

Incline Village General Improvement District
Internal Service Funds
Executive Summary
***DRAFT* Operating Budget FY2025/26**

Supplemental Item E.2.

Overview

The District operates three Internal Services divisions that provide direct support to all District venues and services: Fleet Maintenance Services, Engineering Services, and Building Services.

These divisions are essential to maintaining the community's infrastructure and ensuring that our facilities run smoothly. The work of our mechanics, engineers, and building maintenance professionals often goes unseen, but their contributions are critical to the quality of life in the District. These skilled professionals are dedicated to maintaining safe, energy-efficient, and well-maintained facilities that the community relies on every day.

Whether responding to an urgent repair at the Burnt Cedar Water Disinfection Plant in the early hours of a snowstorm, assisting a Senior Transportation vehicle on the side of Highway 50, or addressing an unexpected issue with a snowcat during the night, these professionals are always ready to serve. Their work ensures that critical systems are operational and that facilities are safe and functional, providing uninterrupted service to the community. However, this level of immediate service does come at a cost, and that cost is shared District wide. The expertise, constant readiness, and quick response required to handle these situations are invaluable and reflect the dedication to maintaining smooth, continuous operations for the District.

Beyond routine maintenance, these teams also manage essential systems like plumbing, pool maintenance, heating, cooling, electrical, and safety. They anticipate issues before they arise, solving potential problems proactively to minimize disruptions. Their round-the-clock service ensures that the District operates seamlessly, providing the community with reliable and timely solutions whenever needed.

These professionals also play a key role in long-term sustainability, improving efficiency, and supporting the District's future. Their dedication to service goes far beyond the daily tasks—they are integral to maintaining a high standard of living within the District, always ready to respond to any challenge with expertise and commitment.

Fleet Maintenance Services

The Fleet Department ensures that the District's vehicles and equipment are always operational. This team is responsible for procuring and customizing vehicles and equipment to meet the specific needs of each department. Fleet also manages the maintenance, repair, and replacement of all vehicles and equipment throughout their service life, handling disposal of outdated or excess items when necessary.

Additionally, Fleet maintains and services backup generators districtwide, ensuring that critical systems remain functional during power outages.

Fleet also offers important training programs, ensuring that employees meet federal requirements for forklift operations, ski resort passenger tram operation, and heavy equipment operation. These training programs are vital for maintaining safety standards and operational efficiency.

To help internal departments monitor vehicle and equipment expenses, Fleet provides detailed cost reports. Fleet also regularly meets with departments to discuss priorities, challenges, and solutions to ensure the continued smooth operation of the District's services.

**Incline Village General Improvement District
Internal Service Funds
Executive Summary
DRAFT Operating Budget FY2025/26**

Supplemental Item E.2.

Fleet operates three year-round repair facilities located at Public Works (Sweetwater), Diamond Peak, and Championship Golf, along with a seasonal facility at Mountain Golf. Additionally, the Sweetwater shop continues to service Parks and Rec Department, Admin, and IT equipment, maintaining the reliability and readiness of these critical assets.

Division Highlights – Service Levels

Fleet Service Measures	2022/2023 Actual	2023/2024 Actual	2024/2025 Budget	2025/2026 Budget
Preventive maintenance:				
# of Jobs	2159	2854	3600	3600
Total Hours	4108	5041	5600	5600
General repairs:				
# of Jobs	1928	2356	2600	2600
Total Hours	3168	4256	4100	4100
Projects/Fabrication:				
# of Jobs	4	18	50	50
Total Hours	13	70	64	64
Other:	876	995	1000	1000
In-shop repairs:	4136	5091	6000	6000
Field repairs:	812	1128	1200	1200
Outside vendor repairs:	60	41	50	50
Road calls:	8	0	10	10
Operator training hours:	24	44	100	100
Mechanic training hours:	71	243	200	200
Vehicle accidents:	127	83	80	80
Abuse/Misuse	99	98	100	100
Total pieces of equipment	650	650	650	650

FY2025/26 Budget Highlights

Revenue:

The Fleet Department operates as an internal service, charging District venues for labor, parts, operating supplies, fuel, and contracted services or repairs related to vehicles and equipment. As a non-profit, break-even operation, Fleet ensures that its revenue covers its operational costs.

Operating venues are billed monthly for repair parts, contracted repairs, and vehicle fuel. Labor costs are allocated based on staffing projections in each department’s budget. Any discrepancies between projected staffing and actual costs are reconciled at the end of the fiscal year, using cost reports generated from the CFA asset management system.

The Fleet budget is structured to charge labor and overhead costs districtwide, ensuring that all departments contribute to the operational costs. Additionally, charges for services and supplies are allocated based on usage, with each department billed according to its consumption of fleet services and resources. This approach ensures a fair distribution of costs across the District while

**Incline Village General Improvement District
Internal Service Funds
Executive Summary
DRAFT Operating Budget FY2025/26**

Supplemental Item E.2.

maintaining efficient and accountable fleet operations.

Personnel:

The Fleet Department's staffing level has remained stable for several years, with a total of 7 FTEs—6 mechanics and 1 supervisor—distributed across three repair shops:

- Golf Repair Facility: 2 full-time mechanics
- Ski Repair Facility: 1 full-time mechanic
- Sweetwater Repair Facility: 3 full-time mechanics

All mechanics are cross-trained and can assist at any repair facility as needed.

Operating Expenses:

Wages and benefits account for 73% of the Fleet Department's operating expenses, while services and supplies make up the remaining 27%.

Capital Improvement:

The Fleet Department also manages the Capital Budget for vehicle and equipment purchases (Rolling Stock) for all departments and venues. This includes determining replacement schedules, overseeing the bidding process, and procuring vehicles and equipment. The proposed Districtwide Rolling Stock purchases for FY2025/26 are estimated at approximately \$1,909,500.

Engineering Services

The District's Engineering Division is made up of licensed professional engineers, project managers, compliance division field inspectors, and plan reviewers. This dedicated team collaborates to manage capital improvement projects, ensure regulatory compliance, and maintain the District's infrastructure.

The Engineering Division plays a crucial role in overseeing the Capital Improvement Program (CIP) for the District. This includes full project management responsibilities such as design, scheduling, bidding, contract administration, and construction oversight. The division ensures that all CIP projects are completed on time, within budget, and in compliance with applicable regulations, while maintaining the integrity and quality of infrastructure throughout the District.

In addition to managing large-scale capital projects, the Engineering Division has been providing project management and procurement assistance for goods and services Districtwide in the absence of the Procurement and Contract Manager. The division also supervises small maintenance construction projects for all District venues. Furthermore, it oversees the District's Geographic Information Systems (GIS), which includes mapping, archiving, land coverage, and aerial photography databases. This GIS system plays a key role in supporting informed decision-making and ensuring the accurate maintenance of records related to the District's infrastructure assets.

The Engineering Division works closely with developers to ensure their large-scale projects do not negatively impact the District's infrastructure. When potential impacts are identified, the division ensures that developers implement necessary improvements to mitigate any adverse effects on the District's systems.

The Compliance Division, a key part of the Engineering Division, ensures that new construction and property remodels comply with water and sewer service regulations. This includes reviewing Washoe County Building Department plan submittals for developments affecting the District's utility services. The Compliance Division also conducts field inspections of water and sewer

**Incline Village General Improvement District
Internal Service Funds
Executive Summary
DRAFT Operating Budget FY2025/26**

Supplemental Item E.2.

installations, enforces grease interceptor regulations, and manages cross-connection control (backflow) testing and repairs. These efforts are essential to maintaining regulatory compliance and ensuring the continued safety and sustainability of the District's water and sewer systems.

Together, the Engineering and Compliance Divisions provide comprehensive support for the District's infrastructure projects, ensuring high standards of service, compliance, and efficiency while managing significant annual capital investments.

FY2025/26 Budget Highlights

Revenue:

The Engineering Department's labor and overhead costs are charged out districtwide, as well as from the Capital Improvement Program (CIP). For budgetary estimates, approximately 20% of these costs are funded districtwide, while 80% is allocated from the CIP, reflecting the division's focus on managing capital projects and infrastructure improvements. This funding structure ensures that costs are appropriately distributed across both ongoing operations maintenance and specific capital projects.

Personnel:

Until 2018, the District had a Director of Engineering and Asset Management who facilitated the Capital Improvement Program (CIP) and worked closely with each venue manager as the gatekeeper for both CIP and operations maintenance projects. Since the position became vacant, a critical link between the engineering department and venue managers has been missing, resulting in a lack of coordination between the finance, engineering, and venue management teams. To address this gap, we propose reorganizing the Engineering Department by splitting the responsibilities of this role between the Engineering Manager and the District Project Manager.

The Engineering Manager position will be reclassified to Engineering and Utilities Asset Manager, taking on responsibility for overseeing the Compliance, Engineering, and the Utility Division's Asset Management. This role would be the link between the water and sewer CIP and operating maintenance projects, engineering and finance.

The District Project Manager position will be reclassified to District Project and Asset Manager, with expanded duties, including supervising the Buildings Division and the Asset Management Technician. This position would be the link between all other District Venues (except water and sewer) CIP and operating maintenance projects, engineering and finance.

This reorganization will restore vital coordination, ensuring better alignment between engineering and venue management, while enhancing the overall management of project budgets, funding, and the maintenance of capital projects and assets.

Capital Improvement:

The Engineering Division will focus on these major capital projects in FY2025/26:

- Effluent Export Pipeline Replacement (Year 3 Construction)
- Effluent Storage Tank (Complete by June 30, 2025)
- Ponderosa Ranch Road Water Main Replacement
- Rec Center HVAC Replacement
- Incline Beach House Final Design and Permitting for May 1, 2026, Construction Start
- Snowflake Lodge Needs Assessment

**Incline Village General Improvement District
Internal Service Funds
Executive Summary
DRAFT Operating Budget FY2025/26**

Supplemental Item E.2.

Building Maintenance Services

The Buildings Maintenance Division is responsible for the upkeep and maintenance of all district-owned buildings and facilities, ensuring they remain safe, functional, and compliant with regulations. This includes routine maintenance, repairs, upgrades, and the management of facility-related projects such as renovations and improvements, which support the daily operations of district venues. Labor and overhead costs are charged districtwide, while services and materials are billed to the departments or venues that utilize them. This approach ensures the division's operations are efficiently funded, with costs appropriately distributed across the District.

In recent years, significant budget and staffing cuts have impacted the division's ability to prioritize ongoing maintenance efforts. As a result, the first six months of this fiscal year have been dedicated to addressing only the most essential work needed to maintain basic functionality and keep facilities in fair condition. However, this situation has provided valuable insights into the minimum costs for each venue, allowing for more accurate tracking and allocation of services provided.

The division currently oversees 61 buildings, totaling 262,743 square feet. While the current staff of four is well-equipped to handle routine repairs and services, the division often outsources specialized work to external contractors when expertise, tooling, manpower, or cost-effectiveness makes it more efficient to do so. However, finding qualified contractors in the area can be challenging due to the location within the Tahoe Basin. The Truckee Meadows region's competitive market for contractors makes it difficult to attract businesses willing to work in Incline Village, further complicating the division's efforts to secure necessary external services.

Division Highlights – Service Measures

Revenue:

The Buildings Maintenance Division operates as an internal service, charging District venues for labor, parts, operating supplies, and contracted services or repairs related to facility maintenance. As a non-profit, break-even operation, the division ensures that its revenue covers its operational costs.

District venues are billed monthly for repair parts, contracted services, and facility maintenance materials. Labor costs are allocated based on staffing projections in each department's budget. Any discrepancies between projected staffing and actual costs are reconciled at the end of the fiscal year, using cost reports generated from the Nexgen asset management system.

Personnel:

The FY2025/26 budget for the Building Services Division provides for staffing of 5.0 FTE positions and reflects the continuation of outsourcing janitorial services. An additional Buildings Maintenance I position is being requested to be funded this fiscal year. This new position will help facilitate construction projects that external contractors are often unwilling to take on due to the challenges of traveling to the Tahoe area. This addition will ensure that essential construction and repair projects are handled in-house, improving the division's ability to complete the necessary work efficiently and cost-effectively when outside contractors are unavailable.

Services Provided:

Buildings Maintenance is responsible for general, preventative, and corrective services that maintain the District's facilities as designed, this includes:

Incline Village General Improvement District
Internal Service Funds
Executive Summary
***DRAFT* Operating Budget FY2025/26**

Supplemental Item E.2.

- Ensuring the facilities meet health and safety concerns
- Coordinating inspection and maintenance of all District Elevators
- Coordinating all District Facility Fire Inspections with the North Lake Tahoe Fire Protection District. Managing and maintaining all fire protection systems.
- Coordinating the maintenance of all District Facility Alarm Systems
- Bidding and contract management in support of operating maintenance activities.
- Assists in planning and executing repair and improvement projects. Projects are prioritized based on the following criteria:
 1. Health and safety
 2. Preventive maintenance
 3. Capital/Maintenance Improvement projects
 4. Special departmental projects