

1
2 INCLINE VILLAGE
3 GENERAL IMPROVEMENT DISTRICT
4 BOARD OF TRUSTEES
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9 TRANSCRIPT OF HEARING
10 PUBLIC MEETING
11 Live and Via Zoom
12
13 Held at the Boardroom
14 893 Southwood Boulevard
15 Incline Village, Nevada
16
17 Wednesday, May 8, 2024
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21
22
23
24 Reported by: Brandi Ann Vianney Smith
25 Job Number: IVGID 37

1 APPEARANCES
2
3 **BOARD MEMBERS PRESENT**
4 SARA SCHMITZ, CHAIR
5 MATTHEW DENT, VICE CHAIR
6 MICHAELA TONKING, SECRETARY
7 RAY TULLOCH, TREASURER
8 DAVE NOBLE, MEMBER
9
10
11 **ALSO PRESENT**
12 SERGIO RUDIN, LEGAL COUNSEL
13 HEIDI WHITE, DISTRICT CLERK
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1 Incline Village, Nevada - 5/8/2024 - 6:00 P.M. 4
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4
5 CHAIR SCHMITZ: It is six o'clock on
6 May 8th. This is an Incline Village General
7 Improvement District Board of Trustees meeting,
8 being held in the Boardroom at 939 Southwood
9 Boulevard in Incline Village, Nevada. We will begin
10 our meeting with the Pledge of Allegiance.
11 A. PLEDGE OF ALLEGIANCE
12 (Pledge of Allegiance.)
13 B. ROLL CALL OF TRUSTEES
14 CHAIR SCHMITZ: Next is the roll call of
15 trustees.
16 Trustee Dent?
17 TRUSTEE DENT: Here.
18 CHAIR SCHMITZ: Trustee Noble?
19 TRUSTEE NOBLE: Here.
20 CHAIR SCHMITZ: Trustee Tulloch?
21 TRUSTEE TULLOCH: Here.
22 CHAIR SCHMITZ: Trustee Tonking?
23 TRUSTEE TONKING: Here.
24 CHAIR SCHMITZ: And myself, Sara Schmitz.
25 We're here. It's a quorum of the Board of Trustees.

5

1 C. INITIAL PUBLIC COMMENTS

2 CHAIR SCHMITZ: We will begin with initial

3 public comments. And I would just like to make a

4 request of everyone attending the meeting today, we

5 have a very, very full agenda, and if you don't need

6 to use your full three minutes, please feel free to

7 relinquish the time that is unneeded. And if

8 someone has already addressed the issue you want to

9 speak about, you could reference that. I'm just

10 trying to do what I can to try to get our trustees

11 out of here by ten o'clock tonight.

12 With that, we will begin public comments.

13 MR. TABANO: Hi. Name is Charley Tabano.

14 I am a resident at 603 Lariat Circle.

15 On February 29th, unfortunately, I had

16 somebody banging on my door, loudly, saying that our

17 house is being flooded. Went out back and saw,

18 literally, a river coming down from through upper

19 Tyner through the dirt and all the forest area

20 there. It totally ripped out our landscaping that

21 we put in two years ago, destroyed our sprinkler

22 systems, wrapped around the house, took out a gravel

23 walkway and put it in my neighbor's yard down below,

24 not his yard but the kind of common area.

25 And that time, the fire department showed

6

1 up and they offered to wash down our driveway, but

2 what happened was about half way through our

3 conversation, another flow of water came down

4 causing even more damage.

5 When it was all over with, there was about

6 a foot of mud and rock and gravel all through our

7 yard. We took numerous photos. The risk manager

8 for IVGID was there, said, "Don't worry, Charley,

9 we'll take care of this."

10 I am just a representative of our

11 four-unit townhouse, but I'm the only one that lives

12 here full time. Kind of a mess. We sent all the

13 information that was needed, and the insurance

14 carrier apparently said, "Oh, no, the adjustor, we

15 have immunity, IVGID has immunity when a water main

16 breaks that they own and came down the road."

17 Further investigation found out that the

18 Public Works people were trying to save some of the

19 homes from water and puts sandbags across the road,

20 which diverted the water across from the natural

21 flow which had the water avoid the culvert which

22 caused the water to hit our house. It is quite a

23 mess.

24 It was nice of the Public Works department

25 to send about five workers to our place about a

7

1 month ago when the snow all melted with a backhoe

2 and cleaned out a lot of the mud, but the damage

3 underneath is definitely still there.

4 One of our residents is an insurance fella

5 from California, he did send an email to Mr. Magee,

6 I believe, describing the entire event and all the

7 damage that we had. We just want you to know that

8 we're going to be on this, we're going to stay on

9 this. We do not feel that your insurance carrier,

10 at least adjustor did something that was proper or

11 even legal quoting an immunity law saying that

12 basically government has immunity to any kind of

13 damage.

14 There's a common sense law which says if a

15 tree in my yard falls on your house and damages

16 something, it's my fault. It's kind of the same

17 thing here.

18 To be woken up in the middle of the night,

19 nothing we did wrong. All we did as a mistake was

20 spent a lot of money doing some landscaping on our

21 place two years ago, and now it's gone and we won't

22 be able to use that property for quite a while.

23 I think IVGID has the resources to fix it

24 and should probably do that which would save a lot

25 of time, effort, and legal issues. Okay?

8

1 MS. WELLS: Christy Wells, Incline

2 resident.

3 Items G 8 and 9 on tonight's agenda deal

4 with donations coming directly through IVGID when

5 District Policy 138 clearly states that all funding

6 is to go through the Incline Tahoe Foundation.

7 I found several emails from public records

8 requests where the former director of Parks and Rec

9 explained the process to Trustee Schmitz. There

10 should be no question on how to handle these.

11 Allowing these donations to come directly

12 to IVGID makes it look like you're trying to

13 circumvent the ITF and ignore established board

14 policy. It could also strain a long established and

15 healthy partnership that we have with a

16 community-focused organization, but then I have to

17 remind myself that some of you are more interested

18 in undermining community relationships than building

19 them.

20 Item G 10 is a request to approve a

21 \$25,000 donation to the Red, White, and Tahoe Blue

22 fund. I believe there's a strong opinion from Josh

23 Nelson of BBK that donations should not be more than

24 1,000. What's changed? And if you're giving 25,000

25 to this specific cause, why not donate to the Star

9

1 Follies or to the Pet Network or even the IBCBA?
 2 All these are worthy non-profits in town. What is
 3 the policy to inform which non-profits will get
 4 money from IVGID, how much, and how often? I would
 5 be careful as you will be setting precedent and
 6 potentially showing favoritism of one over the
 7 other.

8 Item G 7, General Manager Magee is asking
 9 for another \$70,000 for the forensic due diligence
 10 audit. Before you agree to this expenditure, this
 11 community deserves to be updated on the project and
 12 informed if there has been any fraud found to date.
 13 If not, why do we continue to burn money here? And
 14 why is RubinBrown willing to reduce their rate so
 15 drastically to ensure this project continues? What
 16 is their vested interest?

17 In the finance report, there's a line item
 18 for Baker Tilly to launch an internal controls
 19 project, yet this work was already done my Moss
 20 Adams. Maybe the GM should implement the Moss Adams
 21 recommendations before spending more money with yet
 22 another consultant who will most likely suggest the
 23 same things.

24 Related to this, when looking at the
 25 tentative '24 and '25 budget, it clearly shows the

10

1 general fund has a project deficit of 1.8 million.
 2 You have to stop this bleeding and cut back on your
 3 pet projects or we're all going to believe you're
 4 intentionally trying to dismantle and bankrupt the
 5 district. You're not being fiscally responsible
 6 with our money.

7 Lastly, burning staff time to remap the
 8 free speech zone as noted in item F 6 shows just how
 9 petty and vindictive a few of these trustees are.
 10 It's a blatant attempt to silence the community and
 11 limit it's ability to hold board members
 12 accountable, the kind of things we'd expect from a
 13 banana republic, but not from our elected officials.
 14 We will you see and you will continue to see us and
 15 our signs.

16 Thank you.

17 DR. RINER: Good evening. Dr. Myles
 18 Riner, Valerie Court, Incline Village.

19 I had three comments this evening related
 20 to today's agenda. The first is in regard to the
 21 proposed veteran's memorial. I would like the Board
 22 to consider placing this memorial at the southeast
 23 corner of the Village Green or elsewhere. The sight
 24 that has been proposed at the north end of the Green
 25 is an ideal place to site additional parking

11

1 consistent with the plan developed by the dog park
 2 committee. The Board previously instructed this
 3 committee to develop a preliminary plan, siting the
 4 dedicated dog park on the Village Green, and this
 5 was completed in January, but I guess the Board has
 6 yet to request to see this plan.

7 The plan included the incorporation of a
 8 parking lot for about 16 cars on the north end of
 9 the Green. The committee, after some investigation,
 10 felt these additional parking spaces were sorely
 11 needed, especially in the summer and fall when
 12 parking spaces in adjacent areas are at a premium.

13 Alternatively if this plan was adopted,
 14 the memorial could be placed adjacent to the
 15 proposed sound barrier wall between the upper and
 16 lower fields on an elevated platform. Putting the
 17 memorial on the lower part of the Green would allow
 18 for much more space to accommodate memorial
 19 celebrations and keep the options open for the
 20 dedicated dog park. In any case, the additional
 21 parking area's needed regardless of where the dog
 22 park is sited.

23 My second comment relates to the proposed
 24 Beach House on Incline Beach. I believe there are
 25 many residents here that would prefer to expand the

12

1 food and beverage offerings and the seating at the
 2 bar areas, who would like to have a beach house that
 3 complements the excellent facility on Burt Cedar
 4 Beach and reflects the higher standards this
 5 community aspires to in its recreational facilities.

6 This clearly justifies a more robust
 7 budget and expanded design. Take the million
 8 dollars that has been proposed to the purchase the
 9 unnecessary RFID equipment that would fail in any
 10 case to solve a minor problem, that is much more
 11 economically addressed in other ways, and add it to
 12 the Beach House budget.

13 My last comment is simply to acknowledge
 14 Sheila Leijon for her 30 years-plus of service to
 15 the District and its residents, and let her know
 16 that she will be sorely missed. The way she was
 17 treated by certain members of this board and the
 18 current GM was unconscionable. I suspect we will
 19 hear more about that in the coming months. In the
 20 meantime, we all wish her well.

21 MR. ROSS: Good evening. I only have a
 22 couple things that I want to talk with you about and
 23 the rest on the community.

24 First thing I wanted to do is address a
 25 comment that one of the callers made during the last

13

1 meeting on April 24th. It was my understanding the
 2 speaker suggested that the Incline Village Golf Club
 3 had a significant number of members who were not
 4 residents here in Incline, and were, therefore,
 5 taking advantage of discounted resident rates at our
 6 recreational facilities. This statement is
 7 categorically false.

8 IVGID has specific rules about who is
 9 eligible for our discounted resident rates, and
 10 those rules translate into who is able to obtain an
 11 IVGID Picture Pass. These may be resident property
 12 owners as well as lessees and renters.

13 The Incline Village Golf Club's bylaws
 14 state that in order to be eligible to join our club,
 15 the applicant must have a valid Picture Pass card.
 16 And I can assure you, as this year's president of
 17 IVGC, that a hundred percent of our members who
 18 utilize our golf courses have a valid Picture Pass
 19 card.

20 Next, I want to address the issue of golf
 21 passes that are on tonight's agenda. At our last
 22 meeting on April 24th, there was a presentation by
 23 Mr. Sands regarding rates for the upcoming season.
 24 The rates that he presented projected that we
 25 actually have a revenue surplus at the end of year.

14

1 The second half of his presentation that was
 2 regarding Play Passes was tabled to tonight, just
 3 two days before the opening of the Championship
 4 Course.

5 I am dismayed that you have hired a
 6 professional with years of experience and expertise
 7 in developing budgets and managing golf courses, and
 8 then coerce him to delaying his recommendations so
 9 that you can manipulate that outcome.

10 Madam Chairwoman, I know that you will
 11 deny any involvement, but your fingerprints are all
 12 over this.

13 I believe his original recommendations for
 14 Play Passes give us the best chance of ending the
 15 golf season with the budget in the black. Although
 16 the modifications outlined by Trustee Noble is a
 17 welcomed addition because it includes passes for
 18 juniors and college students.

19 Therefore, to those board members who have
 20 the best interest of our community, I hope that you
 21 will do your fiduciary duty and accept the
 22 recommendations of Mr. Sands as he presented them at
 23 the April 24th meeting, with the addition of passes
 24 for juniors and college students.

25 Thank you.

15

1 MR. WATSON: Rob Watson, Incline Village
 2 resident. I'm commenting of the golf Play Pass
 3 topic tonight.

4 We have an issue of course utilization.
 5 It needs fixing. Despite the confusion from board
 6 members at the last meeting, the data is clear.
 7 Actual rounds at the Champ Course declined 80 rounds
 8 last year, but the reality is worse. There was a
 9 significant jump in free rounds play largely by PGA
 10 professionals and employees. Excluding this actual
 11 revenue generating, rounds declined by over 600.

12 Both resident and non-resident rounds
 13 declined. Residents by over 450; non-residents by
 14 almost 400. Which is not surprising since
 15 comparable Tahoe golf course green fees, like Old
 16 Greenwood, Gray's Crossing, and Coyote Moon are
 17 anywhere from 28 to 42 percent less during peak play
 18 times, and they include range balls with no
 19 prebooking fee.

20 This decline was partially offset by an
 21 increase in guest rounds of around 250. Again, not
 22 surprising since our guest fee is comparable to
 23 public rates at the prior-mentioned comparable
 24 courses.

25 All this information comes directly from

16

1 Darren Howard's 2023 year-end, wrap-up report and my
 2 own limited research. To reverse this decline, we
 3 need to improve course utilization.

4 Play Passes, including season passes for
 5 individuals and couples will help. They also
 6 provide guaranteed, upfront revenue, and they
 7 encourage our most loyal customers to spend more of
 8 their time and golf dollars at our facilities.

9 The Golf Advisory Committee provided
 10 several recommendations to Mr. Sands last week that
 11 could help, but they were excluded from his final
 12 recommendation. That's unfortunate. One of their
 13 recommendations was to offer couple season play
 14 passes.

15 I've heard that individual trustees
 16 instructed golf staff that a couple's pass would not
 17 be approved, so don't include them. Why?
 18 Discrimination? Really? Fortunately, legal weighed
 19 in and debunked this excuse.

20 Trustee Noble and Trustee Tonking prepared
 21 alternative proposals for inconclusion in the
 22 meeting's material. I find the rationale included
 23 in Trustee Noble's proposed revision solid, his
 24 recommendations, which include couple's passes and
 25 other improvements, were sound and well reasoned.

17

1 He provided a solid rationale for each of his
 2 recommendations, importantly they were all aimed at
 3 increasing utilizations, which any reasonable
 4 business person understands will drive revenue.
 5 While Trustee Tonking's adjustments were an
 6 improvement, I feel capping rounds in a season pass
 7 unnecessary and not a good marketing presentation.
 8 I believe Trustee Noble's revisions a far
 9 better proposal for the District and its residents.
 10 I believe it should be discussed and voted on
 11 tonight.
 12 Thank you.
 13 MR. HOMAN: Mick Homan, Incline resident.
 14 I'm commenting on the preliminary budget
 15 that was submitted to the State, and specifically
 16 the critical situation with the general fund.
 17 The current state is unacceptable. When
 18 this board majority was seated on the end of fiscal
 19 '23, we had a general fund balance of 5.8 million,
 20 and we operated at a breakeven that year.
 21 Based on projecting results for the
 22 balance of fiscal '24 and preliminary budget for
 23 fiscal '25, we'll have blown through state-mandated
 24 reserve levels and have a projected fund deficit of
 25 1.8 million.

18

1 In that short two-year period, we've
 2 generated a combined operating deficit of over 7
 3 million. We've gone from one of the most
 4 financially sound government agencies to having an
 5 insolvent general fund.
 6 Thankfully, Trustee Tonking raised the
 7 alarm on this a few months ago. Unfortunately, her
 8 concerns were brushed aside. Management said
 9 spending would be curtailed in both current and
 10 future years so we could build reserves. That
 11 hasn't happened, it's only gotten worse.
 12 There's two drivers to this financial
 13 meltdown. One is the movement of parks from
 14 community services to the general fund. That
 15 proposal was hatched by our Board Chair. She
 16 apparently didn't consider or understand the
 17 consequences. Parks will cost over \$3 million this
 18 fiscal and about 2 million next fiscal. The general
 19 fund was previously operating at about breakeven, so
 20 it was neglect on her part to not consider how this
 21 would impact our fund balance.
 22 The fund's only revenue is property tax,
 23 which the county sets, so how exactly did we plan to
 24 pay for this?
 25 The second driver is our administrative

19

1 spending. Gross spending in the fiscal '25
 2 preliminary budget increased \$3 million or 60
 3 percent versus fiscal '23. What's driving this
 4 increase? The General Manager, accounting, and
 5 trustee cost centers have all roughly doubled
 6 compared to fiscal '23, and the IT cost center is up
 7 almost 50 percent. Combine this, represents 2.4
 8 million of increased spending.
 9 Within the accounting, fiscal '24 includes
 10 over 800,000 of services and supplies, which is
 11 largely for the fraud audit and consultants. I
 12 understand that fraud audit is wrapping up, and
 13 we've heard no evidence of fraud.
 14 This wasted spending goes away in '25, but
 15 we're still doubling the 2023 spending. What we
 16 have here is a total cluster of incompetence. We're
 17 facing a fiscal crisis, and it's directly
 18 attributable to the actions of the controlling
 19 members of this board.
 20 I believe you owe our community an
 21 explanation and concrete plan for how you will
 22 remedy this situation. That plan needs to be
 23 sustainable. Let's not just hide the issue by
 24 transferring dollars from other funds.
 25 The unfortunate reality is that this is

20

1 going to require some combination of significant
 2 increase in the rec fee, reductions in service
 3 levels, or delays or cancellations of important
 4 projects. Obviously, that's not ideal, but we
 5 should and must act.
 6 Thank you.
 7 MR. KATZ: Good evening. Aaron Katz,
 8 Incline Village. I've submitted several written
 9 statements that I request be attached to the
 10 written minutes of the board meeting.
 11 I had prepared these statements to start
 12 with Mr. Homan, but I gotta say, I agree with much
 13 of what he's told you. My question was, what does
 14 he know? Apparently he knows quite a bit. Would
 15 his fortune 50 company ever have hired an assistant
 16 finance director who obtained his education from an
 17 online educational institute, kind of like Trump
 18 University? Do you know our Mr. Cripps did? What
 19 about if the individual didn't even have a degree in
 20 finance? Or he wasn't licensed as a CPA? Or he had
 21 no knowledge of financial reporting in the State of
 22 Nevada? Or his starting basic salary was \$176,000,
 23 plus benefits? Did you know Mr. Magee used to be
 24 Mr. Cripps' boss when they both worked for the City
 25 of Victorville where Mr. Cripps was a finance

21

1 technician? Would that be of concern to you?

2 Did you look at Mr. Cripps' tentative

3 budget? Apparently Mr. Homan did. Did you see it's

4 not in balance? Did you see our general fund is

5 going to be out of balance 1.76 million? Where is

6 the money going to come from? Did you see we spent

7 over 4 million of this year's general fund balance

8 covering overspending? Did you see Mr. Cripps

9 proposing spending the remaining 1.266 million of

10 general fund balance on next year's overspending,

11 leaving us with a zero general fund balance in

12 violation of board policy? Did you see our internal

13 services fund owes the general fund 585,000 for a

14 loan? Did you know there'd been a loan? And yet

15 Mr. Cripps doesn't tell us if or when that is going

16 to be repaid and where the money's going to come

17 from.

18 I know you think staff's assignment of

19 central services cost to golf is grossly

20 inappropriate, Mr. Homan, and I agree with you.

21 Because all central services costs are as phony as

22 hell, all of them, but did you realize that

23 five years ago, central services cost district-wide

24 totaled 1.169 million? And for next year,

25 Mr. Cripps has decided they need to be increased to

22

1 2.425 million, that's more than double. Where's the

2 money going to come from?

3 And if you're elected, Mr. Homan, I'll be

4 interested, how do you propose to fix this mess?

5 Thank you.

6 MS. McKOWEN: Trish McKowen, Incline

7 resident.

8 Wow, just when you think it couldn't get

9 worse, it does. Once again, Trustee Schmitz with

10 the support of Dent, Tulloch, and the newly minted

11 GM Bobby Magee, in a public records request, shows

12 an undercover operation into a beloved senior

13 manager, the IVGID Director of Parks and Recreation

14 Sheila Leijon, who has been with the District for

15 30 years or more.

16 Sheila resigned under duress and did not

17 retire. And now we're bringing in another costly

18 Baker Tilly consultant to step into Sheila's shoes.

19 Another outsider who has no knowledge of the IVGID

20 recreational model, and will likely be micromanaged

21 by Sara for the next six months. We don't need

22 anymore outsiders.

23 Sheila was my boss when I worked at the

24 Rec Center for three years, and she went above and

25 beyond with me and the other employees increasing

23

1 morale and also being available to discuss

2 work-related issues.

3 Schmitz, Dent, Tulloch, and Magee are

4 leaving a gaping hole in the quality of services in

5 our recreational venues, while also losing Sheila's

6 30-plus years of institutional knowledge on the

7 ground.

8 In the PRR, Magee lets Trustee Schmitz

9 know by email that he was able to discreetly figure

10 part of this out without asking Sheila. Guess what

11 we're talking about, folks? An investigation into

12 whether or not an Incline resident paid for two

13 pickleball passes. The answer in the PRR is: Yes,

14 he did.

15 Why would we lose a top senior manager?

16 Trustee Schmitz had some crazy idea that the

17 resident had been given two additional passes for

18 free. There's no indication that Trustee Schmitz'

19 obsession with a resident's pickleball passes is

20 based at all on reality. This is once again the

21 IVGID Board Chair micromanaging every part of not

22 only an employee's life, but now a resident, who is

23 also being investigated.

24 On another topic, I would like to relay

25 Trustee Schmitz' disdain for the All-You-Can-Play

24

1 Pass for the Championship Golf Course. Schmitz

2 texted me saying, "We can't have a couple's pass

3 because legal counsel did not advise it."

4 In looking at the Golf Advisory meeting,

5 legal counsel states, and I quote, "There are

6 prohibitions in Nevada law, but I don't think that

7 they clearly apply in this situation. It comes down

8 to how we do it."

9 Equal value in the municipal course in

10 Carson has individual play passes for individuals

11 and also couple's passes.

12 In closing, it seem that Trustee Schmitz'

13 new agenda is to lock the beaches during the winter,

14 install gates costing millions of dollars or more to

15 keep people out. How do you get a stroller or a

16 wagon into a revolving turnstile? How do you

17 protect a baby who is snuggled in a front pack on a

18 mother's chest? How do you prevent RFD cards from

19 being duplicated at Walmart?

20 It appears that you are trying to burn the

21 house down on a revenge tour before you leave in

22 November.

23 IVGID was founded in 1961, and I don't

24 ever remember locking the beaches during the winter.

25 MR. ALT: Good evening. I'm Trevor Alt,

25

1 and I live at 815 Jeffrey Court.
2 I just have some comments on the
3 Championship Course fees, and when I first moved
4 here in 2000, I paid \$1,000 for a season pass, which
5 I thought was a good deal and appropriate given the
6 amount that we pay for recreation fees, and also
7 given the fact that I believe that when we are
8 considering a purchase at Incline Village, we're
9 doing it in part because, as pass holders, we own
10 all these resources and we're supposed to, I think,
11 be giving ourselves, as residents, a good deal to be
12 able to enjoy those facilities below their market
13 value, and we make up some of the difference by
14 charging the general public a higher amount.
15 I looked at proposals for All-You-Can-Play
16 Passes, which I have purchased in two of the
17 previous three years. I like most of the
18 recommendations being made by Trustee Noble. I
19 agree that it's wrong to put a limit on the number
20 of plays for a season pass. It's a season pass, you
21 don't limit the number of times someone can ski
22 for -- what do they pay? -- \$450 for a season pass
23 at Diamond Peak.
24 When I purchased the unlimited passes, I
25 think I might have got in 45 or 50 rounds. And so,

27

1 driving range pass again for \$300. You won't get
2 more than \$300 out of me anyway in range balls
3 because they just get too expensive.
4 So, anyway, I mostly like that proposal.
5 MR. FISH: Good evening. Greg Fish from
6 Incline.
7 I just wanted to give a different
8 perspective, and, perhaps, little bit more
9 historical perspective on the golf fee idea that you
10 will be talking about this afternoon -- or tonight.
11 I was president of the Tahoe Incline TIGC Golf Club
12 five and six years ago, before COVID.
13 But it's spoken, in that position with
14 both of the previous managers and people running the
15 courses over the last number of years, and talking
16 about input and rates and so forth, and so while I
17 haven't been around much the last four or
18 five months, I did look at everything when I got
19 back last week, and just had a couple quick
20 comments.
21 I like what the current, now new course
22 administration came up with the recommendation. I
23 like Trustee Noble's changes and additions.
24 Regarding the 300 bucks for driving range,
25 you can take it or leave it. I played golf

26

1 really, the economy was not all that great, however,
2 when I think about purchasing a season pass, I'm not
3 just trying to necessarily get the best price per
4 round, that's important, however, there's also kind
5 of like a feeling of freedom that if I've made some
6 tentative plans to play golf or something and
7 something comes up during the round, I don't have to
8 feel like I've wasted my money if I decide to leave.
9 And just really would like to make one payment,
10 that's my budget for golf for the year, which is
11 helpful for some who is retired at this point, and
12 be able to relax, not be all that worried about how
13 much each additional round is going to cost me.
14 And I can assure that you will get a lot
15 more revenue out of me for a \$3,000 unlimited pass
16 than you would if I were paying for individual
17 rounds, because then I just have to be concerned
18 about counting up the cost of each round, and some
19 of them get relatively expensive.
20 I feel that the proposal that was made for
21 a \$3,000 pass made sense. I don't mind paying a
22 little bit more if it's unlimited, because, again,
23 that gives me that sense of freedom.
24 It did seem like a good neighborly thing
25 to include the ability to buy, say, an unlimited

28

1 yesterday at Edgewood, golf balls were included. We
2 didn't have to drive on the cart path, even though
3 it was two days after that storm. Beautiful day out
4 there. I would just like our club to get up to --
5 our courses and facilities to get up to the same
6 sort of level that we enjoy in other places around
7 here.
8 So far as the season passes, I do agree
9 that we need a couple season pass. I would
10 recommend one more, which I don't know how it got
11 slipped by, but I would recommend a 30-play pass for
12 2,250, and that works out to 75 bucks a round. The
13 reason I do that is because I went through the
14 calendar for this and added up how many times I
15 think I'm going to play, which is about 30. But I
16 think I'm not uncommon to a lot of people that are
17 out there. I've played as high as 66 in a year with
18 my season passes, and probably the low was
19 last year -- certainly the low was last year.
20 My recommendation, encouragement to the
21 Board would be adopt what Trustee Noble has
22 presented. I would like you to consider a 30-play
23 pass because that's sort of a gap between 20 and
24 unlimited, and everybody else around here includes
25 balls, some level of balls with their passes, it

29

1 would be nice if we did that, but at this point I
 2 would just like to get the passes done.
 3 Thanks for listening.
 4 MS. KNAAK: Hi. Yolanda Knaak, full-time
 5 resident, Incline Village.
 6 I just wanted to clean out a couple
 7 things. One is with the Beach Deed, which is for
 8 Incline residents. If you don't lock the beaches
 9 during the wintertime and have the cards to get in,
 10 then you would have to think about how you're going
 11 to staff the beaches during the winter, so that's
 12 something to think about, because the Beach Deed
 13 says it's only for Incline residents, and we could
 14 run into a problem where everyone from Reno could
 15 come up if there was a lawsuit over that.
 16 Then the other issue is there are problems
 17 during the winter at the beach. I know because I go
 18 there almost every day.
 19 Thank you so much. Bye.
 20 MR. RYAN: My name is Ryan (inaudible),
 21 resident in Incline full time.
 22 I just wanted to voice my concerns on
 23 limiting the Play Pass option on the golf course to
 24 50. That's not a Play Pass, it's not an unlimited
 25 pass, it's a 50-play pass. I also want to voice my

30

1 support for removing the 50 limitation.
 2 That's about it for me. Thank you.
 3 MR. WILSON: Good evening. My name is
 4 Todd Wilson. My wife and I are residents of
 5 Incline.
 6 I've had the privilege for the last
 7 several months to serve on the Golf Advisory
 8 Committee. First, I'd like to thank the trustees
 9 for that opportunity. It's been a very rewarding
 10 experience and way to serve our community. And I'm
 11 grateful to the Board for the opportunity, to
 12 Trustee Tonking for her great guidance of the
 13 committee, as well as my fellow committee members.
 14 I'd like to also welcome Director Sands
 15 who immediately dove into the deep end to understand
 16 the nuances of golf in Incline, and try to set us up
 17 for success going forward. As Director Sands points
 18 out in his presentation of golf, like any community
 19 service, it can be polarizing with various rate
 20 settings, cost recovery, and disparities of interest
 21 across the community. I hope that our work together
 22 in support of his direction and that of his team can
 23 help bring those differences closer together.
 24 Part of my contribution to the committee
 25 has been building a revenue projection model through

31

1 extensive research and analysis of a plethora of
 2 golf data, hopefully providing a tool that helps in
 3 forecasting revenue, cost recovery, analyzing
 4 second- and third-degree price discrimination, and
 5 corresponding elasticity over time. It's not
 6 perfect, but we will continue to get better as we
 7 collect more and more data over time.
 8 With that in mind, I'd also like to
 9 underscore the recommendation addendums from Trustee
 10 Noble and Trustee Tonking. Aside from some of the
 11 other differences, which do create some differences,
 12 though slight, in the revenue projections, I want to
 13 mention the couple's pass in particular.
 14 While those other differences in
 15 recommendations from the staff, the committee, and
 16 individuals creates small differences in projecting
 17 revenues, the historical data of couple's passes
 18 projects the most material increase in revenue with
 19 the highest level of confidence.
 20 I hope the trustees will consider
 21 reinstatement in order to achieve this otherwise
 22 diminished revenue stream, as well as some of the
 23 nuanced adjustments that were recommended.
 24 Thank you again for the chance to give
 25 back to the community, and I look forward to

32

1 tonight's meeting.
 2 MR. DOBLER: My name is Cliff Dobler. I
 3 live in Incline about 30 years.
 4 I would like to bring up this idea about
 5 us being broke in the general fund by
 6 almost \$1,800,000. Now, I've been hanging around
 7 this accounting for about six or seven years trying
 8 to assist the trustees on understanding what was
 9 going on.
 10 So about three years ago, a proposal was
 11 to put the Parks into the general fund, and I
 12 immediately wrote a memorandum saying, "It can't be
 13 done because there's not enough money to do it."
 14 Okay? And of course that was just ignored, and I
 15 think the proponent of all this was Sara Schmitz,
 16 and they went ahead, the Board voted in to set up
 17 the Parks in the general fund.
 18 So now here we are, two years later, and,
 19 of course, the general fund is broke.
 20 Now, one of reasons is is that in 2024,
 21 there was the plan to put a million dollars in the
 22 park fund for the dog park. Of course that is going
 23 nowhere and it's just going to have to be canceled,
 24 and then that can be removed from the '24 budget and
 25 then you're getting closer to breaking even.

33

1 And then you have to turn around and raise
2 the rates over at the engineering department and
3 facilities department because they went and borrowed
4 \$585,000 from the general fund, not approved by the
5 Board, and this fund needs to go pay back the
6 general fund 585,000. Of course, they're going to
7 have to raise the rates, and the rates will fall on
8 all of the venues.

9 So whatever your budgets are, they are
10 already off by \$585,000 because you've got to get
11 the money from the internal services fund from the
12 other venues to turn around and give it back to the
13 general fund.

14 So, all of these machinations and stuff,
15 the thing that you're missing, one of the most
16 important things is you have to have some
17 continuity. You have none here. You're all running
18 around and want to change everything, and it's not
19 changed over night, you have to have some
20 consistency. Any CPA, as I am, would make people
21 try to understand that. This is a circus right now.

22 Anyways, thank you very much.

23 MR. WRIGHT: Frank Wright, Crystal Bay.

24 Tonight, you're going to talk about Policy
25 136, and we had one of the recallers talk to you and

35

1 As far as the golf rates, you know, we
2 have a golf course that's under water every year.
3 And if you don't adjust the rates to cover your
4 costs, then you're irresponsible. You're not doing
5 what is necessary as a business model. And let this
6 new golf guy, Mr. Sands, who seems to be pretty
7 intelligent, I met him today and talked to him
8 today, and I think he's going to straighten this
9 place out if you give him a chance. He's only been
10 here a short period of time.

11 Let's go forward and see what happens.
12 See if golf rates need to be adjusted, they need to
13 be dealt with, and let him decide what is best for
14 this district. I think he's got a lot of experience
15 in this area, so let's see what happens.

16 As far as our other funds and fund
17 balances. Oh my god, it's a mess. It's a big mess.
18 And Mr. Dobler I think is right. If you don't start
19 figuring and follow the rules and regulations and do
20 things the way public financing is supposed to
21 operate, we're going to be in a lot of trouble, if
22 we're not already.

23 Thank you.

24 MR. SIMON: My name is Jay Simon. I live
25 on Golfer's Pass Road and have been a resident of

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1 say that don't try it. Well, I have kind of an
2 inherent interest in this because I was the
3 originator of Policy 136.

4 Policy 136 avoided losing the beaches to
5 the general public. Policy 136 has protected us.
6 Policy 136 will protect your beaches and the Beach
7 Deed. If you start fooling around with it, and you
8 go against what a federal court ruled on, they ruled
9 on the fact that you had Policy 136, it's your
10 protection. It's your protection against having the
11 Beach Deed questioned.

12 And a public park, which the beaches are,
13 they are deed restricted, could be changed. Why
14 would you mess with something like that?

15 I'm not necessarily for the recallers. I
16 think that they were a brutal group of people, but
17 at the same time, they have a right to express
18 themselves in a public facility. You're not going
19 to win this one, guys. Leave it alone. Get away
20 from it. Protect your beaches.

21 Don't do the stupid and try to fool around
22 with it and change it. It's not going to help you
23 at all. It's going to make a mess. Study it,
24 understand it, and then you'll come to the same
25 conclusion I came to.

36

1 Incline for about 12 years. I'm a longtime golfer
2 and also a member of the Golf Advisory Committee.

3 I want to address two issues that I think
4 are relevant to the decisions being made tonight on
5 golf course pricing.

6 First, the often-quoted line that if not
7 for golf clubs and residents pass holders taking so
8 many tee times, Incline could sell all these times
9 at higher prices to non-residents. This is
10 basically false. The data is clear. In spite of
11 restricted pass holders on weekends last season and
12 with tee times accessible, outside play actually
13 went down 400 rounds last year. There is a very
14 limited market for paying over \$250 per round for
15 golf in Incline.

16 Second, at the board meeting -- the last
17 board meeting, a few trustees expressed the opinion
18 that the Championship Course may have reached peak
19 usage in spite of adding 4- to 5,000 additional,
20 unsold rounds last season from the change in tee
21 time intervals. This is false.

22 Last season, Incline lost some of its most
23 prolific golfers to other private and public golf
24 courses. Many other residents cut back on play due
25 to pricing and frustration with the process. I

37

1 estimate at least 2,000 rounds were lost in the
 2 shuffle. While one season is not a trend, Incline
 3 can't afford to let this get out of hand, because
 4 once golfers leave, they're not coming back.
 5 Incline golf's largest asset is the
 6 resident population that likes to play a lot of
 7 golf. This group is the foundation that supports
 8 the golf course. If I was a trustee, I would do
 9 everything in my power to promote resident play, and
 10 that includes offering seasonal, individual, and
 11 couple's play passes at a fair price.
 12 And I believe in reasonable caps on play
 13 on the number rounds, and with the understanding
 14 that certain prime weekend tee times will be offered
 15 to non-residents first.
 16 That is why I recommend the plan put forth
 17 by Trustee Tonking, adjusting staff's
 18 recommendation. My only modification is to set
 19 couple's pricing at \$6,000 for the season, putting
 20 it on par with the individual pass. While I know
 21 the concept of couple's passes is controversial, the
 22 proposed couple's pass allows a couple equal pricing
 23 to a single pass holder without pricing and double
 24 the rounds.
 25 Also, as with all seasonal passes, the

39

1 the community gets a proper explanation of it. It's
 2 not necessarily discussion, but there is a lot of
 3 reasons behind, so I would like to see that removed
 4 from the consent calendar.
 5 Item general business G 1, I don't believe
 6 what is being presented is ready for prime time at
 7 this stage. We're trying to modify one policy and
 8 there's also board -- other board policies that
 9 still contradict it. I think there's still a lot of
 10 work to be done on this item.
 11 CHAIR SCHMITZ: I would request, as it
 12 relates to G 1, that we leave it on the agenda so
 13 that we can have a conversation and provide
 14 clarification and direction to staff. So I would
 15 counter that and request that it stay on the agenda.
 16 Are there any other changes or
 17 modifications?
 18 TRUSTEE DENT: Chair, I just request we
 19 have a flexible agenda. Not sure how all this works
 20 out, whatever order you put it in, I'm not opposed
 21 to that, but I'd make a motion for a flexible agenda
 22 once we figure out the order.
 23 CHAIR SCHMITZ: Okay. Then what I'd like
 24 to do is as it relates -- because of time
 25 sensitivity of consent F 2, we will make that new G

38

1 golf course gets paid in advance and all risk of
 2 utilization immediately shifts to the buyer.
 3 The adjustments proposed by Trustee
 4 Tonking result in a pricing plan fair to all
 5 stakeholders, and I hope adopted tonight by the
 6 Board.
 7 Thank you.
 8 MR. BELOTE: That was our last caller in
 9 the queue at this time, Chair.
 10 CHAIR SCHMITZ: Thank you. That will
 11 conclude public comment.
 12 D. APPROVAL OF THE AGENDA
 13 CHAIR SCHMITZ: Are there any recommended
 14 changes?
 15 TRUSTEE TONKING: I know that our agenda's
 16 already long, but I would like to remove F 5 and F 6
 17 from the consent calendar. And I would suggest
 18 moving item G 6 forward more because we have a lot
 19 of people who spoke on the golf rates, and so if we
 20 could allow them to not sit here all night.
 21 CHAIR SCHMITZ: Okay. Any other changes?
 22 TRUSTEE TULLOCH: I would like to request
 23 item F 2 to be removed from the consent calendar.
 24 Not so much because it's something that's generated
 25 a whole lot of emails to me, I think it's important

40

1 1. As it relates to F 5, also, I believe, is time
 2 sensitive, so will make that G 2, and then G 1 will
 3 be going down to G 3. And then what I would like to
 4 do with F 6, it is not time critical, so I would
 5 like to put that as our last agenda item, adding
 6 that to the end of the agenda.
 7 And if we don't have time to cover that
 8 this evening, we will defer that to our meeting in
 9 May. I'd like to try get all of us out at a
 10 reasonable time. We will leave that one to either
 11 be last or get moved to the next agenda.
 12 TRUSTEE TONKING: Are you still moving up
 13 G 6?
 14 CHAIR SCHMITZ: Ah. Thank you for
 15 reminding me.
 16 We will move G 6 up to -- why don't we
 17 move that after what is currently labeled G 2, so
 18 that will end up being G 5, and that's going to be
 19 the golf agenda item.
 20 I'm renumbering. We're going to -- just
 21 to recap, we will take consent item F 2, it will be
 22 G 1. We will take F 5, it will be G 2. Former G 1
 23 one is G 3. Then we will have G 4, which is the
 24 budget discussion. Then G 5 will be former G 6, the
 25 golf rate structure. Then we'll just push the

41

1 numbers down the line.

2 Any other changes to the agenda?

3 TRUSTEE DENT: I just move we have a

4 flexible agenda following the reorganization that

5 you just outlined.

6 CHAIR SCHMITZ: Second?

7 TRUSTEE TULLOCH: I'll second.

8 CHAIR SCHMITZ: All those in favor?

9 TRUSTEE TONKING: Aye.

10 TRUSTEE TULLOCH: Aye.

11 TRUSTEE NOBLE: Aye.

12 TRUSTEE DENT: Aye.

13 CHAIR SCHMITZ: Aye.

14 Motion passes, 5/0. Moving on to reports

15 to the board.

16 E. REPORTS TO THE BOARD

17 E 1. Federal Legislative Advocacy Marcus Faust

18 CHAIR SCHMITZ: We have -- first up is our

19 legislative advocate Marcus Faust. He will be

20 joining us online.

21 If you are able to to limit your

22 presentation to ten minutes and allow the trustee to

23 ask any questions after that, that will be great.

24 MR. FAUST: We will be happy to do so.

25 Thank you for inviting us to report.

42

1 Again, I have invited to join me Oliva Sanford, who

2 has been with our firm for 20 years, is very

3 familiar with all of the IVGID items and agenda

4 matters. We also have others who are observing the

5 live stream.

6 I'd like to begin with some historical

7 background that I think might be helpful. We have

8 attempted here to write out our report so that we

9 can be concise but complete within the timeframe

10 that we've been given.

11 So many years ago when IVGID came to me

12 and asked for some help with federal funding,

13 resources to help the District fund the effluent

14 export pipeline replacement project, we took a look

15 at all of the federal accounts and saw that outside

16 of EPA state-revolving loan fund programs, there

17 are very few federal buckets available to fund this

18 type of water and wastewater infrastructure.

19 I took the problem to the Nevada

20 Congressional Delegation, then lead by Reid, and we

21 actually created and drafted Section 595 of what was

22 that year's of Water Resources Development Act that

23 authorized the program with the Army Corps of

24 Engineers called the "Rural Nevada Program," that

25 provides rural communities, of which IVGID certainly

43

1 would be one, a very generous 75 percent federal

2 cost-share contribution to these water and

3 wastewater infrastructure projects in the small

4 systems. This is very significant because,

5 truthfully, most other federal programs are 50/50

6 cost shared at best.

7 To date, we have helped secure a total of

8 \$26 million in federal dollars for IVGID projects

9 from the Army Corps, and this includes funding to

10 IVGID for both completed restoration projects and

11 phase one of the effluent program, as well as other

12 environmental infrastructure programs.

13 The success of the Rural Nevada Program

14 spread, and soon our Nevada program was amended to

15 include other states. Today, it's now called the

16 "Section 595 Western Rural Water Program," and

17 supports infrastructure funding under the same terms

18 for six other western states, including Nevada. As

19 I mentioned, the 595 Program has significantly

20 funded different phases of the effluent export

21 pipeline project and the effluent storage tank

22 project.

23 Because of the importance of Lake Tahoe to

24 all Nevadans, IVGID's priorities have enjoyed strong

25 support from the entire Nevada Congressional

44

1 Delegation, including, I should mention, all three

2 members from Southern Nevada. Of equal importance

3 to our work with the Nevada Delegation is our work

4 with our partnership with the Army Corps of

5 Engineers.

6 Since my last report to the Board, IVGID

7 has been able to execute a new project partnership

8 agreement for just over \$5.7 million for the

9 effluent storage tank project through this Section

10 595 Program. This includes \$2 million that we found

11 from leftover funds from a Washoe County project

12 that was reprogrammed for IVGID.

13 The next phase of the construction of the

14 effluent export pipeline is essential, and we're

15 pleased to join the staff in reporting to you that

16 our project manager at the Corps, Roberta Tassi

17 (phonetic), has the clearance to the execution of a

18 project partnership agreement where the Corps will

19 provide another \$4.339 million from the 595 Program

20 to the pipeline project, adding to the already \$15.3

21 million that has come to the project historically.

22 We've also received additional federal

23 funding in the form of a \$1.6 million EPA earmark,

24 and over \$200,000 from the Forest Service under the

25 Lake Tahoe Restoration Act for the Crystal Peak

45

1 waterline replacement project.

2 I'm now going to invite my colleague Oliva

3 to continue our report by focusing on pending and

4 future legislative initiatives that we're working on on

5 your behalf.

6 MS. SANFORD: It's a pleasure to be here

7 with you.

8 Our top legislative priority has been to

9 pass the Incline Village Fire Protection Act, which

10 conveys to Forest Service two (inaudible) parcels to

11 IVGID. IVGID will maintain the parcels for public

12 purposes for wildfire risk reduction activities and

13 public recreation. This bill enjoys great support,

14 and our strategy has been to include this

15 legislation and any bill vehicle that really has a

16 chance to pass Congress this session.

17 Last May, Congressman Amodei introduced

18 the Northern Nevada Economic Development and

19 Conservation Act, and it included IVGID's bill. The

20 Northern Nevada bill has progressed in the

21 legislative process, and had a hearing just this

22 March in the House Subcommittee on Federal Lands.

23 The next step is for the full House Natural

24 Resources Committee to vote on the bill and send it

25 to the House floor. We expect all of that to happen

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1 later this summer.

2 In addition, Senator Jacky Rosen included

3 IVGID's land conveyance in a separate land's bill

4 for Washoe County, the Truckee Meadows Public Land

5 Management Act, and we anticipate there will be a

6 hearing on this bill in the Natural Resources

7 Committee soon.

8 Second legislative priority has been to

9 extend the Lake Tahoe Restoration Act, which expires

10 at the end of this year. The Lake Tahoe Act

11 supports IVGID's regional and federal priorities

12 related to water infrastructure needs, public

13 recreation, hazardous fuel management, and ongoing

14 investment infrastructure around the Tahoe basin.

15 Senator Cortez Masto and Congressman

16 Amodei have introduced the bill to extend these

17 Lake Tahoe programs for another ten years. Overall,

18 there's been great momentum in the House and Senate

19 to pass an omnibus public lands package during the

20 lame-duck session at the end of this year. We are

21 advancing IVGID's legislative priorities so they can

22 be included in that package.

23 Next, we have developed a strategy to help

24 IVGID access federal funding resources to accomplish

25 its many project needs. Our team has identified

47

1 diverse federal funding opportunities, with special

2 priority given to the effluent export pipeline, as

3 Marcus mentioned.

4 Our first recommendation was for IVGID to

5 pursue community project funding through the annual

6 congressional appropriations process. These CPF

7 funds are direct grants to public entities, and

8 they're not a loan. We helped IVGID navigate the

9 CPF funding process in fiscal year 2023 that Marcus

10 mentioned and got the 1.6 million from the EPA, and

11 those funds are available now for the pipeline.

12 In good news, the Appropriations Committee

13 also made the 595 Program eligible for community

14 projects funding too. The one issue is that because

15 this is now a west-wide program, we are facing more

16 competition for funding for it. But fiscal year

17 '24, just last year, Senator Cortez Masto and

18 Senator Rosen supported and championed a \$15 million

19 funding request for the effluent export pipeline for

20 IVGID under the 595 Program.

21 Despite that strong support, the project

22 was not funded in the final appropriations bill that

23 just passed in March.

24 So when Congress began the fiscal year '25

25 process just recently, we resubmitted the project

48

1 again, and members will -- are supposed to post

2 online in the next two weeks on the projects that

3 they support and are championing for fiscal year

4 '25, and we are hopeful that IVGID's will be part of

5 that again.

6 **In additional to the CPF process, we**

7 **continue to highlight funding opportunities that are**

8 **available right away through bipartisan**

9 **infrastructure law which funds infrastructure**

10 **programs through 2026. Specifically, that bill did**

11 **bolster Nevada's EPA State Revolving Loan Fund**

12 **Program for wastewater projects, and it's been good**

13 **to see IVGID successfully navigate that process to**

14 **qualify for loan opportunities for the effluent**

15 **pipeline.**

16 **Finally, our last recommendation was we**

17 **did a scan of all of the American Rescue Plan Act**

18 **funds that the State has, that Washoe County had,**

19 **but as I understand, funding has not materialized**

20 **from that pathway yet.**

21 **We know that IVGID has many project needs**

22 **in addition to the effluent pipeline. As Marcus**

23 **mentioned, the Lake Tahoe Restoration Act authorizes**

24 **and funds really important water infrastructure**

25 **programs around the Tahoe basin, so IVGID, our team**

1 is teamed up with Tahoe Water for Fire Suppression
2 Partnership to support and advocate for robust
3 federal funding for water infrastructure and
4 programs authorized through the Tahoe Restoration
5 Act.
6 To date, we've had some good successes in
7 that Congress has appropriated in more recent years
8 over \$4 million for water infrastructure projects
9 for fires assistance through the Lake Tahoe
10 Restoration Act. And this funding does benefit
11 IVGID's water projects that are on the environmental
12 improvement program list for TRPA.
13 To keep funding coming to Tahoe we, joined
14 other jurisdictions from around the Tahoe basin just
15 recently in March to ask Congress to extend the Lake
16 Tahoe Restoration Act as one request, but, most of
17 all, we asked Congress to continue to provide robust
18 and sustained funding for Tahoe programs, given that
19 the bill expires at the end of this year.
20 The response from members of Congress has
21 been positive. We will be sure to keep you updated
22 as Congress completes its working on the next budget
23 cycle.
24 Marcus, I'll turn the time back over to
25 your.

1 that off the top of my head.
2 TRUSTEE TULLOCH: Okay. Thank you.
3 CHAIR SCHMITZ: Seeing no other questions,
4 I just would like to thank you both for your time
5 this evening and for your informative presentation.
6 Thank you very much.
7 Moving on to item E 2.
8 E 2. General Manager's Monthly Status Report
9 MR. MAGEE: A few good news items to
10 report to the Board tonight.
11 I would like to say thank you to the human
12 resources department for facilitating a smooth
13 transition of Diamond Peak employees over to golf,
14 beaches, and parks and rec. So far, they have 49
15 employees that have transferred from ski to golf or
16 parks and recreation. And then an additional 31
17 employees who have returned to their perspective,
18 for the most part, former venues.
19 I know there's a lot of work that goes
20 into that, and I just wanted to recognize them for
21 that.
22 I went out and joined a kick-off meeting
23 with the golf staff, and there was a tremendous
24 amount of enthusiasm for the golf season starting
25 up. The driving range is now open, and they were

1 MR. FAUST: We're happy to respond to any
2 questions you may have.
3 CHAIR SCHMITZ: Thank you, both, for your
4 presentation. It was very informative and
5 optimistic. I hope that we are able to secure some
6 additional funds.
7 I will open it up to my fellow trustees.
8 Do you have any questions for Mr. Faust?
9 TRUSTEE TULLOCH: Could you just clarify
10 what the actual payments we've received that are
11 guaranteed for the effluent pipeline? In your
12 speech, you talked about 26 million, 15 million,
13 5.7, and I think there's some double counting there.
14 Can you just clarify exactly what funds
15 we've received just so the audience is aware.
16 MR. FAUST: So far, the pipeline has
17 received 15.3, just the pipeline. And there has
18 been, I think you're aware, since my last report an
19 award for the storage tank project of 5.7 million.
20 And we've been given approval for an additional
21 4.339 million for phase two of the export pipeline,
22 and that is in process.
23 TRUSTEE TULLOCH: Can you just clarify the
24 15.3 million, please?
25 MR. FAUST: I'm sorry, but I don't have

1 actually very excited about that.
2 On Monday, I stopped by the tennis center
3 as well. It has opened up as well. And the staff
4 out there at the tennis center was scrambling,
5 running around, and they were extremely happy to be
6 doing so and they expressed that to me as I was
7 watching how hard they were working.
8 The courses themselves, Championship is
9 scheduled to open up on May 10th, and then Mountain
10 on May 24th. Just wanted to bring that to the
11 public's attention.
12 Then as I mentioned previously at a
13 previous board meeting, I wanted to celebrate some
14 employees who have gone above and beyond from time
15 to time, and we have a few for this meeting.
16 And so out at the wastewater treatment
17 plant, there are two different centrifuges that
18 assist that plant with its operations.
19 Periodically, they need to take one of them offline
20 for some routine maintenance. They did that, and
21 the remaining centrifuge needed to be operating more
22 efficiently and that was to keep up with plant
23 loading and the Nevada Department of Environmental
24 Protection discharge permit requirements. There
25 were five individuals out there at the plant that

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1 stepped up and agreed to volunteer to work the
 2 weekend rotation and some addition overtime. And
 3 this was initially expected to be just for a few
 4 weeks, but it ended up being over ten weeks that
 5 these staff members really went above and beyond.
 6 I wanted to recognize Bob Olsen, Tim
 7 Bower, Bill Robbins, Jason Patterson, and John
 8 Williams for really stepping up and going above and
 9 beyond the call of duty. It was really appreciated.
 10 We wanted to give a huge shout-out to the
 11 information technology Matts. Matt Cool and Matt
 12 Belote from our IT department for successful
 13 completion of some IT certifications. While both
 14 Matts were successful in their completion of these
 15 certificates, I do want to mention specifically that
 16 Matt Cool's certification is especially noteworthy.
 17 It is well known that over 90 percent of
 18 the students sitting for this particular certificate
 19 quit before the exam phase even begins, and of the
 20 ten percent of the students who actually take the
 21 exam, 50 percent of them fail on the first attempt.
 22 On Matt Cool's first attempt, he was completely
 23 successful, and it's a Cisco certification and it's
 24 an incredible achievement by Matt. I wanted to
 25 point that out.

55

1 appreciate this. I appreciate the monthly reports
 2 you've given us for what they include at the moment.
 3 In a 45-plus-year professional career,
 4 I've had to submit lots of monthly reports to
 5 bosses. I've also had lots of subordinates
 6 submitted monthly reports to me. During that 45
 7 years, I've never seen monthly reports to include no
 8 details of financials or what is happening in the
 9 business units. I'm not sure how we can actually --
 10 how the Board can actually monitor what's actually
 11 happening, performances, without any financials.
 12 If I look at the treasurer's report on
 13 page 5, you'll see that we're 900,000 over in gross
 14 payroll expenses at the end of March, so that's
 15 running towards a 1.2 million overspend.
 16 We just heard a couple of meetings ago,
 17 747,000 deficit at the Mountain Course.
 18 When will we start getting some financial
 19 figures towards these? Because, otherwise, the
 20 monthly report can be all unicorns and fairies, but
 21 without any details, it doesn't help us understand
 22 how the business is performing. And that is
 23 particularly important when we're running what are
 24 supposedly commercial businesses.
 25 MR. MAGEE: So, to answer your question,

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1 I'd also like to congratulate Jose Ortega
 2 from Parks for successful completion of
 3 parks-related training, and Betsy Garfinkle, who on
 4 her own time completed a large number of trainings
 5 from UNR's agriculture extension, and she's received
 6 a certified nursery worker designation. That's
 7 another neat one.
 8 Finally, Jessie Melsome from the
 9 compliance division passed his Nevada drinking water
 10 distribution operator grade 3 license. And then
 11 once that required field experience is competed,
 12 that license becomes a full certification.
 13 And I think that all of these employees
 14 deserve to be celebrated for certainly improving
 15 themselves and making them more valuable employees
 16 to the District. I would like the say
 17 congratulations to everyone on the IVGID team. I'm
 18 incredibly proud of the accomplishments that I had
 19 an opportunity to present tonight.
 20 Thank you.
 21 CHAIR SCHMITZ: Thank you for sharing
 22 that. Are there any questions for Mr. Magee
 23 relative to his report?
 24 TRUSTEE TULLOCH: I hate letting an
 25 opportunity pass. Thank you, Mr. Magee, I

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1 Mr. Cripps and the entire finance team has been
 2 working on generating these reports through the
 3 Tyler Enterprise System, which was formerly known as
 4 Munis. I don't want to speak on Mr. Cripps' behalf,
 5 but I know they're dangerously close to being able
 6 to produce these report, and is I think we can start
 7 including them in future venue status reports.
 8 TRUSTEE TULLOCH: Okay. Thank you.
 9 I look forward to it because we're going
 10 to be looking at budget numbers, we're going to look
 11 at the budget in ten days' time with no real
 12 information of what's happening with our different
 13 venues or performance. I think that can't come soon
 14 enough.
 15 Thank you.
 16 CHAIR SCHMITZ: Moving on.
 17 E 3. Close-Out Reports
 18 CHAIR SCHMITZ: Receiving the close-out
 19 reports from interim Director of Public Works
 20 Nelson. They can be found on pages 38 through 50.
 21 Are there any questions relative to close
 22 out reports?
 23 Seeing none, we will move on.
 24 E 4. Treasurer's Report
 25 CHAIR SCHMITZ: Found on pages 51 through

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1 75.
 2 TRUSTEE TULLOCH: In recognition of we've
 3 got a very full agenda tonight, I won't spend much
 4 time going through the report. It's in the same
 5 format as last month, apart from the fact that we've
 6 now shown all the payments, the vendor payments,
 7 they're actually in alphabetic order so we can
 8 actually see straightaway where payments are going.
 9 I would also like to suggest, if I look at
 10 our online reporting and weekly payments and things,
 11 I think we should be replacing that with the
 12 information contained in the treasurer's report,
 13 both in the monthly payments and the monthly
 14 procurement card payments. I think that would help
 15 to keep make sure that we're all reporting
 16 consistently and things.
 17 But, otherwise, it's -- the only other
 18 thing I'll note, as I just mentioned, we're
 19 currently running on target to go 1.2 million over
 20 in payroll expenses for the year, which does concern
 21 me.
 22 But I'll take any questions on the report.
 23 CHAIR SCHMITZ: Any questions?
 24 Seeing none, I would like to also agree
 25 with Trustee Tulloch that on the website, I think

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1 that what's in this treasurer's report contains what
 2 we have produced in the past, plus more. I really
 3 think they should be published in the monthly bill
 4 payment section.
 5 Moving on, then, that would close out
 6 reports to the Board. Moving on to the consent
 7 calendar.
 8 F. CONSENT CALENDAR
 9 F 1. Effluent Pipeline Project
 10 F 3. Sand Harbor Water Sports
 11 F 4. Incline Spirits
 12 CHAIR SCHMITZ: Just to be clear, consent
 13 calendar items 2, 5, and 6 have been removed. Those
 14 making a motion, that would exclude those items.
 15 TRUSTEE TONKING: I move the Board approve
 16 the consent calendar.
 17 CHAIR SCHMITZ: Motion's been made.
 18 Second?
 19 TRUSTEE TULLOCH: I'll second.
 20 CHAIR SCHMITZ: All those in favor?
 21 TRUSTEE TONKING: Aye.
 22 TRUSTEE TULLOCH: Aye.
 23 TRUSTEE NOBLE: Aye.
 24 TRUSTEE DENT: Aye.
 25 CHAIR SCHMITZ: Aye.
 Now we will be moving on to general

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1 business.
 2 G. GENERAL BUSINESS
 3 G 1. Boat Lanch Stickers
 4 CHAIR SCHMITZ: And general business new G
 5 1 is former consent F 2, and that is to review,
 6 discuss the agreement with TRPA for the stickers at
 7 the boat launch, on pages 88 through 103.
 8 Would you like to ask questions, and then
 9 allow Mr. Magee?
 10 TRUSTEE TULLOCH: When I read this
 11 proposal, I was, like so many of the community,
 12 flabbergasted at the amount of work we're expected
 13 to be doing for \$800, which wouldn't even cover our
 14 card processing costs.
 15 I've since been informed that it's -- by
 16 legal counsel, that we don't have any choice about
 17 this if we want to launch boats.
 18 The reason I asked for this to be removed
 19 from the consent calendar was so that the community
 20 could understand why we're doing something that
 21 seems to be patently stupid on the face of it.
 22 Perhaps legal counsel can give the same explanation
 23 given to us earlier.
 24 MR. RUDIN: Yeah, I mean, TRPA has the
 25 authority to set standards and requirements for the

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1 protection of the lake. One of the requirements in
 2 the TRPA code is that anybody who operates a boat
 3 launch facility have a seal inspection program that
 4 complies with TRPA standards. This is one of the
 5 ways that the District has that and is allowed to
 6 maintain its boat launch facility open and
 7 operational.
 8 I think one of the other key benefits
 9 here, of course, is the TRPA code imposes the duty
 10 on individuals who are launching boats to keep them
 11 free from invasive species. If you're not complying
 12 with the inspection requirements and seal program,
 13 basically the TRPA code imposes the cost of cleanup
 14 of invasive species on people who are violaters.
 15 One, keeping in this agreement is that it
 16 requires TRPA to indemnify the District from any
 17 sort of claims related to invasive species provided
 18 that we're not grossly negligent or intentionally
 19 introducing invasive species, so that is an
 20 important thing for the protection of the District
 21 under this agreement.
 22 TRUSTEE TULLOCH: Thank you, legal
 23 counsel.
 24 One clarification, can you confirm that
 25 we're not actually doing decontamination to boats;

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1 were just doing inspections?

2 MR. RUDIN: There are a number of

3 requirements in this agreement. In talking with the

4 General Manager, I understand that District staff

5 have been trained on all those requirements and are

6 actually implementing all the requirements in this

7 agreement.

8 Yes, in general, the District is primarily

9 responsible for complying with the seal inspection

10 program, and handling that aspect of it, I don't

11 think we actually do the decontamination.

12 TRUSTEE TULLOCH: And this is will be

13 restricted to residents who are entitled to launch

14 facilities. This won't be open to the general

15 public?

16 MR. RUDIN: I'll let the District manager

17 field that.

18 MR. MAGEE: I think the first thing I

19 should do before answering that question, if it's

20 okay with the Board, is introduce Mr. Craig Bronson

21 from Baker Tilly.

22 One of things that I was working on with

23 the former Parks and Rec director when she initially

24 notified me of her intent to resign, she expressed

25 concern that she had a large number of projects that

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1 she was working on that needed to come before the

2 Board. And we needed to, essentially, pivot on a

3 dime and make sure that these things continued to

4 move forward.

5 As the Board is aware, we had a contract

6 in place with Baker Tilly, their consulting wing, to

7 provide services to the District already. And so I

8 reached out, knowing that we had this contract

9 already, and ask if they had any parks and

10 recreation professionals. Mr. Bronson was available

11 and is a fairly local resident. He lives in Reno.

12 I started talking to him. Mr. Bronson has

13 over 30 years of director-level experience in

14 specifically parks and rec functions, both at

15 municipalities and with special districts, so he's

16 very well versed in these matters.

17 Of the items on the Board's agenda tonight

18 that are related to the Parks and Recreation

19 department, I asked him to come in and pick these

20 things up with run with them so that they would be

21 ready for tonight's agenda. He's certainly taken

22 the lead on that. He's been working on these part

23 time for about two weeks now, he's probably about 16

24 to 20 hours into these.

25 He's done a significant amount of research

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1 on each one of these items tonight, so I'd like to

2 pass it to Craig to answer that question.

3 MR. BRONSON: Good evening. My name's

4 Craig Bronson. I special advise with Baker Tilly.

5 I've got over 37 years full-time experience in the

6 parks and recreation profession, and I've been

7 consulting for the last ten years in about 60

8 agencies across the United States. And fortunate to

9 move to Reno five years ago, so I was there when

10 Bobby called.

11 I'm in my second week, so what I've been

12 doing on all these staff reports is relying on

13 staff, relying on expertise. I've been pulling

14 everything together so that we can at least get them

15 in front of you. I can't necessarily answer all the

16 technical. We do have our beach supervisor here

17 tonight if you have any questions on the specific

18 operations.

19 In answer to your question, yes, it's

20 available only to the residents. And as I read

21 this, from my perspective, these are the

22 requirements. It's not negotiable in the sense that

23 TRPA requires this of anybody who is going to have a

24 boat launch apparatus. And if you don't follow

25 their guidelines or sign the agreement, then you

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1 can't launch boats.

2 So from that perspective, you're providing

3 a convenience for your residents, which is very

4 nice. It's unfortunate that you don't get to

5 recover more of what your actual expenses do, but I

6 think in a sense, what everybody's trying to do for

7 Lake Tahoe to protect it, from my perspective, this

8 is something I think the Board should move forward

9 with.

10 TRUSTEE TULLOCH: That's all I wanted to

11 confirm, it's only residents. And I'm assuming that

12 our boat launch fees will be reflecting these costs

13 as well.

14 CHAIR SCHMITZ: I believe the boat launch

15 fees have already been set for this season. It's

16 not something that we will be able to alter this

17 coming season, I don't believe.

18 Would anyone like make a motion?

19 TRUSTEE TONKING: I move that the Board of

20 Trustees approve the agreement with TRPA to sticker

21 boats at the Incline Beach boat ramp.

22 CHAIR SCHMITZ: Motion's been made. Is

23 there a second?

24 TRUSTEE DENT: Second.

25 CHAIR SCHMITZ: All those in favor?

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1 TRUSTEE TONKING: Aye.
 2 TRUSTEE TULLOCH: Aye.
 3 TRUSTEE NOBLE: Aye.
 4 TRUSTEE DENT: Aye.
 5 CHAIR SCHMITZ: Aye.
 6 Motion passes 5/0. Moving on to new G 2,
 7 formerly F 5.
 8 G 2. Public Records Request Services
 9 CHAIR SCHMITZ: Review, discuss, and
 10 approve an agreement with Best Best and Krieger for
 11 public records request services. General Manager
 12 Bobby Magee. Can be found on pages 114 through 117.
 13 MR. MAGEE: Yeah, so the recommended
 14 action on this item is to review, discuss, and
 15 approve an agreement with BBK for some public
 16 records requests services.
 17 The amount of public records that we have
 18 been receiving continues to accelerate. And so as
 19 of today, just a little over four months into
 20 the year, we have 66 outstanding public records
 21 requests, many of those have been closed. But the
 22 sheer amount of these and the increasing complexity
 23 of these is starting to dramatically affect staff
 24 time.
 25 And so the recommended action is to shift

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1 this type of activity over to BBK. They already
 2 have a division which handles this type of activity
 3 for multiple municipalities, and so we believe that
 4 it would be appropriate to shift these duties at
 5 this time and to allow staff to continue with their
 6 routine normal work.
 7 CHAIR SCHMITZ: Any questions?
 8 TRUSTEE TONKING: What fund is this
 9 expense coming out of?
 10 MR. MAGEE: The intention of this is that
 11 the -- and I apologize. I should have put that in
 12 the staff report and I didn't.
 13 The intention is is that the nature of the
 14 request, wherever that information would be coming
 15 from and some of the staff time and research that
 16 would have to go into that as well, would be coming
 17 out of that individual fund.
 18 It would, theoretically, be coming out of
 19 almost every fund.
 20 TRUSTEE TONKING: Has this been budgeted,
 21 and how do we handle this currently in terms of
 22 funding?
 23 MR. MAGEE: This is unbudgeted. We do
 24 believe that -- I did talk to the Assistant Director
 25 of Finance, and we believe that we can absorb this

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1 for the remainder of this budget within existing
 2 appropriations. And for next year, it will be
 3 included in the budget.
 4 How we're handling it right now, it's
 5 literally just taking away from existing budgeted
 6 staff time.
 7 CHAIR SCHMITZ: Any other questions?
 8 TRUSTEE TONKING: What do you mean when
 9 you're saying "existing budgeted staff time"?
 10 Because staff -- a lot of the staff is salaried. So
 11 I'm confused about that.
 12 MR. MAGEE: Right. Yes. And to your
 13 point, through the budget process, full-time,
 14 salaried employees are in the existing budget, and
 15 so they have a number of duties that they are
 16 expected to perform as a matter of routine work.
 17 Their work is being deferred as they focus more on
 18 these increasing number of public records requests.
 19 TRUSTEE TULLOCH: Just in terms of the
 20 process in terms of the coverage, I take it this --
 21 in terms of process, BBK will be guaranteeing that
 22 the compliance, we won't end up in a situation like
 23 we did a few years ago with the Mark Smith case and
 24 public records?
 25 MR. MAGEE: I'm not familiar with that

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1 case.
 2 MR. RUDIN: The short answer yes. I think
 3 we would be held to the professional standard of
 4 care in our advising and handling of those records
 5 requests.
 6 And, again, at the end of the day, if
 7 there are decisions to be made with regards to edge
 8 cases, we would be going to management and informing
 9 them and advising them as to what the risks are of
 10 withholding certain records where the law may not be
 11 crystal clear, and letting management make that
 12 decision.
 13 CHAIR SCHMITZ: Any other questions?
 14 I have a question, and that is when we're
 15 talking about the general fund and we're talking
 16 about unbudgeted and what have you, what is going to
 17 be the impact of this, and do we have the ability to
 18 charge for extensive public records requests?
 19 I have asked this question before, and I
 20 have been told we are not able to charge for
 21 extensive public records requests.
 22 MR. RUDIN: That is correct. There used
 23 to be a provision in the Nevada public records law
 24 that allowed for public agencies to charge for
 25 extraordinary expenses. In 2019, the legislature

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1 removed those provisions, with the basic
 2 understanding that the costs -- compliance with the
 3 Public Records Act would be borne by public
 4 agencies.

5 CHAIR SCHMITZ: I think it would be
 6 important for staff to evaluate the situation with
 7 public records requests and determine if there are
 8 any actions that can be taken to try to reduce or
 9 significantly reduce the number and quantity of the
 10 public records requests.

11 What can we do differently so that,
 12 perhaps, we can reduce the number of requests? I
 13 mean, let's be proactive in some way. I don't know.
 14 I don't see the public records requests and know the
 15 details of it, but if there is something that we can
 16 do to try to be more transparent and reduce the
 17 requests and the intensity of the requests, I think
 18 we should try to accommodate that.

19 TRUSTEE TONKING: I just wanted to state
 20 I'm going to be a no on this because I just looked
 21 through the public records requests, of the 35 we
 22 have, 21 of them fall within the general fund
 23 categories. I think that's going to be a huge hit
 24 to the general fund, the money we don't have.

25 TRUSTEE TULLOCH: It's great to say it's a

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1 hit to the fund because we start seeing the real
 2 cost of it. At the moment, if it's taking up a lot
 3 of staff time, we find the situation in the finance
 4 department this year where there's so many records
 5 requests that were going through the finance
 6 department that we weren't doing our basic jobs like
 7 reconciling bank balances and things.

8 And it's a bit like where we ended up in
 9 litigation, you pay for it now or you pay for it
 10 later, so it's really a case of let's -- it should
 11 become a wash in that respect.

12 CHAIR SCHMITZ: Any other comments or
 13 questions on this agenda item? Would anyone care to
 14 make a motion?

15 TRUSTEE DENT: I move that we accept
 16 staff's recommendation at the bottom of page 114.

17 TRUSTEE TULLOCH: I'll second.

18 CHAIR SCHMITZ: A motion has been made and
 19 seconded. All those in favor?

20 TRUSTEE TULLOCH: Aye.

21 TRUSTEE NOBLE: Aye.

22 TRUSTEE DENT: Aye.

23 CHAIR SCHMITZ: Aye.

24 Opposed?

25 TRUSTEE TONKING: No.

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1 CHAIR SCHMITZ: Motion passes four to one.
 2 Moving on to what was formerly G 1, now is G 3.
 3 G 3. Board Practice 6.2, Pricing Policy

4 CHAIR SCHMITZ: Review, discuss, and
 5 approve Board Practice 6.2, budgeting and fiscal
 6 management for products and services, better known
 7 as the pricing policy, found on pages 152 through
 8 192.

9 I will hand the floor over to Director of
 10 Administrative Services Herron, and I would like
 11 that she explain to the Board what the objectives
 12 are here for this and what the process is and what
 13 the next steps are.

14 MS. HERRON: Your materials can be found
 15 starting on page 152.

16 What we did was we, staff and I, went
 17 through the submitted questions that we had, we took
 18 those questions, and on page 153, we answered each
 19 one of those question. And then what we did is --
 20 you can see on page 157, down at the bottom, we had
 21 some specific staff proposed changes which we
 22 incorporated into the practice.

23 And then in your attachments, you have the
 24 current version attached to that. There are some
 25 program proposal forms, which was an answer to a

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1 question. Then there was Policy 141, which was an
 2 answer to a question. And then on Exhibit D, you
 3 have your redline with all the changes. And then on
 4 Exhibit E, you have all the changes accepted into
 5 the policy, and that's what we're recommending be
 6 approved tonight.

7 CHAIR SCHMITZ: Questions for Ms. Herron?

8 TRUSTEE TULLOCH: The reason I asked for
 9 this to be pulled is that we have various Board
 10 practices Board policies here. This is just dealing
 11 with this one policy. There's various other Board
 12 resolutions.

13 When I go through this document by itself,
 14 I still see several contradictions within it. I did
 15 submit a redlined version of it.

16 I come back to the original question:
 17 What is the issue we're trying to solve here? I'm
 18 not quite sure why we then go into huge detail
 19 giving all sorts of people, venue managers, are not
 20 necessarily defined, I'm not sure if it's venue
 21 manager, the directors, the venue manager, the
 22 person at the gate at the time.

23 If we have board policies, we're setting
 24 board policies on pricing, we're approving various
 25 different price proposals, yet I read through this

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1 and a venue manager can then go in and change
 2 regardless. We've just seen in the director's
 3 report, we don't have any financials, but then we
 4 say, well, venue managers can change the pricing to
 5 meet price targets based on that, but they have no
 6 information.

7 I'm not quite sure what the problem we're
 8 trying to solve here is. I think we need to go
 9 through the Board resolutions as well. I think we
 10 need to do all this as a single entity. I don't
 11 think we can change -- go through one policy, make
 12 some adjustments, but not make sure everything is
 13 consistent. I think all these need to hang
 14 together.

15 I would suggest that we go through all the
 16 various board resolutions setting rates for
 17 non-profits. Here, if I look at this document, we
 18 set the same, basically, the same target, the same
 19 for group rates as for non-profits. We don't define
 20 non-profits as 501C3s and things here.

21 So, I mean, I think we need to clean this
 22 up. If we're going to be giving discounts, we need
 23 to make sure all this is consistent and we actually
 24 go through and make sure everything ties together.
 25 My view.

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1 make sure that we're being consistent and that we're
 2 bringing policies forward that make sense for all
 3 interested parties.

4 TRUSTEE TULLOCH: I agree that we can't
 5 get through all the policies at once, but I think
 6 when we start addressing a policy, we also need to
 7 look at the Board resolutions that contradict that.
 8 I think we need to look at them as a whole.

9 I agree, this is very important. When I
 10 read through it, it's basically -- I mean, if I was
 11 being facetious, I could say our venue manager can
 12 just basically set any price they want if I used all
 13 the flexibility that is included there. That
 14 defeats the object of and the Board setting pricing
 15 for various different venues and things.

16 I think we need to -- I think this is a
 17 great one to start with, but let's make sure we
 18 address all the resolutions and make sure, if we
 19 need to change some of the Board resolutions or
 20 there's questions around that, I think we need to
 21 address them all as a whole, as an integrated unit.

22 CHAIR SCHMITZ: Any other questions or
 23 comments?

24 TRUSTEE DENT: I, too, had the question:
 25 What are we trying to solve with this? I think

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1 CHAIR SCHMITZ: With that, I guess I'd go
 2 back to my question, which is what is the objective
 3 of this document? What is it that is -- what was
 4 the intention of making the modifications? What is
 5 the goal that we're trying to achieve?

6 MS. HERRON: I was asked to review the
 7 practice with staff. That request came from the
 8 District General Manager, so I'll turn that over to
 9 him.

10 MR. MAGEE: I've received a number of
 11 requests for clarifications, not only from various
 12 trustees, but also from staff on a lot of different
 13 policies. To Trustee Tulloch's point, this is one
 14 of the first ones that we felt was important to look
 15 at because this relates to our budgeting and our
 16 budgeting process, and we felt like this is
 17 important to do this.

18 Now, I certainly understand Trustee
 19 Tulloch's point, and that is our intention to start
 20 looking at all of these policies, but I think it
 21 would be a real challenge for staff to get to all of
 22 them at once. This was the first one that I asked
 23 the Director of Administrative Services to take a
 24 look at. Her and I have talked about it, and
 25 there's a number of others that we would like to

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1 there's a lot more we could bite off than just a
 2 couple minor changes that are included in the
 3 redline.

4 In years past when this was developed,
 5 this was to comply with statute; right? We put this
 6 policy in place. Just like any policy, as you look
 7 at it for a little while, you start to see there's
 8 errors and areas where we can improve.

9 I think, overall, as we put pricing
 10 together for the different venues, we should have --
 11 this should be a structure, I would say, for the
 12 different venues. And when it comes to -- there's a
 13 comment in here about we assume that the pricing
 14 pyramid only applies to the Parks and Rec because
 15 that's the only time it's referenced in here.

16 And remembering back when the three of us
 17 were on the Board and we were working through this,
 18 the intent was -- we'll take Mountain Golf Course
 19 for an example, we know that Mountain Golf Course is
 20 subsidized, we know what the operations are, and the
 21 boards have been fine with that in the past. We
 22 know it serves the community. And if you look at
 23 the pricing pyramid, that would be more towards the
 24 top of the pricing pyramid.

25 I think it's important as we look at each

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1 of these venues, we state, as a board, or staff
 2 references each one of those venues and how we're
 3 conducting, say, the pricing, because it really
 4 starts to steer the ship when it comes to the budget
 5 process.
 6 I understand why this is important, why we
 7 should be looking at it now. I also see that there
 8 are a lot of potential errors with it if you're not
 9 taking everything else into account, but I think
 10 it's a draft, it's a starting point. It would be
 11 nice to have this a little bit further along so we
 12 could at least steer the ship and provide feedback
 13 to staff, given that they're bringing the budget
 14 forward ten days from now.
 15 TRUSTEE TONKING: I think the concern with
 16 that is we did this policy a year and a half ago, so
 17 it wasn't that long ago that we worked on this, and
 18 we were all there then.
 19 This other thing I was thinking about is
 20 we need to think about how, like, if we want to talk
 21 about the pyramid, the only time we have as a board,
 22 collectively agreed on the pyramid, an explicit
 23 motion, is around Parks and Rec. So until we, as a
 24 board, have a conversation on it, I don't think we
 25 can just keep utilizing it how we're like, oh, well

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1 this -- because we do X, Y, and Z, I think we need
 2 to actually talk about the pyramid. Maybe that's
 3 our first step and that could guide the pricing
 4 policy in some ways.
 5 But we haven't actually had a full board
 6 conversation on it and motions.
 7 CHAIR SCHMITZ: As it relates to that,
 8 it's not really for the Board's discussion. It's an
 9 element of where do our budgets come in? What do
 10 our budgets -- and when we are pricing things,
 11 whether it's pricing golf at Mountain or golf at
 12 Champ or ski passes, what have you, the intent -- I
 13 submitted -- I didn't submit questions, I submitted
 14 suggestions of how this should be enhanced. And
 15 want we to do, from my perspective, is to have
 16 transparency, consistency, and be clear about how
 17 we're pricing.
 18 And if we are pricing things using the
 19 pricing pyramid, for instance for parks or rec to
 20 say these programs are either subsidized or they
 21 aren't, and here's the percent that we're
 22 subsidizing them. I don't think us, as a board,
 23 have enough information. I think staff needs to go
 24 through these, venue by venue, so that we do have
 25 consistency and clarity.

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1 Because in this, I guess I saw something
 2 where it says, "The District has a quiet discount."
 3 I don't know why we would want to not inform all of
 4 our constituents of what the discounts are at
 5 various venues. We should be open and transparent,
 6 and everyone should have the same information.
 7 So when it comes to, let's use food and
 8 beverage as an example, is the food and beverage
 9 discount at Diamond Peak the same as the food and
 10 beverage discount at The Grille?
 11 It's an element of saying we're going to
 12 lay this out by venue, but by going through that
 13 process, we inherently start becoming consistent and
 14 transparent. And that way our community members are
 15 not confused about how does the discount work at The
 16 Grille compared to at Diamond Peak food? That sort
 17 of thing.
 18 I think that I agree with Trustee
 19 Tulloch's comments about the resolution because
 20 there also isn't per venue clarity as far as what is
 21 the pricing discount for local non-profits? What is
 22 it? What is the markup compared to what we charge
 23 non-residents?
 24 And so when I had submitted my
 25 information, it wasn't really about questions, it

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1 was really to say I think that's what the Board --
 2 would be helpful, not only for the Board, but for
 3 our community members and for our staff at all of
 4 the venues to clearly know, okay, this is how we
 5 price products and we're doing it consistently and
 6 we have discounts that are being applied
 7 consistently and where do we have subsidization.
 8 And so that we can all make a conscious decision,
 9 because we do know we subsidize Mountain Course.
 10 And last year, we realized we subsidized it at a
 11 rate of about 33 percent, which we all, when we
 12 discussed it, were comfortable with because it was
 13 the top of the pyramid.
 14 To have this document by venue being more
 15 clear and more specific and including all aspects of
 16 what each venue has to offer and incorporate, like
 17 the non-profit, what is the markup? Because we
 18 should be consistent at venues with what we charge
 19 the Incliners compared to the Republican Women's
 20 Group, what have you. There just should be
 21 consistency and transparency.
 22 Those were the things that I had suggested
 23 in this document, and the intention was to help the
 24 budgeting process and help the trustees make
 25 decisions as it relates to rates. Because,

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1 otherwise, we're always struggling of where do the
 2 rates come in?
 3 MR. MAGEE: Just for clarity, I did
 4 receive input from multiple individual trustees,
 5 which is very common on an item like this, as well
 6 as a number of staff. And I will say that Ms.
 7 Herron has put a lot of work into this, and I know
 8 that she has really taken this seriously and gone
 9 out and talked to a lot of people and gathered a lot
 10 of opinions on it. This is the recommended action
 11 for tonight.
 12 However, I've heard a lot of feedback from
 13 individual trustees. I would say that,
 14 alternatively, if the Board directed staff to -- if
 15 the full Board directed staff to incorporate some of
 16 the ideas that we heard tonight, we can certainly do
 17 that and bring it back at a later date.
 18 CHAIR SCHMITZ: Any other questions,
 19 comments?
 20 Thank you for all of your efforts on this,
 21 and thank you -- do we want to put it on the long
 22 range calendar for end of May, our next meeting?
 23 TRUSTEE TONKING: I was also hoping, on
 24 the budget workshop, maybe staff could speak a
 25 little to some of the pyramid stuff as they present

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1 With regards to zero-based budgeting, the
 2 major changes, building the budget from ground zero.
 3 In prior years, what was done is the accounts were
 4 actually set at a baseline level. So when a new
 5 fiscal year was opened in the system, it would just
 6 take a prior fiscal year as a baseline, and they
 7 would manage and move numbers from that position
 8 forward.
 9 What we've done for this year is every
 10 single account was zeroed out. From there, then
 11 staff had to go in and -- for every account number,
 12 staff had to enter a budget for specifically,
 13 manually, so there was no baseline to go off of, it
 14 was done with analysis and research for each line.
 15 This year, there's not going to be any budget for
 16 depreciation. Depreciation is a non-cash
 17 expenditure, and these items were actually
 18 previously budgeted.
 19 The methodology of budget reporting, the
 20 training of departments now allows them to have
 21 opportunity to run their budget reports. And so
 22 this is going to, of course, roll forward and allows
 23 the venues to manage their budgets in a more timely
 24 manner, they can actually do it in realtime.
 25 Instead of having to send a request over to finance,

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1 their budget, and that might really help make this
 2 policy clear.
 3 CHAIR SCHMITZ: That would be great.
 4 With that, we'll take a ten-minute break
 5 and be back at five to 8:00. Thank you.
 6 (Recess from 7:42 p.m. to 7:50 p.m.)
 7 CHAIR SCHMITZ: Move on to G 2, now
 8 renumbered G 4.
 9 G 4. Report on Fiscal '24/'25 Budget
 10 CHAIR SCHMITZ: That is the report on the
 11 fiscal '24/'25 budget, page 93 and the supplemental
 12 material that can be found on the website or here at
 13 the table.
 14 MR. CRIPPS: What were going to be
 15 discussing is part of the upcoming fiscal year
 16 '24/'25 budget, some of the processes that were
 17 changed, and, of course, based on the Board's
 18 recommendation, bringing in front of you one of the
 19 departments that we're taking a look at.
 20 So, some of the topics of discussion this
 21 evening are going to be your zero-based budgeting,
 22 training departments on the Enterprise ERP system,
 23 which was formerly known as Munis, the review
 24 process with the budget team, and review of
 25 personnel costs and allocations splits.

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1 they can just really log in, run the report
 2 themselves based on what venue they are deciding to
 3 look at at that time, and really get the numbers
 4 with how their actuals-to-budget are falling.
 5 During this period, one of items that was
 6 required was a justification of the expenditures,
 7 and what this is is the Enterprise system actually
 8 has a separate section, so you can put in a number,
 9 and then from there you put in the details that
 10 support that number. That was a requirement of
 11 this year's budget.
 12 And then one of the other major changes is
 13 they review in consolidation of the accounts.
 14 Currently, the chart of accounts has over 23,000
 15 active accounts. This is a product of the original
 16 implementation team, but an agency the size of
 17 IVGID, we would like to see maybe around a quarter
 18 of that.
 19 Through this budget, there has been
 20 several opportunities, A, to consolidate accounts,
 21 what accounts are being uses? Are they able to be
 22 managed within a higher level? Maybe not
 23 necessarily a roll-up, but a higher-level account?
 24 But then at the same time, are all the accounts
 25 making sense for the venues specifically? Do we

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1 have opportunities to say that certain venues
2 require certain special accounts? And give those to
3 them specifically.
4 It really was a deep dive look into it,
5 and where there are still several accounts that are
6 still active, to deactivate them is a really
7 hands-on type of situation, so that will take some
8 time.
9 The Tyler Enterprise ERP, again, formerly
10 known as Munis, the finance department did receive
11 specialized training from Tyler Technologies
12 professionals. The training was actually done
13 virtually, but what the Tyler Technology
14 professionals would do is they would actually allow
15 hands-on testing for staff to go through and
16 actually get hands-on experience before going live
17 and putting it into the real system.
18 We were able to have a professional sit
19 with us for a full day, going through training, and
20 then through that training, we were then able to go
21 out district-wide and train staff. Since there are
22 at this time 34 employees district-wide that are
23 trained in budget entry into the Enterprise system,
24 and the makeup of this is going to be your
25 department heads and venue managers. Those 34

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1 an opportunity to really dial in what were the
2 personnel costs laid and make sure that they were
3 appropriate for the person in the position.
4 And this also is a precursor to being able
5 to handle it systematically within the Enterprise
6 ERP system. It will actually have two separate
7 modules that will begin to communicate with each
8 other, that way, systematically, the system will be
9 able to handle both sides of the personnel budget on
10 its own based off of position control, and then it
11 will also speak and integrate with the budget
12 control system in the upcoming fiscal years.
13 Capital versus expense, finance is working
14 with each department to support greater budget
15 accuracy with projects to be capitalized versus
16 projects that are to be expensed. I have some
17 examples of this later on.
18 Per the Board's request, I did want to
19 bring up a department for review, and so tonight I'm
20 going to be speaking on the utilities fund budget.
21 The utilities fund budget was budgeted in accordance
22 with the 2023 rate fee study, showing the '24/'25
23 proposed rates. And so in this fee study, it did
24 have levels of rates for each fiscal year, and so of
25 course, accordingly, we budgeted for the upcoming

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1 employees, while we had them, we actually did also
2 train them in the year-to-date budget reporting.
3 And, again this is a facet of trying to extend
4 allowing the managers to operate their venues more
5 efficiently.
6 The review process with the budget team,
7 there was a three-person budget team that was
8 assembled this year, and they were assigned to all
9 budget areas. Each individual did have their own
10 section of the District, however, they were
11 available district-wide for help so that way we had
12 coverage every day of the workweek. Whenever the
13 venues needed help or getting anything coded, we
14 were there for them.
15 The review of personnel costs and
16 allocations splits. The personnel budgets were not
17 entered at the department level. Human resources
18 maintains the approved position control. So
19 finance, collaborating with human resources,
20 imported the personnel budgets lists based on the
21 position control list. During this time, an
22 analysis of district-wide allocations splits was
23 done, and while it is an ongoing study, we were able
24 to identify certain positions that were not
25 allocated that really should have been. So this was

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1 '24/'25 proposal.
2 The personnel costs are in accordance with
3 the contractual COLA requirements. The total
4 utilities expenditures currently are sitting at 36.9
5 million, with the total utilities revenue at 35.7
6 million, which fund balance would be utilized to
7 cover the rest to making sure we have a balanced
8 budget.
9 A highlight I wanted to make of that is
10 that 19 million of that capital improvement budget
11 that you'll see is for the effluent pipeline
12 specifically.
13 So, specifically in salaries and benefits
14 for fiscal year '23/'24, the budget was 5.7. For
15 the upcoming recommended fiscal year '24/'25 budget,
16 it's at 6.5 million. I did want to highlight what
17 some of these budget changes are, what's creating
18 some of these budgetary changes. In that, you have
19 the contractual COLA increase, you have a couple
20 proposed additional positions, and then in
21 this year, we're going to be making sure that the
22 position for the director of public works is fully
23 funded; it's currently running under an interim
24 position, and what we need to do is make sure that
25 the position is fully funded. That way, if it is

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1 filled, we have the available resources for it.
2 Services and supplies, for fiscal year
3 '23/'24 budget was at 3.8 million, where fiscal year
4 '24 recommended budget is at 5.8 million. Some
5 major changes I wanted to identify in this, you'll
6 see that there's a \$2 million swing primarily due to
7 the accounting for capital expense budget aligned
8 with the appropriate account now. And so to --
9 again moving back to slide 7, some of the examples
10 of this that I wanted to give is now in our capital
11 expense budgets, we have the carpet replacement for
12 the Public Works building, we have manhole cover
13 replacements, as well as some pipeline repairs.
14 So, the capital budget itself, fiscal year
15 '23/'24 was at 63.7 million, where at fiscal year
16 '24/'25, recommended budget is at 21.1 million. So
17 some major changes to this is the budget was
18 actually aligned with the level of projects to be
19 completed within the fiscal year.
20 In the fiscal year 2024, that included the
21 budget for the full pipeline project. That's why
22 you see that number is such a big difference between
23 the numbers, wherein in fiscal year '25, it's going
24 to include the budget for the sections to be
25 completed within the fiscal year.

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1 capital improvements and debt service. What we're
2 providing there is a snapshot of previous budgets,
3 your fiscal year '22/'23, the budget to actual, your
4 '23/'24 budget to estimated actual, and then the
5 upcoming recommended '24/'25 budget.
6 So with that, I would like to take the
7 opportunity to give the Board a chance to ask any
8 question that they may have.
9 CHAIR SCHMITZ: Questions for Mr. Cripps?
10 TRUSTEE TULLOCH: A few questions as you
11 go through it. Having been through zero-based
12 budgeting on several occasions, the difficulty with
13 it, I mean, I've never been through a zero-based
14 budgeting process where it ends up with a huge
15 increase in the budget, a huge increase in staffing.
16 I've never seen that actually happen.
17 How have we ended up with the situation
18 that we've increased staffing across the District by
19 approximately 20 FTEs, according to tentative
20 budget?
21 You've heard various comments in public
22 comment about what has happened in the tentative
23 budget and what's in there. And just to stress for
24 the community, the Board had no involvement in the
25 tentative budget in terms of that. I share a lot of

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1 Some trends that I wanted to show is going
2 to be the utilities fund, and this is going to be
3 excluding the CIP. What we're demonstrating here is
4 operational expenses. We have included in here, I
5 have a few of them highlighted, where I have
6 personnel costs, you have your central services. I
7 have some utilities costs, as well as the operating
8 revenues.
9 Then after that, we show the capital
10 improvement budgets, and this is where you're going
11 to see some real big spikes in the activity that the
12 fund actually has. Of course, the effluent pipeline
13 being one of the primary drivers of this, you're
14 going to see that the money going out of the fund is
15 obviously climbing pretty drastically, while at the
16 same time with other resources through the SRF loan
17 and some available grants that we heard about this
18 evening, we are receiving funding for these. It's
19 one of the items that the department, specifically
20 Public Works and finance, are keeping tabs on. Any
21 opportunity we have to provide more funding, we're
22 going to take that chance whenever we can.
23 So the layout of the budget itself, up
24 top, what we have is the sources of the revenues,
25 and below that, we get into the expenditures, the

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1 the concerns expressed there by the community. Just
2 to put my cards full on the table there.
3 What are we suddenly doing different in
4 utilities that requires two extra personnel?
5 MR. CRIPPS: The position requests, what
6 they go through is there is a review process to it,
7 and then they do come up to the Board for
8 consideration. So it is a consideration to the
9 Board, and there is list of proposed positions, if
10 they're a new position, to whether they are going to
11 be included in the upcoming budget or not.
12 TRUSTEE TULLOCH: It does come to the
13 Board.
14 MR. CRIPPS: That's correct.
15 TRUSTEE TULLOCH: That's all I wanted to
16 clarify.
17 This is always the danger with zero-based
18 budgeting, it just becomes a wish list, and people
19 stick in everything they can think of. If they
20 weren't doing that, they wouldn't be doing it
21 properly in part of the process. But also normally
22 in the process, a lot of these things get weeded
23 out, all the nice-to-haves get weeded out and make
24 sure we're there.
25 In terms of allocation, you said you have

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1 changed the methodology for cost allocation. So, if
 2 we're allocating costs that were somewhere else, if
 3 we're moving, say, a million bucks in salaries to
 4 utilities that were allocated wrongly before, I'm
 5 assuming that million bucks comes out of some other
 6 budget? It shouldn't just be additional?
 7 MR. CRIPPS: It's not additional; it is a
 8 movement of it.
 9 TRUSTEE TULLOCH: Okay. So all these
 10 positions where we showed movements and cost
 11 allocation, we'll be able to identify the
 12 corresponding decrease somewhere else?
 13 MR. CRIPPS: Correct.
 14 TRUSTEE TULLOCH: In terms of the supplies
 15 and services, a huge increase there, perhaps I
 16 didn't quite understand your explanation. Perhaps
 17 you could help clarify. Excuse my naiveté if I
 18 don't quite understand it. Perhaps you could
 19 explain why it's jumped up so much in supplies and
 20 services.
 21 MR. CRIPPS: Yes. It's a point I tried to
 22 highlight a couple times in this. What it's a
 23 component of is properly budgeting for where some
 24 capital expenses are. There's a couple of capital
 25 expenditure lines that we have within a chart of

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1 theoretically.
 2 MR. CRIPPS: I'm sorry. Yes.
 3 TRUSTEE TULLOCH: If we moved a million
 4 that was previously going to be capital to OpEx --
 5 MR. CRIPPS: I mean conceptually, yes.
 6 TRUSTEE TULLOCH: Well, not conceptually.
 7 I mean, in reality --
 8 MR. CRIPPS: Yeah.
 9 TRUSTEE TULLOCH: -- because if I take
 10 a million bucks out of this pocket to put in that
 11 pocket, I've got a million bucks less in this
 12 pocket; is that not correct?
 13 MR. CRIPPS: Yes.
 14 TRUSTEE TULLOCH: It's not theory, it's
 15 reality.
 16 MR. CRIPPS: I'm just focused on the
 17 budget, so --
 18 TRUSTEE TULLOCH: Yeah. Okay.
 19 In terms of that, most of that should come
 20 to net zero? If you just move costs from one point
 21 to another, it should come to net zero overall, in
 22 fact?
 23 MR. CRIPPS: Of the capital, you mean?
 24 TRUSTEE TULLOCH: Of the overall budget,
 25 if you add both together.

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1 accounts. One of them is to help us easily identify
 2 what capital improvements that we're looking to
 3 capitalize are. That has been a piece of contention
 4 within the prior budgets, and what we've done
 5 this year is finance has helped each department more
 6 clearly identify where the budget should go.
 7 Some of the examples that I wanted to give
 8 of that, obviously, it's only not the three that
 9 make up the 2 million, but -- so manhole covers is a
 10 part of that. That are now just in a capital
 11 expense line.
 12 TRUSTEE TULLOCH: If we've moved some of
 13 these costs from capital to expense, which you know
 14 I'm a big supporter of, make sure that we do that
 15 properly, we should see a commensurate decrease in
 16 the CIP requirement as well?
 17 MR. CRIPPS: You would. But with the
 18 recommendations that are also coming forward are in
 19 that rate study plan. There was a few items that
 20 were identified, and so with the capital improvement
 21 plan that comes forward, the projects are identified
 22 individually so that you would see that.
 23 But, yes, what you're talking about,
 24 theoretically, is correct.
 25 TRUSTEE TULLOCH: Well, it shouldn't be

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1 MR. CRIPPS: Um-hum. Yes.
 2 TRUSTEE TULLOCH: Okay. So that's good.
 3 One other question. In terms of if we get
 4 additional funding for the pipeline, let's say we
 5 get another 5 million in funding for the pipeline,
 6 I'm assuming we will then pull 5 million back out of
 7 the budget?
 8 MR. CRIPPS: If we get another 5 million
 9 for -- are you talking about for revenues?
 10 TRUSTEE TULLOCH: No. I'm talking about
 11 for the effluent pipeline, if we get a grant for
 12 5 million, I'm assuming we'll just automatically
 13 pull 5 million back out of the budget.
 14 MR. CRIPPS: What we would do is we would
 15 actually come back to the Board and ask for the
 16 additional appropriations to receive that money.
 17 And then what we will see is we won't increase the
 18 expenditures on that as well, so that's when you'll
 19 see it hit the bottom line.
 20 TRUSTEE TULLOCH: Yes. You wouldn't be
 21 asking for additional appropriations; you'd be
 22 giving us money back?
 23 MR. CRIPPS: Yes.
 24 TRUSTEE TULLOCH: I wanted to make that is
 25 clear. We've seen this in the past, we've collected

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1 money for capital projects, and then it's gone
2 elsewhere. I think the pipeline is a classic
3 example of where we collected 20 million and
4 suddenly we've only got 8 million left or something
5 at the moment without having spent a penny on the
6 pipeline.
7 I just wanted to make sure of that.
8 MR. CRIPPS: Yep.
9 CHAIR SCHMITZ: Any other questions?
10 TRUSTEE DENT: When it comes to -- you had
11 one of the slides in there saying we were going to
12 follow the current rate study and rates that were
13 projected for '24, did we hit all of our milestones
14 when it came to capital projects that we were
15 planning to do in '23 that would keep the rates the
16 same in '24, or are we just staying -- following the
17 current plan, knowing that we're going to be ahead
18 of schedule when it comes to increases rates?
19 MR. CRIPPS: I would need Public Works
20 with me to get a little bit more of those details,
21 however, what the -- for the proposed upcoming
22 budget, what was directed to the departments is
23 making sure that we budget for what we think can be
24 completed within the year.
25 So, yes, we did have the plan, and that's

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1 should have been in operations. Really, Trustee
2 Tulloch, thank you for all your questions.
3 My final question on this, and something
4 that the Board has been concerned about for a couple
5 of years as it relates to our policy and the
6 reserves, we are not meeting or own Board policy.
7 Last year's board, we acknowledged that when we
8 approved the budget. The board the year prior to
9 that, that board acknowledged that.
10 Knowing we have a problem, are you going
11 to be bringing back a proposal in a couple of weeks
12 that helps us put a plan in place to correct this
13 with a few options so the Board can weigh in and
14 give you direction?
15 MR. CRIPPS: Yes. And so to that point,
16 there is actually a couple -- working with the
17 departments directly, it's become -- that is one of
18 the items that I would like to identify, just even
19 on my own working in the finance department, with
20 meeting policy requirements, not just at the State
21 level, but, of course, Board policy limits.
22 With that, there's a couple of things that
23 we do is ways to identify, using the department's
24 inside knowledge of how their operations are being
25 handled, what resources they have and don't have,

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1 what was being followed as closely as possible, but
2 if there's still projects that were pending from the
3 '23/'24 budget, we need to take those as priority.
4 TRUSTEE DENT: Understood.
5 I guess, last year when we went through
6 this process, we fell so far behind, we overbudgeted
7 because we didn't move any of those projects
8 forward -- right? -- but we continued to increase
9 rates.
10 So, my understanding would be we would be
11 ahead of the process when it comes to that if we're
12 just following the current plan?
13 MR. CRIPPS: Yeah, I understand completely
14 what you're asking. I would ask that the Public
15 Works director help with some more of the details.
16 TRUSTEE DENT: Perhaps we could do that in
17 a couples weeks when you guys come back.
18 MR. CRIPPS: Yes.
19 TRUSTEE DENT: Next question, the general
20 fund borrowed -- or excuse me -- the utility fund
21 borrow \$500,000 from the general fund, is that what
22 we heard earlier today? Oh, internal services.
23 Never mind.
24 Moving on. \$2 million, thank you for
25 correcting what was previously put into capital and

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1 what opportunities they have for resources, we try
2 to take all those into consideration.
3 Speaking of Public Works tonight, and we
4 also did hear maybe there's some possible
5 opportunities for more grant funding, which would be
6 fantastic, because then that can come back to us,
7 and of course what we eluded to earlier, the money
8 we have right now goes back in our pocket. And so
9 when the opportunities arise, we're going to jump on
10 them. It's about planning accordingly, not that the
11 grants are always going to exist.
12 I know that the '23 rate study, of course,
13 does try to forecast when meeting fund balance would
14 happen, and that's part of what we're trying to make
15 sure we get to, but we also have to make sure we
16 monitor the current expenses and revenues that we're
17 bringing in. Those are based of forecast, and we're
18 trying to monitor those now as closely as possible.
19 TRUSTEE DENT: I would really like to see
20 this board approve a plan or give you enough
21 information so in two weeks, we have a plan to
22 correct this wrong that's been going for too long.
23 TRUSTEE TONKING: I agree with a lot of
24 Trustee Dent's points, since he hit on what most of
25 what I was going to say, actually.

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1 I know that you said that the tentative
 2 budget you submitted is going to be very different,
 3 but there is a lot of inbalance occurring, a lot of
 4 use of fund balance, which is a big concern of mine,
 5 in places that we didn't have fund balance like
 6 utilities, general fund. That's super concerning.
 7 And I know what when you spoke here in March, you
 8 told me that you were going to try to curb
 9 expenditures and that we were going to have a plan
 10 to get general fund, but that preliminary budget
 11 isn't showing that to me.

12 So I'm hoping when we meet in two weeks,
 13 we have really good plans for the utility fund, how
 14 we're going to be in compliance with policy, and for
 15 the general fund, how we will be compliant on both
 16 state policy and our policy, which I think is going
 17 to be much harder. That's one ask.

18 My other ask is we're planning on also
 19 having department heads here to talk about some of
 20 this as well as HR when you're doing this
 21 presentation for our budget workshop on the 20th?

22 MR. CRIPPS: Yes.

23 TRUSTEE TONKING: Because, yeah, I'd love
 24 to hear some of the rationale for some of these
 25 positions. I would hate for -- to Trustee Tulloch's

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1 point -- us to be like, you don't need that, and
 2 find out that we really needed that. I just want to
 3 make sure that that doesn't happen.

4 Those are my requests for the next
 5 upcoming meeting.

6 TRUSTEE TULLOCH: Just in terms of the
 7 zero-based budgeting process, how much did you cut
 8 out, how much did we save, or did we find there was
 9 no savings, but just ever-added costs to the
 10 department?

11 MR. CRIPPS: As a general sense, I don't
 12 know that it was -- so it didn't become -- I mean,
 13 obviously working with zero-based budgeting, which I
 14 have for a couple of years, the free-for-all
 15 mentality is what everyone wishes for, but it's not
 16 the true case of what we try to go for. That's why
 17 finance maintained oversight of this, as well as the
 18 department heads not just giving the venue managers
 19 the free for all on that.

20 There were opportunities where there are
 21 decreases. Other lines that we didn't have an
 22 opportunity for decreases, for example, was
 23 utilities. Those costs are, in essence, out of our
 24 control because they are rate based, just based off
 25 of usage, so there are some differences like there.

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1 So, there are some opportunities to have
 2 savings and some where we didn't have it.

3 TRUSTEE TULLOCH: I understand the
 4 process, but I'll repeat the question: Where did we
 5 find savings? I don't see any. When I look at the
 6 tentative budget, I don't see any there.

7 Having been through zero-based budgeting,
 8 both submitting it and reviewing them, it's -- when
 9 I'm submitting it, most managers will tell you, I'm
 10 sure Mr. Homan with his extensive financial
 11 experience will tell that he's always been able to
 12 hide some funds there. He's shaking his head yeah.
 13 Every manager does. I think the secret is actually
 14 being able to feather these out.

15 I don't see much evidence of that
 16 happening, and that's my concern.

17 MR. CRIPPS: Okay. And I do look forward
 18 to pointing that out, then, at our next meeting.

19 CHAIR SCHMITZ: My question is if you look
 20 at -- well, you have that screen up. If you look at
 21 the column that is the '23/'24 budget for rates, 16
 22 million, and it appears that we're going to be
 23 coming in a million dollars short of that. And then
 24 for '24/'25, your budgeting another million higher.
 25 I'm concerned that these revenue budgets are being

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1 overly optimistic and it's potentially putting us
 2 into a negative situation when it comes to covering
 3 our expenses. I'm concerned about that.

4 And I'm concerned about do we actually
 5 need to evaluate our proposed rate increase because,
 6 as you're showing those increases in personnel costs
 7 and these increases in utilities, was that figured
 8 into our rate study? So some of it is -- I'm not
 9 sure what were some of the assumptions with the rate
 10 study. I think before we determine rate increases,
 11 we need to evaluate how are our assumptions maybe
 12 were right or wrong. If we were assuming expenses
 13 would hold steady and they're going up more than we
 14 expect, then we have to adjust the rate increase. I
 15 think that's something I'm concerned about.

16 Also in '22/'23, not only did the general
 17 fund provide a million dollars to utility fund to
 18 assist with supporting the fund balance in the
 19 utility fund, in addition to that, the utility fund
 20 was given a central services cost allocation
 21 holiday. So if you look at your chart, you'll see
 22 in '22/'23, the central services cost allocation
 23 went to zero. We've done some things and now
 24 suddenly we're going to be adding that central
 25 services cost allocation back in, and our expenses

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1 seem to be going up at a rate faster than our
 2 revenues.
 3 On your diagram, I think it would be
 4 helpful for all us if, on this graph, you added a
 5 line that showed our actual fund balance and what's
 6 happening with it, because what we're showing here
 7 is just either what we're adding to it or taking
 8 from it, but we need to know what is it. I think
 9 would be helpful and instructive for all of us to
 10 see where that is, and then how does it comply with
 11 our policy.
 12 Those are a couple of my suggestions and
 13 comments. I'm concerned about how that is looking,
 14 where suddenly expenses are going on up and revenues
 15 are going up, but not at the same rate as the
 16 expenses. What is the game plan?
 17 I appreciate all of the work here, but I
 18 do think that when we come back and staff comes back
 19 with their rate recommendations for utilities, they
 20 need to evaluate the assumptions that went into that
 21 rate study and whether those assumptions are valid
 22 or not, because we're getting into a squeeze here.
 23 Thank you for the presentation, but those
 24 are my concerns and suggestions.
 25 TRUSTEE TULLOCH: I think it's -- it comes

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1 back to what I mentioned earlier where we're showing
 2 an increase in staffing levels. The rate study
 3 never assumed adding staff unless we're actually
 4 adding staff to reduce costs somewhere else, why we
 5 are just adding staff. It sounds that only two FTEs
 6 in a department with only 40, that's a five percent
 7 increase, it's quite significant.
 8 I think also the way you showed the
 9 increases over five years, I appreciate your work,
 10 but, really, I think we need to start showing the
 11 increases over the last two or three years which
 12 provides a totally different picture. Using the
 13 five-year period with two or three years, pretty
 14 flat, it kind of just distorts it.
 15 I think the concern, as Chair Schmitz
 16 said, is the sudden rise. I look at the redline
 17 there, and it's scary.
 18 CHAIR SCHMITZ: Any other comments?
 19 This was a very informative presentation.
 20 I like the graphs because it says a lot without us
 21 having to dive into spreadsheets. Thank you for
 22 your work.
 23 If there's other comments or questions, we
 24 will close this agenda item. Moving on to general
 25 business -- it's G 5, but it was formerly G 6.

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1 G 5. Golf Rate Pass Structure
 2 CHAIR SCHMITZ: Which is to review,
 3 discuss, and approve golf rate pass structure for
 4 the 2024 season, on pages 268 through 281 of the
 5 board packet. That presentation will be led by
 6 Mr. Sands.
 7 While he is not here, I want to ask the
 8 Board if after this agenda item, the Board would be
 9 acceptable to move the item 10, which is the
 10 donation for the veterans, move that to be the next
 11 agenda item? It was formerly G 8.
 12 MR. SANDS: This is going through our
 13 staff recommendations, 2024 golf Play Pass.
 14 As we go through, starting off, as we know
 15 there is a large support from the community for
 16 these Play Passes, as we've seen today. As a staff
 17 recommendation, we wanted to make sure all the
 18 information on our side was presented, especially a
 19 pros and cons.
 20 A couple key points for us is Play Passes
 21 create a consistent player base that allows us to
 22 have a more effective budget execution throughout
 23 the season. Season-long Play Passes are an upfront
 24 revenue stream, and then continuous throughout the
 25 season, whether it's rounds, merchandise, driving

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1 range, food and beverage activity.
 2 If I could touch on a couple of cons that
 3 could potentially happen through this, it creates an
 4 impact of tee time offerings throughout the days but
 5 allowing a lower price point during peak season.
 6 And also, it would create difficulty tracking
 7 cost-per-round expenses throughout the season.
 8 In the next slide, this is the recommended
 9 staff recommendation for 2024. We sat down and
 10 tried to come up with a better percentage base
 11 average for the recommendation. Obviously as
 12 stated, Picture Pass rate at the peak season is
 13 \$120, basing it from there and historical trend that
 14 we've seen approved from the board throughout the
 15 past three years, we feel we're pretty confident in
 16 our recommendation that tries to find a good balance
 17 between the offering and then also as we look at the
 18 expense that it incurs, how we operate, hours of
 19 operation, labor, as we talked about in a previous
 20 meeting as well.
 21 This screen then states exactly what we're
 22 talking about, our Play Pass upfront income,
 23 essentially last year, calculated \$586,000. Again,
 24 it kind of goes back to allowing us to then have a
 25 good plan for the rest of year just with that

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1 upfront revenue stream.

2 This screen is now showing what has

3 historically been sold. Again, this is a

4 combination of Champ, Mountain, and all the passes

5 together. Last year, obviously, 559 passes, that is

6 a good portion of our golfing community here in the

7 District.

8 Next screen will just demonstrate our play

9 mix from resident Play Pass, guest, and

10 non-resident. We did have, in 2023, residents

11 played 8,988 rounds at the Championship Course.

12 Play Passes were 6,448, which was down from the

13 previous year. We had 8,253 Play Pass rounds, as

14 opposed to 6,752 resident rounds. So a little bit

15 of a swing there. I think, again, why we did have a

16 lot of good input from staff and also the community

17 members.

18 As I've come on board as part of the team,

19 we are looking at it from all levels, exactly what

20 we've talked about in the previous meeting. And

21 then in our internal staff meetings, we really are

22 trying to find a way to climb out of the fiscal hole

23 at the golf operations. We wanted to represent

24 exactly what was going on, especially when it comes

25 to how we look at the value of Play Passes, and then

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1 also how it affects or expenses and revenue year

2 after year. I definitely feel like we, as a team,

3 coming and building that team, we want to make sure

4 we're doing what's right for the District as a

5 whole.

6 Moving on to the Mountain Course, I

7 appreciate the comments about the type of course it

8 presents as a 18-hole, par 58. It's available to a

9 wide variety of golfers from the newest of new to

10 the folks that just want to go out, have a quick

11 little round, enjoy the views. We definitely --

12 General Manager Magee and I got to tour the

13 property, and it's looking great. I can't wait to

14 get out there myself. It's an amazing property.

15 We are doing that percentage base price

16 off of the peak rate of \$60 for a Picture Pass

17 holder.

18 Once again, now just presenting the play

19 mix at the Mountain. Last year, 2023, residents, we

20 had 4,142 rounds. Play Passes, we had 6,692.

21 The year prior, residents were 4,128, and Play

22 Passes 6,794. Pretty stable when it comes to the

23 resident play as a breakdown, roughly 40 percent or

24 a little higher in the Play Pass, and 28/25 percent

25 in the resident play. Which I hope to improve upon

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1 that by doing some other benefits up there to find

2 maybe the average golfer as a resident that maybe

3 played once or twice, and how do we convert them to

4 playing five or six times a year.

5 Would like to reiterate the community

6 benefit of the Mountain Course. Obviously, it's an

7 executive-style course that allows for any age to

8 learn, play, and a proper price point that allows

9 the most casual person to come out and have some

10 fun.

11 We did attach last year's approved rates

12 for Play Passes for 2023. As we've gone throughout

13 this process, the staff has definitely tried to

14 condense what we're offering, target some key areas

15 that we want to improve. And as we move through

16 this season, I also believe we can do a better job

17 by instituting internal policies and practices that

18 will definitely help us track what we're trying to

19 find to improve, make better, if not, pivot and

20 change and go from there.

21 Finishing up this presentation, it is a

22 recommendation to the Board, that is starting on

23 page 269, for Play Pass recommended rates for 2024,

24 we do have a second bullet point that goes back to

25 the previous slide about the 2023 approved passes,

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1 and I'll leave that there up for discussion.

2 Thank you very much.

3 CHAIR SCHMITZ: Thank you. Thank you for

4 the presentation, and thank you for drinking from

5 the firehouse since you've joined the District.

6 It's been a lot to absorb, and you've done a great

7 job of pulling things together.

8 What questions do we have for Mr. Sands

9 from the Board? Any questions?

10 TRUSTEE TULLOCH: I like your

11 recommendation. I think I agree with your thoughts

12 on the Mountain Course, I think that makes sense.

13 A couple of clarifications on the \$3,600

14 pass at the Champ Course, it says "both courses,"

15 does that mean that it's 50 rounds in aggregate

16 across the two courses?

17 MR. SANDS: That is correct.

18 TRUSTEE TULLOCH: Okay. And on the

19 College Play Pass and the Junior Play Pass, I'm

20 assuming the College Play Pass is walking as well?

21 MR. SANDS: It is been stated -- correct.

22 TRUSTEE TULLOCH: But they are both on

23 standby arrangement?

24 MR. SANDS: Correct.

25 TRUSTEE TULLOCH: Now, we've heard a lot

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1 in public comment about increasing the utilization
2 of the course. I'm sure we could get 100 percent
3 utilization if we give everyone free golf, but it
4 wouldn't actually cover the fiscal hole, would it?
5 I think it's obviously a fine balance. Just
6 increasing the utilization by rounds that are
7 basically non-additional revenue producing doesn't
8 really help your situation; is that correct?
9 MR. SANDS: Would you mind rephrasing that
10 for me?
11 TRUSTEE TULLOCH: If somebody with an
12 All-You-Can-Play Pass plays 100 rounds as opposed to
13 50, the incremental revenue is virtually zero since
14 we're looking at just the golf costs here, not the
15 additional costs, not the food and beverage
16 contribution, which you weren't here last year, but
17 last year we had about 50 members of golf clubs
18 demanding that we include food and beverage revenues
19 to offset the cost of golf. I haven't seen that
20 this year, it may be something to do with losses in
21 food and beverage.
22 But assuming this is just looking at the
23 golf revenues and the golf costs, increasing
24 utilization just with additional people playing more
25 rounds without any additional revenue doesn't really

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1 MR. SANDS: I believe that to be correct.
2 But also why, during the staff recommendation, we're
3 looking for guidance from the Board of Trustees.
4 TRUSTEE TULLOCH: Staff has made their
5 recommendation. At the end of the day, you
6 basically rise or fall based on meeting your revenue
7 targets in terms of that. I feel obliged to meet
8 your recommendations.
9 One other question -- I'm getting dirty
10 looks for my colleagues -- it's come up, in terms
11 of -- I liked the idea of you blocking out some
12 prime tee times at weekends, can you give us some
13 indication of what times you're blocking out and how
14 many tee times you're actually blocking out there?
15 MR. SANDS: I don't want to misspeak on
16 the amount of tee times, but we're blocking off
17 Saturday and Sundays, peak morning, and
18 approximately, I believe, we've done six to eight
19 tee times each morning.
20 I would want to make sure of that, and I
21 could pull it up on my tee sheet, but Saturday and
22 Sundays on those peak times, trying to target the
23 non-resident, \$255 rate.
24 TRUSTEE TULLOCH: That is just basically
25 blocking out an hour?

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1 help the fiscal hole, does it?
2 MR. SANDS: I would say there's two sides
3 to that coin, and especially when it comes to just
4 as a green fee price from an avid golfer maximizing
5 their Play Pass, we as a staff also have to put in
6 some internal policies to help track that to
7 understand how it is impacting us as a total. And
8 then also find areas we can target, maybe, within
9 those structures and in those pass offerings to help
10 offset some of that. That is a main goal of ours
11 across the entire golf operation.
12 TRUSTEE TULLOCH: Yes. Good answer. But
13 that would be -- retrospective, that would probably
14 apply, primarily, to next season if we did -- if we
15 went to an All-You-Can-Play Pass here, that would --
16 basically you would find that data over this season
17 to hopefully adjust next year's.
18 Just supposing, you know, let's conjecture
19 has been asked for by so many golfers, if we could
20 add an All-You-Can-Play Pass, we would play a lot
21 more rounds, but basically the net revenue impact of
22 that, I suspect -- and I think even Mr. Simon's
23 model would show the same thing -- the net impact
24 would be relatively small in terms of contribution;
25 is that correct?

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1 MR. SANDS: Yes, sir.
2 TRUSTEE NOBLE: On page 269 of 350 of the
3 board packet, the seasonal p.m. passes, is that
4 starting at 2:00 p.m. or 12:00 p.m.
5 MR. SANDS: That is going with the
6 approved of last year's limited of a switch from
7 12:00 to 2:00 for the weekends, I believe. Yes, so
8 that is a 12:00 p.m. on the shoulders seasons, and
9 then 2:00 p.m. during the high seasons.
10 TRUSTEE NOBLE: And then for numbers 4 on
11 the Championship Course and 3 and 6 on the Mountain
12 Course, you have in parentheses: Priced and
13 percentage based on from 50-round average.
14 Those three passes, though, are not
15 limited to 50 like the seasonal pass; is that
16 correct?
17 MR. SANDS: Correct. The p.m. pass would
18 be a full-season usage.
19 CHAIR SCHMITZ: Any other questions?
20 TRUSTEE TONKING: I think I'm a little
21 confused on your statement with number 3, saying
22 that it's a seasonal pass of 50, means 50 rounds at
23 both courses, so it would be counterintuitive, since
24 the peak cost you just told me at the Mountain was
25 \$60, it's \$70 a round if you use it at the Mountain.

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1 So, really, it would just be a Champ pass; right?

2 MR. SANDS: It's creating an opportunity

3 for the resident purchaser to make that choice.

4 TRUSTEE TONKING: Okay. So it's not

5 increasing utilization at the Mountain Course

6 because it's not creating an incentive to go there,

7 that's kind of one of my points that I'm making with

8 that statement. I think then -- okay, that's my one

9 question on those.

10 Then, I've submitted suggestions, but the

11 ones I really am curious about is a couple's. And

12 then, actually, I was thinking about seasonal pass

13 and p.m. pass. The problem that you're running into

14 is a lot of those people are underutilized times,

15 and it's a lot of the working people who may not

16 have \$2,800 to spend right away.

17 One suggestion I had to think about,

18 because we need to fill those times a lot of the

19 time, is to add a p.m. 10-pack and a p.m. 20. That

20 would just present more options to start to get

21 people out there.

22 And then to get your percentages right,

23 there's actually a \$10 difference at the Mountain

24 Course for the nine hole. That's my other small

25 item.

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1 And then my other recommendations are sat

2 here for people to consider.

3 TRUSTEE NOBLE: Actually, it would be for

4 Trustee Tonking, but I know you only asked us for

5 questions for Mr. Sands. Trustee Tonking has got an

6 alternative proposal, so I was wondering if I could

7 ask her or you only want questions for Mr. Sands?

8 CHAIR SCHMITZ: For Mr. Sands, because

9 this is staff's recommendation, and so this is the

10 time that we need to understand what staff is

11 recommending.

12 I have a question. Might have misheard

13 and I just want clarification on number 3. I

14 thought I had heard you mention at the Golf

15 Committee meeting that that included unlimited

16 rounds at Mountain, and that's not correct. This is

17 saying you can use that season pass of 50 at either

18 course. It's not saying you have 50 at Champ and 50

19 at Mountain, and it's not saying you have unlimited

20 at Mountain; correct?

21 MR. SANDS: Correct.

22 CHAIR SCHMITZ: Okay. Thank you.

23 And then I think we should just be clear

24 that these are unlimited for the college play and

25 the junior play. It is unlimited, on a standby

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1 basis; correct?

2 MR. SANDS: Correct.

3 CHAIR SCHMITZ: Thank you. I appreciate

4 that.

5 The other thing that I am concerned about,

6 and you don't have the graph in this presentation

7 but you had the graph in your prior presentation, is

8 that last fiscal year is the first time golf

9 operations squeaked with revenue being greater than

10 expenses by roughly \$200,000, which that was our

11 goal last year was to just have it break even, in a

12 couple-million-dollar budget to be \$200,000 on the

13 plus side.

14 But what I'm recalling from your

15 presentation is that the budget for revenue was

16 going down, and the budget for expenses was going

17 up. I don't want us to get into a situation that we

18 worked very, very hard to get ourselves out of,

19 which was the goal of having golf operations break

20 even. So with this, all of this analysis that you

21 have done, has that changed where you project that

22 graph to be? Because if we're talking about

23 discounted rates and what have you, and your revenue

24 is going down and your expenses are going up,

25 suddenly we're in the problem again.

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1 So, where are we with that graph that you

2 showed us last time? Because these numbers here is

3 total, that included food and beverage, and we know

4 we've lost a lot on food and beverage. I just want

5 to focus golf operations.

6 I'd like your answer to that.

7 MR. SANDS: We, as staff, definitely --

8 especially a lot of new staff and existing staff

9 that are in higher positions, we have made a

10 promotion within the golf department, we are

11 focusing on the overall operation on exactly where

12 we might be overspending, underspending, and would

13 feel the need to come back at a later date,

14 unfortunately, because getting into the season and

15 then actually putting the practices that we want to

16 put in place for a daily, weekly, monthly operation

17 will help us really try to navigate the season and

18 make changes, potentially on the fly, to try to make

19 sure we're going back into that right direction.

20 I think as the recommended Play Pass for

21 tonight, we feel really comfortable as a staff where

22 we're at with it, but we will be presenting General

23 Manager Magee status updates on a regular basis once

24 we get going, and then we can come back to the

25 trustee level in a first quarter report for the next

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1 fiscal year. It might not be the best timeline, but
 2 I feel as a staff member and having different
 3 departmental meetings with other staff members, we
 4 feel the need to have that opportunity and hope we
 5 can get it from a trustee level.
 6 CHAIR SCHMITZ: Thank you for that.
 7 TRUSTEE TONKING: Building off of Chair
 8 Schmitz' question. When you ran the analysis on
 9 this, you feel like we are in the green? With
 10 utilization and the play mix, we end up in the
 11 green? I guess that's my question, your budgeting
 12 analysis on this.
 13 MR. SANDS: For the golf operation, yes.
 14 TRUSTEE NOBLE: Looking at your seasonal
 15 p.m. passes, \$2,800, and last year it was 2158, so
 16 approximately a 29, 30 percent increase. I know
 17 it's priced based on a percentage of -- from
 18 50-round average. Do you think that a 30-percent
 19 increase in that seasonal p.m. pass will get the
 20 same number of people purchasing that, or is that
 21 going to have chilling affect on those people at a
 22 time, my misunderstanding is, it's the afternoon
 23 slots that are the most open and trying to fill
 24 those?
 25 I'm wondering if that is

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1 counterproductive.
 2 MR. SANDS: I can speak to a historical
 3 trend and average that we are projecting that will
 4 approximately have 25 of those passes sold. It
 5 would be tough for me to answer further.
 6 TRUSTEE TONKING: How many did you sell
 7 last year? Last year was a decrease too from the
 8 prior year because the price increased so much for
 9 them as well. And then I think it was higher in
 10 2022.
 11 MR. SANDS: Correct. We saw a downward
 12 trend over the past two years. And I believe,
 13 approximately, was in the higher 30s last year, then
 14 if not closer to 50 the previous.
 15 TRUSTEE TONKING: Wouldn't you want those
 16 people to buy passes to utilize the golf course?
 17 MR. SANDS: Our goal for utilization would
 18 be at least in the mid 25,000 if not 26,000 rounds.
 19 We would love to be at that point.
 20 Again, staff recommendation is out there
 21 for everybody.
 22 CHAIR SCHMITZ: Thank you. And to remind
 23 us all this was the first time that we had revenues
 24 slightly higher than expenses at the golf course.
 25 TRUSTEE DENT: I just want to thank you

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1 for putting together your proposal. I don't want
 2 to -- if I change your projections and tell you what
 3 the rates should be and where I think they should
 4 go, then it puts me in your shoes running the venue,
 5 and I think it's important for you to come, you to
 6 analyze the situation, and you to bring us you
 7 recommendations.
 8 And depending how this works out,
 9 next year if things are looking worse, well, then
 10 you're going to have to adjust, and things may be
 11 changing based on the proposals or the rates or
 12 whatever it may be, but I want you to be able to own
 13 the venue, and I don't want to disrupt that by
 14 telling you what I think each of these passes should
 15 be.
 16 I will support your recommendation.
 17 TRUSTEE NOBLE: On the Junior Play Pass,
 18 you have age 17 and under. Are you aware that a lot
 19 of the kids on the high school team are 18? Is it
 20 your intention to exclude high school seniors from
 21 the Junior Play Pass with that age cutoff?
 22 MR. SANDS: I think as a staff
 23 recommendation and when you look at the legality
 24 difference from age 17 to 18 is the basis for that
 25 recommendation. I was unaware of certain ages of

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1 the kids, obviously, two months into it. I didn't
 2 collect that data unfortunately.
 3 TRUSTEE NOBLE: Would you be willing to
 4 change that to 18 knowing that information now, or
 5 would you like to just keep at 17?
 6 MR. SANDS: I'd like to stick with this
 7 recommendation, but also rely on the Board of
 8 Trustees for guidance.
 9 TRUSTEE TULLOCH: Just last point. I
 10 understand your dilemma there, Mr. Sands, I think
 11 that's quite correct. I think to Trustee Noble's
 12 point, if this is a big issue, there's no reason you
 13 can't come back to the Board with it.
 14 I'm assuming if they don't qualify -- if
 15 they're 18, don't qualify for College Play Pass?
 16 MR. SANDS: Correct. With -- we have --
 17 there's a couple of stipulations with that College
 18 Play Pass, but, yes, that is available for the next
 19 level. Correct.
 20 TRUSTEE TULLOCH: Just following up on
 21 that, since the College Play Pass is open to any
 22 eligible college person regardless of age, I'm
 23 assuming there is some checks against it as well,
 24 that they are actually registered students and
 25 things?

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1 MR. SANDS: Correct. The current policy
 2 has been up to age 26, currently enrolled in
 3 college, standby only.
 4 TRUSTEE TONKING: So then the 18 year olds
 5 who aren't currently enrolled in college, because
 6 they are still graduating from high school and don't
 7 do enrollment until September 1, pay a full price?
 8 Or where do they fall, then? They don't fall in any
 9 category?
 10 MR. SANDS: I would just like to stick
 11 with the recommendation as proposed.
 12 CHAIR SCHMITZ: Any other comments or
 13 questions? Would anyone care make a motion?
 14 TRUSTEE NOBLE: There's also two other
 15 supplemental pieces of information that were
 16 included with item G 3, and I'd like to ask, at
 17 least, Trustee Tonking a clarification on her
 18 proposal.
 19 CHAIR SCHMITZ: That's fine. You can ask
 20 a clarification, but if there's a desire to move
 21 forward with an alternative, then we would have to
 22 ask staff to come back at a later date so that they
 23 can do their analysis. That's how that would be
 24 handled.
 25 TRUSTEE NOBLE: That's absolutely

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1 incorrect. Everything we do here is discussion of
 2 various alternatives that we come up, and
 3 modifications, and that's exactly what my
 4 alternative is is a modification to that.
 5 CHAIR SCHMITZ: When it comes --
 6 TRUSTEE NOBLE: Otherwise, it's simply an
 7 up/down vote, and we would be rubber stamping
 8 everything that staff does.
 9 CHAIR SCHMITZ: No. It's not about rubber
 10 stamping; it's about allowing staff the opportunity
 11 to analyze and review and inform of the Board.
 12 So, if there are -- if there is a desire
 13 to change staff's recommendation, then we will ask
 14 staff to go back and analyze it, because last year
 15 it was done on the fly, and we had to reverse course
 16 for our cancellation policies, what have you.
 17 So if there is a desire to consider
 18 alternatives, then we will ask staff to come back to
 19 the Board with financial analysis of those concepts.
 20 TRUSTEE NOBLE: What you're projecting, an
 21 actual outcome, there is no need to actually ask
 22 staff to come back. If a majority of the Board
 23 wants to adopt an alternative, they can do that
 24 without asking staff to do a further analysis.
 25 But I'm just wondering is this a policy

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1 that you are putting in place strictly for golf or
 2 for every item we ever do going forward that when
 3 the Board makes a substantive change that has any
 4 type of monetary impact that we cannot vote on it
 5 right then, we actually have to send it back to
 6 staff to do their analysis on anything?
 7 CHAIR SCHMITZ: Well, I guess my
 8 perspective is that we don't micromanage staff, and
 9 if we have alternatives, especially when it comes to
 10 pricing of products, if staff hasn't had the
 11 opportunity to actually analyze what those
 12 recommendation will do, I think we owe it to staff
 13 to give them that opportunity. That's my
 14 perspective.
 15 But we can, you know, if the Board chooses
 16 to look at another alternative, I simply am sharing
 17 my perspective in trying to be respectful of staff's
 18 efforts.
 19 TRUSTEE TONKING: I have a question for
 20 legal, then. A, is that in the a policy anywhere
 21 that we've ever done? And, B, that means every time
 22 we've change a not-to-exceed amount, every time that
 23 we have -- that's changing a proposal, any times
 24 we've changed contract, we have not had staff bring
 25 that item back.

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1 I just want to know where the precedent is
 2 in this, and if that's something that a chair can
 3 just decide?
 4 MR. RUDIN: On your point -- so, as a
 5 legal matter, the Board can vote on any changes to a
 6 staff proposal as long it remains within the scope
 7 of the noticed agenda item, that is an Open Meeting
 8 Law requirement.
 9 With respect to our policy, our board
 10 policy on the conduct of meetings of the Board of
 11 Trustees, there is typically a requirement that
 12 agenda items be full and complete. There is
 13 something in our policy that discusses supplemental
 14 -- delayed or supplemental materials shall defer an
 15 agenda item. And I think one of the reasons for
 16 that language being in the policy is so that there
 17 is adequate time to analyze issues, however, of
 18 course, the Board can decide that there is no
 19 further analysis necessary.
 20 Again, it's one of those things where your
 21 Policy 3.10 is basically your parliamentary
 22 procedures, and typically parliamentary procedures
 23 can be waived as long as you're not violating Open
 24 Meeting Law in doing so.
 25 CHAIR SCHMITZ: Thank you for that.

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1 Trustee Noble, go ahead.

2 TRUSTEE NOBLE: I have a clarification for

3 Trustee Tonking because it impacts whether or not I

4 would support what staff has proposed.

5 CHAIR SCHMITZ: Please.

6 TRUSTEE NOBLE: Ms. Tonking, on your

7 supplemental item G 6, under the p.m. packs, p.m.

8 10-pack and p.m. 20-pack, would you align those with

9 the seasonal p.m. pass that Mr. Sands has proposed,

10 or were you going to have, across the board, them

11 starting at 12:00 or 2:00?

12 TRUSTEE TONKING: Align it with the --

13 like starting at 12:00 in the off season and going

14 to 2:00 in the peak season.

15 TRUSTEE NOBLE: Okay. Thank you.

16 CHAIR SCHMITZ: Any other comments,

17 discussion, recommendations?

18 TRUSTEE TULLOCH: I think it's -- I

19 understand both sides of the argument here in terms

20 of bringing other things forward. I think we were

21 just looking at the pricing policy earlier this

22 evening, and one of the requirements was that staff

23 meet revenue targets. And, obviously, Mr. Sands has

24 got targets here that he's agreed to in terms of his

25 recommendation.

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1 I would suggest that if we adopt this

2 tonight, Mr. Sands could still analyze the potential

3 for the 10, 20 p.m. pass and bring that back to the

4 Board. Would that be correct?

5 CHAIR SCHMITZ: The Board can give staff

6 direction however the Board chooses to give staff

7 direction.

8 TRUSTEE TULLOCH: I was just thinking if

9 it is a viable alternative and it's within that, I'm

10 sure it's something Mr. Sands and his team can run

11 through and bring back a recommendation one way or

12 another. That way, it would avoid us just making

13 decisions on the fly and putting Mr. Sands in a

14 position where he's been asked to meet a target, but

15 then he's having his hands tied behind it. That

16 makes no sense.

17 TRUSTEE DENT: I did write down the p.m.

18 10-pack and 20-pack for evaluation, so I would be in

19 favor of at least giving staff time to see what that

20 looks like.

21 One other thing I wanted to bring up was,

22 Mr. Sands, earlier you mentioned the fact that it's

23 hard to kind of track revenues and how much an

24 individual brings, say, to the golf course, whether

25 it's through food and beverage or whatever. The

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1 technologies that we've implemented up at Diamond

2 Peak I'm assuming would be something that you would

3 be interested in as far as our RFID throughout the

4 District when it comes to Picture Passes, that would

5 help your venue further track that?

6 MR. SANDS: As staff, we've started

7 discussions with our IT department to research some

8 of those different technologies, so we are

9 definitely looking at that, yes.

10 TRUSTEE DENT: Then one last thing.

11 Trustee Noble brought up the Junior Play Pass, I

12 missed that as far as kind of the age gap there.

13 Whether we name this something different, high

14 school and under play pass, something like that, or

15 high school and junior high play pass, at least it

16 would include those seniors that do turn 18, as most

17 would in their senior year.

18 MR. SANDS: And take that as direction to

19 research the 10, 20 p.m. plays, and then also the

20 age gap.

21 CHAIR SCHMITZ: Yes, that's what the Board

22 has requested, if the rest of the Board is

23 comfortable with Trustee Dent's suggestion. It's

24 the Board's decision.

25 So, does anyone care to make a motion?

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1 TRUSTEE DENT: I'll move to accept staff's

2 recommendations on page 268, with the evaluation of

3 the p.m. 10-pack, p.m. 20-pack, and bringing back

4 the high school and junior high play pass evaluation

5 as well.

6 CHAIR SCHMITZ: A motion's been made. Is

7 there a second?

8 MR. RUDIN: That would be adoption of the

9 rates on page 269 of the packet?

10 TRUSTEE DENT: That's correct.

11 TRUSTEE TULLOCH: I'll second that. But

12 the addition should be that we should add -- in

13 terms of the rates recommended, it should be adding

14 "walking" to the college pass as well. Just

15 "walking" and "standby" to both the college and the

16 high school pass because that was missing from the

17 recommendation on the page.

18 TRUSTEE DENT: I'll amend my motion if

19 need be.

20 TRUSTEE TULLOCH: I'll second it in that

21 case.

22 CHAIR SCHMITZ: Is there any other

23 discussion or clarification?

24 TRUSTEE NOBLE: While I believe Mr. Sands'

25 proposals are a step in the right direction, I still

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1 think they fall far short.

2 My proposed revisions include a couple's

3 pass, overall, Champ and Mountain, and as well as a

4 Mountain specific. The seasonal p.m. pass with the

5 30 percent increase over last year, which was, I

6 believe, a nearly 40 percent increase over 2022, I

7 think is going to miss the mark. And we're going to

8 be falling short with regards to incentivizing

9 afternoon play.

10 I am thankful that there will be a review

11 of the age cutoff for the Junior Season Pass.

12 However, I do think that there should be a college

13 and junior pass for the Mountain Course because

14 we're trying to encourage play for, essentially, new

15 golfers. And while the proposal covers both, right

16 now, it's doesn't have an exclusive Mountain Course

17 option, and it's also -- in my proposed revision,

18 those passes would be more economical for somebody

19 starting out. I believe that should have also been

20 considered.

21 All of my proposed revisions were meant to

22 increase utilization of both courses and increase

23 overall revenues for golf, including guaranteed,

24 upfront revenues from these offerings.

25 While I think it's a step in the right

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1 direction, I still think it falls far short, and so

2 I will be voting no.

3 CHAIR SCHMITZ: Mr. Sands, I just have a

4 question relative to that. Had you had an

5 opportunity to review any of the proposals? I have

6 no idea when you received -- if you received it when

7 we did, which was late. Did you have any

8 opportunity to review these proposed suggestions?

9 MR. SANDS: Yes, I have reviewed both

10 proposals. I welcome the information and guidance

11 from the trustee level. I think as we're -- or

12 allowing staff to have new direction for research

13 and I can come back at a later time and revise and

14 understand the loophole of an 18 year old, I want to

15 fix those problems.

16 If we can include the Junior Play Pass at

17 the Mountain as a part of the direction, I'm all for

18 it.

19 CHAIR SCHMITZ: My suggestion with the

20 junior pass is to potentially label it "high

21 school," so that people would just show -- don't

22 they have high school IDs?

23 MR. SANDS: It would go to a much younger

24 level as well. Absolutely.

25 TRUSTEE TONKING: I am going to add to the

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1 discussion. I -- a few of these, suggestions I had

2 would have been ideal, but I still feel like we are

3 going to really lose a lot of the people playing,

4 especially in the afternoons. I've heard a lot of

5 that. And for 72 percent increase since 2022, and

6 that's low utilization already, so that's a big fear

7 of mine.

8 I also proposed a couple's pass to help

9 create that elasticity and demand, and so that was

10 also something that had been missing and had been

11 brought up in multiple different conversations

12 throughout this process to look into.

13 And then the other thing is with this 50

14 rounds at the Mountain Course, the math makes no

15 sense to me to use just both at the Mountain and the

16 Champ. I think we talked a lot about creating

17 people (inaudible) experience some of the other

18 venues, and I think that falls short.

19 And so -- then my last one is just the

20 Mountain Course, equity and percentages, even

21 thought it's \$10, it is still a \$10 difference from

22 our equity ones. That's my other complaint.

23 Because of some of those issues, I will

24 also be voting no.

25 CHAIR SCHMITZ: I just have a

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1 clarification for legal counsel. Based on what

2 legal counsel has told us is that a couple's

3 membership is really just a membership for two, any

4 two people. There cannot be any requirements around

5 that or it would be discrimination.

6 Is that a correct summary?

7 MR. RUDIN: So the concern is you don't

8 want to say limited to just married couples because

9 you have a concern about discrimination based on

10 familial status. Additionally, there are Nevada

11 laws that say you can't discriminate between people

12 who are domestic partners as opposed to married.

13 You don't want to intentionally craft definition

14 that discriminates based on sex based, based on who

15 is, like, in your couple. I mean, typically you

16 would want to have a couple's pass be eligible to

17 any two adults, say for example, who are residing

18 together and can show proof of residency.

19 That would be one way you could structure

20 it.

21 CHAIR SCHMITZ: In prior conversations,

22 you had indicated that we couldn't even put a

23 stipulation about under the same roof because that

24 again is familial discrimination. So, have you

25 changed your stance on that?

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1 MR. RUDIN: I mean, I do think that proof
 2 of joint residency is probably permissible. But,
 3 again, you want to be mindful of some of those other
 4 considerations.
 5 CHAIR SCHMITZ: So you could have
 6 something where they are required to live in the
 7 same household?
 8 MR. RUDIN: Yes. I would not use
 9 "household," but, yeah, same address.
 10 CHAIR SCHMITZ: Okay. That is a change of
 11 what you had advised us in the past. I just want to
 12 go on the record for that.
 13 Any other comments or questions relative
 14 to this? Is the motion clear, does staff have clear
 15 direction? Would you care to repeat it?
 16 TRUSTEE DENT: We're moving forward with
 17 staff's recommendations to accept the rates on
 18 page 269. We will be evaluating a p.m. -- or we're
 19 directing staff to evaluate a p.m. 10-pack, p.m.
 20 20-pack, and the high school/junior pass to include
 21 18 year olds that are in high school.
 22 CHAIR SCHMITZ: Any other discussion?
 23 TRUSTEE TULLOCH: No discussion; just
 24 adding to motion that we agreed before that the high
 25 school and college passes are walking only. I think

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1 it's only missing from the college pass.
 2 CHAIR SCHMITZ: All those in favor?
 3 TRUSTEE TULLOCH: Aye.
 4 TRUSTEE DENT: Aye.
 5 CHAIR SCHMITZ: Aye.
 6 Those opposed?
 7 TRUSTEE NOBLE: No.
 8 TRUSTEE TONKING: No.
 9 CHAIR SCHMITZ: We will take a short break
 10 and meet back at 9:15. Thank you.
 11 (Recess from 9:07 p.m. to 9:16 p.m.)
 12 CHAIR SCHMITZ: Calling the board meeting
 13 back to order. Trustee Dent will be joining online.
 14 He should be here shortly.
 15 We will be continuing on with -- it's
 16 currently G 6, formerly G 8.
 17 G 6. Veteran's Memorial Donation
 18 CHAIR SCHMITZ: Review, discuss, and
 19 approve a donation in the amount not to exceed
 20 \$110,000 regarding the veterans' memorial. The
 21 material is found on pages 286 to 330 of the board
 22 packet.
 23 MR. BRONSON: Here to provide support for
 24 Parks and Recreation. The item in front of you
 25 tonight is to review, discuss, and approve a

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1 donation in the amount of not no exceed \$100,000 for
 2 Michael Gross for the construction of the veteran's
 3 memorial on district property, and direct staff to
 4 formalize a written agreement.
 5 I've provided a lot of information, and
 6 I'm thinking of the hour. Instead of what I
 7 normally would do, which we would go through it, is
 8 you have a PowerPoint, your narrative, you have a
 9 lot of information that Michael has brought forward.
 10 He's here tonight to answer any questions related to
 11 his proposed donation.
 12 From a staff perspective, I tried to couch
 13 the idea that the proposal for a veteran's memorial,
 14 where it is being proposed is an appropriate place
 15 for a veteran's memorial. With my experience in
 16 these types of activities, which draw citizens and
 17 community members, and they kind of become a center
 18 hub, where it's being proposed is an appropriate
 19 place for a veteran's memorial like this.
 20 What staff hasn't done is to compare and
 21 contrast whether that's the best use of the
 22 property.
 23 Based on what the proposal is, we think it
 24 would fit there. But it's really up to the Board on
 25 where the appropriate location would be. And,

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1 again, it would be up to Michael to decide, if it
 2 changed location, whether he's still interested in
 3 the donation.
 4 What we're asking from you tonight is to
 5 hopefully accept the donation of the not-to-exceed
 6 \$100,000, and then direct staff to go work on an
 7 agreement to go work out the details. Any of you
 8 know on donation, it's always the details that come
 9 forward that need to be done. And that agreement
 10 would be brought back to the Board for your
 11 approval.
 12 Also direct staff to revise Policy
 13 Procedure 138, resolution 1849 for Board approval
 14 adoption.
 15 It's my understanding -- and I look to the
 16 General Manager if I've got this wrong -- is that
 17 the original agreement between the District and the
 18 foundation for accepting these, which was agreed to
 19 in 2009, the agreement itself is no longer in
 20 effect, and the agreement now is to take projects
 21 one by one. But the District has never revised your
 22 policy, which is the old direction that if you take
 23 a dotation, it goes to the foundation.
 24 So, the recommendation is to accept the
 25 donation, direct staff to work on an agreement, and

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1 also direct staff to revise what your current policy
 2 is. My understanding is staff set can't aside a
 3 policy. I look at the legal advice here.
 4 But the Board, who sets the policy, has
 5 the ability, if they want, to revise the policy.
 6 That's why it's being put in the Board's lap as
 7 opposed to staff who can't, on our own, revise that
 8 policy.
 9 I'd be more than happy to answer any
 10 questions. As I said, Michael is here, he can talk
 11 about what the proposal is, any of the details,
 12 anything questions you have of him.
 13 CHAIR SCHMITZ: Questions? Trustee Noble,
 14 go ahead.
 15 TRUSTEE NOBLE: I'll start out that I do
 16 very much support the concept of a veteran's
 17 memorial. My concern, though, at this point is the
 18 location at the north end of Village Green. As
 19 we've heard from public comment, there was at least
 20 some discussion with the dog park committee of
 21 turning that area into parking for access to -- for
 22 the dog park as well as then the lower field for the
 23 sports.
 24 I drove around town this afternoon looking
 25 at alternate sites, as well as the upper Village

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1 Green. People were playing soccer there and
 2 everybody's hanging out up there. And I know from
 3 the decade or so with AYSO, that is where a lot of
 4 people hang out that are getting ready to play at
 5 the upper field because there's just not a lot of
 6 room on the other areas.
 7 I'm concerned that -- memorial is supposed
 8 to be a place for, in my mind, quiet reflection, and
 9 I'm concerned that there's going to be some conflict
 10 with the other users of the Village Green, whether
 11 it's dog owners, the dogs are going to be doing
 12 through there, they might do their business in
 13 there, and that's not good. Kids are going to be
 14 hanging around, kicking balls against stuff, and
 15 that's not going to be appreciated.
 16 And so I'm concerned that -- I think there
 17 could be other places, there's the grass area so the
 18 south of the Aspen Grove building, there's across
 19 the street from Village Green right next to the Rec
 20 Center, forested area that's not being used. The
 21 Rec Center parking lot to the west, there's another
 22 forested area, not in a stream zone, that could be
 23 used. Preston Field, the parking areas, not the
 24 most ideal because you're right next to the road
 25 there, but there's a huge area that's not being

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1 used.
 2 And so that's my concern, and that's the
 3 only reason why at this point I wouldn't want to
 4 move forward if it is only that area up above
 5 Village Green. It is a fantastic spot. It would be
 6 a fantastic spot for a veteran's memorial. But it's
 7 a fantastic spot for a lot of other users that use
 8 Village Green, and that's my concern about the
 9 conflict that it will create.
 10 TRUSTEE TONKING: I have a question about
 11 the third part of this recommendation. I was
 12 wondering if Mr. Gross had a specific reason for why
 13 he didn't want to use the process that has been
 14 utilized for all the other ones, if that was a staff
 15 decision, or where this has arose?
 16 MR. BRONSON: I'll punt that. It came
 17 from staff, though; correct?
 18 MR. MAGEE: That was a staff
 19 recommendation, yes.
 20 TRUSTEE TONKING: Have we asked Mr. Gross
 21 if that works form him, knowing that ITF is a
 22 non-profit versus us not a non-profit?
 23 MR. MAGEE: I did. Mr. Gross indicated he
 24 was fine with whatever process the District wanted
 25 to use.

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1 (Inaudible response from audience.)
 2 MR. MAGEE: I'm sorry. I thought that
 3 was. Can you elaborate for me?
 4 MR. GROSS: During the course of our
 5 conversation, we met for about 20 minutes to survey
 6 the site that I was recommending. During the course
 7 of that conversation, you indicated that you had
 8 some issues with the process, 138, and you did not
 9 elaborate, of course, on what those issues were.
 10 I commented that based on my background,
 11 we needed adequate checks and balances, terms of
 12 conditions, and what not. You agreed that that's
 13 what we required. I do not know what you are
 14 proposing, the change, therefore I cannot agree with
 15 it.
 16 MR. MAGEE: Understood. And my apologies.
 17 My understanding is you were fine with the
 18 concept of either the donation going through the ITF
 19 as per the current policy, or the donation being
 20 accepted directly by the District. That's all I was
 21 referring to.
 22 MR. GROSS: Let me digress for a second.
 23 Prior to retiring, I was the vice president of
 24 subcontracts and of aerospace systems. I had a
 25 responsibility where we procured \$3.9 million-worth

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1 of subcontract material, defense-related material
 2 every year from over 200 suppliers. I had about 420
 3 subcontract managers, directors, et cetera, and we
 4 bought things in the U.S. and in Europe. I'd like
 5 to think I know a little bit about the
 6 subcontracting process. And believe me, I've
 7 suffered the trials and tribulations of a bad
 8 subcontract and poor subcontract management. It is
 9 painful at best.

10 The thing that I am concerned about, not
 11 knowing what you're describing and you got the
 12 prerogative to change it, but my concern is,
 13 number one, if you do decide to assume
 14 responsibilities of ITF, that it's going to take
 15 time and personnel.

16 Number two, part of that responsibility is
 17 to actively solicit subcontract donations. And I
 18 well know that any government organization or
 19 government employee who solicits donations from the
 20 public is fraught with peril, whether real or
 21 perceived.

22 Thirdly, the problem becomes is now in my
 23 case, a donor, I am now subcontracting with IVGID.
 24 So, in part, I am going to be establishing an MOU
 25 with you, and while I'm probably able to do so and

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1 many donors are not, number two, I would now have to
 2 take on a project oversight responsibility, and I
 3 would be responsible in part to incrementally fund
 4 and invoices, and that is a concern as well.

5 In general, I don't think you want to
 6 that. In my case, I probably could, but I should
 7 not have to. You've got terms and conditions,
 8 you've got the full due diligence process,
 9 statements of work, vendor quotes, and that's not
 10 something that I would reasonably rely upon IVGID.
 11 As much as I know and trust you and your
 12 organization, I don't want to be put in a position
 13 where here is \$100,000, go have fun, let me know how
 14 it turns out, and if you run of money, give me a
 15 call. That's the concern that I have. And,
 16 frankly, the function that ITF currently provides is
 17 that.

18 Now, if you're procuring a park bench, it
 19 becomes a trivial issue. But for a hundred K or if
 20 it was the bike park or the Ridgefield project,
 21 that's a different story. And if suddenly it's an
 22 amalgamation of multiple suppliers, not just one,
 23 now you have to rely upon multiple suppliers. So
 24 I've got to hire a lawyer to review the funding
 25 document, the MOU. And as counsel knows, most MOUs

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1 are not enforceable, so creates a problem within
 2 itself. It would have to be a subcontract.

3 And it's further complicated because I'm
 4 not funding you to provide benefit for myself; I'm
 5 funding you to provide benefit for the community.
 6 So it gets even more convoluted.

7 I'm sorry if I mislead you, but not
 8 knowing what you're planning to do, I couldn't have
 9 said yes.

10 CHAIR SCHMITZ: I just have a
 11 clarification because, typically, and everyone
 12 correct me if I'm wrong, when we have received
 13 donations, staff assumes the responsibility of
 14 managing the projects. We've done that at
 15 Ridgeline, we did it at the bike park. ITF doesn't
 16 manage those projects; staff manages those projects.

17 I think there might be a little bit of a
 18 misunderstanding of how the process works.

19 MR. GROSS: That is correct. But what
 20 happens is -- and I've got the MOUs here, both
 21 Ridgeline and for the bike park, and what typically
 22 happens is you will receive invoices from your
 23 suppliers, then you will in turn invoice ITF who
 24 will then review the invoices on no more frequent
 25 than a monthly basis, and then they will then pay

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1 you for those invoices. That's how it works.

2 They do have some oversight
 3 responsibility. There is generally some reporting
 4 responsibility as well, if you read the MOUs.

5 But you're right, you are responsible to
 6 execute that responsibility.

7 CHAIR SCHMITZ: And I'm not real clear,
 8 just to back up, because I'm under the impression we
 9 still have an MOU with ITF, but you indicated we do
 10 not any longer.

11 Do we or don't we have an MOU?

12 MR. GROSS: ITF withdrew on the -- in 2018
 13 because --

14 MR. BRONSON: That's my understanding that
 15 the MOU in 2018 was no longer in effect, that they
 16 withdrew.

17 CHAIR SCHMITZ: Let's just get
 18 clarifications. Where are with that, General
 19 Manager?

20 MR. MAGEE: Thank you. I have heard that
 21 this MOU is no longer in effect multiple times. I
 22 have not been able to independently verify that.
 23 They have not found anything as to whether this MOU
 24 remains in effect or if it was canceled.

25 I've heard the year 2016 and the year

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1 2018, to date, I have not been able to find that the
 2 Board took action to cancel that MOU, but I have
 3 heard that same comment made by numerous people.
 4 TRUSTEE TONKING: I'm was just going to
 5 say I think ITF has been doing it on -- they create
 6 individual MOUs now per project to help ease some of
 7 the other issues that have occurred. That was my
 8 understanding of what I've heard, but I don't know
 9 for certain.
 10 But I do have a concern -- A, first off,
 11 Mr. Gross, I want to thank you very much for being
 12 willing to give us this donation. I think I should
 13 start off right there.
 14 I also, then, share a concern with us
 15 revising policy.
 16 MR. GROSS: It's confusing because there
 17 actually are two MOUs. The MOU you're referring to
 18 was a generic MOU between ITF and IVGID. This was
 19 back in 2009. And, in fact, in that MOU, the
 20 general manager was actually part of the board of
 21 directors of that activity. But it was a general of
 22 how the two organizations collaborate together.
 23 In conjunction with that, and let's say
 24 independent of that, there was a funding agreement
 25 or grant agreement, which went from the donor, it

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1 went from Parasol to ITF, and then an MOU, an
 2 independent, project-specific MOU that, in parallel,
 3 was between ITF and IVGID which addressed the
 4 specific elements of that project itself, which was
 5 the Ridgeline and which was the bike park. But at
 6 the time, both MOUs existed in parallel.
 7 And then in 2018, ITF withdrew from the
 8 generic MOU between themselves and IVGID. But the
 9 other MOUs are still in place and enforced.
 10 TRUSTEE TULLOCH: I support the donation.
 11 As one whose father and uncles were all part of the
 12 greatest generation from World War II, one who as
 13 killed in action, I fully support the principle.
 14 I'm just trying to get down to the bottom
 15 here. I think General Manager Magee mentioned that
 16 while the MOU is still in force, the MOU won't still
 17 be in force because it requires both parties, and
 18 that's what I recall from MOUs, either party could
 19 withdraw from it. So then, any MOUs,
 20 project-specific, that are already in force would
 21 only be for that particular project.
 22 So what we're trying to address is what's
 23 the best way to do it here to ensure proper
 24 protections, security for both parties in terms of
 25 that. I'll be very honest, I've never understood

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1 why there's a process of money going to Parasol
 2 first, then to ITF, then finally to IVGID. As
 3 somebody who is a former procurement professional at
 4 one stage of my career as well, I'm sure as you did,
 5 you like to cut out the middle man as much as
 6 possible, because the more parties, the more fingers
 7 there is to point at things.
 8 I'm just trying to work out what it is
 9 we're actually trying to do here? Is your
 10 understanding you want have an agreement to donate
 11 the money to ITF, who then passes it to IVGID? But
 12 IVGID -- you want -- IVGID is going to require to do
 13 the work, take the risk of it running over cost and
 14 things as well?
 15 MR. GROSS: No, I'm not saying that.
 16 TRUSTEE TULLOCH: Okay. That's what I was
 17 trying to clarify.
 18 MR. GROSS: Let's go away from the MOUs
 19 and the grant agreements, and put it into a
 20 vernacular that I understand and hopefully you'll
 21 understand as well.
 22 There needs to be a check and balance, a
 23 two-party, a subcontract between the giver and the
 24 receiver. And the receiver, in turn, will perform
 25 the work to a statement of work, a specification

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1 order, whatever, and then the receiver will
 2 periodically be reimbursed for the work performed,
 3 either from the invoices from the vendors or work
 4 that IVGID would perform by itself.
 5 The giver will assess those invoices on a
 6 monthly basis at minimum, and will receive some form
 7 of a statement of how the work is going. They're
 8 not an active manager of it, but they need to know,
 9 just like a subcontract does, just like I used to
 10 do. And if they are not performing, if they're not
 11 meeting spec or if something goes wrong, they have
 12 the ability to issue a cure notice to fix the
 13 problem. And you go on with whole thing, but,
 14 basically, that's the basic if things are going
 15 well, and then they will pay those invoices.
 16 And then the receiver will then in turn
 17 pay their suppliers. That's how it relatively
 18 works.
 19 What I had done, assuming that we were
 20 following this procedure, was that I had engaged
 21 with both Parasol and with ITF. And you're right, I
 22 could directly fund ITF, but then ITF would then
 23 take -- what we were planning to do was I met with
 24 both Doris Hallot (phonetic) at ITF and Claudia
 25 Anderson at Parasol, and they gave me the grant

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1 agreements and the MOUs from the Ridgeline and from
2 the bike park projects with you, the strategy was,
3 since those were well-vetted, proven documentation
4 with terms and conditions that everyone seem to
5 like, we were going to use that as a starting point
6 and make it the modifications, the edits to address
7 this particular project, give that to IVGID's
8 review, along with counsel, and then arrive at an
9 agreement so that all parties were happy, it was
10 balanced, it was fair, and it protected both sides.
11 That was the plan.
12 Now, if we get rid of ITF, then now I need
13 to assume that responsibility personally. Given my
14 background, I could do that. Do I want to do that?
15 Do I want to set that precedent for other projects?
16 I'm not sure. I'm not sure you do. Do you want to
17 go out and solicit from the community, actively
18 solicit donations?
19 TRUSTEE TULLOCH: Thank you. I understand
20 that. I'm just trying to clarify because I was
21 getting confused whether you want a straight,
22 two-party agreement. But basically what you're
23 wanting is ITF or Parasol or whoever, let's call it
24 "Dennis," to be your managing agent, effectively.
25 MR. GROSS: I would rather not do it

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1 want to do it that way as well.
2 I don't know, Bobby, what the issues are
3 you have with ITF, but I think we need to fix those.
4 If there are issues, then this may be the best
5 approach. Do we need both ITF and Parasol? I mean,
6 there is a process. There's a -- we could not pour
7 the money through Parasol as well.
8 TRUSTEE TULLOCH: In that case, what the
9 proposal that should be coming to the Board is then
10 coming from your managing agent, which effectively
11 would be ITF or Parasol in that case, rather than
12 coming this way.
13 MR. GROSS: If you look at Ridgeline and
14 the way that worked -- and I have all the
15 documentation -- is that the Duffield Foundation
16 sent a letter to ITF, which basically is: We would
17 like to fund this, and we were going to donate
18 \$700,000.
19 It later grew through the due diligence
20 process to about \$1.2 million, but they followed the
21 process. And then ITF in turn wrote an MOU, in fact
22 they didn't call it an MOU in that case; they called
23 it the grant agreement. The bike park called it an
24 MOU. And that grant agreement was between ITF and
25 IVGID, with IVGID managing it, and there was a whole

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1 myself, nor would I want to just give the money to
2 IVGID and say go for it, because then I've got no
3 recourse. And if it's mismanaged, then I've got to
4 pay the balance.
5 Now, if there is an overrun, that will be
6 part of the terms and conditions. How do we address
7 that?
8 TRUSTEE TULLOCH: That's obviously a
9 concern.
10 MR. GROSS: If you're actually managing a
11 subcontract, long before it becomes a problem, you
12 get indications and warnings, and you can take
13 recourse.
14 TRUSTEE TULLOCH: Absolutely. I'm sure if
15 you listen to my comments earlier in the evening,
16 you know that's a process I'm very much favor of,
17 following things and making corrective action before
18 they go wrong.
19 MR. GROSS: And that was my job.
20 TRUSTEE TULLOCH: Yep. It's been my job
21 too often as well.
22 But, yeah, I just want to make clear, so
23 what you're actually requesting is to do this via
24 ITF or Parasol?
25 MR. GROSS: I would think that you would

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1 subcontracting process that went through the board.
2 Am I making sense?
3 TRUSTEE TULLOCH: It makes sense. I'm
4 looking at our legal counsel. I'm not quite sure if
5 that is in accordance with the motion here. It's
6 certainly not my understanding from reading the
7 staff's memo.
8 MR. RUDIN: Yeah. I mean, it's not in
9 line with the staff recommendation, but, I mean,
10 again, this is within the scope of the agenda item.
11
12 Again, we do have, as part of the
13 discussion, whether or not we should be creating a
14 written agreement with our donor directly, if that's
15 not the direction of the Board, the direction of the
16 Board can be work towards this project, but if the
17 donor wants to work through ITF, again, you can
18 direct staff to engage with the donor and with ITF
19 in terms of preparing a written agreement for
20 undertaking the project.
21 TRUSTEE TULLOCH: That would be my
22 understanding. But I just -- my colleague was
23 trying to point out to me that's what staff has
24 proposed, but it's not actually what the proposal
25 is.

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1 It's sounds like we're sightly preemptive
2 here. We should be receiving a motion, a proposal
3 coming through ITF if that's the direction the donor
4 wants to go. I'm not trying to put out obstacles in
5 the way, I'm just trying to make sure that we're
6 compliant here because the proposal from staff is
7 ...

8 MR. RUDIN: And I do think -- before we
9 get to the question of whether or not there should
10 be an agreement, I think your first question is --
11 that you have to answer as a board, do you think
12 there should be a project?

13 TRUSTEE TONKING: I have a question, then.
14 CHAIR SCHMITZ: I just wanted, maybe, sort
15 of to cut the chase here a little bit.
16 TRUSTEE TONKING: I just had a question.
17 CHAIR SCHMITZ: Okay. Go ahead. I just
18 want to move this forward.
19 TRUSTEE TONKING: Yeah. I think my
20 question may move it. Can we accept the idea of the
21 donation and then recommend -- because there's an
22 alternative, it says: Accept the donation and
23 follow Policy and Procedure 138, Resolution 1849.
24 Which is to have ITF come back with it, so
25 could we do it that way?

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1 just do a little bit of evaluation about is this --
2 I think it's a great location. I think it's a great
3 location. I think it's a great idea. I think it's
4 a very, very generous offer.
5 But it is important for staff to evaluate
6 where are we going with Village Green? And if this
7 is going to fit in here, what impacts does it have
8 on other projects? And at the same time, come back
9 to the Board with: Here's the game plan of how were
10 logistically going to handle this project, whether
11 it's with ITF, whatever it is, so that all of the
12 concerns and issues are addressed.
13 And it can come back to us with a concise
14 answer to a number of different questions. Does
15 that make sense?
16 TRUSTEE TONKING: Can the turnaround be
17 pretty quick on that? My understanding is Mr. Gross
18 had wanted this to occur close to the 4th of July,
19 and I feel like -- at least some pieces of it.
20 And then my other thing is I think he was
21 also very clear that he wanted to go with ITF, so
22 maybe working with staff to make sure that when it
23 does come back and staff has their suggestions, it
24 would come through the ITF module, to Trustee
25 Tulloch's point.

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1 MR. RUDIN: Yes.
2 CHAIR SCHMITZ: So, I feel that, based on
3 all of this discussion that we've had tonight, that
4 there is a few things that maybe staff needs to take
5 a bit more time evaluating, and that is -- I, for
6 one, think the location is a great location. I like
7 it because it's on Incline Way. I like it because
8 it's actually in an elevated area. There's so many
9 wonderful things about it.
10 But I do understand, Trustee Noble's
11 point, that we have a lot of conflicting use at
12 Aspen Grove. And I think we should, as staff, take
13 a step back and say, okay, if this is a great
14 location for a veteran's memorial, how does that
15 impact all of the other potential uses of Village
16 Green? Where are we with the dog park situation?
17 And just at least look at Village Green and come up
18 with a broader strategy so that we are not just
19 doing one thing at a time, but we've got an approach
20 that we're using.
21 We have conflicting use. We have soccer
22 players, we have dog owners, we have lacrosse
23 prayers, and we really don't seem to have a game
24 plan on all of the conflicting use.
25 Would it be acceptable to ask staff to

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1 MR. GROSS: Can I make two clarifying
2 comments?
3 CHAIR SCHMITZ: Yes. Go ahead.
4 MR. GROSS: The first is when I first
5 engaged with you, you asked the question about the
6 process. I went out and I researched the process.
7 I spoke with Parasol, I spoke with ITF, and when I
8 was here last I brought it up as well, it's a
9 two-step process.
10 The first step is a conditional approval,
11 which, basically, is the site reasonable? Does it
12 benefit the community? And does it have broad
13 community support? Given that -- and if you say no,
14 it stops right there.
15 Given that, then you go back. Then you
16 begin to go through the due diligence. The MOU or
17 the subcontract agreement, the funding, the
18 statements of work, specifications, that's what
19 happens next, and that's when you decide whether or
20 not we're going to fund you directly or we use ITF
21 to fund. That's my comment number one.
22 Comment number two -- and I apologize, but
23 I grew up in the East Coast, and we had the Village
24 Green and we had the war memorial, and it wasn't a
25 secluded spot, the kids hung out there, traffic went

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1 by, we had the celebrations there. It was a
 2 gathering spot more. It was more than just a
 3 solitary monument.
 4 What I'm proposing is up above the playing
 5 fields. It's -- they're not kicking balls up there.
 6 There's two park benches up there that you can see
 7 from the thing. There are not a lot of people up
 8 there, and if they are, they're sitting, they're
 9 relaxing up there. They're not playing games,
 10 they're not running around, there's not a lot of
 11 traffic up there if you look at it. The action that
 12 you're referring to is down below on the actual
 13 playing field.
 14 I think it is a perfect spot, and I'm not
 15 personally concerned, based upon how I grew up and
 16 my background with the Village Green, it was a
 17 multi-use location, so I beg to differ a little bit
 18 with you, and I apologize, but those are my two
 19 comments.
 20 CHAIR SCHMITZ: What's the direction of
 21 the Board? I made a suggestion, but it just a
 22 suggestion. Do we have to make a motion?
 23 We don't have to make a motion if we
 24 decide, as a board, to give staff direction for some
 25 additional information or clarity. I, for one, I

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1 think this is fantastic, but if staff and if the
 2 Board feels that we need to understand the impacts
 3 on the other uses of that area, then we should ask
 4 staff to do that evaluation.
 5 TRUSTEE TONKING: I have less concern with
 6 the uses because, I also grow up here, I spent a lot
 7 of time, and I don't -- I never felt like that was
 8 much traffic and people were sitting on, so I'm a
 9 little less concerned about the location.
 10 I'm just more concerned about the process
 11 and making sure that we meet the donor's needs and
 12 making sure that that's working. That is more my
 13 concern, less the location.
 14 TRUSTEE TULLOCH: I'm agreeing with you,
 15 Michaela, for the most part.
 16 I believe we should be accepting this in
 17 principle and moving forward and working out what
 18 the issues are, and then working out what process,
 19 what the contracting process is going to be. If we
 20 need to make a motion, I'm happy to make a motion,
 21 or if we can move forward on that basis.
 22 Mr. Gross needs some assurance that we're
 23 equally committed to that. Hopefully, you've heard
 24 that from the board members tonight. That would be
 25 my thought, I think in principle there, if staff

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1 comes back with any huge issues from the evaluation,
 2 we can further discuss them.
 3 Certainly, I'm prepared to move forward in
 4 principle in this, and thank you for your generous
 5 donation.
 6 TRUSTEE DENT: I missed the beginning of
 7 that discussion, Chair. But I am aligned with my
 8 colleagues on it as far as moving it forward.
 9 CHAIR SCHMITZ: So, in summary, then, the
 10 Board is comfortable with the location and with the
 11 concept, but the details need to be worked out and
 12 brought back to us.
 13 TRUSTEE NOBLE: I'm not comfortable with
 14 the location. I liked your suggestion of having
 15 staff go back and evaluate with the potential
 16 conflict of users, but it sounds like I'm in the
 17 minority on that.
 18 The majority of the Board agrees with the
 19 location.
 20 CHAIR SCHMITZ: Sorry about that. I was
 21 going with the majority.
 22 MR. RUDIN: As part of the evaluation,
 23 typically, for the protection of the District with
 24 these kinds of things, your donor has properly
 25 identified one, the first is an approval on concept

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1 of whether or not you want to conceptually move
 2 forward with the project. Second stage is going to
 3 be an evaluation as part of that.
 4 My recommendation would be that the
 5 District prepares an engineer's estimate of
 6 construction costs to make sure that what we're
 7 expecting is not going to exceed \$110,000. As a
 8 practical matter, you probably won't know the full
 9 cost until you bid it.
 10 If there's any sort of contribution of
 11 district money to this, again, you're probably going
 12 to have to comply with prevailing wage and bidding
 13 requirements under state law.
 14 And typically with these kinds of projects
 15 where you're accepting a donation, there is usually
 16 an out clause for the District if the bids come back
 17 such that you don't want to contribute what would be
 18 a significant balance to the project.
 19 MR. GROSS: I already have bids.
 20 CHAIR SCHMITZ: Question for the General
 21 Manager on that note is that we have our Public
 22 Works staff pretty loaded up with construction
 23 projects this summer. Do they have the ability to
 24 start working on bidding this project with all of
 25 the, you know, groundbreaking that's going on right

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1 now with the multitude of projects?

2 MR. MAGEE: If the Board so directs, then

3 we will add it to the project list. Public Works

4 has already brought forward -- and while I

5 appreciate that bids have already been received,

6 those are not from the District. That is not in

7 accordance with District policy, so we would have to

8 go through that process as well.

9 It will delay the project significantly.

10 TRUSTEE TONKING: I'm confused why staff

11 would recommend this project if they didn't feel

12 they had the bandwidth or time to do it, and then

13 also recommend taking money to do it themselves.

14 MR. MAGEE: So, my understanding on how it

15 was going to work previously, it was a little bit

16 different than this, but if the Board wishes, I can

17 go into that, but I think it's irrelevant at this

18 point.

19 I think I understand where the Board is

20 going with this.

21 CHAIR SCHMITZ: I think that we have to

22 realistically then have staff come back to us with

23 what's the realistic schedule at which they are able

24 to do this when they're in the middle of the

25 effluent pipeline, the pond, the storage tank, plus

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1 all of the other water and sewer projects that are

2 going on.

3 So, we need that information as well,

4 because Mr. Gross needs to understand the reality of

5 a timeline from us.

6 MR. GROSS: Would you -- for the actual

7 cobblestone itself, would you preform that yourself,

8 or would you hire a masoner subcontractor to perform

9 that on your behalf? How do you typically do that?

10 MR. MAGEE: That would typically go

11 through a formal bid process, and that would be

12 subcontracted out to the lowest bidder.

13 CHAIR SCHMITZ: Would anyone like to make

14 a motion of what we -- or, legal counsel, did we

15 give sufficient direction?

16 Oh, Trustee Dent, I'm sorry.

17 TRUSTEE DENT: I missed the part, Trustee

18 Noble mentioned the alternate location, and I missed

19 that discussion. I'm just curious where that

20 location was.

21 And, perhaps, I agreed with my previous

22 colleagues, I was incorrect in that statement. I

23 just would like to know a little bit about where

24 that alternate location was and what's the Board

25 discussion about that?

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1 TRUSTEE NOBLE: What I had expressed

2 concern was that where it is presently proposed,

3 there is, I think, a serious potential conflict with

4 the existing users of the dog park, as well as Chair

5 Schmitz had indicated soccer, lacrosse, and all the

6 other sports that go on.

7 I had recommended taking a look at some

8 other sites, whether it's the grass area to the

9 south of the Aspen Grove building, across the street

10 from Village Green in front of the Rec Center, the

11 area to the west of the parking lot for the Rec

12 Center, which is a wooded area. I also threw out

13 Preston Field, although I don't think it's ideal

14 given the traffic noise next to Highway 28, but the

15 back of the parking lot there, there's a huge open

16 area. Areas that don't currently have other users

17 but still may be appropriate.

18 That was the extent of that with regards

19 to the location.

20 TRUSTEE DENT: Is that alternate location

21 something we should at least look into?

22 CHAIR SCHMITZ: From what I heard from my

23 fellow trustees, yes. Trustee Noble was the only

24 trustee that had expressed desire for an alternative

25 location.

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1 TRUSTEE DENT: Thank you for that. I

2 think as we work through the next process, for the

3 next steps, it seems like as we evaluate this

4 further, that may be something that comes back

5 around. Am I missing something on that, or is the

6 location fixed based on this conversation?

7 CHAIR SCHMITZ: I think what was expressed

8 by the other trustees is that they thought it was a

9 good location for it because it was elevated and

10 because it was right along Incline Way, which is the

11 way that we're -- that's the route for our parades

12 and what not. And I think that was part of what was

13 in the proposal as well is the reasoning behind it.

14 And they wanted to -- go ahead.

15 TRUSTEE DENT: I just want to make sure I

16 had the information. Thank you.

17 CHAIR SCHMITZ: Legal counsel, do we need

18 to make a motion, or have we given sufficient

19 direction to staff?

20 MR. RUDIN: Bobby, do you feel like you

21 have clear direction?

22 MR. MAGEE: I believe we do. What I've

23 heard the Board say tonight is you agree with the

24 concept of what is being proposed. The location is

25 still to be determined, however, the majority of the

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1 Board does feel like this is an appropriate place,
 2 but that would be part of the staff recommendation.
 3 With the next letter, we need to receive a
 4 proposal from ITF, and staff will not be revising
 5 Policy and Procedure 138.
 6 Am I missing anything?
 7 CHAIR SCHMITZ: I don't really know
 8 whether we can do this as part of this agenda item,
 9 but I think that this policy needs to be rewritten,
 10 because I know that we have not followed it. And
 11 it's not just the Board that hasn't followed it, but
 12 it's been a procedure that hasn't been followed.
 13 Usually when a procedure isn't being
 14 followed, it's because the procedure has issues with
 15 it, so I think that it is something that we should
 16 request staff -- or request legal counsel take a
 17 look at and revise, because if we don't have an MOU
 18 that is all encompassing with ITF, we shouldn't be
 19 blocked into this, and we have other things that are
 20 part of this, naming rights and what have you, and
 21 it hasn't been followed.
 22 Let's create a policy that we can actually
 23 consistently follow.
 24 MR. BRONSON: That is the third
 25 recommendation, was to direct staff to go back and

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1 revise Policy 138 and bring it back to the Board.
 2 CHAIR SCHMITZ: That would be just
 3 independent of this item?
 4 MR. BRONSON: Parallel path, yep.
 5 CHAIR SCHMITZ: Yeah. I feel that -- as
 6 one board member, I feel that we should be doing
 7 that because it's -- as legal counsel has
 8 identified, it's a little -- it's in need of some
 9 work to bring it up to best practices.
 10 TRUSTEE TONKING: I don't think we can
 11 make that recommendation on this item. I think that
 12 would have to be a long-range conversation, because
 13 I think it's outside the -- because it's not
 14 applying to this item, exactly, because we don't
 15 want to do it for this specific item. I think
 16 that's where the confusion kind of lies.
 17 MR. RUDIN: I think we would want to come
 18 back to the Board anyway for discussion, direction
 19 as what amendments you would like to see this
 20 policy. That is going to be a much broader
 21 conversation than we can have today, given the
 22 late hour.
 23 Before I spend a bunch of time drafting
 24 anyway, I would still like to come back to the Board
 25 for clarity.

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1 CHAIR SCHMITZ: We'll put that on for the
 2 29th, then.
 3 MR. MAGEE: Yes, I've got that.
 4 CHAIR SCHMITZ: All right. Thank you.
 5 MR. GROSS: I thought I heard three of the
 6 board members agree that this is the preferred
 7 location. Was that a decision or is that still
 8 open?
 9 CHAIR SCHMITZ: Trustee Dent, did you
 10 change your decision? Were you comfortable with
 11 that location? Originally you were, but then I
 12 think you hadn't heard Trustee Noble's comments.
 13 TRUSTEE DENT: I think at this time I'm
 14 comfortable with the location. I just think it may
 15 still be a little too soon to tell. I think what
 16 General Manager Magee represented what he heard us
 17 say was -- I thought it was clear.
 18 CHAIR SCHMITZ: Yeah. So, yes, the
 19 majority of the Board is comfortable with that
 20 location. Yes. Thank you for your time and all the
 21 generosity for the veterans.
 22 Moving on to agenda item, which is now G 7
 23 and G 8.
 24 G 7 and G 8. Rec Center Priority List/HVAC
 25 CHAIR SCHMITZ: Pages 194 through 263 of

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1 the board packet covering the Rec Center priority
 2 list, and then also the HVAC replacement.
 3 MR. BRONSON: This item is to review the
 4 Parks and Recreation department conditions report
 5 and list of projects for facilities, and provide
 6 direction to staff related to follow-up, next steps.
 7 Very briefly, at the April 24th board
 8 meeting, the Parks and Recreation staff presented an
 9 item to review, discuss, and approve for the floor
 10 to be replaced at the Recreation Center group
 11 fitness room. During the discussion with the Board,
 12 a number of questions were raised related to the
 13 importance of this one project compared to all the
 14 other items in need of improvement at the center and
 15 other facilities.
 16 The Board was aware that staff had created
 17 an overall assessment of the needs of the District;
 18 however, the list of improvements had not been
 19 shared with all Board did members. The Board did
 20 not indicate that they were necessarily against the
 21 floor replacement, but rather you wanted to see this
 22 improvement as a part of a larger list.
 23 Staff has attached an updated list of
 24 facility conditions and recommended improvements as
 25 Exhibit A. The comprehensive list covers the

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1 Recreation Center, recreation vehicles, the
 2 Recreation Center and auditorium, parks, the tennis
 3 and pickleball center, and beaches. Currently, the
 4 Parks and Recreation team have not created a
 5 priority list. What we've presented to you tonight
 6 is the list that you were hoping to to have seen as
 7 a part of the recommendation for flooring at the
 8 last meeting.

9 And to not confuse the issue, my
 10 recommendation was let's bring the list back to you
 11 so you can see what the list is that staff is
 12 working with. But from my perspective, just as the
 13 consultant with the recommendations, the list is not
 14 prioritized.

15 So when I listened to your discussion
 16 after the fact at the board meeting, where it was
 17 pretty obvious that one of the things you wanted to
 18 do is talk about the flooring in comparison to
 19 everything else. It's great to have a list.

20 My suggestion is is if that's the will of
 21 the Board or anything else, direct staff go back
 22 with this list and prioritize the list of projects
 23 so that you can see them. That is what we've
 24 presented to you today. I'd be more than happy to
 25 answer any questions or give any other direction.

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1 But it currently is not prioritized. It
 2 makes it difficult to decide what's important if you
 3 don't have a prioritized list.

4 CHAIR SCHMITZ: One of the things that we
 5 had instructed staff to do back in October was to
 6 put together a list of deferred maintenance items,
 7 because the Board has been very clear that we want
 8 our venue managers to budget for preventive
 9 maintenance and for upkeep of our venues.

10 So when we were sort of discovering that
 11 it seemed like maybe some things -- it was
 12 misunderstood, and budgets weren't put in, this was
 13 our opportunity to say we want you to put in your
 14 budget the upgrade and the maintenance of our
 15 venues. It's very important to, I think, all of us.
 16 If there's things on this list that are deferred and
 17 should be handled, I would encourage you to bring it
 18 forward as part of the budget.

19 And what happened with the flooring is we
 20 were discovering that it was the flooring, but then
 21 there's a plan to do lighting, and there's a plan to
 22 replace the doors. If we're going to do something,
 23 let's do it holistically as a project, as opposed to
 24 we're going to do the floor today and the doors
 25 tomorrow. Let's do a project.

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1 I believe that Ms. Bahlman indicated that
 2 the kid zone was being converted into a cycling
 3 room. Well, I'm sure that means there's some
 4 renovation, there's something that needs to be done.
 5 From my perspective is that we want you to be
 6 budgeting for the maintenance and upkeep, and when
 7 we have these types of projects, let's tick off
 8 about four or five of the things as opposed to just
 9 one here and there, if it's part of one specific
 10 room.

11 So I would encourage you to prioritize it
 12 and look things as more encompassing a project as
 13 opposed to just a one-off.

14 TRUSTEE TULLOCH: That's a good summation.
 15 As the person who originally asked for the list to
 16 come back, I wanted to make sure we weren't throwing
 17 good money after bad. I didn't want to find out
 18 that we have 40 million bill here for repairs and
 19 upgrades, doing one which then costs more money to
 20 do the next one. If we're at that stage we need to
 21 knock the whole thing down and start again, we want
 22 to make sure that we're making the right decision.
 23 And without some prioritization, some realistic
 24 costs around this, that's still somewhat difficult.

25 I think adding in vehicles and all these

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1 other things is a bit of a -- we'd ask for the
 2 details from the Rec Center, particularly, the
 3 zero-based budgeting should have picked up any
 4 outstanding demands for vehicles and things like
 5 that. That should have come through there, and some
 6 of these may have come through this. Some of these
 7 things, hopefully, have been addressed as part of
 8 the zero-based budgeting.

9 I think also, I see going through the list
 10 and having discussions with Assistant Finance
 11 Director Cripps and General Manager Magee, there's
 12 an awful lot of things that are shown here as
 13 capital that are really operating expenses and
 14 things as well. I think we need to be mindful of
 15 what we're doing there.

16 The original purpose was to understand
 17 what we're exposed to, what's going to be required,
 18 and make sure that we don't spend money on one thing
 19 and suddenly have to undo it or throw it away or
 20 scrap it. We've certainly seen that happen with the
 21 effluent pipeline by continually delaying it, we've
 22 thrown away about 6 or 7 million bucks that we're
 23 going to have to write off in the next couple
 24 of years.

25 CHAIR SCHMITZ: Any other feedback,

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1 questions?

2 I'd like to add one other thing, and that

3 is to consider the long-term, potential

4 reconfiguration of Rec Center space. I know staff

5 has indicated that there is not enough space in the

6 fitness room and the cardio room and what have you.

7 When talked about the Rec Center expansion project,

8 we were talking about reconfiguring some space.

9 So I think as you're looking at these

10 things, be looking at it to say is this the right

11 place for the space, can we do it better? Because

12 there may be some opportunities, and I'd like to

13 understand what staff sees as potential

14 opportunities.

15 MR. BRONSON: We talked about a simplified

16 master plan of the facility, because learning as

17 much as I can, and this document, just so you know,

18 the department staff works through three documents,

19 CIP, which shows you projects over time, there's

20 this document, and then they have a very

21 comprehensive monthly activities of daily

22 maintenance.

23 And so one of the things I'm working with

24 staff is there is a difference between capital

25 projects, preventative projects, emergency projects,

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1 operational. That's what we're trying to do is to

2 try to start thinking and consolidating those

3 together.

4 And at the same time, I think it would be

5 appropriate to look at the Rec Center and start

6 talking about, as it moves forward, any facility

7 over time changes. The wants of the people who use

8 the facilities change. I think that's an important

9 exercise, and we can work on that too.

10 CHAIR SCHMITZ: Any other comments?

11 Okay. Moving on, then, to the HVAC, which

12 is agenda G 8, and that's to review the Rec Center

13 HVAC system replacement.

14 MR. KLEIN: I'll keep this as brief as I

15 can and get right into it.

16 The Recreation Center was built in 1992.

17 Since that time, the HVAC system has had no

18 significant overhaul, and a majority of the system

19 is at or beyond its designed, useful life.

20 Currently, the IVGID building department is having

21 to perform somewhat regular emergency repairs. And

22 on sort of two or three monthly basis having to go

23 to outside parties for either installation

24 activities or custom fabrication of parts that are

25 no longer available due to discontinuation of model

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1 or part numbering specifically.

2 On page 204 of your packet is the motion

3 to address the first phase of a design-bid build

4 project proposal. And this is for Ainsworth

5 Engineering to perform that design phase of the

6 project. Their contract would include the planning

7 and design of the HVAC replacement throughout the

8 recreation center, and their contract does also

9 include an allowance for bid support leading up to

10 that construction phase.

11 Most of the other information relative to

12 any of the budget or financial impact is included in

13 there, but with that, I will turn back over to you,

14 Chair, and open for any questions.

15 CHAIR SCHMITZ: Do we have any questions?

16 TRUSTEE TULLOCH: I never cease to be

17 amazed at the cost of just doing a design-bid packet

18 here. When I saw the topline number, I thought, oh,

19 great, we're replacing it. This is a little bit

20 less than we thought.

21 Do we have any idea of what the likely

22 cost of actually doing the work is going to be?

23 MR. KLEIN: Very preliminarily, it's going

24 to be in the 2 to \$3 million range, but there's very

25 little to back that up at this stage.

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1 TRUSTEE TULLOCH: It comes back to our

2 previous point, and I think General Manager Magee

3 can maybe help add that into the priority list in

4 terms of revising, looking at what we're doing from

5 the past item.

6 CHAIR SCHMITZ: Would anyone care to make

7 a motion?

8 TRUSTEE TONKING: I move that the Board

9 approve the recommendation by staff, and direct

10 Chair and Secretary to sign and execute the

11 agreement.

12 CHAIR SCHMITZ: Motion's been made. Is

13 there a second?

14 TRUSTEE NOBLE: Second.

15 CHAIR SCHMITZ: Any further discussion? I

16 have just one.

17 TRUSTEE DENT: My question is for Mr.

18 Klein. As far as upgrading the system, why do we

19 need to go and redesign the system? Why couldn't we

20 just have some contractors come look at it and put a

21 bid together to upgrade the system?

22 MR. KLEIN: That's somewhat accurate.

23 There's consideration with the sizing and updated --

24 with the sizing of the current equipment relative to

25 what may be necessary to meet updated regulations.

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1 One example of that is related to air exchange and
 2 filtration requirements that have been advanced
 3 relative to the indoor air quality as impacted by
 4 wildfire. It's not a certainty that's going to be a
 5 like-for-like replacement.
 6 And further to that, the way the Rec
 7 Center was constructed was sort of around the HVAC
 8 system itself, so it's not going to be just as easy
 9 as swap out a part, put a new one in, and that's
 10 where some the planning and design will be borne out
 11 in this contract, is the ability to phase that and
 12 ensure that we find the efficiencies where we can,
 13 but also deal with the complications of a
 14 replacement of now a 30-something-year-old building.
 15 TRUSTEE DENT: Understood. Thank you.
 16 CHAIR SCHMITZ: My only comment is when I
 17 read the buildings inspection report, there were a
 18 number of places that is referenced that it wasn't
 19 properly maintained.
 20 If we -- as we're moving forward, I think
 21 it's going to be important that we have proper
 22 subcontractors or what have you, because it's not
 23 good when you see this type of report. And a lot of
 24 it was flagged as improper maintenance.
 25 A motion's been made, it's been seconded.

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1 All those in favor?
 2 TRUSTEE TONKING: Aye.
 3 TRUSTEE TULLOCH: Aye.
 4 TRUSTEE NOBLE: Aye.
 5 TRUSTEE DENT: Aye.
 6 CHAIR SCHMITZ: Aye.
 7 Opposed? Passes 5/0. We're on to the
 8 Beach House. Yes. Item this is new G 9.
 9 G 9. Beach House
 10 CHAIR SCHMITZ: It is to discuss the Beach
 11 House and give direction to staff.
 12 MR. KLEIN: Following on from the Chair's
 13 introduction, formerly G 5, now item G 9, before I
 14 get into specifics, just for reference, we
 15 referenced page 264 is the start of that item. I'll
 16 just quickly review some of the major, recent
 17 milestones on the project.
 18 The first of which in more recent time was
 19 January of 2022, the Board confirmed that the
 20 Incline Beach House project does remain a board
 21 priority project. In following with that, come
 22 April, there was a \$4 million budget offered by the
 23 then GM, and in may of 2023, that \$4 million budget
 24 number was adopted at that May 25 meeting.
 25 Subsequent to that, July, 2023, staff took direction

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1 from the board to issue an RFP for an outside
 2 consultant under a design-build contract structure.
 3 In that RFP, the main project requirements
 4 were increased bathroom/restroom facilities for the
 5 beach, to provide a kitchen that was able to provide
 6 the level of current service, the menu service at
 7 that kitchen, and to provide an expanded bar service
 8 area for the beach as well.
 9 So that RFP was carried out in February of
 10 2023. A 30 percent schematic design-build contract
 11 was awarded, and the project was initiated at that
 12 time. And most recently in April, just last month,
 13 mid-April, the first critical milestone of a concept
 14 budget figure and design drawings were issued from
 15 the design project team and shared with the Board
 16 through an internal memorandum at the last board
 17 meeting, April 24. During the Director of Public
 18 Works reports to the Board, we requested coming back
 19 for this meeting in order to provide clarification
 20 on the design elements and budget requirements for
 21 that project.
 22 And so with specific regard to our item at
 23 hand here tonight, the first recommendation we are
 24 asking for and direction that we are -- the
 25 recommendation that we are making and direction we

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1 are requesting is that both the Incline Beach House
 2 project and the beach access improvement projects
 3 are joined into a single project for fiscal year
 4 '24/'25.
 5 Secondary to that, a bit more complicated,
 6 and I would probably direct you to page 267 of the
 7 board packet, is related to the decision points for
 8 after -- quick nod, thank you for including this
 9 section in the Board memo format. It is
 10 particularly useful this regard. But under that
 11 section, we are looking for some pretty clear
 12 clarification on, first, is the \$4 million a hard
 13 cap, intended to deliver the entire project? If
 14 that is a yes, the current budget estimates for the
 15 project are not supported by a 4-million-dollar
 16 level, so is the Board direction to provide a
 17 restroom facility, a kitchen facility? If the
 18 \$4 million is not a hard cap, as a third point, some
 19 subpoints under that, which elements of the project
 20 are we to pursue? Is it particularly the restrooms,
 21 is it kitchen, and the expanded bar area or a
 22 combination of those?
 23 And, lastly, per recent comments through
 24 some of the progress meetings was relative to the
 25 architectural finishings on the building, whether

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1 the current design proposal is how we would like to
2 proceed to if we would like to adjust the tack and
3 pursue a more similar perspective or architectural
4 finish, I should say, as exists at Burnt Cedar?
5 That's why we're here tonight. I'll turn
6 it back to you.
7 CHAIR SCHMITZ: Thank you. Questions for
8 Mr. Klein?
9 TRUSTEE DENT: One question I have for you
10 is our actual coverage, did we get an answer on the
11 coverage?
12 MR. KLEIN: We have the existing coverage
13 numbers reasonably well in hand. There is some
14 positive news there. There's roughly 12- or 14,000
15 square feet available, the exact share of that,
16 because that is across the different, there's three
17 lane capabilities on the parcel, they're not all
18 necessarily where the ideal footprint of the project
19 would be, but there is available coverage. And what
20 amount of that we will use relative to the proposed
21 design has not yet been calculated until we agree
22 what the final footprint is.
23 Short answer: We have preliminary map.
24 TRUSTEE DENT: Okay. Just to get my
25 colleagues up to speed on that, in the side meetings

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1 those angled supports, there's minimal to no cost
2 impact to the current design contract.
3 However, if goes a bit further afield into
4 changing the roof structure, that does have the
5 further knock-on impacts, as you probably
6 understand, to some of the structure and function of
7 the building itself. In that case, there would be
8 likely some additional costs, probably not enormous,
9 but again it's going to all be relative to the scale
10 of the desired changes.
11 They are supportive of it, however, but
12 would just need a bit more guidance on how far apart
13 we are on project desire.
14 TRUSTEE DENT: I'm just going back to the
15 direction that the Board gave last summer, and one
16 of those meetings we had asked if this was going to
17 be a similar look to what we currently have. I'm
18 not saying I'm either in favor or against it, I just
19 think we should know what those options are in case
20 we take this out to the community and they say
21 absolutely not, we're not ready to have a
22 modernized, concrete structure with a flat roof at
23 our beaches. We want to have something similar to
24 what we had seen at Burt Cedar. That's all.
25 I'm glad we have that information.

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1 I guess we've been having with the designer, there
2 was some concerns of not knowing where their
3 coverage was as far as how large of a building we
4 can construct, or even if this would even allow for
5 us to reconstruct the entrance gates or gate houses
6 at both Incline Beach and Ski Beach.
7 My next question is in that meeting we had
8 two weeks ago, staff was unaware of what the costs
9 would be to, I guess, provide an alternative when it
10 came to the design to put something together that
11 was similar to, say, Burt Cedar, as it comes to the
12 aesthetics or the look of the building.
13 Did you guys make any progress on that?
14 MR. KLEIN: Yes, we've investigated. I
15 don't have a definitive answer. It's all relative
16 to scale. If it's primarily the finishes, say the
17 coloring, maybe some of the roof accents, adding
18 elements, I will share this just for a quick -- I'll
19 put this up there just for a quick -- this is the
20 kind of gable ends, and the street-facing side of
21 Burt Cedar.
22 The answer to your question is if it's --
23 to tweak the current design to just mimic some of
24 these elements, maybe it was the rock facing, some
25 of the copper roof edging, similar timber accents on

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1 CHAIR SCHMITZ: A couple of things that we
2 had clarified is that -- and I know it is in the
3 design to have at least a heated restroom for winter
4 use. I know that's in the design. And the Board
5 had directed that the ingress/egress project, that
6 it encompassed both beaches because they really are
7 accessed very similarly. Even though we only have
8 the beach house at the one, the ingress/egress was
9 intended to address both Ski and Incline Beach.
10 I think that, from my perspective, I want
11 to design what's right, and if the community wants a
12 building that looks more like this, that's fine. We
13 need to make a change. The building needs to be
14 replaced.
15 I think we need to size it based on how
16 much use it has. And the bar service, yes -- I'm
17 answering you questions here. I'm going through the
18 list. And for me, I don't have a hard cap because I
19 don't know, and I want it designed appropriately and
20 sized appropriately. So, for me, I'm just saying
21 this is this where I'm at.
22 It needs to have some element of food
23 availability, so I don't know if we have to have a
24 kitchen as large as it's being designed, because I
25 know the Mountain Course doesn't have a very big

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1 kitchen and food is prepared at The Grille and
 2 brought down because it is only used about
 3 three months a year.
 4 I do want to be cost conscientious as it
 5 relates to how much space we're designing this
 6 kitchen. And I know Incline Spirits said the
 7 kitchen at Burnt Cedar Beach is designed too large,
 8 and it makes it inefficient for one person to
 9 operate. From my perspective, I'm looking for
 10 guidance to say, all right, here's where I'm at on
 11 these things.
 12 We do need the bar area to be larger, and
 13 I think staff met with Incline Spirits. And I would
 14 welcome Incline Spirits' input, both on the bar
 15 requirements as well as the space designed for food
 16 because we may potentially outsource things, and we
 17 want to have it designed properly.
 18 In the nutshell, the one thing that I
 19 didn't like on the design was that I don't think we
 20 should be having showers, full-head showers. We
 21 could have feet rinsers, but having full, overhead
 22 showers is just asking for problems. That would be
 23 the one thing that I would remove.
 24 I've answered your questions. I'll let my
 25 other trustees react to that.

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1 TRUSTEE NOBLE: With number 1, is the \$4
 2 million a hard cap project budget, I think not. I
 3 would say I'm worried that we're going to end up
 4 with four-million-dollar bathrooms, and I don't
 5 think anybody in this community is going to be happy
 6 with that.
 7 So, then, going to number 3. I'm yes on
 8 all three of those. Sufficient bathrooms, maintain
 9 at least the same level of service and menu
 10 offerings including extended bar area.
 11 While it is nice that, referencing Incline
 12 Spirits and what their person can handle in the
 13 kitchen, to me, it's what the District wants to do,
 14 and the fact that right now all food has to be
 15 prepped offsite and brought down, to me, doesn't
 16 mean that it's a functional kitchen, and we should
 17 have a functional kitchen that can adequately serve
 18 the community during the summer months when there is
 19 high demand at the beach.
 20 With regards to the proposed architectural
 21 design, I'm good. It's nice to have options to see
 22 what something besides a modern building -- as it is
 23 right now, it's a very nice building. It would be
 24 nice to see more of like a timeless Tahoe-type
 25 structure that we don't go, oh, that was built in

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1 the 2020s, and we're 30 years later. You can go
 2 around town and you can see more stuff that's dated,
 3 more the timeless Tahoe-type of stuff without
 4 breaking the bank, if that's even possible.
 5 Those are my comments.
 6 And I do agree with Trustee Schmitz, I
 7 don't think there's a need for showers. The foot
 8 ones, though, I think are a great thing. That is --
 9 drives me nuts, getting the sand off your feet
 10 before getting in the car, especially if you've got
 11 kids.
 12 While I do see the appeal of full showers,
 13 I do see it also bringing on more problems and
 14 stuff, but I do think a way to clean our feet, other
 15 than using the hose that's there right now, I think
 16 would be good.
 17 TRUSTEE TULLOCH: I'm a little confused.
 18 I sat in on the interviews for all three candidate
 19 companies. We asked them all specifically if they
 20 could deliver what was being requested within the
 21 4 million cap, and all three of them come in, yes,
 22 yes, of course we can.
 23 I suppose we were just prospects then
 24 rather than clients. Then the initial costing we
 25 saw coming in, which is not been published or

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1 anything, it was suggesting that 4 million we would
 2 just get restrooms, which is completely different
 3 from what we were told at orals.
 4 That's what I'm getting very confused now,
 5 so it seems you have a binary choice between do we
 6 get restrooms or do we get kitchens? Then I dig
 7 into the design, and there's a \$2 million-plus
 8 industrial kitchen for a food operation that, last
 9 year, took in less than \$50,000.
 10 I've kept getting told by your colleagues
 11 that these things, oh, yes, we've got to keep the
 12 same menu. So I looked at the menu: deli
 13 sandwiches, Caesar salad, french fries, hot dog,
 14 chicken tenders, and burgers.
 15 Now, that's the same sort of thing most
 16 \$50,000 food trucks can serve, along with a lot of
 17 other more sophisticated stuff, but we appear to
 18 need a \$2 million-plus industrial kitchen for that.
 19 I have to question the economics of that or the
 20 rationale. Last year, we ended up doing the food
 21 ourselves because no vendor wanted to take on the
 22 franchise because it was just, quite frankly, not
 23 economic, and having seen the revenue numbers, I'm
 24 not really surprised.
 25 Again, it comes back to: Why are we

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1 building a \$2 million-plus industrial kitchen to
2 serve hot dogs and fries?
3 That defies belief. I said in the last
4 item that I couldn't believe the cost just for doing
5 a design for the HVAC, but this one, this one beats
6 me in terms of that. It looks like were being asked
7 to make a binary choice. Do we just open the flood
8 gates on spending?
9 My recollection is the Board did a
10 \$4 million hard cap. The previous board had
11 suggested 3 million, and this board suggested
12 4 million. And 4 million wasn't including the
13 ingress/egress, that was separate. I think if we're
14 -- Chair Schmitz said ingress/egress is covering
15 both beaches, so let's not -- maybe we shouldn't be
16 cojoining the projects to be able to see where the
17 money is actually going.
18 I can't sign on to the fact that we're
19 just being expected to pay \$4 million just for a
20 toilet block. That just seems absurd. And it
21 obviously can't be since the kitchen was
22 2 million-plus. I don't see the toilets being that.
23 I think without some further breakdown of this, it's
24 hard to give further direction.
25 I'm not prepared to sign on to a

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1 showers, they want sufficient restrooms stalls. The
2 expanded bar, everyone is in agreement with, and we
3 want sort of a timeless Tahoe look.
4 The issue and the concern, and I share the
5 concern, is that we are developing a kitchen that
6 far exceeds what is needed for three months of
7 producing food that generates \$20,000-worth of
8 revenue.
9 TRUSTEE DENT: I wanted to weigh in on
10 each of those items to say that I would agree with
11 your recap. I agree with the recap of what you went
12 through, and I'm right there aligned with you guys,
13 along with the kitchen being much bigger than what
14 is needed for what we're providing.
15 CHAIR SCHMITZ: And one clarification that
16 I'd like to ask all of us, the question that isn't
17 in here is the segregation of the bar services and
18 supplies separate from the food services and
19 supplies. And we had talked about that at a
20 previous meeting, so was that already a decision had
21 we made as a board? I think we did.
22 So then the issue at hand is the kitchen,
23 the size of kitchen, and what is it that is truly
24 needed because it is used three months out of the
25 year, and we don't need to overdesign it.

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1 \$2 million industrial kitchen for serving hot dogs
2 and fries. I'm sorry.
3 TRUSTEE TONKING: So, 1, I'm a no. 3, I
4 am a yes. 3A, I'm a yes. 3B, I am a yes, and to
5 understand what are the criteria we have as a
6 government agency in providing food and what a
7 kitchen size is and all that kind of stuff, just
8 some information on that. C, I'm a yes. 4, I would
9 probably be closer to 4B.
10 TRUSTEE NOBLE: Just to counter what
11 Trustee Tulloch had said, I was also in on those
12 interviews, and the question that was posed to them
13 was: What do you see is the most difficult part of
14 this project? And all three of them said: The
15 budget.
16 They were not emphatic about, yes, they
17 could all do it at 4 million.
18 CHAIR SCHMITZ: What I have heard so far
19 from the group is that -- and I'm summarizing, and
20 I'm going to summarize what I have heard from the
21 trustees as a whole. Okay? So if I'm wrong, please
22 correct me.
23 That there is not a \$4 million -- the
24 majority does not have a \$4 million hard cap. They
25 want to have a facility that doesn't include

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1 TRUSTEE TONKING: I was going to make a
2 motion for the rest of it. I direct that we combine
3 the Incline Beach House and the Incline Beach access
4 projects all into one capital improvement project,
5 including the Burnt Cedar access.
6 MR. KLEIN: Relative to the beach access
7 projects, I would object to the implication that Ski
8 Beach and Incline Beach were always expected to be
9 conjoined. That's relatively new to the design
10 team, myself in particular. This has always been
11 Incline Beach.
12 If we're joining them, this is on the
13 assumption -- my assumption and the project team's
14 assumption that it will be Incline Beach. If you
15 would like us to -- because, to date, none of these
16 costs, the coverage numbers include any improvements
17 at Ski Beach. If that's the direction, we could do
18 it. However, that's a minor reset that is going to
19 add costs and time to the project schedule that --
20 maybe not so much project schedule, but there will
21 be costs that will be included in that that have not
22 been quantified thus far.
23 CHAIR SCHMITZ: I'm going from memory,
24 Trustee Dent, help me out here, but from memory, we
25 had done a traffic study on both beaches, the

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1 traffic study report had recommended changes for
 2 both Ski Beach and Incline Beach. And so when we
 3 had said we wanted to improve the ingress/egress, it
 4 was at both beaches because there's real safety
 5 concerns at Ski Beach with the pedestrian access and
 6 the boat traffic.

7 That was what was, in my mind, part of the
 8 original project and the original request.

9 MR. KLEIN: Probably shouldn't have been
 10 called "the Incline Beach."

11 CHAIR SCHMITZ: It was the Incline Beach
 12 House, and the other project was the ingress/egress.

13 MR. KLEIN: With respect, the LSC report
 14 also included Burt Cedar, and I don't think the
 15 implication was that Burt Cedar was part of this.

16 CHAIR SCHMITZ: No. But we did make a
 17 change at Burnt Cedar. We added the pedestrian gate
 18 to improve safety there. We did make that change as
 19 part of the RFID project, so we did take one of the
 20 recommendations for that.

21 TRUSTEE NOBLE: With regards to the
 22 project, at least when we were going through the
 23 interviews, and I think the RFP -- I don't recall
 24 Ski Beach being included.

25 CHAIR SCHMITZ: Ingress/egress?

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1 administratively, that adds some level of complexity
 2 that I think is best avoided because we're going to
 3 have to run two parallel CIPs, it could get a little
 4 bit messy in terms of where we draw the line
 5 relative to tracking progress payments. It's not
 6 impossible, and that's certainly no showstopper for
 7 us.

8 If that's the direction, we're happy to
 9 comply. I am just not sure -- all we're doing is
 10 building inefficiency into the project.

11 TRUSTEE TULLOCH: Understood. I'd
 12 certainly like to understand the different costs for
 13 both things. I don't want see just everything just
 14 suddenly rolled in and say we've got a 2 million
 15 kitchen we don't need because we've actually --
 16 we've charged it to -- it's the ingress/egress
 17 that's increased the costs. I'd like to understand
 18 the separate costing.

19 MR. KLEIN: I think it's reasonable to
 20 assume that we can quantify that for the Board. And
 21 any public information to make that distinction
 22 fairly clear, there's a push and pull between the
 23 two relative to civil requirements for the building
 24 and where, say, the sewer line needs to start from
 25 to drain and catch the existing -- and that might

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1 TRUSTEE NOBLE: Correct.

2 I'm fine if the Board wants to expand it,
 3 but this was the first time that I heard that that
 4 was actually going to be part of it. And even
 5 looking at the internal memo with the designs and
 6 stuff, there was nothing with regards to Ski Beach;
 7 it was always with the access to Incline Beach.

8 TRUSTEE TULLOCH: I've got to agree with
 9 Trustee Noble. That was my understanding of it,
 10 that was what was discussed in the orals, the
 11 presentations.

12 I have no objections to covering it there.
 13 I'd just ask, Hudson, obviously you want the
 14 ingress/egress to be done at the same time as the
 15 building to make sure that we get a proper thing.
 16 Does that mean they need to be cojoined as projects?
 17 I would certainly like to see it there. And just to
 18 avoid any misunderstandings, the 4 million hard cap
 19 I talked about, and the Board previously agreed, was
 20 for the Beach House. It wasn't for the
 21 ingress/egress.

22 I mean, is there any reason why we can't
 23 just still them as separate projects running in
 24 parallel path?

25 MR. KLEIN: At a minimum,

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1 impact that curb line, say, but it's fairly easy to
 2 draw at that curb, say, any improvements, this way
 3 it's easy to pick that up.

4 Again, just the District's risk there is
 5 potentially, rather than a bulk earth work price for
 6 now, there's probably going to be some increased
 7 costs as a result of that because they're now going
 8 to be quantifying 2,000 square feet --

9 TRUSTEE TULLOCH: Fair enough. I'm not
 10 looking for that, but I'd like to understand the
 11 different costs.

12 CHAIR SCHMITZ: We did that on the Burnt
 13 Cedar pool project, we had the pathway. That was
 14 itemized separately.

15 TRUSTEE DENT: Ray, I'm right there with
 16 you when it comes to wanting things broken down a
 17 little bit more. I think it's important to see what
 18 those costs are.

19 I think if we didn't move forward with
 20 this project as a whole and redesigning both
 21 entrances to make sure that they meet those
 22 recommendations, that we would be potentially only
 23 covering half of it. At a later point, the Board
 24 can decide, okay, we're only going to move forward
 25 with this portion of the project.

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1 My question, Mr. Klein, when it comes to
2 similar -- I think it's the same question I asked
3 before regarding coverage, we were talking about Ski
4 Beach at that time, two weeks ago, on a call, as it
5 comes to coverage. Do we have plenty of coverage at
6 Ski Beach as well as Incline Beach?

7 MR. KLEIN: It's a single parcel, so the
8 analysis of that coverage does incorporate both.
9 Speaking from -- just sort of shooting from the hip
10 here relative to the coverage implications on Ski
11 Beach, we'll be able to combine those, I would
12 suspect with, say, separate pedestrian entrances
13 over there. I can't quite picture that entrance. I
14 think there's bit of a decomposed granite path
15 there, potentially. And whether that's already
16 captured in the coverage, clearly captured in the
17 coverage analysis, I don't know just off the top.
18 I can look it up quickly if it was
19 necessary, but it would be -- Ski Beach is already
20 part of that known quantity, and so any improvements
21 there would count against the roughly 14,000
22 available that we have on site. Again, with the
23 caveat that that is by lane classification, so the
24 14,000 may be not necessarily be directly accessible
25 to us. There is the TRPA path that we have to

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1 in 2021, there was over 100,000 visitors to Incline
2 Beach. In '23, there was almost 90,000. I don't
3 think that a golf course is a fair comparison to a
4 beach facility, again, relative to the level of
5 service that you need to provide to entire families
6 and beaches. I think I would caution using that as
7 a comparison.

8 Obviously, Diamond Peak would be a bit
9 more applicable. The menu that is served at Diamond
10 Peak is very similar to the menu that has been
11 supplementally added to the memo tonight. I think
12 if we were to go down a comparison course, we should
13 be using our ski facility as a more relevant
14 comparison.

15 I see Trustee Tulloch disagrees.

16 CHAIR SCHMITZ: It seems like the
17 direction from the Board is not acceptable? Is that
18 what I'm hearing?

19 MR. KLEIN: Is it a yes? So, am I
20 building the kitchen as proposed, or are you
21 telling -- is the instruction to find a cheaper
22 kitchen?

23 If you want that menu, the kitchen that's
24 been provided is on the backs of our current IVGID
25 staff and the design professional brought along with

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1 follow.

2 TRUSTEE DENT: Understood. That answers
3 my question. Thank you.

4 CHAIR SCHMITZ: Any other questions?
5 Do you have clear direction?

6 MR. KLEIN: Well, so, I think question 1
7 is pretty clear: No. Question 2 is kind of null
8 and void by default there. On question 3,
9 the bathrooms are very clear, the expanded bar is
10 very clear. The kitchen, I guess what I would
11 caution is the comparisons that we're making here
12 tonight are not apples to apples. A food cart is
13 not a fair comparison. The Mountain Course is not a
14 fair comparison.

15 If you're building, let's say a food cart,
16 a \$50,000 food truck, I suspect it's not going to
17 last for 50 years. If you were to build a 50-year,
18 say, food cart, it might cost \$2 million, or you
19 would probably pay that in maintaining it
20 throughout. I don't really know, but I don't think
21 that's a valid comparison in this case.

22 And relative to Mountain Course bar,
23 again, the visitor numbers, just remembering what
24 Mr. Sands had up earlier, I don't even think there
25 was 20,000 rounds played in the summer. We have --

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1 the consultant.

2 TRUSTEE TONKING: I think maybe what I've
3 heard, and I had heard Trustee Tulloch was very much
4 against the kitchen, but I heard everyone else just
5 kind of wanted some more information of what went
6 with it. Maybe explaining to us why a 2 million
7 kitchen is necessary or if there is some other
8 options.

9 Just like maybe some more in-depth
10 analysis might be helpful there.

11 TRUSTEE TULLOCH: I would completely
12 disagree with your assertion. Ski Beach -- Incline
13 Beach House is used, serves food about three months
14 of the year. Last year's revenues were less than
15 \$50,000.

16 I think if you look at Diamond Peak's food
17 and beverage revenues, they're significantly more
18 than that. You've got a much more captive audience.

19 I think if you go back to our surveys
20 last year, very few people actually used the food
21 facilities at Incline Beach.

22 I think to say it was proposed by kitchen
23 consultant, yes, when they presented at the orals,
24 it was about the kitchen because they wanted to
25 build everything around the kitchen, so they were

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1 fixated on actually building this. If we use it for
 2 three months at three months a year, over 50 years,
 3 that is only 16 and a half years.
 4 And most kitchens will require appliance
 5 replacements. We've seen it at Diamond Peak, the
 6 appliances are required to be replaced probably at
 7 15 to 20 years and things. I don't think it's a
 8 valid comparison to say it won't last 50 years, if I
 9 look at what was used for there.
 10 We're not building a two-star Michelin
 11 restaurant or something.
 12 TRUSTEE NOBLE: I would agree with Trustee
 13 Tonking, that I think just a little bit more focus
 14 on the kitchen, make sure that is the appropriate
 15 size, that it's not oversized, and just a deeper
 16 dive/explanation so that if that is in fact what is
 17 necessary, that there's -- the Board can get
 18 comfortable with that if it wants to go down that
 19 road with that price tag.
 20 CHAIR SCHMITZ: I would add on to that is
 21 that we would ask staff to formulate
 22 recommendations. If having french fries causes the
 23 cost to go exorbitantly, well then tell us that your
 24 recommendation is to modify the menu.
 25 I think there needs to be a little bit of

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1 kitchen.
 2 We're happy with the bar area. And then
 3 just one other clarification, when you say "separate
 4 bar and kitchen," you just looking for a dedicated
 5 storage area for the bar?
 6 CHAIR SCHMITZ: What we had talked about,
 7 and maybe we've already covered this, we wanted
 8 specifically, so that if we outsource the bar, its
 9 space is segregated from someone who is potentially
 10 running the kitchen. Because we could potentially
 11 outsource food to one vendor and the bar service to
 12 another vendor, and you don't want co-mingling of
 13 supplies and space and that sort of thing.
 14 I think that was something that we had
 15 brought up a couple of weeks ago.
 16 MR. KLEIN: Okay. Yep, that's clear.
 17 CHAIR SCHMITZ: I'm going to ask where we
 18 are on this agenda and what do we need to cover,
 19 because I believe we need to cover the RubinBrown, I
 20 believe that's still urgent. We need to cover the
 21 pickleball flags because that's been getting pushed
 22 off. And I don't know whether the Red, White, and
 23 Tahoe Blue is time urgent or could get pushed to the
 24 29th. I think those are the remaining agenda items.
 25 General Manager Magee, you help to make

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1 flexibility on the menu and on the size of the
 2 kitchen so that we can make an informed decision,
 3 because it's used three months out of the year, and
 4 if certain things are driving it, then tell us what
 5 that is and give us an alternative to the menu then.
 6 Does that make sense?
 7 MR. KLEIN: It does, yeah. We're happy to
 8 look at it again. There was staff input in this, so
 9 I guess I can't comment on whether there's going to
 10 be a great deal of movement on it one way or the
 11 other without, probably, a change to the menu.
 12 Yeah, we can go back and look at that.
 13 That's outside of my wheelhouse. I take the
 14 professional's advice.
 15 CHAIR SCHMITZ: Look at the synergies that
 16 might be there, because I know The Grille is making
 17 food for the Mountain Course. Okay, can some of
 18 these things be prepped and done, when they deliver
 19 them to the Mountain Course, they can deliver them
 20 to the beach. Let's think a little bit outside the
 21 box and see if we can come up with some ideas that
 22 would drive the size requirements and the equipment
 23 requirements down, but we can still deliver for our
 24 residents.
 25 MR. KLEIN: Yeah, we'll reinvestigate the

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1 some decisions about what we can move to the 29th --
 2 or the 28th.
 3 MR. MAGEE: I think that staff's
 4 preference would be definitely yes on RubinBrown
 5 contract, we do still need to consider that. I
 6 would suggest that the donation for the pickleball
 7 supplies should move forward tonight. And I would
 8 also suggest that the Red, White, and Tahoe Blue
 9 item move forward tonight as well.
 10 CHAIR SCHMITZ: We're going to move
 11 quickly and keep our comments brief. Okay?
 12 Moving on to agenda item G 10.
 13 G 10. RubinBrown Contract
 14 CHAIR SCHMITZ: Page 282 through 285.
 15 MR. MAGEE: On the -- I'll summarize this
 16 quickly. On this item, this item was previously
 17 approved by the Board with an agreement of \$200,000
 18 with a 15 percent contingency to allow work to
 19 continue.
 20 Earlier last month, RubinBrown notified us
 21 that they were expecting that, given the current
 22 pace of the work, that they would be exceeding that
 23 cap. And so the Board had previously asked me if
 24 they found themselves in that position to send a
 25 memorandum to the Board, which I did.

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1 And then subsequently knowing that they
2 believe there needed to be some additional work,
3 Trustee Tulloch and myself -- Trustee Tulloch acting
4 in the capacity of the chair of the Audit Committee,
5 his other hat -- we asked for a briefing from
6 RubinBrown so that we could get an understanding of
7 why they were asking for these additional funds.
8 We were given a briefing about the current
9 status of several of the items that they were
10 working on. They let us know that they believed
11 some of the items that they have been working on
12 warranted further investigation, as well as a little
13 bit of a time lag due to some of our internal staff
14 not being able to produce some of the documents that
15 they were looking for.
16 And so after receiving that briefing, I
17 believe -- I'll let Trustee Tulloch speak for
18 himself -- that both of us are in agreement that
19 their request was certainly warranted.
20 And during that meeting, they had let us
21 know that at their fully-loaded rates that are in
22 the contract, given the amount of effort that they
23 expected to continue with, they believe they would
24 exceed the initial proposed amount by the former
25 chair of the Audit Committee of \$350,000. They

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1 within 30 to 45 days that I think they could
2 reasonably complete the work once we get this last
3 data set over to them.
4 CHAIR SCHMITZ: Any other questions,
5 comments?
6 TRUSTEE NOBLE: I'll just wait for the
7 discussion part just to explain why I'm going to be
8 voting --
9 CHAIR SCHMITZ: Okay.
10 Seeing none, would anyone care to make a
11 motion?
12 TRUSTEE TULLOCH: I propose we accept the
13 recommendation from staff.
14 CHAIR SCHMITZ: There's a motion, do I
15 hear a second?
16 TRUSTEE DENT: I'll second.
17 CHAIR SCHMITZ: Motion's been made and
18 seconded. Is there any discussion?
19 TRUSTEE NOBLE: So when this first came
20 up, I voted no because I thought that the parameters
21 were too open-ended and that the costs were
22 exorbitant. And here we are with them hitting the
23 max already and asking for another 70,000, at a
24 discounted rate, to complete the project.
25 I will actually be voting yes on this

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1 said, "We don't want to do that to you. We want to
2 make sure that we're providing excellent service to
3 the District, and that we are doing this work fully
4 and appropriately."
5 And so they offered to discount their
6 rates, and said, "We believe we can complete the
7 project fully completed, with a presentation to the
8 Board for a grand total of \$300,000."
9 And so that's the reason for the request
10 for the additional \$70,000 that's to ultimately
11 complete the work.
12 CHAIR SCHMITZ: I have one quick question:
13 When are they going to be delivering their report,
14 what's their ETA?
15 MR. MAGEE: So, currently they do not have
16 an ETA, and the reason for that is there was a
17 technical issue with getting them some data that
18 they have asked for. I do believe that we worked
19 our way through that in the last day or two. That
20 has not been communicated to them yet because there
21 is a process that needs to be followed.
22 As soon as we are able to release that
23 data to them, we will, but I would anticipate -- and
24 I'm speculating here. I don't want to speak on
25 their behalf, but I would think that it would be

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1 because if we don't, we don't get a final report,
2 and all those monies expended will have been for
3 naught. And so I feel that, to some degree, my
4 hands are tied in voting for this to ensure that we
5 actually get a final product.
6 And so that's why I'll be voting yes in
7 this instance, although I still -- I think we should
8 have been more careful with the parameters that were
9 provided instead of the open-ended issues that we
10 were letting them dig into at the time.
11 TRUSTEE TONKING: I will be voting no
12 because I don't believe that we have a stable
13 general fund.
14 TRUSTEE TULLOCH: I can't make any comment
15 because, obviously, I've seen some of the stuff
16 that's come there. And I'm -- I can't make any
17 comment. I've heard comments in public comment,
18 people tell me the results already, and I'm not sure
19 where that's coming from.
20 It would be wrong for me to make any sort
21 of comment other than supporting the motion.
22 CHAIR SCHMITZ: Thank you.
23 Seeing no further discussion, all those in
24 favor?
25 TRUSTEE TULLOCH: Aye.

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1 TRUSTEE NOBLE: Aye.
 2 TRUSTEE DENT: Aye.
 3 CHAIR SCHMITZ: Aye.
 4 Opposed?
 5 TRUSTEE TONKING: No.
 6 CHAIR SCHMITZ: Motion passes four to one.
 7 Moving on to item G 11.
 8 G 11. Pickleball Donation
 9 CHAIR SCHMITZ: Review, discuss, and
 10 accept a donation for 3470 to -- for the pickleball
 11 supplies. It's for flags on the pickleball courts.
 12 MR. BRONSON: We have another donation.
 13 It's very nice. You have the pickleball advisory
 14 committee, they make suggestions to the District for
 15 improvement to the pickleball play. They have come
 16 up with two recommendations.
 17 One is the installation of windsocks to
 18 help players detect wind direction related to the
 19 flight of the pickleball.
 20 Number two, installation of court barriers
 21 to keep the balls from rolling between courts for
 22 safety and fewer game interruptions.
 23 A citizen has come forward, Sarah Sorin
 24 (phonetic), and offered to pay for the \$3,470.30,
 25 and staff is making a recommendation that you

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1 approve this donation, direct staff to move forward
 2 to purchase the supplies and install them.
 3 CHAIR SCHMITZ: Any questions or
 4 discussion?
 5 TRUSTEE TONKING: Quick question: How
 6 often do we get donations, and are we allowed to
 7 accept them without changing policy?
 8 MR. MAGEE: I don't know how often we get
 9 these because I've only been here at the District
 10 about a year, but this is the first time that I can
 11 recall that we had a request to accept two different
 12 donations. But I do know that it does happen from
 13 time to time.
 14 MR. RUDIN: I will answer the second part
 15 of that question, which was can we accept in light
 16 of District policy?
 17 We only have one policy governing
 18 acceptance of donations, and that is Policy 138, at
 19 least policies that I've been able to find that are
 20 easily available. Maybe somewhere in the 1970s
 21 there's some policy somewhere that no one knows
 22 about.
 23 In terms of the easily available and
 24 generally known policies that govern donations,
 25 there's only one, which is Policy and Procedure 138,

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1 and that governs donations for IVGID facilities and
 2 acknowledging important local persons, events, or
 3 history. That wouldn't necessarily cover the
 4 donation that's being proposed here.
 5 CHAIR SCHMITZ: Any other discussion?
 6 Seeing none, would someone like to make a
 7 motion?
 8 TRUSTEE TONKING: I move that we accept
 9 staff recommendations.
 10 CHAIR SCHMITZ: Is there a second?
 11 TRUSTEE NOBLE: Second.
 12 CHAIR SCHMITZ: Motion's been made and
 13 seconded. All those in favor?
 14 TRUSTEE TONKING: Aye.
 15 TRUSTEE TULLOCH: Aye.
 16 TRUSTEE NOBLE: Aye.
 17 TRUSTEE DENT: Aye.
 18 CHAIR SCHMITZ: Aye.
 19 Motion passes five to zero.
 20 Thank you very much, Sarah, for all of
 21 your efforts on this project.
 22 Moving forward to item 12.
 23 G 12. Red, White, and Tahoe Blue
 24 CHAIR SCHMITZ: The Red, White, and Tahoe
 25 Blue, on page 337 to 338.

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1 MR. MAGEE: I know that -- or at least I
 2 understand that each board member was approached
 3 with this suggestion. And I did hear from a couple
 4 of board members that there was interest in at least
 5 considering this at the Board level, and that's why
 6 it's on the agenda tonight. I do understand that we
 7 receive these types of requests all the time, but I
 8 just wanted to clarify why this item -- this
 9 particular item is on the agenda tonight.
 10 What we are recommending is that the Board
 11 approve a cash donation of \$25,000 from the IVGID
 12 beach fund to the Red, White, and Tahoe Blue II
 13 organization in support of the fireworks display on
 14 the 4th of July, in accordance currently policies.
 15 And I have spoken to some of the people that are
 16 working on this project, and I was asked a couple of
 17 questions offline by individual trustees. I will
 18 address those briefly.
 19 One is is this a one-time-only donation?
 20 And the answer is yes, this is a one-time-only
 21 donation, however, there is an understanding among
 22 the group, Red, White, and Tahoe Blue II that there
 23 may be future requests in the future -- I just want
 24 to be clear about that -- in subsequent years.
 25 Number two question I was asked is: How

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1 much are they trying to raise, what would this
 2 fireworks show look like? Their organization has
 3 indicated to me that they are looking to donate --
 4 to receive donations of approximately \$150,000, all
 5 of which would be spent on this year's fireworks
 6 display.

7 And so this would go, obviously, a long
 8 way toward supporting that, but they also believe --
 9 I've heard from their organization that they do
 10 believe that they will be able to raise the
 11 remaining \$125,000, that that is their goal.

12 And then I did want to mention that I
 13 spoke with the general manager of the Hyatt, and he
 14 reached out and indicated to me that, while the
 15 Hyatt will not be participating in a cash donation
 16 to this particular item, they are in support of
 17 activities out there at the beach. What they have
 18 suggested to us is that they would like permission
 19 to come onto the beaches and make a donation, an
 20 in-kind donation of a lot of food items in the
 21 amount of approximately \$30,000 for the beachgoers
 22 at the beaches that night if this event happens.

23 I have not explored that any further
 24 because, as of right now, we don't know that the
 25 event is going to happen. If this item is

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1 donation. I don't believe it's correct. We have
 2 already been making significant contributions in
 3 kind, both in terms of significant extra matting
 4 levels, traffic control, all sorts of other
 5 expenditures. I think that is our role.

6 I think it's also unfortunate because,
 7 like you say, they plan to come back and ask again
 8 next year. And, of course, we'll now be setting the
 9 bar at \$25,000. So every other organization, within
 10 six months, we will have another half dozen requests
 11 for \$25,000 minimum. Well, you gave it to the RW --
 12 Red, White, and Tahoe Blue II to put up there. I
 13 don't believe part of our remit is just to drive
 14 tourism. I'm fully in support of the fireworks
 15 coming back, as is the rest of the community.

16 I think Red, White, and Tahoe Blue wanted
 17 to do this. They previously did this as a voluntary
 18 effort and raised and all the funds and actually
 19 made a profit. We didn't contribute in the past.
 20 We did the same contributions in kind, so I will be
 21 voting against make a cash donation here.

22 TRUSTEE DENT: We definitely know that
 23 the -- based on our FlashVote survey we did at the
 24 end of last summer on the ways to improve 4th of
 25 July, I believe the fireworks were the number one

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1 ultimately approved, I will certainly engage with
 2 the Hyatt and see if we can get something in place
 3 with them for that.

4 With that, I'm happy to answer any
 5 questions the Board may have.

6 TRUSTEE NOBLE: Just more of a comment.
 7 I'm in support of this. I think the 4th of July
 8 fireworks, while they still were going on, were a
 9 huge community event.

10 I think it's appropriate to come from the
 11 beach fund because the majority of people are
 12 watching from the beach. However, there are people
 13 watching from all over the North Shore, and I look
 14 at this as a way to jump start the fireworks display
 15 again.

16 I think the Hyatt's in-kind offer of
 17 \$30,000-worth of food for the beachgoers that day is
 18 also a fantastic opportunity for this community.

19 CHAIR SCHMITZ: Any other comments or
 20 questions?

21 TRUSTEE TULLOCH: I'm fully in favor. I've
 22 also been working on various things with some of the
 23 RWTBII, whatever they're called now. I fully
 24 support bringing fireworks back.

25 I will not be voting to support this

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1 response in that.

2 That being said, I was hoping we could get
 3 a little bit of weigh in from Sergio on this item,
 4 because when we've looked at stuff like this in the
 5 past, it's -- and with the report that Mr. Nelson
 6 put together regarding Dillon's Rule, an idea such
 7 as this wasn't possible.

8 I'm fully in support of this, as long as
 9 we are biding by our legal responsibilities.

10 MR. RUDIN: Yeah, there is a memo that was
 11 put together by Mr. Nelson. It was provided both to
 12 the Audit Committee and to the prior board. If you
 13 look back through at various agenda packets, they're
 14 in the agenda packets in 2020, particularly in
 15 November.

16 Basically the conclusion is is that any
 17 donations have to be permitted, they have to be in
 18 furtherance of some expressed power of IVGID.

19 Now, typically the court will interpret
 20 your expressed powers relatively broadly, if you can
 21 tie it to one of the statutory purposes or statutory
 22 authorities that you've been granted. You're
 23 recreational facility purpose is relative broad, it
 24 allows you to acquire, construct, improve, better
 25 facilities for recreation and operate them, and that

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1 included beaches.

2 So to the extent that this is an event

3 that you are using to further your community's

4 enjoyment of your beach facility specifically, that

5 would be likely fit within that statutory purpose.

6 So you would really have to tie it.

7 And in support of that, you have the

8 Hyatt, which had indicated an in-kind contribution

9 to people who are going to be enjoying the fireworks

10 from the beaches, so there is some basis there to

11 conclude that it would be authorized.

12 But, again, I think the one issue is,

13 of course, courts have not construed or -- and

14 there's no opinions on what and how broad the power

15 at NRS 318.143 is for recreational facilities.

16 So, to the extent that the Board was

17 inclined to approve this donation, again, I think it

18 would fit within District policy, and there would be

19 a pretty strong argument that it's within your

20 powers.

21 I'll leave it there.

22 CHAIR SCHMITZ: I have a concern about the

23 precedent that it sets. And I also have a

24 concern -- I have a concern about the precedent it

25 sets, and then are we going to have other charitable

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1 organizations who are being asked to pay for the

2 golf course to say, well, you donated so much to

3 them, why won't you donate that to me? And why are

4 you charging me for the use of your golf course

5 because look what did you over here?

6 I'm concerned about the precedents. I'm

7 completely supportive of the fireworks, and I think

8 it's absolutely what the community wants. But I'm

9 very concerned about the dollar amount, number one,

10 because knowing it's not going to be just a

11 one year.

12 And how is it that we can then tell people

13 who are running charitable organizations that they

14 need to pay \$2,500 to use the Mountain Golf Course

15 for a tournament? I mean, it's sort of saying and

16 not walking the talk.

17 I'm concerned that we've set a precedent

18 that suddenly then every other organization is going

19 to say, well, why did you give them money to do

20 something and you won't even let us use your

21 facility for free? Right? Because we're charging

22 them.

23 TRUSTEE TULLOCH: Yeah. I think we are --

24 we know we're already exposed to a lot of other

25 expenditure in this.

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1 I'd like General Manager Magee to clarify,

2 are the Hyatt just going to send over \$30,000-worth

3 of food to dish out to those that actually do manage

4 to get onto the beach? You've not been here for 4th

5 of July, so with fireworks on the beach, it's kind

6 of standing room only. It's going to be quite a

7 shit show to try and dish out food to several

8 thousand people there that are basically shoulder to

9 shoulder, or are they expecting to bring guests over

10 as well?

11 MR. MAGEE: No. The intention is for

12 beachgoers, they are not going to bring over their

13 guests onto our beaches. That is not what they've

14 suggested.

15 What they have suggested to me is that

16 they would like to provide this to our beachgoers,

17 and they would like to be able to come onto our

18 beach in order serve this food.

19 TRUSTEE TULLOCH: I think, obviously, the

20 manager at the Hyatt is new to the area as well

21 because he's never seen a 4th of July on the beach.

22 I think, logistically, it will be much more

23 challenging, I think, in terms of that.

24 I think also if the Hyatt is not prepared

25 to make a cash donation to the fireworks themselves,

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1 when the Hyatt drives significant benefit, they're

2 charging a thousand bucks-plus a night per room

3 there at that stage, I find it difficult to

4 understand why we would be making the \$25,000

5 donation as well.

6 I think as Trustee Schmitz says, I'm fully

7 in support of it. I think it was always to sold to

8 us -- members of this board actually worked hard to

9 get the barges and things back to actually make this

10 possible. I'm assuming we're also allowing use of

11 our launch ramps and things like that, and all sorts

12 of other things.

13 But I can't support a cash donation.

14 TRUSTEE NOBLE: Well, my understanding is

15 that the barge will be launched from Tahoe City, and

16 won't be using any IVGID facilities.

17 TRUSTEE DENT: I was just going to ask you

18 what dollar amount you would be comfortable with.

19 And then, Trustee Tulloch, you also

20 mentioned that the cash dollar amount was too high.

21 Is there a dollar amount that you would be more

22 comfortable with? I understand your other comments.

23 TRUSTEE TULLOCH: I think my comments have

24 been clear. I'm not comfortable making a cash

25 donation. I think it opens a lot of flood gates.

225

1 It was mentioned earlier, I don't know if
 2 it was public comment, there's supposedly a \$1,000
 3 limit on our cash donations. I'm not sure where
 4 that came from, and I'm not comfortable with a cash
 5 donation in this situation because it just becomes
 6 an annual request.

7 TRUSTEE DENT: Would you be comfortable
 8 paying an amount towards the fireworks directly and
 9 not making a donation to the non-profit?

10 Because I feel like that may alleviate
 11 some concerns as it relates to other non-profits, if
 12 the Board -- or the District were able to make a
 13 direct payment to the vendor of the fireworks.

14 TRUSTEE TULLOCH: I can only make one
 15 comment, how I would look at it, looking on from the
 16 outside, and it's whether it goes directly to the
 17 fireworks or goes to Red, White, and Tahoe Blue,
 18 it's basically the same thing. It's the same cash
 19 coming out.

20 We've already highlighted lots of issues,
 21 we're putting pressure on staff to control costs and
 22 things everywhere. I think we've got to walk the
 23 talk.

24 TRUSTEE DENT: Understood. Thank you.
 25 CHAIR SCHMITZ: For me, I just really

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1 struggle with donating this amount of money when we
 2 charge non-profits at our venues. And I'm just -- I
 3 can't get over that. And so just -- I think it's
 4 great for the community, but I feel like it's just
 5 not a wise decision for us as a district. That's my
 6 feeling.

7 Would anyone care to -- Trustee Tonking,
 8 go ahead.

9 TRUSTEE TONKING: I have concerns with
 10 donating to a non-profit, due to the Dillon Rule
 11 that came out from Mr. Nelson. I actually am,
 12 though, intrigued by the idea that Trustee Dent just
 13 threw out about actually purchasing it ourselves,
 14 since I believe we're already in the permitting
 15 process anyway, purchasing some ourselves. And I
 16 actually think that mitigates a lot of the concern I
 17 had, and I would be very interested in that aspect.

18 CHAIR SCHMITZ: What would the Board like
 19 to do?

20 TRUSTEE NOBLE: I'm going to try and make
 21 a motion.

22 I would move to approve staff's
 23 recommendation with the revision that the \$25,000
 24 would go towards the direct payment for the
 25 fireworks, working with Red, White, and Tahoe Blue

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1 to figure how to do that so it's not going to Red,
 2 White, and Tahoe Blue, but directly to the folks
 3 putting on the fireworks on behalf of Red, White,
 4 and Tahoe Blue II.

5 CHAIR SCHMITZ: A motion's been made. Do
 6 I hear a second?

7 TRUSTEE TONKING: I'll second.

8 CHAIR SCHMITZ: All those in favor, say
 9 aye.

10 TRUSTEE DENT: Hold on, Chair.
 11 Going back to -- your concern was over
 12 making a donation to a non-profit. The motion is to
 13 not make a donation to a non-profit. Did you have a
 14 lesser dollar amount? I'm just trying to -- I feel
 15 like you're on the fence a little bit, and so I'm
 16 trying to figure this out via Zoom. I can't see you
 17 in person, too far away from the camera, so I'm just
 18 going to -- is there a lesser dollar amount you
 19 might say yes to?

20 CHAIR SCHMITZ: To be honest, the \$25,000,
 21 I just it's think too high. I would go for
 22 something lower. But if the rest of the Board is
 23 willing to do 25, I just think that's a very large
 24 number because we do donate staff time to do other
 25 things related to 4th of July. We have traffic

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1 control and the things that Trustee Tulloch said.

2 So, the motion's been made for the 25,000,
 3 and it makes it an easier decision for me because I
 4 think it's too much.

5 TRUSTEE DENT: Okay. If it was \$12,000,
 6 would you say yes? You answering this question
 7 could change the way I vote on this motion.

8 TRUSTEE TULLOCH: I can't speak for
 9 Trustee Schmitz, but I think the idea of \$25,000,
 10 and I was already approached -- I think we were all
 11 approached separately by the various different
 12 committee members, and I told them at the time my
 13 vote that would be no.

14 I think if we're just haggling over the
 15 price now, I think, yeah, I mean, is \$5,000 too
 16 much? Is a 1,000 too much? I do struggle with the
 17 whole precedent, and, frankly, I'm appalled at the
 18 \$25,000.

19 TRUSTEE DENT: The question was to you and
 20 Ray responded.

21 CHAIR SCHMITZ: I don't know. I think
 22 that a dollar amount, 5- or \$10,000 dollars seems
 23 like a very generous donation. I just think \$25,000
 24 is just a huge ask. I do. We're -- this is
 25 people's rec fee. I mean, people are directly

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1 paying for the beaches. And that's how everything
 2 at the beaches is paid for is through their beach
 3 fee.
 4 And so I think that, yes, I'm supportive.
 5 I believe that this is the right thing to do from a
 6 fireworks perspective, but I am just struggling with
 7 the precedent, with what we charge other
 8 non-profits, and then, to me, the huge dollar
 9 amount.
 10 TRUSTEE TONKING: What happens if we took
 11 it out of the beach fee and put it to the community
 12 services fund, which then is covered through
 13 enterprise-type activity? No, that doesn't --
 14 CHAIR SCHMITZ: It's the same. I mean,
 15 it's the same.
 16 TRUSTEE TONKING: Well, there's actual
 17 revenues that come in. That's a little different
 18 than tax dollars. That's all I was -- you mentioned
 19 tax dollars, so I was --
 20 CHAIR SCHMITZ: It's not. It's -- the
 21 beaches are not provided by tax dollars.
 22 TRUSTEE TONKING: They're the people's
 23 dollars that are assigned that they have to pay.
 24 CHAIR SCHMITZ: Yes, they have to pay for
 25 this.

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1 a payment directly, and they don't raise the funds
 2 to go forward with it, do we get our funds back, or
 3 do we only pay for it if they raise the funds?
 4 Go ahead, Trustee Dent.
 5 TRUSTEE DENT: Is that a yes?
 6 TRUSTEE TULLOCH: Can I make an amendment?
 7 I'll make a one-time offer. I could support it at
 8 5,000 directly, but that's the limit as far as I'm
 9 concerned. I think we're going further than issued
 10 in the interest of actually making sure the event
 11 goes again, this is a one-off, I think we stress
 12 it's not just a regular occurrence.
 13 CHAIR SCHMITZ: I could get behind that.
 14 TRUSTEE DENT: Trustee Tonking, Trustee
 15 Noble, what do you guys think about that?
 16 TRUSTEE NOBLE: Can we go ahead and vote
 17 on this motion, and if it fails then we try again?
 18 CHAIR SCHMITZ: If you want. We can do
 19 that, or you can amend the motion. But Trustee
 20 Noble made the motion and no one has amended the
 21 motion.
 22 Did you amend it?
 23 TRUSTEE TULLOCH: I was proposing to
 24 amend it to 5,000 directly to the fireworks
 25 company.

230

1 TRUSTEE TONKING: So it's a revenue
 2 source, which is different. That's what I was --
 3 CHAIR SCHMITZ: Yeah, but over on the
 4 community services side, we're looking for Diamond
 5 Peak to cover the Rec Center, the tennis center, the
 6 golf capital improvements, and the Mountain Golf
 7 Course. That money is getting really depleted, so I
 8 don't necessarily think just moving it someplace
 9 else fixes the problem.
 10 Sorry. The Board needs to do what the
 11 Board wants to do, and I appreciate Trustee Dent's
 12 persistence.
 13 TRUSTEE DENT: Chair, if the motion was to
 14 approve a \$10,000 payment to the fireworks company,
 15 would you support that?
 16 CHAIR SCHMITZ: That's not what the motion
 17 was. Procedurally --
 18 TRUSTEE TULLOCH: We could amend the
 19 motion.
 20 MR. RUDIN: We can amend the motion.
 21 There was a motion and a second, so, I mean, unless
 22 there's further discussion.
 23 CHAIR SCHMITZ: Do you make it -- not that
 24 it was a donation, but a payment directly. If we
 25 make a payment -- here is the question: If we make

232

1 CHAIR SCHMITZ: We have a requested
 2 amendment. Do we have support for the amendment?
 3 TRUSTEE NOBLE: No.
 4 CHAIR SCHMITZ: So, procedurally, where do
 5 we go here?
 6 MR. RUDIN: You have a main motion -- I
 7 think you guys follow Rosenberg. You have a main
 8 motion on the floor, you've had a request for
 9 amendment, that motion has had no second, so it
 10 doesn't get voted on.
 11 You would vote on the main motion, which
 12 would be Trustee Noble's motion.
 13 CHAIR SCHMITZ: Trustee Noble's motion was
 14 to approve a \$25,000 payment directly to the vendor
 15 for the fireworks. That was the motion that was
 16 made, and it was seconded, so we will vote on that.
 17 All those favor, say aye.
 18 TRUSTEE DENT: Hold on. I have a
 19 clarifying question real quick.
 20 Legal counsel, if we were to -- if the
 21 motion fails, we could try the same motion again
 22 later; is that correct?
 23 MR. RUDIN: You couldn't try -- I would
 24 say you couldn't try the exact same motion, but,
 25 yeah, you can try a different motion if that motion

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1 fails.

2 CHAIR SCHMITZ: We're allowed to do that?

3 MR. RUDIN: Yeah, I mean, if the first

4 motion fails, you're still -- it's still the agenda

5 item, you can still take some other action if you

6 would like.

7 CHAIR SCHMITZ: All right. So, with that,

8 I'll call for a vote. All those in favor?

9 TRUSTEE TONKING: Aye.

10 TRUSTEE NOBLE: Aye.

11 CHAIR SCHMITZ: Opposed?

12 TRUSTEE TULLOCH: Nay.

13 TRUSTEE DENT: No.

14 CHAIR SCHMITZ: No.

15 So the motion fails. Would someone like

16 to make a new motion?

17 TRUSTEE TULLOCH: I'll make a new motion

18 that we make a \$5,000 donation, specifically as a

19 one-off, not set a precedent, but also we can pay it

20 directly to the fireworks company.

21 CHAIR SCHMITZ: A motion's been made. Is

22 there a second?

23 So there's not a second, so it just dies

24 if there's no second; correct?

25 (Inaudible response.)

234

1 CHAIR SCHMITZ: Okay. So we're not going

2 to do anything, then? Trustee Dent, go ahead.

3 TRUSTEE DENT: Chair, I'll make a motion

4 that we make a one-time, \$10,000 payment directly to

5 the fireworks vendor.

6 CHAIR SCHMITZ: A new motion's been made.

7 Is there a second?

8 TRUSTEE NOBLE: Second.

9 CHAIR SCHMITZ: Motion's been made and

10 seconded. Any further discussion?

11 All those in favor?

12 TRUSTEE TONKING: Aye.

13 TRUSTEE NOBLE: Aye.

14 TRUSTEE DENT: Aye.

15 CHAIR SCHMITZ: Aye.

16 Opposed?

17 TRUSTEE TULLOCH: Nay.

18 CHAIR SCHMITZ: Motion carries four to

19 one. Moving on to -- we are going to defer agenda

20 item 13, which is discussing and providing direction

21 for the committees. Is that acceptable to the

22 General Manager that we move that?

23 MR. MAGEE: Absolutely.

24 CHAIR SCHMITZ: So then that's our last

25 agenda item.

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1 H. REDACTIONS FOR PENDING PUBLIC RECORDS REQUESTS

2 CHAIR SCHMITZ: I don't believe there are

3 any redactions.

4 MR. RUDIN: And you're also deferring

5 action on the free speech Policy and Procedure 136.

6 TRUSTEE TONKING: Can we make sure that's

7 on general business not on consent next time it's

8 brought?

9 CHAIR SCHMITZ: We can do that. Also,

10 consent item 6 will also be on the agenda on the

11 29th. Okay? Thank you for that clarification.

12 Moving to the long range calendar.

13 I. LONG RANGE CALENDAR

14 CHAIR SCHMITZ: Page 343 to 350.

15 MR. MAGEE: I heard a couple of items to

16 add to the long range calendar tonight for May 29th,

17 which was the golf item considering the high school

18 options, the 10- and 20-pack, p.m. options as well

19 as some additional staff recommendations that may

20 come forward as part of that.

21 The second item was Policy and Procedure

22 138, moving that to May 29th.

23 And I know that the Board has had an

24 opportunity to look at the long range calendar, May

25 29th is a very, very full calendar right now, and I

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1 will be encouraging staff very, very strongly to get

2 these in early so that we can get as many of these

3 on the calendar. If there's any adjustments that

4 the Board would like to make, I'm happy to take that

5 this at this time.

6 CHAIR SCHMITZ: And looking through it,

7 there are a number of them will be able to be on the

8 consent calendar, the contracts, there's a number of

9 things.

10 Do we -- unless we have a need, we may

11 remove something with the Incline Beach House,

12 unless there's a continued need to do that. It

13 might give staff a break and time to focus on the

14 project.

15 But I think that covers everything that we

16 had so far.

17 TRUSTEE TONKING: I have a slight concern

18 with the meeting on the 29th and all of the items on

19 it, given we're only having one budget hearing, and

20 that's supposed to be the approval of the budget. I

21 feel like things can go south fast. That's a large

22 concern of mine. Just flagging that.

23 CHAIR SCHMITZ: I will work with General

24 Manager Magee, and we'll see what things, you know,

25 how much can go on consent, how much -- what we can

1 realistically handle, because tonight's was longer
 2 than any of us wanted.
 3 Anything else relative to long range
 4 calendar?
 5 If not, then moving on to Board of
 6 Trustees update.
 7 J. BOARD OF TRUSTEES UPDATE
 8 CHAIR SCHMITZ: I just have two quick
 9 things. I didn't do an update on the contracts
 10 spreadsheet that I give you. I will do that, and I
 11 will just include it as supplemental material for
 12 meeting on the 29th. But I will tell you that in
 13 the past few weeks, the contracts have been error
 14 free. So things -- I'm hoping it's going to be a
 15 trend, and that things are getting better.
 16 The other thing I just wanted all of us to
 17 be aware of is that TTD is not going to be using the
 18 old elementary school for the East Shore shuttle,
 19 and they're talking about using the middle school
 20 parking lot, which the middle school parking lot is
 21 used for the ball fields.
 22 So I think that it would be wise -- I
 23 would recommend that if staff has any alternative
 24 options, perhaps even Diamond Peak, that they reach
 25 out to TTD because I'm not sure that that parking

1 area is going to work for the rest of our community.
 2 I wanted to bring that to everyone's attention and
 3 see if we can find a different solution for them.
 4 Any other trustee updates?
 5 TRUSTEE DENT: I just want to update the
 6 Board that the last survey that went out, I believe
 7 it was beach access, that will be -- we're working
 8 on having Mr. Lyons come in front of the Board on
 9 the 29th just to run through the results of that
 10 survey as other trustees had requested in the past.
 11 CHAIR SCHMITZ: And it is listed on the
 12 long range calendar.
 13 So moving on, then, to final public
 14 comments.
 15 K. FINAL PUBLIC COMMENT
 16 CHAIR SCHMITZ: Do we have any people who
 17 have stayed up this late for final public comment?
 18 Seeing none.
 19 L. ADJOURNMENT
 20 CHAIR SCHMITZ: We are out before
 21 midnight, at 11:36. Thank you, all. Goodnight.
 22 (Meeting ended at 11:36 p.m.)
 23
 24
 25

1 STATE OF NEVADA)
 2 COUNTY OF WASHOE) ss.
 3
 4 I, BRANDI ANN VIANNEY SMITH, do hereby
 5 certify:
 6 That I was present on May 8, 2024, at the
 7 Board of Trustees public meeting, via Zoom, and took
 8 stenotype notes of the proceedings entitled herein,
 9 and thereafter transcribed the same into typewriting
 10 as herein appears.
 11 That the foregoing transcript is a full,
 12 true, and correct transcription of my stenotype
 13 notes of said proceedings consisting of 240 pages,
 14 inclusive.
 15 DATED: At Reno, Nevada, this day of 19th
 16 day of May, 2024.
 17
 18 /s/ Brandi Ann Vianney Smith
 19
 20 BRANDI ANN VIANNEY SMITH
 21
 22
 23
 24
 25

Mick Homan

Incline Resident

I'm commenting on the preliminary budget that was submitted to the state – and specifically the critical situation with the General Fund.

The current state is unacceptable. When this board majority was seated at the end of fiscal 23 we had a general fund balance of \$5.8 million - and we operated at breakeven that year. Based on the projected results for the balance of fiscal 24 and the preliminary budget for fiscal '25 we'll have blown through mandated reserve levels and have a **projected fund deficit** of \$1.8 million.

In that short 2-year period, we'll have generated a combined operating deficit of over \$7 million. We've gone from one of the most financially sound government agencies to having an insolvent general fund.

Thankfully trustee Tonking raised the alarm on this a few months ago. Unfortunately, her concerns were brushed aside. Management said spending would be curtailed in both the current and future years so we could build reserves. That hasn't happened. It's only gotten worse.

There's 2 big drivers of this financial meltdown.

One is the move of parks from community services to the general fund. That proposal was hatched by our Board Chair. She apparently didn't consider or understand the consequences. Parks will cost over \$3 million this fiscal and about \$2 million next fiscal. The general fund was previously operating at about breakeven – so it was negligent on her part to not consider how this would impact our fund balance. This fund's only revenue is property taxes, which the county sets. So how exactly did we plan to pay for this?

The second driver is our administrative spending. Gross spending in the fiscal 25 preliminary budget increased \$3 million or 60% versus fiscal '23. What's driving this increase? The general manager, accounting and trustee cost centers have all roughly doubled compared to fiscal 23 actual spending. And the IT cost center is up almost 50%. Combined This represents \$2.4 million of increased spending.

Within Accounting, fiscal '24 includes over \$800K of services and supplies - this is largely for the fraud audit and consultants. I understand the fraud audit is wrapping up and we've heard NO EVIDENCE OF FRAUD. This wasted spending goes away in '25, but we've still doubled the '23 spending.

What we have is a total cluster of incompetence. We're facing a fiscal crisis – and it's directly attributable to the actions of the controlling members of this board. I believe you owe our community an explanation - AND a concrete plan for how you'll remedy the situation. That plan needs to be sustainable. Let's not just hide the issue by transferring dollars from other funds. The unfortunate reality is that this is going to require some combination of a significant increase in the rec fee, reductions in service levels or delays or cancellations of important projects. Obviously not ideal, but we should and must act.

Thank you.

IVGID Admin spending - before charge outs

Cost Center	2023	2024	2025 % Change	2023	2024	2025 % Change
(numbers in thousands)						
General Admin	750	928	14%			
General Manager	680	844	85%	680	844	1260
Trustees	167	209	88%	167	209	314
Accounting	1064	2120	110%	1064	2120	2232
IT	1089	1525	45%	1089	1525	1575
Risk Management	147	161	68%			
HR	859	1204	24%			
Health/Wellness	27	71	211%			
Communications	166	286	76%			
Total	4949	7348	60%	3000	4698	5381
						79%

Thank you for the opportunity to speak with you this evening, I have only a couple of things to discuss with you and the rest of the community.

First thing I want to address is the comment by one of the callers during the last meeting on April 24th. It was my understanding that the speaker suggested that the Incline Village Golf Club had a significant number of members that were not residents here in Incline and were therefore taking advantage of our discounted resident rate at our recreational facilities. This statement is categorically false. IVGID has specific rules about who is eligible for our discounted resident rates and those rules translate into who is able to obtain an IVGID picture pass. These may be resident property owners, as well as lessees and renters. The Incline Village Golf Club's bylaws state that in order to be eligible to join the club the applicant must have a valid Picture Pass Card and I can assure you, as this years president of IVGC, that 100% of our members, who utilize our golf courses, have a valid Picture Pass Card.

Next, I want to address the issue of golf passes that are on tonights agenda. At our last meeting on April 24th there was a presentation by Mr Sands regarding rates for the upcoming season. The rates that he presented projected that there would actually be a revenue surplus at the end of the year. The second half of his presentation, that was regarding play passes, was tabled to tonight just two days before the opening of the Championship course. I am dismayed that you have hired a professional, with years of experience and expertise in developing budgets and managing golf courses, and then coerce him to delay his recommendations so you could manipulate the outcome. Chairwoman I know you will deny any involvement but your fingerprints are all over this. I believe his original recommendations for play passes give all of us the best chance of ending the golf season with a budget in the black. Although the modifications outlined by Trustee Noble is a welcome addition because it includes passes for juniors and college students.

Therefore, to those board members who have the best interest of our community, I hope that you will do you fiduciary duty and accept the recommendations of Mr Sands as he presented them at the April 24th meeting with the addition of passes for juniors and college students.

Steven Ross

Dr. Myles Riner
Valerie Court

I have three comments this evening related to today's agenda. The first is in regard to the proposed Veterans Memorial. I would like the Board to consider placing this memorial at the Southeast corner of the Village Green. The site that has been proposed at the North end of the Green is an ideal place to site additional parking, consistent with the plan developed by the Dog Park Committee. The Board previously instructed this Committee to develop a preliminary plan siting the dedicated Dog Park on the Village Green, and this was completed in January, but I guess the Board has yet to request to see this plan. The plan included the incorporation of a parking lot for about 16 cars on the north end of the green. The Committee, after some investigation, felt these additional parking spaces were sorely needed, especially in the summer and fall, when parking spaces in adjacent areas are at a premium. Alternatively, if this plan was adopted, the memorial could be placed adjacent to the proposed sound-barrier wall between the upper and lower fields, on an elevated platform. Putting the memorial on the lower part of the Green would allow for much more space to accommodate memorial celebrations, and keep the options open for the dedicated dog park. In any case, the additional parking area is needed regardless of where the dog park is sited.

My second comment relates to the proposed Beach House on Incline Beach. I believe there many residents here that would prefer to expand the food and beverage offerings and the seating and bar areas, and would like to have a Beach House that compliments the excellent facility on Burnt Cedar Beach, and reflects the higher standards this community aspires to in its recreational facilities. This clearly justifies a more robust budget and an expanded design. Take the million dollars that has been proposed to purchase the unnecessary RFID equipment that would fail, in any case, to solve a minor problem that is much more economically addressed in other ways, and add it to the Beach House budget.

My last comment is simply to acknowledge Shelia Leijon for her thirty plus years of service to the District and its residents, and to let her know that she will be sorely missed. The way she was treated by certain members of this Board and the current GM was unconscionable. I suspect we will hear more about that in the coming months, and in the meantime, we all wish her well.

Items G.8. and 9 on tonight's agenda deal with donations coming directly through IVGID, when District Policy 138 clearly states that all funding is to go through the Incline Tahoe Foundation. I found several emails in a public records request (24-12) where the former Director of Parks and Rec explained the process to Trustee Schmitz, so there should no question on how to handle these. Allowing these donations to come directly to IVGID makes it look like you are trying to circumvent the ITF (Incline Tahoe Fund) and ignore established board policy. It could also strain a long-established and healthy partnership we have with a community-focused organization, but then I have to remind myself that some of you are more interested in undermining community relationships than building them.

Item G.10. is a request to approve a \$25,000 donation to the Red, White, and Tahoe Blue II fund. I believe there is a strong opinion from Josh Nelson of BBK that donations should not be more than \$1,000. What changed? And if you are giving \$25,000 to this specific cause, why not donate to the Star Follies? Or the Pet Network? Or even the IVCBA? All are worthy non-profits in town. What is the policy to inform which non-profits will get money from IVGID; how much, and how often? I'd be careful as you will be setting precedent and potentially showing favoritism of one over the other.

In item G.7. General Manager Magee is asking for another \$70,000 for the forensic due diligence audit. Before you agree to this expenditure, this community deserves to be updated on the project, and informed if there has been any fraud found to date. If not, why do we continue to burn money here? And why is Rubin Brown willing to reduce their rates so drastically to ensure this project continues? What is their vested interest here?

In the finance report there is a line item for Baker Tilley to launch an Internal Controls Project, yet this work was already done by Moss Adams. Maybe the GM should implement the Moss Adams recommendations before spending more money with another consultant who will most likely suggest the same things.

Related to this, when looking at the tentative 2024/2025 budget, it clearly shows the General Fund has a projected deficit of \$1.8 million. You have to stop this bleeding and cut back on your pet projects, or we are all going to believe you are intentionally trying to dismantle and bankrupt this District. You are not being fiscally responsible with our money.

Lastly, burning staff time to remap the free speech zones noted in item F.6. shows just how petty and vindictive a few of these Trustees are. It's a blatant attempt to silence the community and limit its ability to hold board members accountable - the kind of things we expect from a banana republic, but not from our elected officials. We see you. And you will continue to see us, and our signs. Thank you.

Resources referenced

- See District Policy 138: https://www.yourtahoepace.com/uploads/pdf-ivgid/IVGID_PolicyAndProcedure138_Resolution1849.pdf
- Public Records Request 24-12: <https://ivgid.nextrequest.com/requests/24-12>

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MAY 8, 2024 MEETING – AGENDA
ITEM F(2) – ANOTHER “FAVORED COLLABORATOR’S” (“TRPA’S”) USE OF THE
DISTRICT’S RESOURCES AT A FRACTION OF OUR COST FOR ITS BUSINESS
(MUSSEL INSPECTIONS, STICKERS AND AIS SHORELINE FEE COLLECT-
IONS) WHILE LOCAL PARCEL OWNERS INVOLUNTARILY PAY
THE PIPER**

Introduction: Well here’s yet “another one” as my friend DJ Kahled would say¹. More evidence of staff theft, lack of oversight, lack of internal controls, non-compliance with existing Policy, and a flagrant disregard for the financial sustainability of the District. This time it’s staff’s proposed give-away of our workforce, software point-of-sale system(s), and financial reporting, and for what? Someone else to do TRPA’s job at less than the cost it would otherwise run TRPA. And on our private beaches to boot! And that’s the purpose of this written statement.

My May 5, 2024 E-Mail to The Board²: On May 5, 2024 I sent the Board an e-mail wherein I voiced my objections to this proposed use of our workforce and financial software, at a fraction of the real cost, for another favored collaborator’s preferred activity of the month. 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 lose tens of thousands of dollars annually giving away free use of our recreational facilities, or doing someone else’s job, at a fraction of the real cost and oftentimes for matters like this one having ZERO to do with public recreation. 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 has a better idea of what the District’s Recreation (“RFF”) and Beach (“BFF”) Facility Fees are really spent on which you can see for yourself, 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"

May 8, 2024 IVGID BOT Meeting, Agenda Item F(2) - Proposed Agreement With TRPA For US to Do THEIR Mussel Watercraft Inspections And Sticker Sales Work Involving Beach Deed Violation - And For Measly \$800 Which Will Probably Be a Net MINUS \$125 or More When Everything is Said And Done - And For Two Years No Less - Are You Crazy?

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: May 8, 2024 IVGID BOT Meeting, Agenda Item F(2) - Proposed Agreement With TRPA For US to Do THEIR Mussel Watercraft Inspections And Sticker Sales Work Involving Beach Deed Violation - And For Measly \$800 Which Will Probably Be a Net MINUS \$125 or More When Everything is Said And Done - And For Two Years No Less - Are You Crazy?
Date: May 5, 2024 10:17 AM

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

Here we have yet another stupid, stupid agenda item brought to you because we have an inexperienced GM. In fact this proposal is so stupid it demonstrates Mr. Magee has sunk to the lowest of competency imaginable, and in such a short amount of time. He is fitting in quite nicely with IVGID's history and everything that's wrong about it.

Mr. Magee doesn't understand what a GID is. He doesn't understand what are a GID's powers are. He doesn't understand for whom he is working. And he's being used by yet another favored collaborator (here TRPA) to do their work, and at local parcel owners' expense. And on the consent calendar no less. Mr. Magee should have told TRPA NO the moment he was approached. And this request should be removed from the consent calendar by at least one BOT member so it can be discussed and summarily DENIED!

How many times do we have to go over this? IVGID is NOT a general government. It's not here for the benefit of the public. Nor our community to the extent it consists of non-parcel owners. Its powers are quite limited, and inspecting boats for guagga, zebra and other mussels, and selling Lake Tahoe mussel stickers [at a cost of either \$70 or \$115 each (see <https://tahoeboatinspections.com/stickers-and-fees/>)] and TRPA's AIS Shoreline Fee (of \$12) using the District's employees, point of sale system and credit card payment system is not one of them. Nor is it a necessary nor ancillary power related to operating the District's beaches for the benefit of local parcel owners with beach access.

So why is this before the board Mr. Magee? Just like the other garbage (such as a \$25K donation from our BFF to public fireworks, and free access of Village Green to erect a war memorial) on this agenda.

The Lack of Justification For Placement on the Consent Calendar: And why is this matter on the consent calendar Mr. Magee? To slip it through? I guess you're not familiar with our policy 3.1.0 which states that for "each consent item...a memorandum containing all relevant information will be included in the packet materials...The memorandum should include the justification as a consent item in the Background Section." Read the staff memo and in particular the background section (see page 88 of the board packet). Do you see ANYWHERE where Mr. Magee has recited the justification for this matter being placed on the consent calendar? This omission means take this matter off the consent calendar. IMMEDIATELY!

You Mean This Stupid Program Has Been Secretly Going on Behind The Public's Back For Some Time? The staff memo states that "the Tahoe Regional Planning Agency (TRPA) requires an updated agreement between TRPA and the District to allow the District to continue to sticker boats at the Incline Beach Boat Ramp." Continue? Who knew? And section 7 of Exhibit "C" to the proposed agreement (see page 103 of the board packet) states that "this exhibit negates all previous Memorandums of Understanding previously executed." You mean former GM Winquest secretly entered into previous MOUs with TRPA involving us in TRPA's programs? Now that we know what our

paying employee salaries and benefits; over staffing to accommodate TRPA's "open for business" requirements; accounting to TRPA; issuing payment to TRPA; etc., etc. Are you people crazy?

Did I Mention TRPA Expects Us to Do Their Jobs For TWO YEARS? That's right. The proposed agreement provides for a two year term.

I'm sorry. We need to really look at Mr. Magee's performance. He's not fit for the job. Here his staff memo urges that the board approve this proposed agreement with all its one-sidedness and unfairness, and as such, we have an example of why he should know better. But he doesn't. Moreover, you as a board need to send the message to the outsiders in our community like TRPA who seek to take advantage of us because they know we're inexperienced, short staffed and weak - NO! Use your own beaches TRPA. And use your own employees! Or how about this fee split? Instead of 4% to us, 96% to TRPA, and 100% to TRPA for AIS Shoreline Fees, how about 96% to us, 4% to TRPA, and 100% to us for TRPA's AIS Shoreline Fees?

Respectfully submitted, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MAY 8, 2024 MEETING – AGENDA
ITEM G(10) – ANOTHER “FAVORED COLLABORATOR’S” USE OF PUBLIC
MONIES FOR ITS “FLAVOR OF THE MONTH” (4TH OF JULY FIRE-
WORKS’ COSTS) WHILE LOCAL PARCEL OWNERS INVOLUN-
TARILY PAY THE PIPER**

Introduction: Well here’s yet “another one” as my friend DJ Kahled would say¹. More evidence of staff theft, lack of oversight, lack of internal controls, non-compliance with existing Policy, and a flagrant disregard for the financial sustainability of the District. This time it’s staff’s proposed giveaway of our Beach Facility Fees (“BFFs”) to favored non-profit Red, White and Tahoe Blue (“RWTB”). And for what? 4th of July fireworks which benefit the general public as a whole, and in particular, the Hyatt Hotel which will charge ridiculous amounts to its guests to view the show local parcel owners will be financing. And as well, A veteran’s memorial in violation of Policy and Procedure 141. And that’s the purpose of this written statement.

My May 5, 2024 E-Mail to The Board²: On May 5, 2024 I sent the Board an e-mail wherein I voiced my objections to this proposed use of public monies, for the benefit of another favored collaborator’s preferred donation of the month. 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 lose tens of thousands of dollars annually giving away free use of our recreational facilities, oftentimes for matters like this one, having ZERO to do with public recreation. Now instead of giving away free use, we’re giving away MONEY! 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 has a better idea of what the District’s Recreation Facility Fee (“RFF”) and BFF are really spent on which you can see for yourself, 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"

May 8, 2024 IVGID BOT Meeting, Agenda Item G(10) - \$25K Donation From Our BFF to Fund a Third Party's 4th of July Fireworks For The Benefit of The World's Tourists!

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: May 8, 2024 IVGID BOT Meeting, Agenda Item G(10) - \$25K Donation From Our BFF to Fund a Third Party's 4th of July Fireworks For The Benefit of The World's Tourists!
Date: May 5, 2024 2:54 PM

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

Well here we go again! With yet another stupid, stupid agenda item brought to you because we have an inexperienced GM. He doesn't understand what a GID is. He doesn't understand what are a GID's powers. He doesn't understand for whom he is working. And he's being used by yet another favored collaborator [here Red White and Tahoe Blue ("RWTB")] to do their work. And again, at local parcel owners' expense. Mr. Magee should have told RWTB NO the moment he was approached. But instead we now see from his staff memo that he's firmly in support of it because he's recommending approval.

And he's not being truthful with the Board and the public. Because to him the ends justify the means. Just listen to his staff memo: "Approve a cash donation of \$25,000 from the IVGID Beach Fund to the Red, White and Tahoe Blue II in support of the fireworks, as per Policy and Procedure Resolution No. 141, Resolution 1895, a Resolution Regarding the Complimentary and Discounted Use of District Facilities and Programs, Paragraph 5. Fee Waivers or Contributions." I assume Mr. Magee is relying upon the following language Trustee Schmitz created and approved: "In addition, the Board of Trustees may authorize monetary contributions to Community Focused Non-Profits or other entities to the extent permitted by NRS 318 and other applicable law."

Okay. Where in NRS 318 does it permit cash donations to non-profits or other entities. What other "applicable law" permits such cash donations? The answer is simple. THERE IS NONE! Remember Dillon's Rule (NRS 244.137):

- "1. Historically under Nevada law, the exercise of powers by a board of county commissioners has been governed by a common-law rule on local governmental power known as Dillon's Rule (which)...set(s) forth the common-law rule defining and limiting the powers of local governments...
 3. Dillon's Rule provides that a (governing) board of (a local government)...possesses and may exercise **only** the following powers and **no others**:
 (a) Those powers granted in express terms by the Nevada Constitution or statute;
 (b) Those powers necessarily or fairly implied in or incident to the powers expressly granted; and
 (c) Those powers essential to the accomplishment of the declared objects and purposes of the (local government) and not merely convenient but indispensable.
 4. Dillon's Rule also provides that **if there is any fair or reasonable doubt concerning the existence of a power, that doubt is resolved against the** (governing) board of (the local government)...and the power is denied."

Although there is no doubt, let's assume arguendo that there is. Dillon's Rule says that doubt is to be resolved **AGAINST** the proposed agenda item. In other words, just say NO!

Let's discuss another NRS which instructs that this proposed donation is unlawful! That's right. Against the law. Follow me on this one please.

1. Mr. Magee tells us the proposed donation will come from the Beach Fund (see page 337 of the board packet).

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: What The Hell is Wrong With You People - a Proposed \$25K Donation From Our Rec/Beach Fees to Red White and Tahoe Blue

Chairperson Schmitz and Other Honorable Members of the IVGID Board -

Listened to tonight's Board meeting. Heard Red White and Tahoe Blue has asked for a \$25K donation to assist with their 4th of July fireworks. And staff response was not a summary denial. Why Not?

More than 10 years ago crap like this was commonplace. Except now it's \$25K instead of \$10K, But the money still comes from our Rec/Beach Fees. And it still has nothing to do with making recreation and/or beach facilities "available" to be used by those parcels which are involuntarily assessed. And it's not a Dillon's Rule issue. It's lying to us about what the Rec/Beach Fee pays for. And each of you knows this. And yet the more things change, the more they remain the same.

And some of you haven't been around here long enough to hear former GM Bill Horn tell the Board and the public that fireworks like these primarily benefit the Hyatt Hotel. Not us. So let them pay.

And since all sorts of outsiders benefit from fireworks we may provide, here you have an expenditure which benefits society as a whole as opposed to just those properties which are involuntarily assessed. The classic definition of a tax. Right Trustee Noble>

So when people ask why we continue to lose money on whatever, now you know why. And it's not just this donation. If staff opened their books, I'm certain we'd find hundreds of thousands of dollars more. In fact, probably millions of dollars more.

We're not in the business of donating anything to anyone. Bobby Magee should have told those making the request "thanks, but no thanks." And then that would be the end of it. Instead, look what we're going to go through now. And for the benefit a another favored collaborator who isn't paying his/her/its fair share! So to all of you who support this giveaway of public funds, make your own \$25K donation to Red White and Tahoe Blue and don't come to the rest of us as the takers you really are.

I'm sorry. We need to really look at Mr. Magee's performance. He's not fit for the job. Here his staff memo urges that the board approve this proposed donation, and as such, we have an example of why he should know better. But he doesn't. Moreover, you as a board need to send the message to the outsiders in our community like RWTB and its Treasurer, Mick Homan, who seek to take advantage of us because they know we're inexperienced, short staffed and weak! Send the message to all the other non-profit takers in town. A resounding NO!

Respectfully submitted, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR MAY 8, 2024 MEETING – AGENDA
ITEM G(8) – ANOTHER “FAVORED COLLABORATOR’S” FREE USE OF THE
VILLAGE GREEN FOR ITS “FLAVOR OF THE MONTH” (VETERAN’S
MEMORIAL) WHILE LOCAL PARCEL OWNERS INVOLUNTARILY
PAY THE PIPER**

Introduction: Well here’s yet “another one” as my friend DJ Kahled would say¹. More evidence of staff theft, lack of oversight, lack of internal controls, non-compliance with existing Policy, and a flagrant disregard for the financial sustainability of the District. This time it’s staff’s proposed giveaway of portions of Village Green to the Veteran’s Club (through the surrogate of Michael Gross); another “favored collaborator.” And for what? A veteran’s memorial in violation of Policy and Procedure 138. And that’s the purpose of this written statement.

My May 6, 2024 E-Mail to The Board²: On May 6, 2024 I sent the Board an e-mail wherein I voiced my objections to this proposed use of the Village Green, for FREE, for another favored collaborator’s preferred donation of the month. 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 lose tens of thousands of dollars annually giving away free use of our recreational facilities, oftentimes for matters like this one having ZERO to do with public recreation. 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 has a better idea of what the District’s Recreation (“RFF”) and Beach (“BFF”) Facility Fees are really spent on which you can see for yourself, 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"

May 8, 2024 IVGID BOT Meeting, Agenda Item G(8) - Use of Our Recreational Facilities For FREE For a Third Party's Use as a War Memorial

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: May 8, 2024 IVGID BOT Meeting, Agenda Item G(8) - Use of Our Recreational Facilities For FREE For a Third Party's Use as a War Memorial
Date: May 6, 2024 3:06 PM

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

Here we have yet another stupid agenda item brought to you because we have an inexperienced GM. He doesn't understand what a GID is. He doesn't understand what are a GID's powers. He doesn't understand for whom he is working. He doesn't understand that when a public parcel is designated for recreation and park purposes, its use is limited for those purposes. And none others. And he's being used by yet another favored collaborator (here the thinly veiled Veteran's Club) to do their work. And again, at local parcel owners' expense. Besides, don't we need to reserve this space for emergency helicopter use? We were told this parcel cannot be used for dog park purposes. But now it's okay for a veteran's monument purposes? Mr. Magee should have told these proponents NO the moment he was approached. Because he didn't, the request should be denied by the Board.

Proponents argue that "a large percentage of America's towns and cities have some form of memorial to Veterans and/or wars...typically located within a town square or village green...Memorials (like these) are intended to bring a sense of community and shared remembrance and appreciation for those who sacrificed in service to their country or for those who lost their lives in this service." That's fine. Except we're NOT a town nor city. We're the equivalent of a mosquito district. Are monuments like these erected within mosquito districts?

Proponents just don't get it. We don't exist to provide for the general health, safety and welfare of our inhabitants like cities and unincorporated town. That's the job of Washoe County. Isn't it? So why aren't proponents lobbying the county? Why not erect this monument on county property. We have two county parks at either end of Lakeshore Blvd. If there's a need for A War Memorial in Incline Village, as proponents contend, how about seeking approval from the county to erect proponents' memorial on one of those locations? Or how about other county lands in Incline Village? Or how about going to Mr. Duffield? Maybe he'll let proponents put their memorial on his lands? Maybe next to his bullwheel? Or if it must be erected on IVGID lands, why does it have to be upon our recreational grounds? Which I thought was restricted to public park and recreational use. Why not where the admin building is located?

Moreover, IVGID's powers are quite limited. Take a look at NRS 318.116. Do you see where a war memorial is one of a GID's basic powers? Of course not! What other basic power can proponents point to where a veteran's memorial would be a necessary ancillary or incidental power? Certainly not public utilities. Nor public recreation. So why is this proposal before the board? Just like the other garbage (like a \$25K donation from our BFF for public fireworks, and use of IVGID employees and their point of sales system to inspect boats for mussels and issue TRPA and Shoreline permits for a measly \$2.80/permit when our costs are far higher) on this agenda!

This is just another do good taker who wants to take from the public for its special interest vanilla of the month. Just like all the other non-profits in town. But that doesn't make it permissible.

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE
WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR MAY 8, 2024
MEETING – AGENDA ITEM G(2) – DEFICIENCIES IN STAFF'S
TENTATIVE BUDGET FOR FISCAL YEAR 2024-25**

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 financial reporting in the form of a tentative budget for fiscal year 2024-25.

NRS 354.596(1)(2) mandates that "The officer charged by law...or the governing body shall... prepare (or) cause to be prepared, a...tentative budget for the ensuing fiscal year...on appropriate forms prescribed by the Department of Taxation for the use of local governments (which)...must be submitted (to)...the Department of Taxation...on or before April 15."

Although the District's Ass't Finance Director, Adam Cripps, submitted such tentative budget, it was hidden from view to the public, and is deficient in substance. And that's the purpose of this written statement.

According to His Linked-In Listing², Mr. Cripps Is: a recent (October of 2023) District hiree; Ass't Director of Finance. His education consists of a four (4) year online Bachelor of Science degree in Business Administration, Management and Operations, from Western Governors University of Salt Lake City, UT. His work history consists of two (2) years as a finance technician with the City of Victorville, California, and another two (2) years as a Senior Accountant with the Town of Apple Valley, California. He neither is a certified public accountant ("CPA"), nor does he hold a Master's degree in any discipline.

The District's Job Description: for Mr. Cripps was created in September of 2023³; the month before he was hired by the District.

Mr. Cripps' Starting Salary, Exclusive of Benefits, is a Whopping \$176,000+ Per Year⁴:

Because None of Us Knew Mr. Cripps Was a Former City of Victorville Colleague of our GM, Bobby Magee, Might That Explain Why Mr. Cripps is So Woefully Unqualified For His Current

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

² That listing is attached as Exhibit "A" to this written statement.

³ That description is attached as Exhibit "B" to this written statement.

⁴ See the District's "additional information" which is attached as Exhibit "C" to this written statement.

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

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

EXHIBIT "A"



Adam Cripps
Assistant Director of Finance

- Incline Village General Improvement District (IVGID)
- Western Governors University

Victorville, California, United States · [Contact info](#)

97 connections

[Connect](#) [Message](#) [More](#)

Activity

100 followers

Adam Cripps posted this · 6mo



I'm happy to share that I'm starting a new position as Assistant Director of Finance at Incline Village General Improvement District (IVGID)!

CEO 30

11 comments

[Show all posts →](#)

Experience



Assistant Director of Finance

Incline Village General Improvement District (IVGID) · Full-time
Oct 2023 - Present · 8 mos
Incline Village, Nevada, United States



Senior Accountant

Town of Apple Valley, California · Full-time
Nov 2021 - Nov 2023 · 2 yrs 1 mo
Apple Valley, California, United States



Finance Technician

City of Victorville · Full-time
Aug 2019 - Nov 2021 · 2 yrs 4 mos

Education



Western Governors University

Bachelor of Science - BS, Business Administration, Management and Operations
Sep 2017 - Jul 2019

EXHIBIT "B"

**Incline Village General Improvement District
Job Description**

Job Title: Assistant Director of Finance
Job Number: 1219A
Salary Grade: 40
Department: Finance
Reports To: Director of Finance
FLSA Status: Exempt - Executive
Prepared By: B. Magee/E. Feore
Prepared Date: 09/11/2023
Approved By: M. Bandelin
Approved Date: 9/12/2023

SUMMARY

Under general guidance from the Director of Finance, this position supervises day-to-day functions of the Budget and Revenue office functions, advising Senior Leadership, District General Manager and, as requested, Board of Trustees with data related to budgetary and revenue statistics. Oversees special projects, coordinates information technology projects, and directs process improvement.

ESSENTIAL DUTIES AND RESPONSIBILITIES, not necessarily in order of priority, include the following. Assigned job tasks/duties are not limited to the essential functions.

1. Provides excellent customer service to customers and business partners.
2. May assist the Director of Finance with the oversight, coordination and preparation of reports that summarize and analyze District business activity and financial position in areas of revenue, expenditures and other sources and uses based on past, present and expected operations.
3. Recommends, establishes, and monitors accounting, reporting and internal controls, Board Policies and Practices and District Procedures related to District financials and budgets.
4. Ensures the integrity of the District's computerized financial accounting system by maintaining expertise on this system; troubleshoots and resolves system processing problems and responds to budget and revenue staff inquiries.
5. May assist the Director of Finance with the oversight, coordination and preparation of the District's annual consolidated operating and capital budgets for presentation to the Board, the public, and Department of Taxation. Ensures the District is following Federal regulations and guidelines.
6. May assist the Director of Finance with the coordination audits of the District's accounts as directed by the District Audit Committee, and serves as a representative of management with the auditors in meeting the Auditor's Professional Responsibility.
7. May assist the Director of Finance with the development and administration of annual operating budget and capital improvement budget for assigned areas of operational responsibility; monitors and controls budgets utilizing a computerized financial accounting system.
8. Coordinates the development of goals and objectives for the Revenue Office and Finance's budget staff.
9. Interfaces with other District staff to research and resolve a variety of accounting related issues, as requested by the Director of Finance.
10. As requested by the Director of Finance, in the event of an absence, may temporarily serve as a member of the Senior Management Teams; participates in formulating and administering District policies and developing long-range goals and objectives through the District's Strategic Plan.

maintain cooperation through discussion and education; effectively deal with conflict and changing circumstances. High level of initiative and independent judgment within areas of responsibility.

PHYSICAL DEMANDS The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. In compliance with applicable disability laws, reasonable accommodations may be provided for qualified individuals with a disability who require and request such accommodations. Applicants and incumbents are encouraged to discuss potential accommodations with the employer.

While performing the duties of this job, the employee is regularly required to sit and talk or hear. The employee frequently is required to use hands to finger, handle, or feel. The employee is occasionally required to stand; walk; reach with hands and arms; climb or balance; and stoop, kneel, crouch, or crawl. The employee must occasionally lift and/or move up to 25 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception and ability to adjust focus.

WORK ENVIRONMENT The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is occasionally exposed to fumes or airborne particle; risk of electrical shock. The noise level in the work environment is usually moderate.

I have read and understand this explanation and job description.

Employee Signature: _____ Date: _____

Employee Name: _____

EXHIBIT "C"

PRR 24-58, additional information:

Assistant Director of Finance, salary grade 40, current employee = Adam Cripps

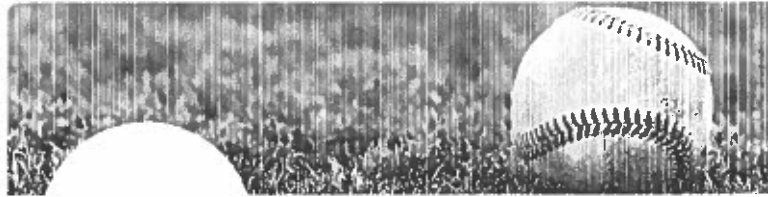
Current base wages: \$6,769.24 biweekly / \$176,000.24 annual ✕

General Manager – Golf Operations, salary grade 38, current employee = Timothy Sands

Current base wages: \$5,769.23 biweekly / \$150,000 annual

Please see "2023-2024 Salaried & General Grade Matrix" for grade ranges for each position.

EXHIBIT "D"



Bobby Magee, MBA

IVGID General Manager

- Incline Village General Improvement District (IVGID)
- University of the Pacific

Los Angeles Metropolitan Area · Contact info

500+ connections

Connect Message More

About

I bring an ethical approach to Finance and Procurement departments, providing high level leadership. I create high functioning teams that collaborate well with internal and external customers, and experience an extremely low employee turnover rate. Mentor for employees to assist them in becoming more valuable assets to...see more

Activity

720 followers

Posts Comments Images

Bobby Magee, MBA posted this · 2d



IVGID is hiring! Currently searching for a dynamic leader to keep our Parks and Recreation programs world class!

...show more

6

Bobby Magee, MBA posted this · 2w



Fresh cut grass never looked so good! The snow may still be lingering on the ground, but the crew at IVGID Championship Golf Course is hard at work making the entire place look amazing.

19

Bobby Magee, MBA posted this · 1mo



Wearing blue today in honor of National Autism Awareness Day (April 2nd) and National Autism Awareness Month. A huge shout out to my good friends Valerie Gaeta Phillips (she/her/ella) and Anand for...

46

Show all posts →

Experience

EXHIBIT "E"



INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
 893 Southwood Boulevard
 Incline Village Nevada, 89451

IVGID.ORG

Serving the communities of Incline Village and Crystal Bay, Nevada

Nevada Department of Taxation
 1550 College Parkway, Suite 115
 Carson City, NV 89706-7937

Incline Village General Improvement District _____ herewith submits the Final budget for the
 fiscal year ending June 30, 2025

This budget contains 1 funds, including Debt Service, requiring property tax revenues totaling \$ 2,228,151

The property tax rates computed herein are based on preliminary data. If the final state computed revenue limitation permits, the tax rate will be increased by an amount not to exceed 1%. If the final computation requires, the tax rate will be lowered.

This budget contains 1 governmental fund types with estimated expenditures of \$ 7,241,999 and
4 proprietary funds with estimated expenses of \$ 46,654,386

Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 (Local Government Budget and Finance Act).

CERTIFICATION

I Adam Cripps
 (Print Name)
Assistant Director of Finance
 (Title)
 certify that all applicable funds and financial
 operations of this Local Government are
 listed herein

APPROVED BY THE GOVERNING BOARD
 Only necessary for FINAL Budget
 (Signature by DocuSign is acceptable)

Signed: _____

Dated: _____

Phone: _____

SCHEDULED PUBLIC HEARING:
 (Must be held from May 20, 2024 to May 31, 2024)

Date and Time: _____

Publication Date: _____

Place: 893 Southwood Blvd.
Incline Village, NV 89451

Internal services PROPRIETARY FUND	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/25	
	ACTUAL PRIOR YEAR ENDING 6/30/2023	ESTIMATED CURRENT YEAR ENDING 6/30/2024	Tentative	FINAL APPROVED
OPERATING REVENUE				
Charges for services				
Interfund Services	2,833,010	3,584,885	4,828,714	
Misc Revenue				
Total Operating Revenue	2,833,010	3,584,885	4,828,714	
OPERATING EXPENSE				
Salaries & Benefits	2,217,480	2,494,197	3,287,475	
Services & Supplies	1,036,636	973,509	1,510,766	
Utilities	12,971	9,700	12,700	
Insurance	17,888	19,500	176	
Central Services Cost				
Professional Services	-	15,000	15,000	
Depreciation/Amortization	9,681	7,200		
Total Operating Expense	3,294,656	3,519,106	4,826,117	
Operating Income or (Loss)	(461,646)	65,779	2,597	
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (loss)	(264)	28,553		
Property Taxes				
Subsidies				
Consolidated Tax				
Other Expenses	(278)			
Total Nonoperating Expenses	(542)	28,553	-	-
Net Income before Operating Transfers	(462,188)	94,332	2,597	-
Transfers (Schedule T)				
In				
Out				
Net Operating Transfers	-	-	-	-
CHANGE IN NET POSITION	(462,188)	94,332	2,597	-

Incline Village General Improvement District
(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION

Internal Services Fund

EXHIBIT "F"



ANNUAL COMPREHENSIVE FINANCIAL REPORT



FISCAL YEAR ENDED JUNE 30, 2023

PREPARED BY: DEPARTMENT OF FINANCE & ACCOUNTING



GENERAL IMPROVEMENT DISTRICT
ONE DISTRICT ~ ONE TEAM

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
GOVERNMENTAL FUND
BALANCE SHEET
JUNE 30, 2023**

	 GENERAL FUND
ASSETS	
Cash, cash equivalents and investments	\$ 3,548,879
Accounts receivable, net	349
Interest receivable on investments	79,245
Due from other funds 	585,843
Due from other governments	301,362
Prepaid items	<u>747,155</u>
Total assets	<u>\$ 5,262,833</u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts payable	\$ 316,669
Accrued personnel costs	263,638
Total liabilities	<u>580,307</u>
Fund balance	
Non-spendable	747,155
Unassigned	<u>3,935,371</u>
Total fund balance	<u>4,682,526</u>
Total liabilities and fund balance	<u>\$ 5,262,833</u>

The notes to the financial statements are an integral part of this statement.

EXHIBIT "G"

Re: May 8, 2024 IVGID BOT Meeting, Agenda Item G(2) - Budget Status Report

From: <s4s@ix.netcom.com>
To: Schmitz Sara <schmitz_trustee@ivgid.org>
Cc: <bma@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, Tonking Michaela <tonking_trustee@ivgid.org>, Noble Dave <noble_trustee@ivgid.org>, Tulloch Ray <tulloch_trustee@ivgid.org>
Subject: Re: May 8, 2024 IVGID BOT Meeting, Agenda Item G(2) - Budget Status Report
Date: May 6, 2024 5:59 PM
Attachments: Assistant Director of Finance - Job Description and Salary Grade.pdf PRR 24-58 Additional Information.pdf 2023-2024 Salaried & General Grade Matrix.pdf

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

Well this one is interesting. At page 193 of the Board packet Mr. Cripps tells us that "at the April 24, 2024 Board of Trustees meeting, the Board...requested a report to the Board providing an example of a department's budget, which would be up for consideration in the fiscal year 2024/25 budget." And allegedly in response, here he tells us he will be presenting some unidentified form of "Verbal Report and...Attached Presentation." Where's the attached presentation Mr. Cripps? What is the verbal report going to consist of other than the tentative 2024-25 budget you filed with the Dep't of Taxation on April 13, 2024? And why isn't that tentative budget included in the Board packet for the public to see Mr. Cripps?

Just like with Mr. Magee's proposal that the District go into the war memorial monument construction business, the board packet on this material doesn't include "all accurate and relevant materials" as required by Board Policy 3.0.1. According to that policy the consequence where as here "materials are inaccurate or missing" is that "the agenda item will be deferred." Is that what needs to occur?

Let's talk about the tentative budget Mr. Cripps submitted to the Dep't of Taxation? Does the Board realize the proposed budget for the General Fund is NOT BALANCED? That's right. It calls for \$5,878,037 of overspending (see page 7 where Mr. Cripps estimates \$4,769,263 of revenues, and page 8 where he estimates a total of \$7,796,590 of expenses)! But wait. That's only \$3,027,327 of overspending (as if this amount were appropriate). Where does the other \$2,425,335 come from?

Look at page 9 of the budget where Mr. Cripps calls this number an "expense offset." In other words, it reduces other expenses which go into the \$7,796,590 net of expenses. A negative, negative, which equals a positive.

At page 8 of the budget Mr. Cripps assigns \$1,599,543 of this "offset" to ALL Accounting expenses. And he assigns the remaining \$825,792 of central services cost revenues to ALL Human Resource expenses. So when this \$2,425,335 number goes back into the overall overspending calculation, we end up with \$5,878,037. Just like I represented.

Okay. So where does the money come from to cover this overspending? Well \$2,425,355 of it comes from that phony revenue entry called Central Services Cost Transfers. Mr. Magee said he was going to address the same this year as was called out by Moss Adams. And yet he hasn't. This revenue entry nothing more than a disingenuous revenue source to cover overspending. Even resident Mick Homan recognizes this entry is phony as hell. Didn't he complain that the portion being assigned to his beloved Golf was totally inappropriate? Wait until he sees this year's number. It's going to be a whopping 37% higher!

Continuing with where the money is going to come from to pay for this budgeted overspending, another \$1,266,741 comes from the beginning General Fund balance (see page 7). In other words, whatever fund balance we have in the General Fund is about to be totally wiped out to cover next year's overspending! Good job Mr. Cripps. Is that what they taught you online at Western Governors University?

Oh. And I love this one. Instead of reducing overspending in internal services, Mr. Cripps proposes a 37% INCREASE. That's a \$1.3M increase over the current year (see page 16)! More money for our incompetents in engineering; Kate Nelson, Hudson Klein and Co. If you guys aren't going to do something to clean up our district, you might as well let its disintegrate from the weight of excessive employee compensation.

And who can forget the recent 2023 ACFR debacle. Where we spent how much with DavisFarr for an opinion letter which told us it couldn't give us an opinion insofar as our financial statements were concerned BECAUSE OF STAFF! And yet NRS 354.624(4) requires that type of opinion.

Don't you get it? The whole district is absolutely out of control. Where did we come up with this guy? And what does his employment say about our HR Director Erin Feore? Or our GM Bobby Magee? Is this the best they could come up with? And for \$176K?

I am now returning to NRS 318.515. IT'S TIME FOR YOU TO CLOSE UP SHOP! Because, (a) The District is not being properly managed; and, (b) You the board of trustees of the district is not complying with various provisions of NRS. And just to put the icing on the cake, (c) The service plan established for the district pursuant to NRS 308.030 is not being complied with. Why do I say this? BECAUSE WE DON'T HAVE A SERVICE PLAN! Stupido meo.

So it's three for three! We're out.

It's time for you to vote for dissolution so our district can be taken over by competent sources. Who didn't obtain their educations online!

Respectfully, Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: May 2, 2024 1:58 AM

To: Schmitz Sara <schmitz_trustee@ivgid.org>

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

Subject: Fw: Compensation/Job Description For Adam Cripps

Chairperson Schmitz and Other Honorable Members of the IVGID Board -

Well now we're going to have a discussion about your new Ass't Finance Director. Adam Cripps. Because it fits in so well with everything else that's wrong with the District.

What experience has Mr. Cripps ever had preparing budgets for Nevada public agencies, and filing them with the Nevada Dep't of Taxation ("NDOT")? I don't think any!

What sort of attitude has Mr. Cripps displayed to the Board and the public by unilaterally preparing a tentative budget and filing it with the NDOT without the Board's knowledge or approval? And manufacturing disingenuous revenues to cover intentional overspending (do you realize Mr. Cripps is projecting a more than 10% increase in our non-utility workforce compared to last year?) rather than putting his collective feet down and saying no?

I thought there was going to be a wholesale do over of our central services cost allocation after Moss-Adams. Because what we have doesn't comply with NAC 354.867. Mr. Magee assured me this would be one of the first things he did. So where is it? So you see it's the same old, same old. However, at a much higher cost. Subsidized by the Rec and Beach Fees, as well as the water and sewer rates local parcel owners are responsible for paying.

And who said there was going to be a Rec Fee this year? There wasn't last year. And at the magical number Mr. Cripps has pulled out of his hat? Yet according to Mr. Cripps, there will be such a fee for

Documents Have been uploaded into the IVGID Next Request Portal for your review, I have also attached the documents for your convenience.

Respectfully,

Heidi H. White
District Clerk

Incline Village General Improvement District
893 Southwood Blvd., Incline Village, NV 89451
Cell: 775-558-9500 hhw@ivgid.org

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

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

From: s4s@ix.netcom.com
Sent: Saturday, April 27, 2024 1:21 PM
To: Erin Feore
Cc: Heidi White ; Info IVGID
Subject: Compensation/Job Description Various Positions

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

Hello Erin -

Rather than forcing me to do a PRA request, can you please provide the following:

1. Job description Ass't Director of Finance;
2. Pay grade number for Ass't Director of Finance;
3. Current pay grade summary which depicts compensation ranges for each District pay grade;
4. Current base payment amount for current Ass't Director of Finance;
5. Job description Golf General Manager;
6. Pay grade number for Golf General Manager;
7. Current base payment amount for current Golf General Manager.

If you/your colleagues are going to force me to make formal public record request for the above, please consider this e-mail that request. And I am forwarding it to Heidi for that reason.

Thank you for your cooperation. Aaron Katz

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 37

Invoice Date: May 19, 2024

Payment Due: June 8, 2024

Amount Due (USD): \$1,815.00

Items	Quantity	Price	Amount
Base fee May 8, 2024 BOT meeting	1	\$350.00	\$350.00
Per page fee May 8, 2024 BOT meeting	240	\$6.00	\$1,440.00
Over 5 hours/per hour May 8, 2024 BOT meeting, 11:36 end time	0.5	\$50.00	\$25.00

Subtotal: \$1,815.00

Total: \$1,815.00

Amount Due (USD): \$1,815.00