granite Construction and also a
 13 potential approval for a contract with Jacobs
 14 Engineering.
 15 MS. NELSON: At the Board of Trustees
 16 meeting on February 28th, the Board directed us to
 17 pursue the execution of the CMAR agreement with
 18 Granite Construction for the effluent storage tank.
 19 The main points that were different than the CMAR
 20 agreement for the effluent pipeline is that the CMAR
 21 fee was to remain at ten percent and that Granite
 22 had no share of the risk register. Those items were
 23 updated in the contract.
 24 We also issued a supplementary contract
 25 this morning that included Exhibit B of that

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1 contract, and that was basically the federal cost
 2 cutters and all of the funding-type documentation
 3 that needed to be included.
 4 We were waiting for the Army Corps to just
 5 buy off on that and make sure that we had everything
 6 in there, as well as the fully executed information
 7 on Granite's side. That's you have there.
 8 We also have in this item the Jacob's
 9 Construction Administration Services contract, which
 10 is basically their contract to review any requests
 11 for information, submittals, do periodic
 12 inspections, and is what -- they're needed to
 13 perform as being the engineer of record for the
 14 project.
 15 Jeff with Silver State Law has reviewed
 16 and approved the CMAR contract, just an FYI. Are
 17 there any questions?
 18 CHAIR SCHMITZ: Any questions?
 19 Hearing none from them, I want both of you
 20 to know that Trustee Tonking has departed from the
 21 meeting.
 22 TRUSTEE DENT: I have no questions at this
 23 time.
 24 CHAIR SCHMITZ: I have a question for
 25 legal counsel, and maybe something just to point out

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1 to my fellow trustees, is on page 73 of the board
 2 packet, this contract is a time and materials
 3 contract. It does not include a rate schedule as
 4 part of the addendums to this amendment.
 5 However, staff has indicated, they went
 6 back and researched and indicated that there is a
 7 rate schedule, a time and materials rate schedule
 8 that was part of a different addendum.
 9 But going forward, I feel that when we
 10 have things that are time and materials that we
 11 should have the time and materials schedule
 12 included, even as an addendum, so that we're certain
 13 that there is one. Because it wasn't referenced
 14 that the time and materials schedule was in a
 15 different addendum.
 16 That's on page 73, item number 4 at the
 17 top of the page saying that the time, it's going to
 18 be billed on a time and materials basis, but there's
 19 no rate schedule that is included.
 20 Then I have question for counsel on the
 21 next page, page 74, in task 1.
 22 (Inaudible cross talk.)
 23 CHAIR SCHMITZ: Page 2 of the agreement,
 24 compensation, number 4, time and materials. We
 25 don't have a schedule or schedule that is

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1 referenced.
 2 Then on page 3 of the agreement, I have a
 3 question for legal counsel, and that is in task 1,
 4 1.1, the very first paragraph, this is a scope of
 5 work that is defining what the contractor is to do.
 6 And in this first paragraph, it's states: These
 7 things shall be performed by the contractor or
 8 IVGID. It's says "by the contractor or IVGID."
 9 I don't want to get into a situation where
 10 there's finger pointing because this is supposed to
 11 be a scope of work for the contractor, not for
 12 IVGID. So I'm not sure whether this language is to
 13 imply that the contractor is to be directed by
 14 IVGID, because that would be more clear if that's
 15 what the intention is, but to have a task that
 16 something is done by a contractor or IVGID can lead
 17 to ambiguity and finger pointing.
 18 So, I'm wondering if that needs to or
 19 should be clarified?
 20 MS. NELSON: I can address part of this
 21 work. Basically, construction job drawings,
 22 samples, submittals are all developed from the
 23 contractor and generally delivered to IVGID, and
 24 then we'll send it over to Jacobs for their review.
 25 I think that's the part -- Jacobs is not providing

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1 the shop drawings, they are not providing the
2 samples or submittals. That is on the contractor to
3 do.
4 And then for our tracking purposes, we
5 make sure that we log everything in, and then send
6 it to Jacobs. They review it, approve it, and issue
7 any questions, clarifications that are needed.
8 CHAIR SCHMITZ: What you're saying here is
9 the use of the word "contractor" is not implying
10 Jacobs, it's implying --
11 MS. NELSON: It's implying Granite.
12 CHAIR SCHMITZ: -- someone else. So does
13 that need to be clarified? I'm just looking at it
14 from an English perspective, and it's unclear. And
15 having a scope of work that is, perhaps, unclear
16 isn't in the best interest of the District.
17 MS. NELSON: And I look at it from the
18 professional engineering standpoint, and that's
19 standard language.
20 CHAIR SCHMITZ: So "contractor," in this
21 exhibit with Jacobs, is meaning Granite
22 Construction?
23 MS. NELSON: Correct. Yes.
24 CHAIR SCHMITZ: That's my only question.
25 The other thing that I would just like us

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1 the contract says, "Granite's responsible for
2 performing the work," and it's discussing contract
3 or responsibilities. Yeah, "Construction manager
4 shall provide all labor, materials, equipment,
5 services necessary to complete the work in
6 accordance with the requirements of the contract
7 documents." Full stop.
8 CHAIR SCHMITZ: That's the contract with
9 Granite. I'm talking about the contract with
10 Jacobs.
11 MR. RUDIN: Okay.
12 CHAIR SCHMITZ: There's separate
13 contracts.
14 MR. RUDIN: I'm looking at 3 2.
15 TRUSTEE NOBLE: Ms. Nelson, given your
16 experience and the language in the contract, it is
17 clear to you what the duties and responsibilities
18 are for each entity that's involved in this project?
19 MS. NELSON: Yes, it is.
20 TRUSTEE NOBLE: Thank you.
21 CHAIR SCHMITZ: I'm asking if it's clear
22 to legal counsel?
23 MR. RUDIN: Yeah, in terms of task 1 1 in
24 the Jacobs' agreement, really, that sentence where
25 it says, "It's going to be performed by contractor

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1 not to use is the terminology of "guaranteed maximum
2 price," because this guaranteed maximum price has
3 increased now, I think, three times. It's not a
4 guarantee. At what point does it become a guarantee
5 maximum price? Is it now?
6 So prior to this, it's been a little
7 misrepresented that it's a guarantee maximum price
8 because it keeps changing.
9 MS. NELSON: Thank you for that
10 perspective because I have not heard that, but just
11 when you said that, it should be a proposed
12 guaranteed maximum price until we get to this point.
13 TRUSTEE TULLOCH: I don't have questions
14 about the contract. Obviously, I've gone through it
15 with the team before.
16 I think I would like to point out that we
17 have -- it's a very small gain, perhaps, but we have
18 now established a new sealing on the CMAR price.
19 Over the last couple of contracts, due to our
20 negotiations, we've brought it down from 14, it's
21 now at 10 with no other parts to that.
22 I think that, at least, starts setting
23 some precedent.
24 MR. RUDIN: Yeah. So, I mean, that is
25 just a proposal, and section 3., I think it's 1 1 of

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1 and/or IVGID," it just means Jacobs is not going to
2 be responsible for doing it.
3 CHAIR SCHMITZ: With that, would anyone
4 care to make a motion?
5 TRUSTEE NOBLE: I would move that we
6 accept recommendations 1, 2, and 3 as they appear in
7 item E 3 of our meeting notice for this evening.
8 CHAIR SCHMITZ: A motion's been made. Is
9 there a second?
10 Trustee Tulloch, just so you know, Trustee
11 Dent has dropped, and Trustee Toning is not here.
12 TRUSTEE TULLOCH: I'll second the motion.
13 CHAIR SCHMITZ: Motion's been made and
14 seconded. We still have a quorum of the Board here,
15 present, so all those in favor, please state aye.
16 TRUSTEE NOBLE: Aye.
17 TRUSTEE TULLOCH: Aye.
18 TRUSTEE DENT: (See Trustee Dent's vote,
19 page 77, line 1.)
20 CHAIR SCHMITZ: Aye.
21 Motion passes, 3 to 0.
22 Moving on -- thank you very much for all
23 of your effort on this. We're finally going to get
24 this completed. How exciting. It's been a long
25 time in the making.

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1 F. BOARD OF TRUSTEES UPDATE
 2 CHAIR SCHMITZ: We don't have Trustee Dent
 3 or Trustee Tonking here. I would suggest that we
 4 just go do a trustee update when we have the
 5 complete Board here at our next meeting. Is that
 6 acceptable? Okay.
 7 G. FINAL PUBLIC COMMENTS
 8 MS. CARS: I want to address the gates,
 9 which I really oppose for numerous reasons, but
 10 nobody has even mentioned the backup on Lakeshore
 11 Boulevard and the backups into parking lots. And I
 12 know that backup would go right by your house, Sara.
 13 I think that it's a bad idea to have the gates, and
 14 I think it's a much better idea and, I think, could
 15 be cost effective to winterize booths.
 16 And we may do a survey of people in the
 17 community to see their opinions on it, but that's
 18 something that you need to really think about.
 19 I think that -- I understand, I've been
 20 told numerous times that Trustee Dent is planning to
 21 leave the District after he's no longer on the Board
 22 to move back to Santa Cruz. I don't know if that's
 23 true or not. If that is true, I think he should not
 24 be on the beach committee, and a trustee is that is
 25 going to be here should be moved to the beach

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1 past issues with former employees, it doesn't
 2 ingratiate you with current employees and future
 3 employees. You don't need to continue to state
 4 what's happened in the finance departement and the
 5 staffing in the past. I think it's very important,
 6 if you like to stay positive and focus on
 7 positivity, that you focus on the work that's done,
 8 and also just start realizing every time you make
 9 those kind of statements, it has a deep impact, not
 10 a positive one, on staff.
 11 Thank you very much.
 12 CHAIR SCHMITZ: Any pubic comments online?
 13 MS. KNAAK: Yolanda Knaak, full-time
 14 Incline Village resident.
 15 I just wanted to let people know that I
 16 did use my RFID cards today, and they worked fine.
 17 And I do agree with Sara Schmitz in that at Burt
 18 Cedar beach, in the wintertime, frequently we have
 19 people who are not residents. We frequently have
 20 dogs that are not booth patrol, and the problem with
 21 that is -- I did one, a bad experience this last
 22 winter where a dog not that was not booth patrol and
 23 he bit my dog, and that was kind of a freaky thing
 24 that happened.
 25 And then frequently get to the Burt Cedar

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1 committee. That's, again, my only opinion.
 2 And I also think that the work on the
 3 Beach House is the most important thing, not having
 4 the gates, because the Beach House is really what
 5 brings the community together and is important for
 6 the community.
 7 Thank you.
 8 MATT: Chair, just before the public
 9 comment, Matt Dent was able to rejoin.
 10 MS. WELLS: Kristie Wells. I didn't
 11 prepare anything, but I just want to kind of comment
 12 on some of the things I heard tonight.
 13 First is, I second with Ms. Cars. I think
 14 the RFID gates is an expense that's not needed. I
 15 think you're trying to solve a problem that doesn't
 16 actually really exist. And I do think it's
 17 essential that you survey the community in its
 18 entirety, and that's not through a FlashVote; that
 19 is every parcel owner in the IVGID, in the IVGID
 20 territory, to make sure that we all have a voice in
 21 this process because we will all be here for 10 to
 22 30 years, battling this RFID tech. And I'm in tech,
 23 and I'm still against this tech.
 24 Anyways, I am also just -- I would
 25 encourage, Trustee Schmitz, every time you reference

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1 Beach, another problem is there are dogs that are
 2 not booth patrol, and they happened to be German
 3 Shepherds and I have to be really careful because
 4 I've had German Shepherds attack my dog.
 5 I think that Sara's right that during the
 6 wintertime, it's a big advantage to having this kind
 7 of access, restricted assess for the beaches rather
 8 than have anyone come in there.
 9 As far as people bringing other friends, I
 10 don't have an issue with that, if they have friends
 11 that come, neighbors that come with them, and they
 12 don't have their RFID cards, I don't have a problem
 13 with them coming in. What I have a problem with is
 14 people that don't live here and that are not our
 15 guests coming during the winter.
 16 The other thing is when a car leaves the
 17 Burt Cedar Beach, it doesn't necessarily have to be
 18 RFID card. You could put in those metal spike
 19 things that you can drive out but you can't drive
 20 in.
 21 Anyway, thank you very much.
 22 CHAIR SCHMITZ: Do we have any other
 23 public comments?
 24 MATT: We do not at this time.
 25 CHAIR SCHMITZ: Seeing none, we will --

1 TRUSTEE DENT: Chair, I just wanted to --
 2 I was a part of the last vote when you said it was a
 3 3/0 vote. I just could not get unmuted. I had to
 4 text Matt to unmute me after I got disconnected.
 5 But I just want the record to reflect that
 6 I was in support of the last item we voted on.
 7 CHAIR SCHMITZ: Thank you for that.
 8 Are we able to change the record, then,
 9 and say it was a 4/0 instead of 3/0.
 10 MR. RUDIN: Yeah, believe so. Technical
 11 issue.
 12 CHAIR SCHMITZ: Yes. Thank you, Trustee
 13 Dent.
 14 H. ADJOURNMENT
 15 CHAIR SCHMITZ: With that, we adjourn
 16 tonight's meeting and 6:15 p.m. Thank you to
 17 everyone for listening in and participating. Thank
 18 you.
 19 (Meeting adjourned at 6:15 p.m.)
 20
 21
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 24
 25

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 March 28, 2024, at
 7 the Board of Trustees Special Meeting, via Zoom, and
 8 took stenotype notes of the proceedings entitled
 9 herein, and thereafter transcribed the same into
 10 typewriting 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 78 pages
 14 inclusive.
 15 DATED: At Reno, Nevada, this day of 31st
 16 day of March, 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 32

Invoice Date: April 1, 2024

Payment Due: April 28, 2024

Amount Due (USD): \$818.00

Items	Quantity	Price	Amount
Base fee March 28, 2024, BOT special meeting	1	\$350.00	\$350.00
Per page fee March 28, 2024, BOT special meeting	78	\$6.00	\$468.00

Subtotal: \$818.00

Total: \$818.00

Amount Due (USD): \$818.00

Sara Schmitz Legacy.. *Looking at the FACTS*

In the last 1/1/2 year :

- Turned down *a million* 25.9 donation from Duffield foundation, largest in district history
- Turned down ice rink, \$500,000
- Removed gold and silver card holders and employees access to beach
- Dismantled senior leadership team in less than one year
- Reversed her own decision that GM live in IV/CB and gave 2 year contract to GM who doesn't live in WC full time and will work remote p/t. Will he be allowed access to the beaches?
- Tossed out opportunity for the Board to dictate beach guests
- denied resident elementary school children whose parents aren't parcel holders access to beach for safety training...*✓*reserved a decades old precedent...children had to go to Sand Harbor
- Your micromanagement legacy is well known

Is there anything you can do in the next 9 months to turn around some of these aggregious decisions

The District is gutted of senior management right now.

10/2

You have 9 months before you are off the board to rectify these gross infractions against our community. Otherwise, your legacy will be one of an ill equipped and ill prepared person to be elected to a Trustee position.

The grossly inappropriate misinterpretation of the job of a Trustee has been fleshed out in real time to the incredulity of the community. It will take years to rectify the ills of the majority of the board - Dent, Tulloch, and Schmitz for which you have been the leader.

It pains me to say this and I am sorry to say this but Right now your legacy is how not to be Trustee. You have shown a complete lack of understanding of the community that you moved to.

2/12