

# NOTICE OF MEETING

The Regular Meeting of the Incline Village General Improvement District (IVGID) Board of Trustees will be Held Starting at 6:00 PM on September 11, 2024 in the Boardroom, 893 Southwood Boulevard, Incline Village, Nevada.

Public Comment is allowed and Members of the Public are Welcome to Provide Public Comment via Telephone at (877) 853-5247 (the Webinar ID will be Posted to the IVGID Website on the Day of the Meeting). The Meeting will be Available for Viewing at <https://livestream.com/accounts/3411104>.

A. PLEDGE OF ALLEGIANCE\*

B. ROLL CALL OF TRUSTEES\*

~ **Moment of Silence to Remember and Honor the Victims of September the 11th** ~

C. INITIAL PUBLIC COMMENTS - *Unless otherwise determined, the time limit shall be three minutes for each person wishing to make a public comment. Unless otherwise permitted by the Chair, no person shall be allowed to speak more than once on any single agenda item. Not to include comments on General Business items with scheduled public comment. The Board of Trustees may address matters brought up during public comment at the conclusion of the comment period but may not deliberate on any non-agendized item.*

D. APPROVAL OF AGENDA *(for possible action)*

*The Board of Trustees may make a motion for a flexible agenda which is defined as taking items on the agenda out of order; combining agenda items with other agenda items; removing items from the agenda; moving agenda items to an agenda of another meeting, or voting on items in a block.*

*-OR- The Board of Trustees may make a motion to accept and follow the agenda as submitted/posted.*

E. REPORTS TO THE BOARD - Reports are intended to inform the Board and/or the public.

1. **SUBJECT:** District General Manager's Monthly Status Report. (Requesting Staff Member: Acting General Manager Karen Crocker) – *pages 3 - 30*
2. **SUBJECT:** Receive, and File Food and Beverage Report, by Consultant Chris Sarten. (Requesting Staff Member: Acting General Manager Karen Crocker) – *pages 31 - 54*
3. **SUBJECT:** Report to the Board Regarding Grease Interceptor Policy (Requesting Staff Member: Director of Public Works Kate Nelson). – *pages 55 - 63*

F. CONSENT CALENDAR (for possible action)

1. **SUBJECT:** Approval of the IVGID Board of Trustees Meeting Minutes for August 6, 2024. (Requesting Staff Member: District Clerk Heidi White) – *pages 64 - 166*

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## Incline Village General Improvement District

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

893 Southwood Boulevard, Incline Village, Nevada 89451 • (775) 832-1100 • EMAIL: [info@ivgid.org](mailto:info@ivgid.org)

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# NOTICE OF MEETING

Agenda for the Board Meeting of September 11, 2024 - Page 2

- SUBJECT:** Review, discuss and possibly authorize the District’s Acting General Manager to extend the lease agreement between the Hyatt Corporation and the Incline Village General Improvement District, and Approve the Seventh Amendment Document. (Requesting Staff Member: Diamond Peak Ski General Manager Mike Bandelin) – *pages 167 - 212*

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

1. Authorize the District’s Acting General Manager to Extend the Lease Agreement between the Hyatt Corporation and the Incline Village General Improvement District and Approve the Seventh Amendment document for a term extending through May 31, 2025, at a Lease Payment Structure of 10% of Gross Sales each Calendar Month throughout the Term of the Lease.

- SUBJECT:** Review, Discuss, and Approve the Agreement for the Replacement of the Public Works Entrance Security Gate Actuator Loops and Pavement Section; FY 2024/25 Public Works; Utilities: Shared; Pavement Maintenance Utility Facilities; CIP #2097DI1401 in the Amount of \$58,401. (Requesting Staff Member: Director of Public Works Kate Nelson) – *pages 213 - 234*

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

1. Award the Construction Contract to Colbre Grading and Paving of Nevada, Incorporated in the Amount of \$58,401 and,
2. Direct the Interim General Manager to Sign and Execute the Agreement.

- SUBJECT:** Review, Discuss and Approve the Purchase Order Agreement for the Ski Beach Boat Ramp Inspection; FY 2024/25 General; Parks: Operating #39003999-7545; in the Amount of \$700, (Requesting Staff Member: Director of Public Works Kate Nelson) – *pages 235 - 241*

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

1. Approve the Purchase Order Agreement for Services with Scott Fontecchio dba Diverobotix in the amount of \$700, and
2. Direct the Interim General Manager to Sign and Execute the Agreement.

- SUBJECT:** Review, Discuss and Approve the Purchase Order Agreement for the Ozone Analyzers Inspection and Calibration; FY 2024/25 Public Works; Water: Operating #20002223-7330; in the Amount of \$18,000. (Requesting Staff Member: Director of Public Works Kate Nelson) – *pages 242 - 247*

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

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# NOTICE OF MEETING

Agenda for the Board Meeting of September 11, 2024 - Page 3

1. Approve the Purchase Order Agreement for Services with GS03 in the amount of \$18,000, and
2. Direct the Acting General Manager to Sign and Execute the Agreement.

## G. GENERAL BUSINESS (for possible action)

1. **SUBJECT:** Review, Discuss, and possibly Approve the Revisions to District Policy and Procedure 142, Resolution No. 1898 – Personnel Management. (Requesting Board Member: Trustee Raymond Tulloch) – *pages 248 - 262*

*Recommendation for Action:* That the Board make a Motion to Approve the Revisions to District Policy and Procedure 142, Resolution No.1898 – Personnel Management.

2. **SUBJECT:** Appoint Interim General Manager, Consider Candidate (s): Karen Crocker for Interim General Manager; and Set Salary for Interim General Manager. Provide Direction to Interim General Manager regarding Priorities During Interim Appointment Period. (Requesting Staff Member: Legal Counsel Sergio Rudin) – *pages 263 - 264*

*Recommendation for Action:* That the Board of Trustees make a Motion to Appoint a Person to Serve as Interim General Manager until the Board Fills the Permanent General Manager Position, and to Set a Salary for the Period of Service.

3. **SUBJECT:** Discussion, and Possible Direction relating to a Legal Services RFP. (Requesting Staff Member: Acting General Manager Karen Crocker) – *pages 265 - 266*

*Recommendation for Action:* Review and discuss options for Request for Proposal for Legal Services for Incline Village General Improvement District. Recommended Options, by Motion:

1. Month-to-Month Legal Services until a New Request for Proposal is Completed.
2. Direct Staff to prepare an Amendment to the Existing Contract for a One-Year Extension, which would Commence on January 1, 2025, and Expire on December 31, 2025.

4. **SUBJECT:** Review, Discuss, and Possibly Approve a Written Request to Washoe County for Interim Finance Director and Related Services under NRS 318.098. (Requesting Staff Member: Best Best & Krieger LLP, District Legal Counsel) – *pages 267 - 268*

*Recommendation for Action:* The Board Discuss and Provide Direction to Staff to Contact Washoe County to Seek Assistance in Providing an Interim Finance Director and related Advisory Services.

5. **SUBJECT:** Discussion related to the proposed IVGID Town Hall Meeting Scheduled for Tuesday, September 24, 2024. (Requesting Board Member: Chair Sara Schmitz)

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# NOTICE OF MEETING

Agenda for the Board Meeting of September 11, 2024 - Page 4

- H. REDACTIONS FOR PENDING PUBLIC RECORDS REQUESTS (for possible action)
- I. LONG RANGE CALENDAR
  - 1. **SUBJECT:** Long Range Calendar 0911– *pages 269 - 271*
- J. BOARD OF TRUSTEES UPDATE
- K. FINAL PUBLIC COMMENTS - Limited to a maximum of three minutes in duration.
- L. ADJOURNMENT (for possible action)

## CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before 9:00 AM on Friday, September 6, 2024, a copy of this agenda (IVGID Board of Trustees Session of September 11, 2024) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were e-mailed to those people who have requested; and a copy was posted, physically or electronically, at the following locations in accordance with Assembly Bill 213:

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

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

/s/ Heidi H. White

Heidi H. White

District Clerk (e-mail: [hhw@ivgid.org](mailto:hhw@ivgid.org)/phone # 775-832-1268)

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

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

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**MEMORANDUM**

**TO:** Board of Trustees

**FROM:** Karen Crocker, Acting General Manager

**SUBJECT:** District General Manager's Monthly Status Report - August 2024.

**DATE:**  
September 4, 2024

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**GENERAL MANAGER UPDATE****Washoe County Interaction**

Staff has reached out to Washoe County, and they are available to answer any questions Staff might have. In addition, it is recommended that IVGID request an Interim Finance Director.

**Rubin Brown Status List**

Rubin Brown has requested final payment, and it is being held pending release and receipt of all contract items, such as the data.

IVGID's Controller has submitted to the State of Nevada, Department of Taxation the bank reconciliations for the month of May 2024. June and July reconciliations are 80% complete. They will be 100% completed by the week of September 9, 2024.

Treasurer Tulloch is working with DavisFarr to get an updated quote and finalize the engagement letter.

**September 24, 2024 Townhall**

The Chateau has been reserved for Tuesday, September 24, 2024, for a Townhall. Staff will be sending out the notice on September 17, 2024, to solicit questions from our community. The reason this townhall was rescheduled from September 25, 2024, was because there is a golf tournament and dinner on September 25, 2024 which is a full paying event.

**Director of Finance Job Opportunity**

The Director of Finance job posting was completed on Friday, August 30, 2024. Feedback was received from Trustees Noble, Tonking and Tulloch prior to posting.

## **Request for Proposal for Management Services**

This request for proposal was placed on PlanetBids on Friday, August 30, 2024. Responses are due September 25, 2024.

## **Venue Status Reports**

See the attached reports for August. There is no golf report

## **Staff Recognition**

Madonna Dunbar, Resource Conservationist and TWSA President, was recently notified that she is the recipient of a Golden Pinecone Lifetime Achievement award. She will receive this award at a gala event on October 10. Staff is so very proud of her achievement – congratulations Madonna!

Congratulations to Pandora Bahlman for her 24 years of service with IVGID. She will be retiring as the Recreation Center Manager on September 13, 2024.

## **Public Records Log**

Public Records Log for Any Prior unfulfilled Requests and January 11, 2024, through September 5, 2024, is attached to this report.

## **III. ATTACHMENTS**

August 2024 Venue Status Reports

Public Records Request Log

## MEMORANDUM

**TO:** Board of Trustees

**FROM:** Susan Herron  
Director of Administrative Services

**SUBJECT:** Administrative Services Activities in August and Planned Activities in September

**DATE:** September 4, 2024

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Following is a bulleted list of the items accomplished in August and in no particular order:

- Complete work on Audit Committee member recruitment
- Completed two online ICMA trainings
- Monitor and respond to info@ivgid.org inquiries
- Assist with Board memorandums
- Attend Staff and Board meetings
- Work with public as needed
- Process paperwork
- Work on any special projects as requested by the District General Manager
- Work on public records requests
- Reworked the 1895 report
- Worked on a club memorandum of understanding draft
- Met with Washoe County representatives

Following is a bulleted list of the items that may be worked on in September and in no particular order:

- Monitor and respond to info@ivgid.org inquiries
- Assist with Board memorandums
- Attend Staff and Board meetings
- Work with public as needed
- Process paperwork
- Work on any special projects as requested by the District General Manager
- Work on public records requests
- Update the contract list
- Take a vacation

## MEMORANDUM

**TO:** Karen Crocker  
Acting District General Manager

**FROM:** Mike Gove  
Director of Information Technology

**SUBJECT:** August IT Status Report

**DATE:** September 4, 2024

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### BACKGROUND

#### Long Term Initiatives:

- The Active Network POS Assessment Project is currently on schedule with an identified risk being any changes to ordinance 7 during the assessment phase. An expected completion date near the end of 2024 (working with consultant to refine the expected date based on current tasks).
- The Server Cluster Replacement Project is currently on schedule, the equipment has been received has been partially installed and is being configured. Expected completion date of 09/20/24.
- Work has begun on preparing a SOW and Quote for the request for assistance from Tyler, currently no expected completion date.

#### Service Desk:

There were 126 service desk requests opened with 124 of them being resolved for the month of July.

#### Personnel:

IT Technician's first day of work was August 5<sup>th</sup>, 2024



## MEMORANDUM

**To:** Karen Crocker, Acting General Manager  
**From:** Karen Crocker, Director of Parks and Recreation  
**Subject:** Status Report for July/August 2024 – Parks & Recreation Department  
**Date:** September 11, 2024

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### Parks & Recreation Overview

July and August are the busiest months of the year in all Parks and Recreation Department categories including revenue transaction, users and participants, marketing and operations of beaches, all venues and facilities, pass renewal & purchase, classes, services, programs, events, and tournaments. Additionally, it is extremely busy with the demand of seasonally sensitive building maintenance repairs & projects, purchasing of supplies, and grounds/park maintenance.

### Recreation Center

- Gross revenue for the Recreation Center operating is \$193,504
- Expenses are \$97,302, year to date
- Total memberships and members on 9.5.24 (including flex passes, one-week, one-month, three-month, six-month, ongoing and annual) are: 1793 memberships translates to 2541 members.
- Highlighted maintenance at the center: reseal of the basketball gymnasium floor – Croft Beck Floors, ongoing replacement of lighting in group fitness room, HVAC filters quarterly replacement in July, Soap dispensers in restrooms and locker room were hired wired by Buildings staff (saving on batteries), and lawns and gardens have been exceptionally maintained.
- The Recreation Center Manager Pandora Bahlman, an IVGID staff member for 24-years is retiring from the manager position on 9.13.24.

## Beaches

Over the course of August, the beaches saw the following number of visits and revenue:

- IVGID Recreation Pass Holder Visits: 37,466
- IVGID Recreation Punch Card Visits: 8,974
- Guests paid by Credit Card Visits: 7,570 with a revenue of \$107,840
- Boats launched via Season Pass: 510
- Boats launched via Punch Card: 142
- Boats launched via Credit Card: 627 with a revenue of \$14,905

The Ski Beach Boat Launch also reduced hours to 7am – 7:30pm on August 26<sup>th</sup>. The Board will be updated if there are plans to reduce hours further in September.

## Parks

The Parks Department is responsible for Interco ground maintenance, trash removal, irrigation, planting, raking, ball field prep, tree and plant debris removal and other support for Admin Building, Aspen Grove, Village Green Recreation Center, Tennis/Pickleball Center, High School stadium field, Ridgeline Park Ball fields, Parks building Preston ball field and park, bocce courts, skate park and bike park, volleyball courts, disc golf course, Fitness Trail, all three beaches, playgrounds at beaches and parks, and other trails and rest areas in the district. They collaborate with all venues staff and management.

Highlights of operations this summer were:

- Prep for three ballfield tournaments and leagues all summer. IVGID Adult Softball continues Wednesdays and Thursdays. Softball tournaments August 10, 11 and 31<sup>st</sup>. Hardball tournament August 2, 3, 4, IVGID Adult Softball continues Wednesdays and Thursdays. Softball tournaments August 10, 11 and 31<sup>st</sup>. Hardball tournament August 2, 3, 4, and various soccer camps, and AYSO in August. High School baseball practices in August.
- Clean-up Aspen Grove special event, schedule activities and weddings
- Tracking data for cleanup efforts, litter, dog waste, and micro plastics
- Updates on Urban Forestry efforts, ongoing defensible space efforts with Parks staff at Admin parcel and Fitness Trail in August
- Review of Operating and CIP budgets each month with accounting, purchasing and maintenance of Parks equipment
- Prepare daily/monthly schedule/use report of all above mentioned parks, trails, facilities, ball fields, picnics areas, etc.

*One District ~ One Team*

- Review and support efforts for beautification of planters and flowerbeds Met with Incline Education Fund staff regarding beautification project specifically painting some bear-boxes with select Middle School students.
- Attend monthly Safety Committee Meeting. Review safety efforts with HR, Safety Specialist, inspections, monthly fire extinguisher and first aid kits, ongoing safety trainings, and special events safety. Parks eye wash stations will now be checked and signed off weekly.
- Irrigation repairs ongoing
- Review volunteers' efforts that support Parks and Beaches. Court workers working off sentence of 36 hours in August completed. Bike Park, Waste Not cleanup efforts, goose patrol volunteers, High School teams, trash and litter cleanup efforts.
- Replaced lights at Preston Park and Ridgeline Field #3. Adjustments made to some light fixtures at Ridgeline Field #3.
- Parks staff participated in August 2024 District Safety Committee meeting. Fire extinguishers and weekly eye wash station signed off. First aid cabinets checked and filled with needed supplies. AED batteries checked at Parks building and remains ready. Training provided in August included: Special Events, playground safety inspections conducted weekly by certified playground safety inspector.
- Noxious weed control continues throughout parks. Collaboration with North Tahoe Conservation District and keeping them updated regarding removal of noxious weeds.
- One J-1 international students continue to work at the 967 Lakeshore beaches until August 30th.
- Clean-up ongoing picnics scheduled at Recreation Center Bocce Ball, group picnic areas at the parks and the beaches.
- Skate School Camp ongoing at the Skate Park Mon-Fri; continues all summer.

## Tennis

Gross revenue for July and August programs, retail merchandise, lessons, programs, admissions, private instruction and two tournaments: \$146,332  
Expenses 120,654.62 YTD.

## Aquatics Beaches & Recreation Center

Gross Revenue July/August including Beach & Recreation Center programs and services is 160,073 -Tyler.

- Horizons Camp had 126 total participants
- Summer Paddle Camp had a total of 93 participant
- Mini Lifeguard Camp had 124 participants
- Jr. Lifeguard Camp had 53 participants

- First ever Rowing Camp had 17 participants
- Burnt Cedar Swim Lesson program had 255 participants
- First ever Spanish Swim Lesson program had 17
- Private Lessons brought in \$6101
- Swim Team had 21 participants
  
- Expenses for both pools were \$353,172 which is primarily lifeguard hourly wages attributed to the community demand to use Burnt Cedar pool, and government regulations to operate the pools.
- The Rec Center Pool will be closing for repairs from September 14-22. Burnt Cedar Pool will remain open for the season until September 29.

### Parks & Recreation Counter

Highlights of Parks & Recreation Counter in addition to all customer service financial transactions:

- Issued a total of 1,597 passes, with 1,423 for all-area access, 52 labeled as "No Beach," and 122 purchased and marked as "No Beach Guest/No Golf."
- Distributed 3,878 punch cards, including 2,623 with beach access, 22 without beach access, and 1,233 purchased and labeled as "No Golf."
- Over Labor Day weekend, conducted a kayak rack cleanup, removing 15 kayaks and paddleboards that were stored outside the designated racks. We also reached out via email to individuals with empty racks to check if they wanted to continue using their spot for the upcoming season.

## MEMORANDUM

**TO:** Karen Crocker  
Acting District General Manager

**FROM:** Kate Nelson  
Director of Public Works

**SUBJECT:** Public Works August 2024 Monthly Report

**DATE:** September 5, 2024

**CONGRATULATIONS:**

Madonna Dunbar is the 2024 Golden Pinecone Sustainability – Lifetime Achievement Awardee. She will be celebrated for her work on October 10, 2024 at the Green Gala in Reno.

**Defensible Space:**

Update as requested by the BOT

FY24 Expenses:

Utility Water (20002299-7560)	\$ 43,343.93
Utility Sewer (20002599-7560)	\$ 43,343.93
Rec Admin (30364999-7560)	\$ 86,747.85
TOTAL:	\$173,465.71

**Special Projects:**

Public Works is working on finalizing the Lead Service Line Inventory as required by NDEP/EPA Lead and Copper Rule. PW is reaching out to the last remaining homeowners to assist them with filling out the survey found using the following link.

Use this link for more information, view an informational video, and to get to the survey:

[Public Works Lead & Copper Rule Survey | Incline Village General Improvement District - IVGID - Incline Village, Crystal Bay, Lake Tahoe \(yourtahoepace.com\)](#)

**Engineering Summary of Projects:**

Currently recruiting for the Senior Engineering position with interviews to be held soon. The Engineering Department only has 2 full time employees to manage all FY23/24 & FY24/25 Capital Improvement and Capital Expense Projects (Effluent Pipeline & Storage Tank PM remains with HK) HK serving as EM & PE

- Capital Investment Committee – Meeting on August 20<sup>th</sup> – feedback received on the 30% Design Options for Skate Park, feedback received on the Snowflake Lodge Needs Assessment Update/Owner’s Programing, and Kassbohrer PistenBully Snow Grooming Vehicle (advanced to BOT for approval at the 8/28/24 meeting)
- Hold for Funding/Permitting/Contract – Bike Park Phase I
- RFP/RFQ – SCADA Masterplan
- Planning – Boat Ramp Evaluation, Fire Hydrant Replacement, Ski Way Pavement Rehabilitation, DP/Grease Interceptor/Fuel Tank/Upper Parking Lot Pavement
- Design – Ponderosa Waterline Replacement, Incline Beach House (30% deliverables received) – project waiting for F&B report to the Board with recent staffing loss return to the BOT is TBD, Skate Park Enhancement, Rec Center HVAC
- Bidding – Burnt Cedar Emergency Fuel Tank Replacement, DP Electrical Service Entrance
- Construction – Meter Register & Transponder Installation, Snowmaking/Pump Station Improvements (punch list work), SPS #1, Effluent Storage Tank, Effluent Export Pipeline, WRRF Roof Replacement (tentative start 9/23), SR 28 Mill and Overlay (tentative start 9/17)

- Construction Complete – Tyner Pavement Reinstatement, SR 28 Emergency Reinstatement, Mountain Golf Roof (Cart Barn & Clubhouse), Christmas Tree Village FH lateral replacement (SR28), Reservoir Coating R5-3A R5-3B, Alder Ave Waterline Replacement, SPS#5 Wetwell & Manhole Coating, Tyner Pavement Slurry Seal

**Water/Wastewater Treatment:**

- Water Production – Total 134.627 MG, Daily Avg 4.343 MGD, Daily Max 4.928 MGD
- Wastewater Processed - 29.932 MGD, 0.996 MGD Daily Avg., 1.202 MGD Daily Max
- Total Call Outs – 45

**Pipeline:**

- Water Leak Repairs – 3 main, 1 service line
- ARV repair at candy cane on Effluent Export Pipeline
- Meters tested - 4
- After Hour Service Calls – 12 (28 hrs OT) & (118 hrs OT for Meter transponder Installations)
- 330 Meters transponders changed out
- Hydroflush sewer lines = 6,060 LF

**Compliance:**

- Backflow tests – 261
- Plan Checking – 34

**Waste Not:**

- HHW Collection = 4 events with a total of 88 customers served (33 e-waste, 32 hazardous, 40 both, 3 no shows, 11 without appointment)
- Solid Waste Incidents = 22 (8 warnings, 3 violations (1 fine, 2 WRC))
- Completed water quality monitoring
- Waste Management's Green Waste Recycling Curbside Collection Program – September 30 – November 1.

**Fleet:**

- Update as requested by the BOT: proposed additional equipment to be added to the new trucks are toolboxes and bed covers. These purchases will be made via p-card to an outside vendor to take advantage of better pricing than from the dealer
- 14 passenger van delivery expected Fall 2024
- Preventative Maintenance Hours – 399
- Corrective Maintenance Hours – 424
- CIP - 0
- Other – 60
- PM to CM ratio = 48.5%

**Laboratory:**

- Information not available in time for packet

**Major Capital Improvement Project Status**

- Effluent Pipeline Replacement Project GMP 2
  - Crews are outperforming production rates (ahead of schedule)
  - Total pipe installed to date is 9,970 LF
  - Jack and Bore at Secret Creek scheduled for week of 9/9
- Effluent Storage Tank Project
  - Tank prestressing will begin
  - Washoe County Board of Adjustment approved night work this will help maintain the schedule since some time was lost due to weather and unsuitable materials

- With the night work approved, the schedule looks to have the tank online for gravity feed by October 18, 2024
- Incline Beach House
  - Received 30% deliverables
  - F&B to present data requested by Board TBD
- Skate Park Enhancement
  - Progress Meetings ongoing
  - 30% Designed received
  - CIC meeting 8/20/24
  - Will be presented to the Board in October

**M E M O R A N D U M**

**TO:** Karen Crocker  
Acting District General Manager

**FROM:** Mike Bandelin  
Diamond Peak Ski General Manager

**SUBJECT:** Venue Status Report – Ski Venue – August 2024

**DATE:** September 4, 2024

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Since the ski venue closed for the season on April 21, 2024, there have been 144 calendar days. Staff has been working on and completing annual maintenance of the equipment, infrastructure and assets. Seasonal managers of departments will be on boarded in the near future as recruiting for seasonal staff begins in October for the upcoming season.

Staff provided a memorandum to the Capital Investment Committee Meeting at their meeting on August 20, 2024 (Item F.2) for review and discussion related to the proposed draft Request for Qualifications to perform a Needs Assessment related to the Districts Snowflake Lodge at the Ski Venue. The RFQ, with suggested modifications from the Capital Investment Committee was approved to present the recommendation to the District’s Board of Trustees at a future meeting.

The Districts ski fund (34) FY2024/25 includes total capital appropriations of \$1,125,000 for the following projects. To date, the replacement grooming vehicle project has been approved by the Board of Trustees at their meeting on August 28, 2024 (Item G.5). Staff is in the process of completing the remaining projects in the following table.

<b>Budget Amount</b>	<b>Project Description</b>
\$550,000.00	Replace Grooming Vehicle - Originally purchased in 2014.
\$205,000.00	This Project Replaces One of the Two 2010 Ski Shuttle Busses
\$20,000.00	This Project Replaces Mountain Operations Snowmobile
\$100,000.00	This project consists of the procurement of two snowmaking fans guns
\$175,000.00	This project replaces the 1966 electrical entrance panels at the ski venue main lodge.
\$75,000.00	Replace Red Fox Ski Lift 1979 Counterweight Cable and Haul Rope Carrier Grips
\$1,125,000.00	



**Public Records Request Log**

**Friday, September 6, 2024**

<b>Due Today:</b>	0
<b>Overdue:</b>	0

Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due by	District Cost	Assigned to
23-106			✓ Friday, March 8, 2024	Wells, Kristie	I would like to receive all emails sent to anyone by Trustee Sara Schmitz that contain the following words or phrases: Director of Parks and Recreation; Director of Administrative Services; Shelia Leijon; Susan Herron	Partial/ in process		Clerk
24-008	1.5 hour	Complete	✓ Saturday, January 6, 2024	Wells, Kristie	I would like to receive copies of all of the Director of Information Technology emails from 11/11/2023 to 12/31/2023 going to and from any/all Trustees.  I would also like a list of all telephone calls, using either their personal phone and/or District phone. This would be incoming and outgoing and would include text messages. This is just a listing with dates and times.  The date of this request is Saturday, January 6, 2024 as I am not able to fill that in electronically on this form.	3/11/2024		General Governace
24-009	30 Minutes	Complete	✓ Monday, January 8, 2024	Katz, Aaron	1. Billings from BB&K re: review/approval proposed HDR Engineering contract for update to water/sewer rate study - agreement included in Board packet for Jan 10, 2024 meeting; 2. E-mails/other writings between BB&K/IVGID staff reviewing/approving/explaining proposed agreement referenced in paragraph 1 above; 3. E-mails/other writings between anyone at IVGID/BB&K asking BB&K review/approve proposed agreement referenced in paragraph 1 above	1/12/2024		Public Works
24-010	30 Minutes	Complete	✓ Monday, January 8, 2024	Dobler, Cliff	Request Granite IVGID correspondance, Diamond Peak Walk in Cooler and Prep area	1/17/2024		Public Works
24-011	10 Minutes	Complete	✓ Thursday, January 11, 2024	Kahrs, Linda	Please send me pdf copy via email of the executed contract with RubinBrown LLP	1/19/2024		Accounting/ Finance
24-012		Complete	✓ Thursday, January 11, 2024	Wells, Kristie	I would like copies of all of the Interim Director of Finance emails from 11/1/2023 to 1/10/2024 going to and from any/all Trustees as well as any communication Interim Director of Finance had with the Audit Chairman Chris Nolet. This includes a list of all telephone calls, using either their personal phone and/or a District phone. This would be incoming and outgoing and would include text messages. This is just a listing with dates and times. The date of this request is 1/11/2024.	3/11/2024		General Governance
24-013	2 Hours	Complete	✓ Thursday, March 14, 2024	Homan, Mick	1. It is my understanding that Sara Schmitz attempted to have the people collecting signatures for the recall petition removed from the designated public forum areas at IVGID facilities, including Incline Beach. Please provide all emails, texts and/or other documentation sent to/received by Sara Schmitz, Matthew Dent, IVGID Human Resources, and/or other IVGID Staff or legal counsel regarding public forums, the recall petition, and/or IVGID beaches from June 15, 2023 to August 1, 2023 2. It is my understanding after listening to multiple BOT meetings that Sara Schmitz attempted to restrict the issuance of Picture Passes to residential parcels owned by legal entities, including but not limited to corporations, limited liability corporations and other ownership structures other than individual ownerships Please provide all emails, texts, and/or other documentation sent to/received by Sara Schmitz, Matthew Dent, Human Resources and/or IVGID Staff or legal counsel regarding the issuance of picture passes to residential parcels owned by any legal entity other than an individual or couple from May 1, 2023 to June 30, 2023.	2/19/2024		General Governance
24-014	1.1 hrs	Complete	✓ Friday, January 19, 2024	Wright, Frank	Did Shelia lejon have the authority to make payments to IVCB/BA on behalf of the veterans club? How were these payments made? Check, cash, money order? Debit card?  Let's enhance my public records request to include copies of expenses, and payments from	01/25/2024		Accounting/ Finance

Public Records Request Log

Friday, September 6, 2024

<b>Due Today:</b>	0
<b>Overdue:</b>	0

Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due by	District Cost	Assigned to
24-015	30 Minutes	Complete	✓ Friday, January 12, 2024	Katz, Aaron	Kate Nelson's staff time billed to Public Works (to include date services provided, amount of time, description of services, hourly rate applied, out of pocket costs incurred) associated with: 1. Communications with HDR Engineering pertaining to an update of last June's (2023's) water/sewer rate study; 2. Familiarity with and researching water/sewer rate studies in anticipation of her request the Board authorize an update to last June's water/sewer study; 3. Preparation of staff memo and attachments included in Board packet for January 10, 2024 meeting; 4. Preparation for presentation of this agenda item to the Board on January 10, 2024; 5. Actual presentation of this agenda item to the Board on January 10, 2024.	2/9/2024		Public Works
24-016	10 Minutes	Complete	✓ Tuesday, January 16, 2024	Homan, Mick	Please provide me with the updated terms and conditions and/or scope of services that led to the revised contract pricing "not to exceed \$350,000", as referenced by Mr. McGee and Trustee Tulloch during the aforementioned meeting.	1/23/2024		Accounting/ Finance
24-017	1.5 hrs	Complete	✓ Tuesday, January 16, 2024	Dobler, Cliff	Please provide for my examination any and all invoices and any and all change orders from vendors who were engaged on the capital project #4899FF1202. This would be for all fiscal years and according to the 10/25/2023 carryover report prepared by Magee the costs were \$1,176,820.	1/23/2024		Accounting/ Finance
24-018	10 Minutes	Complete	✓ Tuesday, January 16, 2024	Dobler, Cliff	Please provide for my examination the contract and scope of work with RubinBrown regarding the forensic audit.	1/23/2024		Accounting/ Finance
24-019	30 minutes	Complete	✓ Friday, January 19, 2024	Dobler, Cliff	Please provide for my examination the Incident report filed by Darren Howard regarding a purported incident on 9-15-2020 between Mr. Howard and myself. Please provide for my examination the Incident reports, I assume, filed by the Golf shop staff member, the Head Golf Pro and the IVGID Merchandising Manager reported to Mrs. Dee Carey on June 2, 2020.	2/7/2024		Human Resources
24-020	10 Minutes	Complete	✓ Sunday, January 21, 2024	Cat	Please email me a PDF copy of the negotiated scope of work AND negotiated terms and conditions as mentioned by Trustee Tulloch at the 1/10/2024 Board meeting.	1/29/2024		Accounting/ Finance
24-021	15 Minutes	Complete	✓ Friday, January 19, 2024	Katz, Aaron	1. Writings originating from IVGID offering Bobby Magee/his firm the position of interim finance director for IVGID. 2. Writings originating from Bobby Magee/his firm accepting the position of interim finance director for IVGID. 3. Writing evidencing agreement between Bobby Magee/his firm and IVGID insofar as the former's services as interim finance director for IVGID. 4. To the extent Bobby Magee's/his firm's compensation and expense reimbursements are concerned, as the interim finance director for IVGID is concerned, and if not included in the writing referenced in paragraph 3 above, I would like to examine writings evidencing Bobby Magee's/his firm's right to compensation and expense reimbursements from IVGID as its interim finance director is concerned. 5. To the extent the term of any agreement referenced in paragraph 3 above is concerned, and its termination, are not addressed, I would like to examine writings evidencing that term and its possible termination.	1/26/2024		Accounting/ Finance
24-022	10 Minutes	Complete	✓ Tuesday, January 23, 2024	Cat	Please provide a PDF copy of the Notice to Proceed issued to RubinBrown LLP.	1/29/2024		Accounting/ Finance
24-023	10 Minutes	Complete	✓ Monday, January 22, 2024	Gumz, Joy	Update and Explain 8 digit expense organization G/L Code	1/29/2024		Accounting/ Finance

**Public Records Request Log**

**Friday, September 6, 2024**

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24-024	15 Minutes	Complete	✓	Wednesday, January 18, 2023	Katz, Aaron	To Bobby Magee - What is your/your firm's compensation and benefits as interim director of finance for IVGID? And for how long? Do you/does your firm regularly submit invoices for payment and if so, to whom? Do you or does your firm have a written agreement with the District that provides therefore? And if so, would you mind sharing it? Were you offered your current position with IVGID via a writing and if so, would you mind sharing it?	1/25/2024		Accounting/ Finance
24-025	1 Hour	Complete	✓	Monday, January 29, 2024	Gumz, Joy	1. Audited Financial statements from fiscal year 1968, fiscal year 1969, fiscal year 1976, fiscal year 1977, and fiscal year 1985. 2. The "Official Statement" for bonds issued in 1968 and 1976. An "Official Statement" is the Information packet required by the securities & exchange commission when municipal bonds are issued 3. The Job description for "Principal Engineer" (Public Works).	3/7/2024		Accounting/ Finance
24-026	15 Minutes	Complete	✓	Tuesday, January 30, 2024	Bratcher, Becky	Copies of the Winning Statements of Qualification for the following 2 projects: Utility Master Plan (2022) Farr West Engineering, Effluent Pipeline and Pond Lining Projects 2021, HDR engineering, Jacobs Engineering Group	2/6/2024		Public Works
24-027	10 Minutes	Complete	✓	Wednesday, January 31, 2024	Cat	May I have the Baker Tilly invoice listed on the most recent Treasurers Report in the 1/31/2024 packet.	2/1/2024		Accounting/ Finance
24-028	10 Minutes	Complete	✓	Monday, November 13, 2023	Gumz, Joy	2) Attendance / timekeeping records for all employees for the calendar year 2022	Extended		Human Resources
24-29		Complete				Account Creation - Request			
24-030		Complete	✓	Monday, February 19, 2024	Miller, Judith	Please provide a list (pdf) showing the job title, job class (e.g. FTYR, PTYR, etc.), grade and FTE's for each of the budgeted positions listed for 2023-2024 on pp.549-553 of the 5/25/23 Board Packet. I already have the table of salary levels, but never received the list containing the position title, class, grade and FTE's (like the one that had been provided in previous years) that I originally requested in July of 2023 and again in February 2024. The list in last year's packet only contained the job title and FTE's.	3/8/2024		Human Resources
24-31		Complete	✓	Tuesday, February 20, 2024	Miller, Judith	Request IVGID's website states "The Senior Transportation Program is a collaborative effort provided by IVGID Senior Programs, Washoe County, NDOT and RTC." Please provide records evidencing any and all financial contributions from Washoe County, NDOT and RTC specifically for IVGID's Senior Transportation Program since July 1, 2022 to the present.	3/11/2024		Parks, Rec. & Beaches
24-032	30 Minutes	Complete	✓	Saturday, February 24, 2024	Wells, Kristie	Please provide the Consulting Agreement and Compensation Plan for Interim Director of Finance, Bobby Magee. I understand IDF Magee, based on his own words, was referred to IVGID by someone at Baker Tilley. Baker Tilley was then paid a \$10,000 "finders fee." I have not seen anything else related to IDF Magee being hired, or any documents that state what his current compensation is as a consultant to IVGID. This has been asked, twice, by Aaron Katz, and I do not believe this request has been fulfilled. -- Please provide a copy of the agreement between IVGID and IDF Magee that fully outlines his role, responsibilities, and the compensation he receives in exchange for the work provided to the District. I would expect there to be a clear term of engagement, an exact amount of compensation that was agreed to, and any additional benefits that were to be provided. -- Please provide copies of the invoices that have been submitted by IDF Magee or any firm or person representing him seeking payment from IVGID, including those that pertain to general compensation as well as any expense reimbursement that has been requested since he started working with the District.	3/4/2024		Human Resources

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20-033	30 Minutes	Complete	✓ Saturday, February 24, 2024	Wells, Kristie	Expenses related to the recent investigation of an IVGID employee Please provide the exact total that will be paid to Maupin Cox & LeGoy for the investigation they conducted on an employee (reference engagement letters dating November 17, 2023, and December 18, 2023, that were posted in the PRR 24-2). I would like to know the exact amount billed and what is owed for the completion of this investigation. I would also like to know how many investigations have been requested by the BoT since June 2020.	3/11/2024		Human Resources
24-034	1 hour	Complete	✓ Thursday, February 22, 2024	Katz, Aaron	Thank you Heidi  Before I file a criminal complaint for concealment, which will extend to Sergio because he's the one instructing you to conceal legitimate public records, I will make one final attempt.  Sergio's explanation is disingenuous. Because it responds to a set for facts that differ from my public records request.  Sergio utilizes a technique honed to an art by your predecessor. Restate a requester's request differently than he/she has requested, and then respond to the different request. Here Sergio states I requested review of Mr. Kelly's time off requests/approvals, and usage of time off balances between 7/1/22 and 2/17/24. " Although I did request records evidencing	03/19/202		Human Resources
24-035	45 Minutes	Complete	✓ Tuesday, March 5, 2024	Morley Craig	I write to request access to and a copy of service contract for IVGID Household Hazardous waste and electronic waste collection and disposal services (along with vendor submittals to the proposal request) that covers your household hazardous waste service. If you do not have a current contract, please provide copies of invoices related to household hazardous waste service. Time frame requested is from current to previous 2 years. I, I will expect your response with five (5) business days. See Nev. Rev. Stat. Sec. 239.0107.  Thank you for your assistance.	3/12/2024		Public Works
24-036	45 Minutes	Complete	✓ Tuesday, March 5, 2024	Yadav, Kaja;	I write to request access to and a copy of service contract for IVGID Household Hazardous waste and electronic waste collection and disposal services (along with vendor submittals to the proposal request) that covers your household hazardous waste service. If you do not have a current contract, please provide copies of invoices related to household hazardous waste service. Time frame requested is from current to previous 2 years. If your agency does not maintain these public records, please let me know who does and include the proper custodian's name and address.  As provided by the open records law, I will expect your response with five (5) business days. See Nev. Rev. Stat. Sec. 239.0107	3/12/2024		Public Works
24-037	1 Hour	Complete	✓ Friday, March 8, 2024	Wells, Kristie	I would like to receive all emails sent to anyone by Trustee Sara Schmitz that contain the following words or phrases: Director of Parks and Recreation Director of Administrative Services Shelia Leijon Susan Herron The time period would be from June 1, 2023 to present day, March 9, 2024.	4/30/2024		General Governance
24-038	10 Minutes	Complete	✓ Monday, March 11, 2024	McKowen, Patricia	I am requesting a copy of Chris Nolet's resignation letter as the Chair of the Audit Committee.	3/16/2024		Accounting/ Finance, & PW
24-039	15 Minutes	Complete	✓ Monday, March 11, 2024	Kern, Rick	How can I get an update on the status of the IVGID bank reconciliations? I don't want to ambush anyone at the meeting, but I'd like to know if we are now reconciled through February 2024, and if not, thru what month are we reconciled, and the amounts of any outages/discrepancies.	3/18/2024		Accounting/ Finance
24-040	3 Hours	Complete	✓ Tuesday, March 12, 2024	Terry, Erron	Any and all emails from or to Shelia Leijon regarding IVCBA for the last 12 months.	4/16/2024		General Governance

**Public Records Request Log**

**Friday, September 6, 2024**

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Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due by	District Cost	Assigned to
24-041	12 Hours 30 Minutes	Complete	✓ Thursday, March 14, 2024	Kahrs, Linda	I am making this PRR request for all emails to/from any employee or Trustee of the District from either Aaron Katz and/or Frank Wright for the period of 10/2023 to 03/2024 and I will accept these emails in batches by month i.e. October, November, December, etc.	4/30/2024		General Governance
24-042	1 Hour	Complete	✓ Friday, March 22, 2024	Wells, Kristie	I would like to know who, specifically, crafted the questions in the "Good Government" survey that was recently released: <a href="https://www.flashvote.com/ivgid-nv/surveys/good-government-03-24">https://www.flashvote.com/ivgid-nv/surveys/good-government-03-24</a> Please provide all emails about developing this specific survey between any IVGID Board of Trustee, Kevin Lyons, or anyone associated with the FlashVote service. Specifically, which Trustees were involved in developing this survey, what questions did they submit for inclusion, and who approved the final version?	4/30/2024		General Governance
24-043	10 Minutes	Complete	✓ Tuesday, April 2, 2024	Dobler, Cliff	Please provide for my examination all documents delivered to the Nevada Department of Taxation regarding the IGVID June 30, 2023 financial statements which were determined by the Board of Trustees on March 28, 2023.	4/9/2024		Accounting/ Finance
24-044	10 Minutes	Complete	✓ Tuesday, April 2, 2024	Dobler, Cliff	Please complete the public records request recently made. Please provide the transmittal letter to the Department of Taxation which was part of the 6-30-2023 financial statement documents submitted by IVGID which were approved by the Board of Trustees on March 28, 2024. The transmittal letter was not included in my previous public records request.	4/9/2024		Accounting/ Finance
24-045	10 Minutes	Complete	✓ Tuesday, April 2, 2024	Dobler, Cliff	Please provide for my examination the Management Representation Letter submitted by IVGID management to Davis Farr, LLP regarding the fiscal June 30, 2023 financial statements	4/9/2024		Accounting/ Finance
24-046	4 Hours	Complete	✓ Thursday, April 4, 2024	Gumz, Joy	Please provide by email or the Nextrequest portal a copy of IVGID's AUDITORS' REPORT from fiscal year 1978 through fiscal year 1984: 1978, 1979, 1980, 1981, 1982, 1983, 1984. This AUDITORS REPORT included the audited financial statements and the Auditors' opinion, and is a permanent record per Nevada laws and regulations.	4/11/2024		Accounting/ Finance
24-047	5 hours 30 Minutes	Complete	✓ Sunday, April 7, 2024	Steinburg, Paul	any and all requests by anyone for any records concerning Paul Steinberg in any department or facility	4/15/2024		General Governance
24-048	30 Minutes	Complete	✓ Sunday, April 7, 2024	Steinburg, Paul	any and all inquiries, record request or action in which my name is included by and IVGID trustee or member of the IVGID staff including responses to such requests	4/23/2024		General Governance
24-049	30 Minutes	Complete	✓ Sunday, April 7, 2024	Dobler, Cliff	The letter from DAVIS FARR to IVGID is not what I asked for. I want the letter to DAVIS FARR from IVGID. the letter for several yeas is called; Management's representation letter to auditor. could I please obtain information which I requested	4/15/2024		Accounting/ Finance
24-050	30 Minutes	Comple	✓ Monday, April 8, 2024	Dobler, Cliff	Please provide for my examination the spreadsheets provided by Ms Nelson at the April 4, 2023 Investment Committee regarding carryover projects from fiscal 2024 to 2025. These spreadsheets were not part of the committee packet just posted up on zoom. In the future if supplemental items are presented at a meeting then would be appropriate to have them on the agenda. This would save time on requesting documents.	4/15/2024		Public Works
24-051	15 Minutes	Complete	✓ Tuesday, April 9, 2024	Dobler, Cliff	Please provide for my examination the spreadsheet regarding estimated engineering man hours required to conduct capital projects for fiscal year 2025.. This spreadsheet was posted on the zoom meeting of April 4, 2024 and can be found as item E.2 and located at 28:00 minutes. It is inappropriate to exclude items provided to the Committee but not in the packets. These items should be posted as backup to the meeting even if received after the packet is released to the public. This has been done in the past. Please post the item.	4/16/2024		Public Works

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24-052	30 Minutes	Complete	✓ Thursday, April 18, 2024	Steinburg, Paul	Any and all records of insurance policies that cover the Incline Village Tennis & Pickleball Center. Is this policy separate or included with insurance of other sports and recreational facilities in Incline Village?	4/25/2024		Parks, Rec. & Beaches
24-053	30 Minutes	Complete	✓ Thursday, April 18, 2024	Steinburg, Paul	Who are the multiple sources that Trustee Schmitz refers to in her email to former GM Bandelin on January 2, 2024. In that email, she states that "I have been told my multiple sources that he stated he was GIVEN passes by Shelia."	4/25/2024		General Governance
24-054	10 Minutes	Complete	✓ Tuesday, April 23, 2024	Wells, Kristie	Please provide a copy of the tentative 2024/2025 budget that I believe was filed with the State of Nevada on April 15, 2024.	4/30/2024		Accounting/ Finance
24-055	10 Minutes	Complete	✓ Wednesday, April 24, 2024	Dobler, Cliff	Please provide for my examination the IVGID Tentative Budget for fiscal year beginning July 1, 2024 to June 30, 2025. This document was sent to the Department of Taxation by IVGID employee Adam Cripps on or about April 15, 2024 and should be available.	5/2/2024		Accounting/ Finance
24-056	30 Minutes	Complete	✓ Monday, April 29, 2024	Katz, Aaron	Monday morning, April 29, 2024, at 10 A.M., I want to examine and receive copies of: 1. The District's tentative 2024-25 budget submitted by staff to the Dept of Taxation ("NDOT"); 2. All District letters accompanying the tentative budget referenced in paragraph 1 above evidencing in part, the date and time when that tentative budget was submitted to the NDOT; 3. The District's BOT agenda seeking approval of the tentative budget referenced in paragraph 1 above; 4. The resolution adopted by the District's BOT approving the tentative budget referenced in paragraph 1 above; 5. Notice of the time and place of a public hearing on the tentative budget referenced in paragraph 1 above which was supposed to have been prepared and disseminated at the same time the District submitted that tentative budget to the NDOT. Please confirm to me ahead of time that said public records will in fact be available for my examination on the date and at the time referenced above. Let me remind you that NRS 239.010(1) instructs that "all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied...from those public books and public records." That's why I intend to examine and receive the above-copies on the date and at the time referenced.  Thank you for your cooperation. Aaron Katz	5/6/2024		Accounting/ Finance
24-057	30 Minutes	Complete	✓ Monday, April 29, 2024	Katz, Aaron	Application for certificate of excellence in financial reporting submitted to the GFOA for the District's  2023 ACFR; The District's payment of the fee for the application reference above; Invoicing from the GFOA for the application referenced above; Any certificate of excellence issued by the GFOA to the District insofar as its 2023 ACFR is concerned.	4/30/2024		Accounting/ Finance
24-058	45 Minutes	Complete	✓ Monday, April 29, 2024	Katz, Aaron	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	5/6/2024		Human Resources

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Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due by	District Cost	Assigned to
24-059	30 Minutes	Complete	Tuesday, April 30, 2024	Ericson, Grace	The Tahoe Transportation District (TTD) is in the process of designing the SR28 Central Corridor Project located in Carson City and Washoe County from Thunderbird Lodge to Secret Harbor Parking Lot. This project will include approximately 1 mile of trail, parking improvements, transit improvements, pedestrian safety improvements, driveway and access improvements and highway improvements. This project is scheduled for construction in 2026. At this time, we are requesting Record Drawings for all improvements within the project limits as depicted on the enclosed map. Wood Rodgers, Inc. is under contract to the TTD to produce plans, specifications, and contract documents for the Project. Please provide us with your feedback on how the Project may impact your existing or planned future facilities. Any conflicting facilities within the project limits will require prior rights investigation and coordination to determine responsible party for relocation. If your company is interested in placing new facilities, repairing, or upgrading existing facilities, we encourage you to accomplish the work prior to construction of our project to avoid cuts into proposed improvements. We request that you coordinate with our project team to ensure any modified or relocated facilities are coordinated with our improvements to mitigate future conflicts. TTD can make arrangements with you to place utilities in conjunction with our project; if you are interested in making such arrangements, please contact us as soon as possible.	5/7/2024		Public Works
24-060	15 Minutes	Complete	Wednesday, May 1, 2024	Kelly, Deirdre	Greetings, Seeking a copy the 3/21/2001 legal document that is available to the public titled, "District Beaches-Restrictive Deed Covenant"--Factual Review. Thank you in advance, Regards,	5/8/2024		General Governance
24-061	No Time Recorded	Complete	Sunday, May 5, 2024	Dawson, Bryan	Hello, I hope all is well! I'm Bryan Dawson from Uncovered Media. I am writing to request all incident reports from June 2023 that involve any of the following charges, under the Freedom of Information Act:  RA/Resist (Resisting/Resisting Arrest) BAT/Battery Asslt/Asslt/Assault Fleeing/AF (Aggravated Fleeing) Impers PO/O (Impersonating an Officer) FTS/FSO (Failure to Stop for an Officer)  For the filtered search, reports with any of the charges listed above would work. These records will not be used for commercial purposes. Although there may be numerous reports, please forward all the files. Once you have the reports, kindly send them to this email address: b.dawson98@gmail.com. Additionally, if there is a portal or form I need to complete, I would appreciate it if you could direct me accordingly. Thank you for your assistance, and I look forward to your reply.	5/13/2024		General Governance
24-062	No Time Recorded	Complete	Monday, May 6, 2024	Dobler, Cliff	Please provide for my examination the annual report titled  Summary of CIP Activity by Project for the fiscal year ending 6/30/2023 This report has been produced and is the detail backup for the Capital Assets section of the 2023 AFCD I would appreciate a prompt response.	5/13/2024		Accounting/ Finance
24-063	No Time Recorded	Complete	Monday, May 6, 2024	Katz, Aaron	The 2023 ACFR mentions a \$585,843 obligation due from the internal services to the general fund. I would like to examine writings evidencing that obligation including the term, interest rate, and persons who approved this obligation. Additionally, I would like to examine board resolutions expressly approving this obligation.	5/13/2024		Accounting/ Finance
24-064	1 hour 15 minutes	In process	Monday, May 6, 2024	McKowen, Patricia	I would like any and all documents including emails and other records regarding these Incline residents that may include emails from Mike Bandelin, Bobby McGee and any and all Trustees. Seeking to uncover any investigations into these residents. Kristie Wells, Linda Kahrs, Trish McKowen, Mary Kleingartner, Bill Kahrs, Carolyn Usinger, Tim Callicrate, Sandra Richards, Kaye Schackleford, Kevin McKowen,			Human Resources General Governance

**Public Records Request Log**

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Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due by	District Cost	Assigned to
24-065	15 Minutes	Complete	✓ Tuesday, May 7, 2024	Dobler, Cliff	Please provide for my examination the following Popular CIP Status Report for the following dates: September 30, 2023; December 31, 2023; March 31, 2024 To assist you in your search. The 9-30-2022 report was provided to the Board of Trustees on 11-9-2022. The 12-31-2022 report was provided to the Board of Trustees on February 22, 2023. The 3-31-2023 report was provided to the Board of Trustees on March 31, 2023.  If the reports have not been completed so state.	5/15/2024		Accounting/ Finance
24-066	10 Minutes	Complete	✓ Wednesday, May 8, 2024	Wells, Kristie	I would like a copy of the Rubin Brown agreement for the work being done on the forensic due diligence audit.  I looked through previous requests and there was one made, but the agreement had not been signed yet, so the agreement "did not exist" then. I also did not see this agreement provided in the board packet for the May 8th meeting even though there is an Amendment being requested.	5/15/2024		Accounting/ Finance
24-067	5 Minutes	Complete	✓ Friday, May 10, 2024	Dunsworth, Paul	Building permits, as-built plans, inspection records/sign offs and certificates of occupancy for the 2021 remodel of 618 Woodridge Circle	5/10/2024		General Governance
24-068	30 Minutes	Complete	✓ Monday, May 13, 2024	Katz, Aaron	Documents in Support of Proposed Water and Sewer Rate Increases The notice of public hearing in yesterday's TDT Newspaper states that the subject documents above are available for inspection at the District's admin offices. Are those docs in electronic format? If so, can you please provide me with copies as an attachment to an e-mail? If not available in electronic format, please advise as I otherwise intend to physically examine them at the District's admin offices at 10 A.M. on Monday, May 13, 2024. Thank you for your cooperation, Aaron Katz	5/13/2024		General Governance
24-069			✓ Friday, May 10, 2024	Wells, Kristie	I recently requested a copy of the Rubin Brown agreement. Item 11 in Exhibit A references Ruben Brown reviewing up to seven (7) specific complaints that have been filed. I would like to know who, exactly, filed those complaints, when they were filed, and what those complaints were about, specifically.  I assume these were done via email and I would rather not have to ask staff to burn hours pulling all these for the public record. As you are in the thick of this project, I expect that you can provide that to me quickly, and easily.			General Governance
24-070	15 Minutes	Complete	✓ Monday, May 13, 2024	Katz, Aaron	Preliminary Report Prepared by the IVGID Board in Support of Proposed Rec and Beach Facility Fees and Resolution of Adopted Along With Notice of Public Hearing Therefore The notice of public hearing in yesterday's TDT Newspaper states that the subject documents above (report and resolution adopting the same) are available for inspection at the District's admin offices. Are those docs in electronic format? If so, can you please provide me with copies as attachments to an e-mail of transmission? If not available in electronic format, please advise as I intend to physically examine them at the District's admin offices at 10 A.M. on Monday, May 13, 2024. Thank you for your cooperation, Aaron Katz	5/13/2024		General Governance
24-071	1 hour	Complete	✓ Monday, May 13, 2024	Dobler, Cliff	Please provide for my examination any and all contracts and change orders with Sierra Nevada Construction (SNC) regarding the Mt. Golf Cart Path Restoration Phase II project. The original contract was awarded on May 10, 2023 for \$187,000 and subsequent change orders were required in September 2023 and in December, 2023 amounting to \$252,000. This data can be found on the 12-13-2023 memorandum from Hudson Klein to the Board of Trustees. Thanks Clifford F. Dobler	6/6/2024		Public Works



Public Records Request Log

Friday, September 6, 2024

<b>Due Today:</b>	0
<b>Overdue:</b>	0

Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due by	District Cost	Assigned to
24-072	1 Hour	Reopened 07/29	✓ Saturday, May 25, 2024	Katz, Aaron	I am making a public records request for records which evidence every expenditure on project #4378BD2202 (Skateboard Park Project) to date. I want to know when the expenditure was incurred, what it was for, how much was paid and when, and who approved payment. That's why I am sending a copy of this e-mail to our GM and Board Clerk Heidi White.			Public Works & Finance
24-073	15 Minutes	Complete	✓ Sunday, May 26, 2024	Katz, Aaron	The Dep't of Taxation was supposed to have issued us a certificate of compliance or non-compliance for the tentative budget Mr. Cripps submitted on April 17, 2024. Three days before our May 29, 2024 public hearing date. I would like to examine the same. Tuesday morning if possible given the public hearing is set for May 29, 2024.  Remember NRS 239.010(1) instructs that "all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person."	6/4/2024		Accounting/ Finance
24-074	15 Minutes	Complete	✓ Wednesday, June 5, 2024	Dobler, Cliff	Please provide for my examination the budget form 4404LGF for fiscal year 2024 - 2025 which was filed with the Department of Taxation on or about June 1, 2024	6/11/2024		Accounting/ Finance
24-075	45 Minutes	Complete	✓ Monday, June 10, 2024	Wells, Kristie	I would like to receive an excel or CSV list including the date, to/from, and the entire subject of emails between the following: Any Trustee to/from Bobby Magee; Any Trustee to/from Adam Cripps; Any Trustee to/from Heidi White; Date range: May 1, 2024 to June 1, 2024 The excel/CSV should suffice for now, and if there is any email I see where I need the actual contents, I will submit a new PRR. Thank you.	6/18/2024		General Governance
24-076	30 Minutes	Complete	✓ Wednesday, June 12, 2024	Martini, Margaret	In front of 794 Tyner Way there has been much tree cutting. Upon contacting the fire dept to see if they were the ones doing the tree cutting and marking. They are not. And informed me that that was an IVGID project to cut down diseased trees. The trees that were cut did not look diseased to me so I would like to request a copy of the Contract by IVGID with Rockwood Tree company specifically to include the location of the marked trees that where removed and the ongoing, if any, removal of trees along That stretch of Tyner that has fire road access. I did not see any other location that has marked trees for removal in front of any other address. It looks subspecialty like a view enhancement project for the benefit of 794 Tyner Way As it would be hard to believe that all the diseased or crowded trees could only be in that location. This is a public records request (as I could not find where you have located the official public records requests in the website under the living here tab) and is dated 6-10-2024. Thank you,	6/19/2024		Public Works
24-077	10 Minute	Complete	✓ Monday, June 10, 2024	Katz, Aaron	Can I please get a copy of the 2024-25 budget filed yesterday with the NDOT? Also, I want a copy of the central services cost allocation plan expressly attested to by Adam Cripps. I don't want to do a formal public records request	6/17/2024		Accounting/ Finance
24-078	10 Minutes	Complete	✓ Monday, June 10, 2024	Katz, Aaron	Resignation by Bobby Magee as IVGID GM; Resignation by Adam Cripps as IVGID Ass't Finance Director.	6/17/2024		Human Resources
24-079	10 Minutes	Complete	✓ Tuesday, June 18, 2024	Carey, Anna	I heard about the new employee BBQ that is significantly more expensive than the previous employee BBQ's. Can I see the contract and approval process, as I heard this was approved and I yet didn't see it on the agenda or discussed at the last board meeting. Don't all contracts have to go to the board per policy 3.1.0?	6/25/2024		General Governance

Public Records Request Log

Friday, September 6, 2024

<b>Due Today:</b>	0
<b>Overdue:</b>	0

Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due by	District Cost	Assigned to
24-080	30 Minutes	Complete	✓ Tuesday, June 25, 2024	Katz, Aaron	The Board packet for tomorrow's meeting includes a series of procurement card purchases. I want to examine back up purchase details for several of Pandora Bahlman purchases. They are as follows: \$132.78 with Sam's Club for "food for resale." \$163.18 with Sam's Club for "food for resale." \$241.00 with TST Sunshine Deli & Cafe for "refreshments for dance program recital." \$333.33 with Wayfair (3601001433) for "furniture." \$645.94 with Full Source, Inc. for "beach uniforms." I want to examine: Invoicing or purchase order receipts for each of these purchases which indicates: the date(s) of purchase; a breakdown of each and every item purchased which responds to each of the above-charges; a breakdown of the amounts assessed for each and every item purchased as reflected above; the date(s) corresponding to when each and every item purchased above was ordered/purchased; any shipping charges assessed for each of the purchases included in the above-charges; any credit card convenience/other card charges assessed because any of the purchase(s) above were made with a credit card; any tip or gratuity assessed in connection with any of the purchases identified above; the identity of each person who authorized each of the above-purchases.	7/5/2024		Accounting/ Finance
24-081	30 Minutes	Complete	✓ Monday, June 24, 2024	Katz, Aaron	I would like to examine a copy of the Disc Golf Course agreement entered into between the District and some non-profit disc golf club. My recollection is the agreement is more than ten (10) years old.	7/1/2024		General Governance
24-082		Complete	✓ Tuesday, June 25, 2024	Dobler, Cliff	Please provide for my examination a list of all charges to account 3970BD2601Burnt Cedar Swimming and Toddler Pool resurface for the fiscal year ending June 30, 2023. The amount is \$411,019.10 according to the CIP report.	7/2/2024		Accounting/ Finance & Public Works
24-083	30 Minutes	Complete	✓ Wednesday, June 26, 2024	Dobler, Cliff	Please provide for my examination a copy of the complete 2nd responsive bid for \$244,300 for the sewer pump station #5 Wetwell and Manhole rehabilitation project. This project was presented to the Board of Trustees on June 6, 2024.	6/27/2024		Public Works
24-084	10 Minutes	Complete	✓ Wednesday, June 26, 2024	Katz, Aaron	So as a follow up public records request, I want to examine writings between any of our staff and anyone on behalf of proponents of the "Incline Open" disc golf tournament announced for Labor Day Weekend, Sep 1, 2024, evidencing:  1. Request to use our disc golf course for this event; 2. Staff's response(s) thereto; 3. The amounts to be paid to the District for exclusive use of our disc golf course; 4. Any donations by or on behalf of the District to be auctioned off/used by the promoters of this event; 5. The represented purposes of the fundraising efforts which benefit the Lake Tahoe region; 6. Who approved this on behalf of the District?	6/26/2024		Parks, Rec. & Beaches
24-085	1 hour	Complete	✓ Thursday, June 27, 2024	Gumz, Joy	DEPARTMENTS: Finance Dept and Board of Trustees 1) Please provide by email the ACCOUNT DETAIL HISTORY report for fiscal year 2024 to date. Please use the following OPTIONS  Print GL Master Start-of-Year Balances Print GL Master Start-of-Year Balances Print Full GL Account Print JE Comment and Vendor Print Report Options Include Entries Between Dates : 07/01/2023 and 6/30/2024  2) Please provide by email a fiscal year 2024 trial balance report (general ledger balances for ALL accounts – summarized journals and does not show journal detail)  3) Please provide by email any report or interim communications from the forensic auditor Rubin Brown, as well as all management responses. The report is due end of June 2024.  If there are any charges for this public record, please notify me in advance.	7/10/2024		Accounting/ Finance

Public Records Request Log

Friday, September 6, 2024

<b>Due Today:</b>	0
<b>Overdue:</b>	0

Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due by	District Cost	Assigned to
24-086	1 Hour	Complete	✓ Friday, June 28, 2024	catsthelake	May I please have a copy of the contract for the Food and Beverage consultant mentioned at the 6/26 meeting May I please have a copy of the agenda where the above contract came before the Board May I please have all emails between Trustee Schmitz and General Manager Magee for the period of 6/21 to and including 6/28/2024.	7/8/2024		General Governance
24-087		Complete	✓ Friday, June 28, 2024	Dobler, Cliff	Please provide for my examination, the final 2024-2025 budget BY VENUE for community services and water, sewer and waste in the utility fund. I do not want just the 4404LGF form			Accounting/ Finance
24-088		Partial - in progress	✓ Sunday, June 30, 2024	catsthelake	May I please have a copy of the contract and/or agreement to serve hamburgers and hotdogs on July 4, 2024 at Incline Beach? Also may I please have all emails, texts, and correspondence related to this partnership? Finally, I would like to have the agenda of when this partnership went before the Board and public.	7/30/2024		General Governance
24-089		Complete	✓ Monday, July 8, 2024	catsthelake	I would like a copy of all the Baker-Tilly invoices up to and including those dated June 30, 2024. I would also like a copy of the Baker-Tilly original contract and any and all amendments thereto.	8/15/2024		Accounting/ Finance
24-090		In process - with Legal Counsel	✓ Thursday, July 11, 2024	Wells, Kristie	Following the excel spreadsheet released in PRR 24-75, please provide all documents noted by number in the "R#" column: 3, 9, 10, 15, 16, 19, 20, 23, 26, 32, 33, 39, 44, 45, 46, 49, 51, 54, 57, 62, 63, 64, 67, 68, 69, 70, 77, 79, 85, 86, 87, 88, 96, 97, 98, 101, 114, 120, 126, 135, 136, 137, 138, 139, 140, 143, 155, 156, 157, 159, 160, 161, 165, 168, 175, 176, 177, 178, 181, 184, 185, 188, 189, 190, 195, 204, 207, 211, 219, 234, 238, 243, 245, 246, 249, 252, 256, 261, 262, 263, 264, 266, 267, 270, 271, 272, 273, 280, 281, 282, 283, 297, 301, 302, 303, 310, 316, 317 Thank you.	8/5/2024		General Governance
24-091	Not a Record request	Complete	✓ Monday, July 15, 2024	Gumz, Joy	Thank you for providing PR24-85 I have a follow-up question for Adam Cripps / Finance Dept. Q. The General Ledger appears to be \$(15,782,015.80) out of balance. The Debits of all journals do not equal the credits of all journals. Is this the figure you have?	7/18/2024		Not a PRR
24-092	20 Minutes	Complete	✓ Friday, July 19, 2024	Gumz, Joy	1) Please provide by email the ACCOUNT DETAIL HISTORY report for fiscal year 2023. Please use the following OPTIONS  Print GL Master Start-of-Year Balances Print GL Master Start-of-Year Balances Print Full GL Account Print JE Comment and Vendor Print Report Options Include Entries Between Dates : 07/01/2022 and 6/30/2023 2) Please provide by email a fiscal year 2023 trial balance report (general ledger balances for ALL accounts – summarized journals and does not show journal detail)	8/1/2024		Accounting/ Finance
24-093	No Time Recorded	Complete	✓ Wednesday, July 24, 2024	Riner, Dr. Myles	If the IVGID staff has responded in writing to the RubinBrown forensic audit report, please send me by email a copy of this written response to: mriner@comcast.net	7/24/2024		General Governance
24-094	No Time Recorded	Complete	✓ Wednesday, July 24, 2024	Elley, Lin	PPR Pages 24-93	7/24/2024		General Governance
24-095	10 Minutes	Complete	✓ Sunday, July 28, 2024	Miller, Judith	Please provide in electronic format the most recent District Records Retention Schedule approved by the Board of Trustees.	7/28/2024		General Governance

Public Records Request Log

Friday, September 6, 2024

<b>Due Today:</b>	0
<b>Overdue:</b>	0

Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due by	District Cost	Assigned to
24-096	5 Minutes	Complete	✓ Monday, July 29, 2024	Katz, Aaron	So I and others want to know if Mr. Raymore has been promoted to a directorship? Or is he simply sloppy in his reference to himself as director or manager. What is it Mr. Raymore? And if his job position has changed, we want to know his pay grade level. What is it Ms. Feore? Consider this a records request which explains why I have forwarded you a copy of this e-mail.	7/29/2024		Human Resources
24-097			✓ Tuesday, July 30, 2024	Miller, Judith	Please provide all emails and attachments to/from any of the 7 "Senior Team" members (Director of Human Resources Erin Feore, Director of Information Technology Mike Gove, General Manager of Golf Timothy Sands, Director of Administrative Services Susan Herron, General Manager, Diamond Peak Ski Resort Mike Bandelin, Director of Public Works Kate Nelson and Assistant Director of Finance Adam Cripps), GM Bobby Magee, or any IVGID Trustees related to the drafting or approval of the memorandum of the Senior Team's Partial Response...in PRR 24-93 .	8/6/2024		General Governance
24-098	30 Minutes	Complete	✓ Wednesday, July 31, 2024	Katz, Aaron	Please help me with an employee related expense. The District's chart of accounts lists object code #7350 for employee recruitment and retention. Since you're the Director of HR, can you please share with me the amount budgeted in the 2023-24 General Fund for object code #7350? As well as amounts actually expended and/or incurred and not yet paid for object code #7350 in the General Fund. This detail is not included in the budget materials shared with the public, and as you know, open.gov is not operational. If you're going to pull the public records card on me (which I hope you won't), I am requesting examination of District financial records for 2023-24 which evidence: 1. The amount budgeted as an expense for object code #7350 in the General Fund; and, 2. The amounts actually expended and/or incurred and not yet paid for object code #7350 in the General Fund. Thank you for your cooperation. Aaron Katz			Human Resources & Finance Department
24-099	30 Minutes	Complete	✓ Wednesday, July 31, 2024	Dobler, Cliff	Please provide for my examination all charges to the capital project Burnt Cedar Pool for fiscal year July 1, 2022 to June 30, 2023. account #3970BD2601. No invoices are required just a listing of charges. The amount listed in the CIP report is \$411,019.10.			Public Works & Finance Department
24-100			✓ Wednesday, July 31, 2024	Dobler, Cliff	Please provide for my examination all charges to the capital project Mountain Golf Course Cart paths for fiscal year July 1, 2023 to June 30, 2024 account #3241LI2001. No invoices are required just a listing of charges. Amount is unknown. My email is cfdobler@aol.com. Software would not allow an entry below.			Golf, Public Works & Finance
24-101	30 Minutes	Complete	✓ Tuesday, July 30, 2024	Katz, Aaron	I would like to examine the recent Food and Beverage report undertaken by consultant Chris Sarten. I have been informed the report has been delivered to the District.	8/6/2024		Parks, Rec. & Beaches, GM
24-102	10 Minutes	Complete	✓ Friday, August 2, 2024	Katz, Aaron	As a PRR request, I would like to examine records evidencing the following: 1. Adam Cripps' request for leave of absence; 2. Adam Cripps' notice of IVGID employment termination; 3. Ronnie Rector's notice of IVGID employment termination; 4. Tim Kelly's notice of IVGID employment termination; 5. Pandora Bahlman's notice of IVGID employment termination; Thank you for your cooperation. Aaron Katz	8/9/2024		Human Resources
24-103			✓ Tuesday, August 6, 2024	Gumz, Joy	Please provide 1) a list of the procurement card records for specific individuals over the Scope Period that was provided to RubinBrown for the forensic audit. 2) evidence of repayment of any/all repayment or re-imbusement of procurement card transactions over the last 3 years. Thank you.	8/24/2024		

Public Records Request Log

Friday, September 6, 2024

<b>Due Today:</b>	0
<b>Overdue:</b>	0

Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due by	District Cost	Assigned to
24-104			✓ Wednesday, July 31, 2024	Katz, Aaron	Apparently attorney Sergio Rudin performed legal services associated with negotiation and drafting of a catering services agreement with Jesse Collett dba 7 Sins BBQ executed June 4, 2024 allegedly for an employee appreciation lunch. With respect to this event, I would like to examine the following:  1. Billings originating from Mr. Rudin's lawfirm for all work performed regarding negotiation of and drafting of said agreement. Those billings should include the date(s) work was performed in the negotiation of and drafting of said agreement, a description of that work as performed related in any manner to negotiation of and drafting of said agreement, the time expended insofar as negotiation of and drafting of said agreement, the billing rate for each description of work performed, and out of pocket costs advanced related to negotiation of and drafting of said agreement. 2. Documents evidencing payment of the billing(s) referenced in paragraph 1 above. 3. Documents evidencing the District's chart of account numbers assigned to any portion or all of the payments referenced in paragraph 2 above. 4. Evidence of the insurance and insurance endorsements produced by Mr. Collett satisfying the conditions of paragraph 3.2.10.2-3.2.10.9 of the agreement referenced herein.  Thank you, Aaron Katz	8/7/2024		General Governance, Accounting
24-105	45 Minutes	Complete	✓ Tuesday, August 6, 2024	Gumz, Joy	Please provide all invitation communications regarding the employee BBQ to be held on or about June 25, 2024. Communications might be texts, emails, flyers or other means relaying the DATE, TIME, LOCATION and other pertinent info (such as how to request a vegan meal). This may require IT to provide emails or other communications, but this Department is not an OPTION - so General Governance has been selected.	8/21/2024		General Governance
24-106	45 Minutes	Complete	✓ Tuesday, August 6, 2024	Katz, Aaron	Regarding the Chris Sartan Food and Beverage Contract: How about the contract between Mr. Sartan and IVGID? Who exactly engaged him? How about the invoicing from Sartan to IVGID? How about evidence of payment, as well as the chart of account number(s) assigned to that payment?	8/23/2024		General Governance, Accounting/ Finance
24-107	30 Minutes	Complete	✓ Thursday, August 8, 2024	Village Alliance	Please provide by electronic copy the final report or any report subsequent to the preliminary report from the forensic auditor Rubin Brown, as well as all management responses. The preliminary report was delivered on or about July 9, 2024, and the subsequent report was supposedly delivered on or about Aug 7, 2024	8/15/2024		General Governance
24-108	1 Hour	Complete	✓ Thursday, August 8, 2024	Homan, Mick	I would like all emails to or from each of the Trustees containing "Troon" since May 1 2024.	8/16/2024		General Governance
24-109			✓ Friday, August 9, 2024	McKowen, Patricia	I am requesting all of the emails between Trustee Schmitz and Bobby McGee from July 22, 2024 to August 9, 2024. All emails 2 weeks prior to the board meeting including a few days after through August 9, 2024.			General Governance
24-110			✓ Thursday, August 8, 2024	Katz, Aaron	Exhibit "B" to the July 3, 2024 F&B Sartan report includes a column of "inter-district" use of our facilities for FY 2023-24. I want to examine the particulars of all that use. That would be: the date of the use; what facility was used; by whom that facility was used; for what event that facility was used; the regular rate for the use of that facility; the actual rate assessed for the use of that facility. Thank you for your cooperation. Aaron Katz	8/15/2024		General Governance
24-111	10 Minutes	Complete	✓ Monday, August 12, 2024	Catsthelake	May I please have a copy of the Active Networks agreement that was entered into in March 2024.	8/20/2024		Accounting/ Finance
24-112	15 Minutes	Complete	✓ Tuesday, August 13, 2024	Barth, Megan	I am seeking a copy of the near-final draft of the audit report by RubinBrown sent to IVGID trustees on August 12. If I could please have this report by the end of today or tomorrow, that would be most appreciated. I will be reporting on their findings in a upcoming article.	8/20/2024		
24-113								

Public Records Request Log

Friday, September 6, 2024

Due Today:	0
Overdue:	0

Log No.	Time Logged	Status	Date Requested	By Whom	Subject	Date Complete or Due by	District Cost	Assigned to
24-114		In Progress	Monday, August 19, 2024	Johnson, David	Hello, My name is David. I'm requesting a list (preferably PDF) of residential properties with water shut off due to non-payment in the district. I'm specifically looking between 06/2024 - 08/19/2024. Thank you in advance!	8/26/2024		Public Works
24-115			Sunday, August 18, 2024	Katz, Aaron	I would like to examine back up documentation/invoicing/other writings describing services realized and Chart of Account Number(s) assigned for the following disclosed checks: Date: May 2, 2024 - #11822320 - \$143.05 - The Rossignol Group Date: May 2, 2024 - #8898 EFT - \$5,678.34 - Group Rossignol USA, Inc. Date: May 10, 2024 - #11822387 - \$226.52 - Michael Hohl Motor Co. Date: May 16, 2024 - #8955 EFT - \$10,400.50 - Hero Environmental, LLC Date: May 23, 2024 - #11822483 - \$9,338.37 - Ritch's Body Shop Date: May 23, 2024 - #8983 EFT - \$6,415.00 - Horn Legend/Skins Game Date: May 23, 2024 - #8989 EFT - \$512.65 - Madonna Dunbar Date: May 31, 2024 - #9052 EFT - \$2,132.59 - WageWorks, Inc. Thank you for your cooperation. Aaron Katz	8/26/2024		Accounting/ Finance
24-116			Thursday, August 22, 2024	Gumz, Joy	Please provide an electronic copy of the workpapers prepared by Rubin Brown. If the Consultant has not provided all original materials (including electronic files) to the District, they should do so to comply with the terms of the contract.  Key Points: 1. Ownership: The Rubin Brown Contract clause clearly states that "all... material prepared by or worked upon by Consultant for the Services shall be the exclusive property of the District." This unambiguously establishes the District's ownership of all materials, including workpapers. 2. Electronic format: Given that workpapers are generally kept electronically in modern practice, this would include all electronic files and documents related to the audit. 3. Consultant's rights: The clause allows the Consultant to retain copies of the files they created, which they call "Work Papers." However, this doesn't negate the District's ownership of the original materials. 4. Transfer of materials: The Consultant should have ensured the District received all materials, including original workpapers, at the end of the engagement. This aligns with the clause stating that these materials are the "exclusive property of the District." 5. In Nevada, government records are presumed to be public unless there is a specific exemption or confidentiality provision. And there is no exception for audit workpapers. ***** Rubin Brown contact Clause 3.5.3.1 Documents & Data. All source code, reports, programs, manuals, disks, tapes, and any other material prepared by or worked upon by Consultant for the Services shall be the exclusive property of the District, and the District shall have the right to obtain from Consultant and to hold in District's name copyrights, trademark registrations, patents, or whatever protection Consultant may appropriate to the subject matter. Consultant shall provide District with all assistance reasonably required to perfect the rights in this subsection. Notwithstanding the foregoing, pursuant to Consultant's record retention policy, at the conclusion of this Agreement or any Task Order, Consultant may retain copies of files created by Consultant (collectively "Work Papers") and Consultant will destroy all pertinent Work Papers after a retention period of seven (7) years, after which time these items will no longer be available ("Record Retention Period"). Consultant's email retention policy is eighteen (18) months, after which time emails will no longer be available ("Email Retention Period"). Retention policy: The Consultant's right to retain copies is subject to their retention policy (7 years for general workpapers, 18 months for emails). This doesn't affect the District's			General Governance
24-117			Thursday, September 5, 2024	Katz, Aaron	Please provide the invoice or sales receipt from Western Supply related to the purchase of valve on August 23, 2024 by Parks employee Jose Ortega Jr	9/12/2024		Accounting/ Finance

**MEMORANDUM**

**TO:** Board of Trustees

**FROM:** Karen Crocker, Acting General Manager / Director of Parks and Recreation

**SUBJECT:** Receive, and File Food and Beverage Report, by Consultant Chris Sarten. (Requesting Staff Member: Acting General Manager Karen Crocker)

**DATE:** September 11, 2024

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**I. RECOMMENDATION**

Receive, and file Food and Beverage Report, by Consultant Chris Sarten

**II. BACKGROUND**

Former General Manager Magee had hired a consultant, Chris Sarten to conduct an assessment of the food and beverage operation for the Incline Village General Improvement District (IVGID).

**III. FINANCIAL IMPACT AND BUDGET**

No financial impact

**IV. COMMENTS**

The report included three (3) in-person trips to IVGID. During these trips, interviews were conducted with staff, an analysis of reports was reviewed, and a three-day observation period was conducted between June 1 to June 3, 2024.

Observations included revenue recording, cost of goods sold, financial performance and golf food and beverage operations. Financial performance included initial funding and questions, such as " Why are the departments losing money" and "Private Events Losses" explained? The current Acting General Manager has met with the lead Executive Chef regarding implementing changes to the Food and Beverage operations. A comprehensive food and beverage report will be presented to the Board of Trustees at the October 30, 2024, meeting. These changes will include revenue tracking, financial reports to include revenue and expenses, inventory control and other internal controls.

**V. BUSINESS IMPACT/BENEFIT**

The benefit of this report is to review and implement recommendations that are feasible and consistent with IVGID's policy and procedures.

**VI. ATTACHMENTS**

Food & Beverage Department Final Report

**VII. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

This is a receive and file report and board of trustees' comments are welcome.



# CHRIS SARTEN



## Food and Beverage Management Solutions

To: Bobby Magee, General Manager  
Incline Village General Improvement District

From: Chris Sarten, Food & Beverage Consultant

Subject: Food and Beverage Department Final Report

Date: July 3, 2024

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### Executive Summary

Chris Sarten has been engaged to conduct a high-level assessment of the food and beverage operation (F&B) for Incline Village General Improvement District. Chris Sarten engaged in three in person trips to IVGID. During these trips, interviews were conducted with staff, analysis of reports was conducted, and a three-day observation period was executed from June 1<sup>st</sup> to June 3<sup>rd</sup>. This report serves as final conclusions and recommendations on the items contained in the original scope of work.

The food and beverage department is a critical amenity for various revenue centers at IVGID. F&B provides necessary services for ski, golf, events and beach operations. In addition, the department also supports other IVGID organizations. Due to a lack of consistent leadership in both F&B and accounting, many critical best practices have fallen below industry standards or ceased entirely.

Recommendations focus on the following key objectives:

- Ensuring all revenues are recorded accurately and timely,
- Aligning cost of goods sold (COGS) with industry standards and accountability,
- Analyzing financial performance of events and Golf F&B,
- Analyzing operational systems and structures.

Observations and recommendations have been organized into the following sections:

- Revenue Recording,
- Cost of Goods Sold,
- Financial Performance,
- Golf Food & Beverage Operations.

*Note: Observations and recommendations are listed in the order in which the work was studied and completed.*

## Project Approach

The approach to this project has included:

- In depth interviews with members of the F&B, accounting, finance and IT departments,
- Reviews of event and Championship Golf YTD financials through April 22, 2024,
- Reviews of financial supporting documentation including event invoices, general ledgers and menus,
- Analysis of information gathered, leading to identification of options that may increase the effectiveness of the department,
- An in-person observation period at Golf F&B outlets.

## Interviews

Interviews were conducted with the individuals listed below:

- Accountants,
- Controller,
- Assistant Finance Director,
- IT,
- Golf General Manager,
- Executive and Sous Chefs,
- Service Team,
- IVGID General Manager.

Major themes emerging from the interviews include the following:

1. F&B accounting processes are not consistent. Processes seemingly change at the whim of new leadership in F&B. F&B leaders have dictated to accounting how to manage certain aspects of the F&B financials, rather than accounting holding the F&B team to appropriate, industry standard best practices.
2. Revenues are not being booked via direct uploads from the point of sales systems (POS) to the master financial system (Tyler). Instead, they are being booked through time-consuming, manual processes that leave far too much room for human error.
3. Proper COGS calculations are not being done and it is unclear how long it has been since a proper inventory and COGS calculation has been completed. Interviews indicated anywhere from a couple of years to 10+ years.
4. Despite the Executive and Sous Chefs completing food inventory and liquor, beer and wine (L/B/W) inventories since December of 2023, accounting has not inputted any of these inventories into any financial system.
5. The above-mentioned chefs, as well as front of the house leadership, are aware that many processes in F&B are not correct and are eager to implement systems for improvement and accountability.
6. Industry standard best practices are absent in some areas of Golf F&B.
7. The F&B leadership structure is currently inadequate to effectively manage the necessary processes for improvement.
8. The IT department has begun preliminary work on a board-approved access study with Active Network to improve POS/Tyler integration.



## SECTION 1

### Revenue Recording

This section provides observations and recommendations regarding revenue recording.

#### *Current Process*

There are two ways revenues are being recorded into Tyler.

- 1) Revenues from non-events venues are being recorded by accounting on a daily basis and occasionally on weekends. This process is outlined in Figure 1 below.

*\*NOTE: F&B uses RTP as its POS system. A similar process to Figure 1 is also in use for revenues collected at venues that use the Vermont POS system and other departments that use RTP, ie: Ski.*

Figure 1

The Steps to creating the RTP Journal	
1	Open the previous day's journal on the Golf Drive=>Golf Admin => GL Uploads and renaming it to the day you are working on ie 4/24 you would be doing 4/23
2	Copy and paste the export from RTP that is downloaded every night into the Original Tab. You use the file dated the next day the file dated 4/24 for 4/23
3	Copy and past the data from the Original Tab to the Upload tab
4	Go to the Golf Drive => Golf Admin => Safe Room=> Logs and Deposits => RTP Ski and F&B daily deposit logs. Copy into the Daily Deposit Logs tab
5	Log into Carddog go to reports property settlement Summary and run the report for the day you are doing. It will be the day after the day you are doing the report for.
6	Use the snip tool and snip the summary and put on the Credit Card tab. Then match the amounts to what was downloaded from RTP.
7	During ski season you need to download the report from the punch card system. After you download that you copy and paste into the Punch Cards Tab.
8	Once everything is in the RTP Template you make sure that everything balances. If it does not you have to find out why. The Safe Clerk is good at notating errors on the deposit sheet. With Credit Cards it is usually someone did not close out pin pad or a webstore purchase that came in late.
9	Once everything is either balanced or if there are issues they are recorded in over/short until they clear. You copy and paste into the upload sheet and upload into Tyler.

- 2) Revenues from the events venue are being recorded in Tyler at the end of each month with manual journal entries by the controller. The controller uses invoices from all of the events for a given month and then manually inputs the matching revenues. This process can take a full day.

#### *Analysis*

Both revenue processes outlined above are outdated and markedly below industry best practices. Technology exists that allows all information from a previous day's POS usage to be automatically uploaded to master financial systems. The current processes are time-consuming and leave far too much room for inaccurate reporting due to simple human error. What's more, in the case of event revenues being recorded only once a month, it is difficult to accurately track sales on a daily or weekly basis.

#### *Observation Conclusion & Recommendation*

All F&B revenues should be inputted into a POS system that is integrated with Tyler. This integration does not currently exist or has not been implemented. IT's access study to rectify this and discover a solution must continue to be encouraged, supported and prioritized.



## SECTION 2

### **Cost of Goods Sold (COGS)**

This section provides observations and recommendations regarding the department's current procedures for accurate COGS calculations.

#### *Current Process*

COGS are being recorded in various ways, none of which are up to industry standards. Properly calculating true COGS is critical for cost management.

- 1) COGS for food and L/B/W from non-event revenue venues are being recorded via the same process as revenues. When accounting completes the nine-step upload process described on page two, not only are revenues recorded, but a cost associated with that revenue is also recorded. The pre-determined percentages in RTP are not consistent across all venues.

*Example: Justin Rosé is a glass of wine sold in multiple outlets for \$11 a glass (6oz pour). That \$11 will eventually be booked to revenues. However, the sales item in RTP for that glass of wine has a 40% COGS amount attached to it. This means that in addition to \$11 in revenues being booked, \$4.40 is also booked to the COGS account for wine. So how much does that glass really cost? The recent invoice cost of the bottle is \$10 or \$0.394 per ounce. That is a 6oz pour cost of \$2.36 or a COGS percentage of 21.5%. In this example, COGS is overstated by \$2.04 every time this glass is sold. This issue appears to be happening across the entire liquor program. More detail is provided in Section 3.*

- 2) For event revenues, COGS for L/B/W are being booked in a different way. Remember the controller manually inputting all the event revenues at the end of the month through a stack of invoices? The next step in this process is for the controller to book the COGS associated with those sales. This is where you say.....

"But Chris, how does the controller know how much to book for COGS?"



I'm very glad you asked....Sometime in the past (no one can determine when) accounting was given set percentages so they can simply enter a dollar amount to the L/B/W COGS accounts as a % of revenues. Those percentages are 21/25/40, respectively.

- 3) COGS associated with event food revenues are booked in the same way as in example 2. Except in this case, the previous Executive Chef was the person who provided the number to the controller. That percentage is 30%.



## Analysis

The procedures above are incorrect. A true COGS is a simple formula that includes the “Key 3”:

$$\begin{array}{ccccccc}
 \text{Beginning} & + & \text{Purchases} & - & \text{Ending} & = & \text{Cost of} \\
 \text{inventory} & & \text{during the} & & \text{inventory} & & \text{goods sold} \\
 & & \text{period} & & & & 
 \end{array}$$

The F&B department’s current process for calculating COGS takes none of the “Key 3” in the above formula into account. If true COGS are to be recorded, then all of the “Key 3” must be utilized.

The current procedures are the equivalent of cherry-picking numbers (the 21/25/40) that are within industry standards. So, no matter what is actually happening inside the four walls, COGS will always look good because the “Key 3” are being completely disregarded.

*Example: Let’s go back to the glass of Justin Rosé. Let’s assume for now that the cost of the liquid in the glass is exactly the pre-determined \$4.40. Now let’s say the bartender just poured four glasses and over poured each glass by a half an ounce. The \$4.40 number is no longer correct, however, RTP is telling Tyler to only book \$4.40. Perhaps the bartender poured the wrong wine by mistake and had to throw an entire glass away, or a bottle got dropped on the floor, or worse, someone is removing product from the property without permission. None of these factors can be accounted for without using the “Key 3” formula and diligent monthly inventory practices, including regular product pricing updates using current invoices.*

## Observation Conclusion & Recommendation

Monthly (or by period) inventories are critical to identify trends in the business and to make adjustments to bring them back in line. Inventories have already begun but are not being booked. Accounting should begin booking the “Key 3” in one ledger account. This should be in the ledger account associated with each category and organization. Inventory should be completed by the F&B team no later than the opening of business on the 1<sup>st</sup> day of the period. The count should be entered into the inventory spreadsheet and submitted to accounting within 2 days of completion. Accounting should be booking the inventory (and transfers) within 1 day of receipt. Accounting should also ensure that all invoices for that month have been entered by this time. The F&B team should then review the COGS percentages MTD and YTD to identify any entry errors, invoice miscodes, bounce backs, missing credits, trends etc. Also, IT must remove the automatic COGS calculations from RTP. It is critical that proper procedures for COGS begin at the beginning of fiscal year 2025.

*See next page for example of an ideal ledger account for COGS & procedures that should be put in place by July 1<sup>st</sup> to facilitate an accurate inventory.*



Example of an ideal ledger account:

This would be ledger #7932 on Tyler financials

Transaction Detail Report							
Actuals Amount 9,787 USD							
Filters: Account is 52930 - Liquor Purchases							
Level is 14-Food & Beverage FOH							
Account	Level	Date	Reference	Memo	Amount	Transaction ID	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/1/2024		Bar Inventory Feb 2024	27,997	GJ9K89	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/1/2024		Snack Bar Inventory Feb 2024	628	GJ9K89	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/31/2024	Bar	Rec/Rev March Inventory	-27,307	GJ9L61	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/31/2024	Snack	Rec/Rev March Inventory	-582	GJ9L61	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/8/2024	336942200	SYSCO SAN DIEGO	457	PJ6702	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/8/2024	In24898711	Breakthru Beverage California	138	PJ6702	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/8/2024	In49884224	RNDC	594	PJ6702	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/25/2024	000344658	WINEBOW	756	PJ6717	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/25/2024	336958638	SYSCO SAN DIEGO	196	PJ6717	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/25/2024	In49723523	RNDC	967	PJ6719	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/25/2024	In49731134	RNDC	1,392	PJ6719	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/25/2024	Inv1055020	SOUTHERN GLAZERS W and S	1,138	PJ6719	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/25/2024	Inv1061431	SOUTHERN GLAZERS W and S	1,610	PJ6719	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/29/2024	100468274	Crest Beverage LLC	107	PJ6726	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/29/2024	In49759274	RNDC	628	PJ6726	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/29/2024	Inv1074202	SOUTHERN GLAZERS W and S	380	PJ6726	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/30/2024	336978045	SYSCO SAN DIEGO	283	PJ6732	
52930 - Liquor Purchases	14-Food & Beverage FOH	3/30/2024	In49781584	RNDC	406	PJ6734	
<b>Total</b>					<b>9,787</b>		

After collaboration with the F&B Team, the following will be in place by July 1\*:

- 1) Updated inventory sheets with shelf to sheet organization and current pricing.
- 2) All L/B/W invoices will be coded to Championship Golf Grill.
- 3) All backup alcohol products will be stored in one central location.
- 4) Only authorized keyholders will be permitted to access the alcohol storage room (or another team member with keyholder supervision).
- 5) Transfer sheets will be located in a convenient location in the alcohol storage room.
- 6) Transfer sheets will be completed by events, bev carts, champ snack bar and mountain snack bar whenever removing product from storage.
 

\*\*\*Note: bev carts and champ snack bar revenues already report to Championship Golf Grill. The transfer sheets for these locations are for inventory management purposes. They will not be submitted to accounting.
- 7) The events team will fill out a report following each event that details what was returned.
 

\*\*\*Note: The Executive Chef (acting F&B Director) may decide to adjust this step and allocate space in the liquor storage for events to have a "return area" where all product used will be returned after an event and stay in the event inventory. Either step is acceptable.
- 8) The F&B manager responsible for inventory will input the transfer sheets into an Excel spreadsheet and submit to accounting for proper transfer to the appropriate organization and ledger account.



## **SECTION 3**

### **Financial Performance**

This section provides observations and findings that could be contributing to poor financial performance in events and Golf F&B.

### ***Initial Findings***

Initial findings will describe the current financial situation as of April 22, 2024, financial reporting.

Through April 22, 2024, both events and Golf F&B have lost over \$320,000 each. The thought process in understanding these losses focuses on 3 areas.

- 1) Why are the departments losing so much?
- 2) *Should* they be losing money or making money?
- 3) Can the departments get to break even?

### **Why are the departments losing money?**

The very basic answer is that expenses are outpacing revenues. But should they? F&B operations like IVGID should be viewed through a private club lens rather than a restaurant lens. These operations are not restaurants, they are amenities.

*Case and Point:* How often do you go to a restaurant and notice chairs in disrepair or wobbly tables? Light bulbs that need changing? Doors that are hard to open? Restaurants are obviously for profit and often are not diligent with maintenance or aesthetic items because of budgetary or cash flow concerns. Ever have a cocktail at a restaurant and your second one shows up in a different glass? Or your salad plate came out warm because they did not have enough time to let them cool down completely after going through the dish machine....because they ran out mid-shift! That's because they have not properly stocked their supplies, again, likely due to cost savings being prioritized over the guest experience. Do any of these items seem acceptable at a facility operated by IVGID?

I share that anecdote to make this point....food and beverage operations functioning through a private club lens will always have higher expenses than a restaurant that exists solely to make a profit.

### **Private Events Loss Explained**

*See Exhibit A*

- 1) Revenues are not adequate for the expenses the department incurs.
  - a. Total net revenues are \$986,852.
  - b. Labor expenses (without burden) are \$525,794.
  - c. Outside of control expenses are \$507,415.



*Example of Outside of Control Expense:*

So far this year, the events department alone has spent \$11,133 on snow removal from the parking lots of Chateau and Aspen Grove. The work is performed and charged by the Public Work Department. By comparison, when snow falls at the Fox Brewery and Pub in Carson City, the county plows the road in front. The restaurant is responsible for the sidewalk and their own parking lot. Some of the restaurant team heads out front to tackle the sidewalk, while the parking lot is cleared by "a guy" they hire to put the snow in the back of his truck and haul it away. The events department is being charged full price government rates for the same service.

## 2) Discounting is the rule, not the exception.

*See Exhibit B*

- a. As of April 22<sup>nd</sup>, events have shown total gross revenues of \$1,228,649.
- b. Net revenues, however, are only \$986,852. That is a difference of \$241,797 (19.47%) due to discounting.
- c. At least 213 of 268 events have received discounts.
- d. At least 139 events received 100% discounts on room fees.
  - i. The majority of discounts are on room rentals. The department gives very little pricing consideration regarding food, L/B/W.
  - ii. A baseline room fee of \$300 is recommended for all groups.
- e. Many events are not covering costs.

*See Exhibit C*

- i. Standard operating procedure (SOP) right now is that any IVGID organization that needs services from events is able to use its rooms for free. Yet, it appears the events department is paying full rates for services needed by the same organizations.
  - f. The events department should begin charging every group a minimum of \$300 for use of its rooms and resources. \$300 is a baseline amount meant to cover certain expenses associated with room usage. This amount may not always cover totals expenses. In certain cases, a higher amount will be appropriate.
- 3) Expenses function like a year-round operation.
- a. The department incurs monthly expenses for salaries, marketing, utilities, preventative maintenance, janitorial, employee benefits, building repairs, etc. However, revenues are not collected on a consistent year-round basis. Event break down for FY 2024:

July 43  
 Aug 40  
 Sept 37  
 Oct 27  
 Nov 15  
 Dec 32 (23 of which are IVGID Trainings/Senior program)  
 Jan 16 (11 of which IVGID Trainings/Senior program)  
 Feb 16 (12 DP / IVGID Trainings/Senior program)  
 March 25 (17 BOT / DP Events / IVGID Trainings / Senior program)  
 April 22 (14 IVGID Trainings/Senior program)  
 May 21  
 June 51





### Can the events department get to break even?

There are several ways that events can close the gap on the current financial losses.

However, it is my opinion that breaking even would require drastic actions that may not be possible. Some ways to close the gap:

- 1) Increase Revenues.
  - a. A 15% price increase to F/L/B/W revenues - \$113,882.
  - b. New revenues
    - i. Potential room revenues with a discounting restructure - \$52,383.
- 2) Credit Card Processing Fee
  - a. YTD credit card processing fees are \$26,193.
    - i. It is very common in the industry for guests to pay with a credit card processing fee with the venue if they choose to use a credit card. Beginning this practice for events is recommended. The guests then have a choice to submit a check and save the extra fee.

#### Potential Positive impact to financials:

15% Price Increase	\$113,882
\$300 Baseline Room Fee	\$52,383
Credit Card Fee	\$26,193
<b>Total Potential Impact</b>	<b>\$192,458</b>

- 3) Marketing
  - a. Events incurred marketing expenses of \$50,152 or 5% of net revenues. This is about 50/50 between allocated marketing expenses from IVGID and actual advertising, including EXL Marketing's fees. While 5% is definitely on the high side for event marketing, there are unique factors to consider.
    - i. The event marketing is nearly 100% wedding driven, primarily on TheKnot.com, Weddingwire.com, Instagram and Google.
    - ii. Weddings are easily the most profitable events for the department, so focusing the bulk of marketing resources is appropriate.
    - iii. Further analysis with the IVGID marketing team, the events team and golf general manager is recommended to determine what impact the marketing is having and whether the yearly spend is appropriate.
- 4) Labor
  - a. Based on interviews and observing two events, staffing levels for events seem to be appropriate for the service levels expected. In fact, they actually seem to run closer to being understaffed than overstaffed.



### Golf Food & Beverage Loss Explained

Much like the events department, the Golf F&B venues have expenses that far outpace revenues. Also, like events, Golf F&B also has many expenses that are outside of their control. For example, through April 22, Championship F&B alone has been allocated over \$25k in labor from the revenue department, not including any allocations for the corresponding burden for that amount. Employee benefits are almost \$60k in the same time period.

#### Cost of Goods:

In Section 2, the overstating of COGS on a single glass of Justin Rose was explained. The table below is an estimate based on reports provided and shows a small sampling of items in the bar whose COGS are being overstated, causing the financials to look worse off than they should. This is from the Champ Grill only. This does not include bev carts or snack bars.

Drink	QTY Sold 7/1-10/22	Overstated COGS	Total
Hayes House Wine	357	\$1.78	\$635.46
Hayes at HH	1090	\$0.98	\$1068.20
Wente Chardonnay	317	\$1.28	\$405.76
Tito's	600	\$0.95	\$570.00
Tahoe Blue Mule	94	\$1.65	\$155.10
Coors Light Draft	797	\$0.77	\$613.69
TOTAL			\$3448.21

L/B/W COGS are overstated \$3,448.21 on just 6 items studied. This amount is certain to be much higher if a review of the entire program is done. This example should further drive home the need for proper inventory using the correct procedures described in Section 2. Remember that COGS for food are being done in a similar way. The pre-determined percentage for food in Champ Grill is 26%. The kitchen team estimates that they are actually running a food cost of 28-30%. If so, the COGS for food are being understated, in contrast to L/B/W COGS.

#### Labor:

Hourly labor is a high number at \$347k. After observing the restaurant, snack bar and bev carts and analyzing schedules, staffing levels are appropriate for the service level expected and hours of operation. What is driving such a high hourly labor number? Some of it is allocations like the revenue department example mentioned above, but much of it has to do with the hourly rate IVGID is paying its team. After contacting several local restaurants, the general rate for the service team is \$11.25 per hour. The Lone Eagle Grill is at the higher end of the scale at \$14.25 for new staff. IVGID is paying front of the house team members between \$16 and \$19 with hourly managers in the \$23-\$25 range. For profit restaurants run labor (all in) between 25-35% of revenues. Private club models can run well over 50%. As of April's reporting, the labor number for Champ Golf F&B is over 80% without burden.

*\*Note: The elevated hourly rates IVGID pays are a GOOD thing. Better pay typically leads to attracting more qualified staff, less employee turnover and employees who are motivated to show up for work every day. Remember, through a private club lens, you want motivated team members who show up every day and elevate the guest experience by building relationships that last for years.*



### Can Golf F&B get to break even?

In my opinion, no. There are things that can be done to close the gap. However, with higher hourly rates, fantastic employee benefits, resident discounts and other OOC expenses, there is only so much that can be done. Some possible ways to close the gap:

#### 1) Price increases

- a. Price increases are the simplest and fastest way to drive revenue. That does not mean it is the correct course of action and IVGID is not going to command \$88 for rack of lamb or \$26 for an appetizer with two scallops like Lone Eagle, but there may be some wiggle room if the board decides to go this route. It is important to note that current food and alcohol pricing is appropriate, with beer and food pricing pushing the top of the mark already but with only a few observed exceptions in liquor, menu analysis did not indicate any food or alcohol items that are significantly underpriced or overpriced. If a price increase is considered, it should be implemented carefully and with an eye towards value compared to local competitors. It is also important when considering price increases not to get hung up on COGS percentage for every item. Higher priced items like steaks and seafood may have a higher cost percentage than the burger and Caesar salad but the margin can be much higher.

*\*Note: Feedback on liquor pricing continuity was shared with the Champ Grill supervisor via email on 6/8/24.*

#### 2) Labor

- a. While labor hours seem to be appropriate, there are always ways to save on costs by being creative with scheduling and paying close attention to the business.
  - i. Staggered schedules.
  - ii. Unpaid breaks during mid-day down times.
  - iii. Evaluating potential for slower days in advance to make appropriate schedule adjustments.

*Example: if the weather forecast for tomorrow is rain until 1pm, call the service team and adjust their start time to reflect when business is expected to begin. Perhaps only one person needs to be on duty to open the restaurant for residents that may stop by.*

#### 3) New Revenues

- a. Golf F&B is only open half the year. It is a beautiful venue that could have potential during the off season, too. The golf general manager is working on some ideas for this and should be supported, even though at first the ideas will seem out of the box.
  - i. Post Ski Happy Hour at the Chateau.
  - ii. Kids Snowman Contest on the driving range with hot chocolate, S'mores and dinner on the patio.
  - iii. Sunday Prime Rib Carvery once or twice a month.



***Observation Conclusion & Recommendation***

IVGID should determine whether to view the events and golf F&B departments either as for-profit revenue centers or amenities that provide important services for the community. If the decision is to attempt to make a profit or break even, then not only would all of the changes outlined above need to be done, but there would still be more work to do. It would include a serious look into labor costs, benefits, staffing levels and pricing. All of which could significantly reduce the parcel owner and guest experiences. In my opinion, this is not the appropriate course of action for IVGID. These departments should be treated as amenities that provide quality of life, memorable experiences, improved property values for parcel holders and good jobs for team members. These services are what set Incline Village apart from other communities and help make it a desired destination. In conclusion, these departments *should* be subsidized by the rec fund, very much like food & beverage operations at private clubs are subsidized by Member dues.



## **SECTION 4**

### **Golf Food & Beverage Operations**

This section provides observations and recommendations regarding improvements to the Golf F&B day-to-day operations. Previously I recommended F&B operations be viewed through a private club lens and determined that it would be incredibly difficult to make money or break even. Because of these findings, it is imperative that the organization finds ways to be more efficient and create more value in the F&B venues. The following section details many of things that can be done to accomplish this.

#### ***Findings***

The operation is in need of both updated and new industry standard procedures that will improve the consistency of staff performance, improve cleanliness, address safety, elevate the guest experience and provide better and more accurate financial performance. During the observation period June 1<sup>st</sup> – June 3<sup>rd</sup>, the following areas for operational improvements were identified.

- 1) Side work structure is not in place.
  - a. Side work is a critical component of a well-functioning restaurant operation. Side work ensures that the service team is properly prepared to service guests from opening until closing. Proper opening and closing side work sheets were not in place in any of the venues prior to opening for the season.
 

*See Exhibit D for side work sheets implemented shortly after my observation period. These sheets were a collaboration with the Champ Grill supervisor. Side work sheets for Mountain Golf and the beaches are currently in process.*
- 2) Daily, weekly and monthly cleaning sheets were not in place in any of the venues prior to opening the season.
  - a. There are certain cleaning duties that consistently fall behind in a restaurant if the team is not reminded regularly of their importance and if a member of the leadership team does not follow up on completion and hold the team accountable. Some of these items are: The insides of refrigerators, beverage spouts, floors and floor drains, high shelving, sinks, heat wells, metro shelving, POS areas.
 

*See Exhibit E for a recommended cleaning schedule implemented shortly after my observation period. These sheets were a collaboration with the Champ Grill supervisor. Cleaning schedules for Mountain Golf and the beaches are currently in process.*



### 3) Inventory Control

As noted on page 6, procedures to ensure proper inventory and COGS have been outlined and recommended for a July 1<sup>st</sup> start. The following section is feedback that has been provided to the Food & Beverage team. These recommendations should help with inventory challenges and are based on industry best practices.

- a. Ordering should be closely monitored. Only order cases of the things that are used regularly, like Tito's. Anything else you should be ordering what you need as you go along. Do not order cases of things just to avoid broken case charges. Continue to "just say no" to liquor reps. Lastly, make sure order requests provided by front of house managers are double checked to ensure the product is actually needed. Don't allow the front of the house to be doomsday preppers.
- b. Multiple Flavor Products – There are far too many varieties of different liquors. A recommendation was shared to make the Absolut Peppar the automatic pour for Bloody Mary's, even if you lower the price to match your house vodka. This will help run some of it out. This same thought process can be used to help run out several other liquors that are sitting too heavy.
- c. Wines - As much as possible, try to replace current by the glass selections with equivalent wines that are already in stock. An example would be using the Whitehall Lane sauvignon blanc after the Ferrari Carano fume blanc. Menus are being printed in house so this should be easy to do on the fly. Also, for Nine and Wine events, start by looking at what is currently in stock and try to build menus around those.
- d. Try using up some of the wines from "The Stash" as possible giveaways or for service recoveries to help blow through some of it. Please connect with the golf general manager on this one. Depending on the liquor license and the government side of the operation, this may or may not be possible. If it is not possible, you can try hand selling bottles each day. Or have a sales contest with the service team.
- e. Grill Draft Beer – It was observed that the draft beer in the grill frequently has problems pouring properly. There are two reasons that were noted as possible fixes. The first is the draft tower is getting blasted by the sun through the windows. It is recommended to keep the shades shut as much as possible while the sun is shining on that side. Losing the view from those windows is not ideal so window tinting could be an option. This would also help the shelf life of the liquors and wines sitting in the same area. The second issue is there is no cold line running from the cooler into the draft tower. That needs to be fixed ASAP. The tower should be cold to the touch. This may solve the whole issue and the windows may not even be a problem after that.
- f. Product Improvements - There are a couple of things that the team can start doing to elevate products and also save money. These are easy to do. Not a critical item but something to think about. Try to start making sweet and sour and simple syrup in house, rather than buying in bottles.



#### 4) General Private Event Feedback

The following is feedback provided to the events team as possible ideas to be more efficient and improve continuity. Both event sales managers were very open and receptive to feedback. They also seemed to have a handle on the business, including an understanding of how to guide guests through the menu selection process.

##### a. Menu Continuity

- i. Charcuterie Board vs. Fromage Display pricing. Charcuterie Board is underpriced compared to Fromage Display directly next to each other on the menu.
- ii. The Bruschetta Bar on the same page has too big of a pricing gap compared to all other items on the menu.
- iii. The Mix and Jingle menu is underpriced when compared to picking the same items individually from the other menus.

##### b. Pricing Opportunities

- i. Vegetarian appetizer selections are all \$4, however, many of the appetizer selection containing protein are also \$4. These items should be increased.
- ii. Baseline liquor pricing is too low. \$8 as a starting point should be increased to a minimum of \$10 and call and premium selections should be increased accordingly.
- iii. Consider increasing pricing on the Grab n' Go breakfast box for golf groups. A food cost analysis with the kitchen team is recommended to determine whether the \$16 price point is sufficient to run a proper food cost and cover the cost of the to-go supplies associated with it (to-go box, cutlery kit, napkins etc). Raising the price to automatically come with a coffee station is a good way drive automatic revenue, as well.
- iv. The dessert display is too low. Consider pricing that is at least equal to or slightly higher than what the grill charges for a dessert.

##### c. Inventory Control

- i. The banquet wine list has too many selections. Consider removing redundant selections to streamline ordering and reduce excess inventory. For example, there should not be two Chardonnays from CA in the same price point, like the Rodney Strong and Wente. Similar examples to look at are the Cabernets, rose and red blend.
- ii. Work with the front of the house team to ensure beer selections offered in events match the selections the other outlets are already carrying.



## 5) Staff Training

Interviews were conducted with seven members of the front of the house service team, including two supervisors. The purpose of the interviews was to determine where the team is with general F&B product knowledge and to gather general feedback about the operation. Staff training is the number one way to add value to the guest experience. If done correctly, there can be minimal investment with great reward.

- a. General Wine Knowledge – Staff self-evaluation is 2.8 out of 5.
- b. Current WBTG Knowledge – Staff self-evaluation is 3.75 out of 5.
- c. Wine Service Skills – Only one person indicated they did not feel confident performing the proper steps for opening a bottle of wine tableside. My evaluation on this topic is that there is one or two that may know how to do this properly.
- d. General Liquor Knowledge – Staff self-evaluation score is 2.5 out of 5
  - i. Two team members gave themselves 1's on this topic and the highest score was a 3.5. While the team seemed to have a grasp on the liquors the grill offers, none of them had even an intermediate education level about the styles of liquor, how they are made and the distillation process.
- e. General Beer Knowledge – Staff self-evaluation score is 2.6 out of 5
  - i. Only one member of the team was able to name the basic 4 ingredients that go into making most beers.
- f. Menu Knowledge – Staff self-evaluation score is 4.08 out of 5
  - i. This is a huge positive. Many of the team members noted that they don't know everything because they just have not seen all of the food yet, except for at the initial showing by the kitchen team.
- g. Communication from management – The two managers were excluded from this question. Every team member gave a 5 on this subject. This is also a huge positive.
- h. Allergen Training – A knowledgeable staff should not just be well versed in what ingredients a dish is composed of, but which of those ingredients are major allergens. The CDC recognizes 9 major allergens. Front and back of the house staff that are trained in how to handle allergens is a critical measure to provide guests with a safe, worry-free experience. Proper training also minimizes liability for the organization.

## 6) Staff Feedback

This section details general feedback that was noted during staff interviews.

- a. The POS system is set up and functioning much better so far, this season.
- b. The two required trainings for new hires are excellent and very informative. One team member noted that "I wish every company would do these".
- c. The on-boarding process for staff returning between seasons is redundant and lengthy. After seasonal staff is termed at the end of a respective season, they must be completely rehired with brand new paperwork and even show IDs again. Perhaps this process could be streamlined to avoid confusion and





make the experience better for both the returning employee and hiring supervisor.

- d. One manager noted that for years the answer from previous leadership was a consistent “no” to ideas and questions to help improve. This happened so often that it became easy to get discouraged and stop asking.
- e. Staff in unclear why they do not have name tags.
- f. The three compartment sink on the Champ snack bar is very large and could be reduced in size to allow for more space for other items.

#### 7) Guest Visuals

Ensuring a professional looking environment and having guest areas “Member Ready” is a very important piece of the guest experience and can add value while utilizing existing resources or very minimal new resources. The observation period uncovered several areas that were not up to industry standards from a guest visual standpoint. Many have been addressed with the previously discussed side work procedures that have been implemented and are continuing to be implemented. Some examples of guest visual issues that were observed:

- a. The service team does not have name tags.
- b. The floor in Champ snack bar was incredibly dirty.
- c. Chairs in the grill room are not being neatly returned to position after use.
- d. Grill patio not swept of debris and trash prior to opening.
- e. Condiment caddies on grill tables are an eyesore. The items fall over, salt and pepper shakers were not filled, sugar caddies were not full or consistent in product selection. Condiment caddies like these are more appropriate for a 19<sup>th</sup> hole style restaurant at a lower end public or municipal golf course. A new tabletop set up should be explored.
- f. Mountain snack bar back bar not organized and had inappropriate signage. See pictures:



## 8) Equipment Standards & Safety

### a. Dating and labeling food items

- i. In general, the front and back of the house teams do a good job labeling and dating food in coolers. There is some room for improvement here though it is difficult to hit on this 100%.

### b. Multi Venue Use of Equipment

- i. The standard operating procedure currently is that equipment be moved from venue to venue in between seasons. For example, a gas flat top griddle was moved from ski to Burnt Cedar and a salad prep cooler was moved from ski to the golf grill. This is not an advised procedure. Moving large kitchen equipment is a safety hazard for anyone moving it. There is also the possibility of damage and in the case of the flat top griddle, it was damaged in transit. See pics below for damage to the flat top grill. Each venue should have its own equipment that stays in place once the respective season comes to a close.



### c. DIY Equipment Repair

- i. Previous F&B leadership ingrained a culture that repairs be taken care of in house whenever possible. This is appropriate when you find a leaky pipe that simply needs to be tightened or when tables in the dining room are wobbly and need to be adjusted. This is not appropriate when dealing with potentially dangerous items that can be a safety hazard for the employee tasked with the repair. In the above flat top example, a line cook was tasked with the repairs. This is a gas appliance that required the replacement of internal parts. This is a job solely for a professional that is trained to do so. In another example of DIY maintenance, the Burnt Cedar swap cooler required repair last summer. Rather than contact a trained professional to complete the work, a supervisor went to the hardware store and purchased a pump designed for a garden fountain and retro fitted it to the swamp cooler.



d. Golf Grill Dish Machine

- i. The dish machine in the golf grill kitchen needs replacement. The machine received two service calls in the first two weeks of the season and has required the booster to be reset nearly daily. The pic below shows the reset button that must be pressed, likely by a dishwasher that reaches into that mess of electrical equipment, presumably with wet hands. The main door is also in disrepair and has to be slammed closed. My understanding is that there may be a Capital Improvement Project slated for next year for this machine. This project should be moved up as soon as possible.



### ***Observation Conclusion & Recommendation***

There are many aspects of the Golf F&B Operation that need to be addressed, as described in this section. Numerous interviews with current staff have indicated that the previous F&B Director did not practice industry standards, failed to develop staff and prioritized financial performance over running the operation in a professional manner with a vision towards the future. On a very positive note, there is currently staff in place in both the front and back of the house that are enthusiastic and dedicated to improving the operation. Despite the leadership team constantly feeling discourage by the previous regime's culture, they have taken ownership for their roles and have worked toward being more successful, as indicated by the service team scoring a perfect 5 out of 5 in how leadership communicates. It is my opinion that the current F&B leadership team has the business acumen and work ethic to continue to move closer and closer to following industry standards across the various venues and aspects of the operation. That said, the current leadership structure is inadequate. The Executive Chef is currently acting as the Food and Beverage Director. In my opinion, he is qualified for this position but currently does not have the support system in place to truly fulfill that role. For context, on my June 1<sup>st</sup> observation day, the Executive Chef was cooking on the line, washing dishes and trying to complete inventory and ordering. To effectively manage all of the industry standard best practice described in this report, (i.e.: COGS, inventory controls, labor management, staff training, repairs, etc), the department requires the leadership of a dedicated Food and Beverage Director. The F&B Director is a full-time, year-round position that would oversee daily operations of all F&B venues as well as changeovers between seasons. The F&B Director



oversees the Executive, Banquet and Sous Chefs, as well as the front of the house management team. It is my understanding that this position was eliminated from the budget after the departure of the previous F&B Director. This position should be returned to the budget as soon as possible, along with the necessary support positions.

Immediate and regular staff training is highly recommended. Members of private clubs and the high quality of guests that IVGID serves will always appreciate and feel more valued when their staff is educated and trained in a way that elevates the overall experience. Conversely, the same guests notice when a team is not properly trained. For example, in a conversation I had with a guest, it was pointed out that once they were seated for lunch, three different employees approached the table to ask if they had ordered drinks or food yet. This immediately makes a guest wonder if the team knows what they are doing and makes them wonder who their actual server is. This is a training and procedural breakdown in the most basic aspect of the business. And for residents whose rec fund charge helps subsidize F&B, the opinion can quickly shift to "what am I paying for here? I can go to a dozen other places in town, and this doesn't happen." There are several ways to accomplish successful staff training. The easiest way to train is to make sure that the leadership team is engaging their teams in daily lineups and post shifts meetings. Another way is to engage your alcohol and food reps to provide complimentary training for the team. They can be scheduled after business hours so that all staff can attend. An investment in training of this type would be minimal, including paying the team for their attendance, products, cost of items that may be tasted (sometime the reps will provide these free of charge) and possibly a meal for the team. For more in-depth training, consider closing the restaurant for a single day. While this may seem drastic, effectively communicating the reason for the closure will likely be taken in a favorable way with the community as they should understand and appreciate the organization's willingness to invest so much into their future experiences.

### *Final Thoughts*

Lack of true leadership in F&B combined with an accounting culture of inconsistency have led to an operation that appears to have been running like the wild, wild west. While there are plenty of reasons for residents to be critical of the operation, many of these reasons can very easily be things of the past if the current team is allowed to operate the business the way they have learned to do their entire careers. The first few steps towards the future have already been taken. The departure of the previous F&B Director, the hiring of the current Golf General Manager and the support from the IVGID General Manager were all necessary to move out of the past and into the future. It is also imperative that the F&B leadership team feel confident and empowered to do their jobs and that the work they are doing is appreciated and meaningful. As has been pointed out in this report, many of the financial shortfalls of the department are outside the control of the team running day-to-day operations. A case can be made that they will never be set up for success from a financial standpoint, if success is only recognized by finishing in the black. Because F&B exists as a service to the community, guest satisfaction should be the currency by which its performance is evaluated. This does not mean that the operation should be operated irresponsibly from a financial standpoint. It simply



means that to create an amenity at which the goal is to provide meaningful experiences, financials should be important and constantly monitored, but not the number one priority. On both a professional and personal note, and based on my firsthand experience with other organizations, IVGID should work to shield the F&B team from feedback about “shutting the place down” or “selling the place off”. That type of thinking can crush morale and should be absorbed by the golf general manager as much as possible. The food and beverage operation has incredible potential to provide an amazing experience to the community and guests from all over the world. This report provides a plethora of areas that need to be addressed that all have potential to help F&B become more successful. However, it is not a complete blueprint for success. The true test will be how diligent and committed IVGID is in recognizing the value of the operation, despite the financial short comings, and continuing to support, encourage and appreciate the efforts of a group of people who want to come to work every day and do a great job for the community. With the right level of support, the team can continue to manage the business professionally, focus on the guest experience, innovate, grow and ultimately become the preferred gathering place for an amazing dining and social experience.





**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Karen Crocker, Acting General Manager / Director of Parks and Recreation

**FROM:** Kate Nelson, Director of Public Works

**SUBJECT:** Report to the Board Regarding Grease Interceptor Policy (Requesting Staff Member: Director of Public Works Kate Nelson).

**RELATED FY 2023 STRATEGIC PLAN**

**LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE**

**BUDGET INITIATIVE(S):** The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services.

**LONG RANGE PRINCIPLE #7 - GOVERNANCE**

The District is a local agency that delivers exemplary recreational experiences and provides the highest level of water, sewer, and solid waste services while striving for fiscal and environmental sustainability through collaboration, civic participation, and transparency.

**RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES**

Ordinance #2 - Sewer

**DATE:** September 11, 2024

**I. RECOMMENDATION**

**II. BACKGROUND**

IVGID’s Ordinance #2 includes a grease interceptor policy that is a direct result of Building Code Regulations, specifically the Uniform Plumbing Code.

## Uniform Plumbing Code – UPC 2024

- *Section 1009.1 Where Required. Interceptors (clarifiers) (including grease, oil, sand, solid interceptors, etc.) shall be required by the Authority Having Jurisdiction where they are necessary for the proper handling of liquid wastes containing grease, flammable wastes, sand, solids, acid or alkaline substances, or other ingredients harmful to the building drainage system, the public or private sewer, or to public or private sewage disposal. A list of acceptable interceptor standards is referenced in Table 1009.1.*

## IVGID Ordinance 2 – Sewer Section 11.03 Required Use of Grease Interceptors and Separators (Adopted on April 10, 2019, Resolution No. 1866)

- *Section 11.03.B. Grease Interceptors. Grease interceptors shall be installed for establishments where food is prepared or other establishments where grease is introduced into the drainage or sewage system in quantities that can affect sewer mains, effect wastewater treatment or have other negative impacts on the sewer system.*

### **Why IVGID Enforces the Regulations:**

Oil and grease hamper the effectiveness of the wastewater conveyance, pumping and treatment systems throughout the District. Fats, oils, and grease (FOG) come from meat fats in food scraps, cooking oil, shortening, lard, butter and margarine, gravy, and food products such as mayonnaise, salad dressings, and sour cream.

FOG poured down drains accumulates inside sewer pipes, restricting flow as it builds up. Any type of grease, whether from businesses or residences, can cause serious issues such as raw sewage backups and overflows, known as Sanitary Sewer Overflows (SSOs), which can lead to raw sewage entering homes, businesses, streets, and storm drains. SSOs also pose a significant risk to public health, as manholes can overflow into parks, yards, streets, and storm drains, allowing FOG to contaminate local waters, including drinking water sources. Exposure to untreated wastewater is a public-health hazard and SSOs are subject to fines from the Nevada Department of Environmental Protection and TRPA.

Restaurants, cafeterias, and fast-food establishments often spend tens of thousands of dollars annually addressing grease blockages, cleaning grease traps, and pumping out interceptors. In some cases, cities charge businesses for sewer pipe repairs and spill cleanups caused by blockages traced back to them. Additionally, some municipalities impose surcharges on wastewater bills if a business exceeds a specified discharge limit. These costs can be substantial.

### **National and Local Impacts:**



Communities across the nation spend billions of dollars each year on activities such as unclogging or replacing grease-blocked pipes, repairing pump stations, and cleaning up costly and illegal wastewater spills. Excessive FOG in the sewer system also has a direct impact on local wastewater rates.

IVGID Public Works manages an ongoing hydroflushing program to clean and flush sewer mains. Certain areas of the District are known for recurring grease buildup. The following table outlines the costs of the hydroflushing program over the last five years:

Year	Labor & Equipment Costs
2019-2020	\$62,060
2020-2021	\$96,433
2021-2022	\$102,751
2022-2023	\$31,054
2023-2024	\$64,074

In addition to the hydroflushing costs, the District incurs annual expenses for grease removal at SPS #1 and for maintaining odor scrubbers at SPS #1 and SPS #10. The cost of grease removal at SPS #1 is approximately \$40,000 annually, and maintaining the odor scrubbers costs an additional \$18,000 per year.

IVGID also provides education materials to all customers regarding the FOG impacts and what not to do (example attached).

**How IVGID Enforces the Regulations:**

The IVGID Compliance Department reviews all new and remodel plans for restaurants, as well as business license renewals within the District. If a grease interceptor is required to bring the establishment into compliance with Ordinance #2 and the Uniform Plumbing Code (UPC), Compliance will work with the property owner and tenant to issue a letter of intent (example attached).

The letter of intent allows property owners and tenants time to design, secure funding, obtain permits, and complete the required work. As shown in the example, IVGID does not require immediate construction; instead, we collaborate with property owners and tenants to develop a feasible timeline for implementation and follow up when milestones are due. Extensions are occasionally granted on a case-by-case basis, but the goal remains ensuring compliance with the regulations.

**III. BID RESULTS**

Not Applicable

**IV. FINANCIAL IMPACT AND BUDGET**

Not Applicable

**V. ALTERNATIVES**

Not Applicable

**VI. COMMENTS**

**VII. BUSINESS IMPACT/BENEFIT**

Not Applicable

**VIII. ATTACHMENTS**

1. Letter of intent Christmas Tree Village\_extension
2. FOG Mailer Insert\_For Print

**IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

**Letter of Intent**

Date: August 3, 2022  
Date: November 27, 2023 Letter of Intent Extension Agreement for 2024  
To: Penguin Properties, LLC  
APN: 132-020-16, 132-020-17, 132-020-18, 132-020-19, 132-020-20  
Address: 868 Tahoe Blvd (Christmas Tree Village)  
From: Incline Village General Improvement District, Compliance Division  
Subject: Wastewater Discharge Requirements

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This letter is to inform you that your property known as Christmas Tree Village, at 868 Tahoe Boulevard, is currently out of compliance with the Incline Village General Improvement District (IVGID) Sewer Ordinance No. 2 Section 11.03, "Required Use of Grease Interceptors, Interceptors, and Separators."

IVGID is willing to work with you, as the property owner, to correct this issue. Currently, your property has several existing restaurants, with a new restaurant trying to open. Restaurants are a main contributor to fats, oils and grease (FOG) within sewer systems everywhere. FOG is extremely detrimental to the efficiency of sewer systems and the wastewater treatment process, and it has been well documented that the Christmas Tree Village contributes a large amount of FOG into the IVGID sewer system.

Currently there is an open Washoe County Building Permit, WBLD22-102736, for Happy Tiers Café. IVGID is requesting that, as a condition of this permit, you, as the property owner, sign this Letter of Intent, the purpose of which is to bring your property into compliance with IVGID Sewer Ordinance No. 2.

**IVGID Sewer Ordinance No. 2 (Section 11.03) Requirements for all Washoe County Building Department Permits:**

- Unit 21, Happy Tiers Café
  - Have a Nevada Licensed Professional Engineer provide IVGID with engineering requirements for an internal grease trap (interceptor) to be used for pretreatment for Unit 21 (Happy Tiers Café) only. This letter must be wet stamped by the licensed professional engineer and approved by the IVGID Engineering Manager for final approval.
  - Have the approved internal grease trap (interceptor) installed and inspected by IVGID Compliance Division within Unit 21.

- APNs 132-020-16, 132-020-17, 132-020-18, 132-020-19, and 132-020-20
  - The Property Owner and/or its assigned agents must obtain an approved Washoe County Building Department Building Permit for the installation of an engineered grease interceptor(s) for all properties that make up the Christmas Tree Village.
  - These approved grease interceptor(s) must be installed by a licensed contractor and approved by the IVGID Compliance Division no later than October 15, 2024.
- All work, materials, and cost are borne by the property owner of all parcels that make up the Christmas Tree Village facility.

The purpose of this Letter of Intent is to work with you, as the local property owner, and the businesses affected by the work, and allow time for design, permitting and construction of the required work, in order to be in compliance with IVGID Ordinances, while allowing Happy Tiers Café to obtain the necessary County building permits to open and operate.

IVGID values your business center and by working together, we are confident that we can bring your facility into compliance with all IVGID, County, and State requirements. Once this Letter of Intent is signed and notarized by the property owner, please return a hard copy to IVGID Compliance, 1220 Sweetwater Road, Incline Village NV 89451. For your convenience, we have notaries on staff who can assist you at no cost. Contact IVGID Engineering at 775-832-1267 to use this service.

By signing below, the property owner of Christmas Tree Village (APNs 132-020-16, 132-020-17, 132-020-18, 132-020-19, and 132-020-20) agrees to complete the work necessary to construct an approved engineered grease interceptor(s) to address the fats, oil, and grease produced by the businesses that occupy this property. It is agreed that work is to be completed no later than October 15, 2024.

**Owner Agent of Property known as 868 Tahoe Blvd (Christmas Tree Village)**

Print: TONY ROBINSON

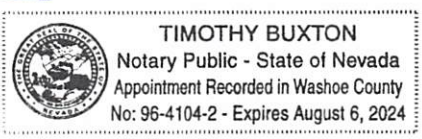
Signature: [Handwritten Signature]

State of NEVADA

County of Washoe

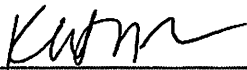
This instrument was acknowledged before me on November 27, 2023 by TONY ROBINSON as AGENT <sup>AGENT</sup> ~~Owner~~ of that property known as Christmas Tree Village, on behalf of whom this instrument was executed.

Notary Public: [Handwritten Signature] Stamp:



**IVGID Engineering Manager**

Print: Kate S. Nelson, P. E.

Signature:  \_\_\_\_\_

# STOP THE CLOG: KEEP FATS, OILS, AND GREASE OUT OF THE SEWER SYSTEM!

Please do not pour fats, grease, cooking oil, chemicals, old medicine, or solvents down the drain. When disposed of in the District's wastewater system, these items can result in expensive damage and impact water quality after treatment.

## Dispose of Fats, Oils, and Grease (FOG) Safely:

You should only dispose of fats, oils and grease in the trash.

It is important to pour them into a fireproof, sealable container, let it cool, and then place it in your regular household trash. If you have larger amounts of used cooking oil, these can be recycled for free, simply contact the IVGID Waste Not Household Hazardous Waste Program at 775-832-1284 for information.

## Why It Matters:

When poured down a drain, FOG forms thick layers inside sewers and constricts flow, causing backups. Clogged sewers lead to downtime, costly cleanup, repairs, and public health concerns due to sewer overflows on public property.

## Safe Medication Disposal:

Avoid flushing medications; they're not removed during wastewater treatment. Contact local pharmacies for prescription medication take-back programs or the IVGID Waste Not Household Hazardous Waste Program at 775-832-1284.



**Thank you for your cooperation!**

Incline Village Public Works Department  
Compliance Division  
775-832-1224



# DETÉN LA OBSTRUCCIÓN: ¡MANTÉN LAS GRASAS Y ACEITES FUERA DEL SISTEMA DE ALCANTARILLADO!

Por favor no depositar ninguna clase de grasas, aceites, químicos, medicinas vencidas o solventes de drenaje por las alcantarillas. Cuando se depositan esta clase de desechos en el alcantarillado puede causar daños altamente costosos y también afecta la calidad del agua después del tratamiento.

## Disponga de Grasas y Aceites (FOG) de forma Segura:

Solo debe desechar grasas y aceites en la basura. Es muy importante depositar estas sustancias en un contenedor aprueba de incendios y que sea sellable; dejelos enfriar y pongalos en la basura. Si usted tiene cantidades más grandes del aceite de cocina usado, éstos pueden ser reciclados gratis, simplemente ponerse en contacto con el programa de Waste Not Household Hazardous Waste 775-832-1284.

## ¿Por qué es importante?

Por que cuando desechamos estas sustancias por las alcantarillas ellas forman una capa gruesa que obstruye el flujo normal. Las alcantarillas obstruidas son un gran problema para las empresas municipales no solamente por el alto costo del mantenimiento sino para la salud publica.

## Desecho seguro de medicamentos:

Nunca deseche de medicamentos por el inodoro; estos no son removidos atravez del tratamiento del agua, sino que permanecen en diminutas cantidades en el agua. Las farmacias ofrecen seguras opciones para desechar medicinas vencidas.



## ¡Gracias por su cooperación!

Incline Village Public Works Department  
Compliance Division  
775-832-1224



1  
2 INCLINE VILLAGE  
3 GENERAL IMPROVEMENT DISTRICT  
4 BOARD OF TRUSTEES  
5  
6  
7  
8  
9 TRANSCRIPT OF HEARING  
10 PUBLIC MEETING  
11 Live and Via Zoom  
12  
13 Held at the Boardroom  
14 893 Southwood Boulevard  
15 Incline Village, Nevada  
16  
17 Wednesday, August 6, 2024  
18  
19  
20  
21  
22  
23  
24 Reported by: Brandi Ann Vianney Smith  
25 Job Number: IVGID 49

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 - 8/6/2024 - 6:00 P.M.  
2 -o0o-  
3  
4  
5 CHAIR SCHMITZ: It's six o'clock. I'd  
6 like to call the IVGID Board of Trustees meeting to  
7 order at six o'clock here on August 6th, 893  
8 Southwood Boulevard in Incline Village, Nevada.  
9 We will begin with the Pledge of  
10 Allegiance.  
11 A. PLEDGE OF ALLEGIANCE  
12 (Pledge of Allegiance.)  
13 CHAIR SCHMITZ: Moving on to the roll  
14 call.  
15 B. ROLL CALL OF TRUSTEES  
16 CHAIR SCHMITZ: Trustee Tonking?  
17 TRUSTEE TONKING: Here.  
18 CHAIR SCHMITZ: Trustee Tulloch?  
19 TRUSTEE TULLOCH: Here.  
20 CHAIR SCHMITZ: Trustee Noble?  
21 We'll let the record reflect when Trustee  
22 Noble arrives.  
23 Trustee Dent?  
24 TRUSTEE DENT: Here.  
25 CHAIR SCHMITZ: I'm Trustee Sara Schmitz,



<p style="text-align: right;">5</p> <p>1 so we have a quorum of our Board of Trustees. We  2 will begin with initial public comments, that will  3 be limited to three minutes.  4           Let the record reflect Trustee Noble is  5 here.  6 C. INITIAL PUBLIC COMMENTS  7           MR. SWENSON: Good evening. I'm Harry  8 Swenson, currently a candidate for the trustee for  9 the Incline Village/Crystal Bay community. I'm  10 here. I'm a 10-year, full-time resident, and live  11 on lower Tyner.  12           I come to the Board to express my views on  13 the proposal by the Troon corporation to directly  14 assist Incline in finding and recruiting a new  15 general manager. I would like to thank Erin Feore,  16 Director of Human Resources for IVGID. Her  17 solicitation of this proposal from Troon  18 demonstrated out-of-the-box thinking to replace our  19 departing general manager with an organization that  20 has extensive experience in solving to current  21 challenges this community if facing.  22           I'm intrigued by the Troon proposal to  23 provide us a well qualified general manager who will  24 have access and the ability to draw on Troon's  25 extensive experience and not only their well-know</p>	<p style="text-align: right;">6</p> <p>1 hospitality organizations but also have extensive  2 experience in the government sector.  3           I believe the Board should give this  4 proposal their utmost consideration. The proposal  5 depth of knowledge of our community challenges in  6 both financial and leadership areas. The proposal  7 supplies a continuous consulting for our challenges  8 over a three-year term that appear very cost  9 effective.  10           As a matter of fact over the last  11 few years, we have spent a similar amount of  12 resources for consultants that simply identify our  13 challenges, but do not have the capability to guide  14 and executive their solutions.  15           The only weakness I see in the proposal is  16 the lack of clearly defined metrics. I suggest you  17 include a metric for our financial sustainability,  18 such as a reduction by 50 percent of our budget  19 deficit in the first year, followed by the complete  20 deficit elimination over the next two years without  21 increasing our parcel fee. I would also suggest  22 something with regard to our capital improvements  23 and elimination of deferred maintenance.  24           In the words of Albert Einstein, doing the  25 same thing and expecting different results is the</p>
<p style="text-align: right;">7</p> <p>1 surest form of insanity. This proposal is surely  2 something very different for selecting a new general  3 manager and might changes the results of his tenure.  4           Thank you for your consideration.  5           MR. McKINNON: Good evening. I would also  6 like to discuss the Troon proposal. I would like to  7 thank the Board of Trustees of allowing me to speak.  8 My name is Keith McKinnon. My wife Patty and I live  9 here in Incline Village. Like all of us at Incline,  10 we love our village, and we only want the very best  11 for our community.  12           I have not spoken to the Board before, but  13 I would like you to take a look at my background.  14 My business background is finance and accounting.  15 Over the last 25 years, I've served in a variety of  16 accounting roles, including chief financial officer  17 for multiple companies in the high tech industry.  18 I've had the opportunity to work with boards of  19 directors in each of these firms. My job was to  20 inform and to counsel the boards of directors from a  21 financial perspective on various business  22 opportunities and challenges.  23           In each of these situations,  24 multi-million-dollar business were never made  25 hastily. Appropriate due diligence and thorough</p>	<p style="text-align: right;">8</p> <p>1 financial reviews were always conducted.  2           The Troon proposal is a significant  3 business decision with significant financial  4 ramifications. This is a decision that could  5 potentially burden the Village financially and  6 legally for years ago to come.  7           Unfortunately, the Troon proposal  8 submitted to the trustees is a marketing document  9 with a term sheet stuck on the end of it. The  10 proposal includes no financial details, and there's  11 no way to perform a responsible financial review on  12 this generic document.  13           Or director of HR has been the sole  14 contact between IVGID Troon management.  15           Some of my initial questions would be:  16 Where's the financial analysis with this? What's  17 the internal rate of return for this  18 multi-million-dollar project we're getting into? Is  19 Troon proposing managing all operations for IVGID or  20 are they just cherry picking the golf course? What  21 does Troon know about utilities and public works?  22           In the proposal states that Troon will  23 manage IVGID daily operations for three years at a  24 total cost approaching \$1 million. Again, this is  25 Troon's marketing number. It would not surprise me</p>

9

1 after conducting a thorough financial review, the  
 2 real number could be twice that amount. We don't  
 3 know tonight. We have no idea what that number is.  
 4 My recommendation to the Board is to shelve the  
 5 Troon proposal. There's not enough information for  
 6 a serious review.

7 Two of the board members that currently  
 8 support this proposal will be leaving in the next  
 9 few months. It would be careless and irresponsible  
 10 to force through a financial decision tonight that  
 11 could harm us financially for years.

12 In fact, there are those that would  
 13 interpret this action as a knowingly egregious act  
 14 that could result in personal liability. Why would  
 15 any board member want to put themselves or this  
 16 village in that situation. I urge you --

17 (Expiration of three minutes.)

18 MR. PRICE: Steve Price, 170 Village  
 19 Boulevard.

20 Having lived at Lake Tahoe since 1976,  
 21 first under North Tahoe General Improvement  
 22 District, and under IVGID since 1992, I have  
 23 observed a number of different boards and general  
 24 managers. Some of them very good, some marginal.  
 25 Until now, none were less than marginal as

10

1 exemplified by the consistent three-to-two votes on  
 2 all major issues.

3 I cannot believe that a majority of this  
 4 board now proposes to outsource our management to a  
 5 management company that has no experience in  
 6 managing a community of our complexity. And then  
 7 that manager's going to select a general manager?  
 8 And why would you spent over a million dollars over  
 9 a three-year period to outsource this board's  
 10 responsibility?

11 Maybe this board should recognize that  
 12 many former senior and mid-level managers left due  
 13 to the disfunctional nature of the Board. Of those  
 14 who left, some are now employed by North Tahoe  
 15 General Improvement District, including their new  
 16 general manager.

17 In my opinion, the current board has not  
 18 been successful in hiring a highly qualified general  
 19 manager due to the nature of the Board. My  
 20 recommendation is to wait until a November election  
 21 before spending one dime.

22 Finally, a meeting of this magnitude  
 23 should not be here, should be at The Chateau, and  
 24 not in a place that has limited room and Zoom.

25 Thank you.

11

1 MS. ROSS: Good evening. My name is  
 2 Steven Ross. I want to thank you for the  
 3 opportunity to speak with you tonight about your  
 4 consideration of a three-year contract with the  
 5 Troon management company.

6 In Troon's presentation, the first item  
 7 that they mention is the reason they should be  
 8 considered is the recent turnover in general  
 9 manager's position. I believe they state there's  
 10 been three in the last two years.

11 I believe that the reason for the  
 12 excessive turnover in the general manager's position  
 13 is the hostile work environment that reasonable  
 14 manager would tolerate.

15 As trustees of this governmental  
 16 organization, you have a few responsibilities. You  
 17 should set policies of the present-day activities.  
 18 These give direction to the people who work in our  
 19 community and enhance or social capital. All social  
 20 groups need some basic rules of behavior, and our  
 21 IVGID employees need these guidelines.

22 Unfortunately, this board has not  
 23 succeeded in providing these guidelines. No wonder  
 24 the staff and general manager walk on eggs trying to  
 25 figure out which way the wind is blowing this week.

12

1 A perfect example was you failure to  
 2 establish pricing policy for our recreation  
 3 facilities as outlined in your last meeting. You  
 4 state that you didn't even though how much -- what  
 5 the amount of subsidy was that provided to each of  
 6 the recreation facilities. I personally pointed  
 7 this out to you two years ago.

8 Your next job is to set goals for the  
 9 organization. There is not a single goal enumerated  
 10 in your strategic plan. How are the general manager  
 11 and the rest of the employees supposed to know what  
 12 your vision is for the future?

13 Finally, your third primary function as a  
 14 trustee is to monitor and assess the progress. Your  
 15 general manager and their staff have made in  
 16 accomplishing the goals that you have provided.  
 17 You've done none of this.

18 I'm not suggesting that your job is an  
 19 easy one. I just wonder if the solution is to ask  
 20 an expensive management company to do this job.  
 21 This will costs taxpayers millions of dollars over  
 22 the three-year life of this potential contract.

23 I'm not suggesting that you're not bright  
 24 or invested in the community's best interest.  
 25 Sometimes things just don't work out. Maybe it's

13

1 time to let another board that will be elected in  
 2 November have the opportunity to set things stright  
 3 before we give up local control of the community.  
 4 Thank you very much.  
 5 MS. RECTOR: Thank you, Board. This is a  
 6 first for me. Over 20 years with IVGID, and I've  
 7 never attended a board meeting, ever. Former IVGID  
 8 employee of over 20 years, and full-time, year-round  
 9 property owner since 1992. You do the math.  
 10 I have three points to make tonight.  
 11 First, why would the lame duck board majority, one  
 12 trustees who is selling and not returning, one  
 13 trustee who is termed out, and one soon to be in the  
 14 minority be in charge of replacing their only  
 15 employee with a management company when you have  
 16 repeatedly told lame duck Bobby that he shouldn't  
 17 have hired the very qualified Director of Public  
 18 Works and Director of Parks and Rec?  
 19 Second you want to replace your only  
 20 employee with a management company that doesn't have  
 21 any governmental experience.  
 22 IVGID was founded as a body corporate and  
 23 public and a quasi-municipal corporation providing  
 24 water, sewer, recreation, trash -- yeah, you know  
 25 that. IVGID is not running a bunch of business to

14

1 earn a profit. By the way, Troon's proposal  
 2 included in your board packet has several typos  
 3 starting on page 4. That should be cause for  
 4 concern, especially for the lame duck board  
 5 majority.  
 6 And third, where's the money coming from?  
 7 I have a suspicion Chair Schmitz wrote this board  
 8 memo because staff is required tell the Board how an  
 9 item is to be funded. So, where's the budget?  
 10 You decimated the general fund last year,  
 11 and you're on the fast track to do it again. We  
 12 can't afford the Board majority's decisions anymore.  
 13 Thank you.  
 14 MR. KENT: Thank for the opportunity to  
 15 come and say a few comments about the Troon  
 16 proposal.  
 17 First of all, from our meetings last year  
 18 during the budget committee, our food service  
 19 operations combined with all the different  
 20 facilities and revenue as about \$3.5 million and net  
 21 profit was around \$100,000, so when you look at a  
 22 proposal like this where they are going to want  
 23 risk-free \$330,000 per year for three-years, when  
 24 you have financials that look like they do, means  
 25 that Troon would have come in and perform four times

15

1 the net profit level that we're making today just to  
 2 break even in what they proposed.  
 3 From a perspective of Troon itself, I've  
 4 probably golfed at 12 of their facilities all across  
 5 the Unites States from Florida to Hawaii, and  
 6 there's no question that it is a great organization,  
 7 they have a lot of really valuable resources. But  
 8 if you're going to approach an opportunity like  
 9 this, you have to structure the deal so the risk is  
 10 shared.  
 11 Right now, it's not structured where we're  
 12 carrying a hundred percent of the risk. So in the  
 13 negotiation process, when you are bringing a group  
 14 in like this, you should certainly focus on the  
 15 bottom line financials of what you're trying to  
 16 achieve, and then have some kind of profit split  
 17 mechanism on the bottom line to where both of us are  
 18 sharing in that risk. That's the only way I would  
 19 even recommend we consider looking at it. I don't  
 20 think we could look at it where we carry a hundred  
 21 percent of the risk of the opportunity.  
 22 Thank you.  
 23 MR. HOURIGAN: Good evening. I'm Vince  
 24 Hourigan, 101 Red Cedar, Incline Village.  
 25 My big concern of this is there is no

16

1 public works experience from Troon. None. I'm a  
 2 licensed engineer in three states out West here. I  
 3 have worked public works and public work-type  
 4 project my entire 40-year-plus career. You just  
 5 don't bring a golf manager and say now you're in  
 6 charge of Public Works. You got to get somebody  
 7 whose broad base includes public works, includes  
 8 hospitality, includes all aspects of the financials.  
 9 Not just a one-source person.  
 10 I've golfed at many Troon golf coursers.  
 11 Some, I like; some, I don't. I've seen some go  
 12 downhill because of it. But, still, they are a golf  
 13 team and probably a pretty good golf team, some  
 14 places, but they're not a public works team.  
 15 You got to get somebody who understands  
 16 public works because our primary goal here is to  
 17 make sure people have water, sewage, and trash  
 18 pickup, not just the golf or the skiing or the Rec  
 19 Center. They're all big pluses, that's why I  
 20 retired here. But I like my water. I like my  
 21 sewage.  
 22 That's all I have. Thank you.  
 23 MR. HESTMARK: Hi. My name is Martin  
 24 Hestmark. My wife and I have been coming to Incline  
 25 Village when my parents retired here. My wife and I

17

1 have owned a home here since 2012.

2 I appreciate the opportunity to provide

3 these communities, but I believe this decision

4 should either not be made as recommended, to hire

5 contractor, and/or should be subjected to

6 collaborative, full community vetting before a

7 decision is made.

8 To my knowledge in all my time here,

9 Incline Village has never been managed by a

10 contractor, let alone a contractor who has little

11 experience beyond managing golf courses.

12 In addition, I remember being at a meeting

13 less than two years ago at one of our community

14 member's homes where Ray, Matt, and Dave were asked,

15 point blank, if you favored privatization of our

16 venues or private management of our venues. All

17 three of you stated to our faces you had no such

18 plans.

19 Sara, you didn't attend.

20 I also saw no recommendation in the Moss

21 Adams or RubinBrown reports to privatize or contract

22 out management of our community. There were

23 recommendations for how to make things better, which

24 staff are working on now, but none of them included

25 turning over management of our community to a

18

1 contractor. I ask: Why now? The answer seems

2 obvious: It is easy to fire people, and to so

3 poorly manage people that they leave a community

4 that love. It is not easy to be a competent trustee

5 and manage the people we need to run or venues and

6 facilities so we can enjoy them.

7 Staff and senior management are, arguably,

8 our most important assets. By changing policy

9 unnecessarily to disallow staff access to our venues

10 and firing or running off our senior managers with

11 no succession plan in direct contravention of the

12 recommendations in the RubinBrown report, you

13 three have placed the District in a position where

14 you now feel our only option is hire a for-profit

15 contractor who knows very little about the entirety

16 of our community or venues.

17 This contractor would not be as

18 approachable and our expenses would be greater.

19 This is a for-profit enterprise. And why do we need

20 this? Because you haven't done your job.

21 I asked that this decision be deferred

22 until after the election. I also ask that this

23 decision wait until full community involvement

24 occurs, and that results of the community

25 involvement are shared with us. I find it

19

1 disrespectful and disgraceful that this grenade is

2 being launched over your shoulder on your way out

3 the door.

4 Thank you.

5 MS. HOURIGAN: Hello. My name is Cari

6 Hourigan. I'm at 101 Red Cedar, number 16, in

7 Incline Village.

8 And, basically, ditto to the last person.

9 I'm very much against the Troon proposal, and thank

10 you very much.

11 MR. KELLY: Hello. I'm Mark Kelly,

12 resident here since last October. Prior to that, I

13 lived in Tustin, California, and I was a long-time

14 member of Tustin Ranch Golf Club. It has a lot of

15 similarities to our club here. It was a public

16 course with a real private feel, staff that knew

17 you, the course was in beautiful condition all the

18 time, men's and women's club that made the pricing

19 more accessible, and it was a great place to play

20 golf and have a social life.

21 Then there was a change of ownership, and

22 they hired Troon. Within months, staff left,

23 quality of play went down, they started having big

24 tournaments from outside groups so that those of us

25 that had normal tee times got squeezed out. The

20

1 result was we just left. And, you know, really

2 disappointed in Troon.

3 I don't think, at least, they could manage

4 that golf course. Maybe they're good at big

5 courses, but sure as hell don't know anything about

6 a ski resort and public works, as you've heard from

7 previous speakers, so I don't see why you would even

8 trust them with that. Let the new board and the

9 public hearings determine what direction we take.

10 Thank you.

11 MS. EVANS: Hi. My name is Cheryl Evans.

12 I have lived in and owned property in Incline for

13 nearly 25 years. During that time, I can't recall a

14 more divided and acrimonious relationship between

15 the Board of Trustees and the community.

16 Incline Village was created almost

17 140 years ago, and IVGID was developed in 1961. In

18 the nearly 50 years since, Incline has completed

19 major purchases and renovations which continue to

20 improve our community as well as increasing our

21 property values.

22 Now let's fast forward to just two years

23 ago. Under the current board, we have gone from

24 having a healthy surplus of cash to being heavily

25 in debt. It seems to us, the community members,

21

1 that this board is forgetting that you work for the  
 2 community. You seem to have your own agenda in  
 3 mind, and that means destroying the community we all  
 4 love. Many of your decisions have been rash and  
 5 unprofessional. Three GMS in the past two years,  
 6 and the last one employed for less than six months.  
 7 This is only to beginning of the high  
 8 employee turnover this board has experienced. Many  
 9 IVGID employees have left their employment as they  
 10 can't work under the current board and the treatment  
 11 they have received.  
 12 The search for another GM needs to be left  
 13 to the new board.  
 14 This has led to financial decisions of  
 15 hiring temporary consultants, which is substantially  
 16 more costly, or worse, hiring headhunters that  
 17 results in a larger loss of cash.  
 18 This is a small community of less than  
 19 10,000 full-time residents. This is not L.A. or San  
 20 Francisco, yet your current proposal of whether or  
 21 not to hire the consulting firm, Troon, to run the  
 22 community, then they have hiring authority. We need  
 23 to be in charge of running or own community and  
 24 hiring our own GM.  
 25 The outrageous cost of such a company is

22

1 not advantageous to this community. The latest  
 2 estimates have costs of this of more than \$325,000  
 3 per year.  
 4 Perhaps in a larger golf community such as  
 5 Palm Springs, this may be a welcome change, but to  
 6 our multi-service community, that includes skiing,  
 7 beaches, recreation, et cetera, this is not to our  
 8 advantage in any way, shape, or form. They have no  
 9 experience in managing such entities.  
 10 I think this board needs to take a step  
 11 back and postpone any major decisions until the new  
 12 board takings over in January. Saddling them with a  
 13 locked-in, expensive contract seems like exit  
 14 revenge instead of community well-being.  
 15 DR. RINER: Thank you, Board. My name is  
 16 Dr. Myles Riner, Incline Village resident for  
 17 many years.  
 18 The proposal to outsource the management  
 19 of IVGID is predicated on the observations of a  
 20 flawed forensic audit report from RubinBrown. It is  
 21 amazing to me that the auditor failed to interview  
 22 both Mr. Winqest, who was still on the payroll when  
 23 the audit was done, and Mr. Navazio, the  
 24 ex-financial director who offered several times to  
 25 inform the audit process.

23

1 In any case, it is now clear that despite  
 2 protestations to the contrary, Trustees Schmitz,  
 3 Dent, and Tulloch had been determined to outsource  
 4 management of the District and to find a rationale  
 5 for doing so. Together, you have managing to  
 6 create, as Troon points out, an overwhelming loss of  
 7 historical perspective and knowledge, major gaps and  
 8 deficiencies in operating processes and controls,  
 9 and long periods of time to source, hire, and train  
 10 new people for the management positions. This is  
 11 primarily your fault, and as you head out the door  
 12 in January, your legacy to this community.  
 13 I understand that you three trustees  
 14 believe that you need to hire a management company  
 15 to fulfill your demand to implement the 41  
 16 observations identified by RubinBrown and make the  
 17 GID run like a for-profit business. The staff's  
 18 response to this audit demonstrates that they  
 19 recognize the need to address many of these issues,  
 20 through they rightly reject a few that were based on  
 21 flawed analysis.  
 22 As Mr. Magee pointed out, 16 of these 41  
 23 observations have already been completely fixed, and  
 24 related controls put in place. And the staff has  
 25 prioritized and is currently working on 18 more.

24

1 Clearly the IVGID staff and management teams are  
 2 working hard and successfully to resolve these  
 3 issues. Why not give them the chance to demonstrate  
 4 that despite the damage you have inflicted on them,  
 5 they can deliver under demands.  
 6 Create a reasonable set of expectations  
 7 and milestones for these remaining issues through a  
 8 subcommittee of the Board and monitor their progress  
 9 over the next four months. You may find that this  
 10 expensive management contract is entirely  
 11 unnecessary.  
 12 I would also point out that this proposed  
 13 contract with Troon establishes a performance goal  
 14 based on the profitability of the District. Again,  
 15 I must point out that the GID is not a for-profit  
 16 business. Apparently neither you nor Troon gets  
 17 this.  
 18 Thank you.  
 19 MR. MARSHALL: My name is Allen Marshall.  
 20 I've been a resident here for 15 years. I worked  
 21 for IVGID for nine of those.  
 22 This -- I look at Incline as a family,  
 23 and, I mean, every community member is a family  
 24 member. And anyone that would be willing to give  
 25 the keys to this kingdom away to an independent

25

1 organization that doesn't care about our family, I  
2 would be appalled. It would be like turning your  
3 parents over to a nursing home that you knew nothing  
4 about and just wanted to get rid of the  
5 responsibilities.  
6 I feel like the Board has not taken the  
7 responsibility to do their job. I look at this as a  
8 non-bid contract. I know there's more than one  
9 organization out there than Troon. How can you just  
10 turn over to an organization that runs golf courses  
11 only without a bid situation.  
12 You interviewed three other people as town  
13 managers. Every board before this has found town  
14 managers, kept this community surviving in a plus  
15 situation monetarily, and you guys haven't been able  
16 to do that with the last three selections. I just  
17 find this a dereliction of duty and I'm appalled.  
18 That's all I have to say.  
19 MR. BRIGGS: Thank you. I'm Michael  
20 Briggs. I live at 582 Douglas Court. I'm here to  
21 speak about the Troon proposal.  
22 I'm a retired business executive. I've  
23 served as general counsel, VP of operations, and,  
24 importantly, director of human resources. I am  
25 appalled by the proposal of Ms. Feore. Why was it

27

1 advantage of the fact that we are not following best  
2 practices in making that selection.  
3 Thank you.  
4 MR. NOVACK: So, first of all, to the  
5 Board, you are really doing your job investing all  
6 the stuff you do, so that's good. But regarding  
7 this issue, we're really in the first inning of an  
8 extra inning ballgame. My god.  
9 As a past and present member of many  
10 boards, I have to ask the following questions: Have  
11 you interviewed other management companies? There's  
12 at least 20-plus companies in Troon's space. Do you  
13 do RFPs? If so, can you share them with the  
14 community? Is there a statute that requires bids?  
15 If not, it would be prudent to get one. Why the  
16 proposed three-year contract versus shorter period?  
17 And why such a bit buyout clause, what's the  
18 advantage to the community?  
19 And regarding Troon and history of  
20 management companies, I'm not here to disparage  
21 them, but if you called Moorpark County Club to find  
22 why they fired Troon on the 366th day of the recent  
23 one-year contract. I've interviewed a number of  
24 people in the management company business, including  
25 a former Troon director of golf, a current country

26

1 done by an HR director rather than a general manager  
2 and appropriate team members?  
3 Hiring a management company for all IVGID  
4 venues is a drastic change and inserts a layer of  
5 responsibility, accountability, and costs on the  
6 IVGID taxpayers. If you're serious about study that  
7 opportunity, there should be expanded public  
8 hearings with lots of notice to the public so more  
9 people can participate.  
10 Then, if the trustees proceed with a  
11 management company, follow some best practices that  
12 are not present in Ms. Feore's memo.  
13 First, define the scope and the parameters  
14 and set the terms of the contract. Don't rely on  
15 the proposal of the contractor.  
16 Second, obtain proposals from multiple  
17 management firms, including local firms, possibly  
18 forming a consortium.  
19 Third, do not start negotiations with a  
20 sole-source contractor for a cost-plus deal without  
21 a good team representing us.  
22 Fourth, do not burden three incoming  
23 trustees with a three-year contract. It's ironic  
24 the Troon proposal says they're going to bring  
25 best practices to our community while they're taking

28

1 club GM who worked for golf management companies for  
2 20 years, a former Troon director of operations, and  
3 a current GM who had managed a resort had Troon  
4 manage his golf property. They all said the same  
5 thing: It's all about alignment and ownership.  
6 The agreement must be very specific  
7 regarding operational objectives, capital  
8 objectives, all balanced against customer  
9 satisfaction, that way, got a balance.  
10 Remember management companies are  
11 companies with their own bottom line. When the  
12 issues is who wins, the management company's going  
13 to win by either cutting expenses, understaffing, or  
14 cutting back on resources and maintenance.  
15 Basically, when you hire a management  
16 company, the Board gives up control, which begs the  
17 question to the voters: Do they want to give up  
18 control of their community.  
19 Now some personal observations. In the  
20 past boards I worked on, we looked at management  
21 companies. It's a good practice to look at  
22 management companies, but we couldn't get over the  
23 fact that no matter how we structured the contract,  
24 the management companies never had the same skin in  
25 the game as the owners.

29

1 Another personal observation, 25 years ago  
 2 when Hyatt built the Resident's Club next to the  
 3 hotel, the two companies were under the same  
 4 corporate umbrella. The Resident's Club has a  
 5 one-year contract with the hotel for services. It  
 6 is still a one-year contract 25 years later. So  
 7 companies in the same corporation have one-year  
 8 contracts.

9 Lastly, there are a number published  
 10 articles explaining the long-term risks of contract  
 11 that board's create for long-term contracts, both  
 12 the risk to the board and personally for the board  
 13 members. I recommend you read them. Please do your  
 14 due diligence.

15 Thank you for your service. I pray you do  
 16 the right thing.

17 MS. GUT: My name is Elise Gut, and I live  
 18 at 611 Fallen Leaf Way. I'm not here to give  
 19 advice. I'm here to speak as a very concerned  
 20 community member who has been here for 30 years.

21 I will start by saying that wish, more  
 22 than you can possibly imagine, how much I'd like to  
 23 keep this positive. However, with what the Board  
 24 majority of Sara, Matt, and Ray are threatening, it  
 25 is impossible. I continue to be amazed at how you

30

1 refuse to listen to the community in which you were  
 2 elected to serve. You are serving no one except for  
 3 yourselves. Your blatant abuse of power is  
 4 pathetic.

5 While it's common decency to be respectful  
 6 of our trustees, I ask myself how can it possible be  
 7 when there's absolutely no respect for me as a  
 8 long-time community member, let alone roughly 10,000  
 9 others.

10 I am not sure how you can sleep at night  
 11 knowing what you're doing a so wrong, something that  
 12 many of the people who elected and trusted you do  
 13 not want, something that is so wrong for this  
 14 community, and that if you have one decent human  
 15 cell in your body, you know that that's true.

16 You are willing to tie the hands of an  
 17 incoming Board of Trustees by issuing a three-year  
 18 contract. That's nasty, it's selfish, it's evil.

19 By the way, I can't wait to hear where the  
 20 money is coming from to pay for this. Please don't  
 21 embarrass yourselves or us by saying reserves, our  
 22 parcel owners who don't want this, the ones that are  
 23 going to end up paying for it.

24 You couldn't find anything to work  
 25 alongside of you. Do you think for a minute that

31

1 you should consider why? You bully the staff in  
 2 writing memorandums that aren't theirs. You write  
 3 them. You micromanage to infinity and beyond.

4 Basically, you failed to do that you've  
 5 been elected to do, what your responsibilities are  
 6 as trustees of this district. So you're going to  
 7 destroy what our founders put in place, which has  
 8 always been a very successful plan, so that you can  
 9 have your revenge. So that you can feel powerful?  
 10 So that you can totally disrespect the majority of  
 11 residents with a show of: We don't care what you  
 12 think? You just want to see this village burn to  
 13 the ground before the two of you leave, and I just  
 14 can't understand why.

15 Why did you purchase your home if you  
 16 don't like the amenities as they are? How dare you  
 17 change what generations of families love about this  
 18 community. Shame on you, Matt, Ray, and Sara. Just  
 19 know when you're gone, which can't come soon enough,  
 20 we will resurrect what we love so much about this --  
 21 (Expiration of three minutes.)

22 MS. HOLLAND: My name is Catherine  
 23 Holland. I've live on Pinecone Road, and I've been  
 24 a resident for 25 five years.

25 I have five points that I'd like to make

32

1 on the Troon proposal and outsourcing IVGID  
 2 operations.

3 I personally have over 20 years of  
 4 executive experience with outsourcing, both as a  
 5 customer and as a supplier, on contracts from \$20  
 6 million to over \$1 billion. This is has been in  
 7 multiple industries and governments around the  
 8 world, covering functional areas, including human  
 9 resources, information technology, accounting,  
 10 marketing, manufacturing, supply chain management,  
 11 utility infrastructure, and power plants just to  
 12 name a few areas.

13 Outsourcing can work; however, if, and  
 14 only if, the supplier has experience in all of the  
 15 areas that are in scope, and if they have experience  
 16 in qualified staff already on their payroll.

17 Further, as a for-profit entity, the  
 18 supplier must make money, and this can only happen  
 19 in one of two ways: Either they reduce the  
 20 outsources functions expensed by a minimum of 20 to  
 21 25 percent to meet their shareholders' expectations  
 22 or by increasing the cost of services they provide  
 23 to the customer. Neither of those is likely to  
 24 happen.

25 It's a bit unclear if IVGID is required

1 legally as a government organization per NRS 332.065  
2 to competitively bid out such a potential contract.  
3 However, given the size and scope of IVGID, no sane  
4 management team would sole source such a contract.  
5 By the way, Ray, you road on a platform  
6 that to competitively bid everywhere. Where are you  
7 now?  
8 It costs Troon a fair amount of money to  
9 review IVGID and to put together a proposal, and I  
10 feel fairly certain that they only did it under the  
11 impression that we were serious about such  
12 arrangement. How did this come about without being  
13 made public?  
14 I am a proponent of outsourcing when it  
15 makes sense. For IVGID, this is the case. Do not  
16 proceed, and the certainly lame duck trustees should  
17 not commit the next board to such a deal. Cease and  
18 desist immediately.  
19 Thank you.  
20 MS. MILLER: Good evening, trustees.  
21 First of all, I'd like to say I wouldn't  
22 be supportive of the Troon proposal that was  
23 presented. And I have a feeling you trustees  
24 wouldn't either. We had asked -- or you had asked  
25 for the HR director to look at options for us since

33

1 might need to reach out for this makeshift barf bag.  
2 The consultant obviously didn't understand the  
3 difference between a private club, his background,  
4 and IVGID. He doesn't understand that every dollar  
5 of operating losses at F and B has to be made up by  
6 the property owners. Apparently, he's been  
7 indoctrinated with this pervasive false philosophy  
8 that costs don't matter here. IVGID's overstepped  
9 the limits of its powers of public recreation.  
10 Bars, restaurants, catering, high-end golf shops are  
11 businesses. Those aren't public recreation  
12 services.  
13 I believe IVGID took on far too much for a  
14 public agency in a community of this size to operate  
15 and maintain. I think we've seen the numbers.  
16 People talk about keeping to the original  
17 plan, but they don't realize that according to one  
18 of IVGID's first trustees, the plan was that, except  
19 for the beaches, amenities would be privately owned  
20 and operated. Although the ski area might be close  
21 to be self-sufficient, it won't be in the near  
22 future.  
23 As much as this community loves having all  
24 these publicly owned and operated recreational  
25 amenities, it's time to accept the reality: If

35

1 we've had a difficult time. One of the options was  
2 to find a management company. Our HR director --  
3 apparently people haven't read this, but she had  
4 sought responses from several management companies  
5 and Troon was the only one to respond. And  
6 according to what we've heard, the HR director was  
7 the only one in communication with Troon.  
8 So this isn't the Board's proposal, this  
9 is from Troon, this is the only one that came back.  
10 Anyway, moving on, IVGID's day of  
11 reckoning has come. The mismanagement and inability  
12 to produce a clean ACFR will undoubtedly hamper if  
13 not rule out our ability to obtain bonds at a  
14 favorable rate. We've seen a partial list of  
15 deferred projects at the beaches and community  
16 services that total \$51 million, and add another ten  
17 if staff's rough estimates for the new beach house  
18 are accurate.  
19 Since the District realized upon facility  
20 fees for maintenance and replacement, not just  
21 operating losses, some other solution is necessary.  
22 Regardless of how this came about, IVGID's current  
23 recreational venues are unsustainable.  
24 And after a quick reading of the  
25 \$23,000-plus F and B report by Chris Sartains, I

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1 IVGID's incapable of getting it's house in order,  
2 someone else will.  
3 MS. WELLS: Kristie Wells, Incline Village  
4 resident.  
5 I'm here to address the proposal on  
6 tonight's agenda to outsource the management of  
7 IVGID. A majority of this board, Trustees Schmitz,  
8 Dent, and Tulloch, explicitly stated that  
9 outsourcing management was not an intention. Yet  
10 here we are with a proposal to do just that.  
11 This abrupt shift not only undermines  
12 public trust, but also suggest that this board is  
13 admitting its inability to manage its one employee  
14 that it has, the general manager. This is clear  
15 indication of failure on your part.  
16 The consulting firm being proposed is  
17 Troon management, specializes in golf and food and  
18 beverage. However, they lack experience in critical  
19 areas such as ski, parks and rec, governmental  
20 admin, and public works, areas that are vital to the  
21 successful management of IVGID. This significant  
22 gap in expertise is problematic, and sets a  
23 concerning president for our district.  
24 Furthermore, where is the funding for this  
25 unbudgeted item coming from? This is an essential

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1 question that remains unanswered.

2           Additionally, the noncancelable contract

3 presented by this firm is a major red flag. Have we

4 not learned the issues of General Manager Magee's

5 contract? Committing to such an inflexible

6 agreement could hamstring the District and tie the

7 hands of future leadership. A decision of this

8 magnitude should not be rushed or made without

9 extensive community outreach and discussion.

10           The prudent course of action would be to

11 assign an internal interim general manager until a

12 more permanent and well considered solution is

13 determined by the board seated in January.

14           Another item I'd like to address is the

15 letter submitted by the senior staff following the

16 release of the RubinBrown audit. The board majority

17 has actively undermined the reputation of our

18 dedicated staff and fosters distrust within the

19 District. This was amplified by launching yet

20 another audit while the finance department was in

21 the middle of addressing recommendations made by

22 Moss Adams.

23           The most frustrating part of this is of

24 the 41 observations that RubinBrown made, many where

25 similar to Moss Adams, and 16 of them have already

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1 too late to reverse the destructive efforts of

2 Schmitz, Dent, and Tulloch who have sought to

3 dismantle our GID, drive discontent, and destabilize

4 our financial footing.

5           Thank you.

6           MR. KATZ: Good evening. Aaron Katz,

7 Incline Village. I have several written statements

8 I've given to Heidi in the hallway I asked to be

9 included in the minutes of this meeting.

10           I don't have much to say about this Troon

11 contract, except I hope the people here read this

12 staff memo, because there's something else looming

13 out there who is worse than Troon, and his name is

14 Bill Horn. He used to be a general manager here,

15 and I guess he wants to come back and inflict

16 everything wrong on us again he did before. So when

17 you consider, please don't consider Bill Horn.

18           I'm going to talk about the EXL contract.

19 I, for one, have had it with our market manager, his

20 misguided views about media advertising, and he's in

21 bed, not literally, figuratively, with Wendy Hummer

22 of EXL Media.

23           He says his department doesn't have the

24 bandwidth to do his own media purchases. Would that

25 be because he spends his time as a publisher of a

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1 been completely fixed, per the words of General

2 Manager Magee on July 31st.

3           Staff is actively working on 18 other

4 items, and others will be addressed as necessary.

5 It's disappointing that Magee allowed this report to

6 released while he was on vacation without providing

7 an update to the Board or to the community, leaving

8 staff vulnerable to criticism and ridicule for a

9 period of three weeks.

10           The staff letter also revealed that many

11 oft he observations were factually incorrect, ed

12 without merit, or were written without the

13 involvement of consultation form key knowledgable

14 staff.

15           This board and RubinBrown's failure to

16 communicate crucial information to staff during this

17 process has created an environment of mistrust and

18 confusion. The transparency demanded from staff is

19 not reciprocated by this board, undermining the

20 principles of good governance.

21           December 31st cannot come soon enough. It

22 is imperative to install real leadership on this

23 Board of Trustees. The new board must focus on

24 constructive, community-centered governance to help

25 this district move forward. I just hope it won't be

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1 magazine? If he did his damn job, he would be able

2 to do, but he can't. And how does he measure

3 success of advertising by internet clicks and social

4 media impressions? That there's no evidence that

5 his advertising has general \$1 of additional revenue

6 we wouldn't have general if it were not for the

7 advertising.

8           He was told not to waste money on

9 billboard advertising, and yet he went ahead and did

10 it on Highway 80. It's this absolutely disgusting.

11 And then he has the gall to put in his memo that we

12 generated over a million impressions. Well, how do

13 you get an impression of somebody maybe looking or

14 maybe not looking at a billboard? It's absolutely

15 garbage. It's costing us \$255,000, a waste. End

16 it.

17           Furthermore, let the new board deal with

18 it. Maybe they think advertising is good, but don't

19 lock us in.

20           Now, finally, there's a history with Wendy

21 Hummer, I brought it out in my email to you, and

22 it's not a good history. It didn't work out well

23 many years ago when I first came to Incline. The

24 reason she lost the contract had nothing to do with

25 us trying to go out for bid to get an alternative.

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1 She was going things with our marketing manager at  
 2 the time. And I vowed at that point never, never,  
 3 never deal with that woman again on anything with  
 4 the public. And now she's back in the fold because  
 5 she's buddies with Paul Raymoore. I ask that you  
 6 not give her another contract.

7 Thank you.

8 MR. CARS: Bills Cars, full-time resident  
 9 since 2020.

10 The proposal for Troon contract is  
 11 outrageous. It's a desperate measure that's not  
 12 even in the budget. This board, specifically  
 13 Trustees Schmitz, Dent, and Tulloch, has spent huge  
 14 sums of money to hire a financial talent, Bobby  
 15 Magee, at elevated cost, then attempted to convert  
 16 Mr. Magee's contract to a general manager at even a  
 17 higher cost, when other GM applicants. All the  
 18 while, chasing senior staff away from the IVGID  
 19 umbrella through excessive micromanagement and  
 20 denying it the whole time.

21 The reason IVGID cannot hire is that our  
 22 trustees's reputation for leadership is abysmal.  
 23 People do not want to work here. The new solution  
 24 is not a contract with an outside firm who will then  
 25 hire and manage the GM. That's insane.

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1 It is so obviously your plan is to force  
 2 financial hardship on the residents then to walk  
 3 away from the problem. Trustees Dent and Schmitz  
 4 will time out in 2024. Please try to leave a viable  
 5 senior staff and not a scorched earth legacy.

6 For Trustee Tulloch, the recall dogs are  
 7 barking, but you can also have time to leave with  
 8 positive changes. The better recovery plan is to  
 9 manage with existing staff, selecting an existing  
 10 employee to be an acting GM, and to wait for the new  
 11 leadership to direct the path. Shore up the  
 12 financial team, get the financial and IT controls in  
 13 place. Those are valued areas that you can affect  
 14 positive change right now. I implore you to do so.

15 MS. CARS: Linda Cars.

16 I'm going to go off my presentation for a  
 17 few minutes because I do not believe for one second  
 18 that Erin Feore was behind the Troon. It speaks of  
 19 Sara and Ray. I don't think Erin did that without  
 20 somebody telling her to present.

21 I assume Troon will be the hot topic  
 22 tonight, which it was, and I want to touch on a  
 23 couple of other topics for new IVGID community  
 24 members.

25 For 19 months, the Board majority,

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1 Tulloch, Schmitz, and Dent, spent hundreds of  
 2 thousands of dollars on consultants which have not  
 3 improved the benefits or to the added to the  
 4 well-being. To date, no fraud has been found that  
 5 Trustee Schmitz was so concerned about.

6 Trustee Schmitz turned down a \$25 million  
 7 donation from the Duffield Foundation because she  
 8 did not agree with the scope of the project for the  
 9 Recreation Center. These funds were needed as this  
 10 was a huge loss, huge loss to the community. Due to  
 11 micromanagement, Trustee Schmitz and Tulloch forced  
 12 out all senior management except for one, resulting  
 13 in the loss of years of historic knowledge and good  
 14 employees.

15 Troon is not needed right now. This  
 16 current lame duck board should be respectful to the  
 17 community. A two-year contract is outrages. You're  
 18 trying to stick IVGID with an obligation outside of  
 19 budget and unnecessary. Ms. Herron is the only  
 20 person with the knowledge and background to assume  
 21 the GM job on a temporary basis.

22 Trustees Tulloch, Schmitz, and Dent, stop  
 23 what feels like you vindictiveness against Ms.  
 24 Herron. Her look in the mirror, try to leave a  
 25 positive legacy. Work towards solutions over the

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1 next six months, not spending money we do not have.  
 2 Stop assuming staff are incompetent, stop meddling,  
 3 set reasonable standards for staff to follow, step  
 4 out of the way and let them work. Do not put extra  
 5 layers of management on top of hard-working staff.

6 You just hired a new director of Parks and  
 7 rec. Give her time to work her job. She's highly  
 8 experienced. She applied for the GM job, let her  
 9 assume that temporarily if you cannot interview  
 10 Ms. Herron for the job.

11 Troon does not have the expertise to  
 12 manage a GID such as ours. You know that. They are  
 13 golf and hospitality specialists.

14 What is the end game of the three trustees  
 15 with two leaving in a few months? The community  
 16 wants the answers.

17 If you are considering Trustee Tulloch as  
 18 a candidate for interim GM, I suggest you cancel  
 19 this consideration, based on how he speaks down to  
 20 staff and treats them. Trustee Tulloch has not  
 21 followed the platform he ran on. Quote, adoption of  
 22 competitive bidding prices for all expenditures over  
 23 \$10,000.

24 Trustees, how can you even consider this  
 25 contract without other bids? How can you consider

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1 this contract without 30-, 60-, or 90-day  
 2 cancellation clauses?  
 3           There are so many internal solutions that  
 4 are workable and that will not increase costs. You  
 5 complain each board meeting about not having money,  
 6 this Troon contract is nonsensical and unbudgeted.  
 7           MR. VALDEZ: My name is Jim Valdez, and I  
 8 moved to Incline 40 years this month. I lived in  
 9 Steamboat Springs for seven years, and the reason I  
 10 moved to Incline Village was because of the small  
 11 town atmosphere and the wonderful amenities it  
 12 offered for the residents.  
 13           Trustees work to improve the District to  
 14 include recreation and utilities dissention from  
 15 residents overall. Sara, since you have been a  
 16 trustee, you and the other two have cost residents a  
 17 \$26 million donation, which would have improved the  
 18 rec department for everyone, especially the  
 19 children, while driving down morale of employees and  
 20 residents. You've deprived employees living outside  
 21 the District of beach access and dove down our punch  
 22 passes to \$92, which are cost the District around  
 23 \$400 in lost revenue from each resident.  
 24           These are a few things the Board has done  
 25 without consideration or input from the community,

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1 and I could go on.  
 2           When you and Matthew Dent were going to be  
 3 recalled, it was ironic that 1,801 signatures or  
 4 petitions were needed, and even though there were  
 5 over 2,300, 500 or so got rejected causing you not  
 6 to be recalled. But when you realized you were not  
 7 going to get voted in for another term, it was time  
 8 to get out of Incline. I wondered many times and  
 9 I've talked to many friends wondering what you and  
 10 the other two were going to come up with as a  
 11 farewell F Incline Village, and it looks like the  
 12 Troon proposal is it.  
 13           Good riddance, wherever you're going on,  
 14 and if I can do anything to help you move out  
 15 sooner, let me know.  
 16           MR. JANSEN: Hello. My name is John  
 17 Jansen. I live on Alpine View Drive.  
 18           I'm an emphatic no on the contracting out  
 19 the management of IVGID to the Troon company. The  
 20 proposal to contract out the management of IVGID to  
 21 a for-profit company is monumental change to the  
 22 structure of this community.  
 23           This board is rushing into making this  
 24 decision out sufficient public input. Why are you  
 25 rushing this process? How can you even consider

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1 contracting out all of the management of IVGID to a  
 2 golf management company? This company has no  
 3 experience in managing ski resorts or a public  
 4 utility system. Your rationale for doing this makes  
 5 no sense.  
 6           By pursuing this process, the majority on  
 7 this board have failed in their fiduciary  
 8 responsibilities to the citizens of Incline Village.  
 9 You have proven to be incapable of overseeing the  
 10 management of IVGID.  
 11           Since the lame duck majority on this board  
 12 is derelict in their pensilities of stewards of our  
 13 assets, to most prudent approach and the one that  
 14 makes the most sense would be to wait six months and  
 15 have newly elected board members make this decision.  
 16 They will have the most current mandate from what  
 17 the voters in this town think of this proposal.  
 18           Using the slipshod, rushed, backroom deal,  
 19 no-bid process to make a change of this magnitude at  
 20 this time would be the most grotesque display to  
 21 date of the many bad faith dealings that the  
 22 majority of this board has shown to the citizens of  
 23 our community over the past few years.  
 24           I demand you reject this Troon proposal  
 25 and stop the destruction of our community.

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1           MR. MIKE: Hi. Thanks for letting me  
 2 talk. Like of many of those here, I've never spoken  
 3 to you all before, but I couldn't sit and watch this  
 4 happen.  
 5           My wife and I have lived here since 2012.  
 6 We bought our home here in large part because of the  
 7 private beaches, golf, ski, and recreational  
 8 facilities. These are community amenities that, as  
 9 far as I understand, we actually own. Us.  
 10           Today, the trustees are considering  
 11 outsourcing management of some or maybe all of these  
 12 community amenities. I am solidly opposed to this  
 13 plan, and I'd like to share my concerns. The gist  
 14 of it is that I think there is a fundamental and  
 15 irresolvable conflict of interest between that  
 16 residents' interest and those of any outside  
 17 management company.  
 18           The first issue is the incentive  
 19 structure. Once the contract is signed, the  
 20 incentive structure of Troon cannot be made to align  
 21 with our interests. Their motivation will be to do  
 22 whatever they need to do to renew their contract.  
 23 And if there's a bonus available to them, they will  
 24 do whatever they need to do to achieve a hundred  
 25 percent of that. Top line revenue and expense

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1 management will undoubtedly be a huge part of that  
2 metric.  
3 I question how something soft, like  
4 resident satisfaction or access to the amenities,  
5 could ever rate against a hard metric like operating  
6 profit. And as an outsourcer, they will demand a  
7 hard metric, some that they can be measured against.  
8 I know. I used to be in the outsourcing business.  
9 Second fundamental issue is that the  
10 general manager would not report to the Board of  
11 Trustees anymore, but we would pay their salary. So  
12 that means that the very person charged with running  
13 things day to day won't even report to the Board of  
14 Trustees. To me, it's a showstopper, you don't  
15 even have to go any farther.  
16 The third issue, I think I've touched on  
17 relating to the incentive structure, the amenities  
18 would inevitably become a profit center, with higher  
19 fees overall and probably a shift away from use by  
20 the residents to non-residents. Troon management is  
21 well known for its Troon Card, they advertise access  
22 to all kinds of golf courses. Good case in point --  
23 don't know if you all know this -- if a single  
24 person tries to get access to Troon North, they  
25 won't even take a tee time in the morning by a

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1 you and dearly love you. Somebody else, Scott, we  
2 lost, and we're going to miss you so much, Ronnie.  
3 The brain trust in this room is so awesome  
4 that I'm not going to be redundant. But I -- with  
5 the exception of maybe three speakers, I give a  
6 standing ovation to what has been said here.  
7 What I can add to what has not been said  
8 was yesterday, I made a phone call to Alexis Hill.  
9 She is a Washoe County commissioner. When I told  
10 her that an outside group may come in at an expense  
11 of about \$300,000 a year over three years, her voice  
12 raised, this woman raised her voice on the phone and  
13 said to me, "There is no money." I spoke a little  
14 bit more about what I had heard, she raised her  
15 voice one more and said, "There is no money." And  
16 then she said, "Well, there would be money if they  
17 would augment the budget."  
18 Augment a budget? I thought we were under  
19 a freeze because of this audit and all the things  
20 that you guys are finding out about ridiculous  
21 over-costs, things like, that from previous years.  
22 Here's what she did say -- and this is a  
23 note for all of us -- she said, "If any contract is  
24 to be made, it's only to be made for 30 days." And  
25 the reason she said that 30 days is because that's

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1 single person. You have to find another threesome  
2 to join, you're on your own. They will only take a  
3 foursome.  
4 We've got a great golf course here. And  
5 although you might not be golfers, you might not  
6 care, these amenities add value to our properties,  
7 and if we destroy that value, it is really going to  
8 hurt us as property owners.  
9 Finally, and this may be a long shot, but  
10 I don't want to see this as a nose of the camel at  
11 the end of the tent of eventually selling these  
12 community amenities. These amenities are ours, I  
13 want them to remain in the community, and I would  
14 hate to see Troon ganging up with a big bond company  
15 that taking this thing private.  
16 The trustees, you're playing with fire,  
17 and I ask you to please go slow and note make a  
18 decision on this.  
19 MS. RICHARDS: Good evening, board  
20 members. My name is Sandra Richards, and I live on  
21 Ski Way. I've been a member of this community since  
22 1978.  
23 I want to thank Ronnie for her work and  
24 dedication in this community. There are people in  
25 this town you might not even know who dearly respect

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1 what all the rest of Washoe County does in their  
2 contracts, so it is the norm in Washoe County to  
3 give a 30-day window to make sure you're doing the  
4 right thing. I'm sure this consulting company won't  
5 go for 30 days.  
6 Thank you.  
7 MS. JEZYCKI: Good evening. Michelle  
8 Jezyski, Incline resident and candidate for IVGID  
9 trustee.  
10 Before beginning my comments on the agenda  
11 topic of the evening, I want to pay respect to a  
12 gentleman who has recently passed. Dominic Spallone  
13 was not only a local business owner, but he was an  
14 instrumental IVGID board member and my childhood  
15 neighbor. He ran for IVGID with the slogan: No  
16 baloney with Spallone.  
17 Speaking of which, the proposal, the Troon  
18 proposal to manage our village is more than  
19 polarizing, it is simply wrong. Why is it that you,  
20 as a board, are so keen to outsource your own duties  
21 in managing your one employee and asking us to pay  
22 twice, again, hiring consultants for our  
23 consultants. And for what? As we've seen with  
24 previous contracts, why should we allow board  
25 members another opportunity to meddle in the

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1 direction, scope, outcome, recommendations, and even  
 2 findings of contracts to fit their narrative. This  
 3 is absurd. We heard discussions about transparency,  
 4 yet we continue to operate in an antithetical  
 5 manner.  
 6           On one hand, we have graphs and  
 7 reiterations of the sky is falling, payroll far  
 8 exceeds our budget, et cetera, et cetera. How,  
 9 then, can you begin to entertain a three-year, \$1  
 10 million-plus proposal by a consulting firm who has  
 11 no experience with what our original ordinance  
 12 charges IVGID with managing? That being Public  
 13 Works. Additionally, from which budget will this be  
 14 drawn?  
 15           This makes no sense, and it is actually  
 16 reckless business behavior.  
 17           To HR director Feore's defense, it appears  
 18 she may be following the guidance of the Board.  
 19 Does she not take direction from the GM, the only  
 20 employee the Board supervises?  
 21           If the direction was given by the GM, it's  
 22 standard procedure for HR to issue an RFP. This is  
 23 the only way to ensure a completely transparent and  
 24 fair process. The fact that this is not how this is  
 25 being handled does nothing but build further

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1 suspicion and distrust, as does the pace at which  
 2 some of the Board are trying to ram this through.  
 3           Better yet, why not use one of our  
 4 prepaid, often predetermined, FlashVote surveys that  
 5 the Board has purchased to ask the community which  
 6 direction they would like to see of filling of the  
 7 GM position, and how they would like to see our  
 8 village managed.  
 9           After all, the Board serves the community,  
 10 and Incline is rich, as we've heard tonight, with  
 11 business experience, expertise, and ideas.  
 12           Additionally, I draw your attention to the  
 13 NRS 318.098, assistance from -- can you please turn  
 14 that off? Assistance to district from county  
 15 officers. Why not enlist the assistance in this  
 16 management effort through the county as a resource?  
 17 This way, we only pay for services with no upcharge  
 18 or markups, and a far more fiscally responsible  
 19 option.  
 20           The agenda item is not ready for prime  
 21 time, there's still much work to be done. If you  
 22 insist on a management company doing your work and  
 23 the GM's work, starting with casting a proper net,  
 24 would be RFP, and not indulging hand-picked  
 25 board-led or not consulting firms.

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1           I you urge to listen to your community,  
 2 take a break for station identification and complete  
 3 necessary and professional processes.  
 4           I have mentioned before, given we will  
 5 inevitably have a new board voted in in less than  
 6 three months, please appoint an interim GM through  
 7 the end of the year. Do the proper research, lay  
 8 the groundwork, and let the new board lock our  
 9 community into the next leadership hire.  
 10           In the vein of collaborative and community  
 11 spirit, you have the chance to do the right --  
 12           (Expiration of three minutes.)  
 13           MR. HOMAN: Mick Homan, Incline resident  
 14 and candidate for IVGID trustees.  
 15           I strongly urge the trustees to reject the  
 16 proposal to hire Troon or another consultant to  
 17 manage the district. I believe this would be a  
 18 tremendous mistake for IVGID, its residents, and  
 19 staff.  
 20           The proposal has many red flags. It adds  
 21 an unnecessary layer of management. We'd then Troon  
 22 as a management company, then Troon would hire the  
 23 GM. The GM wouldn't even work for IVGID; they'd  
 24 work for Troon. We would have redundant management  
 25 and related costs. We pay Troon a management fee of

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1 around \$325,000, plus we'd directly reimburse Troon  
 2 for a hundred percent of the cots of the GM they  
 3 hire to manage the District.  
 4           To make matters worse, they're proposing a  
 5 three-year contract, no cancellation provisions in  
 6 years one and two, and only limbed ability to cancel  
 7 in year three. Is that even legal?  
 8           What's even more troubling is that Troon  
 9 has virtually no experience dealing with anything  
 10 other than traditional golf and related -- club  
 11 related recreational amenities. That's what they  
 12 are known for and that's what they promos. And the  
 13 reputation in that area is the mixed.  
 14           They have no experience in ski operations,  
 15 no experience in utilities or governmental  
 16 operations. Where will they get that experience?  
 17 They will get trained by IVGID staff and hire  
 18 externally for a GM.  
 19           In addition to managing the day-to-day  
 20 operations of the District, Troon would be  
 21 responsible for formulating annual operating plans  
 22 and budgets along with the five-year plans. Foolish  
 23 me. I thought the most important duty of the Board  
 24 was to hire and manage the GM, and then work with  
 25 the GM to formulate the District's short- and

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1 long-term operating and strategic plans.  
 2           So hiring Troon or any other company of  
 3 this type of arrangement would be a complete  
 4 abdication and outsourcing of the Board's core  
 5 responsibility. We have to ask ourselves: Why?  
 6 Chair Schmitz gave us a clue in a recent meeting.  
 7 She stated she couldn't see how any one individual  
 8 could possibly be capable of fixing our issues and  
 9 managing the District. I strongly disagree.  
 10           Despite what she thinks, this is not that  
 11 complicated. We have issues. And if we're being  
 12 totally honest, many of those issues are  
 13 self-inflicted.  
 14           Under this board majority, we've lost  
 15 unprecedented levels of leadership, staff, and  
 16 institutional knowledge. Anybody that watches the  
 17 dysfunctionality at board meetings understands why  
 18 current leadership is virtually paralyzed. The  
 19 Board gives conflicting direction and are wasting  
 20 effort and resources constantly looking backwards  
 21 trying to place blame rather than focusing on  
 22 solutions.  
 23           Each of our issues is solvable. We don't  
 24 need to outsource leadership to do that. We need to  
 25 hire a qualified leader, help them build out their

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1 leadership team, and then fill out the appropriate  
 2 org design.  
 3           If this board is incapable of doing that,  
 4 then simply get out of the way. Don't pursue an  
 5 obvious act of desperation that prevents the next  
 6 board from picking up the pieces and acting in the  
 7 long-term best interest of IVGID, its residents, and  
 8 staff. Myself and other candidates are more than up  
 9 to the task.  
 10           Thank you.  
 11           MS. USINGER: Caroline Usinger from  
 12 Jackpine in Incline Village, lived here since 1974.  
 13           I came here today to share a positive new  
 14 project with the Incline Education Fund called,  
 15 "Family Ties." It's a lending library of games and  
 16 projects for kids. But while sitting here, I  
 17 realized that I have to put aside all of that,  
 18 because the first thing is is this is a repetition  
 19 of what happened with Indra a year ago.  
 20           And I was involved with many, many board  
 21 meetings from that day on, and the consistent  
 22 reality of every single board meeting was that you  
 23 guys, meaning the three, Dent and Tulloch and our  
 24 dear chairman, refuse to listen to anybody. And,  
 25 therefore, regarding -- they -- nothing mattered

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1 nothing. Absolutely nothing. It was as if we were  
 2 in another world. So I know, unfortunately, or I  
 3 suspect, unfortunately, that you're going to ignore  
 4 all of these comments today like you ignored the  
 5 ones with Indra.  
 6           And so I'm talking today, for a minute, to  
 7 the community at large.  
 8           I picked up over 200,000 pieces of trash  
 9 in the Tahoe basin because I care about Lake Tahoe.  
 10 I care about the bikers, whose rides are ruined when  
 11 they see trash. I care about plastic pollution and  
 12 it getting into the lake. I care that people  
 13 visiting Tahoe see it's glory and not it's trash.  
 14 But most of all, I care that the people who live  
 15 here can enjoy Tahoe without focusing on the bad  
 16 things that a few people have done to ruin it.  
 17           Unfortunately, the Sheriff's Department  
 18 didn't share my caring and gave me tickets, and I'm  
 19 not picking up trash anymore. So I'm focusing my  
 20 caring on kids, but I'll explain that at a different  
 21 time.  
 22           Just a few years ago, we had an IVGID  
 23 staff that cared about our community. They let the  
 24 kids' golf team practice golf. Kids learned water  
 25 safety. If you had a special need, you could always

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1 go to the IVGID staff for a request for the  
 2 community and receive some kind of help. Indra  
 3 worked with the community, and the Duffield Boys and  
 4 Girls Club was founded. And the Duffield Foundation  
 5 was a major force in improving this community.  
 6           This board has ruined this. You pushed  
 7 out a caring staff only to replace it with auditors  
 8 and pencil pushers and consultants who live far away  
 9 from here. You pushed out the Duffield Foundation's  
 10 offer to improve the Rec Center.  
 11           But that isn't enough. Now you're giving  
 12 control over the entire community to an outside  
 13 corporation. Let's see, we've recently tried that  
 14 with the prison system, giving control to the  
 15 corporations, and that turned out to be a  
 16 disastrous, expensive disastrous experience.  
 17           MS. LAYLOR: My name is Angie Laylor, I'm  
 18 an Incline Village resident and retired CHRO for a  
 19 couple of fortune 100 companies.  
 20           The proposal to outsource management  
 21 oversight of IVGID to Troon makes no sense. Why  
 22 would you lock the District up for a three-year  
 23 arrangement that offers questionable value, above  
 24 and beyond what hiring what our own GM would do, but  
 25 most certainly adds material cost to the already

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1 fiscally challenged district?

2           The goals and interests of Troon do not

3 and will not align to those of the residents and

4 property owners of Incline Village. It's just a bad

5 idea.

6           It's disappointing that we find ourselves

7 in the position we are today, with rampant turnover,

8 stressed financials, overtaxed staff who are

9 constantly chasing their tails to try and satisfy

10 the latest whim, ill-conceived idea, or personal

11 vendetta of certain trustees, and in need again of a

12 new GM to lead the district.

13           Watching the board majority making bad

14 decision after bad over the past few years has been

15 like watching a slow motion train wreck. But it's

16 that leadership that got us where we are. Simply

17 put, you've failed and in a colossal way.

18           Please don't make matters worse on your

19 way out. Do not tie the District's and the new

20 board's hands in such a way that will cause more

21 turmoil and material costs to dismantle. Instead,

22 focus your energy on finding an interim GM to keep

23 the trains on the track until a more permanent hire

24 can be made.

25           The GM role for Incline Village should be

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1 a prime and highly sought-after career opportunity

2 in the market. With our amenities, location, and

3 quality of life, we should be able to attract a

4 candidate slate that is not only plentiful but

5 strong and well experienced.

6           Let's be candid, however, that is never

7 going to happen while this board majority reigns.

8 No one in their right minds would want to work under

9 these conditions with this vitreal, interference,

10 and micromanagement.

11           Troon or any organization like them is not

12 the answer for IVGID, particularly not now, when we

13 are in a state of transition. In fact, it's such an

14 illogical path to consider that it forces me to

15 question: What could be possibly be behind it?

16           Honestly, the only conclusion that I can

17 reach is that it is a vindictive exit maneuver by

18 one or two board members who are bitter with the

19 community that they couldn't get behind them. I

20 think they call that "scorched earth."

21           It's time to contemplate your motives,

22 check yourselves, and do the right thing for the

23 residents of this community.

24           Thank you.

25           MR. HITTNER: My name is Joe Hittner, 1401

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1 Tirol, over 50 years in Tahoe.

2           Was out golfing today. It was fantastic.

3 I heard that we were outsourcing to Troon, and it

4 blew my mind that we're doing this again, the

5 dismantling of the community just continues and it's

6 a sad thing.

7           Many of these folks did more research than

8 you all apparently did in looking at the Troon

9 contracts, looking at what that cost would be to us

10 as a community, and have no idea how Troon is run

11 elsewhere. They are a corporation, publicly traded,

12 others have said this. They are a for-profit

13 entity, they're going to get those profits however

14 they deem fit at the cost of services for our

15 community. If you've been on their courses, they're

16 not as pristine as ours. They're great. I've

17 played a bunch of them. I'm actually a Troon

18 member, but I would not choose them over our own.

19           Our staff has the knowledge and

20 understanding of how to run these things. God bless

21 them if they show up here and think how they can

22 winterize the golf course, let alone run a ski

23 resort. Forget that. They know nothing about this.

24           It's upsetting to me. And as others have

25 called out, I wish you'd rethink what this. If this

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1 is your exit plan to leave -- love the scorched

2 earth reference, because that's what it is.

3           Everything that you guys have done to

4 dismantle this community, dismantle our community

5 has hurt us and it's not for the betterment.

6           And I will leave on a positive note:

7 Thank you for not running again. Super happy.

8           MS. COPPERUD: Hello. My name's Joann

9 Copperud. I've owned a home in Incline since 1989.

10 I've only been a full-time resident here and voter

11 for two years.

12           I have a graduate degree in public

13 administration, so I like to think I have some

14 expertise in the public arena, although I know

15 expertise is not popular in certain political

16 circles these days. Nonetheless, I have a lot.

17           I spent my career in both the public

18 sector and as the managing principal of an

19 environmental regulatory compliance consulting firm.

20 By far the majority of my clients were state, local,

21 federal, and special district clients in the public

22 works department. I cannot stress enough what a

23 special culture that is. It's not a culture like

24 any other. Although I am not a professional

25 engineer, you got to know and you got to like

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1 engineers that get a long with the people in that  
 2 world. I seriously doubt that Troon can bring  
 3 anybody to the table who understands that  
 4 engineering world.  
 5 This is a huge, huge piece of what are  
 6 issues here in Incline. And while -- right now, I  
 7 would say that the pros for Troon are battling about  
 8 .001 percent, I doubt that we are going to change  
 9 your minds, but at least we get to get it off our  
 10 chest.  
 11 The other thing I'd like the bring up is  
 12 the issue of unionization. We know that our Public  
 13 Works department is unionized. I would put any  
 14 amount of money, not a gambler but I might be in  
 15 this case, on the fact that if Troon comes in, you  
 16 will see our administrative staff unionized. Within  
 17 two years, this will be a union employment  
 18 situation. I think that that would be not to the  
 19 benefit of the community, however, at this rate, it  
 20 might be to the benefit of our staff, it might help  
 21 improve our ability to recruit and retain employees.  
 22 Again, those of you who are departing, we would like  
 23 to have you think of that as part of your legacy.  
 24 Thank you very much.  
 25 MR. ATTEBERRY: I'm Thomas Atteberry. I

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1 live at 824 Tyner Way. Moved in at Incline in 2005.  
 2 I'm a retired partner the an investment  
 3 management firm. I spent 40 years analyzing and  
 4 researching public company's debt and equity. I  
 5 usually spent time away from the financial  
 6 statements to look at the board members and  
 7 management and see how they acted, what they did,  
 8 and why.  
 9 I was a fiduciary. I was responsible for  
 10 \$14 billion. It was not money; it was somebody  
 11 else's money. And my responsibility was to act as a  
 12 prudent man, is what the rule was.  
 13 When I listened to everyone and what they  
 14 said, the few things that I've read, I am  
 15 disheartened by the fact that this board, to a  
 16 person, has not acted in a fiduciary responsibility  
 17 and hasn't acted in the best interest of its  
 18 clients, which are these people back here and  
 19 everybody that lives up here. And I come to that  
 20 conclusion because you didn't follow policies and  
 21 procedures, you didn't investigate, you didn't  
 22 analyze, and you didn't research to come to your  
 23 decision. That, I find appalling, because I'm  
 24 pretty darn sure that each and every one of you is a  
 25 very bright person. You're not dumb, not criminals,

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1 not evil, you're none of those things. I just fail  
 2 to understand: How could you miss this?  
 3 You may find yourselves in more difficult  
 4 situations, personally, if you move forward and  
 5 somebody decides to go you did act in an imprudent  
 6 manner. To me your prudence at this point is you're  
 7 in a difficult spot, you might be best to go, you  
 8 know, I think I'm just lay this to the next board,  
 9 give them the information I have, and let them make  
 10 the decision. It may be in your best long-term  
 11 financial and personal interest, because you've  
 12 gotten yourselves into a very difficult situation.  
 13 Good luck.  
 14 MS. HUSSONG-JOHNSON: Good evening,  
 15 trustees and staff. I appreciate the opportunity  
 16 for public comment. For the record, my name is  
 17 Sarah Hussong-Johnson, 785 Mays Boulevard. I'm a  
 18 property owner and I've lived in Incline, full time,  
 19 for over ten years.  
 20 I'm a working professional civil engineer  
 21 with over 25 years of experience in public works  
 22 infrastructure. And finally, I'm a member of the  
 23 IVGID Capital Investment Committee.  
 24 My comment today is focused on agenda item  
 25 G 1, which recommends that Board of Trustees engage

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1 a golf course management company, Troon, for a  
 2 three-year agreement to recruit and hire a general  
 3 manager to oversee the operations of the District.  
 4 I agree with all the public comment  
 5 focused on the generic, sole source, and  
 6 inappropriate nature of Troon's proposal, which has  
 7 been clearly articulated this evening.  
 8 My comments are focused on the significant  
 9 services of the District that are not related to  
 10 recreation: Our essential services of producing  
 11 clean water for drinking and fire protection, and  
 12 for the collection and treatment of sewage.  
 13 Incline Village General Improvement  
 14 District was established in 1961 to provide water,  
 15 sewer, trash, and recreation services to our  
 16 community. IVGID owns and operates a robust public  
 17 utilities system. To be clear what we're  
 18 discussing, I'd like to give some examples of what  
 19 this system some comprises.  
 20 An 8.5 million gallon per day water  
 21 treatment, a 2 million gallon per day sewage  
 22 treatment plant, 13 water pump stations, 20 sewer  
 23 pump stations, 13 water tanks with over 7 million  
 24 gallons of storage, 100 miles of water lines, 850  
 25 fire hydrants. I could go on.



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1 A general manager responsible for  
 2 operating and maintaining a public utility requires  
 3 experience, knowledge, and careful attention to the  
 4 long-term planning, maintenance, and reinvestment in  
 5 public infrastructure. This is not a job to be  
 6 outsourced, let alone for a for-profit management  
 7 company.

8 The current board should not obligate the  
 9 future board or our community to a management  
 10 structure that is not desired by the community you  
 11 represent. I respectfully request that you listen  
 12 to your constituents and leave future management  
 13 decisions to the newly elected Board of Trustees.

14 Thank you for your time and your  
 15 consideration.

16 CHAIR SCHMITZ: Do we callers online,  
 17 public comment?

18 MR. BELOTE: We do, Chair.

19 MR. LIVELY: Good evening, trustees.  
 20 Thank you for taking my call. I am David Lively. I  
 21 live on Wedge Court.

22 I largely echo all of the comments made  
 23 this evening, and so I will truncate some of the  
 24 ones that I've intended to talk about. But it's  
 25 clear to me that the human resources director exceed

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1 what she was asked to do, and that was find a new  
 2 interim manager to aid in the transition until the  
 3 new board was selected this year.

4 The decision to seek outside management  
 5 could be made only after significant public meetings  
 6 and input to engage the residents' taste for this  
 7 type of massive structural change in the structure  
 8 of IVGID.

9 Submitted proposals overemphasize  
 10 amenities and ignore the significant infrastructure  
 11 and financial responsibilities of management, Troon  
 12 has no experience on any of these important issues.  
 13 They also lack any description of what amenities  
 14 will actually be managed by Troon or what financial  
 15 goals are being contemplating.

16 Finally, the decision on these issues  
 17 should not be made by this board. To call you a  
 18 lame duck is a little insulting, but it's true.

19 Many of you will not be here after November  
 20 elections, and this should be left to the incoming  
 21 Board of Trustees who will be around to deal with  
 22 the decisions made on this issue.

23 Leave -- appoint an interim GM until the  
 24 new Board of Trustees is installed at the beginning  
 25 of 2025 five .

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1 Thank you.

2 MR. NOLET: Chris Nolet, full-time  
 3 resident, former Audit Committee chair through  
 4 February of '24.

5 I'm going to reiterate a few comments from  
 6 last week, and then address a few of the comments  
 7 made tonight.

8 The RubinBrown report did not define  
 9 fraud, therefore, I'm at a complete loss to  
 10 understand how they could say they didn't see any.  
 11 As I said last week and as I said many times  
 12 last year, as did Bobby Magee, Statement on Auditing  
 13 Standards No. 99, consideration of fraud in a  
 14 financial statement audit, there are multiple,  
 15 clearcut findings of financial reporting fraud in  
 16 the RubinBrown report. Anything conclusion to the  
 17 contrary is simply naive.

18 To answer questions in the public domain,  
 19 the \$7 million of out-of-balance circumstance  
 20 between the general ledger and our main operating  
 21 bank account at June 30th of 2023, was a finding on  
 22 page 14 in the RubinBrown report. You can find it  
 23 there.

24 Next, the senior team response to the  
 25 RubinBrown report, without input from the general

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1 manager who is their boss, really screams of lack of  
 2 any intellectual integrity. After months of being  
 3 asked these questions by RubinBrown professionals,  
 4 how could they possibly be surprised the findings.  
 5 Please.

6 I've got to say this, Sarah Schmitz, I  
 7 told you directly in February of 2024, promoting  
 8 Magee to GM would result in both him and Cripps  
 9 bailing. I'm sorry to say, here we are. That said,  
 10 Troon is not the solution. Catherine Holland, Keith  
 11 McKinnon, Sara Johnson, Mick Homan, and many others  
 12 have been very enlightening tonight with their  
 13 recommendations and they observations.

14 Engaging Troon would be a new race to a  
 15 new bottom for IVGID that we can't afford  
 16 operationally or the expense.

17 Thank you.

18 MS. KNAAK: Hi. Yolanda Knaak, Incline  
 19 Village resident.

20 I just wanted to, first, say that I agree  
 21 that Troon is not the answer. I don't agree with  
 22 Horn either. I think we should just continue to  
 23 look for someone that would be able to do a good  
 24 job.

25 I do want to mention the meeting tomorrow.

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1 Before I go into that, I do want that say that, you  
 2 know, I want to thank, actually, Dent, Schmitz, and  
 3 Tulloch for voting in favor of the forensic audit.  
 4 I'm hoping that people will understand that the  
 5 audit was maybe understated, that I think things are  
 6 even worse than what they came up with. And now  
 7 that it's all out in the open, we can fix it,  
 8 because that's the goal. The goal is to fix it, not  
 9 just slam three people that voted in favor of it.  
 10 I'm curious as to why Michaela Tonking and David  
 11 Noble did not vote in favor of it.  
 12 But, anyway, I do want to mention the  
 13 meeting tomorrow, which is the Committee on Local  
 14 Government. If you look at the agenda for tomorrow,  
 15 IVGID forensic audit is -- it's -- I thought had it  
 16 sitting right there. But, anyway, it's on the  
 17 agenda for tomorrow. I believe it will be -- and it  
 18 starts at 9:30, and it is in Reno. You can watch it  
 19 by Zoom. The address is 4600 6th Street, building  
 20 L, room 235. I want everyone to aware of that and  
 21 at least watch it on Zoom. I think it's a really  
 22 important meeting. Yeah, it's the IVGID forensic  
 23 audit, 4 B on the agenda.  
 24 Thank you so much.  
 25 MR. MILLER: Good evening. Charlie

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1 Miller, over 10-year resident, former IVGID  
 2 employee. I was with the Public Works department.  
 3 I'm not sure at all that I could state to  
 4 eloquently my opinions as everybody that has talked  
 5 tonight. So many former CFOs, public employees.  
 6 Ronnie Rector, happy to hear you.  
 7 The turnover of the senior team and the  
 8 institutional knowledge is directly related to this  
 9 board majority and some of these public, but they're  
 10 only a small minority.  
 11 I'm very proud of this community for  
 12 showing up, representing, speaking your minds  
 13 professionally, not insulting, but informed. That  
 14 makes me very proud.  
 15 Senior staff, I'm proud of them for  
 16 writing their rebuttal to the audit, stepping up to  
 17 that. They've done a lot of great work. Nobody's  
 18 perfect, but we are all trying to do great work.  
 19 Very proud of that.  
 20 I want to echo everything that the members  
 21 of the public have said today. These board members  
 22 that are leaving, it's completely irresponsible for  
 23 them to hire Troon that has no experience in public  
 24 works and managing this job. You're giving them a  
 25 résumé that they don't deserve right now. Golf

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1 course is fine, but we are so much more than that.  
 2 You're going to hamstring us into  
 3 two years paying probably over half a million. That  
 4 money should have gone into the Incline Beach House.  
 5 Matt Dent was part of that committee, and then they  
 6 pulled back because it was too much. Well, that  
 7 \$2.5-million building would have been gorgeous and  
 8 is now probably 6 or 7.  
 9 I encourage the Board to step back, let  
 10 the new board come in next year and make decisions  
 11 for the community.  
 12 Thank you very much.  
 13 MS. WHETSTONE: Hi. My name is Lynn  
 14 Whetstone. I live on Apollo Way. I have been an  
 15 homeowner in Incline Village for 35 years and a  
 16 full-time resident for 23 years.  
 17 I was previously a top executive in a  
 18 number of state departments in the State of  
 19 California, and I have a masters in public  
 20 administration.  
 21 I want to echo many of the comments that  
 22 were already made. I don't even know why we're  
 23 considering the Troon proposal.  
 24 The issue at hand should be: How do we  
 25 fill in -- how does the Board find an interim

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1 manager or acting general manager to fill in the  
 2 time until a new board can make a reasoned and  
 3 well-thought-out effort to hire a new general  
 4 manager?  
 5 And if there is someone from within the  
 6 IVGID staff who can do that, I from personal  
 7 experience that having an active manager from within  
 8 who sees this working for IVGID as their career,  
 9 they are going to be more dedicated to it that  
 10 somebody coming from outside, particularly since  
 11 we're talking about a short term.  
 12 I don't know the new staff, so I don't  
 13 know if there really -- who there is who is  
 14 available.  
 15 The other comment I did want to reiterate  
 16 that other people made is that the micromanagement  
 17 by this board ahs resulted in departure of a number  
 18 of really excellent top management staff and Indra,  
 19 the earlier general manager.  
 20 And I really want to speak to those who  
 21 are running for the board, please change that,  
 22 because that is what has really led to all the  
 23 problems we're seeing now.  
 24 I have told one of the current board  
 25 members that for four years, I worked as a division

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1 chief in a department that had a five-member board  
 2 that met twice a month, I never had direct contact  
 3 with a board member except at board meetings. I  
 4 just find it appalling that the Board continues to  
 5 set up more and more committees between involving  
 6 board and staff. That's not the way to go.  
 7 Thank you for listening to me, and I hope  
 8 you will make the right decision. Bye.  
 9 MR. QUINN: Hello. My name is Bob Quinn,  
 10 and I reside at 971 (inaudible) Boulevard, and been  
 11 a proud member of this community sin 2000.  
 12 Since that time, I have felt privileged to  
 13 use and enjoy our many outstanding amenities,  
 14 including our wonderful beaches, the Recreation  
 15 Center, Diamond Peak ski area, and last but not  
 16 least our two beautiful and challenging golf  
 17 courses.  
 18 During the vast majority of that time, I  
 19 took little interest in the management of these  
 20 venues because my family and I were quite satisfied  
 21 with how they were being managed. But all that  
 22 changed two years ago when the current board of  
 23 IVGID was seated and things began to change, and  
 24 sadly not for the better.  
 25 I need not go into the details that

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1 surround this sudden transformation since what this  
 2 board has done to destroy the many fine aspects of  
 3 this community are well documented.  
 4 Our leadership of IVGID has been decimated  
 5 with the resignations or dismissals of three general  
 6 managers in the past two years and countless other  
 7 senior members, or senior staff either being fired  
 8 or pressured to resign. These facts are a sad  
 9 reflection of this board's habit of micromanaging  
 10 every aspect of this community which has done but  
 11 generate low morale among the many fine employees of  
 12 IVGID.  
 13 Quite frankly, I'm appalled by the  
 14 unrealistically rapid move to seriously consider  
 15 outsourcing the management of IVGID to Troon. While  
 16 taking nothing away from the obvious successes of  
 17 Troon management of golf courses throughout the  
 18 nation and around the world, I seriously question  
 19 their ability to properly manage all aspects of a  
 20 government entity like IVGID.  
 21 To the best of my knowledge, they have no  
 22 experience in managing so an organization, and they  
 23 certainly have never managed a ski area. Why was  
 24 this proposal sprung upon the community by giving  
 25 only four days of advanced notice that such an

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1 undertaking was even being considered?  
 2 And now tonight, this board is prepared to  
 3 vote on the separate proposal, that I'm sure has  
 4 financial consequences for at least the next  
 5 two years, since the contract with Troon cannot  
 6 potentially be terminated by IVGID until September  
 7 of 2026.  
 8 The proposed contracts calls for a minimum  
 9 \$270,000 being paid to Troon per year, with the a  
 10 2.5 percent increase to be incurred on the contract  
 11 anniversary date each year. In addition, Troon  
 12 would be entitled to be paid an incentive management  
 13 fee of up to 20 percent of the base management fee  
 14 or an additional \$54,000 if certain performance  
 15 criteria were met.  
 16 Finally, the cost to source, hire, and  
 17 onboard a permanent general manager for the District  
 18 will be passed on to IVGID, which present another  
 19 \$300,000. Why is this board even considering such a  
 20 major change in district management when two members  
 21 of the current board will no longer be members after  
 22 December 31st?  
 23 Is this proposal is such a good idea for  
 24 the community to consider, why can't we wait until  
 25 three new board members are elected on the November

80

1 5th election, and let them take on this item for  
 2 consideration after they are seated on January 1st.  
 3 In summary, I strongly suggest and implore  
 4 upon this board to not make any decisions on this  
 5 proposal for the sake of and in the best interest of  
 6 the entire Incline Village community.  
 7 MR. DOBLER: This is Cliff Dobler.  
 8 Changing gears here. We're talking about  
 9 accounting.  
 10 In 2015, Linda Newman and I realized that  
 11 reporting of IVGID financials were not up to par.  
 12 In 2015, Pinkerton decided it would be more  
 13 beneficial to change accounting for community  
 14 service and beaches recreational venues to lower  
 15 operating and costs by eliminating depreciation and  
 16 capitalizing repair and maintenance costs. There  
 17 was no basis for the change from enterprise funds to  
 18 governmental funds.  
 19 The Department of Taxation provided  
 20 guidance, but never approved the change. Ike lied  
 21 to the board, stating approval was granted.  
 22 Over the next four years, we demonstrated  
 23 that governmental accounting should not be used. In  
 24 addition, we brought many other accounting issues to  
 25 the board but all were ignored.

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1 Sarah Schmitz, after joining the board  
 2 concluded that Moss Adams should be engaged to study  
 3 four areas of Linda mine accounting concerns. The  
 4 recreational funds had to go back to enterprise fund  
 5 accounting, punch card accounting was wrong, central  
 6 service costs allocations had no backup to support  
 7 the allocations, and abuse of capitalization of  
 8 expenses needed correction.

9 Twenty four additional items were  
 10 reviewed, most of which are Moss Adams agreed with  
 11 our recommendations. Very few were put into effect.

12 After I joined the Audit Committee, I  
 13 immediately began working on expenses which were  
 14 capitalized, reviewing three years of costs required  
 15 prior period adjustments of \$4.8 million to the  
 16 financial statements.

17 After leaving the Audit Committee, I  
 18 expanded to scope for charge-offs and is delivered  
 19 30 memorandums for review by the committee. Some  
 20 memos extended beyond capitalization.

21 Committee members Nolet and Homan  
 22 discussed the memos, but no closure report was ever  
 23 completed, even though several promises were made.  
 24 Nolett and Homan both resigned from the committee  
 25 shortly therefore.

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1 analysis by RubinBrown. There's problems with  
 2 Incline, lots of problems, a lot of our money is  
 3 going out the door, we're not seeing the best for  
 4 our venues, things are wrong here, things are broken  
 5 here.

6 And I can tell you right now, the majority  
 7 of the Board in the next election better have people  
 8 who care about this place and not people who care  
 9 about what' best for them. So do a good job when  
 10 you look at your candied and find out what their  
 11 motivations are for running and think about their  
 12 capabilities of fixing what's wrong here.

13 I don't think they can be fixed. I think  
 14 it's so bad that we are going to be taken over by  
 15 something else. Not by this Troon. Maybe by the  
 16 county or the state. That's how bad or finances  
 17 are. You got \$7 million that are just not accounted  
 18 for. \$7 million, and you're worrying about paying  
 19 Troon X amount of dollars to come in here and help  
 20 straighten this place out.

21 I don't think Troon's is the answer. I  
 22 think there are better answers. But I don't think a  
 23 new board is the answer, and I don't think slapping  
 24 this board in the face, because they've been trying  
 25 to fix the mess.

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1 For two years, members of the rag-tag  
 2 committee were in a revolving door and nothing was  
 3 accomplished. The memos were shoved under the rug.

4 Based on my extensive work, I believe that  
 5 a charge-off on an additional 10.8 million before 2  
 6 million depreciation will be required.

7 RubinBrown's report indicates, under  
 8 observations 8 and 9, related to charge-offs of  
 9 repairs and maintenance have a high degree of fraud  
 10 risk. No audited financial statements for 2024 can  
 11 be expected due to the high degree of fraud which  
 12 exists and has not been addressed.

13 Thank you very much.

14 MR. WRIGHT: Frank Wright, candidate for  
 15 the Board.

16 I've listened to everything tonight and  
 17 listen to everybody. We have some pretty talented  
 18 people in our community, which I'm glad to see come  
 19 out of woodworks and give their two cents. It is  
 20 interesting that people so many solid answers to all  
 21 these questions and they are bringing up stuff  
 22 that's an absolute ridiculous statement made at this  
 23 time.

24 We're looking at trying to fix something  
 25 that has been identified by a forensic fraud

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1 Now, while I was watching on live stream,  
 2 I was kind of curious to look out that window behind  
 3 Michaela and all the people driving out. They give  
 4 their two cents and they run. Why are they not  
 5 sticking around and listening to other people who  
 6 are talking? And I'm talking about car after car  
 7 after car. I'm guessing the room is pretty empty  
 8 right now. I'm online. But if the people care  
 9 about this community, they'd stick around.

10 As far as this suggest and proposal, I  
 11 think it's got a lot of flaws. I don't think  
 12 there's a lot of things in place are going to give  
 13 us guarantees that these things that we have are  
 14 going to be fixed and all the money that we have  
 15 that is going to come back to us and not keep going  
 16 out the door.

17 As far as statements made tonight about  
 18 employees leaving, a lot of these employees left  
 19 because they got caught. A lot of these employees  
 20 left because things were not looking good and the  
 21 heat was getting on them. Don't give them credit  
 22 for leaving. And they weren't the valued employees,  
 23 they were the employees we had a lot of suspicions  
 24 about.

25 We need to fix this place and make it

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1 better or our community. Please, please stop with  
 2 all the finger pointing, and let's see what really  
 3 is --  
 4 (Expiration of three minutes.)  
 5 MR. ABEL: Mike Abel.  
 6 Last week, I presented this board with a  
 7 seven-point program to get IVGID on an even keel,  
 8 but naturally, no response.  
 9 I ran a successful office supply business  
 10 for 30 years, made a profit every year, paid my  
 11 loyal employees well, including health care  
 12 benefits, vacation, 401k. None of our trustees  
 13 except Tulloch have ever had to meet a payroll on  
 14 Friday afternoon.  
 15 IVGID is essentially a group up of  
 16 businesses that you guys are supposed to manage.  
 17 Lack of business experience and you're four  
 18 trustees' lack of skill set to run IVGID. Nobody on  
 19 the Board likes Mr. Tulloch, but he's the only one  
 20 here with real down-home business experience.  
 21 So what' the board majority going to do?  
 22 Hire an outside consultant to come here and do their  
 23 job? How much is that going to cost? Are there to  
 24 be full-time, on-site managers? Where will they  
 25 live? How much do we pay them? How much do they

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1 charge an hour? All good questions.  
 2 Schmitz, Tonking, Dent, and Noble, you are  
 3 ignorant of business operations and lack backbone to  
 4 fire the corrupt, lying deadwood at IVGID. You are  
 5 all lazy and unwilling to do the hard work necessary  
 6 to hire honest, hard-working employees. You leave  
 7 the heavy lifting to an unqualified HR person to do  
 8 your work. Let me just repeat that: You leave the  
 9 heavily lifting to an unqualified HR person to do  
 10 your hard work.  
 11 You failed to take care of the community  
 12 and taxpayers because most of you are not invested  
 13 in long-term stability of IVGID. Schmitz is as good  
 14 as gone with her home at the point of sale. Dent is  
 15 basically a resident of Watsonville, California, at  
 16 this point. Look it up on the web. Tonking has a  
 17 rental home in Denver, Colorado, and probably lives  
 18 there. Noble, the laziest, nastiest, most worthless  
 19 trustee lives here, but he brings nothing to the  
 20 table. No creativity. Tulloch is the only trustee  
 21 with brains and business experience in turning  
 22 businesses around.  
 23 You four are so much at your useless  
 24 agendas and trying to be friends with people you're  
 25 supposed to manage who would stab you in the back,

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1 you can say that a possible -- and I do say possible  
 2 solution to IVGID's problems is siting right in  
 3 front of you.  
 4 So what are our trustees going to do?  
 5 Most likely nothing at all.  
 6 And, by the way, when you walk outside and  
 7 look around the IVGID property -- I live on  
 8 Southwood Boulevard -- every condominium association  
 9 here has cleaned their property up. IVGID's  
 10 properties look like crap and is a terrible fire  
 11 hazard. Every community as to mitigate the fire  
 12 hazard. Our -- every condominium association on  
 13 Southwood has. IVGID has yet to clean up their  
 14 property this year.  
 15 Thank you.  
 16 CHAIR SCHMITZ: Is that our last caller?  
 17 MR. BELOTE: Yes, chair.  
 18 CHAIR SCHMITZ: We will take a break until  
 19 8:07, and return back and begin with agenda item D.  
 20 (Recess to 8:05 p.m.)  
 21 CHAIR SCHMITZ: It's 8:07. We'll call the  
 22 meeting back to order. We will begin with approval  
 23 of the agenda.  
 24  
 25

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1 D. APPROVAL OF AGENDA  
 2 CHAIR SCHMITZ: I would like to ask legal  
 3 counsel, do we have the opportunity to move item  
 4 D -- I'm sorry -- item E, the reports to the board?  
 5 Can we change that order and put that after general  
 6 business?  
 7 MR. RUDIN: Yes.  
 8 CHAIR SCHMITZ: Okay. In light of the  
 9 interest on the subject, I'm wondering if the rest  
 10 of the Board is willing to move agenda item E,  
 11 reports to the board, to be the last general  
 12 business item or to be following general business,  
 13 so that we can begin with general business G 1,  
 14 which is the recommendation and direction relative  
 15 to the general manager's position. Is that Board  
 16 okay with making that change to the agenda?  
 17 Okay. So seeing that, we will move on to  
 18 general business G 1.  
 19 G. GENERAL BUSINESS  
 20 G 1. Pending Vacancy of the GM's Position  
 21 CHAIR SCHMITZ: Review, discuss, and  
 22 possibly approve recommended direction regarding the  
 23 pending vacancy of the general manager's position.  
 24 Requesting staff member, Director of Human Resources  
 25 Erin Feore. The material can be found on pages 40

1 through 43 of the board packet.  
2 MS. FEORE: Good evening. I'm going to  
3 take just a quick second to get set up because I  
4 have some notes. I wanted to make sure I hit all my  
5 high points.  
6 After receiving direction from the Board,  
7 feedback and the direction from the Board at the  
8 June 26th meeting, I reached out to a combination  
9 of -- I had begun my research with reaching out to a  
10 combination of management firms, of recruiting  
11 firms, placement firms. And then also I had a  
12 handful of individuals reach out and say, hey, what  
13 are you doing with the GM position? I might be  
14 interested.  
15 So over the course of that and the time  
16 was kind of smashed here, but ultimately, I did  
17 reach out to 15 different entities, we'll say. Of  
18 those, five engaged in conversation with me. Only  
19 one management firm engaged in conversation with me  
20 to talk about the District's needs and what their  
21 services provided. One was an executive recruiting  
22 firm, and then three individuals, ultimately, who  
23 had municipality experience had reached out and  
24 talked with me.  
25 Of the remaining organizations, six did

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1 and we don't have the resources available to support  
2 your team.  
3 I also do want to note, because I believe  
4 it's been stated before and I received personal  
5 comments about this, I did not do a cost analysis  
6 because the proposal was received after my memo was  
7 written. If so directed, that is something I can  
8 absolutely provide to the Board.  
9 Lastly, I just wanted to make sure that  
10 I'm stating very clearly that I wanted to provide  
11 you with an example of services provided by this  
12 management organization. As such, we did invite the  
13 Troon folks to come and present to the Board of  
14 Trustees an outline of their services, if so  
15 directed.  
16 And I can ask them to come up to the Board  
17 or I can answer questions.  
18 CHAIR SCHMITZ: Any questions?  
19 TRUSTEE TONKING: What scope of work did  
20 you provide to them in order to come up with this  
21 proposal?  
22 MS. FEORE: I don't have a formal scope of  
23 work. It was mostly just talking about our  
24 organization and some of the -- utilizing some of  
25 the consulting reports that have been made

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1 not respond despite repeated attempts to contact.  
2 And four either didn't offer the types of services  
3 that we requested, or they, basically, stated that  
4 they were not equipped to offer the services that  
5 they believed they understood from our organization,  
6 having watched some of our board meetings and read  
7 up on our organization.  
8 At the July 10th board meeting, the  
9 Board's majority opinion was that I focus my  
10 research into a management-type firm. So as  
11 directed, I work with Chair Schmitz to make contact  
12 and work with Troon, which is a management company,  
13 the only management company I had spoken with  
14 previously, and its vice president, Joe Goodrich,  
15 along with a few of his associates.  
16 Working with chair Schmitz, we had a few  
17 conversations with Joe and his team so that I could  
18 provide them with as much detailed information as I  
19 could about our organization -- or organization and  
20 its operations.  
21 I wanted to make this clear at this time:  
22 Troon was only organization that reached out to me  
23 to provide services that they offer. I was not able  
24 to speak with other management firms outside of  
25 those that just said your organization is unique,

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1 available. I spoke with them about what I  
2 understood, based on the feedback that I received  
3 from the Board, were our needs.  
4 TRUSTEE TONKING: I have more questions,  
5 but I'll wait to hear from Troon to see if they  
6 answer them.  
7 TRUSTEE TULLOCH: I mean, you're  
8 absolutely correct, this did not go out as an RFP  
9 proposal. This is basically an RFI, this is  
10 basically finding something there.  
11 I hear your nervousness. Don't be  
12 nervous. The irrigations are directed at the Board,  
13 not yourself, please don't take it that way. I find  
14 it disappointing that the community's aiming at you.  
15 But -- and again, just for clarity, this  
16 is not a contract we've been asked vote on, that is  
17 correct, isn't it?  
18 MS. FEORE: No. This is just an indicator  
19 of their services.  
20 I know that there was a proposal that was  
21 indicated. I believe the reason why they included  
22 that information is because they knew that would be,  
23 ultimately, a question of the Board, what kind of  
24 money are we looking at to pay for these services?  
25 So, no, this is not a contract that would

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1 have much involvement with our general counsel.

2 TRUSTEE TULLOCH: Having done some of

3 these contracts, I know how much work goes into and

4 how detailed they have to be. Thank you.

5 CHAIR SCHMITZ: I, too, just want to thank

6 you for your diligence. And we really directed you

7 to focus on what management companies could bring to

8 the table, but you went the practice step. You went

9 and you followed up with people who are brought to

10 your attention from BBK.

11 I commend you for giving us alternatives

12 to, once again, consider. And thank you for the

13 effort.

14 And I think that if Troon would like to

15 share their thoughts on how they could potentially

16 assist the District and assist the Board, I think we

17 would like to hear from them.

18 MR. GOODRICH: Good evening. First and

19 foremost, thank you to the Board of Trustees for the

20 time. It's great to be here. It's a nice reprieve

21 from the Arizona heat this time of year. You guys

22 certainly have a little piece of heaven up here.

23 Please, first and foremost know, we're not

24 here to make any decisions. We're simply here to

25 have a conversation and allowing the Board of

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1 Trustees to make the best decision moving forward.

2 It's a conversation, we're going to highlight our

3 management approach and how it may be of benefit as

4 things move forward.

5 While it's not always pleasant to hear

6 feedback, we are a professional organization, and

7 the comments are certainly understood. We'll do our

8 best to address each of those as we go through the

9 presentation. The passion for community is

10 commendable and respect everything that's been said

11 to this point. Again, we appreciate the time.

12 That said, we've got a quick, 15-page

13 PowerPoint presentation that will further highlight

14 the proposal that we were appreciative to submit.

15 We're going to look to make our initial

16 introductions. We'll highlight our experience and

17 capabilities, certainly talk through the proposal

18 and potential solutions as we see things moving

19 forward.

20 Then the most important piece on our end

21 is to open up to question to where we can be as

22 transparent as possible. We're happy to answer any

23 question from all of you.

24 The team, again, to my right and your left

25 is our chief operating officer, Mike Ryan. We've

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1 got Tony Morano, who I believe is further down to

2 the right. Joe Goodrich, you just heard, and

3 myself.

4 At the end of the day, our company started

5 back the 1990, and what we pride ourselves on is

6 creating an unmatched culture. While we are a

7 hospitality corporation, we do pride ourselves on

8 collaborative partnerships, listening to the various

9 different goals and objective of each of our

10 clients. It's not a cookie-cutter approach where we

11 do it the same at every location. All of our

12 various partners and clients have different wants,

13 needs, and desires. We look to provide industry,

14 unmatched resources to help those partners

15 accomplish those goals.

16 We obviously do not pretend to be perfect

17 at the end of the day. We make mistakes every day,

18 but the fact of our continued growth and retention

19 rate, our overall client satisfaction bodes well to

20 where we do a good job of listening, and, again, not

21 making it about Troon, but out of those respective

22 needs for all of our clients.

23 The family of brands, what started back in

24 1990 as a Troon golf-centric company is now a Troon

25 hospitality company as of today. The comments are

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1 absolutely correct where that is our core business

2 as of today, but ultimately we are a

3 hospitality-driven organization.

4 You can see the four major brands up on

5 the screen, our golf-centric divisions. And then

6 below that are ancillary brands focus on other

7 amenities and client based needs. We're certainly

8 big in the racket sports, the real food division

9 encompasses food and beverage needs for our

10 expertise in various food and beverage outlets, not

11 just golf course restaurants, really provides what

12 our clients are looking for from a food and beverage

13 perspective.

14 We've got our own in-house, golf course

15 construction division to where we have a civil

16 engineer on property. Again, you have talked not

17 only about golf course needs, but different amenity

18 needs from a construction standpoint, that exists

19 within our organization.

20 We are in the HOA space, and we will touch

21 on that in a little while, to where we did acquire a

22 group two years go to where we do have Troon

23 expertise in the HOA community space.

24 Then most recently, a group, Event Sports,

25 that focuses primarily on event management to

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1 include college game day experiences with the  
 2 University of Alabama, Auburn, Indy car race series,  
 3 and then they also host professional golf events to  
 4 where, again, it's not just solely focused on golf,  
 5 but all the broad-based amenities that exist within  
 6 our HOA and partner clients.

7 MR. RYAN: My name is Mike Ryan, Chief  
 8 Operating Officer for Troon. I've been with the  
 9 organization for 23 years. Probably about 35 to  
 10 37 years in the industry.

11 I want to talk a little bit about -- and  
 12 we had the opportunity to listen to all the public  
 13 comments. We appreciate that. We appreciate the  
 14 passion that all the residents certainly  
 15 articulated. We get that, we understand that.

16 This opportunity is for us to provide a  
 17 solution, an opportunity otherwise different from  
 18 what you've done in the past. That's our goal here  
 19 today. Have a conversation, open up those options,  
 20 and talk about things that we can provide from a  
 21 resource standpoint that may be a bit different that  
 22 how you've approach the business in the past.  
 23 That's our sole purpose.

24 If we walk out of here in the next  
 25 few hours and you decide to go a different

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1 direction, that's perfectly fine. We're open to  
 2 that. We're good.

3 But I wanted to give a little bit of  
 4 background on what the company looks like today.  
 5 When I started 23 years ago, we had 60 properties.  
 6 We're at 900 locations today. We've had tremendous  
 7 growth. That's been done organically, one at a  
 8 time, by Joe and his colleagues on our business  
 9 development team. And then we've actually had  
 10 strategic acquisition along the way as well. It's  
 11 been very successful, very rewarding for me  
 12 personally.

13 900 locations, as I mentioned. 120-plus  
 14 clubs within residential communities. 200-plus  
 15 private and semiprivate clubs. And 85-plus  
 16 government clients. That's 160 locations. That  
 17 touches federal, state, county, city, town, and  
 18 villages. So we're in that space. We're in the  
 19 municipal space. Joe is an expert in that area and  
 20 he can give some more feedback there.

21 The map that you see on the screen  
 22 indicates our presence around the globe. I'm sure  
 23 there's some of those logos that you all recognize,  
 24 and we're certainly proud of the achievements we've  
 25 made in some of the facilities and clients that we

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1 get to work for.

2 17 corporate locations today. Again, when  
 3 I started, it was one location in Scottsdale, and  
 4 now you can see the red stars that representing all  
 5 of our corporate locations around the globe.

6 I touched on the lifestyle and residential  
 7 communities that we represent. This is a sampling  
 8 of those brands, and I'm sure most of you are  
 9 familiar with. Toll Brothers, Linar, Taylor Morris,  
 10 Del Webb, Pulte, and the Carl Freeman companies.  
 11 Very proud of the work that we've done in that space  
 12 for highly amenitized communities, beyond just golf.

13 An interesting fact that's evolved over  
 14 time is we survey or private club members and  
 15 residents all of the time. And I know there's been  
 16 a lot of discussion today about how we're a golf  
 17 centered company. As we survey our residents, it's  
 18 interesting to where golf fits into that ecosystem  
 19 now. It used to be number one. Many times, now  
 20 golf may be second, third or fourth in importance.  
 21 A lot of it is lifestyle, fitness, food and  
 22 beverage, areas that we have expertise.

23 That's a bit of sampling there as it  
 24 relates to the homeowner communities that are  
 25 currently involved with.

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1 Brandon touched on our entree into the HOA  
 2 business. We started that several years ago as we  
 3 took on opportunities that included some master  
 4 association management. That was a bit super  
 5 charged when we acquired Icon Management two years  
 6 ago, where we have a full-blown HOA portion of the  
 7 company today. These facilities that you see on the  
 8 screen represent locations where we have that  
 9 opportunity. Probably some of these, you recognize  
 10 or have visited in the past.

11 These four clubs were highlighted in our  
 12 proposal. I'll just give a quick brief. We've been  
 13 heavily successful as it relates to the operations  
 14 of these clubs. With one being bran new. That's a  
 15 non-golf community in Delaware, where we're just  
 16 getting started, 2,200 condo units, and we'll manage  
 17 the entire community there. That just started about  
 18 30 days ago.

19 Red Ledges in Utah, they've been a client  
 20 since 2007, just outside of Park City, premier,  
 21 upscale community. The clubs at St. James in North  
 22 Carolina, actually it's a community that we acquired  
 23 back in 2018. 81 holes of golf, four clubhouses,  
 24 and recognized amongst distinguished clubs. Again,  
 25 that's an owned asset. Our primary business is in



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1 the third-party management side. We do have five  
 2 facilities in the portfolio that we own outright,  
 3 this being one of them, St. James.  
 4 Then a highly amenitized club in Palm  
 5 Beach Gardens, 1,500 members, expansive facilities,  
 6 four golf courses, and again recognized by  
 7 Distinguished Clubs of America.  
 8 Lastly, I'll touch on this before I turn  
 9 it over to Joe, this is a highlight of the various  
 10 resources that are provided within our organization.  
 11 Again, I think there was a lot of discussion and  
 12 maybe this is an opportunity to clear up some  
 13 misperceptions that relates to the services that we  
 14 do provide.  
 15 Obviously, golf, food and beverage sales  
 16 and marketing, racket sports, risk management,  
 17 design and development. We have a golf course  
 18 construction company. Certainly technology. The  
 19 HOAs, I touched on. Retail, human resources, these  
 20 are all areas of expertise that we can help and  
 21 provide resources for your on-site staff here at  
 22 Incline.  
 23 Again, a sample of that. We'll get into  
 24 more detailed, but we'll jump right back into part  
 25 of the proposal going forward.

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1 MR. GOODRICH: My name's Joe Goodrich.  
 2 Been with the organization for 32 years. Been  
 3 involved in renovation, construction, club  
 4 management, marketing, agronomy, design/development.  
 5 And most recently spending my time looking for  
 6 situations where people need some assistance or some  
 7 expertise.  
 8 We submitted a proposal to you with an  
 9 option, and I want to tell you how we got there.  
 10 Gotten a lot of feedback on or proposal and  
 11 understand that.  
 12 We put up there: Your situation, your  
 13 solution. What I did is I spent a lot of time, had  
 14 some conversations with Erin, she's fantastic, she's  
 15 provided me copies of different reports. I've  
 16 spent hours on your website, listened to the last  
 17 three board meetings, gotten feedback from that. I  
 18 read Moss Adams, RubinBrown, Raftelis, Moss Adams  
 19 2.0.  
 20 I understand that you brought in  
 21 consultants, but they lacked the operational  
 22 insights and ability to executive. There were  
 23 consultants that came that provided opinion, you  
 24 needed an outside agency to do that, and that was  
 25 great.

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1 You have here absolutely paradise. I can  
 2 understand why the community is so protective of  
 3 their community and wanting to make sure nothing's  
 4 outsourced. I heard that, Michaela, I listened to  
 5 your comments in June 26th, and one of your biggest  
 6 concerns was outsourcing.  
 7 I want to be very clear, when we created  
 8 this proposal, it's not outsourcing management.  
 9 What we said here is we're going to go hire and  
 10 source a transition general manager, who we have  
 11 identified, we will work with the leadership teams,  
 12 staff, board, and then start sourcing a new general  
 13 manager.  
 14 Once the new board is set, we'll start and  
 15 advance, but the new board will approve that general  
 16 manager. I just want to clear that up in terms from  
 17 a proposal standpoint, we really try to tailor our  
 18 proposal what we needs thought your needs were at  
 19 the surface with all the research we did.  
 20 I looked at our internal resources, we  
 21 have situations where we'll do things under a  
 22 shorter-term basis, and go place an interim general  
 23 manager. After me looking at your situation,  
 24 realizing what's happened with the amount of  
 25 turnover with leadership, I looked at it and said

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1 they have a vacuum. They need somebody with some  
 2 resources and some support. Not only for the  
 3 current leadership team, but also for the board and  
 4 incoming board so they are not left picking up  
 5 pieces and trying to figure it out.  
 6 I'd also like to say that in looking at  
 7 past general managers -- and I understand a lot of  
 8 the comments today regarding the huge need for  
 9 public works and how important and critical that is  
 10 from an infrastructure standpoint, things like that,  
 11 I would also say that some of those general managers  
 12 lacked some of the business and hospitality  
 13 expertise that you need in this environment as it  
 14 relates to your food and beverage outlets, beaches,  
 15 and other things.  
 16 I'm going to tell you our approach.  
 17 There's a lot of words up there, but we have up  
 18 there is we come in, we listen, we understand, we  
 19 plan, and we executive.  
 20 We provide support, stability,  
 21 accountability across the departments. We don't do  
 22 that unilaterally, we don't do anything without  
 23 board approval and board direction. We're acting as  
 24 a resource to you and future boards to help you make  
 25 the right decisions and to allow the senior

<p style="text-align: right;">105</p> <p>1 leadership team a peer group, as other senior  2 leaders in same positions in other areas of to  3 country and other facilities, to lean on, exchange,  4 things like that. And we have an incredible amount  5 of corporate support to support their efforts.  6         We looked at improved communications  7 across departments within the community and the  8 Board. I will say that this approach, wasn't our  9 approach 10, 15 years ago, but I can tell you, we've  10 sat in a lot of meetings just like, we've seen a lot  11 of situations just like this around -- with  12 communities where they're looking for the right  13 solution. And everybody wants the right solution.  14 We understand that.  15         I will say that what we feel is most  16 important is to increase resident engagement,  17 improve the experience of the residents, improve the  18 experience and engagement with the associates  19 through training and support, and provide for proper  20 feedback mechanisms, both from an associate  21 standpoint as well as a resident standpoint.  22         I think one of the things we're good at is  23 the prioritization of resources, both from an  24 operating standpoint, capital standpoint, that we  25 can create to go executive on strategic and annual</p>	<p style="text-align: right;">106</p> <p>1 operating plans that the Board approves.  2         We look at this image here, pretty  3 interesting. A lot of times we talk to facilities  4 and clubs, they say, well, we are just going to hire  5 a GM, we don't need a management company, we need to  6 hire a GM.  7         The reality is you can't hire a management  8 company without a GM. It's not a replacement. You  9 need a qualified general manager. The reality is is  10 given the scope of your community, given the scope  11 of what has to happen here, the expertise all  12 around, I will say it is almost impossible for one  13 individual to basically make sure that the community  14 reaches its fullest potential. Yeah, they can do  15 the job, they can handle things. But are you really  16 allowing yourself to go above and beyond?  17         And that's where we come in. We're  18 providing support to that general manager, that  19 general manager reports to this board. We're going  20 to go source that person, you're going to approve  21 that person and answer to you. We're not pulling  22 any strings back in Scottsdale and saying we're  23 going to raise or we're going to fire this person.  24 That doesn't happen.  25         We're providing support and direction, not</p>
<p style="text-align: right;">107</p> <p>1 only to the general manager, but to the rest of your  2 leadership team. Very similar to you having a  3 standalone general manager, you have each of these  4 departments that are connected not together but  5 answering to this general manager. We call the COO  6 the general manager. Okay. That works, but you  7 know what? Every one of those individuals -- and we  8 toured all your facilities yesterday, you got some  9 fantastic people. How are you doing today?  10 Engagement was good. Communication was good. I can  11 tell there's a lot of people that care an awful lot.  12 The reality is they've been a little bit in a  13 leadership vacuum. I know we're trying to address  14 that, and that will take some time. Trial and  15 error. Our proposal is designed to get you there  16 quicker, without a lot of mistakes, without a lot of  17 lost time.  18         This is everybody's answering up to this  19 one general manager, but those people don't have any  20 other support. He's where we come in. Here's how  21 we're supporting the general manager in areas of --  22 and other departments, so human resources, not that  23 we're telling Erin what to do, but the fact that  24 were' a resource to her. We have 30,000 associates,  25 we're dealing with different systems, different</p>	<p style="text-align: right;">108</p> <p>1 processes.  2         A procurement team, national accounts from  3 a pricing and leverage standpoint. Our pricing for  4 fertilizer, chemicals, equipment, all of those  5 things is beyond what any single facility, single  6 community. As the largest management company in the  7 world, we have more leverage than anybody to provide  8 savings and benefit to you.  9         We have a clubhouse design and development  10 team, in house. We've done 200-plus renovations of  11 recreation facilities, clubhouse facilities,  12 designed those from an operational perspective so  13 they not only look good, give a great first  14 impression, but they're functional.  15         We also are supporting the rest of the  16 senior leadership team through operations and  17 marketing. A food and beverage team. Recreation  18 and parks, lifestyle and agronomy. Public works.  19 Although we don't operate public works, we operate  20 in many community associations, HOAs, and CBDs that  21 do have their own roads. We have one facility in  22 Kapalua, Hawaii, where we are in charge of our water  23 and sewer. Not a lot, but we're not total  24 neophytes.  25         Then also from an admin, finance, IT, and</p>

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1 HR standpoint, I understand the transition to Munis  
 2 system didn't go great. It was done a little bit  
 3 in a vacuum. We understand that, we've gone through  
 4 a lot of those organization shifts as well, but we  
 5 can be resource to get you up and running.  
 6 I put together here a timeline. We've,  
 7 and maybe presumptuously, if we were to be engaged  
 8 on September 1st, we would place a transition  
 9 manager that you would approve. We've actually  
 10 already identified somebody. Somebody that is  
 11 incredibly interested in coming to work here. They  
 12 would be available the first week of October on a  
 13 full-time basis. That person has an incredible  
 14 amount of experience managing facilities that do  
 15 over \$65 million a year, managing large community  
 16 assets, have experience in this market, and would  
 17 love to give back.  
 18 We put a timeline here of a new board  
 19 being placed in the January time frame, and we said  
 20 at the same time, we're going to engage in a lot of  
 21 activities but also searching or putting out sources  
 22 for a permanent general manager, somebody that we  
 23 would source, new board approves, and they would be  
 24 placed locally. They would live here, they wouldn't  
 25 commute in from three, two, four hours away.

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1 That transition manager would meet with  
 2 board members. This is hard to read. But basically  
 3 prioritize and executive on outstanding board items,  
 4 operating capital items, and consultant reporters.  
 5 I understand there's a lot of discussion about  
 6 RubinBrown, I think what I saw was the draft report,  
 7 and it was other a three-year time frame. I was  
 8 questioning, okay, we need to understand what is  
 9 outstanding and what needs to happen and prioritize  
 10 those things, address those things head-on.  
 11 We'd also start workshops from an  
 12 operations capital standpoint and finalize those in  
 13 Q 1. We would also meet with leadership positions  
 14 departments, and I focus on people, processes, and  
 15 performance, making sure that we got great people,  
 16 they've got great direction. We want to learn from  
 17 them, we want to understand their current processes  
 18 and understand if there's anything that can be done  
 19 to improve performance or efficiencies.  
 20 Department meetings, we would set up time  
 21 to introduce that transition manager. Department  
 22 staffing plan review, I understand that usually  
 23 works hand in hand with the budget process. We'd  
 24 establish an operating budget and goals for 2025.  
 25 We'd establish department KPIs for 2025.

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1 I've looked at your financials online in  
 2 as much detail as I can, and I have a thousand  
 3 questions go deeper. There's just not enough  
 4 information there online for us to make  
 5 recommendations to you now. But I can tell you,  
 6 looking at food and beverage, there was a comment  
 7 that food and beverage made 100,000 on \$3.5 million.  
 8 Our, kind of, benchmark, industry benchmark,  
 9 facilities like that should be making 20 percent  
 10 margin. At \$3.5 million, you should be producing  
 11 \$700,000; you're making a 100. But, again, I have a  
 12 thousand questions.  
 13 And then I've looked at your multi-year  
 14 capital plans and understanding how those fit and  
 15 prioritize within the overall budget of the  
 16 community.  
 17 At the same time, we would be introducing  
 18 our Troon resources by department, I've outlined  
 19 those there. Then also community engagement. I  
 20 save the best for last. I think it's, one,  
 21 understanding community, each community's is unique  
 22 and different, both meet the transition GM and  
 23 permanent GM, and set up feedback mechanisms from an  
 24 operational perspective. We look at those as  
 25 ongoing throughout the year, how was your experience

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1 at rec and park? How was your experience at the  
 2 beach? Those are feedback. How are we doing? Let  
 3 me take your pulse.  
 4 We also then have feedback mechanisms for  
 5 strategic planning, were we will ask resident  
 6 feedback on asking them for priorities, where they  
 7 would like to see more programming, less  
 8 programming. Where they would like to see more  
 9 investment, less investment. And we get feedback  
 10 from the entire community on that, and then  
 11 synthesize that into these capital plans going on  
 12 forward.  
 13 Last but not least is the strategic  
 14 planning, which is ongoing and working, I'll say  
 15 when the new board starts, kind of an ongoing,  
 16 looking-forward basis.  
 17 What we provide here is our was our  
 18 proposed terms. We would place a transition,  
 19 permanent GM. You pay no sourcing fees or placing  
 20 fees or anything like. That would be part of  
 21 monthly fee. We would provide support and resources  
 22 to IVGID, departments and board. We suggested a  
 23 three-year term.  
 24 We said that the GM salary, onboarding,  
 25 and burden would be a pass-through cost to the

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1 community. You would approve that comp package and  
 2 it would be one hundred percent transparent.  
 3           There was a lot of discussions about  
 4 incentives and our incentives. We'd like to have an  
 5 incentive. And our incentive needs to be based upon  
 6 your reaching your goals. Some of those may be  
 7 financial, they may not. Our typical incentive  
 8 structure is that we set up an amount that's not to  
 9 exceed 20 percent of our base fee, and there's  
 10 criteria that are based equally between financial  
 11 performance, associate engagement, and resident  
 12 feedback. We have some that don't have any  
 13 financial measure at all.  
 14           Our goal is to improve the resident  
 15 experience and make sure you have a sustainable  
 16 community that's addressing infrastructure and is,  
 17 I'll say, pushing the envelope, top of class, in  
 18 meeting the needs of the community, both today and  
 19 well into the future, to protect the values of homes  
 20 and community lifestyle.  
 21           I also say one last thing. We've also  
 22 done things on a shorter-term basis. We wanted to  
 23 put this together for discussion, your feedback.  
 24 And I'd like to say we like to get involved in  
 25 situations where we can help. I think there's a lot

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1 of opportunity for us to help here and be a resource  
 2 to you.  
 3           We're not looking to come in and  
 4 outsource. We act as your agent, and we're acting  
 5 upon your direction. We think that our involvement  
 6 will, again, supercharge you and get you ready  
 7 for -- there's been a lot of discussion about it --  
 8 the next board.  
 9           I look at this move, and maybe I'm jaded,  
 10 but I look at us being in a position to help the  
 11 next board, as opposed to waiting for next board to  
 12 then start putting things together. I look at us  
 13 being able to accelerate that.  
 14           Thank you.  
 15           CHAIR SCHMITZ: Thank you for the  
 16 presentation and thank you for taking the time to  
 17 review all of our prior assessments that have been  
 18 done and what have you. It's clear that you have  
 19 put a lot of time and effort into this.  
 20           TRUSTEE TONKING: I have a series of  
 21 questions.  
 22           My first question, I have a series of  
 23 questions about your experience, and I would like  
 24 some concrete examples. I looked at some of your  
 25 prior projects -- current and prior projects that

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1 you listed in your proposal, and I didn't see these  
 2 skill sets and I'm hoping that you can either speak  
 3 to them or tell us if they exist.  
 4           My first one is public works experience.  
 5 The only one I saw was Kapalua. I looked that up.  
 6 It's much different than the needs of our district.  
 7 What other examples do you have of public works  
 8 experience? Because according to NRS, public works  
 9 is our main charter, with recreation added years  
 10 later. Just want that because that's a health and  
 11 safety.  
 12           TROON: Public works, meaning road or  
 13 water sewer?  
 14           TRUSTEE TONKING: Public works would be  
 15 your water, sewer, that's what our charter sits  
 16 with.  
 17           TROON: We have very little -- no  
 18 experience in public works in water and sewer.  
 19           TRUSTEE TONKING: Then in terms of  
 20 governmental accounting and governmental compliance,  
 21 especially related to Open Meeting Law, union  
 22 negotiations, as well as NRS statute, because those  
 23 are big issues here. And I just notice even in your  
 24 proposal, there's some violations of NRS, which is  
 25 fine. But I'm just asking what your experience is

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1 with those areas.  
 2           TROON: With governmental accounting, we  
 3 produce financial statements for over 400 entities  
 4 on a monthly basis. 150 of those are municipal, bot  
 5 at a both federal, state, city, county, village, and  
 6 township level. We have over 60 audits on an annual  
 7 basis, and in the last three years, there's never  
 8 been a finding.  
 9           TRUSTEE TONKING: Okay.  
 10           TROON: As it relates to open meetings, we  
 11 operate over 50 facilities in the State of Florida.  
 12 From a standpoint of open meetings and that, very  
 13 aware, dealing with -- we have over 85 municipal  
 14 clients. And I would say that from a open meeting  
 15 and municipal experience, that's it.  
 16           TRUSTEE TONKING: That's nothing in terms  
 17 of union negotiations, experience with NRS,  
 18 experience around like --  
 19           TROON: I can address the union  
 20 negotiations. We do have employees that are  
 21 unionized, and we have the internal resources that  
 22 have assisted in negotiating CVAs, primarily in  
 23 Hawaii.  
 24           TRUSTEE TONKING: Are they unionized under  
 25 state compliance statutes, or are they just

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1 unionized under, like, a separate --

2 TROON: It's the ILWU. It's actually been

3 very smooth.

4 TRUSTEE TONKING: I also want to know

5 about your experience working with federal

6 organizations. We get a lot of our funding,

7 especially around clean water, sewage, all of that

8 comes from governmental and federal agencies, as

9 well as we have contracts coming up with the Forest

10 Service, and experience working in heavily regulated

11 environmental regulated areas.

12 What is your experience doing those

13 things?

14 TROON: From a federal standpoint with one

15 agreement that we operate three facilities on behalf

16 of the federal government in Washington DC, I would

17 say all of our municipal agreements, all our

18 municipal facilities answer up to parks and rec from

19 the -- what was the last part of your question?

20 TRUSTEE TONKING: We basically -- I think

21 what I'm really asking is how do you work -- because

22 we have to work with multiple federal agencies in

23 terms of being within one local agency.

24 I'd like to know how you work in high

25 environmental restrictions?

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1 TROON: We have several facilities which

2 are under costal commission in California, that are

3 also oceanfront in the State of Hawaii.

4 TRUSTEE TONKING: What is your experience

5 running a ski resort? I didn't see one in there, so

6 I'd like to know your experience doing that.

7 TROON: We actually have one ski resort

8 that we operate. It is fairly small, maybe eight to

9 ten runs. It's fairly small.

10 We're not going to elude to the fact that

11 we operate a bunch of ski resorts.

12 Your ski resort is actually doing pretty

13 well, and your leadership there seems pretty strong.

14 TRUSTEE TONKING: Yeah. But if you're

15 coming in to be the GM, you have to oversee those,

16 the skill set.

17 TROON: The GM that we've talked about

18 from a transition standpoint, actually does have ski

19 experience in his résumé.

20 TRUSTEE TONKING: What is your experience

21 with Tyler technology? That's a big miss on our

22 area if you looked at the RubinBrown report and

23 other things going on.

24 TROON: We do not operate any Tyler Munis

25 systems. We integrate with many other systems where

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1 we're actually handling operations for point of

2 sale. We're familiar with your Vermont systems, we

3 actually encounter them many times in the municipal

4 world.

5 TRUSTEE TONKING: I think we're

6 transitioning away from that.

7 TROON: These are important things that

8 the Tyler Munis system needs to be able to do if

9 you're utilizing that for point of sale and some

10 other things.

11 I'm aware of them as a vendor, but we

12 don't operate them.

13 TRUSTEE TONKING: And then, I guess, I

14 wanted to ask a little bit about what you put in

15 your proposal, and I understand that that's not

16 fully vetted out.

17 My first is question is how would you

18 define IVGID, what do you think IVGID is?

19 TROON: You are the -- my understanding

20 and I've been on your website, you are the general

21 improvement district for this community that is

22 overseeing infrastructure, water, sewer, utilities,

23 recreational amenities, and programs for the

24 residents.

25 TRUSTEE TONKING: What is a general

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1 improvement district, then, how would you define

2 that? That's what I want to know because it's so

3 different and it's unique. I just want to make sure

4 you understand how those operate in compliance with

5 local, state --

6 TROON: My understanding is it's pretty

7 similar to a CDD in Florida and other states where

8 you've gone out and bonded major infrastructure

9 improvements, and then you're charged with managing

10 them, whether it's like water, sewer, utilities,

11 recreational amenities, and serving the community.

12 TRUSTEE TONKING: And then I want to talk

13 a little bit about your incentive plan. And maybe

14 this is a question for legal.

15 At what point do we become in trouble

16 offering incentives based off financials in terms of

17 running as a government agency?

18 I'm thinking a lot in terms of our

19 government bonds, I'm thinking in terms of our tax

20 exempt status and those types of things.

21 MR. RUDIN: In terms of the compensation,

22 I mean, it would be recommended that it be

23 sufficiently definite. You want to avoid an issue

24 as to whether or not you are going to have a payment

25 dispute with a vendor, to -- you don't want to get

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1 into a situation where you're having questions as to  
 2 whether or not, one, additional compensation is  
 3 owned, two, whether there are questions whether or  
 4 not you're gifting them public money for work not  
 5 performed.  
 6           Again, terms of any incentive structure,  
 7 you're going to want to have that be failed down  
 8 sufficiently clearly in the contract.  
 9           I don't think additional compensation that  
 10 is set forth in a contract is likely to cause you  
 11 issues on any bond debt that you may have, you know,  
 12 provided that you're meeting your debt coverage  
 13 ratios and whatever bond covenants are out there.  
 14           Yeah, I think the big one is just making  
 15 clear that you know what you've signed up for and  
 16 what you owe them, and that's set forth in the  
 17 agreement.  
 18           TROON: I think it's important that we  
 19 talk about flexibility in that topic. Knowing that  
 20 we would be incentivized on how you all define  
 21 success. And if we achieve that, whether that be  
 22 financial, resident satisfaction, whatever those  
 23 metrics are determined.  
 24           And I would even think that it might be a  
 25 situation where in year one of an agreement that we

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1 don't have an incentive, and we apply that in year  
 2 two or three as the partnership develops.  
 3           I just want you all to understand that we  
 4 have complete flexibility in that regard, and there  
 5 was a lot of discussion in the public comments about  
 6 that. We're open to ideas and suggestions in that  
 7 light.  
 8           TRUSTEE TONKING: And I'm understanding  
 9 that the GM salary, unburdened and burdened, that is  
 10 covered in the \$22,500 we would be paying per month  
 11 or we're paying that in addition?  
 12           TROON: You're paying that in addition.  
 13           TRUSTEE TONKING: Great.  
 14           TROON: But I can tell you, you're going  
 15 to be way ahead.  
 16           TRUSTEE TONKING: I have last one.  
 17           TROON: I did want to ask you one  
 18 question. You had about a question about debt -- or  
 19 bond counsel, all of our agreements, we work --  
 20 whether it's like Chicago Park District, City of  
 21 Philadelphia, they through bond counsel review, and  
 22 one, to make sure there's taxable debt, nontaxable  
 23 debt.  
 24           TRUSTEE TONKING: Then my last question to  
 25 you is answering a bunch of my questions for you

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1 telling me about your experience, how do you think  
 2 that you would actually be able to make a strategic  
 3 plan without the experience of many of these  
 4 organizations that we -- or many of these centers  
 5 that we oversee if you don't have the experience,  
 6 then, how do you make a strategic plan around that?  
 7           TROON: I think our approach on our  
 8 strategic plan was to come in, listen, plan,  
 9 speak with the key leadership positions here, speak  
 10 with staff, look at residential feedback, feedback  
 11 from the residents, the board.  
 12           We produce strategic plans for  
 13 communities, clubs at 900 locations, so we're very  
 14 familiar with the process. We're not as familiar  
 15 with your situation, and I wouldn't expect us to be  
 16 at this time.  
 17           I think that the next 30, 60, 90 days for  
 18 us to get that information and help prioritize  
 19 decision-making with a lot of experience, as opposed  
 20 to your trying to write that strategic plan on your  
 21 own.  
 22           One thing to think about is I know you all  
 23 have deployed consultants throughout the last  
 24 several years, as a different way to look at it,  
 25 where we as an operating arm can provide that same

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1 advice, but then help executive and provide  
 2 resources to help executive going forward.  
 3           A little bit different from a typical  
 4 consultant arrangement.  
 5           TRUSTEE TONKING: No offense to you all, I  
 6 just think there's probably other firms with more  
 7 skillings in our area, and I would like to put this  
 8 out to RFP.  
 9           TRUSTEE TULLOCH: Just help me understand  
 10 the actual scope of the work you're proposing.  
 11 It's -- I think I see it. Basically what you're on  
 12 providing is almost a mentoring/advisory service to  
 13 a new GM?  
 14           TROON: No. I think it goes beyond that.  
 15 It is definitely getting that general manager  
 16 identified, allowing you to select that person and  
 17 hiring, and then providing that person with a lot of  
 18 support.  
 19           But it's really not as much support to  
 20 that general manager as it is support to the other  
 21 leadership positions within the community, and I  
 22 think we've highlighted those, where it's IT, HR,  
 23 marketing, food and beverage, golf operations,  
 24 recreation/lifestyle, just so that group has some  
 25 other peers and resources that they can call upon in

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1 other situations that can help them get down the  
 2 road faster. I'll say that.  
 3 (Cross talk.)  
 4 TROON: We provide a lot of skills and  
 5 resources. And this was me looking your situation  
 6 and saying you've got an incredible vacuum,  
 7 leadership vacuum. You're going to hire great  
 8 people and peopling are coming. I know someone just  
 9 started rec. Great things.  
 10 But how do we get that person up and  
 11 running and getting maximizing their potential,  
 12 which maximizes the potential of community. That's  
 13 where I see it.  
 14 TRUSTEE TULLOCH: Basically it's an  
 15 arrangement of advisory services.  
 16 The next question is are all these  
 17 advisory services included in the management fee or  
 18 are all these all ad hoc services is that billed  
 19 each individually each time?  
 20 TROON: Everything that was described in  
 21 that org chart that overlaid or subject matter  
 22 experts is included in the management fee.  
 23 TRUSTEE TULLOCH: That's a very important  
 24 part of it.  
 25 I think with regard a lot of the

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1 consultants reports, part of the problem is we have  
 2 not necessarily has the resources to it forward,  
 3 there's pushback from various different sectors of  
 4 the community, all sorts of different reasons why.  
 5 The Board only has one employee. The Board doesn't  
 6 run day-to-day operations, contrary to some of the  
 7 things you heard there. It's very much down to the  
 8 general manager to actually move these things  
 9 forward.  
 10 Some other things, you talked about 20  
 11 percent margin on food and beverage, is that net or  
 12 gross?  
 13 TROON: What we typically look for from a  
 14 benchmarking standpoint if you're in an operation  
 15 from, say, food and beverage that's not fine  
 16 dining, that's, I'll say, resident public access,  
 17 you got group events and things like, it's usually,  
 18 gross revenues, I'll say, labor is running about 35  
 19 to 40 percent, cost of goods are usually running  
 20 about 35 percent, operating expenses are about 10  
 21 percent. And then that leaves about a balance of  
 22 20.  
 23 I think our average food and beverage  
 24 margin across the portfolio in like facilities, what  
 25 we've seen, is the higher than that.

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1 But I will say that we also see -- it  
 2 really comes down from an accounting standpoint, how  
 3 much are you charging the food and beverage for  
 4 building and heating and utilities and all that.  
 5 You can get into that. I would say it should be  
 6 doing better than this doing.  
 7 TRUSTEE TULLOCH: No disagreement on that.  
 8 But 20 percent net margin is certainly very good in  
 9 terms of that.  
 10 I'm glad you mentioned KPIs and  
 11 benchmarks. You obviously have a range of  
 12 benchmarks from other properties where you can do  
 13 some comparisons.  
 14 Where the real rubber really hits the road  
 15 is in terms of negotiating a contract. It's not  
 16 something you do in a week, a 10-page board memo or  
 17 anything. It's a whole -- to me, the key things are  
 18 shared risk is obviously important, that everyone  
 19 has some skin in the game, responsibilities and  
 20 authorities of both parties to make sure it's all  
 21 very clearly delineated.  
 22 Quality and service levels, without  
 23 quality and service levels, these agreements are not  
 24 worth anything. I've worked in merger and  
 25 acquisitions where it's very easy for somebody just

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1 to stop the CapEx spending for a couple years to  
 2 make the company look better, but it doesn't  
 3 actually help in longer term.  
 4 To me, if we move forward in this, it's  
 5 actually making sure that we develop a proper  
 6 contract. That does take some time on both sides.  
 7 It's a painful process.  
 8 TROON: I think one of things to think  
 9 about is clearly defining our scope. I think there  
 10 was a lot of comments relative to us making changes  
 11 in a vacuum without board approval, and that's just  
 12 not the case.  
 13 One of things is as we've grown our  
 14 private club model, over 200 clubs, I'm just using  
 15 this as an example, but one of the things that our  
 16 business development team runs up against a lot is a  
 17 perception of lack of control. And the control  
 18 rests right here. And we execute the strategic  
 19 vision and the plan according to what the Board has  
 20 approved.  
 21 I want to make that clear that we're just  
 22 not going to go in and make changes or price  
 23 modifications to things without having a discussion  
 24 and a plan and approval to do so. We can't do that.  
 25 We're not allowed to.

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1 TRUSTEE TULLOCH: At the end of the day,  
 2 it's the quality of services and the level of  
 3 services. And everyone expects more services for  
 4 the same money. It's not always possible.  
 5 It's actually making sure -- it's  
 6 something we've been kind of weak on, we don't have  
 7 defined service levels in most instances.  
 8 TROON: I agree with you a hundred  
 9 percent. Getting to the right agreement makes a lot  
 10 of sense.  
 11 One thing that we did not mention, our  
 12 organization has a 96 percent renewal rate when we  
 13 get to the end of an agreement.  
 14 TRUSTEE TULLOCH: Thank you.  
 15 TRUSTEE NOBLE: Question with regards to  
 16 the interim GM and GM. On page 5, of the initial  
 17 presentation that we were given over the weekend,  
 18 states that Troon shall source, hire, employ, with  
 19 Board approval, the District general manager.  
 20 And then looking at the terms on page 16,  
 21 that the GM salary and onboarding burden is a  
 22 pass-through cost to IVGID. Is your proposal that  
 23 the GM would be -- and the interim GM would be  
 24 employees of Troon or employees of IVGID?  
 25 TROON: The general manager, whether a

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1 transition general manager or permanent, the idea  
 2 would be they employee an employee of Troon. But  
 3 reporting to the board, according to our org chart.  
 4 TRUSTEE NOBLE: And then I'm looking at  
 5 page 14 of the newest presentation. And we know  
 6 what we need to do. We have master plans, we have a  
 7 couple of Moss Adams reports. We have a RubinBrown  
 8 report. We had a food and beverage report. We have  
 9 facilities reports. We know what we need to do.  
 10 What is, though, you are going to do to  
 11 help us executive those plans that is different than  
 12 what we can do with our personnel? Besides telling  
 13 us again what we need to do?  
 14 TROON: We are operators. We operate  
 15 facilities. We execute on plans. We do that with  
 16 great information and experience where we've  
 17 executed and done that before. And we understand we  
 18 can't expect food and beverage to operate at 50  
 19 percent, we shouldn't expect it to operate 2  
 20 percent.  
 21 Here's where we need to get, so there's an  
 22 education process and a buy-in of, like, here's what  
 23 we think we need to do. What are the departmental  
 24 KPIs, how are we measuring ourselves? It doesn't  
 25 have to be financial, but we have -- I'll say what

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1 we are organized as an organization, we execute on  
 2 things. We have people that go executive on annual  
 3 plans.  
 4 I think you've got -- and we get approval  
 5 and we go executive. It's part of, I'll say, the  
 6 way we're wired.  
 7 You probably got staff that doesn't know  
 8 they are approved to go do it, they can't go do it.  
 9 Have they done it before? What other resources do  
 10 they have to say, okay, I know I want to do this,  
 11 but maybe I did it in a previous situation, but I  
 12 had these other people. What other support do I  
 13 have to get me down the road and into a confident  
 14 position of execution?  
 15 I don't have enough insights into the  
 16 leadership on why certain things, maybe, haven't  
 17 been done or you got feedback on this should be done  
 18 or this could be done.  
 19 I also looked the level that those  
 20 consultant reports went to. It was a lot about job  
 21 descriptions, it was a lot about organizational  
 22 policies and procedures. None of it was what needs  
 23 to be executed from a business standpoint. Not one  
 24 of those -- maybe one touched on it, how to improve  
 25 to resident experience. How are you going survey

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1 and get feedback. There was one that said they,  
 2 maybe, do it, but then said you could do this on  
 3 your own.  
 4 We do that in a hundred other communities.  
 5 And I have a lot of other examples to point to and  
 6 say what's going to work best here? And then go do  
 7 it.  
 8 TRUSTEE TONKING: If the GM is on your  
 9 payroll, does that mean when you leave, they leave  
 10 with you?  
 11 TROON: That would be up to the GM. If  
 12 they wanted to stay and there was an opportunity for  
 13 that person to stay, that happens more often than  
 14 not. The people that work with us, see a career and  
 15 want to advance. But there's total flexibility in  
 16 that.  
 17 And if we got to a point where the  
 18 situation is more advisory in nature and you all  
 19 wanted to employ the general manager, we could have  
 20 that discussion. If you look at our portfolio  
 21 across the globe, internationally as an example,  
 22 there's employed by a different entity.  
 23 If that's is a breaking point in the  
 24 conversation, we can talk about that.  
 25 CHAIR SCHMITZ: I'd like you to just talk



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1 about the process of how a general manager would be  
 2 placed. Would you be bringing to the Board  
 3 different candidates to interview and to select?  
 4 How would that process actually work? And what if,  
 5 at some point in time, it didn't work well, then  
 6 what?

7 TROON: Great question.  
 8 We have some clients will ask us to bring  
 9 one candidate to the table, and we'll have some  
 10 clients that want to interview seven, eight  
 11 individuals. There's probably an in-between there,  
 12 three to four candidates. It's really driven by how  
 13 you all want to move forward this in that process.

14 We would do the initial vetting of those  
 15 individuals and bring what we think would be a good  
 16 fit for the community. And then you all, in  
 17 collaboration with us, would make the final decision  
 18 on who you want to make an offer to.

19 On the second part of that question, if  
 20 you got down to road, six months, a year, and you  
 21 say this is not working, it's not what we expected,  
 22 we would make a change.

23 CHAIR SCHMITZ: And -- we have -- our HR  
 24 director has worked and worked to try to bring us GM  
 25 candidates, and we haven't been successful. Why

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1 would you be successful at this when we haven't seen  
 2 the success of the candidates that have been brought  
 3 to us?

4 TROON: I think the fact that we're a  
 5 preferred employer, and we're sought out by  
 6 individuals that want to work for us and be part of  
 7 our organization is a benefit.

8 I also think that, especially for my first  
 9 time here, seeing the size of this opportunity, to  
 10 be able to place a general manager and stand behind  
 11 that general manager will all of the resources that  
 12 we described would be the huge benefit and a huge  
 13 opportunity for that individual to be more  
 14 successful in that role, versus how they've been in  
 15 the standalone position in the past.

16 CHAIR SCHMITZ: What would you see as  
 17 being the impact to our existing staff?

18 TROON: Actually, very little impact.  
 19 Those individuals would remain in their current  
 20 employment status. We would spend time with those  
 21 individuals to find out -- to listen and learn as  
 22 Joe indicated, on what's important to them, where  
 23 they need help.

24 We would then develop a plan being able  
 25 that stand up additional resources in whatever area

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1 that might be. I know we're short or deficient  
 2 maybe the ski side, public works side, but certainly  
 3 as it relates to accounting and finance, sales and  
 4 marketing, food and beverage, human resources, we  
 5 have subject matter experts that reside in our  
 6 corporate to office that can provide opportunity and  
 7 provide learning opportunities for those individuals  
 8 and share best practices.

9 That's how we've accomplished that in 900  
 10 other organizations.

11 CHAIR SCHMITZ: What do you mean by  
 12 "learning opportunities and sharing best practices,"  
 13 what do you mean by d l that?

14 TROON: What we've seen is when you look  
 15 at an individual property or facility, they're  
 16 operating and their environment. They don't have a  
 17 lot of other peer support or other people to call on  
 18 or relate to or things like that.

19 So, HR, for example, would have multiple  
 20 resources within our HR team to talk through things  
 21 with, understand things. IT, we manage over 400  
 22 different facilities, IT solutions. Point of sale,  
 23 the internet, all the way through. Member billing.  
 24 All the way through. We just have a wealth of  
 25 experience.

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1 You asked how the existing leadership team  
 2 would be impacted. I would say it would be  
 3 enhanced. I think that when come into a facility, I  
 4 showed you our approach, it's not here's what you're  
 5 doing now, it's you got quality people, how do we  
 6 enhance that, how do we add value to that to get  
 7 them to maximize and reach their fullest potential.

8 We look at that as enhancing.

9 TRUSTEE TULLOCH: You would actually  
 10 provide them more networks opportunities to actually  
 11 -- and more sources there. So, basically, the  
 12 general manager you bring us would have good  
 13 operations experience in most of these areas and  
 14 things.

15 Just for the record, our last -- none of  
 16 our last four general managers have been engineers,  
 17 public works people.

18 CHAIR SCHMITZ: To be clear, you weren't  
 19 asked to bring us a contract, bring us a proposal.  
 20 This was an exercise of information gathering  
 21 because the Director of HR was directed by the Board  
 22 to think differently and come up with some  
 23 alternatives for us to consider as a board, because  
 24 we have had a difficult time getting quality general  
 25 manager candidates for the position.

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1 And we -- we're going to be losing General  
 2 Manager Magee in October, and the Board has to  
 3 decide how we want to handle this and what we want  
 4 to do going forward.  
 5 So, if there aren't other questions --  
 6 Trustee Noble, do you have a question?  
 7 TRUSTEE NOBLE: I'm ready for the  
 8 discussion. No questions.  
 9 CHAIR SCHMITZ: Yeah. I think if we don't  
 10 have any other questions for them at this point.  
 11 But understand that you weren't tasked with bringing  
 12 us a contract or a proposal, it was just investigate  
 13 another option, another opportunity.  
 14 We thank you for your time and we  
 15 appreciate all of the effort that is gone into this  
 16 because obviously you have spent a lot of time on  
 17 this. Thank you being here.  
 18 TROON: We appreciate that. And we did  
 19 exactly that. Our goal here tonight was to shed  
 20 some light what we do and how we've developed over  
 21 time and evolved or business from primarily being  
 22 golf-centric to a little bit more than that today.  
 23 Again, this is not a hard sales pitch at  
 24 all. This is an opportunity for you to look at  
 25 something a little bit different, hopefully provide

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1 the ambitious timeline and being able to utilize the  
 2 time we still have with the general manager while  
 3 he's here. What have you guys done in the past when  
 4 we have a situation when the contract is going to  
 5 take awhile, if we do go in that direction, to  
 6 negotiate, but also wanting to download from someone  
 7 that's on their way out?  
 8 TROON: From a timeline standpoint, yes,  
 9 it's somewhat aggressive. I will say 90 percent of  
 10 our management agreements get done within two to  
 11 three weeks. I'm going to exclude some large  
 12 cities.  
 13 I think what we would want to do is spend  
 14 time with Bobby Magee and leadership and have some  
 15 overlap. Tony Marino that's here, been sitting here  
 16 patiently, vice president of operations and runs  
 17 point on several facilities. Part of his role is to  
 18 jump in and get an understanding of what the current  
 19 situation and get as much feedback and input from  
 20 the people that are here.  
 21 And we know we're facing a deadline of  
 22 October 6th, and I realize that from looking at some  
 23 of the past board meetings. That's one of reasons I  
 24 came up with the proposal that we did and a timeline  
 25 to take advantage of that.

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1 some resources that you haven't had in the past, and  
 2 we can certainly help as it relates to sourcing  
 3 talent, specifically in the position of a general  
 4 manager.  
 5 CHAIR SCHMITZ: One quick question. From  
 6 your perspective, what would you anticipate the  
 7 salary for a general manager to be from -- that you  
 8 would source to be here.  
 9 TROON: What we've talked about is in the  
 10 range of \$250,000 to \$300,000 range, based on we  
 11 know in the market. But, again, that is a  
 12 conversation that we would have with all of you and  
 13 come with the plan that makes the most sense.  
 14 CHAIR SCHMITZ: Your recommendation --  
 15 sorry. I lost my train of thought.  
 16 But you would have it as a requirement  
 17 should the Board elect to say that this person would  
 18 have to reside here full time, that would be  
 19 something that you would then structure and work  
 20 through.  
 21 TROON: We strongly believe in order for  
 22 that individual to be successful, they need to be  
 23 here full time, yes.  
 24 CHAIR SCHMITZ: All right.  
 25 TRUSTEE DENT: I have a question regarding

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1 TRUSTEE DENT: Thank you.  
 2 TRUSTEE TULLOCH: I'm glad you appreciate  
 3 the importance of having the general manager living  
 4 in the community. I'm assuming also, given the last  
 5 part of this is recreation/hospitality, it wouldn't  
 6 be seen as a Monday to Friday job, local government  
 7 job, since our peak periods are really weekends.  
 8 TROON: We absolutely agree there. We do  
 9 believe in a work/life balance, but we also know  
 10 this is 24/7 business. We've all lived it for  
 11 several years.  
 12 You are likely going to be here on  
 13 weekends and holidays and special event days.  
 14 CHAIR SCHMITZ: Any other questions?  
 15 Well, thank you, gentlemen, very much for  
 16 your time and for your presentation.  
 17 TROON: Appreciate the Board's time and  
 18 appreciate the comments from the community. Thank  
 19 you.  
 20 CHAIR SCHMITZ: We been requested to take  
 21 a short break. We will come back at 9:25.  
 22 (Recess from 9:17 p.m. to 9:25 p.m.)  
 23 CHAIR SCHMITZ: It's 9:25, we'll call the  
 24 meeting back to order. Let's call the meeting back  
 25 to order, please.

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1 We have Director Feore here. Would the  
 2 Board like to weigh in and --  
 3 First of all, I want to thank you, again,  
 4 for all the time and effort that you've put into the  
 5 various people that you have talked with. This was  
 6 informative.  
 7 TRUSTEE NOBLE: No question. Just more of  
 8 statement.  
 9 Appreciate bringing this forward. It's  
 10 definitely outside the box and different from what  
 11 we've done before. To me, though, it's an absolute  
 12 nonstarter by having the GM not be our employee and  
 13 the employee Troon. The allegiance, ultimately,  
 14 will be with Troon and not the IVGID Board or this  
 15 community. No matter how much they say and how hard  
 16 they try, the ultimate allegiance is to Troon.  
 17 On top of that, it's \$250- to \$300,000 for  
 18 the GM, plus \$270,000 a year for Troon, base,  
 19 without the incentive, plus travel. We're looking  
 20 at, prospectively, spending about -- over \$500,000  
 21 for a new GM and the support that that GM is going  
 22 to get.  
 23 When I asked the question -- we know what  
 24 our problems are. We have these Moss Adams reports,  
 25 we have the facilities reports, we have the food and

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1 beverage report. We've got our master plans. We  
 2 know what needs to be done. They're not going to  
 3 tell us anything new that needs to be done, that's  
 4 why I asked how are they going to -- what are the  
 5 solutions that they are going to bring. I didn't  
 6 hear an answer.  
 7 And so I don't think see the value that  
 8 we're going to get by spending that type of money  
 9 for them to tell us what we need to do. And if we  
 10 can't execute it because either the Board isn't  
 11 supportive of what needs to be done or we don't have  
 12 the personnel to achieve it.  
 13 We need a director of finance, we need a  
 14 director of food and beverage, and we need at least  
 15 an interim GM and a full-time GM sometime soon.  
 16 Until we get those in place and we have a board that  
 17 supports staff and gives staff the tools to  
 18 executive on all those reports and recommendations  
 19 that we have, we will just be spending more money  
 20 doing the same exact thing and we're going to be --  
 21 the other part that I have concerns with is any  
 22 institutional knowledge that they build will go away  
 23 with them on the contract.  
 24 There's -- at least in the original  
 25 proposal, it was a three-year contract with the

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1 possibility of terminating it after two years.  
 2 That, to me, is unconscionable. Why would we ever  
 3 enter an agreement like that that doesn't have an  
 4 exit clause by either party if they are not  
 5 satisfied with how things are going, regardless of  
 6 the term?  
 7 This should have been done -- I would  
 8 recommend going out for an RFP. If we want to see  
 9 what other management consultants are out there,  
 10 what they could provide, I would be really  
 11 interested to see what's out.  
 12 The problem with Troon, and they market  
 13 themselves as a club, golf community entity. And  
 14 we're much more than that. They mention that they  
 15 got one little ski area. And that they  
 16 effectively -- they were focused on roads in  
 17 Kapalua. Our two biggest things in IVGID are public  
 18 works and ski, and those are major, major pieces.  
 19 And that's something they have basically no  
 20 experience in.  
 21 And my -- if golf operations were in the  
 22 gutter, this is might be worthwhile to focus on that  
 23 piece, but that's not what our issues are. We have  
 24 a lot of issues across a lot of different  
 25 departments, but we know what the problems are.

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1 And so I don't think this is the solution.  
 2 TRUSTEE TONKING: I'll say -- I have some  
 3 things to ask you, Trustee Tulloch, so it will be  
 4 perfect to follow up.  
 5 I will not belabor everything that Trustee  
 6 Noble said. I agree with the majority of it.  
 7 I think we have -- we just told all of our  
 8 staff during the budget process, stay within your  
 9 budget, and now we have just decided to add an  
 10 additional \$270,000 with a max of close to \$412,000.  
 11 That seem unconscionable as leaders to be telling  
 12 our staff one thing and do something completely  
 13 different.  
 14 And then going off of that, I think  
 15 there's some other options that we can consider, and  
 16 some of them came from public comment, some came  
 17 from some research. We can get the Executive Coach  
 18 to do senior leadership and work with a higher GM at  
 19 a much cheaper price. There are organizations like  
 20 (inaudible) Hamilton and (inaudible) that will do  
 21 that, as well as come in and do some operations for  
 22 a few months and help with policies and that kind of  
 23 stuff.  
 24 The other myth is, here's another option,  
 25 in NRS 318.081, there is an opportunity to have the

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1 county give us a person to help us with either  
2 finances or operations at a cheaper and discounted  
3 price, to help us work through some of our issues,  
4 at no burden and no, like, them stepping in. It's  
5 truly they become our employee for a little bit.  
6 I also disagree with our fiduciary duty to  
7 be double paying with Bobby Magee. I do understand  
8 that there is a need to work with someone, but to  
9 have that big of a cost and double pay there, I  
10 think that is a miss.  
11 I would ask the Board that I would like  
12 to -- and this is more at Trustee Dent -- create a  
13 FlashVote on this item to get some community input.  
14 And then I think the biggest thing -- and  
15 I'm hoping Ray will say this because he brings this  
16 up at almost every meeting -- is why hasn't this  
17 been put out to RFP? I think this is would be a  
18 great opportunity to put out to RFP.  
19 And I don't believe, Erin correct me if  
20 I'm wrong. I know you reached to few, but I did  
21 some Googling, very quick, on organizations, but  
22 there's places like (inaudible), BCG, Human Capital  
23 LSE, Allen and Hamilton, and that was like 30  
24 minutes of Googling, and I think there's a lot that  
25 could do this.

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1 can you bring back to us? That's what I did.  
2 But when it came time the having the  
3 conversations specifically with the organizations,  
4 or in this case the one organization that I was able  
5 to connect with, it was -- and I want to thank you,  
6 Chair Schmitz, because it was helpful to have a  
7 board presence to say this is what we're working  
8 with, this is what we're talking with.  
9 My day-to-day operational focus is very  
10 specific. And, perhaps, I can't speak to the  
11 totality of the Public Works department as a great  
12 example, and so many of you -- I mean, I do that  
13 experience, I know about the operations, but I think  
14 having a board -- somebody from the Board to help to  
15 better articulate some of things we're looking  
16 for -- because you guys know what you're looking  
17 for. I think I know what you're looking for, but  
18 you're all five very different individuals with very  
19 different opinions on what it is that we need.  
20 That would be my only thing. If this is  
21 something that the Board decided to do to go out to  
22 formal RFP, I'm in.  
23 CHAIR SCHMITZ: To clarify for the Board,  
24 I answered a lot of questions about things. And I  
25 think I pointed them to some of the reports and

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1 And I think we're depriving our community  
2 if this a path that the majority of the Board wants  
3 to take. I don't necessarily agree with it, but if  
4 is what you want to do, we should put this out to  
5 RFP and do some more research.  
6 MS. FEORE: I will say that if the Board  
7 directed me to continue working on this to create a  
8 more formal RFP, I'm absolutely open. This is a  
9 priority of the Board, so it's a priority of mine.  
10 I'm happy to work with anybody who can provide me  
11 with some additional resources. I am, as you all  
12 know, very wide open to recommendations, so if there  
13 are organization that you would like me to reach out  
14 to be a key point person for, I'm happy to do that.  
15 I would say that if we do go out to formal  
16 RFP, I think this is only going to be successful  
17 with cooperation with Board in the sense I have  
18 someone with me to help answer the questions that I  
19 cannot answer. We've heard tonight that Erin Feore  
20 was the sole person who worked on this, and to a  
21 certain extent, the leg work was solely done by me,  
22 based on the direction I received from the Board.  
23 And talked about it, it was throw everything at the  
24 wall to see what sticks, we're not giving you very  
25 specific direction, we want to hear from you, what

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1 where to go find things. I tried to fill the blanks  
2 a little bit, from a broader board perspective.  
3 MS. FEORE: That's the resource that I  
4 would need.  
5 CHAIR SCHMITZ: Are you able tell us --  
6 you reached out to five different management  
7 companies, are you able to tell us what they were?  
8 MS. FEORE: Yeah. I a report that I'm  
9 happy to share with the Board or I can make it a  
10 public document, however it needs to be. I'll leave  
11 that to Sergio to advise.  
12 But, yes, I have -- I took copious note so  
13 if I was questioned on the work that I did -- the  
14 only thing I would ask is for the individuals that I  
15 reached out to, I would rather have their names  
16 redacted.  
17 But I kept notes on those conversations.  
18 CHAIR SCHMITZ: Yeah. I don't know why it  
19 couldn't be public information, but if you prefer to  
20 defer that, that's totally fine.  
21 But I believe you did reach out to  
22 organizations that you felt would fit.  
23 MS. FEORE: 15. Um-hum. But I will say  
24 one were those --  
25 TRUSTEE TONKING: Do you feel you reach

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1 out to all the management organization that would  
 2 fit or goals?  
 3 MS. FEORE: Given more time and if my  
 4 bandwidth were a little bigger, I probably have  
 5 worked closely -- I will say the least success I had  
 6 was coming to this board with one option. For those  
 7 of you who worked with me recruiting initiatives,  
 8 you know that I always want to come with at least  
 9 three people for you to requester. And I think that  
 10 that puts whoever is ultimately chosen in the best  
 11 position to succeed as well.  
 12 And so had I -- I also want to respect the  
 13 fact that we don't have a lot of time, so I'm trying  
 14 to kind of -- I guess I'm trying to figure out how I  
 15 can make this work in the constricted time frame  
 16 that we have. If there was more time, I would have  
 17 reached out to more, and I would have focused more  
 18 on those management companies as well.  
 19 CHAIR SCHMITZ: And we should thank  
 20 Trustee Tulloch for putting into the contract the 90  
 21 day. It could have potentially been less time.  
 22 TRUSTEE TULLOCH: I'm going to shock the  
 23 audience here. For once in my life, I'm going to  
 24 agree with something both Trustee Noble said and  
 25 Trustee Tonking said. Like Trustee Noble, I do

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1 share the concerns about mixed loyalties if the  
 2 person is not directly employed by IVGID. There can  
 3 be some arrangements around that, but, yeah, I would  
 4 have some concerns about that.  
 5 It does open up to wider pool and also  
 6 helps with succession planning, though that's the  
 7 flip side of it.  
 8 As to Trustee Tonking, yes, I'm a huge  
 9 believer in going out to RFP for everything. I did  
 10 say that in my election campaign. Unfortunately, I  
 11 keep getting overruled, and the biggest culprit is  
 12 Public Works. Well, no, nobody else can do this  
 13 except this group.  
 14 And we've created a situation now in  
 15 IVGID, most contractors won't actually bid on our  
 16 deals because they know it's just going to go to the  
 17 same one or two contractors all the time. It's -- I  
 18 still firmly stand by that, and I believe in doing  
 19 it. I can't tell Public Works, I can't tell any  
 20 department to do that. Trustees do not direction in  
 21 terms of that. I can suggest it and will always  
 22 look for it.  
 23 With regard to the overall approach, yeah,  
 24 you can -- I'm quite happy to debate it with anyone  
 25 in the audience afterwards in terms of what they

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1 want. I say what I think all the time and I take  
 2 the flack for it as well.  
 3 In terms of the overall proposal, I hear  
 4 some of these other firms being suggested, and  
 5 having worked for several big four firms and knowing  
 6 how it works. Yes, (inaudible) is great. They're  
 7 doing outsource work in finance and things. This is  
 8 not an outsource firm in finance.  
 9 I also hear, well, we know what needs to  
 10 be done. Well, we've known what needs to be done  
 11 for several years, but what have we done about it?  
 12 We're pretty poor in execution.  
 13 And that's problem with a lot of those  
 14 other firms that are being suggested. I give Troon  
 15 credit, at least they have a track record of  
 16 actually executing on these things. Is Troon the  
 17 right firm? Hard to say. But what we need is an  
 18 execution firm.  
 19 And the same way I've been pointing out,  
 20 taking the crisp for it as well, what we need to run  
 21 the District is somebody that understand operations.  
 22 Out of the last four general managers, have not been  
 23 Public Works people or engineers, and public works  
 24 is there.  
 25 We are facing a major financial borrowing

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1 because, yes, we spent -- we're borrowing 55 million  
 2 bucks against the pipeline, which previous boards  
 3 collected money for and never executed.  
 4 So, yes, we do have a lot of financial  
 5 issues coming up. We have huge investments, level  
 6 of investment coming up. This isn't a case of,  
 7 well, we can just reverse everything. We can bring  
 8 somebody back and everything will be fine again. We  
 9 face huge challenges. I think it's good that we're  
 10 actually looking at other options.  
 11 Thank you.  
 12 CHAIR SCHMITZ: I agree. My concern is we  
 13 have limited time, we need to have a general  
 14 manager. We do. And we have not proven that we  
 15 have been able to executive on any of the  
 16 recommendations.  
 17 It was so extremely disappointing to see  
 18 things that Moss Adams had pointed out in 2020 still  
 19 show up in the RubinBrown report. And we need  
 20 assistance in executing. And I think that our staff  
 21 needs additional support. They need addition  
 22 assistance. I'm not sure that this is the right  
 23 approach, but we need to, as a board, acknowledge  
 24 that our staff needs some assistance as it comes to  
 25 implementing change and addressing some of these

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1 issue.

2 And is Tyler, unfortunately for us, the

3 Tyler Munis system being so, let's just say

4 unsuccessful, because that was the word that was

5 used, that has had a huge impact on the District,

6 it's had a huge impact on our audit, it's had a huge

7 impact across the board with internal controls, and

8 so there's a large void. And I believe that it's

9 based upon failure of the Tyler Munis conversion.

10 I think that we need to to have some

11 element of overlap with Mr. Magee. I think that

12 having an organization that is an execution

13 organization and operational organization, that has

14 best practices, they've refined methods, they've

15 refined processes, that would only help our staff.

16 Because to try to create things all the time, it's a

17 lot of work. And our staff is busy, it's dedicated

18 and has lots of challenges.

19 I think that if we go ahead and say we're

20 going to hire a GM, just a standalone GM, I think we

21 have to realistically look at it and say how can we

22 bring additional assistance and purport in for staff

23 to effectively implement change.

24 I mean, one of the things written up as a

25 response to the RubinBrown was saying that we're

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1 going to be before the state tomorrow.

2 So, I understand all of the different

3 perspectives, and it is not that I disagree, but as

4 a board, how are we -- what is the suggestion to

5 effectively move this initiative and move this

6 effort forward, because we need to.

7 TRUSTEE TONKING: I did want to clarify

8 one thing you said. I would be concerned if

9 RubinBrown did not fine the same thing Moss Adams

10 looked at because it was the same time period. So

11 if they didn't find those same findings, it would

12 mean that somebody found something different, and I

13 wouldn't trust either one of them. So I'm glad they

14 found the same things.

15 The other point I wanted to make is then

16 why not put it out to RFP and find a group that

17 meets all those needs? You just brought up Tyler

18 Munis, they don't know how to use Tyler Munis. You

19 bring up public works, they don't know public works,

20 they don't know ski. They know racket sports and

21 golf.

22 Let's find an organization, then, if

23 you're saying we need guidance, that offers all of

24 that. Let's spend that time. That's my suggestion.

25 TRUSTEE NOBLE: Building on that, I wanted

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1 going to have a new point of sales system. My

2 goodness, that's probably a year and a half to

3 two years out. If we had some method or some

4 ability to more rapidly implement the changes that

5 are needed and with an organization that has

6 experience and expertise with these things, I

7 just -- I mean, I know Mike Gove is working really

8 hard, but I don't even think we're going to have the

9 assessment on the point of sale until the end of

10 this year, and it's an issue that came up in our

11 RubinBrown report.

12 I don't have the answer, except to say

13 what we have done in the past really hasn't -- it's

14 produced what the RubinBrown report said was just

15 mismanagement. We need to change that. And we need

16 to either find how we can locate a qualified general

17 manager that has expertise, experience, because

18 while you can say, well, it's golf and public works,

19 we have a huge -- we have a recreation center, a

20 tennis center, we have two golf courses, we have

21 parks. They need to be ready to hit the ground

22 running and help staff to close these gaps that were

23 identified in the RubinBrown. And how do we

24 accomplish that quickly? Because I don't personally

25 want us to be on fiscal watch with the state. We're

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1 to push back of your characterization of the

2 RubinBrown report and how frustrated you were

3 because it covered the same period. Obviously there

4 was going to be overlap with Moss and Brown. I

5 fully expect that to be.

6 The key is what happened after June 30th,

7 2023? Bobby Magee came on, Baker Tilly came on, the

8 finance department was rebuilt after a lot of brain

9 drain when we lost a lot of people. And Mr. Magee's

10 report to us last week stated that 16 of those

11 observations have already been completed, another 18

12 are actively being worked on right now. That is

13 what happens when we actually have a fully

14 functioning staff with support from the Board to get

15 that stuff done. And that's what we need to do.

16 We don't need another consultant to tell

17 us how we need to do stuff, but don't have the

18 people to executive it. Because at the end of the

19 day, it doesn't matter how many times we're told

20 what to do and how to do it, unless we have the

21 personnel in house to actually executive it, it will

22 never get done.

23 TRUSTEE TULLOCH: I am going to hate

24 myself on this one. I have to agree with Trustee

25 Noble on some things, that said just for fun.

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1           Yeah, we need to executive. We need to  
 2 get things done. And we always need to make sure  
 3 that both from the Board and from the general  
 4 manager, these instructions go down. I've been  
 5 through lots of restructurings as well where you got  
 6 something in the utility industry, we used to call a  
 7 "pocket veto," where people didn't like what was  
 8 being done, so they just objected it not. I'm  
 9 suggesting that has happened here, just before  
 10 somebody tried to pin that to me.

11           We need to have a focus on actually  
 12 executing things, and that can't always just be done  
 13 by people that's sitting in a manager's job.  
 14 Sometimes it needs a tag team to go in and actually  
 15 do the execution.

16           I think the other thing we've ignored, we  
 17 all want to live in the past, IVGID was wonderful in  
 18 1961, and so and so knew everybody and this was easy  
 19 and it didn't take much to do. The world has moved  
 20 on. IT systems are becoming very expensive, they've  
 21 become a major challenge for a smaller municipality.

22           We've just spent 60, 70 million on the  
 23 pipeline and the storage tank for 6,000 customers.  
 24 We have another 55 million-plus to spend in utility.  
 25 How do you spread that across a 6,000 customer base?

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1 It just becomes very difficult.

2           And I hear these things, well, we're going  
 3 to -- if we sign up for this, we're putting a huge  
 4 burden on the future boards.

5           If we start bonding up the wazoo, we're  
 6 putting a huge burden on future boards as well. I  
 7 think we've got to look at the whole picture. It  
 8 becomes very hard for a small municipality like this  
 9 to just keep living like it's 1970 or something.

10           TRUSTEE DENT: I do -- I felt a little  
 11 frustrated in early July that this process might  
 12 take awhile. I know you're overloaded and you guys  
 13 have a lot going on. Thank you for all your efforts  
 14 in bringing this proposal forward.

15           We have been, in my tenure, 8, 9 --  
 16 9 years, we keep get reports. We don't have anyone  
 17 to executive, no one to put the plan in place. We  
 18 have everyone that is trying to put the meeting  
 19 minutes together, put the agenda items together.  
 20 Try to put a contract together. I mean, two years  
 21 into this, and contracts are just being rejected all  
 22 the time.

23           I feel like we need a team to help us come  
 24 in. The team in front of us, they have golf  
 25 operations, food and beverage, sales and marketing,

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1 accounting and finance, human resources,  
 2 procurement, legal, technology, retail, risk  
 3 management, racket sports. Sounds a lot like IVGID.  
 4 Sure, they don't have public works. Sure, they  
 5 don't have public works.

6           The last three general managers I've  
 7 worked with, they didn't have public works  
 8 experience, the water flowed, the toilets flushed.  
 9 So maybe there's scope of work that gets proposed  
 10 doesn't have anything to do with public works.  
 11 Maybe it does. I don't know.

12           But to say that we need someone that  
 13 encompasses all of this, they need to have an  
 14 understanding of ski report, understanding to run  
 15 public works, there's no one that exists that has  
 16 all those background, except Trustee Tulloch over  
 17 here.

18           The thing is we have an opportunity here,  
 19 we can kick the can down the road, community shows  
 20 up, recallers show up and they decide to come out  
 21 and say, hey, you guys shouldn't do anything. Don't  
 22 do anything. Let's not do anything. We know we  
 23 have positions that need to be filled, same  
 24 conversation we were having last year, let's not do  
 25 anything. Can't you just sit here and kick the can

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1 down the road again?

2           I would be interested in seeing what a  
 3 scope of work looks like for this that turns into  
 4 some sort of potential working agreement, whether it  
 5 somewhere or not. I feel like if we just ask  
 6 Director Feore to go back to the drawing board, it's  
 7 going to be six more months and nothing's going to  
 8 be done.

9           And then Public Works is going to come  
 10 around next year, and we're going to have a \$4- or  
 11 \$5 million deficit just in rates that are going to  
 12 get passed along to the users. Nothing's going to  
 13 change.

14           We've had ridiculous costs increases as it  
 15 -- community services, Public Works, it's not  
 16 sustainable, and we need to try and do something  
 17 different to solve the problem.

18           I don't know what the answer is, but I  
 19 feel like this is a step in the right direction. It  
 20 is outside-the-box thinking. And I feel like if we  
 21 don't at least look into this a little bit further,  
 22 we're just going to be another six months behind.

23           CHAIR SCHMITZ: Would you mind taking your  
 24 conversation out in the hallway? It's very  
 25 distracting. Thank you.

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1 TRUSTEE TONKING: I have a question for my  
 2 colleagues, then. Why would you be willing to put  
 3 it out to RFP, and why or why not?  
 4 CHAIR SCHMITZ: Would any one -- first of  
 5 all, I know that you reached out to so many multiple  
 6 times. We can go ahead and do that. I mean, we can  
 7 go ahead and do that. It's just time. Yeah. And  
 8 maybe that is the right thing to do.  
 9 But I agree with Trustee Dent. And I  
 10 still will go back, Trustee Noble, and say it is --  
 11 it was very, very disconcerting to have internal  
 12 control in finance called out in 2020. And what's  
 13 called out in 2024? Internal controls and our  
 14 finances. It's not a good thing when you've had  
 15 four years to take -- four years to make corrections  
 16 and those corrections are now thanks Bobby Magee's  
 17 staff and the effort that this board put into  
 18 supporting what needed to be done in finance,  
 19 bringing Baker Tilly in and rest of it, we finally  
 20 are getting a little bit caught up, and we're  
 21 starting to address some of those issues. But to  
 22 have four years go by with lack of internal controls  
 23 in our financial areas is just not okay.  
 24 As it relates to RFP, I mean, that's  
 25 something that if the Board wants to do, I don't

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1 know if anyone said that they were opposed to that,  
 2 Trustee Tonking.  
 3 MS. FEORE: Quick question first, just  
 4 because along those lines, I -- as you all know, I'm  
 5 very much a want-to-get-it-done kind of person, and  
 6 if you give me anything, no matter what's on my  
 7 plate, I'm going to try to find a way to make that  
 8 happen.  
 9 I also want to be at the best service for  
 10 the Board. Am I the right person in our  
 11 organization to assist you with this?  
 12 And I know that there had been public  
 13 comment that had been made, and obviously I had  
 14 received some public feedback that was little bit  
 15 critical, wasn't too bad, but a little critical.  
 16 And it raised the question. And I debated as to  
 17 whether or not I should say it out loud, but at the  
 18 end of the day, the success of this organization  
 19 means everything to me. If I'm given the  
 20 opportunity to work here until I retire, I would  
 21 love that opportunity.  
 22 And so I also want to make sure that I'm  
 23 the right person to assist the Board with this. If  
 24 the Board says yes, I'm in a hundred percent.  
 25 But if there's some other ideas regarding

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1 that as well, I wanted the Board to know that I  
 2 would be open to that and not at all offended by any  
 3 stretch of the imagination.  
 4 I needed to say that out loud so that I'm  
 5 also being very open and honest and transparent.  
 6 CHAIR SCHMITZ: I'm very sorry that you  
 7 have had to be on the receiving end of community  
 8 members' less than appreciative toward your efforts.  
 9 MS. FEORE: I will say it because I want  
 10 to be very fair about this, it's not the first time  
 11 I've had people contact me before. I've also had  
 12 some supportive community members come out and say,  
 13 We understand this was the direction you were given  
 14 by the Board.  
 15 I've had both. But I think -- I'm never  
 16 the kind of person to throw the baby out with the  
 17 bath water, and so I want to listen to those  
 18 criticisms and bring them to light in case there are  
 19 some other suggestions and there is another way of  
 20 doing this.  
 21 TRUSTEE DENT: I'll just go back to --  
 22 adding to what our HR director was saying. We had  
 23 individuals that were interested in coming to work  
 24 here, and then those individuals are then being  
 25 hunted in their towns and their companies and

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1 withdrawing their names.  
 2 The fact that Troon actually came in for  
 3 the presentation was a little surprising to me.  
 4 TRUSTEE TULLOCH: Director Feore, you've  
 5 done a good job. I think it's important that you --  
 6 it's not the role of the Board to be executing  
 7 operating tasks like that. It's the job of the  
 8 Board to give you guidance. I appreciate the work  
 9 you've done on it, the independence, despite the  
 10 audience comments.  
 11 I've not been involved in any of these  
 12 negotiations or discussions in terms of that. Just  
 13 to clarify. Thank you for the job you've done.  
 14 I'll agree with what Trustee Dent said, we brought  
 15 somebody to the dance floor. Others have not  
 16 responded.  
 17 Again if so, as I said before, it's not  
 18 just a classic range of looking at -- I'll use the  
 19 old word, the classic outsources like (inaudible)  
 20 Allen or (inaudible) that deal with particular  
 21 things. This is an operations and execution-type  
 22 role.  
 23 CHAIR SCHMITZ: I think that -- I want to  
 24 ask the Board if there's an interest in, perhaps,  
 25 asked Troon to refine their plan to potentially



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1 change things like they become an IVGID employee,  
 2 because I understand the concern of that as well,  
 3 and potentially having some sort of an interim-type  
 4 situation.

5 I think that we need to have someone at  
 6 the helm, and I think that we do need to have some  
 7 additional resources for staff to assist in getting  
 8 over some of these hurdles. And I'll use the point  
 9 of sales system as another one because it's an issue  
 10 for, not only the finance department, but also the  
 11 frontline staff. It's not -- it's very old and it's  
 12 not integrated with any of other systems.

13 I'm just wondering if there's some sort of  
 14 an inquiry or compromise like we would like to talk  
 15 about.

16 TRUSTEE NOBLE: I think you absolutely  
 17 have to put this out for an RFP. I mean, this is  
 18 our one position that we're in charge of, and to  
 19 have it present like this and go down this road with  
 20 Troon without canvassing it out there, putting it  
 21 out there beyond just making phone calls to see what  
 22 else is out there, I think it would be dereliction  
 23 of duty on our part that we don't do an RFP.

24 TRUSTEE TONKING: I think you're doing a  
 25 disservice to this community without doing an RFP.

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1 organizations that you feel may provide the services  
 2 that the District needs.

3 I also want to thank Troon for coming out.  
 4 Working with Joe Goodrich and his team, they are  
 5 incredible people, and they did do a lot of work to  
 6 present tonight. I think if they were in here, they  
 7 would also agree, yes, we want to be the best of the  
 8 best. We don't want you just to choose us just  
 9 because we're the only people that stepped up.

10 So, in my professional experience, I would  
 11 prefer to come back to you with additional  
 12 resources. Again, I want to be respectful of the  
 13 time as well.

14 CHAIR SCHMITZ: What's the consensus of  
 15 the Board?

16 TRUSTEE TULLOCH: Director Feore, what's  
 17 the likely time skill for an RFP and how long did  
 18 Troon have to prepare this and what length of time  
 19 should put in -- time skill if it out to RFP?

20 MS. FEORE: I'd have to go back to my  
 21 notes to see when I first started working them, but  
 22 I believe it was three weeks, two to three weeks, I  
 23 believe. It was -- I had reached out to them, they  
 24 had touched base with me, but I didn't start really  
 25 speaking with them after the July 10th meeting.

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1 I think we had all these people come out and tell us  
 2 they didn't agree. I had Troon tell me they were  
 3 unqualified.

4 If Troon wants to bid and no one else  
 5 bids, then fine, but do the process right.

6 I have a question for Director Feore:  
 7 What, in your professional opinion, would you  
 8 recommend doing?

9 MS. FEORE: I want to be respectful of the  
 10 time constraints, but in my professional opinion, I  
 11 know this is a very important role and this a very  
 12 important service to the Board, and I would also not  
 13 want to see the can kicked, but I also think that --  
 14 I would certainly feel, I've said this before, more  
 15 comfortable if I was able to provide you with  
 16 additional companies so that you can make a more  
 17 educated decision.

18 And, again, this kind of goes back to my  
 19 recruitment experience. I'd never come to you with  
 20 just one applicant.

21 CHAIR SCHMITZ: You tried very hard.

22 MS. FEORE: I did.

23 But if the Board does direct that we do a  
 24 more formal RFP, I will invite any recommendations  
 25 from the subordinate and as it relates to

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1 TRUSTEE TULLOCH: Follow-up question for  
 2 general counsel. In the previous search for a  
 3 general manager, the Board was not allowed to see  
 4 all the applicants. All we saw was the sanitized  
 5 list that was passed to us. Out of 15, 16  
 6 applicants, we only got to see about four.

7 I'm assuming if we go out to RFP, we'd see  
 8 all the responses?

9 MR. RUDIN: Yeah, you would.

10 With respect to the search for an  
 11 individual of a general manager, there's an Open  
 12 Meeting Law restriction that you can't make those  
 13 decisions or participate in them except for a  
 14 noticed public meeting.

15 However, after the -- so, if you were  
 16 appointing an individual after that process is  
 17 complete, you could potentially review it  
 18 afterwards, and review whatever procurement or  
 19 solicitation was done for a general manager to  
 20 ensure that you're comfortable with the process that  
 21 took place.

22 Again, that would be after you've  
 23 completed whatever process you choose to select your  
 24 general manager because of the restriction of Open  
 25 Meeting Law.

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1 I do have -- another question for the  
 2 Board is the staff report does identify individuals  
 3 who have expressed interest. If there is direction  
 4 given to the human resources director about pursuing  
 5 that path, does the Board want to open up a more  
 6 open solicitation or advertisement for a general  
 7 manager position, either on an interim or permanent  
 8 basis?  
 9 TRUSTEE NOBLE: I think that's a great  
 10 idea. I think the more options, the better.  
 11 We are year past the last time we went  
 12 through this process, and maybe this time it will  
 13 work. If not, we'd have the other option with  
 14 various -- the RFP for the management services  
 15 piece.  
 16 But I'd like to see both options because  
 17 more options is good.  
 18 CHAIR SCHMITZ: I would agree with that.  
 19 I don't think that -- paying for executive  
 20 recruiting firm, it didn't work.  
 21 So if we -- if it isn't too much effort  
 22 for staff to have two paths and post and actually  
 23 advertise for hiring a GM, because the cost of  
 24 hiring a firm because they're bringing more to the  
 25 table, it is going to cost us more, but you're

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1 getting, potentially, more as well because you've  
 2 got the backdrop of all of the resources.  
 3 But I just -- it's a shame this is taking  
 4 so long, and some of it is because of Open Meeting  
 5 Law as well. It takes time to put materials  
 6 together and what not. I'm concerned about that,  
 7 because Mr. Magee will be gone. And I know  
 8 Mr. Bandelin has helped us out in the past, but  
 9 situations with him have changed.  
 10 TRUSTEE DENT: I think we've been dancing  
 11 around this general manager option for over a year,  
 12 and I do like the firm approach. I didn't know  
 13 where this was going on when we discussed it last  
 14 with Director Feore, but feel like this could be an  
 15 option that could actually help and move it forward.  
 16 CHAIR SCHMITZ: I agree. And, personally,  
 17 I liked what Troon was bringing to the table. I  
 18 liked the fact they had all of the food and  
 19 beverage, and they had industry benchmarks and  
 20 here's what it should be, here's what your overhead  
 21 should be. I mean, that's helpful for staff, it is.  
 22 I do think that there is value in having  
 23 the firm approach, at least period of time. And  
 24 then maybe in two years everything will be running  
 25 really smoothly and our budgets will be more in line

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1 and our costs and revenues, and it will have  
 2 improved, and maybe at that point in time we can fly  
 3 with just a GM.  
 4 MS. FEORE: If I can as a clarifying  
 5 question when it speaks to potential individual as a  
 6 GM, are we looking to source a permanent solution or  
 7 an interim solution in a more immediate approach?  
 8 Kind of like how Troon had indicated that they would  
 9 get somebody in right away to assist and then work  
 10 with the new board on it for a permanent solution.  
 11 CHAIR SCHMITZ: I think we would be  
 12 looking for permanent. Yeah. I think Troon was  
 13 doing it to try to have as much overlap as possible  
 14 to not miss a beat, and then have a person, hand it  
 15 off to another person.  
 16 That's how I was interpreting what they  
 17 were proposing. But if we were going out, we would  
 18 be looking for a full-time general manager.  
 19 MS. FEORE: Would I be safe in presuming  
 20 that the need for business acumen is as it was at  
 21 this time last year when we were talking about some  
 22 of the skill sets we were looking for? We want  
 23 somebody to have a strong background in business as  
 24 well as, potentially, a governmental background as  
 25 well.

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1 CHAIR SCHMITZ: Hospitality business.  
 2 TRUSTEE NOBLE: That's all -- I'd rather  
 3 have it open that it is recommended but not  
 4 mandatory, because they may bring a different skill  
 5 set that we're not aware of. I would like to have  
 6 it as an either or or inclusive, but I don't want to  
 7 discount anybody. We can do that ourselves in  
 8 reviewing that, whether or not we think that's the  
 9 appropriate person.  
 10 I don't want to limit it so much that we  
 11 don't get a qualified candidate.  
 12 TRUSTEE TULLOCH: Yeah, I think it's even  
 13 more critical, what we've seen in the audit report  
 14 and everything, it just highlights the need for  
 15 that.  
 16 And I think different perspective offered  
 17 by Troon also highlights the need for thinking  
 18 outside the box in terms of that. Just doing  
 19 something a little bit different. They correctly  
 20 identified the need for somebody that's really  
 21 focused on the operations that we run and actually  
 22 being there to support them.  
 23 To me, that's still a critical part of it.  
 24 MS. FEORE: As it relates to scope of  
 25 work, is this something that this board is

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1 comfortable with me putting together based on all  
 2 the feedback I received, or would you prefer to have  
 3 some input on the scope of work?  
 4 TRUSTEE TULLOCH: For the RFP, I think --  
 5 I can't speak for my colleagues, I'm happy to  
 6 provide some input in terms of the scope. I think  
 7 what we've seen from Troon has actually been helpful  
 8 for that.  
 9 TRUSTEE TONKING: Is there a way to  
 10 provide input just to Erin or legal or individually?  
 11 Or do you need it --  
 12 MR. RUDIN: The issue there is if you're  
 13 all providing input, that's likely going to be an  
 14 Open Meeting Law violation.  
 15 What the Board can do is designate one or  
 16 two trustees to review and provide their input on  
 17 what the scope of work should be.  
 18 TRUSTEE TONKING: I recommend that it  
 19 would be Dave and Ray, since they are both the ones  
 20 who will be on the Board.  
 21 CHAIR SCHMITZ: We can't have two, that's  
 22 an Open Meeting Law violation. Can't have two.  
 23 MR. RUDIN: I guess one, yeah.  
 24 CHAIR SCHMITZ: I'm fine with -- do you  
 25 want to do it, Ray?

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1 CHAIR SCHMITZ: Do you want me to just  
 2 pick one? I'll go ahead if the Board's comfortable  
 3 with me picking one. Otherwise, we're going to have  
 4 to vote.  
 5 All right. Well, I'm going to ask Trustee  
 6 Noble to -- since he's got so much time on his  
 7 hands, to keep this moving forward, because we need  
 8 it going forward. We need it.  
 9 MS. FEORE: That's it. Okay.  
 10 CHAIR SCHMITZ: We're going to do, though,  
 11 a dual track. We're going to go ahead and post the  
 12 general manager's portion, and we -- then we want to  
 13 do an RFP, but I think we need to make these  
 14 timelines pretty tight because we need to make some  
 15 decisions and we need to move this forward.  
 16 So, you know, as tight as things can be, I  
 17 think, we need to do it.  
 18 MS. FEORE: I've not work with this board  
 19 on an RFP for professional services.  
 20 Sergio, maybe this is more of a question  
 21 for you. Does the RFP itself need come back to the  
 22 Board for approval before it's sent out, or are we  
 23 -- I mean, I had worked previously with General  
 24 Manager Magee who had walked me through an RFP  
 25 process, so I could certainly bug him for some

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1 TRUSTEE TONKING: I would also like to  
 2 suggest Dave as another option. I think it's -- he  
 3 knows contracts.  
 4 TRUSTEE NOBLE: I've got a lot of time  
 5 right now.  
 6 CHAIR SCHMITZ: Do you both want to do it?  
 7 TRUSTEE NOBLE: I'd really like to do it.  
 8 CHAIR SCHMITZ: Do we need to take a vote,  
 9 then?  
 10 MR. RUDIN: Sure. Not -- yeah, if you're  
 11 going to have a dispute over who --  
 12 CHAIR SCHMITZ: Well, we have two willing  
 13 people.  
 14 MR. RUDIN: You need to pick one.  
 15 TRUSTEE DENT: Why don't you pick one, and  
 16 then why doesn't that one that you pick then go  
 17 discuss it with the other one?  
 18 CHAIR SCHMITZ: That wasn't stated.  
 19 (Cross talk.)  
 20 MR. RUDIN: I think it would be better if  
 21 the Board just selects one person to provide  
 22 feedback on solicitation.  
 23 Otherwise, Erin can bring something back  
 24 at the next meeting, if it's ready for presentation  
 25 by then.

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1 guidance there as well.  
 2 But if I'm able to, I'm happy to come back  
 3 at the August 28th meeting, if nothing else to --  
 4 no?  
 5 CHAIR SCHMITZ: I was going to say, do we  
 6 need to have a special meeting before the 28th,  
 7 that's another four weeks. So, we have to move  
 8 faster than that is my feeling.  
 9 MS. FEORE: If we have a meeting on the  
 10 28th, that means all of the information that I have  
 11 available for the Board has to be published by the  
 12 23rd, which gives me two weeks. I could just do a  
 13 verbal report, yeah.  
 14 CHAIR SCHMITZ: When can you get an RFP?  
 15 How long does it take to put an RFP out?  
 16 MR. RUDIN: The key is developing the  
 17 scope of services we are requesting.  
 18 There's no statutory requirement that it  
 19 be provided to the Board for prior approval before  
 20 it goes out. That being said, it's the pleasure of  
 21 the Board as to whether or not you want to require  
 22 that.  
 23 CHAIR SCHMITZ: My feeling of the Board is  
 24 that we need to move this along, quick. Coming to  
 25 the Board with an RFP on the 28th, that's a loss of

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1 a month already, it's four weeks.  
 2 So if Trustee Noble has been assigned to  
 3 work with you, I would just say go ahead and work on  
 4 it, develop it, and get it out there.  
 5 TRUSTEE TULLOCH: I would have a  
 6 difference of opinion on that. We've heard how  
 7 important this is to the community, I think it's  
 8 important that the Board sees it -- whether it needs  
 9 a special meeting or not, I think that's an  
 10 important part of transparency.  
 11 CHAIR SCHMITZ: We can schedule a special  
 12 meeting. I personally don't think this can wait  
 13 until the 28th.  
 14 TRUSTEE TULLOCH: I agree with that.  
 15 MS. FEORE: It's not going to take me  
 16 two weeks to build the actual RFP, especially once  
 17 I've worked with Trustee Noble to develop the scope  
 18 of work. I would ask for at least a full week to  
 19 get this together, especially with some of the other  
 20 things that I have going on right now that are high  
 21 priority as well.  
 22 Do we want to look at week of the 19th?  
 23 And would that be in place of the 28th?  
 24 CHAIR SCHMITZ: No, it would just be a  
 25 special meeting just for this.

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1 But I know there was travel between  
 2 Trustee Dent and Trustee Tonking.  
 3 TRUSTEE TONKING: I can make something  
 4 work. I can always just Zoom in.  
 5 (Cross talk.)  
 6 TRUSTEE TULLOCH: We have a CIC meeting  
 7 scheduled for the 20th, we can actually do them  
 8 both, same day.  
 9 CHAIR SCHMITZ: Let's try to do that.  
 10 MS. FEORE: Because I am going to come  
 11 back to the Board with the RFP, that gives me a week  
 12 and a half to put together the RFP. It's tight, but  
 13 I can do it, I can sleep less. It's fine.  
 14 I will plan, then -- what date were we  
 15 looking at?  
 16 CHAIR SCHMITZ: Sometime the week of the  
 17 19th. It's Tuesday, and we can piggyback and the  
 18 setups are less for IT, on the 20th.  
 19 And if it has to be supplemental material,  
 20 we understand.  
 21 MS. FEORE: But what I will do is,  
 22 immediately, as of tomorrow, start the GM posting.  
 23 CHAIR SCHMITZ: Thank you very much.  
 24 G 2. EXL Media  
 25 CHAIR SCHMITZ: Moving on to general

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1 business G 2, review, discuss, and possibly approve  
 2 an agreement with EXL Media for district media  
 3 buying services. Requesting is communications  
 4 manager Paul Raymore, pages 44 through 79 in the  
 5 board packet.  
 6 MR. RAYMORE: On pages 44 through 53 in  
 7 your board packet is a memo and proposed agreement  
 8 with EXL Media for the District's paid advertising  
 9 services for the 2024/2025 fiscal year. Then also  
 10 attached on pages 54 through 79 are supporting  
 11 documents, including budgeting and actuals for paid  
 12 media spending since the 2019 fiscal year, as well  
 13 as some campaign reports from EXL Media from this  
 14 season's campaigns.  
 15 I'm here with Wendy Hummer, president of  
 16 EXL Media, who will walk you through a brief  
 17 presentation of the District's advertising campaign  
 18 results from this current fiscal year. This was  
 19 material added as supplemental materials to the  
 20 board packet.  
 21 And after that, we will both be available  
 22 to answer any questions you may have.  
 23 MS. HUMMER: Hi, everyone. Thank you.  
 24 We're going to go through Diamond Peak  
 25 facilities and golf. Starting with Diamond Peak,

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1 what you're seeing here is a report for  
 2 October through April of this fiscal. This is  
 3 season pass and full season combined. The cash  
 4 investment was just over 155,000 for media,  
 5 specifically. Trade was 25,000. And the value that  
 6 we were able to secure was 220,000, which is about a  
 7 23 percent additional value against spend. And you  
 8 guys recall, your budget is a spend up to, so we  
 9 were a little bit under on that.  
 10 The season pass campaigns we ran in the  
 11 fall. We did take a break between December and  
 12 October -- well, basically in November and half of  
 13 December, and we launched when the resort opened  
 14 because we get more sales then. And then the spring  
 15 pass sale went through the end of April.  
 16 Our total spent was 24,000. The digital  
 17 media spend, which was most of it, was 20,000. And  
 18 the revenue that we generated online was 282,000,  
 19 which is a 14 to 1 return on add spend.  
 20 The fall revenue was up from the  
 21 prior year, 7.5 percent, and the RAOS improved by  
 22 \$8.  
 23 The spring sale, the revenue was down a  
 24 bit, 12 percent, and the ROAS went from 23 to 17.  
 25 The reason for this, as all know, the season before

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1 was quite larger, you guys were open a little bit  
 2 longer, and there was a lot more snowpack. We had a  
 3 late season this year. I think it started in  
 4 February, basically. And that also shows you the  
 5 media channel.

6 The regular season, the media spend was  
 7 156. You can see the percent of cash and trade.  
 8 Our target markets are Reno, Lake Tahoe, Truckee,  
 9 Bay Area, and Sacramento. We break down the medial  
 10 channel spent by percent. We did one little  
 11 billboard on I-80, some radio print, digital, and  
 12 Hulu. The radio was mostly trade.

13 We can measure the digital, we can  
 14 measure -- I'll get to in a bit, but this gives you  
 15 a little bit of information on the campaign results.  
 16 We had over 3,000 social media engagements on the  
 17 platforms from the paid media. We have over 81,000  
 18 completed video views. 94,000 website session  
 19 visits, which was 16 percent of the total Diamond  
 20 Peak website. The click-through rate for Diamond  
 21 Peak on Google was 20 percent, that's against the  
 22 travel industry benchmark of 9 percent, and our cost  
 23 per click was 52 percent against 1.63. I know often  
 24 people want to know who this compares to the  
 25 industry, so we're well above that, and you can see

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1 the breakdown of the different digital media buys.  
 2 Then we lost revenue tracking on the site  
 3 between, basically, 1/11, 1/12. January 12th and  
 4 March 5th, there was no revenue tracking. So what  
 5 were able to do is pull when we did have revenue  
 6 tracking on the site, look at the digital spend  
 7 against that. We spent just an about 43,000 on  
 8 digital media, and we generated 651,000 in online  
 9 revenue, which was a return on investment of \$15.  
 10 That was down for that same period of last year  
 11 about 3 percent. And paul shared the total website  
 12 for the season compared to last year, and it was  
 13 down 3 percent. We were pretty right on for this  
 14 period, right on for the full season of that  
 15 decline. Again, that's just a difference in that  
 16 extended season we had last year with all the  
 17 snowpack.

18 One thing we initiated this year was a  
 19 powder alert campaign, so when it looked like or  
 20 when we were getting a foot or more of snow, we ran  
 21 a powder alert on the Colfax digital billboard here  
 22 on I-80. We also ran it on Facebook and YouTube and  
 23 Instagram, basically saying powder and come. What  
 24 saw from that is we generated 1,100 in revenue, we  
 25 had over 21,000 video views, and social engagements

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1 of 386.

2 Our billboard that we did buy, which we  
 3 haven't done in awhile, we spent 6,000 on it, and  
 4 the value of it was 8,000. I was able to get the --  
 5 in Colfax, there was two digital boards, and I was  
 6 able to get the one in front of it for bonus, and I  
 7 also worked to get a lot of bonus rotations on it.  
 8 We were able to receive almost, like, 300 percent  
 9 value against spend in negotiation.

10 Then this just, quickly, other media that  
 11 we did. Hulu, Pandora we ran in the Bay Area, and  
 12 with those, we're able to target just skiers and  
 13 borders, versus trying to reach, like, radio and TV  
 14 normally. That's a good thing with digital TV and  
 15 radios, you can target just skiers in the Bay area.  
 16 That was the ski.

17 The facilities, that is an annual campaign  
 18 where we promote weddings. We spend about 25,000,  
 19 mostly on wedding sites, Instagram, (inaudible), and  
 20 Google ads. We were able to secure 585 wedding  
 21 leads, which is about 64 percent of the total  
 22 website leads. Leads are up 18 percent from  
 23 last year with a flat spend, and our cost per lead  
 24 improved from \$49 to 44.

25 One specific campaign we tried to with

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1 them is we realized with the industry trends and  
 2 working with the other clients at large weddings are  
 3 not getting booked, they are way down, so we wanted  
 4 to promote the smaller weddings at Aspen. We ran a  
 5 specific paid search campaign in March and June. It  
 6 was really successful. We were able to generate 39  
 7 percent of the leads in March and June were for just  
 8 Aspen Grove.

9 I do want to note that this budget was cut  
 10 in the '24/'25 fiscal, so you will probably, about  
 11 33 percent, so that 585 leads will probably drop by  
 12 about 190, 200 leads.

13 In working with other -- I can give an  
 14 example of another client we have in Tahoe where  
 15 they cut back -- when COVID hit, there was a big  
 16 surge in wedding leads, a lot of people wanted to  
 17 get married that were not able to get married, so a  
 18 lot of pulled back on their advertising saying we  
 19 have enough wedding leads. What they saw in the  
 20 last 14 months is their leads dropped so much that  
 21 they had a lot of openings, and now they're actually  
 22 growing that wedding spend versus dropping it, just  
 23 to see what other people are doing in the area.

24 And then golf, we haven't ran golf in  
 25 awhile since COVID. We do this campaign in early

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1 June. It's still run a little bit, but we provided  
2 the report through July 31st. We ran social media,  
3 Google ads, and then we geofenced all the competing  
4 golf courses in the Lake Tahoe area, so when people  
5 were there golfing, they would see Incline golf  
6 coming across on their cell phones.  
7 We had almost 1,900 engagements on social  
8 media. And then 350 click-outs to book the tee  
9 times at a cost per lead or click-out of \$25. The  
10 website users for the golf Incline landing page was  
11 up 51 percent from last year for the same time  
12 period, and that came from the paid campaign. As  
13 you will see, both direct and organic search were  
14 down from last year. If we hadn't ran this  
15 campaign, your website sessions and click-outs would  
16 have been down. It definitely changed that around  
17 for you guys.  
18 And then it also represented 41 percent of  
19 the website users, which is quite a bit considering  
20 how many residents you have here that 41 percent  
21 were coming from the Bay Area and Reno and Sacrament  
22 to book golf. And we mentioned the geofence  
23 campaign.  
24 That's it.  
25 CHAIR SCHMITZ: Questions?

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1 say you have so many impressions and then that means  
2 that it resulted in so much in sales. How do you  
3 actually have that -- tie those things together?  
4 MS. HUMMER: This is the -- the 111 is  
5 from the Facebook Instagram, YouTube. That's  
6 generated on the GA4 report that they saw the social  
7 media, they clicked through, and they booked  
8 tickets -- lift tickets for the outdoor, in order  
9 for us to track revenue, we would have to bring in a  
10 third party to do attribution modeling with a  
11 different vendor. We don't have that for the  
12 billboard.  
13 The one thing that we know how to  
14 generate, the impressions on the billboard is that  
15 the Outdoor Association of America has an auditing  
16 system that we use that validates eyes on digital  
17 billboards and how much are actually delivered by  
18 people passing by, and they use their cell phones to  
19 track those impressions. Same with digital media,  
20 it's all audited by these industry people, making  
21 sure that what we buy is what we're getting.  
22 So if we contract 429,000 impressions, we  
23 know that we got 1.2 million impressions from this  
24 auditing system, and they're using the cell phone  
25 passerbys.

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1 TRUSTEE TULLOCH: Just I have interest,  
2 what's the conversion rate from leads to sales for  
3 both the areas that identified? You gives us a cost  
4 per lead, but what's the conversion rates from these  
5 leads?  
6 MR. RAYMORE: On to golf side and  
7 throughout the Vermont online, ecommerce engine, we  
8 don't have the tracking all the way through sales,  
9 so we can't say.  
10 CHAIR SCHMITZ: Did I hear you correctly  
11 that the cost per ad for golf was \$25?  
12 MS. HUMMER: No. Cost per somebody going  
13 to the site and then to click out to book a tee time  
14 was \$25 for a click-out. They went to your site,  
15 they decided to click out to book a golf time.  
16 CHAIR SCHMITZ: That really cuts into our  
17 profit margin at \$25.  
18 My other question is when -- can you put  
19 your presentation back up again?  
20 My question is, sorry, but I don't  
21 understand how it is that you said -- I don't know,  
22 with the billboard, that it equated to X number of  
23 dollars of revenue. How do you get information to  
24 say we received revenue from billboard? How in the  
25 world do you get it for any of these things when you

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1 CHAIR SCHMITZ: Any other questions?  
2 TRUSTEE TONKING: I'm looking at your  
3 facilities and weddings. You were saying that --  
4 because it's \$45 for leads, which feels a little  
5 high to me looking at that, I feel that it's a  
6 decrease from 49.  
7 I think you said about people were  
8 spending more in that area now. I missed the slide.  
9 MS. HUMMER: Actually, we probably have  
10 four or five different wedding clients and 44 is  
11 actually really strong. This is somebody filling  
12 out a lead to request a wedding. If you actually  
13 book a wedding against the \$44 lead, that's a pretty  
14 good return on investment.  
15 So what I was saying is what happened when  
16 COVID hit, a lot of people couldn't get married.  
17 Their wedded plans were canceled. There was a big  
18 surge in weddings everywhere, and so people were  
19 pulling back on advertising. Then what happened in  
20 the last months, especially large weddings, have  
21 gone on the decline.  
22 We have a lot of clients where their  
23 weddings have dropped 70 percent, 30 percent, and  
24 they're not getting those leads. Now they are  
25 ramping up those budgets today get those people

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1 back, and a lot of what we're seeing is that smaller  
 2 weddings. That's why Paul had the idea of let's try  
 3 to promote Aspen Grove and grab those people who are  
 4 going after the smaller weddings. And I think it  
 5 paid off.  
 6 In terms of tracking those leads to  
 7 weddings, we would have to have a system that would  
 8 track that from GA4, by day, and then talk to the  
 9 wedding department to see what came to fruition.  
 10 But they do say they do pretty well from the wedding  
 11 site and the website.  
 12 MR. SANDS: If I can tack on real quick.  
 13 The thing we're seeing on the uptick, the uptick is  
 14 that our bookings for weddings and events have gone  
 15 from maybe 100 to 120 to now 150 to 250 people.  
 16 So everything that is now trending forward  
 17 is really beneficial to us in general.  
 18 TRUSTEE TULLOCH: If I can come back to a  
 19 previous question, a cost per lead is 44, but what's  
 20 the conversion rate? I mean, if it's a hundred  
 21 percent conversion rate, that's brilliant. At zero  
 22 percent it's been meaningless.  
 23 That's what I am trying to get my head  
 24 around, what it's costing us.  
 25 MR. SANDS: Absolutely.

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1 TRUSTEE TULLOCH: Here's a very simple  
 2 way: You get 585 leads, let's just look at a  
 3 two-year period or something, how many wedding did  
 4 we do over that. I know it's a very rough one and  
 5 you won't like it because it's not digital or  
 6 anything, but it gives a back-of-the-envelope  
 7 calculation.  
 8 MR. RAYMORE: I can't speak to exactly how  
 9 many weddings we did over this time period, but I  
 10 have done that math in the past. I didn't include  
 11 it in this packet. I'd say that \$44 is a very  
 12 attractive --  
 13 MR. SANDS: Mr. Raymore, Mr. Raymore, I  
 14 will jump in and address Trustee Tulloch's comments.  
 15 Here's the big picture. We are always going to  
 16 operate and be efficient in weddings and events,  
 17 whether it's golf tournaments, it's non-residents,  
 18 we are going to make sure that golf operations and  
 19 food and beverage in the summertime run at a proper  
 20 profit and loss expectation.  
 21 TRUSTEE TULLOCH: That's exactly what I  
 22 would expect, but unfortunately I'm kind of a  
 23 show-me kind of guy. I appreciate your input.  
 24 MS. HUMMER: I can tell this cost per lead  
 25 is lower than three other clients I work with in

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1 But the big picture is now if we look at  
 2 it at a macro with advertising, we have to have  
 3 advertising within the market because it's such a  
 4 competitive market. And if we are not in that  
 5 space, we're not going to be able to book the amount  
 6 of parties we would want to book.  
 7 TRUSTEE TULLOCH: Yep. It makes total  
 8 sense. I'm still just interested in what the  
 9 conversion rate is, because, otherwise, the cost per  
 10 lead is not really telling us anything. That's why  
 11 I'm curious about the conversion rate.  
 12 MR. SANDS: No. And I'm -- will work with  
 13 director Paul to make sure that whatever we are  
 14 spending is actually going to the right departments,  
 15 because we are not going to spend money that does  
 16 not make us money.  
 17 MS. HUMMER: If we can link the GA for our  
 18 leads to a CRM database, then we can look at that  
 19 conversion rate towards the wedding. There's a lot  
 20 of factors involved: the time, the group, the size,  
 21 where they want to get married, if they want to  
 22 bring in their F and B they can't.  
 23 We can see if there's any way to link it.  
 24 We're doing that with other wedding clients, but on  
 25 a much larger scale with a larger budget.

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1 Tahoe on weddings.  
 2 MR. SANDS: Absolutely. Absolutely.  
 3 MS. HUMMER: I just can't share who they  
 4 are, what it is, because they are private companies.  
 5 MR. RAYMORE: Again, I think average  
 6 revenue we're looking at for the events that we are  
 7 advertising for is in the \$12- to \$15,000 range. So  
 8 these are the money-making, profit-generating events  
 9 at The Chateau. These are high-end weddings that we  
 10 are trying to sell.  
 11 We were very comfortable with the \$44 cost  
 12 per lead. I think it could be much higher than that  
 13 and still be in the ballpark where we're generating  
 14 profit.  
 15 TRUSTEE TULLOCH: I look to forward to  
 16 seeing that in the next budget in that case.  
 17 If I can jump to something else, I noticed  
 18 you haven't broken out the agency fee separately  
 19 this time from the cost of ads. What is the agency  
 20 fee percentage in that total on the board memo?  
 21 MR. RAYMORE: There is a not exceed total  
 22 amount in the contract. It shows not to break it  
 23 out specifically so that we had more flexibility in  
 24 terms of how we're spending ad dollars and agency  
 25 fee dollars, essentially giving us the flexibility

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1 to spend more on paid advertising if we choose to  
2 request less in terms of reporting in other  
3 fee-generating activities from EXL Media.  
4 As -- if you remember last year's  
5 presentation, Trustee Schmitz had asked me why we  
6 had fees for golf without any actual golf  
7 advertising. I'm hoping that budgeting this way  
8 will give us the flexibility to pay for what fees  
9 and what services we need without constraining our  
10 budget to only pay for fees.  
11 So, if we have money left over because we  
12 haven't asked as much of them in terms of reporting  
13 and the duties they do, that can go toward paid  
14 advertising and paid media.  
15 TRUSTEE TULLOCH: Understood. And I  
16 appreciate the flexibility. I'm just trying to work  
17 out whether the increased spend here is just as a  
18 result of increased agency fees or whether we're  
19 actually getting for ads for our money.  
20 MR. SANDS: Well, we're also trying to  
21 make sure we operate within the budgetary  
22 constraints that we've been given for this year. So  
23 everything that we're trying to do is within our  
24 budgetary constraints to make sure we operate in a  
25 very proficient manner.

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1 where both the paid media ads and fees come out of.  
2 And so trying to present it this way was just trying  
3 to model that back end budget and also give us the  
4 flexibility to assign the fees to the right  
5 department that is using them.  
6 If they are doing a lot of work for golf,  
7 the fees are going to come out of that golf spend  
8 and that golf account. If they're doing most of  
9 their work for Diamond Peak, they will come out of  
10 the Diamond Peak spend.  
11 But we still a not to exceed amount in the  
12 contract, based on estimated hours, total hours,  
13 that EXL Media feels they will spend at the maximum  
14 over the course of the fiscal year.  
15 TRUSTEE TULLOCH: Understood. But if you  
16 broke it out, you would still show the fees and  
17 spend against each venue as well, wouldn't you?  
18 Because you must be doing that to actually track it  
19 against the venues.  
20 I'll leave it there.  
21 MR. RAYMORE: Yes. But I didn't want to  
22 be constrained by what I put in the report in terms  
23 of spending that money on fees if it was -- it could  
24 be utilized for paid media.  
25 MS. HUMMER: I think, having been set

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1 TRUSTEE TULLOCH: Yes, I appreciate that.  
2 I'm just looking at the big picture. Does this  
3 increase in spend due to increased agency fees, or  
4 is it actually driving up --  
5 MR. SANDS: Not at all. Not at all.  
6 TRUSTEE TULLOCH: That's why I'm asking  
7 for the transparency.  
8 MR. SANDS: Not at all.  
9 MR. RAYMORE: The increased budget numbers  
10 are most due to the \$10,000 increase in the trade  
11 budget that was authorized this year for Diamond  
12 Peak. We went from 40,000 to 50,000 in terms of  
13 trade value that we're able to, potentially,  
14 utilize.  
15 As Wendy's presentation showed, I think we  
16 utilize 225,000 in trade value --  
17 MR. SANDS: Thank you, Paul.  
18 MR. RAYMORE: -- last year. I don't  
19 necessarily expect we'll be able to utilize all  
20 50,000 of that value, but it's there as a cash  
21 alternative when we can use it. We often use that  
22 for a little bit of radio.  
23 But essentially, I guess, keeping  
24 everything into one budget is how it is budgeted in  
25 the back end. There's one account for paid media

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1 upfront, it gets billed as it get occurred. It gets  
2 assigned to a department as we using is, versus  
3 setting a fee at the beginning and then we don't use  
4 it.  
5 CHAIR SCHMITZ: What's the fee percentage  
6 that's being charged?  
7 MR. SANDS: Look -- can we simplify it a  
8 little bit more than that? Because, essentially, we  
9 have a crossover interdepartmental fee structure, so  
10 myself in golf then incurs something that comes from  
11 ski operations. If we don't understand the full  
12 scope of what that interdepartmental fee is, we  
13 really don't know where me stand, and that's what  
14 we're working on.  
15 MR. RUDIN: The contract that is in your  
16 agenda packet provides that EXL is paid based on  
17 an hourly rate of \$130 an hour. The compensation  
18 for that is 55,120. For the media purchase budget,  
19 it's 238,146 in cash and 50 K in trade.  
20 The contract does specify that there are  
21 specific media purchases -- budgets per event -- or  
22 sorry -- per venue, for --  
23 MR. SANDS: Yep.  
24 MR. RUDIN: -- Diamond Peak, 108,000. For  
25 golf courses, it's 13,000. For facilities, it's



197

1 almost 17,000.

2 TRUSTEE TULLOCH: That's helpful.

3 MR. SANDS: Very much so helpful. But in

4 the same moment, there's a little bit of encumbrance

5 that comes with salaried employees versus hourly

6 employees; correct?

7 TRUSTEE TULLOCH: This is just

8 advertising.

9 CHAIR SCHMITZ: I think we might be

10 talking about two different subjects.

11 We're talking about what is the percentage

12 of fee that EXL Media is charging us to do their

13 digital promotions, and we're trying to understand

14 what that percent is. And if it's just based on

15 hours, well, what's the ratio of hourly time versus

16 actual ads that are being produced? And it doesn't

17 seem to lay that out clearly.

18 MR. RAYMORE: Doing some quick math with

19 the numbers in the contract, if we were to go up to

20 that total not to exceed amount of 55,120 and then

21 spend the entire budget, it would be 19 percent.

22 CHAIR SCHMITZ: That's even higher

23 percentage than last year. I mean, last year, I

24 think it was 16 percent. So now it's 19 percent.

25 16 percent was even over the industry standard based

198

1 on our research last year.

2 MR. SANDS: Well, we can also equate a 3

3 percent COLA enhancement, and also, you know, merit,

4 and a -- sorry.

5 MS. HUMMER: Agency 15 percent commission,

6 as we explained last year, is an old calculation

7 because we do much more than just place media. We

8 work on analytics and reporting and promotions and

9 things that don't always have a dollar amount.

10 That percent that we had discussed

11 last year, I had explained that 99 percent of the

12 media companies out there are on hourly rates or

13 retainers. We used be on a retainer and we switched

14 it to this hourly, not to exceed, after COVID.

15 But media doesn't even charge on a

16 commission basis anymore. A \$500 ad in the Tribune

17 could take more time than a \$10,000 ad on somewhere

18 else. So it's based on our time, and so much of it

19 is not against a media placement.

20 TRUSTEE TONKING: My question, then, is at

21 \$130 per hour, that's including your fee and then

22 the time -- or is that --

23 MS. HUMMER: It includes all our time and

24 expenses.

25 TRUSTEE TONKING: So it's everything.

199

1 MS. HUMMER: Except what we pay the

2 vendors. The net cost to the vendors is in media.

3 All of our time and expenses based on that 130.

4 TRUSTEE TONKING: What do you see agency

5 -- like, what do we see industry-wide happening

6 around, is it always lumped in at this hourly rate?

7 MS. HUMMER: Typically, agencies are

8 charging based on -- like if it's an owner like me,

9 they may be charging 300 an hour, they may be

10 charging their billing person -- we're well below

11 most agencies in Reno. If you look at it, they are

12 well above \$200 an hour.

13 Most my clients right now are around \$140

14 to \$200 an hour. You're probably one of our

15 lowest hourly rates just because we just raised it

16 from 120 last year. And the time, the fee is what

17 we base our time on and trying to optimize it as

18 much as we can.

19 MR. SANDS: So as IVGID, and when we look

20 at an all-encompassing management fee, we're looking

21 at hundreds of thousands of dollars. It's

22 unbelievable.

23 CHAIR SCHMITZ: Any other questions?

24 Okay. No other questions here or comments?

25 Does anyone care to make a motion?

200

1 TRUSTEE TONKING: I move that the Board

2 approve the contract with EXL Media as laid out in

3 the memo.

4 TRUSTEE NOBLE: Second.

5 CHAIR SCHMITZ: All those in favor?

6 TRUSTEE TONKING: Aye.

7 TRUSTEE TULLOCH: Aye.

8 TRUSTEE DENT: Aye.

9 CHAIR SCHMITZ: Aye.

10 Opposed?

11 TRUSTEE TULLOCH: Abstain.

12 CHAIR SCHMITZ: The motion passes.

13 I want to take just a really -- can I make

14 a really quick break? Give me just two minutes.

15 Okay? Thank you.

16 (Recess from 10:49 p.m. to 10:52 p.m.)

17 CHAIR SCHMITZ: We will call the meeting

18 back to order. Thank you for the brief break.

19 Moving on to what was agenda item -- the

20 board reports, agenda item E.

21 E. REPORTS TO THE BOARD

22 CHAIR SCHMITZ: This is the General

23 Manager's report. We received supplemental

24 information from IT, Director of Admin Services, and

25 finance that were attached as supplemental material.

201

1 Are there any questions for the General  
 2 Manager on any of the submitted monthly reports?  
 3 TRUSTEE TONKING: I have one question, and  
 4 I hadn't heard this, we heard it in public comment,  
 5 and then I actually saw it on my email today, my  
 6 personal email that we're going to before the  
 7 Department of Taxation tomorrow.  
 8 Can you speak to that?  
 9 MR. MAGEE: Sure. Yes, we are -- we do  
 10 have a planned appearance before the Committee on  
 11 Local Government Finance tomorrow morning. It is my  
 12 understanding, really, all that they wanted to talk  
 13 to us about was the results of and observations of  
 14 the forensic due diligence audit.  
 15 TRUSTEE TONKING: In that, will you also  
 16 be discussing the -- what you've done since that  
 17 happened, the memo that you sent to us?  
 18 MR. MAGEE: If called upon, I can  
 19 certainly do that. Obviously, it's their meeting  
 20 and I am prepared to speak to that, if that's what  
 21 they ask me. For sure.  
 22 TRUSTEE TONKING: We keep hearing that we  
 23 have not reconciled or bank balances. Can you  
 24 confirm that those have been reconciled?  
 25 MR. MAGEE: Yes, they've been reconciled.

202

1 Now, I understand that people have a  
 2 different definition of what reconciled means. The  
 3 work as been completed. It is not reconciled to the  
 4 penny as of the reconciliation. These things  
 5 happen. There is always a number of items that  
 6 require a little bit of additional research.  
 7 And so when some members of the community  
 8 want to say the work hasn't been done, that's not  
 9 accurate. The work has been done, and these are  
 10 usually just timing issues, for the most part, and  
 11 finance department works their way through them and  
 12 move on to the next one.  
 13 As of right now, yes, we're caught up.  
 14 CHAIR SCHMITZ: We're you asking about the  
 15 bank reconciliations?  
 16 TRUSTEE TONKING: Yes.  
 17 CHAIR SCHMITZ: All right. Any other  
 18 questions?  
 19 If I may, I want to dovetail on Trustee  
 20 Tonking's. Just to remind the Board, the -- when we  
 21 went before the Department of Taxation relative to  
 22 the audit findings, they had already put that on  
 23 their agenda for August. That was something that  
 24 was planned. They had wanted the report to be  
 25 brought to them.

203

1 Relative to the \$7 million imbalance, if I  
 2 read your report correctly, that is still work in  
 3 progress, trying to close that gap of information  
 4 and -- is that correct? How big is the gap now?  
 5 MR. MAGEE: No. The general ledger is in  
 6 balance, and it has been for sometime.  
 7 CHAIR SCHMITZ: The \$7 million imbalance  
 8 has been resolved?  
 9 MR. MAGEE: We are fully reconciled, yes.  
 10 CHAIR SCHMITZ: All right.  
 11 I would like an explanation, if you could  
 12 for us, because in Director Nelson's report on  
 13 page 11 of 85, she talks about the recent hiring  
 14 freeze.  
 15 I'm not aware of any sort of recent hiring  
 16 freeze. And the Board specifically budgeted for the  
 17 necessary positions in Public Works, that we were  
 18 ensured that the projects were going to be done in a  
 19 timely manner.  
 20 I'm a bit puzzled about what this is  
 21 referring to, this hiring freeze, and the impact to  
 22 our projects.  
 23 MR. MAGEE: Sure. And thank you for in  
 24 question.  
 25 The Board has -- just for clarity, the

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1 Board has not instituted a hiring freeze. Only the  
 2 Board would have that authority to do that. I've  
 3 used that as slang inside of the directors'  
 4 meetings, and I apologize for that.  
 5 The point of it was is that each request  
 6 for sending a position out for recruitment was going  
 7 to be highly scrutinized to make sure that it was  
 8 within Board's direction, and that there was both  
 9 existing appropriations for this year and ongoing  
 10 funding. And then we wanted to make sure that this  
 11 made sense moving forward, with any of these.  
 12 I think there's is only one position that  
 13 I have rejected so far. Everything else has gone  
 14 through this process. It's a little bit of an  
 15 intense process, but we want to make sure that we're  
 16 in full compliance with Board direction.  
 17 Have I called it "a hiring freeze"  
 18 internally? Yes, I have. And that's on me, but  
 19 that's not the Board's direction, and we certainly  
 20 understand.  
 21 That point of using that slang was to put  
 22 people on notice that we're going to look at each  
 23 one of these positions individually.  
 24 CHAIR SCHMITZ: Thank you for that  
 25 clarification.

205

1           Then when it comes to the report on  
2 discounted use of the venues, has all of the  
3 appropriate documentation been submitted prior any  
4 of the use of the venues, per our resolution?  
5           MR. MAGEE: I'll have to follow up on that  
6 one. I did not match it up.  
7           CHAIR SCHMITZ: Okay.  
8           Then my last is I'd like to better why we  
9 have all of these zero charges? I don't really  
10 remember the Board ever saying that things were  
11 going to be free.  
12           And I'm wondering if it's being done for  
13 local groups because it's part of a catered event.  
14 And if that's the case, then I'd like this report,  
15 then, to report on what is the anticipated -- what  
16 was the markup that was being charged, so that we  
17 understand, you know, okay, we're not charging for  
18 the use of venue, however, it's a catered event, and  
19 we are charging a 33 percent markup up, or whatever  
20 it is.  
21           Because, otherwise, I find it really a bit  
22 sad to to see that we charged the high school prom  
23 and we're not charging a golf club. I think that it  
24 leads things to not look very good. It doesn't make  
25 us look like we're very generous to very purposeful

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1 organizations, like Breakfast with Santa was  
2 charged, but the golf clubs aren't charged.  
3           I think that we need to have a little bit  
4 more information so that we can understand that it's  
5 not just for free, there's part of catered event at  
6 a 25 percent markup, or whatever it is.  
7           So, could we ask for that?  
8           MR. MAGEE: Understood. And, obviously,  
9 there's a lot of those listed on the report and will  
10 require a little bit of additional research. We  
11 will get back to the Board on that one.  
12           CHAIR SCHMITZ: Well, and I think that  
13 they usually did reports by catered event, so I  
14 think that staff has that information. And I think  
15 that it's important to denote so that we have  
16 transparency with our community.  
17           MR. MAGEE: Yep. Understood.  
18           TRUSTEE TULLOCH: It might be easier, I  
19 mean, there's a large number of events there, but  
20 there seem to be a consistent pattern of the same  
21 four or five users. I suspect it's going to be a  
22 similar response for most of them, to it might be  
23 slightly easier to get them than just having to look  
24 through --  
25           MR. MAGEE: Absolutely. I understand.

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1           CHAIR SCHMITZ: And we should be  
2 consistent. I'm looking here, the Incliners seems  
3 to be different than the Republican Women's. And  
4 maybe one is dinner and one is lunch.  
5           But I think it's important that our  
6 community members feel that we're treating everyone  
7 fairly and equally. And I think having more  
8 information would help to show that.  
9           That was my only comments and questions.  
10 Anyone else on any of the reports?  
11           Seeing none, we will close that -- unless,  
12 Mr. Magee, you had any comments?  
13           MR. MAGEE: No. I think in the interest  
14 of time, let's just move on for tonight.  
15           CHAIR SCHMITZ: All right. We will move  
16 on, then, the long range calendar.  
17 I. LONG RANGE CALENDAR  
18           CHAIR SCHMITZ: Pages 80 through 85.  
19           TRUSTEE NOBLE: I've talk with Mr. Magee  
20 about this. For the last meeting in August, we  
21 received the food and beverage consultant's report.  
22 I think we got it Monday, July, 29th, and I'd like  
23 to have a staff response. If we could get it in  
24 writing of -- because there's a lot of low-hanging  
25 fruit of things that can be done.

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1           What the plan is in response to that food  
2 and beverage report. If it can't be in written, at  
3 least an oral presentation at that point, similar to  
4 Mr. Magee's staff response at the last meeting  
5 regarding RubinBrown.  
6           CHAIR SCHMITZ: That's fine. I made a  
7 note of that.  
8           I have a question for the Board. BBK's  
9 contract is up at the end of the year. And does the  
10 Board want to go out to RFP? Because if we want to  
11 go out to RFP, we need to get that on our long range  
12 calendar and a discussion item and decision item.  
13           Right now, tonight, I'm not asking if you  
14 want to go out, I'm asking if you wanted to put it  
15 on the agenda to discuss an RFP?  
16           Trustee Tulloch said he believes we  
17 should. Any other input? Because, realistically,  
18 if we're just going to continue with BBK, then we  
19 wouldn't need to have an agenda item.  
20           TRUSTEE TULLOCH: I think just said in  
21 earlier ones, I think we should certainly look at  
22 these options. We owe it to the community, and I'm  
23 sure m BBK will be happy to bid on it.  
24           CHAIR SCHMITZ: Any other?  
25           TRUSTEE TONKING: I will follow suit since

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1 I called Ray out for it earlier today.

2 CHAIR SCHMITZ: We will put that on an

3 agenda. We'll figure it out.

4 I encourage my fellow trustees to review

5 the parking lot items, because I found one that

6 we're going to put on an upcoming agenda, it may be

7 the 28th. But, remember, we asked for an

8 explanation of the rec fund admin, the admin

9 services, and during the budget time, we really

10 didn't get a good explanation of what that was.

11 Mr. Magee and I talked, and so that one

12 will be coming on to a current agenda.

13 On the 28th, it's not only Board Practice

14 6.1, but the updated Practice 6.2 that we gave

15 feedback to Ms. Herron on at our last meeting.

16 The final due diligence report needs to be

17 added on the 28th, as well as Mr. Magee giving us a

18 formal progress report on the observations from the

19 RubinBrown. And then I'll add the food and beverage

20 report.

21 So, we have two get on the calendar, one

22 of the things in the report was to talk about IVGID

23 Magazine, input for the annual report. I'm going to

24 work to say when does marketing want that feedback.

25 There were a couple of things in the marketing

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1 report that will end up being on one of our agendas.

2 Anything else relative -- but I do

3 encourage you to read through because, Trustee

4 Noble, you've had things on there for a really long

5 time. Either we should say we're not going to do

6 them or we should get them on an agenda.

7 TRUSTEE TONKING: You've mentioned a town

8 hall. Did you decide on a date for that?

9 CHAIR SCHMITZ: No, I didn't do anything

10 with it. I sort of was waiting to see what the

11 Board was doing tonight with this Troon idea.

12 If there's a certain date that -- I know

13 you said end of September or November -- I'm

14 sorry -- end of September or early October, we can

15 target that. And maybe we can target a specific

16 topic. But nothing has been -- yeah.

17 Anything else?

18 Moving on to Board of Trustees updates.

19 J. BOARD OF TRUSTEES UPDATE

20 CHAIR SCHMITZ: Sorry, guys. I didn't

21 expect this to be such a long meeting. I haven't

22 provided you the contracts. I didn't do it at the

23 beginning in July. So you have in the supplemental

24 material only the first three contracts, the new

25 ones that you haven't already seen.

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1 And things are getting better, but you can

2 look, one of the contracts didn't have anything in

3 Exhibit A, and it was supposed to be the

4 contractor's bid. That's really important to miss

5 that. And then this one that I reviewed this week

6 was just a formatting issue where the exhibit was on

7 the bottom of the signature page. That was just a

8 little formatting issue, but if you have an exhibit,

9 it should be labeled, and it wasn't.

10 Things are getting better, but we're still

11 not a hundred percent. We'll just keep working on

12 it. I just keep updating it and keeping all of your

13 informed, which is per the policy.

14 Are there any other trustee updates?

15 Seeing none, I'm going to move to final

16 public comment. We have one here in the room.

17 K. FINAL PUBLIC COMMENTS

18 MS. HUSSONG-JOHNSON: Sara

19 Hussong-Johnson, 785 Mays Boulevard.

20 I was one of those individuals that popped

21 in for a public comment earlier and had to leave due

22 to family and personal life obligations, which I

23 think is typical of most, but I do want you to know

24 that we -- that I listen and always absorb the

25 conversation and was very curious to hear the end of

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1 the Troon discussion.

2 If I may just digress for a moment,

3 because my public comment was really related to

4 agenda item G 1. But in the interest of soliciting

5 public comment in our community and facilitating it,

6 if there are items on the agenda that are published

7 that the board members -- excuse me -- the trustees

8 could discuss with the general manager and staff in

9 advance so that we don't have wait through long

10 durations of clarifying clerical errors and/or -- I

11 know that it's typical that those things come out,

12 publishes in advance, it would be great to clear

13 some of those questions up so the public does not

14 have to sit through them. That's just my own

15 personal input as a member of the public who wishes

16 to engage with the Board.

17 On the item G 1, with respect to the Troon

18 contract, I had previously asked that the Board

19 should not obligate the future board and our

20 community to a management structure that is not

21 desired by the community it represents.

22 And I wanted to come back here and hear

23 the rest of discussion, and, ultimately tonight, say

24 thank you for not doing that. I feel like this is a

25 refreshing change, that there was a lot of public

213

1 comment here tonight that you heard and you  
 2 absorbed, and I appreciate the fact that this is  
 3 coming back to the Board in a transparent and a  
 4 matter that considers all the public comment that  
 5 was presented at the Board tonight. So, I really  
 6 want to say thank you.

7 I also want to reiterate my public comment  
 8 that I don't think there is necessarily a need for a  
 9 false sense of urgency. I understand that we have a  
 10 general manager that is departing, Mr. Magee. But I  
 11 think there's an opportunity for an interim general  
 12 manager until the newly elected board is seated and  
 13 has the opportunity to form the direction of the  
 14 District, and that is essentially what they are  
 15 being elected for.

16 I would ask that as you review the request  
 17 for proposal, thank you for considering that, thank  
 18 you for hearing the comment, thank you for  
 19 redirected tonight to that process. I would ask  
 20 that you consider both an interim and a permanent  
 21 appointment to allow the community to truly allow  
 22 the Democratic process that we're all here a part of  
 23 to truly have its chance to work.

24 And maybe it's an interim appointment  
 25 until the new board is seated, at which point the

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1 new board can choose the management direction in a  
 2 permanent manner for the District.

3 Thank you tonight for your thoughtful  
 4 consideration of the issue, for your transparency  
 5 towards the public, and for hearing our public  
 6 comment.

7 MS. JEZYCKI: Michelle Jezycki. I totally  
 8 agree, staff needs support. And I'm putting on my  
 9 HR cap, specifically, with these comments.

10 I think, yes, the need support. Staff  
 11 also needs staff. I think that there's some big  
 12 gaping holes, and not just at the GM position.

13 I also hear and feel the need for speed.  
 14 I feel like the Board really wants to get these  
 15 things taken care of quickly. And that does concern  
 16 me, and I'll get to that in a second.

17 So why not appoint an interim to plug and  
 18 fill that hole in the meantime, so you can get the  
 19 download from Bobby. You have somebody in that  
 20 position to get to download, specifically to get  
 21 that download. And then simultaneously hire a Tyler  
 22 Muni representative or team, even, to come in -- and  
 23 if you look at those reports, a lot of it goes back  
 24 to the lack of proper migration.

25 So, support staff, by providing

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1 training -- and that is going be a contractual  
 2 obligation of near nothing in comparison to what we  
 3 just heard tonight. I think that would be much more  
 4 palatable, it'll be a quick hit, and a much needed  
 5 dose of education for staff. That would be  
 6 supportive of staff.

7 Also consider things like NRS 318.098, if  
 8 we have resources at the county level that we can  
 9 employ or learn from and supplement what we're  
 10 currently doing, fantastic, and it's not going to  
 11 have all this overhead and markup.

12 Let's see. My concern is that rushing the  
 13 process will also risk doing it properly or getting  
 14 it done right. I think some of these steps can be  
 15 taken into consideration and even employed  
 16 simultaneously.

17 I was very encouraged by the amount of  
 18 support and the articulate nature of our community.  
 19 We have a lot of expertise that I think we could be  
 20 tapping into.

21 I do think an interim for Bobby's specific  
 22 need, and I think that's part of the push to get  
 23 that time frame done quickly. That need could be  
 24 met by finding -- or appointing an interim in the  
 25 meantime.

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1 Also with the advertising, I would  
 2 recommend -- and I'm happy to provide some guidance  
 3 on this if I can -- the targeted approach for hiring  
 4 this GM, not just putting out, well, let's go to  
 5 this person, this person, or this person, but more a  
 6 targeting for where we might -- I referred to it  
 7 previously as a pond that we can fish in, there are  
 8 some areas that I think we can get some really good  
 9 results with.

10 With that, thank you and good night.

11 CHAIR SCHMITZ: Any online public  
 12 comments?

13 MR. BELOTE: We do, Chair.

14 MS. KNAAK: Hi. Yolanda Knaak.

15 I just wanted to clarify something. I  
 16 mentioned earlier, the committee that's having the  
 17 hearing tomorrow morning at 9:30. People are having  
 18 trouble getting to the website, and the website is  
 19 actually State of Nevada Department of Taxation  
 20 Committee in Local Government Finance.

21 Thank you so much. Bye.

22 MR. WRIGHT: Frank Wright, Crystal Bay.  
 23 Candidate for the board.

24 Well, what an interesting evening. I kind  
 25 of have a couple questions as to Mr. Magee's

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1 statement that the \$7 million has been found. And I  
 2 was kind of shocked that nobody asked him for  
 3 documentation or proof or information relating to  
 4 where that money came from. If he said it's been  
 5 rectified, let's see how it was rectified. And I'm  
 6 surprised that no board member asked that question.  
 7 I hope they do it for me and the rest of this  
 8 community. It's our money. Just to take it  
 9 point-blank that, hey, it's all been fixed. Don't  
 10 worry about.

11 No, no, no, no. We want to see how it was  
 12 fixed. We want to see the end results. We want to  
 13 see it in black and white. It is there? I don't  
 14 know.

15 As far as reconciliation of the books, oh,  
 16 we're closed. We got a couple pennies here or  
 17 there.

18 Bologna. I want to see it. I don't  
 19 believe it. This is huge. And there is no board  
 20 action to ask for that documentation.

21 As far as our rally queen, the person who  
 22 got this rally going tonight, it turned out pretty  
 23 good. We had a lot of intelligent people show. But  
 24 it's up not the type rally queen that we really  
 25 wanted, is it? It's something else that was in the

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1 mind, that it backfired. We got smart people here.  
 2 People we've never heard from. Kind of odd. All  
 3 these people that have all these degrees in all  
 4 those backgrounds, they've never attended a board  
 5 meeting. I don't know where they were. I've never  
 6 seen half of them.

7 As a candidate for the board, I'm walking  
 8 into a hornet's nest of garbage. And I don't see it  
 9 being fixed. I don't see any kind of movement to  
 10 stop the theft, the waste, the loss of our money,  
 11 the unexplained, mismanagement of funds, the  
 12 procurement cards. What's happening with all this  
 13 stuff? This is all in the RubinBrown report. Why  
 14 are we not seeing a rectification of all these  
 15 things?

16 And you can't tell me those procurement  
 17 cards have been taken care of. I don't believe it.  
 18 I think it's just as bad now as it was before.  
 19 Maybe people are being a little careful about what  
 20 they are buying, but I still think they got to be  
 21 taken away.

22 As far as the rest of the meeting, it's  
 23 just back to the same thing. I kind of feel sorry  
 24 for whoever wins this election, including myself.  
 25 It's not going to be easy to fix these messes. And

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1 we've had some people that have been on the board  
 2 that have caused the messes, and they're running for  
 3 reelection. Give me a break. Why would you put  
 4 anybody back in when you got this mess going on?

5 That's about it. Goodnight, you guys, you  
 6 had a long night. Talk to you later. Bye.

7 MR. BELOTE: That was our last public  
 8 comment, Chair.

9 L. ADJOURNMENT

10 CHAIR SCHMITZ: We will adjourn the  
 11 meeting on 11:17 p.m. Thank you all for your  
 12 patient and for your participation in tonight's  
 13 meeting.

14 (Meeting adjourned at 11:17 p.m.)

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 23  
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1 STATE OF NEVADA )  
 2 COUNTY OF WASHOE ) ss.  
 3

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

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

11 That the foregoing transcript is a full,  
 12 true, and correct transcription of my stenotype  
 13 notes of said proceedings consisting of 220 pages,  
 14 inclusive.

15 DATED: At Reno, Nevada, this 3rd day of  
 16 September, 2024.

17

18 /s/ Brandi Ann Vianney Smith

19

20 BRANDI ANN VIANNEY SMITH

21

22

23

24

25

# INVOICE

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775-832-1218  
AP@ivgid.org

**Invoice Number:** IVGID 49

**Invoice Date:** September 3, 2024

**Payment Due:** September 6, 2024

**Amount Due (USD):** \$1,695.00

Items	Quantity	Price	Amount
<b>Base fee</b> August 6, 2024 meeting	1	\$350.00	\$350.00
<b>Per page fee</b> August 6, 2024 BOT meeting	220	\$6.00	\$1,320.00
<b>Over 5 hours/per hour</b> August 6, 2024 BOT meeting	0.5	\$50.00	\$25.00
		<b>Total:</b>	\$1,695.00
		<b>Amount Due (USD):</b>	<b>\$1,695.00</b>

Good evening, I am Harry Swenson, currently a candidate for trustee for the Incline Village Crystal Bay community. I am a ten-year full-time resident and live on lower Tyner.

I come to the board to express my views on the proposal by Troon corporation to directly assist Incline in finding and recruiting a new General Manager. I would like to thank Erin Feore, director of human resources for IVGID. Her solicitation of this proposal from Troon demonstrates out of the box thinking to replace our departing General Manager with an organization that has extensive experience in solving the current challenges our community is facing.

I am intrigued by the Troon proposal to provide us with a well-qualified General Manager who will have access and the ability to draw on the Troon corporation's extensive experience in not only their well-known hospitality organizations but also have extensive experience in the government sector.

I believe the Board should give this proposal their utmost consideration. The proposal demonstrates a depth of knowledge of our community challenges in both the financial and leadership areas. The proposal supplies continuous consulting for our challenges throughout its 3-year term that appear very cost effective. As a matter of fact, over the last few years we have spent a similar amount of resources for consultants that simply identify our challenges but do not have the capability to guide and execute solutions.



The only weakness I see in the proposal are the lack of clearly defined metrics. I suggest that you include a metric for our financial sustainability such as a reduction in 50% of our budget deficit in the first year followed by complete deficit elimination over the next two years without increasing our parcel fee. I would also suggest something regarding our capital improvements and elimination of deferred maintenance.

In the words of Albert Einstein “Doing the same things and expecting different results is the surest form of insanity!” This proposal is surely something very different for selecting a new General Manager that might change the results for their tenure.

Thank you for your consideration.

Harry Swenson

Date: 8/6/2004

To: IVGID Board of Trustees

893 Southwood Blvd

Incline Village, NV. 89451

From: Keith McKinnon

900 Golfers Pass

Incline Village, NV 89451

Re: Input to IVGID Board to TROON PROPOSAL

Good Evening. I would like to thank the Board of Trustees for allowing me to speak.

My name is Keith McKinnon. My wife Patti and I have lived in Incline Village since 2020. Like all of us here we love Incline and all it has to offer. We want the best for our small community.

My Business Background is Finance and Accounting. Over the last 25 years I have served in a variety of finance and accounting roles including Chief Financial Officer for multiple companies in the high-tech industry. I've had the opportunity to work with the Boards of Directors in each of those firms. My job was to inform and council the Board of Directors from a Financial perspective on various business opportunities and challenges.

In each of those situations, multi-million-dollar business decisions were never made hastily. Appropriate due diligence and thorough financial reviews were always conducted.

Subsequent to my Corporate career, I owned and operated a small chain of Income Tax Offices for 19 tax seasons. When you own your own business, you are the one that signs the payroll checks and running out of cash is not an option. You are not spending someone else's money.

THE TROON PROPOSAL IS A SIGNIFICANT BUSINESS DECISION WITH SIGNIFICANT FINANCIAL RAMIFICATIONS. This is a decision that could potentially burden the village financially and legally for years to come.

Unfortunately, the Troon proposal submitted to the Trustees is a marketing document with a terms sheet stuck on the end of it. The proposal includes no financial details and there is no way to perform a responsible financial review on this generic document. Our Director of HR has been the sole contact between IVGID and Troon Management. Some of my initial questions would be. Where is the Financial Review and Analysis of this proposal? What is the Internal Rate of Return on this multi million investment? Is Troon proposing managing ALL operations or are they just cherry picking the golf course? What does Troon know about Utilities and Public Works?

The proposal states that Troon will manage IVGID daily operations for 3 years at a total cost approaching \$1M. Again, this is Troon's marketing number. It would not surprise me that after conducting a thorough financial review, the real number were twice this amount. At this point we have no way of knowing.

My recommendation to the Board is to shelve the Troon Proposal. There is not enough information for serious review. Two of the Board members that currently support this proposal will be leaving the board within the next few months. It would be careless and irresponsible to force through a financial decision tonight that could harm us financially for years. In fact, there are those that could interpret this action as a “knowingly egregious act” that could result in personal liability. Why would any board member want to put themselves or this village in that situation?

I urge that we wait for the new board to be put into place and let the new board take the time to study and conduct a thorough review of all proposals. In addition, I recommend that we hire an interim General Manager. My understanding is that we have several choices. That person could work with the Board and staff to stabilize operations, evaluate and improve current internal controls and help our valuable employees successfully do their job.

Thank you for your time.

Steven Ross

## IVGID Meeting August 6th 2024

Thank you for the opportunity to speak with you tonight about your consideration of a three year contract with the Troon management company. In Toon's presentation the first item that they mention as the reason they should be considered is the recent turnover in the General Managers position. I believe they state that there has been three in the last two years. I believe that the reason for the excessive turnover in the General Managers position is the hostile work environment that no reasonable manager would tolerate.

As trustees of this governmental organization you have a few responsibilities:

1. You should set policies that direct the function of present day activities. These give direction to the people who work for our community and enhance our social capital. All social groups need some basic rules of behavior and our IVGID employees need these guidelines. Unfortunately this board has not succeeded in providing these guidelines. No wonder the staff and the general manager walk on eggs trying to figure out which way the wind is blowing this week. A perfect example is your failure to establish a pricing policy for our recreation facilities as outlined at your last meeting. You stated

that you did not even know what the amount of subsidy was being provided to each recreation facility. I personally pointed this out to you over two years ago.

2. Your next job is to set goals for the organization. There is not a single goal enumerated in your strategic plan. How are the general manager and the rest of our employees supposed to know what your vision is of our future?
3. Finally your third primary function as a trustee is to monitor and assess the progress your general manager, and their staff, have made in accomplishing the goals you have provided. You have done none of this.
4. I am not suggesting that your job is an easy one. I just wonder if the solution is to ask an expensive management company to do this job? This will cost us taxpayers millions of dollars over the three year life of this potential contract. I am not suggesting that you are not bright or invested in our communities best interests, sometimes things just do not work out. Maybe it is time to let another board, that will be elected in November, have the opportunity to set things straight before we give up local control of this community.

Ronnie Rector, former IVGID 20-year employee and full-time/year round property owner since 1992 (you do the math).

I have 3 points to make tonight.

First: Why should the lame duck board majority (1 trustee who is selling and not re-running, 1 trustee who has termed out, and 1 soon to be in the minority), be in charge of replacing their only employee with a management company, when you have repeatedly told lame duck Bobby that he shouldn't have hired the very qualified Director of Public Works and Director of Parks and Rec.?

Second: You want to replace your only employee with a management company that doesn't have governmental experience. IVGID was formed as a body corporate and public, and a quasi-municipal corporation, providing water, sewer, trash and ...well, you get it. IVGID is NOT running a bunch of businesses to earn a profit.

By the way, Toon's proposal, included in the Board packet, has several typos, starting on Page 4. That should be cause for concern, especially for the lame duck Board majority.

And third: Where is the money coming from? I have a suspicion Chair Schmitz wrote this Board memo, because staff is required to tell the board how an item is being funded. So...where is the budget?

You decimated the general fund last year and you're on the fast track to do it again.

We can't afford the board majorities' decisions anymore.

Thank you.

My wife and I have lived in Incline Village since 2012. We bought our home here in large part because of our private beaches, our golf, ski and rec center facilities. These are community amenities that are actually owned by the us, the residents of the town. Today the trustees are considering outsourcing management of some or maybe all of our community amenities. I am solidly opposed to this plan and want to share my specific concerns- because I see a fundamental conflict of interest here between the residents interests and those of an outside manager.

**1. My first issue is the incentive structure.**

The incentive structure of Troon Management cannot be made to align with our interests. Troons motivation will be to do whatever they need to do so they can renew their contract, and achieve 100% of their bonus. Top line revenue and cost management will undoubtedly be a huge part of that metric, and I question how resident satisfaction and access to these amenities will rate to a company who isn't part of the community, and whose goals are to maximize revenue.

**2. The General Manager would not report to the board of trustees** (while we would pay the salary). So this means that the very person charged with running things day-to-day won't even report into the board of trustees! To me this is a show stopper. We need our precious community resources managed by someone who is 100% accountable to our community.

**3. I believe our amenities would inevitably become a profit center** with higher fees overall, and a shift in focus to non-resident users. Troon management is well known for it's Troon Card and its network of golf courses which cater to corporate events. A good case in point for

those who don't know, try to get a morning tee time for one or two people at a Troon run golf course in Scottsdale. They won't take you. If you don't have a full foursome, you are forced to play on the afternoon.

Even if you aren't a golfer, part of what makes your home valuable is that residents get priority access to the golf courses (and beaches for that matter). When Troon implements its revenue optimization algorithms they might decide that selling premium golf course times bundled with beach access is a better idea than letting residents golf at those same times. I am pretty sure that would have a very negative impact on Incline Village real estate values

**4. Finally, I see a risk with outside corporate management that could lead to a recommendation that our community amenities being sold.** Troon might recommend that Diamond Peak is sold to Vail Resorts, and golf is bought by Troon itself by arranging financing and securing a very long term management contract. I don't want to see our community amenities sold off piecemeal.

**I think the proposal being considered by the trustees today is playing with fire.** I implore you to take this very slow, and do not rush into a decision. The risks are too great to our community and to the residents who enjoy a wonderful quality of life. Please don't risk that by signing an expensive, multi-year contract with a company who doesn't have our residents interests at heart.



My name is Dr. Myles Riner, Incline Village resident

The proposal to outsource the management of IVGID is predicated on the observations of a flawed forensic audit report from Rubin Brown. It is amazing to me that the auditor failed to interview both Mr. Winqest, who was still on the payroll when the audit was done, and Mr. Navazio, the ex-finance director, who offered several times to inform the audit process. In any case, it is now clear that, despite protestations to the contrary, Trustees Schmitz, Dent, and Tulloch has been determined to outsource management of the District, and to find a rationale for doing so. Together you have managed to create, as Troon points out, “an overwhelming loss of historical perspective and knowledge, major gaps and deficiencies in operating processes and controls, and long periods of time to source, hire and train new people for the management positions.” This is primarily YOUR fault, and as you head out the door in January, your legacy to this community.

I understand that you three Trustees believe you need to hire a management company to fulfill your demand to implement the 41 observations identified by Rubin Brown and make the GID run like a for-profit business. The staff’s response to this audit demonstrates that they recognize the need to address many of these issues, though they rightly reject a few that were based on flawed analysis. As Mr. Macgee pointed out, 16 of these 41 observations have already been completely fixed and related controls put in place, and the staff has prioritized and is currently working on 18 more. Clearly, the IVGID staff and management teams are working hard and successfully to resolve these issues. Why not give them the chance to demonstrate that, despite the damage you have inflicted on them, they can deliver on your demands? Create a reasonable set of expectations and milestones for these remaining issues through a subcommittee of the Board, and monitor their progress over the next 4 months. You may find that this expensive management contract is entirely unnecessary. I would also point out that this proposed contract with Troon establishes a performance goal based on the ‘**profitability**’ of the District. Again I must point out that the GID is **NOT** a for-profit business. Apparently, neither you, nor Troon, gets this.

I will start by saying I wish more than you can imagine how much I'd like to keep this positive. However, with what the board majority of Sara, Matt, and Ray are threatening, it is impossible. I continue to be amazed at how you refuse to listen to the community in which you were elected to serve. You are serving no one except yourselves.

Your blatant abuse of power is pathetic. While it's common decency to be respectful of our trustees, I ask myself how can I possibly be when there's absolutely no respect for me as a long time community member, let alone roughly 10k others?

How can you sleep at night knowing you're doing something so wrong? Something that many of the people who elected and trusted you do NOT want? Something that is so wrong for this community? And if you have one decent human cell in your body, you know that's true. You are willing to tie the hands of the incoming Board of Trustees by issuing a 3 year contract. That's nasty. It's selfish. It's evil. Oh and by the way, I can't wait to hear where the money is coming from to pay for this. Please don't embarrass yourselves and us by saying "reserves". Are parcel owners who don't want this the ones who are going to end up paying for it?

You couldn't find anyone to work alongside of you. Do you think for a minute you should consider why? You bully the staff into writing memorandums that aren't theirs. You write them. You micromanage to infinity and beyond. Basically you failed to do what you've been elected to do...what your responsibilities are as trustees of this district. So you're going to destroy what our founders put in place, which has always been a successful plan, so that you can have your revenge? So that you can feel powerful? So you can totally disrespect the major majority of residents with a show of "we don't care what you think"? You just want to see this village burn to the ground before 2 of you leave. Why? Why did you purchase your home if you don't like our amenities as they are? How dare you change what generations of families love about this community. Shame on you Matt, Ray and Sara. Just know when you're gone, which can't come soon enough, we will resurrect what we love so much about this community and what is rightfully ours.

The one positive thing I'll say about you Sara is you're not a quitter.

Just remember and carry with you in your hearts....good always prevails over evil.

Elyse Gut  
30 year resident

Kristie Wells | Incline Village Resident  
August 6, 2024

I am here to address the proposal on tonight's agenda to outsource the management of IVGID. The majority of this Board - Trustees Schmitz, Dent, and Tulloch - explicitly stated that outsourcing management was not an intention. Yet, here we are with a proposal to do just that. This abrupt shift not only undermines public trust, but also suggests that this Board is admitting its inability to manage the one employee it has, the General Manager. This is a clear indication of failure on your part.

The consulting firm being proposed, Troon Management, specializes in golf and food and beverage operations. However, they lack experience in critical areas such as ski operations, parks and recreation, governmental administration, and public works—areas that are vital to the successful management of IVGID. This significant gap in expertise is problematic and sets a concerning precedent for our District. Furthermore, where is the funding for this unbudgeted item coming from? This is an essential question that remains unanswered.

Additionally, the non-cancelable contract presented by this firm is a major red flag. Have we not learned from the issues with General Manager Magee's contract? Committing to such an inflexible agreement could hamstring the District and tie the hands of future leadership.

A decision of this magnitude should not be rushed or made without extensive community outreach and discussion. The prudent course of action would be to assign an internal interim General Manager until a more permanent and well-considered solution is determined by the new Board seated in January.

Another item I would also like to address is the letter submitted by Senior Staff following the release of the Ruben Brown audit. The Board majority has actively undermined the reputation of our dedicated staff and fostered distrust within the District. This was amplified by launching yet another audit while the Finance Department was in the middle of addressing recommendations made by Moss Adams. The most frustrating part is of the 41 observations Ruben Brown made, many were similar to Moss Adams, and 16 have already been completely fixed. Staff is actively working on 18 of them, and the others will be addressed as necessary. It is disappointing that Magee allowed this report to be released while he was on vacation without providing an update to the Board or the community, leaving staff vulnerable to criticism and ridicule for a period of three weeks.

The Staff letter also revealed that many of the observations were factually incorrect, without merit, or were written without the involvement or consultation from key, knowledgeable staff. This Board's and Ruben Brown's failure to communicate crucial information to Staff during this process has created an environment of mistrust and confusion. The transparency demanded from staff is not reciprocated by this Board, undermining the principles of good governance.

December 31st cannot come soon enough. It is imperative to install real leadership on the Board of Trustees. The new Board must focus on constructive, community-centered governance to help this District move forward. I just hope it will not be too late to reverse the destructive efforts of Schmitz, Dent, and Tulloch, who have sought to dismantle our GID, drive discontent, and destabilize our financial footing. Thank you.

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE  
WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR AUGUST 6, 2024  
MEETING – AGENDA ITEM G(1) – WHAT TO DO ABOUT A NEW GM,  
IF ANYTHING AT ALL**

**Introduction:** Well here's yet "another one" as my friend DJ Kahled would say<sup>1</sup>. More evidence of staff incompetence, lack of knowledge and professionalism, waste, and a flagrant disregard for the financial sustainability of the District. And now yet another independent expert who is of the conclusion the District is not being properly managed. This time it's staff's proposed options for how to replace GM Bobby Magee when he leaves the District the first week of October, 2024. And that's the purpose of this written statement.

**My August 4, 2024 E-Mail to The Board<sup>2</sup>:** On August 4, 2024 I sent an e-mail to the Board wherein I urged it to do nothing about GM Magee's pending termination and let the problem we have land squarely on the laps of our new Board members. After all, they proclaim to be so knowledgeable and professional. Surely they have better ideas than those being presented here by staff. Rather than recounting the substance of my comments, I refer the reader to said Exhibit "A."

**Conclusion:** This behavior just keeps happening over and over and over again. Unqualified, incompetent and over compensated staff get replaced by even more unqualified, more incompetent and more over compensated staff. And look at the results. No effort to eliminate wasteful expenditures like the one the subject of this e-mail, and one having nothing directly to do with furnishing facilities for public recreation and utilities. As I've pointed out so many times before, these are red flags of a criminal syndicate<sup>3</sup>. And you wonder why your Recreation ("RFF") and Beach ("BFF") Facility Fees continue as involuntary subsidies, and are as high as they are?

When is the Board going to put members' collective feet down and put an end to these practices? Given NRS 318.515(1) states that where the: "(a) district...is not being properly managed; (or, its) (b) board of trustees...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

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<sup>1</sup> 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.>

<sup>2</sup> This e-mail is attached as Exhibit "A" to this written statement.

<sup>3</sup> NRS 207.370 instructs that "criminal syndicate means any combination of persons, so structured that the organization will continue its operation even if individual members enter or leave the organization, which engages in or has the purpose of engaging in racketeering activit(ies)."

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 any of you think the time has come to become fiscally responsible and for the county to assume supervision over the District?

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

## **EXHIBIT "A"**

## Aug 8, 2024 IVGID BOT Meeting - Agenda Item G(1) - What to Do About a New General Manager - If Anything

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**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>, Homan Mick <homan\_audit@ivgid.org>, Michelle <jezycki4ivgid@gmail.com>  
**Subject:** Aug 8, 2024 IVGID BOT Meeting - Agenda Item G(1) - What to Do About a New General Manager - If Anything  
**Date:** Aug 4, 2024 10:46 AM

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Chairperson Schmitz, the Other Honorable Members of the IVGID BOT, and trustee candidates Mick and Michelle -

Why are you people in such denial?

From the Troon proposal (**read and learn**):

IVGID "is a fiscally responsible community partner." Are you crazy? **We're totally irresponsible**, especially when it comes to fiscal matters. And each of you know this! So now that we've started out with a false given...

"IVGID has engaged multiple consultants (who)...do not have the expertise or resources to effectively execute on their recommendations." I have to agree with this one.

Moreover, they lack the "deeper operational knowledge to develop and implement to...maximize the resident lifestyle and guest experience." I have to agree with this one as well.

"Reports reviewed (demonstrate that the consultants the District have engaged)...**do not understand the industry.**" That's because **NO ONE** (other than a handful of local residents) understands what IVGID really is. A combination full fledged public agency, and a series of flawed commercial business enterprises.

"Previous GM candidates have come from municipal backgrounds, which are...not characterized as Hospitality Centric, Efficient or Business focused." This is obvious. Isn't it?

"Expectations have been that (any new) GM will have the capability, bandwidth, and experience to impact change across all departments. (This) **is not realistic.**" Do each of you realize this view is not realistic?

"**It is impossible to think** one individual will have the experience and capabilities to...meet the expectation(s) of...IVGID **without additional support.**" That's for sure! **It's impossible!**

Isn't all of this evidence the District is not being properly managed? Because if the answer is yes, we've satisfied the first pillar of the NRS 318.515(1) inquiry? That is, that "(a) A district of which the board of county commissioners is not the board of trustees **is not being properly managed.**"

"Troon's hospitality approach includes a business focus." **Is that the purpose of government?** If not, why are we giving Troon and others like it the time of day?

"Troon shall source, hire and employ...the District General Manager." Good luck!

"All actual and direct (costs associated with)...a potential interim...and permanent GM inclusive of costs for sourcing, hiring, (and) onboarding shall be a pass through cost to IVGID." In other words, the

equivalent of an executive search fee. How many such wasted fees are we going to spend before we get it?

So that will be the end of Troon's involvement. Right? **WRONGO!**

Thereafter, "Troon's responsibilities (will) consist of managing the daily operations of IVGID." In other words, **managing the GM!** What a nouveau concept.

Initially, for a term of "three (3) full fiscal years, beginning September 1, 2024." And thereafter, this three (3) year term "shall be automatically renewed...unless either party delivers written notice." Sounds like Kevin Lyons' FlashVote agreement. And how's that working out for us? Bueller? Bueller?

"Troon will produce **annually** (an)...annual plan to include (an) Operating Budget...Staffing Plan...Operating Plan...Marketing Plan...Agronomic Plan...(and) Capital Plan." I thought our GM was supposed to do this. Stupido meo.

Compensation: "a base management fee (of) \$22,500 per month, increasing by 2.5% (\$562.50 per month) on the anniversary of the contract start date," and presumably, each year thereafter. PLUS an "incentive management fee...not exceed(ing) 20% of the base management fee" (i.e., \$4,500 per month).

Combined, \$27,000 or more per month = **\$324,000 per year!**

I'm sorry. This is as STUPID as creating the City of Incline Village (are you listening Todd Lowe?), while retaining the current IVGID in all its **lack of glory!** Double the fun, double the mismanagement, and **double the cost!** And **where exactly is this additional \$324,000 per year going to come from?**

Look at Troon's case studies? How many involve public agencies? How many involve anything other than golf courses? Bueller? Bueller?

Finally, let's assume Troon can step in and operate all of the District's recreation and beach facilities at a financial break even (something which I and others I know think is impossible without major, major changes I do not believe the community is willing to accept). Where is the \$56,799,712 or more necessary for vital identified capital projects, in addition to the \$20M or more necessary for vital omitted capital projects like reconstruction of Ski Way, the Beach House, the Snowflake Lodge and a dedicated dog park, just in the next five (5) years, going to come from [\$11,359,942 per year. Every year (see my July 24, 2024 e-mail captioned "Wake Up and Smell the Coffee Mr. Bueller")]? Don't you people get it? **It's UNSUSTAINABLE!**

**And why exactly are we doing any of this?** For who's benefit because it's certainly **NOT** for we local parcel owners who involuntarily financially subsidize all of this! Are you unfamiliar with the maxim "the easiest way to get out of a deep whole is to **stop digging?**" How many times do I have to suggest to each of you that the time has come to close up the shop we know as IVGID? What are we really doing? And what exactly are we trying to accomplish? I call it trying to squeeze a square peg through a round hole. What do each of you call it? And what better plan do any of you have? Any of you? Or for that matter trustee candidates Mick and Michelle?

In fact, how about this Board do **NOTHING?** Don't handcuff the new Board of the 3Ms and Trustee Noble. Drop this mess directly on the laps of these individuals and let's see what they come up with! If anything.

Respectfully, Aaron Katz



**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE  
WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR AUGUST 6, 2024  
MEETING – AGENDA ITEM G(2) – PROPOSED EXL MEDIA CONTRACT**

**Introduction:** Well here's yet "another one" as my friend DJ Kahled would say<sup>1</sup>. More evidence of staff incompetence, lack of knowledge and professionalism, waste, and a flagrant disregard for the financial sustainability of the District. This time it's staff's proposed continuation of media sales with media salesperson EXL Media. And that's the purpose of this written statement.

**My August 3 & 5, 2024 E-Mails to The Board**<sup>2</sup>: On August 3 and then again August 5, 2024 I sent e-mails to the Board wherein I urged a no vote insofar as another media sales contract with EXL Media. Rather than recounting the substance of my comments, I refer the reader to said Exhibit "A."

**Conclusion:** This behavior just keeps happening over and over and over again. Unqualified, incompetent and over compensated staff get replaced by even more unqualified, more incompetent and more over compensated staff. And look at the results. No effort to eliminate wasteful expenditures like the one the subject of this e-mail, and one having nothing directly to do with furnishing facilities for public recreation and utilities. And no effort to comply with Board's past direction re: outdoor billboard sales. As I've pointed out so many times before, these are red flags of a criminal syndicate<sup>3</sup>. And you wonder why your Recreation ("RFF") and Beach ("BFF") Facility Fees continue as involuntary subsidies, and are as high as they are?

When is the Board going to put members' collective feet down and put an end to these practices? Given NRS 318.515(1) states that where the: "(a) district...is not being properly managed; (or, its) (b) board of trustees...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 any of you think the time has come to become fiscally responsible and for the county to assume supervision over the District?

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<sup>3</sup> NRS 207.370 instructs that "criminal syndicate means any combination of persons, so structured that the organization will continue its operation even if individual members enter or leave the organization, which engages in or has the purpose of engaging in racketeering activit(ies)."

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

## **EXHIBIT "A"**

b

## Re: Aug 8, 2024 IVGID BOT Meeting - Agenda Item G(2) - Proposed EXL Media Contract - Update

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**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>, Mick <homan4ivgid@gmail.com>, Michelle <jezycki4ivgid@gmail.com>  
**Subject:** Re: Aug 8, 2024 IVGID BOT Meeting - Agenda Item G(2) - Proposed EXL Media Contract - Update  
**Date:** Aug 5, 2024 12:46 PM

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Chairperson Schmitz and Other Honorable Members of the IVGID Board. And trustee candidates Homan and Jezycki because it's likely both of you will be elected, and at least one of you thinks he's got the answers to everything -

So in true to IVGID form, I just received supplemental materials for tomorrow night's board meeting. Materials our wonderful Marketing Manager couldn't include in his original memorandum. So he springs it on the board and the public at the very last moment. Hoping we'll be overwhelmed by his bev of meaningless analytics.

And what supplemental materials are we talking about? An EXL Media Performance Report that couldn't have been presented prior to today? Bueller? Bueller?

I keep telling you. These people aren't ethical. They're not to be believed. But you don't listen to me.

So here we have more "analytics" to demonstrate the alleged success of EXL media placed advertising. You can have all the fancy terms and calculations you want, but at the end of the day, how much revenue was realized which would have not otherwise have been realized were it not for the advertising placed? The same question I asked on August 3, 2024 (see below)? And the answer is the same! Our marketing guru can't give us a number. Why? Because it's speculative! Don't believe me? Ask him outright. How much additional revenue?

Since Mr. Raymore can't give us a number, but for two items (Outdoor Advertising and weddings) I'm not going to go through the particulars of the supplemental material presented. It's not relevant because it's speculative. But here's something that is relevant.

Troon Management has given us a proposal whereby it will take over management of the District effective September 1, 2024. Since the board has no other realistic option, it seems as if this is likely to happen.

Troon's proposal tells us that improved performance requires "innovated and sophisticated sales and marketing strategies," **The very things Mr. Raymore and EXL Media have been unable to produce for years!** "Important details regarding (their) successful sales and marketing strategies (cannot be shared but) are included within (their) proprietary Sales and Marketing Standards Guide...Troon consistently outperforms the industry (that means EXL Media) in all major metrics."

**If this is true, why do we want to shackle Troon with Mr. Raymore's unproven strategies?** If we're going to give Troon a chance, why handcuff them with EXL Media propaganda?

So let me return to Outdoor Advertising. Didn't we tell Mr. Raymore years ago we didn't want to pay for outdoor billboard advertising on the freeways of California? So when I saw in the supplemental materials that this is exactly what Mr. Raymore did, I was outraged! And at a wasteful cost of \$6,000? And then Mr. Raymore has the gall to argue the worth of his expenditure by pointing to 1,227,507 of "delivered impressions." Remember the definition of impressions: Someone sees an advertisement or piece of content somewhere and each such occurrence (i.e., seeing) represents an "impression." How exactly can Mr. Raymore substantiate that 1,227,507 people actually saw his billboard advertising? He can't! So why do you believe him?

And assuming 1,227,507 people actually saw his billboard advertising, how do we know that anyone made a Diamond Peak sale that would not have otherwise made a sale? Bueller? Bueller?

And let's return to wedding sales. We're a public agency. We have no business being in the wedding business and each of you knows this. Yet you sanction \$25,575 of wasteful spending on wedding advertising? Which allegedly generated a whopping 585 leads last year? \$25,575 of my Rec Fee was wasted on chasing wedding sale leads for which I realized a \$0.00 dividend? And you didn't even give me a choice in deciding whether to make this expenditure?

**You people should be ashamed of yourselves.**

Respectfully, Aaron Katz

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

From: <s4s@ix.netcom.com>

Sent: Aug 3, 2024 9:40 AM

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: Aug 8, 2024 IVGID BOT Meeting - Agenda Item G(2) - Proposed EXL Media Contract

Chairperson Schmitz and Other Honorable Members of the IVGID Board -

Here we have another wasteful expenditure intended to promote our recreation facilities (primarily Diamond Peak) to the world's tourists, and create another wasteful employment position for Paul Raymore and his crew of misfits. An endeavor the BOT should have ZERO interest in supporting inasmuch as it has nothing to do with making public recreation facilities available to be used by those parcels of property (as opposed to the persons occupying the same) which are involuntarily assessed (after all, that's what you tell us the RFF/BFF pay for; correct?). And yet you continue to keep your heads in the sand.

**Mr. Raymore's Lack of Proof That EXL Media's Services Have Resulted in \$1 of Revenue The District Wouldn't Have Otherwise Generated Had There Been No EXL Media Purchased**

**Media:** Ever since Paul Raymore's association with IVGID, he has been unable to document \$1 of sales and fee revenue directly attributable to HIS marketing expertise in general, and EXL Media placed media advertising in particular, that would not have been generated if there were no EXL Media placed media advertising. And this inability continues today.

Mr. Raymore points to all sorts of "revenue" allegedly generated as a result of EXL Media advertising campaigns. You know, impressions, clicks and purportedly revenue as a result. He tells us "revenue data was collected from pixels placed on the Diamond Peak booking engine. These pixels pass back (evidence of) revenue associated with the corresponding media buy." What does this mean? Let me try to explain.

Someone sees an advertisement on social media or a web site and decides to "click" on it. Hence the definition of a "click."

Someone sees an advertisement or piece of content somewhere on social media or a web site and each such occurrence (seeing) represents an "impression."

Then if someone looks or clicks and is taken to the Diamond Peak booking engine (notably, NOT the IVGID booking engine but just the Diamond Peak one) and makes a purchase of something, the revenue is attributed back to the click or impression. But how does anyone know whether that someone would have made it to Diamond Peak's booking engine if he/she had not gotten there through a middleman? Who knows if he/she wouldn't have otherwise made his/her purchase if he/she had not gotten there through a middleman?

No one knows! Not even Mr. Raymore. Just ask him. It will be like turning on a light and watching the cockroaches scattering! We saw this, didn't we, when you started asking him questions about the real value of Lila Lapanja?

Yes we may be able to track web site sales coming from someone who was directed to our web site from another web site through "pixels." Or an internet search. But there is no evidence that someone would not have made that sale on his/her own were it not for having been directed to the Diamond Peak site from another web site or internet search. So how can we conclude that this type of revenue was directly generated as a result of particular advertising? Simply stated, WE CAN'T! And Mr. Raymore knows this.

**Mr. Raymore Doesn't Have Time to Do His Job Because He is Publisher of The Worthless IVGID Magazine:**

So why are we making the expenditure Paul Raymore wants us to make? The simple answer is Mr. Raymore needs a job. Don't believe me? Listen to his staff memo: "the **media buying services** supplied by EXL Media are beyond the scope of in-house capabilities." What? You're a marketing professional Mr. Raymore, aren't you? And you work full time for 12 full months when you have a mostly ski seasonal job. And you're not capable of purchasing or directing the purchase of click sales on Google, Facebook, Tik Tok, Instagram, You Tube, Quantcast, etc., etc? Are you telling us you're not qualified to be a Marketing Manager?

Or are you telling us that you don't have the in house capability because you're wasting your time being the editor of IVGID Magazine?

In the off ski season, couldn't you be arranging your own media buys?

**Mr. Raymore's/EXL Media's Revenue Representations Don't Pass The Smell Test:** According to EXL Media, total seasonal revenue as a result of its media purchases was \$672,160. Does anyone really, really believe this? If you answer yes, I have some bridges to sell you here in Incline Village. I find the representation to be incredulous, especially given the fact it is founded upon unverifiable "clicks" and "impressions."

But what do I know? I **ONLY KNOW WE'RE LOSING MONEY! BECAUSE OF INTENTIONAL OVERSPENDING.** On garbage like the subject contract. What do you know to the contrary Trustee Noble?

**There's NOTHING "Professional" About The Services Represented by This Contract. It's Nothing More Than Hiring a Salesperson to Do Mr. Raymore's Job; Media Buying:** Here's more evidence Mr. Raymore is biased and not being truthful with the Board and the public. Again his own words:

"Since the 2013/14 Fiscal Year, the IVGID Marketing Team has utilized Incline Village-based media buying agency EXL Media for the District's **media buying services.**"

"The budget for the proposed **media buying services agreement** is included in the Board-approved Fiscal Year 2024/25 Diamond Peak, Golf Courses, and Facilities marketing budgets."

"The proposed **agreement for media buying services** with EXL Media serves as a not-to-exceed template for the District's advertising plans."

"Staff intends to go to bid for the District's **media buying services** for the 2025/26 Fiscal Year."

Under alternatives, "Authorize Staff to enter into a **media buying agreement** during the Fiscal Year 2024/25 at different amounts than those recommended above."

Or, "Direct Staff not to enter into a **media buying agreement** during the Fiscal Year 2024/25."

The common denominator here is "**media buying.**"

Now read the contract prepared by Mr. Rudin: "EXL is a **media buying and placement agency.**"

The simple fact of the matter is that the purpose of this agreement is to outsource **media buying.** Pure and simple!

**More Evidence EXL is Nothing More Than a Salesperson:** Let's go to the proposed agreement. Section 2(a) under obligations states "EXL shall consult with District to provide District the opportunity to preapprove all Media Services." What are the media services? According to section 1(b)(1) of the proposed agreement, "Negotiation and placement of District-provided advertisements and advertising content for the following kinds of media, as requested by District:" In other words, **PURCHASING MEDIA.**

Section 1(b)(2) of the proposed agreement: "Advertising Campaign Reconciliation (including verification of that procured advertisement was placed and run by the relevant third parties). In other words, ensuring that the media purchase was actually placed and run by the provider(s).

Section 1(b)(3) of the proposed agreement: "Outdoor Production/Printing Coordination." Now what does this mean? Whatever your answer, it doesn't rise to "professional services," does it?

Section 1(b)(4) of the proposed agreement: "Advertising Performance Analytics & Tracking." In other words, monitoring media buys which again doesn't rise to "professional services," does it? Furthermore, only if requested by District's General Manager or designee. If not requested, there are no professional services. Right Mr. Raymore?

Section 1(b)(5) of the proposed agreement: "Campaign Reporting." Now what does this mean? Whatever your answer it doesn't rise to "professional services," does it?

Like I said, here EXL media is nothing more than a salesperson, and an admin intermediary to monitor and report on the placement of that media! So where are the professional services Mr. Raymore? Again Mr. Raymore speaks with forked tongue.

**This Contract is NOT Exempt From Competitive Bidding Requirements:** According to Mr. Raymore, "the proposed agreement is exempt from competitive bidding requirements under NRS 332.115, as a sole source purchase for professional services (NRS 332.115 subsection 1.b)." But here's what this section actually says: "Contracts which by their nature are not adapted to award by a competitive solicitation, including contracts for: (a) Items which may only be contracted from a sole source; (b) Professional services...are not subject to the requirements of this chapter for a competitive solicitation." Are media buys only available through some "sole source?" The answer's no because if it were, we couldn't go out to competitive bid. Right Mr. Raymore? And since you've admitted you've gone out to competitive bid in the past and intend to do so in the future, this contract can't be a sole source contract. Right Mr. Raymore?

Let's go to "professional services." What professional services are being provided Mr. Raymore? NRS 332 doesn't define the term. Right Mr. Raymore? But as I've demonstrated, here EXL media is nothing more than a salesperson! Salesperson for what? **Media buys.** So where are the professional services? Liar, liar pants on fire!

There is no exception to the competitive bidding requirement. Mr. Raymore is not telling us the truth. Wake up and smell the coffee. Mr. Raymore is LAZY and he's really not the professional he represents. So why would we expect his salesperson to be professional? Does it make more work for staff? TOO BAD. Isn't this why Ronnie Recter left the District's employ? So if you don't like it Mr. Raymore, go work for Brad Johnson.

**Hidden Attorney's Fees:** Let's continue. And this one really peaves me. According to the proposed agreement under Comments, the "EXL Media - IVGID - 2024-25 Agreement has been reviewed and approved by District's legal counsel." Really? What authority did you have to engage the Board's attorney to perform your CYA functions? How much did Sergio charge us for these vital services?

And why haven't you reported this to the Board and the public? And why aren't you qualified to negotiate your own media buying contract with EXL Media? You're supposed to be a professional, aren't you? Isn't this one of the duties of a marketing professional?

**Troon Management:** Finally, also on this agenda is the possible contracting with Troon for management services. Troon tells us it will manage and oversee sales and marketing. In other words, both Mr. Raymore's and EXL Media's jobs. So do we need to shackle Troon with this EXL contract before it begins working for us? Qhat do we need either for? Bueller? Bueller?

**EXL Media's Principal is NOT to Be Trusted:** You people don't remember EXL Media's principal, Wendy Hummer. But Frank and I do. It's not flattering, and here are the facts. Years ago EXL Media had entered into a similar media buying contract with the District. Similarly, our Wendy Hummer was granted complimentary Diamond Peak lift tickets to use as trade in lieu of purchased media. But instead of using those tickets for the purposes represented, she and former marketing manager, Milena Regos, secretly conspired amongst themselves to modify the contract the Board had entered into, substituting a free Rec Center membership and a free Diamond Peak season pass for Wendy Hummer **personally**, in lieu of some of the trade lift tickets which were the subject of that contract. When Frank and I learned what this woman had done, not only did we broadcast it to the Board. But we vowed that the District **never, never, never again do business with Wendy Hummer!** And for some time that's what took place! And then Mr. Raymore came to town and didn't know of this history. And thought Ms. Hummer was the greatest thing since butter for our bread. And things went back to "as usual." And look where we are today? I haven't forgotten and neither should any of you. We never, never, ever should contract with this person again. **NEVER!** And that means now.

And this history makes me question everything between Wendy Hummer and Paul Raymore. **EVERYTHING!** And so should you!

**Conclusion:** We're trying to save money so our operations are financially sustainable. Yet Mr. Raymore wants us to continue doing everything wrong which has resulted in our unsustainable financial operations. Without evidence that his marketing activities and EXL Media's media buys have generated one penny of add'l revenue we would not have generated without his and EXL's efforts.

Moreover, we don't exist to be marketing our facilities to outsiders! Nor to make wedding venue sales. Nor catering. That's not the job of government. So why are we paying Mr. Raymore and his mule team over \$1.25M annually to market our facilities to outsiders?

Put an end to this travesty NOW! Just say no. And terminate the District's marketing dep't. Save local parcel owners at least \$1.25M annually.

Respectfully, Aaron Katz



**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE  
WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR AUGUST 6, 2024  
MEETING – PUBLIC COMMENT – AGENDA ITEM C – WHEN ARE YOU  
GOING TO FORCE STAFF TO SUBMIT ALL RELEVANT MATERIALS  
FOR A BOARD MEETING IN A TIMELY MANNER?**

**Introduction:** Well here's yet "another one" as my friend DJ Kahled would say<sup>1</sup>. More evidence of staff incompetence, lack of knowledge and professionalism, waste, and a flagrant disregard for the financial sustainability of the District. This time it's staff's inability to post all relevant materials for a Board meeting in a timely manner because either they lack competence, or they're trying to hide the content by giving the public the least amount of advance notice possible so they're ill equipped to address those matters to the Board. And that's the purpose of this written statement.

**Supplemental Materials:** So look at the agenda for this board meeting<sup>2</sup>. After the packet of materials prepared by staff in anticipation of this board meeting was assembled and made available to the Board and the public, staff began augmenting those materials. First, we had a supplement to agenda Item G.2 - Supplemental Item -2023-2024 IVGID PERFORMANCE REPORT, which consisted of a CYA performance report by EXL Media intended to demonstrate that the District's expenditure of media advertising dollars with it had resulted in these hundreds of thousands of dollars in additional sales and fee revenue which would not have been realized by for this advertising<sup>3</sup>.

Second, we had another supplement, this time to agenda Item E.1 - Supplemental Item - Disclosure of External Entity Involvement – Policy 22.1.0 Reporting Form, which provided monthly reports to the Board by senior management<sup>4</sup>.

Third, we had another supplement, this time to agenda Item G.1 - Supplemental Item Troon Proposal, which provided a management proposal to the District by Troon Management<sup>5</sup>.

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<sup>1</sup> 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>.

<sup>2</sup> Go to [https://www.yourtahoeplace.com/uploads/pdf-ivgid/2024-0806\\_BOT\\_Agenda\\_Final.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/2024-0806_BOT_Agenda_Final.pdf).

<sup>3</sup> Go to [https://www.yourtahoeplace.com/uploads/pdf-ivgid/2024-0806\\_BOT\\_Supplemental\\_ItemG2\\_EXLMedia-Metrics-Report.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/2024-0806_BOT_Supplemental_ItemG2_EXLMedia-Metrics-Report.pdf).

<sup>4</sup> Go to [https://www.yourtahoeplace.com/uploads/pdf-ivgid/2024-0806\\_BOT\\_Supplemental\\_ItemE1\\_District\\_General\\_Manager\\_Monthly\\_Report\\_Policy22.1.0.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/2024-0806_BOT_Supplemental_ItemE1_District_General_Manager_Monthly_Report_Policy22.1.0.pdf).

<sup>5</sup> Go to [https://www.yourtahoeplace.com/uploads/pdf-ivgid/2024-0806\\_BOT\\_Supplemental\\_ItemG1\\_Troon\\_Proposal\\_-\\_MediumRes.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/2024-0806_BOT_Supplemental_ItemG1_Troon_Proposal_-_MediumRes.pdf).

Finally, we had another supplement, this time to agenda Item E.1 - Supplemental Item - Administrative Services Activities in July and Planned Activities in August, which provided yet an additional monthly report to the Board by senior management<sup>6</sup>.

**Board Policy 3.1.0.4<sup>7</sup>**: instructs that,

“No matter shall be heard or acted upon without all accurate and relevant materials being published with the initial publication of the Board Packet. If materials are inaccurate or missing, **the agenda item will be deferred. Delayed and/or supplemental materials shall defer an agenda item.**”

Here these four sets of supplemental material were delayed and not “published with the initial publication of the Board packet.” I therefore request the Board do what this Policy states should be done:

**“The agenda item...be deferred.”**

Board Policy 3.1.0.4<sup>7</sup> goes on to instruct that,

“The agenda and Board Packet materials shall be posted on the District’s website **one calendar week prior to the meeting.**”

Here the agenda<sup>2</sup> of tonight’s meeting was posted on the District’s web site on Thursday, August 1, 2024<sup>8</sup>. The Board Packet of materials for tonight’s meeting, *before* the various supplements identified above, were posted on the District’s web site on Friday, August 2, 2024. The reader can see that neither of these materials was posted on the District’s web site a minimum of “one calendar week prior to the meeting.”

**My August 6, 2024 E-Mail to The Board<sup>9</sup>**: On August 6, 2024 I sent the an e-mail wherein I criticized the staff policy of blatantly ignoring the aforesaid Policy 3.1.0.4 mandates and making it next to impossible for members of the public to be able to respond to staff initiatives. Rather than recounting the substance of my comments, I refer the reader to said Exhibit “A.”

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<sup>6</sup> Go to [https://www.yourtahoepalace.com/uploads/pdf-ivgid/2024-0806\\_Supplemental\\_Item\\_E1\\_Venue\\_Status\\_Reports\\_July.pdf](https://www.yourtahoepalace.com/uploads/pdf-ivgid/2024-0806_Supplemental_Item_E1_Venue_Status_Reports_July.pdf).

<sup>7</sup> Go to [https://www.yourtahoepalace.com/uploads/pdf-ivgid/3.1.0\\_Conduct\\_Meetings\\_Board\\_of\\_Trustees\\_Adopted\\_02222023.pdf](https://www.yourtahoepalace.com/uploads/pdf-ivgid/3.1.0_Conduct_Meetings_Board_of_Trustees_Adopted_02222023.pdf).

<sup>8</sup> If one examines the certification of posting for the agenda, one will learn it was August 1, 2024.

<sup>9</sup> This e-mail is attached as Exhibit “A” to this written statement.

**Conclusion:** This behavior just keeps happening over and over and over again. Unqualified, incompetent and over compensated staff get replaced by even more unqualified, more incompetent and more over compensated staff. And look at the results. No effort to eliminate wasteful expenditures like the ones the subject of my various e-mails, and none having anything directly to do with furnishing facilities for public recreation and utilities. And no effort to comply with Board Policy<sup>10</sup>. As I've pointed out so many times before, these are all the red flags of a criminal syndicate<sup>11</sup>. And you wonder why your Recreation ("RFF") and Beach ("BFF") Facility Fees continue as involuntary subsidies, and are as high as they are?

When is the Board going to put members' collective feet down and put an end to these practices? Given NRS 318.515(1) states that where the: "(a) district...is not being properly managed; (or, its) (b) board of trustees...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 to become fiscally responsible and for the county to assume supervision over the District?

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

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<sup>10</sup> If the Board is not going to compel staff to comply with Board policy, then why even have such policy? Is the answer simply what my father used to say, "do as I say, not as I do?"

<sup>11</sup> NRS 207.370 instructs that "criminal syndicate means any combination of persons, so structured that the organization will continue its operation even if individual members enter or leave the organization, which engages in or has the purpose of engaging in racketeering activit(ies)."

## **EXHIBIT "A"**

## Fw: Revised Supplemental Material E.1. that includes the Golf Operations Venue Status Update

**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>, Mick <homan4ivgid@gmail.com>, Michelle <jezycki4ivgid@gmail.com>  
**Subject:** Fw: Revised Supplemental Material E.1. that includes the Golf Operations Venue Status Update  
**Date:** Aug 6, 2024 10:36 AM  
**Attachments:** [image.png 2024-0806 Supplemental Item E1 Venue Status Reports July V.2.pdf](#)

Chairperson Schmitz, other Honorable members of the IVGID Board and trustee candidates M&M -

### THIS IS UNACCEPTABLE!

For a board meeting this evening?

If your staff is incapable of assembling a packet of relevant materials for a Board meeting in a timely fashion, then **there should be no meeting!** Wait until you're prepared to notice a meeting.

Your staff's lack of conscientiousness and professionalism has made it extremely difficult on members of the public. I can only imagine how difficult it is on you as Board members.

You need to put your collective feet down and just say no. If your staff can't do their jobs, **FIRE THEM!** Continue this meeting so the public has sufficient time to justify these materials. Is that such an unreasonable request?

Respectfully, Aaron Katz

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

**From:** Heidi White <hhw@ivgid.org>  
**Sent:** Aug 6, 2024 9:39 AM  
**To:** Info IVGID <InfoAtIVGID@ivgid.org>, Sergio Rudin (Sergio.Rudin@bbklaw.com) <Sergio.Rudin@bbklaw.com>, Bobby Magec <bma@ivgid.org>  
**Subject:** Revised Supplemental Material E.1. that includes the Golf Operations Venue Status Update

Good Morning

Please review the attached revision to Supplemental Material E.1. that now includes the Golf Operations Venue Status Update, for Board of Trustees Meeting this evening. I will have this and all other Supplemental Material printed and available for you tonight. If you would like to pick-up a physical copy before the meeting please let me know and I will make them available.

The Attached document will also be available on the District Website shortly.

Thank you and have a wonderful day.

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](mailto:hhw@ivgid.org)



Email: [hw@ivgid.org](mailto:hw@ivgid.org)  
Office: (775)832-1268  
Cell: (775)558-9500

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE  
WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR AUGUST 6, 2024  
MEETING – AGENDA ITEM E(1) – STAFF'S MONTHLY REPORTS**

**Introduction:** Well here's yet "another one" as my friend DJ Khaled would say<sup>1</sup>. Actually, three (3) other ones. More evidence of staff incompetence, lack of knowledge and professionalism, waste, and a flagrant disregard for the financial sustainability of the District. This time it's the monthly staff reports submitted to the Board by our Director of Admin Services, IT Director, and Golf General Manager. And that's the purpose of this written statement.

**My August 6, 2024 E-Mails to The Board**<sup>2</sup>: Apparently senior staff have been instructed to start producing monthly reports concerning their areas of operation. And in response, a series of those reports have been prepared, and appear in the packet of materials prepared by staff in anticipation of this evening's Board meeting. On August 6, 2024 I sent the Board three (3) e-mails wherein I criticized aspects of all three (3) staff memorandum. Rather than recounting the substance of my comments, I refer the reader to said Exhibit "A."

**Conclusion:** This behavior just keeps happening over and over and over again. Unqualified, incompetent and over compensated staff get replaced by even more unqualified, more incompetent and more over compensated staff. And look at the results. No effort to eliminate wasteful expenditures like the ones the subject of my e-mails, and none having anything directly to do with furnishing facilities for public recreation and utilities. As I've pointed out so many times before, these are all the red flags of a criminal syndicate<sup>3</sup>. And you wonder why your Recreation ("RFF") and Beach ("BFF") Facility Fees continue as involuntary subsidies, and they are as high as they are?

When is the Board going to put members' collective feet down and put an end to these practices? Given NRS 318.515(1) states that where the: "(a) district...is not being properly managed; (or, its) (b) board of trustees...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

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<sup>1</sup> 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.>

<sup>2</sup> I sent three (3) e-mails, one addressing Susan Herron's staff memorandum, a second addressing Mike Gove's staff memorandum, and a third addressing Tom Sands' staff memorandum, and all three (3) are collectively attached as Exhibit "A" to this written statement.

<sup>3</sup> NRS 207.370 instructs that "criminal syndicate means any combination of persons, so structured that the organization will continue its operation even if individual members enter or leave the organization, which engages in or has the purpose of engaging in racketeering activit(ies)."

the 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 to become fiscally responsible and for the county to assume supervision over the district?

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



## **EXHIBIT "A"**

## Re: Aug 6, 2024 IVGID BOT Meeting - Agenda Item E(1) - Susan Herron's WORTHLESS Administrative Services Activities in July and Planned Activities in August

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**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>, Mick <homan4ivgid@gmail.com>, Michelle <jezycki4ivgid@gmail.com>  
**Subject:** Re: Aug 6, 2024 IVGID BOT Meeting - Agenda Item E(1) - Susan Herron's WORTHLESS Administrative Services Activities in July and Planned Activities in August  
**Date:** Aug 6, 2024 9:18 AM

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Chairperson Schmitz and Other Honorable members of the IVGID Board. And trustee candidates Homan and Jezycki because it's likely both of you will be elected, and at least one of you thinks he's got the answers to everything -

Well this one is interesting. Exactly what business does our glorified secretary have in proposing these matters? And listen to all the tasks she represents she worked on in July. NONE of this should be performed by a "director." But because we have no need for another "director" and Ms. Herron doesn't have a defined list of job tasks, listen to the garbage she worked on:

1. Board policy? Board Practice 6.2.0? Policy and Procedure 141? She's NOT qualified. Furthermore, we don't want HER version of any Board practice or policy.
2. Parks and Recreation matters when we have Parks and Recreation professionals (just ask Pandora Bahlman)?
3. Monitoring and responding to info@ivgid.org inquiries? Don't we already have a communications coordinator? What do we need Ms. Herron for? And isn't this a menial task given her "directorship" status?
4. Assisting with Board memorandums? Isn't that the job of the Board Clerk?
5. Attending Staff and Board meetings? I can't address staff meetings. But when it comes to Board meetings, who needs her? Especially at a salary of close to \$200K annually?
6. Works with the public as needed? Let me tell you what this really means. Leaking confidential employee matters to former IVGID employee Dee Carey so she can orchestrate a character assassination against resident Cliff Dobler. Secretly feeding board material to Whiner Riner so he can use it for his propaganda purposes. Answering all of Kristie Wells' targeted questions so she can regurgitate cherry picked portions on social media. Monitoring social media posts on Facebook, during the IVGID work day no less, so she can counter less than flattering posts with her version of propaganda. Conspiring with members of the public in her drafting of the phony staff response to the RubinBrown report. Acting as a notary to assist trustee recall petition signers. We don't need Ms. Herron to do ANY of this!
7. Process paperwork? What paperwork? And instead of paying Ms. Herron nearly \$200K in salary annually to process paperwork, how about we hire an intern? At no cost!
8. Work on any special projects as requested by the District General Manager? Doesn't our GM have his own admin ass't? If not, don't you think we can find such a person for a heck of a lot less than \$200K in salary annually?
9. Worked on public records requests? Well this is a joke! You mean similar to how she worked on Mark Smith's records requests which resulted in litigation against the District? And I thought Heidi was now our Public Records Officer. So what do we need Ms. Herron for?

10. Updated the mailing list for the IVGID Magazine? Are you for real? I thought Paul Raymore told us there's really very little cost to local parcel owners for the employee time spent on the magazine. And now we see this? And we need a "director" to perform this important function?

11. Worked through the Audit Committee member recruitment advertising to publication? Isn't this the job of H.R? And do we need a "director" to perform the menial task of recruitment advertising?

Now to demonstrate **we have no need for Ms. Herron's job**, listen to the list of vital projects she may be working on in August. **In her own words:**

1. Monitor and respond to info@ivgid.org inquiries;
2. Assist with Board memorandums;
3. Attend staff and Board meetings;
4. Work with selected members of the public as needed;
5. Process unidentified paperwork;
6. Work on any special projects as requested by the District General Manager;
7. Work on public records requests;
8. Complete work on Audit Committee member recruitment advertising.

Isn't this evidence:

**We don't need Susan Herron?**

The cost of her salary and benefits to perform these menial tasks is **outrageous to the nth degree?**

Her promotion and pay increase to her current "director" position was nothing other than a "pay off" for past allegiance to former GM Winquest?

She needs to be terminated **YESTERDAY?**

It's time to do the right thing. So please **do it!**

Respectfully, Aaron Katz

## Re: Aug 6, 2024 IVGID BOT Meeting - Agenda Item E(1) - Mike Gove's July 1, 2024 Status Report

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**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>, Mick <homan4ivgid@gmail.com>, Michelle <jezycki4ivgid@gmail.com>  
**Subject:** Re: Aug 6, 2024 IVGID BOT Meeting - Agenda Item E(1) - Mike Gove's July 1, 2024 Status Report  
**Date:** Aug 6, 2024 10:49 AM

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Chairperson Schmitz and Other Honorable members of the IVGID Board.

And trustee candidates Homan and Jezycki because it's likely both of you will be elected, and at least one of you thinks he's got the answers to everything -

Are any of you reading these reports? Do you understand what is being said? Do you understand what's not being said?

So here is our IT Director's July 2024 status report.

I don't take issue with what Mr. Gove has disclosed. But I sure as heck do with what he HASN'T!

Where is an updated report on OpenGov.com? The system is totally unusable on the District's web site. We've been paying yearly licensing fees and we can't even get the system to work. And I suspect the reason why is **incompetent staff**. The same problem we have across the board!

And here's the big revelation. "There were 180 service desk requests opened with 165 of them being resolved for the month of July." **Who paid for all of these requests?** Had these requests been made to our fleet department, or buildings, or engineering, the division making request would be charged \$150/hour or more! But here there's no charge back. Which means the rest of us have to pay for these services because they weren't included in a legitimate central services plan! Right Bobby Magee?

No wonder Mr. Gove doesn't have time to get OpenGov.com up and running. He doesn't have enough revenue to hire staff to respond to and charge back 180 service requests per month!

Respectfully submitted, Aaron Katz

## Re: Aug 6, 2024 IVGID BOT Meeting - Agenda Item E(1) - Tom Sand's July 1, 2024 Status Report

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**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>, Mick <homan4ivgid@gmail.com>, Michelle <jezycki4ivgid@gmail.com>  
**Subject:** Re: Aug 6, 2024 IVGID BOT Meeting - Agenda Item E(1) - Tom Sand's July 1, 2024 Status Report  
**Date:** Aug 6, 2024 11:07 AM

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Chairperson Schmitz and Other Honorable members of the IVGID Board.

And trustee candidates Homan and Jezycki because it's likely both of you will be elected, and at least one of you thinks he's got the answers to everything -

Are any of you reading these reports? Do you understand what is being said? Do you understand what's not being said?

So here is our Golf GM's July 2024 status report.

And what are we told? **NOTHING**. What an absolute waste!

Does Mr. Sands tell us if we're making money or losing money at the Grille? Or via bar cart sales? Or on beach F&B sales (remember, we received a report from Mr. Sands on these operations so doesn't he know)? Or pro shop sales. Or rounds of golf sales?

We want to know what operations are making money, and what are not. And we can't even get a straight answer out of Mr. Sands? Boy, this guy is fitting in so nicely with the other lack of competent senior management employees we have. Don't you think?

And how about this one? Mr. Sands tells us that he submitted the Chris Sarten Food & Beverage Consultant's Report to the Board for review. Well do you think you Board members know that's what he did? Do you need a report from a senior management employee telling you this? And where is the report? Why hasn't he made it public? Who even knew there was such a report before he spilled the beans

Well I did. And I made a public records request to examine it. And do you think your staff has furnished it to me for examination? Of course not! And why not? If it readily exists and was provided to the Board, why wasn't it provided to me? What is Mr. Sands trying to hide? Who is he trying to protect?

Moreover, who commissioned this report? Was it our Susan Herron who seems to be the one really running the show? More waste and a lack of transparency. Just for the record.

Respectfully submitted, Aaron Katz

Linda Kahrs

I assume Troon will be the hot topic tonight and I want to touch on some other topics for NEW IVGIDcommunity members .

For 19 months this board majority Trustees Tulloch, Schmitz, and Dent have spent hundreds of thousands of dollars on consultants which have not improved the benefits or added to the well-being of IVGID. To date, no fraud has been found that Trustee Schmitz has been so concerned about.

- Trustee Schmitz turned down a 25 million donation from the Duffield Foundation because she did not agree with the scope of the project for the recreation center. These funds were needed and this was a huge loss to the community.
- Due to micro-management, Trustees Schmitz & Tulloch forced out all senior management except for one resulting in the loss of years of historical knowledge and good employees.

Troon is NOT NEEDED right now. This CURRENT lame duck BOARD should be respectful to the community. A 2 year contract is outrageous. You are trying to stick IVGID WITH AN OBLIGATION outside of budget and unnecessary.

MS herron is the only person with the knowledge and background to assume the gm job on a temporary basis. Trustees Tulloch, Schmitz, & Dent, STOP what feels like your vindictiveness against Ms. herron, Look in the mirror, TRY to leave a positive legacy. work towards solutions over the next 6 MONTHS—not spending money we do not have .

Stop assuming staff are incompetent. stop meddling. set reasonable standards for staff to follow. Step out of the way and let them work.

Do Not put extra layers of management on top of hard-working staff.

You just hired a new Director of Parks and Rec. Give her time to work her job! She's highly experienced. She applied for the GM job! Let her assume that temporarily if you cannot Interview Ms. Herron for the Job

Troon does not have the expertise to manage a GID such as ours. YOU KNOW THAT!!!! They are GOLF AND HOSPITALITY SPECIALISTS. WHAT IS the END GAME of the 3 Trustees with 2 leaving in a few months? The community wants answers.

If you are considering Trustee Tulloch as a candidate for interim GM I suggest you cancel this consideration based on how he speak down to staff and treats them.

Trustee Tulloch has not FOLLOWED the platform he ran on: ADOPTION OF COMPETITIVE BIDDING PROCESS FOR ALL EXPENDITURES OVER \$10,000.

Trustees:

- HOW CAN YOU EVEN CONSIDER THIS CONTRACT WITHOUT OTHER BIDS?
- How can you consider this contract without 30, 60, or 90 day cancellation clauses?

There are so many internal solutions that are workable and that will not increase costs. You complain each board meeting about not having money. This Troon contract is nonsensical AND unbudgeted! It is desperation.

THE IVGID IS TOO SMALL FOR WHAT YOU ARE RECOMMENDING WITH TROON. IS THIS A DISGUISE FOR YOU TO REMOVE STAFF WHO YOU DON'T LIKE



I am an emphatic NO on contracting out the management of IVGID to the Troon company.

The proposal to contract out the management of IVGID to any "for profit company" is a monumental change to the structure of our community.

This board is rushing into making this decision without sufficient public input.

Why are you rushing this process?

How can you even consider contracting out all of the management of IVGID to a golf management company? This company has no experience in managing a ski resort or a public utilities system. Your rationale for doing this makes no sense!

By pursuing this process the majority on this board has failed in their fiduciary responsibilities to the citizens of Incline Village. You have proven to be incapable of overseeing the management of IVGID.

*lame-duck*

Since the<sup>^</sup>majority on this board is derelict in their responsibilities as stewards of our assets, the most prudent approach and one that makes the most sense would be to wait 6 months and have newly elected board members make this decision. They will have the most current mandate on what the voters in this town think of this proposal.

Using a slipshod, rushed, back room deal, no-bid process to make a change of this magnitude at this time would be the most grotesque display to date of the many bad faith dealings the majority on this board has shown to the citizens of our community over the past few years.

I demand you to reject this Troon proposal and Stop the destruction of our community.

Mick Homan

Incline resident and candidate for IVGID Trustee

I strongly urge the Trustees to reject the proposal to hire Troon or another consultant to manage the district. I believe this would be a tremendous mistake for IVGID, its residents, homeowners and staff.

The proposal has many red flags:

- It adds an unnecessary layer of management
- We'd hire Troon as a management company - then Troon would hire a GM.
- That GM wouldn't even work for IVGID – they'd work for Troon.
- So we'd have redundant management and related costs
- IVGID would pay Troon an all-in, annual management fee of <sup>around</sup> ~~around~~ \$325,000 - plus we'd directly reimburse Troon for 100% of the cost of the GM they hire to manage the district.
- To make matters worse, they're proposing a 3-year contract with no cancellation provisions in years 1 and 2 and only limited ability to cancel in year 3 – is that even legal?
- What's even more troubling is that Troon has virtually no experience dealing with anything other than traditional golf and related club recreational amenities – that's what they're known for and that's what they promote – and their reputation in that area is mixed.
- They have no experience with ski operations.
- They have no relevant experience in utilities or governmental operations.
- So where will they get that experience? They'll get trained by IVGID staff and hire externally for the GM.
- In addition to managing the day-to-day operations of the district, Troon would be responsible for formulating annual operating plans and budgets, along with the 5-year plans.

Foolish me – I thought the most important duty of the Board was to hire and manage the GM, and then work with the GM to formulate the district's short and long-term operating and strategic plans.

So hiring Troon or any other company under this type of arrangement would be a complete abdication and outsourcing of the board's core responsibility.

We have to ask ourselves why.

Chair Schmitz gave us a clue in a recent meeting. She stated she couldn't see how any one individual could possibly be capable of fixing all our issues and managing the district.

I strongly disagree with Ms Schmitz.

Despite what she thinks, this is not that complicated. We have issues, and if we're being totally honest, many of those issues are self-inflicted.

Under this board majority, we've lost unprecedented levels of leadership, staff and institutional knowledge.

Anybody that watches the dysfunctionality at board meetings understands why current leadership is virtually paralyzed.

The board gives conflicting direction.

And they're wasting effort and resources constantly looking backwards trying to place blame rather than focusing on solutions.

Each of our issues is solvable.

We don't need to outsource leadership to do that.

We need to hire a qualified leader, help them build out their leadership team and then fill out the appropriate organization design.

If this board is incapable of doing that, then simply get out of the way.

Don't pursue an obvious act of desperation that prevents the next board from picking up the pieces and acting in the long-term best interests of IVGID, its residents and staff.

Myself and other candidates are more than up to the task.

My name is Angie Lalor. I'm an Incline Village resident and retired CHRO for two Fortune 100 Companies.

The proposal to outsource management oversight of IVGID to Troon Management makes no sense. Why would you lock the district up in a 3 year arrangement that offers questionable value (above and beyond what hiring our own GM would do), but most certainly adds material cost to the already fiscally challenged district. The goals and interests of Troon do not and will not align to those of the residents and property owners of Incline Village. It is a bad idea.

It is disappointing that we find ourselves in the position we are today, with rampant turnover, stressed financials, overtaxed staff who are constantly chasing their tails to try and satisfy the latest whim, ill-conceived idea or personal vendetta of certain trustees, and in need AGAIN of a new GM to lead the District. Watching the board majority make bad decision after bad over the past few years has been like watching a slow-motion train wreck. But it's that leadership that got us where we are. Simply put, you failed...and in a colossal way.

Please don't make it worse on your way out. Do not tie the District's and the new board's hands in such a way that will cause more turmoil and material cost to dismantle. Instead, focus your energy on finding an interim GM to keep the trains on the track until a more permanent hire can be made.

The GM role for Incline Village should be a prime and highly sought after career opportunity in the market. With our amenities, location and quality of life, we should be able to attract a candidate slate that is not only plentiful but strong and well experienced. Let's be candid, however...that is never going to happen while this board majority reigns. No one in their right minds would want to work under these conditions...with this vitriol, interference and micromanagement.

Troon...or any organization like them...is not the answer for IVGID, particularly not now, when we are in a state of transition. In fact, it's such an illogical path to consider that it forces me to question what could possibly be behind it. Honestly, the only conclusion I can reach is that it is a vindictive exit maneuver by one or two board members who are bitter with a community that they couldn't get behind them. I think they call that a scorched earth policy. It's time to contemplate your motives, check yourselves and do the right thing for the residents of this community.

Last week I presented this board with a seven-point program to get IVGID on an even

Last week I presented this board with a seven-point program to get IVGID on an even keel and get it running straight.

But naturally, I got no response. I ran a successful wholesale office supply business for 30 years. I made a profit every year and I paid all of my loyal employees well including health care benefits, vacation benefits and a 401K pension plan. None of our Trustees except Mr. Tulloch have ever had to meet a payroll on Friday afternoon. IVGID is essentially a group of businesses that you are supposed to manage. Lacking business experience, your four trustees lack the skill set to run IVGID. Nobody on the board likes Mr. Tulloch. But he is the only one here with real business experience.

So, what is the board majority going to do? Hire an outside consultant to come here and do their job. And how much will that cost the taxpayer? Are they to be full time on site managers? Where will they live? Will we pay them a per diem to stay at the Hyatt? Will we rent houses for them. How much will they charge per hour. All good questions.

Schmitz, Tonking, Dent, and Noble.... **you are ignorant of business operations** and lack backbone to fire the corrupt, lying deadwood at IVGID. You are all lazy and are unwilling to do the hard work necessary to hire honest, hard-working employees. You leave the heavy lifting to an unqualified HR person to do your work. Let me just repeat that.... You leave the heavy lifting to an unqualified HR person to do all of your work.

You have failed in your mandate to take care of this community's taxpayers. Plus most of you have nothing invested in the long-term financial stability of IVGID.

Schmitz is as good as gone with her home at the point of sale. Dent is basically a resident of Watsonville, California at this point. Tonking has a rental home in Denver, Colorado and probably lives there. Noble the laziest, nastiest and most worthless of trustees at least lives here. But, he brings nothing to the table.

Tulloch is the only trustee with brains, business experience, and experience in turning businesses around. But you four are so much into your own useless agendas and trying to be "friends" with people that you are supposed to manage, that you cannot see that a possible and I do say possible solution to IVGID's myriad of problems is sitting right in front of you.

**So, what are our Trustees going to do.**

**Most likely – nothing**

By the way I live on Southwood Blvd. Every condo association on Southwood has cleaned up their property of pine cones – pine needles and deadwood, But just look at the IVGID property as you leave this evening, It is a mess and no spring cleanup has been done

*Please include these comments in the permanent record of this meeting*

**MEMORANDUM****TO:** Board of Trustees**THROUGH:** Karen Crocker, Acting General Manager / Director of Parks and Recreation**FROM:** Mike Bandelin, Diamond Peak Ski Resort General Manager**SUBJECT:** Review, discuss and possibly authorize the District's Acting General Manager to extend the lease agreement between the Hyatt Corporation and the Incline Village General Improvement District, and Approve the Seventh Amendment Document. (Requesting Staff Member: Diamond Peak Ski General Manager Mike Bandelin)

**RELATED STRATEGIC PLAN BUDGET INITIATIVE(S):** Long Range Principle #1 – Service – The District will provide superior quality service through responsible stewardship of District resources and assets with an emphasis on the parcel owner and customer experience.

**DATE:** September 11, 2024**I. RECOMMENDATION**

That the Board of Trustees makes a motion to;

1. Authorize the District's Acting General Manager to extend the lease agreement between the Hyatt Corporation and the Incline Village General Improvement District and Approve the Seventh Amendment document for a term extending through May 31, 2025, at a lease payment structure of 10% of gross sales each calendar month throughout the term of the lease.

**II. BACKGROUND**

The District has been operating the Sport Shop located in the Hyatt Regency Lake Tahoe through a lease agreement beginning in September 2010. The lease agreement, including amendments, had been previously approved by the Board of Trustees at regularly scheduled meetings during the following dates: September 2010, May 2012, May 2016 and May 22, 2019 (Item H.1). The Board of Trustees reviewed and approved the fifth amendment to the lease agreement for a one-year term at your meeting on December 14, 2022 (Item G.3) and the

sixth amendment on November 8, 2023 (Item F.2).

The Sport Shop provides services and sales, including ski lift ticket products, equipment rental and ski/snowboard lesson products. Staff will note that all products sold at the location are rack rate and there are no discounts afforded or applied to guests of the Hyatt Regency Lake Tahoe.

In accordance with Board Policy 3.1.0., 0.15 Consent Calendar, this item is included on the Consent Calendar as it is routine business of the District and within the currently approved District Budget.

### **III. BID RESULTS**

Not Applicable

### **IV. FINANCIAL IMPACT AND BUDGET**

The Ski Fund Fiscal Year 2024/25 approved operating budget provides revenue and expense appropriations for the operating period within GL 30343496. Included in the staff report is a revenue and expense financial comparison for FY2023/24 and budget appropriations for FY2024/25.

### **V. ALTERNATIVES**

The Board of Trustees could not approve the proposed one-year term lease agreement.

### **VI. COMMENTS**

No comments are provided.

### **VII. BUSINESS IMPACT/BENEFIT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

### **VIII. ATTACHMENTS**

1. Seventh Amendment to IVGID Hyatt Lease Agreement
2. Hyatt Lease Agreement and Amendments
3. FY2024 Budget Comparison and FY2025 Budget

### **IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

There are no decision points needed from the Board of Trustees other than the review and possible approval of the recommendation provided in the report.



## SEVENTH AMENDMENT TO LEASE

THIS SEVENTH AMENDMENT TO LEASE AGREEMENT (this “Agreement”) is dated August 28, 2024 but deemed effective as of June 1, 2024 (the “Effective Date”) by and between Incline Village General Improvement District, a political subdivision of the state of Nevada d/b/a Diamond Peak Ski Resort (“Lessee”), and HYATT CORPORATION, as agent of Incline Hotel, LLC, a Delaware limited liability company (or its predecessors-in-interest), d/b/a/ Hyatt Regency Lake Tahoe Resort, Spa & Casino (“Lessor”).

### WITNESSETH:

WHEREAS, Lessor and Lessee are parties to that certain Agreement, effective as of June 1, 2010, (the “Agreement”), as amended by that certain First Amendment, dated May 18, 2016 (the “First Amendment”), that certain Second Amendment, dated May 30, 2019 (the “Second Amendment”), that certain Third Amendment, dated June 17, 2020 (noted in error as “Second Amendment”), that certain Fourth Amendment, dated September 16, 2020 (the “Fourth Amendment”), that certain Fifth Amendment, dated December 15, 2022 (the “Fifth Amendment”), and that certain Sixth Amendment, dated November 7, 2023, which provides for Lessee to lease space in the Hotel for the operation of a first class sport shop (the “Lease”) at the Hyatt Regency Lake Tahoe Resort, Spa and Casino (the “Hotel”); and

WHEREAS, the parties desire to amend the Agreement and extend the term.

### AGREEMENTS:

NOW, THEREFORE, the parties hereto amend the Agreement by this instrument as follows:

1. Term. The term of the Lease will be extended through and including May 31, 2025.
2. Effect of this Agreement. Except as specifically amended by the provisions of this Agreement, all of the terms and provisions in the Lease are ratified and shall continue to govern the rights and obligations of the parties thereunder, and all provisions and covenants of the Lease shall remain in full force and effect as stated therein. This Agreement and the Lease shall be construed as one instrument. In the event of any conflict between this Agreement and the Lease, the terms and provisions of this Agreement shall control and shall be paramount, and the Lease shall be construed accordingly. The terms, provisions and covenants of this Agreement shall inure to the benefit of and be binding upon the parties to this Agreement and their respective successors in interest and assigns. The terms and conditions of this Agreement may not be modified, amended, altered or otherwise affected except by instrument in writing executed by Lessee and Lessor. THIS AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN LESSEE AND LESSOR WITH RESPECT TO THE TERMS AND CONDITIONS OF THIS INSTRUMENT, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS BETWEEN OR AMONG LESSEE AND LESSOR THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN OR AMONG LESSEE AND LESSOR.

3. Miscellaneous.

- (a) This Agreement shall be construed according to the laws of the State of Nevada.
- (b) Each of Lessee and Lessor represents, warrants and agrees that all recitals set forth above in this Agreement are true and correct, and all such recitals are ratified, adopted and restated as part of the instrument which is evidenced by and effected by this Agreement.
- (c) Each of Lessee and Lessor warrants to the other that all consents and/or approvals required (including from all of its members to the extent applicable) for its execution, delivery and performance of this Agreement have been obtained and that it has the right and authority to enter into and perform its covenants contained in this Agreement and in the Lease.
- (d) If any term or provision of this Agreement, or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby. Each provision of this Agreement shall be valid and shall be enforceable to the extent permitted by law.
- (e) This Agreement may be executed in multiple counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively but one instrument.

**[SIGNATURES APPEAR ON FOLLOWING PAGE(S)]**

IN WITNESS WHEREOF, Lessee and Lessor have executed this Agreement effective as of the date first set forth above.

**LESSEE:**

Incline Village General Improvement District, a political subdivision of the state of Nevada d/b/a Diamond Peak Ski Resort

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**LESSOR:**

HYATT CORPORATION, as agent of Incline Hotel, LLC, a Delaware limited liability company, d/b/a/ Hyatt Regency Lake Tahoe Resort, Spa & Casino

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

LEASE

THIS LEASE made and entered into this 1<sup>st</sup> day of ~~August~~<sup>September</sup>, 2010, but effective as of June 1, 2010, by and between Hyatt Corporation, as agent of Hyatt Equities, L.L.C., a Delaware limited liability company, d/b/a Hyatt Regency Lake Tahoe, Resort & Spa (hereinafter called "Lessor") and Incline Village General Improvement District, a political subdivision of the state of Nevada d/b/a Diamond Peak Ski Resort (hereinafter called "Lessee"):

**WITNESSETH**

WHEREAS, Lessor operates a hotel (herein called the "Hotel"), known as the Hyatt Regency Lake Tahoe, Resort & Spa, located at 1111 Country Club Drive, Incline Village, Nevada 89451.

WHEREAS, Lessee has an address of 893 Southwood Blvd., Incline Village 89451, and;

WHEREAS, Lessor desires to lease, and Lessee desires to hire, space in the Hotel for the operation of a first-class sport shop for the term and upon the terms herein provided;

NOW, THEREFORE, Lessor hereby leases to Lessee, and Lessee hereby hires from Lessor, those premises within the Hotel comprising 1040 square feet, more or less, located as shown in Exhibit A hereto, which premises, together with any improvements heretofore or hereafter made thereon and thereto and any appurtenances thereunto belonging, are herein referred to as the "Premises." The roof and perimeter walls of the Premises and the area above, outside and between the same are not demised hereunder and the use thereof, together with the right to install, maintain, use, repair and replace pipes, ducts, conduits, wires and structural elements leading through the Premises are hereby reserved unto Lessor.

TO HAVE AND TO HOLD the Premises for the term, at the rentals and upon the terms, covenants and conditions hereinafter set forth:

1. Exhibits.

There is attached hereto and hereby made a part hereof a Plot Plan, marked Exhibit A, showing the location of the Premises.

2. Term.

2. Term.

(a) The original term of this Lease shall commence on June 1, 2010 (the "Commencement Date") and shall terminate on May 31, 2013 (the "Original Expiration Date").

(b) The term "lease year" refers to any twelve (12) month period within the term hereof, commencing on June 1, 2010 and ending on May 31, 2013 (the "Term") provided, that, in the event of an early termination of this Lease, the last lease year shall end on the date of such termination and commence on the immediately preceding May 31, 2013.

(c) Provided that Lessee is not then, or has not been, in default under the terms of this Lease, Lessee shall have the right and option (the "Renewal Option"), by a notice given to Lessor not later than sixty (60) prior to the end of the then current term to extend the term of this Lease for a period three (3) years ending May 31, 2016 (the "Renewal Term") at a rental set forth in a rental agreement executed between the parties not later than sixty (60) days (which date is herein referred to as the "Upset Date") and otherwise upon the terms, covenants and conditions herein contained. In the event that the parties shall have failed by the Upset Date to execute and deliver a rental agreement setting forth the rental payable during the Renewal Term, then the Renewal Option shall forthwith expire and the term hereof shall terminate on the Original Expiration Date with the same force and effect as if such Renewal Option had not been exercised (Renewal Term together with Term referred to as "Term").

3. Use of Premises.

(a) The Premises shall be used for the purpose of operating a first-class sport shop and for no other purpose. Included in the allowed use is advertising, promoting and selling Diamond Peak ski tickets, packages, other related ski services, soft goods, recreation center services, tennis, golf, and, related soft goods and mountain bike rentals (collectively, the "Services") to Lessor's guests and clients, and Lessee accepts and agrees to provide such Services. Lessee shall not be permitted to sell any food or beverages throughout the Term.

(b) Lessee shall not use the Premises or permit the use thereof for any illegal purpose or in a manner conflicting with any applicable law, ordinance, rule or regulation of any governmental authority having jurisdiction, or in any manner which would vitiate the insurance or increase the rate of insurance on the Premises or the Hotel; nor commit or suffer to be committed any waste or nuisance upon the Premises; nor shall Lessee use the Premises, or permit the use thereof, in violation of Lessor's reasonable rules and regulations as such may exist from time to time. Lessee shall conduct business in the Premises in a dignified and orderly manner and shall maintain sufficient staff and high quality of service. In this connection, Lessee agrees that it will not keep in its employ at, in or about the Premises any employee who shall, upon reasonable non-discriminatory grounds, be objected to by Lessor, and to cause its employees to conform to the reasonable rules and regulations of Lessor established from time to time by Lessor for the conduct of, and in relation to, the employees of the tenants of the Hotel.

(c) Prices charged for services rendered on the Premises shall be competitive with prices charged by other first-class sport shops in the area.

(d) Lessee shall permit Hotel guests to charge purchases from the Premises to such guests' Hotel accounts providing the following steps shall have taken place:

(i) Lessee shall examine the guests' Hotel passport.

(ii) Lessee shall receive telephone verification of the guests' registration at the Hotel and authorization from the Front Office Cashier for such guests to charge purchases from the Premises to the guests' Hotel accounts.

(iii) After proper verification and authorization as hereinabove provided, Lessee shall record sales transactions on the Premises' standard sales checks and shall submit copies of such sales checks to the Hotel Front Desk on a same-day basis as such sales transactions take place. Lessee's standard sales checks shall include the name and room number of the Hotel guest and the total amount of all purchases.

(iv) Once a month during the term of the Lease, Lessee shall submit to Lessor a statement describing all purchases made by Lessor's guests which are charged to such guests' Hotel accounts for the preceding month.

(v) It is understood and agreed between the parties that any amounts disputed by the Hotel guest or amounts deemed by the Hotel Controller to be uncollectible shall be deducted by Lessor from the payment to Lessee for the following month or months. Lessor agrees to pursue the collection of all unpaid amounts (except disputed amounts) in accordance with the Hotel's usual and normal collection procedures and any amounts thus collected shall be applied to Lessor and Lessee's outstanding balances on a prorated basis.

(e) If any governmental license or permit including, without limitation, any use permit and/or certificate of occupancy for Lessee's lease of the Premises, shall be required for the proper and lawful conduct of Lessee's business or other activity carried on in the Premises or if a failure to procure such a license or permit might or would in any way affect the operations of the Hotel, then Lessee, at its expense, shall duly procure and thereafter maintain such license or permit and submit the same to inspection by Lessor. Lessee, at its sole cost and expense, shall at all times comply with the requirements of each such license or permit.

4. Condition of Premises.

Lessee's taking possession of the Premises shall be conclusive evidence of Lessee's acceptance thereof in good order and satisfactory condition. Lessee agrees that no representations respecting the condition of the Premises, and that no promises to decorate, alter, repair or improve the Premises, either before or after the execution hereof, have been made by Lessor or its agent to Lessee unless the same are contained herein and made a part hereof.

5. Rent.

(a) In respect of each month during the term hereof, Lessee agrees to pay to Lessor, without demand and without deduction or set-off of any amount for any reason whatsoever, at the times and in the manner hereinafter provided, rent for the Premises as follows: Lessee shall pay in advance, on or before the first day of each calendar month included in the term hereof, a guaranteed minimum rental per month in the "applicable amount" hereinafter in this subparagraph (a) provided. If this Lease shall commence on a day other than the first day of the month or terminate on a day other than the last day of the month, as appropriate, then the guaranteed minimum rental for the first or last partial month, if any, as applicable, shall be equitably prorated. The "applicable amount" shall be equal to ten percent (10%) of Lessee's gross sales (the "Base Amount") for each calendar month throughout the Term.

The following provisions shall apply in respect of such annual percentage rental and the payment thereof:

(1) The term "gross sales" for any period as used herein shall (subject to the exclusions hereinafter set forth) mean the gross amount, determined on the accrual method of accounting, derived by Lessee during such period in respect of all sales made and all services rendered in, upon or from the Premises or in, upon or from the Hotel (including delivery of goods to the Hotel or Hotel guests from outside the Hotel) and, in case of sales made or services rendered on credit, whether or not payment be actually made therefor; the gross amount derived by Lessee during such period from sales made or services rendered pursuant to orders received in the Premises, though filled elsewhere; and the gross amount of any and all other sources of income derived during such period from business conducted upon the Premises, including the gross sales, as herein defined, of sublessees, licensees and concessionaires pursuant to permitted subleases and concessions. The amounts of all sales and excise taxes and any other taxes measured by Lessee's gross sales or gross business receipts which are required to be accounted for and paid by Lessee to any governmental authorities are excluded from Lessee's gross sales (as said term is used herein).



For the purpose of accounting to Lessor there shall be deducted from Lessee's gross sales the following items (but only to the extent the same have been included in such gross sales): (i) the amount of any actual refunds or credits made by Lessee for returned merchandise, the amount whereof had theretofore been included by Lessee in Lessee's gross sales; (ii) the selling price of merchandise returned for an equal amount of merchandise in exchange. No deduction shall be allowed for disputed, uncollected or uncollectible credit accounts.

(2) If Lessee shall at any time cause an audit of its business conducted on the Premises to be made by a public accountant or certified public accountant, it shall furnish Lessor with a copy of such audit without any cost or expense to Lessor. With respect to any lease year or lease years as to which Lessor is entitled to question the sufficiency of any rental payment relating thereto under the provisions of subdivision (5), Lessor may, if it so desires, cause an audit of the business of Lessee conducted on the Premises to be made by a certified public accountant of its own selection, and shall furnish Lessee a copy of such audit. If such audit shall disclose an overpayment or underpayment of the guaranteed minimum rental for such lease year or lease years, proper adjustment shall forthwith be made between Lessor and Lessee to correct any such overpayment or underpayment. Moreover, if, as a result of such audit, the statements of gross sales and receipts for any such lease year previously submitted by Lessee to Lessor shall be found to be less by two percent (2%) or more than the amount of Lessee's gross sales and receipts shown by such audit, Lessee shall pay the cost of such audit; otherwise, the cost of such audit shall be paid by Lessor.

(3) Lessee shall cause to be kept and maintained upon the Premises or elsewhere in the City of Incline Village, Nevada full and complete and proper books, records and accounts (including sales checks and other original sales records, and cash register tapes and reports) of Lessee's gross sales (as defined in subdivision (1) of this subparagraph), both for cash and on credit, and full and complete records and accounts of all authorized exceptions and deductions therefrom. Such books, records and accounts, including any sales tax and excise tax reports which Lessee is required to furnish to any

government or governmental agency, shall, upon reasonable notice to Lessee, be made available during all business hours for inspection in Incline Village by Lessor's duly authorized agents and auditors, at no cost or expense to Lessor, and such books, records and accounts shall be made, kept and maintained in accordance with good accounting practices.

(4) The acceptance by Lessor of any money paid by Lessee as rental for the Premises as shown by any statement furnished by Lessee shall not be an admission of the accuracy of such statement or the sufficiency of such rental payment, and Lessor shall be entitled at any time within one (1) year after the receipt of any such rental payment to question the sufficiency of the amount thereof and/or the accuracy of the statement or statements furnished by Lessee to justify the same. For the purpose of enabling Lessor to check the accuracy of any such statement or statements and the sufficiency of any rental payments made in accordance therewith Lessee shall, for such period of one (1) year, keep safe and intact all of its books, records, accounts and other data (including sales checks and other original sales records and cash register tapes and reports) which in any manner bear upon, or are required to establish in detail, its gross sales and any authorized exceptions and deductions therefrom, and, upon request, shall make the same available to Lessor, its auditors, representatives or agents, for examination at any time during such one (1) year period.

(b) Each payment of or on account of rent to be paid under this Section, as well as any other sums to be paid by Lessee to Lessor hereunder, shall be paid to Lessor at its address then in effect for the receipt of notices hereunder by Lessor, or at such other place as Lessor may from time to time designate in a notice to Lessee.

(c) Rent shall be defined in this Lease as guaranteed minimum rental, which sums shall be payable in the manner provided in this Lease. All other sums of money or charges required to be paid by Lessee under this Lease shall be due and payable ten (10) days after demand, without any deductions or set off whatsoever. Lessee's failure to pay any such amounts or charges when due shall carry

with it the same consequences under Section 22 hereof as Lessee's failure to pay rent. All such amounts or charges shall be payable to Lessor at the place where the guaranteed minimum rental is payable.

(d) If Lessee shall fail to pay, when the same is due and payable, any guaranteed minimum rental or any annual percentage rental or other amounts or charges to be paid to Lessor by Lessee, as provided in this Lease, such unpaid amount shall bear interest from the due date thereof to the date of payment at the rate of eighteen percent (18%) per annum, with respect to corporate or limited partnership Lessees, and at the highest contract rate permitted by law with respect to Lessees who are natural persons.

6. Lessor's Obligations.

(a) Lessor agrees to advertise and promote Diamond Peak in its Stay and Ski Packages or similar packages as well as in its marketing and advertising materials, in connection with Lessor's ski advertising and its regular resort marketing efforts.

(b) Lessor agrees to advertise and promote Championship and Mountain Golf Courses and the Tennis Center in its Stay and Play packages or similar packages as well as in its marketing and advertising materials, in connection with Lessor's seasonal advertising and its regular resort marketing efforts.

(c) Lessor agrees to have Diamond Pete, the Diamond Peak mascot, visit and participate in the Camp Hyatt on select weekends and holidays during the Term, as determined by Lessor.

(d) Hyatt agrees that the Diamond Peak shuttle from the Hotel to Diamond Peak runs every half hour beginning at 8:30 a.m. until 1:00 p.m. Return shuttles from Diamond Peak to the Hotel begin at 2:00 p.m. and continue every half hour thereafter until 5:00 p.m.

(e) Lessor will provide Lessee with an end of the season report on the Stay & Ski packages and Stay and Play packages at the end of each season.

7. Hours of Operation and No Abandonment.

Lessee agrees not to abandon or vacate the Premises during the term hereof, and, except when and to the extent that the Premises are untenable by reason of damage by fire or other casualty, Lessee shall use and continuously operate for retail sales purposes all of the Premises other than such minor portions thereof as are reasonably required for storage and office purposes; to use such storage and office space only in connection with the business conducted by Lessee in the Premises; to furnish and install all trade fixtures which shall at all times be suitable and proper for carrying on Lessee's business; to carry a full and complete stock of seasonable merchandise offered for sale at competitive prices; to maintain adequate trained personnel for efficient service to customers; to open for business and remain open during the entire Lease Term at times mutually agreed upon by Lessor and Lessee and shall be in accordance with the season, i.e. ski, golf, recreation, etc. Keys to the leased premises shall be maintained by representatives authorized by Lessee and Lessor respectively.

8. Common Areas and Facilities.

(a) Lessor shall make available from time to time such areas and facilities of common benefit ("Common Areas") to the tenants and occupants of the Hotel as Lessor shall deem appropriate. Lessor shall operate, manage, equip, light, insure, secure, repair and maintain the Common Areas for their intended purposes in such manner as Lessor shall in its sole discretion determine, and may from time to time change the size, location and nature of any Common Areas and may make installations therein and move and remove such installations.

(b) Lessee and its permitted sublessees, licensees and concessionaires, officers, employees, agents, customers and invitees shall have the nonexclusive right, in common with Lessor and all others to whom Lessor has or may hereafter grant rights, to use the Common Areas as designated from time to time by Lessor to the extent necessary and related to the lease of the Premises, subject to such reasonable regulations as Lessor may from time to time impose including the designation of specific areas in which cars owned by Lessee, its permitted sublessees, licensees and concessionaires, officers, employees, agents,

customers and invitees must be parked. Lessee agrees to abide by such regulations and to use its best efforts to cause its permitted sublessees, licensees and concessionaires, officers, employees, agents, customers and invitees to conform thereto. Lessor may at any time close temporarily any Common Area to make repairs or changes to prevent the acquisition of public rights in such area or to discourage noncustomer parking; and may do such other acts in and to the Common Areas as in its judgment may be desirable to improve the convenience thereof. Lessee shall upon request furnish to Lessor the license numbers and description of the vehicles operated by Lessee and its permitted sublessees, licensees and concessionaires, officers, agents and employees. Lessee shall not at any time interfere with the rights of Lessor and other tenants, its and their permitted sublessees, licensees and concessionaires, officers, employees, agents, customers and invitees, to use any part of the parking areas and other Common Areas.

9. Utilities.

Lessor shall furnish without cost to Lessee the levels of heat, air conditioning and electricity for the Premises as provided to the Common Areas of the Hotel. Lessee shall pay for all water, if any, and all janitorial, scavenger and other services supplied to or for the benefit of the Premises, provided that Lessor may, at its option, supply any such services to Lessee and other tenants of the Hotel, in which case Lessee shall pay its prorata share of the cost of the services so supplied by Lessor. Lessor shall not be liable for any stoppage or interruption in the supply of the aforementioned utilities to the Premises in the event and whenever the same is due to fire or other casualty, strikes, lockouts, riots, breakdown in service, necessary repairs or any other cause beyond the reasonable control of Lessor. Lessor shall at all times maintain such level of heat to the Premises as may be necessary to keep the Premises at a proper temperature, if applicable.

10. Repair.

Lessee, at its sole cost and expense and free from mechanics liens, shall keep and maintain the Premises (including plate glass) and all appurtenances thereto installed by Lessee for the use or use in connection with the Premises, in good sanitary order, condition and repair, ordinary wear and tear, damage by fire, acts of God, or by the elements excepted, Lessee hereby waiving all right to make repairs at the expense of Lessor as provided in any applicable statute now or hereafter in force. Lessee agrees, at its sole cost and expense, and free of mechanics liens, to make any and all improvements, alterations, repairs and changes in, to and upon the Premises required by any and all laws, ordinances, rules or regulations of all governmental authorities and officials having jurisdiction thereof when, and if, required due to the use made of the Premises by Lessee. Lessee further agrees, at all times during the term hereof, to keep and maintain in clean condition and good order and repair all furniture, furnishings, fixtures and equipment (herein collectively called the "Fixtures and Equipment") then required for the operation of the Premises as a first-class sport shop and to make such replacements as shall be required from time to time, such replacements to be of at least equal quality as the items replaced. Lessee agrees to surrender the Premises to Lessor at the expiration or sooner termination of the term hereof in as good condition and repair as when first received, ordinary wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted.

11. Lessee's Improvements; Interior Design, etc.

(a) Lessee shall construct all leasehold improvements and install all furniture, fixtures and equipment, including interior decoration, in the Premises which may be required for the operation of Lessee's business. Lessee shall bear the cost of such construction of leasehold improvements and the installation of furniture, fixtures and equipment, including the interior decoration. All construction and installation of furniture, fixtures and equipment are hereinafter referred to as "Lessee's work." Lessee shall, at its sole cost and expense, promptly prepare, or cause to be prepared by an architect or designer approved by Lessor, and submit to Lessor for its approval, Drawings and Final Drawings and Specifications for

Lessee's work, which Drawings and Final Drawings and Specifications shall conform to Lessor's design criteria for the entire Hotel. Lessor agrees not to withhold unreasonably its approval of Lessee's architect or designer. Lessor, however, reserves the right to withhold its approval of such Drawings and Final Drawings and Specifications submitted by Lessee if, in Lessor's sole opinion, such Drawings and Final Drawings and Specifications do not conform to the design criteria and style of the Hotel as determined by reference to the design, drawings, specifications, construction and decor of the Hotel. Lessee, at its sole cost and expense, shall obtain all permits required for the performance of Lessee's work and shall perform, or cause to be performed, such work in a first-class manner, in accordance with such Final Drawings and Specifications approved by Lessor prior to the commencement of such work; in compliance with Lessor's customary and usual insurance and other requirements therefor; and free from any liens imposed upon the Hotel or any part thereof, and in such manner as to cause no interference with the operations of the Hotel. The Lessee's work shall be completed and the Premises shall be opened for business to the public not later than ninety (90) days from the date when the Premises shall be available to Lessee for the performance of Lessee's work.

Lessee shall have the right to enter the Premises prior to the commencement of the term for the purpose of fixturing and otherwise preparing the Premises for the conduct of Lessee's business therein. Such entry by Lessee on the Premises shall be subject to all the terms, covenants and conditions of this Lease, except, however, the covenants relating to payment of rent and other charges and must be coordinated with Lessor and Lessor's contractors and agents, and all work done by Lessee on the Premises must be done in such a manner as not to unreasonably interfere with Lessor's use of and work on the Hotel.

(b) Any changes or alterations of the interior design, decor, furnishings, trade fixtures, and other decorating of or for the Premises must be first submitted to Lessor for approval, which approval shall not be unreasonably withheld, before installation thereof by Lessee, and such installation shall be at Lessee's expense and shall be completed free of any liens. On written request by Lessor, all parts of the interior of the Premises shall be painted, varnished, or otherwise redecorated at Lessee's own expense at least once during the term hereof.

(c) In the event that during the term of this Lease, a renovation of the Hotel is scheduled, or other similar business reason should occur, the Lessor shall have the right to relocate Lessee to a substantially similar area of the Hotel.

12. Advertising Signs; Solicitation of Business.

All signs are subject to the approval of Lessor, which approval shall not be unreasonably withheld, and Lessee must obtain such approval in writing prior to installation. Lessee shall remove Lessee's signs from the Premises at the expiration or sooner termination of the term hereof. All expenses of installing and removing such signs shall be the sole responsibility of Lessee.

Lessee further agrees not to issue or circulate any advertising matter in the Hotel or transact or solicit business in any part of the Hotel without the prior written consent of Lessor, which consent shall be at Lessor's sole discretion.

13. Removal of Trash.

Lessee, at its expense, shall keep the Premises clean, both inside and outside, and remove all trash, garbage and other refuse from the Premises. Lessee agrees to keep all accumulated rubbish in covered containers and to have the same removed regularly. In the event Lessee fails to keep the Premises in proper condition, Lessor may cause the same to be done for Lessee; and Lessee hereby agrees to pay the expense hereof as additional rent on demand.

14. No Obstruction.

Lessee shall neither encumber nor obstruct the area adjoining the Premises (including the adjoining sidewalks or arcades) nor allow the same to be obstructed or encumbered in any manner, and shall keep said area or any part thereof free of ice, snow, rubbish and dirt. Lessee shall not place, or cause to be placed, any merchandise, vending machines or anything else on said area or said sidewalks, if any, or the exterior of the Premises, without the written consent of the Lessor first obtained.



15. Destruction of Premises.

If, as a result of a casualty, the Premises are totally destroyed or the Hotel shall be damaged or destroyed to the extent of twenty-five percent (25%) of the replacement cost thereof, then this Lease, at the option of Lessor, shall terminate as of the date of such destruction, and rental shall be accounted for as between Lessor and Lessee as of that date. If the Premises are damaged but not wholly destroyed by any such casualty or the Hotel shall be damaged or destroyed to an extent less than that indicated in the preceding sentence, then the guaranteed minimum rental (but not the annual percentage rental, or any installment thereof) shall abate in such proportion as the use of the Premises has been made impossible and Lessor shall, at its option, to the extent practicable and to the extent sufficient insurance proceeds are available, restore the Premises to substantially the same condition as before such damage, whereupon full rental shall resume; further, in such event, Lessee shall, at its expense, and in a timely manner, restore or replace the Fixtures and Equipment and any additions thereto or replacements thereof made prior to such casualty.

16. Indemnification.

Lessee agrees to defend, indemnify and to hold Hyatt Corporation and Hyatt Equities, L.L.C., a Delaware limited liability company and its members and their employees and agents harmless at all times during the term hereof from and against any and all liability, loss, cost, damage or expense (including attorneys' fees) for, or which may arise out of, Lessee's leasing, use, maintenance and operation of the Premises, including, without limitation, (i) any damage to or destruction of any goods, wares, merchandise or personal property of any and all kinds and character in or upon the Premises, however caused or occasioned, excepting the gross negligence or willful misconduct of Lessor, its agents or employees, (ii) any bodily injuries to or the death of any person or persons upon the Premises and Lessee's employees working at the Premises and occupancy of all portions of the Hotel to which such employees are permitted access while in the course of their employment, however caused or occasioned, excepting the gross negligence or willful misconduct of Lessor, its agents or employees, and (iii) any violation by Lessee

or its agents or assigns of any term or provision of this Lease. This Section shall survive the termination or expiration of the Lease.

17. Insurance.

Lessee agrees to maintain during the term hereof, at Lessee's sole expense, with financially responsible insurance carriers authorized to do business in the State of Nevada and approved by Lessor (such approval not to be unreasonably withheld) the following insurance coverages in the respective minimum amounts indicated:

(a) Fire and extended coverage insurance on all Fixtures and Equipment used in connection with the operation of the Premises, Betterments and Improvements and other Personal Property of Lessee including merchandise and stock for the full insurable value thereof existing from time to time.

(b) Comprehensive general and automotive liability insurance against damages and liability (including attorneys' fees) on account of its leasing or use of the Premises, or any property damage, or any injuries to or the death of any persons however occasioned in or about the Premises (and as respects Lessee's employees working at the Premises and occupants of all portions of the Hotel to which said employees are permitted access) in the minimum amount of five million dollars (\$5,000,000.00) for injuries to or the death of any one or more persons in any one accident and/or for damage to property. Such comprehensive general liability and automobile insurance shall be endorsed to include every aspect of Lessee's business operation, including liquor liability, and shall insure the performance by Lessee of the indemnity agreement set forth in Section 15 of this Lease and shall include hazards of premises, operations, independent contractors, contractual liability, products liability and personal injury.

(c) Workers' compensation in statutory amounts and employer's liability or similar insurance as required by law.

(d) Lessee shall observe and comply with the requirements of all policies of insurance of Lessor and Lessee at any time in force with respect to the Premises or any part thereof. All policies required to be carried hereunder (except Workers' Compensation insurance) shall name «insured» and any

other parties as requested by Lessor as additional insureds; such insurance shall be primary and not contributory with Lessor's insurance. All such policies of insurance, to the extent obtainable, shall provide that the same shall not be cancelled or changed without prior written notice thereof to Lessor at least thirty (30) days prior to the effective date of such cancellation or change. Prior to the commencement of the term hereunder, and from time to time during the term hereof, Lessee shall furnish to Lessor certificates of insurance evidencing continuously current compliance with the provisions of this paragraph.

Lessee shall pay all costs, expenses, claims, fines, penalties and damages (including reasonable attorneys' fees) that may in any manner arise out of or be imposed because of the failure of Lessee to comply with the provisions of this Section 16, and in any event agrees to indemnify Lessor against all such liability. Lessee shall promptly give notice to Lessor of any notice of violation received by Lessee.

(e) This Section shall survive the termination or expiration of the Lease.

18. Compliance with Laws.

Lessee understands and agrees that Lessee's performance of any and all services performed pursuant to this agreement shall, at Lessee's expense, fully comply with all federal, state and/or local laws, rules, regulations and ordinances which may govern or regulate such services. Lessee further agrees, at Lessee's own expense, to be solely responsible for compliance with all federal, state, and local laws, rules, regulations, and ordinances that apply to Lessee's employment status or Lessee's employment relationship with others.

19. Condemnation.

If the whole of the Premises, or such portion thereof as shall make the Premises unusable for the purposes herein rented, be condemned by any legally constituted authority for any public use or purpose, then and in either event, the term hereof shall cease from the time when possession thereof is taken by such authority; and rental shall be accounted for as between Lessor and Lessee as of that date. Such termination, however, shall be without prejudice to the rights of either Lessor or Lessee to recover compensation and damage caused by condemnation from the condemnor. It is further understood and

agreed that neither Lessee nor Lessor shall have any rights in any award made to the other by any condemnation authority.

20. Assignment and Subletting.

(a) Lessee shall not, without the prior written consent of Lessor, assign this Lease or any interest therein or sublet the Premises, or any part thereof, or permit the use of the Premises by any party other than Lessee, and in the case of any such assignment or subletting to which Lessor shall have consented, a copy of the instrument of assignment or subletting shall be delivered to Lessor promptly upon the making of such assignment or upon such subletting. The sale, issuance or transfer, at any time, of any voting capital stock of Lessee (if Lessee is then a corporation) which results in a change in the voting control of Lessee shall be deemed to be an assignment of this Lease within the meaning of this Section 19. Consent to any assignment, subrent or sublease shall not be deemed to be a consent to any subsequent assignment, subrent or sublease; and all subsequent assignments, subrentals or subleases shall be made likewise only on the prior written consent of Lessor. If Lessor shall consent to an assignment, the assignee of Lessee shall, in writing, assume the obligations of Lessee hereunder, so as to become directly liable to Lessor for all such obligations. Such assumption shall be incorporated in the instrument of assignment, a copy of which shall be delivered to Lessor. No sublease, subrental or assignment by Lessee shall relieve Lessee of any liability hereunder. In the event that Lessor approves Lessee's assignment or subletting of the Lease, Lessee shall pay to Lessor a fee of five hundred dollars (\$500.00) for the processing by Lessor of the necessary documents.

(b) Without limiting the other instances in which it may be reasonable for Lessor to withhold its consent, Lessor and Lessee acknowledge that it shall be reasonable for Lessor to withhold its consent in the following instances: (i) if, at the time consent is requested or at any time prior to the granting of consent, Lessee is in default under this Lease or would be in default under this Lease but for the pendency of any grace or cure period under Section 21 below; (ii) if, in Lessor's reasonable judgment, the quality or character of the business to be conducted in the Premises is or may be adversely affected during

the term of this Lease as a result of the transaction for which consent is requested; (iii) if, in Lessor's reasonable judgment, the financial worth of a proposed assignee or sublessee does not meet the credit standards applied by Lessor for other tenants under leases with comparable terms, or the experience of the proposed transferee, assignee, sublessee, licensee or concessionaire in the type of business conducted in the Premises is not at least equal to that of Lessee, or its reputation for business integrity and quality of operations is not excellent; and (iv) in the case of a subletting, if the subletting is of less than the entire Premises.

(c) Lessor, at any time, and from time to time, may make an assignment of its interest in this Lease, and, in the event of such assignment and the assumption by the assignee of the covenants and agreements to be performed by Lessor herein, Lessor and its successors and assigns (other than the assignee of this Lease) shall be released from any and all liability hereunder.

21. Removal of Trade Fixtures.

Upon the expiration or sooner termination of the term hereof, Lessee may (if not in default hereunder), and upon written request of Lessor shall, remove all easily removable Fixtures and Equipment and supplies owned by Lessee which Lessee has placed in the Premises, provided Lessee shall restore the Premises to the same condition as when first received, ordinary wear and tear, damage by fire, acts of God, or by the elements excepted. Any personal property of Lessee not removed within five (5) days following such expiration or termination shall, at Lessor's option, become the property of Lessor.

22. Default.

It is mutually agreed that (i) in the event Lessee shall default in the payment of rent herein reserved, when due, and shall fail to cure such default within ten (10) days after written notice thereof from Lessor, or (ii) if Lessee shall be in default in any of the terms or provisions of this Lease, other than the provisions requiring the payment of rent, and shall fail to cure such default within thirty (30) days after the date of receipt of written notice of default from Lessor, or (iii) if Lessee is adjudicated bankrupt, or (iv) if a permanent receiver is appointed for Lessee's property and such receiver is not removed within sixty (60)

days after written notice from Lessor to Lessee to obtain such removal, or (v) if, whether voluntarily or involuntarily, Lessee takes advantage of any debtor relief proceedings under any present or future law, whereby the rent or any part thereof is, or is proposed to be, reduced or payment thereof deferred, or (vi) if Lessee makes an assignment for the benefit of creditors, or (vii) if Lessee's effects should be levied upon or attached under process against Lessee, and such levy or attachment is not satisfied or dissolved within thirty (30) days after written notice from Lessor to Lessee to satisfy or dissolve the same, then, in any of said events, Lessor (in addition to any and all other rights or remedies of Lessor hereunder or provided by law, all of which shall be cumulative, and no one of which shall be exclusive of any other right or remedy) shall have the immediate right of re-entry, without liability for trespass or forcible entry or detainer, and may remove all persons and property from the Premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of, Lessee. Should Lessor elect to re-enter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, Lessor may either terminate this Lease or may, from time to time, without terminating this Lease, re-let the Premises or any part thereof for such term or terms (which may be for a term extending beyond the term of this Lease) and at such rent and upon such other terms and conditions as Lessor, in Lessor's discretion, may deem advisable; upon each such re-letting Lessee shall be liable to pay to Lessor, in addition to any indebtedness other than rent due hereunder, the amount, if any, by which the minimum annual rentals reserved in this Lease for the period of such re-letting (up to, but not beyond, the term of this Lease) shall exceed the amount agreed to be paid as rent pursuant to such re-letting for the period thereof, which rents received by Lessor from such re-letting shall be applied: first, to the payment of any indebtedness, other than rent due hereunder from Lessee to Lessor; and second, to the payment of rent due and unpaid hereunder, and the residue, if any, shall be held by Lessor and be applied in payment of future rent as the same may become due and payable hereunder. If Lessee has been credited with any rent to be received by such re-letting hereinabove and such rent shall not be promptly paid to Lessor by the new lessee, or if such rents received from such re-letting during any month be less than that to be paid during

such month by Lessee hereunder, Lessee shall pay any such deficiency to Lessor. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of the Premises by Lessor shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to Lessee or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any such re-letting without termination, Lessor may at any time thereafter elect to terminate this Lease for such previous breach. Should Lessor at any time terminate this Lease following an Event of Default hereunder, in addition to any other remedy Lessor may have, Lessor may recover from Lessee the amount of the rent and charges equivalent to the rent reserved in this Lease for a period of sixty (60) days following such termination over the amount of rental derived from the operation of the Premises whether Lessor shall or shall not re-let the Premises during such sixty (60) day period.

23. Lessor's Right of Entry.

Lessor may post on the Premises "For Rent" signs on any date preceding the expiration of the term hereof by ninety (90) days or less. Lessor may enter the Premises at reasonable hours to exhibit the same to prospective tenants and to make repairs required of or permitted to be made by Lessor under the terms hereof or to make repairs to the Hotel, or to inspect the Premises for the purpose of determining if Lessee is complying with the requirements of this Lease.

24. Lessor's Right to Collect Rent.

The termination of this Lease at or prior to the expiration of the term hereof, by lapse of time or otherwise, shall not affect Lessor's right to collect rent for the period prior to such termination.

25. Subordination.

Lessee's rights hereunder shall be subject to any bona fide mortgage or deed of trust to secure a debt which now affects or which may subsequently affect the Hotel and shall be subject to the terms and conditions of any lease of the Hotel or portion thereof through which Lessor has derived possessory rights to the Premises and of any other leases or other matters affecting title to which any such lease is subject.

Lessee shall execute and deliver whatever instruments may be required for such purposes, and in the event Lessee fails to do so within ten (10) days after demand in writing by Lessor, Lessee does hereby make, constitute and irrevocably appoint Lessor as its attorney-in-fact and in its name, place and stead so to do. Further, if any financing institution requires any modifications of the terms and provisions of this Lease as a condition to such financing as Lessor may desire, then Lessee shall execute and deliver such modification as may be required for such purposes, and in the event Lessee fails to do so within ten (10) days after demand in writing by Lessor, Lessee does hereby make, constitute and irrevocably appoint Lessor as its attorney-in-fact and in its name, place and stead so to do. Such modification or modifications shall not affect any of the provisions of the Lease relating to the amount of guaranteed minimum rental and percentage rental, if any, reserved, reducing the purposes for which the Premises may be used, the size and/or location of the Premises, the duration and/or Commencement Date of the terms, or reducing the improvements to be made by Lessor to the Premises prior to delivery of possession.

26. No Levy, etc.

This Lease shall create the relationship of lessor and lessee between Lessor and Lessee; no estate shall pass out of Lessor; Lessee's interest in the Premises shall not be subject to levy, sale or other involuntary assignment.

27. Hold Over.

If Lessee remains in possession of the Premises after the expiration of the term hereof without any express agreement of the parties, Lessee shall be a tenant at will at twice the guaranteed minimum rental, and there shall be no renewal of this Lease by operation of law.



28. Attorneys' Fees.

In case suit shall be brought for an unlawful detainer of the Premises, for the recovery of any rent due under the provisions of this Lease, or because of the breach of any other covenant herein contained on the part of Lessor or Lessee to be kept or performed, the party prevailing in such suit shall be entitled to reasonable attorneys' fees to be paid by the unsuccessful party, which fees shall be fixed by the court.

29. Cumulative Remedies.

All rights, powers and privileges conferred hereunder upon the parties hereto shall be cumulative and shall be in addition to every other right, power, privilege and remedy existing in law or at equity.

30. Mechanic's Lien.

Lessee shall not suffer any mechanic's lien to be filed against the Premises or the Hotel by reason of any work, labor, services or materials performed at or furnished to the Premises, to Lessee, or to anyone holding the Premises through or under the Lessee. If any such mechanic's lien shall at anytime be filed, Lessee shall forthwith cause the same to be discharged of record by payment, bond, order of a court of competent jurisdiction or otherwise, but Lessee shall have the right to contest any and all such liens, provided security satisfactory to Lessor is deposited with it. If Lessee shall fail to cause such a lien to be discharged within thirty (30) days after being notified of the filing thereof and before judgment or sale thereunder, then, in addition to any other right or remedy of Lessor, Lessor may, but shall not be obligated to, discharge the same by paying the amount claimed to be due or by bonding or other proceeding deemed appropriate by Lessor, and the amount so paid by Lessor and/or all costs and expenses, including reasonable attorneys' fees, incurred by Lessor in procuring the discharge of such lien, shall be deemed to be additional rent together with interest thereon as provided in Section 5(d) and shall be due and payable by Lessee to Lessor on the first day of the next following month.

31. Notice.

All notices, demands, requests or other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given if either (i) personally served, or (ii) sent by regular mail, three (3) days after being deposited at the Post Office or sent registered or certified mail, postage prepaid, in any event addressed to the party intended at its address set forth below (or such other address as such party may designate by notice given to the other party in the manner provided in this Section): If to Lessor, at Lessor's office at the Hotel, Attention: General Manager; and if to Lessee, at the Premises, attention: General Manager, 893 Southwood Blvd., Incline Village, NV, 89451.

32. No Waiver.

No failure of Lessor to exercise any power given to Lessor hereunder, or to insist upon strict compliance by Lessee with Lessee's obligations hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Lessor's right to demand exact compliance with the terms hereof.

33. Time of Essence.

Time is of the essence of this Lease.

34. Lessor's Right to Rearrange Hotel.

Lessor shall have the right, from time to time, to make changes, alterations or improvements (including rearrangements of space) in the Hotel or any part thereof, including the Hotel lobby and the Hotel shop area so long as the Premises or the entrances thereto and exits therefrom are not materially and adversely affected thereby. Lessor reserves the right to impose reasonable restrictions as to the loading and unloading of merchandise, supplies or equipment by Lessee.

35. Definitions.

"Lessor," as used in this Lease, shall include the original lessor and its assigns or other successors in interest with respect to the Premises. "Lessee," as used in this Lease, shall include the original lessee, and, if the original lessee's interest in this Lease shall be validly assigned, shall include also lessee's assignees.

36. Entire Agreement.

This Lease contains the entire agreement of the parties hereto; and no representations, inducements, promises or agreements, oral or other, between the parties not embodied herein, shall be of any force or effect except as embodied herein or otherwise set forth in writing and executed by the parties hereto. All terms in this Lease are deemed to be material.

37. Trade Name.

Lessee acknowledges that the names "Hyatt", "Regency", "Park", "Grand" and "Andaz" and the Hyatt crest are the exclusive property of Lessor. Lessee agrees not to use the name "Hyatt", "Regency", "Park", "Grand" or "Andaz" or any name which includes the word "Hyatt", "Regency", "Park", "Grand" or "Andaz" or the Hyatt crest or any logo or design which includes the Hyatt crest without the prior consent, in writing, of Lessor. If Lessor shall have given its consent to the use by Lessee of any such name or any such crest, logo or design, then upon the termination of this Lease, whether by lapse of time or any other reason whatsoever, Lessee shall cease to use, and shall thereafter refrain from using, any such name, crest or design. The provisions of this Section shall survive the expiration or earlier termination of the term hereof.

38. Lessee's Covenants.

Lessee represents, warrants and covenants that (i) it is duly licensed to do business in the State of Nevada, (ii) it has full power and authority to enter into this Lease, and (iii) it has no knowledge of any threatened, pending or ongoing claims or litigation which may materially and adversely affect its ability to perform its obligations under the Lease.

Lessee further covenants, warrants and represents that by executing this Lease and by the operation of the Premises under this Lease, it is not violating, has not violated and will not be violating any restrictive covenant or agreement contained in any other lease or contract affecting the Lessee or any affiliate, associate or any other person or entity with whom or with which Lessee is related or connected financially or otherwise. Lessee hereby covenants and agrees to indemnify and save harmless Lessor, any future owner of the fee or any part thereof, and any mortgagee thereof against and from all liabilities, obligations, damages, penalties, claims, costs and expenses, including attorneys' fees, paid, suffered or incurred by them or any of them as a result of any breach of the foregoing covenant. Lessee's liability under this covenant extends to the acts and omissions of any subtenant, and any agent, servant, employee or licensee of any subtenant of Lessee.

39. Verification.

At any time during the term of this Lease, Lessee shall, at the request of Lessor, acknowledge and deliver to Lessor without charge, a duly executed recordable certificate prepared by Lessor, certifying that this Lease is valid and subsisting and in full force and effect and that Lessor, at the time, is not in default under any of the terms or provisions of this Lease.

40. Brokers.

Lessee covenants, represents and warrants that no realtor, broker or agent was involved in the negotiations leading to the execution of this Lease or brought it about either directly or indirectly except Hyatt Corporation. Lessee agrees to indemnify, defend and hold Hyatt Corporation and Hyatt Equities, L.L.C., a Delaware limited liability company and its member harmless from and against any and all expenses or costs (including, without limitation, attorneys' fees) caused by any broker claiming to have dealt with Lessee.

41. Governing Laws.

The rights and obligations of the parties under this Lease shall be governed by the laws of the State of Nevada.

42. Headings.

The Headings used in this Lease are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Lease nor the intent of any provision thereof.

43. Meals.

Lessee's employees may use Lessor's cafeteria located in the Hotel for meals, provided that Lessee purchases from Lessor one (1) meal ticket in the amount of five and 00/100 dollars (\$5.00), for every meal provided for each of the Lessee's employees. Lessor maintains the complete discretion as to the food offerings provided in the cafeteria or whether to offer meals at all; furthermore, the cost of the ticket shall be determined solely by Lessor in its reasonable discretion. Lessee and its agents and employees may not otherwise access the Hotel cafeteria without a ticket for each meal served.

44. Discounts.

(a) Lessee shall provide Lessor with four (4) Diamond Peak transferable season passes for use by Lessor's employees and/or Lessor's guest for Term of the Lease. Upon termination of this Lease, Lessor will return the four (4) passes to Diamond Peak.

(b) Lessee agrees that Lessor's employees can ski or snowboard as Diamond Peak for Ten and 00/100 Dollars (\$10.00) Monday through Friday, and Twenty and 00/100 Dollars (\$20.00) Saturday and Sunday with the exception of specified holiday or blackout periods as determined by Lessee. Such employees must be currently employed by Lessor to receive this discount and may only use the discount for themselves. Lessor employees must present a "Hyatt" ID and current pay stub (within 14 days) to receive this discount. This discount does not apply to guests, friends or family of the Lessor employee and each employee is limited to one (1) lift ticket per day. Upon termination of this agreement, Lessor employees will no longer receive this discount.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day and year first hereinabove set forth.

LESSOR:

Hyatt Corporation, as agent of Hyatt Equities, L.L.C.,  
a Delaware limited liability company, d/b/a  
Hyatt Regency Lake Tahoe, Resort & Spa

By: [Signature] 9/7/10  
Its: General Manager

LESSEE

Incline Village General Improvement District

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Reviewed and approved  
as to form:

[Signature]  
William B. Horn  
IVGID General Manager

[Signature]  
Ed Youmans  
Diamond Peak Ski Resort Manager

[Signature]  
T. Scott Brooke  
IVGID General Counsel

INCLINE VILLAGE GENERAL  
IMPROVEMENT DISTRICT

[Signature]  
Gene Brockman  
Chairman, Board of Trustees

[Signature]  
Charles Weinberger  
Secretary, Board of Trustees



June 14, 2012

Hyatt Regency Lake Tahoe  
Country Club Drive  
Incline Village, Nevada 89451

Attention of Mr. Fred Findlen

Subject: Contract Change Approved by the Incline Village General Improvement District Board of Trustees on May 30, 2012

Dear Fred:

Pursuant to the approval made by the Incline Village General Improvement District Board of Trustees, on May 30, 2012, at a regularly scheduled Board of Trustees meeting, I am extending the lease with the Hyatt Equities LLC for a period of three years (extending through May 31, 2016) as prescribed in paragraph 2. Term, subparagraph (c).

If you would kindly execute one copy of this letter, in the space shown below, and return it to my attention, it would be most appreciated.

Thank you very much for your continued support of the Incline Village General Improvement District and we are looking forward to our continued successful partnership.

Sincerely,

William B. Horn  
General Manager



Accepted on behalf of Hyatt Equities, LLC

6/27/12

Fred Findlen  
General Manager, Hyatt Regency Lake Tahoe

ADMINISTRATIVE OFFICES • 99 SOUTHWOOD BOULEVARD • INCLINE VILLAGE, NV 89451  
PH: (775) 832-1100 FX: (775) 832-1122 • WWW.YOURTAHOEPLACE.COM

**FIRST AMENDMENT TO AGREEMENT**

THIS FIRST AMENDMENT TO AGREEMENT is made as of the 18th day of May, 2016 by and between Hyatt Corporation, as agent of Hyatt Equities, L.L.C., a Delaware limited liability company d/b/a Hyatt Regency Lake Tahoe Resort, Spa and Casino (hereinafter called "Hyatt") and Incline Village General Improvement District, a political subdivision of the state of Nevada d/b/a Diamond Peak Ski Resort (hereinafter called "Lessee").

**WITNESSETH:**

WHEREAS, Hyatt and Lessee entered into that certain Agreement, effective as of June 1, 2010 (the "Lease"), which provides for Lessee to Lease space in the Hotel for the operation of a first class sport shop ("Lease") at the Hyatt Regency Lake Tahoe Resort, Spa and Casino (the "Hotel"); and.

NOW, THEREFORE, the parties hereto amend the Agreement by this instrument as follows:

1. Term. The term of the Lease will be extended to May 31, 2019. Provided that Lessee is not then, or has not been, in default under the terms of this Lease, Lessee shall have the right and option (the "Renewal Option"), by a notice given to Lessor not later than sixty (60) prior to the end of the then current term to extend the term of this Lease for a period three (3) years ending May 31, 2012 (the "Renewal Term").
2. Discounts. Section 44 (b) will be deleted in its entirety.
3. Room Charges. Section 3(d)(ii) will be replaced in its entirety with the following: A list of in-house guests will be provided to the Lessee by the Lessor to verify the guests' hotel registration. A list of guests that do not have room charging privileges will also be provided on a daily basis.

Except as herein expressly modified, the Lease shall remain in full force and effect, subject to all terms and conditions contained therein.



IN WITNESS WHEREOF, this First Amendment has been executed by Hyatt and Lessee as of the day and year first hereinabove set forth.

**Hyatt Corporation, as agent of Hyatt Equities, L.L.C., a Delaware limited liability company d/b/a Hyatt Regency Lake Tahoe Resort, Spa and Casino**

By: 

Name: Fred Findlen

Title: General Manager

**Incline Village General Improvement District, a political subdivision of the state of Nevada d/b/a Diamond Peak Ski Resort**

By: 

Name: Steven J. Pinkerton

Title: General Manager

**SECOND AMENDMENT TO LEASE AGREEMENT**

THIS SECOND AMENDMENT TO AGREEMENT is made as of the 30<sup>th</sup> day of May, 2019 by and between Hyatt Corporation, as agent of Hyatt Equities, L.L.C, a Delaware limited liability company d/b/a Hyatt Regency Lake Tahoe Resort, Spa and Casino (hereinafter called "Hyatt") and Incline Village General Improvement district, a political subdivision of the state of Nevada d/b/a Diamond Peak Ski Resort (hereinafter called "Lessee").

**WITNESSETH:**

WHEREAS Hyatt and Lessee entered into a certain Agreement, effective as of June 1, 2010 (the "Lease"), which provides for the Lessee to Lease space in the Hotel for the operation of a first class sport shop ("Lease") at the Hyatt Regency Lake Tahoe Resort, Spa and Casino (the "Hotel"); and.

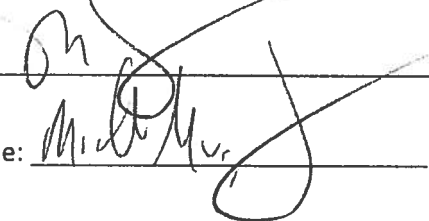
NOW, THEREFORE, the parties hereto amend the Agreement by this instrument as follows:

1. Term. The term of the Lease will extend to May 31, 2022.

Except as herein expressly modified, the Lease shall remain in full force and effect, subject to all terms and conditions contained therein.

IN WITNESS WHEREOF, this Second Amendment has been executed by Hyatt and Lessee as of the day and year first hereinabove set forth.

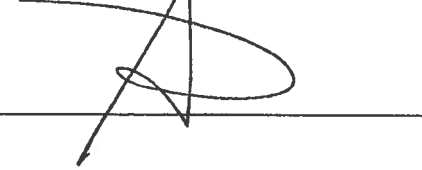
**Hyatt Corporation, as an agent of Hyatt Equities, L.L.C., a Delaware limited liability company d/b/a Hyatt Regency Lake Tahoe Resort, Spa and Casino**

By:   
Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**Incline Village General Improvement District, a political subdivision of the state of Nevada d/b/a Diamond Peak Resort**

By:   
Name: Steven J. Pinkerton  
IVGID District General Manager

THIRD AMENDMENT

SECOND AMENDMENT TO AGREEMENT

THIS SECOND AMENDMENT TO AGREEMENT (the "2<sup>nd</sup> Amendment") is made as of the 17 day of June 2020, by and between Hyatt Corporation, as agent of Hyatt Equities, L.L.C., a Delaware limited liability company d/b/a Hyatt Regency Lake Tahoe Resort, Spa and Casino (hereinafter called "Hyatt") and Incline Village Improvement District, a political division of the state of Nevada, d/b/a Diamond Peak Ski Resort (hereinafter called "Lessee").

WITNESSETH:

WHEREAS, Hyatt and Lessee entered into that certain Agreement, effective as of June 1, 2010, [First Amendment, dated May 18, 2016; as amended] (the "Agreement"), which provides for Lessee to lease space in the Hotel for the operation of a first class sport shop ("Lease") at the Hyatt Regency Lake Tahoe Resort, Spa and Casino (the "Hotel"); and

WHEREAS, the parties desire to amend the Agreement to revise the term.

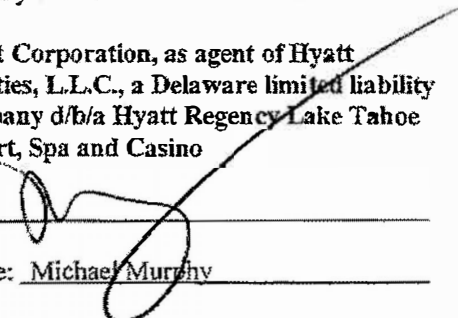
NOW, THEREFORE, the parties hereto amend the Agreement by this instrument as follows:

Term: Operations will be suspended for the Summer and Fall 2020 season and lessee will vacate the premise. Lessee shall re-occupy the agreed upon lease location for the Winter 2020/2021 season, no earlier than October 1, 2020 and no later than November 22, 2020.

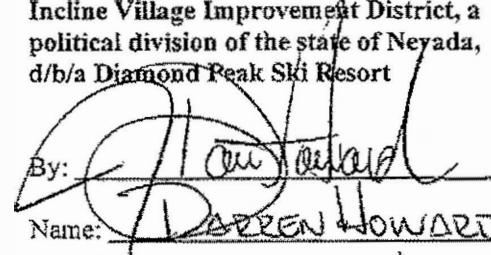
Except as herein expressly modified, the Agreement shall remain in full force and effect, subject to all terms and conditions contained therein.

IN WITNESS WHEREOF, this Second Amendment has been executed by Hyatt and Lessee as of the day and year first hereinabove set forth.

Hyatt Corporation, as agent of Hyatt Equities, L.L.C., a Delaware limited liability company d/b/a Hyatt Regency Lake Tahoe Resort, Spa and Casino

By:   
Name: Michael Murchy  
Title: General Manager

Incline Village Improvement District, a political division of the state of Nevada, d/b/a Diamond Peak Ski Resort

By:   
Name: DARREN HOWARD  
Title: DIRECTOR OF GOLF & COMMUNITY SERVICES

**FOURTH AMENDMENT TO AGREEMENT**

THIS FOURTH AMENDMENT TO AGREEMENT (the "Fourth Amendment") is made as of the 16 day of September 2020, by and between Hyatt Corporation, as agent of Hyatt Equities, L.L.C., a Delaware limited liability company d/b/a Hyatt Regency Lake Tahoe Resort, Spa and Casino (hereinafter called "Hyatt") and Incline Village Improvement District, a political division of the state of Nevada, d/b/a Diamond Peak Ski Resort (hereinafter called "Lessee").

**WITNESSETH:**

WHEREAS, Hyatt and Lessee entered into that certain Agreement, effective as of June 1, 2010, (the "Agreement"), as amended by that certain First Amendment, dated May 18, 2016 (the "First Amendment"), that certain Second Amendment, dated May 30, 2019 (the "Second Amendment"), that certain Third Amendment, dated June 17, 2020 (noted in error as "Second Amendment") which provides for Lessee to lease space in the Hotel for the operation of a first class sport shop ("Lease") at the Hyatt Regency Lake Tahoe Resort, Spa and Casino (the "Hotel"); and

WHEREAS, the parties desire to amend the Agreement to revise the term.

NOW, THEREFORE, the parties hereto amend Section 2(b) of the Agreement by this instrument as follows:


"(b) During each calendar year of the Term, Lessee's operations will exist for the winter season, November 1<sup>st</sup> through April 30<sup>th</sup>. Lessee will temporarily vacate the Premises May 1<sup>st</sup> through October 31<sup>st</sup> of each calendar year throughout the Term. Lessee shall ensure that the Premises is returned to its prior condition by April 30<sup>th</sup> of each year. Failure to do so shall be a breach of this Lease and subject to all applicable provisions of this Lease, including Section 27."

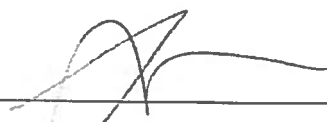
Except as herein expressly modified, the Agreement shall remain in full force and effect, subject to all terms and conditions contained therein.

IN WITNESS WHEREOF, this Fourth Amendment has been executed by Hyatt and Lessee as of the day and year first hereinabove set forth.

**Hyatt Corporation, as agent of Hyatt Equities, L.L.C., a Delaware limited liability company d/b/a Hyatt Regency Lake Tahoe Resort, Spa and Casino**

**Incline Village Improvement District, a political division of the state of Nevada, d/b/a Diamond Peak Ski Resort**

By:   
Name: Michael Murphy  
Title: General Manager

By:  11/14/20  
Name: Indra Winquest  
Title: General Manager

## FIFTH AMENDMENT TO LEASE

THIS FIFTH AMENDMENT TO LEASE AGREEMENT (this “Agreement”) is dated December 15, 2022 but deemed effective as of June 1, 2022 (the “Effective Date”) by and between Incline Village General Improvement District, a political subdivision of the state of Nevada d/b/a Diamond Peak Ski Resort (“Lessee”), and HYATT CORPORATION, as agent of Incline Hotel, LLC, a Delaware limited liability company (or its predecessors-in-interest), d/b/a/ Hyatt Regency Lake Tahoe Resort, Spa & Casino (“Lessor”).

### WITNESSETH:

WHEREAS, Lessor and Lessee are parties to that certain Agreement, effective as of June 1, 2010, (the “Agreement”), as amended by that certain First Amendment, dated May 18, 2016 (the “First Amendment”), that certain Second Amendment, dated May 30, 2019 (the “Second Amendment”), that certain Third Amendment, dated June 17, 2020 (noted in error as “Second Amendment”), and that certain Fourth Amendment, dated September 16, 2020 (the “Fourth Amendment”) which provides for Lessee to lease space in the Hotel for the operation of a first class sport shop (the “Lease”) at the Hyatt Regency Lake Tahoe Resort, Spa and Casino (the “Hotel”); and

WHEREAS, the parties desire to amend the Agreement and extend the term.

### AGREEMENTS:

NOW, THEREFORE, the parties hereto amend the Agreement by this instrument as follows:

1. Term. The term of the Lease will be extended through and including May 31, 2023.
2. Use of Premises. The parties hereto amend Section 3(a) of the Agreement by this instrument as follows:

(a) The Premises shall be used for the purpose of operating a first-class sport shop and for no other purpose. Included in the allowed use is advertising, promoting and selling Diamond Peak ski tickets, packages, other related ski services, and soft goods (collectively, the “Services”) to Lessor’s guests and clients, and Lessee accepts and agrees to provide such Services. Lessee shall not be permitted to sell any food or beverages throughout the Term.

3. Effect of this Agreement. Except as specifically amended by the provisions of this Agreement, all of the terms and provisions in the Lease are ratified and shall continue to govern the rights and obligations of the parties thereunder, and all provisions and covenants of the Lease shall remain in full force and effect as stated therein. This Agreement and the Lease shall be construed as one instrument. In the event of any conflict between this Agreement and the Lease, the terms and provisions of this Agreement shall control and shall be paramount, and the Lease shall be construed accordingly. The terms, provisions and covenants of this Agreement shall

Fifth Amendment to Lease Agreement

inure to the benefit of and be binding upon the parties to this Agreement and their respective successors in interest and assigns. The terms and conditions of this Agreement may not be modified, amended, altered or otherwise affected except by instrument in writing executed by Lessee and Lessor. THIS AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN LESSEE AND LESSOR WITH RESPECT TO THE TERMS AND CONDITIONS OF THIS INSTRUMENT, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS BETWEEN OR AMONG LESSEE AND LESSOR THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN OR AMONG LESSEE AND LESSOR.

4. Miscellaneous.

- (a) This Agreement shall be construed according to the laws of the State of Nevada.
- (b) Each of Lessee and Lessor represents, warrants and agrees that all recitals set forth above in this Agreement are true and correct, and all such recitals are ratified, adopted and restated as part of the instrument which is evidenced by and effected by this Agreement.
- (c) Each of Lessee and Lessor warrants to the other that all consents and/or approvals required (including from all of its members, to the extent applicable) for its execution, delivery and performance of this Agreement have been obtained and that it has the right and authority to enter into and perform its covenants contained in this Agreement and in the Lease.
- (d) If any term or provision of this Agreement, or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby. Each provision of this Agreement shall be valid and shall be enforceable to the extent permitted by law.
- (e) This Agreement may be executed in multiple counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively but one instrument.

**[SIGNATURES APPEAR ON FOLLOWING PAGE(S)]**

IN WITNESS WHEREOF, Lessee and Lessor have executed this Agreement effective as of the date first set forth above.

**LESSEE:**

Incline Village General Improvement District, a political subdivision of the state of Nevada d/b/a Diamond Peak Ski Resort

By: Andreas Wingquist  
Name: Andreas Wingquist  
Its: 12/23/2022

**LESSOR:**

HYATT CORPORATION, as agent of Incline Hotel, LLC, a Delaware limited liability company, d/b/a/ Hyatt Regency Lake Tahoe Resort, Spa & Casino

By: [Signature]  
Name: Michael Murphy  
Its: GM

12/22/22



**SIXTH AMENDMENT TO LEASE**

THIS SIXTH AMENDMENT TO LEASE AGREEMENT (this "Agreement") is dated November 7, 2023 but deemed effective as of June 1, 2023 (the "Effective Date") by and between Incline Village General Improvement District, a political subdivision of the state of Nevada d/b/a Diamond Peak Ski Resort ("Lessee"), and HYATT CORPORATION, as agent of Incline Hotel, LLC, a Delaware limited liability company (or its predecessors-in-interest), d/b/a/ Hyatt Regency Lake Tahoe Resort, Spa & Casino ("Lessor").

WITNESSETH:

WHEREAS, Lessor and Lessee are parties to that certain Agreement, effective as of June 1, 2010, (the "Agreement"), as amended by that certain First Amendment, dated May 18, 2016 (the "First Amendment"), that certain Second Amendment, dated May 30, 2019 (the "Second Amendment"), that certain Third Amendment, dated June 17, 2020 (noted in error as "Second Amendment"), that certain Fourth Amendment, dated September 16, 2020 (the "Fourth Amendment"), and that certain Fifth Amendment, dated December 15, 2022 (the "Fifth Amendment"), which provides for Lessee to lease space in the Hotel for the operation of a first class sport shop (the "Lease") at the Hyatt Regency Lake Tahoe Resort, Spa and Casino (the "Hotel"); and

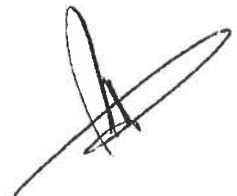
WHEREAS, the parties desire to amend the Agreement and extend the term.

AGREEMENTS:

NOW, THEREFORE, the parties hereto amend the Agreement by this instrument as follows:

1. Term. The term of the Lease will be extended through and including May 31, 2024.
2. Effect of this Agreement. Except as specifically amended by the provisions of this Agreement, all of the terms and provisions in the Lease are ratified and shall continue to govern the rights and obligations of the parties thereunder, and all provisions and covenants of the Lease shall remain in full force and effect as stated therein. This Agreement and the Lease shall be construed as one instrument. In the event of any conflict between this Agreement and the Lease, the terms and provisions of this Agreement shall control and shall be paramount, and the Lease shall be construed accordingly. The terms, provisions and covenants of this Agreement shall inure to the benefit of and be binding upon the parties to this Agreement and their respective successors in interest and assigns. The terms and conditions of this Agreement may not be modified, amended, altered or otherwise affected except by instrument in writing executed by Lessee and Lessor. THIS AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN LESSEE AND LESSOR WITH RESPECT TO THE TERMS AND CONDITIONS OF THIS INSTRUMENT, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS BETWEEN OR AMONG LESSEE AND LESSOR THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN OR AMONG LESSEE AND LESSOR.

Sixth Amendment to Lease Agreement



3. Miscellaneous.

(a) This Agreement shall be construed according to the laws of the State of Nevada.

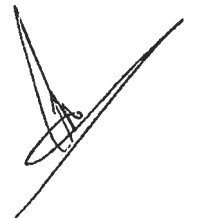
(b) Each of Lessee and Lessor represents, warrants and agrees that all recitals set forth above in this Agreement are true and correct, and all such recitals are ratified, adopted and restated as part of the instrument which is evidenced by and effected by this Agreement.

(c) Each of Lessee and Lessor warrants to the other that all consents and/or approvals required (including from all of its members, to the extent applicable) for its execution, delivery and performance of this Agreement have been obtained and that it has the right and authority to enter into and perform its covenants contained in this Agreement and in the Lease.

(d) If any term or provision of this Agreement, or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby. Each provision of this Agreement shall be valid and shall be enforceable to the extent permitted by law.

(e) This Agreement may be executed in multiple counterparts, each of which for all purposes is deemed an original, and all of which constitute collectively but one instrument.

**[SIGNATURES APPEAR ON FOLLOWING PAGE(S)]**

A handwritten signature in black ink, consisting of several overlapping loops and a long, sweeping tail that extends towards the bottom right of the page.

IN WITNESS WHEREOF, Lessee and Lessor have executed this Agreement effective as of the date first set forth above.

**LESSEE:**

Incline Village General Improvement District, a political subdivision of the state of Nevada d/b/a Diamond Peak Ski Resort

By: Mike Barchelin  
Name: Mike Barchelin  
Its: INCLINE GENERAL MANAGER  
11/09/2023

**LESSOR:**

HYATT CORPORATION, as agent of Incline Hotel, LLC, a Delaware limited liability company, d/b/a/ Hyatt Regency Lake Tahoe Resort, Spa & Casino

By: Pascal Dupuis  
Name: PASCAL DUPUIS  
Its: GENERAL MANAGER  
11/07/23

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT  
STATEMENT OF OPERATING SOURCES AND USES**

**HYATT SPORTS SHOP - SKI**

**2024 FISCAL YEAR BUDGET COMPARISON AND 2025 FY BUDGET**

	<b>2024 FY Budget</b>	<b>2024 FY Actual</b>	<b>2024 FY Budget Variance</b>	<b>2025 FY Budget</b>
<b>Operating Sources</b>				
Sales and Fees	<u>342,848</u>	<u>312,501</u>	<u>(30,347)</u>	<u>364,250</u>
TOTAL OPERATING SOURCES	342,848	312,501	(30,347)	364,250
<b>Operating Uses</b>				
Wages	66,366	58,648	7,718	57,000
Benefits	<u>11,717</u>	<u>7,938</u>	<u>3,779</u>	<u>10,068</u>
Total Personnel Cost	78,083	66,586	11,497	67,068
Services and Supplies	4,218	(1,109)	5,327	4,600
Rental and Lease	25,000	32,232	(7,232)	25,000
Utilities	<u>900</u>	<u>1,098</u>	<u>(198)</u>	<u>1,100</u>
TOTAL OPERATING USES	108,201	98,806	(2,103)	97,768
OPERATING SOURCES(USES)	234,647	213,694	(20,953)	266,482

**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Karen Crocker, Acting General Manager / Director of Parks and Recreation

**FROM:** Kate Nelson, Director of Public Works

**SUBJECT:** Review, Discuss, and Approve the Agreement for the Replacement of the Public Works Entrance Security Gate Actuator Loops and Pavement Section; FY 2024/25 Public Works; Utilities: Shared; Pavement Maintenance Utility Facilities; CIP #2097DI1401 in the Amount of \$58,401. (Requesting Staff Member: Director of Public Works Kate Nelson)

**RELATED FY 2023 STRATEGIC PLAN**

**LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE**

**BUDGET INITIATIVE(S):** The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services.

**RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES**

Board Policy 21.2.0 Purchasing Policy for Public Works Contracts.

**DATE:** September 11, 2024

**I. RECOMMENDATION**

That the Board of Trustees make a Motion to:

1. Award the Construction Contract to Colbre Grading and Paving of Nevada, Incorporated in the amount of \$58,401 and,
2. Direct the Interim General Manager to sign and execute the Agreement.

**II. BACKGROUND**

The security gate at the entrance to the Public Works facility is currently offline and remains open 24 hours a day due to damage to the existing electronic loops

embedded within the pavement. These loops, which trigger the gate-opening mechanism when an exiting vehicle approaches, are no longer functioning, and as a result, the gate cannot be opened by an exiting vehicle. Typically, these traffic loops are installed by saw-cutting into the asphalt, placing the wires within the cut, and then sealing it. However, at the Public Works facility, winter snow plow operations have caused the asphalt to degrade, exposing the loops and rendering them inoperable. To restore full operation of the security gate, these loops need to be replaced.

Additionally, the asphalt pavement surrounding this portion of the entrance has deteriorated to a failed state due to an unsuitable subgrade, seasonal plowing, heavy vehicle use, and environmental conditions. The proposed project includes replacing approximately 2,000 square feet of failed asphalt pavement around the security gate.

The project involves installing new loops beneath the new asphalt pavement (instead of being saw-cut and installed from the surface) to protect them from damage caused by regular plowing and heavy vehicle use at the entry gate. The project will also replace the existing card reader with a keypad, allowing Public Works staff to access the site during off-hours, as required for emergency or snow plow operations. Lastly, the project includes removing the existing asphalt, replacing failed aggregate base sections where necessary, and installing two 3-inch lifts of new asphalt.

**III. BID RESULTS**

The District solicited cost proposals from eight companies and received two responsive proposals. The following table summarizes the cost proposals received, with Colbre Grading & Paving of Nevada, Incorporated submitting the lowest proposal.

Company	Cost
Colbre Grading & Paving of NV, Inc.	\$58,401.00
Gerhardt & Berry Construction	\$74,985.00

**IV. FINANCIAL IMPACT AND BUDGET**

The District's approved Utility Pavement Management budget for FY 2024/25 includes funding under CIP #2097L11401 with a total approximate budget in the amount of \$147,500.

**V. ALTERNATIVES**

The Board of Trustees may choose not to approve the project, which would leave the security gate inoperative.

**VI. COMMENTS**

The Short-Form Agreement has been reviewed by the District's Legal Council.

The work will be completed prior to the October 15, 2024 TRPA grading deadline.

**VII. BUSINESS IMPACT/BENEFIT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

**VIII. ATTACHMENTS**

1. SHORT FORM CONSTRUCTION CONTRACT\_Colbre

**IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

**SHORT FORM CONSTRUCTION CONTRACT  
BETWEEN INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT  
and  
COLBRE GRADING & PAVING OF NV, INCORPORATED.  
for  
PUBLIC WORKS ENTRANCE PAVEMENT REPLACEMENT**

**1. PARTIES AND DATE.**

This Contract is made and entered into this 12 day of September, 2024 by and between the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT, a Nevada general improvement district (“District”) and COLBRE GRADING & PAVING OF NEVADA, INCORPORATED, a domestic corporation with its principal place of business at 1528 US Hwy. 395 N, Ste 245, Gardnerville, NV. 89410 (“Contractor”). District and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this Contract.

**2. RECITALS.**

2.1 District. District is a general improvement district organized under the laws of the State of Nevada, with power to contract for services necessary to achieve its purpose.

2.2 Contractor. Contractor desires to perform and assume responsibility for the provision of certain construction services required by the District on the terms and conditions set forth in this Contract. Contractor represents that it is duly licensed and experienced in providing construction services relating to replacement of pavement section and installation and commissioning of three (3) electrical loops at the entrance of the Public Works Buildings, that it and its employees or subcontractors have all necessary licenses and permits to perform the services in the State of Nevada, and that it is familiar with the plans of District.

2.3 Project. District desires to engage Contractor to render such services for the Public Works Entrance Pavement Replacement project (“Project”) as set forth in this Contract.

2.4 Project Documents. Contractor has obtained, and delivers concurrently herewith, all insurance documentation, as required by the Contract. By reference herein, Contractor agrees to review and comply with the District’s Ordinances and *Standard Specification for Public Works Construction* (the “Orange Book”).

**3. TERMS**

3.1 Incorporation of Documents. This Contract includes and hereby incorporates in full by reference the following documents, including all exhibits, drawings, specifications and documents therein, and attachments and addenda thereto:

- Schematic Site Plan (Exhibit A)
- Contractor’s Proposal, dated August 30, 2024 (Exhibit B)

3.2 Contractor’s Basic Obligation; Scope of Work. Contractor promises and agrees, at its own cost and expense, to furnish to the District all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately complete the Project, including all structures and facilities necessary for the Project or described in the Contract (hereinafter sometimes referred to as the “Work”), for a Total Contract Price as specified pursuant



to this Contract. All Work shall be subject to, and performed in accordance with the above referenced documents, as well as the Exhibits attached hereto and incorporated herein by reference.

The Work is generally described as follows:

Contractor to remove, dispose of and replace the existing pavement and aggregate base section of approximately 2,100 square feet. The scope of work includes the installation and commissioning of exit and reverse loops as well as a new entrance keypad for the existing Public Works entrance gate. The project is at the IVGID Public Works Building located at 1220 Sweetwater Rd., Incline Village, NV. 89451.

3.2.1 Change in Scope of Work. Any change in the scope of the Work, method of performance, nature of materials or price thereof, or any other matter materially affecting the performance or nature of the Work shall not be paid for or accepted unless such change, addition or deletion is approved in writing by a valid change order executed by the District. Should Contractor request a change order due to unforeseen circumstances affecting the performance of the Work, such request shall be made within five (5) business days of the date such circumstances are discovered or shall waive its right to request a change order due to such circumstances. If the Parties cannot agree on any change in price required by such change in the Work, the District may direct the Contractor to proceed with the performance of the change on a time and materials basis.

### 3.3 Period of Performance.

3.3.1 Contract Time. Contractor shall perform and complete all Work under this Contract by October 15, 2024 ("Contract Time"). Contractor shall perform its Work in strict accordance with any completion schedule, construction schedule or project milestones as may be developed by the District. Such schedules or milestones may be included as part of the Exhibits attached hereto, or may be provided separately in writing to Contractor. Contractor agrees that if such Work is not completed within the aforementioned Contract Time and/or pursuant to any such completion schedule, construction schedule or project milestones developed pursuant to provisions of the Contract, it is understood, acknowledged and agreed that the District will suffer damage.

3.3.2 Force Majeure. Neither District nor Contractor shall be considered in default of this Contract for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Contract, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; pandemics or epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Contract. Contractor's exclusive remedy in the event of delay covered under this section shall be a non-compensable extension of the Contract Time.

3.3.3 Liquidated Damages. Contractor and District recognize that time is of the essence, and that District will suffer financial and other losses if the Work is not completed in the Contract Time, as may be modified by mutual agreement of the parties. The parties also recognize the delays, expense, and difficulties involved in proving, in a legal or arbitration proceeding, the actual loss suffered by District if the Work is not completed on time. Accordingly, instead of

requiring any such proof, District and Contractor agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay to District five hundred dollars (\$500.00) for each working day beyond the Contract Time that the Work is not completed, without an extension of time approved by the District in writing. If District recovers liquidated damages for a delay in completion by Contractor, such liquidated damages are District's sole and exclusive remedy for such delay, and District is precluded from recovering any other damages, whether actual, direct, excess, or consequential, for such delay, except for special damages (if any) specified in this Contract.

3.3.4 Hours of Work. Working hours, including equipment "warm up," shall occur between 8 a.m. and 7 p.m. Monday through Friday. Only emergency work may occur on weekends, and only with prior approval of District.

### 3.4 Standard of Performance; Performance of Employees.

3.4.1 Contractor shall perform all Work under this Contract in a skillful and workmanlike manner, and consistent with the Contract Documents and the standards generally recognized as being employed by professionals in the same discipline in the State of Nevada. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Work. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it, its employees, and its subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Work, including any required business license, and that such licenses and approvals shall be maintained throughout the term of this Contract. As provided for in the indemnification provisions of this Contract, Contractor shall perform, at its own cost and expense and without reimbursement from the District, any work necessary to correct errors or omissions which are caused by Contractor's failure to comply with the standard of care provided for herein. Any employee who is determined by the District to be uncooperative, incompetent, a threat to the safety of persons or the Work, or any employee who fails or refuses to perform the Work in a manner acceptable to the District, shall be promptly removed from the Project by Contractor and shall not be re-employed on the Work.

3.4.2 Contractor's warranty and guarantee hereunder excludes defects or damage caused by abuse, modification, or improper maintenance or operation by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or normal wear and tear under normal usage.

3.4.3 Contractor's obligation to perform and complete the Work in accordance with the Contract Documents is absolute. None of the following will constitute an acceptance of work that is not in accordance with the Contract Documents or a release of Contractor's obligation to perform the work in accordance with the Contract Documents:

- a. Observations by District's representative;
- b. Recommendation by District's representative or payment by District of any progress or final payment;
- c. The issuance of a certificate of substantial completion by District's representative or any payment related thereto by District;
- d. Use or occupancy of the Project or any part thereof by District;
- e. Any review and approval of a shop drawing or sample submittal or the issuance of a notice of acceptability by District's representative;

- f. Any inspection, test, or approval by others; or
- g. Any correction of defective work by District.

### 3.5 Correction Period.

3.5.1 If, within one year after the date of substantial completion (or such longer period of time as may be prescribed by the terms of any applicable special guarantee required by the Contract Documents) or by any specific provision of the Contract Documents, any work is found to be defective, or if the repair of any damages to the land or areas made available for Contractor's use by District or permitted by laws and regulations is found to be defective, Contractor shall promptly, without cost to District and in accordance with District's written instructions:

- a. Repair such defective land or areas; or
- b. Correct such defective work; or
- c. If the defective work has been rejected by District, remove it from the Project and replace it with work that is not defective, and
- d. Satisfactorily correct or repair or remove and replace any damage to other work, to the work of others or other land or areas resulting therefrom.

3.5.2 If Contractor does not promptly comply with the terms of District's written instructions, or in an emergency where delay would cause serious risk of loss or damage, District may have the defective work corrected or repaired or may have the rejected work removed and replaced. All claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others) will be paid by Contractor.

3.5.3 In special circumstances where a particular item of equipment is placed in continuous service before substantial completion of all the Project, the correction period for that item may start to run from an earlier date if so provided in the Specifications.

3.5.4 Where defective work (and damage to other work resulting therefrom) has been corrected or removed and replaced under this Section, the correction period hereunder with respect to such work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.

3.5.5 Contractor's obligations under this Section are in addition to any other obligation or warranty. The provisions of this Section shall not be construed as a substitute for or a waiver of the provisions of any applicable statute of limitation or repose.

3.6 District's Basic Obligation. District agrees to engage and does hereby engage Contractor as an independent contractor to furnish all materials and to perform all Work according to the terms and conditions herein contained for the sum set forth above. Except as otherwise provided in the Contract, the District shall pay to Contractor, as full consideration for the satisfactory performance by Contractor of the services and obligations required by this Contract, the below-referenced compensation in accordance with compensation provisions set forth in the Contract.

### 3.7 Compensation and Payment.

3.7.1 Amount of Compensation. As consideration for performance of the Work required herein, District agrees to pay Contractor the Total Contract Price of **fifty-eight thousand four hundred and one dollars (\$58,401.00)** (“Total Contract Price”) provided that such amount shall be subject to adjustment pursuant to the applicable terms of this Contract or written change orders approved and signed in advance by the District.

3.7.2 Payment of Compensation; Retainage. On or before the fifth (5th) day of each month, Contractor shall submit to the District an itemized application for payment in the format supplied by the District indicating the amount of Work completed since commencement of the Work or since the last progress payment. These applications shall be supported by evidence which is required by this Contract and such other documentation as the District may require. The Contractor shall certify that the Work for which payment is requested has been done and that the materials listed are stored where indicated. Contractor may be required to furnish a detailed schedule of values upon request of the District and in such detail and form as the District shall request, showing the quantities, unit prices, overhead, profit, and all other expenses involved in order to provide a basis for determining the amount of progress payments. Invoices shall be sent to [AP@ivgid.org](mailto:AP@ivgid.org), with a copy to [pweng@ivgid.org](mailto:pweng@ivgid.org).

3.7.3 Withholdings from Progress Payments. Prior to the completion of the Work, progress payments will be made in accordance with this section, but in each case, less the aggregate of payments previously made and less such amounts as District may withhold, including but not limited to liquidated damages, in accordance with the Contract. From each approved progress estimate until the Work is fifty percent (50%) complete, five percent (5%) will be deducted and retained by the District, and the remainder will be paid to Contractor. Upon completion of at least fifty percent (50%) of the Work, District may forego any further retainage from the remaining progress payments, or it may continue to retain two and one half percent (2.5%) of the value of the progress payment. All Contract retention shall be released and paid to Contractor and subcontractors pursuant to NRS Chapter 338.

3.8 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work. In carrying out its Work, Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the Work and the conditions under which the Work is to be performed. Safety precautions as applicable shall include, but shall not be limited to, adequate life protection and lifesaving equipment; adequate illumination for underground and night operations; instructions in accident prevention for all employees, such as machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and adequate facilities for the proper inspection and maintenance of all safety measures.

3.9 Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Contract or the Work, including all labor requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Work. If Contractor observes that the drawings or specifications are at variance with any law, rule or regulation, it shall promptly notify the District in writing. Any necessary changes shall be made by written change order. If Contractor performs any work knowing it to

be contrary to such laws, rules and regulations and without giving written notice to the District, Contractor shall be solely responsible for all costs arising therefrom. District is a public entity of the State of Nevada subject to certain provisions of the NRS. It is stipulated and agreed that all provisions of the law applicable to the public contracts of a quasi-municipal corporation are a part of this Contract to the same extent as though set forth herein and will be complied with. Contractor shall defend, indemnify and hold District, its officials, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Contract, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.9.1 By executing this Contract, Contractor acknowledges that it is aware of District's Ordinance 1, the Solid Waste Ordinance, and specifically Section 4.5. thereof, Dumpster Use, Location and Enclosure. Any construction dumpster on the job site that is not properly enclosed shall be a fully locking roll-top, and is to remain locked and secured at all times.

3.10 Permits and Licenses. Contractor shall be responsible for securing District permits and licenses necessary to perform the Work described herein, including, but not limited to, any required business license.

3.11 Completion of Work. When Contractor determines that it has completed the Work required herein, Contractor shall so notify District in writing and shall furnish all labor and material releases required by this Contract. District shall thereupon inspect the Work. If the Work is not acceptable to the District, the District shall indicate to Contractor in writing the specific portions or items of Work which are unsatisfactory or incomplete. Once Contractor determines that it has completed the incomplete or unsatisfactory Work, Contractor may request a reinspection by the District. Once the Work is acceptable to District, District shall pay to Contractor the Total Contract Price remaining to be paid, less any amount which District may be authorized or directed by law to retain.

### 3.12 Dispute Resolution.

3.12.1 Contractor and District hereby agree to engage in alternate dispute resolution ("ADR") pursuant to NRS 338.150, under the prevailing Nevada law in the Second Judicial District Court of the State of Nevada in and for the County of Washoe. Any dispute arising under this contract will be sent to mediation. Any mediation shall occur in Incline Village, Washoe County, Nevada. The mediation shall be conducted through the American Arbitration Association (AAA) and be governed by the AAA's Mediation Procedures.

3.12.2 The mediator is authorized to conduct separate or ex parte meetings and other communications with the parties and/or their representatives, before, during and after any scheduled mediation conference. Such communications may be conducted via telephone, in writing, via email, online, in person or otherwise.

3.12.3 District and Contractor are encouraged to exchange all documents pertinent to the relief requested. The mediator may request the exchange of memorandum on all pertinent issues. The mediator does not have the authority to impose a settlement on the parties but such mediator will attempt to help District and Contractor reach a satisfactory resolution of their dispute. Subject to the discretion of the mediator, the mediator may make oral or written recommendations for settlement to a party privately, or if the parties agree, to all parties jointly.

3.12.4 District and Contractor shall participate in the mediation process in good faith. The mediation process shall be concluded within sixty (60) days of a mediator being assigned.

3.12.5 In the event of a complete settlement of all or some issues in dispute is not achieved within the scheduled mediation session(s), the mediator may continue to communicate with the parties, for a period of time, in an ongoing effort to facilitate a complete settlement. Any settlement agreed upon during mediation shall become binding if within thirty (30) days after the date that any settlement agreement is signed, either the District or Contractor fails to object or withdraw from the agreement. If mediation shall be unsuccessful, either District or Contractor may then initiate judicial proceedings by filing suit. District and Contractor will share the cost of mediation equally unless agreed otherwise.

3.13 Loss and Damage. Except as may otherwise be limited by law, Contractor shall be responsible for all loss and damage which may arise out of the nature of the Work agreed to herein, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the Work until the same is fully completed and accepted by District.

3.14 Indemnification.

3.14.1 Scope of Indemnity. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the District, its officials, employees, agents and authorized volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Contractor's services, the Project or this Contract, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, Contractor's indemnity obligation shall not apply to liability for damages for death or bodily injury to persons, injury to property, or any other loss, damage or expense arising from the sole or active negligence or willful misconduct of the District or the District's agents, servants, or independent contractors who are directly responsible to the District, or for defects in design furnished by those persons.

3.14.2 Additional Indemnity Obligations. Contractor shall defend, with counsel of District's choosing and at Contractor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against District or its officials, employees, agents and authorized volunteers. In addition, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against District or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Contractor shall also reimburse District for the cost of any settlement paid by District or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for District's attorney's fees and costs, including expert witness fees. Contractor shall reimburse District and its officials, employees, agents and authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, its officials, employees, agents and authorized volunteers. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the District, its officials, employees, agents and authorized volunteers for losses arising from the work performed by the Contractor for the District.

3.15 Insurance.

3.15.1 Time for Compliance. Contractor shall not commence Work under this Contract until it has provided evidence satisfactory to the District that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the District that the subcontractor has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the District to terminate this Contract for cause.

3.15.2 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Work hereunder by Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Contract. Such insurance shall meet at least the following minimum levels of coverage:

3.15.2.1 Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 00 01) OR Insurance Services Office Owners and Contractors Protective Liability Coverage Form (CG 00 09 11 88) (coverage for operations of designated contractor); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 00 01, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of Nevada and Employer's Liability Insurance. Policies shall not contain exclusions contrary to this Contract.

3.15.2.2 Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability*: \$2,000,000-\$4,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 combined single limit (each accident) for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' compensation limits as required by the State of Nevada. Employer's Liability limits of \$1,000,000 each accident, policy limit bodily injury or disease, and each employee bodily injury or disease. Defense costs shall be available in addition to the limits. Notwithstanding the minimum limits specified herein, any available coverage shall be provided to the parties required to be named as additional insureds pursuant to this Contract.

3.15.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements (amendments) on forms supplied or approved by the District to add the following provisions to the insurance policies:

3.15.3.1 General Liability. The commercial general liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall

specifically allow Contractor to waive its right of recovery prior to a loss. Contractor hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

3.15.3.2 Automobile Liability. The automobile liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Contractor to waive its right of recovery prior to a loss. Contractor hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

3.15.3.3 Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the District, its officials, employees, agents and authorized volunteers for losses paid under the terms of the insurance policy which arise from work performed by Contractor.

3.15.3.4 All Coverages. Each insurance policy required by this Contract shall be endorsed to state that: (1) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District; and (2) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the District, its officials, employees, agents and authorized volunteers.

3.15.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the District, its officials, employees, agents and authorized volunteers.

3.15.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the District. Contractor shall guarantee that, at the option of the District, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its officials, employees, agents and authorized volunteers; or (2) the Contractor shall procure a bond or other financial guarantee acceptable to the District guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.15.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A-VII, licensed to do business in Nevada, and satisfactory to the District. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

3.15.7 Verification of Coverage. Contractor shall furnish District with original certificates of insurance and endorsements effecting coverage required by this Contract



on forms satisfactory to the District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms supplied or approved by the District. All certificates and endorsements must be received and approved by the District before work commences. The District reserves the right to require complete copies of all required insurance policies, at any time.

3.15.8 Subcontractors. All subcontractors shall meet the requirements of this Section before commencing Work. Contractor shall furnish separate certificates and endorsements for each subcontractor. Subcontractor policies of General Liability insurance shall name the District, its officials, employees, agents and authorized volunteers as additional insureds using form ISO 20 38 04 13 or endorsements providing the exact same coverage. All coverages for subcontractors shall be subject to all of the requirements stated herein except as otherwise agreed to by the District in writing.

3.15.9 Reporting of Claims. Contractor shall report to the District, in addition to Contractor's insurer, any and all insurance claims submitted by Contractor in connection with the Work under this Contract.

3.15.10 Compliance with Coverage Requirements. If at any time during the life of the Contract, any policy of insurance required under this Contract does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Contractor or District will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, District may terminate this Contract for cause.

### 3.16 Bond Requirements.

3.16.1 Payment Bond. If required by law or otherwise specifically requested by District, Contractor shall execute and provide to District concurrently with this Contract a Payment Bond in an amount required by the District and in a form provided or approved by the District. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the District.

3.16.2 Performance Bond. If specifically requested by District, Contractor shall execute and provide to District concurrently with this Contract a Performance Bond in an amount required by the District and in a form provided or approved by the District. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the District.

3.16.3 Bond Provisions. Should, in District's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the affected bond within (ten) 10 days of receiving notice from District. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the District, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Contract until any replacement bonds required by this Section are accepted by the District. To the extent, if any, that the Total Contract Price is increased in accordance with the Contract, Contractor shall, upon request of the District, cause the amount of the bond to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the District. If Contractor fails to furnish any required bond, the District may terminate the Contract for cause.

### 3.17 Employee/Labor Certifications.

3.17.1 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

3.17.2 Verification of Employment Eligibility. By executing this Contract, Contractor verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subcontractors and sub-subcontractors to comply with the same.

### 3.18 General Provisions.

3.18.1 District's Representative. The District hereby designates Kate Nelson, or his or her designee, to act as its representative for the performance of this Contract ("District's Representative"). District's Representative shall have the power to act on behalf of the District for all purposes under this Contract. Contractor shall not accept direction or orders from any person other than the District's Representative or his or her designee.

3.18.2 Contractor's Representative. Before starting the Work, Contractor shall submit in writing the name, qualifications and experience of its proposed representative who shall be subject to the review and approval of the District ("Contractor's Representative"). Following approval by the District, Contractor's Representative shall have full authority to represent and act on behalf of Contractor for all purposes under this Contract. Contractor's Representative shall supervise and direct the Work, using his best skill and attention, and shall be responsible for all construction means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Contract. Contractor's Representative shall devote full time to the Project and either he or his designee, who shall be acceptable to the District, shall be present at the Work site at all times that any Work is in progress and at any time that any employee or subcontractor of Contractor is present at the Work site. Arrangements for responsible supervision, acceptable to the District, shall be made for emergency Work which may be required. Should Contractor desire to change its Contractor's Representative, Contractor shall provide the information specified above and obtain the District's written approval.

3.18.3 Termination. This Contract may be terminated by District at any time, either with or without cause, by giving Contractor three (3) days' advance written notice. In the event of termination by District for any reason other than the fault of Contractor, District shall pay Contractor for all Work performed up to that time as provided herein. In the event of breach of the Contract by Contractor, District may terminate the Contract immediately without notice, may reduce payment to Contractor in the amount necessary to offset District's resulting damages, and may pursue any other available recourse against Contractor. Contractor may not terminate this Contract except for cause. In the event this Contract is terminated in whole or in part as provided, District may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated. Further, if this Contract is terminated as provided, District may require Contractor to provide all finished or unfinished documents, data, diagrams, drawings, materials or other matter prepared or built by Contractor in connection with its performance of this Contract. District shall not be liable for any costs other than the charges or portions thereof which are specified herein. Contractor shall not be entitled to payment for unperformed Work including,

without limitation, any overhead and profit on the portion of the Work that is terminated and shall not be entitled to damages or compensation of any kind or nature for termination of Work.

3.18.4 Contract Interpretation. Should any question arise regarding the meaning or import of any of the provisions of this Contract or written or oral instructions from District, the matter shall be referred to District's Representative, whose decision shall be binding upon Contractor.

3.18.5 Notices. All notices hereunder and communications regarding interpretation of the terms of the Contract or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

**CONTRACTOR:**

Colbre Grading & Paving of NV, Incorporated.  
1528 US Hwy. 395 N, Ste 245  
Gardnerville, NV. 89410

**DISTRICT:**

Incline Village General Improvement District  
893 Southwood Blvd.  
Incline Village, NV 89451  
Attn: Hudson Klein, P.E.

Any notice so given shall be considered received by the other Party three (3) days after deposit in the U.S. Mail as stated above and addressed to the Party at the above address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.18.6 Assignment Forbidden. Contractor shall not, either voluntarily or by action of law, assign or transfer this Contract or any obligation, right, title or interest assumed by Contractor herein without the prior written consent of District. If Contractor attempts an assignment or transfer of this Contract or any obligation, right, title or interest herein, District may, at its option, terminate and revoke the Contract and shall thereupon be relieved from any and all obligations to Contractor or its assignee or transferee.

3.18.7 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.18.8 Controlling Law. This Contract shall be interpreted in accordance with the laws of the State of Nevada.

3.18.9 Counterparts. This Contract may be executed in counterparts, each of which shall constitute an original.

3.18.10 Successors. The Parties do for themselves, their heirs, executors, administrators, successors, and assigns agree to the full performance of all of the provisions contained in this Contract.

3.18.11 Conflict of Interest. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Contract. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working

solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, District shall have the right to rescind this Contract without liability. For the term of this Contract, no official, officer or employee of District, during the term of his or her service with District, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom.

3.18.12 Certification of License. Contractor certifies that as of the date of execution of this Contract, Contractor has a current contractor's license of the classification indicated below under Contractor's signature.

3.18.13 Authority to Enter Contract. Each Party warrants that the individuals who have signed this Contract have the legal power, right and authority to make this Contract and bind each respective Party.

3.18.14 Entire Contract; Modification. This Contract contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Contract may only be modified by a writing signed by both Parties.

3.18.15 Non-Waiver. None of the provisions of this Contract shall be considered waived by either party, unless such waiver is specifically specified in writing.

3.18.16 District's Right to Employ Other Contractors. District reserves right to employ other contractors in connection with this Project or other projects.

3.18.17 Whistleblower Provisions. This Agreement is not intended to and will not preclude Consultant's employees from exercising available rights under the District's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the District in accordance with the Whistleblower Policy.

**[Signatures on Following Page]**

**IN WITNESS WHEREOF**, the Parties have entered into this Contract as of the day and date of the year first set forth above.

**OWNER:  
INCLINE VILLAGE G. I. D.**

**CONTRACTOR:  
COLBRE GRADING AND PAVING OF  
NEVADA, INCORPORATED**

**Agreed to:**

**Agreed to:**

By:

By:

\_\_\_\_\_  
Karen Crocker  
Interim District General Manager

\_\_\_\_\_  
*Signature of Authorized Agent*

\_\_\_\_\_  
*Print or Type Name and Title*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Date*

**Reviewed as to Form:**

\_\_\_\_\_  
Sergio Rudin  
District General Counsel

If Contractor is a corporation, attach evidence of authority to sign.

\_\_\_\_\_  
*Date*

Owner's address for giving notice:

Contractor's address for giving notice:

**INCLINE VILLAGE G. I. D.**  
893 Southwood Boulevard Incline  
Village, Nevada 89451  
775-832-1267- Engineering Phone

**EXHIBIT A**  
**SCHEMATIC SITE PLAN**



**NOTES:**

1. CONTRACTOR TO REMOVE AND PROPERLY DISPOSE OF EXISTING PAVEMENT AND BASE SECTION.
2. CONTRACTOR TO PLACE AND COMPACT 8" OF TYPE II BASE. PER SECTION DETAIL.
3. CONTRACTOR TO INSTALL EXIT AND REVERSE LOOPS PRIOR TO PLACEMENT OF AC SECTION PER MANUFACTURER RECOMMENDATION.
4. CONTRACTOR TO REMOVE EXISTING KEY CARD SCANNER AND REPLACE WITH NEW KEYPAD. KEYPAD TO BE LIFTMASTER KPR2000 WIRED KEYPAD AND PROXIMITY READER OR APPROVED EQUAL.
5. CONTRACTOR TO CONNECT AND COMMISSION LOOPS AND KEYPAD.
6. CONTRACTOR TO PLACE 6" OF TYPE 3, PG-64-28 IN TWO 3" LIFTS. PER SECTION DETAIL.
7. CONTRACTOR SHALL GRADE AC AROUND EXISTING FENCE.
8. CONTRACTOR SHALL COORDINATE ALL WORK WITH PUBLIC WORKS STAFF TO ALLOW FOR CONTINUOUS DAILY OPERATIONS.
9. IVGID INSPECTION OF COMPLETED AGGREGATE BASE REQUIRED PRIOR TO AC PLACEMENT.

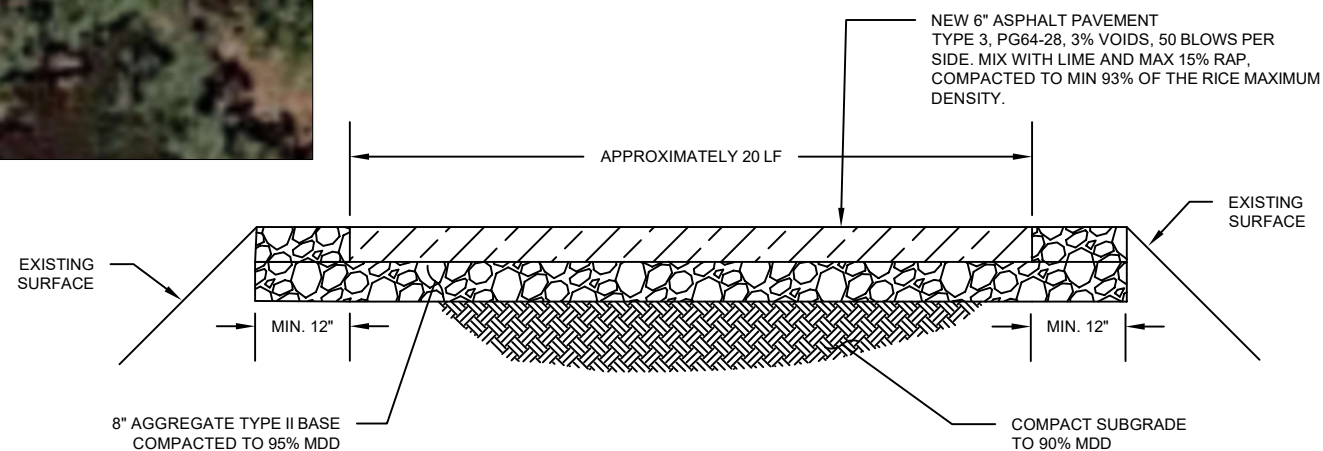
**BMP & EROSION CONTROL NOTES:**

1. AT ALL TIMES DURING CONSTRUCTION, ADEQUATE TEMPORARY EROSION CONTROLS SHALL BE IN PLACE. EROSION CONTROL SHALL BE IN ACCORDANCE WITH THE TRPA "HANDBOOK OF BEST MANAGEMENT PRACTICES." THE SITE SHALL BE WINTERIZED IN ACCORDANCE WITH THE SPECIFICATIONS AND STANDARD TRPA REQUIREMENTS FROM OCTOBER 15TH TO MAY 1ST.

**PUBLIC WORKS ENTRANCE  
PAVEMENT REPLACEMENT  
1220 SWEETWATER RD.**

REVISION #	DATE	DESCRIPTION

PROJECT #:	PUBLIC WORKS ENTRANCE PAVEMENT REPLACEMENT
DATE:	AUGUST 15, 2024
SHEET SCALE:	N.T.S
SHEET DESCRIPTION:	PUBLIC WORKS ENTRANCE
SHEET #:	1 OF 1



**NOTES:**

1. FG OF ASPHALT SHALL NOT IMPEDE SURFACE DRAINAGE.

**PROPOSED AC PAVEMENT SECTION**

**EXHIBIT B**  
**CONTRACTOR'S PROPOSAL, DATED August 30, 2024**



**PROPOSAL FORM**

Project is a Unit Price to include removal, disposal, all labor, materials and incidentals. IVGID reserves the right to award all, some or none of the proposed Schedules.

**Project Location:** 1220 Sweetwater Rd. Incline Village, Washoe County, Nevada.

<b>Public Works Entrance Pavement Replacement</b>					
Item No.	Description	Unit	Estimated Quantity	Unit Price	Total Price
1	Mobilization/Demobilization	LS	1	\$3,200.00	\$3,200.00
2	Remove and Dispose of Existing AC & Base Section	LS	1	\$18,249.00	\$18,249.00
3	Placement of 6" Type III PG64-28 AC	SF	2,100 SF	\$10.46	\$21,966.00
4	Placement of 8" Type II Base	SF	2,100 SF	\$4.16	\$8,736.00
5	Loop Installation & Commissioning	LS	1	\$6,250.00	\$6,250.00
<b>TOTAL BID IN NUMBERS:</b>					<b>\$58,401.00</b>
<b>TOTAL BID IN WORDS:</b>		Fifty-eight thousand four hundred one dollars and zero cents.			

*Quantities are not guaranteed. Final Payment will be based upon actual quantity of work performed.*

Signature of Bidder: \_\_\_\_\_



Date: \_\_\_\_\_

8/30/24

Incline Village GID – Public Works Department  
1220 Sweetwater Road · Incline Village NV 89451  
PH: (775) 832-1203 – PW@ivgid.org

**PRINT OR TYPE:**

Name: Clint Martin  
Title: President  
Firm Name: Colbre Grading + Paving of NV, Inc.  
Address: 1528 US Hwy 395 N Ste 245  
City, St, Zip: Gardnerville, NV 89410  
Phone #: 775-265-7434 Email: cmartin@colbrepaving.com  
Business License #: 52639

**DISCLOSURE OF PRINCIPALS – OFFICERS, OWNERS, PARTNERS:**

Name: Clint Martin Official Title: President  
Address: 1090 Azul Way, Gardnerville, NV 89460  
Name: Julie Sisteck Official Title: Corp. Secretary  
Address: 1124 Evergreen Dr, Carson City, NV 89703  
Name: \_\_\_\_\_ Official Title: \_\_\_\_\_  
Address: \_\_\_\_\_

**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Karen Crocker, Acting General Manager / Director of Parks and Recreation

**FROM:** Kate Nelson, Director of Public Works

**SUBJECT:** Review, Discuss and Approve the Purchase Order Agreement for the Ski Beach Boat Ramp Inspection; FY 2024/25 General; Parks: Operating #39003999-7545; in the Amount of \$700, (Requesting Staff Member: Director of Public Works Kate Nelson)

**RELATED FY 2023 STRATEGIC PLAN BUDGET INITIATIVE(S):**

**LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE**

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services.

**RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES**

Purchasing Policy for Goods and Services 21.1.0

**DATE:** September 11, 2024

**I. RECOMMENDATION**

That the Board of Trustees make a Motion to:

1. Approve the Purchase Order Agreement for Services with Scott Fontecchio dba Diverobotix in the amount of \$700, and
2. Direct the Interim General Manager to Sign and Execute the Agreement.

**II. BACKGROUND**

The underside and area underwater of the Ski Beach Boat Ramp has not been inspected for several years, and the top side rails have repeatedly failed. The District needs a comprehensive inspection of the underside and area underwater of the boat ramp to be able to provide to a structural engineer for a thorough

evaluation of the entire ramp.

**III. BID RESULTS**

The proposed Purchase Order Agreement for Services complies with the District's Purchasing Policy for Public Works Contracts, Policy 21.1.0.2.2.3 and did not require more than one bid.

**IV. FINANCIAL IMPACT AND BUDGET**

This service will be paid for by the District's approved FY 2024/25 General; Parks: Operating #39003999-7545 fund.

**V. ALTERNATIVES**

There are no alternatives presented.

**VI. COMMENTS**

The Purchase Order Agreement between the District and Diverobotix has been reviewed and approved by the District's Legal Counsel.

**VII. BUSINESS IMPACT/BENEFIT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

**VIII. ATTACHMENTS**

1. 2024-05-09 PURCHASE ORDER

**IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

G.L. #	Purchase Order No.
<p style="text-align: center;"><b>CONTRACTOR</b></p> <p>Scott Fontecchio dba Diverobotix – Vendor #472  1925 Wiseman Lane  Gardnerville, NV 89410  Attn: Scott Fontecchio  Ph: 775.230.1116  email: deepwaterrovman@gmail.com</p>	<p style="text-align: center;"><b>INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT</b></p> <p>Public Works Department  1220 Sweetwater Road  Incline Village, NV 89451  Attn: Bree Waters  Phone: 775-832-1372  Email: <a href="mailto:baw@ivigd.org">baw@ivigd.org</a></p>

This Purchase Order is subject to the attached terms and conditions.

**Services:** Inspection, video and report of the Ski Beach Boat Ramp.

DiveRobotix proposes to conduct a comprehensive underwater inspection of the Incline Village General Improvement District's concrete boat ramp. This inspection will utilize advanced underwater camera technology to document the structural integrity of the ramp and identify any potential areas of concern.

**Scope of Work**

1. Site Visit and Assessment:
  - o Pre-inspection site visit to familiarize with the ramp's layout and operating conditions.
  - o Determine the optimal inspection route and depth requirements.
  
2. Underwater Inspection:
  - o Conduct a thorough underwater inspection using state-of-the-art cameras to capture high-resolution images and video footage.
  - o Inspect the entire length and width of the ramp, focusing on areas susceptible to damage or deterioration, such as the base, sides, and any underwater supports.
  - o Document any signs of cracking, erosion, corrosion, or other structural defects.
  - o Observe the ramp's behavior during periods of heavy use to assess its flexibility and stability.
  
3. Data Analysis and Reporting:
  - o Review and analyze the captured footage and images to identify potential issues.
  - o Prepare a detailed written report summarizing the inspection findings, including any observed defects or areas of concern.
  - o Provide supporting visual evidence, such as photographs and video clips, to illustrate the inspection results.

## **Inspection Schedule**

- Start Time: 1 hour before ramp opening Non-Use Filming
- Duration: 3 hours
- End Time: 2 hours after ramp opening In-Use Filming

## **Fee Structure**

- Total Fee: \$700
- Breakdown:
  - Inspection and Data Collection: 2 hours at \$200/hour = \$400
  - Report Preparation: 3 hours at \$100/hour = \$300

Note: The mobilization fee of \$300 is waived due to the project site's proximity.

## **Deliverables**

- Detailed written inspection report
- High-resolution photographs and video footage
- Recommendations for any necessary repairs or maintenance

## PURCHASE ORDER TERMS AND CONDITIONS FOR SERVICES

1. Acceptance; Entire Agreement. This purchase order for services issued by the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT ("DISTRICT") to the Contractor designated in the purchase order must be promptly accepted and acceptance is expressly limited to the terms of this order. Any addition or different terms in the Contractor's forms are hereby deemed to be material alterations and notice of objection to them and rejection of them is hereby given. Contractor's performance of any portion of this order shall be considered acceptance by the Contractor of the terms herein.

2. Compensation. Contractor shall be paid on a time and materials or firm fixed fee basis, as may be agreed upon by the parties as described in this Purchase Order, or in documents attached hereto and hereby made a part hereof, within 30 days of receipt of invoice. If the work is performed on a time and materials basis, the invoice shall include a detailed description of the work performed, labor hours and materials.

3. Compliance with Law. Contractor shall comply with all applicable laws and regulations of the federal, state and local government. DISTRICT shall assist Contractor, as requested, in obtaining and maintaining all permits required of Contractor by Federal, State and local regulatory agencies. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of his or her work.

4. Standard of Care. The Contractor shall perform the work in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession practicing under similar conditions. Contractor shall also comply with State and Federal environmental and safety regulations as they apply to the scope of work.

5. Insurance. Contractor shall take out and maintain: A. Commercial General Liability Insurance, of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury and property damage, naming DISTRICT as an Additional Insured; B. Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, of at least \$1,000,000 per occurrence for bodily injury and property damage; C. Workers' Compensation in compliance with applicable statutory requirements and Employer's Liability Coverage of at least \$1,000,000 per occurrence; and D. Contractors providing professional services shall provide Professional Liability (Errors and Omissions) Insurance of at least \$1,000,000. Insurance carriers shall be licensed or authorized to do business in Nevada.

6. Indemnification. The Contractor shall indemnify and hold harmless DISTRICT, its officials, officers, agents and employees from and against any and all claims, liabilities, expenses or damages, including reasonable attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, or patent infringement or fees for use of patented items, or any claim of the Contractor or a subcontractor for wages or benefits which arise in connection with the performance of the Contract, except to the extent caused or resulting from the active or sole negligence or willful misconduct of DISTRICT. The foregoing indemnity includes, but is not limited to, the cost of prosecuting or defending such action with legal counsel acceptable to DISTRICT and DISTRICT's attorneys' fees incurred in such an action. If Contractor's obligation to defend, indemnify and/or hold harmless arises out of Contractor's performance of "design professional" services subject to NRS 338.155, then, and only to the extent required by NRS 338.155, which is fully incorporated herein, Contractor's indemnification obligation shall be limited to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or

intentional misconduct of the Contractor or its employees and agents. Moreover, while Contractor shall not be required to initially defend the District, Contractor, if adjudicated to be liable by a trier of fact, the Contractor shall be reimburse the District or the attorney's fees and costs incurred by the District defending the action in an amount which is proportionate to the liability of the Contractor. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the District, its officials, employees, agents and authorized volunteers for losses arising from the work performed by the Contractor for the District.

7. Contract Terms. Nothing herein shall be construed to give any rights or benefits to anyone other than DISTRICT and the Contractor. The unenforceability, invalidity or illegality of any provision(s) of this Contract shall not render the other provisions unenforceable, invalid or illegal. Notice may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the parties to the addresses set forth in the purchase order. Contractor shall not assign, sublet, or transfer this Contract or any rights under or interest in this Contract without the written consent of DISTRICT, which may be withheld for any reason. Contractor is retained as an independent contractor and is not an employee of DISTRICT. No employee or agent of Contractor shall become an employee of DISTRICT. This is an integrated Contract representing the entire understanding of the parties as to those matters contained herein, and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. This Contract may not be modified or altered except in writing signed by both parties hereto. This Purchase Order is not intended to and will not preclude Contractor's employees from exercising available rights under the DISTRICT's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the DISTRICT in accordance with the Whistleblower Policy.

8. Notice of Labor Dispute. Whenever Contractor has knowledge that an actual or potential labor dispute may delay performance under this purchase order, Contractor shall immediately notify and submit all relevant information to DISTRICT.

9. Changes. By written notice, DISTRICT may from time to time, direct work suspension or make changes in quantities, drawings, designs, specifications, place of delivery or delivery schedules, methods of shipment and packaging, and property and services furnished to DISTRICT by Contractor. If such change causes an increase or decrease in the price of this purchase order or in the time required for performance, Contractor or DISTRICT shall promptly notify the other party thereof and assert its claim for adjustment within thirty (30) days after the change is ordered, and an equitable adjustment shall be made. However, nothing in this clause shall excuse the Contractor from proceeding immediately with the purchase order as changed.

10. Obligations. Contractor shall be solely responsible for providing all materials, labor, tools, equipment, water, light, power, transportation, superintendence, and temporary construction of every nature and all other services and all facilities necessary to execute, complete, and deliver the work within the specified time.

11. Damage to District Facilities. Damage to DISTRICT or public facilities or private property caused by the Contractor or by its subcontractors during performance of services shall be repaired and/or replaced in kind at no cost to the DISTRICT.

12. Site Safety and Cleanup. The project site shall be kept clean and free of hazards at all times during performance of services. After and installation is completed at the site, as applicable, Contractor shall clean the surrounding area to the condition prior to delivery and installation.

13. Installation. If the Contractor is responsible for providing installation services, finished installation work and/or equipment

shall be subject to final inspection and acceptance or rejection by the DISTRICT.

**[SIGNATURES ON NEXT PAGE]**



**SIGNATURE PAGE**

**OWNER:  
INCLINE VILLAGE G. I. D.**

**SCOTT FONTECCHIO DBA  
DIVERROBOTIX**

**Agreed to:**

**Agreed to:**

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Karen Crocker  
Interim General Manager

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*Signature of Authorized Agent*

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*Date*

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*Print or Type Name and Title*

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*Date*

**Reviewed as to Form:**

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Sergio Rudin  
District General Counsel

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*Date*

**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Karen Crocker, Acting General Manager / Director of Parks and Recreation

**FROM:** Kate Nelson, Director of Public Works

**SUBJECT:** Review, Discuss and Approve the Purchase Order Agreement for the Ozone Analyzers Inspection and Calibration; FY 2024/25 Public Works; Water: Operating #20002223-7330; in the Amount of \$18,000. (Requesting Staff Member: Director of Public Works Kate Nelson)

**RELATED FY 2023 STRATEGIC PLAN**

**LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE**

**BUDGET INITIATIVE(S):** The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services.

**RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES**

Purchasing Policy for Goods and Services 21.1.0

**DATE:** September 11, 2024

**I. RECOMMENDATION**

That the Board of Trustees make a Motion to:

1. Approve the Purchase Order Agreement for Services with GS03 in the amount of \$1,800, and
2. Direct the Acting General Manager to Sign and Execute the Agreement.

**II. BACKGROUND**

The Burnt Cedar Water Disinfection Plant (BCWDP) treats the District's sole source of water, the lake intake water. The Nevada Division of Environmental Protection (NDEP) and the Federal Government mandate that the analyzers

within the treatment plant be inspected and serviced annually.

**III. BID RESULTS**

The proposed Purchase Order Agreement for Services complies with the District's Purchasing Policy for Public Works Contracts, Policy 21.1.0.2.2.3 and did not require more than one bid

**IV. FINANCIAL IMPACT AND BUDGET**

This service will be paid for by the District's approved FY 2024/25 Operating Fund under Utilities, Water Division: G.L. #20002223-7330.

**V. ALTERNATIVES**

There are no alternatives presented.

**VI. COMMENTS**

The Purchase Order Agreement between the District and GS03 has been reviewed and approved by District Legal Counsel.

**VII. BUSINESS IMPACT/BENEFIT**

This item is not a "rule" within the meaning of Nevada Revised Statues, Chapter 237, and does not require a Business Impact Statement.

**VIII. ATTACHMENTS**

- 1. 2024-05-09 PURCHASE ORDER Agreement (bbk)-c1\_signed

**IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

<b>G.L. # 20002225- 7330</b>	<b>Purchase Order No.</b>
<p align="center"><b>CONTRACTOR</b></p> <p>GS 03 Services, L.L.C. – Vendor #3725  651 McCray Road  Burlington, NC 27217  Attn: Gary Shafer  Ph: 336-222-0009  email: gary@gso3services.com</p>	<p align="center"><b>INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT</b></p> <p>Public Works Department  1220 Sweetwater Road  Incline Village, NV 89451  Attn: Jim Youngblood  Phone: 775-832-1214  Email: jey@ivigd.org</p>

This Purchase Order is subject to the attached terms and conditions.

**Services:** Annual service and calibration of the District’s ozone analyzers. Work includes items described in detail in Exhibit A, attached hereto and made a part by the reference

**Proposal Overview:**

GS 03 Services L.L.C., has prepared a proposal based on the quantity of 6 M465L low concentration, 2 M465H high concentration and 1 M465M medium range high concentration Teledyne ozone analyzers that the District has.

Services shall include a full evaluation of each analyzer, necessary service time and calibration.

The total cost for 9 analyzers shall not exceed \$12,600.00 (\$1,400 per analyzer) and includes labor, travel and living expenses and calibration certificate fee.

Estimated parts shall be billed at a flat rate of \$600.00 per analyzer (\$5,400 total). If additional parts are necessary, all parts shall be invoiced at for factory prices less any discounts with the District receiving a \$600 credit towards parts.

**Price: \$18,000**

## PURCHASE ORDER TERMS AND CONDITIONS FOR SERVICES

1. Acceptance; Entire Agreement. This purchase order for services issued by the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT ("DISTRICT") to the Contractor designated in the purchase order must be promptly accepted and acceptance is expressly limited to the terms of this order. Any addition or different terms in the Contractor's forms are hereby deemed to be material alterations and notice of objection to them and rejection of them is hereby given. Contractor's performance of any portion of this order shall be considered acceptance by the Contractor of the terms herein.

2. Compensation. Contractor shall be paid on a time and materials or firm fixed fee basis, as may be agreed upon by the parties as described in this Purchase Order, or in documents attached hereto and hereby made a part hereof, within 30 days of receipt of invoice. If the work is performed on a time and materials basis, the invoice shall include a detailed description of the work performed, labor hours and materials.

3. Compliance with Law. Contractor shall comply with all applicable laws and regulations of the federal, state and local government. DISTRICT shall assist Contractor, as requested, in obtaining and maintaining all permits required of Contractor by Federal, State and local regulatory agencies. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of his or her work.

4. Standard of Care. The Contractor shall perform the work in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession practicing under similar conditions. Contractor shall also comply with State and Federal environmental and safety regulations as they apply to the scope of work.

5. Insurance. Contractor shall take out and maintain: A. Commercial General Liability Insurance, of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury and property damage, naming DISTRICT as an Additional Insured; B. Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, of at least \$1,000,000 per occurrence for bodily injury and property damage; C. Workers' Compensation in compliance with applicable statutory requirements and Employer's Liability Coverage of at least \$1,000,000 per occurrence; and D. Contractors providing professional services shall provide Professional Liability (Errors and Omissions) Insurance of at least \$1,000,000. Insurance carriers shall be licensed or authorized to do business in Nevada.

6. Indemnification. The Contractor shall indemnify and hold harmless DISTRICT, its officials, officers, agents and employees from and against any and all claims, liabilities, expenses or damages, including reasonable attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, or patent infringement or fees for use of patented items, or any claim of the Contractor or a subcontractor for wages or benefits which arise in connection with the performance of the Contract, except to the extent caused or resulting from the active or sole negligence or willful misconduct of DISTRICT. The foregoing indemnity includes, but is not limited to, the cost of prosecuting or defending such action with legal counsel acceptable to DISTRICT and DISTRICT's attorneys' fees incurred in such an action. If Contractor's obligation to defend, indemnify and/or hold harmless arises out of Contractor's performance of "design professional" services subject to NRS 338.155, then, and only to the extent required by NRS 338.155, which is fully incorporated herein, Contractor's indemnification obligation shall be limited to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or

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7. Contract Terms. Nothing herein shall be construed to give any rights or benefits to anyone other than DISTRICT and the Contractor. The unenforceability, invalidity or illegality of any provision(s) of this Contract shall not render the other provisions unenforceable, invalid or illegal. Notice may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the parties to the addresses set forth in the purchase order. Contractor shall not assign, sublet, or transfer this Contract or any rights under or interest in this Contract without the written consent of DISTRICT, which may be withheld for any reason. Contractor is retained as an independent contractor and is not an employee of DISTRICT. No employee or agent of Contractor shall become an employee of DISTRICT. This is an integrated Contract representing the entire understanding of the parties as to those matters contained herein, and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. This Contract may not be modified or altered except in writing signed by both parties hereto. This Purchase Order is not intended to and will not preclude Contractor's employees from exercising available rights under the DISTRICT's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the DISTRICT in accordance with the Whistleblower Policy.

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**[SIGNATURES NEXT PAGE]**

**SIGNATURE PAGE**

**OWNER:**  
**INCLINE VILLAGE G. I. D.**  
**Agreed to:**

\_\_\_\_\_  
Karen Crocker  
Acting General Manager

\_\_\_\_\_  
*Date*

**GARY SHAFER**

**Agreed to:**

\_\_\_\_\_  
  
*Signature of Authorized Agent*

\_\_\_\_\_  
Gary W Shafer Owner/Member  
*Print or Type Name and Title*

\_\_\_\_\_  
September 5, 2024  
*Date*

**Reviewed as to Form:**

\_\_\_\_\_  
Sergio Rudin  
District General Counsel

\_\_\_\_\_  
*Date*

**MEMORANDUM**

**TO:** Board of Trustees

**FROM:** Ray Tulloch, Treasurer

**SUBJECT:** Review and discuss possible revisions to District Policy and Procedure 142 RESOLUTION No. 1898 – Personnel Management

**STRATEGIC**

**PLAN REFERENCE(S):** Transparency and Fiscal responsibility

**DATE:** August 28, 2024

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**I. RECOMMENDATION**

- 1.1 That the Board make a motion to accept the proposed changes to District Policy and Procedure 142 RESOLUTION No. 1898 – Personnel Management.
- 1.2 That the Board shall make the necessary changes to Board Resolution 1480/Policy and Procedure Resolution No. 105 as Adopted January 25, 2023, to enable this change

**II. BACKGROUND**

As per Board Policy 1480, the Board has delegated all hiring authority, including appointments to the Senior Management Team, to the General Manager. This delegation of authority was adopted by a previous Board on *November 29, 1984*, almost 39 years ago.

Much has changed in the District, the Community and the wider macro-economic environment over this period. The scale, complexity, operating costs and budgets of the District have grown exponentially and demands on services have increased. In order to serve the community cost-effectively and to properly maintain and manage IVGID assets it is important to have a high performing management team and, to the extent possible, that the District objectively recruits the best candidates to fulfil the Districts' functions.



Trustees are elected by and answerable to the Community for performance and delivery of services. However, under the current Policy 1898, they have no input to staff selection other than the General Manager. The General Manager has sole authority to make these critical senior management appointments.

Trustees carry the ultimate legal and fiduciary responsibility and accountability for the actions of the District. Trustees, as elected representatives, are also directly responsible for the overall performance of the District. As such, it is important that the Board should be able to review and approve senior management appointments.

The changes proposed are to enable the Board to have input to selection of senior management appointments proposed by the General Manager. It is important to note that this proposal does NOT change the role of the General Manager or the Board in management of staff. It will however improve overall governance and provide reassurance to the community that appointments at this level are being made in an objective, competitive and transparent manner.

### **III. FINANCIAL IMPACT AND BUDGET**

There is no direct financial impact from this proposal.

### **IV. ALTERNATIVES**

That the District continues with resolution 1898 in its current form.

### **V. BUSINESS IMPACT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

### **VI. ATTACHMENTS**

1. Policy and Procedure 142; Resolution 1898 Adopted January 25, 2023
2. Appendix A - Proposed mark-ups and changes to Policy and Procedure 142; Resolution 1898
3. Policy & Procedure 142; Resolution 1898 - Final Draft for Adoption



## POLICY AND PROCEDURE RESOLUTION NUMBER 142

### RESOLUTION 1898

#### PERSONNEL MANAGEMENT

##### **I. PURPOSE**

The Incline Village General Improvement District (IVGID) is committed to maintaining a dedicated and motivated work force, while developing its Staff's technical and professional standards to meeting changing demands for services within the community. This policy statement establishes a framework which the Board of Trustees and the General Manager will use in addressing personnel matters within IVGID.

##### **II. ROLES**

The District operates under a Board-Manager form of government which places the Board of Trustees in the role of establishing overall IVGID policy direction. IVGID Staff is appointed to administer and execute day-to-day operations. The General Manager is responsible for supervising these operations and providing general administrative direction.

With regard to IVGID personnel, it is the Board's responsibility to establish overall policies governing IVGID's approach to personnel matters. The General Manager's role is to apply these policies into the day-to-day practice of hiring, firing, motivating, promoting, demoting, compensating, and training individual employees.

##### **III. GENERAL OBJECTIVES**

The Board hereby establishes the following general personnel objectives for IVGID.

- A. **Employee Development.** IVGID will motivate and train existing employees to become more productive and proficient in their current jobs. Where appropriate, IVGID will encourage employees to develop new skills which might lead to job advancement. Where appropriate, IVGID will cross-train employees to cover temporary vacancies on related jobs.
- B. **Attrition Management.** IVGID will evaluate alternatives to filling positions which become vacant, as a means to reduce costs. These alternatives may include changes in work routines, job descriptions, work hours, or scope of services. They may include combining positions or reassigning work or personnel from one department to another.
- C. **Recruitment.** When vacancies must be filled from outside the ranks of the existing work force, IVGID will recruit and hire the most qualified candidates for the job, based strictly upon merit. Merit selection implies that anyone may apply, and that candidates are evaluated fairly by the appointing authority, based upon job-related



## **POLICY AND PROCEDURE RESOLUTION NUMBER 142**

### **RESOLUTION 1898**

#### **PERSONNEL MANAGEMENT**

criteria established in advance. In general, local recruitment is sufficient for clerical positions, semiskilled laborer positions, lower level technical positions, and all part-time or temporary positions. A larger recruitment area may be required for more highly skilled positions. Where local and non-local candidate are being considered which have equal or nearly equivalent qualifications, the local candidate will be preferred.

- D. Performance Standards and Evaluations. IVGID will establish clear standards for employee performance, and encourage employees to maintain these standards through ongoing communication with supervisors, performance evaluations, and where necessary, disciplinary procedures, demotion or termination.
- E. Retention. IVGID values the retention of loyal and hard-working employees which have provided many years of strong work performance.
- F. Management. IVGID will develop senior department heads as a management team which can work with the General Manager in addressing overall IVGID operational and business needs and assist the Board of Trustees in policy development.
- G. Policies. IVGID will develop a uniform set of policies to direct the administration of the District's personnel matters.
- H. Planning. IVGID will develop a strategic approach to personnel administration which will diagnose long-term problems, anticipate future needs, and develop a stable framework for addressing these problems and needs in an orderly fashion.
- I. Unions. IVGID will maintain a cooperative relationship with collective bargaining units and their representatives, which establishes a clear understanding of the proper roles for both unions and management.

#### **IV. PROCEDURES**

The General Manager is accountable to the Board of Trustees for the fair and efficient execution of these policies, as well as the overall performance of IVGID. In order to maintain this accountability, the General Manager, in consultation with the Director of Human Resources, must be given the authority to administer personnel matters without direct Trustee intervention or influence.

The following procedures shall govern the personnel practices of IVGID:



## **POLICY AND PROCEDURE RESOLUTION NUMBER 142**

### **RESOLUTION 1898**

#### **PERSONNEL MANAGEMENT**

- A. The General Manager shall maintain direct, day-to-day supervision over all District employees, with the exception of the General Counsel. Supervision includes the power to hire, fire, motivate, discipline, evaluate, promote, demote, transfer, and train employees, subject to established personnel policies, union contracts, Board policy, and generally accepted personnel practices.
- B. The General Manager will keep the Trustees informed about the status of all major personnel actions relating to senior management positions. Senior management appointments and terminations shall be discussed with the Trustees in advance. Information on personnel actions relating to non-department head positions will be provided on an as-requested basis.
- C. Trustees are encouraged to express their opinion and/or concerns on any personnel matter to the General Manager or the Director of Human Resources in private. Trustees, individually or as a body, will refrain from directly intervening in or publicly influencing any personnel matter within the jurisdiction of the General Manager.
- D. Trustees will exercise their authority to direct Staff, collectively, through the General Manager, at Board meetings. Individual Trustees shall refrain from directing or attempting to directly supervise Staff. This policy statement is not intended to prevent individual Trustees from occasionally making suggestions to supervisor Staff, when such suggestions do not imply supervisory direction.
- E. All union matters, other than overall negotiation strategy, will be handled by the General Manager. The Board will maintain responsibility for establishing overall negotiation strategy and approving final union contracts.
- F. The Board of Trustees shall oversee and manage the work of the General Counsel. The General Counsel shall report to the Board.
- G. The General Manager shall recommend, and the Board of Trustees shall consider and establish, salary ranges for all non-contract, full-time permanent employment classifications. Salary ranges shall be based upon objective criteria not specific to individual employees, relating to union contracts, market conditions, cost of living, budgetary considerations, legal considerations, and job descriptions.
- H. The General Manager, in conjunction with the Director of Human Resources, shall set a specific salary for each employee within the salary range established by the



## **POLICY AND PROCEDURE RESOLUTION NUMBER 142**

### **RESOLUTION 1898**

#### **PERSONNEL MANAGEMENT**

Board of Trustees. Specific salaries shall be based upon employee-specific information, including qualifications, experience, longevity, and performance evaluations.

- I. The Board of Trustees shall exercise its exclusive power to create full-time permanent employment positions, considering the recommendations, if any, of the General Manager. The General Manager shall establish, and as deemed necessary, amend detailed job descriptions for positions of employment. The General Manager may create temporary, seasonal and part-time positions of employment, and the wages and terms of employment thereof, subject to general personnel policies, budgetary considerations, Board policies, and union contracts.
- J. The General Manager should advise and discuss with the Board of Trustees but shall have the authority to establish and revise chains of command, reporting relationships among personnel, organization charts, and other structural matters pertaining to the organization of the District, provided that the Board of Trustees shall exercise the exclusive power to create or abolish operating departments of the District. The Board's power shall be exercised by resolution. Where such actions pertain to full-time permanent personnel, the General Manager shall notify the Board of Trustees of the actions in advance, and the Board may, by majority vote, override such proposals.
- K. The General Manager may eliminate positions, combine positions, lay off personnel, or reduce work hours, as deemed necessary to maintain a balanced budget, improve efficiency, or accomplish other administrative objectives, subject to general personnel policies, union contracts, legal considerations, or Board policy. Again, where such actions pertain to full-time permanent personnel, the General Manager shall notify the Board of Trustees of the actions in advance, and the Board may, by majority vote, override such proposals.



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### RESOLUTION 1898

#### PERSONNEL MANAGEMENT

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With regard to IVGID personnel, it is the Board's responsibility to establish overall policies governing IVGID's approach to personnel matters. The General Manager's role is to apply these policies into the day-to-day practice of hiring, firing, motivating, promoting, demoting, compensating, and training individual employees.

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**POLICY AND PROCEDURE RESOLUTION NUMBER 142**

**RESOLUTION 1898**

**PERSONNEL MANAGEMENT**

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- E. Retention. IVGID values the retention of loyal and hard-working employees which have provided many years of strong work performance.
- F. Management. IVGID will ~~recruit and hire the most qualified candidates to report to the develop senior department heads as a management team which can work with the General Manager to address all in addressing overall~~ IVGID operational and business needs and assist the Board of Trustees in policy development.
- G. Policies. IVGID will develop a uniform set of policies to direct the administration of the District’s personnel matters.
- H. Planning. IVGID will develop a strategic approach to personnel administration which will diagnose long-term problems, anticipate future needs, and develop a stable framework for addressing these problems and needs in an orderly fashion.
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**IV. PROCEDURES**

The General Manager is accountable to the Board of Trustees for the fair and efficient execution of these policies, as well as the overall performance of IVGID. In order to maintain this accountability, the General Manager, in consultation with the Director of Human Resources, must be given the authority to administer personnel matters without direct Trustee intervention or influence.

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## POLICY AND PROCEDURE RESOLUTION NUMBER 142

### RESOLUTION 1898

#### PERSONNEL MANAGEMENT

- A. ~~Except as otherwise set forth below, t~~The General Manager shall maintain direct, day-to-day supervision over all District employees, with the exception of the General Counsel. Supervision includes the power to hire, fire, motivate, discipline, evaluate, promote, demote, transfer, and train employees, subject to established personnel policies, union contracts, Board policy, and generally accepted personnel practices.
- B. ~~The General Manager will keep the Trustees informed about the status of all major personnel actions relating to positions that report directly to the General Manager, senior management positions. Any newly created position reporting directly to the General Manager will require to be approved by~~need to first be created by the Board of Trustees, ~~along with~~with approval of the job description by the Board of Trustees, prior to recruiting for the position. Newly created and/or open positions ~~on thereporting to the General Managers direct staff~~ shall be externally advertised in addition to being posted as an internal opportunity, provided the General Manager determines the position needs to be filled. A Trustee will be ~~appointed~~selected to participate in the interview~~ing~~ process for such positions. ~~Senior management appointments and terminations shall be discussed with each of the Trustees in advance. The General Manager shall notify the Board of Trustees of all changes to proposals to hire his direct staff that directly report to the General Manager proposed Ssenior Mmanagement appointments in advance, and the Board may, by majority vote, override such proposals. For purposes of this paragraph, "senior management" positions shall be the General Manager of Golf, Director of Public Works, Director of Finance, Diamond Peak Ski Resort General Manager, Director of Administrative Services, Director of Human Resources, and Director of Information Technology.~~
- ~~B-C.~~ Information on personnel actions relat~~ed~~ing to ~~non-department head positions~~IVGID staff, other than those reporting to the General Manager, will be provided on an as-requested basis.
- ~~C-D.~~ Trustees are encouraged to express their opinion and/or concerns on any personnel matter to the General Manager or the Director of Human Resources in private. Trustees, individually or as a body, will refrain from directly intervening in or publicly influencing any personnel matter within the jurisdiction of the General Manager.
- ~~D-E.~~ Trustees will exercise their authority to direct Staff, collectively, through the General Manager, at Board meetings. Individual Trustees ~~have no authority to direct and/or shall refrain from directing or attempting to directly~~ supervise members of IVGID sStaff, including the General Manager. This policy statement





## POLICY AND PROCEDURE RESOLUTION NUMBER 142

### RESOLUTION 1898

#### PERSONNEL MANAGEMENT

is not intended to prevent individual Trustees from ~~occasionally~~ making suggestions to ~~the General Managersupervisor Staff,~~ when ~~Ssuch~~ suggestions do not imply supervisory direction. Should the General Manager support a suggestion, it is implemented solely at his/her discretion.

~~E.F.~~ All union matters, other than overall negotiation strategy, will be handled by the General Manager. The Board will maintain responsibility for establishing overall negotiation strategy and approving final union contracts.

~~E.G.~~ The Board of Trustees shall oversee and manage the work of the General Counsel. The General Counsel shall report to the Board.

~~G.H.~~ The General Manager shall recommend, and the Board of Trustees shall consider and establish, salary ranges for all non-contract, full-time permanent employment classifications. Salary ranges shall be based upon objective criteria not specific to individual employees, relating to union contracts, market conditions, cost of living, budgetary considerations, legal considerations, and job descriptions.

~~H.~~ The General Manager, in conjunction with the Director of Human Resources, shall set a specific salary for each employee within the salary range established by the \_\_\_\_\_



## POLICY AND PROCEDURE RESOLUTION NUMBER 142

### RESOLUTION 1898

#### PERSONNEL MANAGEMENT

- I. ~~BB~~ Board of Trustees. Specific salaries shall be based upon employee-specific information, including qualifications, experience, longevity, and performance evaluations.
- J. The Board of Trustees shall exercise its exclusive power to create full-time permanent employment positions, considering the recommendations, if any, of the General Manager. The General Manager shall establish, and as deemed necessary, amend detailed job descriptions for positions of employment. The General Manager may create temporary, seasonal and part-time positions of employment, and the wages and terms of employment thereof, subject to general personnel policies, budgetary considerations, Board policies, and union contracts.
- J.K. The General Manager should advise and discuss with the Board of Trustees but shall have the authority to establish and revise chains of command, reporting relationships among personnel, organization charts, and other structural matters pertaining to the organization of the District, provided that the Board of Trustees shall exercise the exclusive power to create ~~or abolish District departments or abolish operating departments positions that report to the General Manager of the District.~~ The Board's power shall be exercised by resolution. Where such actions pertain to full-time permanent personnel, the General Manager shall notify the Board of Trustees of the actions in advance, and the Board may, by majority vote, override such proposals.
- K.L. The General Manager may eliminate positions, combine positions, lay off personnel, or reduce work hours, as deemed necessary to maintain a balanced budget, improve efficiency, or accomplish other administrative objectives, subject to general personnel policies, union contracts, legal considerations, or Board policy. Again, where such actions pertain to full-time permanent personnel, the General Manager shall notify the Board of Trustees of the actions in advance, and the Board may, by majority vote, override such proposals.



## POLICY AND PROCEDURE RESOLUTION NUMBER 142

### RESOLUTION 1898

#### PERSONNEL MANAGEMENT

##### **I. PURPOSE**

The Incline Village General Improvement District (IVGID) is committed to maintaining a dedicated and motivated work force, while developing its Staff's technical and professional standards to meet changing demands for services within the community. This policy statement establishes a framework which the Board of Trustees and the General Manager will use in addressing personnel matters within IVGID.

##### **II. ROLES**

The District operates under a Board-Manager form of government which places the Board of Trustees in the role of establishing overall IVGID policy direction. IVGID Staff is appointed to administer and execute day-to-day operations. The General Manager is responsible for supervising these operations in compliance with Board policies and providing general administrative direction.

With regard to IVGID personnel, it is the Board's responsibility to establish overall policies governing IVGID's approach to personnel matters. The General Manager's role is to apply these policies into the day-to-day practice of hiring, firing, motivating, promoting, demoting, compensating, and training individual employees.

##### **III. GENERAL OBJECTIVES**

The Board hereby establishes the following general personnel objectives for IVGID.

- A. Employee Development. IVGID will motivate and train existing employees to become more productive and proficient in their current jobs. Where appropriate, IVGID will encourage employees to develop new skills which might lead to job advancement. Where appropriate, IVGID will cross-train employees to cover temporary vacancies on related jobs.
- B. Attrition Management. IVGID will evaluate alternatives to filling positions which become vacant, as a means to reduce costs. These alternatives may include changes in work routines, job descriptions, work hours, or scope of services. They may include combining positions or reassigning work or personnel from one department to another.
- C. Recruitment. When vacancies must be filled from outside the ranks of the existing work force, IVGID will recruit and hire the most qualified candidates for the job, based strictly upon merit. Merit selection implies that anyone may apply, and that candidates are evaluated fairly by the appointing authority, based upon job-related



## **POLICY AND PROCEDURE RESOLUTION NUMBER 142**

### **RESOLUTION 1898**

#### **PERSONNEL MANAGEMENT**

criteria established in advance. In general, local recruitment is sufficient for clerical positions, semiskilled laborer positions, lower-level technical positions, and all part-time or temporary positions. A larger recruitment area may be required for more highly skilled positions. Where local and non-local candidates are being considered which have equal or nearly equivalent qualifications, the local candidate will be preferred.

- D. Performance Standards and Evaluations. IVGID will establish clear standards for employee performance and encourage employees to maintain these standards through ongoing communication with supervisors, performance evaluations, and where necessary, disciplinary procedures, demotion or termination.
- E. Retention. IVGID values the retention of loyal and hard-working employees which have provided many years of strong work performance.
- F. Management. IVGID will recruit and hire the most qualified candidates to report to the General Manager to address all IVGID operational and business needs and assist the Board of Trustees in policy development.
- G. Policies. IVGID will develop a uniform set of policies to direct the administration of the District's personnel matters.
- H. Planning. IVGID will develop a strategic approach to personnel administration which will diagnose long-term problems, anticipate future needs, and develop a stable framework for addressing these problems and needs in an orderly fashion.
- I. Unions. IVGID will maintain a cooperative relationship with collective bargaining units and their representatives, which establishes a clear understanding of the proper roles for both unions and management.

#### **IV. PROCEDURES**

The General Manager is accountable to the Board of Trustees for the fair and efficient execution of these policies, as well as the overall performance of IVGID. In order to maintain this accountability, the General Manager, in consultation with the Director of Human Resources, must be given the authority to administer personnel matters without direct Trustee intervention or influence.

The following procedures shall govern the personnel practices of IVGID:



## **POLICY AND PROCEDURE RESOLUTION NUMBER 142**

### **RESOLUTION 1898**

#### **PERSONNEL MANAGEMENT**

- A. Except as otherwise set forth below, the General Manager shall maintain direct, day-to-day supervision over all District employees, with the exception of the General Counsel. Supervision includes the power to hire, fire, motivate, discipline, evaluate, promote, demote, transfer, and train employees, subject to established personnel policies, union contracts, Board policy, and generally accepted personnel practices.
- B. The General Manager will keep the Trustees informed about the status of all personnel actions relating to positions that report directly to the General Manager. Any newly created position reporting directly to the General Manager will need to first be created by the Board of Trustees, with approval of the job description by the Board of Trustees prior to recruiting for the position. Newly created and/or open positions reporting to the General Manager shall be externally advertised in addition to being posted as an internal opportunity, provided the General Manager determines the position needs to be filled. A Trustee will be selected to participate in the interview process for such positions. The General Manager shall notify the Board of Trustees of all proposals to hire staff that directly report to the General Manager in advance, and the Board may, by majority vote, override such proposals.
- C. Information on personnel actions related to IVGID staff, other than those reporting to the General Manager, will be provided on an as-requested basis.
- D. Trustees are encouraged to express their opinion and/or concerns on any personnel matter to the General Manager or the Director of Human Resources in private. Trustees, individually or as a body, will refrain from directly intervening in or publicly influencing any personnel matter within the jurisdiction of the General Manager.
- E. Trustees will exercise their authority to direct Staff, collectively, through the General Manager, at Board meetings. Individual Trustees have no authority to direct and/or supervise members of IVGID staff, including the General Manager. This policy statement is not intended to prevent individual Trustees from making suggestions to the General Manager. Suggestions do not imply supervisory direction. Should the General Manager support a suggestion, it is implemented solely at his/her discretion.
- F. All union matters, other than overall negotiation strategy, will be handled by the General Manager. The Board will maintain responsibility for establishing overall negotiation strategy and approving final union contracts.
- G. The Board of Trustees shall oversee and manage the work of the General Counsel.



## **POLICY AND PROCEDURE RESOLUTION NUMBER 142**

### **RESOLUTION 1898**

#### **PERSONNEL MANAGEMENT**

The General Counsel shall report to the Board.

- H. The General Manager shall recommend, and the Board of Trustees shall consider and establish, salary ranges for all non-contract, full-time permanent employment classifications. Salary ranges shall be based upon objective criteria not specific to individual employees, relating to union contracts, market conditions, cost of living, budgetary considerations, legal considerations, and job descriptions.
- I. The General Manager, in conjunction with the Director of Human Resources, shall set a specific salary for each employee within the salary range established by the Board of Trustees. Specific salaries shall be based upon employee-specific information, including qualifications, experience, longevity, and performance evaluations.
- J. The Board of Trustees shall exercise its exclusive power to create full-time permanent employment positions, considering the recommendations, if any, of the General Manager. The General Manager shall establish, and as deemed necessary, amend detailed job descriptions for positions of employment. The General Manager may create temporary, seasonal and part-time positions of employment, and the wages and terms of employment thereof, subject to general personnel policies, budgetary considerations, Board policies, and union contracts.
- K. The General Manager should advise and discuss with the Board of Trustees but shall have the authority to establish and revise chains of command, reporting relationships among personnel, organization charts, and other structural matters pertaining to the organization of the District, provided that the Board of Trustees shall exercise the exclusive power to create departments. The Board's power shall be exercised by resolution. Where such actions pertain to full-time permanent personnel, the General Manager shall notify the Board of Trustees of the actions in advance, and the Board may, by majority vote, override such proposals.
- L. The General Manager may eliminate positions, combine positions, lay off personnel, or reduce work hours, as deemed necessary to maintain a balanced budget, improve efficiency, or accomplish other administrative objectives, subject to general personnel policies, union contracts, legal considerations, or Board policy. Again, where such actions pertain to full-time permanent personnel, the General Manager shall notify the Board of Trustees of the actions in advance, and the Board may, by majority vote, override such proposals.

**MEMORANDUM**

**TO:** Board of Trustees

**FROM:** Sergio Rudin  
District General Counsel

**SUBJECT:** Appoint Interim General Manager Following Resignation of Bobby Magee as District General Manager, Consider and Set Salary for Interim General Manager, and Provide Direction to Interim General Manager re: Priorities During Interim Appointment Period

**RELATED STRATEGIC:** Long Range Principle #4 - Workforce  
**PLAN INITIATIVE(S)**

**DATE:** September 11, 2024

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**I. RECOMMENDATION**

Make a motion to appoint a person to serve as Interim General Manager until the Board fills the permanent General Manager position, and to set a salary for the period of service.

**II. BACKGROUND**

The Board of Trustees hired Bobby Magee in March of 2024 to fulfill the role of General Manager in a multi-year contract. Mr. Magee provided notice of intention to resign in June and resigned from employment with the District effective August 22, 2024.

The District is actively conducting a recruitment for a full-time General Manager, as well as soliciting proposals from management firms to provide management services. To allow staff time to conduct these searches and for the Board to decide, appointing an Interim General Manager is recommended.

**III. BID RESULTS**

N/A

**IV. FINANCIAL IMPACT AND BUDGET**

Additional compensation is typically paid to employees performing work out of class. During the last period of time when the Board appointed an existing employee to serve as Interim General Manager for an extended period of time, the Board provided a temporary salary increase for the duration of service as the

Interim General Manager, based on a \$220,000 annual salary figure (paid in installments). The Board should consider providing a similar increase in this instance.

**V. ALTERNATIVES**

Options for appointment include appointing a member of staff, appointing a Trustee, or other options the Board may consider.

**VI. BUSINESS IMPACT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.



**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Karen Crocker, Acting General Manager / Director of Parks and Recreation

**FROM:** Karen Crocker, Acting General Manager / Director of Parks and Recreation

**SUBJECT:** Discussion, and Possible Direction relating to a Legal Services RFP. (Requesting Staff Member: Acting General Manager Karen Crocker)

**DATE:** September 11, 2024

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**I. RECOMMENDATION**

Review and discuss options for Request for Proposal for Legal Services for Incline Village General Improvement District. Recommended Options, by Motion:

1. Month-to-Month Legal Services until a New Request for Proposal is Completed.
2. Direct Staff to prepare an Amendment to the Existing Contract for a One-Year Extension, which would Commence on January 1, 2025, and Expire on December 31, 2025.

**II. BACKGROUND**

The current agreement for general counsel legal services between Incline Village General Improvement District (IVGID) and Best Best & Krieger (BB&K) expires on December 31, 2024. Sergio Rudin, of BB&K, has been the District's General Counsel since late 2023. BB&K has been the District's General Counsel since mid-2020.

**III. BID RESULTS**

None at this time.

**IV. FINANCIAL IMPACT AND BUDGET**

Unknown at this time.

**V. ALTERNATIVES**

Direct staff to prepare a request for proposal for general counsel legal services.

**VI. COMMENTS**

The District is currently undertaking an increased level of administrative projects

and consultant report reviews and recommendations. The current contract expires on December 31, 2024. Having a month-to-month agreement or extending the current contract for a one-year period would allow ample time for staff to put together a comprehensive request for proposal for legal services. Should the board move forward with a request for proposal and opt for retaining a different firm, Section 3.11 of the contract contains a 30-day termination clause.

**VII. BUSINESS IMPACT/BENEFIT**

**VIII. ATTACHMENTS**

None

**IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

**MEMORANDUM**

**TO:** Board of Trustees

**FROM:** Best Best & Krieger LLP  
District General Counsel

**SUBJECT:** Review, Discuss, and Possibly Approve a Written Request to Washoe County for Interim Finance Director and Related Services under NRS 318.098.

**RELATED STRATEGIC:** Long Range Principle #4 - Workforce  
**PLAN INITIATIVE(S)**

**DATE:** September 5, 2024

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**I. RECOMMENDATIONS**

The Board discuss and provide direction to staff to contact Washoe County to seek assistance in providing Interim Finance Director and related advisory services.

**II. BACKGROUND AND DISCUSSION**

At its August 28<sup>th</sup> meeting, the Board of Trustees directed staff to begin the recruitment for a new Director of Finance. The Board also discussed the possibility of seeking assistance from Washoe County under NRS 318.098. This section allows a general improvement district to request assistance from County officers that will be provided after an agreement regarding cost reimbursement has been reached. After some discussion, the Board did not direct staff to request assistance for an Interim Director of Finance from the County. Rather, the Board discussed alternatives and directed staff to consider County support as an option going forward.

This item is a follow up. As the Director of Finance recruitment will take some time to complete, staff recommends that the Board formally authorize a written request to Washoe County for an Interim Director of Finance and related advisory support.

**III. BID RESULTS**

N/A

**IV. FINANCIAL IMPACT AND BUDGET**

The impact is unclear at this time. If approved, staff would negotiate a reimbursement agreement with the County that would be brought back for Board approval.

**V. ALTERNATIVES**

Do not authorize contacting the County.

**VI. BUSINESS IMPACT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

## BOARD OF TRUSTEES LONG RANGE CALENDAR

Notes

Consent Items

Report Items

Agenda Items

## September 24, 2024, TOWNHALL

<b>SCHEDULE</b>	<i>Staff will be sending out the notice on September 17, 2024, to solicit questions from our community</i>
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## October 9, 2024

<b>SCHEDULE</b>	<i>all memos and materials due in by 10/01; Venue Status Reports Due in folder by 10/02; Packet out on 10/03; agenda posted no later than 8:45 a.m. on 10/04</i>
FINANCE	Report: Tax Delinquencies for Cards to be shut-off
FINANCE	Treasurer Report
FINANCE	Budget Performance Update
GM	Report: GM and Venue Financial Reports and Status Reports
GM	Report: Forensic Audit Due Diligence Report Regarding Observations and Progress
Golf	Quarterly discounted use of Venues
ADMIN. SERVICES	Review, Discuss, and Possibly Approve Staff's Recommended Updates to Board Policy 6.1.0, and Practice 6.2.0.
FINANCE	Carry Forward
FINANCE	Board Policy 8.1.0 – Capitalization of Fixed Assets
FINANCE	Blanket Purchase Order Agreements – for Food & Beverage Department
PW	Beach House Project Update & Discussion
FINANCE	1 <sup>st</sup> Quarter Est. Acc.
GOLF	Golf Club Policy per Board Direction
CMP	Review of All Pending MOU's & Contracts to be reviewed

## October 30, 2024

<b>SCHEDULE</b>	<i>Friday, October 25<sup>th</sup> – Nevada Day *Legal Holiday</i>
<b>*Holiday*</b>	<i>1<sup>st</sup> draft agenda to Board Chairman on 10/11; all memos and materials due in by 10/23; Packet out on 10/24; agenda posted no later than 8:45 a.m. on 10/24</i>
Finance	Treasurer Report
Finance	Budget Performance Update
PW	Quarterly CIP Report
GOLF	Discussion & Direction Regarding Incline Beach Food & Beverage Presentation
LEGAL	Recommended Updates to PP 138 Resolution No. 1910 – Naming/ Dedication of Facilities
PW	Beach House Project Update & Discussion

**BOARD OF TRUSTEES LONG RANGE CALENDAR**

- Notes
- Consent Items
- Report Items
- Agenda Items

PW	Agreement: Professional Services for the Needs Assessment of the Snowflake Lodge Replacement
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**November 13, 2024**

<b>SCHEDULE</b> <b>*Holiday*</b>	<i>Monday, November 11<sup>th</sup> – Veterans Day *Legal Holiday</i> <i>1<sup>st</sup> draft agenda to Board Chairman on 11/01; all memos and materials due in by 11/04; Venue Status Reports Due in folder by 11/05: Packet out on 11/07; agenda posted no later than 8:45 a.m. on 11/07</i>
GM	Report: GM and Venue Financial Reports and Status Reports
GM	Staff Response to the Food & Beverage Consultant Report
PW	Beach House Project Update & Discussion
P&R	Review Summer Season Rates and Performance and Review and Discuss Summer 2025 Rates for the Rec. Center Programs: Tennis Center; Golf
P&R	Review, Discuss and Provide Direction to Staff regarding Food & Beverage Service at Burnt Cedar & Incline Beaches for the Summer of 2025
	Review 2024 Summer Season Rates and Performance and Review and discuss Summer 2025 Rates for the Rec Center programs, Tennis Center and Golf?

**Holiday ? Possible Cancel - November 27, 2024**

<b>SCHEDULE</b>	<i>1<sup>st</sup> draft agenda to Board Chairman on 11/15; all memos and materials due in by 11/19; Venue Status Reports Due in folder by 11/20: Packet final Review 11/21; agenda posted no later than 8:45 a.m. on 11/22</i>
PW	Beach House Project Update & Discussion
Finance	Treasurer Report
Finance	Budget Performance Update

**December 11, 2024**

<b>SCHEDULE</b>	<i>1<sup>st</sup> draft agenda to Board Chairman on 11/30; all memos and materials due in by 12/03; Venue Status Reports Due in folder by 12/04: Packet final Review 12/04; agenda posted no later than 8:45 a.m. on 12/07</i>
GM	Report: GM and Venue Financial Reports and Status Reports
PW	Beach House Project Update & Discussion

**BOARD OF TRUSTEES LONG RANGE CALENDAR**

- Notes
- Consent Items
- Report Items
- Agenda Items

**PARKING LOT ITEMS**

<b>Date of Request</b>	<b>Item</b>	<b>Requester</b>	<b>Status/Notes</b>	<b>Date Completed</b>
1/18/21	Possible discussion on IVGID needs as it relates to potential land use agreement with DPSEF	Trustee Schmitz	DPSEF continues to have discussion amongst themselves about this item	
<del>2/8/23</del>	<del>Capitalization Policy 8.1</del>	<del>Trustee Schmitz</del>	<del>Assigned to the Finance Department</del>	<del>On Calendar for 07/31/2024</del>
2/8/23	Workforce Housing for Seasonal Employees	Trustee Noble	Staff to share with Trustee Noble the current situation.	
05/25/23	Family Tree (Ordinance 7 Review)	Trustee Schmitz		Adia Presentation?
07/12/23	Writing a letter to schools regarding programs	Chairman Dent		
07/26/23	Update on Food and Beverage (from 7/26/2023 meeting)	GM Magee	<del>Assigned to PW, Golf Operations</del>	07/31/2024
08/09/23	UNR and Washoe County BOT's Additional Training	Trustee Tonking	<i>Date to be determined after 2<sup>nd</sup> training is rescheduled</i>	
11/21/2023	Strategic Plan update	GM Magee		
07/12/2023	Waste Management	Trustee Schmitz		
03/22/2024	Ordinance 7 Reports	REC/ IT		By Feb 2025 On Calendar for 07/10/2024
03/22/2025	Marcus Faust Contract Renewal	GM Magee	Agreement Expires 05/2025	Calendar for 03/2025
03/22/2024	Report: Tax Delinquencies for Cards to be shut-off	Finance	Annually Due by October	Calendar for 10/2024
03/25/2024	Space Planning	GM		
04/10/2024	Dog Park Survey	Rec Center		
04/10/2024	Forensic Audit Results	GM	July 10, 2024?	On Calendar 08/28/2024
04/10/2024	Vacation Accrual Policy	HR/ GM		
04/10/2024	Utility Rate Study	PW		
09/2021	Review of All Pending MOU's & Contracts to be reviewed?	Trustee Schmitz		Calendar for 10/2024
05/08/2024	Agreement: North Lake Tahoe Fire Protection District	GM Magee	Defensible Space (2021 LTR); Technical Rescues (Confined Space High/Low Trench) 2021	
05/31/2024	Recreation Admin Fund	Finance/Rec./ GM	Staff to bring back with explanation to the Board of what this fund is, and what items roll into it.	
06/12	Annual Update from the Incline Tahoe Foundation	Parks and Recreation		Calendar for 08/2024
08/06	IVGID Magazine Input for Annual Report	Marketing & Communications		