

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winqest
Interim General Manager

SUBJECT: General Manager's Status Report
Prepared for the meeting of August 14, 2019

DATE: August 5, 2019

Financial Transparency

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

The Fiscal Year (pre-audit) financials are now posted. District-wide operating revenues are \$3.1 million ahead of the original budget and District-wide operating uses are \$674,845 below the original budget. In total, we are \$3.8 million to the good for year to date original budget. The net numbers on the Financial Transparency page are different as they reflect the budget augmentation approved by the Board of Trustees on May 22, 2019. Due to the great season at Diamond Peak, the budget was augmented with \$2.8 million of additional revenue and \$430,000 in additional expenses.

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

Also please note that the 2019-20 adopted budget is now available for detailed viewing on the District's OpenGov.com portal, which is accessible from the Financial Transparency page.

In addition, based on feedback received at the May 22, 2019 Board of Trustees Meeting, saved views for the Hyatt Sports Shop are now accessible in the OpenGov.com toolbar. Interested parties can click on pre-saved views of the Combined Golf and Ski budget, or click on budgets for either the Golf or Ski Budget Divisions. Other recent saved views include "Charitable Allowances (4270)" and "Charitable Allowances by Venue."

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 June notes that there were three new Public Works contracts issued in June, all three were for amounts between \$30,000 and \$40,000.

This report also includes monthly updates on Public Works benchmarks. For example, customer service requests in June numbered 144, slightly above the three-year average for June of 145. For the Fiscal Year-to-Date, customer service requests are eight below the three-year average of 1,181.

There were four Trash Complaints (actual call-outs) in June. For the Fiscal Year-to-Date, complaints are 37 versus 341 the previous fiscal year. The previous month's Status Report also includes a six-year summary of fines paid and credits issued.

Wastewater flow was at 29 million in June, which was consistent with the three-year average. For the Fiscal Year-to-Date, total flows are at 350 million, below the three-year average of 364 million.

The Business Office had another busy month with 58 accounts delinquent, 308 owners with potential water leaks, and updated ownership information for 25 properties. Three accounts were shut off for non-pay, with one remaining shut-off.

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

In addition, the June Finance/Accounting and Risk Management Status Report published the Notification to Spend for Fiscal Year 2020. Prior to Fiscal Year 2019, we'd sent this as an email to the Board of Trustees. It is now in the Monthly Status Report so that it is available for public review.

The Human Resources Status Report included updates on employee recruitment, employee relations, training, 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.

Currently there are three invitations to bid are listed on the site: Water Pump Station 2-1 Electrical Upgrades, Diamond Peak Resort Snowmaking Fan Guns, and the Mountain Course Clubhouse Restoration.

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 has completed the design and Staff has completed review of

the plans and specifications and advertisement for bids has been moved to October 2019 and project 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. Constructed in 1962 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 installed in the 1990s for the three pump sets and the motor control centers. Jacobs Engineering has completed the design and Staff has completed review of the plans and specifications and advertisement for bids has been moved to September 2019 and project completion is May 2020.

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 completed the design. Staff completed review of the plans and specifications and advertisement for bids were issued July 5, 2019 and project completion in April 2020.

Tennis Center Renovation

The Board approved on June 19 for staff to begin the design of the tennis center renovation. The architectural, design and permitting services scope of work will be considered at the August 14 BOT meeting. The project will be brought back to the Board for design review and prioritization in November. The key project objectives are renovation of the pro-shop buildings and surrounding site to renovate aging restrooms, expand the pro-shop by enclosing outdoor kitchenette area, expand and enhance the deck area, improve wayfinding and flow of traffic through the Tennis Center, and install new bocce courts.

Mountain Course Clubhouse Renovation

On August 11, 2018 a fire occurred in the Mountain 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 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 plans also include construction of a new and expanded deck and the installation of new windows and doors. The Board approved the design on May 22 and authorized advertising for bids which then occurred on June 21. The award of the construction contract will be considered at the August 14 BOT meeting.

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. Project is in construction and stairwell removal has been completed, patching and stucco is complete and the new stairs and railing will be installed in July/Aug.

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.

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

TRPA pre-grade is July 8, construction will commence immediately and will be substantially completed by October 15, 2019.

Other Projects

The Grant funded Incline Creek Restoration project located on the Hole 14 of the Championship Golf Course was awarded to Aspen Developers with construction slated for post-Labor Day 2019.

IVGID Quarterly

The June quarterly is released. This quarterly includes a number of features on our Public Works department, our summer event calendar and an update on our current construction projects. With Public Works prominently featured in this edition, the front cover is graced with a photo of the Wastewater Treatment Facility.

Tahoe East Shore Trail Debut

The June Quarterly also has a feature on the Tahoe East Shore Trail. The three-mile stretch of trail, starting near Tunnel Creek Café and terminating at Sand Harbor, is expected to open at the end of this month.

A formal grand opening ceremony was held on June 28, 2019 at 3:30pm.

GFOA Certificate of Achievement

Attached is a news release from the Government Finance Officers Association (GFOA).

Their Certificate of Achievement for Excellence in Financial Reporting has been awarded to Incline Village General Improvement District by GFOA of the United States and Canada for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

The CAFR has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

GFOA is a major professional association servicing the needs of over 20,000 appointed and elected local, state, and provincial-level government officials and other finance practitioners. It provides top quality publications, training programs, services, and products designed to enhance the skills and performance of those responsible for government finance policy and management. The association is headquartered in Chicago, Illinois with offices in Washington D.C.

Please be sure to congratulate our Finance staff for receiving this prestigious award.

Janitorial Contract

The District has traditionally obtained janitorial services through a contracted service. Currently, the District is under contract, last approved by the Board in November 2016, which is approaching an anniversary and renewal option. The contract contains language to allow notice for service deficiencies and remedies. These are inconsistent or ineffective in ability to address issues that arise over the care and condition of our locations. Staff wants to re-evaluate our agreements before allowing a renewal to occur automatically.

Staff would like to consider the needs of venues, as well as methodologies for addressing these needs, across a spectrum of possibilities. These options exceed simply a renewal of present agreement.

The initial ideas for options include a single vendor, multiple vendors which might allow focused abilities and services unique to some venues, internal Staff performing some ancillary cleaning, dedicated Staff performing cleaning, and combinations of any or all to accomplish our needs. As much as possible, we'd like this to be cost neutral to the present budget and contract. The focus is to get value for our expenditure.

Ordinance 7 Community Workshop

On Wednesday, July 17, we held a successful Ordinance 7 Community Workshop at the Chateau. In attendance, were over 75 members of the community as well as 3 members of the Board of Trustees and several key Staff. The purpose of the workshop was to preview the upcoming process to evaluate and potentially make modifications and updates to the ordinance and/or the supporting policies and procedures. The evening included a presentation by Staff that included the history of the evolution of Ordinance 7. Data was also provided related to beach visits, and a discussion related to the necessary steps to be taken to evaluate the

ordinance including administrative changes, formatting, and possible modifications to recreation privileges including but not limited to beach access and recreation punch cards. Additionally, Staff answered dozens of questions and the evening ended with an opportunity for members of the community to interact with key members of the Staff. Staff is currently working on providing answers to all of the questions relevant to Ordinance 7 which when completed, will be posted on our website for the community to access as a reference. Staff will keep the Board of Trustees and the community posted on the next steps of this process.



GOVERNMENT FINANCE OFFICERS ASSOCIATION
NEWS RELEASE

FOR IMMEDIATE RELEASE

06/18/2019

For more information contact:

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(Chicago, Illinois)--The Certificate of Achievement for Excellence in Financial Reporting has been awarded to **Incline Village General Improvement District** by Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An Award of Financial Reporting Achievement has been awarded to the individual(s) or department designated by the government as primarily responsible for preparing the award-winning CAFR.

The CAFR has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

Government Finance Officers Association is a major professional association servicing the needs of over 20,000 appointed and elected local, state, and provincial-level government officials and other finance practitioners. It provides top quality publications, training programs, services, and products designed to enhance the skills and performance of those responsible for government finance policy and management. The association is headquartered in Chicago, Illinois, with offices in Washington, D.C.



Government Finance Officers Association
203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
312.977.9700 fax: 312.977.4806

June 18, 2019

Steve J. Pinkerton
General Manager
Incline Village General Improvement District
893 Southwood Boulevard
Incline Village, NV 89451

Dear Mr. Pinkerton:

We are pleased to notify you that your comprehensive annual financial report (CAFR) for the fiscal year ended 2018 qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

When a Certificate of Achievement is awarded to a government, an Award of Financial Reporting Achievement (AFRA) is also presented to the individual(s) or department designated by the government as primarily responsible for its having earned the Certificate. This award has been sent to the submitter as designated on the application.

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and that appropriate publicity will be given to this notable achievement. A sample news release is enclosed to assist with this effort.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,

Michele Mark Levine
Director, Technical Services Center