

MEMORANDUM

TO: Board of Trustees

FROM: Steven J. Pinkerton
General Manager

SUBJECT: General Manager's Status Report
Prepared for the meeting of April 10, 2019

DATE: April 2, 2019

Financial Transparency

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

Through the first eight months of the Fiscal Year, District-wide revenues are \$2,439,800 ahead of projected budget and District-wide operating uses are \$1,040,253 below projected budget. In total, we are \$3.48 million to the good for year to date budget. For the month of February, we were \$281,595 to the good due to a strong holiday season at Diamond Peak. While skier visits were slightly above average, skier revenue to date set a new record – \$8,582,062.

With record activity at Diamond Peak, it is likely that a Budget Augmentation will be necessary. If needed, it will be submitted for Board consideration at a May or June Board of Trustees Meeting.

We will be providing an update at the next Board of Trustees Meeting on May 1, 2019 to provide more information on the final financial results for the 2018-19 season at Diamond Peak.

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

Also a reminder that the Month and Year Ending June 30, 2018 (Pre-Audit) is now posted as well. As June 30 is the end of the Fiscal Year, these financials provide the final pre-audit numbers for the 2017-18 Fiscal Year. In addition, annual and quarterly reports are also posted for previous fiscal years.

Venue Status Reports

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

These reports are used to provide the Board of Trustees and the community with a summary of the activities for each venue, including significant expenditures performed under the General Manager's authority. For example, the Public Works status report for February notes that two new construction contracts were issued that month valued at \$99,395 and \$28,800.

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

This report also includes monthly updates on Public Works benchmarks. For example, customer service requests in February numbered 37, slightly below the three-year average for February of 41. For the Fiscal Year-to-Date, customer service requests are one above the three-year average of 740.

There were only two Trash Complaints (actual call-outs) in February. For the Fiscal Year-to-Date, complaints are 24 versus 325 the previous year.

Wastewater flow was at 27 million in February, just below the 31 million for the three-year average. For the Fiscal Year-to-Date, total flows are at 222 million, below the three-year average of 235 million.

Additionally, the February report notes that staff performed record snow removal duty that month, as 19 of 28 days saw exceptional snowfall. The team drove loaders and blowers for 685 hours, moving snow from District parking lots and access roads, and along Ski Way to provide skiers with safe access to Diamond Peak.

The Finance/Accounting and Risk Management Status Report for December provides an update on the Sales Tax Refund by the State of Nevada and a number

of other timely issues. It also outlined the District's latest Risk Management and Safety Initiatives.

The Human Resources Status Report included updates on employee recruitment, training, community relations and worker's compensation.

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

Bidding Opportunities

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

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

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

Capital Projects Update

Design

WRRF Aeration System Improvements

The aeration process of wastewater treatment supplies oxygen to facilitate the biological activity that converts raw sewage into treated wastewater effluent.

The treatment plant has six 200,000 gallon aeration basins with two jet aeration clusters per basin. These clusters utilize pressurized air to mix and recirculate the wastewater and provide the necessary oxygen to the microorganisms. The pressurized air is delivered by multistage centrifugal blowers that are metered by electronically operated valves in order to keep the correct balance of oxygen in the aeration basins at all times.

This project funds the design and replacement of the aeration system equipment at the WRRF. The age of the equipment, the number of hours of operation, and condition assessment indicates the existing centrifugal blowers are at the end of

their serviceable life. Additionally, the blowers are no longer supported by the manufacturer and replacement parts are difficult to acquire.

Jacobs Engineering is working on the design documents and final bid level documents are scheduled to be completed in the June 2019 to replace aeration blowers and associated piping, valves and control system.

The Engineering Staff will then bid the construction project in July 2019, with construction beginning in September 2019 and substantial completion in May 2020.

SPS #1 – (Overflow Parking Lot)

The District owns 18 sewer pumping stations in Incline Village and Crystal Bay. Sewer Pump Station #1 collects and transports 50% of the raw sewage and transport to the wastewater treatment plant on Sweetwater Road. If something were to happen to Sewer Pump Station #8 there is a direct bypass that would send all of the raw sewage to Sewer Pump Station #1, thus accounting for 75% of the raw sewage in the District.

Constructed in the early 1970s this station has provided reliable service. The station contains the mechanical and electrical equipment to pump sewage to the wastewater treatment plant. The equipment in the station to be replaced as a part of this project are the variable frequency drives for the three pumps.

Jacobs Engineering is working on the design for the replacement of the three variable frequency drives (VFD's) and replacement of the motor control center (MCC). Final bid level documents are expected in June 2019. The Engineering staff will then bid the construction project in July 2019, with Construction anticipated for the fall/winter 2019-20.

WPS 2-1 Incline – (Burnt Cedar Beach)

Water Pump Station 2-1 (WPS 2-1) is located at the Burnt Cedar Water Disinfection Plant (BCWDP) and pumps the disinfected potable water into the water distribution system to serve Incline Village and Crystal Bay. WPS 2-1 was largely constructed in 1972 with minor upgrades in 1995 and 2012.

The electric motor control centers (MCCs) and switchgear at WPS 2-1 date to the original 1972 installation. This equipment does not meet modern OSHA requirements for Arc Flash safety and the MCCs and switchgear are at the end of their service life and no longer supported by the respective manufacturers.

Jacobs Engineering is working on the design for the replacement of the three water pump motor soft starts and replacement of the motor control center (MCC). Final bid level documents are expected in April 2019. The Engineering staff will then bid the construction project in May 2019, with construction beginning in June 2019 and substantial completion in April 2020.

Mountain Clubhouse

On August 11, 2018 a fire occurred in the Mountain Golf Course lodge which completely decimated the kitchen area. Smoke damage was incurred throughout the facility, which in turn affects walls, flooring and mechanical systems.

The District's insurance coverage is for replacement. However, the evaluation of what is the best solution long term for the operations indicates a revised allocation of floor space, changes to access and ultimate substantial change to customer flow requires a makeover of the floor plan. These changes facilitate other objectives including a long standing issue of ADA accessibility to the lower level for food service.

The Smith Design Group has completed design documents which have been submitted to Washoe County for permits. Once we receive comments, bid level documents will be developed. The renovation project will then either be administered through the insurance company or publically bid.

Construction is scheduled for fall 2019 with substantial completion prior to the 2020 golf season. In the near term to facilitate utilization of the building for the 2019 golf season, the interior will be painted and the floors will be carpeted. Insurance proceeds will cover the cost of the paint and carpet contracts.

Construction

Repair Deck, Stairs, and Powder Coat all Patio Deck Railings (Recreation Center)

This project will replace the railings and southern stairway on the eastside deck at the Recreation Center.

The project was publically bid and received three bids. The lowest responsive bidder was Bruce Purves Construction. The contract is on the April 10, 2019 District Board meeting agenda for award. If awarded, Notice to Proceed will be issued on or about April 25, 2019. The Project is expected to be substantially complete by June 24, 2019

Water Reservoir Safety and Security Improvements

This project would replace the ladders that access the top of the water reservoirs, install intermediate access platforms, install protective railings and install new fall protection devices. The exterior access to the roof area is required to meet the needs of the District to monitor the water quality in the reservoirs and perform routine repairs to radio communication equipment. The ladders also need to be secured from access by the public. The reservoir ladders, fall protection, platforms, and protective railings will meet the current Occupational Safety and Health Administration (OSHA) safety standards.

The project was publically bid and received two bids. The lowest responsive bidder was Resource Development Company. The contract is on the April 10, 2019 District Board meeting agenda for award. If awarded, Notice to Proceed will be issued on or about May 1, 2019. The Project is expected to be substantially complete by June 30, 2020.

ADA Access to Golf Course Bathrooms (Mountain Course)

The Mountain Golf Course on-course bathrooms at holes #6 and #13, and the site surrounding the restrooms are not in compliance with current American Disabilities Act (ADA) requirements for access due to excessive cross slopes between the golf cart parking and the restrooms entryway.

This project will re-construct the cross slopes and pave access from the golf cart parking to the restrooms entryway. The project was awarded to Colbre Grading and Paving at the January 23, 2019 Board Meeting. Construction will begin as weather permits and is expected to be substantially completed in July 2019.

Incline Park Ballfields Renovations

The project was awarded to Rapid Construction at the March 18, 2019 District Board meeting. The project was reduced in scope to only improvements at Field #3 to include:

- New Baseball specific Turf Infield, Drainage, and Irrigation
- New outfield specific French Drain
- New Scoreboard with naming rights panel
- New Modular Batting Cages with retaining/seating wall
- New Foul Poles
- Expansion of outfield dimensions, fencing replacement, and renovated outfield warning track
- New Backer Board at Backstop/Includes padding
- New enclosed custom modular Dugouts with equipment storage
- Site Signage Improvements

The project will begin this spring as the weather allows and will be substantially completed by August 30, 2019.

Burnt Cedar Pool

The Burnt Cedar Pool, constructed in the 1970's, features a skimmer type recirculation system. The piping system and turnover times are undersized and problematic for pool clarity.

This project will replace the pipes from the Mechanical room at the edge of the Burnt Cedar Pool. During construction when the piping is exposed at the edge of the pool both visual and camera inspection will be completed on the piping from the edge of the pool to the bottom of the pool in an effort to scope the next phase schedule for the fall of 2019.

Piping replacement is currently under construction and is scheduled to be completed by April 30.

Sewer Pump Station #11 Replacement

Sewer Pump Station #11 collects and transports the raw sewage in and around Crystal Drive in Crystal Bay to the wastewater treatment plant on Sweetwater Road. Constructed in the 1970s, this station has provided reliable service.

The station contains the mechanical and electrical equipment to pump sewage to the wastewater treatment plant. The pump station to be replaced is a wet well mounted packaged pump station. The new pump station includes the insulated enclosure, two pumps, high altitude motors, heaters, a sonic start system for priming and a SCADA system. The pump was procured in December 2018 and will be installed when the weather conditions are more favorable in the coming month.

Other Projects

The Grant funded Incline Creek Restoration project located on the Hole 14 of the Championship Golf Course is currently being publically bid with the bid opening on April 25, 2019 and construction slated for post-Labor Day 2019.

IVGID Quarterly

IVGID property owners should all be in receipt of the February edition of the IVGID Quarterly. This marks the first edition of the fifth year of the Quarterly. Along with the regular department summaries, it includes features on Fuels Management, the Fire District's ISO 1 rating and the SR28 Shared Use Path & Safety Storm Water

Enhancements. It also includes nine pages that provide a comprehensive summary of IVGID's finances.

The April edition will be out shortly. This Quarterly will include the Spring-Summer Recreation Guide along with features on the Incline Village Library and the IVGID Appreciation Days.

Washoe County Federal Lands Bill

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

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

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

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

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

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

Director of Golf

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

Staff worked with the Professional Golfers Association (PGA) and Borders Golf Group to develop an updated job description. Borders took the lead role in the recruitment, with interviews held on February 11.

A new Director was selected at the conclusion of the competitive process and will start work with the District on April 15.

Mountain Golf Course Clubhouse Fire

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

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

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

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

We have made progress over the past month with each path, but it is unlikely that any improvements can be made to the Clubhouse before the beginning of the season. We are working on interim solutions for using the Clubhouse this summer. More detail regarding the Clubhouse renovation is included in the CIP Update section of this Report.

In addition, a follow up meeting was held on March 22 with members of the Mountain Course Golf clubs. The representatives were provided with a status update.

FEMA Reimbursements

As I noted verbally at the February 6, 2019 Board of Trustees Meeting, we have three reimbursements pending with the Federal Emergency Management Agency (FEMA) for repair projects that met their eligibility requirements. Eligible projects with reimbursement amounts are as follows:

Utility Wetlands: \$12,881

Diamond Peak Maintenance Building: \$38,643

Diamond Peak Culvert Repair: \$331,019

Advocacy Trip to Washington D.C.

Chairwoman Wong, along with Director of Parks and Recreation Winquest and I met with our Federal Elected officials on March 26. Facilitated by our Federal Legislative Advocate, we held face-to-face meetings with Congressman Amodei along with Senators Cortez-Masto and Rosen.

We encouraged our representatives to increase funding available for Watermain and Fire Flow enhancements in the Tahoe Basin along with securing additional funding for the District's Effluent Export Project. We also discussed the Washoe County Lands Bill and the District's interest in the Federal land across from Incline High School.