

MEMORANDUM

TO: Board of Trustees

FROM: Steven J. Pinkerton
General Manager

SUBJECT: General Manager's Status Report
Prepared for the meeting of January 23, 2019

DATE: January 15, 2019

Financial Transparency

The Monthly District Financials are posted on the Financial Transparency page <https://www.yourtahoepace.com/ivgid/financial-transparency>.

Through the first six months of the Fiscal Year, District-wide revenues are \$1,560,237 ahead of projected budget and District-wide operating uses are \$1,208,873 below projected budget. In total, we are \$2.77 million to the good for halfway through the Fiscal Year. For the month of December, we were \$774,261 to the good primarily due to a strong holiday season at Diamond Peak. While skier visits were slightly above average, revenues set a new record for December – \$3,379,513.

The Capital Improvement Report for the first quarter of the Fiscal Year is now available on the Financial Transparency page.

Also a reminder that the Month and Year Ending June 30, 2018 (Pre-Audit) is now posted as well. As June 30 is the end of the Fiscal Year, these financials provide the final pre-audit numbers for the 2017-18 Fiscal Year.

Venue Status Reports

Venue Status reports are available on a monthly basis for key venues and operations. Reports are prepared for Public Works, Parks & Recreation, Finance/Accounting, Risk Management, Human Resources and Ski and Golf when they are in season.

These reports are used to provide the Board of Trustees and the community with a summary of the activities for each venue, including significant expenditures performed under the General Manager's authority. For example, the Public Works

status report for October notes that two new construction contracts were issued that month valued at \$24,783 and \$53,400.

In addition, it provides real time updates of construction in progress. For example, the September Public Works Status Report provides detailed information on the one major project currently underway. It notes the Original Contract Amount, Change Orders to Date, Current Total Contract Amount, Total Payments for Work Completed to Date, and Current Balance to Completion (including retainage). It also includes updates on two Sewer Pump Replacement projects.

This report also includes monthly updates on Public Works benchmarks. For example, customer service requests in October numbered 101, slightly below the three-year average of 105. There were only 4 Trash Complaints (actual call-outs) in October; well below the 60 last October. Wastewater flow was at 24 million in October, just below the 25 million for the three-year average.

Additionally, the report includes an update on activities related to Waste Not and the Tahoe Water Suppliers Association—for which the District provides management oversight. This section of the report provides a link to the 2016 IVGID Public Works Sustainability Report (<https://www.yourtahoepace.com/public-works/waste-not/waste-not-programs/sustainability>). This report features a sustainability metrics evaluation system and documents Public Works program milestones.

The Finance/Accounting and Risk Management Status Report for November provides an update on the District's annual audit, the Sales Tax Refund by the State of Nevada and a number of other timely issues. It also outlined the District's latest Risk Management and Safety Initiatives.

The Venue Status reports are typically posted by the middle of each month and can be accessed on the District's "Resources" web page.

Bidding Opportunities

The District's "Resources" web page also includes a Bidding Opportunities link for businesses and the community.

Invitations to Bid, a quarterly update of projects awarded in excess of \$25,000 in value since April 30, 2015 along with a link to pertinent Nevada Revised Statutes (NRS) code sections related to procurement and contracts are included in this section of the web page.

In addition, it includes a link to planetbids.com, which is where interested parties can search for District bid opportunities and review all bid documents. For recent bidding opportunities, it includes a list of prospective bidders and bid results.

Capital Projects Update

WRRF Aeration System Improvements

The aeration process of wastewater treatment supplies oxygen to facilitate the biological activity that converts raw sewage into treated wastewater effluent. The age of the equipment, the number of hours of operation, and condition assessment indicates the existing centrifugal blowers are at the end of their serviceable life. Jacobs is working on the design documents and ultimately construction documents. Final Plans are scheduled to be completed in the spring, 2019. The Engineering staff will then bid the construction project for completion in the fall 2019.

Park Ballfields Renovations

This project to replace the scoreboard and dugouts on all three ballfields, the infield on field #3, and irrigation and drainage upgrades was bid in the fall of 2018. The project received one bid. District staff is negotiating to determine whether the bid can meet the project's budget limitations.

Sewer Pump Station #1

Sewer Pump Station #1 collects and transports 50% of the raw sewage and transport to the wastewater treatment plant on Sweetwater Road. Constructed in the early 1970s this station has provided reliable service. The age of the equipment, the number of hours of operation and other equipment analyses dictate replacement or rehabilitation of the equipment to maintain this reliability to provide continuous service. Jacobs is in design for the replacement of the 3 variable frequency drives (VFD's) and replacement of the motor control center (MCC). Construction is anticipated for the fall 2019.

Water Pump Station 2-1 Incline

Water Pump Station 2-1 (WPS 2-1) is located at the Burnt Cedar Water Disinfection Plant (BCWDP) and pumps the disinfected potable water into the water distribution system to serve Incline Village and Crystal Bay. WPS 2-1 was largely constructed in 1972 with minor upgrades in 1995 and 2012. The electric motor control centers (MCCs) and switchgear at WPS 2-1 date to the original 1972 installation. This equipment does not meet modern OSHA requirements for Arc Flash safety and the MCCs and switchgear is at the end of its service life and no longer supported by the respective manufacturers. Jacobs has completed

preliminary engineering and will be scoping and moving into final design in the spring 2019 with construction scheduled for January 2020.

Burnt Cedar Pool

Recently, the District retained Terracon to perform an evaluation of the existing shells for both pools at Burnt Cedar to determine prospective cause(s) of potential differential settlement, and to develop recommendations for additional testing. In addition they conducted a geophysical inspection of the exposed pool deck, pool shells, walls and floors. We will be meeting with the consultant this week in order to receive an update on the results of the evaluation.

Other Projects

Ongoing projects including the Recreation Center Deck/Stairwell will be bid in early February. The Water Reservoir Safety and Security Improvements will be bid in January, 2019.

IVGID Quarterly – Upcoming Editions

IVGID property owners should all be in receipt of the October and December editions of the IVGID Quarterly. Along with the traditional high quality editorial content, the October special edition included a 2018-2019 wall calendar, suitable for posting in all homes and businesses.

The calendar is filled with information about IVGID venues and the dates for hundreds of events and activities are listed on every calendar page.

The next IVGID Quarterly will be mailed out next month.

Washoe County Federal Lands Bill

On September 12, 2018 I sent you a letter from the Chair of the Washoe County Board of County Commissioners regarding the status of the Washoe County Economic Development and Conservation Act (also referred to as the Washoe County Federal Lands Bill).

The letter informed IVGID that they would not be able to include any of our parcels in their request for federal legislation.

In each case, the land was removed in part, due to opposition from the U.S. Forest Service. The County did indicate that the Forest Service would be willing to entertain proposals for potential lease of the parcels by IVGID, which has always been our understanding.

On October 5, 2018, Commissioner Berkbigler and Jamie Rodriguez, Washoe County Government Affairs Manager toured the Forest Service Parcel across from Incline High School. This is one of the parcels included in IVGID's December 2016 request for inclusion in the Washoe County Lands Bill.

Commissioner Berkbigler and Ms. Rodriguez were educated about the benefits that could accrue to both the Forest Service and IVGID from a potential transfer of this property.

Ms. Rodriguez volunteered to facilitate a meeting between IVGID and the Forest Service to discuss the potential benefits in more detail. The Forest Service has not yet provided a time for a potential meeting.

Director of Golf

As noted in the last update, Michael McCloskey's last day with the District was November 17, 2018. Championship Golf Pro Kyle Thornburgh is serving in the interim role until a permanent replacement is hired.

Staff worked with the Professional Golfers Association (PGA) and Borders Golf Group to develop an updated job description. Borders is taking the lead role in the recruitment, with interviews scheduled for early February. The goal is to have the position filled by February and the new Director on site by April 1, 2019.

Legal Services Contract Extension

In late August, the Board authorized the General Manager to proceed with a process of identification, review, selection and proposed appointment for District Legal Counsel effective January 1, 2019. Vice Chairman Horan was selected to serve on the selection committee.

The Selection panel has completed the interview process and expects to provide a recommendation to the Board of Trustees at the February 6, 2019 meeting.

Mountain Golf Course Clubhouse Fire

At the December 12, 2018 Board of Trustees Meeting, the Board of Trustees reviewed and approved a conceptual design for the Mountain Golf Course Clubhouse Fire Damage Repair and Renovation.

As noted that evening, staff was hoping to execute multiple tasks simultaneously. Otherwise, there would be little chance of reopening the Clubhouse meal service facilities for the upcoming season.

To meet this deadline, Staff was expediting the design and bid process concurrent with ascertaining the available insurance proceeds. The best case scenario was hoping to put the project out to bid by early January.

At the time of this report, staff continues to work on parallel paths, working with the architect to complete construction plans that are ready for submittal to Washoe County and working with the insurance company to come up with a final number for available proceeds for repair.

While each path is taking longer than hoped, we are still attempting to execute the project in the current year. I will be providing more up to date information at the Board of Trustees Meeting.