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 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 Held at the Boardroom
 14 893 Southwood Boulevard
 15 Incline Village, Nevada
 16
 17 Wednesday, April 24, 2024
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 20
 21
 22
 23
 24 Reported by: Brandi Ann Vianney Smith
 25 Job Number: IVGID 36

1 APPEARANCES
 2
 3 **BOARD MEMBERS PRESENT**
 4 SARA SCHMITZ, CHAIR
 5 MATTHEW DENT, VICE CHAIR
 6 MICHAELA TONKING, SECRETARY (via Zoom)
 7 RAY TULLOCH, TREASURER
 8 DAVE NOBLE, MEMBER
 9
 10
 11 **ALSO PRESENT**
 12 SERGIO RUDIN, LEGAL COUNSEL
 13 HEIDI WHITE, DISTRICT CLERK
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1 Incline Village, Nevada - 4/24/2024 - 6:00 P.M.
 2 -o0o-
 3
 4
 5 CHAIR SCHMITZ: It's six o'clock. I'd
 6 like to call the Incline Village General Improvement
 7 District Board of Trustees to order at 6:00 p.m. on
 8 April 24th, here at the Boardroom at 893 Southwood
 9 Boulevard. We'll begin with the Pledge of
 10 Allegiance.
 11 A. PLEDGE OF ALLEGIANCE
 12 (Pledge of Allegiance.)
 13 B. ROLL CALL OF TRUSTEES
 14 CHAIR SCHMITZ: Trustee Tonking, you're
 15 online, I see you.
 16 TRUSTEE TONKING: Here.
 17 CHAIR SCHMITZ: Trustee Tulloch?
 18 TRUSTEE TULLOCH: Here.
 19 CHAIR SCHMITZ: Trustee Noble?
 20 TRUSTEE NOBLE: Here.
 21 CHAIR SCHMITZ: Trustee Dent?
 22 TRUSTEE DENT: Here.
 23 CHAIR SCHMITZ: And myself, Sara Schmitz,
 24 here. We have everyone in attendance. We'll move
 25 on to public comment.

6

1 C. INITIAL PUBLIC COMMENT
 2 MR. NOLET: Chris Nolet, Incline Village
 3 resident, retired CPA, and former IVGID Audit
 4 Committee chair through February 26, 2024.
 5 This is not the first time that I've
 6 spoken to this group on the topic of the June 30th,
 7 2013, financial statements included in our ACFR not
 8 being audited. Contrary to repeated assertions made
 9 by district staff and all trustees in a press
 10 release dated April 3rd, 2014, the financial
 11 statements are not audited.
 12 The signed report from Davis Farr dated
 13 March 27th, 2014, notes the following, and for
 14 everybody following along, this can be found on page
 15 10 of the PDF ACFR on our website: "We have not
 16 been able to obtain sufficient appropriate audit
 17 evidence to provide a basis for an opinion on these
 18 financial statements." It goes on to say, "We do
 19 not express an opinion on the accompanying financial
 20 statements."
 21 I fail to find how anyone can
 22 misunderstand these two clear, unequivocal comments.
 23 I have worked closely with several of the
 24 individuals who have continuously made this false
 25 statement, they've always appeared to me to have

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1 sound written and verbal communication skills, hence
 2 I've come to personally conclude that their repeated
 3 false assertion represents an intentional false
 4 statement.
 5 Last summer, I gave two presentations on
 6 the definition of accounting and financial reporting
 7 fraud related to a financial statement audit as
 8 defined in Statement and Audited Standards No. 99,
 9 consideration of fraud in a financial statement
 10 audit. Moreover, GM Magee has referenced the fraud
 11 triangle continued therein on several occasions in
 12 the last nine months.
 13 In my professional judgment as a retired
 14 CPA with more than 40 years of audit and related
 15 experience, I believe the repeated false assertion
 16 made by district financial staff and the BOT that
 17 the June 20th, 2013, IVGID financial statements are
 18 audited represents a material, intentional financial
 19 reporting fraud, fitting broadly within the scope of
 20 SAS 99.
 21 Thank you.
 22 MR. HOMAN: Mick Homan, Incline resident.
 23 Last year's board actions on golf rates
 24 hurt the District; you can fix that tonight. Darren
 25 Howard's initial proposal on March 8th of last year

8

1 was very reasonable. Essentially, rate increases
 2 that were close to inflation and retention in the
 3 All-You-Can-Play Passes, with shorter tee intervals
 4 and dynamic pricing changes that would have driven
 5 an increase in golf revenues of around 30 percent.
 6 Unfortunately after trustee input over following
 7 months, significant changes were made to the rates,
 8 and the All-You-Can-Play Passes were eliminated.
 9 What was the a result? Despite 20 percent
 10 more tee times, total rounds played declined despite
 11 having our first golf season in years with no
 12 negative impact from COVID or fires. Some of our
 13 most loyal golfers left or dramatically reduced
 14 their level of play, increased rates crossed the
 15 point of elasticity, locals played less and visitors
 16 didn't fill the gap. As a result, golf fees were up
 17 significantly less than that 30 percent.
 18 Your decisions likely cost IVGID around
 19 fifteen percent in terms of lost golf revenue.
 20 There was a more dramatic knock-on impact on
 21 ancillary revenues, the pro shop and food and
 22 beverages that income down significantly.
 23 The recommendations in tonight's materials
 24 are responsive to last year's learnings. The
 25 nominal changing to last year's daily rates

9

1 hopefully gets us closer to competitive pricing, and
2 the return of the All-You-Can-Play Pass will
3 hopefully bring back some of the lost customer base.
4 But with a 25 percent increase versus the previous
5 passes and the limited number of rounds, some will
6 not return.

7 Please act quickly, avoid wasting time
8 debating costs and the price pyramid. It clearly
9 didn't help us last year. With my finance and
10 accounting background, it pains me to say this, but
11 right now costs are irrelevant for setting
12 this year's rates. Twenty-five years in consumer
13 products industry taught me a very important lesson:
14 You can't price your product higher than what the
15 consumer's willing to pay.

16 IVGID customers re-enforced this. They're
17 behavior last year taught us two important things.
18 First, we can't price up. Our value equation got
19 out of whack relative to our competition and rounds
20 declined. Second, eliminating the All-You-Can-Play
21 options was a mistake. With some of our most loyal
22 customers leaving or playing less, it didn't just
23 impact the direct golf fees, it also reduced guest
24 fees from these customers along with indirect fees
25 at the range, the pro shop, and food and beverage.

10

1 In addition, the way we allocate central
2 costs to golf makes our reported financials
3 meaningless. Normal golf operations simply don't
4 incur the level of costs we allocate for central
5 administrative services, fleet, IT, and other items.
6 Net, you have everything you need to approve the
7 proposed rates.

8 I'm also hoping the omission of the junior
9 and golf and college golf passes is an oversight and
10 will be added back to the final rate structure.
11 These young adults are a vibrant part of our golf
12 community and future of the game. These passes
13 don't provide much monetarily, but they were limited
14 to standby play with no carts that weren't blocking
15 any other rate-paying customers. We should be
16 encouraging their play, not reducing their
17 privileges.

18 Thank you.

19 MR. KATZ: Good evening. Aaron Katz, Box
20 3022, Incline Village. I've given written
21 statements to Mr. Magee to be attached to the
22 written minutes of this meeting.

23 I'm going to talk about G 7, staff's
24 request for \$80,000 more on a purchase order to
25 lose more money on food and beverage sales. Before

11

1 I start, who has prepared the staff memo in support
2 of this item? What does Mr. Cripps know about the
3 reasons why we're on track to spend more on food and
4 beverage for resale than the amount authorized on
5 June 28th? He's a finance guy, so I question the
6 truthfulness of everything set forth in his staff
7 memo, and I urge you to do the same.

8 On June 28th, 2023, the Board approved
9 purchase orders for nearly \$1 million worth of food
10 and beverage resale from four vendors, including
11 U.S. Food Service. Presumably, this was the extent
12 of appropriations for this expense item. In other
13 words, I question whether the Board budgeted
14 spending an additional 80,000 for this expense item,
15 but somehow neglected to include the sum in any
16 purchase orders, because that's what Mr. Cripps is
17 telling you. If you approve the 80,000, it's
18 already budgeted. It is not.

19 Now, Mr. Cripps tells us that we've burned
20 through an appropriated 479,000 with U.S. Food
21 Service without really knowing the reasons why. He
22 says higher pricing from U.S. Food Service. He
23 doesn't say because of higher retail sales than
24 budgeted, so how does he know?

25 Here we have no inventory for food and

12

1 beverage, we have no reconciliation of our
2 financials for their sales, and we know last year we
3 were losing \$2,000 a day just at The Grille. And
4 when our former F and B director was told to produce
5 an inventory and accounting, what did he do? He
6 resigned. All of the red flags of something
7 nefarious is here. Start connecting the dots. Food
8 comes in the front door and it goes out back door
9 along with our employees and their favorite
10 collaborators.

11 Staff tell us we need 80,000, the current
12 not-to-exceed limit would likely be met, staff will
13 no longer have the authority to continue to purchase
14 goods in order to continue food service operations.
15 I say stop the waste of my rec and beach fees. No
16 more food purchases, send the message by stopping
17 these money-losing food operations and get to the
18 truth.

19 Thank you.

20 MR. HANCOCK: Good evening. I'm John
21 Hancock. I'm a resident of Incline, and I'm also a
22 member of TIGC.

23 I'm here tonight not to complain about the
24 new rate structures and some of the past
25 adjustments; they all seem fairly reasonable to me

13

1 and not uncompetitive relative to other courses in
 2 the area. The thing that I find rather difficult to
 3 understand is the tee time reservation policy. Most
 4 courses -- in fact, I would go so far to say just
 5 about every course on the planet has a limited
 6 amount of time, two weeks, three weeks, something
 7 like that in which you can book a reservation. The
 8 exception to that is tournaments. Most golf courses
 9 love tournaments because they are very efficient,
 10 they have a number of tee times, maybe 12, maybe 20,
 11 all in order, there's no gaps, there's no missed
 12 revenue, so they try to encourage tournaments.
 13 Golf clubs are tournaments by that
 14 definition. They prepay, we have consistent, no
 15 gaps in the tee times and the tee offs. It's an
 16 efficient way to run a business. I understand that
 17 there is some objection to the fact that these golf
 18 clubs have so many tee times, and I have a
 19 suggestion in that regard. And at the same time I
 20 would like to encourage the new golf management to
 21 actively solicit tournaments, resident tournaments,
 22 non-resident tournaments, in periods of time when
 23 the play is slow.
 24 If you had, let's say, a two- or
 25 three-week window in which people could book

14

1 reservations and you gave the non-golf club
 2 residents a head start so they had a couple or
 3 three days where they could book the tee times that
 4 were open, I think it would kind of equalize the
 5 complaint that the golf clubs are sucking up too
 6 much of the time.
 7 I've run a couple tournaments as a
 8 resident, mostly attended by non-residents, and
 9 worked with the golf pro who was a tournament here
 10 at Incline, a tournament director, and he told me
 11 last year that his hands were completely tied. He
 12 can't book tournaments because residents can book
 13 tee times out through the entire season with no
 14 money down, no skin in the game, no nothing, and
 15 they did a lot of that. The primary tee times were
 16 gone. That's just crazy.
 17 There should be a limited amount of time,
 18 and the golf pro, the tournament chairman or whoever
 19 it is, should have an open field in the future for
 20 which to book tournaments during periods of time
 21 when the residents are not particularly inclined to
 22 use the course. That's the way most courses do it,
 23 and I would encourage us to reconsider our tee time
 24 policy.
 25 That's all I've got to say. Thank you.

15

1 MS. MILLER: Good evening, Trustees.
 2 First I wanted to mention some, what I
 3 think is good news, and that's the great report from
 4 our treasurer. My only hope is that future
 5 financials will remove the facility fees from
 6 operating revenues so we have a little better
 7 understanding of the financial performance without
 8 those subsidies.
 9 More good news, a multi-purpose floor
 10 surface that could be used for, of all things, tap
 11 dance, something I've been dreaming about. I've
 12 never tapped danced in my life, but I've seen other
 13 communities where it's a really popular activity.
 14 So I'm hoping we'll get a beginning tap dance
 15 instructor, not just for the seniors, but for
 16 youngsters as well. Tap dancing is something, it's
 17 one of those lifelong activities. Looking forward
 18 to that.
 19 Then the not-so-good news. It seems like
 20 there's a lack of qualified candidates for the Audit
 21 Committee. I appreciate those who applied for a
 22 volunteer position, but it looks like several who
 23 submitted applications were actually looking for a
 24 paying job. And to me the only candidate with any
 25 qualifications related to the needs of an Audit

16

1 Committee doesn't own property here and doesn't live
 2 here. I don't think they have standing to advise
 3 the Board and should not be considered until such
 4 time as they have a vested interest in the
 5 well-being of our community. Time to go back to the
 6 drawing boards. Please put it out again to see if
 7 we can get some qualified applicants.
 8 Finally, do we still have a contract with
 9 OpenGov or has it been terminated? I thought the
 10 data import issues had been resolved months ago, so
 11 instead of public records requests, we'd find
 12 answers to our financial queries through OpenGov.
 13 It's now been a year and a half, nearly, since we
 14 had current financial data available on OpenGov.
 15 Will it be made available anytime in the future?
 16 Hopefully I'll get an answer.
 17 Thank you very much.
 18 MR. DOBLER: Cliff Dobler here.
 19 The tentative budget for fiscal year
 20 2024/25 has not been filed with the Department of
 21 Taxation and the county clerk as required by
 22 provisions of NRS 354.596. At the time of filing
 23 the tentative budget, a notice of the time and place
 24 for a public hearing must be established. No
 25 budget, no public hearing. Breaking the law?

17

1 Absolutely.

2 In addition to the tentative budget under

3 NRS 354.5965, IVGID must provide a listing to the

4 Department of Taxation of existing contracts with

5 persons or temporary employment service with

6 estimated expenditures over the next two years.

7 Nothing has been filed.

8 Since the required tentative budget has

9 not been done, IVGID is in violation of the law, but

10 can file a final budget by May 31st, 2024. If

11 history repeats itself, residents and trustees will

12 only get one crack at reviewing the budget which

13 will be delivered at the May 9th, 2024, board

14 meeting, leaving little or no time to discuss and

15 change items. To ignore changes, the famous quote

16 by former trustee Wong will be: We're out of time.

17 In the last ten years, IVGID has always

18 filed a tentative budget.

19 Now, about board policies. The first page

20 of the IVGID website is about IVGID. The trustees

21 are to set policy to accomplish its charter.

22 Currently there are 22 policies enacted. About four

23 years ago it was determined that the policies had

24 been watered down in 2014, leaving no direction for

25 staff to rely on. Trustee Schmitz made a concerted

18

1 effort to update the policies with considerable

2 resistance by the former management. As such, only

3 five policies were updated. Current efforts,

4 however, brought five new and necessary policies

5 which have been in place for less than six months.

6 One of the most controversial policies was

7 15.1, regarding the Audit Committee charter. Since

8 adoption 18 months ago, the policy requirements have

9 not been followed. For example, tonight's agenda

10 has a selection of two new at-large members to

11 replace two individuals who did not complete their

12 term. A review of the policy indicates that only

13 one of the five applicants is qualified.

14 Another example was a required review of

15 the Audit Committee of the management representation

16 letter to the external auditor. This was not done.

17 As a result, the letter dated March 27th, 2024, has

18 44 representations of which at least half are not

19 factual or do not agree with the disclaimer of the

20 auditor. Why was this not reviewed?

21 Another is the central --

22 (Expiration of three minutes.)

23 MS. WELLS: Good evening, Board. Christy

24 Wells, Incline Village resident.

25 Tonight's agenda includes item G 3, an

19

1 agreement for the water main replacement on Alder

2 Avenue. This project has been previously included

3 in the Board-approved fiscal year '23 to '24 capital

4 improvement project budget. During the April 10th

5 meeting, the Alder Avenue new waterline project was

6 approved. However, the contracts for professional

7 services associated with the pipeline, totaling less

8 than \$20,000, are now on the agenda, causing delays

9 of the progress of this project.

10 Previously, such contracts would have

11 fallen within the signing authority of the general

12 manager or the director of public works. The Board

13 Chair insists on overseeing every single contract

14 executed in the District, and it continues to reduce

15 the efficiency of the staff and puts a drain on our

16 financial resources.

17 Similarly, item G 4, the effluent storage

18 tank agreement, was approved on the April 10th

19 meeting, and falls within budgetary constraints.

20 Its reappearance on the agenda prompts questions

21 regarding the necessity of re-approval.

22 Item G 5 concerns the replacement of

23 carpet in the public works building, a project

24 previously sanctioned by the Board. Despite

25 aligning with budgetary targets, it returns to the

20

1 agenda. It seems like someone is micromanaging the

2 Public Works staff.

3 Lastly, item G 6, urgent need to replace

4 the floor in the group fitness room at the

5 Recreation Center, it's a project already authorized

6 and budgeted. Given the potential safety concerns,

7 it's inclusion on tonight's agenda is curious. Why

8 was this required?

9 All four items were previously approved by

10 the Board and fall within budgetary limits. This is

11 not oversight; this is micromanagement. It impacts

12 staff resources, particularly with construction

13 season approaching on May 1st, potentially leading

14 to delays in project completion.

15 Repeated approvals such as these indicate

16 trustees delving into the day-to-day operations

17 which can hamper efficiency and productivity. The

18 requirements of staff to draft board memos on

19 approved projects and for legal counsel to review

20 every single agreement consumes valuable resources

21 and diverts attention from pressing matters.

22 My guidance to this board is to allow

23 staff to execute their duties within approved

24 projects and budgets, ensure that they are

25 streamlining processes, and optimizing resource

21

1 allocations. In other words, get out of the weeds,
 2 follow the rules and guidelines around your role,
 3 and let staff do their jobs.
 4 Thank you.
 5 MR. WRIGHT: Frank Wright, Crystal Bay.
 6 It has been verified to me, verbally, by
 7 our General Manager, Bobby Magee, that the golf
 8 course revenues, expenses have not been reconciled
 9 for the last year. Well, if we don't have a bottom
 10 line, if we don't have expenses and expenditures and
 11 amounts of money that has been taken in and where we
 12 stand as of today, how in the world can we possibly
 13 approve golf rates for this summer when we don't
 14 know how much money we've lost or made, we don't
 15 know anything about the bottom line? And now we're
 16 going to arbitrarily, without understanding our
 17 expenses and losses at that golf course or profits,
 18 we can't possibly make a logical understanding of
 19 what these golf rates should be.
 20 The proposals, I look at them and I'm not
 21 in total disagreement with them, but the same time,
 22 are they too much, too little, how do you know
 23 unless you know how much you made or lost last year?
 24 I believe the golf course is closed in
 25 October. November, December, January, February,

22

1 March, how long does it take to look at what you
 2 got? How long does it take to go through those
 3 financials and find out what was made and what was
 4 spent? What's taken them so long? Is it impossible
 5 for you to pull up this information? We know and
 6 we've been told that \$2,000 goes out the door at The
 7 Grille. How much have we made at the golf courses?
 8 What's our budget? What's our bottom line?
 9 You can't put new golf rates in if you
 10 don't know that. You're flying blind. And to put
 11 down those golf rates, it just can't be done. I
 12 don't understand how anybody can do it.
 13 I listen to Mr. Homan, my opposition
 14 candidate in this next election, blab off about how
 15 many people we've lost. How does he know that?
 16 People that have taken off, they're not going to be
 17 here, we're going to lose this, how does he know
 18 that? I don't know that. Where is that written
 19 down? Just to make stuff up like that and then put
 20 it down as fact, that's just wrong. You've got to
 21 have the numbers.
 22 And as far as the golf club tee times, we
 23 already know the nightmare on that. Fifty-two
 24 percent of the people who played in the golf tee
 25 times last year didn't live here. They were

23

1 residents that lived someplace else, not here. They
 2 didn't pay into our rec fees.
 3 The golf courses may make a lot of money
 4 if you start selling those tee times that were given
 5 away in February to people who don't live here who
 6 are coming here paying the whole fare. Now you're
 7 going to start making money. And by the way, if
 8 you're making that kind of money, aren't our rates
 9 as residents going on to go down? Aren't we going
 10 to be playing a lot cheaper because someone else is
 11 going to be paying a lot more, rather than the way
 12 it's been in the past where the residents have been
 13 paying all the bills and the outsiders have been
 14 benefiting from it and getting the tee times?
 15 Things have got to change.
 16 D. APPROVAL OF AGENDA
 17 CHAIR SCHMITZ: Move on to item D.
 18 TRUSTEE TULLOCH: I would like to move
 19 item G 6 from the consent calendar to the general
 20 business.
 21 CHAIR SCHMITZ: Are you okay if we put
 22 that as new G 2 so that it's after the golf rate
 23 discussion?
 24 TRUSTEE TULLOCH: Yes.
 25 CHAIR SCHMITZ: That would be a request to

24

1 move consent item 6 to general business.
 2 Any other changes?
 3 TRUSTEE DENT: Does it make sense to
 4 remove G 3, 4, 5, and 6 so we can understand why,
 5 and we can approve those as one vote, we can group
 6 them together and approve them. But it would be
 7 good to understand why those are coming back on the
 8 agenda if, quote/unquote, we've already approved
 9 them.
 10 And if there are board members that are
 11 micromanaging this process, it would be good to know
 12 about that.
 13 CHAIR SCHMITZ: So for clarification, it
 14 is following our Board policy. They're on the
 15 consent calendar because that's what our Board
 16 policy actually states, and it was done specifically
 17 because there had been so many issues with contracts
 18 having errors.
 19 So until such time as the contracts -- and
 20 they have been improving substantially. I'll
 21 provide a report at the next meeting. But until
 22 that time, we would need to modify of our policy.
 23 So they're on the consent calendar so that they can
 24 be efficiently approved.
 25 TRUSTEE DENT: No, I'm fine with that,

25

1 with your response. I just thought it would be
 2 important to address those concerns.
 3 CHAIR SCHMITZ: I appreciate that.
 4 TRUSTEE TONKING: I was just going to ask
 5 if you could cite that policy, that way people could
 6 refer to it instead of public comment. That would
 7 probably be helpful.
 8 CHAIR SCHMITZ: Absolutely. It's Policy
 9 3.1, and it's the conduct of our meetings, and it
 10 was modified in January of last year for reasons
 11 we're all aware of. And I look forward to the day
 12 that we revise that policy yet again. I'll be
 13 looking to Mr. Magee to, hopefully, do that before
 14 the end of the year.
 15 Any other comments about the agenda?
 16 Moving on.
 17 E. GENERAL BUSINESS - PART 1
 18 E 1. Interviews for the Audit Committee
 19 At-Large and Selecting Two Trustees
 20 TRUSTEE TULLOCH: As mentioned by several
 21 people in public comment, it's unfortunate that the
 22 advert that went out for the at-large members failed
 23 to actually detail the qualifications as detailed in
 24 that Policy 15.1.0, which are at quite
 25 comprehension. It's also mentioned, several

26

1 individuals appear to be looking for a job, even
 2 that it said at the top that it was a voluntary
 3 position.
 4 As such, I would like to ask the Board for
 5 permission to readvertise the at-large positions
 6 with the list-stated qualifications so we can
 7 properly attract the candidates. Several
 8 candidates -- and I don't blame them as this is
 9 actually a way of developing their skill set, but
 10 really what we're looking for are at-large members,
 11 and as really outlined in the policy is experienced
 12 people that can give guidance to the Board in terms
 13 of that. It's not necessarily a learning position.
 14 CHAIR SCHMITZ: I can concur with that. I
 15 also would like to suggest that the Board consider
 16 allowing the Audit Committee chair to preview the
 17 applicants so that only qualified applicants are
 18 coming to the Board for consideration.
 19 TRUSTEE TULLOCH: I'm good with that. I
 20 think it would also be fairer to the individuals.
 21 It's unfortunate the way the advert was worded, I
 22 can't blame these individuals for applying, and I
 23 applaud them for their efforts to do so.
 24 It's no reflection on the candidates
 25 themselves; it's just a case for looking for the

27

1 appropriate skill sets. I think it's important to
 2 make that before people think it's -- I'm not
 3 dissing the candidates, I'm just pointing out the
 4 earlier requirements of Policy 15.1.0.
 5 I would like to thank all the candidates
 6 that have applied.
 7 CHAIR SCHMITZ: With that, do we want to
 8 move on to the appointment of the two trustees to
 9 fulfill their roles? How would the Board like to
 10 move forward?
 11 TRUSTEE TULLOCH: I think we need some
 12 guidance from counsel on that. I'm happy to make a
 13 motion to propose two trustees, that we move forward
 14 with it, the election of the two trustees. I can't
 15 quite remember the last election period. We might
 16 well be out of compliance at the moment.
 17 MR. RUDIN: It is properly noticed and
 18 agendized that you guys are considering taking
 19 action to appoint two trustees to serve on the Audit
 20 Committee, so that is certainly something that you
 21 would do by motion.
 22 TRUSTEE TULLOCH: Can you just remind me,
 23 when was two trustees last elected? Does the policy
 24 not state it's for a period of a year?
 25 MR. RUDIN: Let me check the policy.

28

1 TRUSTEE TONKING: We moved it, and it was
 2 February of -- the end of February of 2023, so we're
 3 delayed right now in putting somebody in. But it's
 4 been a year because I looked from our last meetings.
 5 I have one more question on that point
 6 that was made earlier about the candidates. I am
 7 fine -- I understand the idea of moving it, and I
 8 feel like we probably should have made this decision
 9 earlier and I think it's a disservice to people who
 10 applied. But I do have a little bit concern about
 11 one trustee vetting candidates. I don't know if
 12 that's something that either the GM or Adam Cripps
 13 or legal should do.
 14 I just think it's a bias on something that
 15 they're going to end up voting on is my only
 16 concern.
 17 CHAIR SCHMITZ: I think the important
 18 point is to have someone that is vetting because we
 19 don't want to be disrespectful of candidates either
 20 that are not qualified. So the intent is to make
 21 sure that when we're asking people to come forward
 22 for an interview, that they've been determined that
 23 they have the prerequisite skills.
 24 I'll leave that up -- the Audit Committee
 25 chair, to me, seems like a reasonable person to make

29

1 that decision, but if the Board chooses a different
 2 direction, that's a decision this board can make.
 3 Do you have a different suggestion?
 4 TRUSTEE TONKING: Yeah. I think my one
 5 concern is if the Audit Committee chair is a
 6 trustee, that that becomes -- it feels like a little
 7 bit of a conflict of interest since they're also
 8 voting on it.
 9 I was thinking either Director of Finance
 10 or GM or legal could be the ones or a member
 11 appointed by the chair of the Audit Committee who
 12 isn't on the board is another option.
 13 TRUSTEE DENT: Perhaps the appointed
 14 trustee to that department works alongside the
 15 Director of Finance to make sure the candidates meet
 16 the basic qualifications. Then I don't think that
 17 is -- you should be working or that trustee should
 18 be to bring that forward anyways. And so I think
 19 vetting the candidates before they get published and
 20 come before the Board and making sure all the right
 21 steps are followed is just part of the process.
 22 TRUSTEE TULLOCH: I would suggest -- I
 23 understand Trustee Tonking's concerns and her
 24 position, I would probably suggest the same thing.
 25 I would suggest that the Audit Committee

30

1 chair, treasurer does not have the final decision on
 2 it, but the Audit Committee chair should work with
 3 HR and with the GM to make sure to provide a sanity
 4 check.
 5 CHAIR SCHMITZ: So the direction is clear
 6 that it's going to go out to be readvertised with
 7 more clarity to the skill sets required. And also
 8 then when applicants apply, it's going to be the
 9 Audit Committee chair working with HR and the
 10 General Manager to review the applicants and
 11 identify which are appropriate to come to the Board.
 12 Does that summarize the direction that the
 13 Board has stated here this evening?
 14 Seeing no objections, that's the clear
 15 direction, and moving on to the appointment of
 16 trustees to the Audit Committee, would anyone care
 17 to make a motion or propose trustees be appointed?
 18 TRUSTEE DENT: I'll move that Trustee
 19 Schmitz and Trustee Tulloch are reappointed to the
 20 Audit Committee.
 21 CHAIR SCHMITZ: Motion's been made. Is
 22 there a second?
 23 TRUSTEE TULLOCH: I'll second.
 24 CHAIR SCHMITZ: Any discussion?
 25 Seeing none, all those in favor?

31

1 TRUSTEE TONKING: Aye.
 2 TRUSTEE TULLOCH: Aye.
 3 TRUSTEE NOBLE: Aye.
 4 TRUSTEE DENT: Aye.
 5 CHAIR SCHMITZ: Aye.
 6 It was unanimous, so 5/0 for that.
 7 Closing out that item, E 1, we'll move on.
 8 F. REPORTS TO THE BOARD
 9 F 1. Treasurer's Report
 10 CHAIR SCHMITZ: Beginning with the
 11 treasurer's report which can be found on pages 39
 12 through 80 of the board packet.
 13 TRUSTEE TULLOCH: It's the treasurer's
 14 report, we're still doing some fine-tuning on it,
 15 but I appreciate the public feedback. The purpose
 16 of it is really to provide as much transparency as
 17 we can. For an organization that's spending over
 18 50 million bucks a year, I think it's only fair that
 19 the public at large should be able to see what's
 20 happening there.
 21 The first page, I think if we look at the
 22 gross payroll expenses, you can see on the graph on
 23 the following page, we seem to be continually
 24 overrunning on our payroll expenses. There's only
 25 three months a year where we haven't overshot budget

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1 on payroll expenses. We're currently sitting about
 2 750,000 bucks over budget, that's 4.5 percent in my
 3 math.
 4 Next one, again, the accounts payable
 5 expenses, it just really highlights the amount of
 6 money that we're paying out month to month, and if
 7 you look at the text down below, between our payroll
 8 expenses and our external payments, we're running at
 9 a rate of 3.5 million bucks a month. There's no
 10 sanity check on that because we don't have any
 11 budget numbers against that.
 12 Moving down to the next one, year-to-date
 13 expenses, as I mentioned earlier, you can see we're
 14 overshooting by just over three-quarters of a
 15 million bucks on our payroll expenses as of the end
 16 of February. Some of that may change. I suspect it
 17 may not because as we move into March, April, we
 18 still have ski payroll, and then moving into April
 19 and May, April, May, and June, we have golf payroll.
 20 It's something to watch that maybe we're
 21 overshooting on -- I've been talking with the
 22 General Manager and acting Finance Director to make
 23 sure we're on track there.
 24 Year-to-date accounts payable, pretty
 25 significant sum, 42 million year to date on payroll

33

1 and external payments. Which I think just runs on
2 track on my maths, just coming into it, that run
3 rate, we run to 60 million a year, which is
4 approximately, as I recall, in line with the budget
5 expected expenditure.
6 Moving on, investments, I think you can
7 see where our money's sitting. I think the
8 important thing, the positive one, you can see again
9 we're making 41,000 bucks a month in our Wells
10 Fargo, our basic general account. That's not
11 insignificant, it's just over half a million bucks a
12 year, which is basically money for nothing. I think
13 that was a very good move then-director Magee was
14 asking for for sometime, half a million bucks is
15 still serious money, at least it is in my line of
16 business. I think to most people it is.
17 Page 4, debt service shows our outstanding
18 debts. This will start to grow as we increase our
19 drawdown for the fund for the pipeline. That's
20 going to change quite dramatically.
21 Page 5, we can see where the different
22 business units are going. Ski is well ahead of
23 expenses and its revenue. Beaches is slightly
24 illusory because the numbers shown there for revenue
25 includes the beach fee. I would like to see that

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1 better picture. And when we get procurement
2 professionals on board, it gives them a running
3 start where to look.
4 So you can see the vendors that we're
5 doing multiple payments to. AT&T, identified
6 previously. Going on through this month, I see
7 dozens of payments to Mike Copy Inc., all small
8 amounts, but multiple payments of all small amounts
9 which kind raises some flags for me. It's the
10 volume of small payments just seems weird. Some
11 other ones I noticed, Amazon, seems to be one of our
12 top payees, but it's not identified as over 50,000.
13 It's still a work in progress, but I think
14 now we get much clearer transparency, who is
15 spending what and where. When we can see all the
16 vendors grouped together, it's going to make much
17 more sense as well.
18 We also show in Appendix C all the
19 procurement card transactions. Just out of
20 interest, I do make sure -- every time I go through
21 these, I throw in a few questions for our finance
22 department just to understand what some of these are
23 just so that I do actually go through them. Some
24 things just jump out. I won't mention any
25 particular ones, but some things jump out. And to

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1 striped out so we can actually see what the revenues
2 are. We know it's not a profit center, it's not
3 designed to be that, but it would be good to see
4 just what the actual revenues are being collected at
5 the gates, as well as the facility fee. Golf,
6 obviously, we can see according to this, golf is
7 currently losing money as it stands. And this is
8 obviously relevant to the next agenda item.
9 If we move on to the appendix, we show a
10 full listing of all the check payments. The first
11 sheet, Appendix A, is the two checks for over
12 \$50,000. I would point out the NV Energy check
13 covers a number of accounts, it's not a single
14 account, and it's something I'll come to in a couple
15 of minutes how we can improve the visibility here.
16 Ferguson Water Works, I believe that one was a
17 single check.
18 Moving on to Appendix B, listing all the
19 checks written both electronic fund transfer and for
20 manual checks. Still disappointing. A very large
21 number of manual checks. I do propose to change
22 this next month. I've spoken with finance, and what
23 we're going to do to make this more logical, we're
24 going to list each vendor, we're going to list the
25 checks by vendor so we can actually get a much

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1 me, I welcome any feedback from the public that go
2 through this and have questions about it.
3 Hopefully it's providing a clearer
4 picture. For me, it's actually providing a better
5 picture than OpenGov did in the past. For me, it
6 makes it pretty straightforward to see where the
7 money's going. I welcome any feedback from the
8 Board and from the community on how we can improve
9 this further.
10 Thank you.
11 CHAIR SCHMITZ: Any comments or questions?
12 I have couple of questions, and that is about
13 OpenGov. I recall last May or June, we contracted
14 with OpenGov for doing conversion, I believe, from
15 the new system into OpenGov, but there's been no
16 update of data into OpenGov since, I believe, May of
17 last year.
18 What is the plan and when will it be
19 complete?
20 MR. CRIPPS: To answer your question,
21 there is a direct link between the two programs,
22 they are designed to communicate with each other,
23 however, it was recently discovered that they
24 haven't been. I know that the issue has been
25 brought up before, but I thought it was correctable

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1 internally, which it doesn't seem to be. I thought
 2 it was just maybe by design like with the
 3 information that we provide the upload to, but we
 4 need to further reach out to OpenGov directly to
 5 find out where the link is broken at.
 6 So we have recognized that the issue
 7 doesn't seem to be internally, and that way we can
 8 reach out to OpenGov directly to correct this
 9 problem.
 10 TRUSTEE TULLOCH: Given that we've been
 11 paying OpenGov fees, which are not insignificant, my
 12 memory may be failing me, but I think it's something
 13 like 25 grand a year, I could be wrong on that.
 14 Given that we've been paying these OpenGov
 15 fees now for the last three years without getting
 16 any information from it, is it really worthwhile
 17 continuing or can we actually get similar results
 18 out of Tyler?
 19 MR. CRIPPS: The Tyler program itself does
 20 not have any kind of open source center activity
 21 with websites. They do rely on outside third
 22 parties to direct their activity.
 23 There are other companies that do similar
 24 items, just however Tyler itself does not directly
 25 provide that service.

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1 zero-dollar budgeting, the departmental input that
 2 we were receiving this year, there was a lot of work
 3 that went into this, and as far as a presentation
 4 for a tentative budget, it doesn't really provide
 5 the information that's going to be coming forward in
 6 the budget workshop.
 7 What the tentative budget is to do is to
 8 provide the State an opportunity to address the
 9 accounting information that is within the tentative
 10 budget, and then the actual final budget is going to
 11 be the information that follows behind that.
 12 So the intent of the tentative is designed
 13 to doublecheck the accounting information, which is
 14 the prior fiscal year's information that goes into
 15 that report, the 4404 form, and then the final
 16 budget which goes up for adoption, which follows,
 17 and does have the full board approval.
 18 TRUSTEE TONKING: I was just pointing out
 19 that it's different than past practices. We used to
 20 do budget workshops in January/February, approve the
 21 tentative, make changes, and then approve a final.
 22 I was just wondering. Thank you.
 23 CHAIR SCHMITZ: Trustee Tonking, to your
 24 point, I think that the state of not having our
 25 finances closed and having to do so much catch-up

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1 CHAIR SCHMITZ: The last question I have
 2 stems from public comment. You're our treasurer,
 3 did we submit the tentative budget in compliance
 4 with the state law?
 5 MR. CRIPPS: Is it relevant to the item,
 6 counsel?
 7 MR. RUDIN: Yeah, I think so.
 8 MR. CRIPPS: Yes, it was turned into the
 9 State by the deadline.
 10 CHAIR SCHMITZ: Thank you.
 11 Any other comments?
 12 TRUSTEE TONKING: I just had one question,
 13 and legal will tell me if it's not okay to ask this.
 14 Going off of Chair Schmitz' question, I was curious
 15 as to why this was the first year we haven't
 16 approved a tentative budget. I went back and looked
 17 at our meetings that are public, I think until 2018,
 18 and this is the first year it's never been approved,
 19 and I think that's been a going thing. I'm just
 20 curious as to why we did it differently this year?
 21 MR. CRIPPS: This year, the information
 22 with the tentative budget that doesn't have a
 23 requirement of getting board approval, the
 24 information that is getting provided on there, there
 25 was a lot of different moving activity with the

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1 work I think has caused this to be different than in
 2 the past. I, too, recognize that, but I think it
 3 had a lot to do with all work that accounting had to
 4 do to try to catch up from the situation that we
 5 were left in last year.
 6 Any other questions, comments?
 7 TRUSTEE DENT: I was going to echo Trustee
 8 Tonking's comments. Something I've done many times,
 9 so I've asked Bobby several times over the last few
 10 weeks: What is going on? We're not approving a
 11 tentative budget, and we do it every year.
 12 I'm right there with you. We've been
 13 consistently doing it. This year's a little bit
 14 different, and we just have some circumstances that
 15 we're working through.
 16 TRUSTEE TULLOCH: I'll echo the same
 17 comments on the tentative budget. The value of it
 18 was we got early warning of any red flags from it
 19 and things. I'm a little bit concerned that we're
 20 going to be up against a deadline again on certainly
 21 the budget, if we have concerns on some of the
 22 things there. I understand why.
 23 I'd also say I was remiss in not thanking
 24 Assistant Finance Director Cripps and also Vicky
 25 particularly for doing some great work on the

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1 treasurer's report. The feedback I've had from the
 2 public and things is very positive. I know there's
 3 a lot of effort that goes into it, but we've got it
 4 a bit more fine-tuned. A couple of modifications
 5 and we should be in pretty good shape.
 6 Thank you and thank your staff.
 7 CHAIR SCHMITZ: Seeing no further
 8 questions, we will move on to item F 2.
 9 F 2. Incline Beach House and Access Projects
 10 MS. NELSON: I'm here to provide the
 11 biweekly update on the beach house and access
 12 project. Last week the design team presented the
 13 extremely preliminary budget numbers based off of,
 14 essentially, a ten percent design. We needed these
 15 preliminary budget numbers to provide to accounting
 16 to inform their capital plan for this upcoming
 17 fiscal year.
 18 We continue to evaluate the sight
 19 constraints, project requirements, and the budget.
 20 We have identified what we're doing for the planned
 21 public input. The process will be that story boards
 22 will be placed at the admin building, the Rec
 23 Center, and the beach. Those story boards will be
 24 placed on April 29th, Monday, through the week
 25 through May 3rd. There will be a QR code associated

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1 with the story boards that will take you to a link
 2 to provide any comments or feedback the public may
 3 have. The comment period will close on May 3rd.
 4 Comments will be reviewed and addressed, and then
 5 they'll be presented at a presentation meeting on
 6 May 6th at The Chateau by the design team.
 7 As you recall at the special Board of
 8 Trustees meeting on April 5th under a budget
 9 workshop, the then-general manager informed the
 10 Board that based on discussions with the board, he
 11 reduced the placeholder budget amount for the beach
 12 house from 6.1 million to 4 million.
 13 Throughout that meeting, there were many
 14 opportunities for the Board to provide other input,
 15 but none was given contrary to the \$4 million
 16 budget. This budget was adopted on May 25th, which
 17 then allocated the \$4 million to the beach house
 18 project.
 19 We met with the Board of Trustees on the
 20 July 26th, 2023, meeting to determine the guidelines
 21 for the RFQ documents to go out to the design-build
 22 teams. The Board stated that the priorities were to
 23 provide enough restrooms and not have porta potties
 24 the majority of the season, basically meaning enough
 25 restrooms outside the 4th of July time period, to

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1 provide the same level of service, the existing menu
 2 was to be served which in turn would require a
 3 kitchen, have an expanded bar area, and then utilize
 4 the design-build method. Staff took all of this
 5 direction and the 4 million all in budget and
 6 prepared the RFQ documents.
 7 Based on again these preliminary budget
 8 numbers, not all of the items that the Board has
 9 directed will be able to be accomplished with the
 10 budget. In knowing that, staff is recommending that
 11 we agendize an item on May 8th, bring it back to the
 12 Board, have a robust discussion regarding budget,
 13 wants, needs of the project, and so we can determine
 14 if the funding is adequate or if the funding needs
 15 to be increased.
 16 At this time, are there any questions or
 17 comments from the Board?
 18 CHAIR SCHMITZ: Questions or comments?
 19 TRUSTEE TULLOCH: With regard to the QR
 20 codes and the public comments, have we any way of
 21 filtering these to make sure that we don't get
 22 somebody just doing multiple responses to make sure
 23 that what we're gathering is community members and
 24 parcel holders' comments, not a thousand tourists
 25 that would like to see something but are not on the

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1 hook for it? How are we going to filter these
 2 responses?
 3 MS. NELSON: I don't know with the QR code
 4 there is that ability.
 5 TRUSTEE TULLOCH: I would be very
 6 concerned that we're now two or three days away from
 7 this going live and we haven't thought through that.
 8 I think that's a serious concern because we could
 9 have 2,000 in town or something saying, yes, we'd
 10 love this, we'd love Disney World here as well, and
 11 we don't have to pay for it so we'll vote for it.
 12 I think we need to rethink how we're
 13 actually going to gather these comments and to make
 14 sure that they're validated and statistically
 15 appropriate because I'm very concerned. Otherwise,
 16 somebody could be standing there all day putting in
 17 basically the same comment.
 18 CHAIR SCHMITZ: Any other comments,
 19 questions?
 20 I just question the order of things. If
 21 you're going to be bringing something back on
 22 May the 8th for us, the Board, to review, I think it
 23 seems a bit odd, to me anyway, that we're going to
 24 be doing story boards before that because those
 25 story boards and things might be getting changed on

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1 May the 8th.
 2 So I'm just curious as to why it's in that
 3 order, and does it make sense to do it in that
 4 order?
 5 MS. NELSON: We did it on that order to
 6 keep the project schedule, basically to align with
 7 the project schedule. If the Board would like us to
 8 wait for the public input after May 8th, we can
 9 certainly do that. That would allow us time to
 10 evaluate a better option on receiving comments and
 11 making sure that they're from the appropriate
 12 community members.
 13 So, it's up to the Board.
 14 CHAIR SCHMITZ: Any comments or questions
 15 relative to that?
 16 TRUSTEE NOBLE: I'm fine with delaying
 17 because it sounds like at least Trustee Tulloch,
 18 whatever comments we get from the QR code, it's not
 19 going to -- because we won't know whether or not
 20 they are residents or the general public, they won't
 21 be informative.
 22 So I think it would be helpful to see if
 23 there is a method to collecting public comments that
 24 are coming from residents and parcel owners.
 25 TRUSTEE TULLOCH: I think it's only right

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1 that people we're expecting to pay for this,
 2 contribute to this should have the -- that's the
 3 most critical comments in that respect.
 4 I think also before we just release story
 5 boards without any pricing or any comparative costs
 6 or anything there, I think without any guideline
 7 it's difficult for people to say that. People might
 8 say if it's a 20 million Taj Mahal, oh, this is
 9 wonderful, let's go for this, without realizing it's
 10 costing 20 million bucks.
 11 I think it needs some Board input first
 12 and some awareness of what the different pricing is.
 13 TRUSTEE NOBLE: One other thought and this
 14 is with regards to the order of items here. Is the
 15 Board looking for public comments to help
 16 decision-making, or is it more -- I don't know what
 17 good the public comments are if -- what they'll be
 18 used for other than allowing them an avenue for
 19 doing public comments if the Board's not going to
 20 take them into consideration with regards to funding
 21 and/or the extent of the project.
 22 The other thing is are the story boards
 23 more to get community support for the project? If
 24 that's the case, then I don't think it really
 25 matters -- then it would be good to have it come

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1 after our discussion. If the Board is looking for
 2 public comment to help inform the Board on how to
 3 move forward, then I think the order should stay the
 4 way it is.
 5 TRUSTEE TULLOCH: I think it's important
 6 that, yes, I think we need to know some parameters.
 7 I think otherwise, the Board members can go out and
 8 see the story boards, end up getting phone calls
 9 from residents, what's going on here? What's this
 10 about? And we don't even know anything about this.
 11 I think it's definitely a case of putting the cart
 12 before the horse putting the story boards out there.
 13 I think in terms of public comments, I
 14 think we've done previous surveys getting very good
 15 feedback from the community, what is requested
 16 there. I think that's got to be -- at the moment,
 17 that's the most informed critique in policies that
 18 we have. At the moment, that needs be our north
 19 star in terms of what's there before people just
 20 suddenly do that.
 21 I'm a little bit surprised, having sat in
 22 along with Trustee Noble on all the bids, and every
 23 bidder told us they could do it to budget. So I'll
 24 be interested to see what comes through.
 25 TRUSTEE DENT: I think going back to the

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1 public to ask the same questions we've been asking,
 2 I think they want us to act in a way, and I think as
 3 we shape the final product, it's just a check-in,
 4 more or less. We've been doing this for years,
 5 trying to gather information, and if we keep going
 6 out and asking what it is they want, you can go look
 7 at many surveys, you can go look at the master plan,
 8 it's all there. And so I think the community wants
 9 us to move forward with the project, but at the same
 10 time, we don't want to get too ahead of ourselves.
 11 When it comes to the, say, overall look or
 12 design or intent, I specifically remember us
 13 discussing something looking similar so our venues,
 14 say our beaches, look the same. What we have seen
 15 looks very different, very modern compared to Burt
 16 Cedar, and so it's very outdated. Say the light
 17 wood becomes a huge maintenance issue, especially if
 18 it's exposed, so it starts to become a lot of
 19 upkeep.
 20 It's something we should definitely
 21 discuss when we have our meeting on the 8th as far
 22 as is that the direction we're going, and then just
 23 knowing that Burnt Cedar Beach is going to look very
 24 different from what we're doing at Incline Beach,
 25 and is the community okay with something like that.

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1 MS. NELSON: To that point, Trustee Dent,
 2 building materials have a huge impact on cost, so if
 3 the Board is looking for the beaches to look the
 4 same, then the budget will need to be expanded.
 5 TRUSTEE DENT: All I'm saying is what I've
 6 seen visually, conceptually, I guess, looks very
 7 expensive compared to what I see down at Burnt
 8 Cedar, and I understand building products and
 9 materials pretty well.
 10 TRUSTEE NOBLE: Had you asked the folks
 11 working on this project what, roughly, would it cost
 12 more or less to design a beach house similar to the
 13 look at Burnt cedar?
 14 MS. NELSON: We did. The 4 million budget
 15 will not get that.
 16 TRUSTEE NOBLE: Okay. Would it be a
 17 budget similar to this or would it be even more than
 18 what has come out with regards to the ten percent
 19 design so far?
 20 MS. NELSON: I can't say. I wasn't a part
 21 of the meeting where they were actually discussing
 22 that portion of it. My gut reaction is that it will
 23 be more than what was presented.
 24 TRUSTEE NOBLE: Is that something that
 25 staff could confirm with them to come back, just so

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1 we have a ballpark idea?
 2 MS. NELSON: Yep.
 3 TRUSTEE NOBLE: Thank you.
 4 TRUSTEE TONKING: I was going to circle
 5 back to the comment about doing story boards, and I
 6 was going to say I think we have our meeting on the
 7 8th, and then we decide at that point if we need the
 8 story boards. But I do appreciate staff trying to
 9 find a way to keep everything in time and making
 10 sure that things keep moving.
 11 I did want to thank you for that as well.
 12 TRUSTEE DENT: I was just going to ask if
 13 I could get an invite to the next meeting? I think
 14 the last meeting I got, I got the invite the morning
 15 of.
 16 MS. NELSON: We should have a recurring
 17 one. I'll double check.
 18 TRUSTEE DENT: If you could look into
 19 that. I appreciate it.
 20 CHAIR SCHMITZ: My question is has the
 21 design been reviewed and discussed with Incline
 22 Spirits, and has their input be incorporated in, in
 23 addition to what we provided last time of having
 24 segregation of the bar space from the food and
 25 beverage space?

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1 MS. NELSON: We have reached out to
 2 Incline Spirits, and at this point, they're
 3 reluctant to take the time and effort to provide
 4 feedback. They realize that that the District only
 5 has a one-year contract with them, and I think that
 6 might be stemming some of it.
 7 But we have reached out to them.
 8 CHAIR SCHMITZ: All right. Thank you.
 9 I, too, -- I mean I brought this issue
 10 up -- appreciate the fact that you're wanting to
 11 keep the project on schedule, but I do think it's
 12 important for the Board to provide input and
 13 direction before putting story boards together for
 14 the community, because those are expensive too, and
 15 I'd rather do that after the Board has had an
 16 opportunity to weigh in and feel comfortable with
 17 the design and then move forward with the story
 18 boards and things.
 19 But I do appreciate your desire to keep
 20 the project going on schedule. We'll have that,
 21 then, on our agenda for the 8th.
 22 Anything else relative to the beach house?
 23 Moving on, then, to F 3.
 24 F 3. Public Works Department
 25 MS. NELSON: I was asked to provide a

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1 status of the Public Works department. I'm going to
 2 make this as brief as possible. I could talk about
 3 it all night long, but I don't want to put everybody
 4 to sleep.
 5 As you're aware, the Public Works
 6 department has the utilities division. It's broken
 7 up into pipeline and treatment. Currently, the
 8 pipeline division actually is fully staffed. This
 9 is the first time that has happened as long as I've
 10 been with the District, and that's over three years.
 11 Our goal for the pipeline is to invest in
 12 some updated technology. I've spoken about it
 13 before, we are looking at purchasing camera
 14 equipment that is more portable and user friendly
 15 than the existing outdated system that we have.
 16 This was identified in the utility master
 17 plan as a deficiency that the department had where
 18 we had no way of really performing NASSCO scoring of
 19 our infrastructure. So this will facilitate the
 20 evaluation and help prioritize a preventive
 21 maintenance plan for the pipeline crew. I'd like to
 22 also note that two staff members have already gone
 23 through and have become NASSCO certified, so they
 24 are ready to get out there and start evaluating the
 25 infrastructure.

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1 Basically on these slides, I'm telling you
 2 where pipeline is spending the majority of their
 3 time, and it's under "corrective," which are fixing
 4 leaks and doing repairs, and then providing you some
 5 snow removal information.

6 The treatment staff, we are almost fully
 7 staffed, we are actively recruiting for one
 8 position. And again, this hasn't happened since the
 9 three years that I've been at the District. The
 10 goals for the treatment is the SCADA master plan, to
 11 get that underway and get the information completed.
 12 The SCADA system is in dire need of an upgrade.
 13 We're patching old technology with new technology,
 14 and oftentimes there's a disconnect there.

15 And as you are aware from the utility
 16 master plan, the WRRF is in need of some
 17 improvements as well. It's 50 years old. The
 18 pictures I've shown there from the aeration basins,
 19 you can see where the concrete is actively swelling
 20 and falling apart.

21 Also in Public Works, we have the
 22 administration division, which is fully staffed.
 23 Their number one goal is to increase the number of
 24 customers who are signed up online. Those customers
 25 that are signed up online receive email

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1 notifications for anything that is important
 2 associated with their account. And we would like to
 3 really try to increase the number of customers using
 4 ACH payment, that provides an efficiency in
 5 operation, it's an automated process on the customer
 6 side, and ensures that there are no late payments
 7 which then results in less staff time having to post
 8 for shut-off notices.

9 Under the Waste Not section, again we
 10 don't have any open positions. They are in full
 11 swing with Earth Day, which tends to be more like
 12 Earth month for them. They're attending many events
 13 on the weekends. The goal for their department is
 14 to continue to hold -- to be able to facilitate the
 15 household hazardous waste program. As you can see,
 16 the condition of the existing storage shed is no
 17 longer structurally sound, so we're looking to get
 18 that replaced so they are able to continue to
 19 protect source water, as well as protecting our WRRF
 20 by collecting all of the paints and stains that
 21 often time if not collected end up in the sewer.

22 Our fleet department also is staffed
 23 fully. They do an excellent job maintaining over
 24 550 pieces of equipment. Their main goal is to
 25 evaluate the District's backup generators. Many of

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1 them are from the 70s, 80s, and 90s. We'd like to
 2 look at newer backup technology. For example, we
 3 have some small lift stations that during a power
 4 outage, the generator's running the entire time, but
 5 due to lack of demand, the pumps may not ever have
 6 to turn on during that power outage. So you're
 7 running a generator to supply enough power for the
 8 pumps, but you're only really supplying power for
 9 the SCADA and light system, so that is the goal for
 10 fleet.

11 The buildings division moved back under
 12 Public Works this last year. They've identified
 13 that their main goal is to get a roof condition
 14 assessment done. Fun fact: The District owns more
 15 than 50 buildings that have roofs.

16 As you can see from some of the condition
 17 photos on the screen, there are a lot of facilities
 18 that do need some attention. We've got some
 19 concrete issues at the Public Works building, some
 20 siding issues at tennis. And then to the far right,
 21 that was a pipe that was in The Chateau, and thanks
 22 to our buildings crew, we think we found and fixed
 23 the source of the smell, the often interesting smell
 24 that The Chateau had, and that was the pipe that was
 25 leading to the odors.

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1 The compliance department is also fully
 2 staffed. Last year, we were allocated an additional
 3 employee. That has allowed us to again focus on the
 4 fat, oil, and grease program and not put it to the
 5 side. Our goal in compliance is to upgrade the
 6 grease sampling equipment to provide efficient
 7 testing to ensure that our grease producers are
 8 actually not overproducing grease. That photo is a
 9 photo inside one of our sewer pump stations, and
 10 that is a fat, oil, and grease cap that is on top of
 11 the sewage to be pumped to the treatment plant. We
 12 like to not get that in our pipes to begin with, but
 13 that's why compliance is out there doing their job.

14 Under engineering, I know that the Board
 15 is well aware that we are not at full capacity; we
 16 are currently actively recruiting for the senior
 17 engineer position.

18 Having the master plan completed is going
 19 to allow the engineering department to develop a
 20 comprehensive five-year CIP for the utilities. We
 21 are committed to executing the CIP projects and the
 22 operating projects in a timely manner. We're also
 23 committed to obtaining additional funding support
 24 for infrastructure replacement. And you'll note
 25 that I didn't say the effluent pipeline this time.

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1 I'm looking at we've got a lot of sewer -- or water
2 infrastructure, as you can see on the table, we've
3 got a steel waterline that is an example of what
4 we've pulled out of the ground recently, as well as
5 a failed service saddle that came off of Tyner in
6 the leak in early March.

7 I can officially say that we have the
8 increment 2 approved through the Army Corps, which
9 provides an additional \$4.3 million of federal
10 funding for the pipeline project. This is -- it's
11 not only exciting to received additional funds, but
12 because increment 2 has been approved for the
13 pipeline, that opens the door to easily accept
14 additional funding from the Army Corps for the
15 pipeline project.

16 We do have a lengthy project list. We
17 don't only work on the CIP list, we also help and
18 support the operations through Public Works, so
19 we're working on both water and sewer projects as
20 well. The solid lines represent what is the
21 capital, the dashed lines represent what would be
22 operating or expense projects. This is just the
23 project list in Public Works. This is goes
24 through 2024 and into 2025, it's capturing the
25 active and planned projects.

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1 list, like, we couldn't complete that in a season.
2 That's over 105 miles of pipeline, so it would be
3 zoned and a routine.

4 TRUSTEE TULLOCH: The reason I'm asking is
5 when we look at the DOWL report, the utilities
6 master plan, it highlights that we don't have data,
7 yet we're spending a lot of money every year
8 basically on what we think is there. I'm wondering
9 if there's some way that we can up the resources on
10 that and hold back on some of the other expenditures
11 until we actually get a much better picture of what
12 actually needs done so we actually spend the capital
13 where it's actually best done based on real data
14 rather than just based on -- I think this one is
15 older, so maybe we should go there. That would be
16 the normal approach to asset management.

17 And if we have this technology, it would
18 be good to see if there's ways that we can actually
19 delay some of our program, I know that maybe sounds
20 perverse, but it may let us spend the capital much
21 more effectively if we could up the rate and make it
22 a priority to do all the scans.

23 MS. NELSON: Those are good points. The
24 investing is about, say, \$65,000 for the equipment.
25 We have a crew of six, so we still have a lot of

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1 Engineering not only supports utilities,
2 but we also support the other venues. We've got it
3 broken up into parks and community services for
4 golf, ski, tennis, Rec Center, beaches, and then the
5 never-ending payment maintenance projects as well.

6 That is snapshot of the Public Works
7 department and what we're doing. I will entertain
8 any questions you might have.

9 TRUSTEE TULLOCH: A question about the
10 cameras, we're looking at NASSCO. As you know,
11 asset management is one of my background. I'm
12 assuming we're using the cameras in both sewage and
13 fresh water pipe?

14 MS. NELSON: It's sewer infrastructure.

15 TRUSTEE TULLOCH: Just for sewer. Okay.
16 Can we use them in fresh water as well?

17 MS. NELSON: I will have to ask that
18 question. I don't think we can.

19 TRUSTEE TULLOCH: The picture might be
20 clearer.

21 MS. NELSON: That's true, but the cross
22 contamination is what I'm worried about.

23 TRUSTEE TULLOCH: How quickly would we go
24 through the bulk of our system with them?

25 MS. NELSON: That is more of an ongoing

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1 corrective work that goes on all year long. If
2 we're pulling them off of doing corrective work and
3 putting them on the evaluation, it's
4 counterintuitive that we're actually making headway.

5 The only other option would be to contract
6 it out, and we can get prices for that, but there
7 may be a sticker shock associated with it.

8 TRUSTEE TULLOCH: I understand that. This
9 may be an instance where we need to spend some up
10 front to make sure that we allocate our resources
11 and our investments more effectively. That was one
12 of the main takeaways I got from the DOWL report.
13 It does indicate there's going to be substantial
14 expenditures required. I'd actually like to make
15 sure we're actually targeting more effectively what
16 we got there. Something to think about.

17 With regard to the extra money for the
18 pipeline, the 4.3 million, and maybe it's a question
19 for General Manager Magee, I'm assuming that amount
20 will let us reduce our drawdown on the State
21 revolving loan?

22 MR. MAGEE: Yes, I believe that's correct.

23 TRUSTEE TULLOCH: Excellent.

24 MS. NELSON: If you recall, we only borrow
25 what we draw down, so we have that cap, and if we

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1 don't -- at the end of project, if we don't use it
 2 all, then that goes back to the State, and we're not
 3 paying for it.
 4 TRUSTEE NOBLE: For the corrective work
 5 that you've been doing for the last several years
 6 with regards to waterline replacements, has there
 7 been any waterlines that have been pulled out that
 8 you felt didn't -- they were in such a condition
 9 that it didn't justify pulling them out and
 10 correcting the perceived deficiencies?
 11 MS. NELSON: Generally when we're pulling
 12 it out it's because we have a leak. If there's
 13 damage to the pipe, we have to pull it out and
 14 replace it.
 15 TRUSTEE NOBLE: And the ongoing steel line
 16 replacement program that's going on every summer, is
 17 the condition of the steel such that you think
 18 what's being targeted right now has been
 19 appropriate?
 20 MS. NELSON: I think so, yes. This is a
 21 piece of steel line that came out of the Highway 50
 22 leak. You can see the condition of it. It's being
 23 eaten away.
 24 When steel line leaks, when it has a hole
 25 in it, it leaks. When the AC line has a saddle come

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1 off, it actually turns to butter and makes a bigger
 2 hole and a lot more damage. We probably will be
 3 shifting to start replacing AC line that we know is
 4 on slopes that does a lot of damage because we can't
 5 keep spending \$100,000 every leak. You do ten
 6 leaks, you replaced a mile of pipe, possibly.
 7 So I think that's where we're going to
 8 head.
 9 CHAIR SCHMITZ: Any other comments or
 10 questions?
 11 I agree, because when you showed these
 12 slides, I believe it was the pipeline that spent
 13 probably three-quarters of their time doing
 14 corrective action, and if we can do something
 15 proactive to get out of that mode, it would in the
 16 end be more cost effective. That is something that
 17 I'd ask you to follow up on and bring back a
 18 recommendation to us, because I think it's better
 19 for us try to get ahead of these things.
 20 And we know infrastructure's old, and if
 21 we need to prioritize, maybe the cameras would help
 22 us to prioritize that.
 23 TRUSTEE TULLOCH: Just something to add.
 24 Yes, we'll get sticker shock from a lot of the
 25 requirements, but what's happening with water and

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1 wastewater infrastructure spreading all the way
 2 across the country is just a natural evolution, if
 3 you look at the timeline it went in. This has been
 4 happening on the East Coast for probably 20 years.
 5 I remember metropolitan district council were having
 6 a 15 billion program 20 years ago to actually start
 7 doing it. It's not something unique to us; it's
 8 happening all across the country in terms of that.
 9 MS. NELSON: And the good part about that
 10 is it's not unique, and Washington knows there's a
 11 funding need for infrastructure.
 12 CHAIR SCHMITZ: Moving on.
 13 G. CONSENT CALENDAR
 14 G 1. Meeting Minutes for 4/10/24
 15 G 2. Amendment 3 for Clean Tahoe Contract
 16 G 3. Review, Discuss, and Approve:
 17 Alder Avenue Water Main Replacement -
 18 DOWL
 19 Alder Avenue Water Main Replacement -
 20 Black Eagle
 21 G 4. Effluent Storage Tank Project
 22 G 5. Public Works Building Carpet
 23 Replacement
 24 G 7. U.S. Foodservice Increase of \$80,000
 25 CHAIR SCHMITZ: We have removed the
 26 consent calendar item G 6. Are there any comments
 27 or questions relative to the consent calendar?
 28 Seeing none, is there a motion?
 29 TRUSTEE TONKING: I move we approve the
 30 consent calendar.

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1 TRUSTEE DENT: I'll second.
 2 CHAIR SCHMITZ: All those in favor?
 3 TRUSTEE TONKING: Aye.
 4 TRUSTEE TULLOCH: Aye.
 5 TRUSTEE NOBLE: Aye.
 6 TRUSTEE DENT: Aye.
 7 CHAIR SCHMITZ: Aye.
 8 Moving on, it is 7:25, well will be moving
 9 into general business H 1, which will be the golf
 10 rates. I would like to take a ten-minute break and
 11 come back at 7:35, and we will pick up the meeting
 12 at that agenda time. Thank you.
 13 (Recess from 7:25 p.m. to 7:35 p.m.)
 14 CHAIR SCHMITZ: It's 7:35, we're calling
 15 the meeting back to order, continuing on with agenda
 16 item H 1.
 17 H. GENERAL BUSINESS - PART 2
 18 H 1. Recommended 2024/'25 Golf Season Rates
 19 CHAIR SCHMITZ: Review, discuss, and
 20 approve the recommended '24/'25 golf season rates.
 21 MR. SANDS: I'd like to take a quick
 22 moment to thank everybody for this opportunity. My
 23 first presentation with the trustees. Also would
 24 like to thank all the staff for welcoming me over
 25 the past two months. It's been a very warm and

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1 friendly sight with not only General Manager Magee,
 2 but with other staff that has help point me in the
 3 right direct to hopefully be a success here at the
 4 District. Thank you very much.

5 We do have a presentation from staff
 6 recommendations, kind of pinpointing some things
 7 that happened this previous season, and then what we
 8 look forward to in the upcoming season.

9 As we reflect back on some shortfalls from
 10 last year and then also trying to improve on moving
 11 into the '24 season, as we see coming into increased
 12 revenue and then a decrease, actually, which we
 13 imposed for tee time intervals, so going from 12
 14 minutes to 10 minutes, we actually saw a reduction
 15 in overall utilization from the Champ and the
 16 Mountain Course. Comparatively, 22,612 rounds,
 17 where the previous was 26,000 rounds. So that's
 18 going to be one focus of the staff this year not
 19 only on a marketing campaign, but also on trying to
 20 find different programs that may boost utilization
 21 throughout both courses.

22 CHAIR SCHMITZ: I just want to stop you
 23 for a second because it's says that budget was
 24 \$26,000, not that the previous --

25 MR. SANDS: I apologize.

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1 areas with the 14-day cancellation policy to allow
 2 our residents to fill those if we don't have that
 3 outside revenue -- or non-resident player booked
 4 ahead of that. We tried to find a happy medium
 5 between blocking that off but also allowing for the
 6 residents to fill those spots as we go into the
 7 season.

8 Leaving the tee time intervals at 10
 9 minutes, 10 minutes is a pretty good spread for both
 10 of our golf courses not only for experience, but
 11 then utilizing -- getting as many players as we can
 12 on the golf course. We're pretty happy with the
 13 10-minute intervals.

14 We are looking at increasing Picture Pass
 15 holder and guests of Picture Pass holder pricing,
 16 just due to inflationary costs. As we go through
 17 the slides, we will see that breakdown
 18 comparatively.

19 We are looking at eliminating the super
 20 twilight rate, which is on the Championship Course,
 21 a 5:30 p.m. and after rate. Essentially, we as the
 22 staff have found not only lower utilization, but
 23 also a price point that does help our overall
 24 operation. We looked at the 4:00 p.m. time slot, I
 25 had a question earlier today, why would we want to

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1 CHAIR SCHMITZ: Are you saying there was
 2 previous of 26?
 3 MR. SANDS: No. I apologize. Correct.
 4 The actual. We were hoping for the 26,000, but
 5 ended up with a shortfall of 22,000.

6 And then that goes right into the
 7 non-Picture Pass rates competitive to market, we did
 8 see a reduction in that as well. So those are going
 9 to be some hot topic points for the staff this year
 10 to really focus on and see what we were doing right,
 11 see what we were doing wrong, and how to improve
 12 upon that because those revenue streams are very
 13 important to the overall operation.

14 Staff recommendations for this year,
 15 especially as we go into rates and laying out what
 16 we're proposing, we have done a pretty good overall
 17 synopsis of the Lake Tahoe basin and then also the
 18 Truckee area to be comparative to other golf courses
 19 at our level. Essentially with our non-Picture Pass
 20 rates, we'll remain mostly the same. We are going
 21 to have a heavier marketing campaign to reach that
 22 out-of-area customer, allowing us to create
 23 prime-time placeholders, especially on the weekends.
 24 Saturday and Sundays, we're going to keep a block of
 25 tee times open for that non-resident in those prime

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1 do that? So, basically from 4:30 to 5:30, a player
 2 could finish 18 holes in that timeframe during peak
 3 summer season if the sunset is nine o'clock.
 4 Eliminating that super twilight not only to help us
 5 generate higher revenue, but also try to get more
 6 people earlier on the golf course which helps labor
 7 cost and overall productivity.

8 As we go through and looking at the Play
 9 Passes, we as the staff are looking at overall usage
 10 of Play Pass, cost analysis of that Play Pass, and
 11 how it affects our total operation. We are closing
 12 the gap between revenue and expenses. I think the
 13 previous director had had a good path and vision,
 14 from the trustee level as well, to try to help us
 15 balance or budget. We are going to look further
 16 into that. That will come back at the end of this
 17 presentation to our overall recommendation.

18 We are going to continue with the standard
 19 cancellation policy that was implemented last
 20 season. That worked quite well. We did have a
 21 \$30,000 recovery rate from those that tee times that
 22 were prebook and then went unused. We're definitely
 23 going to stick with that. Obviously that makes an
 24 impact, even at a \$30,000 level.

25 We are looking at not only our outside

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1 tournaments, but also in-house tournaments through
 2 the District to have a minimum golfer requirement of
 3 48 golfers. If we do not fulfill those parameters,
 4 we will be predetermining a type of fee that would
 5 help our overall operation, especially in the labor
 6 side of things, to offset a smaller event. We have
 7 not come up with that exact fee yet. We will crunch
 8 the numbers and try to find a better ballpark as we
 9 move towards the season.

10 Then item H, request the Board fund
 11 capital through that facility fee, I think that's a
 12 big thing, especially when we start looking into
 13 overall operations of the golf course, whether it be
 14 golf cart repair or purchasing new fleets, cart path
 15 repair, we're looking at cart barn building repair,
 16 our Mountain Golf Course has some needs that we
 17 would see at a higher level than just operating
 18 cost.

19 Moving on, we are trying to finish our
 20 projections for the end of this year. This graph is
 21 updated per our finance department and ourselves in
 22 the golf ops to project out towards the end of June.
 23 This is excluding the recreation fee, so as you can
 24 see at the end of the year, we are looking at \$1,122
 25 recovery. We are getting closer and closer to

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1 running at a cleaner budget, so to speak.
 2 Essentially our expenses are going to project at
 3 \$2,851,978, with a revenue of \$2,953,100.

4 On this projection, we're looking much
 5 better. This does not include food and beverage or
 6 golf shop merchandise, which is a big proponent of
 7 what we're looking at as a whole this year,
 8 especially in the food and beverage operation.
 9 We're feeling more comfortable with the Championship
 10 Course projections.

11 This is for our Picture Pass holder rates.
 12 We are always keeping in mind that the District is
 13 our number one consumer. We want to make sure we're
 14 always creating a good environment and experience
 15 for those folks coming out. We are doing a better
 16 job, and in our projections, we can definitely see,
 17 excluded capital improvement and depreciation and
 18 again without the food and beverage and pro shop
 19 merchandise sales, we're doing pretty darn good on
 20 this.

21 For actual services, again that 2.953 100
 22 dollar amount, and then expenses at 2.19 973. We're
 23 going to continue to monitor these because we just
 24 want to make sure that not only are we trying to cut
 25 down our overall expenses to run a tighter ship, but

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1 also pinpoint areas that we can improve to help our
 2 district residents.

3 As we move on to the Mountain Golf Course,
 4 I think a lot of us, me included just coming up
 5 being two months on the job and visiting the
 6 Mountain clubhouse a couple of different times, it's
 7 one of the more relaxed and cooler spots, I believe,
 8 in the District. It's really welcoming especially
 9 to a new golfer or somebody that's more intimidated
 10 by the Championship Course. We are looking at our
 11 overall operating expense budget. We definitely
 12 need to trim the fat and find where we're being
 13 productive, where we're not, and that will help us
 14 as we look at service levels especially with, not
 15 necessarily the full volume of rounds that occur at
 16 the Championship Course, we need to make sure our
 17 service levels for the slower periods and then also
 18 peak periods throughout the summer, especially
 19 holiday weekends, we really want to pinpoint where
 20 we're spending our money.

21 I think that's something that has
 22 definitely happened year after year, but it's going
 23 to be a little bit more of my focus point because
 24 that Mountain Golf Course is a prime tool to turn an
 25 average golfer that may play once, twice, or three

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1 times a year into maybe playing four or five times
 2 a year at the Championship Course. So I definitely
 3 would like to spend more time at the Mountain Course
 4 myself, but put that on my radar.

5 And especially then on item 2 of A, that
 6 goes into staff training for service levels.
 7 Essentially if we're at a slow time, I have to
 8 enable the staff to make a decision, hey, we need to
 9 send somebody home because we're just not spending
 10 our labor dollars wisely.

11 Increase revenue, as we went into rate
 12 setting, we are looking at some increased fees over
 13 most of the categories depending on time of day and
 14 then also peak of season. Going back into -- like
 15 we recommended a change for the Champ Course on the
 16 super twilight, we do have some additional changes
 17 for the Mountain Golf Course when it pertains to
 18 time of day and then also shoulder season or peak
 19 season.

20 We are looking as well in the player
 21 development side with our current staff creating
 22 additional new golfer programs targeting families,
 23 especially the young ones. We have some great
 24 programs in place already with Get Ready Golf, some
 25 of our district-wide clinics, and then also other

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1 private instructions. Those are in the works.
 2 As we get closer to the season, we're also
 3 trying to fill in the gaps with staffing levels and
 4 our hiring processes that we're going through right
 5 now. We feel pretty comfortable that we will be
 6 able to do some new programs to help bolster that at
 7 the Mountain.
 8 Item 3 of B is also targeting and using
 9 our marketing dollars throughout the District a
 10 little more heavily to have some more traffic at
 11 that Mountain Course for utilization-wise. We do
 12 have some openings throughout the season. As I look
 13 back, year after year, through the tee sheet, we
 14 have some opportunities to find maybe some outside
 15 revenue with tournaments and especially from --
 16 whether they be nine-hole events or twilight events,
 17 tack on a food and beverage option, we definitely --
 18 especially with the food and beverage team, we're
 19 going to try to find ways to generate more revenue
 20 that maybe has not happened in the past, which I
 21 think is a strong possibility.
 22 As we go into finalizing projections for
 23 this season, obviously with the Mountain Course with
 24 the lower fees, that we do charge for the daily
 25 round. We're seeing an overall expense that does

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1 outrace our revenue. This chart is without food and
 2 beverage or pro shop merchandise and excludes CIP
 3 dollars. This is something that not only myself,
 4 but General Manager Magee and the finance
 5 department, we're going to watch very closely to see
 6 exactly what is going right, what's going wrong,
 7 because this is a large number that I'm not too
 8 happy with, but again this is me just walking into
 9 it, and I think we can improve it in some areas over
 10 the season.
 11 Finalizing with the Picture Pass rates,
 12 same synopsis, we would require contribution from
 13 the fund account to make sure that we can keep that
 14 place open and is high quality as the golf courses
 15 we like here in the District. Again, we just have
 16 to really look at it as a whole and understand where
 17 we're going to try to obtain new revenue, but then
 18 also overall costs and expenses. Again, why I
 19 mentioned originally when we switched to the
 20 Mountain, it's going to be a top priority of myself.
 21 Recommended rates that were published out
 22 in the memorandum, again, we really wanted to keep
 23 consistent with the non-Picture Pass rate that we
 24 did with last year since we did see a decline in
 25 overall usage in that, so very similar. In this

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1 breakdown, you can see the Friday, Saturday, Sunday
 2 for the first column of Picture Pass, opening to
 3 June 9th, first tee time to 2:00 p.m., so Friday,
 4 Saturday, Sunday it's an \$85 recommendation, as
 5 opposed to last year was an approved \$83 rate.
 6 Then as we go through down towards the
 7 peak season, and if we look at the afternoon rates
 8 for eliminating, again, the 5:30 time slot, which
 9 was probably half of the rate that was approved, so
 10 after 4:00 p.m. on a Friday, Saturday, Sunday for a
 11 Picture Pass holder, \$60 recommended for this year.
 12 It was approved last year at \$58. That theme, per
 13 kind of inflationary parameters, and then also some
 14 fine-tuning as we went through guest and Picture
 15 Pass and non-Picture Pass, it is not large
 16 adjustments except for a few key areas that we felt
 17 we could, essentially, gain a little traction on our
 18 overall budget.
 19 And then into the Mountain Course
 20 recommended rates as well, we had a little bit more
 21 of a substantial rise in percentage mainly because
 22 we felt there was some undervalued rates, especially
 23 when it came to those later afternoon times
 24 especially for a non-Picture Pass rate, so having a
 25 after-5:00-p.m., nine-hole rate that was approved

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1 last year at \$33, we're looking at a \$40
 2 recommendation for this year. Not a huge jump, \$7
 3 may not seem a lot, but times that over 20 in a day
 4 and then also over the course of a season, we find a
 5 good opportunity there to help us with overall
 6 operations.
 7 Trying to finalize and wrap up the total
 8 recommendation, and this is for the Board of
 9 Trustees to make a motion on, we really would like
 10 to focus on recommending improving the golf rates
 11 for Picture Pass holders, guests of Picture Pass,
 12 and non-resident's rates for the '24/'25 season. We
 13 are 16 days away from our opening, and this is vital
 14 to making sure that we have a fluid transition from
 15 the off season to the peak season. And to tack on
 16 to that, we're also opening the driving range this
 17 Friday, so questions and operational needs are very
 18 important with that.
 19 We also in this recommended motion would
 20 say table the Play Pass. I think we need to look at
 21 overall costs, operation, and needs and wants not
 22 only from the staff side of things, but also the
 23 District side.
 24 That's kind of where we're at, and I'll
 25 leave it to you, Chair.

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1 TRUSTEE TONKING: I did see something that
 2 I didn't notice in our memo, and it was on slide 2,
 3 I think, I don't have this PowerPoint. I didn't
 4 notice G, point G in the memo, and I was kind of
 5 wondering how you envisioned this working and how
 6 that affected some of the weekly groups that play
 7 and what that looks like?

8 MR. SANDS: With our shotguns, we're
 9 looking to maximize utilization not only Monday
 10 through Thursdays, but then Friday, Saturday,
 11 Sunday, trying to have a minimal requirement for
 12 those events because we do have events ranging from
 13 12 all the way to 144. Having a predetermined
 14 player fee to help offset any loss in booking when
 15 we have those cancelations is the thought behind
 16 that.

17 TRUSTEE TONKING: So it's only if there's
 18 a cancelation, is that what you're saying? Like, if
 19 they booked 10 slots then they would have to pay
 20 cancelation or -- I'm confused.

21 MR. SANDS: Potentially, yes.

22 TRUSTEE TONKING: Okay. That was my only
 23 question.

24 I just wanted to say that Mr. Swenson was
 25 here from the Golf Advisory Committee, and I just

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1 wanted the Board to know that the Golf Advisory
 2 Committee was not able to discuss these
 3 recommendations because of the time that they were
 4 finally delivered. I just wanted to make that clear
 5 before that presentation.

6 TRUSTEE TULLOCH: Can you go back to your
 7 slide that showed the revenues versus expenses?
 8 Could you define what all you've included in
 9 expenses there? So I understand the true picture.

10 MR. SANDS: This is a full showing of our
 11 expenses and revenue for golf ops without food and
 12 beverage or golf -- or with golf merchandise, so the
 13 entire shebang.

14 TRUSTEE TULLOCH: This includes central
 15 services costs, depreciation, capital improvements?
 16 MR. SANDS: Correct. It excludes CIP. My
 17 apologies.

18 TRUSTEE TULLOCH: And you want to increase
 19 facility funding of CIP as well?

20 MR. SANDS: Potentially recommended, yes,
 21 sir.

22 TRUSTEE TULLOCH: Can the Board have any
 23 confidence that -- I'm not suggesting you, but in
 24 the past we've seen CIP money then used for sand and
 25 bunkers and things that's obviously operational

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1 expenses and that. Can you give us some assurance
 2 that we won't be seeing requests for capital that's
 3 really operational costs?

4 MR. SANDS: Well, I think one of my main
 5 duties is to follow Board directive with any type of
 6 operational expense and CIP expense. So that would
 7 definitely not only fall under your purview, but we
 8 would make sure you'd have all the information to
 9 weigh those options.

10 TRUSTEE TULLOCH: You talked about 767
 11 contribution from fund balance for the Mountain
 12 Course for this, is that for the year coming, or is
 13 that for the year just completed?

14 MR. SANDS: Project for the end of this
 15 fiscal year.

16 TRUSTEE TULLOCH: That is -- just a quick,
 17 back-of-the-envelope calculation, that's 90 bucks
 18 per parcel subsidy for the Mountain Course, so I'm
 19 glad you were looking at ways of actually reducing
 20 that.

21 We haven't shown the contribution required
 22 for the Championship Course yet?

23 MR. SANDS: Correct.

24 TRUSTEE TULLOCH: I do have a question,
 25 utilization, you hear a lot about utilization. It

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1 could be a good thing and it could be bad thing.
 2 I'm more familiar with the ski industry, but most
 3 ski resorts close not because of lack of snow but
 4 because there's no new revenue coming in. If you
 5 just get pass holders coming in for half a dozen
 6 runs, the same as playing maybe six or nine holes,
 7 it doesn't really improve the position here. You're
 8 running up more costs, but just blindly increasing
 9 the utilization doesn't necessarily increase the
 10 revenue.

11 Can we maybe think about when we come up
 12 with utilization figures during the year that we
 13 split out revenue generating as opposed to pre-paid
 14 if it's All-You-Can-Play Passes and things, so we
 15 can actually get a real picture of what increasing
 16 utilization is there?

17 MR. SANDS: Absolutely. And I would also
 18 tack on that goes into the food and beverage
 19 operation as well.

20 CHAIR SCHMITZ: Any other questions?
 21 I have a question on the slide prior to
 22 this. This is saying for the projected this
 23 fiscal year, it looks like there's just been a huge
 24 uptick in expenses at the Mountain Course. It looks
 25 like it's \$200,000, 20 percent over budget.

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1 Now, I do know, last year, the venue
 2 managers didn't have financials, didn't have data,
 3 but given the fact that -- I would expect them to
 4 have the data -- if we have a budget that is at 1.1,
 5 I mean, how is it that someone is allowed to spend
 6 \$200,000 over budget? I understand people didn't
 7 have information, but going forward, that really
 8 shouldn't be allowed to happen I wouldn't think.

9 MR. MAGEE: I can take a shot at this one.
 10 This chart here is specific to just the
 11 Mountain Golf operations, and so to answer your
 12 question, the finance department is going to look at
 13 this as the totality of the budget. This particular
 14 area of that budget may be overrun, but other areas
 15 of the budget are underrun. It's the job of the
 16 finance department to work with the General Manager
 17 of Golf Operations to make sure that the overall
 18 budget does not exceed the total appropriation
 19 authority.

20 At this time, I've talked to Assistant
 21 Director of Finance Cripps, and he's confident that
 22 this ultimately, the totality of the golf budget,
 23 will come under budget.

24 CHAIR SCHMITZ: I appreciate that. I just
 25 want to point out that by having golf broken up into

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1 golf operations, food and beverage, and
 2 merchandising, it gives a venue manager a more
 3 granular way to actually understand what's going on
 4 in the business, and I think it's been very helpful.
 5 And that one just jumped out at me as significantly
 6 off target, even compared to the trend from the
 7 past.

8 **Any other questions, comments?**

9 TRUSTEE TULLOCH: One follow-up. I'm glad
 10 to hear you're looking at the staffing model. And
 11 we hear a lot about dynamic pricing, I'm glad to see
 12 that you're looking at dynamic staffing as well
 13 because that's a key part of the managing the
 14 operation as well.

15 TRUSTEE DENT: Building upon that, you
 16 mentioned service levels, I think that's a good
 17 starting point. This previous board, last year, I
 18 brought that up, previous golf committees have
 19 brought that up, and I think you're on to something
 20 when you're starting to dig into that.

21 Thank you for the presentation.

22 CHAIR SCHMITZ: Does the Board care to
 23 make a motion? Or do we want to have the
 24 presentation -- do you want to wait on this until
 25 after the other presentation is my question.

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1 (Inaudible response.)
 2 CHAIR SCHMITZ: Okay.
 3 Mr. Swenson, the floor is yours.

4 MR. SWENSON: Let me just start off by
 5 saying some basic facts. First of all, I want to
 6 introduce my chair, colleagues. Michaela Tonking,
 7 who was the chair, Jay Simon, Robert Riccitelli,
 8 Todd Wilson, and myself, Harry Swenson.

9 I want to start off with some high-level
 10 statistics. The Champ Course had 23,000 rounds last
 11 year, that's about 65 percent of the overall
 12 capacity of the Champ Course. 17,000 of those
 13 rounds are residents rounds. Of those 17,000, there
 14 are 2,600 individual residents playing, so that's
 15 for the Champ Course.

16 Similarly for the Mountain Course, there
 17 were about 15,100 rounds, that was about 62 percent
 18 of its capacity. Of that, 10,441 were the rounds
 19 played by residents.

20 I know I have short time, so I had a much
 21 broader information. I'm not going to go through
 22 the full committee history other than we looked at
 23 service levels, what you're serving -- service
 24 levels, course statistics, and last year's
 25 budgeting. We also documented seven challenges for

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1 the food and beverage, gave seven solutions for
 2 those challenges, we helped define an appropriate
 3 job level duties for our new golf manager, who's
 4 been drinking from a firehose that came on since
 5 he's been here.

6 In March, we finally received detailed
 7 financial data from last year and developed a
 8 recommended policies on pricing. And due to the
 9 lack of price forecasting tools, one of our
 10 committee members, Todd Wilson, created his own
 11 price forecasting with elasticity and using the data
 12 that we did receive on numbers and numbers of things
 13 we can go forward on.

14 I'm going to quickly jump through the rest
 15 of this until I get to things you're really more
 16 interested in, and that's really the cost
 17 forecasting. Our committee created an independent
 18 golf course pricing forecast model using -- and Todd
 19 is willing to help transfer that and tried to work
 20 with the staff.

21 We modeled and evaluated both the options
 22 for the Champ Course and Mountain Courses, included
 23 price elasticity, based upon the staff-recommended
 24 rates we received in early April as Option A,
 25 created an economically viable All-You-Can-Play Pass

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1 rationale. Last year's data showed that there was
 2 no extra non-resident play during the limited
 3 periods in which were restricted, so we made one a
 4 little bit more economically viable, reintroduced
 5 the couple's pass at 155 percent of the
 6 All-You-Can-Play Pass at both courses, and limit to
 7 the 10 to 20. We felt there were too many options
 8 to go through and even handle.

9 The options we then modeled were
 10 last year's utilization, an increased utilization of
 11 five percent, higher-than-expected elasticity on
 12 that values because there was a price increase. And
 13 then on Sunday night, these rates were passed, and I
 14 tried to adapt our model that we created for the
 15 current rates, but they are what we consider far
 16 beyond the fidelity of what we're comfortable with
 17 with the limited time we were able to modify the
 18 price model and forecast it.

19 We did see -- we are concerned on the new
 20 pricing that we are going to price ourselves out of
 21 the market instead of increasing capacity, which is
 22 what we're highly recommending, and it even shows
 23 with the modest increase of capacity, we're at 80
 24 percent cost recovery for both the Champ and the
 25 Mountain Course, similar to what these higher rates

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1 are, the rates that Tim just posted on Sunday
 2 relative to the course operation -- relative to that
 3 which we feel there's some way we're pricing
 4 ourselves out of the market. I thought I'd show
 5 this on your pricing pyramid, with that five percent
 6 increase, we're basically around 80 percent of cost
 7 recovery.

8 I forgot to mention one thing, I have to
 9 say, I did make a note that when we looked at the
 10 Champ Course costs, we eliminated food and beverage
 11 because of the \$300,000 loss of food and beverage,
 12 we felt that was ridiculous. If we're going to
 13 continue that, we might as well cancel -- I'm
 14 personalizing this, this is not a recommendation
 15 from the committee, but that's way too high. We did
 16 look at the data we received in March, which I have
 17 to say is cryptic at best, but fully informative
 18 because there's a lot details, pages and pages of
 19 details. We went through that and came up with what
 20 we felt were the actual costs of the operations that
 21 were coming, \$3.2 million without the food and
 22 beverage costs, and then 1.37 million for the
 23 Mountain Course.

24 We felt that looking at this on the
 25 pricing model, that's pretty fair, especially when

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1 you think of, you know, we got at least 4,000
 2 individual community members using those forces, it
 3 provides an intrinsic value to the whole community
 4 in real estate and other methods, but it needs to be
 5 managed. Our view is let's do the things that Tim
 6 talked about, the demand pricing, the encouragement,
 7 the marketing of more tee times because they're
 8 available, and to fill up the tee sheet.

9 Then we came up with these goal
 10 recommendations for course utilization at rate of 80
 11 percent goal for the Mountain Course above 65,
 12 it's already at 62, we don't think it's that hard to
 13 get it to that 65 rate. I'm not going to talk about
 14 dynamic pricing because you already saw that. Staff
 15 should look at competitive pricing for residents,
 16 i.e., the residents are course owners, relative to
 17 other private and semiprivate local venues. I'm
 18 getting an earful from my friends that are saying,
 19 I'm going away, I'm going over to the Tahoe Mountain
 20 Club, which has got -- it's over there in Truckee,
 21 it's got two full championship courses. They felt
 22 they could join there. I say go ahead, but I think
 23 that's a disservice to our community to do that.

24 Staff should generate a forecasting model
 25 to determine economically viable pricing, and we're

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1 happy to share ours and work with them on that.

2 I also reinforced the point consider
 3 closing golf operation books at the end of the
 4 season and forecasting the next year's around
 5 January. We didn't get data until mid-March on
 6 what, at that time, was the cost of the thing. Most
 7 other courses do that, and I'm sure where Manager
 8 Sands came from before, he did the same thing.

9 Reduce the complexity of the number of
 10 pass operations. And finally, I think this is the
 11 most important part, last year and even somewhat
 12 this year, you're going to the revenue side; we need
 13 to go to the cost side. Obviously, food and
 14 beverage, you all know that's a problem. Whether
 15 it's -- and when we talk service levels, I hate to
 16 say this, we're talking personnel. If the place
 17 isn't full, reduce the personnel, and Tim even
 18 mentioned that.

19 Fleet management, seemed to be an outlier
 20 to us that are familiar with golf and golf
 21 operations at golf courses, it didn't seem that you
 22 need that much maintenance for your equipment, but
 23 it's there. Cost center allocation, one of the
 24 things that I tried to figure out was exact -- our
 25 team tried to figure out, how does that exactly

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1 work? It is an employee base? Is it what? And we
 2 couldn't get a clear answer on that, and I expect
 3 Manager Sands to actually keep getting a clear
 4 answer on what those allocations are, why they are,
 5 and especially due to the fact that the majority of
 6 the staff shown in the financial data we received
 7 were food and beverage areas, not the golf course
 8 area, but the golf course was charged that as a full
 9 member.
 10 I'm open for any questions or comments
 11 that you'd like to make.
 12 CHAIR SCHMITZ: I'm going to open it up.
 13 TRUSTEE NOBLE: I think at the beginning
 14 of your presentation you stated that there are
 15 approximately 2,600 individual residents that played
 16 the Championship Course. Approximately how many
 17 playing the Mountain Course?
 18 MR. SWENSON: I couldn't get that at the
 19 time because I was looking into that, and the answer
 20 came from the golf staff for the Champ Course. I
 21 had thought about that in the beginning, so I made
 22 an estimate based upon that percentage versus the
 23 Mountain Course, which is probably about 1,500
 24 individual users, if that percentage holds up. It
 25 might even be more because it's heavily used by a

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1 lot of people.
 2 TRUSTEE TULLOCH: It sounds great, 2,600
 3 individuals played the Championship Course. If they
 4 play once, they fall into that number.
 5 MR. SWENSON: You're asking a next-level
 6 detail. I just got that analysis yesterday.
 7 TRUSTEE TULLOCH: Understood. I think
 8 before we run away, there's 2,600 people playing
 9 regularly, that 2,600 number includes --
 10 MR. SWENSON: That data's available, I
 11 just wasn't able to get the --
 12 TRUSTEE TULLOCH: Thank you.
 13 In terms of fleet services, General
 14 Manager Magee will confirm, I did a quick-and-dirty
 15 analysis of it last year, and, yes, the fleet
 16 maintenance was costing us \$19.50 a round. I think
 17 it was just under 20 bucks. It was at -- so that
 18 was a significant expense. So, yeah, I think it's
 19 certainly something I've highlighted to General
 20 Manager Sands as well.
 21 But we've also heard in public comment,
 22 there's been a huge reduction in rounds. Does
 23 anyone actually know what the '22 number of rounds
 24 at the Champ Course were? I seem to recall it was
 25 just around the 23,000 as well.

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1 MR. SWENSON: '22 was about the same.
 2 Exactly. Revenues went up, but you're not
 3 getting -- and at that time -- let me give you the
 4 more direct answer, at that time, that was a
 5 12-minute per tee time round, which led to about a
 6 79 percent utilization -- yeah, I think 79 percent
 7 utilization the year before with that 12 minute.
 8 TRUSTEE TULLOCH: Understood. But if you
 9 listen to my previous comments about utilization, it
 10 could be misleading. You could have a hundred
 11 percent utilization with no new revenue coming in.
 12 So basically -- bear with me -- we've heard in
 13 public comment, there's been a huge reduction in
 14 rounds, but it's actually the total number of rounds
 15 is actually relatively similar. I think several of
 16 us questioned the previous director of golf at the
 17 estimated 26,000, so the shortfall was only to the
 18 project budget number in terms of that.
 19 MR. SWENSON: Correct.
 20 TRUSTEE TULLOCH: If I cut to the chase,
 21 basically your recommendations here is that the
 22 Championship Course should only account for 80
 23 percent recovery, 80 percent of its costs.
 24 MR. SWENSON: I said that that's what it
 25 is right now. Unless we do an effort to get that

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1 capacity up, and you --
 2 TRUSTEE TULLOCH: Not --
 3 MR. SWENSON: The utilization up.
 4 TRUSTEE TULLOCH: No. That's not
 5 utilization. I'm talking about your cost base.
 6 MR. SWENSON: I say that, to me, isn't a
 7 problem, and that's both with the users, the
 8 intrinsic merit it gives to the community, it seems
 9 fair. I'm a user of a lot of the resources here,
 10 Rec Center's, others. You probably don't want to
 11 look at those numbers on utilization.
 12 TRUSTEE TULLOCH: Again, yes, just to be
 13 clear, the basic recommendation from the golf
 14 committee is that we should subsidize 20 percent of
 15 the costs?
 16 MR. SWENSON: Our basic recommendation was
 17 to get to 80 percent utilization, which when we
 18 talked about it with --
 19 TRUSTEE TULLOCH: We covered that. Thank
 20 you.
 21 MR. SWENSON: No, we didn't cover it.
 22 Because you asked me a question, I'm going to answer
 23 it because you made a comment that, yes, utilization
 24 goes up and you're going to -- we asked that
 25 question to the superintendent, we spent some time

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1 with him discussing that, and that's when we came up
 2 with the 80 percent, I was shooting for 85, and
 3 that's when they felt that that curve actually
 4 forces upon the system and they're not able to get
 5 to the amount of maintenance, course maintenance,
 6 that they need to get to.

7 TRUSTEE TULLOCH: Perhaps you can provide
 8 the Board with a copy of the model as well. It's
 9 hard for us to make any comment on it when we
 10 haven't seen any of the input.

11 MR. SWENSON: Absolutely.

12 TRUSTEE TONKING: I was just going to push
 13 back a little bit on what Trustee Tulloch is saying.
 14 Utilization and coverage of costs is not the same.
 15 I think we just need to clarify that. Utilization
 16 is recommended 80 percent, depends on the revenue.

17 And I think the other thing that happened
 18 that we haven't really discussed is that we
 19 increased tee times from 12-minute to 10-minute
 20 intervals, I think Mr. Swenson stated that, and yet
 21 we saw a similar amount of rounds played. That is
 22 concerning because what that's saying is we were
 23 losing demand with some of our pricing. I just want
 24 to put that point out there too.

25 And then I don't know when we want to talk

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1 about rates, but I have some other thoughts on the
 2 rates before we make that motion on them.

3 TRUSTEE DENT: What I heard you say was
 4 revenues aren't an issue, costs or expenses are the
 5 issue, and I think that's aligned with what this
 6 board has said last year, what individual trustees
 7 have said in year's past. I think that should be
 8 the focus for General Manager Sands as well as
 9 General Manager Magee moving forward.

10 At some point you can only continue to
 11 raise your rates. I think we need to look at the
 12 other side of the equation because that will help us
 13 quite a bit.

14 CHAIR SCHMITZ: Could Mr. Sands come back
 15 so he has his -- I'm assuming there may be
 16 questions, that's where I'm going with this. Are
 17 there any other questions for Mr. Sands relative to
 18 his presentation?

19 It seems like -- and I'm making a leap
 20 here, it seems like there wasn't data provided to
 21 the Golf Advisory Committee, and it seems like,
 22 perhaps, Mr. Sands has had time to put more of the
 23 data together, because I think you did show that the
 24 Champ Course, from an operational perspective at
 25 least for projected for this year is covering its

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1 operational costs.

2 I think that your focus, looking at the
 3 Mountain Course, seems like that was the area that
 4 didn't quite make the mark from budget perspective
 5 and projected perspective.

6 MR. SANDS: Correct.

7 TRUSTEE NOBLE: And this is just actually
 8 a question of procedure. Given Mr. Sands'
 9 presentation today, are we not discussing Play
 10 Passes at all today, tabling all discussion until
 11 May 8th?

12 MR. SANDS: Correct, that would be the
 13 recommendation.

14 TRUSTEE DENT: I'm ready to make a motion.
 15 I know Trustee Tonking had some questions, though,
 16 before we do that.

17 TRUSTEE TONKING: Are we just talking
 18 about those one set of rates that he put on the
 19 screen?

20 TRUSTEE DENT: Correct.

21 TRUSTEE TONKING: Okay. I do have some
 22 concern with some of the increases in the afternoon,
 23 but I just wanted to state that for the record. I
 24 think everything else is pretty okay, but I did want
 25 to say that those were a little bit higher given

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1 it's a low utilization pass.

2 TRUSTEE TULLOCH: I share the same concern
 3 because we eliminated some of the preferential,
 4 occasional residential golfer rates last year. I
 5 think we just need to be very careful that we're not
 6 just trying to price them out to leave more times
 7 for the All-You-Can-Play Passes or whatever in terms
 8 of that.

9 So, yeah, I share that concern.

10 TRUSTEE NOBLE: Given that we had 20
 11 percent more tee times available last year and no
 12 smoke yet the number of rounds were flat, I'm
 13 concerned that we've kind of hit that ceiling of
 14 pricing for residents, guests, and non-resident,
 15 non-guest.

16 And so my preference would be to maintain
 17 the rates, the daily rates from last year and see
 18 where that goes. That would also allow Mr. Sands to
 19 put in place all the things with advertising,
 20 everything else that you've described to try and
 21 boost the number of rounds. And, to me, that would
 22 be closer to an apples-to-apples comparison, because
 23 I'm concerned with some of these, although the
 24 increases aren't significant, there's enough of
 25 them, though, that I think it's going to dampen

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1 interest in playing at both courses even further
 2 than we experienced last year.
 3 TRUSTEE DENT: I just want a
 4 clarification, I heard Mr. Swenson say the amount of
 5 rounds was actually pretty steady from year to year;
 6 it was we overbudgeted on the amount of rounds was
 7 the issue, which has been a very consistent issue
 8 amongst all the venues for many years that we were
 9 trying to get rid of last year. Is that correct?
 10 MR. SANDS: I can say from 2020 through
 11 2023, it ranged from the high 21,000s to the low
 12 23,000s, so small difference between season to
 13 season.
 14 TRUSTEE DENT: And then having a
 15 decent-sized winter last year probably helped slow
 16 the start a little bit too, given, I think, it was
 17 the largest winter that we've ever seen?
 18 (Inaudible response.)
 19 TRUSTEE DENT: Cool.
 20 I am fine with accepting staff's rates,
 21 and I will allow my other colleagues to speak up,
 22 but I will make a motion if no one else has any
 23 comments.
 24 TRUSTEE TONKING: I just want say the
 25 rounds stayed the same, but the problem was is the

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1 big difference between '22 and '23, fiscal year '24,
 2 I guess, so the one we're in this past year is we
 3 opened a bunch of more available rounds and those
 4 weren't picked up. We went from 12 minutes, and
 5 that had been the operation in 2020, '21, '22. And
 6 then in the summer of '23, we opened up from
 7 12-minute increments to 10, so that opened up a
 8 bunch of new rounds and those weren't utilized.
 9 So that's some of the problem too.
 10 TRUSTEE TULLOCH: We could say, yes, we've
 11 opened up all these new rounds, we didn't get them
 12 because price increases. It could also equally be
 13 we just basically reached our optimal level of
 14 demand. That is the demand that is out there. We
 15 can't just create demand by creating more rounds.
 16 Certainly, yes, we could create more demand by
 17 offering rounds at 20 bucks, but all that would do
 18 is increase the losses as we increase the volume, so
 19 there is a sensible level.
 20 I think last year, we didn't open until it
 21 was just about -- it was almost into June before we
 22 opened, so a lot of these, comparatively, with
 23 three weeks less, typically we open about mid-May,
 24 so last year we lost at least two weeks of play.
 25 But it may well be more like that is the

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1 realistic level of demand, without some very special
 2 incentives and things there.
 3 CHAIR SCHMITZ: One of the things that I
 4 spoke with General Manager Sands about was trying to
 5 target 80 percent utilization, and because our
 6 climate and because of the shoulder seasons, I
 7 think, perhaps, it may be realistic to try to target
 8 that during the peak season, but the shoulder
 9 seasons, they get impacted by weather and
 10 temperatures and smoke and things.
 11 I think that the historical has always
 12 been about the 73 percent, but I appreciate the fact
 13 that I do think we do need to do more marketing
 14 because we had a significant dropoff of the play for
 15 non-residents, and that does really impact the
 16 financials for the golf course because they're
 17 paying at a higher rate.
 18 I will take Trustee Dent's suggestion for
 19 him making a motion.
 20 TRUSTEE DENT: I move that we approve the
 21 recommended golf rates for Picture Pass guests and
 22 non-resident as presented this evening.
 23 CHAIR SCHMITZ: Is there a second?
 24 TRUSTEE TULLOCH: I'll second that.
 25 CHAIR SCHMITZ: Any further discussion by

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1 the Board? All those in favor?
 2 TRUSTEE TULLOCH: Aye.
 3 TRUSTEE DENT: Aye.
 4 CHAIR SCHMITZ: Aye.
 5 Opposed?
 6 TRUSTEE NOBLE: Opposed.
 7 TRUSTEE TONKING: No.
 8 CHAIR SCHMITZ: So the motion passes
 9 three to two, taking staff's recommendation.
 10 Thank you for all the effort to put these
 11 recommendations forward.
 12 Moving on to now what was formerly G 6,
 13 now H 2.
 14 H 2. Recreation Center Floor Replacement
 15 CHAIR SCHMITZ: Review, discuss, and
 16 approve services for a floor replacement in the
 17 recreation center.
 18 MS. NELSON: The item before you tonight
 19 is for replacing the fitness room flooring. It is
 20 within the operating budget and being brought
 21 forward as part of compliance with Policy 3.1.0.
 22 TRUSTEE TULLOCH: Let me be clear: The
 23 reason I asked for this to be taken off the calendar
 24 was because when Director Lejion spoke to the Board,
 25 either late November or December, she told us about

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1 a whole list of projects that were required to be
 2 done at the Rec Center. Adding them all up, it came
 3 to multiple millions.
 4 The Board requested at that time that
 5 Director Leijon come back to the Board with a more
 6 detailed, comprehensive listing of these so we could
 7 make sure that we're not just patching things when
 8 maybe what we need is a much more comprehensive
 9 overhaul. Once you spend a 150,000 here, 300,000
 10 there, quarter of a million here, suddenly it
 11 becomes real money and sometimes it may not be
 12 worthwhile. We may be at the stage where we need to
 13 think more comprehensively about it.
 14 So the reason I asked for it to be taken
 15 off the consent calendar was not particularly
 16 objection. I'm sure this is required there, but
 17 it's also because this is now -- next week, we're
 18 into May, and the Board asked back in December for a
 19 listing of these projects so we could have a clearer
 20 picture of whether we needed to do a more
 21 comprehensive review and analysis of the
 22 requirements at the Rec Center.
 23 TRUSTEE TONKING: I looked -- I had a
 24 feeling this was why you were bringing it up,
 25 Trustee Tulloch.

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1 I received an email on 2/7 of this year
 2 from Director Leijon, and she had informed that it
 3 had been sent to the acting GM at the time, a list
 4 of all of those things with the prices in it. I
 5 don't know why it never ended up on an agenda, but
 6 it had been provided.
 7 So I can forward you that list in that
 8 email, but it does exist as of 2/7. So maybe in the
 9 shuffle of everybody, it got lost, because I have
 10 it.
 11 CHAIR SCHMITZ: Thank you. That's great
 12 that you have it, but the Board doesn't have it.
 13 TRUSTEE TONKING: That's what I'm saying.
 14 As the Parks and Rec liaison, I was cc'd on it, and
 15 so I apologize, maybe I should have brought it
 16 forward on the agenda. I assumed that at the time
 17 the GM was doing that, and so it must have got lost
 18 in the shuffle is all I'm saying.
 19 CHAIR SCHMITZ: Thank you for that
 20 clarification. Are there any other questions?
 21 I have similar questions because that
 22 fitness room, it needs more than a floor. It needs
 23 a facelift of sorts. So questions are are we
 24 looking at this holistically? Is this a room that
 25 needs to be gutted on the inside, figure out how to

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1 have better storage, potentially, do we want to
 2 expand into the area that used to be the kid zone?
 3 It's not necessarily looking at this going
 4 how does this fit into the bigger needs at the
 5 Recreation Center, and is this a potential to say,
 6 look, we need to redo the group fitness room and we
 7 need to improve the group fitness room as a whole,
 8 and do we potentially make reconfigurations and how
 9 does that all fit together?
 10 And maybe this should be part of a bigger
 11 project as opposed to just doing a floor, and then
 12 six months, nine months later saying, well, we need
 13 to replace the sliding doors and we need to improve
 14 the lighting. There's all these other components
 15 within the fitness room: the fans, the lighting.
 16 Should this just be part of a bigger
 17 project for an improvement to the room? That's why
 18 I wanted to bring this up also. I'm not opposed to
 19 improving the flooring in any way, shape, or form,
 20 but I think there's more that needs to be done than
 21 just the flooring.
 22 TRUSTEE DENT: Great points, Chair. When
 23 it comes to this project and allowing the Board, I
 24 guess, to see this list we haven't seen yet, how
 25 much -- when are these guys contracted to start or

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1 scheduled to start? Where are we at in that
 2 process? Could we easily delay this, say, a month
 3 and at least we get to see a list and potentially
 4 take action on other items on the list?
 5 MS. BAHLMAN: Hi, everyone. My name's
 6 Pandora Bahlman, and I'm the Recreation Center
 7 manager.
 8 The flooring is in part of an ongoing
 9 fitness equipment, rolling forward like so that we
 10 keep things all in good working order and don't have
 11 failure of some part of that fitness item. So it
 12 was agreed about five years, put on the budget for
 13 this year under the fitness equipment element of the
 14 CIP budget.
 15 And I totally agree with you on the doors,
 16 which I hate, and the flooring, it's surprising what
 17 you might think that the room needs. The flooring
 18 is the main equipment of that room. The flooring is
 19 what the impact of all the exercises, everything
 20 person's joint health, that is the essence of a
 21 group fitness room. Yes, we have equipment like
 22 weights and balls and et cetera, those are all in
 23 the operating budget. This is a CIP; it's not an
 24 operating budget item.
 25 And it is 13 years old. It has reached a

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1 useful life. I did send some pictures of it of the
2 marring and cracking. They have so many new
3 floorings out now that are amazing. And this is
4 floor is what it would be, and it's several layers
5 of different materials. The top one has no seams,
6 so there's no dirt that goes in there, there's no
7 separation or anything like that. It has equal
8 impact all over. It's not like there will be a gap
9 of impact where on a wood floor where you hook with
10 the little metal things that you put a wood floor
11 together with underneath, they could be separated or
12 changed to different distances apart. There will be
13 nothing that impacts any different.

14 The continuation of this floor is never --
15 you never take it up again. You just recoat it, so
16 it's not the same as having to put in a new wood
17 floor or anything like that. It will go to the very
18 edges of the flooring. It won't go in the closets.

19 We will buy new closet doors and new
20 guides in our operating budget, which is really the
21 only storage. And as far as like putting one room
22 into another room, we really need a separate room
23 for different things like spin. And today we came
24 up with a really good solution for that little room
25 and the spin operation, which would add more time in

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1 the group fitness room for other things and it would
2 add more prime time for spin classes. Plus the spin
3 shoes are just not good for this floor.

4 I think that if we it put off again,
5 that's really up to you. It has been put off
6 three years, we had it as a ten-year replacement,
7 but it was still good. I always look at that:
8 Should we spend the money now? It takes a 12-week
9 lead time, which before our purchase order process
10 was about a five- to ten-day process, and it was an
11 approved CIP from the previous budget so it's
12 approved on that budget; it's not just something I
13 came up with.

14 Anyway, we used to open different projects
15 by contacting the finance department, they would
16 open the budget and notify the general manager and
17 the financial officer that we were opening the
18 project, and then we'd go ahead and do it. We can
19 reapply for it. I think it's not good idea, but to
20 stop the superficial things like the lighting and
21 the doors, to stop the flooring because we need some
22 superficial facelift, that would be a good reason.

23 TRUSTEE TULLOCH: As I've said in my
24 earlier comments, I'm sure it's a good project. I'm
25 just pointing out that we don't want to be in a

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1 situation where we're now spending this money on the
2 flooring, and then we find some time we get a
3 surprise next August or something. The CIP, yes,
4 we're going to do other things and we're going to
5 have to replace that flooring or make some joints in
6 it.

7 I think if it's been on the long-range CIP
8 plan for 13 years and it's -- it was then on the
9 five-year capital plan, I'm not sure how delaying a
10 month for the whole Board to be able to see the full
11 list of projects, I'm not quite sure how that
12 becomes a life-or-death situation. I think that was
13 Trustee Dent's suggestion.

14 MS. NELSON: What I'm hearing from the
15 Board is that you would like to review the list of
16 projects that is associated with the Rec Center, and
17 once you have that, then you may decide that you
18 want more of a utilization evaluation of the center
19 or space evaluation. Am I going in the right
20 direction?

21 CHAIR SCHMITZ: My feeling is is that on
22 this project, and I'm just going to use it as an
23 example and it might be a valid one, but if the
24 lights are on there, let's do the lights before we
25 do the floor. Let's get this stuff done in a way

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1 and do -- get it done, do what needs to be done to
2 that room, and improve the room for all of the
3 people who use it on somewhat of a daily basis.

4 It is in need of some reconfiguration of
5 storage, and maybe with doing that, those closets do
6 need to have the floor in them because now it's
7 changed in some way. It's just doing in a more
8 holistic manner, and maybe if we're going to close
9 down the Rec Center or close down the room to do
10 this, we're going do some other things all at the
11 same time. That's really where my head is at
12 anyway.

13 TRUSTEE DENT: And it sounds like we have
14 12 weeks lead time once we order the material. It
15 would be awesome to see this list, see if there's
16 anything else we can incorporate into, and truly
17 give that area an upgrade.

18 MS. BAHLMAN: I have a quick question. I
19 remember -- I thought that people said -- I'm just
20 paraphrasing -- that there wouldn't be no carryover
21 for the money into the next CIP year if you don't
22 get the project done within the year that it is
23 planned. Is that incorrect?

24 CHAIR SCHMITZ: I think our General
25 Manager should answer that question.

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1 MR. MAGEE: That money can be part of the
 2 carryforward report moving forward.
 3 MS. BAHLMAN: Cool. And then that settles
 4 everything. I was under the impression that once
 5 you got past your fiscal year, that we had a new
 6 policy where you could not carry forward those money
 7 and funds.
 8 TRUSTEE TULLOCH: Hopefully, General
 9 Manager Magee, we don't have a policy where
 10 everyone's desperate to spend all the money at the
 11 end of the financial year, as it so often happens in
 12 government agencies. I was --
 13 MS. BAHLMAN: -- (inaudible) that was
 14 planned. It was not me trying to spend money that I
 15 desperately wanted to --
 16 TRUSTEE TULLOCH: I did not suggest that.
 17 I'm just --
 18 MS. BAHLMAN: I just want you to know that
 19 I really care about the Rec Center and the financial
 20 side.
 21 TRUSTEE TULLOCH: I have absolutely no
 22 doubt about that. I'm just referring to it in
 23 general. I'm sure you are. I'm super passionate
 24 about good accounting as well.
 25 MS. BAHLMAN: And I am passionate about

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1 not --
 2 CHAIR SCHMITZ: We do have carryover
 3 projects, we have them, and they get carried
 4 forward. It's not that it would go away. And we
 5 have awhile before even the end of fiscal year, so
 6 we'll bring this back whenever staff feels --
 7 MS. BAHLMAN: It's on the --
 8 CHAIR SCHMITZ: -- (inaudible) bring it
 9 back.
 10 MS. BAHLMAN: It can be sent out really
 11 easily.
 12 CHAIR SCHMITZ: I'm sorry. What we're you
 13 saying?
 14 MS. BAHLMAN: It's on the hard drive, so
 15 we could have it sent out really easily.
 16 CHAIR SCHMITZ: Send out what?
 17 MS. BAHLMAN: The list. It's on the hard
 18 drive.
 19 CHAIR SCHMITZ: Okay. We were sort of
 20 talking at the same time.
 21 MR. MAGEE: If I can get a copy of that
 22 list, I'll distribute it to the full Board.
 23 CHAIR SCHMITZ: Thank you. That would be
 24 helpful.
 25 Moving on, then, to the new item H

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1 3, formerly H 2.
 2 H 3. Water and Sewer Rates Fee Schedule
 3 Modifications
 4 CHAIR SCHMITZ: Discuss and provide
 5 direction on the proposed fee schedule for
 6 modifications to water, sewer, and trash -- I'm
 7 sorry, just water and sewer rates. Pages 201
 8 through 207 in the board packet.
 9 MS. NELSON: This item is solely to set
 10 the date and time of the public hearing for the
 11 adjustments to the rates for water and sewer. We
 12 are proposing that public hearing take place on June
 13 12th at 6:00 p.m.
 14 I'm here to answer any questions.
 15 CHAIR SCHMITZ: My recollection is that we
 16 were planning to just move forward with the prior
 17 rates, the prior rate increases, but I'm -- just
 18 from memory -- seeing that you are proposing no
 19 increase. Can you just clarify that for me, please?
 20 MS. NELSON: We are proposing to stay
 21 with year 2 of the planed increases. The rate
 22 structures are attached. You've got fiscal year
 23 '24, we would be looking at implementing fiscal year
 24 '25 at this rate hearing. That roughly equates to
 25 an increase of sewer of eight percent and water of

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1 8.5 percent.
 2 We will be meeting with accounting next
 3 week just to verify that the proposed budget,
 4 fiscal year budget of the utility department
 5 coincides with the proposed numbers that were in the
 6 rate study, just to make sure that we aren't
 7 completely off from where we estimated we would be.
 8 CHAIR SCHMITZ: One question that I asked
 9 former director of public works last year was that
 10 some of these fees, for like plan check and whatnot,
 11 that some of the fees didn't actually cover the
 12 costs. I think that if we have fees that aren't
 13 covering the costs, we should be changing those
 14 fees.
 15 And then one of other fees that we've
 16 talked about is hook-up fees, because we're -- if
 17 they truly go and start developing our town center
 18 into five-story buildings, we have to have hook-up
 19 fees that is going to upgrade, subsidize what we
 20 will need to do to our infrastructure.
 21 So I think that there's some things that
 22 I'd like you to consider increasing as it relates to
 23 development projects and fees that you charge on
 24 an hourly basis or on a project basis.
 25 MS. NELSON: We will definitely review

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1 that. I just want to direct you to page 202, the
 2 proposed changes, we did review, and we do have some
 3 increases in hydrant meter rentals because they do
 4 actually reflect if those hydrants -- meters are not
 5 returned to us, they are increasing in costs. So we
 6 are upping those.

7 But we will take another look at the fees
 8 and just make sure they are covering costs
 9 associated with them, as well as the capital portion
 10 of the user fee.

11 TRUSTEE TULLOCH: If I go to page 203,
 12 your new fees, the compliance appointment no-show
 13 fee, this is an area that could become very
 14 contentious and very subjective. It just says
 15 "without sufficient notice, without any indication
 16 of sufficient notices," and could also -- if we're
 17 going to go down this direction, could we also make
 18 sure that we're making a prior call to customers
 19 within the sufficient notice period to confirm it?
 20 Because I know I typically get the request in
 21 January or something, maybe go and book it out in
 22 March, and I don't necessarily have it on my
 23 schedule and things.

24 I think if we're going to try and charge
 25 no-show fees, we need to make a good faith effort to

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1 let customers know closer to the time, whether by
 2 text or whatever, the same way as I have to do with
 3 my dentist or anything.

4 MS. NELSON: Um-hmm.

5 TRUSTEE DENT: I would just move to accept
 6 staff's recommendation as stated -- or as written on
 7 page 201.

8 TRUSTEE TONKING: I second.

9 CHAIR SCHMITZ: All those in favor?

10 TRUSTEE TONKING: Aye.

11 TRUSTEE TULLOCH: Aye.

12 TRUSTEE NOBLE: Aye.

13 TRUSTEE DENT: Aye.

14 CHAIR SCHMITZ: Aye.

15 Motion passes, five to zero. Moving on to
 16 new H 4.

17 H 4. Laboratory Equipment Purchase

18 CHAIR SCHMITZ: Review, discuss, and
 19 possibly approve agreements for the purchase of
 20 laboratory equipment. Pages 208 through 251.

21 MS. NELSON: The item before you tonight
 22 is for purchasing four total pieces of equipment to
 23 be used in our laboratory. Two of the pieces of
 24 equipment are replacing existing equipment that has
 25 outlived its useful life. One being the autoclave,

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1 which is the sterilizer that is 18 years old, and
 2 the other being the deionized water system, which is
 3 23 years old.

4 We are planning, requesting to purchase
 5 two new pieces of equipment, an ion chromatograph
 6 and a UV VIS spectrophotometer. These pieces of
 7 equipment will allow us to perform more testing in
 8 house and not have to rely on the external lab that
 9 we currently do in Sparks.

10 The cost savings in purchasing the
 11 equipment, between staff time and the outside
 12 laboratory costs, will be about \$36,000 a year. We
 13 will still have testing that needs to be sent out to
 14 the lab in Sparks; however, it will be specialized
 15 testing, and that's why we don't want to propose
 16 that come in house.

17 The benefits of allowing our staff to
 18 perform testing in house reduces the reliance on the
 19 outside laboratory and their schedule, not
 20 necessarily when we need things done, as well as
 21 reducing the number of people involved in the chain
 22 of custody of samples, thereby, hopefully, limiting
 23 false positives.

24 CHAIR SCHMITZ: Any questions?
 25 I just want to ask one question and say

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1 with this equipment and the staffing level that we
 2 have, we -- the District would not be in a situation
 3 that they were over the Thanksgiving weekend debacle
 4 where we had the oil notice that was five days over
 5 Thanksgiving weekend? This would avoid that
 6 situation; correct?

7 MS. NELSON: There is still a time frame
 8 for that type of testing; however, because it was a
 9 holiday weekend, that's why it was extended because
 10 we couldn't get the work done. However, our staff
 11 comes in on the weekend and does those tests as
 12 needed to make sure that we get the water back as
 13 soon as possible.

14 TRUSTEE TULLOCH: I'm assuming the -- if
 15 we've got an operating cost saving of 36,000, that
 16 would be reflected in the zero-based budgeting?

17 MS. NELSON: It will.

18 CHAIR SCHMITZ: Would someone like to make
 19 a motion?

20 TRUSTEE DENT: I'll make a motion that we
 21 accept staff's recommendations on 208 and 209.

22 TRUSTEE TONKING: I second.

23 CHAIR SCHMITZ: All those in favor?

24 TRUSTEE TONKING: Aye.

25 TRUSTEE TULLOCH: Aye.

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1 TRUSTEE NOBLE: Aye.
 2 TRUSTEE DENT: Aye.
 3 CHAIR SCHMITZ: Aye.
 4 Motion passes. That is closing out
 5 general business, then. Moving on.
 6 I. REDACTIONS FOR PENDING PUBLIC RECORDS REQUESTS
 7 CHAIR SCHMITZ: We don't have any
 8 redactions in our packet. Then we move on to the
 9 long range calendar.
 10 J. LONG RANGE CALENDAR
 11 CHAIR SCHMITZ: Page 252 through 257.
 12 General Manager Magee has been working with our
 13 clerk to get it updated, so I'm going to hand it
 14 over to him.
 15 MR. MAGEE: On the first item on this
 16 calendar, May 8th, it looks a little short right
 17 now, but I can tell you we've working on a number of
 18 items.
 19 I've received some interest from members
 20 of the public to have the Board consider accepting
 21 donations and there was a request for a donation
 22 from the Board as well, and so it's our intention to
 23 bring those forward for the full Board to consider.
 24 They're not shown on there right now, but I have
 25 been working with all three individuals on those

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1 items. And so they're not currently showing, we've
 2 been working on it over the last day or two. I
 3 think those will be ready to go on May 8, and that's
 4 our intention to bring that forward.
 5 I heard a couple of things that we needed
 6 to move forward tonight to the next agenda, one
 7 being the golf item, and then in talking with legal
 8 counsel, I think moving forward my intention is to
 9 move the beach house item from reports to the Board
 10 to the general business moving forward, because I
 11 think there's some interest in -- and what I'm
 12 hearing from the Board -- having a robust discussion
 13 on that at each meeting. I think that would be my
 14 intention moving forward.
 15 Anything else, I'd be happy to accept
 16 direction from the Board at this time.
 17 CHAIR SCHMITZ: Are there any questions or
 18 suggestions?
 19 TRUSTEE DENT: Just attendance issue on
 20 the 20th. I will be available for a short time
 21 period on the 20th. I see we have a special meeting
 22 for the budget hearing, so I will work with General
 23 Manager Magee on that.
 24 CHAIR SCHMITZ: I don't see on the long
 25 range calendar anything related to the skate park.

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1 I thought it was on here, I thought we were supposed
 2 to be approving something, reviewing something, and
 3 I just don't see it. Could that be looked at?
 4 And could we get on our calendar the
 5 quarterly reports, the financial reports, and the
 6 project reports so that they are set on our calendar
 7 as well?
 8 MR. MAGEE: We can certainly do that.
 9 And I just heard Trustee Dent make a
 10 mention of the special meeting on May 20th. Just
 11 for clarity, we identified today that the May 20th
 12 meeting will not actually be a public hearing; that
 13 what will be a budget review session with the Board.
 14 The public hearing will actually come on May 29th,
 15 just for clarity.
 16 CHAIR SCHMITZ: Okay. And the meeting on
 17 May 20th, you wanted that to be scheduled starting
 18 at noon?
 19 MR. MAGEE: At noon is the intention, yes.
 20 There's a lot of things to go over with the Board
 21 related to the work that the finance staff has been
 22 doing with all of the department heads on zero-based
 23 budgeting, and we wanted time to make sure that the
 24 Board had an opportunity to see everything that
 25 they've been working on.

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1 It will take us a little bit of time to
 2 get through it that day.
 3 CHAIR SCHMITZ: Is everyone available for
 4 that -- let me ask the question on the 20th: Is
 5 everyone available at noon on the 20th so that we
 6 can schedule that? I understand, Trustee Dent, your
 7 situation, but is everyone else okay?
 8 (Inaudible response.)
 9 CHAIR SCHMITZ: Trustee Tulloch and
 10 Trustee Tonking have comments.
 11 TRUSTEE TULLOCH: Just in terms of the
 12 timeline, when we review the budget and discuss on
 13 May the 20th, and we have to have the public hearing
 14 on the 29th, I recall last year we went through two
 15 or three iterations. So if we don't agree or we
 16 want to make changes to budget items on the 20th,
 17 what's the -- do we need another special meeting in
 18 between before the public hearing?
 19 MR. MAGEE: Staff will be seeking
 20 direction from the full Board at that time. Any
 21 items that the Board is not able to come to an
 22 agreement on, yes, we would, theoretically, have to
 23 schedule a second special meeting.
 24 Now, could we get that done in time and in
 25 full compliance with the NRS? I'd have to work with

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1 our legal counsel on that one.

2 MR. RUDIN: The short answer is you have

3 to adopt a budget by June 1st.

4 MR. MAGEE: Is that all items?

5 (Inaudible response.)

6 MR. MAGEE: Okay. Understood.

7 TRUSTEE DENT: Was the intent to get

8 the -- publish that May 20th packet? Because we

9 don't usually have board meetings on Mondays, so we

10 have a weekend to review it. Are you guys shooting

11 to have it out by the 10th of May, that way we have

12 two weekends to look at it? I feel like the more

13 time we have to dive into, the better it could be to

14 work out some of the kinks before the meeting.

15 MR. MAGEE: Sure. I talked with Assistant

16 Director Cripps today, the team is being pushed to

17 the brink right now, and they understand the

18 importance of getting it to the Board as quickly as

19 possible.

20 We do intend to schedule some meetings

21 with individual board members to show where they're

22 going with some of these items in advance to receive

23 any feedback. And then, obviously, if we receive

24 any feedback that would necessitate a change, they

25 will have an opportunity to do that last minute

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1 planned.

2 TRUSTEE TULLOCH: I would echo that

3 comment.

4 CHAIR SCHMITZ: Would we want to try to

5 put something tentatively on the schedule to say we

6 would cancel it if we don't need it? But the public

7 hearing and the final is on the 29th; correct? Or

8 at the public hearing, would we be able to make

9 changes at that meeting?

10 MR. RUDIN: You are able to make changes

11 at the meeting for adoption of the budget. That is,

12 in practice, often more difficult than you may

13 anticipate.

14 CHAIR SCHMITZ: Sure. So would you like

15 to get back to the Board with a suggestion? Because

16 these concerns are valid. We haven't seen any of

17 it, and perhaps it might be -- it might be good to

18 say maybe we can get things done in pieces or

19 something so that we could break it apart and

20 potentially have more opportunity to take a look at

21 things as they get done.

22 I'm concerned that we've never seen it and

23 what we might want to say about it.

24 TRUSTEE DENT: Especially because we all

25 had input on where we could have done better

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1 before they make their final recommendation to the

2 full Board on the 20th.

3 TRUSTEE DENT: Okay. That was the only

4 reason I was saying the sooner you guys can get it

5 out, then if there is supplemental information

6 needed, even if we know it's in a draft form, as

7 least you can get initial feedback from the five of

8 us.

9 MR. MAGEE: Understood.

10 TRUSTEE TONKING: Do you think it's

11 beneficial, I'm not saying this will happen, but

12 this is the first time we're seeing any of this, and

13 usually, as I mentioned at the beginning of this

14 meeting, we have seen the tentative budget, we've

15 had a lot of input. Do you think we should schedule

16 another meeting between the 20th and the 29th and

17 then cancel it if it's not needed because it's a

18 requirement of NRS that it exists?

19 The last thing I want is for the 20th

20 meeting find out we have a bunch of issues because

21 it's the first time we talk as a board, and then

22 have to be able to resolve them and agree on them by

23 the 29th, or schedule something for the 30th.

24 I don't know. It just feels like this

25 could become a disaster if things don't go as

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1 last year with the budget. If your team hasn't

2 looked at that, I think you guys should because it

3 would be terrible to have a misstep when it comes to

4 something like that.

5 And I feel like a high-level overview of

6 where we're going, how you intend to report, give us

7 a sample of that, could be a really good starting

8 point to make sure wheels aren't coming off on the

9 20th.

10 CHAIR SCHMITZ: If I recall from

11 last year, I'm remembering that we did different

12 portions of the budget at different times. We

13 walked through different departments, so that might

14 be something to consider.

15 I think that waiting until we have the big

16 bang and then trying to digest it all and modify it,

17 it's going to be challenging.

18 Trustee Tonking, go ahead.

19 TRUSTEE TONKING: Is the 20th the earliest

20 we can speak about it, GM Magee?

21 MR. MAGEE: No. We can certainly bring

22 other things forward. This is -- understand, this

23 is a staff recommendation to do it this way. I've

24 done it this way in a lot of agencies over

25 the years, and it has worked.

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1 But I certainly understand the concern
 2 that the Board is sharing, and if the Board wishes
 3 to see this multiple times, we're more than happy to
 4 do that. If you would like to see pieces of this in
 5 advance, I can certainly ask the finance department
 6 to create its focus on certain portions of it, if
 7 that's what the Board would like to direct us to do,
 8 and maybe we could bring those forward in advance of
 9 the 20th if the Board thinks that some of those
 10 items may be worthy of additional discussion.

11 TRUSTEE TONKING: My one thought is and
 12 thinking to Chair Schmitz' idea about the different
 13 pieces and what we've done in the past, and again
 14 that was earlier, we could do some departments that
 15 may be some of the ones that are difficult,
 16 possibly, and take one or two of those earlier, if
 17 finance staff can get those done, do those. And
 18 then May 20th, talk about it all, but have given
 19 some of the advice and feedback on the ones on the
 20 20th, and then probably being a little bit more
 21 solid by the 29th. We haven't even had any budget
 22 workshops, really, either other than just one. And
 23 so that's a little concerning too with a whole new
 24 staff.

25 So just kind of to see where everything

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1 landed and knowing what has happened in the past and
 2 just institutional knowledge might be helpful to
 3 apply to some of these.

4 TRUSTEE TULLOCH: I would support
 5 something like that because, I mean, there will be
 6 lots of areas, and I'm quite sure we'll have
 7 considerable questions.

8 And I also remember last year's process,
 9 where, really, the first time we actually saw the
 10 five-year capital plan was about 30 minutes past
 11 midnight after we'd been through about six or seven
 12 different budget workshops and things, so a lot of
 13 things slipped through. Realistically, by that
 14 time, we were all half asleep and just wanted to get
 15 out because, again, we're faced with a deadline of
 16 getting it into the department.

17 I'm not happy about only seeing our first
 18 view of it on the 20th because I think there will
 19 there be -- we've got a lot of new staff, we've got
 20 a lot of new thoughts and things. It's -- last year
 21 we got sticker shock when we saw it the first time,
 22 and I think some items like salaries and benefits
 23 came down from a proposed 27 million to 21 million,
 24 and that took a bit of getting through.

25 So, hopefully, I don't want to see shocks

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1 like that again.

2 MR. MAGEE: I'm looking at dates here. If
 3 the Board could provide us with some direction on a
 4 potential date that you might like to see it first,
 5 we can certainly take that back to staff. And if
 6 there's functional areas that the Board would like
 7 to see on that date, we'd like to hear that so that
 8 staff can really focus on those areas first, and
 9 then some of the other areas for the overall hearing
 10 that would happen for the full budget on the 20th.

11 TRUSTEE DENT: The five-year CIP's a huge
 12 chunk of the budget, that could be a meeting in
 13 itself to make sure we're getting proper guidance on
 14 that. Our short budget workshop that we had several
 15 weeks ago, I just -- it's one thing for us to direct
 16 staff, it's another thing for them to understand
 17 what we directed them to do.

18 Given that Mr. Cripps is new, I'm just
 19 offering it up because it seems like we're pushing
 20 everything to the end. And even if it is a report
 21 to the Board and an example of how he's planning to
 22 present stuff, because we've been down this before
 23 and stuff shows up and it's not being presented how
 24 we've been asking for several months for it to come
 25 across. I just don't want to have miscommunication.

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1 MR. MAGEE: Sure. And might I suggest,
 2 then, perhaps Mr. Cripps can put together a
 3 presentation for the regularly scheduled meeting on
 4 May 8th, and show you what he's been working on and
 5 the nature of what it is you will be seeing.

6 That way at least you'll get a preview of
 7 the work that he's been doing and his team has been
 8 doing through the zero-based budgeting process
 9 this year and how he's intending on presenting it as
 10 well.

11 CHAIR SCHMITZ: If he has one to bring
 12 forward as an example, I think that would be
 13 helpful.

14 TRUSTEE TONKING: I'm just thinking that
 15 I'm not sure -- I feel like he did a good job kind
 16 of explaining his process at one meeting. I just
 17 worry that -- I kind of like Trustee Dent's idea
 18 that, okay, maybe we look at the five-year CIP so
 19 we're not looking at that at hour six of the 20th.
 20 I just think there are pieces that are more
 21 contentious, that would be great to see earlier.

22 CHAIR SCHMITZ: Agreed.

23 TRUSTEE TULLOCH: Yeah, I agree to my
 24 colleagues. I don't think we need to walk through
 25 the process again. I'm comfortable about the

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1 process. I think we just need to see numbers
 2 because, otherwise, the process could be wonderful,
 3 but the numbers could be woeful.
 4 Without seeing numbers, it's hard to say
 5 whether the process has actually worked or not.
 6 CHAIR SCHMITZ: It looks like staff needs
 7 to think about what and how they can do it, and
 8 we'll work together to try to put a calendar
 9 together.
 10 MR. MAGEE: I can certainly do that. I'll
 11 meet up with Assistant Director Cripps tomorrow.
 12 If I understand the Board's direction
 13 correctly, you would like to see one budget as an
 14 example on May 8th, what will be ultimately proposed
 15 or recommended. And then what I'm also hearing is
 16 you would like to see the five-year CIP as it's own
 17 standalone item, and potentially another meeting in
 18 advance of the 20th to discuss the overall budget,
 19 so we have multiple meetings on the books. If we
 20 need them, we will use them; if we do not need them,
 21 we will cancel the meeting on the 20th.
 22 That's what I'm hearing the Board say.
 23 CHAIR SCHMITZ: No, don't think we're
 24 canceling the meeting on the 20th; we'd cancel the
 25 other meetings if we didn't need them. We will

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1 leave the meeting on the 20th.
 2 MR. MAGEE: Leave the meeting on the 20th,
 3 and then schedule something -- a secondary meeting
 4 past the 20th prior to --
 5 CHAIR SCHMITZ: Right. If it's needed.
 6 That's, I think, what we directed.
 7 MR. MAGEE: Got it. Understood.
 8 TRUSTEE DENT: I think, General Manager
 9 Magee, you've heard us, this is the most we've ever
 10 pushed the budget off to when it needs to be
 11 approved since I've been on the Board, so just
 12 raising my hand and saying I think we have some
 13 issues.
 14 I know Mr. Cripps is undertaking a huge,
 15 new project, and love the idea, but also want to
 16 make sure that we can deliver on that and it meets
 17 the expectations of the Board.
 18 MR. MAGEE: Understood. Thank you. We'll
 19 start working on that right away.
 20 CHAIR SCHMITZ: Moving on to Board of
 21 Trustees update.
 22 K. BOARD OF TRUSTEE UPDATE
 23 CHAIR SCHMITZ: Trustee Dent, you have
 24 FlashVote and construction projects. Do you have
 25 any updates?

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1 TRUSTEE DENT: No updates.
 2 CHAIR SCHMITZ: Trustee Noble, you have
 3 Snowflake Lodge and workforce housing. Do you have
 4 any updates?
 5 TRUSTEE NOBLE: No updates.
 6 CHAIR SCHMITZ: You have CIP.
 7 TRUSTEE TULLOCH: No updates.
 8 CHAIR SCHMITZ: And, Trustee Tonking, you
 9 have rec.
 10 TRUSTEE TONKING: No updates, other than
 11 there's a skate park project meeting next week.
 12 CHAIR SCHMITZ: Okay. Is that -- do you
 13 happen to know, is that supposed to be coming to the
 14 Board on the 8th?
 15 TRUSTEE TONKING: I don't know the answer
 16 to that. I did think it was either that or the
 17 meeting at the end of May.
 18 CHAIR SCHMITZ: All right. I just -- and
 19 if others see things that disappear, can you please
 20 let me know. Thank you.
 21 Moving on, then, to final public comments.
 22 L. FINAL PUBLIC COMMENTS
 23 CHAIR SCHMITZ: Seeing no public comments
 24 in the room, do we have any online?
 25 MR. DOBLER: This is Cliff Dobler.

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1 I wanted to clarify some things with you
 2 because I don't know if you know where you're going.
 3 You want to start with the tentative budget that was
 4 filed with the State that nobody's seen. And then
 5 second of all, remember that you only have to do the
 6 capital budget for one year, and the five-year
 7 capital plan is not due to the State until August.
 8 You have plenty of time on the five years, but you
 9 have to have a one-year capital plan to go with the
 10 budget.
 11 Now, I would like to expound a little bit
 12 on what Trustee Tulloch was saying about this
 13 utility fund and the recent DOWL report that was
 14 issued, which I'm sure all of you read, you probably
 15 know every page. But at any rate, what our biggest
 16 concern with is -- and I agree with Tulloch -- is on
 17 the sewer side, most of the reports said we don't
 18 have enough information and we need to start doing
 19 some studies to find out what the extent of the
 20 infrastructure is so we can give a timeline of when
 21 they need to be replaced or repaired and how much it
 22 might cost.
 23 I would highly recommend that that gets
 24 put to the top of the line because there's eight
 25 items, and when I did a quick run through of what

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1 the estimated costs of the engineering to find out
2 what's going on, it'll be over a million bucks. I
3 would hope that you get started on that.
4 And then when you're thinking about your
5 rate studies for next year, remember that in the
6 DOWL report, the current plan is between 6.5 million
7 and 7.5 million just for water lines. Your budget,
8 your five-year budget that you've been showing
9 around only has an average of 2.5 million. So you
10 got close to five million bucks a year more will be
11 needed for the water side.
12 But I think this study of the sewer system
13 really needs to go to the top of the ladder, and I
14 appreciate Trustee Tulloch bringing it to bed. At
15 least somebody's reading it. I appreciate that.
16 Thank you very much.
17 MR. WRIGHT: Frank Wright, Crystal Bay.
18 I'm going to go back and pound a little
19 more on the golf rates and talk. Absent of having
20 your actual costs, your actual expenses, your
21 income, your profit and loss, it's kind of hard for
22 anybody to come up with a budget or come up with a
23 methodology to find out exactly how much money
24 you're spending, how much money you're losing, how
25 money in income, what your rates should be, which

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1 have obligations coming from somebody you can't
2 control and not being able to control that.
3 I think you should take that away from the
4 fleet services and give it to the golf general
5 manager and let him be responsible for getting these
6 things done. I'm sure we can fix our golf carts and
7 our equipment a lot cheaper than the fleet service
8 is doing it. And the costs per round would drop
9 considerably just with those three things.
10 So it comes down to cutting costs. How
11 can we cut costs? And I'm guessing you have plenty
12 of ways of cutting costs, but that was never brought
13 up in any discussion anytime tonight. I looked very
14 carefully, nothing was said about how can we cut
15 costs, what can we do to be more efficient, what can
16 we do to make a better experience for the golfers
17 who are living here so they don't have to pay so
18 much for a round of golf?
19 Well, if you don't cut costs and you keep
20 increasing costs, you're going to have to increase
21 the costs for a round of golf, and that's not fair.
22 It's not fair to the people that live here, it's not
23 fair to the people who are paying these bills.
24 My suggestion is to find out how much the
25 central service costs are, how much the fleet

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1 the rates, like I said, I didn't have a problem with
2 if they were based on something.
3 But there are some issues that I can't
4 quite figure out is what is the actual central
5 service cost? And that's -- they say -- the
6 Director of Golf said that that includes the central
7 service costs, but what are those? Are they listed
8 anywhere? Excluding The Grille and the pro shop,
9 those are huge. How could you leave those out when
10 you do your rate study? And not having a number on
11 these is pretty bizarre.
12 But, overall, if you were to efficiently
13 run a golf course, you wouldn't have what is known
14 as a "fleet service," which is outside the control
15 of the general manager of the golf course. He has
16 to rely on them coming and doing his job of fixing
17 things and running things and proving equipment, and
18 then they bill the golf course for that.
19 He'd have no power over the people that
20 work there, he has no power over the costs that he's
21 spending. They just send him a bill and that
22 becomes part of the golf costs, and that's lunacy
23 because knowing our fleet management and our fleet
24 system, it's a joke. And you can't do that. If
25 you're going to run an efficient business, you can't

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1 service is costing us, then start cutting costs, and
2 then you can start cutting your cost for golf
3 rounds.
4 MR. BELOTE: That was the last comment in
5 the queue, Chair.
6 M. ADJOURNMENT
7 CHAIR SCHMITZ: Thank you. With that, we
8 will close the meeting at 9:18 p.m. Thank you.
9 (Meeting adjourned at 9:18 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 April 24, 2024, at
7 the Board of Trustees public meeting, via Zoom, and
8 took stenotype notes of the proceedings entitled
9 herein, and thereafter transcribed the same into
10 typewriting as herein appears.

11 That the foregoing transcript is a full,
12 true, and correct transcription of my stenotype
13 notes of said proceedings consisting of 137 pages,
14 inclusive.

15 DATED: At Reno, Nevada, this day of 4th
16 day of May, 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 36

Invoice Date: May 5, 2024

Payment Due: May 24, 2024

Amount Due (USD): \$1,172.00

Items	Quantity	Price	Amount
Base fee April 24, 2024 BOT meeting	1	\$350.00	\$350.00
Per page fee April 24, 2024 BOT meeting	137	\$6.00	\$822.00

Subtotal: \$1,172.00

Total: \$1,172.00

Amount Due (USD): \$1,172.00

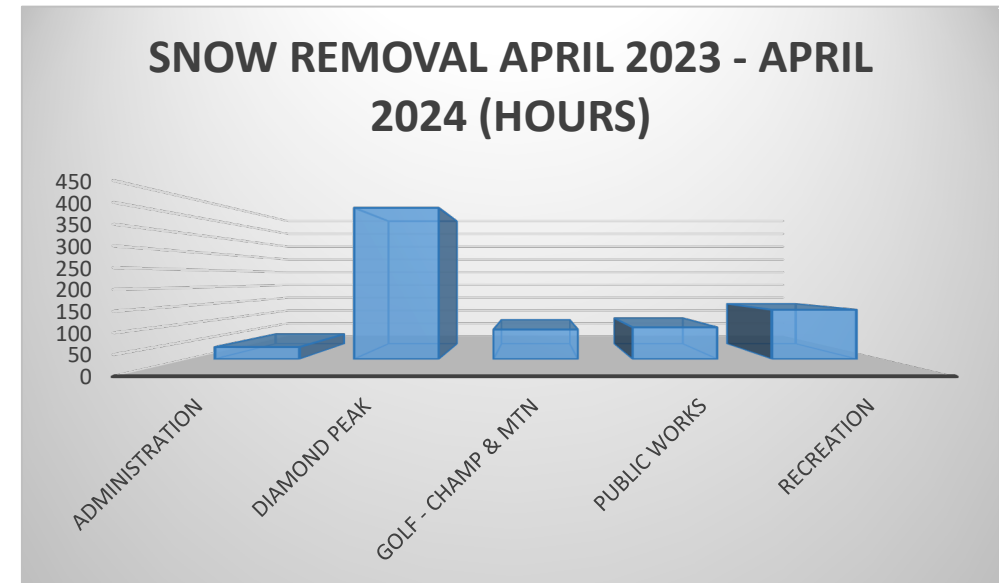
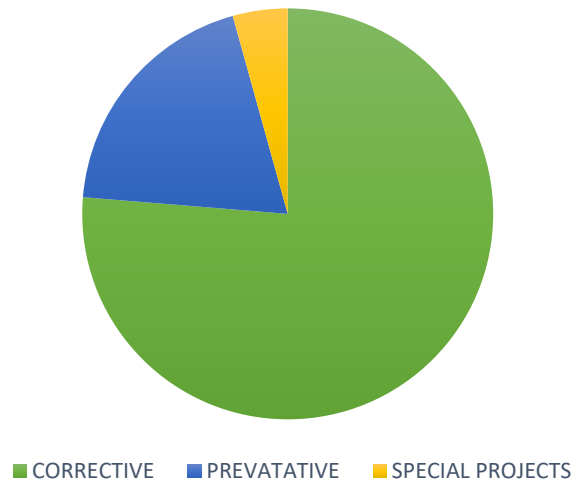
Public Works – Utilities Pipeline

Staff – No Open Positions

Division Goals

Invest in Technology → Efficient → Implement
Improved Preventative Maintenance Plan

UTILITIES - PIPELINE WORK ORDERS (#)



Public Works – Utilities Treatment

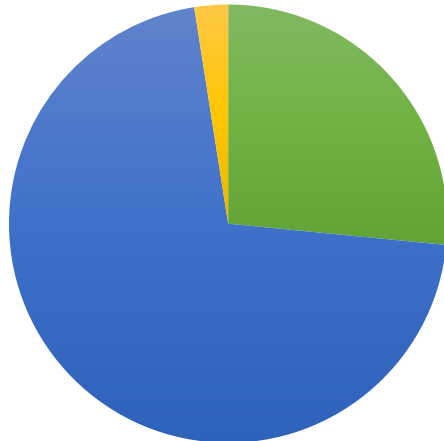
Staff – Recruiting for One Open Position

Division Goals

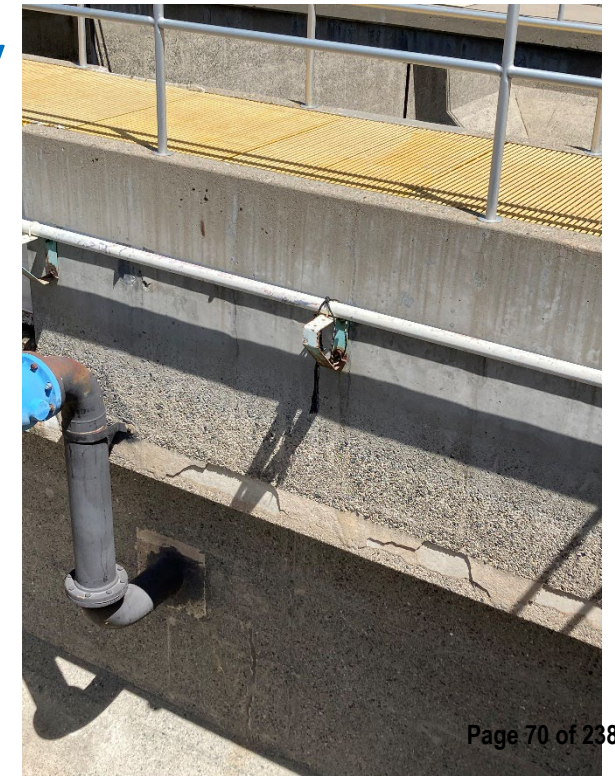
SCADA Masterplan → SCADA System Upgrade → Efficient Operations

Investment in Water Resource Recovery Facility

UTILITIES - TREATMENT WORK ORDERS (#)



■ CORRECTIVE ■ PREVENTATIVE ■ SPECIAL PROJECTS



Public Works – Administration

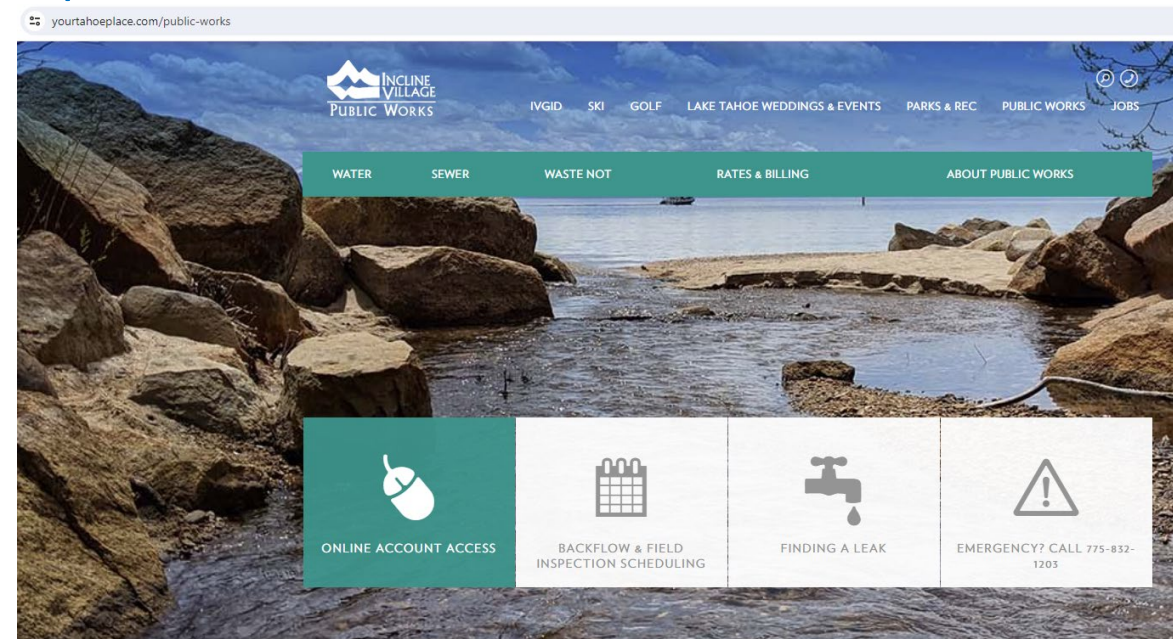
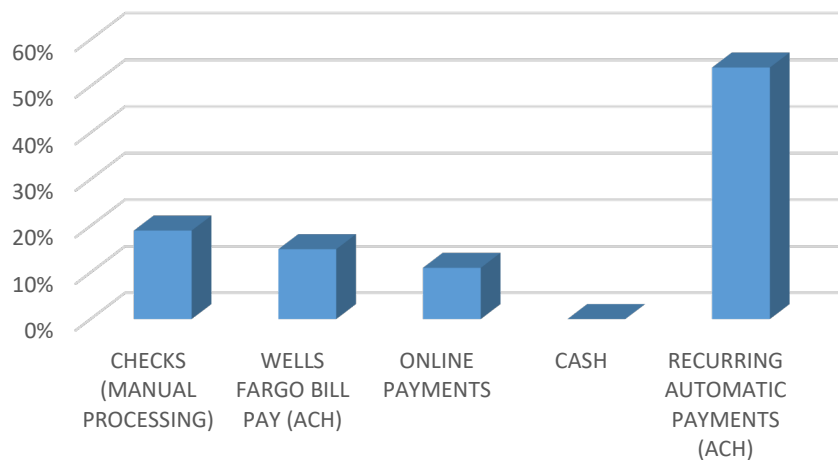
Staff – No Open Positions

Division Goals

Increase Number of Customers Signed Up Online → Receive Email Notifications

Increase Number of Customers Using ACH for Payments → Efficient Operations

PAYMENT SOURCES



Public Works – Waste Not

Staff – No Open Positions

Division Goals

Continue Household Hazardous Waste Program → Safe Storage Facility →
Continue to Protect Source Water → Continue to Protect the Water Resource
Recovery Facility



Cracked
Wall
(Daylight)

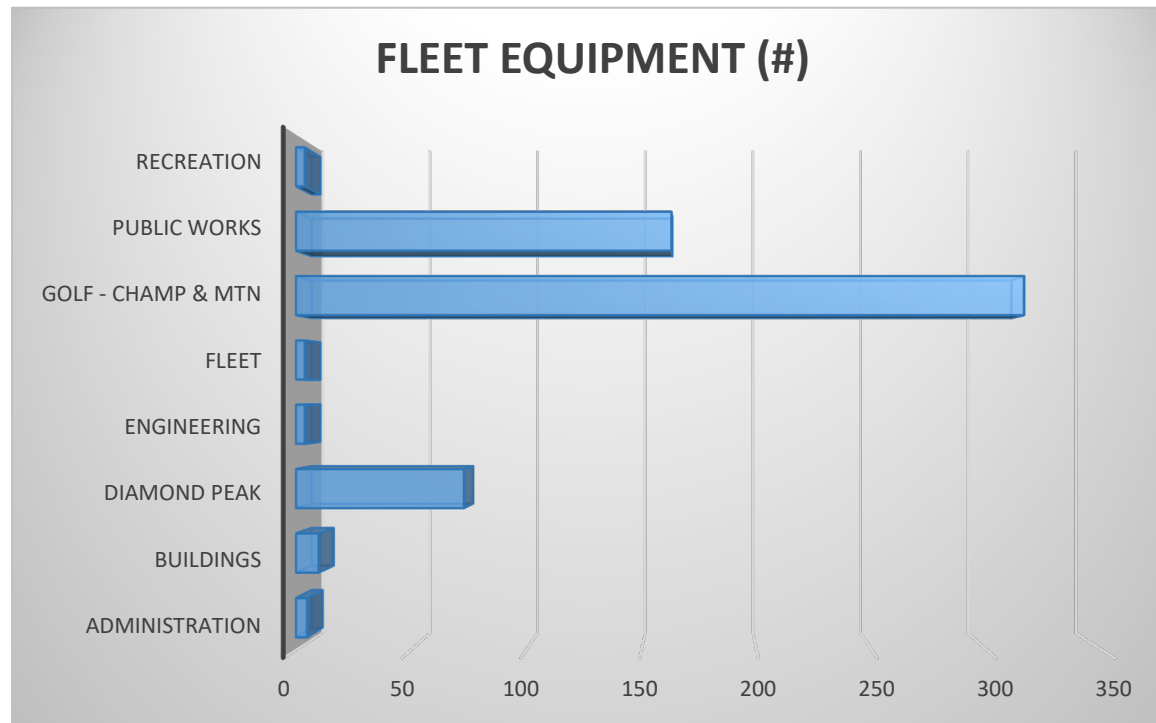


Public Works – Fleet

Staff – No Open Positions

Division Goals

Districtwide Back Up Generator Evaluation → Implement Modern Technology





Public Works – Buildings

Staff – No Open Positions

Division Goals

Districtwide Roof Condition Assessment • Develop Districtwide Approach to Preventative Maintenance

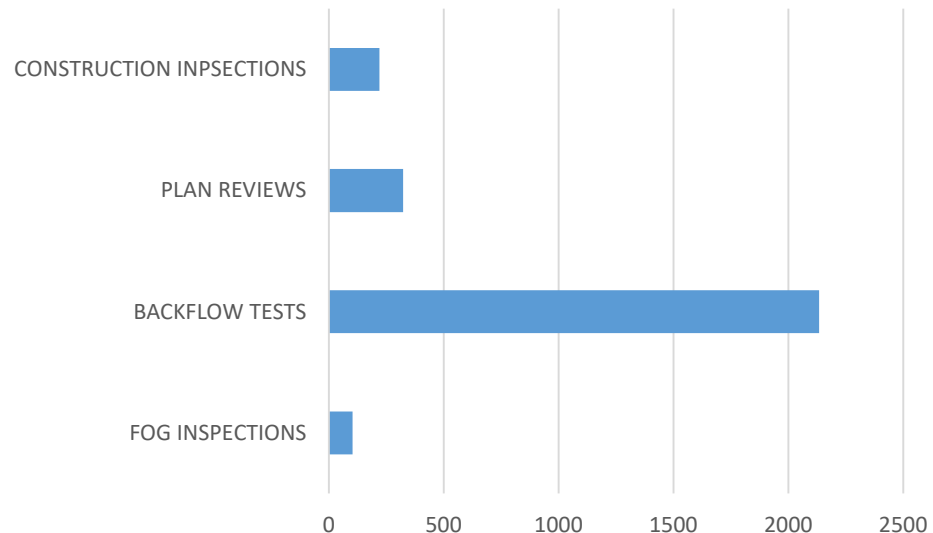


Public Works – Compliance

Staff – No Open Positions

Division Goals

Fats, Oil & Grease (FOG) Technology Upgrade → Efficient Testing → Protection of Sewer Pump Stations & Water Resource Recovery Facility



Public Works – Engineering

Staff – Recruiting for One Open Position

Division Goals

Execute CIP and Operating Projects in a Timely Manner

Utilize Utilities Masterplan → Develop Comprehensive 5-year CIP

Obtain Additional Funding Support for Infrastructure Replacement

USACE Nevada 595 Project Increment #2 – Effluent Pipeline Project

Federal Funds \$4,339,089.....

ID	Task Name	2024												2025											
		2024												2025											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	Public Works - CIP & Operating Projects	PW CIP & OPERATING PROJECTS																							
2	Water CIP	Water CIP																							
3	Watermain Replacement - Ponderosa Ranch Road																								
4	Watermain Replacement - Alder Ave.																								
5	Watermain Replacement - Evaluation/Design Future																								
6	Water Reservoir Coatings and Site Improvements																								
7	Burnt Cedar Water Disinfection Plant Improvements																								
8	BCWDP Emergency Generator Fuel Tank																								
9	Fire Hydrant Replacement Project																								
10	WPS #5 Improvements																								
11	SCADA Management Servers/Network - BCWDP																								
12	Water Operating	Water Operating																							
13	Water Pumping Station Improvements																								
14	Replace Commercial Water Meters, Vaults, and Lids																								
15	BCWDP Production Meter 24"																								
16	Residential Water Meter Replacements																								
17	Sewer CIP	Sewer																							
18	Effluent Pipeline Project																								
19	Effluent Tank																								
20	SPS #1 Improvements																								
21	Wetlands Effluent Disposal Facility Improvements																								
CIP Public Works																									

ID	Task Name	2024												2025											
		2024												2025											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
22	Water Resource Recovery Facility - Roof Replacement	[Green bar from Jan to Oct 2024]																							
23	SCADA Management Servers/Network - WRRF													[Green bar from Jul 2024 to Dec 2025]											
24	Sewer Operating													Sewer Operating											
25	Water Resource Recovery Facility Improvements	[Hatched green bar from Jan to Dec 2024]																							
26	Sewer Main Rehabilitation	[Hatched green bar from Jan to Dec 2024]																							
27	Replace & Reline Sewer Mains, Manholes and Appurtenances	[Hatched green bar from Jan to Dec 2024]																							
28	Effluent Repairs on NDOT Highway	[Hatched green bar from Jan to Dec 2024]																							
29	Sewer Pumping Station Improvements	[Hatched green bar from Jan to Dec 2024]																							
30	Shared Water/Sewer CIP	Shared Water/Sewer Operating																							
31	Pavement Maintenance - Res 3-1 / WPS 4-2/5-1	[Orange bar from Jan to Oct 2024]																							
32	HHW Prefab Chemical Storage Building													[Orange bar from Jul 2024 to Oct 2024]											
33	Shared Water/Sewer Operating													Shared Water/Sewer Operating											
34	PW Billing Software Replacement/Upgrade	[Hatched orange bar from Jan to May 2024]																							
35	Adjust Utility Facilities in NDOT/Washoe County Right of Way	[Hatched orange bar from Jan to Dec 2024]																							
36	Buildings													Buildings											
37	PW													PW											
38	Building C Improvements	[Hatched purple bar from Jan to Dec 2024]																							
39	Admin													Admin											
40	Board Meeting - Technology upgrades	[Hatched purple bar from Jan to Dec 2024]																							
41	Golf													Golf											
42	Champ Golf Barn Siding Replacement													[Hatched purple bar from Jul 2024 to Oct 2024]											

CIP Public Works

ID	Task Name	2024												2025											
		2024												2025											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
43	Chateau Building Maintenance																								
44	Parks	Parks																							
45	Aspen Grove Outdoor Seating BBQ & Landscaping																								
46	Boat Ramp Ongoing Maintenance																								
47	Ski	Ski																							
48	Ski Lodge Facilities - Resurface Concrete Deck																								
49	Rec Center	Rec Center																							
50	Rec Center Exterior Wall Waterproofing, French Drain & Xeriscape																								
51	Replaster Rec Center Pool																								
52	Recoating Resealing Deck																								
53	Starter Block Replacement																								
54	Diving Board Replacement																								
55	Pool Substructure Investigation																								
56	Reseal Natatorium Ceiling																								
CIP Public Works																									

ID	Task Name	2024												2025											
		1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			1st Quarter			2nd Quarter			3rd Quarter			4th Quarter		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	CIP Project: General Fund & Community Services																								
2	General Fund	General Fund																							
3	Parks	Parks																							
4	Preston Field Retaining Wall Replacement																								
5	Skate Park Enhancement																								
6	Dog Park																								
7	Bike Park/Pump Track - Donor Funding Only																								
8	Community Services	Community Services																							
9	Golf	Golf																							
10	Cart Path Replacement - Champ Course																								
11	Mountain Course Fuel Tank Replacement																								
12	Mt. Golf Cart Path Phase II																								
13	Ski	Ski																							
14	Ski Way and Diamond Peak Parking Lot Reconstruction																								
15	Ski Lodge Facilities - Install Kitchen Grease Interceptor																								
16	Replace Ski Lodge Facility Equipment- Electrical Entrance																								
17	Diamond Peak Fuel Storage Facility																								
18	Snowmaking Infrastructure Replacement																								
19	2015 Ski Area MP Implementation Phase 2 - Snowflake Lodge																								
20	Tennis	Tennis																							
21	Tennis Court Reconstruction																								

CIP Projects
Parks, Golf, Ski, Tennis,
Rec Center & Beaches

ID	Task Name	2024												2025											
		1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			1st Quarter			2nd Quarter			3rd Quarter			4th Quarter		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
22	Rec Center	Rec Center																							
23	HVAC System Replacement																								
24	Beaches	Beaches																							
25	Incline Beach House Replacement																								
26	Incline Beach Access Project																								
27	Ski Beach Boat Ramp Improvement Project																								
28	Ski Beach Bridge (2) Replacement																								
29	Beach Access Improvements																								
30	Burnt Cedar Pool Site Improvements																								
31	Burnt Cedar Chlorine Line																								

CIP Projects
Parks, Golf, Ski, Tennis,
Rec Center & Beaches

PAVEMENT MAINTENANCE - UTILITY FACILITIES		
Site	CIP Program	Area (SF)
Burnt Cedar WPS-1	Utilities	14,500
Reservoir 2-1	Utilities	3,500
Reservoir 6-1	Utilities	3,500
Washoe 2 Reservoir	Utilities	2,500
Water Pump Station 3-1	Utilities	5,600
Water Pump Station 5-3/Res 2-2	Utilities	8,100
Water Pump Station 4-2/5-1	Utilities	15,000
Water Pump Station 5-2	Utilities	4,000
Water Pump Station 6-1	Utilities	10,500
Water Pump Station 6C-1	Utilities	5,000
Water Pump Station 8B-1	Utilities	10,900
Sewage Pump Station 1	Utilities	2,500
Sewage Pump Station 7	Utilities	1,347
Sewage Pump Station 8	Utilities	1,600
Wastewater Treatment Plant	Utilities	34,000
Spooner Pump 16	Utilities	3,300
Sweetwater road	Utilities	19,730
Public Works - Upper	Utilities	22,500
Public Works - Lower lot	Utilities	42,500

PAVEMENT MAINTENANCE - COMMUNITY SERVICES		
Site	CIP Program	Area (SF)
Champ Maintenance Building	Comm Svc	17,893
Championship Golf Course Cart Path System	Comm Svc	249,510
Chateau Parking Lots	Comm Svc	85,804
Mountain Golf Course Cart Path System	Comm Svc	110,000
Mountain Golf Course Parking Lot	Comm Svc	40,000
Bike Path (Tennis to Middle School)	Comm Svc	5,000
Bike Path (Middle School to Hwy 28)	Comm Svc	12,000
Entrance to Tennis & Rec Center	Comm Svc	18,000
Recreation Center	Comm Svc	71,214
Overflow Parking Lot	Comm Svc	45,000
Tennis Complex & Tennis Parking lot	Comm Svc	25,948
SKI WAY	Comm Svc	136,000
SKI PARKING - LOWER	Comm Svc	92,000
SKI PARKING - UPPER	Comm Svc	37,000
Bullwheel Parking Lot	Comm Svc	42,000

PAVEMENT MAINTENANCE - GENERAL FUND		
Site	CIP Program	Area (SF)
Administration Building	General	33,000
Aspen Grove/Village Green	General	43,000
Entrance Parks East & West	General	10,000
Middle School Field #3	General	3,324
Parks Yard and Entrance Road	General	14,000
Preston Field	General	28,000

PAVEMENT MAINTENANCE - BEACHES		
Site	CIP Program	Area (SF)
Burnt Cedar Beach	Beaches	80,000
Incline Beach	Beaches	30,000
Ski Beach/Boat Ramp	Beaches	25,000

IVGID BoT Meeting
April 24, 2014

Chris Nolet – Incline Village Resident, retired CPA and former IVGID Audit Committee Chair through February 26, 2014

This is not the first time I have spoken to you on the topic of the June 30, 2013, financial statements included in our ACFR NOT being audited. Contrary to repeated assertions made by District Staff, and all Trustees in a press release dated April 3, 2014, the financial statements are NOT audited. The signed, final report from Davis Farr dated March 27, 2014, notes the following (this is on page 10 of the ACFR on the IVGID website):

“We have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements. We do NOT express an opinion on the accompanying financial statements.”

I fail to find how anyone could misunderstand these two clear, unequivocal statements. I have worked very closely with several of the individuals who have continuously make this false statement. They always appeared to me to have sound written and verbal English skills. Hence, I have come to personally conclude that their repeated false assertion represents an INTENTIONAL false statement.

Last summer I gave two presentations on the definition of “fraud” related to a financial statement audit, as defined in Statement on Auditing Standards No. 99 – Consideration of Fraud in a Financial Statement Audit. Moreover, GM Magee has referenced the Fraud Triangle as described in SAS 99 on several occasions.

In my professional judgement as a retired CPA with more that 40 years of audit and related experience, I believe that the repeated false assertion made by District Finance Staff and the BoT that the June 30, 2013, IVGID financials statements are audited to represent a material, intentional financial reporting fraud, fitting ~~not~~ within the scope of SAS 99.

I hope the Audit Committee candidates interviewing here tonight have done rigorous due diligence and have carefully considered joining a group that continues to perpetrates such a categorically false statement.

Mick Homan

Incline Resident

Last year's board actions on golf rates hurt the district. You can fix that tonight.

Darren Howard's initial proposal on March 8 of last year was very reasonable – essentially rate increases that were close to inflation and retention of all you can play passes. With shorter tee intervals and dynamic pricing changes, that would have driven an increase in golf revenue of around 30%.

Unfortunately, after trustee input over the following months, significant changes were made to rates - and the All You Can Play passes were eliminated.

What was the result?

- Despite 20% more tee times, total rounds played declined – despite having our first golf season in years - with no negative impact from Covid or fires.
- Some of our most loyal golfers left or dramatically reduced their level of play.
- Increased rates crossed the point of price elasticity – locals played less and visitors didn't fill the gap.
- As a result, golf fees were up significantly less than 30%.
- Your decisions likely cost IVGID around 15% in terms of lost golf revenue.
- There was a more dramatic knock-on impact in ancillary revenues – with pro shop and Food & Beverage income down significantly.

The recommendations in tonight's materials are **responsive** to last year's learnings.

The nominal changes to last year's daily rates hopefully gets us closer to competitive pricing.

And the return of the All You Can Play passes will hopefully bring back some of the lost customer base. But with a 25% plus increase versus the previous passes and the limited number of rounds, some will not return.

Please act quickly. Avoid wasting time debating costs and the pricing pyramid. It clearly didn't help us last year.

With my finance/accounting background, it pains me to say this, but right now, costs are irrelevant for setting this year's rates. 25 years in the consumer products industry taught me a very important lesson – you can't price your product higher than what the customer is willing to pay.

IVGID's customers reinforced this - Their behavior last year taught us 2 important things. First, we can't price up. Our value equation got out of whack relative to our competition - and rounds declined.

Second, eliminating the All You Can Play options was a mistake. With some of our most loyal customers leaving or playing less, it didn't just impact the **direct golf fees**.

It also reduced the **guest fees** from these customers, along with indirect fees at the range, the pro shop and Food & Beverage.

In addition, the way we allocate central costs to golf makes our reported financials meaningless. Normal golf operations simply don't incur the level of costs we allocate for central administrative services, fleet, IT, and other items.

Net - you have everything you need to approve the proposed rates.

I'm also hoping the omission of the junior and college passes was an oversight - and will be added back to the final rate structure. These young adults are a vibrant part of our golf community and the future of the game. These passes don't provide much monetarily, but they were limited to stand-by play with no carts so weren't blocking any other rate-paying customers. We should be encouraging their play – not reducing their privileges.

Thank you

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR APRIL 24, 2024 MEETING – AGENDA
ITEM C – PUBLIC COMMENTS – ANOTHER “FAVORED COLLABORATOR’S” FREE
USE OF THE CHATEAU WHILE LOCAL PARCEL OWNERS INVOLUNTARILY PAY
THE PIPER**

Introduction: Well here’s yet “another one” as my friend DJ Khaled would say¹. More evidence of staff theft, lack of oversight, lack of internal controls, and a flagrant disregard for the financial sustainability of the District. This time it’s staff’s giveaway of the Chateau to the Incline Village Crystal Bay Business Association (“IVCBA”); another “favored collaborator.” And for what? To discuss IVCBA’s “accomplishments, 2024 vision and goals, and to showcase the support our community allegedly receives from agencies” such as IVGID. And that’s the purpose of this written statement.

My March 26, 2024 E-Mail to The Board²: On March 26, 2024 I sent the Board an e-mail wherein I informed members that staff were presumably giving away the Chateau to the IVGCA for free, for one of the latter’s kumbaya events. Rather than recounting the substance of my criticisms, I refer the reader to said Exhibit “A.”

Conclusion: This behavior just keeps happening over and over and over again. We make no money renting out our meeting facilities, and we lose tens of thousands of dollars annually on facility sales staff who spend their days giving away our meeting facilities. Meanwhile local parcel owners are involuntarily assessed to pay for what I describe, and then people wonder why we’re losing money. Bueller? Bueller?

When is the Board going to put members’ collective feet down and put an end to these giveaways? And now you the reader have a better idea of what the District’s Recreation (“RFF”) and Beach (“BFF”) Facility Fees are really spent on which you can see for yourselves has nothing to do with making public recreational and beach facilities available for local parcel owners’ access and use.

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

¹ Go to <https://medium.com/cuepoint/the-old-people-s-guide-to-dj-khaled-5618a5aa52b1#:~:text=Another%20One%20%E2%80%94%20One%20of%20the,of%20shoes%2C%20or%20something%20else.>

² That e-mail is attached as Exhibit “A” to this written statement.

EXHIBIT "A"

The Crap Just Continues. And This Board Does Absolutely Nothing to Put a Stop to It! The IVCBA's Annual March 20, 2024 Meeting at The Chateau Financially Subsidized, Involuntarily, by Local Parcel Owners.

From: <s4s@ix.netcom.com>
To: Schmitz Sara <schmitz_trustee@ivgid.org>
Cc: Tonking Michaela <tonking_trustee@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>, <bma@ivgid.org>
Subject: The Crap Just Continues. And This Board Does Absolutely Nothing to Put a Stop to It! The IVCBA's Annual March 20, 2024 Meeting at The Chateau Financially Subsidized, Involuntarily, by Local Parcel Owners.
Date: Mar 26, 2024 10:36 AM

Chairperson Schmitz and Other Honorable Members of the IVGID Board (you too Bobby Magee because you're the finance guy) -

It just goes on and on and on. Doesn't matter who the "taker" of the month happens to be. Doesn't matter who the dirty IVGID staff member is. Use of public assets are made available to third parties for free or at a severely reduced price to the detriment of local parcel owners who are involuntarily financially supporting that use, and they don't even have a clue. Thank you our wonderful IVGID staff!

Here it's the IVCBA. It wasn't bad enough that IVGID staff wasted hundreds of dollars of public funds on membership dues in this organization. Or that Sheila Leijon and Co. allowed IVCBA to use the Rec Center parking lot for free for an alleged "job fair." And now we see that on March 20, 2024 staff allowed this organization to use The Chateau, between the hours of 6 PM - 8 PM, likely for free, to discuss it's 2023 accomplishments, 2024 vision and goals, and to showcase the wonderful support our communit receives from its agencies such as IVGID, and favored nonprofit collaborators such as itself!

You Board members do your jobs. How much did IVCBA pay to use our facilities for which the District involuntarily charges me a Rec Fee? Who paid for the utilities made available on this date/during these hours? Who paid for the IVGID staff to set up and tear down this facility in anticipation of this meeting? What IVGID employees made use of these facilities available for free to IVCBA? Do an investigation and then report to the public so we can all see for ourselves.

Or do nothing. Hide the fact we're losing hundreds of thousands of dollars a year on giveaways such as this one which have ZERO to do with my recreation. And then act surprised when retroactive financials reveal our wonderful staff is spending more money than the revenues it is able to collect and another financial subsidy needs to be imposed.

Did you ever stop to think that if you didn't have a facility sales staff which gave away the store like this one does, you wouldn't need a sales staff? Of if you didn't need a facility sales staff, you wouldn't need an HR Department to hire and train such individuals? Don't you people get it? Obviously not.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR APRIL 24, 2024 MEETING – AGENDA
ITEM G(7) – STAFF'S REQUEST FOR \$80,000 MORE OF SPENDING AUTHORITY
FOR FOOD & BEVERAGE PURCHASES ARGUABLY FOR RESALE**

Introduction: Well here's yet "another one" as my friend DJ Kahled would say¹. We're losing \$2K/day on food and beverage sales at the Grille Restaurant. There's no inventory of goods sold. Or remaining. Or spoiled. And there are no internal controls. So the Board asks Food and Beverage Director Bill Vandenburg to provide an accounting and instead, he tenders his resignation. After how many years working for the District.

And now staff tell us that the \$479,000 worth of food and beverage we've purchased for resale with just a single vendor, US Foodservice, isn't enough. We need another \$80K otherwise "the current not-to-exceed limit will likely be met within the next few weeks, resulting in staff no longer having the authority to continue to purchase goods from US Foodservice, Inc., which is one of the largest sources used by the Food and Beverage staff in order to continue (our food service) operations." And that's on top of the additional \$508,000 of food and beverage purchase orders with vendors Sierra Meat Co., Southern Wine & Spirits, and Acushnet Company! And that's the purpose of this written statement.

My April 24, 2024 E-Mail to The Board: On April 4, 2024 I wrote to the Board about this subject suggesting there might be a more nefarious reason for seeking authority to spend another \$80K of food arguably for resale. And maybe before we agree to spend more, an investigation should take place². Rather than pointing out all of the reasons why I believe this expenditure is unnecessary and a waste of taxpayer funds, I refer the reader to the particulars of Exhibit "A."

Conclusion: There are too many red flags for me. The assertion "our costs went up" is too easy a way for staff to account for this added expenditure. The public requires the certainty of some type of audit. After all. We can do the audit I am suggesting insofar as alcoholic beverage sales are concerned. Why can't we do the same thing for food and beverage sales?

Given food and beverage losses are involuntarily subsidized by the Recreation ("RFF")/Beach ("BFF") Facility Fees, and now you have a better idea of what the RFF/BFF really pay for, maybe you understand why the RFF/BFF are as high as they are and deliver the true lack of value evidenced by this episode?

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

¹ Go to <https://medium.com/cuepoint/the-old-people-s-guide-to-dj-khaled-5618a5aa52b1#:~:text=Another%20One%20%E2%80%94%20One%20of%20the,of%20shoes%2C%20or%20something%20else.>

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

EXHIBIT "A"

April 24, 2024 IVGID Board Meeting - Agenda Item G(7) - Modifying The Amounts Staff May Spend on Food and Beverage Purchases

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>, <bma@ivgid.org>
Subject: April 24, 2024 IVGID Board Meeting - Agenda Item G(7) - Modifying The Amounts Staff May Spend on Food and Beverage Purchases
Date: Apr 24, 2024 4:00 PM

Chairperson Schmitz and Other Honorable Members of The IVGID Board -

So here staff are asking for the authority to spend an additional \$80,000 via blanket purchase orders under NRS 332.115 and Board Policy 21.1.0 on food and beverage from US Foodservice, Inc. due to the unforeseen increase in the cost of goods. Sounds reasonable, doesn't it?

Well have you stopped to think that there might be another reason? And it might be far more nefarious than an alleged increase in the cost of good? And has anyone investigated? Have we improved our non-existent internal controls?

Weren't there questions a year ago insofar as how we could lose \$2,000/day at the Grille? Wasn't our then Director of Food and Beverage, Bill Vandenburg asked to provide an accounting and food/drink inventory so we could get to the truth? And instead, didn't Mr. Vandenburg suddenly give his resignation as a valued employee? And now we see there's another \$80K or greater deficiency and no one seems to be asking questions.

Okay. I AM. Because we local parcel owners are involuntarily subsidizing these losses through our RFF/BFF.

How do we know that prior food/beverage purchases were actually consumed by paying customers? How do we know that this food wasn't going out the back door when our staff went home out the back door? After all, we've never done inventory. We don't reconcile our financials. There are no internal controls. And staff goes forward the way they've always gone forward notwithstanding the losses. So how about we do an audit? Maybe evaluate the number of servings sold compared to the number capable of being sold? Evaluate the amount of food thrown away because it allegedly spoiled. Looking for discrepancies. Something for heaven's sake instead of this blind, blind, blind spending.

Staff tell us that "without approval to increase the purchase order, the current not-to-exceed limit will likely be met within the next few weeks, resulting in staff no longer having the authority to continue to purchase goods from US Foodservice, Inc., which is one of the largest sources used by the Food and Beverage staff, in order to continue operations." Well maybe that's exactly what we should do? Until we get a handle on our true financials, don't any of you find it irresponsible to continue spending more, more, more?

I say VOTE NO! Respectfully, Aaron Katz

WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR APRIL 24, 2024 MEETING – AGENDA ITEM C – PUBLIC COMMENTS – AGENDA ITEM G(4) ON THE BOARD'S APRIL 10, 2024 REGULAR MEETING CALENDAR – IT'S TIME TO GET OUT OF THE PUBLIC WATER/SEWER BUSINESS

Introduction: Well here's yet "another one" as my friend DJ Kahled would say¹. More evidence of staff incompetence, and a flagrant disregard for the financial sustainability of the District. This time it's staff's abdication of its construction management duties in favor of a third party outsourced contractor. And that's the purpose of this written statement.

My April 8, 2024 E-Mail to The Board²: On April 8, 2024 I sent the Board an e-mail wherein I attempted to make the case that the time has passed us by for the District to remain in the public water and sewer business.

Conclusion: The costs we local parcel owners incur attempting to "jack up the system" financially, is astounding. And by-and-large it's a waste. In my Exhibit "A" I make the case that it's time to pull up our bootstraps and go out of our way. A careful reading of Exhibit "A" makes the case it's time to turn over public health, welfare, and safety functions to our legitimate seat of governance (Washoe County).

And now you the reader have a better idea of what the District's Recreation ("RFF") and Beach ("BFF") Facility Fees are really spent on which you can see for yourselves has nothing to do with making public recreational and beach facilities available for local parcel owners' access and use.

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

¹ Go to <https://medium.com/cuepoint/the-old-people-s-guide-to-dj-khaled-5618a5aa52b1#:~:text=Another%20One%20%E2%80%94%20One%20of%20the,of%20shoes%2C%20or%20something%20else.>

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

EXHIBIT "A"

April 10, 2024 IVGID BOT Meeting - Agenda Item G(40) - \$567,255 Agreement to Oversee Professional CMAR's General Construction Activities and Quality Control Insofar as Remainder of Effluent Pipeline Replacement Project, Phase II

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>, <bma@ivgid.org>
Subject: April 10, 2024 IVGID BOT Meeting - Agenda Item G(40) - \$567,255 Agreement to Oversee Professional CMAR's General Construction Activities and Quality Control Insofar as Remainder of Effluent Pipeline Replacement Project, Phase II
Date: Apr 8, 2024 1:33 AM

Chairperson Schmitz and Other Honorable Members of the IVGID BOT -

More unnecessary waste at local parcel owners' expense because we have grossly overpaid incompetent staff (this time in our Engineering Dep't). A continuous theme which permeates essentially everything our wonderful staff do. But this time we're going to have to dig a bit deeper because the waste and incompetence is buried below the surface.

Here staff ask the BOT approve a professional services agreement, without going out to public bid. Staff feel the need to retain Construction Materials Engineers, Inc. ("CME") for their professional oversight of our super professional and admittedly overpaid CMAR's general construction activities and its quality control responsibilities insofar as the remainder of our effluent pipeline replacement project is concerned. And at a whopping not to exceed price of \$567,255. On top of the admitted (right Hudson Klein?) 10% or greater overcharge we're paying Granite Construction ("Granite") because staff would rather be safe than sorry. And on top of the professional construction management fees our engineering staff add on to every project they "touch." It's what being a community is all about.

Understand that all of this is required because we have a grossly incompetent and over compensated engineering dep't. And we're engaged in activities we really shouldn't be engaged in. Fix the extent of the District's activities, and it's "so called" engineering department, and we won't require CMARs. Nor other professionals to manage our CMARs. Nor in-house staff to manage anyone, yet get paid as if they were actually providing a service. So do you want to fix the problem? Or more deaf ears? Or do we give Michaela an opportunity to fix the problem with another term even though she has been here four years and fixed nothing? Or do we rely upon people like Mr. Homan who claim to know everything because they used to work for a fortune 50 company but once they learn the mess we really have, they will be as unsuccessful as Michaela?

1. Why Exactly Are We in The Water and Sewer Business? Those less knowledgeable will I am sure respond that we're **obligated** because that's what we were chartered to do back in 1961 when the District was created. But this response ignores the reason for creating GIDs. GIDs were allegedly created to provide services or facilities local parcel owners demanded that their counties were unwilling or unable to furnish. Insofar as IVGID is concerned, we were created so a real estate developer could pass on the infrastructure costs of developing its real property so it could sell residential home sites, and get the purchasers to pay for those costs. More bluntly, being a local government IVGID could issue revenue bonds, and get the purchasers of residential lots to pay the servicing costs through comparable charges the District would assess.

So what did any of this have to do with Washoe County being unwilling or unable to provide public water and sewer facilities and services to what would become the 8,200 or so local parcels in Incline Village whose owners would pay quite a large amount of ad valorem property taxes and utility rates, charges and fees to the county? The answer is simple. **NOTHING**. Washoe County is and always has been more than willing to provide other unincorporated portions of the county (like Sun Valley and Spanish Springs) with these utility services. But somehow they haven't been willing to provide Incline

Village? And this was the alleged need which warranted IVGID's creation? I don't think so. And you shouldn't either.

So now that you hopefully understand the truth, why exactly are we doing the county's job? Does anyone really think our staff are more professional and qualified to provide these services than the county's? Does anyone really think we're able to provide these services at a cost which is lower than what the county would incur if it were to take over the same? Does anyone really think we're so much more efficient in our ability to operate a public works department than Washoe County? So why exactly are we doing any of this? Because you think we're somehow **obligated**?

Well we're not. NRS 318.077 provides that you Board members "may elect to add basic powers not provided in (the District's) formation, in which event the board shall cause proceedings to be had by the board of county commissioners similar, as nearly as may be, to those provided for the formation of the district, and with like effect." And NRS 318.210 provides that you Board members "shall have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted in this chapter." Combined, these two powers allow you Board members to **remove** basic powers provided in the District's formation. Just like you Board members have the power under the same NRS 318.210 to terminate the employ of "employees...and any other persons necessary or desirable to effect the purposes of this chapter" NRS 318 only because NRS 318.180 gives Board members "the power to hire and retain...employees...and any other persons necessary or desirable to effect the purposes of this chapter" in the first place.

If you don't want to give away any of the unnecessary powers initially granted to us by Washoe County, how about entering into an inter local cooperative agreement with the county for them to provide us with our public utility water and sewer services?0. After all, NRS 277.060(1) provides that "in any county having a population of 100,000 or more, any county, city, town, water district, sewer or sanitation district **or other political subdivision** of the State authorized by law to acquire, operate and maintain water or sewage facilities, or both, or to improve a governmental service in connection therewith, may contract with one or more of these political subdivisions."

NRS 277.050(2) provides that a "governing body...may: (a) sell or exchange to another public agency, the State of Nevada or a department or agency of the State or an Indian tribe; or (b) lease to another public agency, the State of Nevada or a department or agency of the State or an Indian tribe, for a term not exceeding 99 years, any real property belonging to it." Moreover, NRS 318.160 provides that you Board members "shall have the power to...dispose of and encumber real and personal property, and any interest therein...and revenues derived from the operation thereof." And moreover still, NRS 318.220(1) provides that the "district...may sell, lease, grant, convey (or) transfer...to any district...any project or any part thereof or any interest in real or personal property." And lest us not forget that NRS 318.015 provides that "the provisions of this chapter (NRS 318) shall be **broadly** construed." Bottom line, IVGID has the power to contract with the county whereby they take over our public water and sewer systems. And real property and facilities owned by IVGID and used for the same.

Not enough authority? How about admitting what we all know to be true, that IVGID "is not being properly managed?" And that you Board members are "not complying with the provisions of this chapter (NRS 318) or with any other law?" Once we do this, NRS 318.515(1) tells us that "the board of county commissioners of the county in which (we are)...located shall hold a hearing to consider whether an ordinance shall be adopted: (a) substituting "the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) "providing for the merger, consolidation or dissolution of the district pursuant to NRS 318.490 to 318.510, inclusive;" or, (c) "filing a petition in the district court for the county in which the district is located for the appointment of a receiver." These remedies will allow Washoe County to take over Incline Village's and Crystal Bay's public water and sewer services.

Go any route you Board members feel comfortable going resulting in: removal of the previous basic powers Washoe County gave the District to furnish facilities for water and sewer purposes; and, turnover of all of our water and sewer facilities back to the county which is more equipped to efficiently provide those facilities in lieu of the District. **Less of a footprint for us is better**. Especially when we're so poor at providing the same. Right? Then we don't have to deal with any of this. We don't have to deal with our Engineering Dep't. We don't have to deal with Kate Nelson. We don't have to deal with CMARs. And in particular, we don't have to deal with spending \$567,255 with CME.

2. We Budget No Funds For Kate Nelson and Her Team of Misfits - I know you just love to refer to Ms. Nelson and her mule team as simply the most professional and competent. Well not so. They're merely the most competent we happen to have right now. Ms. Nelson's "team" is part (i.e., engineering) of Internal Services. Unlike the General, Community Services and Beach Funds, the Board budgets no funds for the expenses of engineering. Moreover, unlike our Utility, Community Services and Beach Funds, Internal Services has no retail sales revenues. Only revenues from captive District divisions who are forced to pay whether or not necessary nor reasonable. You know this don't you Michaela? Last year over \$3.25M was budgeted as revenue for Internal Services. Yet none of this amount was budgeted as revenue coming from any source other than the District's other departments or divisions. So why don't you just call this revenue source "central services?" Transfers from our other funds who allegedly receive goods and services from our other funds.

The ONLY way employees can generate the revenue necessary to pay their grossly excessive salaries and benefits is to bill their only customer; other District departments or divisions who are FORCED to use their services whether or not reasonably priced or necessary. I've previously related to you the complaints of former Mountain Golf pro Angie Rodriguez who needed to repair a golf cart. The cost from a local private source was going to be about \$125. But the cost through our more professional internal services fleet department was over \$2K! Then at the end of the year when her colleagues totaled up all of her venue's revenues and expenses, she was shackled with a net loss. And because she couldn't manage her venue at a break even or positive cash flow, no bonus for Angie! So the lesson to be learned golf committee, is that if you want to operate our golf venues at a break even or on a positive cash flow basis, here's a simple source to increase your net by millions of dollars each fiscal year.

And it gets worse! Since engineering can't really pass through 100% of it's employees' costs because at least 25% of their time is "wasted" on endeavors which simply can't be passed through, the hourly rate they charge other District divisions or departments needs to be artificially increased to cover up the deficiency. Therefore contrary to what former GM Steve Pinkerton used to tell us (we save money by having engineering activities performed in-house rather than comparably outsourcing for the same services), our in-house engineering staff DOESN'T cost us far less than the comparable cost to outsource. In fact the hourly rate is outrageous. And it's going higher next year because the budgeted losses are going to be greater with all the new positions we've created. This is another aspect of what I call "the IVGID culture."

3. This Explains Why Essentially Every Capital Project is Budgeted to Cost More Than Our Actual Retail Costs Because Engineering Needs to Get its Cut - And since staff need to confuse the Board and the public with the justification for their cut, they call it "construction management." But these guys aren't competent to manage their lunch breaks. Let alone at \$150+ per hour. So why are we forced to use their overpriced services? And unnecessary services (I say unnecessary because now we see there needs to be another \$567,255 outsourced expenditure for...you guessed it. "Construction management")? Wait a minute. If we're paying our wonderful staff tens of thousands of dollars per CIP on professional "construction management," what do we need CME for? Bueller. Bueller. Okay. Let's call it what it really is. Protection. Local parcel owners from New York or who were teamster union employees now what I'm talking about!

4. But It's Not Just Professional Construction Management. It's The Difference Between Hiring Contractors And CMARs - Just like staff loves its role of avoiding going out to public bid and hiring by consensus, can't our staff go through the same process to hire the best licensed contractor for a particular CIP after calling for public bids? And then we don't have to hire a construction manager (aka a CMA). Nor an even more expensive CMAR. The answer is no. Because our staff are not competent to recommend the best licensed contractor and then manage that contractor ensuring professional oversight and quality control. So to pass on those responsibilities, they've come up with the idea of hiring a CMAR contractor. Only that contractor will have the professionalism and quality controls to take the heat off of staff. But this type of contractor costs us more. Don't you recall Hudson Klein told us when the Board approved the GMP1 portion of the effluent pipeline replacement project that we were spending \$1M or more than necessary because he wanted the protection of being safe rather than sorry? So if that was the case Mr. Klein, why are you know recommending CME? Exactly how many construction managers are you suggesting screw in this light bulb?

5. Did I Say Our In-House Team of Misfits is Incompetent? Listen to staff: construction management "is a full-time responsibility and Staff does not have the necessary internal District resources or capacity to provide the level of service required for the 24-hour construction schedule." So how many years are you going to wait until you do? Isn't the answer **NEVER**? Which goes back to my first point. Why exactly are we in the water and sewer public utility business? Ms. Nelson tells us that she and her under staffed colleagues had time to "solicit...proposals to procure full-time materials testing and inspection services from three companies." And to "interview...key project management and inspection personnel from each of the consultants that proposed on the project." And to "score...the consultants' approach-to-project and overall experience of the teams." Moreover, "each qualification package was thoroughly reviewed, and a subsequent interview process was completed by the Engineering Staff and Utility Superintendent." Putting aside the fact Ms. Nelson and her team have already cost us how many tens of thousands of dollars on these administrative activities, they don't seem to have the time to do their jobs. That is, construction management. So again. Why are we paying them?

Does our problem extend to Erin Feore? Because she can't find the staff necessary to provide the missing resources and capacity? Or does it extend to Bobby Magee? Or how about interviewing the GM for Kingsbury GID? Wasn't this the public works professional who wanted to be our GM? Since we don't have a Director of Public Works, wouldn't this be a good first place to start? In fact, why hasn't Kate Nelson gone there? Like I said. Bueller? Bueller?

6. Summary - If Granite is not professional enough for us to have confidence in their construction management skills, then why did we hire them? And if our in-house staff are not professional enough to manage this project, why are we payment them anything for their construction management? Don't you see our real problems are twofold? First, get out of the public water and sewer utility business. If we're not in the business, then we don't have to manage anything. Nor hire anyone to manage our managers.

And second, disband our worthless engineering department. Let true professionals (Washoe County Public Works) furnish the public utilities local parcel owners require. That's what we should be working on. Rather than paying \$567,255 to CME for this GMP2 inspection contract. And lest not forget this is in addition to "the final cost of the (GMP1 inspection) contract following completion (which) was approximately \$210,000."

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD’S REGULAR APRIL 24, 2024 MEETING – AGENDA
ITEM C – PUBLIC COMMENTS – STAFF GIVEAWAY OF USE OF OUR TENNIS/
PICKLEBALL COURTS FOR FREE PRE-SEASON PLAY**

Introduction: Well here’s yet “another one” as my friend DJ Kahled would say¹. More evidence of staff deception, lack of oversight, lack of internal controls, and a flagrant disregard for the financial sustainability of the District. And why? So staff can bestow free benefits for a local special interest group with the intent of subliminally buying voter support for IVGID trustee candidates who will continue the flow of gravy even though it’s costing the rest of us many hundreds of thousands of dollars annually. And that’s the purpose of this written statement.

Staff’s April 20, 2024 Announcement That Tennis/Pickleball Courts Are Open For FREE “Pre-Season” Use: On April 20, 2024 I received a “special announcement” e-mail from the District announcing that effective immediately, our Tennis Center was open for FREE pre-season use of our tennis/pickleball courts. Relevant portions of that e-mail are attached to this written statement as Exhibit “A.”

My April 20, 2024 E-Mail to The Board: On April 20, 2024 I alerted the Board to this “announcement” via my e-mail of even date². I raised the issue that because of the structure of our public recreational venue usage, this proposed FREE use was improper. Rather than pointing out all of the reasons why, I refer the reader to the particulars of my attached e-mail.

Conclusion: So there you have it. History repeating itself. The more things change, the more they remain the same. Here you have a recreational venue which has been paid for and is being administered at the expense of local parcel owners. A vocal minority special interest group (about 100 or so pickleball enthusiasts) are demanding that our tennis/pickleball courts be made available for their use pre-season, and that they be made available for their FREE use. And how does staff respond? Since it’s not their money, why not appease this group of local voters? To make them think our staff are wonderful. And that if they vote for candidates for trustee supported by that staff, the gravy will continue to flow and this special interest group will have FREE pre-season use of District tennis/pickleball courts. Of course many of those who demand this free use are not the ones financially supporting the Tennis/Pickleball Center. Perhaps as many as 98% of local parcel owners who are involuntarily assessed the Recreation Facility Fee (“RFF”), and whose occupants never, never, never will frequent the Tennis/Pickleball Center, are the ones who pay. And they object to the fact that a special interest group, like this one, aren’t paying their fair share! And the Board’s response?

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 “B” to this written statement.

Well of course you know the response. And now you have a better idea of what the District's RFF and Beach Facility Fee ("BFF") really pay for. And you wonder why your RFF/BFF are as high as they are and deliver the true lack of value evidenced by this episode?

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

EXHIBIT "A"

IVGID Special Announcements Spring 2024

From: Incline Village General Improvement District <info@ivgid.org>
To: AARON L. <s4s@ix.netcom.com>
Subject: IVGID Special Announcements Spring 2024
Date: Apr 20, 2024 8:27 AM

Information Update Spring 2024

[View this email in your browser](#)



Spring Information & Announcements

Our websites, social media, and IVGID Magazines are all great ways to find out about what's going on at our venues but we wanted to send over a few highlights of events and programs you won't want to miss.



Tennis & Pickleball Center Updates

Dear Incline Village Tennis & Pickleball Community:

The Incline Village Tennis & Pickleball Center staff worked diligently on getting the courts open for pre-season play on April 19, 2024. Staff unlocked the gates and set up the nets and courts 5, 6, & 7 are open for pre-season play. Courts 3 & 4 are still being prepared, and the limited staff will be working this week to ensure nets are installed and the courts continue to be prepared for summer operations. Please use caution while in the area, as staffing and support services are not yet available. The official opening date for the Tennis & Pickleball Center is still set for May 6, 2024.

With the warm weather, we recognize and appreciate the desire of many in the tennis and pickleball community to get out there and work on your game. Our team has heard your concerns about the lack of pre-season access, and has worked diligently to get the courts ready ASAP. The decision on whether to open or close the courts is always made by IVGID's Director of Parks & Recreation, with the support of the District General Manager, based on many factors including player safety, District liability concerns, and the availability or lack of pre-season staffing. We appreciate your patience and understanding as we work through these concerns to ensure a long and enjoyable tennis and pickleball season for all in the community, and we hope you enjoy the pre-season access.

[For more information on the Tennis & Pickleball Center Click here](#)

EXHIBIT "B"

More Evidence Your Beloved Staff Are Giving Away The Store For Free to Another Local Special Interest Group to Influence The Electorate in Voting For New Board Trustees Who Vow to Keep The Gravy Flowing - Pre-Season Use of The Tennis/Pickelball Facility

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>, Tulloch Ray <tulloch_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, <bma@ivgid.org>
Subject: More Evidence Your Beloved Staff Are Giving Away The Store For Free to Another Local Special Interest Group to Influence The Electorate in Voting For New Board Trustees Who Vow to Keep The Gravy Flowing - Pre-Season Use of The Tennis/Pickelball Facility
Date: Apr 20, 2024 9:46 AM

Chairperson Schmitz and the Other Honorable Members of the IVGID Board -

Well Judy and I are back from our month long vacation and almost as if "on que," we have to listen to more staff deception. That's right.

I fully understand you don't want to hear criticism from me because nearly everything that comes out of my mouth is negative insofar as your beloved GID is concerned. Well that's because essentially everything about IVGID and it's wonderful staff **IS NEGATIVE**. As principal Rooney said in the iconic movie *Ferris Bueller's Day Off*, "wake up and smell the coffee Mrs. Bueller!"

On April 20, 2024 I received an e-mail from District staff (in all likelihood Kari Ferguson) insofar as "Tennis & Pickleball Center Updates." The e-mail went on to state the following:

"Dear Incline Village Tennis & Pickleball Community:

The Incline Village Tennis & Pickleball Center staff worked diligently on **getting the courts open for pre-season play** on April 19, 2024. Staff unlocked the gates and set up the nets and **courts 5, 6, & 7 are open for pre-season play**. Courts 3 & 4 are still being prepared, and the limited staff will be working this week to ensure nets are installed and the courts continue to be prepared for summer operations. Please use caution while in the area, as staffing and support services are not yet available. **The official opening date for the Tennis & Pickleball Center is still set for May 6, 2024.**

With the warm weather, we recognize and appreciate the desire of many in the tennis and pickleball community to get out there and work on your game. **Our team has heard your concerns about the lack of pre-season access, and has worked diligently to get the courts ready ASAP.** The decision on whether to open or close the courts is always made by IVGID's Director of Parks & Recreation, with the support of the District General Manager, based on many factors including player safety, District liability concerns, and the availability or lack of pre-season staffing. We appreciate your patience and understanding as we work through these concerns to ensure a long and enjoyable tennis and pickleball season for all in the community, and **we hope you enjoy the pre-season access."**

This propaganda is another example of staff deceit. Something which has plagued the District for decades. And since "the decision on whether to open or close the courts is always made by IVGID's Director of Parks & Recreation, with the support of the District General Manager," the finger of blame goes squarely on the shoulders of Sheila Leijon and Bobby Magee. You see the more things change, the more they remain the same. And as always, insofar as IVGID is concerned, **for the negative.**

What the heck does "pre-season play" mean? Any Tom, Dick and Harry can use the tennis/pickelball courts local parcel owners are forced to involuntarily support, financially, **FOR FREE!** But wait a minute! When you passed the Recreation Facility Fee ("RFF"), I thought you represented to the community that the purpose was in part to make the tennis/pickelball courts available to be used by the local parcels which were involuntarily assessed, upon the condition users paid additional user fees. So why aren't Tom, Dick and Harry being assessed user fees? Bueller? Bueller?

Let me put the query into terms you can understand Trustee Nobel and candidate Mick Homan. When are we going to open the champ golf course for **FREE** pre-season play? How about Diamond Peak for **FREE** post-season skiing? Each of you knows damn well that if people attempted to use our golf courses for **FREE** pre-season play, staff would call the Sheriff to have them arrested for trespassing (in fact, aren't there signs at prominent portions of the champ golf course which warn potential trespassers of this fate?). The same if people attempted to ski portions of Diamond Peak for **FREE** after this venue closed in a week (announced to be April 29, 2024). So why are the tennis courts any different? Just listen to our wonderful staff:

"Our team has heard your concerns about the lack of pre-season access, and has worked diligently to get the courts ready ASAP...We recognize and appreciate the desire of many in the tennis and pickleball community to get out there and work on your game" **FOR FREE!**

Let me translate this word speak. We have an election for trustees coming up. Staff have an interest in keeping the gravy flowing because part of that gravy is their over compensation and over benefits. So they have an interest in supporting candidates who are like minded. That is, who will keep the gravy flowing. So what better than to reach out to a special interest group of voters with a freebie, in the hope those voters will respond by perpetuating the gravy. This is IVGID 101 to those of you who don't recognize it!

There's a very simple way of eliminating this theft of use [to we non-tennis/pickelball enthusiasts, 95% or more of local parcel owners assessed the RFF according to our last "parcel utilization survey," that's exactly what this use is]. Simply keep the courts locked until officially opened for the season! Or open the courts up for use, upon the pre-condition users pay pre-season user fees!

So what are you going to do about this wrong Board members? Since I suspect nothing, when it comes to passing a budget, I want each of you to reflect on the hundreds of thousands of dollars of annual negative cash flow attributable to the Tennis Center, and the millions and millions of dollars this small but vocal portion of the community demands the rest of us pay for reconstruction of our tennis/pickelball courts. And the real reason why there is a RFF.

Like I said. Bueller? Bueller?

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR APRIL 24, 2024 MEETING – AGENDA
ITEM C – PUBLIC COMMENTS – WHEN ARE YOU GOING TO ELIMINATE THE
WASTEFUL AND UNNECESSARY EXPENSE OF A CERTIFIED SHORTHAND
REPORTER (“CSR”) TO PREPARE MINUTES OF BOARD MEETINGS?**

Introduction: Well here's yet “another one” as my friend DJ Kahled would say¹. And it's not the first time I have had to bring it to the Board's attention. But you just don't listen. Or just don't understand. I don't get it! Regardless, this time it's the continued waste of local parcel owners' Recreation (“RFF”) and Beach (“BFF”) Facility Fees on the preparation of minutes of Board/other meetings. And that's the purpose of this written statement.

Staff's April 4, 2024 Synopsis of The Board's March 13, 2024 Meeting: On April 4, 2024 I received an e-mail from staff advising me of the posting of a written “synopsis” of the Board's March 13, 2024 meeting. So I took a look. And for the benefit of the reader of this written statement, I have printed out a copy which is attached to this written statement as Exhibit “A.”

The first thing that struck me about the synopsis is that with some very simple modifications, it could have sufficed as the formal minutes of the Board's March 13, 2024. And the fact they were not outsourced to a costly CSR demonstrates to me that we have the capability in-house, to perform the simple task of preparing written minutes of the Board meetings. So why not?

The Formal Minutes of the Board's March 13, 2024 Meeting: appear at pages 106-130 of the packet of materials prepared by staff in anticipation of the Board's April 10, 2024 meeting (“the 4/10/2024 Board packet”). An examination of those minutes reveals transcription began at 6:00 o'clock P.M., and ended at 7:32 P.M. In other words, a very short 1-1/2 hour meeting.

CSR Brandia Smith's March 23, 2024: At page 125 of the 4/10/2024 Board packet, one will find the CSR's billing for the preparation of these minutes. A copy is attached to this written statement as Exhibit “B,” and as the reader can see, it totals nearly \$800 (\$794 to be exact). Which works out to nearly \$530/hour!

Our Clerk, Heidi White, is Fully Capable of Preparing Minutes For Board/Other Meetings: Heidi used to be the Clerk for a California County. In that capacity, she regularly prepared minutes of that county's Board of Supervisors' meetings. I know this because shortly after Heidi was hired, she and I had a discussion about her background and experience. And she admitted this information to me so I have every reason to believe it is true.

¹ Go to <https://medium.com/cuepoint/the-old-people-s-guide-to-dj-khaled-5618a5aa52b1#:~:text=Another%20One%20%E2%80%94%20One%20of%20the,of%20shoes%2C%20or%20something%20else.>

My April 4, 2024 E-Mail to The Board: On April 4, 2024 I wrote to the Board regarding this issue because it represents another unnecessary and wasteful expenditure. If the costs for the preparation of minutes to Board meetings is properly assignable to the District's General Fund, we don't have enough money in that fund to pay for them. So rather than cutting wasteful and unnecessary costs, staff and the Board choose to come up with a phony financial subsidy. And here it's called "central services costs." In other words, interfund transfers from the District's Community Services, Beach and Utility Funds, to the District's General Fund. Which means my RFF/BFF and the rates I must pay for water/sewer services are involuntarily paying for the transcription of Board/ other meeting minutes. And I have a problem with this. Hence my e-mail of April 4, 2024 which addresses the subject². Rather than pointing out all of the reasons why I believe this expenditure is unnecessary and a waste of taxpayer funds, I refer the reader to the particulars of Exhibit "C."

Conclusion: Here we have a relatively small expense associated with preparing the minutes of the Board's March 13, 2024 meeting. Typically the cost is many times the nearly \$800 charged herein. And remember, typically there are at least two (2) transcribed meetings per month. Since we're already paying for Heidi to be the Board's Clerk, presumably it would cost us nothing more to have her transcribe the minutes of the Board's meetings.

Moreover, this is a subject I have brought to the Board's attention at least two times prior to this time. And nothing. But continue the wasteful expenditure. So I am relegated to continuing to object and creating a record of that objection.

And now that you have a better idea of what the RFF/BFF really pay for, maybe you understand why they are as high as they are and deliver the true lack of value evidenced by this episode?

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

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

EXHIBIT "A"

Respectfully, Aaron Katz

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

From: IVGID Board of Trustees Meeting Review <communications@ivgid.org>

Sent: Apr 4, 2024 9:02 AM

To: <s4s@ix.netcom.com>

Subject: IVGID Board of Trustees Meeting 3/13/24 Synopsis



The IVGID Board of Trustees Meeting Synopsis

Meeting Date: March 13, 2024

Meeting Location: Administration Building - 893 Southwood Blvd.



[View this email in your browser](#)



**Incline Village General Improvement District
Board of Trustees**

*Sara Schmitz, Chair
Matthew Dent, Vice Chair
Raymond Tulloch, Treasurer
Michaela Tonking, Secretary
Dave Noble, Trustee*

MEETING SYNOPSIS

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES

HELD IN INCLINE VILLAGE ON March 13, 2024

*Viewing available by clicking the link and choosing BOT Meeting 03.13.2024 at <https://livestream.com/accounts/3411104>

At the IVGID Board of Trustees meeting on Wednesday, March 13, 2024, the Board listened to a variety of topics during the Public Comment period. The audience read and spoke about the subjects related to the appointment of Bobby Magee as the District General Manager, scheduled Board meeting times and the accessibility of meetings for working parents in the community, the scheduled Town Hall meeting format, information received in Public Records Requests, and community members extended their appreciation to the Public Works Interim Director Kate Nelson and staff for their expedited response to the water main break on Tyner Way.

REPORTS TO THE BOARD

General Manager Magee provided a report on his first week as the GM. He indicated that his first priority would be to focus on District staff.

Mr. Magee went on to provide an update on the Venue Status Reports. The Human Resources update provided data that included: Nevada ranking #1 in the nation for job growth with a 3.1% job growth in 2022 - 2023.

He then provided an update from Public Works, with an announcement regarding the water main that will require the water to be turned off for repairs at Christmas Tree Village shopping center March 19-21.

The District General Manager concluded his report on District Departments with the Accounting and Finance teams' update and progress. He additionally noted that a Special Board Meeting is being scheduled to provide the Board with the expected Audit Results along with other time-sensitive matters from the Public Works department.

Staff requested the Report on the Beach Year End Food and Beverage Actuals Results be tabled, and calendared for a later date.

Trustee Raymond Tulloch provided an overview of the January 2024 District Treasury Report, and answered Board member questions.

CONSENT CALENDAR

Trustees unanimously approved the following Items on the Consent Calendar:

- 1) Meeting Minutes for February 28, 2024, and
- 2) Revisions to the Board Policy 22.1.0 - Disclosure of External Entity Involvement.

GENERAL BUSINESS

Following Interim Public Works Director Nelson's introduction of the Public Works General Business Item regarding Augmentation and Appropriation of the FY 2023/24 Operating Budget, the Trustees expressed concerns about the Utility Fund balance, and provided feedback and suggestions to Staff.

The Board approved the Public Works Department request for an Augmentation and Appropriation of FY 2023/24 Operating Budget in the Amount of \$300,000 from the Utilities Reserve Fund to Cover Costs of Water Main Repairs; and, approved the request to defund \$400,000 from the FY 2023/24 CIP Water Pump Sta. 2-1 Improvements, and appropriate the \$400,000 to CIP for Residential Meter and Electronics Replacement to Fund the Procurement of Additional Water Meter Registers and Transponders.

The Board additionally directed staff to attempt to find the funds within existing appropriations and reappropriation the Budget with any unused appropriations. Staff was requested to report back to the Board, within the next month, a report on Utility Funds used and savings.

The Board approved staff recommendations as modified and revised, by approving the District's Purchase of the Water Resource Recovery Facility Equipment (Xylem DBA YSI Incorporated, Optical UV Nitrite/Nitrate/Ammonia Sensors and 20 Channel Terminal Controller and Related Hardware).

The Board of Trustees additionally directed the Interim Director of Public Works to sign and execute the agreement of the FY 2023/24 CIP #2599SS1102 Water Resource Recovery Facility Improvements by Appropriating \$8,100.00 from the budgeted for the Utility Rate Study budget.

In a unanimous decision, the Board of Trustees authorized Staff to execute the agreement with Active Network for a Point-of-Sale Software Assessment, in the not to exceed amount of \$267,500.00. Additionally, the Board approved the recommendation from staff to augment the FY23/24 Operating Budget and appropriate \$227,375 from the Community Services Fund balance, and approved an augmentation of the FY23/24 Operating Budget and additional appropriation in the amount of \$40,125 from the Beach Fund balance.

The Following Items were added to the Long Range Calendar:

Report from Public Works regarding Water Main Repair Project savings and fund balance March 28th - Special Meeting at: 4:30 P.M. Agenda items include the CMAR effluent pond project and the Audit Report.

Budget is due to the state on or before April 15th (Rates, Pricing Policy, Pricing Pyramid)

Final budget hearing will be final on April 24th.

Golf Advisory Committee recommendations for the Board Meeting on the April 10th 2024.

Trustee Updates

Trustee Tonking provided an update to the Board on the Golf Advisory Committee and possible Committee recommendations for the Boards consideration to be on the Trustees Agenda for April 10th.

Trustee Schmitz provided an update on the Pickle-Ball Committee activities.

The March 13th Meeting of the IVGID Board of Trustees adjourned at 7:32 PM.

EXHIBIT "B"

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 29

Invoice Date: March 23, 2024

Payment Due: April 13, 2024

Amount Due (USD): \$794.00

Items	Quantity	Price	Amount
Base fee March 13, 2024 BOT meeting	1	\$350.00	\$350.00
Per page fee March 13, 2024 BOT meeting	74	\$6.00	\$444.00

Subtotal: \$794.00

Total: \$794.00

Amount Due (USD): \$794.00

EXHIBIT "C"

Fw: IVGID Board of Trustees Meeting 3/13/24 Synopsis - You People Just Aren't Listening - Or You Are And Just Don't Care - Take Your Pick!

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>, <bma@ivgid.org>
Subject: Fw: IVGID Board of Trustees Meeting 3/13/24 Synopsis - You People Just Aren't Listening - Or You Are And Just Don't Care - Take Your Pick!
Date: Apr 4, 2024 1:46 PM

Chairperson Schmitz and Other Honorable Members of the IVGID Board -

How many times do I have to keep observing before you guys get it? Apparently, I haven't done it enough. So here's another one. Because it's essentially everything you and your grossly overpaid and incompetent staff do on a regular basis. That's right. Essentially everything!

So look at the e-mail below your wonderful staff sent out this morning. A synopsis of your March 13 meeting. So do I have a problem with staff sending out a synopsis for the benefit of those in our community who didn't take the time to go to the meeting or watch it on livestream? No I don't. But you need to look a bit deeper. And that's the reason for this criticism.

Go to the synopsis and re-label it minutes of the Board's March 13, 2024 meeting. Voila. You have minutes, they were created in house by someone who has some transcribing skills (I'm guessing Heidi), and they didn't cost us \$1,700-\$2,200 in certified shorthand reporter ("CSR") fees. So why are we continuing to incur the unnecessary and wasteful expense of CSR fees?

Forget the Rec Fee as a payment source for CSR fees. Because they have nothing to do with CSR fees, nor their availability and each of you knows this. And forget Central Service transfer fees which are nothing more than another name to charge Rec Fees a second time. Because the written minutes the District is required to prepare of its Board meetings have ZERO to do with the necessary and reasonable services delivered to our Community Services and Beach Funds. And each of you knows this. You're left with a bit over \$4M annually which comes from ad valorem and C taxes. Normally this money would pay for such CSR fees but it can't. Because staff are too busy spending these monies on themselves! And still there's not enough money.

So why are we wasting thousands of dollars on CSR fees to transcribe the minutes of our Board meetings? Why don't we use our in house personnel who prepare meeting synopses? Why can't we rely upon each of you to protect us from the absolutely wasteful expenditure of CSR fees?

Just another example of everything that's wrong here. And if you gave me another ten minutes, I'm sure I could come up with another half a dozen or more similar wasteful expenditures. But each of you knows this don't you.

Which begs the question Michaela, why are you running for re-election. For the last four years you have witnessed waste like this and done nothing to eliminate it. And we're supposed to expect that with your vast knowledge all of a sudden you're going to put a stop to it? And to the rest of you running for trustee, learn from these criticisms. I don't know what you think you're going to be able to accomplish, but I'm here to answer the question: NOTHING! That's right. Nothing.

Because you can't put an end to the "IVGID culture." The culture where our staff care more about themselves and their co-worker colleagues than the public they were hired to serve. And they don't care about third party CSR fees. Nor your Rec Fee. All they care about are themselves. Right Bobby Magee? So Trustee candidates. Understand what you're getting yourselves into. Because there's going to be no fix, and we critics are going to come up with dozens and dozens and dozens of additional similar wasteful expenditures.

Respectfully, Aaron Katz

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

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Sent: Apr 4, 2024 9:02 AM

To: <s4s@ix.netcom.com>

Subject: IVGID Board of Trustees Meeting 3/13/24 Synopsis



The IVGID Board of Trustees Meeting Synopsis

Meeting Date: March 13, 2024

Meeting Location: Administration Building - 893 Southwood Blvd.

[Click here to view the IVGID Board Meeting Synopsis](#)

[Watch the Meeting Livestream here](#)



[View this email in your browser](#)