

MINUTES

REGULAR MEETING OF DECEMBER 13, 2017 Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairwoman Kendra Wong on Wednesday, December 13, 2017 at 6:00 p.m. at the Chateau located at 955 Fairway Boulevard, Incline Village, Nevada.

A. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

B. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*

On roll call, present were Trustees Matthew Dent, Peter Morris, Phil Horan, Tim Callicrate, and Kendra Wong.

Also present were District Staff Members Communications Coordinator Misty Moga, Director of Public Works Joe Pomroy, Director of Finance Gerry Eick, Director of Human Resources Dee Carey, Parks and Recreation Director Indra Winqest, Director of Golf Michael McCloskey, Events Manager Cathy Becker, Sales Assistant Lauren lida, and Director of Asset Management Brad Johnson.

Members of the public present were Denise Davis, Pete Todoroff, Steve Dolan, Wayne Ford, Margaret Martini, Aaron Katz, MacAvoy Lane, Charlotte Croley, Jim Croley, Frank Wright, Mike Abel, and others.

(41 individuals in attendance at the start of the meeting which includes Trustees, Staff and members of the public.)

C. PUBLIC COMMENTS*

MacAvoy Lane said thank you for this opportunity to sit before you and publicly commend and thank the stellar staff at our Recreation Center. They threw the party of the century to celebrate the anniversary of our Recreation Center. I would not be alive today nor would I know how to do Zumba if not for this venue. Mr. Lane said that he brought a couple of photos from the Recreation Center when bears used to roam freely as well as a picture of his first class with Staff in 1992. Further, at risk of damaging his reputation, he also brought a picture of him working out at that clearing where the Recreation Center stands today. Mr. Lane continue talking about his workouts in the past and, tongue in cheek, mentioned his disappointment

about a plaque about former General Manager Robert Hunt with no mention of the discoverer and politely asked the Board if they could find it in their hearts to reconcile that oversight. Mr. Lane concluded by stating that he hopes to be around for the 50th Anniversary of our unbelievable Recreation Center and thanked everyone in attendance for making this village the best place to live.

Margaret Martini read from a prepared statement which is attached hereto.

Aaron Katz said he was going to speak about malfeasance about staff on conveying public property and he does have a point to make about it. Mr. Katz then said, addressing Chairwoman Wong, that when she was first on the Board, he asked for a forensic audit and Chairwoman Wong said she would only do one when there have been unlawful acts; it is time for a forensic audit. Now let's talk about all the Open Meeting Law complaints that are going to take place as you are not complying with the law. Unless he is given the prior advice, he will be filing one on the August 22, 2017 meeting if the Board doesn't include his written statement and that there will be one on the September 16, 2017 and September 26, 2017 meetings if this Board doesn't include his written statement. Let's assume you comply, you will have another one because you are supposed to approve the minutes within forty five days and you haven't which is outright negligence but you won't do anything about it. Mr. Katz said he has a written statement about multi-dwelling units and there is a new one that sits on Donna Avenue – it is two units but only being charged for one unit and he wants to see some action. As to Staff's Parasol page, he wants to see everything, get the good and bad, put everything on there, and that means all the fraud that we learned about.

Frank Wright said it would shock the heck out of the public if one of those lots were bought by an individual in the Martis housing development because then they could have bought 3,000 punch cards and one could have been sold to a guy in Chicago, New York and/or Crystal Bay. Do you understand what he did? He just about overran your beaches, he signed the deeds, he went into the agreement with Washoe County for open space, and he is still sitting over there. Washoe County is coming after you because they didn't get property taxes on those lots so he committed fraud. This Board is the body that is there to protect us but you are going to listen to your District General Counsel spin his way out of this. The Chairwoman sat there idle and didn't say a word when Trustee Dent asked for the response before you signed that affidavit. He concocted an affidavit and you never saw the Open Meeting Law complaints but one Board member saw them and that was the Chairwoman. He kept begging for those responses yet they never came out. One affidavit was missing and guess whose it was – District General Counsel. Why, because he lied his ass off. Paying this kind of money and he is lying. Another

Open Meeting Law complaint is coming, he is filing it as well as a criminal complaint.

Scott Hill said he has had a home here for over twelve years and has been a permanent resident for three years but has been visiting the area for twenty five years. We have season passes at Diamond Peak, use the Recreation Center, etc. and he is the Vice President of IVGC which uses the Chateau and golf courses. For the Chateau, IVGC works closely with Staff for various events throughout the year. Congratulate and thank the Staff as they are friendly and easy to work with. For the golf facilities – resident play makes up a significant amount of the play. The main objective is to make our public course as close to a private course which is a most appropriate goal especially if the objective is to maintain the current high fees and golf rounds. Thanks to Staff for creating a culture of friendliness and professionalism as they do a fantastic job. After the Winter of last year, the Grounds Crew did a great job. What the course needed at that time was more maintenance work. The golf course reputation took a hit because there are a lot of golf options so without significant outlays, you will lose significant play. When assessing costs next year, take a longer view on maintenance and enhancements.

Jim Croley said that he and his wife moved up here two years ago and they really, really like it here. What we have got is the envy of everyone that he knows. My wife and his intention is to live here until they can't. It makes him sad with the local discourse etc. It is possible to have a disagreement but it does makes him sad that there is this much anger and viciousness. We are fortunate to live here. Beyond first world problems, there are more important things than money. Take a moment for gratitude and how fortunate we are. Reminder of his grandfather – moment of balance. Thank you all for your job is tough and he really appreciates all of you doing your best with the best intentions. We live in a wonderful place run by great people. Grateful for all you do, keep up the great work, and he is looking forward to next year.

D. APPROVAL OF AGENDA (for possible action)

Chairwoman Wong asked for changes to the agenda, none were made, so Chairwoman Wong said that the agenda is approved as submitted.

E. OUTSIDE ENTITY REPORT*

E.1. Verbal update from NVEnergy representatives

Mr. Chris Hofmann of NVEnergy gave a verbal update on service issues as well as their future actions. Mr. Hofmann drew attention to the fact work permits are in the works, there are multiple contracts in place, and that NVEnergy is just awaiting environmental permits. The community should notice tree trimming work starting next week and that will continue until they can do no more as it is weather permitting work. Mr. Hofmann also stated that the President of the company has made it very clear to the team that they are to patrol our area more regularly and that he will be back in the next couple of months with an update.

F. DISTRICT STAFF UPDATES*

F.1. Diamond Peak Culvert Project Update (Presenting Staff Member: Director of Asset Management Brad Johnson)

Director of Asset Management Brad Johnson gave his presentation which was included in the Board packet.

Trustee Dent said that this was not the total actual cost as we have spent \$150,000 more than what we are seeing. Director of Asset Management Johnson said that the Board awarded the contracts and that we had an existing design contract with CH2M who pivoted very quickly and we are still awaiting that invoice but we are estimating \$50,000 in design costs. Trustee Dent said that the contracts were exceeded by sixty to seventy percent thus it is really about \$200,000 outside the Board awards. Director of Asset Management Johnson said that the Board awarded the construction contract and that the General Manager authority then went into that construction contract. We identified Staff costs and other costs that were non contract costs that were identified as costs. Trustee Dent said so it is safe to say that we went \$100,000 over what the Board authorized and then asked at what point, when the Board makes an award, do we say enough is enough because it sounds like all of this was unauthorized. Director of Asset Management Johnson said that Staff stayed within the budgeted project and that when we presented to the Board, we indicated we were using an existing contract. Staff time allocated is about consumption of hours and that this project was a huge workload sink because we had to live out there to get it constructed. Those costs are often hard to estimate especially when it is an emergency project that requires getting something into the ground. General Manager Pinkerton read from the August 22 memorandum and said that part of the issue is that the overall fund is \$1.3 million and we have different contracts at authorized amounts. Trustee Dent said where he is

going is that the Board approved the budget and then there were transfers and scope changes thus he would like to see a report that shows us what is being spent and include a break down on discretionary spending of the General Manager. General Manager Pinkerton said that the Capital Improvement Project report will show you that and in the Staff report we fully disclosed the existing contract on the design and everything is available. If the Board has questions, we can do that and a lot of it is included in the annual reports. Trustee Dent said this is about transferring from one fund to another and in bringing up CH2M Hill, he would like to see what we are spending at the end of the day versus what our policies say. He read our policy on the General Manager's authority and is it ten percent or \$50,000. This \$50,000 of additional monies that is included in this contract just surprises him and he would like to see a report on discretionary spending. Director of Asset Management Johnson said it is in the report and asked if this was about an opportunity to revise the policy.

Trustee Morris said that he would like to clarify quickly that he heard in this discussion that the Board approved the original emergency which included a twenty percent contingency and that Staff had to authorize an additional \$50,000 in the middle of the work and that this is always going to be consuming Staff time and that when he heard Staff's accounting, there was a potential of between \$50,000 and \$90,000. Director of Asset Management Johnson said that we had an authorized contract with CH2M and what we did is we said we need to do this emergency project thus we need to pivot your team to this emergency project and get a design out to construct this season versus to winging it. General Manager Pinkerton added that this was all disclosed in August. Director of Asset Management Johnson continued that CH2M Hill is looking into their burn rate and that Staff may come to the Board for a budget augmentation to continue the design as they accelerated their design. As we work with them, we will get a better understanding of where we are. We are also hopeful that we will get reimbursed and be in a position to request that reimbursement. Trustee Morris said so \$140,000 is going to FEMA with a 75% reimbursement possible; Director of Asset Management Johnson said yes and that the Engineering Division actually bills the project for their time similar to that of a consultant which is actually time spent managing, overseeing, and supervising construction. Trustee Morris said so in going back to Trustee Dent's point, this was done as an emergency, so go back and review what lessons we can learn from this to make sure we didn't do something that we shouldn't have and that when we get the overall costs, it would be very appropriate to review them. General Manager Pinkerton said he agrees and that is why we are doing all of this

and in looking back, Staff could have added more detail to the part about the existing design contract.

Trustee Horan said so the Engineering Department bills out when we do any of these contracts. Director of Asset Management Johnson said no, not into the contracts but is in the budget but not included in the contract award. You will see it in the budget section most times yes and it was identified in this project.

Director of Asset Management Johnson continued his presentation.

Trustee Callicrate said his concern is that we are at \$1.5 million in additional costs and that doesn't take into account the paving and realignment of the road so now what. Director of Asset Management Johnson said that paving is another discussion with the Board that will probably occur at the end of January and include the size of that project. Trustee Callicrate said it is critically important as it has to be done. The original capital improvement project of a few years back has now ballooned into a huge project and his concern is to do this sooner rather than later and where is the money going to come from. Director of Asset Management Johnson said that this project had to go and that there are others that can be pushed but this project we have to execute. It is important to do the upfront due diligence and then update the budgets. We are in a position to absorb that increase and do select reprioritization of projects. The big key is the leverage with the CMAR process and to see what kind of creativity we can do to possibly drive costs down.

Chairwoman Wong said in taking a step back and looking at the bigger picture, what needs to be moved down. Director of Asset Management Johnson said Staff will go through that with the Board like we do annually. As we go through the plan, which is a living document and a five year plan, you, as Board members, will have priorities that change and so changes the plan and why we call it a plan.

Trustee Dent asked how do we learn from this and plan ahead. Director of Asset Management Johnson said in these large projects, and the Effluent Export Pipeline is a great example, we spend the upfront money doing the analysis. In a perfect world, the laser profiling would have been available to us much earlier and thus gaining that structural information as it would have helped inform the budget process much earlier. Fortunately, we are in a position to deliver this project using cash. With the Effluent Export Pipeline

project, we are using that and by running the pig through the pipeline to gain understanding to see how urgent the work is, etc. the big takeaway is take your time and spend the money upfront to inform. As it relates to an emergency, it is a fast and loose project by its nature. He would have loved to execute it as a planned and long term project but this emergency is a result of a gigantic winter. If it was planned, then there would have been no FEMA there as FEMA is there because of the environmental situation. Trustee Dent said in coming up with our five year plan, we have to do better and cut off \$1.5 million so is it possible that we are not projecting correctly and should we be using a third party to check that. Director of Asset Management Johnson said it comes down to specificity. The beginning is the rough order of magnitude and then as you move forward you can better estimate what you are going to do be doing and the question becomes are we being conservative and we do use outside estimators. The other big thing is that the Board can do is to utilize the District's Strategic Plan to set priorities so Staff can know what to focus on so we can target them as opposed to pivoting and jumping from project to project. General Manager Pinkerton said it is also important each year to assess and taking a worst case scenario because sometimes we are one year away from replacement. When we have a good year in Community Services, we have additional resources available. When you look at our five year plan, we have always left ourselves to be flexible along the way and allowed us to budget on our underground projects more precisely. Trustee Dent said that Engineering spends a lot on consultants and asked if there was a saving in going out and hiring an engineer and having that internal expertise and who will be reviewing the contractors on the CMAR. Director of Asset Management Johnson said we have three engineers and we do deliver our own water main and sewer main projects as well as a number of small projects where it doesn't require a lot of design horsepower. We bring in outside consultants for the bandwidth but we could examine bringing them in house if our capital priorities shifts; their outside technical expertise is their real benefit. We may do one major culvert rehabilitation and two major pipeline replacements, etc. and thus we are leveraging their technical strengths which pay off. On CMAR, we will have two members of our Engineering team, Diamond Peak Ski Resort General Manager, two members of the design team as well as the anticipated Construction Manager from Tri-Sage, and our District General Manager.

Trustee Morris said that he would imagine that the video and laser review would address a concern he has and going back to the emergency repairs, Staff found lots more in there so what are our chances of finding that in this

construction. Director of Asset Management Johnson said that lasering sees everything in the pipe and it sees all the odd duck penetrations. There is a great deal of uncertainty due to winter, flows, groundwater levels and flows, etc. All are unknowns and all are associated with risk. We put that on the table and work with the Contractor to define that risk and mitigation process. Then we have a defined risk pool, assign the money to that risk which gets incorporated in a defined manner and if it is not used, the owner receives those savings. CMAR is well set up to mitigate those risks. Trustee Morris said, as a Board, we all agree that this is a top priority and then asked if do nothing was an option. Director of Asset Management Johnson said no, this project and the Effluent Export Pipeline project are both in the same place. If the Board does take a vote and make that decision, to do nothing, then he will tell the Board that it is a terrible decision and that you are putting the public at risk. Trustee Morris said that he knows that the Board is not taking any votes tonight but what will go into refining this and we will be voting on this specifically or as part of the capital improvement plan next year. Director of Asset Management Johnson said there will be multiple check-ins, went over the project next steps, and said that this will be a core part of the capital project discussion.

Chairwoman Wong thanked Staff for their work on this project and recognized that past Boards have made really good decisions on this project as this project is consistent with the policies that the Board has laid out. Prioritizing this asset over new assets, as long as this Board has been working together, has been a goal. Thank you for being cognizant of that as we made that a priority. Recognize that this is the first contract and that this is early in the process. She would like to see a projection of the five year plan, prioritizing and reprioritizing so we can recognize that it is early and please stamp draft all over it as seeing how this fits in, in the overall, will be helpful for her.

Trustee Horan said that this is a project that we are spending money on and that needs to come back to the Board for approval.

Chairwoman Wong called for a break at 7:30 p.m., the Board reconvened at 7:36 p.m.

F.2. Diamond Peak Ski Season Preview – 2018 (Presenting Staff Member: Diamond Peak Ski Resort General Manager Mike Bandelin)

Diamond Peak Ski Resort General Manager Mike Bandelin gave a verbal update.

Trustee Callicrate asked what is the number of season passes held by residents; Diamond Peak Ski Resort General Manager Bandelin replied it is about 56%.

Trustee Morris said not knowing what winter we are going to get, how are you doing on staffing. Diamond Peak Ski Resort General Manager Bandelin said that in the end of season report, in April, one of our main focuses was on how we would like to recruit and thus we had meetings after we closed. We held three job fairs in Incline Village at both Aspen Grove and Diamond Peak along with over a dozen elsewhere. At this time, we are seeing a little bit of a shift in our part time applicants but for the most part we are okay. We will never be completely staffed so we fill the job needed and continue the hiring process throughout the season.

Chairwoman Wong said thank you to Staff for a great recovery and working hard on this season.

G. GENERAL BUSINESS (*for possible action*)

- G.1. Review, discuss, and possibly approve entering into a project grant agreement totaling up to \$760,000 with the Incline Tahoe Foundation for renovations at Incline Park and review, discuss, and possibly authorize an additional services addendum for design services associated with the work; Vendor: Lloyd Consulting Group in the amount of \$58,400 (Requesting Staff Members: Parks and Recreation Director Indra Winquest and Director of Asset Management Brad Johnson)**

Parks and Recreation Director Indra Winquest and Director of Asset Management Brad Johnson went over the materials included in the Board packet. Parks and Recreation Director Winquest noted that in the naming rights discussion in the memorandum, Field 3, should have stated Incline Park. Also, Staff is not anticipating any change in Staff costs and we will watch that over the years. If there is any minimal increase, it will be outweighed by use.

Trustee Callicrate said congratulations on this project and thanks to the Duffield Family as well as the Holman Family as this is a

tremendous benefit to our community. With the small amount of money we have had to put forth for what we are going to realize makes him very supportive of this project. We have never had a baseball field thus our kids have had to go off the hill so congratulations on what you have put together and while there is a lot more to go, he is in full support of this opportunity.

Trustee Horan asked if the \$58,400 will be a part of the grant. Director of Asset Management Johnson said yes, that is correct, and that the prior monies were paid by the District. We won't authorize this work until the funds have been transferred. Thank you to Trustee Callicrate for his work on this project.

Trustee Wong said we have a limited construction period and that this is also the time when softball is played so how will this impact normal activities. Parks and Recreation Director Winquest said that Staff is working diligently with Little League and we have gotten buy off from them to play at other fields. Jeff Harrell and Billy Knight were vital to this process so thank you to them as well. Staff will make sure that there will be no impact on the community and our donor was very adamant about no negative impact so he too will be holding us accountable. Also, he would like to point out that some of this work was in our five year capital plan as well as being much more in the future so realistically, this potentially is taking care of several hundred thousand dollars of projects over the next fifteen years.

Trustee Morris thanked Staff as well as Cheryl and Dave Duffield for this and all they continue to do for this community. He is excited to see this and asked if on Field 2 could that border be pushed out. Parks and Recreation Director Winquest said that Field 2 fits a precise need with it having college dimensions for fast pitch softball. If we were to extend it, we would need temporary fencing, more grass, more water, and it could cause an increase in operational costs. If we need to add it, it is an option. Trustee Morris then asked if, on Field 3, if the current building behind home plate would remain. Parks and Recreation Director Winquest said that there will be no changes to the grandstand or restrooms and that Staff did get an excellent design and that the design team will continue to get a lot of great information as they go through their process. Director of Asset Management Johnson added that pre-design was to develop a lot of information and to assign costs. Replacement of the grandstands is in the future but at this time we

are not taking that project on. Trustee Morris said that he knows that often there are folks who offer commentary about our expenditures and that the \$58,400 that you are proposing we approve tonight that it will only be spent once the \$760,000 is committed so this is a new budget item here. Director of Asset Management Johnson said that is correct and that the design costs will be borne by the donor. The donor will be transferring the design costs first then the bulk of the construction costs will be transferred.

Trustee Dent thanked Staff for all the hard work as well as Cheryl and Dave Duffield for their generous donation and their imprint on the community. Also thanks for the clarity on the \$58,400. His concern, and he is speaking to his Board colleagues, is that the \$41,000 wasn't approved by the Board so he wants to try and go back and have an understanding of what the Board did with what they did back in January 2015. One comment was that the General Manager was reporting to the Board and that this Board wasn't to be caught off guard. His concern is other items such as consultants, lawsuits, etc. basically spending of unauthorized monies. We need to have a discussion about this and figure out how to have some oversight. Parks and Recreation Director Winquest said that it was the best \$41,000 we have spent because we got \$760,000. Trustee Dent said he understands and that this is about the bigger issue.

Chairwoman Wong also thanked Staff and said that she did recall the presentation on spending the \$41,000. Thank you to the Duffield's for their contribution as a lot of what IVGID does is for the community and she is appreciative that they stepped up.

Trustee Callicrate made a motion to:

1. Authorize entering into a project grant agreement with the Incline Tahoe Foundation (ITF) to fund renovations at Incline Park totaling up to \$760,000.
2. Authorize the General Manager to execute all necessary grant agreement documents upon review by District Counsel and Staff.

Trustee Horan seconded the motion. Chairwoman Wong asked for any further comments, hearing none, she called the question and the motion passed unanimously.

Trustee Callicrate made a motion to:

1. Authorize an additional services addendum with Lloyd Consulting Group totaling \$58,400 for design services associated with the proposed renovations at Incline Park upon receipt of donor funds by ITF.
2. Authorize Staff to execute the necessary contract documents.

Trustee Dent seconded the motion. Chairwoman Wong asked for any further comments, hearing none, she called the question and the motion passed unanimously.

G.2. Presentation: Golf Courses: 2017 Wrap Up and Review, discuss and possibly approve Golf Courses 2018 Key Rates (Requesting Staff Member: Director of Golf Michael McCloskey)

General Manager Pinkerton said that he wanted to remind the Board that they approved a budget that included the expenses and that this activity straddles two seasons so it is appropriate to come before the Board at this time and noted that he sent the expenses today via e-mail to the Board. Staff is asking you to review the key rates based on those expenses. We already had the discussion on expenses last spring and we are bringing the revenues to you now. Staff anticipates coming back in February or March to tie in the expenses and that the same thing will happen with Facilities.

Director of Golf Michael McCloskey gave the presentation that was included in the Board packet.

Trustee Morris said that the three year trend, in resident rounds, is showing a thirty percent drop or close to that which is quite a lot however, he asked, what the overall trend is. Director of Golf McCloskey said one of the main reasons is aging clientele that participate in golf and we are seeing those that used to play twenty rounds now playing fifteen rounds, etc. This poses a challenge to find

that next resident to fill the void however he doesn't see that demographic jumping into this sport. As for daily resident play, they primarily are under ten rounds a year and the play pass participation has been very flat and they are the majority of our core golfers. Most are doing our programs so Staff is wanting to get more into programs at the Championship Golf Course and build on that success. Trustee Morris said so it is just people paying a green fee and not our play pass people.

Director of Golf McCloskey continued his presentation.

Trustee Callicrate asked at what time does play start at the Championship Golf Course and what is it at a regular golf course as he knows it varies. Director of Golf McCloskey said it is typical in this area to start at 7 a.m. however that varies depending on the time of year. We do open at the longest time of the year, specifically May, June, and July, typically at 7 a.m. and then move to 6:40 a.m. on Friday, Saturday, and Sunday. We did see those early mornings on weekends result in improved participation and generated more capacity so we will want to dive into that a little more deeply.

Director of Golf McCloskey continued his presentation.

Trustee Morris asked what was the cost of the unlimited play pass last year; Director of Golf McCloskey said \$2,900. Trustee Morris asked if Staff is still working on that pricing. Director of Golf McCloskey said yes.

Director of Golf McCloskey continued his presentation.

Trustee Horan said, regarding pricing for golf, that it doesn't seem to be a growth industry, but that we need to do this in advance of our season so that begs the question about the season on the expense side and while he understands that we aren't talking about expenses today as you go forward he would like to not see that gap grow as it is critical and it may force some very tough decisions and is something that he will be looking at closely. Staff has done a good job and he understands it is tough but that he is going to look closely at the expense process and wants to see no growth. Director of Golf McCloskey said that he agrees and that competition has driven that challenge. From an operational standpoint, we have fixed and variable

costs and it is very scalable at least there are parts that are and Staff has tried to be as scalable as possible. Trustee Horan said for fixed costs, do we have to continue to have those as we have to look at them as well. District General Manager Pinkerton said that when we talked to the golf clubs last week, we committed to sitting down with them in January to discuss this as everyone should recall a time back twenty two years when we lost 40% of our revenue when we raised prices. We want to have a collaborative dialogue with the golf clubs. Trustee Horan said that there are two sides to the equation and that both fixed and variable costs are part of it.

Trustee Morris said that he agrees with Trustee Horan and that he also understands that Staff needs to know about the rates however it is a little bit challenging to say this is our rate while not agreeing to the other side of the equation and that is the challenge you have to take on as you build your budget and then it comes back to us. We have got to show that we are not throwing huge subsidies at our golf courses and then the other side is making sure that we have identified the flex if they don't turn out as well or better and what levers we will be pulling. Director of Golf McCloskey said that discussion and getting the golfers involved is a pivotal discussion to moving forward.

Trustee Dent said he would echo what Trustee Horan said earlier regarding costs and expenses and that he too will be paying close attention to that. One of his questions is the 2018 rates and can we include the prior year's rates and asked if they were exactly the same as last year because he doesn't know that from the packet.

Chairwoman Wong asked when do you expect to have the play pass pricing. Director of Golf McCloskey said hopefully we will have that done by the end of January. Chairwoman Wong said to keep in mind that when we talk about the expense structure that a portion of that this Board has already approved as it falls in this fiscal year and that the proposed expenses for fiscal year 2018 gives us a starting point. We all need to appreciate that and appreciate the schedule that was sent out. Director of Golf McCloskey said that golf is unique in that it straddles the budget year.

Trustee Morris made a motion to approve 2018 Golf Key Rates as shown on pages 50 and 51 in the December 13, 2017 packet. Trustee Horan seconded the motion.

Chairwoman Wong asked for further comments, hearing none, called the question – the motion was passed unanimously.

G.3. Presentation: Facilities: 2017 Wrap Up and Review, discuss and possibly approve Facilities 2018 Key Rates (Requesting Staff Member: Event Manager Cathy Becker)

General Manager Pinkerton said on agenda packet page 75 the dates at the top of the page should read 2018-2019.

Event Manager Cathy Becker and Events Coordinator Lauren Iida gave their presentation.

Trustee Morris said that we ended up flat to 2016 but that the revenue will be higher; Event Manager Becker said that is correct.

Event Manager Becker and Events Coordinator Iida continued their presentation.

Trustee Morris said that he noticed some other rental venues impose a food and beverage minimum; do we do that. Event Manager Becker replied we don't have their clientele and we utilize that fact as a selling point. Chairwoman Wong commented that with no food and beverage minimum often times clients end up spending more because they aren't paying attention to the minimum.

Trustee Callicrate asked if a shorter venue time period had been looked at in order to do back to back weddings and say shorten it by an hour. Event Manager Becker said with yield management we do that and that Staff does try and get creative but we don't publish it but we do have that flexibility.

Trustee Dent said on the revenue for community events at \$25,000 can you break that down. Event Manager Becker said that the Seniors and the golf clubs don't pay for the venues however they do pay for food and beverage so we don't collect a lot of venue revenue. Trustee Dent said it works out to \$64 per event. Event Manager Becker said that she can break out where the money comes from and provide that. Trustee Dent said that everyone is getting a discount and that the minimum per the rates we are approving would average only \$64.

Chairwoman Wong said that we have policies that indicate what they are charged. Events Manager Becker said that the golf clubs are grandfathered in such that when they spend \$30,000 in food and beverage in total for the season that the rooms are discounted one hundred percent. Trustee Morris said it would good for him to know who we charge and who we don't charge. Trustee Horan asked if one hundred people take up the whole room; Event Manager Becker said that we only rent the room one time. Trustee Horan so if the event has one hundred people then they get the whole room. There has to be some look at the community use and the incremental costs we are experiencing with the facility as we have to cover those costs for those groups.

Trustee Callicrate said that with the prior building that was here that there was a flat fee to open the doors and turn on the lights and that this cost was the minimum to cover the basics. This is a beautiful facility and because of the basic fundamentals that we have here that we, as a Board, say that every time we staff the Chateau it is \$750 to turn everything on or whatever that amount is and that will help us to explain it to the community because if the use is for free then it is costing the community. Nothing is free as someone has to pay for it. Event Manager Becker said that we are using our weddings to help subsidy those costs and is that working, she doesn't know but we have gone full circle on this and it has always been said there should be something paid. Trustee Callicrate said that we, as a Board, need to say hey folks we are not adverse to opening the facility for the community causes that benefit everyone but that there is always a base minimum that has to be met. He understands the subsidy and that once the cost is associated we can temper things out; there are costs for every facility and we can't give it away for free.

Chairwoman Wong said that in combining the data, sources and uses, in 2015 net sources were \$38,000 and the pricing was working. In 2016, net uses were \$100,000 and we had a pricing problem. In 2017, we ended up at \$57,000 and in looking at our financials and the data, we are showing that the weddings are paying for these and showing a slight profit. We had a blip in 2016 so let's continue to move forward as the strategy has been set, we are following that, or do we want to change that strategy. District General Manager Pinkerton said that we have a lesser facility fee budget and that it is about \$18 to \$20 to balance it out. He welcomes the conversation and Staff can give you

a lot of history and put this on the work plan for the budget. Event Manager Becker said that she is not opposed to some guidelines. Trustee Morris said whether it is facilities, golf, or ski, he loves the idea of getting others to pay for it. Assuming that with our rates, we think of them as hotel rack rates and that everything is negotiable and that we are setting them correctly but that they are negotiable. Event Manager Becker confirmed that yes, Staff does negotiate.

Event Manager Becker and Events Coordinator Iida continued their presentation.

Trustee Callicrate thanked Staff for a tremendous job and said that Staff knocks it out of the park as he knows how difficult it can be and that he has come here when events are going and that goes for Aspen Grove so he is fully on board with what Staff has recommended.

Chairwoman Wong also thanked Staff for all they have done and extended that to the Food and Beverage team as well.

Trustee Callicrate made a motion to receive the Presentation: Facilities: 2017 Wrap Up **and** approve 2018 Facilities Key Rates that are listed within the packet. Trustee Morris seconded the motion. Chairwoman Wong asked for further comments, hearing none, called the question – the motion was passed unanimously.

Chairwoman Wong called for a break at 9:13 p.m., the Board reconvened at 9:20 p.m.

G.4. Review, discuss, and possibly accept the June 30, 2017 Comprehensive Annual Financial Report including an Unmodified Report by the District's Auditor (Requesting Trustee: Vice Chairman Phil Horan)

Trustee Horan said that the Audit Committee had their meeting earlier today and asked the Director of Finance to come up and walk the Board through that meeting once he is finished. Trustee Horan continued that he met with the Auditor yesterday and that he wanted to remind everyone that we are here to accept an audit that is required by the Nevada Revised Statutes and that it is not a validation of the results of the District rather just acceptance of the audit report.

Director of Finance Gerry Eick gave an overview of today's Audit Committee meeting and distributed a sheet that he reviewed and is included herewith as an attachment. Trustee Horan noted that during the Audit Committee meeting when Eide Bailly's Mr. Carter made his presentation he asked him two questions – (1) did Eide Bailly consider all correspondence they received and Mr. Carter responded yes that all correspondence was considered and (2) was there any correspondence received after the audit to which Mr. Carter replied there was no correspondence received after the audit that should have been considered.

Trustee Dent said, referencing agenda packet page 158, that under outstanding contract arrangements that Design Workshop in the amount of \$180,000 isn't listed here and asked for a reason as to why. Director of Finance Eick said that the focus of that note was select projects and not all. It is a capital project and that those that are listed we know there is a high degree of likelihood that those funds will be expended and that this is the true heart of the difference. Trustee Dent said on footnote 18, last sentence, it is labeled as Capital Projects Carryover, that the first part is true and the second part is not true. All of the unused resources are included in the budget. There are no disclosures in the footnotes. Board Practice 7.2 identifies appropriate levels for Utilities as does Practice 19.2 and that he has stated this several times over the last year and this year. He believes there is \$12.93 million as shown on page 95 and thus there is no money in reserves and this Board has overcommitted. He brought up before that the Utility Fund is upside down and doesn't have the money required by Board Policy 7.2. The Auditor didn't audit for non-compliance so he would like to see a more extensive audit. Further, he only had a weekend and two days to review this and he would like to get the Board packet seven days in advance rather than slamming it into a couple of days. In 2013, regarding the eighty seven parcels, in 2014 there were four additional and in 2015 there was one additional parcel so there are ninety one parcels but last year it states there are approximately eighty parcels so he is trying to figure out what happened to the other eight parcels. Chairwoman Wong said that it appears that Trustee Dent has a lot of questions about specific inner workings, etc. so did you sit down and discuss any of them with the District General Manager and Director of Finance. Trustee Dent said these are the same concerns he has had for the past couple of years and that this isn't following Board policy. Chairwoman Wong

said that she would suggest that you sit down with the District General Manager and the Director of Finance and go through each of your concerns, in details, and that doing this right now doesn't give our Staff an opportunity that is acceptable so it is prudent to schedule a time to walk through your questions and if you need her to be there, she can do that. Chairwoman Wong continued that she thinks there is also a misconception between the format of these forms and the relationship to the State of Nevada forms for disclosure and that she thinks that the Director of Finance and the District General Manager did a great financial presentation about how we report and the use of the underlying data so it is worth sitting down and discussing the reporting situation. Trustee Dent said that he didn't have the time to read 106 pages over the weekend. Chairwoman Wong asked Trustee Dent what he was expecting from our Staff right now. Trustee Dent said nothing from the Director of Finance but that these are the reasons that once again he will not be supporting the approval of this document. Chairwoman Wong asked Trustee Dent how did he expect to resolve this going forward. Trustee Dent said by following the Board policies that are in place. Chairwoman Wong said that she is not sure she has a response given the convoluted information. Trustee Callicrate said that Practice 19.2 for the Utility Fund isn't being followed and we don't have a \$4 million in reserves and that this has been presented several times over the past several years. The enterprise is for Public Works and using the Board policy for special revenue and applying that to the enterprise for Public Works rather than using the enterprise policy we have had in place for the ten to twenty years. Regarding the comments about discussing, the reason he won't be support acceptance of this report is because he is against the change in accounting and he has asked for forensic accounting and he wants to know as does the community. It was one of the promises he made but there aren't three people on the Board who support that thus he won't be accepting the next item either and he is just letting everyone know ahead of time.

Director of Finance Eick said that it is difficult to handle the whole list of comment but that Practice 19.2 is about working capital and that we do look at the fund balance as a measure but we don't ignore the policy. If you would turn to agenda packet page 134 as this page is the statement of net position and a classified balance sheet. The Utility Fund, as presented, has assets of \$10 million and liabilities under \$2 million so the working capital is \$8 million and working with

the policy it should be about \$5 million so we have \$8 million and the policy asks us to have \$5 million. Trustee Callicrate said how much do we have for the Effluent Export Pipeline. Director of Finance Eick said that is a self-imposed plan and amount. Trustee Callicrate said so that makes it below \$4 million. Director of Finance Eick said that the Board can apply a formula of your opinion and approach and that the policy is based on formula. Trustee Dent said we have been collecting a certain percentage and telling them what we are doing so it is pretty much restricted and we passed a resolution but the money is being spent some other way. Director of Finance Eick said that definition and measure is imposed by you, as the Board, and we are not hiding the money for the Effluent Export Pipeline as part of that is the Utility Fund and he knows that several wishes it said it was restricted but we don't have that classification however we can't, by nature, use it for other than Utilities. District General Manager Pinkerton added that when the Utility Rate Study comes before you, we can have a robust discussion. Based on the philosophy of having all the money today for a project that is probably ten years away, we have an opportunity to discuss the project and having the money. We can all be armed with better information on January 24 and he looks forward to having that discussion.

Trustee Morris said that he has found Staff to be extremely accommodating to him when he has questions and really recommends that his fellow Board members who have ongoing and continuing concerns to invest that time and sit down with the District General Manager to try and understand so we will agree what the data is and how it has to be presented to different entities so we can get away from interpretation. Please spend the time with Staff so at least we can all agree to all of that.

Trustee Morris made a motion, with concurrence by the District's Audit Committee, that the Board of Trustees accept the June 30, 2017 unmodified audit report, and direct Staff to file the Comprehensive Annual Financial Report (CAFR) with the State of Nevada and make it generally available for public use. Trustee Horan seconded the motion.

Chairwoman Wong said that this is required by the Nevada Revised Statute by Nevada law and that this vote is about accepting and submitting the audit to the State of Nevada and whether you agree or

not, we have to submit and that this is what this vote is all about; we can continue to have those discussions about presentation on financials, etc.

Hearing no further comments, Chairwoman Wong called the question – Trustees Callicrate and Dent voted against the motion and Trustees Horan, Morris, and Wong voted in favor of the motion; the motion passed.

G.5. Review, discuss, and possibly approve designation of Eide Bailly, LLP as the District's Audit Firm for Audit Services for Fiscal Year Ending June 30, 2018 (Requesting Trustee: Vice Chairman Phil Horan)

Trustee Horan said that during today's Audit Committee meeting, the Audit Committee voted to move this to the full Board and asked the Director of Finance to give a review and history on the item; Director of Finance Eick gave the review. Trustee Horan asked who the District's firm was in 2011. Director of Finance Eick said it was Barnard, Vogel and then we went to Kafoury, Armstrong. Trustee Horan said we developed a five year contract of which we are into the third year and that we made the change, in 2011, because some on that Board thought that having new eyes would not be a bad thing and that with the experience that Eide Bailly has had, at the end of 2020, we will look at it again as it is a good time to think about change at that time. Eide Bailly has industry knowledge so he is in support of going with Eide Bailly. Chairwoman Wong said that there are two schools of thought – change in audit firm and change in audit partner. Eide Bailly does have the institutional knowledge and we are in both. Public companies are subject to firm rotation and government entities are not required to change and she provides this information as a philosophical perspective.

Trustee Morris made a motion to designate Eide Bailly, LLP as the District's audit firm for the fiscal year ending June 30, 2018, under their multiyear contract (covering 2016 through 2020) as outlined under the financial section of this memorandum. Trustee Horan seconded the motion. Chairwoman Wong asked for further comment, none was received. Chairwoman Wong called the question – Trustees Callicrate and Dent voted against the motion and Trustees

Horan, Morris, and Wong voted in favor of the motion; the motion passed.

G.6. Election of Board of Trustees Officers for the 2018 Term (January 1, 2018 through December 31, 2018)

District Clerk Susan Herron opened the nominations.

Trustee Horan offered a nomination of a slate of officers as follows:

Kendra Wong, Chair
Phil Horan, Vice Chair
Peter Morris, Treasurer
Tim Callicrate, Secretary.

Trustee Callicrate declined the nomination as Secretary.

Trustee Horan nominated Trustee Dent as Secretary.

Trustee Morris seconded the slate of officers.

District Clerk Herron called the question on the nominated slate of officers; Trustees Wong, Horan, and Morris voted in favor of the slate and Trustees Callicrate and Dent voted opposed. The slate of officers passed.

H. DISTRICT STAFF UPDATE

H.1. General Manager Steve Pinkerton

- ❖ Financial Transparency
- ❖ Capital Projects Update
- ❖ Board Retreat

District General Manager gave an overview of the above items.

I. APPROVAL OF MINUTES (*for possible action*)

I.1. Regular Meeting of August 22, 2017 – *resubmittal, minutes only*

Trustee Dent said that on agenda packet page 219 there are twenty minutes missing from the minutes and that he would like that included in the minutes.

Chairwoman Wong asked if this was about time and volume. Trustee Dent said that there was a lot of discussion and then he went through the Livestream so there is information to be added. Chairwoman Wong tasked Trustee Dent to work with the District Clerk to correct these minutes and resubmit them.

I.2. Regular Meeting of September 13, 2017

Hearing no changes or corrections, Chairwoman Wong deemed these minutes approved as submitted.

I.3. Regular Meeting of September 26, 2017

Hearing no changes or corrections, Chairwoman Wong deemed these minutes approved as submitted.

J. REPORTS TO THE IVGID BOARD OF TRUSTEES*

J.1. District General Counsel Jason Guinasso

J.1.a. Update on Tax Delinquent Parcels and three (3) Public Records Requests

District General Counsel Guinasso gave an overview of the submitted materials.

Trustee Callicrate said that he spoke with Washoe County Commissioner Marsha Berkbigler today because he has heard this activity had taken place and said that there is a lot of concern in the community as any sale of public lands has to be put out to auction and these three parcels were not. The Washoe County Commission met in private yesterday and they are very concerned with how this took place. There is a letter forthcoming in the next five to seven days from the District Attorney. Because these three properties were sold by an unelected official, they are very concerned and are sending a letter to our District. Luckily, all of this has stopped and perhaps someone was misled to inadvertently break the law and he doesn't want to see our Staff be implicated however Washoe County is very angry and they are going to pursue this and he just heard that from Washoe County Commissioner Berkbigler. He too is concerned about how public property is being dispensed as we should be compliant so he is really

concerned about someone inadvertently doing something. District General Counsel Guinasso thanked Trustee Callicrate for the information and that we look forward to receiving the letter. The points and authority that has been cited doesn't apply to general improvement districts rather it applies specifically to counties and so if there are others he would be interested in looking at them. These properties were actually a matter of common knowledge particularly for Trustees Wong and Callicrate as there is an e-mailed dated October 2017 in which Trustee Wong asked questions, when she was a candidate, and Trustee Callicrate was copied on that e-mail as well as others so that all could be provided with answers. It wasn't about the acquisition but the sale of the property and nothing has been a secret as they come up in the Comprehensive Annual Financial Report and they have been a part of the Board budget discussion. After the conclusion of the sale, in 2015, which was his firm's first year, Staff had a conversation with District General Counsel about these sales and we determined to put a moratorium until such time as a policy could be drafted for receiving offers, etc. Staff and District General Counsel have agreed to include that as an effort in the form of the IVGID code. It is important to note that at the end of 2015, Staff was to present no further sales. There is an important reason for that because the question remains as to how do we know what individuals are interested and how do we come up with the sale price as well as the process to consummate a sale. The goal to recover lost fees is an important objective and making them productive going forward. However the real question is how do we go about making known that these properties are available and who gets to purchase them. The policy has to happen with the Board and we can't go forward without having that discussion. Staff has asked for a policy and the reason we don't have one is because we have had a bunch of other issues going on and we just haven't gotten there. If the Board wants to expedite this, you have the discretion and you can offer that direction at a later date. The emphasis is that the transactions in the past are supported by the Nevada Revised Statutes and the authority that this Board has given to your Staff. There is definitely a need for a policy but that there hasn't been any sales since 2015 which speaks volumes to the intent of your Staff and should mitigate any concerns for those who review.

Chairwoman Wong said that she does remember having that conversation during the election and she remembers that conversation being consistent in that Staff needs Board direction. If

the conversation in 2014 was that there was not going to be any more parcel sales then she wants to understand how the sale occurred in 2015 and noted that she was not on the Board during the original conversation. She wants everyone to understand that at the start, as we get into codification, that if we are going to sell them, we want them to stay in our community being Incline Village and Crystal Bay and that we have to start there. She does want to understand what happened in 2014 and 2015. District General Manager Pinkerton said that we had these potential assets which evolved in 2015 and that is when we got new legal counsel. District General Counsel Guinasso said that he started in January and that there were two parcels sold before they were involved and the third parcel came in October 2015 so he looked at what had happened and he said go ahead and consummate that parcel consistent with the other two parcels and then no more until a policy is put before the Board. Trustee Horan said he became aware in 2016 and knew that it wasn't going to happen again until the policy came before the Board. District General Counsel Guinasso said that his only regret is not having a policy sooner; this is not a new issue. District General Manager Pinkerton said we did have Board Policy 16.1.1 for unbuildables and that it needs expansion. District General Counsel Guinasso said it is true that it is about getting them back on the Recreation Roll. Chairwoman Wong said so this is on our list of things to do. District General Counsel Guinasso said when/if we get a letter we will be sure to circulate it and provide an appropriate response. Trustee Morris said that Staff operated within the policies that we had and regulations from the State, they acted in good faith with those but that there is concern and he understands that. Is there any action needed by this Board to put in a moratorium. District General Counsel Guinasso said that the Board can't take that action tonight and that the recommendation is to do it as a policy within the IVGID Code as it is the right place to put it but right now there is no sense of urgency because these properties aren't being sold until a policy is in place and the policy is in the draft process.

K. BOARD OF TRUSTEES UPDATE (NO DISCUSSION OR ACTION) ON ANY MATTER REGARDING THE DISTRICT AND/OR COMMUNITIES OF CRYSTAL BAY AND INCLINE VILLAGE, NEVADA*

Trustee Dent noted that Trustee Horan's slate was in the September 2017 IVGID Quarterly. [**Post Meeting Notation:** Staff has confirmed that this was a mistake on the front page and that the back Trustee page was correct.]

L. CORRESPONDENCE RECEIVED BY THE DISTRICT*

District Clerk Herron said that correspondence had been received from Aaron Katz and that it has been distributed.

M. PUBLIC COMMENTS* - Conducted in accordance with Nevada Revised Statutes Chapter 241.020 and limited to a maximum of three (3) minutes in duration; see Public Comment Advisory Statement above.

Margaret Martini said it was a very enlightening meeting and that prioritization took on a new meaning tonight. There was much discussion about costs and cost overruns and while it was a big discussion there were some members who have been driven hard by our District General Manager to transfer a quick \$1.6 million for a Parasol purchase. There is talk about no money and then poof, in a blink of an eye, there is a vote to transfer \$1.6 million. Why don't we have that money as it is a significant amount of money. The culvert was an issue at that point but the priorities seem to say I want it, I want it and that this is just an example. She knows that the Parasol matter is tabled but that it is an example of how this District works to figure out how to get it. Oh, let's do our smoke and mirrors and poof the money appears. Where is the money for the culvert? You have spent over \$100,000 on woo woo physiological profiles on the Board getting along with each other which is money that could have been applied to this project. You are also spending lots of money on our legal counsel and it is far more than any other general improvement district in this State. All of this money adds up quickly so what are we getting for the money; get your priorities in order and do a forensic audit.

Steve Dolan said that he would love to see public comment after each issue. He has been involved in property sales since 1987 and he knows that there was nothing for sale in 1987 for \$14,000. Staff acted in good faith for \$14,000 but that it was an error as auction is the typical way to do it and that is advertised. He would have loved to have had this property. As far as the golf course, you guys are all set there because we want to budget now so we can get paid now. Saying paying now but not paying attention to pay me later. This is deja vu from our past when we lost clientele. Diamond Peak, in times of drought, has lowered their prices and showed profit and increased usage. It was \$35 when the rest of the basin was over \$100 and it did two things – kept us above water and showed them the mountain.

N. REVIEW WITH BOARD OF TRUSTEES, BY THE DISTRICT GENERAL MANAGER, THE LONG RANGE CALENDAR (for possible action)

Dedicate the January 10, 2018 meeting to the Board's Work Plan and the District's Strategic Plan. Trustee Morris noted that April 11 may present a bit of a challenge.

O. ADJOURNMENT (for possible action)

The meeting was adjourned at 10:45 p.m.

Respectfully submitted,

Susan A. Herron
District Clerk

Attachments*:

**In accordance with NRS 241.035.1(d), the following attachments are included but have neither been fact checked or verified by the District and are solely the thoughts, opinions, statements, etc. of the author as identified below.*

Submitted by Margaret Martini (2 pages): 12-13-17 IVGID Board of Trustees Meeting Public Comment By: Margaret Martini – to be included with the Minutes of the Meeting

Submitted by Scott Hill (1 page)

Submitted by Aaron Katz (11 pages): Written Statement to be included in the written minutes of this December 13, 2017 regular IVGID Board Meeting – Agenda Item I(1) – Approval of minutes of the IVGID Board's Regular Meeting of August 22, 2017

Submitted by Aaron Katz (34 pages): Written Statement to be included in the written minutes of this December 13, 2017 regular IVGID Board Meeting – Agenda Item I(2) – Approval of minutes of the IVGID Board's Regular Meeting of September 13, 2017

Submitted by Aaron Katz (10 pages): Written Statement to be included in the written minutes of this December 13, 2017 regular IVGID Board Meeting – Agenda Item I(3) – Approval of minutes of the IVGID Board's Regular Meeting of September 26, 2017

Submitted by Aaron Katz (5 pages): Written Statement to be included in the written minutes of this December 13, 2017 regular IVGID Board Meeting – Agenda Item C – Public Comment – When is the Board going to compel Staff to comply with the NRS 241.035 requirement that the minutes of Board meetings be approved no later than 45 days after the meetings?

Submitted by Aaron Katz (5 pages): Written Statement to be included in the written minutes of this December 13, 2017 regular IVGID Board Meeting – Agenda Item C – Public Comment – Proposed modification to the ground lease between IVGID and the Parasol Tahoe Community Foundation (“Parasol”) – When is the Board going to compel Staff to public all relevant documents and commentary on this issue rather than the skewed, censored documents and commentary of the IVGID web site?

Submitted by Aaron Katz (11 pages): Written Statement to be included in the written minutes of this December 13, 2017 regular IVGID Board Meeting – Agenda Item C – Public Comment – Another parcel with multiple dwelling units which pays a single Recreation (“The RFF”) and Beach (“The BFF”) facility fee. When is Staff going to do its job?

12-13-17 IVGID Board of Trustees Meeting Public Comment

By: Margaret Martini – to be included with the Minutes of the Meeting

When it comes to fraud, waste, abuse and incompetence our local government is the example rather than the exception. Tonight's agenda begins with massive cost overruns on rehabilitating a small portion of the Diamond Peak Culvert, budgeting an additional million and a half dollars more - a 53% INCREASE -to complete another section of the culvert and makes no mention of the millions more we will need to complete the 2300 linear feet the District has chosen to ignore and will have to address in future years. Remember, this culvert was built in the 60s, and signs of distress were apparent in 2010 and nothing was done until emergency repairs were demanded. The District continues to run our infrastructure to failure endangering the health and safety of our community and threatening our future with more unfunded liabilities. This is unacceptable and irresponsible management. So, I hold Trustees Wong, Horan and Morris accountable for failing to exercise any oversight of our General Manager and rewarding his incompetence by praising his performance and giving him a raise. And giving him an open checkbook which brings me to the next item.

Irrespective of the merits of a private donor wishing to contribute significant funds to improve the Incline Park Ball Fields –General Manager Pinkerton initiated an unauthorized \$41,000 expenditure for consulting services. This was not in the budget. And he is now asking the Board for \$58,000 more. That is almost \$100,000 we are spending for a project this Board has never discussed, reviewed or approved. We as citizens have absolutely no idea of the hundreds of thousands of dollars our GM spends annually on changing the scope of capital projects, transferring funds from one capital project to another, increasing existing contracts with consultants or hiring new ones. All explained away under an often quoted Board policy that has been broadly interpreted to permit the GM to spend under \$50k –that is \$50k an unlimited amount of times annually - on apparently almost anything without seeking Board approval. I have never seen an accounting of the General Manager's "discretionary" spending – have you?

Then we have Director of Finance Eick's contribution to our District's distress. We have before us a Certified Audited Financial Report that probably has as many errors and violations of Board Policies and Nevada Statutes as it has pages. As the District has no checks and balances to ensure accurate financial accounting and

reporting and has chosen to retain an independent auditor for a limited scope audit that relies upon Management's representations for the District's compliance with Generally Accepted Accounting Principles and Nevada Laws –you are being asked to rubber stamp a flawed and unreliable Report.

This alone should require Eick's dismissal. But his unauthorized sale of our public land to private individuals – is theft of our property. This is a criminal offense. Our Board and Legal Counsel must report this to the proper law enforcement authorities.

SH - address

Home here for over 12 years, permanent for 3 years, visiting for 25 years
Monica and I have season passes at DP, annual memberships at the golf Course and Rec center, and use the beaches and Aspen Grove frequently

VP of IVGC – one of the several golf clubs that use the Chateau and Golf facilities; our membership includes close to 200 Incline men and women voters

2 areas of comment – 1st Chateau

IVGC works closely with Kathy and her staff

- 6 dinner banquets, almost 20 luncheons, 15 beach or Aspen Grove events
- + so many other personal events, parties and lunches that our Members host

We congratulate and thank Kathy

- her staff is easy to work with, friendly and service oriented, and Bill does a great job with food at a fair price point

mine

2nd – Golf facilities

As you know resident play makes up the significant majority of all course play, and club play makes up a huge percentage of resident play

The main objective of the Course seems to be to make our public course experience as close to a semi-private course experience as possible. ***This is a VERY appropriate goal, especially if the objective is to maintain the current high fees and an acceptable number of annual golf rounds.***

I first want to compliment Mike and his staff in doing a truly exceptional job in creating a culture of professional, neighborly and friendly customer service. ***This is a really exceptional culture of customer service!!***

- and the one-of-a-kind winter last year also tested the grounds crew and they did an amazing job getting the course open and acceptable!

However, what the course ***then*** needed ***was significant additional maintenance work (possibly even some capital expenditures)***

- It did not get it, and the playing experience for residents – and especially for visitors paying the full rates – was not worth the fees. Our course reputation took a hit.

My point is simply that there are a lot of golf options, and that without significant add'l maintenance cost outlays **this coming year** you will lose resident and visitor play. Without this investment, the Course will either be forced to reduce golf fees, or will not achieve an acceptable number of rounds per year . . . one or the other will have to give

Just as I am sure that DP had an outstanding year last year, the Golf Course probably did not. So, when assessing costs for next year, I strongly encourage you to take a longer-term perspective on the costs that are needed to maintain and enhance our current course reputation.

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS
DECEMBER 13, 2017 REGULAR IVGID BOARD MEETING – AGENDA ITEM
I(1) – APPROVAL OF MINUTES OF THE IVGID BOARD'S REGULAR
MEETING OF AUGUST 22, 2017**

Introduction: Here the IVGID Board is presented with proposed minutes of its August 22, 2017 meeting to approve¹. NRS 241.035(1)² instructs that "within 45 days after the meeting or at the next meeting of the public body, whichever occurs later...a public body *shall* approve the minutes of (that) meeting (which shall)...includ(e): (a) the date, time and place of the meeting; (b) those members of the public body who were present, whether in person or by means of electronic communication, and those who were absent; (c) the substance of all matters proposed, discussed or decided and, at the request of any member, a record of each member's vote on any matter decided by vote; (d) *the substance of remarks made by any member of the general public who addresses the public body if the member of the general public requests that the minutes reflect those remarks or, if the member of the general public has prepared written remarks, a copy of the prepared remarks if the member of the general public submits a copy for inclusion*; (and, e) any other information which any member of the public body requests to be included or reflected in the minutes."

Given the proposed minutes fail to include prepared written remarks submitted by Darryl Dworkin, Jack Hubbard, Margaret Martini, Clifford Dobler, Iljosa Dobler, Linda Newman and Bill Ferrall, all members of the general public who addressed the IVGID Board in person on August 22, 2017 and asked that their proffered written remarks be included in the minutes of that meeting³, Judith Miller and Frank Wright who asked that Aaron Katz's proffered written remarks be included in the minutes of that meeting, and Aaron Katz, a member of the general public who addressed the IVGID Board in writing making the same request, I object. And that's the purpose of this written statement.

NRS 241.035(1) Makes Clear Members of the General Public May "Address" a Public Body Either Orally or by Means of Prepared Written Remarks:

Public Comment Cannot be Denied Based Upon its Content or Author: Yet here that's exactly what Chairperson Wong and attorney Guinasso have done.

The Public's Right to Address Public Bodies is a Fundamental Right to be Construed *Liberally*: Yet here Chairperson Wong and attorney Guinasso went out of their way to construe this right narrowly against the public's right to address the IVGID Board. In other words, according to them, the

¹ See pages 209-243 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular December 13, 2017 meeting ["the 12/13/2017 Board packet" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_12-13-17.pdf)].

² Go to <https://www.leg.state.nv.us/NRS/NRS-241.html#NRS241Sec035>.

³ See page 243 of the 12/13/2017 Board packet.

only members of the general public who have standing to "address" the Board at a public meeting are those who physically appear at that meeting expressly for that purpose. According to Chairperson Wong:

Mr. Katz *"has to be here* to make his own statement for it to be entered into the written record...*he needs to be here* to make his own public comment.

There is Nothing in NRS 241.035(1) Which Precludes a Member of the General Public From "Addressing" the Board at a Public Meeting Via His/Her Prepared Written Remarks in Lieu of His/Her Oral Testimony, Whether/Not He/She is Physically Present: The option sits with the member of the general public. And given the public policy concerns at issue, any doubt should be resolved in favor of permitting those written remarks to be included.

Since NRS 241.035(1) Allows Members of a Public Body to Address Their Fellow Members at a Public Meeting Notwithstanding They Are Not Physically Present, Members of the Public Have the Same Right: Take a look at NRS 241.035(b): minutes of public bodies must reflect those members who are present, "whether in person or by means of electronic communication." Thus if it is appropriate for members of a public body to address the Board as a whole at a public hearing notwithstanding they are *not* physically present, then why can't members of the general public be allowed to do the very same thing?

Moreover in the Past the IVGID Board Has Routinely Allowed Members of the Board to Address the Board as a Whole at a Public Meeting Notwithstanding They Are Not Physically Present: By way of example, take a look at the written minutes of the Board's June 12, 2017 meeting⁴. At page 469 the Board will see where Trustee Callicrate was allowed to appear by means of telephone. Throughout the minutes of that meeting the Board will see where Trustee Callicrate was permitted to "address" the Board; especially when voting. And unlike in the current situation, his comments were included in the written record.

So what is the justification for not extending the same right to "address" the Board as a whole to members of the general public notwithstanding they are not physically present?

Moreover, in the Past the IVGID Board Has Routinely Allowed Members of the Public to Address the Board as a Whole by Means of Prepared Written Statements Notwithstanding They Are Not Physically Present at Public Meetings: That is the very reason why the IVGID Board's agendas include a section (for this December 13, 2017 meeting refer to ¶¶L) for "Correspondence Received by the District*." Therefore if it is acceptable for a member of the public to submit written remarks to the Board without being physically present at a Board meeting, without asking they be made a part of the minutes of that meeting, what is the justification for not allowing a member of the public to correspond via prepared written statements they wish be included in the minutes of a Board meeting?

⁴ Go to <https://www.yourtahoeplace.com/uploads/pdf-ivgid/0822-small.pdf>.

Notwithstanding Any of the Above, There is Nothing in NRS 241.035(1) Which Mandates That the Prepared Written Remarks a Member of the General Public Submits for Inclusion in the Minutes of a Public Meeting Must be His/Her Own Prepared Written Remarks: Yet this is precisely what Judith Miller and Frank Wright were prevented by Ms. Wong from submitting. According to Chairperson Wong, those remarks "will not be entered into the written record...(Ms. Herron,) don't enter those (written remarks) into the written record."

Notwithstanding, the Board regularly allows those addressing Board meetings to submit written remarks for inclusion in the written minutes of those meetings *authored by persons other than themselves*. Let me provide some examples.

On June 28, 2017 resident Paul Smith presented public comment at a Board meeting. Part of his comment consisted of written remarks he asked be included in the minutes of that meeting⁵. Those remarks make reference to a June 16, 2017 article in the Wall Street Journal titled "A Town's Creative Accounting Leads to Fraud Conviction."⁶ And at pages 715-716 of the 8/22/2017 Board packet the Board will see that the referenced article *was actually attached to the minutes of that meeting*. In other words, Mr. Smith was allowed to submit written remarks authored by someone other than himself, and to have them included in the written minutes of the Board's June 28, 2017 meeting.

On July 20, 2017 resident Linda Newman presented public comment at a Board meeting. Part of her comment consisted of written remarks she asked be included in the minutes of that meeting⁷. Those remarks made reference to a June 29, 2017 Nevada Supreme Court Opinion⁸. And at pages 196-200 of the 9/13/2017 Board packet the Board will see that the referenced Opinion *was actually*

⁵ See page 687 of the packet of materials prepared by staff in anticipation of the Board's August 22, 2017 meeting ["the 8/22/2017 Board packet" (<https://www.yourtahoepplace.com/uploads/pdf-ivgid/0822-small.pdf>)]. There the proposed minutes recite that "Paul Smith read from a prepared statement which is attached hereto."

⁶ That statement appears at page 709 of the 8/22/2017 Board packet and it references "a reprint of an article that was in the June 16 edition of the WSJ titled "A Town's Creative Accounting Leads to a Fraud Conviction"...Time permitting (Mr. Smith stated he would)...read excerpts from this article to alert our residents that when IVGID raises money in the public market place; correct accounting matters." The article was authored by someone other than Mr. Smith.

⁷ See page 129 of the packet of materials prepared by staff in anticipation of the Board's September 13, 2017 meeting ["the 9/13/2017 Board packet" (https://www.yourtahoepplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_9-13-17.pdf)]. There the proposed minutes recite that "Linda Newman read from a prepared statement which is attached hereto."

⁸ That statement appears at pages 194-195 of the 9/13/2017 Board packet and it references a Nevada Supreme Court Opinion in a case titled *The Commission on Ethics of the State of Nevada v. Ira Hanson*. The Opinion was authored by Justice Hardesty rather than Ms. Newman.

attached to the minutes of that meeting. In other words, Ms. Newman was allowed to submit written remarks authored by someone other than herself, and to have them included in the written minutes of the Board's July 20, 2017 meeting.

On August 2, 2017 resident Judith Miller presented public comment at a Board meeting. Part of her comment consisted of written remarks she asked be included in the minutes of that meeting⁹. Those remarks made reference to a July 20, 2017 Incline Village/Crystal Bay News article¹⁰. And at pages 73-74 of the 9/26/2017 Board packet the Board will see that the referenced news article *was actually attached to the minutes of that meeting.* In other words again, Ms. Miller was allowed to submit written remarks authored by someone other than herself, and to have them included in the written minutes of the Board's August 2, 2017 meeting.

So for Chairperson Wong to have allowed these residents to address the Board at public meetings and to submit written remarks *authored by persons other than themselves* for inclusion in the minutes of those meetings, and *not* allowed Judith Miller and Frank Wright to submit the subject written remarks for inclusion in the minutes of the Board's August 22, 2017 meeting, amounts to nothing short of censorship based upon the author of those remarks.

On November 12, 2017 the Board Was Given Notice of the Deficiencies in the Subject Proposed Minutes and the Opportunity to Correct Them: I have attached a copy of my e-mail of even date as Exhibit "A" to this written statement¹¹, which gave the Board such notice.

On December 10, 2017 the Board Was Again Given Advance Notice of the Deficiencies in the Subject Proposed Minutes and the Opportunity to Correct Them: I have attached a copy of my e-mail of even date as Exhibit "B" to this written statement, which gave the Board such notice.

⁹ See page 63 of the packet of materials prepared by staff in anticipation of the Board's September 26, 2017 meeting ["the 9/26/2017 Board packet" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_9-26-17.pdf)]. There the minutes recite "Submitted by Judith Miller (2 pages): Incline Village/Crystal Bay News*, Volume 1, Issue 1 Sunday, July 30, 2017."

¹⁰ That article appears at pages 73-74 of the 9/26/2017 Board packet and it was authored by someone other than Ms. Miller.

¹¹ As further evidence Chairperson Wong's and staff's intent is to censor communications to the Board which are shared with the public by not including them in Board packets under "Correspondence Received by the District," I direct the Board's attention to the last sentence of my e-mail attached as Exhibit "A" to this written statement: "***so we're clear Susan, please include a copy of this e-mail in the next Board packet.***" The next Board packet was the 12/13/2017 Board packet, and "Correspondence Received by the District" appears at pages 438-440. A review of these pages discloses that my November 12, 2017 e-mail has been omitted, while correspondence from other members of the public has been included. ***If my correspondence has been censored, what other correspondence has been censored?***

At the Board's August 22, 2017 meeting during Frank Wright's public comment he warned Chairperson Wong that If she sanitized the formal written minutes of that meeting by omitting the subject written statement, there would be an Open Meeting Law ("OML") complaint. Therefore if the Board disregards its obligations and an OML complaint ensues, it will have no one to blame but itself.

Conclusion: The fix is easy. Add *all* written remarks to the proposed minutes before they are approved by the Board, including my August 22, 2017 written remarks. Because this of course will embarrass IVGID staff because my remarks unfavorably discuss an agenda item for that meeting, Chairperson Wong and staff want to do anything in their power to censor criticism. But sometimes you must bite your lower lip to do the right thing, even though it hurts, and this is such a case. I ask the Board do the right thing and attach the missing written statements to the formal minutes of its August 22, 2017 meeting before they are formally adopted.

Because the money to defend another OML complaint is going to come from our recreational facility fee ("RFF") because *ad valorem* and consolidated taxes are spent on employee salaries and benefits, is it any **Wonder Why the RFF is as High as it is?**

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

EXHIBIT "A"

Objections to Agenda Item H(1) for the IVGID Board's November 15, 2017 Meeting

From: "s4s@ix.netcom.com" <s4s@ix.netcom.com>
To: Wong Kendra Trustee
Cc: Callicrate Tim Trustee <callicrate_trustee@ivgid.org>, Horan Phil <horan_trustee@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, Morris Peter <morris_trustee@ivgid.org>, Herron Susan <Susan_Herron@ivgid.org>
Subject: Objections to Agenda Item H(1) for the IVGID Board's November 15, 2017 Meeting
Date: Nov 12, 2017 9:43 AM

Dear Chairperson Wong and the Other Honorable Members of the IVGID Board:

I object to the form of proposed written minutes submitted by staff for approval by the IVGID Board [see pages 765-800 of the Board packet of materials prepared by staff in anticipation of this meeting {"the 11/15/2017 Board packet" (https://www.yourtahoepalce.com/uploads/pdf-ivgid/BOT_Packet_Regular_11-15-17_.pdf)}].

As your attorney should instruct each of you, NRS 241.035(1)(d) declares, in part, that "a public body shall approve the minutes of a meeting (which shall)...includ(e)...the substance of remarks made by any member of the general public who addresses the public body if the member of the general public requests that the minutes reflect those remarks or, if the member of the general public has prepared written remarks, a copy of the prepared remarks if the member of the general public submits a copy for inclusion."

The proposed minutes fail to reflect at least four different sets of prepared written remarks submitted by members of the general public who requested those remarks be included in the minutes of that meeting.

The first set of missing prepared written remarks consist of those expressly acknowledged that were submitted by Darryl Dworkin, Jack Hubbard, Margaret Martini, Clifford Dobler, Iljosa Dobler, Linda Newman and Bill Ferrall (see pages 799-800 of the 11/15/2017 Board packet). None is attached to the proposed written minutes.

The second set of missing prepared written remarks consist of those submitted by Judith Miller which were rejected by Chairperson Wong (see page 766 of the 11/15/2017 Board packet). Given that written statement ABSENT the several exhibits which were attached already appears in the September 13, 2015 Board packet (go to https://www.yourtahoepalce.com/uploads/pdf-ivgid/BOT_Packet_Regular_9-13-17.pdf) at pages 233-243, what is gained/accomplished by refusing to attach them to the formal written minutes of the Board's August 22, 2017 meeting, complete with all exhibits submitted, as requested?

Putting that question aside, there is nothing in NRS 241.035(1) which states that the prepared remarks submitted by a member of the general public who addresses a public body (arguably in person) must be his/her remarks. I have evidence of numerous occasions in the past where members of the general public have submitted written remarks at public meetings authored by persons other than themselves. And yet in all circumstances, those written remarks have been attached to the written minutes of those meetings. But here Chairperson Wong and Guinasso propose otherwise. And why? Because of the views expressed, and the speaker. These are both improper reasons for rejecting legitimate public comment.

The third set of missing prepared written remarks consist of those submitted by Frank Wright which were rejected by Chairperson Wong (see page 767 of the 11/15/2017 Board packet). Again, there is nothing in NRS 241.035(1) which declares that the prepared remarks submitted by a member of the general public who addresses a public body (arguably in person) must be his/her remarks.

The fourth set of missing prepared written remarks consist of the same remarks submitted by myself which were rejected by Chairperson Wong. There is nothing in NRS 241.035(1) which states that the only way a member of the general public can legitimately address a public body is in person. The purpose for public comment is frustrated where a public body mandates that members of the public be physically present before they are entitled to submit their public comment. Yet here, this is what Chairperson Wong is requiring.

Moreover, the Board routinely allows fellow Board members to address the Board as a whole at public meetings when they are NOT physically present. Is the Board saying it's all right for Board members to address the Board as a whole when they are not physically present, yet it's not all right for members of the general public to do the same thing?

So let's make it simple. Correct the proposed minutes in all respects prior to approving them, or I will file an Open Meeting Law ("OML") complaint. And I ask that at least one Board member make the formal request that all missing written statements

EXHIBIT "B"

Re: Objections to Agenda Item I(1) for the IVGID Board's December 13, 2017 Meeting

From: "s4s@ix.netcom.com" <s4s@ix.netcom.com>
To: Wong Kendra Trustee
Cc: Callicrate Tim Trustee <callicrate_trustee@ivgid.org>, Horan Phil <horan_trustee@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, Morris Peter <morris_trustee@ivgid.org>, Herron Susan <Susan_Herron@ivgid.org>
Subject: Re: Objections to Agenda Item I(1) for the IVGID Board's December 13, 2017 Meeting
Date: Dec 10, 2017 10:15 PM

Dear Chairperson Wong and the Other Honorable Members of the IVGID Board:

I object to the form of proposed written minutes submitted by staff for approval by the IVGID Board [see pages 209-246 of the Board packet of materials prepared by staff in anticipation of this meeting ("the 12/13/2017 Board packet" (https://www.yourtahoepace.com/uploads/pdf-ivgid/BOT_Packet_Regular_12-13-17.pdf))].

As your attorney should instruct each of you, NRS 241.035(1)(d) declares, in part, that "a public body shall approve the minutes of a meeting (which shall)...includ(e)...the substance of remarks made by any member of the general public who addresses the public body if the member of the general public requests that the minutes reflect those remarks or, if the member of the general public has prepared written remarks, a copy of the prepared remarks if the member of the general public submits a copy for inclusion."

The proposed minutes fail to reflect at least four different sets of prepared written remarks submitted by members of the general public who requested those remarks be included in the minutes of that meeting.

The first set of missing prepared written remarks consist of those expressly acknowledged that were submitted by Darryl Dworkin, Jack Hubbard, Margaret Martini, Clifford Dobler, Iljosa Dobler, Linda Newman and Bill Ferrall (see page 243 of the 12/13/2017 Board packet). None is attached to the proposed written minutes.

The second set of missing prepared written remarks consist of those submitted by Judith Miller which were rejected by Chairperson Wong (see page 766 of the 11/15/2017 Board packet and pages 210-211 of the 12/13/2017 Board packet). Given that written statement ABSENT the several exhibits which were attached already appears in the September 13, 2015 Board packet (go to https://www.yourtahoepace.com/uploads/pdf-ivgid/BOT_Packet_Regular_9-13-17.pdf) at pages 233-243, what is gained/accomplished by refusing to attach them to the formal written minutes of the Board's August 22, 2017 meeting, complete with all exhibits submitted, as requested?

Putting that question aside, there is nothing in NRS 241.035(1) which states that the prepared remarks submitted by a member of the general public who addresses a public body (arguably in person) must be his/her remarks. I have evidence of numerous occasions in the past where members of the general public have submitted written remarks at public meetings authored by persons other than themselves. And yet in all circumstances, those written remarks have been attached to the written minutes of those meetings. But here Chairperson Wong and Guinasso propose otherwise. And why? Because of the views expressed, and the speaker. These are both improper reasons for rejecting legitimate public comment.

The third set of missing prepared written remarks consist of those submitted by Frank Wright which were rejected by Chairperson Wong (see page 767 of the 11/15/2017 Board packet and page 211 of the 12/13/2017 Board packet). Again, there is nothing in NRS 241.035(1) which declares that the prepared remarks submitted by a member of the general public who addresses a public body (arguably in person) must be his/her remarks.

The fourth set of missing prepared written remarks consist of the same remarks submitted by myself which were rejected by Chairperson Wong. There is nothing in NRS 241.035(1) which states that the only way a member of the general public can legitimately address a public body is in person. The purpose for public comment is frustrated where a public body mandates that members of the public be physically present before they are entitled to submit their public comment. Yet here, this is what Chairperson Wong is requiring.

Moreover, the Board routinely allows fellow Board members to address the Board as a whole at public meetings when they are NOT physically present. Is the Board saying it's all right for Board members to address the Board as a whole when they are not physically present, yet it's not all right for members of the general public to do the same thing?

So let's make it simple. Correct the proposed minutes in all respects prior to approving them, or I will file an Open Meeting Law ("OML") complaint. And I ask that at least one Board member make the formal request that all missing

12/10/2017

Re: Objections to Agenda Item I(1) for the IVGID Board's December 13, 2017 Meeting

written statements including mine be attached as requested. Why put the public to the added expense and inconvenience of responding to yet another OML complaint when so simple a fix exists?

And so we're clear Susan, please include a copy of this e-mail in the next Board packet.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS
DECEMBER 13, 2017 REGULAR IVGID BOARD MEETING – AGENDA ITEM
I(2) – APPROVAL OF MINUTES OF THE IVGID BOARD'S REGULAR
MEETING OF SEPTEMBER 13, 2017**

Introduction: Here the IVGID Board is presented with proposed minutes of its September 13, 2017 meeting to approve¹. NRS 241.035(1)² instructs that "within 45 days after the meeting or at the next meeting of the public body, whichever occurs later...a public body *shall* approve the minutes of (that) meeting (which shall)...includ(e): (a) the date, time and place of the meeting; (b) those members of the public body who were present, whether in person or by means of electronic communication, and those who were absent; (c) the substance of all matters proposed, discussed or decided and, at the request of any member, a record of each member's vote on any matter decided by vote; (d) *the substance of (written) remarks made by any member of the general public who addresses the public body if (he/she)...submits a copy for inclusion*; (and, e) any other information which any member of the public body requests to be included or reflected in the minutes."

Given the proposed minutes fail to include prepared written remarks jointly drafted by Frank Wright and Aaron Katz, and physically submitted by Frank Wright when he addressed the IVGID Board, in person, on September 13, 2017, and asked that those written remarks be included in the minutes of that meeting³, I object. And that's the purpose of this written statement.

Facts: At the IVGID Board's September 13, 2017 meeting, Frank Wright prefaced his public comments by handing out a two page written statement to each Board member. This statement addressed GM Pinkerton's proposed new compensation.

Thereafter Mr. Wright began his three minutes of allotted oral public comment. That comment, in part, referenced an *additional* written statement jointly prepared by he and I pertaining to the proposed Parasol building purchase³. Although the proposed minutes of the September 13, 2017 meeting include the two page written statement handed out by Mr. Wright⁴, they omit the joint written statement prepared by Mr. Wright and me. Hence the Open Meeting Law ("OML") violation.

¹ See pages 244-292 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular December 13, 2017 meeting ["the 12/13/2017 Board packet" (https://www.yourtahoepalace.com/uploads/pdf-ivgid/BOT_Packet_Regular_12-13-17.pdf)].

² Go to <https://www.leg.state.nv.us/NRS/NRS-241.html#NRS241Sec035>.

³ See 06:24-09:33 of the livestream of that meeting at <https://livestream.com/IVGID/events/7720044/videos/162784045>.

⁴ See pages 269-270 of the 12/13/2017 Board packet.

The Written Remarks Frank Wright Submitted to Susan Herron When He Asked be Included in the Minutes of the Board's September 13, 2017 Meeting: are attached as Exhibit "A" to this written statement.

Given NRS 241.035(1) Makes Clear Members of the General Public May "Address" a Public Body Either Orally or by Means of Prepared Written Remarks, I ask the omitted written remarks be attached to the proposed minutes for a second reason. There is nothing in the NRS which declares a member of the general public can only "address" a public body in person. This subject is discussed in my companion written statement objecting to approval of the proposed minutes of the Board's August 22, 2017 meeting, and it is incorporated by reference as though set forth more fully herein.

Moreover, There is Nothing in NRS 241.035(1) Which Mandates That the Prepared Written Remarks a Member of the General Public Submits for Inclusion in the Minutes of That Meeting Must be His/Her Own Prepared Written Remarks: Yet notwithstanding, the written statement Frank Wright gave to Susan Herron for inclusion in the minutes of the September 13, 2017 meeting were in part, his and in part my written remarks. To the extent those written remarks were mine rather than Mr. Wright's, I incorporate my discussion on this topic in my companion written statement, and I ask it be incorporated by reference as though set forth more fully herein.

For These Reasons I Formally Request That the Board *NOT* Approve the Proposed Written Minutes Until the Omitted Written Remarks Reference Above are Attached to Those Minutes:

Public Comment Cannot be Denied Based Upon its Content or Author: Yet here that's exactly what Chairperson Wong and attorney Guinasso have done...yet *again*.

The Public's Right to Address Public Bodies is a Fundamental Right to be Construed *Liberally*:

On December 10, 2017 the Board Was Given Advance Notice of the Deficiencies to its Proposed Minutes, and the Opportunity to Correct Them: I have attached a copy of my e-mail of even date as Exhibit "B" to this written statement⁵, which gave such notice.

⁵ As further evidence Chairperson Wong's and staff's intent is to censor communications to the Board which are shared with the public by not attaching them to the minutes of meetings where they are presented for inclusion in those minutes, the Board's agenda regularly includes a section labeled "Correspondence Received by the District." One would have thought that the omitted written statement might be included in the next Board packet following the Board's September 13, 2017 meeting. But it wasn't. The Board's next packet of materials was the one prepared by staff in anticipation of the Board's regular September 26, 2017 meeting ["the 9/26/2017 Board packet" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_9-26-17.pdf)]. The "Correspondence Received by the District" section appears at pages 75-89. A review of those pages reveals that Frank Wright's and my joint September 13, 2017 written statement does not appear here either. In other words it has been censored altogether. ***If the subject correspondence has been censored, what other correspondence has been censored?***

If the Board disregards its obligations and an OML complaint ensues, it will have no one to blame but itself.

Conclusion: The fix is easy. Add *all* written remarks to the proposed minutes before they are approved by the Board, including Frank Wright's and my joint September 13, 2017 written remarks. Because this of course will embarrass IVGID staff because our written remarks directly discuss an agenda item for that meeting, Chairperson Wong and staff want to do anything in their power to censor criticism. But sometimes you must bite your lower lip to do the right thing, even though it hurts. I ask the Board to do the right thing.

The money to defend against another OML complaint is going to come from our recreational facility fee because *ad valorem* and consolidated taxes are spent on employee salaries and benefits. Therefore **You Wonder Why the Recreation Facility Fee is as High as it is?** I've now provided more answers.

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

EXHIBIT "A"

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR SEPTEMBER 13, 2017 MEETING –
AGENDA ITEM E(1) – PROPOSED MODIFICATION TO THE GROUND LEASE
BETWEEN IVGID AND THE PARASOL TAHOE COMMUNITY
FOUNDATION ("PARASOL")**

Introduction: Here, again, the IVGID Board's chairperson continues to shepherd this agenda item forward notwithstanding our community is overwhelmingly opposed. The purpose of this written statement is to summarize what we've learned in the hope the Board sees there is no reason to pay the Parasol *anything* for those improvements [the Donald W. Reynolds Non-Profit Center Building ("the building")] constructed upon IVGID's 2.36 acres of land.

This written statement represents a summary of facts disclosed in my prior April 13, 2017¹, May 10, 2017², June 12, 2017³ and July 20, 2017⁴ written statements submitted to the IVGID Board and attached to the written minutes of those meetings.

Underlying Facts: As Ms. Wong's April 4, 2017 memorandum⁵ admits,

1. The land underneath the building (2.36 acres) is owned by IVGID⁶;

2. Parasol currently has a \$1/year ground lease with IVGID⁷ ("the lease"). The lease commenced January 12, 2000, for an "initial term" of thirty (30) years, "with three (3) additional, twenty-three (23) year options to renew/extend,"⁸

¹ See pages 159-184 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular May 10, 2017 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-10-17.pdf ("the 5/10/2017 Board packet")].

² See pages 134-158 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular June 28, 2017 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_6-28-17.pdf ("the 6/28/2017 Board packet")].

³ See pages 494-512 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular August 22, 2017 meeting [<https://www.yourtahoeplace.com/uploads/pdf-ivgid/0822-small.pdf> ("the 8/22/2017 Board packet")].

⁴ See pages 156-183 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular September 13, 2017 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_9-13-17.pdf ("the 9/13/2017 Board packet")].

⁵ See pages 101-104 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular April 13, 2017 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_4-13-17.pdf ("the 4/13/2017 Board packet")].

⁶ See page 179 of the 5/10/2017 Board packet.

3. ¶IV(A) of the lease⁹ requires Parasol to "use the premises for the purposes of conducting thereon a Nonprofit Center, and related facilities, activities, seminars, workshops, lectures, and occasional fund raising events" and *no "other purpose or purposes, without the express prior written consent of" IVGID;*

4. The lease was amended approximately 2 years later on January 24, 2002¹⁰ ("the lease amendment"), and at ¶XXV(C)(3) thereof expanded the limitations on Parasol's use of the building as "more particularly set forth in its Business Plan - 2001 attached (t)hereto as Exhibit C...as said Business Plan may be amended from time to time in the future;"¹¹

5. Notwithstanding ¶XXV(C)(3) of the lease instructs that "any material modification to (Parasol's) purposes and the Business Plan, which would affect (its) actions under th(e) lease, (can) be made *only* with (IVGID's) consent," in 2009 Parasol modified its 2001 Business Plan¹² ("the 2009 Business Plan") *without IVGID's consent;*

6. ¶XIII(A)(3) of the lease instructs that Parasol's "failure to operate the facility to (IVGID's) satisfaction, including but not limited to...(b) a significant reduction in use from what is contemplated in Parasol's Long-term Business Plan;"

¶XIII(A)(6) of the lease instructs that "should (Parasol's) primary use of the property for a purpose or for purposes other than as intended hereunder, (which)...include(s) ancillary activities associated with the facility, such as rock bands, destructive behavior of patrons, parking lot abuses, or any other behavior deemed inappropriate by (IVGID's) Board of Trustees...persist(s)...after thirty (30) day's written notice to cease and desist;"

¶XIII(A)(6) of the lease instructs that "should (Parasol) vacate or abandon the leased property during the term of th(e) lease;"

¶XXV(D) of the lease amendment instructs that the "lease...terminate(s)...if the (use) requirements (there)under...are not met," or if (IVGID's) consent as required herein is not obtained;"

⁷ See pages 276-342 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular April 25, 2017 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Regular_Packet_4-25-17.pdf ("the 4/25/2017 Board packet")].

⁸ See sections II(A)-(B) at pages 277-278 of the 4/25/2017 Board packet.

⁹ See page 282 of the 4/25/2017 Board packet.

¹⁰ See pages 344-348 of the 4/25/2017 Board packet.

¹¹ That Business Plan appears at pages 323-342 of the 4/25/2017 Board packet.

¹² See pages 350-369 of the 4/25/2017 Board packet.

¶XIII(A) of the lease instructs that "the occurrence of *any* of the(se events)...shall constitute a default by" Parasol. IVGID's remedies appear at ¶¶XIII(A)(6) and XIII(B) of the lease. ¶XIII(A)(6) declares that "the property, *including all improvements thereon*, shall revert to IVGID's full use and ownership." ¶XIII(B) of the lease instructs that in the event of a default or breach, IVGID shall have the following rights "to be exercised separately, cumulatively and/or in combination...at its sole option:"

a) *To terminate all of the rights of Lessee in and to the leased property;*

b) *Without declaring the term of this Lease ended, to reenter the leased property and to occupy the same, or any portion thereof;*

c) *To relet the whole or any portion of the leased property, for and on account of itself or others; and/or*

d) *To require Parasol to remove the Nonprofit Center facility from the leased premises, and return said real estate to its former, natural state/condition; and,*

7. Because Parasol proposes a lease back "for the purpose of providing grants and other support to local charities and non-profit organizations,"¹³ according to Chairperson Wong, Parasol's proposed modifications to the lease will no longer meet the lease's use requirements.

In addition to Ms. Wong's April 4, 2017 admissions⁵, I note the following facts:

8. IVGID's 2.36 acres, which are the subject of the lease, were originally part of a larger 26.6 acre parcel purchased from Boise Cascade Home & Land Corporation ("Boise Cascade") on November 16, 1977 for \$1¼M¹⁴;

9. Although the subject 26.6 acres was initially purchased with (what may very well have been an impermissible) a loan from the IVGID's utility capital reserves (funded as a result of rates and charges paid by IVGID's water and sewer services customers), that loan was subsequently repaid with Recreation Facility Fee ("RFF") monies;

10. In addition to this \$1¼M cost, paragraph XIII(A)(10) of the lease¹⁵ reveals that IVGID paid 50% of the costs for an Environmental Impact Statement and TRPA Air and Water Quality Mitigation

¹³ See ¶V(A) at page 135 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular May 24, 2017 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-24-17.pdf ("the 5/24/2017 Board packet")].

¹⁴ See ¶1 of that September 26, 1977 "Purchase Agreement and Escrow Instructions" ("the purchase agreement") between IVGID and Boise Cascade (this portion of the purchase agreement can be viewed at page 165 of the 5/10/2017 Board packet).

on Parasol's behalf. Since IVGID staff have still *not* shared the full extent of these additional costs, for purposes of this written statement, I am going to assume an additional \$15,000;

11. Thus the public's pro-rata 1977 cost for Parasol's 2.36 acres was very likely close to \$125K of the RFF. And what have local property owners assessed the RFF received in consideration? \$1/year for the past 15 years, or a whopping \$15;

12. At the time of IVGID's purchase of the subject 26.6 acres, Covenants, Conditions and Restrictions¹⁶ ("the CC&Rs") were recorded against the property which protected the public by expressly restricting their use "***only for park and recreational and related purposes, and for no other purposes.***"¹⁷ In other words, since the RFF was used to purchase the subject 26.6 acres, their use had to be expressly *limited*¹⁸ to "park and recreational (availability)...purposes, and...no other purposes;"

13. Because ¶18(b) of the purchase agreement¹⁹ instructs that IVGID's purchase of the subject 26.6 acres is "contingent upon (IVGID) obtaining final court approval²⁰ of th(e purchase)...prior to the close of escrow,"¹⁹ or IVGID's "waive(r) in writing" of this contingency. I have made at least two public records request for examination of that court approval, identity of the case number for which that approval was sought, and/or evidence of any written waiver of this approval requirement by IVGID. Because IVGID's Public Records Officer ("PRO") has provided NOTHING in response, as far as I am concerned, ***IVGID's purchase of this land for the purpose represented was invalid from day one;***

14. There was another condition of sale which it turns out is very relevant to the subject issue, and that was: Mansel Ocheltree's purchase of an adjacent 31+ acres from Boise Cascade ("the

¹⁵ See pages 303-304 of the 4/25/2017 Board packet.

¹⁶ Who prepared the CC&Rs? Likely *not* Boise Cascade because the type font used for the purchase agreement and the deed conveying title to the subject 26.6 acres differs markedly from the type font used for the CC&Rs. I intend to return to this question below.

¹⁷ See page 180 of the 5/10/2017 Board packet. Notwithstanding, I have attached a copy of the CC&Rs as Exhibit "A" to this written statement.

¹⁸ According to IVGID, the RFF is an annual NRS 318.197(1) "standby service charge" which pays for nothing more than the parcels'/residential dwelling units' which are involuntarily assessed "availability of use of the (public's) recreational facilities" (see ¶I of the latest "Report for Collection on the County Tax Roll of Recreation Standby and Service Charges" at page 103 of the 5/24/2017 Board packet).

¹⁹ See page 166 of the 5/10/2017 Board packet.

²⁰ In other words, a NRS 43.100(1) action to determine the validity of proposed governmental action ("the governing body may file or cause to be filed a petition at any time in the district court...praying a judicial examination and determination of the validity of any...instrument, act or project of the municipality").

Ocheltree property"), and his contemporaneous conveyance of those lands to IVGID by gift deed²¹;

15. On December 7, 1977 Mansel and Patricia Ocheltree gift deeded the Ocheltree property to IVGID. And just like the 26.6 acres IVGID purchased from Boise Cascade, Mr. and Mrs. Ocheltree subjected the Ocheltree property to the *very same use restrictions* as those in the CC&Rs²² ("the Ocheltree CC&Rs"). Since IVGID has not seen fit to share the Ocheltree gift deed or the Ocheltree CC&Rs with the Board and the public, I have attached copies of both as Exhibit "B" to this written statement²³;

16. Let's fast forward 5½ years to June 6, 1983. IVGID wants to lease approximately ½ acre of the former Ocheltree property to the Reno-Sparks Visitors and Convention Bureau²⁴ ("the RSVCB") for its use as a Visitors Center. Since IVGID's attorney realized this use would violate the restrictions included in the Ocheltree CC&Rs (Exhibit "B"), putting aside the question of whether CC&Rs can be unilaterally amended by a former owner 5½ years after the fact when members of the public will be directly affected, "someone" decided to circumvent those restrictions by seeking an amendment. And on June 6, 1983 Mr. and Mrs. Ocheltree give that "amendment" ("the amended Ocheltree CC&Rs") to the Ocheltree CC&Rs²⁵. Since IVGID has not seen fit to share the amended Ocheltree CC&Rs with the Board and the public, I have attached another copy as Exhibit "C" to this written statement;

17. There are several interesting aspects to the amended Ocheltree CC&Rs. First of all, according to the top portion of Exhibit "C," the attorney who recorded them, if he didn't also draft them as well, was Gino Menchetti;

18. After the amended Ocheltree CC&Rs were recorded, on July 17, 1984, IVGID entered into a ground lease with the RSVCB for the subject ½ acre ("the RSVCB lease"). Notably unlike ¶XV of the lease²⁶, there is no provision in the RSVCB lease whereby the RSVCB waives and releases any claims it may have against IVGID relating to represented permissible uses in light of the Ocheltree CC&Rs and amended Ocheltree CC&Rs. Nor does it include a provision, unlike ¶XV of the lease, where the RSVCB

²¹ See ¶18(a) at page 166 of the 5/10/2017 Board packet.

²² Who prepared the Ocheltree CC&Rs? I submit likely the same person who represented the Ocheltrees in their purchase of the Ocheltree property, and their contemporaneous gift deed to IVGID. That person apparently drafted a written "gift offer" and amended "gift letter" to IVGID to secure its approval. Although I have asked the PRO to examine both, so far, they have not been made available for my examination.

²³ I ask the reader examine the CC&Rs (Exhibit "A") and the Ocheltree CC&Rs. They are nearly identical.

²⁴ Just like Parasol, at \$1/year for up to ninety-nine (99) years.

²⁵ See page 181 of the 9/13/2017 Board packet.

²⁶ See page 310 of the 4/25/2017 Board packet.

agrees to indemnify and hold IVGID harmless from any claims, demands or lawsuits should any persons challenge the RSVCB's use because of the Ocheltree CC&Rs and amended Ocheltree CC&Rs²⁷;

19. Let's fast forward another 16 years to July 1, 1999. Now IVGID wants to lease the subject 2.36 acres to Parasol for its use as a Non-Profit Center⁹. Since IVGID realizes this use will violate the CC&Rs use restrictions (Exhibit "A"), "someone" decides to circumvent those restrictions by seeking an amendment. Again putting aside the question of whether CC&Rs can be unilaterally amended by a former owner *22 or more years after the fact*, especially when members of the public are directly affected, on July 1, 1999, Irving Littman ("Littman"), purportedly on behalf of Gardena, gives the requested "amendment"²⁸ to the CC&Rs²⁹ ("the amended CC&Rs");

20. And that amendment modifies ¶1 of the CC&Rs to now read as follows:

"The property shall be used only for park and recreational and related purposes and for no other purposes *except for the construction of a building for the use of the Parasol Foundation, Parasol Foundation collaborators or the Parasol Foundation legal successors.*"

21. The amended CC&Rs were recorded on November 30, 1999 as document #2402584, at the request of D.G. Menchetti, Ltd. Since IVGID has not seen fit to share the recorded amended CC&Rs with the Board and the public, I have attached a copy as Exhibit "E" to this written statement;

22. Barely 1½ months after the amended CC&Rs were recorded (Exhibit "E"), the parties entered into the lease. And tellingly, ¶XV²⁶ recites as follows:

²⁷ In other words, why was IVGID *not* concerned about the effect of the amended Ocheltree CC&Rs, and so concerned about the amended CC&Rs?

²⁸ See page 182 to the 5/10/2017 Board packet. I have attached a copy of this document as Exhibit "D" to this written statement.

²⁹ I ask the reader examine the amended CC&Rs (Exhibit "D") and the amended Ocheltree CC&Rs (Exhibit "C"). They are nearly identical.

IVGID and Parasol "have *full knowledge* of the existence of the November 16, 1977, Deed from Boise Cascade Home & Land Corporation, a Delaware corporation, to (IVGID), which Deed contains a restrictive covenant which affects the realty being leased hereunder; that the 1977 Deed's Covenants, Conditions and Restrictions limit the use of said realty to the following uses: '...park and recreational and related purposes and for no other purposes;' that, *the restrictions have been amended twice*; that the relevant amendment, executed July 1, 1999, was signed by Irving Littman, President of Gardena Service Company, a California corporation, with the latter corporation being the successor of Boise Cascade Home & Land Corporation; that said amendment reiterates the foregoing mentioned restriction, excepting however, ...construction of a building for the use of the Parasol Foundation, Parasol Foundation collaborators or the Parasol Foundation legal successors.' Although the referenced Amendment To Covenants, Conditions and Restrictions appears to resolve any concerns about the use to which the subject property may not be put, (Parasol) hereby assumes full and complete responsibility regarding said issue, and hereby agrees to hold (IVGID) free and harmless of any claims, demands or lawsuits by any persons who may challenge the Amendment. (Parasol) further agrees to indemnify (IVGID) concerning any such claims, including orders, judgments, attorney's fees and costs;"

23. Notwithstanding ¶XIII(A)(3)(b) of the lease³⁰ prohibits "a significant reduction in use from what (wa)s contemplated in Parasol's Long-term (2001) Business Plan," Parasol has *significantly* reduced (by 80% or more) the number of resident non-profits. Although page 7 of the 2001 Business Plan¹¹ represents that "resident collaborators" will occupy 7,608 square feet³¹ of the building's 9,067.5 square feet of total office space³², today those resident collaborators occupy but a "shell" of what Parasol originally represented. Moreover according to Parasol's proposed "lease amendments," it contemplates reducing office space square used by those resident collaborators by over 71% to 2,200 square feet³³ for 6 years (until December 31, 2023), and then to *nothing* thereafter³⁴. I submit that these facts evidence an anticipatory, if not outright, lease "default by the Lessee;"

24. Notwithstanding ¶XXIV(C)(3) of the amended lease³⁵ instructs that "any material modification to (Parasol's) purposes and the Business Plan which would affect (its) actions under th(e) lease, (can) be made *only* with (IVGID's) consent," as aforesaid, in 2009 Parasol modified its 2001 Business Plan¹² *without securing IVGID's consent*. I submit this evidences "default by the Lessee;"

³⁰ See page 299 of the 4/25/2017 Board packet.

³¹ See page 332 of the 4/25/2017 Board packet.

³² See page 331 of the 4/25/2017 Board packet.

³³ See ¶V(E)(2) at page 136 of the 5/24/2017 Board packet.

³⁴ See ¶1(D)(4) at page 134 of the 5/24/2017 Board packet.

³⁵ See page 346 of the 4/25/2017 Board packet.

25. Since according to Chairperson Wong, on March 17, 2017 Parasol "sent a letter to the IVGID Board indicating an interest in possibly modifying the existing ground lease,"³⁶ here we are.

Because the Amended CC&Rs Which Purportedly Permit Parasol to Use the Subject 2.36 Acres Are Phony, Parasol is Currently in Violation of the CC&Rs: If one reads the amended CC&Rs (Exhibit "E"), one learns: Gardena is "a California corporation;" it is the "successor by merger to Boise Cascade;" and, that Littman is its president. *How did the drafter of the amended CC&Rs know these recitals of fact, let alone know them to be true? Let alone 22 years after the fact? Let me suggest how.*

1. If one examines the California Secretary of State's business entities search page³⁷, one can learn quite a bit of history about any California corporation, expressly including Gardena. For instance, on December 11, 1989 Boise Cascade filed its "merger" with Gardena with the California Secretary of State³⁸. On January 30, 1990 Gardena filed an "election to dissolve."³⁹ And on that same day, the California Secretary of State issued a certificate of "dissolution" for Gardena⁴⁰;

2. But if the drafter of the amended CC&Rs learned of these facts as I have suggested, *when did he/she learn of them?* It had to be sometime after January 30, 1990, didn't it? And why would that drafter have gone looking for this information until it was necessary (i.e., once the decision was made to draft the amended CC&Rs)? Thus I submit that person went looking for this information only shortly before July 1, 1999; probably June of 1999;

3. If one examines Exhibit "F," I believe one will conclude that if the drafter of the amended CC&Rs learned of the particulars of Gardena and Boise Cascade's merger after January 30, 1990, *as he/she had to do in order to recite the facts that are recited therein*, then he/she also had to learn that Gardena *no longer existed*;

4. These facts caused me to question why someone like Littman would place his signature to a document on behalf of Gardena when he knew Gardena was dissolved nearly 10 years before? Because there had to be money involved, and I suspect *a lot of money*, I made a public records request to examine records evidencing payments to Gardena, Littman or anyone else on behalf of the two occurring in 1999 prior to Littman's execution of the amended CC&Rs. The PRO responded IVGID has no such records;

³⁶ See page 274 of the 4/25/2017 Board packet.

³⁷ I have attached a copy of that page as Exhibit "F" to this written statement.

³⁸ See pages 164-174 of the 9/13/2017 Board packet.

³⁹ See page 176 of the 9/13/2017 Board packet.

⁴⁰ See pages 178-179 of the 9/13/2017 Board packet.

5. So this response caused me to search a bit further. My search took me back to October 29, 1997 where I examined the minutes of a regular IVGID Board meeting of even date. After protest by local residents, then GM Pat Finnigan "made (it) clear to the Parasol Foundation that it (would be)... *their duty* to resolve the deed restriction issue"⁴¹ which I suspect, is exactly what occurred;

6. So with all of this said, let's return to Exhibit "C." If one compares this CC&R amendment (the amended Ocheltree CC&Rs) to Exhibit "D" (the unrecorded amended CC&Rs), besides the fact the language in the two is almost identical, one sees that Exhibit "C" has recording information at the top of the document, whereas Exhibit "D" does not. Nor does Exhibit "D" include language identifying to whom that recorded document should be mailed after its recordation. I submit that this document was intentionally "doctored" by one or more IVGID employees to hide this missing information;

7. Only recently did I discover the amended CC&Rs *had been recorded* (Exhibit "E") [and this is where things get interesting]. Upon learning of this fact, I made a public records request to examine the *recorded* amended CC&Rs. Given IVGID continues to be the owner of what remains of the original 26.6 acres, surely it must have a copy of *the actual recorded instrument*, must it not?

The reader of this written statement may be asking him/herself why I would ask for a copy of a document I already had? Because I wanted evidence IVGID staff were in fact in possession of that document and rather than making it available to the Board and the public for their consideration, they elected to only make a *falsified* version of the document (Exhibit "D"). Nevertheless, so far the PRO has not substantively responded to my request. She states she needs additional time. Although I will certainly give the PRO the additional time she legitimately requires, I predict she will ultimately respond that IVGID "has no public records which respond to my request." Because if she responds otherwise, I submit she will in essence be admitting Exhibit "E" has been falsified;

8. Nevertheless, once I compared the *recorded* amended CC&Rs (Exhibit "E") to the unrecorded version (Exhibit "D") here is what I saw:

Apparently someone placed a piece of paper over the top of Exhibit "D" in order to hide Mr. Menchetti's identity as well as the document's recording information. And then that someone made a copy of the falsified page, and then made it available to the Board and the public as if this were the actual document when we now see it was not. I submit ***Exhibit "D" represents that falsified page***⁴²;

9. Now that we know who recorded the amended CC&Rs (attorney Menchetti), if he did not in fact draft them, we can ask the question who represented Parasol insofar as negotiating and drafting

⁴¹ I have attached the relevant portions of the IVGID Board's October 29, 1997 meeting as Exhibit "H" to this written statement.

⁴² NRS 239.300(1) makes it unlawful for any person to falsify a public record. NRS 239.330 makes it unlawful for any person to offer a falsified public record.

of the lease? It turns out he is the *same* attorney, Gino Menchetti⁴³;

10. Who recorded the amended Ocheltree CC&Rs (Exhibit "C")? The same attorney Menchetti. Who drafted the amended Ocheltree CC&Rs? I can't tell you the answer, however, since we know attorney Menchetti recorded them, I suggest we compare the font type used for the Ocheltree gift deed and CC&Rs (Exhibit "B") to the amended Ocheltree CC&Rs (Exhibit "C");

11. Whose obligation was it to "resolve the deed restriction issue?" Parasol's⁴¹;

12. Let's return to the signature page of the lease where attorney Menchetti's signature appears⁴³. Note where attorney Menchetti has inserted the words below his signature "*as to form only.*" Why would the attorney for Parasol insert such words in a document he was approving on his/her client's behalf? What was he trying to "limit" by inserting these words? And to put this question in perspective, take a look at Judge Manoukian's signature as IVGID's attorney. Conspicuously, no such "limitation" insofar as his signature is concerned appears;

13. Continuing, only recently did the public learn that on July 1, 1999 when Gardena amended the CC&Rs, *Gardena did not legally exist!* Examining California Secretary of State records (Exhibit "F"), *nearly 10 years before* (January 30, 1990), we can see Gardena elected to dissolve itself and distribute its then remaining assets³⁹. I submit this means *the amended CC&Rs are completely void and unenforceable*;

14. Let's return to ¶XV of the lease²⁶ where both IVGID and Parasol have acknowledged they have "*full knowledge* of the existence of the CC&Rs, their use restrictions ("park and recreational and related purposes and...no other purposes"), *that those restrictions have been amended twice*, that the relevant amendment, executed July 1, 1999, was signed by Littman, President of Gardena, a California corporation, and that Gardena was the successor of Boise Cascade. *But didn't they all know that Gardena had not legally existed for nearly 10 years?* How could any competent attorney have learned of all of the above-recited facts and not known Gardena did not exist? What competent attorney would have accepted all of the above-recited facts and not independently confirmed them to be true? What competent attorney would have accepted Littman's representation he was Gardena's President without verifying the same along with Littman's authority to execute the amended CC&Rs? And what competent attorney for IVGID would blindly accept the truthfulness of any of the above-recited facts after making clear on October 29, 1997 that it would be "Parasol('s)...duty to resolve the deed restriction issue?"⁴¹

Under agency law, whatever attorneys Menchetti and Manoukian knew, their clients knew, even if their clients had no actual knowledge. In other words, *everyone knew* except the IVGID Board at the time, and the public;

⁴³ See page 317 of the 4/25/2017 Board packet.

15. Now that we know the truth, don't these facts now explain why it was so important IVGID staff secure a written release and indemnification from Parasol should "any persons (make) claims, demands or lawsuits...challeng(ing) the (CC&R) Amendment?" And don't they explain why Parasol was required to "assume...full and complete responsibility regarding said issue" if it wanted to benefit from this "sweet deal" at local property owners' expense? And don't they explain why attorney Menchetti only placed his signature on the lease in his capacity of approving the document *as to form only*⁴⁴? But wait, there's more;

16. Let's return to the language in to ¶XV of the lease²⁶ where both parties have acknowledged *the CC&R restrictions have been amended twice*. Certainly the amended CC&Rs represent one of those two amendments. *But what about the other one?* I made a public records request to examine the *first* alleged amended CC&Rs (again, given IVGID continues to be the owner of what remains of the subject 26.6 acres, surely it must have a copy, must it not?). After I made my first request, the PRO disingenuously queried where I had gotten information concerning two sets of amendments because she was only aware of *one*. Once I pointed her to ¶XV of the lease, she responded IVGID "has no public records which respond to my request;"

17. So this answer got me thinking. If all parties to the lease knew about *two* CC&R amendments, *what was the first?* Given I knew that IVGID had sold approximately 6 acres from the subject 26.6 acres to the Washoe County School District ("the WCSD") for the Incline Middle School in 1980, perhaps someone had executed a CC&R amendment which permitted use of these restricted lands for public school purposes? So, I made a public records request to examine the sales/purchase contract between IVGID/the WCSD for the Middle School land. If there were a *first* amendment to the CC&Rs, surely it would be disclosed in the body of that agreement the way it was disclosed in the lease; wouldn't it? But again the PRO responded she "has no public records which respond to my request."

That was before I obtained IVGID's public records retention policy. After examination of that policy I noticed that contracts like the one requested are supposed to be scanned and stored with other archived records. So armed with this new knowledge, I renewed my request pointing to IVGID's public records retention policy. So far the PRO has provided nothing. And I suspect she never will because if she responded before that she has no such records, how can she respond differently now?

18. So next my wife examined Washoe County's development records for the subject Middle School parcel. She found no amendment to the CC&Rs;

19. Next I made a public records request upon the WCSD for the same sales/purchase agreement together with any title insurance policy for that purchase. So far the WCSD has not been able to discover the agreement itself. Notwithstanding, it has located a title policy and *that policy evidences that there was no amendment of the CC&Rs* (a copy of that policy is attached as Exhibit "J" to this written statement);

⁴⁴ Who does this unless he/she has something to hide?

20. So who can we say for sure had first hand knowledge that there had been two CC&R amendments? Attorney Menchetti. After all, he was the one who recorded the amended Ocheltree CC&Rs (Exhibit "B"), as well as the amended CC&Rs (Exhibit "E"). Could it be that although Mr. Menchetti recalled there had been two CC&R amendments, he forgot they applied to *two different parcels*? Given the lapse of 16 years between the two recordings, I have concluded ***this is exactly what occurred***; and,

21. Given the amended CC&Rs *are completely void and unenforceable*; they were likely prepared by attorney Menchetti, Parasol's attorney; because they were definitely prepared after January 30, 1990, they could not have recited the facts they did without the drafter *knowing* that Gardena had been dissolved nearly 10 years beforehand; and, Parasol has given IVGID a complete waiver, release and indemnification insofar as this issue is concerned; Parasol is, and since entering into the lease has been ***in violation of the CC&Rs and needs to be forthwithly ejected from the subject 2.36 acres***. Moreover, it is now clear the Board has no power to enter into any future transaction or agreement which allows Parasol, its resident collaborators or even IVGID itself, to use the building for purposes other than those expressly allowed in the CC&Rs. In other words, not an office building occupied by persons other than Parasol, not a non-profit center, and not an IVGID administrative building.

This Proposal is NOT a "Lease Amendment" But Rather, Termination of the Current Lease, Outright Purchase of the Parasol Building's Leasehold Improvements, and a Seller Lease Back to Parasol: Staff represents that what is before the Board is nothing more than a "lease amendment agreement."⁴⁵ *This is an intentional misrepresentation of fact!* Parasol's current lease is a 2.36 acre ground lease. What is proffered has *nothing* to do with that real property ground lease. Rather, it has everything to do with the:

1. Purchase of "all real property leasehold improvements (defined as 'the building constructed in 2002 and all real property improvements at 948 Incline Way, Incline Village...commonly known as the Donald W. Reynolds Community Non-Profit Center') in an "as is" condition;"⁴⁶

2. Purchase of *all* "personal property, other than the excluded property (expressly) excluded... located in the building and on the grounds of the real property;"⁴⁷

3. Seller lease back of "approximately 1,700 square feet (of) office space,"⁴⁸ an unidentified portion of the building's approximate 2,400 square feet of storage space ("defined as storage cages #11, #12 and #13"⁴⁸), "all utilities, parking, and access through (at least 7,482 square feet of) common

⁴⁵ See page 132 of the 5/24/2017 Board packet.

⁴⁶ See ¶¶III(A) and III(A) at page 134 of the 5/24/2017 Board packet.

⁴⁷ See ¶III(B) at page 134 of the 5/24/2017 Board packet.

⁴⁸ See ¶V(E)(1) at page 136 of the 5/24/2017 Board packet.

areas"⁴⁹ (approximately 6,022 square feet of lobby, etc. space, 906 square feet of restroom space, and approximate 554 square feet of "first-floor kitchen space"⁵⁰), non-exclusive "use of all (approximate 11,270 square feet of) meeting rooms,"⁵⁰ and "access to and use of the current building internet fiber connection,"⁵¹ **ALL FOR A PALTRY \$1/YEAR FOR TWENTY (20) YEARS**⁵²;

4. Seller lease back⁵³ of an additional "approximately 2,200 square feet (of) office space,"⁵⁴ an unidentified portion of the building's approximate 2,400 square feet of storage space [defined as "nine (9) storage cages"⁵⁴], "all utilities, parking, and access through (at least 7,482 square feet of) common areas"⁴⁹ (approximately 6,022 square feet of lobby, etc. space, 906 square feet of restroom space, and approximate 554 square feet of "first-floor kitchen space"⁵⁰), non-exclusive "use of all (approximate 11,270 square feet of) meeting rooms,"⁵⁰ and "access to and use of the current building internet fiber connection,"⁵² **ALL FOR \$2,500/MONTH FOR SIX (6) YEARS**⁵²; and,

5. In other words, the purchase price pays for *the value of building improvements, non-excluded tangible personal property, and a seller lease back.*

The Payment Provisions of the Subject Proposal Represent an Installment-Purchase Agreement Which Requires the Affirmative Vote of Four of IVGID's Five Trustees: Although the parties have artfully labeled the subject transaction to be a "lease amendment agreement,"⁴⁵ the payment provisions make clear that it is an "installment-purchase agreement." Consider that:

1. Because ¶II(A) to the proposed agreement given to the IVGID Board ("the proposed agreement") recites that "upon the full execution of this Agreement, the (current)...lease...*shall terminate*,"⁵⁵ there is nothing to "amend;"

2. Moreover, consider GM Pinkerton's April 17, 2017 memorandum on this very subject: "PTFC would like to receive adequate consideration (i.e., payment) for the remaining life of the (building's) *improvements*."⁵⁶ In other words, the \$5.5M purchase price pays for (or according to Mr. Pinkerton) "tap(s) *the value of the building improvements*;"

⁴⁹ See ¶V(G) at page 137 of the 5/24/2017 Board packet.

⁵⁰ See ¶V(J) at page 137 of the 5/24/2017 Board packet.

⁵¹ See ¶V(H) at page 137 of the 5/24/2017 Board packet.

⁵² See ¶I(A) at page 133 of the 5/24/2017 Board packet.

⁵³ See ¶I(D)(2) at page 133 of the 5/24/2017 Board packet.

⁵⁴ See ¶V(E)(2) at page 136 of the 5/24/2017 Board packet.

⁵⁵ See ¶II(A) at page 134 of the 5/24/2017 Board packet.

⁵⁶ See page 256 of the 4/25/2017 Board packet.

3. In addition, ¶III(B) of the proposed agreement⁵⁷ recites that "personal property, other than the excluded property listed below...on the grounds of the real property shall be included in the transfer;"

4. According to GM Pinkerton's August 16, 2017 memorandum pertaining to the retention of Holland and Hart, LLP, attorneys, with respect to legal services related to the proposed agreement⁵⁸, the scope of work to be performed by those attorneys includes "preparation of proposed lease amendment revisions, (a) bill of sale...for building improvements⁵⁹...and financing documents;"

5. ¶IV(B), (C) and (D) to the proposed agreement⁶⁰ recite that the \$5.5M purchase price shall be paid with a \$1.6M down payment, and a \$3.9M interest (4½%) bearing promissory note which calls for "five (5) *annual installment payments* of \$780,000 principal or more and accrued interest." As a consequence, I and others I know are of the opinion the payment terms of this transaction represent a NRS 350.0055(2)(a) "installment purchase agreement" because they call for "an agreement for the purchase of *real or personal property by installment or lease*...which is...not required to be counted against any limit upon the debt of a local government and exceeds...\$100,000 for a local government in a county whose population is 100,000 or more;" and,

6. Although the decision to purchase the building may only require a simple majority vote of the IVGID Board, because the above installment payment arrangements represent an "installment purchase agreement," NRS 350.087(1) mandates that before "the governing body of any local government...may authorize a(n)...installment-purchase agreement...(it must first) adopt...a resolution...by two-thirds of its members." Because more than ⅓ of the IVGID Board has already announced it will be voting no to entering into such an agreement, I submit that no purpose is served by spending more Board, staff and public time, effort and taxpayer money in pursuit of this folly.

Since Parasol Admits IVGID Already Owns the Building, Why Pay it Anything? Parasol has previously represented to the County Board of Equalization ("the CBOE") that the subject leasehold improvements *are owned by IVGID*. And that's exactly what the Washoe County Assessor ("the Assessor") has assumed for assessed valuation purposes. For fiscal year 2010-11 the Assessor assessed Parasol for the value of the building notwithstanding the land underneath is owned by IVGID. Parasol objected and appealed that assessment alleging *it did not own the building*. Rather, it alleged *the building was owned by IVGID* ["Parasol (was) not been taxed (in the past) because the

⁵⁷ See page 134 of the 5/24/2017 Board packet.

⁵⁸ See page 244 of the 8/22/2017 Board packet.

⁵⁹ Given the subject transaction contemplates preparation of a bill of sale "for building improvements," and IVGID owns the land under those improvements, the bill of sale must apply to personal property. Consequently, NRS 350.2255(2)(a) applies.

⁶⁰ See page 135 of the 5/24/2017 Board packet.

assumption was *both the building and the land were owned by IVGID.*"⁶¹ If that is *not* the case, Parasol should be taxed]. Based upon Parasol's admission, the fact IVGID is exempt from payment of county *ad valorem* taxes, and Parasol is a non-profit organization, Parasol successfully argued it was exempt from paying taxes based upon the *building's* assessed valuation⁶².

Given Claudia Anderson, Parasol's CEO, testified at that CBOE appeal and advanced Parasol's exemption claim based upon IVGID's ownership of leasehold improvements, how can she now claim Parasol owns these same improvements it proposes selling to IVGID? And if she cannot, why should IVGID be paying Parasol *anything*?

Since Parasol Admits the Market Value of the Building is ZERO, Why Pay it Anything? At the August 15, 2017 forum on this very subject held at the Parasol Building, Claudia Anderson admitted that using the appraisal profession's definition of "market value," *the building has a zero value because there is essentially no one other than IVGID who can use it and comply with the use restrictions mandated under the CC&Rs.* I and others I know⁶³ agree with that assessment. Given Ms. Anderson's admission, why should IVGID be paying Parasol *anything*?

The Appraisal the IVGID Board Has Commissioned Suffers From a Number of Glaring Deficiencies Which Makes its Opinion of Market Value Lack Credibility: As part of IVGID staff's alleged "due diligence," on May 24, 2017 the IVGID Board accepted real estate appraiser Lynn Barnett's May 15, 2017 "propos(al) to prepare an appraisal report addressing the" market value of the building⁶⁴. On July 7, 2017 Ms. Barnett completed her "estimat(e of) the Market Value of the subject (building) in its 'As-Is' Condition, as of (that) current date"⁶⁵ ("the appraisal"). Consider that:

1. Pursuant to this commission, Ms. Barnett defines "market value" as "the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or...advised, and acting in what they consider their own best interests; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable

⁶¹ See page 507 of the 8/22/2017 Board packet.

⁶² A written transcript of Parasol's February 22, 2011 appeal to the CBOE appears at pages 498-508 of the 8/22/2017 Board packet.

⁶³ See page 163 of the 6/28/2017 Board packet.

⁶⁴ See pages 116-122 of the 5/24/2017 Board packet.

⁶⁵ See page 7 of the appraisal under "Purpose of the Appraisal Report."

thereto; and (5) the price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale,"⁶⁶

2. This is the definition to which Parasol CEO Claudia Anderson objects (see discussion above) because according to her, other than IVGID, no such buyer exists;

3. Notwithstanding Ms. Barnett admits that because of the CC&Rs she cannot value "the subject property...to its highest and best use"⁶⁷ (because development is precluded), and that because of "the Restrictive Covenant (i.e., the CC&Rs)...participant sports facilities...recreation centers ...outdoor recreation concessions, riding and hiking trails, sport assembly, and visitor information c(an) possibly be allowed,"⁶⁸ she has assumed "title to the subject property is free, clear and marketable"⁶⁷ when it is not;

4. Ms. Barnett relies upon two industry recognized appraisal methods to come up with her estimate of value; the "Income (and)...Market Approach." She does not rely upon the "Cost Approach to Value...as it is (her) opinion that a prudent buyer would not base an investment decision on the Cost Approach;"⁶⁹

5. Under Market Approach to Value, Ms. Barnett relies upon four "comparable commercial building sales."⁷⁰ But it turns out that but for a single August 4, 2015 sale⁷¹ ("Sale CBS-1"), the remaining "sales" are really *not* actual sales but rather, mere *listings for sale*. Consequently, I and others I know do not understand how any credence can be given to an estimate of value founded upon comparable sales when those sales are mere *listings for sale*;

6. Additionally, none of Ms. Barnett's comparable sales involves the sale of improvements *excluding the land under those improvements*⁷². Since here IVGID owns the land under the Parasol

⁶⁶ See page 8 of the appraisal under "Definition of Market Value."

⁶⁷ See page 36 of the appraisal under "Easements, Encumbrances and Restrictions."

⁶⁸ See pages 56-57 of the appraisal under "Highest and Best Use Analysis."

⁶⁹ See page 58 of the appraisal under "Introduction to Valuation Analysis."

⁷⁰ See pages 78-92 of the appraisal.

⁷¹ See pages 87-88 of the appraisal.

⁷² Comparable Sale CBS-1 included the value of "the total land area...43,774± square feet;" listing CBL-2 includes the value of "the total land area...9,150± square feet;" listing CBL-3 includes the value of "the total land area...9,981± square feet;" and, listing CBL-4 includes the value of "the total land area...59,677± square feet." Whatever the value of the building's underlying 2.36 acres, it must be deducted from Ms. Barnett's estimate of value in order to compare "apples-to-apples."

Building, I and others I know do not understand how any credence can be given to an estimate of value founded upon comparable land sales when here IVGID's land will *not* be included in the sale;

7. Additionally, none of Ms. Barnett's comparable sales is burdened by restrictions such as the CC&Rs, which limit a potential purchaser's or his/her/its tenant's use to "participant sports facilities... recreation centers...outdoor recreation concessions, riding and hiking trails, sport assembly, and(/or) visitor information."⁶⁸ Since here the land under the Parasol Building *is* so restricted, I and others I know do not understand how any credence can be given to the appraisal;

8. Additionally, none of Ms. Barnett's comparable sales involves a seller lease back, let alone one which as here prevents IVGID from taking full developmental advantage of the building's unique characteristics/improvements, let alone for less than fair rental value⁷³, and let alone for 20 years. Since here Parasol's proposal is contingent upon a 20 year lease back, I and others I know do not understand how any credence can be given to the appraisal;

9. Anticipating the justified criticism insofar as these obvious deficiencies are concerned, Ms. Barnett asserts "consideration (wa)s given to several (unidentified) recent sales of large professional office buildings *in Reno.*" With all due respect, this admission makes things *worse!* Anyone who knows anything about Incline Village knows that there is essentially nothing comparable to Reno, nor to the demand for professional office space in Reno. Moreover, Ms. Barnett doesn't even identify those recent sales, nor their particulars. Under these circumstances, I and others I know do not understand how any credence can be given to the appraisal;

10. Under Income Approach to Value, Ms. Barnett relies upon the "potential gross annual income analysis" method. "The first step...is to estimate the potential gross annual income the subject property should be able to generate. From this is subtracted vacancy and credit losses which would most likely occur. (And) the result is the effective gross annual income the property should be able to generate. From this figure is subtracted the expenses that would be incurred in order to generate the effective gross income. (And) the result is the net annual income. A capitalization rate will be established and applied to the net annual income by a comparison of capitalization rates illustrated by recent sales in the area;"⁷⁴

11. Putting aside the fact the sale or listing for sale of Ms. Barnett's comparable sales: largely involve *listings for sale* rather than *actual sales themselves*; include the value of the land under their buildings whereas here the land under the Parasol Building is already owned by IVGID; do not involve parcels whose uses are restricted as the subject parcel's uses are restricted; do not involve seller lease backs, let alone at less than market rent and for 20 years no less; and there essentially will be no potential gross income generated from the building after a sale to IVGID; I and others I know do not

⁷³ What Ms. Barnett calls the "rental rate advantage."

⁷⁴ See page 59 of the appraisal.

understand how Ms. Barnett's appraisal is credible to the extent it relies upon the income approach to value;

12. Nevertheless, since ¶1(A) to the proposed agreement⁷⁵ contemplates rental income of "\$1.00 per year for 1,700 square feet of office space" and an additional "\$2,500 per month for 2,200 square feet of office space," I shall attempt to appraise the Parasol Building using Ms. Barnett's income approach to value. "Multiplying this figure (\$2,501) by 12 months, results in the Potential Gross Annual Income for the subject's office space of" \$30,001. "Subtracting the expenses, at \$182,734 per year, from the effective gross annual income (\$30,001)...results in the net annual income for the subject property of" a *negative* \$152,733. "Applying the 6.50% capitalization rate to the net annual income projected for the subject property, at (*negative* \$152,733), results in the Market Value of the subject property by the Income Approach." I don't know what that number is after applying the capitalization rate, but I am pretty sure it is negative. Meaning that rather than the \$4,300,031 value Ms. Barnett has determined⁷⁶, that value as determined under the "potential gross annual income analysis" method, in my opinion, lacks credibility;

13. Additionally, Ms. Barnett relies upon a "gross income multiplier (appraisal) method." Basically, "dividing the (comparable) sale(s) price by the effective gross income that the property was...or...(i)s capable of producing at the time of sale."⁷⁷ Putting aside the fact the sale or listing for sale of Ms. Barnett's comparable sales: largely involve *listings for sale* rather than *actual sales*; include the value of the land under their buildings whereas here the land under the Parasol Building is already owned by IVGID; do not involve parcels which are restricted as the subject parcel is restricted by the CC&Rs which effectively prohibit gross income being produced from rental of the building for at least the next ten years; and, do not involve seller lease backs, let alone and less than market rent and for 20 years no less; the value as determined under the "gross income multiplier" method, in my opinion, lacks credibility;

14. Nevertheless, since ¶1(A) to the proposed agreement⁷⁵ contemplates rental income of "\$1.00 per year for 1,700 square feet of office space," and an additional "\$2,500 per month for 2,200 square feet of office space;" "applying (Ms. Barnett's) 10/00 gross income multiplier to the subject's projected effective gross annual income, at (\$30,001), results in an indication of value of" \$300,010. Meaning that rather than the \$4,300,031 value Ms. Barnett has determined⁷⁶, the value as determined under the "gross income multiplier" method, in my opinion, lacks credibility;

Notwithstanding This Lack of Credibility, if One Accepts the Appraiser's Estimate of the Market Value of the Parasol Building at Face Value, After Deducting the Value of the 2.36 Acre Parcel Upon Which it is Constructed, as Well as Parasol's Lease Back "Rental Rate Advantage," Her

⁷⁵ See page 133 of the 5/24/2017 Board packet.

⁷⁶ See pages 64-74 of the appraisal.

⁷⁷ See pages 93-94 of the appraisal.

Value is Basically \$0.00: Regardless of whether one agrees or disagrees with Ms. Barnett's \$4½M estimate of value⁷⁸, there should be little disagreement several deductions she neglected to apply to that estimate need to be made. For instance,

1. **The Value of the Land Under the Parasol Building:** must be deducted from its market value. Given Ms. Barnett's comparable sales include the value of the land under their buildings, whereas here the land under the Parasol Building is already owned by IVGID, the value of the 2.36 acres under the building must be deducted therefrom. Given the size of the Parasol parcel is almost identical to that under IVGID's current administration building, and Ms. Barnett values the latter at \$2¼M-\$2½M "assuming redevelopment including required development rights"⁷⁹, I and others I know believe the value of the 2.36 acres under the Parasol building is the same \$2¼M-\$2½M;

2. Moreover, and as additional evidence of value, Ms. Barnett reports that the Assessor has valued the land under the Parasol Building at \$702,975. Since "in the State of Nevada, the Assessed Value of a property is equivalent to 35% of the taxable or appraised value,"⁸⁰ according to the Assessor the land under the Parasol Building is valued at \$2,008,500;

2. **The Value of Parasol's Leasehold Improvement "Rental Rate Advantage:"** must also be deducted from the building's market value. The proposed agreement contemplates that IVGID assume an *additional* cost (the loss of revenue as a result of being required to grant Parasol use of portions of the building (the "rental rate advantage"⁸¹) for itself for a period of 20 years "as a [less than market (\$1/year) non-rent paying] tenant" including all utility⁸² (\$90,000 annually) and building maintenance⁸³ (\$40,000 annually) costs. Given Ms. Barnett opines that the fair market level rental rate for: Parasol's portion of the building's office space is \$3,402/month; yet she fails to factor in its *additional* exclusive use of approximately 1,255 square feet of storage space, and 16,974 square feet of non-exclusive shared meeting, conference, training and board room space, staff lounge, commercial kitchen space, the building's parking areas and loading dock, and "access to and use of

⁷⁸ See page 96 of the appraisal.

⁷⁹ See page 15 of the May 26, 2017 "Appraisal Report Addressing the Improved Commercial Property Located at 893 Southwood Boulevard, Incline Village" which appears at https://www.yourtahoeplace.com/uploads/pdf-ivgid/Lynn_Barnett_-_Work_Product.pdf.

⁸⁰ See page 38 of the appraisal.

⁸¹ See Ms. Barnett's 3 page July 7, 2017 "Analysis of Rental Rate Advantage Associated with the Donald W. Reynolds Community Non-Profit Center Property Located at 948 Incline Way, Incline Village, Washoe County, Nevada" which appears at https://www.yourtahoeplace.com/uploads/pdf-ivgid/Lynn_Barnett_-_Work_Product.pdf ("the rental rate advantage letter").

⁸² See page 72 of the appraisal.

⁸³ See page 73 of the appraisal.

the...building('s) internet fiber connection;" half the storage cages and adjoining storage space is \$1,313/month; meeting/convention rooms is \$7,500/month; and, utilities of \$7,500/month; the total rental rate advantage to Parasol is \$19,715/month for 20 years. Discounting this number, and using Ms. Barnett's estimated 5% rate of return, *the present worth of this 1,700 square feet rental rate advantage (33.707%) is \$1,634,752;*

3. The Value of Parasol's Resident Non-Profits' Leasehold Improvement "Rental Rate Advantage:" must also be deducted from the building's market value. The proposed agreement contemplates that IVGID assume an *additional* "rental rate advantage"⁸¹ cost as a result of being required to grant Parasol's resident non-profits' use of portions of the building for a period of 6 years "as a [less than market (\$2,500/month) non-rent paying] tenant" including all utility⁸² and building maintenance⁸³ costs. Given Ms. Barnett opines that the fair market level rental rate for: Parasol's resident collaborators' portion of the building's office space is \$4,400/month; yet she fails to factor in their *additional* exclusive use of approximately 1,255 square feet of storage space, and 16,974 square feet of non-exclusive shared meeting, conference, training and board room space, staff lounge, commercial kitchen space, the building's parking areas and loading dock, and "access to and use of the... building('s) internet fiber connection;" half the storage cages and adjoining storage space is \$1,313/month; meeting/convention rooms is \$7,500/month; and, utilities are \$7,500/month; the total rental rate advantage to Parasol for this portion of the building for its resident collaborators is an additional \$2,312/month for 6 years. Discounting this number, and using Ms. Barnett's estimated 5% rate of return, *the present worth of Parasol's additional 2,200 square feet advantage (74.62%) is \$134,566;*

4. The Value of Parasol's "Land Lease Advantage:" must be deducted from the building's market value. The proposed agreement contemplates that IVGID assumes an *additional* "land lease advantage"⁸¹ cost as a result of being required to grant Parasol use of portions of the building. Ms. Barnett has calculated that advantage at \$1,028,000 for the land under the building⁸⁴. Discounted to today's \$435,000 (\$305,000 associated with Parasol's proposed 1,700 square feet lease back, and \$130,000 associated with Parasol's resident collaborator's proposed 2,200 square feet lease back);

5. D.W. Reynolds Grant Requirements: According to GM Pinkerton, the \$6.6M grant Parasol obtained from the D.W. Reynolds Foundation to construct the Parasol Building was and is contingent upon Parasol's continued occupancy of the building, "and that a portion of the office space (therein) continue to be dedicated to non-profits...(and that) the landlord...be required to charge rents at *less than market rate* for the non-profit tenants."⁸⁵. Therefore these rental and land lease rate advantages *are mandatory requirements of any sale of the building's leasehold improvements;*

⁸⁴ See page 2 of "the rental rate advantage letter."

⁸⁵ See pages 5-6 (pages 262-63 of the 4/25/2017 Board packet) of IVGID staff's April 18, 2017 "feasibility report" which appears at pages 258-272 of the 4/25/2017 Board packet.

6. **Conclusion:** Once these rental and land lease rate advantage (totaling \$2,204,318) omissions together with land value (\$2¼M-\$2½M) omissions have been properly deducted from Ms. Barnett's estimate of value, exactly what, if anything, remains that a prudent and knowledgeable buyer who intends to use the building as a "cultural facility...facility supporting a social service organization, or a recreation center"⁶⁸ would *actually pay*? I submit *nothing*. Therefore, *why pay anything*?

After Making All of the Above Space Available for Parasol's/its Resident Non-Profits' Use, Only Approximately 6,086 Square Feet of Office Space Remain For IVGID's Use: At https://www.yourtahoepiece.com/uploads/pdf-ivgid/PTCF_-_Reynolds_-Space_Allocation.pdf IVGID staff finally share their proposed Parasol building allocation of space between Parasol, Parasol's resident non-profits and IVGID⁸⁶. This allocation reveals the following:

1. Although the Parasol Building consists of 31,752 square feet, only 9,800 square feet consists of "office space" [rooms 108-110 (1,076 square feet) and "open (non-profit) office space" (2,013 square feet) on the first floor, and rooms 205 (2,563 square feet), 209-216 (1,701 square feet), 217 (1,333 square feet), 220 (152 square feet) and 222-225 (963 square feet) on the second floor];

2. The balance of square footage is devoted to: 75 square feet (room 101) of reception space, 11,630 square feet of "common spaces, restrooms (and) circulation, 2,311 square feet (Trepp, rooms 203-204, 206-207, 221) of meeting rooms, 438 square feet (rooms 105-106) of conference space, 1,500 square feet of training space, a 364 square feet (room 208) Board room, 255 square feet (room 111) of maintenance & storage space, 2,510 square feet of storage room space, 618 square feet (rooms 107, 114, 116) of work room/storage space, 690 square feet of central supply & server space, a 920 square foot (room 113) commercial kitchen, and a 640 square feet (room 226) staff lounge;

3. In other words, only 30.86% of the building is devoted to "office space;"

4. And of this "office space," 2,013 square feet of downstairs open office space and 1,701 square feet of upstairs office space is proposed to be reserved for Parasol's/its resident non-profits' use;

5. Which means Parasol proposes that IVGID be left with but 6,086 square feet of "office space;"

6. IVGID staff have represented that IVGID's current administrative building on Southwood is comprised of approximately 10,500 square feet, and that they require only approximately 1,500 additional square feet (for a total of 12,000 square feet)⁸⁷. Given IVGID staff require about 10,000

⁸⁶ A copy of this allocation is attached as Exhibit "I" to this written statement.

⁸⁷ See page 10 (under "IVGID Office Space Needs") of the feasibility report (page 267 of the 4/25/2017 Board packet). Moreover, IVGID staff assert there's only about 8,165 square feet of office space in its

square feet of "office space," *exactly where do they propose this missing square footage is going to come from?*

7. Assuming nowhere, why purchase so much wasted space and leasehold improvements amenable to offices that do not satisfy IVGID staff's represented requirements? To boast we have another "under-utilized asset?"

If the Foregoing Were Not Sufficient to End Further Discussions Concerning the Propriety of Purchasing the Parasol Building's Leasehold Improvements, Their Cost is Going to be Prohibitive and Greatly Exceed \$5.5M: Although IVGID staff represent that the cost of the building's leasehold improvements will be \$5.5M⁸⁸, that cost will be considerably *more*. For example,

1. Given 71% of the purchase price (\$3.9M) will bear interest at 4½%, payable over 5 years⁸⁹, IVGID will be paying an additional \$620,000 or more just in interest;

2. IVGID will be assuming "approximately \$164,000 per year (for the *entire*) building('s)... utilities...grounds and maintenance staff;"⁹⁰

3. IVGID's "immediate...and not at some point in the future (expenditure of additional unspecified sums for)...staffing and...add(ing) support staff hours...dedicated to...maintain(ing)... operat(ing)...and...property management (of)...the building...and facilities;"⁹¹

4. IVGID's expenditure of additional funds on outside consultants to conduct "a comprehensive condition assessment and maintenance evaluation."⁹² Although the full extent of that assessment and evaluation has not yet been commissioned, so far we know that:

current administration building [see page 4 of that May 26, 2017 "Appraisal Report Addressing the Improved Commercial Property Located at 893 Southwood Boulevard, Incline Village, Washoe County, Nevada" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/Lynn_Barnett_-_Work_Product.pdf)].

⁸⁸ See ¶IV(A) at page 135 of the 5/24/2017 Board packet.

⁸⁹ See ¶IV(C) at page 135 of the 5/24/2017 Board packet.

⁹⁰ See page 8 (under "Annual Building Operational Costs") of the feasibility report (page 265 of the 4/25/2017 Board packet). Many residents find this number to be grossly *under* estimated given IVGID's current building operational costs allegedly total the same number notwithstanding the current administration building does not have a commercial kitchen, and consists of approximately thirty percent (30%) of the square footage (10,000 square feet) the Parasol building (31,500 square feet) consists of.

⁹¹ See page 13 (under "Ongoing Cost of Lease Modification") of the feasibility report (page 270 of the 4/25/2017 Board packet).

5. Smith Design Group has been retained to provide space planning design at a cost of \$8,789⁹³;

6. Ballard*King & Associates has been retained to provide assessment of the viability and benefits of acquiring the Parasol building at an unknown cost⁹⁴;

7. Barker Rinker Seacat has been retained to provide re-purposing consultation of the Parasol building for use as programming and office spaces at an unknown cost⁹⁴;

8. IVGID's expenditure of additional unidentified funds on outside consultants to "determine the need for...additional (building)...improvements and future reconfigurations (necessary) to meet (its) operational needs;"⁹⁵

9. IVGID's expenditure of at least an additional \$493,142 on tenant improvements and future reconfigurations necessary to meet those operational needs⁹⁶;

10. IVGID's expenditure of at least an additional \$175,329 to remodel the Recreation Center's existing workout room in lieu of incurring similar remodel costs at the Parasol Building⁹⁷;

11. IVGID's expenditure of at least an additional \$7,900 in consultant costs with real estate appraiser Lynn Barnett & Associates for the Parasol Building's appraisal, a comparison of the costs to purchase versus rent, determining the net present value loss to be incurred should IVGID agree to Parasol's proposed seller lease back, and, appraising the current Southwood administrative building⁹⁸;

⁹² See page 14 (under "Ongoing Cost of Lease Modification") of the feasibility report (page 271 of the 4/25/2017 Board packet).

⁹³ https://www.yourtahoeplace.com/uploads/pdf-ivgid/Smith_Design_Group_-_PO_Contract_and_Invoices.pdf.

⁹⁴ Although I have made a public records request for the particulars of this cost, the PRO has replied that she will not be able to provide the requested records for some period of time (on/after September 29, 2017 at the earliest).

⁹⁵ See page 14 (under "Moving Expense") of the feasibility report (page 271 of the 4/25/2017 Board packet).

⁹⁶ See page 15 of Smith Design Group's July 2017 Conceptual DWR Center Improvements (Under "Preliminary Cost Estimate") at https://www.yourtahoeplace.com/uploads/pdf-ivgid/Smith_Design_Group_-_Work_Product.pdf.

⁹⁷ See page 1 of Smith Design Group's July 2017 Conceptual DWR Center Improvements (Under "Recreation Center Workout Room Remodel") at https://www.yourtahoeplace.com/uploads/pdf-ivgid/Smith_Design_Group_-_Work_Product.pdf.

12. IVGID's expenditure of another additional \$15,000 in consultant costs with real estate attorneys Holland and Hart, LLP for "initial document review...preparation of proposed lease amendment amendments, bill of sale and financing documents" with respect to the proposed series of transactions with Parasol⁹⁹;

13. IVGID's expenditure of additional unidentified funds to "get...fiber (optic cable) into the (building) from Incline Way...reconfiguring...server space and upgrading...electrical service within that space;"⁹⁵

14. IVGID's expenditure of "approximately two million dollars (as) a capital investment (for)... eventual...replace(ment of)...the building('s)...(fifteen year old) mechanical and structural systems;"¹⁰⁰

15. IVGID's loss of revenue [at least \$2,204,318 (see discussion above)] as a result of being required⁸⁵ to grant Parasol retained use of portions of the building for the next twenty years "as a (presumed non/less than fair market rent paying) tenant;"

16. IVGID's loss of revenue as a result of being required to allow the Donald W. Reynolds Foundation to retain its naming rights to the building for an unspecified period of time⁸⁵, and to allow Parasol to retain *all* current donor naming¹⁰¹; and,

17. None of this includes the *additional* cost (tens if not hundreds of thousand dollars worth of IVGID staff time) devoted to this project.

All told an expenditure of many, many millions of additional dollars over the remaining term of Parasol's current ground lease!

Moreover, the Donald Reynolds Building Cannot be Used for ANYONE's Administrative "Office Space Needs." Such use expressly violates the underlying land's use restrictions. Moreover, that land was acquired with Rec Fee moneys for park and recreation purposes *only*. To now use this land for administrative office space would mean that the Rec Fee is being used for another impermissible purpose. If staff is allowed to get away with this misrepresentation and waste of public

⁹⁸ See pages 116-129 of the 5/24/2017 Board packet, https://www.yourtahoeplace.com/uploads/pdf-ivgid/Lynn_Barnett_-_Work_Product.pdf.

⁹⁹ See pages 243-45 of the 8/22/2017 Board packet.

¹⁰⁰ See pages 13-14 (under "Ongoing Cost of Lease Modification") of the feasibility report (pages 270-71 of the 4/25/2017 Board packet).

¹⁰¹ See ¶VI at page 137 of the 5/24/2017 Board packet.

funds it holds in trust as local property owners' bailee¹⁰², then it means there are essentially no limits on what IVGID staff can use Rec Fee moneys for which as I and others have argued, is wrong!

Please remember, the ends do not justify the means. It is what is represented to local property owners that matters; something most of you seem to have forgotten.

Staff's Justification the D.W. Reynolds Building Can be Used for Recreational Programming Purposes is Disingenuous: There are *only* two reasons why staff is telling the public part of the Parasol Building *can* be used for recreation programming. The first is so it can overcome the deed restriction on its restrictive use. Unless the building is used for park or recreational purposes, its use violates the CC&Rs. So staff tell the public it *can* (rather than must) use a portion of the building for recreation programming.

But IVGID does not need another Recreation Center. It already has a building for that purpose. And given essentially none of the nearly 100 so called recreation programs staff operates out of the Recreation Center covers its costs, let alone generates positive cash flow¹⁰³, what justification is there for spending hundreds of thousands if not millions of dollars *more* to acquire use of only a portion of a building allegedly for *more* recreation programming purposes when those purposes *already* lose in excess of \$1.3M annually? This is insanity.

Staff Intends to Use the Rec Fee to Pay for the Parasol Building's Acquisition/Improvement Costs Notwithstanding That Fee Has *Nothing* to Do With Making Recreational Facilities "Available" For Use by Those Properties Which Are Involuntarily Assessed: The second reason why staff is telling the public that part of the Parasol Building *can* be used for recreation programming, is really the primary reason; *money!* Where does the \$5.5M or more of the purchase price come from? Basically the Rec Fee.

1. If one examines pages 12-13 of the feasibility report (pages 269-70 of the 4/25/2017 Board packet), one learns that IVGID staff intend to secure funding for the Parasol Building's acquisition from four sources, three of which have their genesis in the Rec Fee;

2. Source one is IVGID's excess General Fund Balance. Each year IVGID staff budget to overspend in excess of \$1M in the General Fund. For 2017-18, the IVGID Board has budgeted to

¹⁰² It is unlawful [see NRS 205.300(1)] for "any bailee of...money...(which) ha(s) been deposited or entrusted...(to) use...or appropriate...the money...or any part thereof in any manner or for *any other purpose than that for which they were deposited or entrusted.*"

¹⁰³ According to IVGID's financials it is currently losing \$1M or more annually on "recreation programming." And if one adds the additional \$300,000 annually assigned to recreation debt service, *the number is in excess of \$1.3M annually!*

overspend by \$1,097,000¹⁰⁴. This deficiency is covered by transfers from IVGID's Community Services (\$722,900), Beach (\$77,100) and Utility Funds (\$297,000) that are disingenuously labeled allocated "central services costs."¹⁰⁵ In fact over the last several years, staff has been transferring *more* to the General Fund, in the form of allocated central services costs, to intentionally build up its fund balance.

Up until 2011-12 the General Fund balance stayed level at \$615,774. But thereafter that balance began growing to where it now stands (\$1,837,533). Since the only way the General Fund's balance can increase is as a result of central services cost transfers, and nearly 70.5% of those transfers come from the Rec Fee, that's the precise source of funding for purchase of the Parasol Building on an installment basis;

3. Source two is IVGID's excess Workers' Compensation Fund" Balance. For decades IVGID was self-insured for workers' compensation claims. In order to remain self-insured, IVGID had to accumulate and retain workers' compensation reserves of between \$1.25M-\$1.6M. Now because IVGID purchases workers' compensation insurance, it is free to release most of its reserves. Since the Board has voted to release \$800,000 of those reserves, \$665,000 are assignable to the Community Services Fund¹⁰⁶, should they be used as a source of funding for purchase of the Parasol Building on an installment basis, as aforesaid those funds will have initially come from the Rec Fee;

4. Source three is IVGID's excess Community Services Fund Balance. Like IVGID's General and Beach Funds, each year IVGID staff budget to overspend nearly \$6M in the Community Services Fund. This overspending is subsidized by the Rec Fee. And according to staff, it pays for 100% of capital improvement projects ("CIPs") assigned to the Community Services Fund. At page 270 of the 4/25/2017 Board packet Staff suggests overspending on capital projects can be "re-prioritized" to create funds to pay for the Parasol Building purchase. Thus should those monies be used as a source of funding for purchase of the Parasol Building on an installment basis, regardless of re-prioritization, that funding will have come from the Rec Fee. In fact, according to the 2017-18 Budget, the Board has *already* assigned \$1.6M from the Community Services Fund¹⁰⁷ to fund the Parasol Building's \$1.6M down payment⁸⁹;

5. In other words, all three sources for funding purchase of the Parasol Building have at their root, the Rec Fee;

¹⁰⁴ See page 18, Schedule B-9 of the 2017-18 Budget ["the 2017-18 Budget (https://www.yourtahoepalace.com/uploads/pdf-ivgid/2017.6.16_2017-2018_Operating_Budget.pdf)] at page 42 of the 5/24/2017 Board packet.

¹⁰⁵ See page 112 of the 5/24/2017 Board packet.

¹⁰⁶ See page 12 (under "Available Funding") of the feasibility report (page 269 of the 4/25/2017 Board packet).

¹⁰⁷ See page 22, Schedule B-13, of the 2017-18 Budget at page 46 of the 5/24/2017 Board packet.

6. Now take a close look at Resolution 1860 and the report incorporated therein which were adopted on May 24, 2017¹⁰⁸. There you will see that the Rec Fee is supposed to be used for nothing more than the just and reasonable costs IVGID incurs to make its recreational facilities (and *not* an administrative office building) merely "available" to be used by those parcels/residential dwelling units (rather than the occupants thereof) involuntarily assessed;

7. Given the IVGID Board has *already* set aside \$1.6M of our Rec Fee to be used for the down payment on the purchase of the Parasol Building, it is clear IVGID intends to use our Rec Fee to purchase and improve an office building having nothing to do with anyone's recreation. *Isn't it about time we look behind staff's labeling to learn the truth of their real sinister purposes?*

The Parasol Building Cannot Continue to be Used by Parasol Whether or Not the Proposed Sale Goes Forward: because such use expressly violates the underlying land's use restrictions. And even if it doesn't, today's use is materially different from that originally represented. Meaning that all improvements thereon (i.e., the building), shall revert to IVGID's full use and ownership *without* the payment of anything to Parasol¹⁰⁹.

Parasol Has No Possible Suitor for its Building Other Than IVGID: Since Parasol doesn't own the land under the current building, and putting aside the fact it does not own the Parasol Building itself, the facts are clear it *cannot* sell the building to *ANYONE*. Since the current lease and CC&Rs prohibit assignment of the building to anyone other than Parasol or its successors, the simple fact of the matter is that the current lease cannot be sold to anyone. And since the current lease prohibits a use other than as Parasol's non-profit center, again, that building cannot be transferred to anyone. Simply stated, there is no one other than IVGID who can possibly take over Parasol's building or the current lease for that matter. In other words just like Parasol's CEO has admitted, **the Parasol Building has a fair market value of *NOTHING!* Why then does IVGID propose paying Parasol anything?**

Parasol's Proposal Has *Nothing* to Do With Modifying the Ground Lease, and Everything to Do With Bailing Parasol Out Financially: It arguably owns an asset without a value to any ready, willing and able purchaser. **So Why does IVGID have to bail Parasol out?**

Conclusion: If Parasol no longer intends to conform to the current lease's restrictions, then it must give up the building for no "adequate consideration for the remaining life of the building('s) improvements." If it is not willing to accept this consequence, then it must use the building as originally intended without any other compensation for the lease's remaining term. In fact, this entire transaction should be set aside because where does IVGID get off charging local property owners to acquire property represented to be used for park and recreation purposes only, and then give it away

¹⁰⁸ See pages 94-107 of the 5/24/2017 Board packet.

¹⁰⁹ See ¶XIII(A)(6) of the lease at page 298 of the 4/25/2017 Board packet.

to *anyone at all*, let alone under the guise of *charity*¹¹⁰? Now the Board has the opportunity to make things right, and I and others I know demand that is exactly what it does.

And You Wonder Why the RFF Which Has Financed This Colossal *Mis-Use* is Out of Control?
I've now provided more answers.

Respectfully, Aaron Katz (Your Community Watchdog Because No One Else Seems to be Watching) and Frank Wright.

¹¹⁰ See Exhibit "H" attached to this written statement.

EXHIBIT "B"

Re: Objections to Agenda Item I(2) for the IVGID Board's December 13, 2017 Meeting

From: "s4s@ix.netcom.com" <s4s@ix.netcom.com>
To: Wong Kendra Trustee
Cc: Callicrate Tim Trustee <callicrate_trustee@ivgid.org>, Horan Phil <horan_trustee@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, Morris Peter <morris_trustee@ivgid.org>, Herron Susan <Susan_Herron@ivgid.org>
Subject: Re: Objections to Agenda Item I(2) for the IVGID Board's December 13, 2017 Meeting
Date: Dec 10, 2017 11:23 PM

Dear Chairperson Wong and the Other Honorable Members of the IVGID Board:

I object to the form of proposed written minutes submitted by staff for approval by the IVGID Board [see pages 244-292 of the Board packet of materials prepared by staff in anticipation of this meeting {"the 12/13/2017 Board packet" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_12-13-17.pdf)}].

As your attorney should instruct each of you, NRS 241.035(1)(d) declares, in part, that "a public body shall approve the minutes of a meeting (which shall)...includ(e)...the substance of remarks made by any member of the general public who addresses the public body if the member of the general public requests that the minutes reflect those remarks or, if the member of the general public has prepared written remarks, a copy of the prepared remarks if the member of the general public submits a copy for inclusion."

The proposed minutes fail to reflect and include written remarks drafted jointly by Frank Wright and me, and submitted by Mr. Wright at the meeting notwithstanding he requested those remarks be included in the minutes of that meeting (see 06:24-09:33 of the livestream of that meeting at <https://livestream.com/IVGID/events/7720044/videos/162784045>).

So let's make it simple. Correct the proposed minutes in *all respects* prior to approving them, or I will file an Open Meeting Law ("OML") complaint. And I ask that at least one Board member make the formal request that the missing written statement be attached as requested. Why put the public to the added expense and inconvenience of responding to yet another OML complaint when so simple a fix exists?

And so we're clear Susan, again, please include a copy of this e-mail in the next Board packet.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS
DECEMBER 13, 2017 REGULAR IVGID BOARD MEETING – AGENDA ITEM
I(3) – APPROVAL OF MINUTES OF THE IVGID BOARD'S REGULAR
MEETING OF SEPTEMBER 26, 2017**

Introduction: Here the IVGID Board is presented with proposed minutes of its September 26, 2017 meeting to approve¹. NRS 241.035(1)² instructs that "within 45 days after the meeting or at the next meeting of the public body, whichever occurs later...a public body *shall* approve the minutes of (that) meeting (which shall)...includ(e): (a) the date, time and place of the meeting; (b) those members of the public body who were present, whether in person or by means of electronic communication, and those who were absent; (c) the substance of all matters proposed, discussed or decided and, at the request of any member, a record of each member's vote on any matter decided by vote; (d) *the substance of remarks made by any member of the general public who addresses the public body if the member of the general public requests that the minutes reflect those remarks or, if the member of the general public has prepared written remarks, a copy of the prepared remarks if the member of the general public submits a copy for inclusion*; (and, e) any other information which any member of the public body requests to be included or reflected in the minutes."

Given the proposed minutes fail to include prepared written remarks I submitted to the Board on September 21, 2017, in anticipation of the Board's September 26, 2017 meeting³, I object. And that's the purpose of this written statement.

NRS 241.035(1) Makes Clear Members of the General Public May "Address" a Public Body Either Orally or by Means of Prepared Written Remarks:

There is Nothing in NRS 241.035(1) Which Precludes a Member of the General Public From "Addressing" the Board at a Public Meeting Via His/Her Prepared Written Remarks in Lieu of His/Her Oral Testimony, Whether/Not He/She is Physically Present: The option sits with the member of the general public. And given the public policy concerns at issue (see discussion below), any doubt should be resolved in favor of permitting those written remarks to be included.

The Public's Right to Address Public Bodies is a Fundamental Right to be Construed *Liberally*: Yet here Chairperson Wong and attorney Guinasso went out of their way to construe this right narrowly against the public's right to address the IVGID Board. In other words, according to them, the

¹ See pages 293-326 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular December 13, 2017 meeting ["the 12/13/2017 Board packet" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_12-13-17.pdf)].

² Go to <https://www.leg.state.nv.us/NRS/NRS-241.html#NRS241Sec035>.

³ A copy of those written remarks is attached as Exhibit "A" to this written statement. I have placed an asterisk next to the portion where I asked they be attached to the minutes of the September 26, 2017 meeting.

only members of the general public who have standing to "address" the Board at a public meeting are those who physically appear at that meeting expressly for that purpose. According to Chairperson Wong at the Board's August 22, 2017 meeting:

Mr. Katz *"has to be here* to make his own statement for it to be entered into the written record...*he needs to be here* to make his own public comment.

Public Comment Cannot be Denied Based Upon its Content or Author: Yet here that's exactly what Chairperson Wong and attorney Guinasso have done.

Since NRS 241.035(1) Allows Members of a Public Body to Address Their Fellow Members at a Public Meeting Notwithstanding They Are *Not* Physically Present, Members of the Public *Have the Same Right*: Take a look at NRS 241.035(b): minutes of public bodies must reflect those members who are present, "whether in person or by means of electronic communication." Thus if it is appropriate for members of a public body to address the Board as a whole at a public hearing notwithstanding they are *not* physically present, then why can't members of the general public be allowed to do the very same thing?

Moreover in the Past the IVGID Board Has Routinely Allowed Members of the Board to Address the Board as a Whole at a Public Meeting Notwithstanding They Are *Not* Physically Present: By way of example, take a look at the written minutes of the Board's June 12, 2017 meeting⁴. At page 469 the Board will see where Trustee Callicrate was allowed to appear by means of telephone. Throughout the minutes of that meeting the Board will see where Trustee Callicrate was permitted to "address" the Board; especially when voting. And unlike in the current situation, his comments were included in the written record.

So what is the justification for not extending the same right to "address" the Board as a whole to members of the general public notwithstanding they are not physically present?

Moreover, in the Past the IVGID Board Has Routinely Allowed Members of the Public to Address the Board as a Whole by Means of Prepared Written Statements Notwithstanding They Are *Not* Physically Present at Public Meetings: That is the very reason why the IVGID Board's agendas include a section (for this December 13, 2017 meeting refer to ¶L) for "Correspondence Received by the District*." Therefore if it is acceptable for a member of the public to submit written remarks to the Board without being physically present at a Board meeting, without asking they be made a part of the minutes of that meeting, what is the justification for not allowing a member of the public to correspond via prepared written statements they wish be included in the minutes of a Board meeting?

⁴ Go to <https://www.yourtahoeplace.com/uploads/pdf-ivgid/0822-small.pdf>.

On December 13, 2017, Before the Evening Board Meeting, the Board Was Given Notice of the Deficiencies in the Subject Proposed Minutes and the Opportunity to Correct Them: I have attached a copy of my e-mail of even date as Exhibit "B" to this written statement, which gave the Board such notice. In that e-mail I warned Chairperson Wong and the Board that if she/it sanitized the formal written minutes of that meeting by omitting the subject written statement, there would be an Open Meeting Law ("OML") complaint. Therefore if the Board disregards its obligations and an OML complaint ensues, it will have no one to blame but itself.

Conclusion: The fix is easy. Add my written remarks to the proposed minutes before they are approved by the Board, including my September 21, 2017 written remarks. Because this of course will embarrass IVGID staff because my remarks unfavorably discuss an agenda item for that meeting, Chairperson Wong and staff want to do anything in their power to censor criticism. But sometimes you must bite your lower lip to do the right thing, even though it hurts, and this is such a case. I ask the Board do the right thing and attach the missing written statements to the formal minutes of its September 26, 2017 meeting before they are formally adopted.

Because the money to defend another OML complaint is going to come from our recreational facility fee ("RFF") because *ad valorem* and consolidated taxes are spent on employee salaries and benefits, is it any **Wonder Why the RFF is as High as it is?**

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

EXHIBIT "A"

Subject: Omissions From Chairperson Wong's List of Issues Concerning IVGID's Possible Purchase of the Parasol Building in Anticipation of the IVGID Board's Regular September 26, 2017 Meeting

From: "s4s@ix.netcom.com" <s4s@ix.netcom.com>

Date: 9/21/2017 11:24 PM

To: Wong Kendra Trustee <wong_trustee@ivgid.org>

CC: Callicrate Tim Trustee <callicrate_trustee@ivgid.org>, Horan Phil <horan_trustee@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, Morris Peter <morris_trustee@ivgid.org>, Herron Susan <Susan_Herron@ivgid.org>

BCC: Wright Frank <alpinesportss@gmail.com>, Newman Linda <linda@marknewman.net>, Dobler Cliff <cfdobler@aol.com>, Olmer Robert <orobert216@aol.com>, "pupfarm1@gmail.com" <pupfarm1@gmail.com>

Dear Chairperson Wong and the Other Honorable Members of the IVGID Board -

I am writing to you about the list of issues Ms. Wong created/presented to the IVGID Board its last meeting held September 13, 2017 insofar as the proposed purchase/sale of the Parasol Building. I am submitting this e-mail/written statement inasmuch as Judy/I are traveling and will not be able to attend the upcoming September 26, 2017 Board meeting.

Ms. Wong's issues appear at page 10 of the packet of materials prepared by staff in anticipation of the Board's September 26, 2017 meeting ("the 9/26/2017 Board packet"). But conspicuously absent are the five legal issues/sub-issues raised by Trustees Callicrate/Horan at the September 13, 2017 Board meeting. Namely,

1. The validity of the July 1, 1999 Amendment to the CC&Rs recorded against the land the subject of Parasol's current ground lease ("the land") given:
 - a) It was purportedly executed by Irving Littman, President of Gardena Service Co. ("Gardena"),
 - i) 22 years after the fact; and,
 - ii) Nearly ten (10) years after Gardena had been formally dissolved and its assets distributed; and,
 - b) The consent of local property owners who paid for the land was not first secured given the land's acquisition for park and recreational purposes, and none others, was expressly for the benefit of those property owners [see Reno v. Goldwater (1976) 92 Nev. 698, 558 P.2d 532];
2. In light of the original CC&Rs against the land, whether Parasol can permissibly use the Parasol Building for any activities whatsoever;
3. In light of the original CC&Rs against the land, whether IVGID can occupy and use any portion of the Parasol Building as an administrative office building given the CC&R use restrictions against the land;
4. Whether IVGID can use funds derived from the Recreation ("RFF") and/or Beach ("BFF") Facility Fee(s) to purchase/improve the Parasol Building given IVGID's representations the RFF/BFF pay for the "availability" to use public recreational facilities (rather than administrative office space); and,
5. Whether IVGID's proposed payment for the purchase of the Parasol Building over five

years represents an installment purchase agreement which requires the affirmative vote of 2/3 of IVGID Trustees.

Although Chairperson Wong clearly represented to the Board and the public that these additional legal concerns would be added to her list of issues and presented at this and future Board meetings for discussion, conspicuously, they are absent. So that these important issues are not simply "swept under the rug" and forgotten, I ask that one or more Board members formally request Ms. Wong's list be augmented to expressly include these omitted issues.

Although Chairperson Wong may object by categorizing all of these issues as "legal" which are awaiting the outcome of the Holland & Hart firm's legal analysis, I suggest they will not be addressed. Take a close look at Ms. Fogarty's September 12, 2017 engagement letter (see pages 5-9 of the 9/26/2017 Board packet). There she expressly represents that her scope of work is limited to review of the existing ground lease, as amended, and related CC&Rs related to the leased property (as opposed to the land). That's it!

Under this limited scope of work, in no way do I expect Ms. Fogarty's review to extend to items 1(b) and 2-5 identified above. Which means that if the IVGID Board is waiting for guidance insofar as these issues are concerned, given such these issues have not been added to Ms. Wong's list of issues, they will never be addressed. That is unless the Board does something.

So in closing, I ask that the Board augment Ms. Wong's list of issues with the five issues noted above so that in going forward they will be addressed. I also ask that the Board instruct staff to inform Holland & Hart that the five legal issues identified above be expressly included in the scope of work the subject of Ms. Fogarty's September 12, 2017 engagement letter.

Thank you for your courtesies and cooperation in these matters, and I expressly request that a copy of this e-mail be attached as a written statement to the written minutes to be prepared of the Board's September 26, 2017 meeting. Not that I need remind the Board inasmuch as IVGID staff constantly tout how "transparent" they are, but NRS 241.035(1)(d) expressly allows any member of the general public to address a public body at a public meeting by means of written remarks, and to request that those remarks be reflected in the formal written minutes of that public meeting. Please consider this e-mail to represent those written remarks.

Aaron Katz



EXHIBIT "B"

Objections to Agenda Item I(3) for the IVGID Board's December 13, 2017 Meeting

From: Aaron L Katz <s4s@ix.netcom.com>
To: Wong Kendra Trustee
Cc: Callicrate Tim Trustee <callicrate_trustee@ivgid.org>, Horan Phil <horan_trustee@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, Morris Peter <morris_trustee@ivgid.org>, Herron Susan <Susan_Herron@ivgid.org>
Subject: Objections to Agenda Item I(3) for the IVGID Board's December 13, 2017 Meeting
Date: Dec 13, 2017 3:48 PM

Dear Chairperson Wong and the Other Honorable Members of the IVGID Board -

On September 21, 2017 I sent you the statement below I asked be included in the written minutes of the IVGID Boards September 26, 2017 meeting.

This evening's agenda includes approval of the written minutes of the Board's September 26, 2017 meeting. But those minutes have omitted the written statement I provided and asked be included. I object.

NRS 241 evidences the fundamental right of any member of the general public to "address" his/her governing board, either orally and/or in writing, and to have written statements attached to the written minutes of public meetings where as here he/she requests. There is nothing that states the speaker must be physically present.

So if my written statement is not attached to those minutes and approved by the Board in that form, I will file an Open Meeting Law ("OML") complaint to go along with the possible two other OML complaints surrounding the minutes to the Board's August 22, 2017 and September 13, 2017 Board meetings. Why put the public to the added expense and inconvenience of responding to yet another OML complaint when so simple a fix exists?

And so we're clear Susan, again, please include a copy of this e-mail in the next Board packet.

Thank you for your anticipated cooperation. Aaron Katz

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

Subject: Omissions From Chairperson Wong's List of Issues Concerning IVGID's Possible Purchase of the Parasol Building in Anticipation of the IVGID Board's Regular September 26, 2017 Meeting

Date: Thu, 21 Sep 2017 23:24:52 -0700 (GMT-07:00)

From: s4s@ix.netcom.com <s4s@ix.netcom.com>

Reply-To: s4s@ix.netcom.com <s4s@ix.netcom.com>

To: Wong Kendra Trustee <wong_trustee@ivgid.org>

CC: Callicrate Tim Trustee <callicrate_trustee@ivgid.org>, Horan Phil <horan_trustee@ivgid.org>, Dent Matthew <dent_trustee@ivgid.org>, Morris Peter <morris_trustee@ivgid.org>, Herron Susan <Susan_Herron@ivgid.org>

Dear Chairperson Wong and the Other Honorable Members of the IVGID Board -

I am writing to you about the list of issues Ms. Wong created/presented to the IVGID Board its last meeting held September 13, 2017 insofar as the proposed purchase/sale of the Parasol Building. I am submitting this e-mail/written statement inasmuch as Judy/I are traveling and will not be able to attend the upcoming September 26, 2017 Board meeting.

Ms. Wong's issues appear at page 10 of the packet of materials prepared by staff in anticipation of the Board's September 26, 2017 meeting ("the 9/26/2017 Board packet"). But conspicuously absent are the five legal issues/sub-issues raised by Trustees Callicrate/Horan at the September 13, 2017 Board meeting. Namely,

1. The validity of the July 1, 1999 Amendment to the CC&Rs recorded against the land the subject of Parasol's current ground lease ("the land") given:

- a) It was purportedly executed by Irving Littman, President of Gardena Service Co. ("Gardena"),
- i) 22 years after the fact; and,
- ii) Nearly ten (10) years after Gardena had been formally dissolved and its assets distributed; and,
- b) The consent of local property owners who paid for the land was not first secured given the land's acquisition for park and recreational purposes, and none others, was expressly for the benefit of those property owners [see Reno v. Goldwater (1976) 92 Nev. 698, 558 P.2d 532];
2. In light of the original CC&Rs against the land, whether Parasol can permissibly use the Parasol Building for any activities whatsoever;
3. In light of the original CC&Rs against the land, whether IVGID can occupy and use any portion of the Parasol Building as an administrative office building given the CC&R use restrictions against the land;
4. Whether IVGID can use funds derived from the Recreation ("RFF") and/or Beach ("BFF") Facility Fee(s) to purchase/improve the Parasol Building given IVGID's representations the RFF/BFF pay for the "availability" to use public recreational facilities (rather than administrative office space); and,
5. Whether IVGID's proposed payment for the purchase of the Parasol Building over five years represents an installment purchase agreement which requires the affirmative vote of 2/3 of IVGID Trustees.

Although Chairperson Wong clearly represented to the Board and the public that these additional legal concerns would be added to her list of issues and presented at this and future Board meetings for discussion, conspicuously, they are absent. So that these important issues are not simply "swept under the rug" and forgotten, I ask that one or more Board members formally request Ms. Wong's list be augmented to expressly include these omitted issues.

Although Chairperson Wong may object by categorizing all of these issues as "legal" which are awaiting the outcome of the Holland & Hart firm's legal analysis, I suggest they will not be addressed. Take a close look at Ms. Fogarty's September 12, 2017 engagement letter (see pages 5-9 of the 9/26/2017 Board packet). There she expressly represents that her scope of work is limited to review of the existing ground lease, as amended, and related CC&Rs related to the leased property (as opposed to the land). That's it!

Under this limited scope of work, in no way do I expect Ms. Fogarty's review to extend to items 1(b) and 2-5 identified above. Which means that if the IVGID Board is waiting for guidance insofar as these issues are concerned, given such these issues have not been added to Ms. Wong's list of issues, they will never be addressed. That is unless the Board does something.

So in closing, I ask that the Board augment Ms. Wong's list of issues with the five issues noted above so that in going forward they will be addressed. I also ask that the Board instruct staff to inform Holland & Hart that the five legal issues identified above

be expressly included in the scope of work the subject of Ms. Fogarty's September 12, 2017 engagement letter.

Thank you for your courtesies and cooperation in these matters, and I expressly request that a copy of this e-mail be attached as a written statement to the written minutes to be prepared of the Board's September 26, 2017 meeting. Not that I need remind the Board inasmuch as IVGID staff constantly tout how "transparent" they are, but NRS 241.035(1)(d) expressly allows any member of the general public to address a public body at a public meeting by means of written remarks, and to request that those remarks be reflected in the formal written minutes of that public meeting. Please consider this e-mail to represent those written remarks.

Aaron Katz

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS
DECEMBER 13, 2017 REGULAR IVGID BOARD MEETING – AGENDA ITEM
C – PUBLIC COMMENT – WHEN IS THE BOARD GOING TO COMPEL
STAFF TO COMPLY WITH THE NRS 241.035 REQUIREMENT THAT
THE MINUTES OF BOARD MEETINGS BE APPROVED NO LATER
THAN 45 DAYS AFTER THE MEETINGS?**

Introduction: NRS 241.035(1)¹ instructs that "each public body *shall* keep written minutes of each of its meetings...*Unless good cause is shown*, a public body *shall* approve the minutes of a meeting *within 45 days after* the meeting or at the next meeting of the public body, whichever occurs later." Because for nearly a year the Board has willfully ignored this time sensitive requirement, *without good cause*, I make this written statement asking the Board to instruct staff to *do its job*.

Facts: At the Board's regular October 25, 2017 meeting the Board agendized approval of the minutes of its regular August 22, 2017 meeting². But rather than approving those minutes, the Board's chairperson *unilaterally* chose to "hold off approval" until the Board's next meeting. Why? Because at least one member of the public had voiced objections to the proposed minutes' transcription of her comments on August 22, 2017, and the person who did that transcription (Clerk Susan Herron) had been off work for the week³.

The next Board meeting took place on November 15, 2017. Again the minutes of the Board's meeting agendized approval of the minutes of its regular August 22, 2017 meeting⁴. But rather than approving those minutes, the Board's chairperson again *unilaterally* chose to "hold off approval" until the Board's next meeting.

These facts caused me to question the repeated delays we experience in securing the timely approval of the written minutes of Board meetings.

¹ Go to <https://www.leg.state.nv.us/NRS/NRS-241.html#NRS241Sec035>.

² See agenda item H(1) at https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_10-25-17.pdf.

³ The Board livestreams its meetings and the livestream of this meeting can be viewed at <https://livestream.com/IVGID/events/7866099/videos/164974667>. The discussion of this subject can be viewed at 2:54:00-2:54:31 of the livestream.

⁴ See agenda item I(1) at https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_11-15-17_.pdf.

Given the Board's next meeting after its August 22, 2017 meeting took place on September 13, 2017⁵, rather than forty-five (45) days, had the minutes of the Board's August 22, 2017 meeting been approved on October 25, 2017, sixty-four (64) days would have elapsed. And now that those minutes will not be approved until the Board's meeting of tonight, December 13, 2017, at the earliest, one hundred fourteen (114) days will have elapsed. Although reasons were proffered at the Board's October 25, 2017 meeting for not approving those minutes; *none* were proffered as to why their approval had not been accommodated within forty-five (45) days of August 22, 2017. And no reasons whatsoever were proffered at the Board's November 15, 2017 meeting as to why their approval had not been accommodated within forty-five (45) days of August 22, 2017. Thus, ***there has been yet another OML violation.***

This Delay in Timely Approving Minutes of Past Board Meetings is Not an Isolated Event: Rather, it is a regular occurrence which I assert counters any "Johnny-come-lately" good cause "assertion" by IVGID staff and/or the Board. For example,

1. The minutes of the Board's Special August 2, 2017 meeting were not approved until September 26, 2017⁶. Given the Board's next meeting after its August 2, 2017 meeting took place on August 22, 2017⁷, rather than forty-five (45) days having elapsed between the Board's August 2, 2017 and September 26, 2017 meetings, fifty-one (51) days elapsed. ***No reasons were proffered for the delay in approving those minutes at the Board's September 26, 2017 meeting;***

2. The minutes of the Board's Regular July 20, 2017 meeting were not approved until September 13, 2017⁸. Given the Board's next meeting after its July 20, 2017 meeting took place on August 2, 2017⁹, rather than forty-five (45) days having elapsed between the Board's July 20, 2017 and September 13, 2017 meetings, fifty-five (55) days elapsed. And again, ***no reasons were proffered for the delay in approving those minutes at the Board's September 13, 2017 meeting;***

⁵ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Agenda_Regular_9-13-17.pdf for evidence of this fact.

⁶ See agenda item H(1) at https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_9-26-17.pdf.

⁷ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Agenda_Regular_8-22-17.pdf for evidence of this fact.

⁸ See agenda item G(1) at https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Agenda_Regular_9-13-17.pdf.

⁹ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Agenda_Special_8-2-17.pdf for evidence of this fact.

3. The minutes of the Board's Regular June 28, 2017 meeting were not approved until August 22, 2017¹⁰. Given the Board's next meeting after its June 28, 2017 meeting took place on July 20, 2017¹¹, rather than forty-five (45) days having elapsed between the Board's June 28, 2017 and August 22, 2017 meetings, fifty-five (55) days elapsed. And again, ***no reasons were proffered for the delay in approving those minutes at the Board's August 22, 2017 meeting;***

4. The minutes of the Board's Regular June 12, 2017 meeting were not approved until August 22, 2017¹². Given the Board's next meeting after its June 12, 2017 meeting took place on June 28, 2017¹³, rather than forty-five (45) days having elapsed between the Board's June 12, 2017 and August 22, 2017 meetings, seventy-one (71) days elapsed. And again, ***no reasons were proffered for the delay in approving those minutes at the Board's August 22, 2017 meeting;***

5. The minutes of the Board's Regular May 24, 2017 meeting were not approved until July 20, 2017¹⁴. Given the Board's next meeting after its May 24, 2017 meeting took place on June 12, 2017¹⁵, rather than forty-five (45) days having elapsed between the Board's May 24, 2017 and July 20, 2017 meetings, fifty-seven (57) days elapsed. And again, ***no reasons were proffered for the delay in approving those minutes at the Board's July 20, 2017 meeting;***

6. The minutes of the Board's Regular May 10, 2017 meeting were not approved until June 28, 2017¹⁶. Given the Board's next meeting after its May 10, 2017 meeting took place on May 24, 2017¹⁷, rather than forty-five (45) days having elapsed between the Board's May 10, 2017 and June 28, 2017 meetings, forty-nine (49) days elapsed. And again, ***no reasons were proffered for the delay in approving those minutes at the Board's June 28, 2017 meeting;***

¹⁰ See agenda item H(2) at <https://www.yourtahoeplace.com/uploads/pdf-ivgid/0822-small.pdf>.

¹¹ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Agenda_Regular_7-20-17.pdf for evidence of this fact.

¹² See agenda item H(1) at <https://www.yourtahoeplace.com/uploads/pdf-ivgid/0822-small.pdf>.

¹³ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Agenda_Regular_6-28-17.pdf for evidence of this fact.

¹⁴ See agenda item H(1) at https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_7-20-17.pdf.

¹⁵ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Agenda_Regular_6-12-2017.pdf for evidence of this fact.

¹⁶ See agenda item H(1) at https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_6-28-17.pdf.

¹⁷ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Agenda_Regular_5-24-17.pdf for evidence of this fact.

7. The minutes of the Board's Regular March 23, 2017 meeting were not approved until May 10, 2017¹⁸. Given the Board's next meeting after its March 23, 2017 meeting took place on April 13, 2017¹⁹, rather than forty-five (45) days having elapsed between the Board's March 23, 2017 and May 10, 2017 meetings, forty-nine (49) days elapsed. And again, ***no reasons were proffered for the delay in approving those minutes at the Board's May 10, 2017 meeting;***

8. The minutes of the Board's Regular December 14, 2016 meeting were not approved until February 8, 2017²⁰. Given the Board's next meeting after its December 14, 2016 meeting took place on January 18, 2017²¹, rather than forty-five (45) days having elapsed between the Board's December 14, 2016 and February 8, 2017 meetings, fifty-six (56) days elapsed. And again, ***no reasons were proffered for the delay in approving those minutes at the Board's February, 2017 meeting;*** and,

9. What about the minutes of the Board's Regular September 13 and September 26, 2017 Regular Meetings which are on the agenda for this evening's meeting²²? Another ninety-two (92) and one-hundred and five (105) days respectively! And I predict, again, that ***no reasons were proffered for the delay in approving those minutes.***

Does I really need to go farther back to demonstrate a repeated, very intentional, pattern of intent to circumvent the statutory time restrictions for approving the Board's meeting minutes?

Conclusion: The NRS requires written minutes of IVGID Board meetings to be approved within a given number of days for a very specific reason. Yet IVGID staff treat this statutory requirement with the arrogance and contempt they give to many other statutory requirements. This behavior is insulting to the State, and it is insulting to the residents and property owners of Incline Village/Crystal Bay. And the time has come to put a stop to this behavior.

If IVGID staff cannot do their job to comply with the NRS, it's time to terminate their employ and secure staff which can do their job. I ask the Board to compel staff to do its job and to adopt disciplinary measures should it fail.

¹⁸ See agenda item H(1) at https://www.yourtahoepace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-10-17.pdf.

¹⁹ Go to https://www.yourtahoepace.com/uploads/pdf-ivgid/BOT_Agenda_Regular_4-13-2017.pdf for evidence of this fact.

²⁰ See agenda item H(1) https://www.yourtahoepace.com/uploads/pdf-ivgid/BOT_Packet_Regular_2-8-2017.pdf.

²¹ Go to https://www.yourtahoepace.com/uploads/pdf-ivgid/0118_-_Regular_agenda.pdf for evidence of this fact.

²² See agenda items I(1) and I(2) at https://www.yourtahoepace.com/uploads/pdf-ivgid/BOT_Packet_Regular_12-13-17.pdf.

Because the facts described above will result in the filing of another OML complaint, and the money to defend that complaint is going to come from our recreational facility fee ("RFF") because *ad valorem* and consolidated taxes are spent on employee salaries and benefits, is it any **Wonder Why the RFF is as High as it is?**

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

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR DECEMBER 13, 2017 MEETING –
AGENDA ITEM C – PUBLIC COMMENT – PROPOSED MODIFICATION TO THE
GROUND LEASE BETWEEN IVGID AND THE PARASOL TAHOE COMMUNITY
FOUNDATION ("PARASOL") – WHEN IS THE BOARD GOING TO COMPEL
STAFF TO PUBLISH ALL RELEVANT DOCUMENTS AND COMMENTARY
ON THIS ISSUE RATHER THAN THE SKEWED, CENSORED DOCU-
MENTS AND COMMENTARY ON THE IVGID WEB SITE?**

Introduction: We have a continuing COMMUNICATION PROBLEM with IVGID staff's presentation of truthful and unbiased facts pertaining to issues to be presented to the IVGID Board for approval. And here specifically, we have a problem insofar as the proposed Parasol Building purchase issue is concerned. I am asking that the Board direct staff to publish ALL public materials pertaining to this issue, whether they be for or against purchase.

Here staff was directed to accumulate UNBIASED facts to present to the Board so it could take action. But instead, staff see their role as presenting SKEWED and misleading facts intended to influence a Board outcome they are pre-disposed to favor. In other words, staff proclaim they are "transparent" on this and other issues, when the facts reveal nothing could be further from the truth.

When the Board and the public are deprived of important facts and arguments, especially insofar as a hotly contested issue such as the subject one, both are harmed. And that's the purpose of this written statement.

Underlying Facts: "At the Board's April 13, 2017 Board of Trustees Meeting, in response to (Parasol's) request for th(e subject) lease modification request, the Board of Trustees directed Staff to provide a summary report on the feasibility of the proposed modification" ("the feasibility report"). At the Board's April 25, 2017 meeting, after staff had presented that report¹, the Board directed IVGID staff to conduct additional due diligence insofar as the potential purchase of the Parasol Building, and to present the results of that diligence at its May 10, 2017 meeting². The problem is that staff have failed to perform the diligence represented. And as a result, the Board and the public have only been presented with the facts, documents and arguments staff choose be shared with the Board and the public. This has presented an incomplete and misleading picture of the relevant issues. And as long as

¹ See pages 258-272 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular April 25, 2017 meeting [https://www.yourtahoepalce.com/uploads/pdf-ivgid/BOT_Regular_Packet_4-25-17.pdf ("the 4/25/2017 Board packet")].

² See ¶II at page 3 of the packet of materials prepared by staff in anticipation of the Board's regular May 10, 2017 meeting [https://www.yourtahoepalce.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-10-17.pdf ("the 5/10/2017 Board packet")].

IVGID staff are encouraged to present this picture, the Board and the public will be deprived of the truth. Thus my request that the Board compel staff to publicize all relevant facts and documents.

Staff's Information Web Page: Staff have created a web page on the IVGID web site which supposedly presents all of the relevant facts and documents pertaining to this issue³. Although that page states that it includes "the Feasibility Study, along with a number of source documents as requested by the IVGID Board of Trustees...at the April 25, 2017 Board Meeting," it omits a number of relevant documents, and its feasibility study neglects to share the many reasons why this proposed purchase/sale is not in the best interests of IVGID.

For instance, the page provides materials presented to the Board at its April 13, 2017⁴, May 10, 2017⁵, May 24, 2017 and June 12, 2017⁶ meetings. Yet it neglects to provide materials presented at the Board's July 20, 2017⁷ and August 22, 2017 meetings. Moreover, the materials provided are incomplete and presented in a misleading fashion to influence an outcome they are pre-disposed to favor. In other words, although staff proclaim they are "transparent" on this and a number of other issues, nothing could be further from the truth.

Specific Examples of the Lack of Transparency I Am Talking About:

Example 1: Staff represents that "all documents presented at the April 25, 2017 IVGID Board of Trustees meeting are available below" to be viewed. I attended that Board meeting and I presented a series of facts on the Parasol issue. So did others. And some of those facts were set forth in an earlier April 13, 2017 written statement I had presented to the Board. Yet as one scrolls through the materials on that page, one finds that staff have intentionally sanitized my written statement from the linked materials. And staff have made no reference to the public comments which were presented at that meeting on the Parasol issue. In other words, staff's representation that "all

³ Go to <https://www.yourtahoepplace.com/ivgid/resources/ptcf-modification-request>.

⁴ See pages 159-184 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular May 10, 2017 meeting [https://www.yourtahoepplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-10-17.pdf ("the 5/10/2017 Board packet")].

⁵ See pages 134-158 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular June 28, 2017 meeting [https://www.yourtahoepplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_6-28-17.pdf ("the 6/28/2017 Board packet")].

⁶ See pages 494-512 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular August 22, 2017 meeting [<https://www.yourtahoepplace.com/uploads/pdf-ivgid/0822-small.pdf> ("the 8/22/2017 Board packet")].

⁷ See pages 156-183 of the packet of materials prepared by staff in anticipation of the IVGID Board's regular September 13, 2017 meeting [https://www.yourtahoepplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_9-13-17.pdf ("the 9/13/2017 Board packet")].

documents presented at the April 25, 2017 IVGID Board of Trustees meeting are available below" if not literally FALSE, are at best MISLEADING.

Example 2: Staff have provided links to far more materials/documents than merely those presented at the April 25, 2017 Board meeting. Although I do not object to providing more materials, if staff is going to link additional materials in support of this matter, it must link to ALL opposing materials as well. Because if they do not, staff are exercising impermissible censorship.

As the Board knows, I presented written statements and missing documents relevant to the Parasol issue on April 13, 2017, May 10, 2017, June 12, 2017 and July 20, 2017. Where are those statements and documents? Although there are links to three of these meetings, where are my written statements? And where is the link to the Board's July 20, 2017 meeting and the written statement I presented at that meeting? And where are the similar statements and documents submitted by other members of the public at these meetings on the Parasol issue?

If staff is going to present one side of an issue, the public demands the Board compel staff to present ALL SIDES.

Example 3: There are two smoking guns out there that staff are very aware exist, yet staff have gone out of their way to HIDE evidence of both. When staff hide documents on an important issue like this, they are guilty of deceit. I and others know the truth, and that's not what staff have shared. So what are the smoking guns?

Smoking Gun 1: Go to the May 10, 2017 link on the page. There you will see copies of the grant deed from Boise Cascade for the land under the Parasol Building, CC&Rs attached to that grant, and an amendment to those CC&Rs. Take a look at the documents themselves. Although the grant deed and the CC&Rs are copies of *recorded* documents, conspicuously the amendment to CC&Rs is *NOT*. Why not? Is staff telling us the amendment to CC&Rs was not recorded? If that's not what staff is telling us, then why haven't they provided a copy of the *RECORDED* amendment to CC&Rs⁸?

It turns out the amendment to CC&Rs WAS in fact recorded. Does anyone really think IVGID staff do not have a *recorded copy*? Assuming IVGID staff do, take a closer look at the amendment to CC&Rs which has been provided and compare the two. Don't you see that someone has covered over the recording information at the top of the document, made a copy of that altered public record, and shared this falsified document with the Board and the public implying it is the same as the original? Besides presenting misleading documents, offering falsified public records constitutes a crime (NRS 239.300). Is the Board concerned with this?

⁸ Although I have made a public records request for a recorded copy of the amendment to CC&Rs, to date, IVGID's Public Records Officer has failed to make the same available for my examination.

Well it turns out I have a copy of the recorded amendment to CC&Rs, and at the Board's September 13, 2017 Board meeting Frank Wright submitted a written statement which provided a copy. Although that statement was omitted from the minutes of that meeting, when it is attached, here is what you're going to see: that the person who recorded the document was the same person who represented Parasol in its negotiations of and entrance into the ground lease with IVGID. And that is the same person who recorded the same amendment to CC&Rs the Ocheltrees gave to IVGID 16 years before insofar as an adjacent 31+ acres deeded to IVGID contemporaneously with IVGID's purchase of the land under the Parasol Building is concerned. And that person was Gino Menchetti, attorney Guinasso's "of counsel" associate.

The Board is also going to learn from past minutes of IVGID Board meetings that IVGID was well aware of the use restrictions in the CC&Rs before entering into the ground lease with Parasol, and expressly told Parasol on the record in 1997 that it would be Parasol's responsibility to remove those restrictions. Who was Parasol's attorney? Mr. Menchetti. What arguably removed those restrictions? The amendment to CC&Rs. Who recorded that amendment? Mr. Menchetti.

Now look at paragraph XV of the ground lease with Parasol. It recites a number of facts ("IVGID and Parasol have full knowledge of the existence of the November 16, 1977, Deed from Boise Cascade Home & Land Corporation, a Delaware corporation, to (IVGID), which Deed contains a restrictive covenant which affects the realty being leased hereunder; that the 1977 Deed's Covenants, Conditions and Restrictions limit the use of said realty to the following uses: '...park and recreational and related purposes and for no other purposes;' that, the restrictions have been amended twice; that the relevant amendment, executed July 1, 1999, was signed by Irving Littman, President of Gardena Service Company, a California corporation, with the latter corporation being the successor of Boise Cascade Home & Land Corporation; that said amendment reiterates the foregoing mentioned restriction, excepting however...construction of a building for the use of the Parasol Foundation, Parasol Foundation collaborators or the Parasol Foundation legal successors; (and,)...the referenced Amendment To Covenants, Conditions and Restrictions appears to resolve any concerns about the use to which the subject property may not be put."

If Mr. Menchetti knew the foregoing, so did his client Parasol. And given Gardena Service Company had been dissolved nearly ten years before hand, if Mr. Menchetti knew this fact, then so did his client. Smoking gun 1 is the recorded information on the amendment to CC&Rs that reveals Mr. Menchetti had to have known that the amendment to CC&Rs was void and of no effect.

Smoking Gun 2: Return to paragraph XV of the ground lease with Parasol and concentrate upon the following language: "the restrictions have been amended twice." Since we know about the second amendment, what about the first? Why hasn't IVGID staff produced the same so the Board and the public have a complete view of the various conveyances affecting the land under the Parasol

Building⁹? I submit the answer is there *never* were two amendments to the CC&Rs. So why is this fact relevant to the subject issue? Because it identifies who knew of two amendments and thus who knew that the second July 1, 1999 amendment was phony.

Conclusion: IVGID's web site belongs to the public. The facts and views stated thereon should be accurate, neutral and uncensored. They should include opposing comments and documents, along with supporting ones. When as here they do not, the Board is sanctioning the dissemination of missing/misleadingly material fact. And that's exactly what we have here. For these reasons I am asking that the Board direct staff to include *all* opposing views and missing documents on this web page so the Board and the public can understand *ALL* of the issues that are in play insofar as this important matter is concerned.

And You Wonder Why the RFF Which Has Financed This Colossal *Mis-Use* is Out of Control?
I've now provided more answers.

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

⁹ Although I have made a public records request for a recorded copy of the *first* amendment to CC&Rs, to date, IVGID's Public Records Officer has failed to make the same available for my examination.

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS
DECEMBER 13, 2017 REGULAR IVGID BOARD MEETING – AGENDA ITEM C
– PUBLIC COMMENT – ANOTHER PARCEL WITH MULTIPLE DWELLING
UNITS WHICH PAYS A SINGLE RECREATION ("THE RFF") AND BEACH
("THE BFF") FACILITY FEE. WHEN IS STAFF GOING TO DO ITS JOB?**

Introduction: Although I have stated before and reaffirm that I do not believe it is proper to assess RFFs/BFFs against "dwelling units" rather than "parcels," this is exactly what IVGID does. As the IVGID Board ("the Board") knows, each year at staff's urging, the Board adopts a Report for the Collection of the RFF/BFF on the County tax roll ("the NRS 318.201 Report") which assesses each residential *dwelling unit* (as opposed to each parcel). If you want to see an example of this practice, go to pages 94-107 of the packet of materials prepared by staff in anticipation of the Board's regular May 24, 2017 meeting¹ ("the 5/24/2017 Board packet") and examine ¶1(A) at page 103 which states as follows:

"The following annual charges are for the availability of use of the recreational facilities above described, and such charges...shall be collected by the Washoe County Treasurer...(a) \$705 annual base Recreation Facility Fee *for each dwelling unit*, whether such unit stands alone or is part of a multiple unit residential structure and whether or not such unit is separately assessed by the County Assessor; and, an additional \$125 annual Beach Facility Fee pertaining to the use of the beaches or boat launching area."

What is a "dwelling unit?" According to IVGID Recreation Roll Policy No. 16.1.1.2.4²,

"any building or *portion thereof*, which contains living facilities with provisions for sleeping, eating, cooking, and sanitation."

As I and others have complained many times before, our IVGID staff *ISN'T* adhering to the Board's "policy" of assessing each "dwelling unit" which is part of a building containing multiple "dwelling units" separate RFFs and BFFs. And that's the purpose of this written statement.

How This Dereliction of Duty on IVGID Staff's Part Costs Local Property Owners: Each year when the Board adopts the NRS 318.201 Report it first determines at ¶11³ "the amount of moneys required for the (forthcoming) fiscal year...for the proper servicing of said identified bonds and for the administration, operation, maintenance and improvement of said real properties, equipment and facilities." Once this number is determined, staff divides this number by the number of dwelling units/

¹ See https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-24-17.pdf.

² See page 36 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Board_Policies.pdf.

³ See page 104 of the 5/24/2017 Board packet.

parcels it has chosen to assess. And the mathematical result becomes the RFF and the BFF. Therefore for 2017-18, the Board divided a RFF of "about \$5,776,700" by 8,194 "dwelling units"/parcels⁴ and came up with a RFF of \$705/dwelling unit. Similarly, the Board divided a BFF of "969,500" by 7,756 "dwelling units"/parcels with beach access⁴ and came up with a BFF of \$125/qualified dwelling unit.

It doesn't take a mathematician to understand that if "the amount of moneys required" were divided by *more* dwelling units, the RFF/BFF for each "dwelling unit"/parcel *would be less*.

In the past I and others have identified and called to the Board's attention some 1,000 or more "dwelling units" which are *not* being assessed the BFF and/or the RFF. Yet staff have done *NOTHING* to uniformly assess all dwelling units, and past Boards have refused to require staff to adhere to Board Policy. And now I provide evidence of another such dwelling unit which is not being assessed its fair share!

821 Donna Drive, Incline Village: A portion of this property was recently advertised for rent on nextdoor.com⁵. Let me quote the "property description" portion of the listing:

"This apartment is in the lower half of a large(r) house with a private entry in the woods community close to high school. It is partially furnished with a huge bright kitchen with built in nook, 1 large bath, large great room (and) walk in closet."

If you scroll through the pictures you will see that in addition to "living facilities with provisions for sleeping...and sanitation," you will see a full kitchen *including* a stove which means "provisions for ...eating (and) cooking." In other words,

TWO "DWELLING UNITS"

A Single RFF and a Single BFF: It's simple to determine whether a particular parcel is being assessed the BFF and/or RFF and if so, the number of BFFs and/or RFFs. One need simply go to the County Treasurer's web site, type in the street address or APN (in this case 124-064-04), and a copy of the parcel's property tax bill appears. This is exactly what I did and a copy of that bill is attached as Exhibit "B" to this written statement.

Note that I have placed an asterisk next to the "tax detail" for this parcel, and IVGID's RFF/BFF. There you can clearly see that rather than two RFFs/BFFs, the owners of this parcel (Christopher and Amy Carlson) are being assessed but *one* RFF and *one* BFF. In other words, ***the rest of us who are paying our fair share are paying more than we need to pay!*** And why? Because our allegedly "professional staff" ***are not doing their jobs!***

⁴ See page 107 of the 5/24/2017 Board packet.

⁵ I have attached a copy of this listing as Exhibit "A" to this written statement.

Like I Said, This is Just *Another* Example of Literally Hundreds I and Others Have Brought to the Attention of the Board and IVGID Staff: And when is the Board going to do something?

Christopher and Amy Carlson Have Owned This Property Since October 30, 2008: I have attached a copy of the Assessor's Property Data for 821 Donna Drive, Incline Village, NV. as Exhibit "C" to this written statement. I have placed an asterisk next to the October 30, 2008 acquisition date.

NRS 318.203: States that "if a...person has a reasonable belief that a dwelling unit exists that is not currently being charged for services provided by a general improvement district...(he/she) may submit an affidavit to the board of trustees of the district, setting forth the facts upon which the... person bases his or her belief." Once the "board of trustees receives (such) an affidavit (it)...may set a date for a hearing to determine whether the unit referenced in the affidavit is being used as a dwelling unit...If, after the hearing, the board determines that the unit...is being used as a dwelling unit, the board may adopt a resolution by the affirmative votes of not less than two-thirds of the total membership of the board to charge the owner pursuant to NRS 318.197⁶ for the services provided by the district to the dwelling unit."

So is the Board Going to Set a Hearing to Determine Whether 821 Donna Drive Should be Assessed Two RFFs and Two BFFs? And retroactive, no less, to October 30, 2008?

Amy Carlson Wants the Board to Assess Her Property Multiple RFFs/BFFs Because Those Are the Rules! On June 28, 2017 Amy Carlson gave public comment to the Board. In that comment, although on a different issue, she testified as follows: I am "here today because *(I) would like the Board to enforce the rules we have.*"⁷ Given that is exactly what I request, why doesn't the Board enforce the rules we have?

Conclusion: Why does a member of the public have to *continue to do staff's job* of ferreting out "dwelling units" that are not being assessed their fair share of the RFF/BFF? And why is there no consequence to staff for *not* doing their job? In staff's quest for "under-utilized" revenue, isn't this a simple and inexpensive means of generating additional revenues?

Misty Moga: Didn't staff create the new position of Communications Coordinator? And isn't Misty that coordinator? And *on nextdoor.com, no less?*⁸ Didn't Misty get an annual raise from

⁶ According to IVGID, the RFF/BFF are "standby service charges" purportedly authorized by NRS 318.197(1) [see <http://www.leg.state.nv.us/NRS/NRS-318.html#NRS318Sec197>].

⁷ See page 690 of the packet of materials prepared by staff in anticipation of the Board's regular August 22, 2017 meeting ["8/22/2017 Board packet" (<https://www.yourtahoeplace.com/uploads/pdf-ivgid/0822-small.pdf>)].

⁸ See <https://nextdoor.com/agency-detail/nv/incline-village/incline-village-general-improvement-district/>.

\$32,332.80 to \$61,333.95?⁹ Isn't IVGID now paying Misty \$86,810.48 annually in salary and benefits?⁸ Shouldn't a public employee whose job it is to monitor nextdoor.com have come across Amy Carlson's listing and reported it to her superiors?

And You Wonder Why Our RFF and BFF are as High as They Are? I've now provided more answers. Respectfully, Aaron Katz (Your Community Watchdog Because No One Else Seems to be Watching).

⁹ See <http://transparentnevada.com/salaries/search/?q=misty+moga>.

EXHIBIT "A"

Welcome all Invite more neighbors

Announcements Home > The District Ba

Spacious~ 2 Bedroom~ 1 Bath~ partially furnished~ Apartment~ Long Term Rental Available in Incline Village \$1400 utilites included

~ 2 Bedroom 1 Bath long term apartment rental is available for \$1400 a month plus last months rent includes all utilities including snow removal. This apartment is in the lower half of a large house with a private entry in the woods community close to high school. It is partially furnished with a huge bright kitchen with built in hock, 1 large bath, large great room, walk in closet and a large yard. Tons of space. The owner will only accept applications from professional, responsible, mature, quiet, non smokers, no pets, good credit and excellent references. You will be required to sign a 1 year lease. For more info message me~



New Edited 11/16/16 11:00 AM

Thank Reply

EXHIBIT "B"

Washoe County Treasurer
 P.O. Box 30039 Reno, NV 89520-3039
 ph (775) 328-2510 fax (775) 328-2500
 E-mail: tax@washoecounty.gov

Washoe County Treasurer
 Tammi Davis

Bill Detail

[Back to Account Detail](#) [Change of Address](#) [Print this Page](#)

Washoe County Parcel Information		
Parcel ID	Status	Last Update
12406404	Active	11/24/2017 2:13:10 AM
Current Owner: CARLSON, CHRISTOPHER R & AMY M 821 DONNA DR INCLINE VILLAGE, NV 89451		SITUS: 821 DONNA DR INCL NV
Taxing District	Geo CD:	
Legal Description Township 16 SubdivisionName WOOD CREEK SUBDIVISION Range 18 Lot 44		

Installments						
Period	Due Date	Tax Year	Tax	Penalty/Fee	Interest	Total Due
INST 1	8/21/2017	2017	\$0.00	\$0.00	\$0.00	\$0.00
INST 2	10/2/2017	2017	\$0.00	\$0.00	\$0.00	\$0.00
INST 3	1/1/2018	2017	\$1,461.12	\$0.00	\$0.00	\$1,461.12
INST 4	3/5/2018	2017	\$1,461.12	\$0.00	\$0.00	\$1,461.12
Total Due:			\$2,922.24	\$0.00	\$0.00	\$2,922.24

Tax Detail			
	Gross Tax	Credit	Net Tax
<u>Incline Recreati</u> 	\$830.00	\$0.00	\$830.00
<u>Incline Village</u>	\$176.80	(\$15.73)	\$161.07
<u>North Lake Tahoe 2</u>	\$941.01	(\$23.92)	\$917.09
<u>State of Nevada</u>	\$254.29	(\$6.46)	\$247.83
<u>Washoe County</u>	\$2,081.72	(\$52.91)	\$2,028.81
<u>Washoe County Sc</u>	\$1,702.97	(\$43.29)	\$1,659.68
<u>LAKE TAHOE WATER BASIN</u>	\$0.20	\$0.00	\$0.20
Total Tax	\$5,986.99	(\$142.31)	\$5,844.68

Payment History				
Tax Year	Bill Number	Receipt Number	Amount Paid	Last Paid
2017	2017097088	B17.98341	\$2,980.89	9/22/2017

Pay By Check

Please make checks payable to:
WASHOE COUNTY TREASURER

Mailing Address:
 P.O. Box 30039
 Reno, NV 89520-3039

Overnight Address:
 1001 E. Ninth St., Ste D140
 Reno, NV 89512-2845

Change of Address

All requests for a mailing address change must be submitted in writing, including a signature (unless using the online form).

To submit your address change online [click here](#)

Address change requests may also be faxed to: (775) 328-2500

Address change requests may also be mailed to:
 Washoe County Treasurer
 P O Box 30039
 Reno, NV 89520-3039

The Washoe County Treasurer's Office makes every effort to produce and publish the most current and accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use, or its interpretation. If you have any questions, please contact us at (775) 328-2510 or tax@washoecounty.us

EXHIBIT "C"

- Business >
- Safety >
- Property >
- Government >
- Events >

[New Search](#)
WASHOE COUNTY ASSESSOR PROPERTY DATA 11/2

[Parcel Map](#) | [Map Index](#) | [Quick Map](#) | [Sales/Transfer/Doc History](#) | [Additional Owners](#) | [Valuation History](#) | [Improvement](#)

[Permits](#)

Last Recorded Document in our records: # 3701600 October 30, 2008

APN: 124-064-04 Card 1 of 1

Owner Information & Legal Description

Situs 821 DONNA DR, WASHOE COUNTY 89451
 Owner 1 CARLSON, CHRISTOPHER R & AMY M
 Mail Address 821 DONNA DR
 INCLINE VILLAGE NV 89451
 Rec Doc No 3701600 Rec Date 10/30/2008
 Prior Owner ZERWECK, JOHN
 Prior Doc 2586197
 Keyline Desc WOOD CREEK LT 44
 Subdivision WOOD CREEK SUBDIVISION
 Lot: 44 Block: Sub Map# 793
 Record of Survey Map: Parcel Map#
 Section: Township: 16 Range: 18 SPC
 Tax Dist 5200 Ado Tax Info Prior APN
 Tax Cap Status Low Cap Qualified Primary Residence

Building Information

Quality R30	Bldg Type Sgl Fam
Average	
Stories SINGLE STORY	Square Feet 1,889
Year Built 1981	Square Feet does not include Basement Garage Conversion Area.
W.A.Y. 1981	Finished Bsmt 0
Bedrooms 3	Unfin Bsmt 0
Full Baths 2	Bsmt Type
Half Baths 0	Gar Conv Sq Foot 0
Fixtures 9	Total Gar Area 528
Fireplaces 1	Gar Type ATTACH
Heat Type FA	Det Garage 0
Sec Heat Type	Bsmt Gar Door 0
Ext Walls SIDING/FR	Sub Floor WOOD
Sec Ext Walls	Frame FRAME
Roof Cover COMP SHINGLE	Construction Mod 1.05
Obso/Bldg Adj 0	Units/Bldg 1
% Incomplete	Units/Parcel 1

SHINGLE

Obso/Bldg Adj 0

Units/Bldg 1

% Incomplete

Units/Parcel 1

Land Information

Land Detail

Land Use 200
 Size 20,299 SqFt or ~ 0.466 Acre

Zoning MDS Sewer Municipal
 Water Muni Street Paved

NBC = Neighborhood Code
 NBC TAVE
 NBC Map NBC Map Inde

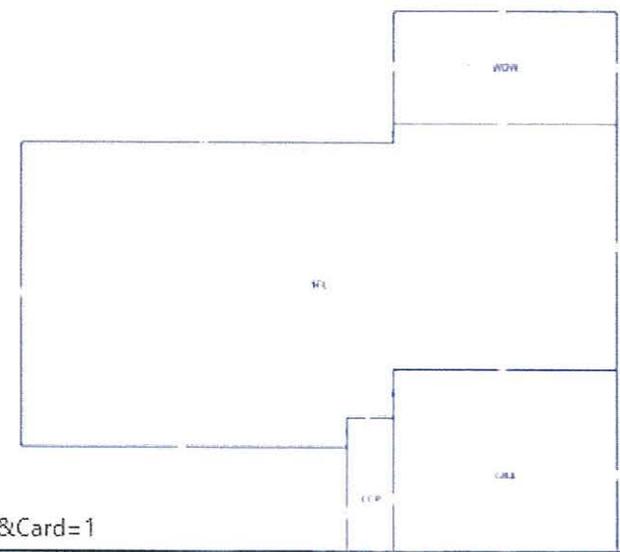
Valuation Information

Valuation History	2016/17 FV	2017/18 FV
Taxable Land Value	280,000	300,000
Taxable Improvement Value	131,440	127,372
Taxable Total	411,440	427,372
Assessed Land Value	98,000	105,000
Assessed Improvement Value	46,004	44,580
Total Assessed	144,004	149,580

Sales/Transfer Information/Recorded Document

Sales/Transfer History	V-Code	DOR	Doc Date	Value/Sale Price	Grantor	Grantee
	2D	200	10-30-2008	830,000	ZERWECK, JOHN	CARLSON, CHRISTOPHER I
	3NTT	200	07-10-2003	0	ZERWECK, JAIME	ZERWECK, JOHN
	3NTT	200	10-17-2002	0	ZERWECK, JOHN	ZERWECK, JAIME
	3NTT	200	09-28-2001	0	ZERWECK, JAIME	ZERWECK, JOHN
			03-01-1999	0		ZERWECK, JAIME
	2D	200	06-30-1995	390,000		

Building #1 Sketch



Property Photo



2018 CHAMPIONSHIP COURSE -- Daily Rates ****PROPOSED****

NON-RESIDENT - Rack Rates										
	TIME OF DAY									
	Open - 12 (Prime Time)		12-2 (Mid-Day)		2-4 (Twilight)		After 4 (Super Twilight)		After 5:30 (Super Twilight 9-Holes)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$120	\$140	\$100	\$120	\$70	\$90	\$50	\$60	\$40	\$45
June 15 - Sept 23	\$170	\$190	\$160	\$180	\$120	\$140	\$75	\$85	\$55	\$70
Sept 24 - closing	\$140	\$160	\$120	\$140	\$100	\$120	\$60	\$70	\$45	\$55
all rates include shared cart										

Holidays: Memorial Day - Mon. May 28th

Holidays: July 4th- M/Tu/W/Th July 2nd-5th | Labor Day- Mon. Sept. 3rd

Holidays: None

RESIDENT - Rack Rates (50% or more discount off of Non-Resident rate)										
	TIME OF DAY									
	Open - 12 (Prime Time)		12-2 (Mid-Day)		2-4 (Twilight)		After 4 (Super Twilight)		After 5:30 (Super Twilight 9-Holes)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$60	\$70	\$50	\$60	\$35	\$45	\$25	\$30	\$20	\$23
June 15 - Sept 23	\$85	\$90	\$70	\$80	\$60	\$70	\$38	\$43	\$28	\$35
Sept 24 - closing	\$60	\$70	\$50	\$60	\$40	\$50	\$25	\$30	\$20	\$23
all rates include shared cart										

Holidays: Memorial Day - Mon. May 28th

Holidays: July 4th- M/Tu/W/Th July 2nd-5th | Labor Day- Mon. Sept. 3rd

Holidays: None

GUEST - Rack Rates (\$25 more than Res. Rate open-4pm & \$15 more than Res. Rate 4pm-close)										
	TIME OF DAY									
	Open - 12 (Prime Time)		12-2 (Mid-Day)		2-4 (Twilight)		After 4 (Super Twilight)		After 5:30 (Super Twilight 9-Holes)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$85	\$95	\$75	\$85	\$60	\$70	\$40	\$45	\$35	\$38
June 15 - Sept 23	\$110	\$115	\$95	\$105	\$85	\$95	\$53	\$58	\$43	\$50
Sept 24 - closing	\$85	\$95	\$75	\$85	\$65	\$75	\$40	\$45	\$35	\$38
all rates include shared cart										

Holidays: Memorial Day - Mon. May 28th

Holidays: July 4th- M/Tu/W/Th July 2nd-5th | Labor Day- Mon. Sept. 3rd

Holidays: None

2018 MOUNTAIN COURSE -- Daily Rates ****PROPOSED****

18 HOLES

9 HOLES

NON- RESIDENT - Rack Rates

MOUNTAIN COURSE INCLINE VILLAGE LAKE TAHOE	Time of Day					
	Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$40	\$50	\$35	\$45	\$30	\$35
June 15 - Sept 3	\$65	\$70	\$60	\$65	\$40	\$45
Sept 4 - Closing	\$50	\$55	\$45	\$50	\$35	\$40
<i>all rates include shared cart</i>						

MOUNTAIN COURSE INCLINE VILLAGE LAKE TAHOE	Time of Day					
	Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$25	\$30	\$20	\$25	\$18	\$20
June 15 - Sept 3	\$35	\$40	\$30	\$35	\$25	\$30
Sept 4 - Closing	\$28	\$32	\$23	\$28	\$20	\$25
<i>all rates include shared cart</i>						

Holidays: Memorial Day - Mon. May 28th
 Holidays: July 4th- M/Tu/W/Th July 2nd-5th | Labor Day- Mon. Sept. 3rd
 Holidays: None

RESIDENT - Rack Rates

(30% or more discount off of Non-Resident rate)

MOUNTAIN COURSE INCLINE VILLAGE LAKE TAHOE	Time of Day					
	Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$28	\$35	\$25	\$32	\$18	\$21
June 15 - Sept 3	\$42	\$46	\$42	\$46	\$25	\$28
Sept 4 - Closing	\$35	\$39	\$32	\$35	\$20	\$23
<i>all rates include shared cart</i>						

MOUNTAIN COURSE INCLINE VILLAGE LAKE TAHOE	Time of Day					
	Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$18	\$21	\$14	\$18	\$10	\$13
June 15 - Sept 3	\$25	\$28	\$21	\$25	\$15	\$18
Sept 4 - Closing	\$20	\$22	\$16	\$20	\$12	\$15
<i>all rates include shared cart</i>						

Holidays: Memorial Day - Mon. May 28th
 Holidays: July 4th- M/Tu/W/Th July 2nd-5th | Labor Day- Mon. Sept. 3rd
 Holidays: None

GUEST - Rack Rates

(\$10 more than Res. Rate open-12 & \$5 more than Res. Rate 12-4, 4-close = same as Res.)

MOUNTAIN COURSE INCLINE VILLAGE LAKE TAHOE	Time of Day					
	Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$38	\$45	\$30	\$37	\$18	\$21
June 15 - Sept 3	\$52	\$56	\$47	\$51	\$25	\$28
Sept 4 - Closing	\$45	\$49	\$37	\$40	\$20	\$23
<i>all rates include shared cart</i>						

MOUNTAIN COURSE INCLINE VILLAGE LAKE TAHOE	Time of Day					
	Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$23	\$26	\$19	\$23	\$10	\$12
June 15 - Sept 3	\$30	\$33	\$26	\$30	\$15	\$18
Sept 4 - Closing	\$25	\$27	\$21	\$25	\$12	\$15
<i>all rates include shared cart</i>						

Holidays: Memorial Day - Mon. May 28th
 Holidays: July 4th- M/Tu/W/Th July 2nd-5th | Labor Day- Mon. Sept. 3rd
 Holidays: None

HemGiz

The Chateau

2018-2019

June—October	Rate— 1/3 = \$924	PPH Rate
Saturday	\$7,990	\$5,445
Friday & Sunday	\$4,970	\$3,360
Monday-Thursday	\$2,770	\$1,890
November—May	1/3 = \$616	
Saturday	\$4,660	\$3,045
Friday & Sunday	\$3,230	\$2,205
Monday—Thursday	\$1,850	\$1,284

Wedding Ceremony	Includes	Rate	PPH Rate
10th Tee Box	<ul style="list-style-type: none"> ◇ Set up/strike & white folding chairs ◇ On-site ceremony coordination 	\$1,000	\$750
Fireside Ceremony	<ul style="list-style-type: none"> ◇ Set up/strike & white folding chairs ◇ On-site ceremony coordination 	\$500	\$375
The Grille (winter only)	<ul style="list-style-type: none"> ◇ Set up/strike & white folding chairs ◇ On-site ceremony coordination ◇ Can be used for cocktail hour 	\$500	\$375

The Chateau: 955 Fairway Blvd, Incline Village, NV, 89451 Aspen Grove: 960 Lakeshore Blvd, Incline Village, NV, 89451

775-832-1303 thechateauatlaketahoe.com

12/7/2017

ASPEN GROVE

2018-2019

May—September	Rate	PPH Rate
Saturday	\$3,160	\$2,155
Friday & Sunday	\$2,085	\$1,430
Monday-Thursday	\$1,045	\$715

	Includes	Rate	PPH Rate
Wedding Ceremony	◊ Set up/strike & white folding chairs	\$750	\$500
Building Only	◊ Max capacity: 50 people ◊ 3 hour minimum	\$130/hr	\$55/hr

The Chateau: 955 Fairway Blvd, Incline Village, NV, 89451 Aspen Grove: 960 Lakeshore Blvd, Incline Village, NV, 89451

775-832-1303 thechateauatlaketahoe.com

12/7/2017

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 7,587,855	\$ 1,796,283	\$ 9,384,138
Investments	1,744,385	6,797,142	8,541,527
Receivables:			
Accounts receivable, net	95,104	1,068,585	1,163,689
Interest on investments	27,224	29,368	56,592
Taxes and Fees from Washoe County	45,222	-	45,222
Grant receivable	30,869	-	30,869
Due from other governments	530,343	-	530,343
Inventories and supplies	618,031	141,875	759,906
Prepaid items	584,349	195,375	779,724
Long term investments	9,713,793	3,984,852	13,698,645
Restricted assets:			
Temporarily restricted investments	180,564	305,022	485,586
Capital assets:			
Land	16,904,036	6,715,544	23,619,580
Construction in progress	1,841,242	4,519,884	6,361,126
Buildings, Structures, Improvements, Infrastructure, Equipment and Vehicles, net of accumulated depreciatio	35,025,970	54,196,782	89,222,752
Total assets	<u>74,928,987</u>	<u>79,750,712</u>	<u>154,679,699</u>
LIABILITIES			
Accounts payable	1,349,710	549,903	1,899,613
Accrued personnel costs	1,451,502	317,407	1,768,909
Accrued interest payable	21,353	75,401	96,754
Due to other governments	69,216	-	69,216
Unearned revenue	1,161,689	534,559	1,696,248
Noncurrent liabilities:			
Due within one year	1,187,000	495,761	1,682,761
Due in more than one year	1,854,347	5,118,604	6,972,951
Total liabilities	<u>7,094,817</u>	<u>7,091,635</u>	<u>14,186,452</u>
DEFERRED INFLOW OF RESOURCES			
Deferred Inflow (Property Taxes and Facility Fees)	36,218	-	36,218
NET POSITION			
Net investment in capital assets	50,729,901	59,817,845	110,547,746
Restricted Investments by Third Party Agreement	180,564	305,022	485,586
Unrestricted	16,887,487	12,536,210	29,423,697
Total net position	<u>\$ 67,797,952</u>	<u>\$ 72,659,077</u>	<u>\$ 140,457,029</u>