

1
2 INCLINE VILLAGE
3 GENERAL IMPROVEMENT DISTRICT
4 BOARD OF TRUSTEES
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9 TRANSCRIPT OF HEARING
10 PUBLIC MEETING
11 Live and Via Zoom
12
13
14 Held at the Boardroom
15 893 Southwood Boulevard
16 Incline Village, Nevada
17
18 Wednesday, December 11, 2024
19
20
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22
23
24 Reported by: Brandi Ann Vianney Smith
25 Job Number: IVGID 59

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 DAVID NOBLE, MEMBER
9
10 **ALSO PRESENT**
11 SERGIO RUDIN, LEGAL COUNSEL
12 HEIDI WHITE, DISTRICT CLERK
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1 Incline Village, Nevada - 12/11/2024 - 6:00 P.M.
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4
5 CHAIR SCHMITZ: It is six o'clock. I'm
6 going to call to order the regularly scheduled
7 meeting of the Incline Village General Improvement
8 District Board of Trustees on 6:00 p.m., December
9 11th, 893 Southwood Boulevard in Incline Village,
10 Nevada. I'll begin with the Pledge of Allegiance.
11 A. PLEDGE OF ALLEGIANCE
12 (Pledge of Allegiance.)
13 B. ROLL CALL OF TRUSTEES
14 CHAIR SCHMITZ: Trustee Dent?
15 TRUSTEE DENT: Here.
16 CHAIR SCHMITZ: Trustee Noble?
17 TRUSTEE NOBLE: Here.
18 CHAIR SCHMITZ: Trustee Tulloch?
19 TRUSTEE TULLOCH: Here.
20 CHAIR SCHMITZ: Trustee Tonking?
21 TRUSTEE TONKING: Here.
22 CHAIR SCHMITZ: And myself, Sara Schmitz.
23 We are all here. We will move on to initial public
24 comment.
25

5

1 C. INITIAL PUBLIC COMMENT

2 MS. CARDINALE: Good evening. Lynette

3 Cardinale, resident of Incline Village.

4 I am just elated tonight. A long time to

5 be in elated here. Welcome. Thank you so much for

6 taking this position. I wish you well, and if I can

7 be of any help, I'd love to do it. I've been a

8 long-time resident, since 1992, and I love Incline

9 and I think that you have the qualifications that

10 are going to make it great again. Thank you.

11 I also would like to thank Trustee Schmitz

12 and Dent for their absolutely stellar representation

13 and service to this community. My heart is heavy

14 for what you have been through, but I'm not going to

15 dwell on that. I'm going to dwell on positivity in

16 which you guys have brought to this community. If

17 it wasn't for you, we would not have clarity of the

18 situation that we have in our financial matter, you

19 have brought many things to light, and I cannot be

20 more with grateful. I'm sorry that terms are up,

21 but, you know, that's what has to be.

22 Ray Tulloch, I appreciate you. Thank you

23 for hanging in there. I know we're going to have a

24 fantastic year.

25 Now I would like to take the moment to

6

1 show my appreciation and give out some goodies

2 because they deserve it. Have a great Christmas and

3 a happy new year.

4 MR. KATZ: Good evening. Aaron Katz,

5 Incline Village. I have several written statements

6 I would like attached to the written minutes of this

7 meeting.

8 I'm going to speak about just one of the

9 statements. In the board packet, staff have

10 disclosed an audit engagement letter and agreement

11 with Davis Farr. By its terms, the District

12 management is responsible for making findings that

13 the District's financials are in compliance with

14 statutes and regulations. So let's look at some

15 statutes.

16 NRS 354.624(4) requires audited financials

17 and findings that our audited financials are in

18 compliance with statutes and regulations. Davis

19 Farr as well as Eide Bailly have gone on record as

20 describing our rec fees as the product of

21 "non-exchanged transactions."

22 Since we're bound to GASB, if you go to

23 GASB 33, you will see they instruct that

24 non-exchange transactions revenue is a tax, not a

25 fee, a tax. But there's no tax a GID may levy which

7

1 conforms to the rec fee. And the fact that the

2 District disingenuously labels our rec fee "a fee"

3 is immaterial and nonbinding. And if you have any

4 question about that, ask your attorney, he'll know.

5 So I expect the District is going to

6 inform the Department of Taxation that our rec fees

7 do not comply with the NRS or the NAC, because if

8 the District does do that, it's going to be in

9 violation of another statute, which is NRS

10 354.626(1), and that statute is criminal.

11 And -- well, I already said that.

12 You have an attorney here, supposedly

13 protecting you, I would recommend to the new board

14 you start doing some investigation because if you

15 are not going to tell the Department of Taxation

16 it's an invalid tax, I'm certainly going to do it.

17 And now the issue's going to be all up and we're

18 dealing with fiscal watch and this is another

19 grounds for fiscal watch.

20 Thank you very much to you board members

21 that are not going to be with us after tonight. I

22 echo some of the comments that we appreciate what

23 you've done. I know what you're up against.

24 Thank you.

25 MR. LYON: Jim Lyon, Incline Village.

8

1 First, I'm glad Mr. Katz came between me

2 and Claudia because there's now way I could follow

3 that. I wanted to say the same types of things that

4 she said, and I appreciate the work the Board has

5 done. You have all had to go through some real

6 trying times, and I think you've made some really

7 good decisions, especially with attacking the

8 finance problem that was hidden for years. I think

9 most of community appreciates it.

10 I also think you made an outstanding

11 choice for a new general manger. After hearing the

12 different candidates, I thought he was the best

13 also.

14 Anyway, just want to thank you all for the

15 work you've done. And I think the new board that is

16 coming in will be -- their hearts are in the right

17 place. They may not agree with the different types

18 of decisions you've made, I think they'll do what

19 they think is best for IVGID.

20 Thank you.

21 MS. JEZYCKI: Good evening. Michelle

22 Jezycki, IVGID trustee-elect.

23 When reviewing the agenda for this last

24 meeting of the outgoing board, I began to identify

25 comments that included suggestions, professional

9

1 opinions. For example, as an expert in performance
 2 management, I might point out that these goals of
 3 the GM are not actually goals, nor was the handout
 4 identifying the first 100 days. There is no
 5 actionable objectives nor meaningful metrics. I
 6 could point out that modifying Policy 6.1 would be
 7 senseless at this 11th hour.

8 Instead I realized that, as has been this
 9 board's practice, providing productive, professional
 10 input is a futile exercise. So I've chosen to use
 11 my time to discuss a major milestone that has been
 12 kept under the radar. Mr. Mike Bandelin started his
 13 career with IVGID as a parking lot attendant making
 14 \$5 an hour with IVGID. He literally worked his way
 15 up the ranks from Ski Incline to Diamond Peak, from
 16 a lift operator all the up to the general manager of
 17 the resort, which he's performed for the last
 18 nine years.

19 Mike has demonstrated complete dedication
 20 and loyalty to IVGID and our community. The steady
 21 and unboastful leader even stepped up when our
 22 community desperately needed an interim GM and took
 23 one for the team, so to speak.

24 While he held different positions within
 25 our district, he has always returned to his love for

10

1 the mountain. Mike Bandelin is at home at Diamond
 2 Peak and continues to love to work outdoors at the
 3 resort for the betterment of the Diamond Peak
 4 guests, our community, and the District.

5 He is a professional, operating with
 6 integrity and honestly. We can all learn a thing or
 7 two from Mr. Bandelin. I think the least we can do
 8 is thank him for his service as he recently reached
 9 his 40th -- let me repeat that, 40th anniversary
 10 with IVGID. Won't you please join me in a round of
 11 applause for this 40 years of service.

12 (Applause.)

13 When you see Mike, join me in thanking him
 14 for his dedication, his professionalism, and his
 15 leadership for last 40 years. Is it time to feed
 16 the dog?

17 As for the new board, I look forward to
 18 serving our community with some of the same skills
 19 demonstrated by Mr. Bandelin: professionalism,
 20 integrity, decency, and reasonableness.

21 We have much work to do. As mentioned in
 22 other public comments I've made, we will get there
 23 but we have to put the train in reverse before we
 24 can put it in forward motion, but we will get there.

25 Keep the community first with transparency

11

1 and inclusiveness, checking egos and self-interest
 2 at the door we will rebuild our team, our finances,
 3 and our village to new heights and allow the
 4 community to finally start healing from the
 5 divisiveness of these past few years. Onward and
 6 upward.

7 Goodnight, and I wish you a good,
 8 productive meeting.

9 CHAIR SCHMITZ: I think this is Mike
 10 Bandelin's 41st year. I think 40 was last year, but
 11 very appreciative of all of the time and talent he
 12 puts in.

13 MR. WRIGHT: Frank Wright, Crystal Bay.
 14 I'd like to mirror the last speaker's
 15 comments about Mr. Bandelin. He's spectacular.
 16 He's one of the gold mines in our community. I wish
 17 all were that way.

18 We have a problem that we need to fix and
 19 it's our financials. We know it's a major problem.
 20 We're two years behind right now, heading into 2025
 21 will be three years behind in our reporting of our
 22 budget, and it's going to take a (inaudible) effort.

23 I think the current board did a marvelous
 24 thing in hiring a GM as fast as they did, even
 25 though it started in June and didn't get done until

12

1 November. It's probably going to make the new board
 2 appreciative of the fact that we have something in
 3 operation and working right now towards fixing this
 4 mess.

5 I'd like the new board to know: Don't try
 6 what's been done in the past. Don't think you're
 7 going to get in here on some of the candidates that
 8 were elected promises to the District by saying that
 9 they are going to give away things. The giveaway
 10 days are over. This is our district, this is our
 11 money, this is our facilities. They don't belong to
 12 the world's tourist. They belong to us. We're
 13 paying for them.

14 If you don't get that, you better
 15 understand that because we're into everything that's
 16 happened with the RubinBrown report that identified
 17 many things that are wrong here. Past GMs have
 18 given away this place like it was their free candy.
 19 It was horrible.

20 Now we have a new board coming, and I'm
 21 not sure that they're totally aware of their
 22 responsibility to this district. I hope they are.
 23 The last speaker, I think she said some very
 24 positive things. She talks a good game but can she
 25 perform? Will she adhere to those honest statements

13

1 about being responsible to the people who are paying
 2 the bills? I don't know. We'll find out.
 3 But we have a way to go forward. We have
 4 an opportunity to make things work. We can get rid
 5 of the negativity from some of these people who have
 6 been running this recall effort and some of the
 7 people that have been coming to these board meetings
 8 chastising the very intelligent people that have
 9 given facts and information here like Mr. Katz
 10 tonight. That information is very valuable to these
 11 board members. Very valuable. I wouldn't want to
 12 be a new board and put myself in a position of being
 13 a criminal act.
 14 The surplus or the freebies, the slush
 15 fund is illegal. It's got to come to an end. And
 16 these people who have been screaming that we're bad
 17 people, The Angry Eight, and all this other crap
 18 that's come out, they are only doing that because
 19 they want to keep getting freebies from us and have
 20 us pay for them. The courses don't belong to the
 21 golf clubs, they belong to the people who live here
 22 who are paying for the deficits.
 23 So what I'm asking the new board to do is
 24 study your law. Find an attorney who understands
 25 how to operate in Nevada and a GID. This attorney

14

1 has put you board members in a lot of serious
 2 situations with Open Meeting Law violations. He sat
 3 there and did nothing while you committed Open
 4 Meeting Law violations. Get an attorney from
 5 Nevada, get an on-site attorney, get somebody who
 6 knows what's going on here.
 7 Merry Christmas to all you guys, and, wow,
 8 let's roll. Thank you.
 9 MS. CARS: I decided I wasn't going to
 10 make a statement tonight, but I had to after the
 11 first.
 12 I think Michaela and Dave put up with so
 13 much this year that I -- and I think I speak for a
 14 lot of people -- have to thank them. They held
 15 their ground, did their best, and they were in the
 16 minority. I think that the board coming up will be
 17 fair and they will be fair to Mr. Tulloch who
 18 aligned with Sara and Matthew the entire time. I
 19 think they will listen, and I just want to thank
 20 them.
 21 I'm speaking for a lot of community
 22 members. Yes, there is a lot to do, and we will
 23 give the new general manager, Kent, a fighting
 24 chance to show that he can pull this off, and that
 25 he knows what he's doing. Because a lot have sold

15

1 businesses, had businesses, and we know how business
 2 are run. This is a GID, but it also has a lot of
 3 positive things that can come out of it.
 4 And I do hope that what was referred to as
 5 "The Angry Eight," that they are more positive and
 6 that they do not pick on people and become
 7 disrespectful.
 8 I look forward, with a new board, to a lot
 9 of respect to the community and to the members,
 10 because that's what was missing in the hierarchy in
 11 this last couple of years that I've lived here.
 12 Happy holidays to everyone, again, and
 13 good luck to the new board. I know you'll be
 14 successful.
 15 CHAIR SCHMITZ: Any online comments?
 16 MR. BELOTE: We do not, Chair.
 17 CHAIR SCHMITZ: Seeing that, we will close
 18 out initial public comments. Moving on to approval
 19 of the agenda.
 20 D. APPROVAL OF AGENDA
 21 CHAIR SCHMITZ: Staff has requested that
 22 consent calendar item F 3 be removed. Staff has
 23 received some new information and wants to do some
 24 additional due diligence before bringing this back
 25 to the Board. But I'll open -- are there any other

16

1 changes to the agenda?
 2 Seeing none, that will close that item
 3 out. Moving on to reports for the Board -- to the
 4 Board.
 5 E. REPORTS TO THE BOARD
 6 E 1. GM's Monthly Status Report
 7 CHAIR SCHMITZ: We'll turn over it over to
 8 the District Manager, Mr. Walrack. I'll let you
 9 begin discussing your report, and if you have
 10 additional staff members that you want to touch on
 11 anything, I'll leave that up to you.
 12 MR. WALRACK: I have officially been on
 13 the job now for one and a half weeks. This is been
 14 quite an education this past eight days.
 15 First, I'd like to thank Karen Crocker for
 16 all her assistance and assisting me in the first
 17 eight days. She's been really reaching out and
 18 doing everything she could to help me in this role.
 19 I would also like to thank her for everything she
 20 did as the interim general manager.
 21 Also, like to thank Erin Feore and the
 22 human resource team for welcoming me and getting me
 23 all settled in office and assisted me with all the
 24 paperwork to get started.
 25 My focus from day one has been centered on

17

1 the priorities I outlined in the 100-day plan that I
 2 presented during my interview. The priorities of
 3 the past eight days, first, have been departmental
 4 introductions. And so I was able to -- first order
 5 of business was get over to Public Works and spend
 6 time with Kate and walk the whole operation. It was
 7 really a great education, and it's quite amazing
 8 what they do.

9 Secondly, Diamond Peak. We opened up
 10 Thursday, December 5th, so I had to get over there
 11 and see it firsthand. I have to say, the food
 12 service operation was unbelievable. I had the chili
 13 and the hot chocolate on the line there, and coming
 14 from the food service world, I was really impressed
 15 with what Mike has done over there. It was great.
 16 Happen to run into Michelle over there. She was
 17 enjoying skiing on the first day, so it was great to
 18 see the public really enjoying the resort.

19 Spent time with the information technology
 20 with Mike, met his team in there. I was really
 21 excited with some of the talent we have down there.
 22 Some young, really aggressive managers down there,
 23 so I think with the right direction, we can make a
 24 lot of great progress.

25 Met with finance, Sue Griffith, really

18

1 trying to get centered around all of the issues that
 2 are going on. And as you'll see in my priorities as
 3 we continue, how we're really spending a lot of time
 4 in that area to start fixing the issues that we have
 5 there.

6 Parks and Recreation with Karen, what a
 7 facility we have over there. I actually utilize that
 8 facility a number of times during -- as I've lived
 9 here. It was great to see that again.

10 Spent time visiting with food and
 11 beverage, Evan, our executive chef, and really had
 12 great discussions with him. We've got a big brunch
 13 going on this weekend, so I'm going to spend some
 14 time up there and see their operation and see that
 15 event firsthand. Looking forward to that.

16 I mentioned HR.

17 Golf with Rob, we have a meeting next week
 18 to review all of the stats that he has for the past
 19 year, he's been putting them all together, I'm
 20 looking forward to getting and diving right in with
 21 that.

22 Then we're scheduling a session with
 23 marketing and communications to really spend some
 24 time there and get aligned with regards to our
 25 efforts there.

19

1 Next on my priority list was the finance
 2 accounting, focused work, and recruiting more
 3 resources to assist in the hiring a director of
 4 finance. Last week -- I know it was my first, maybe
 5 second day, I asked Erin, Hey, I need to see these
 6 resumes for the director of finance.

7 She gave me a big stack of resumes and it
 8 was later in the evening, I took them home and burnt
 9 the midnight oil that night. And I know as I'm
 10 looking at these resumes, I says, Look, we gotta to
 11 find somebody that has Nevada governance experience,
 12 lives in Nevada, has Tyler Munis experience, and has
 13 government auditing experience.

14 Those were the four things, that was the
 15 needle in haystack I was looking for as I was going
 16 through all these resumes. And so three of those 40
 17 resumes, boom, resume sticks out, check the box on
 18 all four of those items. And I was so excited that
 19 the next day I came back and got with Erin and said,
 20 Look, in analyzing this, this is a resource we need
 21 to get in here immediately. It may not be the
 22 director of finance, but we gotta get a resource in
 23 like this. Let's get an interview set up
 24 immediately.

25 We contact this candidate and we had the

20

1 interview. The specific details that this candidate
 2 had to Tyler Munis and all the issues that we're
 3 facing was so incredible that we -- working with the
 4 HR director and controller, we authorized -- or I
 5 authorized the hiring of a very well-qualified
 6 individual to work directly with the finance team to
 7 assist with the backlog of outstanding duties, while
 8 also assisting with Tyler Munis ERP updates.

9 This new employee has an extensive
 10 background working with both governmental finance
 11 departments and Tyler Munis ERP system. As such,
 12 she will be instrumental in helping identify
 13 deficiencies with current Tyler Munis ERP while also
 14 assisting in setting up appropriate workflows that
 15 will improve efficiencies and oversight of data
 16 entered.

17 She will start on Monday, December 16th.
 18 We're so excited to bring her in under special
 19 projects to work with the finance team and the ERP
 20 to bridge this gap because she has the knowledge on
 21 both ends, and we're really excited about getting
 22 this on our team, starting to contribute
 23 immediately.

24 In addition to that, there was about five
 25 other candidates and then director of finance

21

1 resumes that I pulled out. In comparing notes with
2 Erin, they were very similar to how they evaluated
3 the resumes as far as looking at conducting
4 interviews and keeping that search going on as well
5 as we're doing this. We're paralleling the path
6 and getting this moving.

7 Next object was to prioritize Tyler Munis
8 training. We've had three trainings already. We
9 have three more to be finished by December 29th.
10 And the sessions that have transpired have been very
11 productive. They assigned really good Tyler Munis
12 managers. And it was so funny, in the interview
13 that I had, we were talking about Tyler Munis and
14 the fact that we were having this particular manager
15 assigned to us, and the candidate said, Oh, yeah,
16 who did they give you?

17 We mentioned, and she knew them. That was
18 just excited to see.

19 And so we're all making good progress with
20 Tyler. The sessions are really -- been very
21 effective for us, and our staff is really feeling a
22 lot better about what's going on. We're looking
23 forward to that continuing.

24 The audit priorities, we did have to file
25 a 30-day extension, which has been requested with

22

1 the Department of Taxation, which has been sent and
2 approved. Our 2024 audit is now due on January 30,
3 2025, with the Department of Taxation.

4 With this new resource that we have to
5 assist in all of these areas, we're pushing the team
6 really, really hard to meet this deadline. I know
7 there has been some talk about whether or not that
8 was really feasible, so I actually put on a document
9 that February 28th, because I was scared at the time
10 when I was at that point looking at where we're at
11 and what we've done, but I'm feeling a lot better
12 about showing up and making sure this is done by
13 January 30th. I wanted to explain why I had 2/28 on
14 my document.

15 As I mentioned, just from all the venue
16 reports that we have in here, just a couple things I
17 mentioned as far as the opening of Diamond Peak.

18 And Karen Crocker wanted to make sure that
19 I reminded everyone to look at her holiday hour
20 schedule for the Rec Center during this holiday
21 season because she doesn't want anyone to show up on
22 Christmas or New Years Day when it's closed.

23 Thank you. This concludes my General
24 Manager report.

25 CHAIR SCHMITZ: Are there questions for

23

1 the General Manager?

2 TRUSTEE TONKING: So I have a couple
3 questions. You brought up that you hired this new
4 employee. What is the title? Is this a full-time
5 employee?

6 MR. WALRACK: It's temporary.

7 TRUSTEE TONKING: Okay. Perfect.

8 And then what was the funding source we
9 had for that position?

10 MR. WALRACK: I asked Erin with regards to
11 our strategy in that, and I was just given the
12 information that it was covered.

13 TRUSTEE TONKING: Okay. Is this taking
14 place of the other temp staff that we were going to
15 hire from the county? Do you know?

16 MR. WALRACK: I believe that effort is
17 still going on as well.

18 TRUSTEE TONKING: Okay. Do we have a
19 timeline on that effort?

20 MR. WALRACK: They have one candidate that
21 they are kind of excited about, and I believe
22 there's going to be an interview next week.
23 Hopefully that will occur and we can get that
24 resource up and running as well.

25 TRUSTEE TONKING: And then the timeline on

24

1 hiring the director of finance is still around that
2 1/15? You mentioned there's viable applicants
3 you're looking at?

4 MR. WALRACK: Yes.

5 TRUSTEE TONKING: And then in terms of the
6 audit, when -- because you mentioned you're a little
7 nervous, I'm a little nervous too about the January
8 30th. When do you have to request another extension
9 by?

10 MR. WALRACK: I'll have to get back to you
11 on that.

12 TRUSTEE TONKING: Okay. Thank you.

13 TRUSTEE TULLOCH: Just a couple things on
14 the -- when I went through the reports from your
15 staff, looking at page 29 of the packet in the Parks
16 and Recreation, parks, we're assisted with losing
17 operations at tennis/pickleball center? I thought
18 we managed to lose enough at the tennis/pickleball
19 center without any assistance.

20 MR. WALRACK: I think they left a "C" off
21 there. That was closing. I did point that out.

22 TRUSTEE TULLOCH: A couple of things.
23 Again on page 26, I'm a little bit surprised, the
24 statement under IVGID magazine, "During December, we
25 have a brief break from IVGID magazine content

25

1 production as the next edition doesn't come out
 2 until April, 2025."
 3 I'm sure Mr. Raymoore has assured us every
 4 time we've questioned the IVGID Magazine that it
 5 only takes a negligible amount of time, so this
 6 doesn't seem to tie in with that.
 7 The other one is -- this is for
 8 Mr. Raymoore and Mr. Bandelin -- at the bottom of
 9 page 25, the planning for last tracks ticketing
 10 lottery. As I understood last year, the lottery for
 11 last tracks, the pass holders, was a one-time, and
 12 one person, whoever was drawn, got to take themself
 13 and a partner to all of the last tracks. I made a
 14 suggestion that it should be open to -- instead that
 15 it should be drawings, several pass holders can have
 16 the opportunity. Perhaps you can check up on that
 17 one.
 18 MR. WALRACK: Okay.
 19 TRUSTEE TULLOCH: On page 26 on HR, it
 20 says, "The senior engineer position is still open."
 21 I thought that had been filled?
 22 MR. WALRACK: When I read the venue report
 23 and read Kate's report, I did take note of that, so,
 24 yeah. Thanks for pointing that out. I'll
 25 straighten it out.

27

1 MS. NELSON: I'm here to provide you an
 2 update with the skate park project.
 3 Based on the meeting with the Committee of
 4 Local Government Finance, it was made clear that the
 5 general fund CIP projects were not budgeted
 6 correctly. Therefore, there's no funding in
 7 project -- for the skate park project in fiscal year
 8 '25.
 9 During the budget process, staff was
 10 originally directed to re-budget all of the
 11 projects. When we brought it to the Board, there
 12 was confusion at the Board level, and the prior
 13 management was not able to effectively communicate
 14 the direction they were trying to go and they
 15 quickly changed the method back to the carryforward
 16 method.
 17 As we now know in the general fund, there
 18 is no carrying forward; you have to rebudget the
 19 projects. And so that is the reason why there is no
 20 funding this year.
 21 I've reached out to Washoe County to talk
 22 to them about the grant because this is an ARPA
 23 grant. They have until December of 2026 to expend
 24 the funds. I've put in the amendment request to
 25 utilize the grant by October of 2026. We've redone

26

1 TRUSTEE TULLOCH: That was all. Thank
 2 you.
 3 CHAIR SCHMITZ: Any other questions?
 4 I have a couple of things that I want to
 5 make sure that you add to your timeline at some
 6 point, and that's identifying the priorities out of
 7 the RubinBrown findings and creating some sort of a
 8 prioritization list and a timeline of how those
 9 things are going to be addressed.
 10 And also one of the things -- and I
 11 believe it might be on the long range calendar for
 12 January, and that is to address the findings from the
 13 food and beverage report. And I believe that Ms.
 14 Crocker had put that on the agenda -- on the long
 15 range calendar for late January.
 16 MR. WALRACK: Duly noted.
 17 CHAIR SCHMITZ: Other than that,
 18 congratulations on starting to get some real
 19 traction in the finance department.
 20 MR. WALRACK: Thank you.
 21 CHAIR SCHMITZ: Moving on to item E 2.
 22 E 2. Skate Park Update
 23 CHAIR SCHMITZ: Report and update on the
 24 status of the skate park project on pages 39 through
 25 40 of the Board packet.

28

1 the project schedule, and we feel like we can
 2 confidently say that this project can be completed
 3 by that deadline.
 4 What will happen is we will bring it back
 5 during the budgeting process to be rebudgeted. Once
 6 it's approved, then in July we can move forward with
 7 the project. We've got the 30-percent designs done.
 8 We will come to the Board to determine which project
 9 you're going to move forward with. The 100-percent
 10 design documents and then the construction documents
 11 will be worked on. It will be permitted over the
 12 fall/winter of 2025 for construction beginning in
 13 the May 1 of 2026.
 14 At this time, I'll turn it over to
 15 questions.
 16 TRUSTEE TULLOCH: Perhaps you can clarify
 17 what the confusion among the Board was, because
 18 having chaired most of the budget meetings, I
 19 certainly wasn't confused because we approved all
 20 the individual projects that were on the CIP.
 21 Perhaps you can clarify what the Board
 22 confusion was.
 23 MS. NELSON: During the meeting
 24 discussion, there was confusion as to we had
 25 presented the fiscal year '24 projects, and then had

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1 fiscal '25 projects. The initial CIP spreadsheet
 2 that was brought to the Board just showed fiscal
 3 year '25 projects and it included all of the
 4 projects that were going to be continued.
 5 That was a confusing point for the Board
 6 because -- and you were one of the people that kept
 7 saying, "We budgeted \$500,000 in '24 and we're
 8 adding to it," and that's not the intent. And,
 9 unfortunately, it wasn't communicated well so
 10 everybody understood.
 11 When we talk about rebudgeting, it's
 12 basically you think of you're taking your money that
 13 you didn't spend in fiscal year '24, it's going back
 14 to the fund, and then you're rebudgeting it for '25.
 15 That was the confusion.
 16 I went through the meetings. I have
 17 identified some of the -- like where it started, the
 18 discussion, it was kind of convoluted because we
 19 weren't only talking about the CIP at that time, but
 20 they were also talking about personnel.
 21 If you have specifics, I can go through
 22 the meeting minutes if you'd like, but that's the
 23 main confusion, I think. The Board thought that we
 24 were adding to the budget in '25.
 25 TRUSTEE TULLOCH: I don't recall -- yes, I

30

1 recall asking that, why we're budgeting for it
 2 twice, but I don't think it's the Board that didn't
 3 rebudget it. The Board approved that money going in
 4 to the budget, is my recollection, and I see my
 5 colleagues nodding along there because Vice Chair
 6 Dent was there at the same time.
 7 It's not the Board that does the financial
 8 transactions in it, so I'm a bit confused -- what --
 9 I'm confused now why you think the Board was
 10 confused. The Board was quite clear: We're
 11 appropriating \$500,000 for the skate park.
 12 The question I asked at the time is, Why
 13 we were appropriating \$500,000 when we were getting
 14 \$250,000 back from the ARPA fund? That was the
 15 question I raised at the time.
 16 MS. NELSON: Well, and I think you got
 17 your answer that it's a reimbursement grant, so we
 18 to have to those funds to be able to expend them and
 19 get them reimbursed.
 20 TRUSTEE TULLOCH: Correct. To be clear,
 21 as a board member, I was not confused about what we
 22 were putting in the budget. If there's something
 23 else that's happened from the finance team during
 24 this process, that's not board confusion. The Board
 25 approved these projects.

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1 MS. NELSON: So what happened was once we
 2 presented that, the previous management went back to
 3 the carryforward. The final CIP plan that you
 4 received on May 30th showed fiscal year '24, with
 5 those budgeted amounts, and then fiscal year '25.
 6 And based on discussions with Josh Foley, with the
 7 subcommittee, he clearly said that it needed to be
 8 in the column of fiscal year '25.
 9 And previous management, of course, it
 10 didn't happen that way.
 11 TRUSTEE TULLOCH: Perhaps our manager was
 12 confused over this.
 13 MS. NELSON: Yeah. And they couldn't
 14 effectively communicate it.
 15 TRUSTEE TULLOCH: Yeah. I don't think
 16 this was board confusion. Thank you.
 17 TRUSTEE TONKING: I was just going to
 18 elaborate on that because I went back and watched
 19 the meeting and then looked at the meeting minutes.
 20 It appears -- because it got confusing
 21 because Chair Schmitz asked, the water, the water
 22 main, we were talking about water, that it's not
 23 included, it would be \$100,000, having included
 24 before. And that's where Adam -- Mr. Cripps at the
 25 time had said, Well, we have to include both.

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1 Then it seems like as we talked more that
 2 there was this was confusion on whether we could
 3 carry forward or not carry forward, and we can only
 4 carry forward our enterprise, that's why it worked
 5 on some and didn't work on others. Is that the
 6 correct understanding?
 7 MS. NELSON: Basically what I've learned
 8 from Mr. Foley is that there is really no
 9 carryforward, even in enterprise funds, we should
 10 really be rebudgeting it. But the enterprise funds
 11 are more flexible than the general fund, and that's
 12 the trouble that we're running into with the skate
 13 park.
 14 TRUSTEE TONKING: Are we going to run into
 15 this problem, then, with other projects that were in
 16 our enterprise funds that we thought we were going
 17 to carry over?
 18 MS. NELSON: No. Because like I said, the
 19 enterprise funds are a lot more flexible in the way
 20 you are able to budget and move those monies around.
 21 So I was able to verify that on Friday with
 22 Mr. Foley.
 23 TRUSTEE TONKING: Thank you.
 24 MR. RUDIN: And just to clarify that,
 25 there is a provision of NRS Chapter 354 that states

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1 that unexpended money at the end of the fiscal year
2 goes back into the fund.
3 So you really do have to put it into the
4 next year's budget.
5 CHAIR SCHMITZ: Any other questions?
6 I just have a question. Has the District
7 applied for any additional ARPA funds? I've read
8 that the county has awarded additional ARPA funds
9 to -- I think it was -- Sun Valley for paving
10 projects and that sort of thing, and I was surprised
11 by that.
12 Are we taking any action for additional
13 ARPA funds?
14 MS. NELSON: We haven't. The county has a
15 deadline of December 31st this year to see where all
16 the projects are.
17 They were very clear with me that if we do
18 not rebudget this in May, that we need to let them
19 know because they will reallocate it to other
20 projects.
21 MR. RUDIN: What I understand from BBK's
22 own lobbyist is that all of the funding that you
23 received for ARPA has to be either spent or
24 obligated. You have to have a contract that
25 requires it to be spent by December 31st of this

35

1 or that we are lacking resources at this time.
2 Yellow is that we are planning on
3 beginning that project within the fiscal year.
4 Green is in progress. Purple is delayed. And then
5 I have like an orange color that just represents the
6 projects that are -- have been moved to the
7 operating budget but they are still projects on this
8 list.
9 So with that, I will turn it over for any
10 questions, and then I do have some discussion points
11 that I'm after from the Board.
12 TRUSTEE DENT: What -- as far as no
13 available resources, are we talking about there
14 isn't staff to run the project?
15 MS. NELSON: Correct.
16 TRUSTEE DENT: So we budgeted for it but
17 we don't have the manpower to even carry out
18 projects, so we were a little ambitious with our
19 budgeting again.
20 MS. NELSON: Correct. The good news is
21 that, to your point, the senior engineer position is
22 filled. He will start on January 6th, and we've got
23 his to-do list ready to go.
24 TRUSTEE DENT: Okay. And as far as --
25 have you identified -- what were the ones that were

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1 year.
2 CHAIR SCHMITZ: I'm just suggesting that
3 staff reach out to the county because there might be
4 funds that have been freed up, because I did see
5 that there was like \$100,000 or something that Sun
6 Valley was awarded for paving.
7 We could use some of that at our parking
8 lots too.
9 MS. NELSON: Right.
10 CHAIR SCHMITZ: Thanks for explaining this
11 and taking the time to delve into details. Thank
12 for that.
13 Moving on to E 3.
14 E 3. '23/'24 Capital Improvement Project
15 Report
16 CHAIR SCHMITZ: Review, discuss the fiscal
17 '23/'24 capital improvement project report on pages
18 41 through 46.
19 MS. NELSON: This strictly is a status
20 report. Because finance is focusing on the audit, I
21 did not present any financials, but this gives you
22 an idea of where the projects are in the process.
23 They are basically broken up into various
24 categories, whether they are on hold or not started,
25 and that is broken up to whether it's a budget issue

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1 blank again? What's that mean?
2 MS. NELSON: If you look at, for instance,
3 like the HHW chemical storage building, but it's
4 blank in '23/'24 because that wasn't there, but --
5 TRUSTEE DENT: It was another year. Got
6 it.
7 MS. NELSON: -- it's moving forward.
8 TRUSTEE DENT: I think this is the first
9 time we've seen this sort of layout, so wasn't
10 familiar with it. Thank you.
11 CHAIR SCHMITZ: I'm going to back us up
12 and ask a question. If we're done with the
13 30-percent design for the skate park, when were we
14 going to see that 30-percent design? Because we
15 haven't even seen that, and I think you said that
16 that's been completed.
17 MS. NELSON: Correct. And it was brought
18 to the Capital Investment Committee. I forget when
19 we had that meeting. They've seen that. And then
20 it was determined that we don't have the funds to
21 work on the project, so we haven't brought it
22 forward to the Board.
23 If the Board would like to see the design
24 where it stands, we can certainly bring that back.
25 But, again, we can't move it forward.

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1 CHAIR SCHMITZ: I understand. But it
 2 might be good to bring it back to the Board so that
 3 they can provide any input and not slow the process
 4 down by waiting. So I suggest -- unless there's
 5 something that the CIC committee has been asking
 6 for, I don't know the status of that.

7 But I think if you can just bring it back
 8 to the Board, it helps to make sure the project is
 9 moving quickly, because I don't think anyone on the
 10 Board has seen it.

11 TRUSTEE TULLOCH: The CIC reviewed it, I
 12 think it was back in October, so all the information
 13 is in the CIC packet.

14 The CIC recommended it be brought directly
 15 to the Board, it was ready to go, because we
 16 actually had a big turnout at the CIC that day. We
 17 had a bunch of youngsters actually came up and made
 18 public comment on it.

19 CHAIR SCHMITZ: Yeah, my only point is
 20 that if there's any revisions or if board members
 21 want to see something, there's at least some time to
 22 to do that.

23 Unless you're saying that staff isn't
 24 allowed to expend any time on it either.

25 MS. NELSON: We can bring it back to the

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1 Board. It's just that at that time, we can't ask
 2 the consultant to do any more work.

3 CHAIR SCHMITZ: Correct. I understand.
 4 I have a couple of -- I'm sorry. Were
 5 there others that wanted to chime in with questions?
 6 I just have a couple of things that I
 7 wanted to be sure that we are handling consistently
 8 because I read things under the heading of
 9 "Utilities." The third one down, "pavement
 10 maintenance," and that isn't color coded as
 11 maintenance; it's color coded as a CIP project. And
 12 then a few lines down, there's, again, "pavement
 13 maintenance."

14 And then further down there's water meter
 15 replacements that are considered expense items, but
 16 yet then the fire hydrant replacement isn't expense.

17 I think that this has been one of issue I
 18 think Mr. Dobler has brought up is that consistency
 19 on how we're expensing things and what we're
 20 capitalizing. There's a number of things,
 21 especially when it's paving maintenance, I'm not
 22 sure why it's color coded as a CIP.

23 MS. NELSON: I will tell you, the third
 24 one down on the utilities is actually a
 25 reconstruction at the Public Works building, it just

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1 isn't named that.

2 CHAIR SCHMITZ: Maybe name it that way.

3 MS. NELSON: Yeah. We'll make sure that
 4 our titles accurately reflect that.

5 CHAIR SCHMITZ: Yeah. Because it leads
 6 somebody to say this is not a capital improvement,
 7 this is maintenance, and it should be expensed.

8 MS. NELSON: Yeah.

9 CHAIR SCHMITZ: Underneath the general
 10 fund, there's the website redesign and upgrade, and
 11 it's color coded green. I think, perhaps, it should
 12 be purple because I believe it's, according to the
 13 report from the marketing department, sitting sort
 14 of on ice waiting for, I think, input from the
 15 General Manager.

16 And I'm very concerned about these IT
 17 projects not having the resources. When I looked at
 18 we're not upgrading our controllers and our -- I
 19 think it was even some of the firewall, I mean, we
 20 need to look at what resources are needed because
 21 our IT infrastructure is important. We run on the
 22 IT infrastructure. I think that's something that
 23 needs to be looked at.

24 And to Trustee Dent's point, we budgeted
 25 for these things, we budgeted for them, and now

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1 we're being told, well, we can't do them because we
 2 don't have the resources. Either we shouldn't be
 3 budgeting for them or we need to get the resources
 4 because our IT infrastructure runs all of our
 5 businesses.

6 But I think your format looks great. I
 7 know you have some decision points that you want to
 8 go through, so I'm going to hand it back to you and
 9 let you ask the Board your questions.

10 MS. NELSON: Generally in the past, this
 11 has been brought forward on a quarterly basis, and
 12 if the Board would like to see just the status
 13 report, we can certainly do that on a monthly basis.
 14 I'm looking for a reporting frequency that the Board
 15 would like to see moving forward.

16 TRUSTEE TULLOCH: I would think, given our
 17 short construction season, the status report needs
 18 to be monthly. Getting it quarterly, we could be
 19 completely out of construction season by the time we
 20 see some issues. I would certainly like to see the
 21 status report monthly.

22 MS. NELSON: Anything else?

23 TRUSTEE TULLOCH: I mean, how difficult is
 24 it to provide the financial report at the same time?
 25 Because that also gives us an indication of whether

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1 we're actually on track, on budget. Not just on
 2 track on time, but also on track on budget. They
 3 are both critical elements.
 4 MS. NELSON: They are critical elements.
 5 You're right. That's going to be determined on
 6 accounting, once they get caught up, then we'll been
 7 able to pull accurate financials.
 8 We do have it set up, like we showed in
 9 the CIC meeting, the project central, and that's
 10 moving forward. I know they got additional training
 11 on that in these three trainings, so I think that
 12 will be a function. It's just not quite ready for
 13 prime time yet.
 14 TRUSTEE TULLOCH: We should have a target
 15 for it. I think if we're going to report status,
 16 the financials for this project that we're reporting
 17 the status on should come at the same time, unless
 18 you've got a hundred different projects that are
 19 there, I mean, the status updates only needs to be
 20 where there's been some progress. Same with the
 21 financials, if there's no money being spent, it's a
 22 no-brainer.
 23 I would suggest we do it monthly.
 24 MS. NELSON: Okay.
 25 CHAIR SCHMITZ: And just know the reason

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1 why we haven't been seeing these reports is mainly
 2 because Director of Public Works hasn't had the
 3 financial information. And I said, "Just give us a
 4 status report so we know what staff is working on,
 5 we know what's going on at least," so she put this
 6 together for us. And, from my perspective, it makes
 7 it much easier to scan through and pinpoint the
 8 areas where there's concern.
 9 I like how you have it flagged. It's very
 10 helpful.
 11 MS. NELSON: Just to follow up on that,
 12 each project manager is monitoring the project. But
 13 unless we see it come from accounting, we can't say
 14 that we're on target or everything jives. I don't
 15 want to bring something to the Board that is not
 16 accurate with that they're seeing.
 17 That's why I'm hesitant to bring numbers
 18 at this point.
 19 TRUSTEE TULLOCH: I would suggest there's
 20 not -- I think we need to feel -- they need to feel
 21 open in presenting their number because, you know,
 22 having run projects on the past, I'm old enough to
 23 remember the days before computers when you still
 24 had to do it -- I was going to say "spreadsheet," we
 25 didn't have spreadsheets either. You did it on the

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1 back of an envelope. I was usually able to get my
 2 reports, my own estimates pretty close to it.
 3 I would certainly encourage them to come
 4 up with their own estimates because if the project
 5 manager thinks it's going pear shaped, the sooner he
 6 flags that up the better, even if it's a false
 7 alarm. Again, we have a very limited season, so I
 8 think it's important to get timely information.
 9 And I think -- I can't speak for the rest
 10 of my colleagues, but I'm sure the Board would be
 11 happy to see their off numbers. It's better than
 12 seeing nothing in terms of that.
 13 Also a follow-up question. Where we have,
 14 showing the FY '23/'24 status, it doesn't show
 15 complete and then it's showing a blank in the FY
 16 '24/'25 status, is that because the funding wasn't
 17 carried over? What's happened to the funding that
 18 was originally provided?
 19 MS. NELSON: If you look at the water
 20 replacement, Ponderosa Ranch Road, it didn't begin,
 21 the funding wasn't allocated until fiscal year '25.
 22 We had Alder Avenue in fiscal year '24,
 23 and you'll see that was completed in '24.
 24 TRUSTEE TULLOCH: Yeah. And if I look
 25 under "Parks," "pavement maintenance, underflow

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1 parking budget restriction," and nothing in FY
 2 '24/'25. So if it's showing in '23/'24, there must
 3 have been funds allocated in '23/'24.
 4 MS. NELSON: There may have been, there
 5 may not have been, actually.
 6 The pavement maintenance is an annual
 7 maintenance program. Whether we do all of it at
 8 every single venue, we haven't done that. We've
 9 done -- identified what needs to be cut out and
 10 replaced, patched, crack sealed, filled, and then
 11 slurry sealed.
 12 TRUSTEE TULLOCH: Are some of these
 13 projects, they don't actually exist as projects in
 14 that case?
 15 MS. NELSON: They are proj- -- and this is
 16 where in our world they're projects, but they are
 17 expense projects, so that actually goes to my -- one
 18 of my decision points is do you want to see those
 19 separately?
 20 Right now, I have, basically, our project
 21 list, this is what we're running off of, whether
 22 it's expensed or capitalized. If you want to see
 23 those separate, tell me, and we'll show that to you.
 24 TRUSTEE TULLOCH: Personally I believe you
 25 do. I've never understood why we're reporting

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1 expense projects on a capital report. It makes very
 2 little sense to me.

3 Coming back to my previous question. If I
 4 look at the general fund, say the fiber installation
 5 placement, it's showing as "resource limited," does
 6 that mean there's was money allocated for it in
 7 '23/'24?

8 MS. NELSON: Correct.

9 TRUSTEE TULLOCH: And so that was money we
 10 allocated and then was never applied?

11 MS. NELSON: I believe so.

12 TRUSTEE TULLOCH: So that just went back
 13 into fund balance in terms of that?

14 MS. NELSON: I believe so.

15 TRUSTEE TULLOCH: Okay. Thank you.

16 TRUSTEE TONKING: I was just going to
 17 answer your capital project and expense, maintenance
 18 project. I actually think -- I'm going to be
 19 different than Trustee Tulloch and say I would just
 20 add another column and you can write if it's capital
 21 or an expense slash maintenance, and we can scan it
 22 that way. I just think it's nice to have it all in
 23 one place because a lot of these are great projects,
 24 we just need to know where they are, (inaudible),
 25 it's just easier.

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1 previous question, can you go through this list and
 2 report back to the Board which projects have budget
 3 provided in '23/'24 and have not been started, that
 4 are not moving forward? I think that's the key
 5 concern the Board has had in the past, and we went
 6 through the same thing this budget cycle. We were
 7 assured all the projects that were being proposed
 8 could be completed.

9 I'd like to understand what the total
 10 value of funds that we've collected for these that
 11 have not been started is.

12 MS. NELSON: Okay.

13 CHAIR SCHMITZ: And to that point, I am
 14 going to reask the same question.

15 Looking at the network closet upgrades, we
 16 had it budgeted for '23/'24, it didn't get
 17 accomplished, and then we never budgeted for it
 18 again -- which brings up my concern about we need to
 19 maintain our IT infrastructure -- that's how I'm
 20 reading this report, is that we budgeted for it in
 21 the past year, and then we didn't have the resources
 22 so we, then, didn't budget for it any longer. That
 23 doesn't mean that it doesn't still need to be
 24 upgraded.

25 That's why I'm bringing this to Mr.

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1 CHAIR SCHMITZ: Any other comments or
 2 questions?

3 I would agree. Just call it the "Project
 4 List," because we do want to know the maintenance
 5 that's going on, because the Board is very concerned
 6 about making sure our venues are maintained.

7 I like your color coding, that's fine, but
 8 just notice that there are a lot of those that
 9 aren't colored that way and the "maintenance" word
 10 is used.

11 And the other question I have is did we
 12 make a decision that we're replacing Snowflake
 13 Lodge? It says "replace Snowflake Lodge" on the
 14 bottom of page 44 under "Ski."

15 MS. NELSON: That actually, replace
 16 Snowflake Lodge, and then there was, I believe,
 17 whether it was needs assessment or something,
 18 there's a part of that title that is off.

19 Again, this does need to be cleaned up to
 20 reflect the actual, what we're calling "the
 21 projects," but that project is for the needs
 22 assessment of Snowflake Lodge.

23 CHAIR SCHMITZ: Okay. Thank you for that
 24 clarification.

25 TRUSTEE TULLOCH: I say, come back to my

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1 Walrack's attention.

2 TRUSTEE TULLOCH: Yeah. It also means
 3 we've overbudgeted again this year because we'd
 4 assumed these monies were going to be spent and
 5 they've not now been spent, and we set our budget to
 6 fund all these things. It means that yet again
 7 we've overbudgeted not just for the projects that we
 8 agreed this year that are not going to be started,
 9 but for the projects that we approved money for
 10 last year and collected money for last year that are
 11 not moving forward.

12 TRUSTEE DENT: I do just have a follow-up
 13 question to my earlier question, and you guys are
 14 starting to dive a little bit deeper into that.

15 As far as the "Replace 1966 Snowflake
 16 Lodge," it's in yellow, and that's due to begin
 17 within the fiscal year of '23/'24.

18 And that's -- I'm just trying to like --
 19 where does that go?

20 MS. NELSON: I get your point. It should
 21 have -- I guess I should have carried the yellow
 22 over. Right?

23 TRUSTEE DENT: Yeah. And that's kind
 24 of -- they've kind of dove into it a little bit
 25 deeper. I thought I was maybe understanding what I

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1 was reading.

2 Yeah, it seems like it disappeared. And I

3 think that's why Trustee Tulloch's asking for what

4 he's asking for, a little bit more detailed, because

5 we're not sure if we're running into an issue where

6 something wasn't budgeted and there was a screwup

7 with the prior management as far as where the

8 resources went or if we're just not understanding

9 the new format that we're seeing.

10 MS. NELSON: Well, I do appreciate your

11 feedback because as one set of eyes looks at it,

12 makes sense to me, but --

13 TRUSTEE DENT: And you are closer to all

14 this than us. We're just trying to get a little

15 glimpse.

16 CHAIR SCHMITZ: Thank you for putting the

17 effort into this. It has been helpful and

18 informative, and hopefully we've given you some good

19 input and feedback.

20 Oh, Trustee Tulloch has another comment.

21 TRUSTEE TULLOCH: Yeah. One last thing.

22 I'm looking at the Diamond Peak venue report and it

23 talks about the -- there's a RFQ going out for the

24 needs assessment. That means we have money in this

25 year for that?

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1 MS. NELSON: I think what's going to have

2 to be done is that we will have to come back to the

3 Board and take the money out of the community

4 services fund and allocate it to that job for fiscal

5 year '25.

6 That will have to be done first, and then

7 we can proceed with moving forward.

8 TRUSTEE TULLOCH: Thank you.

9 MS. NELSON: There is going to be cleanup

10 throughout the enterprise fund as well.

11 CHAIR SCHMITZ: Seeing no more comments,

12 thank you very much for this. Hopefully this will

13 set the new board on a good course for understanding

14 where we are with our projects.

15 Moving on to -- we'll do consent calendar,

16 and then we'll take a break before the public

17 hearing, if that's okay.

18 F. CONSENT CALENDAR

19 F 1. Meeting Minutes, 10/30/2024

19 F 2. Meeting Minutes, 11/13/2024

20 CHAIR SCHMITZ: Motion on the consent

21 calendar?

22 TRUSTEE DENT: I'll move to accept the

23 consent calendar as approved.

24 TRUSTEE TULLOCH: I'll second.

25 CHAIR SCHMITZ: Just we are excluding item

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1 F 3.

2 TRUSTEE DENT: Yeah.

3 CHAIR SCHMITZ: Motion's been made and

4 seconded. All those in favor?

5 TRUSTEE TONKING: Aye.

6 TRUSTEE TULLOCH: Aye.

7 TRUSTEE NOBLE: Aye.

8 TRUSTEE DENT: Aye.

9 CHAIR SCHMITZ: Aye.

10 Motion passes, 5/0. We will take a break

11 until 7:10 and come back and begin the public

12 hearing.

13 (Recess from 7:02 p.m. to 7:10 p.m.)

14 CHAIR SCHMITZ: We will call the meeting

15 back to order. We will begin with the opening of

16 the public hearing.

17 G. PUBLIC HEARING

18 CHAIR SCHMITZ: That is agenda item G.

19 I'll ask someone to make a motion to open the public

20 hearing, please.

21 TRUSTEE DENT: I'll move to open the

22 public hearing.

23 CHAIR SCHMITZ: And a second?

24 TRUSTEE TULLOCH: I'll second.

25 CHAIR SCHMITZ: Motion's been made and

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1 seconded. We will open the public hearing.

2 Right now we will take any public comments

3 specific to the agenda item, which is the public

4 hearing for the possible approval of a proposed

5 one-year extension of the collective bargaining

6 agreements with the Operating Engineers Local Union

7 No. 3, Skilled Workforce Bargaining Unit,

8 Supervisors Bargaining Unit, and the Superintendents

9 Bargaining Unit.

10 Do we have any public comments? Any

11 online? One. Go ahead, please.

12 MS. KNAAK: Oh, hi. It's Yolanda. I'll

13 pass. I was listening to the meeting. Thank you.

14 CHAIR SCHMITZ: Are there any other, Matt?

15 MR. BELOTE: There is not, Chair.

16 CHAIR SCHMITZ: Seeing no other public

17 comments, we will move on and ask for a vote on the

18 proposal.

19 TRUSTEE TONKING: Do we have to close the

20 public hearing?

21 CHAIR SCHMITZ: It says, "After public

22 comments are made, the Board members need to make a

23 motion" -- yep, you're right -- "to close the public

24 hearing." Sorry.

25 TRUSTEE TONKING: I move to close the

53

1 public hearing.

2 CHAIR SCHMITZ: Second?

3 TRUSTEE DENT: I'll second.

4 CHAIR SCHMITZ: Motion's been made to

5 close it. All those in favor?

6 TRUSTEE TONKING: Aye.

7 TRUSTEE TULLOCH: Aye.

8 TRUSTEE NOBLE: Aye.

9 TRUSTEE DENT: Aye.

10 CHAIR SCHMITZ: Aye.

11 Now I'll ask the Board if anyone would

12 care to make a motion?

13 TRUSTEE TONKING: I move that the Board of

14 Trustees accept all three bargaining unit letters as

15 provided in this board packet.

16 CHAIR SCHMITZ: Motion's been made.

17 TRUSTEE TULLOCH: I'll second.

18 CHAIR SCHMITZ: It's been seconded. Any

19 discussion?

20 I would like to just thank everyone

21 involved in this. This was probably the smoothest

22 process, and I want to thank Erin Feore, Director of

23 HR, and also Scott Abbott. It was very helpful and

24 was very smooth for the Board, and I just want to

25 say thank you. And thank you to all of the valued

55

1 attorney to attend hearings as necessary. They also

2 monitor our claims, help us appeal any of the

3 decisions that have been made that we believe that

4 are unfairly decided. And then they also stay on

5 top of a lot of the up-and-coming decisions,

6 legislation decisions.

7 I noted in my memo some of the things that

8 we're watching for. Specifically, an evaluation of

9 the White and Bennet plan rewrite, and the Nevada

10 State unemployment changes. We know that the

11 taxable wage base is going up, so that could impact

12 us. We're looking at a 4.1 percent increase.

13 I will say thanks to the work that we do

14 with them and the HR team's active involvement in

15 monitoring these claims, we have been very fortunate

16 to see a second year of decreases, and so we did

17 have a six percent decrease for -- or an overall

18 \$6,300 decrease of fixed fees for calendar year '24

19 moving into '25.

20 I'm happy to answer any questions.

21 CHAIR SCHMITZ: Any questions for Director

22 Feore?

23 Seeing none, Trustee Tonking?

24 TRUSTEE TONKING: I move that the Board

25 approve the contract award to First NonProfit for

54

1 employees who are impacted by this agreement.

2 I will now ask for a vote. All those in

3 favor?

4 TRUSTEE TONKING: Aye.

5 TRUSTEE TULLOCH: Aye.

6 TRUSTEE NOBLE: Aye.

7 TRUSTEE DENT: Aye.

8 CHAIR SCHMITZ: Aye.

9 Motion passes, 5/0. Thank you, all.

10 Moving on to general business.

11 H. GENERAL BUSINESS

12 H 1. First NonProfit Contract Award

13 CHAIR SCHMITZ: Review, discuss, and

14 possibly approve a contract with First Nonprofit,

15 the District's third-party administrator for

16 unemployment claims, the annual contract for

17 calendar year 2025, in the amount of \$206,400.

18 I will turn the floor over to Director of

19 Human Resources, Erin Feore. On pages 384 through

20 422.

21 MS. FEORE: We are asking to renew our

22 contract with First NonProfit. Again, this is an

23 agency that we have worked with for decades now, and

24 they work very closely with us on unemployment

25 claims. They provide services that allow for an

56

1 plan year 2025 in the amount of \$206,400.

2 CHAIR SCHMITZ: A motion's been made.

3 TRUSTEE DENT: I'll second.

4 CHAIR SCHMITZ: And seconded. All those

5 in favor?

6 TRUSTEE TONKING: Aye.

7 TRUSTEE TULLOCH: Aye.

8 TRUSTEE NOBLE: Aye.

9 TRUSTEE DENT: Aye.

10 CHAIR SCHMITZ: Aye.

11 Thank you.

12 MS. FEORE: Wow, that was the easiest.

13 Thank you.

14 CHAIR SCHMITZ: Next up, hopefully -- here

15 she is, the person I was looking for.

16 H 2. Water Main Replacement, Ponderosa Ranch

17 Road

18 CHAIR SCHMITZ: This begins on page 423

19 through 433. It is review, discuss, and approve a

20 construction agreement for capital improvement water

21 main replacement, Ponderosa Ranch Road, fiscal year

22 '24/'25, utilities, in the amount of \$596,610.50

23 with FW Carson Construction.

24 MS. NELSON: This is a continuation of our

25 ongoing water main replacement program. Ponderosa

57

1 water line is an old, steel line from the 60s. Our
 2 pipeline crew is consistently out there repairing
 3 leaks. I did share one photograph, and in that
 4 photograph, about 15 linear feet of pipe, you can
 5 see that there are actually four repairs in that
 6 area. Those repairs were done at separate times,
 7 but that's the basic condition of this pipe.
 8 With that, I'll turn it over to the Board.
 9 If any questions, I'm here to answer.
 10 CHAIR SCHMITZ: Any questions?
 11 TRUSTEE TULLOCH: In terms of the District
 12 design and the -- is that being capitalized as well?
 13 MS. NELSON: I believe that's a question
 14 for accounting, how they are going to handle that.
 15 We do have it separate in the costs, so they will be
 16 doing that as part of their work.
 17 TRUSTEE TULLOCH: Yeah. Because you're
 18 requesting -- it's capital money that's being
 19 requested here?
 20 MS. NELSON: This is capital improvement
 21 plan money, yes. We are requesting that we utilize
 22 the \$596,610.50 for the waterline replacement.
 23 The design has already been done, and that
 24 was staff done. Those funds, will be -- it will be
 25 up to accounting if they are capitalizing it or

58

1 expensing it. I'm assuming they are expensing it.
 2 TRUSTEE TULLOCH: Yeah. It should be
 3 under our capitalization policy. There's no project
 4 until -- before it. Okay. Thanks.
 5 CHAIR SCHMITZ: Any other questions?
 6 Ms. Nelson, I just want to say thank you.
 7 I like how in the financial impact and budget
 8 section you're identifying where and how things are
 9 being covered in the budget. I think that is great.
 10 If you could also add just a comment --
 11 and maybe it's a heading that we should add -- to
 12 say that legal has reviewed this. Has legal
 13 reviewed this and approved this contract?
 14 MS. NELSON: That is under Section 6
 15 comments.
 16 CHAIR SCHMITZ: Oh, thank you. I did miss
 17 that. That was my only question.
 18 Again, very thorough, so thank you for
 19 that.
 20 MR. RUDIN: In terms of comments on this
 21 agenda item, I will note that your recommendation
 22 for action includes authorization for staff to
 23 execute change orders for additional work for up to
 24 60k. I would recommend that that motion be amended
 25 to actually specify which staff, so either the

59

1 Director of Public Works or the District General
 2 Manager.
 3 TRUSTEE TULLOCH: That's sensible. That
 4 makes sense.
 5 CHAIR SCHMITZ: Is it the recommendation
 6 that it would be the General Manager sign this?
 7 MR. RUDIN: I will defer to the General
 8 Manager and to the Director of Public Works as to
 9 who is typically knowledgeable and appropriate.
 10 MS. NELSON: I would have to tend to agree
 11 that I am more knowledgeable and appropriate for
 12 those types of change orders for review and
 13 approval.
 14 TRUSTEE TULLOCH: Can you advise the
 15 Board, what sort of format does the change order
 16 take? Is there a formal request made? I'm assuming
 17 you have a formal request made and an audit trail
 18 for that?
 19 MS. NELSON: Correct. There's a formal
 20 request and then all of the back-up material is a
 21 part of the change order.
 22 TRUSTEE TULLOCH: Okay. Slightly strange,
 23 do you know offhand just what our track record is of
 24 using this contingency amount?
 25 MS. NELSON: I could get it broken down

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1 by, say, Alder Avenue. I don't know offhand. I do
 2 know that on Alder, we returned money to fund
 3 balance, so we didn't expend all of the money.
 4 I have yet to see where we've gone through
 5 the contingency that's been approved.
 6 TRUSTEE TULLOCH: I've made the comment
 7 before, I more typically see five percent and that
 8 rather than ten percent. But I was just wondering
 9 if we'd got feel for how much has been used from
 10 contingency with these.
 11 MS. NELSON: In my previous private sector
 12 life, we were always using 15 percent, and that was
 13 -- I mean, I was working with municipalities and
 14 different counties throughout Nevada. It does
 15 depend on what type of work it is.
 16 But, yeah, we were doing 15 percent, and
 17 those were federally and state-funded programs.
 18 TRUSTEE TULLOCH: In my experience with
 19 all my private sector, work was always five percent
 20 normally. That's why I was interested.
 21 But, yeah, I would just like to understand
 22 how much this contingency actually gets used.
 23 TRUSTEE DENT: I'll just add on to that.
 24 I mean, that sounds like helpful information that
 25 could be a party or status report, just letting the

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1 Board know if we ran over budget, and if we have
 2 savings that went back to fund balance or not, even
 3 with the change order amount. That could be another
 4 column and you don't really need to rely on
 5 accounting to get up to speed to give a snapshot of
 6 the Board.

7 MS. NELSON: And our plan is to bring the
 8 project closeouts next month, and that will have the
 9 detailed accounting for the change orders and that
 10 kind of thing. And budget.

11 CHAIR SCHMITZ: The motion needs to be
 12 modified on item 2 for authorizing the Director of
 13 Public Works to execute the change orders; correct?

14 MR. RUDIN: Yeah. That would be my
 15 recommendation.

16 TRUSTEE TONKING: I move that the Board of
 17 Trustees award the construction contract to FW
 18 Carson in the amount of \$596,610.50, authorize
 19 Director of Public Works to execute change orders of
 20 approximately ten percent of construction contract,
 21 not to exceed \$60,000, and authorize the Board Chair
 22 and Board Secretary to execute the contract so that
 23 that would be Carson, based on review on by general
 24 legal counsel and staff.

25 CHAIR SCHMITZ: Motion's been made.

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1 evaluate our options.

2 The 2024/'25 budget was prepared,
 3 submitted, and approved with funding for general
 4 counsel services within the budget under object code
 5 6010, within the general fund only. These funds
 6 total approximately \$264,000 for the entire
 7 fiscal year. Assuming the spend rate of
 8 approximately \$20,000 per month, the District has
 9 adequate funds available to cover the remainder of
 10 the fiscal year with this contract.

11 CHAIR SCHMITZ: Any questions?

12 TRUSTEE TULLOCH: Now, the Board has had
 13 several discussions in recent months about preparing
 14 an RFP for legal services. Is this something that
 15 is under way? Because six months might -- we talked
 16 six months, nine months ago about preparing an RFP,
 17 to go out to RFP for legal services.

18 MR. WALRACK: Yes, it's at top of our
 19 list.

20 TRUSTEE TULLOCH: So the Board can expect
 21 to see a draft RFP coming in?

22 MR. WALRACK: Yes.

23 CHAIR SCHMITZ: Any other questions,
 24 comments?

25 Seeing none, would anyone care to make a

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1 TRUSTEE TULLOCH: I'll second.

2 CHAIR SCHMITZ: Motion's been made and
 3 seconded. Any discussion?
 4 Seeing none, call for the vote. All those
 5 in favor?

6 TRUSTEE TONKING: Aye.
 7 TRUSTEE TULLOCH: Aye.
 8 TRUSTEE NOBLE: Aye.
 9 TRUSTEE DENT: Aye.
 10 CHAIR SCHMITZ: Aye.

11 H 3. Best, Best & Krieger Legal Services
 12 Agreement

13 CHAIR SCHMITZ: Moving on to pages 434
 14 through 531, which is review, discuss, and possibly
 15 approve a legal service agreement with Best, Best &
 16 Krieger LLP for general counsel services. This
 17 agenda item is General Manager, Mr. Walrack.

18 MR. WALRACK: Yes, that the Board of
 19 Trustees makes a motion to approve the attached
 20 legal services agreement with BBK for general
 21 counsel service starting January, 1, 2025, and
 22 ending on or before June 30, 2025. The present
 23 contract with BBK expires December 31, 2024, and the
 24 District would like to extend the general counsel
 25 services for this additional time period as we

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1 motion?

2 TRUSTEE DENT: I'll make a motion as
 3 stated on page 434 of the board packet.

4 CHAIR SCHMITZ: Motion's been made. Is
 5 there a second?

6 TRUSTEE TULLOCH: I'll second.
 7 CHAIR SCHMITZ: Motion's been made and
 8 seconded. All those in favor?

9 TRUSTEE TONKING: Aye.
 10 TRUSTEE TULLOCH: Aye.
 11 TRUSTEE NOBLE: Aye.
 12 TRUSTEE DENT: Aye.
 13 CHAIR SCHMITZ: Aye.
 14 Motion passes, 5/0.
 15 Thank you. Thanks to Karen Crocker and
 16 for Sergio working on this and getting this across
 17 the finish line. Thank you.

18 Moving on to item G 5. Review, discuss,
 19 and possibly approve District Policy Procedure
 20 138-Resolution 19.10, naming and dedication of IVGID
 21 facilities and acknowledging important local
 22 persons, events, or history. The requesting staff
 23 member is our legal counsel, Sergio Rudin, on pages
 24 504 through 517.

25 MR. RUDIN: We are skipping Board Policy

65

1 610 and 620.

2 CHAIR SCHMITZ: Oh, I'm sorry. I'm sorry.

3 I just missed it. I apologize. We have to back up.

4 So back to G 4. I'm sorry.

5 H 4. Board Policy 6.1.0, Practice 6.2.0

6 Updates

7 CHAIR SCHMITZ: That is review, discuss,

8 and possibly approve staff's updates to Board Policy

9 6.1.0, Practice 6.2.0. This is Mr. Walrack's, pages

10 446 through 503.

11 This, to the best of my knowledge, is the

12 same material that was in our prior packet, except

13 that I believe that Trustee Tulloch's materials were

14 provided in the packet this time. Yes, they are on

15 page 503.

16 TRUSTEE TULLOCH: Yep.

17 CHAIR SCHMITZ: The intention of this -- I

18 mean, back to our board training of what problem are

19 we trying to solve, the purpose of this was to have

20 clarity, consistency, and transparency so that staff

21 has parameters and guidelines for knowing how to

22 price their products, and that by having that

23 transparency and the guidelines, it will aid in the

24 process of budgeting so that these -- this pricing

25 activities can be done prior to budgeting which

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1 means that we would have revenue numbers to be

2 working with.

3 And we had discovered there were some

4 inconsistencies across venues and what not. This --

5 the whole purpose of this was to enhance

6 transparency and to have guidelines for staff on how

7 to price their products, not only for Picture Pass

8 Card holders, but also for guests.

9 With that, we put together this. It

10 started out from something that Mr. Navazio had put

11 together, and then I know Ms. Herron had made some

12 changes. And then I was asked to make some

13 revisions to it, and what I was trying to do is to,

14 at a high level, describe and get the Board's

15 buy-in. I had yellow highlights, I'll have to look

16 and see where. The yellow highlights are beginning

17 on the page where the redline is on page 458. Some

18 of the edits in here, they are highlighted in yellow

19 because I felt they were significant decision points

20 for the Board to make.

21 And one of it is in community services,

22 and it's really sort of trying -- what I was trying

23 to do was to solidify what I think -- last year

24 everyone kept talking about the "model," the model

25 of how we run, and the model is is that community

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1 services is one fund and we have various venues.

2 And the Board and staff can work together to decide

3 how do they want to price things, how do they want

4 to budget things, what gets subsidized, what doesn't

5 get subsidized?

6 And so this was just an attempt to try to

7 bring some transparency and a level of understanding

8 of, yes, this is our model.

9 With that, if the Board would like to go

10 through the yellow decision points, I will leave it

11 up to all of you of how you would like to handle it.

12 But one of the things that I put in here is that

13 capital improvements are something that the Board

14 has been somewhat categorically comfortable with

15 using the rec and the beach fee to cover capital

16 improvements. And that we often have been looked to

17 say we expect the operational expenses to be covered

18 by charges for services, and that is charges for

19 services that is a combination of Picture Pass Card

20 holders and guests. So it's an attempt to try to

21 say, yes, this is how we're all comfortable

22 operating.

23 I'm just going to toss that out and say is

24 that something the Board is categorically

25 comfortable saying?

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1 TRUSTEE TULLOCH: If this is just relating

2 to pricing, that's good. Some of my comments, we're

3 making commitments and other areas of setting the

4 facility fee. We're also setting things that are

5 pretty subjective like competitive marketing

6 analysis, and we're saying, well, we'll rely on

7 operational profitability. If this is just pricing

8 policy, good, but it's a good start. But when we

9 make blanket things like we'll set the fee to cover

10 capital improvements, so should our taxpayers be

11 paying for all the capital improvements at Diamond

12 Peak where 80 percent of their traffic is external?

13 Should we be paying for all the capital

14 improvements -- should taxpayers be paying all the

15 capital improvements at the golf courses where

16 there's something like 40 to 50 percent is external?

17 It's one thing if it's a resident-only,

18 but should we be asking our ratepayers to keep

19 paying year after year to fund all the capital for

20 these facilities that are used elsewhere as opposed

21 to collecting that?

22 It's also saying that we are not going to

23 collect depreciation, so this is a continual drain

24 on taxpayers because normally you would collect the

25 depreciation as part of your pricing policy to make

69

1 sure that you're not just continually -- also we've
 2 seen in the past, a lot of things we've been trying
 3 to resolve in the Audit Committee is where there's
 4 been incorrect capitalization basically for several
 5 years for government accounting. There was no
 6 depreciation charge, so basically everything people
 7 could think of capitalizing was getting flung into
 8 it. We're capitalizing sand and bunkers and things
 9 like that.

10 I've pulled some stunts in the utility
 11 industry, but at least then you get a return on your
 12 capital investment. But here -- as part of your
 13 pricing formula, but here we're basically saying
 14 we'll fund all the capital, we won't charge
 15 depreciation, so all we're doing is giving an open
 16 check, asking taxpayers for an open check just to
 17 fund all these things.

18 CHAIR SCHMITZ: I -- I don't think that's
 19 the case.

20 What the intention is, and maybe it needs
 21 to be clarified, is that when you talk about
 22 competitive market analysis, we can't charge -- we
 23 can't price a round of golf at \$1,000 if we are
 24 competitively marketing ourselves out of the market.
 25 If you look at the grid, the places where

70

1 it's competitive market analysis is for guest fees.
 2 Because the guest fees should be paying market rate,
 3 and that market rate had better be covering
 4 operational expenses and capital improvements
 5 because if it's not, were not operating effectively.

6 TRUSTEE TULLOCH: Correct. But if we're
 7 not charging depreciation, we're not charging any
 8 capital funding costs to the venues, they can sudden
 9 say, oh, yes, look, we're competitive here because
 10 we're ignoring a large part of the costs. It's very
 11 easy to be competitive. It's a bit like running a
 12 taxi business when somebody else pays for the
 13 vehicle, the fuel and everything, and you say, look,
 14 I'm making great revenue.

15 I mean, it just -- it doesn't work. I
 16 mean, if we can't be competitive, yes, we should be
 17 looking at whether we pull out, completely pull out
 18 of it or not. Just to say, well, we'll fund all the
 19 capital, we won't charge anything for depreciation
 20 so we won't collect any money back, so year
 21 after year we keep going back to taxpayers, it
 22 just -- why would anyone bother trying to make the
 23 venue sustainable? Because they say, well, I can't
 24 change 200 bucks for a round of golf because it's
 25 only 150 bucks at Tahoe Mountain Club and we need to

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1 be competitive with them.

2 Why are we trying to be competitive if we
 3 can't be?

4 TRUSTEE TONKING: I don't really
 5 understand what you're saying. What I've gathered
 6 from it is that you're saying that you don't believe
 7 this policy effectively captures capital when it
 8 says that it's competitively pricing? I feel like
 9 it does include capital in most other situations,
 10 that is our overall policy.

11 So I'm confused on what you are saying.
 12 What is your problem and what is your solution?

13 TRUSTEE TULLOCH: Where does it capture
 14 capital in other situations? Because this pricing,
 15 we're saying we're going to set market competitive
 16 pricing, but we're going to give you free capital,
 17 we're not going to charge any depreciation.

18 TRUSTEE TONKING: Where does it say "we're
 19 going to give you free capital and not charge you
 20 any depreciation"?

21 I don't agree with this policy. I think
 22 it's way too prescriptive, but I just want to know
 23 where it says that for the non-resident rates.

24 MR. RUDIN: I believe the page you're --
 25 462.

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1 TRUSTEE TONKING: Residents? Well,
 2 residents are already paying their capital in their
 3 rec fee. So are you double charging your residents
 4 now? Is that your plan?

5 TRUSTEE TULLOCH: No. I don't think the
 6 residents should be paying for the capital through
 7 the rec fee; we should be collecting it through the
 8 user fees.

9 I think my comments are referring to the
 10 previous versions. The page numbers and comments
 11 are now incorrect.

12 CHAIR SCHMITZ: Oh, because it's a
 13 different board packet.

14 TRUSTEE TULLOCH: It's a different board
 15 packet. We're referring to the board packet number.

16 CHAIR SCHMITZ: A couple things. To
 17 address, I think, what Trustee Tulloch is saying is
 18 that it doesn't say in here that -- let's take
 19 competitive marketing, say a round of golf, if we
 20 are saying in here that we need to price
 21 competitively, it doesn't say anything about that if
 22 the competitive market pricing doesn't cover our
 23 operational expenses, depreciation, and capital
 24 improvements, that we're in a failing business.

25 TRUSTEE TULLOCH: Correct. We've actually

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1 removed all these references to how these costs are
 2 made up. They've all been deleted in the redline.
 3 There's no sanction, there's no auditability all in
 4 it.
 5 CHAIR SCHMITZ: That point is valid in
 6 saying that -- there are places that we should say
 7 if competitive market pricing doesn't cover our
 8 costs of doing business, then we have to ask
 9 ourselves: Why would our residents be subsidizing
 10 this?
 11 That is your point.
 12 TRUSTEE TULLOCH: Yes. Because then we're
 13 not running a business; we're running a charity.
 14 CHAIR SCHMITZ: Correct. That's your
 15 point. Yeah.
 16 When I did this, I was making assumptions
 17 that of course it would cover it. But your point's
 18 a valid one, and there should be some sort of a
 19 notation regarding that. I agree.
 20 Does that make sense?
 21 TRUSTEE TONKING: I don't agree with this
 22 policy. It's too prescriptive. It doesn't really
 23 make sense to me either direction.
 24 CHAIR SCHMITZ: What about it is too
 25 prescriptive?

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1 not agree with it. That is where I stand. I will
 2 be voting no.
 3 CHAIR SCHMITZ: What are your suggestions?
 4 TRUSTEE TONKING: To rewrite the whole
 5 thing and align it with GFOA practices and make it
 6 much more of a, like, where it was almost before
 7 without putting and taking each individual cost, and
 8 be like here is how I would fund -- here's what's
 9 included in a resident fee, here's what's
 10 included -- here's what we want it to cover, but I
 11 would not go venue by venue and go into the depth --
 12 CHAIR SCHMITZ: Is that what you were
 13 talking about providing?
 14 TRUSTEE TONKING: I decided that we are
 15 not great at compromising on this board, so I wasn't
 16 going to provide it. I'm just going to vote no and
 17 we can move forward as decided.
 18 CHAIR SCHMITZ: So just so you know, the
 19 whole reason it got in this table -- because at
 20 first I didn't care for the table either, I didn't,
 21 because I don't look at things that way, but I
 22 received feedback from staff that it has been
 23 helpful for staff to be able to look at things in
 24 this manner.
 25 I think I'll look to Mr. Walrack to work

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1 TRUSTEE TONKING: I believe -- pretty much
 2 laid out exactly how staff should think about costs.
 3 We've not allowed any -- we've made a very
 4 prescriptive policy that -- I am firmly against
 5 prescriptive policies because it doesn't allow
 6 people to do the job that they are supposed to do.
 7 Also, it doesn't allow us the edge way if things
 8 change or you're doing something to be in and out of
 9 policy, so I don't agree with it.
 10 CHAIR SCHMITZ: What is it that's --
 11 TRUSTEE TONKING: I just told you. Every
 12 part of it is. You lay out every single cost in
 13 there.
 14 CHAIR SCHMITZ: Well, he's just saying
 15 that we don't have any costs in here.
 16 TRUSTEE TONKING: Again, we're
 17 disagreeing. I'm telling you --
 18 CHAIR SCHMITZ: Just give an example.
 19 TRUSTEE TONKING: Okay. You have the
 20 whole chart that brings up each venue and brings up
 21 each cost, it says exactly how you need to charge
 22 those. I think that's super prescriptive. I think
 23 it doesn't take into account the variety of cases
 24 that can occur.
 25 I think it is a prescriptive policy. I do

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1 with staff and find out what is helpful for them,
 2 because I didn't put this table together, this was
 3 something staff put together, and all I did was
 4 tried to add additional language and make it reflect
 5 actually how we do things today. And so this is an
 6 element of either how we do things today or how we
 7 sort of do things today. I was trying to put that
 8 documentation together.
 9 We just have to -- the Board has to just
 10 decide how do they want to handle it. But I think
 11 it really goes back to staff because staff does need
 12 some guidelines for how do they price their products
 13 and how do they make decisions, what products should
 14 be offered and what ones shouldn't be offered.
 15 So I will look for staff to delve into
 16 this a deeper and come up with recommendations for
 17 the Board, because it really is something that staff
 18 should be helping the Board to decide on based on
 19 staff's needs and challenges.
 20 TRUSTEE TULLOCH: Yeah. I would suggest
 21 -- I mean, I don't like the references that lock
 22 boards in in terms of policy, particularly in terms
 23 of subsidizing things where it's locked in by
 24 supposing their pricing policy.
 25 I would suggest that every venue manager

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1 that's offering programs should work out the real
 2 costs for that and bring that forward. And any
 3 subsidies and things should then be decided based on
 4 that.

5 But when we write a pricing policy that
 6 says you can assume your capital -- you're not
 7 getting charged for capital, you can assume you're
 8 not getting charged depreciation, well, yeah, I'd
 9 spend as much capital as possible to make my
 10 business operate because it becomes a hidden cost.
 11 But it's a huge cost to taxpayers there.

12 I mean, I'm sure Mr. Walrack knows from
 13 his commercial experience as well, you've got to
 14 look at what your cost base is before you can set
 15 your pricing. He'll tell that every salesman is
 16 happy to discount the hell out of pricing until
 17 you're losing money just to capture the sale. And
 18 it's a case of, oh well, we're losing money on every
 19 sale but we're make it up in volume. No, it doesn't
 20 work that way. It doesn't work that way.

21 So I think the basis of pricing should
 22 work. You should start from what your actual costs
 23 are, your true costs are, and include all these
 24 costs, not assume that some of these costs are for
 25 free.

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1 If I look at room rental, saying, well, we
 2 won't charge anything for room rental as long as we
 3 get the catering. Okay, so is the margin we're
 4 going to make in catering is that enough the cover
 5 the costs of the building, the costs of running the
 6 room? I think it's very -- you've got to be very
 7 careful once you start throwing in freebies like
 8 that because it's just a case of, well, that's okay,
 9 we'll bring in a whole lot of extra staff but we'll
 10 charge them to facilities rather than charging them
 11 to the function.

12 I think let's just be transparent and
 13 honest about it. I've got to agree with Trustee
 14 Tonking in terms of that. I don't like the way it
 15 is. I think we're coming at it from different
 16 aspects. But also GFOA assumes that most of the
 17 funding is coming through property taxes. We don't
 18 have that luxury here.

19 CHAIR SCHMITZ: The other thing is is that
 20 some of what's reflected in here is how I think we
 21 operate today. And if -- we can't change something
 22 without understanding: How do we operate today?
 23 And so that was the basis of some of the
 24 documentation, was to say I believe this is how we
 25 do it today. And is it right? I don't know. But

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1 at least we have to know where we are before we
 2 start trying to weak things.

3 Any other comments or questions?
 4 We will leave this in your very capable
 5 hands. Thank you.

6 Now we'll move on to G 5.
 7 H 5. District Policy Procedure
 8 138-Resolution 19.10

9 CHAIR SCHMITZ: Review, discuss, and
 10 possibly approve District Policy and Procedure
 11 138-Resolution 19.10. I'm not going to read the
 12 whole thing, I did that last time, it's on pages 504
 13 through 517.

14 MR. RUDIN: This item first came before
 15 the Board I believe in July 2024, where the Board
 16 discussed and gave some direction on revisions to
 17 this policy.

18 Some of the key highlights for the
 19 changes, the existing policy refers to donations
 20 being handled through an MOU with Incline Tahoe
 21 Parks and Recreation Division Foundation, more
 22 commonly known as "Incline Tahoe Foundation."
 23 Based on the most current and best
 24 available information, I understand that MOUs has
 25 been terminated, so this policy has been revised to

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1 remove mention of handling things that via that MOU.
 2 Additionally, the Board gave some
 3 direction that they wanted to clarify and simplify
 4 the process for accepting donations and approving
 5 acknowledgments.

6 The existing policy has some ambiguities
 7 as to how rotary benches are approved. This
 8 proposed policy would include provisions to make it
 9 clear that those need to go to the Board for
 10 approval.

11 Similarly, I believe the Board gave some
 12 direction that the process for approving brass
 13 placards should follow the same kinds of process
 14 that the Board used for other donations.

15 Importantly, this policy, I think includes
 16 more flexibility in terms of what kinds of donated
 17 improvements could be covered.

18 Additionally, it adds additional
 19 protections for the District. One of the big ones
 20 is that if the Board ever accepts any sort of art
 21 work, sculptures, et cetera, artists have rights
 22 under the Visual Artist Rights Act, so if you accept
 23 it and then at some point want to get rid of it or
 24 destroy it, potentially, you're opening yourselves
 25 up for claims. So here, you're going to be

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1 accepting any sort of donations subject to waiver of
 2 rights by the artist, that will protect the District
 3 in the long run.

4 Additionally, this clarifies that the
 5 District is not obligated to maintain any of the
 6 donated improvements. And, additionally, it makes
 7 clear that you have the right to remove them. So
 8 50, 70, 100, 200 years down the line, you're looking
 9 at something, want to build a new golf course, you
 10 want to put in a new Rec Center, you want to tear
 11 down a building and replace it, you're not being
 12 hamstrung by some placard somebody approved in the
 13 1930s.

14 I will say that, for the most part, this
 15 should address most of the Board's concerns. I have
 16 had one question about acceptance of cash
 17 improvements. The existing policy primarily deals
 18 with the naming and dedication of facilities and
 19 acknowledgement placards. This doesn't include
 20 specific provisions related to acceptance of cash.

21 In my opinion, staff should be coming to
 22 the Board with regards to acceptance to large cash
 23 donations, regardless, and typically those cash
 24 donations will come with conditions that the Board
 25 use them for something specific.

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1 People don't typically give large
 2 endowments to public agencies to do whatever the
 3 public agency wants. Usually they want a specific
 4 project or something, which if the Board wants
 5 additional safeguards, we can add some language to
 6 this policy that says that all acceptance of cash or
 7 property require board approval.

8 I will say, also, it was brought to my
 9 attention there is one typo in Section B 3, on page
 10 510, "The District reserves the right to remove all"
 11 -- that should say "acknowledgments," but on further
 12 consideration, I think that word should actually be
 13 "improvements."

14 That's the one typo I'm aware of in this
 15 policy at this moment.

16 TRUSTEE TULLOCH: There's one on page 508,
 17 A, you've got an additional "for" there. "Procedure
 18 for making for request."

19 MR. RUDIN: Okay.

20 TRUSTEE TULLOCH: Can I suggest a couple
 21 of modifications? On page 513, section 2, the
 22 naming of facilities, where it says, "You may not be
 23 named after a person who at the time is a member of
 24 the governing board which has jurisdiction or
 25 control over the building." I would also add to

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1 that, "Or who was a member of the board who approved
 2 this."

3 So you don't have somebody about to leave
 4 the board approving something so they can get their
 5 name on it.

6 MR. RUDIN: This is just a statement of
 7 NRS 338.200, and it does --

8 TRUSTEE TULLOCH: Okay.

9 MR. RUDIN: -- the law actually prohibits
 10 a public agency from naming a building after a board
 11 -- a sitting board member.

12 TRUSTEE TULLOCH: Yeah. But there's
 13 nothing to stop us adding an extra layer on that.

14 MR. RUDIN: Sure.

15 TRUSTEE TULLOCH: We can build on NRS; we
 16 can't take away from it.

17 MR. RUDIN: Yes. So what's the additional
 18 restriction you wanted to add?

19 TRUSTEE TULLOCH: I would suggest not just
 20 somebody that's a member of the board at the time, I
 21 would also add somebody who was a member of the
 22 board that approved this.

23 MR. RUDIN: Oh, who approved the policy?

24 TRUSTEE TULLOCH: Yes, approved it.
 25 Approved the donation or the naming.

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1 TRUSTEE TONKING: I have a quick question.
 2 Doesn't that say this? Am I misunderstanding?

3 MR. RUDIN: I think that the -- in theory,
 4 you could have a board member who worked really hard
 5 to get a donation, say, for a rec center, and four
 6 years down the line, that same board member comes
 7 back to the board and says, hey, I did such a great
 8 job, I'm getting the donation, I'm no longer on the
 9 board, but please name the building after me.

10 TRUSTEE TONKING: Oh. They approved the
 11 rec center, let's say, and then -- okay. I
 12 understand.

13 Yes, that's fine.

14 TRUSTEE TULLOCH: On page 510, when we're
 15 talking about donor funding, is there any reason we
 16 can't accept donor funding for annual maintenance
 17 and things?

18 MR. RUDIN: Legally, no. I see no
 19 restriction on you accepting money from anybody who
 20 wants to give you money.

21 TRUSTEE TULLOCH: I think we should make
 22 that an option rather than excluding it.

23 MR. RUDIN: Which? Can you remind me the
 24 page number on that?

25 TRUSTEE TULLOCH: I'm looking at B,

85

1 under -- probably under B 2, well, you've got two B
2 2s there.

3 MR. RUDIN: Oh, yeah. We'll fix the
4 numbering on it.

5 TRUSTEE TULLOCH: That's -- I would offer
6 the option somewhere in there. If the donor offers
7 sufficient funds to maintain it, we should not be
8 refusing to (inaudible) or tearing it down.

9 CHAIR SCHMITZ: Any other comments?

10 TRUSTEE DENT: I think it's important that
11 we do include the revision that legal counsel is
12 discussing regarding the cash donation. It seems
13 like anything like comes to the District,
14 financially, needs to be approved by the Board.

15 CHAIR SCHMITZ: Yeah.
16 Are you able to add that?

17 MR. RUDIN: Yeah, we can do that.
18 I think we would probably just add that as
19 a new subsection, just a new standalone subsection
20 after C, "Acceptance of cash, cash donations shall
21 require approval of the Board of Trustees."

22 CHAIR SCHMITZ: Any other comments or
23 questions?
24 I think this --
25 MR. RUDIN: And we may want to rename the

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1 summarized by the Chair.

2 CHAIR SCHMITZ: Motion's been made. Is
3 there a second?

4 TRUSTEE TULLOCH: I'll second.

5 CHAIR SCHMITZ: All those in favor?

6 TRUSTEE TONKING: Aye.
7 TRUSTEE TULLOCH: Aye.
8 TRUSTEE NOBLE: Aye.
9 TRUSTEE DENT: Aye.
10 CHAIR SCHMITZ: Aye.
11 Motion passes, 5/0.
12 Thank you for your effort on this, Sergio.
13 Moving on to G 6.
14 H 6. 2024 Board of Trustees Goals
15 CHAIR SCHMITZ: Review and discuss the
16 2024 Board of Trustees goals. Pages 518 through
17 525.
18 At the beginning of the year, this list
19 was brought to the Board, and it was really taken
20 from the perspective of what problems are we facing,
21 what challenges are we facing, and then what action
22 needs to be taken to address those challenges.
23 Some of them have been completed; some of
24 them have not for various reasons. And, really,
25 from my perspective, the reason to do this -- I am a

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1 policy appropriate as well to capture that because
2 now it goes beyond name and dedication of IVGID
3 facilities and acknowledging important local
4 persons, events, or history.

5 I would also add, "and acceptance of
6 donations."

7 CHAIR SCHMITZ: And acceptance of
8 donations. This, to me, is so much clearer and more
9 concise than what we had. So you're going to change
10 it and add the word "and donations"?

11 MR. RUDIN: "And acceptance of donations."
12 CHAIR SCHMITZ: Okay. We've got that
13 change. Then we've got A, the title, just has an
14 extra word "for." There's numbering typos on B,
15 there's two 2s. And we shouldn't refuse maintenance
16 if someone's willing to donate it. And then
17 correcting the typo from "acknowledge" to
18 "improvements."

19 Is that it? Does that cover it? Oh, we
20 had Ray's additional, the naming, yeah. Is that it,
21 then?
22 TRUSTEE TULLOCH: Yeah.
23 CHAIR SCHMITZ: Does anyone care to make a
24 motion?
25 TRUSTEE DENT: I'll make a motion as

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1 Steven Covey, I begin with the end in mind, and so
2 at the beginning of the year, this was sort of what
3 we had targeted to try to get accomplished
4 this year, and the pricing policy was in that list.
5 Now we reflect back and say, How did we do? This is
6 our closing report.
7 And so I created this document mainly for
8 Mr. Walrack and the new incoming board because they
9 can look at these things and decide whether they
10 need to get carried forward or they need to just be
11 abandoned, but at least this was sort of the roadmap
12 that the Board was working through this year.
13 So unless there's things that people feel
14 like it was not accurately reflected or what have
15 you, it really was put together to just document
16 what did and didn't get accomplished that we had
17 identified in January.
18 Any comments or questions?
19 TRUSTEE TONKING: A few of these I took
20 out to add to long range, which I will bring up
21 then.
22 On page 521, I think we hadn't brought
23 this yet to the Board for consideration. So if this
24 gets carried forward to that January 8th meeting, I
25 think we just remove.

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1 CHAIR SCHMITZ: Which one? I'm sorry.

2 TRUSTEE TONKING: Sorry. The golf clubs,

3 develop, it is number 7.

4 CHAIR SCHMITZ: I see.

5 TRUSTEE TONKING: I would just remove that

6 from our list of -- just that last sentence.

7 CHAIR SCHMITZ: It was anticipated, so it

8 was supposed to be on this agenda. I wrote this

9 memo --

10 TRUSTEE TONKING: That's what I'm saying.

11 You've made it seem like this was something to have

12 carried forward to that '24/'25.

13 CHAIR SCHMITZ: Yes.

14 TRUSTEE TONKING: So I was just saying we

15 should so no one --

16 CHAIR SCHMITZ: Just so that this is

17 documented that it wasn't -- it did not happen.

18 TRUSTEE TONKING: It did not move forward,

19 yes, so no one is --

20 CHAIR SCHMITZ: Yep. When I did this it

21 was still on the agenda.

22 TRUSTEE TONKING: That's totally fair. I

23 just noticed that one.

24 There's a few on here that I have that I

25 added to long range that we should talk about when

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1 we get there.

2 CHAIR SCHMITZ: All right. Thank you.

3 TRUSTEE TULLOCH: Can I suggest, on page

4 519, I think item 3 there is still a long way from

5 -- we're starting to see some improvements. I would

6 suggest as part of that we remove this section where

7 people make convoluted attempts to link a pet

8 project to something in the master plan or the

9 strategic plan and things, and some of them are such

10 a tenuous thing. I'm not sure why we're doing that.

11 CHAIR SCHMITZ: Can I just touch on that

12 really quick?

13 Back in last year with GM Winquest, one of

14 the things that we, collectively, we're trying to do

15 was have staff reflect back to the strategic plan

16 and reflect back to our policies so that staff was

17 acknowledging this is in policy, this is out of

18 policy, does the policy need to change, and it

19 really never was instituted for what it was

20 intended.

21 And what it was intending to do is to say

22 is this something that's in the plan, in the budget,

23 within our policy, and it really hasn't been used

24 that way. Now it's just sort of -- it is a bit

25 convoluted.

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1 But for Mr. Walrack, just so you know,

2 that's why it was brought forward. It was trying to

3 tie everything back to the strategic plan, tie

4 everything back to here's the policy that this

5 relates to, because, really, as board members, we're

6 here for policy purposes.

7 So thank you for that comment and

8 question.

9 TRUSTEE TULLOCH: I think done that way, I

10 think that makes a lot more sense. But all we see,

11 oh, this is part of the Board's strategic plan,

12 we'll do investment. But it makes no real tie.

13 It's an attempt to tie something.

14 Yeah, what we would like to see is: Why

15 are we doing this? What does this support in the

16 plan? What policy does this change?

17 It's just a simple -- the standard

18 questions you'd ask. If somebody's coming and

19 asking for half a million bucks, you normally do

20 some questions of where does it tie in.

21 Along with that, the strategic plan is --

22 what? -- 2015. So just because it complied with the

23 strategic plan from ten years ago is not really --

24 doesn't necessarily mean it's still relevant.

25 But, yeah, if we put the section in and

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1 the section is stated that way, it would make more

2 sense. Who, what, why, when, and how much?

3 CHAIR SCHMITZ: The other thing is is that

4 this year we're intending to have the board memo

5 format changed to talk about what problem are we

6 trying to solve and then address it, because

7 oftentimes we get things and we can get twisted in

8 knots because we're not clear on what is the problem

9 we're trying to solve. That hasn't happened either.

10 So -- but at least it's documented that

11 these were some goals that we were working, and the

12 next board can decide whether they want to continue

13 to take that and other things and move forward.

14 But in the past, the Board has never had

15 goals, and I thought it was important that we begin

16 the year with an idea of what do we want to try to

17 accomplish and keep referring back to it, which is

18 why we reviewed it in July as well.

19 I appreciate everybody's time and talent

20 and effort this year. We've had a lot of

21 challenges, but we have actually accomplished some

22 things. And I think that the new board will have

23 Mr. Walrack here and the RubinBrown report and the

24 food and beverage report and get our financial

25 situation on strong footing, and I think we will

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1 take it to a new, more transparent and some
2 additional clarity. So I look forward to watching
3 things evolve and thank you all for your time and
4 talent.
5 So if there are no other comments on that,
6 we'll move on to 7.
7 H 7. District Manager's Benchmarks and Goals
8 CHAIR SCHMITZ: Review, discuss, and
9 provide feedback on the District Manager's
10 benchmarks and goals, pages 526 through 527.
11 MR. WALRACK: The background, I'd just
12 kind of like to address here from a perspective of
13 being a resident and coming to a lot of the trustees
14 meetings, I've learned about the challenges that the
15 District has had, and so over that time period is as
16 how I developed the 100-day plan and then specific
17 activities that we want to get after immediately.
18 In solving these problems, it's going to
19 solve a lot of other things like having the
20 financials published on a timely basis so we know
21 the score of the game. I also agree that I think
22 the goals for the general manager should be
23 objective, and I could imagine a future where we get
24 the budget done and then we have objective goals
25 against achieving all the items in the budget by

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1 MR. WALRACK: For the trustees?
2 TRUSTEE TONKING: Yeah. That dialogue can
3 occur because I think it would be great. I look at
4 this and I see a set of tasks, and they're fine, the
5 one thing I would is what is the financial impact?
6 I think a lot of these we know and should spend some
7 more time plugging that in.
8 But, really, what are your goals? And
9 then from there, we can create the action steps that
10 are these. But what are some of your goals that you
11 want included in that year? And I think every
12 trustee should also think about what goals they want
13 to see. But as true goals, this was a little bit
14 deceiving in that sense.
15 But that's kind of what I think would be
16 helpful starting the new year.
17 TRUSTEE TULLOCH: Yeah. It's -- you're
18 forgiven. I know you've been drinking from a
19 firehose for the last ten days. I don't expect to
20 have it detailed there. I think it would be helpful
21 just to add in the 100-day plan as well, that helps
22 set some of the direction.
23 Typically in strategic planning, we've
24 done a strategic plan then operating plans annually
25 and then update the strategic plan. The operating

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1 over -- in total, by venue, and being able to
2 evaluate performance by the measurement of the
3 success. I'm all about objectives like that.
4 From just starting from day one, it was
5 kind of impossible to draw that up, and so that's
6 why I focused on: Let's focus on the issues and the
7 problems at hand, and let's get those fixed so that
8 we can get to that other territory.
9 And that's how I'm approaching. I'd open
10 it up for discussion if anybody has a different view
11 or suggestions on how we should change course in
12 that. I'm all ears with regards to any other
13 potential ideas.
14 TRUSTEE TONKING: I -- this feels like a
15 checklist of tasks, which I would not describe as
16 "goals."
17 MR. WALRACK: Yeah, I agree.
18 TRUSTEE TONKING: So I'm hoping -- and
19 this is probably a good task, the trustees will also
20 be here next year -- is that when we have that 2025
21 goals that I see on the long range, is that you also
22 -- sorry, trustee cycles for District General
23 Manager -- you also think about what goals you would
24 want the trustees and bring that as actual goals, I
25 think would be really helpful.

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1 plan sets out how you're going to achieve the --
2 basically how you're going to achieve the budget for
3 that next year. Maybe we can develop that concept
4 of it because to some extent, our budget almost
5 becomes the planning thing.
6 So I think it would be really good during
7 the planing process to have detailed operating plans
8 from each of the venues. If they say they're going
9 to do 5 million revenue, okay, what steps are you
10 going to take to do that? We've tried to do that a
11 little bit, but I think we need more concrete steps.
12 Not just saying, well, we'll sell more rounds.
13 Well, how are you going to sell more rounds and
14 what's the investment required for that?
15 To me, I think that might be an
16 interesting way to go it, get a detailed, your
17 operating plan is almost your tactical plan for the
18 year, how you're going to achieve your goals. It's
19 a bit like your sales forecast almost, about how
20 you're going to get there. Just a thought.
21 MR. WALRACK: Thank you.
22 CHAIR SCHMITZ: Any other comments?
23 Thank you for digging in like you have.
24 We appreciate it. And your leadership is being felt
25 already. Thank you for that.

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1 MR. WALRACK: Thank you.

2 CHAIR SCHMITZ: If there's no other

3 feedback or comments for Mr. Walrack, we will move

4 on to the long range calendar.

5 J. LONG RANGE CALENDAR

6 CHAIR SCHMITZ: Page 528 to 531. I just

7 want to start out by asking Mr. Walrack, where would

8 you like to RFP for legal services to be? That was

9 supposed to be on tonight's agenda. Do you want

10 that on January the 8th or the second meeting in

11 January?

12 MR. WALRACK: January 8th.

13 CHAIR SCHMITZ: Okay.

14 Then something that I spoke with Director

15 of Parks and Recreation Crocker, and she is going to

16 be bringing back a maintenance agreement and asking

17 the Board for direction on the maintenance at the

18 high school. I believe that that is something also

19 to be added.

20 And as Director of Public Works mentioned,

21 she is intending to bring project closure reports to

22 the second meeting in January. That will be added.

23 I worked with former interim General

24 Manager Crocker to sort of at least give the Board

25 something to start with for the new year, and

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1 created the beginnings, at least, of a long range

2 calendar. The new board can work with Mr. Walrack

3 and refine the agenda and refine the long range

4 calendar as they see fit. But, hopefully, at least

5 this gets it started.

6 TRUSTEE TONKING: I have a few to put on

7 Mr. Walrack's mind as we went through this.

8 I would ask that we bring forward at that

9 first meeting the pricing policy that got moved and

10 then the capital policy and then 3.1.0. And the

11 only reason I am saying all those at the very

12 beginning is because then I think you also need to

13 schedule some budget workshops because I think it is

14 going to be -- and it should start now.

15 I wanted to have those on the forefront, I

16 think, would be helpful so then we can segue into

17 those. Yeah, those are those three.

18 Something I wanted to think about that

19 just came out of our conversation today was county

20 partnerships and how to get money from the county.

21 And so I just feel like that should be -- it doesn't

22 need to be right away, but just something to have

23 coming up on how you guys are going to start to

24 create some of those partnerships and grant funding

25 opportunities.

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1 The other thing was the board packet

2 materials. I saw that as a goal, and I think that

3 should be on the first meeting in January to talk

4 about what does the Board expect to see their

5 materials and you, as the General Manager, what do

6 you recommend.

7 The strategic plan needs to be on there

8 somewhere, beginning that.

9 And then the last thing -- Chair Schmitz

10 has hit on this a bunch and it gets brought up and

11 then falls off -- is there's a bunch of contracts

12 that renew throughout the year and some of them are

13 automatic renewals, and let's just make sure that

14 those are on the calendar where all of a sudden

15 we're automatically renewing something --

16 (Cross talk.)

17 TRUSTEE TONKING: I know. I'm just going

18 to pull a Chair Schmitz here and request the same

19 thing she requests every time. She brings this up

20 ever year in long range, and every year it's not

21 here. That's just one.

22 (Cross talk.)

23 MR. WALRACK: Do we have one depository of

24 all contracts or are we still --

25 TRUSTEE TONKING: I know there are a bunch

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1 that are going to pop up, and I don't want to miss

2 those.

3 CHAIR SCHMITZ: I see we have Marcus Faust

4 on here and that's probably the only one on there,

5 but we have a long list of agreements that are

6 supposed to reviewed annually and they never have

7 been.

8 TRUSTEE DENT: Reviewed and approved.

9 (Cross talk.)

10 CHAIR SCHMITZ: Yes, reviewed and

11 approved, every year. We started with North Lake

12 Tahoe Fire Protection District. I don't know who

13 picked that one, but that one was picked and,

14 clearly, there were changes that we need to it.

15 It's valuable to do what we're supposed to do.

16 Anyway. All right.

17 Anything else on the long range?

18 Then we'll move to Board of Trustees

19 update.

20 K. BOARD OF TRUSTEES UPDATE

21 CHAIR SCHMITZ: I know everyone's anxious

22 to go, but I wanted to inform the Board that I

23 learned something new this week from our Director of

24 Public Works, and this is related to issue on the

25 grease interceptors.

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1 Remember the businesses were being
 2 required to install grease interceptors at the time
 3 of their permit? Well, staff has attended some
 4 training sessions and has learned that there's some
 5 new technology that can be used. And so staff is
 6 going to be working with a local business to
 7 actually pilot that and test that out because they
 8 think it would be much more cost effective.
 9 I think that's kudos, and I just wanted to
 10 share it because it was something that we had asked
 11 a committee to be formed and staff is taking a
 12 slightly different approach, but I think it's good
 13 and just wanted to share that.
 14 And I wanted to take a moment to thank
 15 Trustee Dent for his nine years of service. You've
 16 been a pillar of strength and you bring an element
 17 of deep thoughtfulness and compassion with what you
 18 do. You're highly intelligent and I -- you have
 19 learned so much about this district, and your input
 20 and your approach and your perspective, at least for
 21 me, I've greatly appreciated it. And I've
 22 appreciated your friendship as well, so I will miss
 23 you.
 24 Are there any other Board of Trustees
 25 updates?

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1 Seeing none, we will move to final --
 2 Trustee Tonking, go ahead.
 3 TRUSTEE TONKING: I just also wanted to
 4 highlight, because forgot to do it at the last
 5 meeting, was we had a lot of staff that retired or
 6 left this year, and so I just wanted to thank a
 7 bunch of them. It was a huge loss. We had Jennifer
 8 Moore, Pandora, Sheila, Ronnie Rector, just to name
 9 a few people. I wanted to thank them for their time
 10 and energy.
 11 CHAIR SCHMITZ: Thank you for that.
 12 Moving on to final public comment.
 13 L. FINAL PUBLIC COMMENTS
 14 CHAIR SCHMITZ: Are there any comments
 15 here in the room?
 16 MR. LYONS: Yeah. Coming to this meeting,
 17 had no intention of mentioning this subject, but
 18 while sitting there, I thought it towards the end.
 19 As a member of the Incline Village/Crystal
 20 Bay Veterans Club, I'd like to invite the Board of
 21 Trustees and the entire IVGID community to tune in
 22 on CBS Saturday, 12 noon, to watch the Army beat the
 23 hell out of the Navy.
 24 CHAIR SCHMITZ: Do we have any public
 25 comments online?

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1 MR. BELOTE: We do not, Chair.
 2 M. ADJOURNMENT
 3 CHAIR SCHMITZ: Seeing none, we will close
 4 out our meeting here at 8:15. I hope all of you
 5 have a happy and healthy and joyous holiday season.
 6 (Meeting ended at 8:15 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 December 11, 2024,
 7 at the of the Board of Trustees public meeting, via
 8 Zoom, and took stenotype notes of the proceedings
 9 entitled herein, and thereafter transcribed the same
 10 into 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 104 pages,
 14 inclusive.
 15 DATED: At Reno, Nevada, this 22nd day of
 16 December, 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 59

Invoice Date: December 22, 2024

Payment Due: January 11, 2025

Amount Due (USD): \$974.00

Items	Quantity	Price	Amount
Base fee December 11, 2024, BOT meeting	1	\$350.00	\$350.00
Per page fee December 11, 2024, BOT meeting	104	\$6.00	\$624.00

Total: \$974.00

Amount Due (USD): \$974.00

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE
WRITTEN MINUTES OF THE IVGID BOARD’S REGULAR DECEMBER 11,
2024 MEETING – AGENDA ITEM C – PUBLIC COMMENT – THE
DISTRICT’S CONSISTENT FAILURE TO FILE REQUIRED
FINANCIAL STATEMENTS IN A TIMELY MANNER**

Introduction: Well here’s yet “another one” (**AGAIN**) as my friend DJ Kahled would say¹. More evidence of staff incompetence, lack of knowledge and professionalism, and a flagrant disregard for the financial sustainability of the District and involuntary costs assessed local parcel owners. This time it’s the failure to file our 2024 audited financials in a timely manner. And at a time when the Dep’t of Taxation is considering whether to place the District under fiscal watch no less. For the consistent failure to file such financial statements in a timely manner. And that’s the purpose of this written statement.

My December 11, 2024 E-Mail to The Board²: On December 11, 2024 I sent the Board an e-mail bringing members’ attention the fact that again, we’re unable to file our required audited financial statements in a timely manner. Rather than recounting the substance of my comments, I refer the reader to said Exhibit “U.”

Conclusion: This staff behavior just keeps happening over and over and over again. Unqualified, incompetent. over compensated, and deceitful staff get replaced by even more unqualified, more incompetent, more over compensated, and more deceitful staff. Engaging in activities having nothing directly to do with furnishing facilities for our public recreation, yet costing local parcel owners dearly insofar as their Recreation (“RFF”) and Beach (“BFF”) Facility Fees are concerned. All because the ends justify the means. As I’ve pointed out so many times before, these examples are all “red flags” of a criminal syndicate³. And you wonder why your RFF and BFF continue as involuntary subsidies, and are as high as they are? Now I’ve provided more evidence.

Besides forthwithly taking the action requested (notifying the Dep’t of Taxation that the District is not in compliance with NRS statutes and regulations), I must ask when is the Board going to put members’ collective feet down and put an end to these practices? Given NRS 318.515(1) states that where the: “(a) district...is not being properly managed; (or, its) (b) board of trustees (for

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 That e-mail is attached as Exhibit “U” to this written statement.

³ NRS 207.370 instructs that “criminal syndicate means 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).”

the)...district is not complying with the provisions of...any...law;" when will the Board notify the Washoe County Board of Commissioners to hold a hearing to consider whether to: (a) adopt an ordinance (substituting)...the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt an ordinance providing for the merger, consolidation or dissolution of the district...(c) file a petition in the district court...for the appointment of a receiver... or, (d) determine by resolution that management and organization of the district will remain unchanged?"

Don't you Board members think the time has come to act fiscally responsible by having the county assume supervision and jurisdiction over the district? Because obviously, this episode proves we're not qualified to properly manage our affairs.

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

EXHIBIT “U”

Dec 11, 2024 BOT Meeting - Agenda Item C - Public Comment - IVGID's Continued Inability to Comply With NRS 354.624 (1) in a Timely Manner - Its 2024 Audited Financial Statements

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>, "Mick" <homan4ivgid@gmail.com>, "Michelle" <jezycki4ivgid@gmail.com>, "Walrack Kent" <kjw@ivgid.org>
Subject: Dec 11, 2024 BOT Meeting - Agenda Item C - Public Comment - IVGID's Continued Inability to Comply With NRS 354.624 (1) in a Timely Manner - Its 2024 Audited Financial Statements
Date: Dec 11, 2024 4:24 PM

Chairperson Schmitz, Other Honorable Members of the IVGID BOT, and Trustee elects Mick and Michelle -

Well now we learn the District cannot complete its NRS mandated audit in a timely manner. The time expires for 2024 on November 30, 2024. And now we see at page of 19 of the Board packet that Susan Griffith has asked for an extension of time until January 30, 2025.

We've never completed a 2023 audit in accordance with the requirements of NRS 354.624(4). And now we've missed the deadline for completing a 2024 audit.

One of the grounds for putting the District on NRS 354.675(1) fiscal watch is the consistently LATE filing of required financial reports [see NRS 354.685(2)(a)]. Well that's what we have here! Which is again evidence that the District is not being properly managed!

And the "fix" according to NRS 318.515(1)? Formal notification to Washoe County so it can schedule public hearings. Please NOTIFY THE COUNTY. Our staff lacks competence!

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE
WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR DECEMBER 11,
2024 MEETING – AGENDA ITEM C – PUBLIC COMMENT – YOU NEED
TO FIND AND REPORT TO THE DEPARTMENT OF TAXATION THAT
OUR RECREATION FACILITY FEES ARE NOT IN COMPLIANCE
WITH NRS STATUTES**

Introduction: Well here's yet "another one" (**AGAIN**) as my friend DJ Kahled would say¹. More evidence of staff incompetence, lack of knowledge and professionalism, and a flagrant disregard for the financial sustainability of the District and involuntary costs assessed local parcel owners. This time it's the failure to report our Rec Fees as the taxes they really are. And at a time when the Dep't of Taxation is considering to place the District under fiscal watch no less. And that's the purpose of this written statement.

My December 11, 2024 E-Mail to The Board²: On December 11, 2024 I sent the Board an e-mail bringing members' attention the responsibility it now has to make affirmative findings that our Rec Fee is in compliance with the NRS and NAC. And what exactly that means. Rather than recounting the substance of my comments, I refer the reader to said Exhibit "T."

Conclusion: This staff behavior just keeps happening over and over and over again. Unqualified, incompetent. over compensated, and deceitful staff get replaced by even more unqualified, more incompetent, more over compensated, and more deceitful staff. Engaging in activities having nothing directly to do with furnishing facilities for our public recreation, yet costing local parcel owners dearly insofar as their Recreation ("RFF") and Beach ("BFF") Facility Fees are concerned. All because the ends justify the means. As I've pointed out so many times before, these examples are all "red flags" of a criminal syndicate³. And you wonder why your RFF and BFF continue as involuntary subsidies, and are as high as they are? Now I've provided more evidence.

Besides forthwithly taking the action requested (notifying the Dep't of Taxation that the RFF/BFF are not in compliance with NRS statutes and regulations), I must ask when is the Board going to put members' collective feet down and put an end to these practices? Given NRS 318.515(1) states that where the: "(a) district...is not being properly managed; (or, its) (b) board of trustees (for

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

³ NRS 207.370 instructs that "criminal syndicate means 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)."

the)...district is not complying with the provisions of...any...law;" when will the Board notify the Washoe County Board of Commissioners to hold a hearing to consider whether to: (a) adopt an ordinance (substituting)...the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt an ordinance providing for the merger, consolidation or dissolution of the district...(c) file a petition in the district court...for the appointment of a receiver... or, (d) determine by resolution that management and organization of the district will remain unchanged?"

Don't you Board members think the time has come to act fiscally responsible by having the county assume supervision and jurisdiction over the district? Because obviously, this episode proves we're not qualified to properly manage our affairs.

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

EXHIBIT "T"

Re: Dec 11, 2024 BOT Meeting - Agenda Item C - Public Comment - By Entering Into the June 24, 2024 Engagement Letter You Have With DavisFarr, You've Obligated The District to Submit Findings to the Dep't of Taxation That Our Rec Fees Are NOT in Compliance With The NRS - So Do Your Jobs!

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>, Mick <homan4ivgid@gmail.com>, Michelle <jezycki4ivgid@gmail.com>, Walrack Kent <kjw@ivgid.org>
Subject: Re: Dec 11, 2024 BOT Meeting - Agenda Item C - Public Comment - By Entering Into the June 24, 2024 Engagement Letter You Have With DavisFarr, You've Obligated The District to Submit Findings to the Dep't of Taxation That Our Rec Fees Are NOT in Compliance With The NRS - So Do Your Jobs!
Date: Dec 11, 2024 5:01 PM

Chairperson Schmitz, Other Honorable Members of the IVGID BOT, and Trustee elects Mick and Michelle -

Well I find this one to be very interesting.

Let's start with NRS 354.624(1). This NRS instructs that "each local government shall provide for an annual audit of all of its financial statements."

Okay. What goes into an audit? NRS 354.624(4) provides the answer: "each annual audit must...be a financial audit conducted in accordance with generally accepted auditing standards in the United States, **including findings on compliance with statutes and regulations** and an expression of opinion on the financial statements."

Okay. Let's examine the audit engagement letter entered into between DavisFarr, Susan Griffith and Trustee Tulloch (pages 11-17 of the packet of materials prepared by staff in anticipation of tonight's meeting). Under "Compliance With Laws and Regulations" (see page 13 of the Board packet), DavisFarr tells us that "the objective of (their) audit will **NOT** be to provide an opinion on overall compliance and (for this reason it) will **NOT** express such an opinion."

Now let's examine section e. of "Management Responsibilities" (those are your staff's obligations). "Our audit will be conducted on the basis that management acknowledge and understand that **THEY HAVE RESPONSIBILITY...**for identifying and ensuring that the Entity complies with the laws and regulations applicable to its activities."

In other words, in order for the District to comply with NRS 354.624(4), its staff and ultimately its Board is now responsible for issuing findings that the District's financials are in "compliance with statutes and regulations." Well guess what? They're **NOT**! And the culprit is the Rec Fee.

On several occasions DavisFarr and EidyBailly before have stated that the Rec Fee is the product of non-exchange transactions. In other words, those whose properties are forced to pay receive nothing of value in consideration of payment. This being the case, GASB 33 describe this revenue as one of four classes: "

1. *Derived tax revenues*, which result from assessments imposed on exchange transactions (for example, income taxes, sales taxes, and other assessments on earnings or consumption);
2. *Imposed nonexchange revenues*, which result from assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions (for example, property taxes and fines);
3. *Government-mandated nonexchange transactions*, which occur when a government at one level provides resources to a government at another level and requires the recipient to use the resources for a specific purpose

(for example, federal programs that state or local governments are mandated to perform); or,

4. *Voluntary nonexchange transactions*, which result from legislative or contractual agreements, other than exchanges, entered into willingly by the parties to the agreement (for example, certain grants and private donations)."

So you tell me. Which of these four classes do the RFF/BFF represent? I say class 2. **TAXES.**

Please don't respond they're standby service charges for the mere availability to access recreational facilities because that's the label past BOTs have assigned. The legal authorities are legion that the name government assigns to a particular exaction is not controlling. Rather, its true nature will be determined from its incidence.

Okay. So let's return to NRS 318. Where does it state these types of taxes (GASB 33 taxes) may be assessed? The only NRS which provides for taxes is NRS 318.225. And the kinds of taxes permitted, are ad valorem ones. But the Rec Fee is not an ad valorem tax. Since the amount is not based upon an assessed parcel's valuation, but rather it is the same for all parcels/dwelling units, it cannot be an ad valorem tax. And besides, IVGID already levies an ad valorem tax in addition to the Rec Fee.

So what you see is that the Rec Fee which appears on the District's financials is not in compliance with law. And that's EXACTLY what I and others I know expect you to represent to the Dep't of Taxation. Because if you don't, you will be in violation of NRS 354.626(1) which is now criminal!

So the "fix" again, according to NRS 318.515(1), is formal notification to Washoe County so it can schedule public hearings. Please NOTIFY THE COUNTY.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE
WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR DECEMBER 11,
2024 MEETING – AGENDA ITEM H(4) – THE NEED TO RESCIND
BOARD POLICY 6.2.0 RATHER THAN GOING THROUGH
FURTHER MACHINATIONS**

Introduction: Well here's yet "another one" (**AGAIN**) as my friend DJ Kahled would say¹. More evidence of staff incompetence, lack of knowledge and professionalism, and a flagrant disregard for the financial sustainability of the District and involuntary costs assessed local parcel owners. This time it's tweaking another stupid Board Policy which encourages staff to give away the store to special interest non-profits. And that's the purpose of this written statement.

My December 11, 2024 E-Mail to The Board²: On December 11, 2024 I sent the Board an e-mail bringing members' attention to the truth behind the most recent proposed modifications to Policy 6.2.0, and the need to simply rescind the policy rather than attempt to make further modification after modification. Rather than recounting the substance of my comments, I refer the reader to said Exhibit "S."

Conclusion: This staff behavior just keeps happening over and over and over again. Unqualified, incompetent. over compensated, and deceitful staff get replaced by even more unqualified, more incompetent, more over compensated, and more deceitful staff. Engaging in activities having nothing directly to do with furnishing facilities for our public recreation, yet costing local parcel owners dearly insofar as their Recreation ("RFF") and Beach ("BFF") Facility Fees are concerned. All because the ends justify the means. As I've pointed out so many times before, these examples are all "red flags" of a criminal syndicate³. And you wonder why your RFF and BFF continue as involuntary subsidies, and are as high as they are? Now I've provided more evidence.

Besides forthwithly taking the action requested (rescinding the current Policy 6.2.0 altogether), I must ask when is the Board going to put members' collective feet down and put an end to these practices? Given NRS 318.515(1) states that where the: "(a) district...is not being properly managed; (or, its) (b) board of trustees (for the)...district is not complying with the provisions of...any...law;" when will the Board notify the Washoe County Board of Commissioners to hold a hearing to consider

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² That e-mail is attached as Exhibit "S" to this written statement.

³ NRS 207.370 instructs that "criminal syndicate means 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)."

whether to: (a) adopt an ordinance (substituting)...the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt an ordinance providing for the merger, consolidation or dissolution of the district...(c) file a petition in the district court...for the appointment of a receiver... or, (d) determine by resolution that management and organization of the district will remain unchanged?"

Don't you Board members think the time has come to act fiscally responsible by having the county assume supervision and jurisdiction over the district? Because obviously, this episode proves we're not qualified to properly manage our affairs.

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

EXHIBIT “S”

Re: Dec 11, 2024 BOT Meeting - Agenda Item H(4) - Further Tweaking Policy 6.1.0 Rather Than Simply RESCINDING It!

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>, Mick <homan4ivgid@gmail.com>, Michelle <jezycki4ivgid@gmail.com>, Walrack Kent <kjw@ivgid.org>
Subject: Re: Dec 11, 2024 BOT Meeting - Agenda Item H(4) - Further Tweaking Policy 6.1.0 Rather Than Simply RESCINDING It!
Date: Dec 11, 2024 4:12 PM

Chairperson Schmitz, Other Honorable Members of the IVGID Board, and Trustees Elect Mick, Michelle and Michaela -

It just keeps happening over and over again. And you wonder why this organization is as dysfunctional as it is? Are you reading GM Walrack? Here it's a stupid Board policy which really accomplishes nothing more than encouraging staff to give away the store to their favored collaborators! You know. The Takers in our community.

How many times do you need to see the evidence before you take action? Since this BOT won't do it, hopefully the new BOT will. Or better yet our new GM will do it. Which means do not go forward with this agenda item. You're a lame duck Board. Leave this issue for the determination of the new Board. It's merely a handful of weeks away.

We do not need a policy to set pricing at our various venues. If our new GM and venue managers are not competent enough to perform this function without having to rely upon a formal Board policy, they don't deserve to hold the positions that they do.

So what's the real purpose of this Policy? Simply stated to allow staff to give away use of our venues and programs at a discounted or free cost which is less than our actual costs. Which then places the burden on local parcel owners to subsidize the deficiency. Something which has been going on here for decades to local parcel owners' detriment. IT'S TIME TO PUT A STOP TO THIS!

Look at the phony pricing pyramid incorporate into the Policy. This is something generated by those who cater to real general governments which gives credence to the concept that certain facilities and programs should be offered to the public at less than their actual cost because massive amounts of tax have been awarded to those governments and thus are available to subsidize these money-losing operations. But the District does not receive massive amounts of tax revenues. And because of this fact it doesn't have excess sums available to subsidize the giveaway or excessive discounting of our facilities and programs. So why are we adopting a policy which calls for this subsidy when the only financial source is the Rec Fees local parcel owners are forced to involuntarily pay?

If this BOT won't defer this matter to the new BOT as I request, then please RESCIND it altogether. Stop trying to micro manage. Let our staff perform their jobs of operating our recreation businesses at a financial break even or even as positive cash flow. Unencumbered by the burden of giving away the stored to favored collaborators. All you need do is look how many times staff have given away use of the Chateau and Aspen Grover for free or at well below our actual costs. It's truly disgusting.

GM Walrack, the BOT has given you the power to put an end to this practice. Please do it!

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE
WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR DECEMBER 11,
2024 MEETING – AGENDA ITEM E(1) – MORE EVIDENCE ANOTHER
GROSSLY OVER COMPENSATED AND OVER BENEFITED EMPLOY-
EE (KATE NELSON) IS ILL EQUIPPED FOR THE POSITION PUBLIC
WORKS DIRECTOR AND NEEDS TO BE DEMOTED**

Introduction: Well here's yet "another one" (**AGAIN**) as my friend DJ Kahled would say¹. More evidence of staff incompetence, lack of knowledge and professionalism, and a flagrant disregard for the financial sustainability of the District and involuntary costs assessed local parcel owners. This time it's evidence staff have directed one of their own (Kate Nelson) to perform functions she was never hired to perform. In fact, this may be emblematic of nearly all employees we hire! And that's the purpose of this written statement.

My December 11, 2024 E-Mail to The Board²: On December 11, 2024 I sent the Board an e-mail bringing members' attention to the fact that again, Kate Nelson is performing work tasks for which she was never hired. Because she is not qualified to perform the duties of a real Director of Public Works. Rather than recounting the substance of my comments, I refer the reader to said Exhibit "R."

Conclusion: This staff behavior just keeps happening over and over and over again. Unqualified, incompetent. over compensated, and deceitful staff get replaced by even more unqualified, more incompetent, more over compensated, and more deceitful staff. Engaging in activities having nothing directly to do with the jobs for which they were hired. Yet costing local parcel owners dearly insofar as their Recreation ("RFF") and Beach ("BFF") Facility Fees are concerned. All because the ends justify the means and we don't have the proper personnel in the proper positions. As I've pointed out so many times before, these examples are all "red flags" of a criminal syndicate³. And you wonder why your RFF and BFF continue as involuntary subsidies, and are as high as they are? Now I've provided more evidence.

Besides forthwithly taking the action requested [demoting Ms. Nelson's employment with the District and replacing her with a real,, qualified Public Works Director (are you listening GM

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

³ NRS 207.370 instructs that "criminal syndicate means 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)."

Walrack?)), I must ask when is the Board going to put members' collective feet down and put an end to these practices? Given NRS 318.515(1) states that where the: "(a) district...is not being properly managed; (or, its) (b) board of trustees (for the)...district is not complying with the provisions of... any...law;" when will the Board notify the Washoe County Board of Commissioners to hold a hearing to consider whether to: (a) adopt an ordinance (substituting)...the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt an ordinance providing for the merger, consolidation or dissolution of the district...(c) file a petition in the district court...for the appointment of a receiver...or, (d) determine by resolution that management and organization of the district will remain unchanged?"

Don't you Board members think the time has come to act fiscally responsible by having the county assume supervision and jurisdiction over the district? Because obviously, this episode proves we're not qualified to properly manage our affairs.

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

EXHIBIT "R"

Dec 11, 2024 BOT Meeting - Agenda Item E(1) - Senior Mgmt/Venue Mgr Monthly Reports - MORE EVIDENCE KATE NELSON NEEDS TO BE TERMINATED OR DEMOTED INASMUCH AS SHE WASTEFULLY AND DECEITFULLY SPENDS HER TIME ON TASKS HAVING LITTLE TO DO WITH LEGITIMATE PUBLIC WORKS

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>, Mick <homan4ivgid@gmail.com>, Michelle <jezycski4ivgid@gmail.com>, Walrack Kent <kjw@ivgid.org>
Subject: Dec 11, 2024 BOT Meeting - Agenda Item E(1) - Senior Mgmt/Venue Mgr Monthly Reports - MORE EVIDENCE KATE NELSON NEEDS TO BE TERMINATED OR DEMOTED INASMUCH AS SHE WASTEFULLY AND DECEITFULLY SPENDS HER TIME ON TASKS HAVING LITTLE TO DO WITH LEGITIMATE PUBLIC WORKS
Date: Dec 11, 2024 3:03 PM

Chairperson Schmitz, Other Honorable Members of the IVGID Board, and Trustees Elect Mick, Michelle and Michaela -

It just keeps happening over and over again. And you wonder why this organization is as dysfunctional as it is? Are you reading GM Walrack? Here it's employee Kate Nelson!

How many times do you need to see the evidence before you take action? Since this BOT won't do it, hopefully the new BOT will. Or better yet our new GM will do it.

Take a look at agenda item E(1). The GM's monthly report. Scroll forward to pages 33-35 of the Board packet for this meeting. There we find Kate Nelson's "list of the items accomplished in November." In Ms. Nelson's own words! Remember, Ms. Nelson's job title is DIRECTOR of Public Works. And her base annual salary is believed to be well in excess of \$200K plus an over generous array of benefits. So let's look at Ms. Nelson's so called "accomplishments:"

1. Before we begin I must ask if this memo is really Kate Nelson's? After all. Hasn't Susan Herron told us SHE is the one who assists with the preparation of memos to the BOT? Bueller? Bueller?
2. Notification to the BOT and the public that the Senior Engineering position has been filled. That's nice to know. But isn't that HR Director Feore's job? In concert with our GM, she does hiring and firing. Doesn't she?
3. Capital Investment Committee Items – Bike Park Phase II; Planning – Boat Ramp Evaluation; Ski Way Pavement Rehabilitation; DP/Grease Interceptor/Fuel Tank/Upper Parking Lot Pavement; Design –Skate Park Enhancement; Working with Washoe County to extend Skate Board Park Grant from 12/31/2025 to 10/15/2026. Now what exactly do these items have to do with public works per se? Aren't they engineering matters? And isn't engineering under Internal Services rather than Public Works? What we see is that Ms. Nelson has been thrust into a position unrelated to public works because she doesn't have enough public works tasks to perform. And we're paying Director of Public Works compensation and benefits for an asset management position. Another waste of our precious financial resources.
4. Laboratory – **The required customer notification of Secondary Standard exceedance for odor was completed and included in the monthly billing. Staff is currently developing the Corrective Action Plan as required by NDEP.** What? You mean the recent notification in our water/sewer bills of the District's non-compliance with water odor levels **was ordered by NDEP** rather than the product to District transparency? And because of staff's perceived negligence, it must now develop a corrective action plan **as mandated by NDEP?**

5. Water service is out at some of the businesses in Christmas Tree Village. The public doesn't know the reason why, but apparently it has something to do with the water and sewer services the District offers.

These admissions are evidence that there are real problems in Public Works. The District's two major service requirements are public drinking water and sewerage. If staff are not competent to perform these functions in a truly professional manner, then this is evidence the District is not being properly managed. And if Ms. Nelson is spending her time on other endeavors, and allowing our public water and sewer systems to deteriorate, we have a problem with Ms. Nelson. And if this be the case, NRS 318.515 instructs the county should be notified to consider what to do with this GID.

GM Walrack, the BOT has given you the power to hire and fire where you deem necessary. Terminating or demoting Ms. Nelson's employment is necessary. Because she is grossly over-compensated, and she's not qualified to be a Director of Public Works. She needs to go!

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE
WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR DECEMBER 11,
2024 MEETING – AGENDA ITEM E(1) – MORE EVIDENCE ANOTHER
GROSSLY OVER COMPENSATED AND OVER BENEFITED EMPLOY-
EE (SUSAN HERRON) IS HANDLING MATTERS FOR WHICH
SHE WASN'T EMPLOYED NOR QUALIFIED!**

Introduction: Well here's yet "another one" (**AGAIN**) as my friend DJ Kahled would say¹. More evidence of staff incompetence, lack of knowledge and professionalism, and a flagrant disregard for the financial sustainability of the District and involuntary costs assessed local parcel owners. This time it's evidence staff have directed one of their own to perform functions she was never hired to perform nor is qualified to perform. In fact, this may be emblematic of nearly all employees we hire! And that's the purpose of this written statement.

My December 11, 2024 E-Mail to The Board²: On December 11, 2024 I sent the Board an e-mail bringing members' attention to the fact that again, Susan Herron is performing work tasks for which she was never hired. Because she has no real job duties as Director of Admin Services. Rather than recounting the substance of my comments, I refer the reader to said Exhibit "Q."

Conclusion: This staff behavior just keeps happening over and over and over again. Unqualified, incompetent. over compensated, and deceitful staff get replaced by even more unqualified, more incompetent, more over compensated, and more deceitful staff. Engaging in activities having nothing directly to do with furnishing facilities for our public recreation, yet costing local parcel owners dearly insofar as their Recreation ("RFF") and Beach ("BFF") Facility Fees are concerned. All because the ends justify the means. As I've pointed out so many times before, these examples are all "red flags" of a criminal syndicate³. And you wonder why your RFF and BFF continue as involuntary subsidies, and are as high as they are? Now I've provided more evidence.

Besides forthwithly taking the action requested [terminating Ms. Herron's employment with the District (are you listening GM Walrack?)], I must ask when is the Board going to put members' collective feet down and put an end to these practices? Given NRS 318.515(1) states that where the: "(a) district...is not being properly managed; (or, its) (b) board of trustees (for the)...district is not

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

³ NRS 207.370 instructs that "criminal syndicate means 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)."

complying with the provisions of...any...law;" when will the Board notify the Washoe County Board of Commissioners to hold a hearing to consider whether to: (a) adopt an ordinance (substituting)...the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt an ordinance providing for the merger, consolidation or dissolution of the district...(c) file a petition in the district court...for the appointment of a receiver...or, (d) determine by resolution that management and organization of the district will remain unchanged?"

Don't you Board members think the time has come to act fiscally responsible by having the county assume supervision and jurisdiction over the district? Because obviously, this episode proves we're not qualified to properly manage our affairs.

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

EXHIBIT “Q”

Dec 11, 2024 BOT Meeting - Agenda Item E(1) - Senior Mgmt/Venue Mgr Monthly Reports - MORE EVIDENCE SUSAN HERRON NEEDS TO BE TERMINATED INASMUCH AS SHE HAS NO REAL JOB DUTIES FOR THE GROSSLY OVER COMPENSATED AND BENEFITED POSITION TO WHICH SHE HAS BEEN APPOINTED BY FORMER GM INDRA

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>, Mick <homan4ivgid@gmail.com>, Michelle <jezycki4ivgid@gmail.com>, Walrack Kent <kjw@ivgid.org>
Subject: Dec 11, 2024 BOT Meeting - Agenda Item E(1) - Senior Mgmt/Venue Mgr Monthly Reports - MORE EVIDENCE SUSAN HERRON NEEDS TO BE TERMINATED INASMUCH AS SHE HAS NO REAL JOB DUTIES FOR THE GROSSLY OVER COMPENSATED AND BENEFITED POSITION TO WHICH SHE HAS BEEN APPOINTED BY FORMER GM INDRA
Date: Dec 11, 2024 2:53 PM

Chairperson Schmitz, Other Honorable Members of the IVGID Board, and Trustees Elect Mick, Michelle and Michaela -

It just keeps happening over and over again. And you wonder why this organization is as dysfunctional as it is? Are you reading GM Walrack? Here it's employee Susan Herron!

How many times do you need to see the evidence before you take action? Since this BOT won't do it, hopefully the new BOT will. Or better yet our new GM will do it.

Take a look at agenda item E(1). The GM's monthly report. Scroll forward to page 8 of the Board packet for this meeting. There we find Susan Herron's "list of the items accomplished in November." In Ms. Herron's own words! Remember, Ms. Herron's job title is DIRECTOR of Admin Services. And her base annual salary is believed to be close to \$200K plus an over generous array of benefits. So let's look at Ms. Herron's so called "accomplishments:"

1. Monitor and respond to info@ivgid.org inquiries - Is this the job of a Director? Let alone an Admin Services one? Isn't this task performed by the Board's Clerk, Heidi White?

2. Assist with Board memorandums - Is this the job of a Director? Let alone an Admin Services one? Aren't our venue managers and others who regularly submit memos to the BOT (like Kate Nelson, Karen Crocker, Mike Bandelin, Mike Gough, Susan Griffith, Erin Feore, Pay Raymore, etc.) capable of preparing their own memorandums? If not, I submit we need new venue managers as they're not equipped for the District jobs they hold.

3. Attend Staff and Board meetings - Is this the job of a Director? Let alone an Admin Services one? And when is the last time you saw Susan Herron at a BOT meeting? We don't need to pay someone like Ms. Herron nearly \$200K plus benefits to sit like a bump on a log at meetings. Can't she so sit at home? After all, don't we livestream our BOT and other meetings?

4. Work with public as needed - Admin services doesn't extend to interacting with the public. Does it? And what this task really means is that Ms. Herron is a mole who assists the "takers" in our community in backing up their propaganda with facts and documents they never otherwise would have known of. Just look at the materials Kristy Wells, Whiner Riner, Dee Carey and others have come up with in the past? We don't need someone like Ms. Herron to act in this capacity. Certainly not at nearly \$200K plus benefits!

5. Process paperwork - in other words, a paper peddle pusher!

6. Work on any special projects as requested by the District General Manager - isn't this the job of the GM's admin assistant? Isn't this person Heidi White? And if our new GM chooses to NOT assign Ms. Herron to any projects, doesn't that mean we have no work for her? Bueller? Bueller?
7. Work on public records requests - Is this the job of a Director? Let alone an Admin Services one? And besides. Don't we already have a Public Records Officer ("PRO")? And isn't that person Heidi White? So what do we need Ms. Herron for?
8. Filled in for the District Clerk during her vacation - Now that's an important function. Don't you think? Do we really need such an highly compensated employee to perform this relatively administrative task? Bueller? Bueller?
9. Worked extensively on the 2024/2025 budget and 2023/2024 budget - what is a glorified secretary doing working on an highly technical matters such as these? And besides, she has performed nothing insofar as these matters are concerned other than routine administrative matters that I thought we had hired temporary staff to perform. Ms. Herron lacks the qualifications to perform ANYTHING finance related! And besides, these tasks are not included in the job description for a Director of Admin Services. Right Ms. Herron?
10. Took a vacation - This is the ONLY beneficial task Ms. Herron performed in the month of November. But quite frankly, it could have been performed by ANYONE! Even an unpaid intern.

Then I did a public records request for written communications between IVGID and the Dep't of Taxation. And I find that Ms. Herron is being appointed as a "point person" for the District. And what is her expertise insofar as financial reporting is concerned? So why is she getting involved?

So bottom line, we see Ms. Herron's employment is worthless. As many of us have told the BOT in the past, Ms. Herron secured this plum job and compensation level as "pay back" thank you for past allegiance to our former GM, Indra Winquest. Not merit. And not need!

Finally, take a look at the written statement I submitted at the BOT's November 13, 2024 meeting (pages 74-78 of the Board packet for this meeting). Didn't I put the BOT on notice of all of this a month ago? And what has changed?

GM Walrack, the BOT has given you the power to hire and fire where you deem necessary. Terminating Ms. Herron's employment is unnecessary. And grossly over-expensive. She needs to go!

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE
WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR DECEMBER 11,
2024 MEETING – AGENDA ITEM H(3) – TERMINATE BB&K'S LEGAL
SERVICES AGREEMENT AND IN THE INTERIM, MODIFY THE
CLIENT TO BE THE IVGID BOT RATHER THAN "IVGID"**

Introduction: Well here's yet "another one" (**AGAIN**) as my friend DJ Kahled would say¹. More evidence of staff incompetence, lack of knowledge and professionalism, and a flagrant disregard for the financial sustainability of the District and involuntary costs assessed local parcel owners. This time it's our attorneys and their excessive billings to assist staff rather than the BOT they were hired to represent. And that's the purpose of this written statement.

My December 11, 2024 E-Mail to The Board²: On December 11, 2024 I sent the Board an e-mail bringing members' attention, again, Mr. Rudin's billings for staff work versus BOT work. In addition, I provided evidence that because of his less than professional conduct, local parcel owners were unnecessarily assessed nearly \$6,000 in attorney's fees. Rather than recounting the substance of my comments, I refer the reader to said Exhibit "P."

Conclusion: Behavior such as this just keeps happening over and over and over again. Negligent and over compensated attorneys get replaced by even more unqualified, more incompetent, more over compensated attorneys. Engaging in activities for a client (IVGID staff) who differs from the one (the BOT) hired them. And costing local parcel owners dearly insofar as their Recreation ("RFF") and Beach ("BFF") Facility Fees are concerned. All because our legal services agreement has been drafted in an ambiguous manner which allows Mr. Rudin to act as staff's attorney when staff have the power to hire their own attorney. As I've pointed out so many times before, these examples are all "red flags" of a criminal syndicate³. And you wonder why your RFF and BFF continue as involuntary subsidies, and are as high as they are? Now I've provided more evidence.

Besides replacing BB&K with an in-house attorney, I must ask when is the Board going to put members' collective feet down and put an end to these practices? Given NRS 318.515(1) states that where the: "(a) district...is not being properly managed; (or, its) (b) board of trustees (for the)...district is not complying with the provisions of...any...law;" when will the Board notify the Washoe County

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Board of Commissioners to hold a hearing to consider whether to: (a) adopt an ordinance (substituting)...the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt an ordinance providing for the merger, consolidation or dissolution of the district...(c) file a petition in the district court...for the appointment of a receiver...or, (d) determine by resolution that management and organization of the district will remain unchanged?"

Don't you Board members think the time has come to act fiscally responsible by having the county assume supervision and jurisdiction over the district? Because obviously, this episode proves we're not qualified to properly manage our affairs.

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

EXHIBIT "P"

December 11, 2024 BOT Meeting - Agenda Item H(3) - Extension of Existing Attorneys' Legal Services Agreement in Light of PRR - 24-143 - Attorney Rudin's Response(s) to OML Complaint #13897-498 And His Wasteful And Outrageous Billing Associated Therewith

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>, Michelle <jezycki4ivgid@gmail.com>, Mick <homan4ivgid@gmail.com>, Walrack Kent <kjw@ivgid.org>
Subject: December 11, 2024 BOT Meeting - Agenda Item H(3) - Extension of Existing Attorneys' Legal Services Agreement in Light of PRR - 24-143 - Attorney Rudin's Response(s) to OML Complaint #13897-498 And His Wasteful And Outrageous Billing Associated Therewith
Date: Dec 11, 2024 2:48 PM
Attachments: [Inv. 988530_Redacted-c1.pdf](#)

Chairperson Schmitz, other Honorable IVGID BOTs, and trustee elects Mick and Michelle -

Well it's not just our trustees. Nor our wonderful staff. It's the BOT's attorney, Sergio Rudin. He's drunk the kool aid and now he's a full fledged member of the IVGID culture. Meaning that because of his negligence, another nearly \$6K of local parcel owners' Rec Fees have been wasted on...Mr. Rudin. And this matter should be considered in light of his firm's request for extension of their legal services agreement.

Before I begin, let's get the crux of such an agreement out in the open right from the start. BB&K's client is supposed to be the IVGID Board. Yet in lieu, staff regularly and gratuitously use Mr. Rudin as if he were their attorney. Even though he isn't. If staff require the services of their own attorney, our GM should hire one. Just the way he hires every other one of our employees. Then his position can be budgeted and paid for with legitimate operational revenues. But what's happening here circumvents the entire process.

Here Mr. Rudin drafts a form of agreement which identifies the client as "IVGID" and NOT the IVGID BOT. Who exactly is IVGID? Like I said. Mr. Rudin has drunk the kool aid and created the type of ambiguity which allows staff to use him as their attorney. And bill for far greater sums than the BOT's needs.

I recently did a records request for communication between anyone at IVGID and anyone at the Dep't of Taxation insofar as the issue of fiscal watch is concerned. And what do I find? Copies of e-mail communications being sent to Mr. Rudin. And actual e-mail communications originating from Mr. Rudin. And references to telephone conversations including Mr. Rudin. Our issues with the Dep't of Taxation arise from financial reporting deficiencies. What does this have to do with Mr. Rudin? If the subject legal services agreement were properly worded, we wouldn't have to deal with the problem. However because it isn't, look at what we have?

Look at Kate Nelson? How many times have I called Ms. Nelson out for stupidly and wastefully using Mr. Rudin to perform her job of creating RFPs for various endeavors, entering into purchase orders, and contracts with essentially every Tom, Dick and Harry third party vendor she deals with? Spending thousands of dollars to negotiate and approve a janitorial services contract. If our GM won't get rid of employees like Kate Nelson, at least take away her access to the wasteful expenditure of attorney's fees associated with the District vendors she deals with. In other words, Mr. Rudin!

And it's not just Kate Nelson. Paul Raymore has been regularly guilty of the same wrongs. As has Fleet Superintendent Allen. If you're going to contract with BB&K, make it clear their client is the IVGID BOT and NOT staff.

Now with that said, let's take a step back and look at the total picture. Instead of having a full time attorney as an employee who's schooled in our issues, the BOT has contracted with Mr. Rudin's law

firm for what are supposed to be limited services. So let's run down what they are supposed to be.

1. He attends the BOT's and it's citizens sub-committee meetings. Although the value of his participation at those meetings is questionable, he charges nearly \$300/hour for his time.
2. And when he personally appears at those meetings, the District gets assessed his add'l travel time from Sacramento.
3. And I've previously complained that even though the BOT has a clerk who's competent to prepare minutes of those meetings, we contract for a certified shorthand word-for-word reporter ("CSR") to transcribe those minutes. At an additional cost totaling anywhere from \$1,200 to over \$2,400 per meeting based upon its length. Look at the Board packet for this meeting. Page 121 has a CSR bill for \$2,214. Page 214 has one for another \$1,688. Two meetings in 10 days at a combined cost of over \$3,900! On top of Mr. Rudin's fees.

Now let's go to the preparation of an agenda and notice of a BOT's meeting.

1. The BOT chairperson in concert with our GM prepares an agenda.
2. It is reviewed before publication by attorney Rudin.
3. Presumably Mr. Rudin ensures that compliance with the OML has been met.
4. Which presumably includes ensuring that the BOT is not requested to approve the minutes of a meeting which are more than 45 days after the meeting. Because if more than 45 days, Mr. Rudin knows the BOT is required by NRS 241.035 to find good cause.

So here we have a BOT meeting taking place July 26, 2023. Yet the minutes of that meeting are not presented to the BOT for its approval until September 19, 2023. More than 45 days after the meeting. As Mr. Rudin is reviewing the agenda and notice for the September 19, 2023 does he realize that more than 45 days have elapsed? Obviously not. Because if he did, he would have done something about it on September 19, 2023.

So now September 19, 2023 arrives. And Mr. Rudin is physically present at that meeting. And agenda item F(2) is called. And does he interject that the proposed approval is untimely unless good cause for the delay is found? Does he even suggest what might be good cause so the Board can make a formal finding of the same? No and no! Inadvertence? Negligence?

And of course we have such a professional staff that surely someone will know that an OML violation has occurred and bring this matter to the BOT's attention. Correct? Well it doesn't. Because IVGID is unable to properly manage itself (a grounds for county notification under NRS 318.515).

And to go one step further, it turns out NRS 241.0365 provides a safe harbor provision to allow the BOT to correct its OML violation notwithstanding Mr. Rudin's negligence. Simply stated it has 30 days to correct. So does Mr. Rudin initiate this safe harbor provision within 30 days of September 9, 2023 so the approval can be timely? Of course **not again!**

Well there is someone in our community who works to keep the District honest, ethical and in compliance with the NRS. And his name is **ME**. So I file an OML complaint with the Office of Attorney General ("OAG"). And it is turned over to Mr. Rudin for damage control. Control over the damage **he created**. And that's really the purpose of this e-mail and enclosure. Our cost because of his negligence.

Mr. Rudin asserts there was good cause for the delay in approving the minutes of the BOT's July 26, 2023 meeting. Even though that issue was **never** submitted to the BOT. Nor did the BOT **ever** make such a finding! And what was that good cause? Mr. Rudin needed additional time on top of 45 days after the meeting to read the written statements attached to those minutes by members of our community giving public comment. This was a disingenuous excuse for a number of reasons. First, it was his excuse. **Not** the District's. **Nor** the BOT's. He doesn't get to determine good cause. The BOT does.

And second, Mr. Rudin had and has no standing to redact nor remove any public speaker's written testimony to the BOT. That would be like censoring oral public comment which is impermissible even if

that comment is slanderous. So why is Mr. Rudin delaying the approval of minutes of past BOT meetings so he can examine written statements he has no power to do anything about?

Regardless, this is not the purpose of my e-mail. Rather, my purpose is to share the cost to the District after my OML complaint was filed - Mr. Rudin's johnny-come-lately cause argument.

To learn this information, I had to make a formal public records request which you can see below. And the other day the responding records were released. Which are attached to this e-mail. And rather than a concise statement, I had to ferret out the time expended on Mr. Rudin's response to the OAG. And if I am correct, it consisted of 20.6 hours of time at \$285 per hour. **Nearly \$6,000!** And why? Because Mr. Rudin didn't protect the District from the possibility of matters such as this one which could have been very easily and inexpensively nipped in the bud.

Now this episode was not the first such one where the BOT failed to timely approve minutes of its meetings. In fact only recently it happened again. And yes I filed another OML complaint. And yes the BOT never found good cause for the non-timeliness. And I expect Mr. Rudin is going to come up with the same lame excuse. After needlessly costing his client another nearly \$6,000. As my friend Arnold Palmer used to ask, "what's the par on this hole?" Apparently \$6K per OML complaint. And who ends up paying?

So what's the lesson to be learned?

1. Mr. Rudin and his law firm need to go. They lack the minimal competence we require. Especially at nearly \$300 per hour.
2. Maybe it's time to hire a full time staff attorney? Who is more suited to looking out for our GID's interests.
3. In the meantime keep him on an as needed basis.
4. And modify the proposed legal services agreement to make the BOT the client so Mr. Rudin won't go off on a tangent increasing his bill because he is doing work for staff.
5. And as Mr. Rudin is booted out, he be required to return the wasteful \$5,871 he cost local parcel owners insofar as my OML were concerned.

Please don't tell me Mr. Rudin's fees didn't come from local parcel owner's Rec Fees. **Sure they did!** Yes Mr. Rudin's fees may have been charged to the District's General Fund. But the BOT has budgeted the General Fund to spend quite a bit more than the tax revenues which are deposited therein. Notably, those revenues don't even cover employee costs and benefits assigned in that fund. So there's nothing left over to pay Mr. Rudin. Which therefore requires a subsidy, Which we know as central services cost transfers. Which are funded in large part by local parcel owners' Rec and Beach facility fees.

So yes. The wasteful money with Mr. Rudin was involuntarily collected in large part by local parcel owners. Having zero to do with the availability of public recreational facilities to those parcels of real property which are assessed. Because we're not capable of properly managing ourselves.

Respectfully, Aaron Katz

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

From: Info IVGID <InfoAtIVGID@ivgid.org>

Sent: Dec 3, 2024 1:14 PM

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

Cc: Info IVGID <InfoAtIVGID@ivgid.org>, Karen M. Crocker <kmc@ivgid.org>

Subject: RE: PRR - 24-143 - Written Response(s) to my OML Complaint #13897-498 And Attorney's Billing to IVGID Associated Therewith

Thank you for your recent request PRA No. 24-143

The District is committed to making reasonable efforts to focus all requests in a manner that maximizes the likelihood of expeditious disclosure. We have provided all records responsive to your

request

All records have been released, and your request has been fulfilled.

The following information is provided:

BBK Invoice No. 988530 (Matter # 83154.00003)

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: hhw@ivgid.org
Office: (775)832-1268
Cell: (775)558-9500

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

From: s4s@ix.netcom.com

Sent: Monday, November 4, 2024 12:13 PM

To: Heidi White

Cc: Info IVGID ; Karen M. Crocker

Subject: PRR - Written Response(s) to my OML Complaint #13897-498 And Attorney's Billing to IVGID Associated Therewith

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

Hello Heidi -

I would like to examine the District's response(s) to the OAG of my OML complaint identified above.

I would also like to examine all attorney's billing invoices for work associated with my OML complaint identified above, unredacted, which include:

The date work was done;

A description of that work;

The time expended for each such description; Who exactly expended that time; The hourly fee assigned to the time expended for each such description; Any additional sums expended for other purposes such as legal research, administrative support, out of pocket expenditures.

Thank you for your cooperation. Aaron Katz

December 11, 2024

Good evening--Michelle Jezycki IVGID Trusee Elect

When reviewing the agenda for this last meeting of the outgoing board, I began to identify comments that included suggestions, professional opinions. For example as an expert in performance management, I might point out that the "goals" of the GM are not actually "goals," nor was the handout identifying the first 100 days. There are no actionable objectives nor meaningful metrics. I could point out that modifying Policy 6.1.0 would be a senseless at this 11th hour. Instead, I realized that, as has been this boards practice, providing productive professional input is a futile exercise. So, I have chosen to use my time to discuss a major milestone that has ~~only~~ been kept under the radar.

Mr. Mike Bandelin started his career with IVGID as a parking lot attendant making \$5/hour with IVGID. He literally worked his way up the ranks from Ski Incline to Diamond Peak, from then lift operator all the way up to now General Manager of the Resort, which he has performed for the last 9 years. Mike has demonstrated complete dedication and loyalty to IVGID and our community. This steady and unboastful leader even stepped up when our community desperately needed an interim GM and "took one for the team" so to speak. While he has held different positions within our District he has always returned to his love for the Mountain. Mike Bandelin is at home at Diamond Peak and continues to love to work outdoors at the resort for the betterment of the DP guests, our community and the District at large. He is a professional operating with integrity and honesty. We all can learn a thing or two from Mr. Bandelin. I think the least we can do is thank him for his service as he recently reached his **40th** anniversary with IVGID. Won't you please join me in a round of applause for his 40 years of service? When you see Mike, join me in thanking him for his dedication, professionalism and leadership for the past 40 years!

As for the new board, I look forward to serving our community with some of the same skills demonstrated by Mr. Bandelin, professionalism, integrity, decency and reasonableness. We have much work to do, as mentioned in other public comments I have made, we will have to put the train in reverse before we can put it in forward motion....but WE WILL GET THERE. Keeping the community first with transparency and inclusiveness, checking egos and self interest at the door, we will rebuild our team, our finances and our Village to new heights and allow the community to finally start healing from the divisiveness of these past few years. Onward and Upward.

Good night and I wish you a productive meeting.