

MEMORANDUM

TO: Board of Trustees

FROM: Steven J. Pinkerton
General Manager

SUBJECT: General Manager's Status Report
Prepared for the meeting of May 1, 2019

DATE: April 23, 2019

Financial Transparency

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

Through the first nine months of the Fiscal Year, District-wide revenues are \$2,832,037 ahead of projected budget and District-wide operating uses are \$787,204 below projected budget. In total, we are \$3.62 million to the good for year to date budget. For the month of March, we were \$139,188 to the good due to a strong month of Spring Breaks at Diamond Peak. While skier visits were slightly above average, skier revenue to date set a new record – \$10,616,786.

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 22, 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 March notes that three new construction contracts were issued that month valued between \$56,775.50 and \$1,456,654.00 (Incline Ballfields).

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 March numbered 46, slightly below the three-year average for March of 49. For the Fiscal Year-to-Date, customer service requests are two below the three-year average of 789.

There were only two Trash Complaints (actual call-outs) in March. For the Fiscal Year-to-Date, complaints are 26 versus 329 the previous year.

Wastewater flow was at 34 million in March, just below the 36 million for the three-year average. For the Fiscal Year-to-Date, total flows are at 257 million, below the three-year average of 271 million.

Additionally, the March report notes that with seventeen more days of snow it required staff to perform another 218 hours of snow removal. The crew had to replace the chains and cutting edges on all three of the loaders used for plowing.

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 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 designs 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 percent 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 percent 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 is at the end of its 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 May 2019. The Engineering staff will then bid the construction project in May 2019, with construction beginning in August 2019 and substantial completion in April 2020.

Mountain Clubhouse

On August 11, 2018 a fire occurred in the Mountain Golf Course Clubhouse 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 finalized. The project will be brought to either the May 22, 2019 or June 19, 2019 Board meeting for approval to bid.

If approved, the 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.

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 on the project.

Construction

Repair Deck, Stairs, and Powder Coat all Patio Deck Railings

This project will replace the railings and southern stairway on the eastside deck at the Recreation Center. The Board awarded the contract to Bruce Purves Construction on April 10, 2019. 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 Board awarded the contract to Resource Development Company on April 10, 2019. Construction will begin this summer and 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.

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

The April edition has now been distributed. This Quarterly includes 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 U.S. 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 Ms. Rodriguez were educated about the benefits that could accrue to both the U.S. Forest Service and IVGID from a potential transfer of this property.

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

Director of Golf

Darren Howard started as the Director of Golf/Community Services on April 15. Darren has over three decades of experience in the industry, most recently serving as CEO/General Manager at The Clubs at Houston Oaks in Texas. He has a Bachelor of Science in Business Marketing from the University of Tennessee (Chattanooga) and has extensive experience in all aspects of golf course operations as well as food and beverage, marketing, and resort management. Along with the Golf staff, Darren will also be overseeing all District staff responsible for food and beverage, banquets, and marketing.

One of his subordinate staff will be Ashley Wood, who also started last Monday as the Head Golf Professional at the Mountain Golf Course. Ashley is an Incline Village native and was an active participant in our Junior Golf Program before San Diego State University granted her a golf scholarship. Ashley obtained both

undergraduate and graduate degrees from San Diego State and most recently served as the Head Golf Professional at The Presidio Golf Club in San Francisco.

Staff conducted a meet and greet with representatives from the Golf Community on April 18 to introduce both Darren and Ashley. Please join me in welcoming Darren and Ashley to the IVGID team!

Additional Staffing Updates

Three of our outstanding employees have accepted career advancement opportunities at nearby utility and recreation districts.

Principal Engineer Charley Miller's last day with the District will be Friday, April 26. Charley will be managing the Engineering Staff at the Tahoe City Public Utility District.

Events Manager Cathy Becker will be leaving us in early May to take on the North Tahoe Events Center in Kings Beach for the North Lake Tahoe Public Utility District.

Communications Coordinator Misty Moga will also be heading over to Kings Beach in May. Misty was recruited to become the Board Clerk for the North Tahoe Public Utility District.

These folks will be sorely missed, so please join me in thanking me for their great contributions to our District. And please wish them well in their new, challenging endeavors.