



# NOTICE OF MEETING

The regular meeting of the Incline Village General Improvement District will be held starting at 3:00 p.m. on Wednesday, August 13, 2014 in the Boardroom, 893 Southwood Boulevard, Incline Village, Nevada.

- A. PLEDGE OF ALLEGIANCE\*
- B. ROLL CALL OF THE IVGID BOARD OF TRUSTEES\*
- C. ROLL CALL OF THE CANDIDATES FOR IVGID BOARD OF TRUSTEES\*  
Tim Callicrate      Sheila Leijon      Robert Olmer      Kendra Wong
- D. PUBLIC COMMENTS\* (*During the Public Comment section of the agenda, the public may comment on any subject pertaining to Incline Village General Improvement District, that is in Reports and/or on the Consent Calendar and/or is not on the agenda for action. Comments from the public, relating to a General Business agenda item, will be taken during the Board's consideration of that item. When recognized by the Chair, speakers are requested to come to the podium at the front of the room, state their name and address, and direct their comments to the Chair. All speakers are made aware that their comments will be included in the minutes of the meeting. Speaking time is limited to three minutes and yielding of time is prohibited. Persons are invited to submit comments in writing on the agenda items and/or attend and make comment. The Chair may or may not provide a response or may take the comment under advisement. The Board of Trustees conducts the business of Incline Village and Crystal Bay and its citizens during its meetings. The Chair may order the removal of any person whose conduct disrupts the orderly, efficient or safe conduct of the meeting. Warnings against disruptive behavior may or may not be given prior to removal. Reasonable restrictions may be imposed upon the time, place and manner of speech.*)
- E. DISTRICT STAFF UPDATE – GENERAL MANAGER
- F. APPROVAL OF AGENDA (*for possible action*)
- G. CONSENT CALENDAR (*for possible action*)
  - 1. Enter into an agreement for Diamond Peak media buying services with EXL Media in the total amount of \$256,555 effective August 15, 2014 through June 30, 2015 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Brad Wilson) – **pages 1 - 2**
  - 2. Authorize a Contract Amendment for the Ski Area Master Plan Update and Summer Activities Assessment – 2013/2014 and 2014/2015 CIP Project: Fund: Community Services; Program: Ski; Project # 3499BD1399 and 3653BD1501; Vendor: SE Group (Requesting Staff Member: General Manager Diamond Peak Ski Resort Brad Wilson) – **pages 3 - 8**

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## Incline Village General Improvement District

*Incline Village General Improvement District is a fiscally responsible community partner which provides superior utility services and community oriented recreation programs and facilities with passion for the quality of life and our environment while investing in the Tahoe basin.*

893 Southwood Boulevard, Incline Village, Nevada 89451 • (775) 832-1100 • FAX (775) 832-1122

[www.ivgid.org](http://www.ivgid.org)



# NOTICE OF MEETING

Agenda for the Board Meeting of August 13, 2014 - Page 2

3. Award a Contract for Pavement Slurry Seal at Multiple District Locations; 2012/2013 and 2013/2014 Capital Improvement Projects; Funds: Community Services and Beaches; Divisions: Tennis, Championship Golf, and Beach; Project # 4588LI1201, 3141LI1201, and 3972LI1202; Vendor: Intermountain Slurry Seal, Inc. (Requesting Staff Member: Engineering Manager Brad Johnson) – **pages 9 - 14**
4. Award of Construction Contract for the Incline Park Fields 2 & 3 Improvements Project – 2014/2015 CIP Project: Fund: Community Services; Division: Parks; Project # 4378LI1304; Vendor: Rapid Construction, Inc. (Requesting Staff Member: Engineering Manager Brad Johnson) – **pages 15 - 20**
5. Award a Contract for Centrifuge Rebuild and Servicing – 2013/2014 & 2014/2015 Capital Improvement Project: Fund: Utilities; Division: Sewer; Project # 2599SS1102; Vendor: Centrisys Corporation (Requesting Staff Member: Engineering Manager Brad Johnson) – **pages 21 - 27**
6. Authorize additional spending, in the amount of \$40,000, under the existing agreement for Information Technology Services with Averill Consulting Group (Requesting Staff Member: Director of Finance, Accounting, Risk Management and Information Technology Gerry Eick) – **pages 28 - 29**

## H. GENERAL BUSINESS (*for possible action*)

1. Accept Settlement of pending litigation (SJD Case No. CV-07-00596) by granting a non-exclusive private driveway access easement on APN 125-010-03 and accepting a non-exclusive access on the adjacent drive for fire protection and administrative purposes on APN 125-251-05 (Requesting Staff Member: District General Counsel T. Scott Brooke and Director of Public Works Joe Pomroy) – **pages 30 - 34**

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

1. Regular Meeting of July 30, 2014 – **pages 35 - 101**

## J. RELEASE OF PAYMENT FOR BILLS OVER \$10,000 DURING THE PERIOD STATED (*for possible action*) – **pages 102 – 103**

## K. REPORTS TO THE IVGID BOARD OF TRUSTEES\*

1. District Staff Updates (*written updates may have been provided; if there are any questions, from the Board of Trustees, they may be asked at this time*)
2. District General Counsel T. Scott Brooke
3. Information Technology Strategic Plan (Requesting Staff Member: Director of Finance, Accounting, Risk Management and Information Technology Gerry Eick) – **pages 104 - 106**



# NOTICE OF MEETING

Agenda for the Board Meeting of August 13, 2014 - Page 3

- L. BOARD OF TRUSTEES UPDATE (**NO DISCUSSION OR ACTION**) ON ANY MATTER REGARDING THE DISTRICT AND/OR COMMUNITIES OF CRYSTAL BAY AND INCLINE VILLAGE, NEVADA\*
- M. CORRESPONDENCE RECEIVED BY THE DISTRICT\* – pages 107 - 133
- N. PUBLIC COMMENTS\*
- O. ADJOURNMENT (*for possible action*)

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## CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Friday, August 8, 2014 at 9:00 a.m., a copy of this agenda (IVGID Board of Trustees Session of August 13, 2014) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were either faxed or e-mailed to those people who have requested; and a copy was posted at the following six locations within Incline Village/Crystal Bay in accordance with NRS 241.020:

1. IVGID Anne Vorderbruggen Building (Administrative Offices)
2. Incline Village Post Office
3. Crystal Bay Post Office
4. Raley's Shopping Center
5. Incline Village Branch of Washoe County Library
6. IVGID's Recreation Center

*/s/ Susan A. Herron, CMC*

Susan A. Herron, CMC

Clerk to the Board of Trustees (e-mail:  
sah@ivgid.org/phone # 775-832-1207)

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**Board of Trustees:** Joe Wolfe, Chairman; Bruce Simonian, Bill Devine, Jim Hammerel, and Jim Smith

**Notes:** Items on the agenda may be taken out of order; combined with other items; removed from the agenda; moved to the agenda of another meeting; moved to or from the Consent Calendar section; or may be voted on in a block. Items with a specific time designation will not be heard prior to the stated time, but may be heard later. Items listed in the Consent Calendar section of the agenda are voted on as a block and will not be read or considered separately unless removed from the Consent Calendar section by Board action. Once a motion is made on the Consent Calendar, Trustees may or may not ask questions regarding an item on the Consent Calendar prior to the vote being taken. Those items followed by an asterisk (\*) are items on the agenda upon which the Board of Trustees will take no action. Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to call IVGID at 832-1100 at least 24 hours prior to the meeting. Copies of the packets containing background information on agenda items are available for public inspection at the Incline Village Library.

**IVGID'S agenda packets are available at IVGID's web site, [www.ivgid.org](http://www.ivgid.org). Go to News & Event, BOT Agendas and Packets, and click on the agenda for the date of the Board meeting. The agenda is linked to the complete agenda packet. A hard copy of the complete agenda packet is also available at IVGID's Administrative Offices located at 893 Southwood Boulevard, Incline Village, Nevada, 89451.**

**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Steven J. Pinkerton  
General Manager

**THROUGH:** Brad Wilson  
Diamond Peak Ski Resort General Manager

**FROM:** Kayla Anderson  
Marketing Manager

**SUBJECT:** Enter into an agreement for Diamond Peak media buying services with EXL Media in the total amount of \$256,555 effective August 15, 2014 through June 30, 2015

**DATE:** August 1, 2014

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**I. RECOMMENDATION**

That the Board of Trustees makes a motion to authorize Staff to enter into an agreement with EXL Media for 2014/15 media buying services for Diamond Peak in the amount of \$256,555. effective August 15, 2014 through June 30, 2015.

**II. BACKGROUND**

As a component of Diamond Peak's annual marketing and advertising campaign, the District contracts with a media buying agency to help plan, place, and negotiate rates for advertising placement. This includes but is not limited to: print ads, digital ads, billboards, radio spots, television spots, and paid search campaigns. This is an essential service for the District's Marketing Staff as the research, documentation, reporting, and support received from the third party provider significantly exceeds in-house capabilities.

**III. BID RESULTS**

This item is not subject to competitive bidding within the meaning of Nevada Revised Statute (NRS) 332.115 as described in subsection (b) Professional Services.

Enter into an agreement for  
Diamond Peak media buying  
services with EXL Media in  
the total amount of \$256,555  
effective August 15, 2014 through June 30, 2015

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August 1, 2014

EXL Media is an Incline Village, NV based firm and has over 17 years of experience successfully handling media buys for the District. EXL Media has vast knowledge of the competitive landscape of the Lake Tahoe recreation market. They are the best qualified and capable media agency to support the District in meeting its budget objectives and will provide the level of attention, detail, and detailed reporting that is required to ensure successful media campaigns.

#### **IV. FINANCIAL IMPACT AND BUDGET**

The budget for the proposed \$256,555 media buying services contract is included in the Board-approved Fiscal Year 2014/2015 Diamond Peak Operating Budget and is contained within the \$341,900 allocated to Marketing. The contract details are as follows:

- i. Term – August 15, 2014 through June 30, 2015
- ii. Total contract – \$256,555
  - a. Cash Media – \$145,775
  - b. Trade Media – \$80,000
  - c. Agency Fees – \$30,780

The Trade Media component is budgeted assuming \$80,000 in 1:1 retail value trade. One of the advantages to including a trade component in the contract is that, in exchange for \$80,000 in advertising, the traded amount typically sees significant breakage relative to the actual redeemed amount.

#### **V. ALTERNATIVES**

None; third Party media buying services is a critical component to successful operations at IVGID.

#### **VI. COMMENTS**

It is important to note that this contract is solely and specifically for Diamond Peak Ski Resort and does not extend to the other District venues at this time.

**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Steven J. Pinkerton  
General Manager

**FROM:** Brad Wilson  
General Manager Diamond Peak Ski Resort

**SUBJECT:** Authorize a Contract Amendment for the Ski Area Master Plan Update and Summer Activities Assessment – 2013/2014 and 2014/2015 CIP Project: Fund: Community Services; Program: Ski; Project # 3499BD1399 and 3653BD1501; Vendor: SE Group

**DATE:** August 1, 2014

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**I. RECOMMENDATION**

That the Board of Trustees makes a motion to authorize a time and materials not to exceed contract amendment with SE Group totaling up to \$23,395 for additional fees and expenses associated with additional work necessary for the finalization of Diamond Peak's Master Plan update.

**II. BACKGROUND**

At the April 24, 2014 meeting, the Board of Trustees awarded a professional services contract to SE Group totaling \$111,000 for a ski area master plan update and summer activities assessment at Diamond Peak Ski Resort.

In January 2014, the contract was amended under General Manager's authority by \$12,640 to add additional site visits outside the scope of the original contract in order to support public meetings, workshops, and presentations to the Board of Trustees that occurred in February, March, and July 2014.

In June 2014, the contact was amended a second time under General Manager's authority by \$5,500 to evaluate the inclusion of the backside terrain expansion into the Master Plan (Phase IV). This work included two meetings with the United States Forest Service.

Authorize a Contract Amendment for  
the Ski Area Master Plan Update and  
Summer Activities Assessment 2013/2014  
and 2014/2015 CIP Project: Fund: Community  
Services; Program: Ski; Project # 3499BD1399  
and 3653BD1501; Vendor: SE Group

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August 1, 2014

The proposed amendment will allow for incorporation of comments received during the expanded public comment period presently underway into the Master Plan document as well as a final site visit by the SE Group team for the September 10, 2014 meeting of the Board of Trustees. The original contract scope of work awarded by the Board did not include a formal comment period.

Given the uncertainty of the number of comments that will be received during the public comment period as well as the extent of work required for document revisions as a result of the comment period, the proposed contract amendment will be completed on a time and materials not to exceed basis.

### **III. BID RESULTS**

This item is not subject to competitive bidding within the meaning of Nevada Revised Statute (NRS) 332.115 as described in subsection (b) Professional Services.

SE Group is the preeminent resort planning company in the country. They have worked with every major ski resort in this region and are currently working on Mt Rose's master plan, Squaw's development plans, and recently helped Heavenly get approvals for their new lodge and activities at the top of the gondola. SE Group specializes in developing summer business at resorts all over the country, including many smaller, community owned resorts.

### **IV. BUDGET**

A total of \$111,000 was included in the 2013/2014 Capital Improvement Program (CIP) budget under the Master Plan Update Project. An additional \$250,000 is included in the 2014/2015 CIP budget and available to support this work (see attached data sheets). The project budget is summarized in the table below.

#### **Project Budget**

<b>Description</b>	<b>Amount</b>
Original Contract	\$111,000
January 2014 Amendment	\$12,640
June 2014 Amendment	\$5,500
Proposed Amendment	\$23,395
<b>Project Total</b>	<b>\$152,535</b>

## **V. ALTERNATIVES**

Not award the contract addendum with SE Group and direct Staff to not compile public comments received for the Diamond Peak Master Plan document nor incorporate those comments into the Master Plan document. Doing so leaves the Master Plan in its current Final Draft status and will limit the District's ability to move the Master Plan through the regulatory entitlements process.

## **VI. BUSINESS IMPACT**

This item is not a "rule" within the meaning of NRS, Chapter 237, and does not require a Business Impact Statement.



## Project Summary

Project Number:	3499BD1399
Title:	Ski Area Master Plan Update and Summer Activities Assessment
Asset Class:	
Division:	99 - General Administration
Budget Year:	2014
Scenario Name:	Main
Budget Status:	Data Entry
Locations:	
Project Something:	BD - Buildings & Structures
Active:	Yes

Project Description	A master plan which builds upon, and complements, the existing winter facilities to maximize its role as a community resource for winter recreation, as well as develop offerings as a summer operation.		
Project Internal Staff	venue and internal service staff will assist with information and analysis as requested by the consultant. The timing of this update is fortuitous, as Washoe county, under the TRPA regional plan update, is undertaking an update for their Area Plan for the communities of Incline Village and Crystal Bay.		
Project Justification	A financial analysis and pro forma that outlines the capital requirements, anticipated visitation, revenue potential, operating expenses, and phased implementation of all master plan components.		
Forecast			
Budget Year	Total Expense	Total Revenue	Difference
2014			
Professional Services	111,000	0	111,000
Year Total	111,000	0	111,000
	111,000	0	111,000
Year Identified	Start Date	Project Partner	Manager
2013	May 1, 2013		Ski Resort General Manager
			Est. Completion Date



## Project Summary

<b>Project Number:</b>	3653BD1501
<b>Title:</b>	Ski Area Master Plan Implementation - Phase 1
<b>Asset Class:</b>	
<b>Division:</b>	53 - Snow Flake Lodge
<b>Budget Year:</b>	2015
<b>Scenario Name:</b>	Main
<b>Budget Status:</b>	Data Entry
<b>Locations:</b>	
<b>Project</b>	BD - Buildings & Structures
<b>Something:</b>	
<b>Active:</b>	Yes

### Project Description

The goal of Phase I of the Diamond Peak Ski Area Mater Plan Implementation is to provide new amenities and activities for the community of and guests to the communities of Incline Village and Crystal Bay. This phase prioritizes revenue-generating activities to generate up-front net operating income to offset the capital costs of subsequent phases. Pending approval and adoption of the Master Plan document, activities budgeted in this phase include:

- Challenge Course
- Canopy Tour
- Mountain Bike Trails
- Family/Kid's Base Area Bike Loop
- Kid's Pump Track
- Bike Skills Park
- Hiking Trail Improvements
- Alpine Coaster
- An Upgrade of the Lakeview Lift Download Capacity
- Formalization of Golden Eagle Bowl Egress

### Project Internal Staff

All phases of this project will be managed by Diamond Peak and Engineering Division Staff.

### Project Justification

Diamond Peak is an under-utilized IVGID asset 7-months of the year. Summer operations will help reduce the risk of poor winter business by moving Diamond Peak from being 100% dependent on the winter ski operation. Summer weather is more reliable as is summer visitation to the area. Some of the proposed improvements for summer operations are also capable of operating during the winter.

Forecast				
Budget Year	Total Expense	Total Revenue	Difference	
2015				
Design-	50,000	0	50,000	
Permitting and Entitlements	200,000	0	200,000	
Year Total	250,000	0	250,000	
2016				
Construction	1,825,000	0	1,825,000	
Design	350,000	0	350,000	
Year Total	2,175,000	0	2,175,000	
2017				
Construction	1,825,000	0	1,825,000	
Year Total	1,825,000	0	1,825,000	
	4,250,000	0	4,250,000	
Year Identified	Start Date	Project Partner	Manager	Est. Completion Date
2014			Diamond Peak General Manager and Engineering Manager	

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**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Steven J. Pinkerton  
General Manager

**THROUGH:** Joseph J. Pomroy, P.E.  
Director of Public Works

**FROM:** Bradley A. Johnson, P.E.  
Engineering Manager

Michael T. Lefrancois, P.E.  
Senior Engineer

**SUBJECT:** Award a Contract for Pavement Slurry Seal at Multiple District Locations; 2012/2013 and 2013/2014 Capital Improvement Projects; Funds: Community Services and Beaches; Divisions: Tennis, Championship Golf, and Beach; Project # 4588LI1201, 3141LI1201, and 3972LI1202; Vendor: Intermountain Slurry Seal, Inc.

**DATE:** August 1, 2014

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**I. RECOMMENDATION**

That the Board of Trustees:

1. Award a lump sum construction contract to Intermountain Slurry Seal in the amount of \$60,942 for pavement slurry seal and parking lot restriping at multiple District locations.
2. Authorize Staff to execute the contract based on a review by District Counsel and Staff.

**II. BACKGROUND**

A component of the District's on-going pavement maintenance program is the placement of slurry seal on the District's parking lots and access roads. Slurry seal is a microsurface treatment that is composed of a mixture of asphalt emulsion and fine graded aggregates. Slurry seal helps minimize the aging and

wearing of asphalt surfaces, helps reduce water infiltration into the pavement structure and substructure, and improves the aesthetic of the pavement at District facilities. Placement of slurry seal is particularly important at locations where patch repairs and structural pavement improvements have been made as it overcoats the seams between existing asphalt and repairs and creates a uniform wear surface.

The proposed contract will complete slurry seal placement at the Recreation Center/Tennis Complex main access road, the Tennis Complex parking lot and pathway, the Chateau parking lot, and the Burnt Cedar Beach parking lot. All parking lots will be restriped upon slurry seal cure.

The Tennis Center parking lot/access road and Burnt Cedar Beach parking lot will be closed to vehicle access during placement, cure, and restriping. The Chateau parking lot will be completed one half at a time in order to minimize impacts to Chateau and Championship Golf Course operations.

### **III. BID RESULTS**

Consistent with the requirements of the Nevada Revised Statute Section 338.1444, the District solicited bids from at least three contractors. A total of three bids were received for this project. The Engineer's estimate was \$70,000. The bid results are as follows:

<b>Contractor</b>	<b>Construction Bid</b>
Intermountain Slurry Seal, Inc.	\$60,942
Sierra Nevada Construction, Inc.	\$78,200
VSS International, Inc.	\$120,297

The low bidder is Intermountain Slurry Seal, Inc. The project contract allows the work to be completed between September 2 and September 19, 2014. The work is expected to take five days to complete depending on weather and temperatures.

### **IV. FINANCIAL IMPACT AND BUDGET**

This project impacts three different capital project budgets.

Award of Contract for Pavement Slurry Seal  
at Multiple District Locations; 2012/2013 and  
2013/2014 Capital Improvement Project; Funds:  
Community Services and Beaches; Divisions:  
Tennis, Championship Golf, and Beach; Project #  
4588LI1201, 3141LI1201, and 3972LI1202; Vendor:  
Intermountain Slurry Seal, Inc.

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August 1, 2014

A total of \$90,000 is included in the 2013/2014 Capital Improvement Program (CIP) budget under the Pavement Maintenance, Tennis Facility Project (Project # 4588LI1201 – see attached data sheet) of which \$20,967 remains available.

A total of \$45,000 is included in the 2013/2014 CIP budget under the Pavement Maintenance of Parking Lots – Champ Course & Chateau Project (Project # 3141LI1201 – see attached data sheet) of which \$39,009 remains available.

A total of \$102,000 is included in the 2012/2013 CIP budget under the Repave Parking Lot – Burnt Cedar Project (Project # 3972LI1202 – see attached data sheet) of which \$19,354 remains available.

The available CIP budget to complete this work is summarized in the following table.

#### **Available CIP Budget**

<b>Project Location</b>	<b>Amount</b>
Tennis	\$20,967
Chateau	\$39,009
Burnt Cedar Beach	\$19,354
<b>Available Total</b>	<b>\$79,330</b>

Funding for the Burnt Cedar Beach portion of this contract comes solely from the 2012/2013 Beach Facility Fee and available funds from the Beach Enterprise Fund.

#### **V. ALTERNATIVES**

Not award the construction contract and direct Staff not to complete the slurry seal work. Doing so defers pavement maintenance to a future date and allows District assets to further deteriorate. This will result in a future project of greater magnitude and cost.

#### **VI. BUSINESS IMPACT**

This item is not a “rule” within the meaning of NRS, Chapter 237, and does not require a Business Impact Statement.



## Project Summary

<b>Project Number:</b>	4588LI1201
<b>Title:</b>	Pavement Maintenance, Tennis Facility
<b>Asset Class:</b>	
<b>Division:</b>	88 - Tennis
<b>Budget Year:</b>	2014
<b>Scenario Name:</b>	
<b>Budget Status:</b>	Data Entry
<b>Locations:</b>	
<b>Project Something:</b>	LI - Land Improvements
	<b>Active:</b> Yes

<b>Project Description</b>	Continued maintenance and repair of the tennis facility paving assets, including parking lot and pathways. Engineering maintains a database for this and other facilities for pavement condition, past projects and forecasts long-term maintenance and replacement needs.																																																																										
<b>Project Internal Staff</b>	Engineering to perform design, bid, contract administration and inspection tasks. Work to be done by outside contractor.																																																																										
<b>Project Justification</b>	<p>Regular preventative maintenance of pavement significantly increases the life of a facility and defers the timeline for which wholesale replacement is required. Once pavement has reached its expected lifespan and begins to fail, major rehabilitation is required. Tahoe's freeze/thaw climate and snow removal operations accelerate deterioration.</p> <p>The parking lot subgrade is in poor shape and is due for reconstruction in 2014.</p>																																																																										
<b>Forecast</b>	<table border="1"> <thead> <tr> <th>Budget Year</th> <th>Total Expense</th> <th>Total Revenue</th> <th>Difference</th> </tr> </thead> <tbody> <tr> <td>2014</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Internal Services</td> <td>5,000</td> <td>0</td> <td>5,000</td> </tr> <tr> <td>Reconstruct</td> <td>85,000</td> <td>0</td> <td>85,000</td> </tr> <tr> <td>Year Total</td> <td>90,000</td> <td>0</td> <td>90,000</td> </tr> <tr> <td>2015</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Internal Services</td> <td>1,000</td> <td>0</td> <td>1,000</td> </tr> <tr> <td>Reconstruct</td> <td>19,000</td> <td>0</td> <td>19,000</td> </tr> <tr> <td>Year Total</td> <td>20,000</td> <td>0</td> <td>20,000</td> </tr> <tr> <td>2024</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Internal Services</td> <td>1,000</td> <td>0</td> <td>1,000</td> </tr> <tr> <td>Reconstruct</td> <td>19,000</td> <td>0</td> <td>19,000</td> </tr> <tr> <td>Year Total</td> <td>20,000</td> <td>0</td> <td>20,000</td> </tr> <tr> <td>2025</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Internal Services</td> <td>1,000</td> <td>0</td> <td>1,000</td> </tr> <tr> <td>Reconstruct</td> <td>19,000</td> <td>0</td> <td>19,000</td> </tr> <tr> <td>Year Total</td> <td>20,000</td> <td>0</td> <td>20,000</td> </tr> <tr> <td></td> <td><b>150,000</b></td> <td><b>0</b></td> <td><b>150,000</b></td> </tr> </tbody> </table>			Budget Year	Total Expense	Total Revenue	Difference	2014				Internal Services	5,000	0	5,000	Reconstruct	85,000	0	85,000	Year Total	90,000	0	90,000	2015				Internal Services	1,000	0	1,000	Reconstruct	19,000	0	19,000	Year Total	20,000	0	20,000	2024				Internal Services	1,000	0	1,000	Reconstruct	19,000	0	19,000	Year Total	20,000	0	20,000	2025				Internal Services	1,000	0	1,000	Reconstruct	19,000	0	19,000	Year Total	20,000	0	20,000		<b>150,000</b>	<b>0</b>	<b>150,000</b>
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## Project Summary

Project Number:	3141LI1201
Title:	Pavement Maintenance of Parking Lots - Champ Course & Chateau
Asset Class:	
Division:	41 - Championship Operations
Budget Year:	2014
Scenario Name:	
Budget Status:	Data Entry
Locations:	
Project Something:	LI - Land Improvements
Active:	Yes

### Project Description

Continued maintenance and repair of Championship Golf Course pavement assets. These include the parking at the Chateau and Maintenance Building. Assets at the Mountain Course have their own data sheet. Engineering maintains a database on this and other facilities for pavement condition, past projects, and forecasts long-term maintenance and replacement needs.

### Project Internal Staff

Engineering to perform design, bid, contract administration and inspection tasks. Work to be done by outside contractor.

### Project Justification

Regular preventative maintenance of pavement significantly increases the life of a facility and defers the timeline for which wholesale replacement is required. Once pavement has reached its expected lifespan and begins to fail, major rehabilitation is required. Tahoe's freeze/thaw climate and snow removal operations accelerate deterioration. The Chateau and Maintenance Building have seen heavy wear from snow removal and are due for sealing in 2014.

### Forecast

Budget Year	Total Expense	Total Revenue	Difference
2014			
Design & Inspection	25,000	0	25,000
Parking Lot Seal	20,000	0	20,000
Year Total	45,000	0	45,000
2015			
FUTURE	60,000	0	60,000
Year Total	60,000	0	60,000
2024			
FUTURE	135,000	0	135,000
Year Total	135,000	0	135,000
2029			
FUTURE	115,000	0	115,000
Year Total	115,000	0	115,000
	355,000	0	355,000

Year Identified	Start Date	Project Partner	Manager	Est. Completion Date
2012	May 1, 2013		Senior Engineer	May 20, 2013



## Project Summary

Project Number:	3972LI1202
Title:	Repave Parking Lot - Burnt Cedar
Asset Class:	
Division:	72 - Beach Maintenance
Budget Year:	2013
Scenario Name:	
Budget Status:	Data Entry
Locations:	
Project Something:	LI - Land Improvements
Active:	Yes

Project Description	Continued upgrade and maintenance of IVGID Recreation paved facilities. Engineering maintains a database for all paved facilities in the District and projects long-term maintenance and replacement needs.		
Project Internal Staff	Engineering Department will do the Design, Engineering, Bidding, Contract Administration and Inspection. Outside contractor to do the work		
Project Justification	Regular maintenance of pavement significantly increases life of the asphalt at a relatively low price as compared to the cost of wholesale replacement. Tahoe's freeze/thaw conditions and snow removal requirements increase maintenance requirements for asphalt facilities as compared to more temperate climates. As our facilities age and the original pavement reaches the end of its useful life, some heavy use sites will require wholesale replacement and/or reconstruction.		
Forecast	Total Expense	Total Revenue	Difference
2013	102,000	0	102,000
2014	32,000	0	32,000
2015	35,000	0	35,000
2016	40,000	0	40,000
	209,000	0	209,000
Year Identified	Start Date	Project Partner	Manager
2012	May 1, 2013		Associate Engineer
			Est. Completion Date
			May 25, 2013

## **MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Steven J. Pinkerton  
General Manager

**THROUGH:** Joseph J. Pomroy, P.E.  
Director of Public Works

Hal Paris  
Director of Parks and Recreation

**FROM:** Bradley A. Johnson, P.E.  
Engineering Manager

**SUBJECT:** Award of Construction Contract for the Incline Park Fields 2 & 3 Improvements Project – 2014/2015 CIP Project: Fund: Community Services; Division: Parks; Project # 4378LI1304; Vendor: Rapid Construction, Inc.

**DATE:** August 1, 2014

---

### **I. RECOMMENDATION**

Staff recommends that the Board of Trustees moves to:

1. Award a lump sum construction contract to Rapid Construction, Inc. in the amount of \$304,403 for the Incline Park Fields 2 & 3 Improvements Project.
2. Authorize Chair and Secretary to execute the contract with Rapid Construction, Inc. based on a review by General Counsel and Staff.
3. Authorize Staff to issue change orders for additional work not anticipated at this time of up to 10% of the project bid - \$30,000.

### **II. BACKGROUND**

The irrigation and drainage systems on Incline Park Fields 2 and 3 are amongst the oldest in the District. The drainage at both fields is inadequately designed and largely non-functioning. This results in a much longer recovery from winter

as well as summer rain events and reduces the length of season the fields are available for use. The irrigation systems at both fields are inadequately zoned and what zones are in place do not provide full coverage of the fields. This results in areas that are under-watered as a result of high sun and inadequate sprinkler coverage as well as areas that are over-watered as a result of shaded areas being watered on the same zone as high sun areas. When coupled with the poor drainage, the over-watered areas become wet and muddy even during peak summer.

The proposed project will completely replace the drainage and irrigation systems at Incline Park Fields 2 & 3. The designed improvements are consistent with field design industry best practices as well as the field improvements already completed at Incline Park Field 1 and Preston Field. The new systems will allow for better operator control of the irrigation systems, expanded irrigation zones and coverage, and robust field drainage.

The proposed improvements will substantially enhance the play conditions at both fields in terms of both experience and safety, will allow for earlier openings each season, and will allow the fields to recover more quickly from weather events as well as from periods of higher intensity field use.

The proposed contract allows work to begin on September 2 and work must be substantially complete by October 15, 2014.

### **III. BID RESULTS**

IVGID publicly advertised this project for bidding and plan sets were sent out to eight potential bidders and builders' exchanges. One bid was received and opened on July 31, 2014. The Engineer's estimate was \$275,000. The bid result is as follows:

<b>Contractor</b>	<b>Total Bid Amount</b>
Rapid Construction, Inc	\$304,403

The low responsive bidder is Rapid Construction, Inc. District Staff reviewed the bid and checked references for the contractor and has recommended award of this project to Rapid Construction.

#### **IV. BUDGET**

There is a total of \$313,500 included in the 2014/2015 Capital Improvement Program (CIP) under the Replace Irrigation and Drainage – Field 2 &3 Project (see attached data sheet).

The estimated project construction budget is presented in the following table.

**Project Construction Budget**

<b>Description</b>	<b>Amount</b>
Construction Contract	\$304,403
Construction Contingency at 10%	\$30,000
Design Services During Construction	\$7,100
<b>Project Total</b>	<b>\$341,503</b>

The construction costs are estimated at \$341,503.

The \$313,500 budget allocated to the project in the 2014/2015 CIP is not adequate to allow completion of the project.

Included in the 2013/2014 CIP budget is \$35,000 under the Village Green Pathway Improvements Project (Project # 4378LI1206 – see attached data sheet) of which \$30,000 is available to be repurposed to support completion of the proposed contract.

The scope of work proposed for completion under the Village Green Pathway Improvements Project would be reduced and/or deferred depending on the contingency utilized during construction of the Incline Park Fields 2 & 3 Improvements Project.

Including the Village Green Pathway Improvements Project budget, the total budget available to complete the proposed contract is \$343,500.

#### **V. ALTERNATIVES**

Not award the contract and direct Staff to rebid the project for completion during the summer of 2014. Doing so may yield additional bidders on the project which could result in a lower contract price to complete the work. However, doing so could also result in similar or higher bids than what was received.

Postponing the contract would also provide time to review the design documents and evaluate the project for opportunities to reduce project costs.

## **VI. BUSINESS IMPACT**

This item is not a “rule” within the meaning of NRS, Chapter 237, and does not require a Business Impact Statement.



## Project Summary

Project Number:	4378LI1304
Title:	Replace Irrigation and Drainage - Fields 2 & 3
Asset Class:	
Division:	78 - Parks Services
Budget Year:	2015
Scenario Name:	
Budget Status:	Data Entry
Locations:	
Project Something:	LI - Land Improvements
Active:	Yes

### Project Description

The irrigation and drainage systems on Incline Park Fields 2 and 3 are among the oldest in the Parks System. The location of the sprinkler heads on both fields do not adequately cover all section of the fields and dry/dead spots appear during the hot summer months, impacting service levels and safety to existing programs, drop in users and field renters. The drainage system will be replaced first, and then irrigation valves and sprinkler heads. The main and lateral lines will be inspected and replaced as needed. New technology will provide for better field coverage and improve the watering. The drainage system will be spaced as 10 foot on center with backfill to consist of pea gravel and sand to move water quickly off the fields. The project will help assure a safe and well managed field, and will allow the District to continue to provide a field for baseball, softball, soccer and football for the youth and adults in the community. The fields also serve as an important revenue source for the Parks & Recreation Department for field rental.

### Project Internal Staff

The project is to be designed in 2013-14 by a outside landscape architect with project costs clearly defined for future budget years. The Parks Superintendent and Engineering staff shall oversee the project.

### Project Justification

Safe field playing conditions are critical for the numerous users of the fields. These customers include AYSO, Little League, Babe Ruth Baseball, Parks & Recreation Leagues and field rentals, community drop in play, school P.E. and school team play and special events. With over 30 of years nursing existing irrigation system has resulted in thousands of dollars labor and materials expended or temporary fixes, still have brown areas and standing water during the day. The location of the sprinkler heads on both fields do not adequately cover all section of the fields and dry spots appear during the hot summer months. Staff must hand water certain areas of the fields. Standing water in the outfields have resulted in poor turf growing conditions and unsafe playing areas. Some main and lateral lines are of an earlier type PVC construction and are failing. New technology will provide for better field coverage and improve the watering. The drainage system being replaced will move water off the fields, where there are currently no working drainage systems in place, resulting in wet and unsafe field conditions. Improved drainage and irrigation systems will result in better managed turf for these fields. It's estimated there will be a 20% savings in water use.

### Forecast

Budget Year	Total Expense	Total Revenue	Difference
2015			
Incline Park irrigation & drainage	300,000	0	300,000
Internal Services	13,500	0	13,500
Year Total	313,500	0	313,500
	313,500	0	313,500

Year Identified	Start Date	Project Partner	Manager	Est. Completion Date
2012			Parks Superintendent	



## Project Summary

Project Number:	4378LI1206
Title:	Village Green Pathway Improvements
Asset Class:	
Division:	78 - Parks Services
Budget Year:	2014
Scenario Name:	
Budget Status:	Data Entry
Locations:	
Project Something:	LI - Land Improvements
Active:	Yes

### Project Description

Establishment of a formal, ADA accessible pathway along the boundary of Village Green providing access between the Recreation Center, Upper and Lower Village Green fields, Aspen Grove and the Beaches.

Define pathway with signage so customers do longer have to cross Lakeshore Blvd by Entrance to Overflow Parking Lot with no crosswalk. Install pavers in places to prevent erosion and to better define a safe walking pathway. Improved pathway from Incline Way to Recreation Center. Linking a pathway from Incline Way to doors or entrances to the Recreation Center. Defining a walkway to Incline Creek that leads to Sierra Nevada College will provide another positive linking of facilities for our customers.

### Project Internal Staff

Project to be coordinated and installed by Parks staff, including trail restoration improvements and erosion control. Design by Engineering and installation/renovation project to be performed by Parks staff.

### Project Justification

Establishing a formal pathway along side Village Green will provide erosion control and eliminate the current human created path that is often muddy and impassable. This enhancement will provide handicap access and provide a link between the Recreation Center, Village Green, Aspen Grove and Tennis Center. Currently there is no designated pathway from Village Green/Aspen Grove to the Recreation Center or Tennis Center. Being able to connect different facilities has been a department goal for many years. Pedestrian access to these facilities without walking down the paved vehicle roads will greatly increase safety for our customers. Since the fuels reduction project aside Village Green, there is now adequate space to install a walking pathway that would improve customers getting safely to our different venues. The pathway would also be used by small utility vehicles in the Parks operation to drive to the different facilities for more efficient maintenance operations.

### Forecast

Budget Year	Total Expense	Total Revenue	Difference
2014			
Pathway, Improvements Village Green	25,000	0	25,000
Pathway Village Green and	10,000	0	10,000
Year Total	35,000	0	35,000
2015			
Pathway Village Green and	10,000	0	10,000
Year Total	10,000	0	10,000
	45,000	0	45,000

Year Identified	Start Date	Project Partner	Manager	Est. Completion Date
2012	Aug 1, 2011		Parks Superintendent	

## **MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Steven J. Pinkerton  
General Manager

**THROUGH:** Joseph J. Pomroy, P.E.  
Director of Public Works

**FROM:** Bradley A. Johnson, P.E.  
Engineering Manager

Bob Lochridge  
Utilities Superintendent

**SUBJECT:** Award a Contract for Centrifuge Rebuild and Servicing –  
2013/2014 & 2014/2015 Capital Improvement Project: Fund:  
Utilities; Division: Sewer; Project # 2599SS1102; Vendor:  
Centrisys Corporation

**DATE:** August 1, 2014

---

### **I. RECOMMENDATION**

The Board of Trustees moves to:

1. Award a contract to Centrisys Corporation, totaling \$63,480, for rebuild and servicing of two solids dewatering centrifuges at the Wastewater Treatment Plant.
2. Authorize Staff to execute requisite contract documents upon review by Staff and District Counsel.

### **II. BACKGROUND**

The District's Wastewater Treatment Plant (Plant) treats all of the raw sewage from the communities of Incline Village and Crystal Bay. The Plant was originally constructed in 1962 and has undergone numerous upgrades as the communities grew and as process technologies improved. The current plant configuration and

process equipment is largely the same from the last major renovation completed in 1992. While the Plant has sufficient excess operating capacity and proper process redundancy to allow Staff to keep annual operating hours low for many of the key pieces of process equipment; much of the equipment is over 20-years old and reaching the end of its design life. Other equipment, by nature of the process, operates continuously and is on a more frequent replacement cycle.

Under the proposed contract, Centrisys will complete major servicing and rebuild on the two solids dewatering centrifuges at the Plant. Solids dewatering is the final step in the solids handling process prior to disposal. Dewatering is a critical step as it removes excess liquids from the solids; changes the solids from a slurry state to a much thicker, soil-like state that is easier to handle and haul; and significantly reduces the weight of solids for disposal hauling.

The centrifuges were installed new in 2003 and were last serviced in 2008 and 2009. Based on manufacturer's maintenance schedule recommendations as well as inspections and vibration analyses, both units are now due for the proposed work.

The work will be completed one unit at a time with the first unit removed from operation in September 2014 and the second unit occurring upon return of the first unit to operation, likely in October 2014.

### **III. BID RESULTS**

Consistent with the requirements of the Nevada Revised Statute Section 338.1444, the District solicited bids from at least three contractors. A total of three bids were received to complete the work. The bid results are as follows:

<b>Contractor</b>	<b>Bid</b>
Centrisys Corporation	\$63,480
Andritz Separation Inc.	\$71,679
CentriTEK	\$75,000

The low bidder is Centrisys Corporation.

### **IV. FINANCIAL IMPACT AND BUDGET**

\$60,000 is included in the 2013/2014 and \$460,000 is included in the 2014/2015 Capital Improvement Program (CIP) budget for Wastewater Treatment Plant improvements (see attached Data Sheets).

The total CIP budget allocated for Wastewater Treatment Plant improvements is \$520,000 of which \$434,691 is available. This budget will also be utilized for a variety of improvements and equipment replacements at the Plant and isn't solely for use on this contract.

**V. ALTERNATIVES**

None. In order to ensure on-going and reliable operation of the Plant's solids handling processes this work must be completed.

**VI. BUSINESS IMPACT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.



## Project Summary

Project Number:	2599SS1102
Title:	Wastewater Treatment Plant Improvements
Asset Class:	
Division:	99 - General Administration
Budget Year:	2014
Scenario Name:	
Budget Status:	Data Entry
Locations:	
Project	SS - Sewer System
Something:	
Active:	Yes

### Project Description

The District's wastewater treatment plant treats all of the raw sewage from the communities of Incline Village and Crystal Bay. The original treatment plant was built in 1962 and went through many upgrades as the community grew in size. The current plant configuration is largely the same from the major renovation in 1992 that replaced most equipment and processes. The plant is rated to treat 2.4 mgd by the State of Nevada. The plant has preliminary treatment, aeration, sedimentation, disinfection and solids dewatering processes to treat the raw sewage. Each of these processes consist of electrical, mechanical, instrumentation, and communication equipment. The plant also has chemical storage, fuel storage, overflow ponds, effluent storage reservoir, emergency generator, and other miscellaneous structures.

### Project Internal Staff

Staff selects, purchases and installs small equipment projects. Larger replacement projects are bid to outside contractors.

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### Project Justification

The majority of equipment and processes at the wastewater treatment plant are 20 years old. The treatment plant has sufficient capacity and redundancy that has kept the operating hours low for a number of pieces of equipment. Some equipment is run 24/7 necessitating frequent replacement. The forecast is staff's projection of the needed equipment replacement.

Forecast		Total Expense	Total Revenue	Difference
Budget Year				
2014	Rebuild 2 centrifuges. replace 300' scrubber media in stage 3	60,000	0	60,000
	Year Total	60,000	0	60,000
2015	Replace or replace rotating screen, replace odor scrubber media in stages 1 and 2	100,000	0	100,000
	Year Total	100,000	0	100,000
2016	Replace circulation pumps.	80,000	0	80,000
	Year Total	80,000	0	80,000
2017	Replace aeration blowers and control equipment	500,000	0	500,000
	Year Total	500,000	0	500,000
2018	Replace pumps in mechanical building	125,000	0	125,000
	Year Total	125,000	0	125,000
2020	Upgrade clarifier mechanical equipment	500,000	0	500,000
	Year Total	500,000	0	500,000
		1,365,000	0	1,365,000
Year Identified	Start Date	Project Partner	Manager	Est. Completion Date
2012	Jul 1, 2013		Water/Wastewater Supervisor	Jun 30, 2014

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## Project Summary

Project Number:	2599SS1102
Title:	Wastewater Treatment Plant Improvements
Asset Class:	
Division:	99 - General Administration
Budget Year:	2015
Scenario Name:	
Budget Status:	Data Entry
Locations:	
Project	SS - Sewer System
Something:	
Active:	Yes

### Project Description

The District's wastewater treatment plant treats all of the raw sewage from the communities of Incline Village and Crystal Bay. The original treatment plant was built in 1962 and went through many upgrades as the community grew in size. The current plant configuration is largely the same from the major renovation in 1992 that replaced most equipment and processes. The plant is rated to treat 2.14 mgd by the State of Nevada. The plant has preliminary treatment, aeration, sedimentation, disinfection and solids dewatering processes to treat the raw sewage. Each of these processes consist of electrical, mechanical, instrumentation, and communication equipment. The plant also has chemical storage, fuel storage, overflow ponds, effluent storage reservoir, emergency generator, and other miscellaneous structures.

### Project Internal Staff

Staff selects, purchases and installs small equipment projects. Larger replacement projects are bid to outside contractors.

### Project Justification

The majority of equipment and processes at the wastewater treatment plant are 20 years old. The treatment plant has sufficient capacity and redundancy that has kept the operating hours low for a number of pieces of equipment. Some equipment is run 24/7 necessitating frequent replacement. The forecast is staff's projection of the needed equipment replacement.

<b>Forecast</b>				
Budget Year	Total Expense	Total Revenue	Difference	
2015				
#2 Process Water Improvements	200,000	0	200,000	
Rebuild or replace rotating screen; replace odor scrubber media in stages 1 and 2	200,000	0	200,000	
Solids Handling Bay Improvements	60,000	0	60,000	
Year Total	460,000	0	460,000	
2016				
Rebuild circulation pumps.	80,000	0	80,000	
Year Total	80,000	0	80,000	
2017				
Replace aeration blowers and control equipment.	500,000	0	500,000	
Year Total	500,000	0	500,000	
2018				
Replace pumps in mechanical building.	125,000	0	125,000	
Year Total	125,000	0	125,000	
2019				
Future Improvements	100,000	0	100,000	
Year Total	100,000	0	100,000	
2023				
Upgrade clarifier mechanical equipment	500,000	0	500,000	
Year Total	500,000	0	500,000	
	<b>1,765,000</b>	<b>0</b>	<b>1,765,000</b>	
Year Identified	Start Date	Project Partner	Manager	Est. Completion Date
2012			Water/Wastewater Supervisor	

## **MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Steven J. Pinkerton  
General Manager

**FROM:** Gerald W. Eick, CPA CGMA  
Director of Finance, Accounting, Risk Management and  
Information Technology

**SUBJECT:** Authorize additional spending, in the amount of \$40,000,  
under the existing agreement for Information Technology  
Services with Averill Consulting Group

**DATE:** August 5, 2014

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### **I. RECOMMENDATION**

That the Board of Trustees makes a motion to authorize Staff to increase the existing professional services agreement, with Averill Consulting Group by an additional \$40,000 for District Information Technology consulting services.

### **II. BACKGROUND**

At the May 15, 2014 Board of Trustees meeting, Staff was authorized to enter into an agreement following the departure of the Director of Information Technology in April. This decision was made based on an evaluation of near term needs for providing information technology services to the District Departments and venues. The consultant was also asked to oversee information technology services while a roadmap for services is developed. Averill Consulting Group was selected to provide these services based on qualifications, reference checks, and interviews. The initial consulting services agreement was executed and has been used to maintain the service levels of the Information Technology Department.

Averill Consulting Group has also assessed the long term needs of information technology services and is preparing a report for the Information Technology Steering Committee (ITSC) prioritizing the needs for infrastructure and software replacement. This effort has identified two proofs of concept projects that are in the process of evaluation - they cover Wi-Fi at District venues and a start on a

virtual server configuration for Public Works. The proof of concept projects has also used funding from the original approval made on May 15, 2014. Additionally, the District has received, on August 4, 2014, the resignation of its remaining software developer. It is likely the District may need additional services from Averill Consulting Group to reach the intended change to a new operating model as of November 1, 2014. Any further capital projects that require separate Board of Trustees approval would be brought forward at future meetings.

**III. BID RESULTS**

This item is not subject to competitive bidding within the meaning of Nevada Revised Statute (NRS) 332.115 as described in subsection (b) Professional Services. Staff has previously contacted three information technology consulting service providers and selected Averill Consulting Group based on the proposed services, experience, and verification of references.

**IV. FINANCIAL IMPACT AND BUDGET**

The cost of this agreement is funded from the General Fund. The Information Technology Department has three vacant Staff positions. The cost of this agreement is being covered by these vacancies and will not create an over budget situation.

**V. BUSINESS IMPACT**

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Steven J. Pinkerton  
General Manager

**FROM:** T. Scott Brooke  
District General Counsel

Joseph J. Pomroy, P.E.  
Director of Public Works

**SUBJECT:** Accept Settlement of pending litigation (SJD Case No. CV-07-00596) by granting a non-exclusive private driveway access easement on APN 125-010-03 and accepting a non-exclusive access on the adjacent drive for fire protection and administrative purposes on APN 125-251-05

**DATE:** August 4, 2014

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**I. RECOMMENDATION**

That the Board of Trustees makes a motion to accept settlement of pending litigation (SJD Case No. CV 07-00596) by:

1. Granting a non-exclusive private driveway access easement consisting of 1687 square feet across IVGID property Parcel A (APN 125-010-03).
2. Accepting a non-exclusive access on the adjacent driveway to be constructed from Randall Drive to the residence at the end of the driveway (APN 125-251-05) for fire protection purposes; and from Geraldine Drive to the IVGID property Parcel A for administrative purposes;
3. Accepting a payment of Ten Thousand Dollars (\$10,000) as additional consideration; and
4. Accepting entry of a Court Order confirming the propriety and authority of the District to enter into this settlement, and dismissing the pending litigation matter with prejudice, each party to bear own costs, expenses and fees.

Accept Settlement of pending -2-  
litigation (SJD Case No. CV-07-00596)  
by granting a non-exclusive private  
driveway access easement on  
APN 125-010-03 and accepting a  
non-exclusive access on the adjacent  
drive for fire protection and administrative  
purposes on APN 125-251-05

August 4, 2014

5. Allow Staff, with concurrence from District General Counsel, to execute any and all required documents.

## **II. BACKGROUND**

The plaintiff, Mr. Machata, has had litigation ongoing with the District for the past seven years. Recently, Mr. Machata settled his differences with the neighbors, the Krafts, and reached out to the District with this offer.

## **III. FINANCIAL IMPACT AND BUDGET**

The monies received in this settlement will be used for Capital Projects within the Community Services fund.



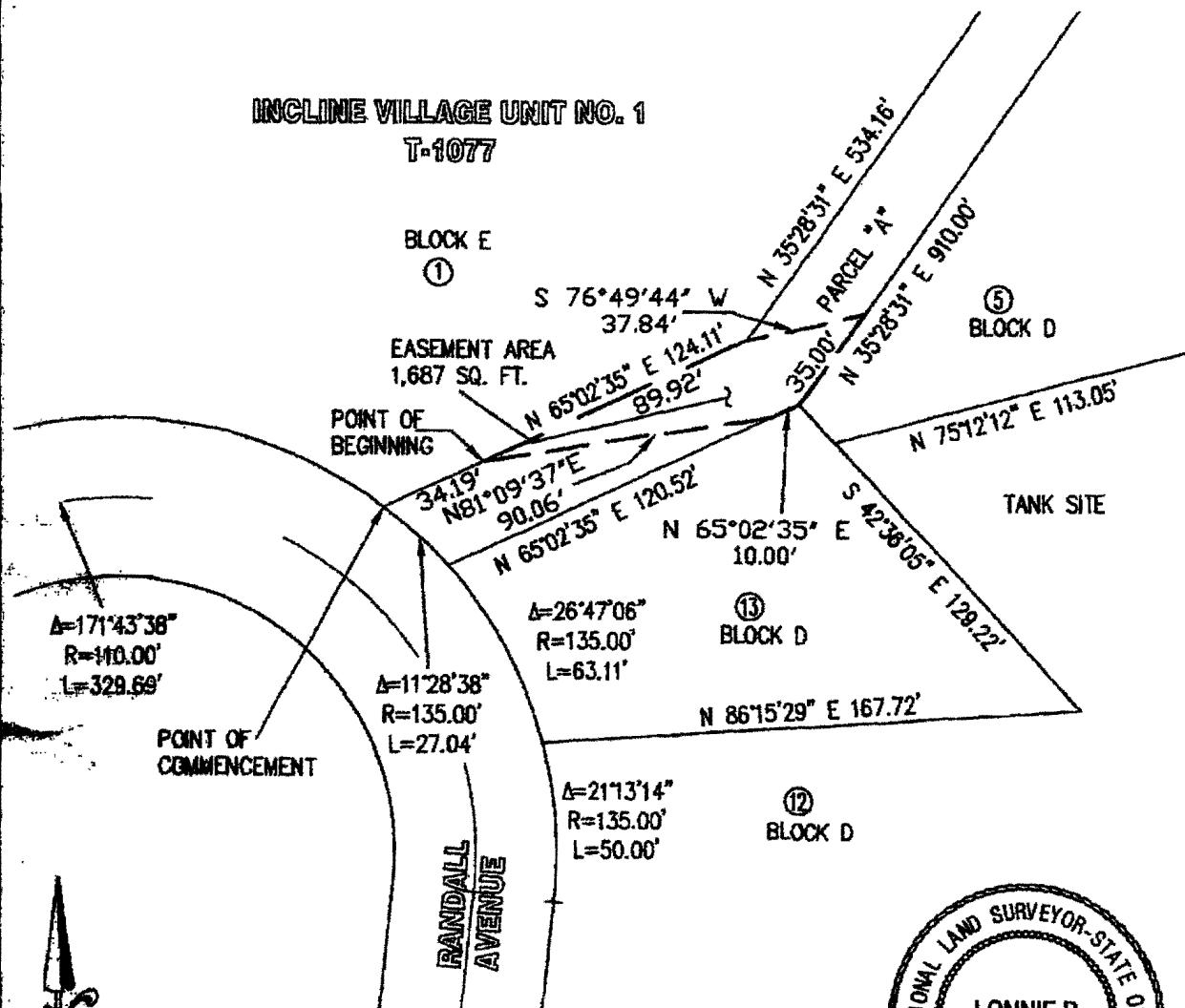
EXHIBIT B

ACCESS AND PUBLIC UTILITY EASEMENT LEGAL DESCRIPTION  
WASHOE COUNTY, NEVADA  
NE 1/4 OF SECTION 9, T. 16 N., R. 19 E., M.D.B. & M.

NOTES:

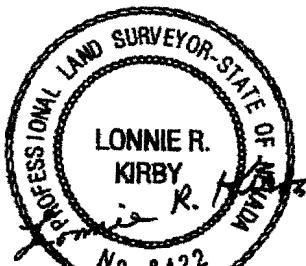
INFORMATION PER INCLINE VILLAGE UNIT NO. 1 SUBDIVISION, T-1077, W.C.O.R.

INCLINE VILLAGE UNIT NO. 1  
T-1077



BASIS OF BEARINGS:

THE MERIDIAN OF THIS DESCRIPTION IS IDENTICAL  
WITH THE MERIDIAN OF INCLINE VILLAGE UNIT NO.  
1 SUBDIVISION, T-1077, RECORDED AS  
DOCUMENT NO. 123893, W.C.O.R.



4/22/2013

Licensee expires 6/30/2013

FILE # 13119

SCALE: 1'=50'

PAGE 1

KD FOSTER  
LAND SURVEYING, INC.

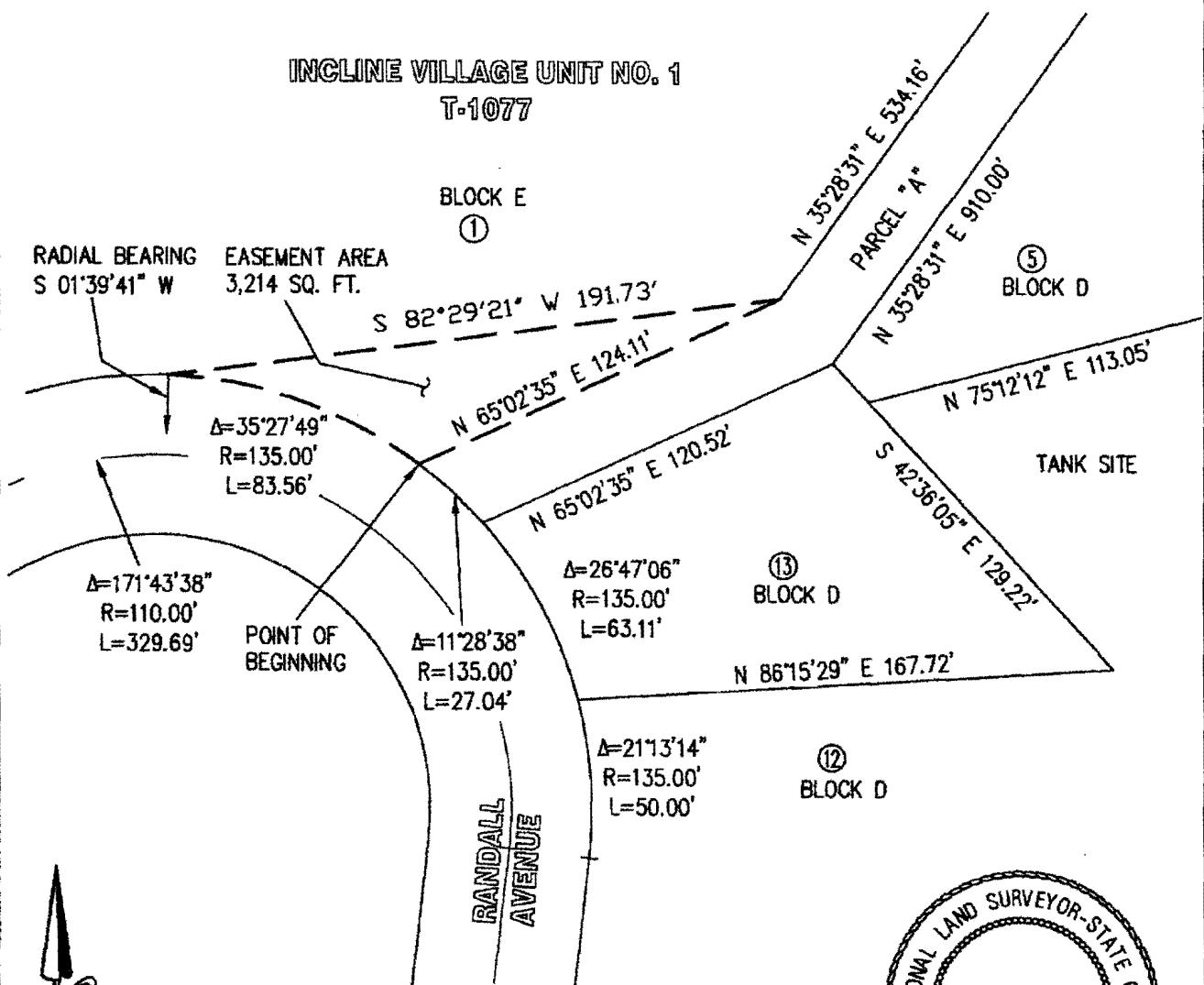
EXHIBIT B

ACCESS AND PUBLIC UTILITY EASEMENT LEGAL DESCRIPTION  
WASHOE COUNTY, NEVADA  
NE 1/4 OF SECTION 9, T. 16 N., R. 19 E., M.D.B. & M.

NOTES:

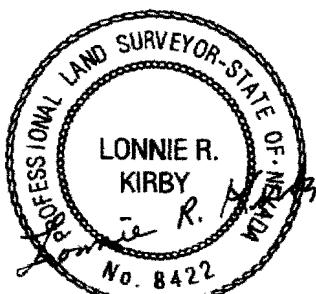
INFORMATION PER INCLINE VILLAGE UNIT NO. 1 SUBDIVISION, T-1077, W.C.O.R.

INCLINE VILLAGE UNIT NO. 1  
T-1077



BASIS OF BEARINGS:

THE MERIDIAN OF THIS DESCRIPTION IS IDENTICAL WITH THE MERIDIAN OF INCLINE VILLAGE UNIT NO. 1 SUBDIVISION, T-1077, RECORDED AS DOCUMENT NO. 123993, W.C.O.R.



4/26/2013

Licenses expires 6/30/2013

FILE # 13119

SCALE: 1"-50'

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## **MINUTES**

### **REGULAR MEETING OF JULY 30, 2014 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 Chairman Joe Wolfe on Wednesday, July 30, 2014 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 Bill Devine, Jim Hammerel, Bruce Simonian, Joe Wolfe, and Jim Smith. Also present were District Staff Members Director of Finance, Accounting and Risk Management Gerry Eick, Engineering Manager Brad Johnson, Director of Human Resources Dee Carey, Parks and Recreation Director Hal Paris, Marketing Manager/Public Information Officer Kayla Anderson, and General Manager of Diamond Peak Ski Resort Brad Wilson. Members of the public present were Paul Reynolds, Don Epstein, Bob Lyons, Tom Kenna, Frank Wright, Gigi Kamila, Jean Eick, Mike Gold, Kaye Shackford, Bob Wheeler, Aaron Katz, Kristina Hill, Bob Sendall, Andy Wolf, Margaret Martini, and others. (*174 individuals in attendance which includes Trustees, Staff and members of the public.*)

#### **C. ROLL CALL OF THE CANDIDATES FOR IVGID BOARD OF TRUSTEES**

Tim Callicrate, Sheila Leijon, and Kendra Wong were present on roll call. Robert Olmer was absent.

#### **D. PUBLIC COMMENTS**

Aaron Katz said he had a couple of matters to discuss; over 70% of our local property owners do not get to vote for bond measures or Trustees and yet the District was set up for property owners and the District doesn't allow them to chime in and he objects to this and has a written statement to submit. There is representation made about support of the Diamond Peak Master Plan yet the property owners haven't yet been surveyed and he asks that this be done. Mr. Katz continued that he has a second written statement which addresses the intentional and deceitful reporting of the District's financials as Staff has included

Minutes

Meeting of July 30, 2014

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the Recreation Facility Fee on our financials and the Recreation Center is losing nearly a million dollars per year. For those that don't understand finances and who think we make money, we don't and the District needs to tell the truth and be transparent. He was sent an anonymous letter about debris which he hopes everyone will read. Lastly, he has objected before that lower pricing is being given to everyone except the pass holders and in the Meet and Greet there was a sign that said one division – one team so when a discount is given to one that same discount should be given to all with no discounts to favored people.

Frank Wright said that he has an appeal against the last election as the voters in zip code 89402 didn't receive their voting materials prior to the primary so that means that 324 voters didn't get their sample ballot. He has filed with the Secretary of State and the Washoe County Registrar of Voters sent a representative to the Citizen Advisory Board meeting to explain. The results are skewed and while he doesn't know where this is going to go, it needs to be corrected and he is hopeful that Washoe County will do the right thing and his suggestion is that they place all seven candidates for IVGID Trustee back on the ballot. On another note, he was recently shocked by the number of buoys sitting in front of the Hyatt so he called TRPA and asked about these buoys and they are not official buoys and TRPA said they would check into it. His question is if every parcel only gets one buoy, how can the Hyatt get so many buoys and how come IVGID doesn't put their buoy out there and get big money for its use and he asks that the Trustees look into the why of this matter.

Gigi Kamila said that she want to mention that people have their own way of giving service to their community and that is what she is here for. She has been here for 35 years and that 35 years ago, on Christmas Day, while everyone was opening their presents, she was over at the mountain skiing and no one was there. She feels that she has generated revenue for this town, has been of service to the community, and that it is a different way of doing service to the community that she enjoys and also generates money for the ski area and Incline Village. We need to open up our eyes to new ideas and to people who have brought something and profited the community for a generation to come. She would like the community to think about this as she finds herself wanting to help.

Chairman Wolfe announced the use of speaker/comment cards for General Business Item H.1.

**E. DISTRICT STAFF UPDATE – GENERAL MANAGER**

General Manager Steve Pinkerton said that the Director of Public Works, Chairman of the Board of Trustees and he went to Washington D.C. to thank the legislators for their support as their actions have saved about two thousand dollars per parcel for the export effluent pipeline. We had good, productive meetings that should benefit the community well into the future.

**F. APPROVAL OF AGENDA (*for possible action*)**

Trustee Simonian made a motion to approve the agenda as submitted; Trustee Smith seconded the motion. Chairman Wolfe called the question and the motion was unanimously passed.

**G. CONSENT CALENDAR (*for possible action*)**

1. Enter into an Intergovernmental Grant Administration Agreement with South Tahoe Public Utility District (Requesting Staff Member: Engineering Manager Brad Johnson)
2. Award a contract for District Culture Training to MoreThanTalk LLC in a not-to-exceed amount of \$50,000 (Requesting Staff Member: General Manager Steve Pinkerton)
3. Sole Source Finding and Contract Award for the Purchase of Crystal Express Chairlift Replacement Major Lift Components 2014/2015 Capital Improvement Project (CIP): Fund: Community Services; Program: Ski; Project #3462HE1502; Vendor: Doppelmayr (Requesting Staff Member: Diamond Peak Mountain Operations Manager Mike Bandelin)
4. Sole Source Finding and Contract Award for the Repair and Maintenance of the Return Terminal Guide Frame Assembly and Bull Wheel of the Lakeview Chairlift; Vendor: Doppelmayr (Requesting Staff Member: Diamond Peak Mountain Operations Manager Mike Bandelin)
5. Award of Multiple Contracts for the 2014 Watermain Replacement and Fire Flow Enhancement Project – 2014/2015 CIP Project: Fund: Utility; Program: Water: Project #

**2299WS1101; Vendor: Burdick Excavating Co., Inc. (Requesting Staff Member: Engineering Manager Brad Johnson)**

- 6. Sole Source Finding and Authorize a Purchase Order for Replacement Boilers at the Chateau – 2013/2014 Capital Improvement Project: Fund: Community Services; Program: Facilities; Project # 3350ME1503; Vendor: California Hydronics Corporation (Requesting Staff Member: Engineering Manager Brad Johnson)**
- 7. Award of Construction Contract for the Village Green and Ski Beach Restrooms Project – 2012/2013, 2013/2014, and 2014/2015 CIP Project: Funds: Community Services and Beach: Division: Parks and Beach; Project # 4378BD1204 and 3998BD1303; Vendor: Walker River Construction, Inc. (Requesting Staff Member: Engineering Manager Brad Johnson)**

Trustee Simonian made a motion to approve the Consent Calendar as submitted; Trustee Hammerel seconded the motion. Chairman Wolfe called the question and the motion was unanimously passed.

**H. GENERAL BUSINESS (for possible action)**

- H.1. Board Presentation by SE Group of Diamond Peak Ski Resort's Updated Master Plan (Requesting Staff Member: General Manager Diamond Peak Ski Resort Brad Wilson)**

General Manager Pinkerton gave an overview of what a Master Plan is and that it is a process with nothing being determined this evening and it being a guideline for beginning the implementation.

Diamond Peak Ski Resort General Manager Brad Wilson gave an overview of the process to date and then introduced SE Group's Claire Humber and Kent Sharp who gave a Powerpoint presentation which is included herewith by reference.

Following the presentation, Chairman Wolfe called upon members of the public who submitted speaker/comment cards for this General Business Item as follows:

Margaret Martini urged everyone to carefully read this Master Plan and asked that they especially pay attention to the financial data as there are big mistakes in the projections. Further, the projections don't include any comparisons in competitive pricing such as Northstar, etc. or any discounts for residents thus this is flawed. This whole plan is paid for through revenue, nope; the residents need to be prepared to cough up some money.

Ken Cash said that he is a sitting Board member of Bitterbrush and their homeowners association has met with District Staff as well as the presenters and what he is hearing tonight is different from what they were told thus he is opposed to this Master Plan. He is a real estate professional and Bitterbrush, etc. will be impacted and their home values will go down. Every time a sale is made, the realtor must disclose that there is a ski resort there and then the realtor has to be careful with the visual obvious which contributes to that problem. The homeowners association was told that the bowl would be left clean and now it is being presented that the coaster is being brought in. There will be road noise, people noise, concerned about traffic, concerned about fire and evacuation of Bitterbrush and Tyrolian; we heard nothing tonight about fire protection. Those of us in Bitterbrush already enjoy the noise from the ski resort and we are not excited about the additional noise, traffic, and people year round.

David Noble said that he has been a resident of Incline Village for 17 years and a property owner for 15 years. He asks that the Board move forward with this plan as it is well reasoned and well supported. The guest numbers are conservative, the increased traffic is discussed on page 53, the estimates given were conservative and the pricing for the alpine coaster is \$12. The positive responses are telling as to the support of these activities. The whole community owns Diamond Peak and we need to continue to reinvest to survive; he agrees with the plan. The Board will get a lot of information from different folks but when it comes time to act, please move forward.

Ann Nichols said that she is a 44 year resident of Tahoe and no one is against development but we need to protect and maintain the beauty of our outdoor environment. She is worried about the alpine coaster as there was a lawsuit just filed and Breckenridge fought it for years. The need to upgrade is just another gimmick. The alpine slide days are over and now it's the alpine coaster. She has been to Snowbird and it is really ugly. There is going to be a coaster at Northstar and Squaw was going to do

one but it affected their Master Plan. Perhaps we should increase our fees to develop other things and then save some money with the knowledge that we need to see all the alternatives and have a range of alternatives. The Board needs to establish a Stakeholders Group and then do a referendum. It shouldn't be that hard if it is done online. What is the hard part is to do this right.

Aaron Katz said that as we hear the comments, he hopes that the Board will ask every speaker if they are an owner and do they pay the Recreation Fee because everyone doesn't have the same standing. Also, the Board needs to ask each speaker if they have a hidden agenda or no agenda at all. He heard the General Manager say that we haven't spent any money on this which isn't true. The District has already paid SE Group to implement Phase 1 and we have already budgeted \$200,000 for Phase 1 even though no decision has been made. The District has spent over \$125,000 so far. We need to deal with some facts – we have never, never, never spent \$18 million dollars on any recreational facility and we have never incurred \$8.2 million dollars in bonded indebtedness at any time in our history. In the last 13 years, the District has never realized a profit on any recreational facility we have operated. Go back to 2003 when we hired a new General Manager who was going to sell us on a new Chateau which was promised not to cost us anything and it was going to be a cash cow and look what happened. We are being sold the same bill of goods once again. Saying that the Recreation Fee is not reliant is just an outright lie because every bond issued has posted the Recreation Fee as additional security. He is not against this but he is against having to pay for it.

Susan Redding said that she has been a resident for 5-1/2 years and she is in support of this Master Plan because it makes sense in so many ways to utilize an underutilized asset. We live where we play so let's keep it that way.

Kristina Hill said that she lives in Tyrolian Village and noted that most of the improvements, in the Master Plan, are in the second, third, and fourth phases. While they are down the road, it is necessary to keep up and they should be undertaken. The first phase is the most contentious phase and it only costs \$4 million dollars. Summers are always eminent and summer activities far outweigh the costs. Doing nothing would likely result in the decline of our local economy. She trusts that SE Group knows more about that than we do.

Judith Miller said there is praise for the project because it may contribute to the economy but what about public/private partnerships. If this is great interest to the Hyatt, with teambuilding, what amenities are they specifically interested in because they are things that cost a lot of money. Even though SE Group is saying there will be revenues to cover the bonds there is still uncertainty. Why don't the businesses put their money where their mouths are?

Aaron James said he is in support of the Master Plan and that he plans to live here for a long time. This is the future for our community and this community is worth making it better. We have the ability to capitalize this project and we need to give people what they want instead of a retirement community. We have to look at this on a year-round level and we need to provide an experience that people want to live for. The Master Plan is necessary as this is for the families. Right now, we have limited activities like biking and that this has become necessary is because we aren't guaranteed a good winter but we always have a good summer so let's make it better for everyone.

Frank Calfa, a resident of Bitterbrush, agrees with Mr. Cash and understands the position that the District is in. This plan should be done with a more balanced approach. He purchased his home for the serenity and summer activities are different as they will affect the people in Bitterbrush. The video shown of the alpine coaster should have had some audio so that the audience could have heard the kids' screaming as it was coming through the trees; maybe this can be relocated or eliminated. He understands the canopy, knows they are wonderful, and knows that the District needs to keep up but it needs to be done with a more balanced approach.

Mary McKenna said so what is the Boards' title – it is Trustees thus we are the Trustors and we voted each of you into office entrusting you so you need to really stop and consider what that means. She has lived here 40 years and she is still working here. This District has so many different interests – the bars, boats, golf courses, etc. and then there are those that want to hike and bike so everyone needs to be heard and respected. We live in a place that should be a national park and thus she is asking the Board to protect our clean air, our clean water, the flora, fauna, and our quietude. There needs to be a balance and there needs to be availability for all because when you open the gates, you could go too far. Remember how this community was created – there were amenities that were here for

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the people who lived here. So those amenities need to be preserved and protected as does the natural environment for the people who live here.

Lloyd Garden said he is a local student and resident and that he is in support of the Master Plan. It looks very feasible and this is a great town and that he loves having Diamond Peak here and being able to go up there and go hiking; it is a great summer place.

Gigi Kamila said that she agrees with the expansion of the ski area which is really the main focus as is Snowflake Lodge. Her only concern is that the design of Snowflake Lodge is so small and that right now they can't provide enough food for the people who go there now. We need to install a tram to get to the facility and to get food to that facility. The chairlift is not the preferred delivery method. Renovating Snowflake Lodge is a good thing, it needs to be done, and how we get things up there is also very important.

Gail Krolick said that she lives in Tyrolian Village and as someone who lives up there; she understands what needs to happen within Diamond Peak however she doesn't think that the phases are correct. Concentrate of the upper lodge and how we can get masses of people into our eating facilities because right now you can't find a place to eat. The alpine coaster looks fun and she is neither for it nor against it. If she doesn't like what is happening, she can move because she has that freedom. She agrees that the Diamond Peak Master Plan is outdated. There is a study that was done in 1998 for our community which is just sitting on a shelf. She really doesn't care as she trusts this Board as she voted them in. She understands that the Board has more knowledge and thus she trusts the Board to make the right decision. She would urge the Staff to continue to work with Bitterbrush and Tyrolian Village because all these residents decided to live up there and did so for various reasons.

Sue Hughes said that she has been a full time resident for 12 years and she is speaking in favor of adopting the Master Plan. The general feeling within the community is that this needs to go forward for the future of the families and to have a vital community. Ms. Hughes concluded by asking the Board not to be held hostage by those that advocate for living in the past and for decay.

Doug Graham said that he has some experience in project planning on a national level and that we need to look at lessons learned on the events

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being proposed as it is very important to understand those lessons learned and for each concept. Planning in phases is very good.

Rob Laurie said that he has lived here 36 plus years and he loves this town. It is a resort town and he knew that when he moved here. Diamond Peak is a very special place and he has seen a lot of improvements, within the District, over the years such as the Chateau, golf course, and the Recreation Center. He was in one of the meetings when the pool was designed which a lot of people utilize and it is a very valuable piece of our community. Thanked the Board for looking at this and for trying to develop a plan that works for our community. The Board does need to listen to everyone's opinions. Thanks again and he is really excited about what the Board is going to come up with.

Tom Kenna said that he thinks we have a big bifurcation and he has heard some noise from some people that he hasn't seen here before. We have heard that we are living in the past and we have heard some people say they are residents but really they are renters here and not property owners. If this thing was in Argentina and we ended up having to bite the bullet, the renters wouldn't want to have anything to do with it thus what we have got here is the younger people don't understand that is the property owners who get to pay for this and thus make the decision.

Frank Wright said that he is a 36 year resident who has been coming to these meetings on a regular basis. He used to call the people who showed up "barking seals" who were recruited to come in and get someone else's viewpoint across by clapping, cheering, and shouting down people just to foster their own interests. This Board needs to listen to the people who live here and who are parcel payers and listen to the people who are concerned. Mr. Wright then proceeded to itemize IVGID's past experience where he cited several venue losses and then noted that this year those losses were close to \$7 million dollars. We have a new General Manager and people are sick of having losses yet here we are starting on another endeavor and that he would dare the Board to do another presentation and have Mr. Katz do his presentation, side-by-side, with his facts and figures. He likes it when no one is here and now we are hearing a proposal for a tourist trap to which he doesn't think people will come to. He just doesn't understand why the Board won't listen, be diligent, create committees, and look at the facts and figures.

Bob Lyons said that he has owned property here since 2007 and that he has a couple of points – half of him says don't turn this into a destination resort but yet he knows that the ski resorts will do it anyway. He likes the Master Plan if the numbers hold up. He is not sold on the roller coaster gizmo because of the issue of noise. As to the tracking of visitors, he thinks we should survey the Hyatt and see how many of their guests leave and then do what we can to keep them here. The Master Plan is a good alternative when the winds kick up and the really bad news in all of this, while he likes the phasing logical, is that he will be 72 years old when the phase he wants happens.

Bob Jones said that he has been here since 1983 and that he wants to speak about pivotal events. The Trustees were very vigilant in creating a committee for the development of Diamond Peak and that the committee had all points of view and it was done amidst political times. When you have private funding, you have turmoil because people want control. We didn't use the term of Master Plan rather we just submitted a plan from a citizens committee to the Board and then it was adopted. As we go forward, he is appealing for a collaborative approach. If not for the 1986 plan, Ski Incline would have failed and we were aggressive yet we preserved the skiing for the youth. Be collaborative and not determinative as you need to allow people to be heard.

Joe Hittner said he is a local resident who has no business and has no interest in the ski resort and that he wants to say a few positive things about it. A lot of folks use it in the winter and then go elsewhere in the summer. We should capture that population and move forward and into the future rather than have decaying infrastructure. There are a lot of new people here and they have gotten to witness how things are run, heard the vitriol being slung, how they have been residents for 48 years, and those guys must be tourists, etc. There are a lot more for sale signs within the community and if any election should be held, it should be to vote those two guys out of our community.

Svata Trossen said that she was here to voice her objection to the Master Plan and then read from a prepared statement which is attached hereto.

Stuart Dunn said that he is a property owner and has been a resident for 28 years. He has sat here and listened for an hour to the presentation and basically it is about a resort and that most of SE Group's business is to give a plan for a resort and we are not a resort but a community which

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makes us quite a bit different because the property owners are the backers and there will be very few who benefit. There are some positive things and some negative things and we don't need a Master Plan rather what we need is a committee. The ski area has to be competitive but the summer activities are iffy. SE Group is not responsible if we don't make that money but the property owners will be. Standing still and doing nothing is not correct and instead of having a Master Plan, let's do this bit by bit and leave it up to the Board with our input. Property owners are the ones who are responsible for the bonds so we are the ones biting the bullets and if SE Group is totally wrong, which they could be quite wrong, we have to pay for it.

Craig Olson said that he has been a property owner for 10 years, been a visitor for over 25 years, a full time resident for 2-1/2 years, and he doesn't like this divisiveness and he would like it to stop. Just recently, his wife was at Ski Bowl and she saw happy people. He is in favor of this proposal. He doesn't run a business and this is great for the community as we need it for the tourism. Mr. Olson than read a letter from Mark Bernstein – this letter is included in this packet under Correspondence.

Dr. Andrew Jane said he is a Tyrolian Village resident and he has heard from his neighbors a range of opinions in which they talked about the downside of the proposal, the noise, the potential of fire, and all sorts of bad things. As the President of the Tyrolian Village, when something happens, they come to him. When he first heard about the Master Plan, he thought about the down side. We had a bit of a dry run with the TRT Run which goes over Tyrolian Village property. About a year ago, it was almost a disaster with lots of complaints about noise and traffic. Following this event, District Staff and Tyrolian Village members had meetings and talked about it and Tyrolian Village made the decision to not allow this run again. About three weeks ago, he met with the General Manager Diamond Peak Ski Resort and his team and they helped Tyrolian Village work out a solution that was wonderful and that would allow the TRT Run and it occurred and he had zero complaints. While he understands the down side, he believes the District Staff will face them and that he is looking forward to working with them.

Andrew Wolfe said he has been a property owner for the last 15 years and he was thinking about drilling down but then he remembered that we are talking about a Master Plan document so he changed his thinking to a higher level. For three or four years, he didn't utilize the ski resort at all but

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in the last three or four years, he has probably lapped 600 lifts on the Crystal chair. A Board twenty eight years ago had the opportunity and twenty eight years ago that very wise Board allowed expansion. Then another Board added the Crystal Quad and today, no one would object. No one is going to look back and say we shouldn't have built it. He is in favor of this Master Plan. The concept of being Trustees is that you need to look at all the values in this plan and he would like to see the backside have a lift. He would like to be proud, in 10 years, of this Board. This Master Plan will be your legacy and the community will look well upon you if you pursue it. Finally, in the next six weeks, he would encourage anyone to identify a single resort in the history of the United States where property values went down in the course of a ski resort expansion.

Tim Callicrate said that he moved here in 1985 and all of us have our own issues about owning or renting and if some don't think that renters don't pay, that is not true so let's put that item to rest. When he was on the Board, we started to address this and there were many concerns from Bitterbrush and Tyrolian Village and they need to be addressed; let's ask these people to come up with solutions. Snowflake Lodge is a dump with a million dollar view so he appreciates that expansion. Do it the right way so it is not a wild venue, not loud, no traffic, etc. – work out those issues. We need to make sure that all our venues are operating efficiently and get our own house in order so when we do embark upon this, we move forward in a fiscally prudent way as there is a tremendous amount of opportunity; move forward prudently and fiscally responsible.

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

I.1. **Regular Meeting of June 25, 2014**

Trustee Smith made a motion to accept the minutes of June 25, 2014 as submitted; Trustee Simonian seconded the motion. Chairman Wolfe called the question and the motion was unanimously passed.

J. **RELEASE OF PAYMENT FOR BILLS OVER \$10,000 DURING THE PERIOD STATED (for possible action)**

Treasurer Bill Devine presented the bills for the period of June 18, 2014 through and including July 15, 2014 in the total amount of \$1,007,014.21 and made a motion to accept the bills as submitted. Trustee Hammerel

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seconded the motion. Chairman Wolfe called the question and the motion was unanimously passed.

**K. REPORTS TO THE IVGID BOARD OF TRUSTEES**

**K.1. District Staff Updates (*written updates have been provided; if there are any questions, from the Board of Trustees, they may be asked at this time*)**

General Manager Pinkerton reported that on July 22, he became a full time resident which fulfilled the deadline set forth in his employment agreement.

**K.2. District General Counsel T. Scott Brooke**

District General Counsel T. Scott Brooke had no update at this time.

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

Chairman Wolfe said that presently there was no business items scheduled for August 27, 2014 so he is going to leave it up to the District General Manager as to whether or not we hold a Board meeting on that date.

**M. CORRESPONDENCE RECEIVED BY THE DISTRICT**

Clerk to the Board of Trustees Susan Herron reported that correspondence had been received from Steve Waclo, Mari & Nick Harris, Earlene Forsythe, Bill Hoffman, Nick Holder, Anna Becker, Chuck Otto, Mark Bernstein, and Kathryn Bricker and it has been distributed, and will be included, in hard copy form, in the next Board packet.

**N. PUBLIC COMMENTS\***

Paul Reynolds said that he sat here tonight and heard District Staff called liars and other terms and while he doesn't always agree with all of the Board's decision, he does appreciate all the work they do and he appreciates the new General Manager and stated that he inherited the best Staff and just wanted to say thank you for all the crap each of you has to take.

**O. ADJOURNMENT (for possible action)**

The meeting was adjourned at 8:23 p.m.

Respectfully submitted,

Susan A. Herron, CMC  
Clerk to the Board of Trustees

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 Aaron Katz: (13 pages) Written Statement to be included in the Written Minutes of this July 30, 2014 Regular IVGID Board Meeting – Agenda Item C – Public Comment Section – Why does the Board allow Staff to offer a handful of “favored” picture pass holders, rather than all of them, lower user fees at our recreational facilities?

Submitted by Aaron Katz: (4 pages) Written Statement to be included in the Written Minutes of this July 30, 2014 Regular IVGID Board Meeting – Agenda Item C – Public Comment Section – Like it or not, I speak for “the silent majority”

Submitted by Aaron Katz: (11 pages) Written Statement to be included in the Written Minutes of this July 30, 2014 Regular IVGID Board Meeting – Agenda Item C – Public Comment Section – Evidence that our Staff is intentionally deceitful in its reporting to the public of our finances

Submitted by Aaron Katz: (8 pages) Written Statement to be included in the Written Minutes of this July 30, 2014 Regular IVGID Board Meeting – Agenda Item C – Public Comment Section – Given over 70% of local property owners can't vote for or against Trustees, why is the Board so flippant when it comes to spending their Beach (“The BFF”) and/or Recreation (“The RFF”) Facility Fees which are involuntarily assessed and levied without ever asking them what they want those fees spent on?

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Submitted by Aaron Katz: (15 pages) Written Statement to be included in the Written Minutes of this July 30, 2014 Regular IVGID Board Meeting – Agenda Item H(1) – SE Group presentation of Diamond Peak Master Plan update

Submitted by Svata Trossen: (2 pages) DP Master Plan – Another Incline Lake fiasco?

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF  
THIS JULY 30, 2014 REGULAR IVGID BOARD MEETING – AGENDA  
ITEM C – PUBLIC COMMENT SECTION – WHY DOES THE BOARD  
ALLOW STAFF TO OFFER A HANDFUL OF “FAVORED” PICTURE  
PASS HOLDERS, RATHER THAN ALL OF THEM, LOWER USER  
FEES AT OUR RECREATIONAL FACILITIES?**

**Introduction:** Several years ago staff represented to the Board and the public that under no circumstances would *anyone* ever be offered lower user fees at the public's recreational facilities than the ordinary, resident picture pass holder ("PPH"). Notwithstanding, I and others have discovered evidence that this representation was a misrepresentation. Every time I and others present this evidence to the Board, staff is quick to paint us as liars. And then because of the unjustified "love affair" between the Board and staff, the Board goes into full damage control rather than addressing the basic problem; *STAFF!* The purpose of this written statement is present evidence, again, that staff carves out favored pricing for favored third parties which ends up being lower than that charged to the ordinary, resident PPH. But before I begin my discussion, I present evidence of two instances where favored third parties receive lower pricing for access to and use of the public's recreational facilities than the ordinary, resident PPH.

**Example One: 450 or More Hyatt Lake Tahoe Employees Can Ski Diamond Peak for \$10/Day Whereas the Preferred PPH Has Paid Between \$25-\$41:** Four years ago (effective June 1, 2010) IVGID entered into a written lease with the Hyatt Lake Tahoe Hotel ("the Hyatt") for its rental of the Hyatt Sport Shop within the Hyatt. On or about June 14, 2012 IVGID entered into an agreement with the Hyatt which extended the term of that lease, "upon the (*same*) terms, covenants and conditions (t)herein contained" through and including May 31, 2016. Although Brad Wilson has denied the existence of the language which follows, let me quote paragraph 44(b) of the extended lease:

"Lessee (i.e., IVGID) agrees that Lessor's (i.e., the Hyatt's) employees can ski or snowboard at Diamond Peak for Ten and 00/100 Dollars (\$10.00) Monday through Friday, and Twenty and 00/100 Dollars (\$20.00) Saturday and Sunday with the exception of specified holiday or blackout periods."

And what has been the ordinary, resident daily PPH rate since 2010? For 2010-11, \$39<sup>1</sup>; for 2011-12, \$41<sup>1</sup>; and only because of the pressure exerted by myself and others, for 2012-13<sup>2</sup> and 2013-14<sup>3</sup>, \$25. In other words, *more than Hyatt employees!* And remember, Hyatt employees *don't*

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<sup>1</sup> See page 200 at

[http://www.ivgid.org/client\\_uploads/annual\\_budget\\_fiscal\\_year\\_2011\\_2012\\_adopted\\_may\\_20\\_2011.pdf](http://www.ivgid.org/client_uploads/annual_budget_fiscal_year_2011_2012_adopted_may_20_2011.pdf).

<sup>2</sup> See page 157 at [http://www.ivgid.org/client\\_uploads/2012\\_2013\\_adopted\\_budget\\_book.pdf](http://www.ivgid.org/client_uploads/2012_2013_adopted_budget_book.pdf).

<sup>3</sup> See page 161 at [http://www.ivgid.org/client\\_uploads/2013\\_2014\\_adopted\\_budget\\_book.pdf](http://www.ivgid.org/client_uploads/2013_2014_adopted_budget_book.pdf).

have to pay the \$730 Recreation Facility Fee ("the RFF") in order to purchase daily Diamond Peak lift tickets at rates *lower* than ordinary, resident PPHs.

**Example Two: Any Member of the General Public Can Golf at the Championship Course for as Low as \$45/Round Whereas the Preferred PPH is Charged a Minimum of \$65<sup>4</sup>:** Three years ago staff initiated a "partnership" with Golfinline.com where members of the public could purchase *discounted* rounds of golf at both of IVGID's golf courses. What soon became apparent was that members of the public could purchase rounds of golf at our two golf courses, at the select times Golfinline was offering them for sale, for less than the pricing charged to PPHs. When this alleged anomaly was first discovered, we were told it "was a mistake" and would be corrected. Yet it continued unabated. And now I and others have discovered that the very same thing took place last month.

I have attached as Exhibit "A" to this written statement print outs from the golfinline.com web site which advertised Championship Golf rounds on May 21 and 22, 2014. I have placed an asterisk next to the 1:40 P.M. tee time - \$45. Plus a free bucket of balls (for the driving range). This pricing is 30% lower than the "so called" resident only discounted price, and the public can get a \$9 bucket of balls thrown in for free! And remember, members of the public *don't* have to pay the RFF in order to purchase rounds of golf at rates *lower* than ordinary, resident PPHs.

**Discounted Sierra Nevada College ("SNC") Student, Faculty and Family Member Use of the Recreation Center:** Apparently staff has offered discounted access to and use of the Recreation Center to SNC students, faculty and family members which is lower than what the regular, ordinary PPH pays. Let me explain how this takes place, and the deceit staff engages in to make it seem plausible.

**2014-15 SNC Corporate Membership Rates:** Did you realize that staff has customized a discounted Recreation Center program for SNC? I have attached as Exhibit "B" to this written statement, a copy of those rates which were referred to (but not publicized) at the IVGID Board's regular May 15, 2014 meeting. Note staff's reference to "corporate membership rates." Note its reference to "(7+)" memberships. Note the many categories noted, including daily rates. Note that "for more membership information," one should go to [www.inclinerecreation.com](http://www.inclinerecreation.com).

**2014-15 Recreation Center "Key Rates" as Established by the IVGID Board:** Given NRS 318.199(1) states that "the board of trustees of any district organized...under this chapter...shall establish schedules showing all rates, tolls or charges for services performed or products furnished," each year it adopts "key rates" as part of the budget process. I have attached as Exhibit "C" to this written statement, a copy of the 2014-15 "key rates" adopted by the Board for the Recreation Center. Note the pricing categories missing from these rates as compared to those offered to SNC. Also note

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<sup>4</sup> See <http://www.golfinline.com/residents/rates>.

at the bottom of the sheet that “the IVGID Board of Trustees allow(s) staff to adjust prices to accomplish Demand Pricing and Yield Management.” According to IVGID staff, the reason it has offered SNC the Recreation Center pricing as well as category pricing it has, is because of “yield management” and “demand pricing.

**Published 2013-14 Recreation Center Rates:** Although Exhibit “B” refers SNC students and faculty to [www.inclinerecreation.com](http://www.inclinerecreation.com) for “more information,” I cannot find any on that web page. What I can find are the published 2013-14 pricing as well as category pricing which I have printed out and attached as Exhibit “D” to this written statement.

**Published 2013-14 Corporate Membership Program Recreation Center Rates:** I also find a link to a page which describes IVGID’s “corporate membership program” (did you know such a program exists?). I have printed out and attached as Exhibit “E” to this written statement a description of IVGID’s “corporate membership program.”

This is the program staff represents the SNC program has been patterned after. According to staff, the pricing and category pricing offered to SNC students and faculty is no different than that offered to any other corporate consisting of 7 or more members who purchase corporate memberships. But if you compare the two, there are quite a few differences. For instance,

Exhibit “E” reveals there are only two pricing categories dependent upon the number of employees – adult and adult PPH. Nowhere have categories been created for seniors, students, couples, families, etc. And nowhere is there a daily corporate rate. The only terms offered are annual, monthly, 3 months or 6 months. It is apparent that rather than being our regular published corporate Recreation Center rates, the rates offered SNC faculty and students have been “tweaked” to offer even greater discounts.

**Comparing the Various Rates:** I have created a spreadsheet which compares the various rates to various Recreation Center customers and it is attached as Exhibit “F” to this written statement. Note that SNC’s rates for 2014-15 are lower than any other comparable corporation’s rates for 2013-14, and that they are lower for SNC PPHs than the ordinary, regular PPH. Also note they are lower for Recreation Center products we *don’t* offer to the comparable corporation. And here’s the most telling number.

For 2014-15 the single PPH cost for a season membership at the Recreation Center is \$550 (see Exhibit “C”). For the single SNC PPH student, his/her cost is \$366. That’s over 1/3 *LESS!* And I can go down the line demonstrating comparable SNC discounts for other product *not* offered to other corporate customers.

**Why Are We Granting Some PPHs Lower Rates Than Others?** IVGID’s mantra is “one division, one team.” But again we see how staff manipulates pricing to benefit “favored collaborators” like the students and faculty of SNC. If we’re all part of the same team, then I don’t understand how there can

be non-uniform pricing? As little as three SNC students or faculty can band together to receive discounted pricing the other 8,200 of us cannot. Why?

**Conclusion:** Every time staff offers “favored collaborator” pricing to some and not all, it translates into a loss of revenue. Add up the losses of revenue and you end up with operational losses. For 2013-14 the Recreation Center *lost* \$1,005,330<sup>5</sup>. For this fiscal year it has budgeted to *lose* roughly the same amount. If we want to reduce the losses generated at the public’s recreational facilities, and the concurrent pressure placed upon the RFF which is involuntarily assessed against local property owners, the Board must put a stop to staff’s carving out of favored pricing for “favored” third party “collaborators” like SNC which ends up being lower than that charged to the ordinary, resident PPH.

**And You Wonder Why Our RFF is Out of Control?** I’ve now provided more answers.

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

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<sup>5</sup> I have attached to this written statement as Exhibit “G,” page 114 from the current fiscal year’s budget ([http://ivgid.org/client\\_uploads/2014\\_2015\\_operating\\_budget\\_194\\_pages.pdf](http://ivgid.org/client_uploads/2014_2015_operating_budget_194_pages.pdf)). When one backs out the \$1,038,225 of alleged revenue (circled) represented by the RFF, one is left with a \$1,005,330 loss.

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**Reno**  
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#### Tee Time Hot Deals

[Home](#) / [Reno](#) / [Tee Times](#) / [Reno & Lake Tahoe Tee Times](#) / [Ca - Lake Tahoe](#) / [Incline Village - Championship Course](#) / [Search](#)

### Search for Reno & Lake Tahoe Tee Times

Area: CA - Lake Tahoe  Course: Incline Village-Champion   
From: 5/22/2014 S To: 5/25/2014 S

#### Additional Search Options

Players: Any  Holes: Any  Tee Time Starting At: Anytime

Please enter your Billing Zip/Postal Code to view any available resident pricing.



**TEE TIMES>> TAHOE DONNER**

### Incline Village - Championship Course Tee Times



893 Southwood Blvd  
Incline Village, NV 89451-7425  
[Map](#) | [Driving Directions](#)  
18 holes | 72 par | 7,106 yards | 70.7 rating | 133 slope

With spectacular green sites and contours, the Mountain Course demands more accuracy than distance. "Shot making" skills are necessary to navigate the terrain. Carved out of the pines with no harsh... [More »](#)



4.5 / 5

[Read all 16 reviews](#) | [Write Review](#)

No Featured Review Available

18 Hole Pace of Play	4 1/4 hrs
Course Conditions	Good
Staff Friendliness	Good
Value For The Money	Good
Conditions of Overall Facilities	Excellent

#### NV - Reno/Carson

[Arrowcreek-Legend Course](#)

[Dayton Valley \\*NEW\\*](#)

[Empire Ranch -Carson City](#)

[Fallon \\*NEW\\*](#)

[LakeRidge \\*NEW\\*](#)

[Links at Kiley Ranch](#)

[Red Hawk - Hills](#)

[Red Hawk - Lakes](#)

[Rosewood Lakes](#)

[Silver Oak](#)

[Sunridge Golf Club](#)

[Wildcreek](#)

[Wolf Run \\*NEW\\*](#)

#### CA- Lake Tahoe

[Graeagle GC](#)

[Incline Village-Champion](#)

[Incline Village-Mountain](#)

[Lake Tahoe GC](#)

[Northstar GC](#)

[Old Brockway](#)

[Plumas Pines](#)

[Ponderosa CC](#)

[Resort at Squaw Creek](#)

Thursday, May 22

**10:40 AM**

[Incline Village - Championship](#)

\$139.00 /player

Players: 1 - 4

You Save 22%

**1:40 PM**

[Incline Village - Championship](#)

\$45.00 /player

Players: 1 only

You Save 76%

**11:40 AM**

[Incline Village - Championship](#)

\$129.00 /player

Players: 1 - 4

You Save 28%

**3:40 PM**

[Incline Village - Championship](#)

\$79.00 /player

Players: 1 - 4

You Save 66%

**12:40 PM**

[Incline Village - Championship](#)

\$119.00 /player

Players: 1 - 4

You Save 34%

**1:40 PM**

[Incline Village - Championship](#)

\$109.00 /player

Players: 1 - 4

You Save 39%

Sort By:

Time

Savings

Price

[«May 21](#)

[Help](#)

- Select your city, day of play and course
- Select your Hot Deals Tee time
- Select number of players

**Search**

Area: CA - Lake Tahoe

Course: No Courses Found

From: 5/21/2014

To: 5/23/2014

[SEARCH](#)**Players:** Any  1  2  3  4**Savings:** Any  25%  35%  45%  55%**Tee Time:** Any  Morning  Afternoon

Wednesday, May 21, 2014

**7:12 AM**

Ponderosa  
\$18.00 /player  
1 to 4 players  
**You Save 76%**

**8:04 AM**

Old Brockway  
\$7.00 /player  
1 to 4 players  
**You Save 84%**

**9:00 AM**

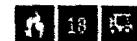
Old Brockway.  
\$7.00 /player  
1 or 2 players  
**You Save 84%**

**9:00 AM**

Tahoe City Golf Course  
\$15.00 /player  
1 to 4 players  
**You Save 75%**

**9:09 AM**

Tahoe City Golf Course.  
\$15.00 /player  
1 to 4 players  
**You Save 75%**

**12:20 PM**

Plumas Pines  
\$17.00 /player  
1 to 4 players  
**You Save 72%**

**1:00 PM**

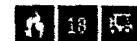
Northstar California Golf Course  
\$35.00 /player  
2 to 4 players  
**You Save 36%**

**1:40 PM**

Incline Village - Championship  
\$45.00 /player  
1 to 4 players  
**You Save 75%**

**1:48 PM**

The Dragon  
\$19.00 /player  
2 to 4 players  
**You Save 73%**

**1:50 PM**

Tahoe Donner GC\*  
\$25.00 /player  
1 to 4 players  
**You Save 75%**

**2:00 PM**

Plumas Pines.  
\$17.00 /player  
1 to 4 players  
**You Save 72%**

**2:04 PM**

Lake Tahoe Golf Course  
\$42.50 /player  
1 to 4 players  
**You Save 50%**

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# Sierra Nevada College CORPORATE MEMBERSHIP RATES (7+)

Drop In Daily Rate*:	IVGID Pass Holder	Non-Pass Holder
Single	\$11	\$16
Senior (>60)	\$9	\$14
Student (<24)	\$8	\$13

\*Buy 10 get 11 Punch Card

IVGID		Ongoing Monthly*	3 Month	6 Month
Pass Holder	Annual			
Single	\$467	\$45	\$173	\$268
Couple	\$679	\$64	\$233	\$383
Family	\$865	\$83	\$281	\$491
Senior (>60)	\$408	\$39	\$156	\$229
Senior Couple	\$611	\$60	\$211	\$351
Student (<24) w/ Student ID	\$366	\$38	\$127	\$215

Non-Pass		Ongoing Monthly*	3 Month	6 Month
Holder	Annual			
Single	\$607	\$59	\$210	\$345
Couple	\$925	\$91	\$311	\$547
Family	\$1,057	\$107	\$366	\$632
Senior (>60)	\$560	\$50	\$190	\$308
Senior Couple	\$797	\$78	\$272	\$464
Student (<24) w/ Student ID	\$499	\$49	\$182	\$276

\*Ongoing monthly rates are only available through EFT, min 6 months

**AUTOMATED BILLING AND INVOICING** – Automated billing and invoicing are offered free of charge to all members. Individual members may be charged or the fees may be directly paid by the corporation.

**TO SUSPEND A MEMBERSHIP** – A membership may be suspended one time per year. Written notification must be received before the 21<sup>st</sup> day of the month prior to the month you wish to suspend a membership. The monthly payment will be lowered to \$10 per month until you return. Minimum two-month suspension required.

**TO CANCEL A MEMBERSHIP** – Cancellation forms must be completed by the 21<sup>st</sup> day of the month prior to the month you wish to cancel. Annual memberships at a deep discount may not be cancelled and no refunds will be offered.

Contact John Dee: (775) 832-1324, [John\\_Dee@ivgid.org](mailto:John_Dee@ivgid.org)  
for more membership information  
[www.inclinerecreation.com](http://www.inclinerecreation.com)

**RECREATION CENTER****Fiscal 2014-15 Budget****KEY RATES****Calendar 2014**

	<u>Pass Holder</u>	<u>Non-pass Holder</u>
Adult - Annual	\$550	\$710
Adult - Daily	\$12	\$16
Adult - Monthly	\$52	\$68
Family - Annual	\$970	\$1,240
Senior (60+)- Daily	\$10	\$14
Senior (60+)- Monthly	\$45	\$60
Student (age 13-23) - Monthly	\$45	\$60
Youth (ages 6 to 12)- Daily	\$7	\$10
Totally Active (ages 6 to 17) / Program	\$4	
Lapsed Membership processing Fee	\$50	\$50

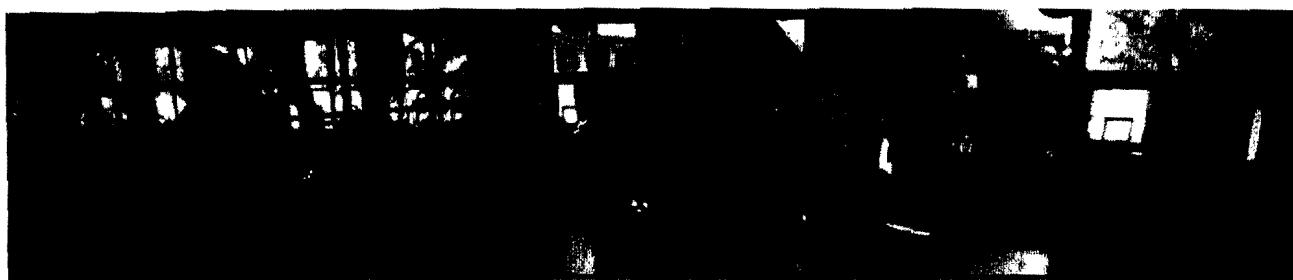
**Note to Rate Schedule:**

Rates have been provided only for the 2014 season.

2015 will be determined with the next budget cycle.

The IVGID Board of Trustees allow Staff to adjust prices to accomplish Demand Pricing and "Yield Management".

"C"



[Home \(/\)](#) → [Rec Center \(/recreation\\_center\)](#) → Hours & Rates

## Hours & Rates

### Recreation Center Hours

Normal hours are Monday - Friday: 6:00 am - 9:00 pm / Saturday & Sunday: 7:00 am - 8:00 pm

### Snack Bar / Pro Shop

Need a quick energy boost? How about a new swimsuit? The snack bar and pro shop, located in the main lobby, are here to serve your needs. Our pro shop is your stop for yoga mats, seasonal clothing, headphones, swim wear, swim goggles and other accessories. The snack bar offers energy bars, nuts, candy, sports drinks, bottled water, coffee, soda and juices.

### Rates

Monthly Dues*	Rate w/IVGID Pass	Annual Dues**	Rate w/IVGID Pass
Single	\$65 \$49	Single	\$677 \$523
Couple	\$102 \$71	Couple	\$1035 \$761
Family	\$117 \$92	Family	\$1184 \$970
Senior Single	\$58 \$43	Senior	\$625 \$459
Senior Couple	\$86 \$66	Senior Couple	\$892 \$685
Senior Family	\$105 \$85	Senior Family	\$968 \$889
Student (13-23)	\$55 \$42	Student (13-23)	\$559 \$411

\*Ongoing monthly dues must maintain membership for at least six consecutive months.

\*\*Annual - Payment due at sign up.

### IVGID Passholder or Special Use Rates\*

	1 Week	2 Weeks	1 Month	3 Months	6 Months
Single	\$30	\$36	\$65	\$195	\$299
Couple	\$38	\$45	\$87	\$260	\$428
Family	\$50	\$59	\$105	\$315	\$552
Senior Single	\$23	\$30	\$59	\$175	\$260
Senior Couple	\$37	\$44	\$79	\$237	\$396
Student (13-23)	\$21	\$26	\$47	\$142	\$253

### Temporary or Special Use Rates\*

	1 Week	2 Weeks	1 Month	3 Months	6 Months
Single	\$39	\$45	\$79	\$236	\$369
Couple	\$51	\$59	\$115	\$324	\$609
Family	\$65	\$71	\$136	\$347	\$708
Senior Single	\$37	\$44	\$71	\$214	\$344
Senior Couple	\$50	\$59	\$102	\$304	\$519
Student (13-23)	\$34	\$39	\$68	\$203	\$324

### Daily Fees\*

	IVGID Passholder	Rate
Adult (19-59)	\$11	\$15
Senior	\$9	\$13
Student (13-23)	\$8	\$12
Youth (6-12)	\$6	\$9

### Recreation Center Punch Cards

Want to use the recreation center, but go out of town often? Have out-of-town visitors? Daily use punch cards are a great way to go to the recreation center without a membership commitment. 11 Visits for the price of 10! Visit the Recreation Host Counter to get your punch cards. [Punch Card Rates](#)  
[\(/client/uploads/punchcard2012.pdf\)](#)

### DAILY USE Punch Cards - 11 Visits for the price of 10

	With IVGID Card
Adult	\$150.00
Senior	\$130.00
Student	\$120.00

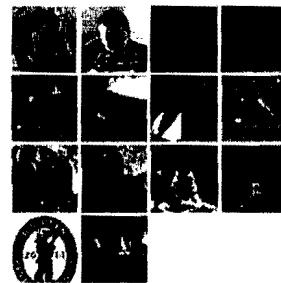
### Corporate Memberships

 <http://www.facebook.com/pages/incline-Village-NV/incline-Village-Tennis-Center/135230686322>  
Travel Share  <http://www.travel-share.com>

### Incline Village Parks & Recreation

Like

1,089 people like incline Village Parks & Recreation.



Facebook social plugin

### Email Club Join for news and special offers

Enter Email Address

GO

### Diamond Peak Awarded 2014 TripAdvisor Certificate of Excellence

[\(/news\\_events/view/diamond\\_peak\\_awarded\\_2014\\_tripadvisor\\_certificate\\_of\\_excellence\)](#)

Recognized as a Top Performing Ski Resort as Reviewed by Travelers on the World's Largest Travel S...

### Don't Forget...The Tennis Center Now Has Pickleball

[\(/news\\_events/view/don\\_t\\_forget\\_the\\_tennis\\_center\\_now\\_has\\_pickleball\)](#)

Court #8 is Lined for Pickleball...

### Check Out Memorial Day Weekend Sales at IVGID Pro Shops

[\(/news\\_events/view/check\\_out\\_memorial\\_day\\_weekend\\_sales\\_at\\_ivgid\\_pro\\_shops\)](#)

Deals on tennis racquets, 2013 demo golf clubs, and MORE!...

### ChargePoint Stations Now Installed

[\(/news\\_events/view/chargepoint\\_stations\\_now\\_installed\)](#)

Electric vehicle charging stations installed at Diamond Peak and Championship Golf Course...

### IVGID Summer Openings

[\(/news\\_events/view/ivgid\\_summer\\_openings\)](#)

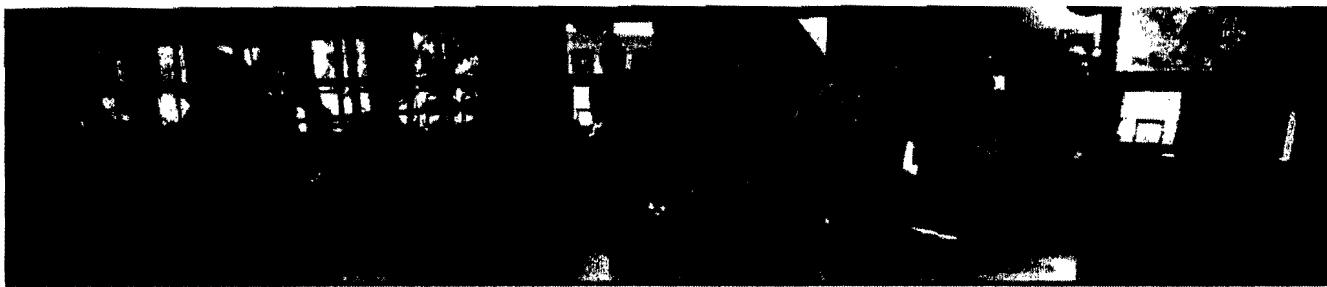
IVGID Kicks Off Summer with the Opening of Ski Beach Boat Ramp, Tennis Pro Shop, and Golf Courses ...

### Incline Village General Improvement District Parks and Recreation RSS Feeds

[\(/better\\_browsing\)](#)

 [\(/better\\_browsing\) What's This? \(/better\\_browsing\)](#)

When playing tennis, I prefer to play:



[Home \(/\)](#) → [Rec Center \(/recreation\\_center\)](#) → Corporate Memberships

## Corporate Membership Program

### Reward Employees with Recreation Center Memberships!

The Incline Village Recreation Center offers a corporate membership program to keep your company's greatest assets happy and healthy.

#### Rates\*

Corporations with three to seven employees participating in the corporate memberships receive 10% off membership fees and corporations with 7 or more employee memberships receive 15% off membership fees.

#### 3-6 Employees

Membership	Annual	Monthly*	3 Month	6 Month
IVGID Pass Holder	\$472	\$45	\$174	\$271
Non IVGID Pass Holder	\$610	\$59	\$213	\$337

#### 7 or more Employees

Membership	Annual	Monthly*	3 Month	6 Month
IVGID Pass Holder	\$445	\$43	\$165	\$256
Non IVGID Pass Holder	\$578	\$56	\$200	\$329

\* Ongoing monthly rates are only available through Electronic Funds Transfer (EFT).

#### Automated Billing & Invoicing

Automated billing and invoicing are offered free of charge to all members. Individual members may be charged or the fees may be directly paid by the corporation.

#### Membership Options

The Incline Recreation Center offers 3 options for your company's membership:

1. A totally paid company membership (where the company pays the entire amount).

2. A partial company membership where the employer and employee split the cost of the membership.
3. An employee only paid company membership.

#### Qualifications

To qualify for a corporate membership, all applicants must be current employees of a like employer and show a current pay stub. If a corporation drops below the minimum number for the discounted corporate rate, there is a 30 day grace period to replace that employee membership. After thirty days, the rate will be adjusted accordingly.

#### Group Fitness, Cardio Cycle, Yoga/Pilates & Aqua Fitness Classes

A wide variety fitness classes are held seven days a week at different times to accommodate a variety of schedules and class preferences. All group & aqua fitness classes are included with your membership. Ask for a weekly schedule at the Host desk, or [check them out online \(/recreation\\_center/fitness\\_class\\_schedule\)](#).

#### The Bottom Line on Work Site Wellness

Healthy employees are more productive and happier, which means you save a lot of money. A membership to Incline Village Recreation Center is a good start for to transform your employees into healthy and happy workers, but don't take our word for it. Look at the following testaments for further proof of the benefits of healthy employees.

According to the Wellness Councils of America, it is no longer a matter of speculation. Consistent with the newly emerging work site wellness literature, there are a number of tangible benefits associated with work site wellness programs.

- Improved Morale
- Reduced Turnover

f
(<http://www.facebook.com/pages/Incline-Village-NV/Incline-Village-Tennis-Center/135230586322>)

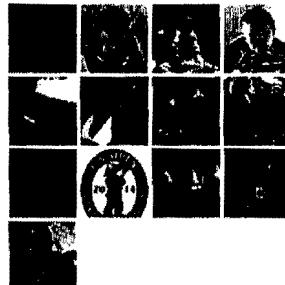
Travel Share
(<http://www.travel-share.com>)

Like
121

#### Incline Village Parks & Recreation

Like

1,088 people like Incline Village Parks & Recreation.



Facebook social plugin

#### Email Club

Join for news and special offers

Enter Email Address

GO

**Diamond Peak Awarded 2014 TripAdvisor Certificate of Excellence**  
[\(/news\\_events/view/diamond\\_peak\\_awarded\\_2014\\_tripadvisor\\_certificate\\_of\\_excellence\)](http://news_events/view/diamond_peak_awarded_2014_tripadvisor_certificate_of_excellence)

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**Incline Village General Improvement District Parks and Recreation RSS Feeds**  
[\(/better\\_browsing\)](http://better_browsing)

**RSS** ([http://better\\_browsing](http://better_browsing)) What's This? ([http://better\\_browsing](http://better_browsing))

**Comparison SNC to Regular PPH Recreation Center Rates**

2014-15

Age Category	2013-14 2013-14 2013-14 2013-14 2013-14 2013-14 2013-14 2013-14 2014-15 2014-15 2014-15 Discount											
	2013-14	2013-14	2014-15	2014-15	Corp	Corp	Corp	Corp	Corp	Corp	Corp	Over
	Non-PPH	PPH	Non-PPH	PPH	Non-PPH	PPH	Non-PPH	PPH	Non-PPH	PPH	PPH	Regular
Age Category												
Rate*	Rate*	Rate***	Rate***	Rate**	Rate**	Rate**	Rate**	Rate	Rate	Rate	Rate	Rate
Adult Single	\$ 677	\$ 523	\$ 710	\$ 550	\$ 610	\$ 472	\$ 578	\$ 445	\$ 607	\$ 467	<b>15.09%</b>	
Adult Couple	\$ 1,035	\$ 761	?	?	\$ 1,220	\$ 944	\$ 1,156	\$ 890	\$ 925	\$ 679	<b>10.78%</b>	
Family	\$ 1,184	\$ 970	\$ 1,240	\$ 970	N/A	N/A	N/A	N/A	\$ 1,057	\$ 865	<b>10.82%</b>	
Senior Single	\$ 625	\$ 459	?	?	\$ 610	\$ 472	\$ 578	\$ 445	\$ 560	\$ 408	<b>11.11%</b>	
Senior Couple	\$ 892	\$ 685	?	?	\$ 1,220	\$ 944	\$ 1,156	\$ 890	\$ 767	\$ 611	<b>10.80%</b>	
Senior Family	\$ 968	\$ 889	?	?	N/A	N/A	N/A	N/A	N/A	N/A	<b>N/A</b>	
Student	\$ 559	\$ 411	?	?	\$ 610	\$ 472	\$ 578	\$ 445	\$ 499	\$ 366	<b>10.95%</b>	
Season Pass Rates												
Adult Single	\$ 15	\$ 11	\$ 16	\$ 12	N/A	N/A	N/A	N/A	\$ 16	\$ 11	<b>8.33%</b>	
Senior Single	\$ 13	\$ 9	\$ 14	\$ 10	N/A	N/A	N/A	N/A	\$ 14	\$ 9	<b>10.00%</b>	
Student	\$ 12	\$ 9	?	?	N/A	N/A	N/A	N/A	\$ 13	\$ 8	<b>11.11%</b>	
Daily Pass Rates												
Adult Single	\$ 55	\$ 49	\$ 68	\$ 52	\$ 59	\$ 45	\$ 56	\$ 43	\$ 59	\$ 45	<b>13.46%</b>	
Adult Couple	\$ 102	\$ 71	?	?	\$ 118	\$ 90	\$ 112	\$ 86	\$ 91	\$ 64	<b>9.86%</b>	
Family	\$ 117	\$ 92	?	?	N/A	N/A	N/A	N/A	\$ 107	\$ 83	<b>9.78%</b>	
Senior Single	\$ 58	\$ 43	\$ 60	\$ 45	\$ 59	\$ 45	\$ 56	\$ 43	\$ 50	\$ 39	<b>13.33%</b>	
Senior Couple	\$ 86	\$ 66	?	?	\$ 118	\$ 90	\$ 112	\$ 86	\$ 78	\$ 60	<b>9.09%</b>	
Senior Family	\$ 105	\$ 85	?	?	N/A	N/A	N/A	N/A	N/A	N/A	<b>N/A</b>	
Student	\$ 55	\$ 42	\$ 60	\$ 45	\$ 59	\$ 45	\$ 56	\$ 43	\$ 49	\$ 38	<b>15.56%</b>	

\* See [http://www.inclinerecreation.com/recreation\\_center/rates](http://www.inclinerecreation.com/recreation_center/rates)

\*\* See [http://www.inclinerecreation.com/recreation\\_center/corporate\\_memberships](http://www.inclinerecreation.com/recreation_center/corporate_memberships)

\*\*\* See page 19 at [http://www.ivgid.org/client\\_uploads/bot\\_workshop\\_packet\\_4\\_9\\_2014.pdf](http://www.ivgid.org/client_uploads/bot_workshop_packet_4_9_2014.pdf)

? - Signifies that IVGID staff hasn't yet publicized these rates so SNC % discounts based upon current 2013-14 rates

Note: "The IVGID Board of Trustees allow Staff to adjust prices to accomplish Demand Pricing and Yield Management"

### Comparison SNC to Regular PPH Recreation Center Rates

2014-15

Age Category	2013-14 2013-14 2013-14 2013-14 2014-15 2014-15 2014-15 Discount											
	2013-14	2013-14	2014-15	2014-15	Corp	3-6	3-6	7+	7+	SNC	SNC	Over
	Non-PPH	PPH	Non-PPH	PPH	Non-PPH	PPH	Non-PPH	PPH	Non-PPH	PPH	PPH	Regular
3 Month Pass Rates	Rate*	Rate*	Rate***	Rate***	Rate**	Rate**	Rate**	Rate**	Rate	Rate	Rate	Rate
	Adult Single	\$ 236	\$ 195	?	?	\$ 213	\$ 174	\$ 200	\$ 165	\$ 210	\$ 173	<b>11.28%</b>
	Adult Couple	\$ 324	\$ 260	?	?	\$ 426	\$ 348	\$ 400	\$ 330	\$ 311	\$ 233	<b>10.38%</b>
	Family	\$ 347	\$ 315	?	?	N/A	N/A	N/A	N/A	\$ 366	\$ 281	<b>10.79%</b>
	Senior Single	\$ 214	\$ 175	?	?	\$ 213	\$ 174	\$ 200	\$ 165	\$ 190	\$ 156	<b>10.86%</b>
	Senior Couple	\$ 304	\$ 237	?	?	\$ 426	\$ 348	\$ 400	\$ 330	\$ 272	\$ 211	<b>10.97%</b>
	Senior Family	N/A	N/A	?	?	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Student	\$ 203	\$ 142	?	?	\$ 213	\$ 174	\$ 200	\$ 165	\$ 182	\$ 127	<b>10.56%</b>
	6 Month Pass Rates											
	Adult Single	\$ 389	\$ 299	?	?	\$ 337	\$ 271	\$ 329	\$ 256	\$ 345	\$ 268	<b>10.37%</b>
	Adult Couple	\$ 609	\$ 428	?	?	\$ 674	\$ 542	\$ 658	\$ 512	\$ 547	\$ 383	<b>10.51%</b>
	Family	\$ 708	\$ 562	?	?	N/A	N/A	N/A	N/A	\$ 632	\$ 491	<b>12.63%</b>
	Senior Single	\$ 344	\$ 260	?	?	\$ 337	\$ 271	\$ 329	\$ 256	\$ 308	\$ 229	<b>11.92%</b>
	Senior Couple	\$ 519	\$ 396	?	?	\$ 674	\$ 542	\$ 658	\$ 512	\$ 454	\$ 351	<b>11.36%</b>
	Senior Family	N/A	N/A	?	?	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Student	\$ 324	\$ 253	?	?	\$ 337	\$ 271	\$ 329	\$ 256	\$ 276	\$ 215	<b>15.02%</b>

IVGID Departmental Budget Summary

**Community Programming  
Sources and Uses**

	2012-13 Actual	2013-14 Budget	2013-14 Est. Actual	2014-15 Budget	\$ Chg Bud to Bud	\$ Chg Est Act to Bud
<b>Revenues</b>						
Sales and Fees	1,178,471	1,103,700	1,142,600	1,196,500	92,800	53,900
Facilities Fees <del>*</del>	870,040	1,038,225	1,038,225	1,038,860	635	635
Rents	9,186	9,600	15,200	4,300	(5,300)	(10,900)
Intergovernmental - Operating Grants/Revenue	77,700	76,000	77,400	62,000	(14,000)	(15,400)
<b>Other Financing Sources</b>						
Proceeds from capital assets dispositions	2,150	-	4,300	-	-	(4,300)
Debt Proceeds	19,808	-	-	-	-	-
<b>Total Revenues and Other Sources</b>	<b>2,157,355</b>	<b>2,227,525</b>	<b>2,277,725</b>	<b>2,301,660</b>	<b>74,135</b>	<b>23,935</b>
<b>Expenditures and Uses</b>						
<b>Personnel Cost</b>						
Salaries and Wages	1,010,079	880,633	906,400	984,515	103,882	78,115
Employee Fringe	351,329	305,873	310,100	349,678	43,805	39,578
Professional Services	6,297	6,600	6,600	6,600	-	-
Services and Supplies	480,788	507,500	455,000	500,300	(7,200)	45,300
Insurance	27,359	30,100	31,700	37,200	7,100	5,500
Utilities	127,527	151,300	155,300	143,800	(7,500)	(11,500)
Cost of Goods and Services Sold	72,672	62,800	60,000	66,800	4,000	6,800
<b>Capital Expenditures</b>						
Capital Improvements	126,068	245,740	297,900	187,228	(58,512)	(110,672)
<b>Debt Service</b>						
Principal	9,540	20,819	20,819	21,420	601	601
Interest	1,885	1,011	1,011	527	(484)	(484)
Fiscal Agent Fees	11	-	-	8	8	8
<b>Total Expenditures and Uses</b>	<b>2,213,555</b>	<b>2,212,376</b>	<b>2,244,830</b>	<b>2,298,076</b>	<b>85,700</b>	<b>53,246</b>
<b>Net Sources and Uses</b>	<b>(56,200)</b>	<b>15,149</b>	<b>32,895</b>	<b>3,584</b>	<b>(11,565)</b>	<b>(29,311)</b>

*<1,038,225>*

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*<1,005,330>*

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS JULY  
30, 2014 REGULAR IVGID BOARD MEETING – AGENDA ITEM C – PUBLIC  
COMMENT – LIKE IT OR NOT, I SPEAK FOR “THE SILENT MAJORITY”**

**Introduction:** Our community consists of “givers and takers.” Over the years I have observed that although many claim to be “givers,” in reality they are “takers.” They demand special pricing or access to the public’s recreational facilities local property owners involuntarily subsidize with the Recreation Facility Fee (“Fee”). Because few in our community have not become corrupted by the notion it’s acceptable to ask for special favors or treatment the rest of us do not enjoy, few are willing to come forward to speak against this gravy train, and I am one of them.

Naysayers and embarrassed Board members attempt to discount my messages by turning them into referenda about the messenger rather than the message. But there are number of persons in our community who silently look to me to be their spokesperson. And the purpose of this written statement is to identify one of them.

**Red, White and Tahoe Blue’s (“RWTB’s”) Littering of Our Beaches:** This last Fourth of July, RWTB commissioned a fireworks display off Incline Beach. According to some, pristine Lake Tahoe and one or more of our beaches were contaminated with “(1) misc. pieces of cardboard, (2) ignition devices and (3) rolled cardboard sleeves.” How do I know this? Read on.

**On July 9, 2014 I Received an Anonymous Mailing:** which included a July 8, 2014 letter and the “(1) misc. pieces of cardboard, (2) ignition devices and (3) rolled cardboard sleeves” referenced above. The envelope which included the letter and enclosures was not postmarked, nor did it include a return address. And BTW should the sender be reading this written statement, it came with \$3.15 of postage due! I have attached as Exhibit “A” to this written statement, the original of the letter referenced in this mailing. I will let the letter speak for itself.

**So What Was I Supposed to Do With the Letter and its Enclosures?** First I contacted the County for advice. I was told that the County does not issue permits to set off fireworks. I was referred to the Tahoe Regional Planning Agency (“TRPA”). So I contacted TRPA and was told that it does not issue permits to set off fireworks and has no jurisdiction over this subject. I was directed to the Bureau of Water Pollution Control (“BWPC”), a subset of the Nevada State Division of Environmental Protection, for possible assistance. Notwithstanding the BWPC states that its “mission...is to protect the waters of the State from the discharge of pollutants (by)...regulat(ing) *all* discharges to waters of the State through issuing permits and enforcing the State’s water pollution control laws and regulations,”<sup>1</sup> I was told the BWPC does not issue permits to set off fireworks in Lake Tahoe, nor are there State water pollution control laws and regulations which extend to the pollutants the subject of

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<sup>1</sup> See <http://ndep.nv.gov/bwpc/>.

this written statement. I next contacted The League to Save Lake Tahoe aka "Keep Tahoe Blue"<sup>2</sup> (<http://www.keeptahooblue.org>), whose mission is "to protect...and restor(e) the environmental health, sustainability, and scenic beauty of the Lake Tahoe Basin...for the preservation of a pristine Lake for future generations."<sup>3</sup> When I explained that I was looking for someone to pass on the letter and enclosures anonymously sent to me, I was asked if I wanted the League to send out a team to clean up the represented pollutants? I answered no. The person I spoke to then suggested I contact the Truxlers, purportedly the plaintiffs in the recent reported lawsuit over South Shore's July 4<sup>th</sup> fireworks display. I chose not to.

What I learned is that there is no one who issues permits for nor regulates fireworks displays in Incline Village adjacent to or upon the waters of Lake Tahoe.

**So I am Relegated to Doing Nothing More Than Publicizing the Letter Received:** which is the purpose of this written statement.

**Conclusion:** Although I cannot "hold the responsible parties accountable for this unforgivable transgression," I can and hereby do "bring this travesty...to the attention of the Incline Community." And whether or not staff and the Board wish to recognize the fact there are elements of our community who look to me to publicize their issues and concerns, let this written statement be evidence they do.

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

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<sup>2</sup> See <http://www.keeptahooblue.org/>.

<sup>3</sup> See <http://www.keeptahooblue.org/aboutus/mission/>.

Dear Aaron,

7-8-14

Enclosed please find three categories of debris deposited into the lake by the July 4th fireworks display company.

This small sampling of debris was retrieved from the lake on July 8 between the fireworks barge location & the roped off Incline Beach swimming area.

For your review please find: (1) misc. pieces of cardboard, (2) ignition devices and (3) rolled cardboard sleeves

We are looking to you to bring this travesty and violation of the Clean Water Act to the attention of the Incline Community and hold the responsible parties accountable for this this unforgivable transgression.

Hopefully the Bonanza Newspaper would run a story & picture of the debris to inform the community of this heart breaking problem.

We certainly appreciate your watch dog efforts at the IVGID Board Meetings.

For further background information on this July 4th debris madness you can google "South Lake Tahoe July 4th fireworks lawsuit".

Thank you in advance for your time & effort.

Sincerely,

The Silent Majority

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF  
THIS JULY 30, 2014 REGULAR IVGID BOARD MEETING – AGENDA  
ITEM C – PUBLIC COMMENT SECTION – EVIDENCE THAT OUR  
STAFF IS INTENTIONALLY DECEITFUL IN ITS REPORTING  
TO THE PUBLIC OF OUR FINANCES**

**Introduction:** For some time I and others have been complaining of the deceitful manner in which staff reports the public's finances at each of our commercial, "for profit," recreation business enterprises. For this year Gerry Eick has taken his deception to new levels. The purpose of this written statement is to share staff's deception with the public, and to ask our General Manager and the Board to compel staff to be fully transparent in its financial reporting for each of our recreational facilities. For purposes of this discussion, I concentrate solely on the Recreation Center which loses over \$1 Million annually.

**In 2009-10 Staff Separately Reported the Financial Operations of the Recreation Center as Well as the Various Programs Offered Thereat:** I have attached as Exhibit "A" to this written statement, page 171 from the 2009-10 Operating Budget<sup>1</sup>. This page reports budgeted revenues and expenditures assigned by staff to the Recreation Center. As the reader can see, for 2008-09, staff reported an estimated actual loss of \$661,484 (I have placed an asterisk next to this number). Note the categories of Revenue which have been reported. Conspicuously absent is an entry for "Facilities Fees;" the term used by staff for our \$730 annual Recreation Facility Fee ("the RFF").

I have attached as Exhibit "B" to this written statement, page 170 from the same 2009-10 Operating Budget. This page separately reports budgeted revenues and expenditures assigned by staff to the various programs offered at the Recreation Center. As the reader can see, for 2008-09, staff reported an estimated actual loss of \$156,213 (I have placed an asterisk next to this number). Actually the operational loss was \$163,077 *higher* (I have placed an asterisk next to this number) but it is masked by "intergovernmental grants" received by Washoe County.

Combined, for 2008-09 the Recreation Center including the various programs offered thereat generated \$980,774 of operating losses!

**By 2013-14 Staff Attempted to Divert Attention Away From the Recreation Center's Per Se Massive Losses by Combining Them With Those Losses Generated From the Various Programs Offered at the Recreation Center:** I have attached as Exhibit "C" to this written statement, page 118 from the 2013-14 Operating Budget<sup>2</sup>. Note that whereas in previous years financial reporting for the Recreation Center and the various programs offered thereat were separately reported, now they have become combined and re-labeled "community programming." Also note that the terms "revenues"

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<sup>1</sup> See [http://ivgid.org/client\\_uploads/2009\\_2010\\_budget\\_indexed.pdf](http://ivgid.org/client_uploads/2009_2010_budget_indexed.pdf).

<sup>2</sup> [http://ivgid.org/client\\_uploads/2013\\_2014\\_adopted\\_budget\\_book.pdf](http://ivgid.org/client_uploads/2013_2014_adopted_budget_book.pdf).

and “expenses” have been replaced with the terms “sources” and “uses.”<sup>3</sup> And notwithstanding, for 2013-14 they were budgeted to total a whopping \$1,023,076<sup>4</sup> (I have placed an asterisk next to this number). Again, note the categories of Revenue which have been reported. Conspicuously absent is an entry for the RFF.

**For 2014-15, Staff is Attempting to Make the Public Believe That Rather Than Losing Over \$1 Million Annually, the Recreation Center is Actually Making Money:** I have attached as Exhibit “D” to this written statement, page 114 from the 2014-15 Operating Budget<sup>5</sup>. Again note that whereas in previous years financial reporting for the Recreation Center and the various programs offered thereat were separately reported, again they are combined and re-labeled “community programming.” Notwithstanding, for 2014-15 they are budgeted to actually generate a \$3,584 profit (I have placed an asterisk next to this number). How can you go from a budgeted \$1,023,076 loss in 2013-14 to a \$3,584 profit in 2014-15? **YOU CAN’T!**

Take a look at the revenue entries listed at the top of the page. For the first time staff has included its arbitrary assignment of a portion of the RFF to the revenue side of the accounting ledger. Without the RFF, you can clearly see the Recreation Center and the various programs offered thereat are budgeted to *lose* another \$1,035,276 this fiscal year (I have placed an asterisk next to this number). But you probably wouldn’t realize this had I not gone through this exercise to reveal staff’s deceit.

**What Happened to Transparency in Governmental Financial Reporting?** The public wants to know the amount of operational revenue realized from actual sales and fees generated at each of our recreational facilities, as well as all expenses assigned by staff to those facilities. They want to know if at the end of the fiscal year, we made or lost money, and how much? And they want to clearly understand that if we lost money, from where is the deficiency coming and how much is it so staff can report a “balanced budget?”

**Do you think staff’s financial reporting comports with the public’s expectations?**

**But There’s More – Where Are the Recreation Center’s Central Services Expenses?** We’ve discussed this subject before. In addition to the expenses staff reports in the Recreation Center or Community Programming sub-fund, there are other hidden operational expenses it doesn’t report in that fund and one of them is “central services costs.” I have attached as Exhibit “E” to this written statement page 164 from the 2014-15 Operating Budget<sup>5</sup>. This page represents that an additional

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<sup>3</sup> In my opinion this re-labeling represents another attempt by staff to confuse the lay reader into not understanding what the figures reported actually represent.

<sup>4</sup> The estimated actual loss turned out to total \$1,005,330. You can see this number (I have placed an asterisk next to it) on Exhibit “D” which is attached to this written statement.

<sup>5</sup> See [http://ivgid.org/client\\_uploads/2014\\_2015\\_operating\\_budget\\_194\\_pages.pdf](http://ivgid.org/client_uploads/2014_2015_operating_budget_194_pages.pdf).

\$745,000 in “central services costs” have been charged to the Community Services Fund (I have placed an asterisk next to this number) which is the umbrella reporting fund of which the Recreation Center or Community Programming are parts thereof. So how much of this \$745,000 is properly chargeable to the Recreation Center?

Staff tells us “central services costs” represent allocated costs the General Fund allegedly incurs on behalf of the employees whose salaries are assigned to various enterprise funds, including the Community Services Fund. I have attached as Exhibit “F” to this written statement page 168 from the 2014-15 Operating Budget<sup>5</sup>. I have placed an asterisk next to the number of “full time equivalent” employees (“FTEs”) assigned to the Community Services Fund (145.2). I have placed a circle around the number of FTEs assigned to Parks & Recreation (35.3). In order to determine the Parks & Recreation’s allocated portion of “central services costs” one simply calculates the percentage which in this case is 24.31% or \$181,119. Now I can’t tell you how much of this \$181,119 cost should be added to the Recreation Center’s expense ledger. However I can tell you that when it is, the overall budgeted *loss* will be *MORE* than the \$1,035,276 staff has budgeted.

**But There’s More – Where Are the Recreation Center’s Workers’ Compensation Expenses?**

We’ve discussed this subject before as well. In addition to the expenses staff reports in the Recreation Center or Community Programming sub-fund, there are other hidden operational expenses it doesn’t report in that fund and another one of them is “workers’ compensation costs.” I have attached as Exhibit “G” to this written statement page 142 from the 2014-15 Operating Budget<sup>5</sup>. This page represents that an additional \$308,000 in “workers’ compensation costs” (I have placed an asterisk next to this number) were actually incurred in 2013-14 (the inference being the same amount of costs will be incurred in 2014-15) system wide. So how much of this \$308,000 is properly chargeable to the Recreation Center’s employees?

Without knowing the premiums paid on Recreation Center salaries and the number of claimants whose former salaries were assigned to the Recreation Center, I cannot tell you how much should be added to the Recreation Center’s expense ledger. However I can tell you that when it is, the overall budgeted *loss* will be *MORE* than the \$1,035,276 staff has budgeted.

**So again I ask whether you think staff’s financial reporting comports with the public’s expectations?**

**Conclusion:** Understand what’s going on here. Staff is going out of its way to make IVGID’s financial reporting as confusing and non-transparent as possible. It overstates revenues, understates expenses and calls losses profits. This is all designed to hide the truth that each year staff racks up nearly \$7 Million in losses, system wide, which are subsidized by the Beach Facility Fee (“the BFF”) and/or RFF local property owners are involuntarily assessed.

As long as we sit by and allow our public employees who are supposed to be working for us to play games like these with our financial reporting, we’re entitled to be deceived just as staff intends.

My hope is that by clearly seeing the truth, the public will no longer put up with these shenanigans and demand transparency in IVGID's financial reporting.

**And You Wonder Why Our RFF is Out of Control? I've now provided more answers.**

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

### IVGID Departmental Budget Summary

Department:	Parks and Recreation - Recreation Center	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget	\$ Change Est. Actual To Budget	% Change Est. Actual To Budget
<b>Revenues</b>							
Intergovernmental - Operating Grants	5,233	10,752	10,212	-	(10,212)	-100%	
Charges for Services	971,349	1,035,747	880,912	959,114	78,202	9%	
Rents and Royalties	11,761	27,307	15,809	17,326	1,517	10%	
Proceeds from capital assets dispositions	1,825	-	(48,447)	-	48,447	100%	
<b>Total Revenues and Sources</b>	<b>990,168</b>	<b>1,073,806</b>	<b>858,486</b>	<b>976,440</b>	<b>117,954</b>	<b>14%</b>	
<b>Expenditures</b>							
Personnel Cost							
Wages and Salaries	616,231	666,989	620,081	613,922	(6,159)	-1%	
Employee Benefits	156,821	173,842	161,812	157,275	(4,537)	-3%	
Services and Supplies	437,558	463,799	383,251	432,749	49,498	13%	
Insurance	18,875	22,452	18,612	20,472	1,860	10%	
Utilities	155,317	160,929	169,568	169,902	334	0%	
Cost of Goods Sold	48,892	47,676	40,439	36,905	(3,535)	-9%	
Depreciation	294,819	296,448	290,442	315,566	25,124	9%	
Capital Expenditures							
Capital Improvements	28,611	119,600	109,201	120,920	11,719	11%	
Capital Carry Forward	-	-	-	-	-	n/a	
Debt Service							
Principal	13,227	13,457	13,457	13,741	284	2%	
Interest	3,869	3,549	3,549	3,269	(280)	-8%	
Amortize Bond Discount	481	480	490	489	(1)	0%	
Fiscal Agent	-	-	-	12	12	n/a	
Adjustments to Net Income							
Depreciation/Amortization (Add Back)	(295,300)	(296,448)	(290,932)	(316,055)	(25,123)	-9%	
<b>Total Expenditures and Uses</b>	<b>1,479,401</b>	<b>1,672,773</b>	<b>1,519,970</b>	<b>1,569,167</b>	<b>49,197</b>	<b>3%</b>	
<b>Net Sources or Uses</b>	<b>(489,233)</b>	<b>(598,967)</b>	<b>(661,484)</b>	<b>(592,727)</b>			

### IVGID Departmental Budget Summary

Department:	Parks and Recreation - Recreation Center Operating and Net Income (Loss)	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget	\$ Change Est. Actual To Budget	% Change Est. Actual To Budget
<b>Operating Revenues</b>							
Intergovernmental - Operating Grants	5,233	10,752	10,212	-	(10,212)	-100%	
Charges for Services	971,349	1,035,747	880,912	959,114	78,202	9%	
Rents and Royalties	11,761	27,307	15,809	17,326	1,517	10%	
<b>Total Operating Revenues</b>	<b>988,343</b>	<b>1,073,806</b>	<b>906,933</b>	<b>976,440</b>	<b>69,507</b>	<b>8%</b>	
<b>Operating Expenses</b>							
Personnel Cost							
Wages and Salaries	616,231	666,989	620,081	613,922	(6,159)	-1%	
Employee Benefits	156,821	173,842	161,812	157,275	(4,537)	-3%	
Services and Supplies	437,558	463,799	383,251	432,749	49,498	13%	
Insurance	18,875	22,452	18,612	20,472	1,860	10%	
Utilities	155,317	160,929	169,568	169,902	334	0%	
Cost of Goods Sold	48,892	47,676	40,439	36,905	(3,535)	-9%	
Depreciation	294,819	296,448	290,442	315,566	25,124	9%	
<b>Total Operating Expenses</b>	<b>1,728,513</b>	<b>1,832,135</b>	<b>1,684,205</b>	<b>1,746,791</b>	<b>62,586</b>	<b>4%</b>	
<b>Operating Income (Loss)</b>	<b>(740,170)</b>	<b>(758,329)</b>	<b>(777,272)</b>	<b>(770,352)</b>	<b>6,920</b>	<b>1%</b>	
<b>Nonoperating Revenues (Expenses)</b>							
Investment Earnings	-	-	-	-	-	n/a	
Debt Service Interest	(4,350)	(4,029)	(4,039)	(3,770)	269	7%	
Proceeds from Capital Asset Dispositions	1,825	-	(48,447)	-	48,447	100%	
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(2,525)</b>	<b>(4,029)</b>	<b>(52,486)</b>	<b>(3,770)</b>	<b>48,716</b>	<b>93%</b>	
<b>Net Income (Loss)</b>	<b>(742,695)</b>	<b>(762,358)</b>	<b>(829,758)</b>	<b>(774,122)</b>	<b>55,636</b>	<b>7%</b>	

**IVGID Departmental Budget Summary**

Department:	Parks and Recreation - Programs	2007-08 Actual	2008-09 Budget	2008-09 Estimated Actual	2009-10 Budget	\$ Change Est. Actual To Budget	% Change Est. Actual To Budget
<b>Revenues</b>							
Intergovernmental - Operating Grants	167,269	161,892	163,077	18,000	(145,077)	-89%	
Charges for Services	126,336	154,711	138,935	150,267	11,332	8%	
Rents and Royalties	1,381	1,000	784	2,750	1,966	251%	
<b>Total Revenues and Sources</b>	<b>294,986</b>	<b>317,603</b>	<b>302,796</b>	<b>171,017</b>	<b>(131,779)</b>	<b>-44%</b>	
<b>Expenditures</b>							
Personnel Cost							
Wages and Salaries	217,055	217,923	204,847	241,594	36,747	18%	
Employee Benefits	77,397	79,895	71,990	87,310	15,320	21%	
Services and Supplies	127,856	207,806	180,036	159,896	(20,140)	-11%	
Insurance	1,308	3,900	2,136	2,340	204	10%	
Utilities	-	156	-	-	-	n/a	
<b>Total Expenditures and Uses</b>	<b>423,616</b>	<b>509,680</b>	<b>459,009</b>	<b>491,140</b>	<b>32,131</b>	<b>7%</b>	
<b>Net Sources or Uses</b>	<b>(128,630)</b>	<b>(192,077)</b>	<b>(156,213)</b>	<b>(320,123)</b>			

The schedule on this page is only presented as Net Sources or Uses as the Operating and Net Income schedule presents the same information

**IVGID Departmental Budget Summary**

**Community Programming  
Sources and Uses**

	<b>2011-12 Actual</b>	<b>2012-13 Budget</b>	<b>2012-13 Est. Actual</b>	<b>2013-14 Budget</b>	<b>\$ Chg Bud to Bud</b>	<b>\$ Chg Est Act to Bud</b>
<b>Revenues</b>						
Sales and Fees	1,093,890	1,029,900	1,132,300	1,103,700	73,800	(28,600)
Rents	4,620	12,900	17,200	9,600	(3,300)	(7,600)
Intergovernmental - Operating Grants/Revenue	77,700	12,000	77,700	76,000	64,000	(1,700)
<b>Other Financing Sources</b>						
Proceeds from capital assets dispositions	6,510	-	2,400	-	-	(2,400)
<b>Total Revenues and Other Sources</b>	<b>1,182,720</b>	<b>1,054,800</b>	<b>1,229,600</b>	<b>1,189,300</b>	<b>134,500</b>	<b>(40,300)</b>
<b>Expenditures and Uses</b>						
Personnel Cost						
Salaries and Wages	1,019,845	1,031,925	1,009,700	880,633	(151,292)	(129,067)
Employee Fringe	356,072	367,823	360,500	305,873	(61,950)	(54,627)
Professional Services	9,021	6,600	6,400	6,600	-	200
Services and Supplies	445,391	492,100	479,600	507,500	15,400	27,900
Insurance	26,167	28,800	25,400	30,100	1,300	4,700
Utilities	155,364	157,300	134,800	151,300	(6,000)	16,500
Cost of Goods and Services Sold	65,028	57,100	64,300	62,800	5,700	(1,500)
<b>Capital Expenditures</b>						
Capital Improvements	155,186	36,800	31,500	245,740	208,940	214,240
Capital Carry Forward	8,270	-	-	-	-	-
<b>Debt Service</b>						
Principal	9,216	9,540	9,540	20,819	11,279	11,279
Interest	2,458	2,101	2,000	1,011	(1,090)	(989)
Fiscal Agent Fees	10	10	-	-	(10)	-
<b>Total Expenditures and Uses</b>	<b>2,252,028</b>	<b>2,190,099</b>	<b>2,123,740</b>	<b>2,212,376</b>	<b>22,277</b>	<b>88,636</b>
<b>Net Sources and Uses</b>	<b>(1,069,308)</b>	<b>(1,135,299)</b>	<b>(894,140)</b>	<b>(1,023,076)</b>	<b>112,223</b>	<b>(128,936)</b>

**IVGID Departmental Budget Summary**

**Community Programming  
Sources and Uses**

	<b>2012-13 Actual</b>	<b>2013-14 Budget</b>	<b>2013-14 Est. Actual</b>	<b>2014-15 Budget</b>	<b>\$ Chg Bud to Bud</b>	<b>\$ Chg Est Act to Bud</b>
<b>Revenues</b>						
Sales and Fees	1,178,471	1,103,700	1,142,600	1,196,500	92,800	53,900
<del>Facilities Fees</del>	870,040	1,038,225	1,038,225	1,038,860	635	635
Rents	9,186	9,600	15,200	4,300	(5,300)	(10,900)
Intergovernmental - Operating Grants/Revenue	77,700	76,000	77,400	62,000	(14,000)	(15,400)
<b>Other Financing Sources</b>						
Proceeds from capital assets dispositions	2,150	-	4,300	-	-	(4,300)
Debt Proceeds	19,808	-	-	-	-	-
<b>Total Revenues and Other Sources</b>	<b>2,157,355</b>	<b>2,227,525</b>	<b>2,277,725</b>	<b>2,301,660</b>	<b>74,135</b>	<b>23,935</b>
<b>Expenditures and Uses</b>						
<b>Personnel Cost</b>						
Salaries and Wages	1,010,079	880,633	906,400	984,515	103,882	78,115
Employee Fringe	351,329	305,873	310,100	349,678	43,805	39,578
Professional Services	6,297	6,600	6,600	6,600	-	-
Services and Supplies	480,788	507,500	455,000	500,300	(7,200)	45,300
Insurance	27,359	30,100	31,700	37,200	7,100	5,500
Utilities	127,527	151,300	155,300	143,800	(7,500)	(11,500)
Cost of Goods and Services Sold	72,672	62,800	60,000	66,800	4,000	6,800
<b>Capital Expenditures</b>						
Capital Improvements	126,068	245,740	297,900	187,228	(58,512)	(110,672)
<b>Debt Service</b>						
Principal	9,540	20,819	20,819	21,420	601	601
Interest	1,885	1,011	1,011	527	(484)	(484)
Fiscal Agent Fees	11	-	-	8	8	8
<b>Total Expenditures and Uses</b>	<b>2,213,555</b>	<b>2,212,376</b>	<b>2,244,830</b>	<b>2,298,076</b>	<b>85,700</b>	<b>53,246</b>
<b>Net Sources and Uses</b>	<b>(56,200)</b>	<b>15,149</b>	<b>32,895</b>	<b>3,584</b>	<b>(11,565)</b>	<b>(29,311)</b>

*<1,038,225> <1,038,860>*

*\*<1,005,330> <1,035,276>\**

**Incline Village General Improvement District**  
**Central Services Cost Allocation Plan**  
**For the Fiscal Year Ending June 30, 2015**

	General	Utility	Community Services	Beach	Internal Services	Total District
<b>Base Cost</b>						
Budgeted FTE by Fund Allocation	28.03 11.74%	31.88 13.35%	147.52 61.77%	17.785 7.45%	13.6 5.69%	238.815 100%
Budgeted Wages by Fund Allocation	\$ 1,553,684 14.81%	\$ 2,276,634 21.70%	\$ 5,015,109 47.80%	\$ 631,509 6.02%	\$ 1,015,874 9.68%	\$ 10,492,810 100%
Budgeted Benefits by Fund Allocation	\$ 763,395 17.63%	\$ 1,178,632 27.21%	\$ 1,683,803 38.88%	\$ 171,035 3.95%	\$ 533,986 12.33%	\$ 4,330,851 100%
Budgeted Services & Supplies by Fund Allocation	\$ 655,600 8.62%	\$ 1,566,300 20.60%	\$ 4,494,650 59.12%	\$ 378,520 4.98%	\$ 507,500 6.68%	\$ 7,602,570 100%
Budgeted Accounting	\$ 873,743					
Percentage of Costs Allocated	80%					698,994
Allocation based on Services & Supplies	60,277	144,009	413,246	34,802	46,660	698,994
Blended Allocation	15%	21%	49%	6%	9%	
Budgeted Human Resources	496,369					
HR + 20% Accounting	671,118					
Based on Wages, Benefits & FTE	98,813	139,282	332,084	38,958	61,980	671,118
<b>Central Services Cost Allocation to Enterprise Funds</b>	<b>\$ 283,290</b>	<b>\$ 745,330</b>	<b>\$ 73,760</b>			<b>\$ 1,102,381</b>
<b>Annual Billing for Adopted Budget</b>	<b>\$ 283,000</b>	<b>\$ 745,000</b>	<b>\$ 73,000</b>			<b>\$ 1,101,000</b>

Prepared and calculated in accordance with NRS 354.613 Subsection C and IVGID Board Policy 18.1.0

**Incline Village General Improvement District  
2014-2015 Budget**

**Full-Time Equivalent (FTE) Personnel Summary  
July 1, 2014**

	2012-2013 Budget				2013-2014 Budget				2014-2015 Budget				Changes (+/-)			
													2013-2014 Budget vs. 2014-2015 Budget			
	No. Positions	FTE	FTYR	Total FTE	No. Positions	FTE	FTYR	Total FTE	No. Positions	FTE	FTYR	Total FTE	No. Positions	FTE	FTYR	Total FTE
Golf - Championship	72.1	28.0	5.1	33.1	67.1	27.1	5.2	32.3	78.0	27.7	5.8	33.5	10.9	0.6	0.6	1.2
Golf - Mountain	31.4	8.8	1.7	10.5	30.4	8.2	1.5	9.7	29.2	9.3	1.4	10.7	-1.2	1.0	0.0	1.0
Facilities	15.0	4.6	4.0	8.6	16.5	3.6	3.4	7.0	1.7	1.2	1.1	2.3	-14.8	-2.4	-2.3	-4.7
Ski	239.0	45.1	13.9	59.0	247.0	49.6	14.7	64.3	254.0	46.0	14.4	60.4	7.0	-3.6	-0.3	-3.9
Parks & Recreation	101.8	27.7	11.8	39.4	98.3	25.9	9.0	34.8	103.4	25.5	9.8	35.3	5.1	-0.4	0.8	0.4
Other Recreation	3.1	1.1	1.8	2.9	0.8	0.1	1.6	1.8	2.8	1.4	1.6	3.0	2.0	1.2	0.0	1.3
<b>Subtotal Community Svc</b>	<b>462.4</b>	<b>115.3</b>	<b>38.2</b>	<b>153.5</b>	<b>460.1</b>	<b>114.6</b>	<b>35.2</b>	<b>149.9</b>	<b>469.0</b>	<b>111.1</b>	<b>34.1</b>	<b>145.2</b>	<b>8.9</b>	<b>-3.6</b>	<b>-1.1</b>	<b>-4.7</b>
Beach	88.1	13.2	2.1	15.3	89.0	14.3	2.8	17.1	94.0	17.3	3.0	20.2	5.0	3.0	0.2	3.2
General Fund	2.0	0.3	20.7	20.9	2.0	0.4	22.6	23.0	1.0	0.4	20.7	21.1	-1.0	0.0	-1.9	-1.9
Engineering	1.0	0.3	2.8	3.1	1.0	0.3	2.8	3.1	1.0	0.3	2.8	3.1	0.0	0.0	0.0	0.0
Fleet	0.0	0.0	6.0	6.0	0.0	0.0	6.0	6.0	0.0	0.0	6.0	6.0	0.0	0.0	0.0	0.0
Buildings	1.0	0.5	4.0	4.5	1.0	0.5	4.0	4.5	1.0	0.5	5.0	5.5	0.0	0.0	1.0	1.0
Utilities	2.0	0.7	30.2	30.9	3.0	1.0	31.2	32.2	3.0	1.2	31.2	32.4	0.0	0.2	0.0	0.2
<b>Total</b>	<b>556.6</b>	<b>130.2</b>	<b>104.0</b>	<b>234.2</b>	<b>556.1</b>	<b>131.1</b>	<b>104.7</b>	<b>235.8</b>	<b>569.0</b>	<b>130.7</b>	<b>102.8</b>	<b>233.5</b>	<b>12.9</b>	<b>-0.4</b>	<b>-1.9</b>	<b>-2.2</b>

\* Supplemental Breakdowns for informational purposes only.

Marketing	2.0	0.7	2.0	2.7	2.0	0.3	3.0	3.3	2.0	0.3	2.9	3.2	0.0	0.0	-0.2	-0.2
C. S. Food and Beverage	57.0	14.4	4.0	18.4	65.0	13.8	4.0	17.8	46.3	11.0	1.4	12.4	-18.7	-2.8	-2.6	-5.4

Legend:

SM = Seasonal Management

S = Seasonal

PT = Part-time

PTYR = Part-time Year-Round

FTYR = Full-Time Year-Round

FTE = Full-Time Equivalent

"F"

**IVGID Departmental Budget Summary**

**Workers Compensation Summary**

**Sources and Uses**

	2011-12 Actual	2012-13 Budget	2012-13 Est. Actual	2013-14 Budget	\$ Chg Bud to Bud	\$ Chg Est Act to Bud
<b>Revenues</b>						
Interfund Services	167,554	230,000	195,600	285,100	55,100	89,500
<b>Other Financing Sources</b>						
Investment Earnings	139,450	20,700	21,300	22,900	2,200	1,600
<b>Total Revenues and Other Sources</b>	<b>307,004</b>	<b>250,700</b>	<b>216,900</b>	<b>308,000</b>	<b>57,300</b>	<b>91,100</b>
<b>Expenditures and Uses</b>						
Personnel Cost						
Salaries and Wages	9,066	-	-	-	-	-
Employee Fringe	5,399	-	-	-	-	-
Professional Services	35,044	27,700	26,100	33,100	5,400	7,000
Insurance	49,610	48,000	42,500	48,000	-	5,500
Worker Compensation Claims	144,634	175,000	74,100	226,900	51,900	152,800
<b>Total Expenditures and Uses</b>	<b>243,753</b>	<b>250,700</b>	<b>142,700</b>	<b>308,000</b>	<b>57,300</b>	<b>165,300</b>
<b>Net Sources and Uses</b>	<b>63,251</b>	-	<b>74,200</b>	-	-	<b>(74,200)</b>

**IVGID Departmental Budget Summary**

**Workers Compensation Summary**  
**Operating and Net Income (Loss)**

	2011-12 Actual	2012-13 Budget	2012-13 Est. Actual	2013-14 Budget	\$ Chg Bud to Bud	\$ Chg Est Act to Bud
<b>Operating Revenues</b>						
Internal Service Charges	167,554	230,000	195,600	285,100	55,100	89,500
<b>Total Operating Revenue</b>	<b>167,554</b>	<b>230,000</b>	<b>195,600</b>	<b>285,100</b>	<b>55,100</b>	<b>89,500</b>
<b>Operating Expenses</b>						
Personnel Cost						
Salaries and Wages	9,066	-	-	-	-	-
Employee Fringe	5,399	-	-	-	-	-
Professional Services	35,044	27,700	26,100	33,100	5,400	7,000
Insurance	49,610	48,000	42,500	48,000	-	5,500
Worker Compensation Claims	144,634	175,000	74,100	226,900	51,900	152,800
<b>Total Operating Expenses</b>	<b>243,753</b>	<b>250,700</b>	<b>142,700</b>	<b>308,000</b>	<b>57,300</b>	<b>165,300</b>
<b>Operating Income (Loss)</b>	<b>(76,199)</b>	<b>(20,700)</b>	<b>52,900</b>	<b>(22,900)</b>	<b>(2,200)</b>	<b>(75,800)</b>
<b>Non Operating Revenues</b>						
Investment Earnings	139,450	20,700	21,300	22,900	2,200	1,600
<b>Total Nonoperating Revenue</b>	<b>139,450</b>	<b>20,700</b>	<b>21,300</b>	<b>22,900</b>	<b>2,200</b>	<b>1,600</b>
<b>Net Income</b>	<b>63,251</b>	-	<b>74,200</b>	-	-	<b>(74,200)</b>

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS  
JULY 30, 2014 IVGID REGULAR BOARD OF TRUSTEES' MEETING – PUBLIC  
COMMENT SECTION – GIVEN OVER 70% OF LOCAL PROPERTY OWNERS  
CAN'T VOTE FOR OR AGAINST TRUSTEES, WHY IS THE BOARD SO  
FLIPPANT WHEN IT COMES TO SPENDING THEIR BEACH ("THE  
BFF") AND/OR RECREATION ("THE RFF") FACILITY FEES  
WHICH ARE INVOLUNTARILY ASSESSED AND LEVIED  
WITHOUT EVER ASKING THEM WHAT THEY  
WANT THOSE FEES SPENT ON?**

**Introduction:** We live in a community where the overwhelming majority of local property owners are deprived of the opportunity to vote for or against trustees. Yet the IVGID Board makes decisions which cost money which in turn are involuntarily assessed against and paid by local property owners. And it never asks these property owners what they want their money spent on. WHY NOT?

The purpose of this written statement is to ask the Board to put the brakes on staff's "drunken sailor" spending at local property owners' expense until it has asked those owners what they want their Beach ("BFF") and/or Recreation Facility ("RFF") Fees spent on, if anything.

**General Improvement Districts ("GIDs") Exist Primarily for the Benefit of Local Property Owners:** If you're a student of the history of GIDs, then you know they are by and large established at the request and for the benefit of *local property owners* rather than the residents who make their homes within their boundaries. For instance, it is *property owners* who are given the right to petition County Boards of Commissioners ("County Boards") to establish GIDs<sup>1</sup>. After a petition has been filed and an ordinance adopted by the County Board which approves that petition, notice of adoption and of a public hearing is given to all *property owners* within the proposed GID's boundaries<sup>2</sup>. When public hearings take place to consider the formal creation of GIDs, the only persons permitted to file written protests against their establishment are *local property owners* whose properties would be part of the

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<sup>1</sup> NRS 318.055(1)(b) states that "formation of a (GID) may be initiated by...a petition proposed by *any owner of property* to be located in the district."

<sup>2</sup> NRS 318.060 states that "after (an) initiating ordinance has been adopted by the...County...Board...the county clerk shall mail written notice to all *property owners* within the proposed district of the intention of the County...Board...to establish such district, which notice shall set forth (a)...time and place of (public) hearing."

GID if created<sup>3</sup>. And where protests are lodged by a majority of *property owners*, a proposed GID shall not be established<sup>4</sup>.

After GIDs are established, County Boards may propose their merger, consolidation or dissolution<sup>5</sup>. After adopting such an ordinance, notice is mailed to all *property owners*<sup>6</sup>. If a GID is located within a city the subject of a proposed merger, consolidation or dissolution, notice of the public hearing where such proposal shall be considered is given to all *property owners*<sup>7</sup>. When that public hearing takes place, the only persons permitted to file written protests against a GID's merger, consolidation or dissolution are *local property owners*<sup>8</sup>. And where protests are lodged by a majority of *property owners*, a proposed GID shall not be established<sup>9</sup>.

Initially GIDs were created "to provide various urban type services to areas where such services were not available and could not be provided by general purpose government."<sup>10</sup> What kind of services and for whom? If you examine the *limited* powers County Boards may confer to GIDs, you will

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<sup>3</sup> NRS 318.065(1) states that "any person who owns property which is located within the district may, on or before the date fixed, protest...in writing...against the establishment of such district."

<sup>4</sup> NRS 318.065(2) states that "if...written protest is filed (and) signed by a majority of the *owners of property* within such proposed district, the district shall *not* be established."

<sup>5</sup> NRS 318.490(1) states that "whenever a majority of the members of the...County...Board...deem it to be in the best interests of the county and of the district that the district be merged, consolidated or dissolved...the...County...Board of county commissioners shall so determine by ordinance."

<sup>6</sup> NRS 318.490(2) states that "the county clerk shall thereupon certify a copy of the ordinance...and shall mail written notice to all *property owners* within the district."

<sup>7</sup> NRS 318.492(1) states that "if...a district organized pursuant to this chapter is included within the boundaries of a city...the...County...Board...shall...adopt an ordinance providing for the merger of the district with the city and fix...a time and place for a hearing." NRS 318.492(2) states that "the county clerk shall certify a copy of the ordinance and give notice of its adoption in the (same) manner provided by" NRS 318.490(2)<sup>6</sup>; i.e., "to all *property owners* within the district."

<sup>8</sup> NRS 318.495(1) states that "any person who owns property...within the district may, on or before the date fixed, protest...in writing...against (its) dissolution, merger or consolidation."

<sup>9</sup> NRS 318.495(2) states that "if...written protest is filed (and) signed by a majority of the *owners of property* within the district, (it)...shall *not* be...dissolved, merged or consolidated."

<sup>10</sup> See §II at page 8 of Legislative Commission of the State of Nevada Legislative Counsel Bureau Bulletin 77-11, *Creation, Financing and Governance of General Improvement Districts*, September 1976 (<http://www.leg.state.nv.us/Division/Research/Publications/InterimReports/1977/Bulletin77-11.pdf>).

learn they primarily revolve around the services which can be furnished to *property owners*. Streets and alleys<sup>11</sup>; curbs and gutters<sup>12</sup>; sidewalks<sup>13</sup>; fences<sup>14</sup>; facilities for storm drainage and flood control<sup>15</sup>; facilities for drinking water<sup>16</sup>; sanitary facilities for sewerage<sup>17</sup>; street lighting<sup>18</sup>; facilities for the collection and disposal of garbage and refuse<sup>19</sup>; facilities for television<sup>20</sup> and FM radio<sup>21</sup>; facilities for fire protection<sup>22</sup>; electric light and power<sup>23</sup>; energy for space heating<sup>24</sup>; the control and eradication of weeds<sup>25</sup>; abating mosquitoes, flies, other insects, rats and liver fluke<sup>26</sup>; etc. Only through a quirk championed by IVGID's founders, was recreation added to the list in 1965<sup>27</sup>. And then it was PUBLIC recreation no less (as contrasted with what we have with our beaches).

**Notwithstanding, Over 70% of Parcels Within IVGID's Boundaries are Owned by Persons and/or Entities Not Permitted to Vote For or Against Trustees:** Until 1973 the only persons who could hold office as GID trustees were *local property owners*<sup>28</sup>. And the only persons who could vote for those trustees were *local property owners* (labeled "taxpaying electors"), even if they were non-natural persons (see discussion below). And if you owned multiple properties, you were allowed to

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<sup>11</sup> See NRS 318.116(7).

<sup>12</sup> See NRS 318.116(8).

<sup>13</sup> See NRS 318.116(9).

<sup>14</sup> See NRS 318.116(16).

<sup>15</sup> See NRS 318.116(10).

<sup>16</sup> See NRS 318.116(15).

<sup>17</sup> See NRS 318.116(11).

<sup>18</sup> See NRS 318.116(12).

<sup>19</sup> See NRS 318.116(13).

<sup>20</sup> See NRS 318.116(5).

<sup>21</sup> See NRS 318.116(6).

<sup>22</sup> See NRS 318.116(17).

<sup>23</sup> See NRS 318.117.

<sup>24</sup> See NRS 318.116(18).

<sup>25</sup> See NRS 318.116(19).

<sup>26</sup> See NRS 318.118.

<sup>27</sup> See NRS 318.116(14).

<sup>28</sup> §(1)(4) of AB 513 (see <http://www.leg.state.nv.us/74th/Exhibits/Assembly/GA/AGA836M.pdf>).

vote a multiple number of times (see discussion below) just like when voting in a homeowners' association ("HOA").

But in 1973 the term "taxpaying elector" was changed to "qualified elector." And according to our Constitution, that means a natural person who is a U.S. citizen, over the age of 18, who has had actual (rather than constructive) residence in a County for the immediate, continuous, preceding three month period, and the district (i.e., IVGID) for the immediate, continuous, preceding thirty day period. And as a result, let's look at who is a GID voter.

**Second/Vacation Home Ownership:** 2/3 of local property owners are second/vacation homeowners. Don't believe me? Believe former IVGID Chairperson and current Trustee Bruce Simonian<sup>29</sup>. This means these property owners make their actual principle residences *somewhere else*. This in turn means they vote somewhere else which precludes them from voting for candidates for public office (like IVGID Trustees).

**Non-Natural Person Ownership:** An additional number of local properties are owned by non-natural persons (i.e., corporations, LLCs, limited partnerships, trusts, etc.). Since non-natural persons cannot vote in IVGID elections, their owners are also precluded from voting for IVGID Trustees unless they happen to also be local residents.

**Non-Citizen Ownership:** An additional number of local properties are owned by non-citizens or persons not yet of voting age. I don't think the number is large, but it is some number.

**Persons Who Own Multiple Properties:** Finally, a good number of local properties are owned by persons or entities who own more than one property. Perfect examples would be current Trustees Joe Wolfe and Jim Hammerel, and Trustee candidate Robert Olmer (all three of whom own multiple Incline Village properties). But because of the constitutional principle of "one man, one vote," the owners of multiple Incline Village/Crystal Bay properties are just as disenfranchised as their parcel owning colleagues who are non-citizens, nonresidents or non-natural persons to the extent the principle applies to multiple votes.

**And Because Local Property Owners Cannot Vote Unless They Are Registered Voters, They Cannot Propose to Circulate Nor to Sign Petitions to Have Trustees Recalled From Office, Nor to Actually Vote in Special Recall Elections:** NRS 318.0955 states that "members of the board of trustees are subject to recall from office pursuant to the provisions of the Constitution and statutes of this State." NRS 306.015(1) states that "before a petition to recall a public officer is circulated, the persons proposing to circulate the petition must (be at least)...three *registered voters* who actually voted in

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<sup>29</sup> I have attached to this written statement as Exhibit "A," a copy of a May 27, 2014 e-mail from Mr. Simonian to residents Don and Pam Wight re: Ordinance 7. I have highlighted the portion where Mr. Simonian represents "sixty five percent of our district now are second home owners."

this State or in the...district...electing the officer at the last proceeding general election." The persons who may sign a petition to recall a public officer must be *registered voters* of the district that the public officer represents [NRS 306.020(2)]. "Upon determining that the number of signatures on a petition to recall is sufficient...the Secretary of State shall notify the county clerk" [NRS 306.040(1)]. Not sooner than 10 nor more than 20 days after the Secretary of State completes this notification, the officer with whom the petition is filed shall issue a call for a special election to determine whether the people will recall the public officer [NRS 306.040(3)]. Any special election must be conducted pursuant to the provisions of NRS 293 [NRS 306.120(1)]. Only natural person citizens of the United States, 18 years of age or over, who have continuously resided in this State and in the county 30 days and in the precinct 10 days next preceding the day of the next succeeding primary or general election, and who have registered in the manner provided in this chapter (i.e., *registered voters*) are entitled to vote in special elections [NRS 293.485(1)]. Thus the only persons who can so petition and vote in special recall elections are ordinary voters, which for the reasons outlined above, excludes nearly 70% of local property owners.

**Nor Can They Sign Petitions to Have the County Board Assume Jurisdiction, Supervision and Control Over IVGID:** In 1977 the Legislature changed the GID law to provide a mechanism for County Boards to regain supervision and control over the GIDs they had created; a petition signed by 20% of "qualified electors."<sup>30</sup> Up until then, once created, County Boards lose essentially all supervision and control over their "children" (this is the term D.A. Paul Lipparelli has assigned to GIDs). Again the problem is that the only persons who can so petition County Boards are ordinary voters, which for the reasons outlined above, excludes nearly 70% of local property owners.

**Nor Can They Sign Petitions to Compel General Obligation Bond ("GOB") Elections Nor Can They Vote in Such Elections, Notwithstanding Their BFFs and/or RFFs Will be Used to Secure and Service Those Bonds:** NRS 350.020(1) states that when a municipality proposes to issue or incur general obligations, the proposal must be submitted to the (qualified) electors of the municipality at an election called for that purpose or the next general municipal election or general state election.

Generally, GOBs must be approved by voters since the full faith and credit of their municipality is being posted as security. But in a quirk of the law, if your GOB is additionally secured by a specified revenue source and 60% of your governing Board DOESN'T vote to secure voter approval, there never will be an election to approve issuance of the GOBs unless a petition is signed by a minimum of 5% of voters. Here IVGID uses the Rec Fee as that additional specified revenue source which explains why ***there has NEVER been voter approval for any GOB IVGID has ever issued!*** And the problem again is that the only persons who can sign petitions to compel an election are ordinary voters which for the reasons outlined above, excludes at least 2/3 of local property owners.

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<sup>30</sup> See NRS 318.515(1).

**There is No Federal Constitutional Right to Vote:** Many are surprised to learn that there is no constitutional right to vote in the (federal) U.S. Constitution (in fact shortly after the U.S. Constitution was adopted, only white, male property owners were given the right to vote for President). When the U.S. Constitution is silent on a subject, individual States have the power to fill the void. And that's exactly what has happened insofar as the right to vote is concerned. Thus Nevada and other states have adopted constitutions which give the right to vote to natural person citizens over the age of 18 who have resided in a voting district for a designated period of time.

**When States Give Persons the Right to Vote, That Right Must be Offered to Everyone Who Has an Interest in the Outcome of the Election:** Although the U.S. Constitution may not regulate the right to vote *per se*, it does regulate "the equal protection of laws." Thus if a State is going to adopt a law or constitutional provision, it must be applied equally. Insofar as voting is concerned, the concept of equal protection means that ALL those who are "interested" in the outcome of an election must be given the right to vote. Stated differently, a voting scheme cannot exclude those who are "most interested" in a particular type of election. Yet in Incline Village/Crystal Bay, we regularly deny those with the most interest the right to vote of Trustees. Since GIDs are created primarily for the benefit of local property owners (see discussion above), aren't those the persons who are the ones "most interested?" Non-property owning tenants, although somewhat interested in the election of Trustees, really are the ones "least interested" in their election. Yet they are given the right to vote. So in Incline Village/Crystal Bay we have a voting scheme which has reversed the reasons for voting. Which explains the low voter turnout and how a powerful special interest groups (like core golfers) can vote together to control the election of trustees.

**IVGID's Voting Scheme is Even More Unfair When it Comes to the Beaches Because Local Property Owners With Beach Access, Whether or Not Natural Persons, Citizens or Residents, Are the Only Ones Primarily Interested:** The persons most interested in the beaches are local property owners with beach access ("qualified property owners"). Yet unlike the rest of IVGID's *raison d'être* (reason for being), the beaches (at least in theory) exist solely for local property owners' (whose properties were part of IVGID on June 4, 1968) use. Who are our beach stewards? Who do we look to when it comes to enforcing the beach deed's restrictive use covenants? IVGID trustees. Who elects these trustees? For the reasons referenced above, not only those who primarily have no interest in the beaches, but now: the 410 or so owners of property in Crystal Bay who don't have beach access; and, the remaining 1,000 or so who according to staff don't pay the BFF<sup>31</sup>. When it comes to the beaches how can the IVGID Board devote 100% loyalty to the owners of Crystal Bay parcels? And correspondingly, how can it devote 100% loyalty to the owners of "qualified" Incline Village parcels?

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<sup>31</sup> At the July 15, 2014 community meeting on Ordinance No. 7, Hal Paris revealed that there are approximately 1,400 properties within IVGID's boundaries which are not assessed (and thus their owners' do not pay) the BFF. Subtracting the 410 in Crystal Bay, we're left with approximately 1,000 additional properties whose owners do not pay the BFF.

And since nearly 70% of local property owners can't vote for or against trustees, how are their interests being represented by IVGID's current trustees? What say do they have in who their beach representatives are? If this were a HOA, they'd have a voice<sup>32</sup>. But right now they have nothing.

**Do These Facts Not Explain How a Couple of Unknowns Can be Elected as Trustees Without the Direct Support of Nearly 70% of Local Property Owners?** You now begin to see, don't you, how an IVGID trustee can be elected by as small a handful of voters as he/she has been elected. You can now see, can't you, how an unknown can be elected if supported by an organized local special interest group. And these special interest groups can and do consist of IVGID employees, Incliners, the local business community, core golfers, local churches, Sierra Nevada College, Red White and Tahoe Blue, etc. And we property owners, as usual, are at the bottom of the totem poll with no organization other than ourselves to rally behind.

**Do These Facts Not Explain How a Couple of Trustees Can Disregard the Wishes of Nearly 70% of Local Property Owners?** It is for these very reasons we can now see how the two Jims<sup>33</sup> can be in favor of a wasteful nearly \$80,000 beach study insofar as new facilities (i.e., a public restaurant) are concerned. Qualified property owners (with beach access) by and large DON'T want more costly facilities which exist for no reason other than to provide more jobs to IVGID employees and more bells and whistles to the 45% or more of outsiders who access what are supposed to be our private beaches (the outsiders Bill Horn used to refer to as beach "guests"). Yet their interests are ignored. Why didn't the Board survey these property owners to determine their interests before voting to spend this kind of money from the BFF on another stupid survey geared to justify their hidden agenda?

**Conclusion:** Local property owners need to understand that they by and large have no say in the types of facilities, programs and/or services IVGID offers at their expense (i.e., the BFF and/or RFF). If they did, they'd be mad as hell. That's why the facts revealed in this written statement need to be publicized; not only to the several hundred voters who show up at a Board meeting when someone has pushed their buttons<sup>34</sup>, but to the 8,000 or more local property owners whose real interests are by and large ignored.

To give you an example of what I am talking about, staff and the IVGID Board have embarked upon a program (summertime operations at Diamond Peak) which according to their numbers will result in \$18.2 Million of new capital improvements<sup>35</sup>. Although they assert this program will not be

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<sup>32</sup> A multiple voice if they owned multiple qualified properties.

<sup>33</sup> Smith and Hammerel.

<sup>34</sup> Such as Ordinance No. 7.

<sup>35</sup> Although by the time everything is said and done, I believe the number will be in excess of \$20 Million!

reliant upon the RFF, many of us believe this is a misrepresentation. Without the RFF, no financing can be secured for the capital improvements the subject of this program and our elected representatives know this to be fact. Since we don't have the \$18.2 Million in reserves, where exactly is the money going to come from if not the RFF?

To buttress its case, IVGID staff and the SE Group have surveyed local property owners and others to allegedly "gauge the level of community support for the proposed components of" Diamond Peak's grandiose new summertime program (what I have labeled "Fantasyland"). Putting aside the fact that the survey itself was flawed [inasmuch as it was crafted to yield the results intended by those with an agenda (i.e., the survey merely asked responders their wish list "wants" in a vacuum without any consideration whatsoever of the capital costs involved or who will be asked to pay for them)], it revealed that the overwhelming majority of residents (and *not* constructive residents who spend a couple of days a year in our community and then return home to their real residences, nor the tourists of the world who have no financial investment in our community), don't care about any of these activities. Yet the results will be disregarded because the Board thinks it knows better than we. How can the Board do this? Because of the very reasons I describe.

**So What Can We Do?** Because of IVGID's voting scheme, demand that the Board survey local property owners, whether or not voters in IVGID elections, whenever it is about to make major decisions which impact the BFF and/or the RFF. And demand that the Board honor the will of local property owners with respect to those decisions. Until we do this, the Board will continue to spend the BFF and/or the RFF which are involuntarily assessed and levied against our properties without ever asking us what we want those fees spent on.

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

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS JULY  
30, 2014 REGULAR IVGID BOARD MEETING – AGENDA ITEM H(1) – SE GROUP  
PRESENTATION OF DIAMOND PEAK MASTER PLAN UPDATE**

**Introduction:** After IVGID's expenditure of in excess of \$125,000 with the SE Group on what staff labels an updated Master Plan ("the Plan"), here SE Group presents its final work product<sup>1</sup>. I have no objection with staff undertaking any new endeavor as long as it comports with IVGID's limited purpose for being, and it neither directly or indirectly relies up nor is financed by the Beach ("the BFF") and/or Recreation ("the RFF") Facility Fee. Because the Plan relies upon the RFF and I believe will ultimately result in a RFF subsidy, I object. But before I address the particulars of my opposition to the Plan, there are ~~three~~<sup>four</sup> facts I believe the Board should recognize which by themselves go to the lack of merit to the Plan.

**1. IVGID Has NEVER Spent Anywhere Near What Staff and SE Group Are Suggesting Local Property Owners Spend on Any Recreational Facility ANYWHERE:** The Plan suggests the expenditure of a whopping \$18.2 Million<sup>2</sup>, if not more<sup>3</sup>, of proposed capital improvements on what I

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<sup>1</sup> See [http://ivgid.org/client\\_uploads/diamond\\_peak\\_master\\_plan\\_july2014.pdf](http://ivgid.org/client_uploads/diamond_peak_master_plan_july2014.pdf).

<sup>2</sup> Page 54 of the Plan readily admits that "total anticipated capital expenditures, over all phases of the program development, (will b)e approximately \$18.2 million."

<sup>3</sup> Besides the fact that the \$18.2 Million number is nothing more than an estimate, Table 18 at page 55 of the Plan neglects to include additional expenses we know will be incurred. For instance, we've already incurred in excess of \$125,000 with the SE Group just in its preparation of the Plan. And well before formal adoption of the Plan, the Board has already budgeted to spend, and is in the process of actually spending, an additional \$250,000 just this fiscal year on implementation of the Master Plan [see project 3653BD1501 at page 150 of the current fiscal year's operating budget {"the Budget" ([http://ivgid.org/client\\_uploads/2014\\_2015\\_operating\\_budget\\_194\\_pages.pdf](http://ivgid.org/client_uploads/2014_2015_operating_budget_194_pages.pdf))}]. And what about the many hundreds if not thousands of hours of staff time (which is never reported to the public) which has been "donated" to the SE Group's preparation of the Plan? After all, page 1 of the Plan it acknowledges that "the Diamond Peak Master Plan is the result of a collaboration between...SE Group, Bull Stockwell Allen...RRC Associates...and...the *Diamond Peak and IVGID management teams.*" Furthermore, since page 63 of the Plan admits that "phase 1 w(ill) be initiated with 100% bonded capital of roughly \$4 million;" and that phase 2 will "be bonded (with another \$4 million) similar to phase 1;" there will be attorney's fees, bond issuance and sales costs associated with over \$8 million of bonds. Although the Master Plan doesn't share what those costs will be, suffice it to say there *will be costs*, and they won't be inconsequential. And what about in interest costs on this \$8 Million plus of bonded indebtedness? Page 65 of the Plan projects a \$483,658 annual cost to service phase 1's "roughly \$4 Million" bond, and an additional \$494,380 annual cost to service phase 2's "roughly \$4 Million" bond. That's \$836,580 of interest on phase 1's bond, and another \$943,800 of interest on phase 2's bond. ***By the time everything is said and done, the public will be looking at total costs of well in excess of \$20 million!***

have labeled “Fantasyland.” IVGID has never spent anywhere near this amount on *any* of the public’s recreational facilities. Not Diamond Peak itself, nor the golf courses, nor the Recreation Center, nor the renovation of The Chateau, nor the construction of the Diamond Peak Skier Services Building, nor the renovation of Preston Field, nor the acquisition of the beaches...***NOTHING!*** Many of us cannot believe the Board would seriously consider the expenditure of this kind of money on anything!

**2. IVGID Has *NEVER* Incurred \$8.2 Million of Bonded Indebtedness at One time on Any Single Recreational Facility *ANYWHERE*:** Yet the Plan initially relies upon this level of debt.

**3. At Least Since 2001 When Bill Horn Came to Town, if Not Before, IVGID Has Never Earned a Net Profit After Satisfying All Expenses, Insofar as its Operation of ANY of Our Recreational Facilities is Concerned:** As I have documented many times before, the RFF and BFF represent nothing more than the difference between recreational facility revenues globally and expenditures for all purposes system wide. And that deficiency has been and continues to be nearly \$7 Million annually. Yet all of a sudden, commencing in year one of phase 1 no less, staff and the SE Group want us to believe Fantasyland will buck the trend and instantly become IVGID’s version of a “cash cow.”

**4. History is Repeating Itself:** Let’s go back to 2001. Staff wanted to spend \$5 Million or more renovating The Chateau. However since those renovations required the proceeds of a new bond, there was substantial public opposition because local property owners were being asked to pick up the tab in the form of their RFF. The immediate previous General Manager had resigned, and the Board was looking for a replacement who could “sell” this project to the masses. And that cheerleader became Bill Horn.

In response to public opposition that an increase in the RFF would be used to repay this new bond, Mr. Horn represented there would be no cost to local property owners. Instead, he represented IVGID would create a Catering Department which would generate enough positive revenue to more than cover the intended bond servicing costs associated with financing those renovations.

And what happened? When Mr. Horn was hired as General Manager the RFF stood at \$370<sup>4</sup>. After the new bond issued (2004), the RFF immediately increased by 26% to \$466. And by 2011, it had doubled to its present \$730. So in retrospect, how accurate were staff’s representations? ***Fool me once, shame on you!***

Let’s fast forward to today. Now staff wants to spend \$18.2 Million or more updating the alleged under-utilized asset we know as Diamond Peak. Again there is substantial public opposition because local property owners rightfully fearful they will be asked to pick up the tab in the form of a higher RFF. Mr. Horn has retired, and again the Board has selected a replacement whose job it is to “sell” this project to the masses.

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<sup>4</sup> Property owners with beach access paid \$445.

In response to public opposition that the RFF will be used to finance this project, the SE Group and staff have represented there will be no cost to local property owners. Instead, they have represented that implementation of phase 1 of the Plan will instantly result in enough positive revenue to not only fully cover the projected servicing costs associated with a new \$4.2 Million bond, but it will generate nearly an additional \$1 Million annually to boot! ***Fool me twice, shame on ME!***

**No Longer Can IVGID Play the “Grandfathered” Card Which Means the Plan Grossly Underestimates the Time and Expense Necessary to Secure the Governmental Approvals Necessary Before Construction of Diamond Peak’s Summertime Capital Improvements Can Begin:** Page 2 of the Appendix to the Plan cautions that the similar summertime “plans (from) Squaw Valley, Northstar, Heavenly and Homewood...should be monitored closely, as they represent potential competition for summer customers/business.” Yet staff and the SE Group naively thought IVGID would be able to immediately implement the Plan upon the IVGID Board’s mere approval. The Board should clearly understand this will not be the case.

In the past IVGID has ignored doing what most other GIDs and special districts are required to do asserting the “we’re grandfathered” and “we’re special” cards. Thus when the SE Group presented its preliminary Draft Master Plan (“the Draft Plan”) to the Board on February 12, 2014<sup>5</sup>, notwithstanding the fact it called for the summer time use of U.S. Forest Service lands, it didn’t realize that IVGID didn’t have a permit which authorized use of this land for the types of activities suggested. Naively it assumed that because Squaw Valley, Northstar and Homewood were all implementing the kinds of summertime activities the SE Group was suggesting for Diamond Peak, IVGID could easily do the same thing just the way its “poster child” client Gunstock, New Hampshire was able to accomplish! The SE Group didn’t understand the differences between developing these activities on private versus U.S. Forest Service lands. After I brought up the subject on February 12, 2014, staff and the SE Group went into full damage control. And here’s the proof.

I have attached as Exhibit “A” to this written statement page 53 from the Draft Plan; “Anticipated Financial Performance.” I have placed an asterisk next to the \$360,000 expense captioned “Entitlement and Permitting.” I have also attached as Exhibit “B” to this written statement Table 18 on page 55 from the Plan; “Anticipated Capital Expenditures by Phase.” I have placed an asterisk next to the \$560,000 expense captioned “Entitlement and Permitting.” How could this anticipated expense go up so much in so short a period of time? Because after February 12, 2014 the SE Group realized the public approval challenges which represent possible impediments to the Plan. Notwithstanding, the SE Group still seriously underestimates the effort and attendant costs required because another \$200,000 for U.S. Forest Service and TRPA approvals is not going to be enough.

Now IVGID must comply with the same application and public hearing requirements any other Tahoe Basin ski area must comply with when seeking use U.S. Forest Service lands for summertime

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<sup>5</sup> See [http://ivgid.org/client\\_uploads/diamondpeak\\_final\\_plan\\_presentation\\_2\\_12\\_14.pdf](http://ivgid.org/client_uploads/diamondpeak_final_plan_presentation_2_12_14.pdf).

business enterprises. This means IVGID is going to have to outsource the preparation of a full blown, detailed, National Environmental Protection Act<sup>6</sup> (“NEPA”) Environmental Impact Statement (“EIS”). “NEPA’s most significant effect (i)s to set up procedural requirements for all federal government agencies to prepare environmental assessments (EAs) and...EISs. EAs and EISs contain statements of the environmental effects of proposed federal agency actions. NEPA’s procedural requirements apply to all federal agencies in the executive branch,”<sup>7</sup> including the U.S. Forest Service.

EISs can easily consist of many hundreds of pages and cost several hundreds of thousands of dollars. In response to the question how much an EIS can cost, “the U.S. Government Accountability Office (‘GAO’) recently issued a report titled ‘National Environmental Policy Act: Little Information Exists on NEPA Analyses’<sup>8</sup>...According to the report, agencies do little in the way of tracking the progress of environmental review analyses conducted pursuant to NEPA, or the costs involved with those analyses. When they do track the costs, they are, not surprisingly, high...(And) when there is information available on the NEPA time frames, the report confirms that *the process is a slow one* - the average preparation time for the environmental impact statements finalized in 2012 was 4.6 years, which is the highest average time since 1997.”<sup>9</sup>

But it’s not just the costs and delays associated with preparation, submittal and approval of an EIS. IVGID is going to have to enter into agreements with both the U.S. Forest Service as well as the Tahoe Regional Planning Agency (“TRPA”) whereby it reimburses both public agencies for their administrative costs incurred in reviewing and approving its EIS. I can’t give you a number but the cost is not going to be inconsequential, and the project time with all the public hearings required is going to total some number of years.

So is this the program the Board wants to buy into? Is it prepared to spend many hundreds of thousands of dollars of the RFF and tens if not hundreds of staff time over a period of multiple years pursuing the dream “Fantasyland?” And if so, for what? After all,

**Although the Plan is Labeled an Updated “Diamond Peak Master Plan,” it is Really Nothing More Than a Diamond Peak Summertime Operations Plan:** At page 16 of the Plan it concludes that “aside from subtle tweaks and changes, (Diamond Peak’s)...winter operations are unlikely to be measurably improved...*(Thus) winter operations should not be the primary focus in evaluating areas for achieving operational/financial improvement.* (Rather,) summarily stated...investigating the development of summer operations is” really the purpose of the Plan! So let’s call “a-spade-a-spade.”

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<sup>6</sup> See <http://www.epa.gov/compliance/nepa/>.

<sup>7</sup> See [http://en.wikipedia.org/wiki/National\\_Environmental\\_Policy\\_Act](http://en.wikipedia.org/wiki/National_Environmental_Policy_Act).

<sup>8</sup> See <http://www.gao.gov/products/GAO-14-370>.

<sup>9</sup> See <http://www.aoi.org/news/2014/04/24/environment-energy/cost-of-federal-environmental-impact-statements/>.

**Although We're Told the Plan is Dependent Upon Resident "Wants and Needs," Evidence of Those "Wants and Needs" is Conspicuously Lacking:** The Plan acknowledges that "first and foremost ...Diamond Peak is...a community facility."<sup>10</sup> Therefore, it recognizes that "the...Plan must address the wants, needs and concerns of the residents of Incline Village."<sup>10</sup> In order to demonstrate residents' "wants," the Plan points to a survey which purportedly "gauge(s) the level of community support for the proposed components of the...Plan."<sup>11</sup> Putting aside the fact that the survey itself is flawed inasmuch as it has been crafted in such a manner to yield the results intended by those with an agenda (i.e., the survey merely asks responders their wish list "wants" in a vacuum without any consideration whatsoever for the capital costs involved nor who will be asked to pay for them), the survey reveals that the overwhelming majority of residents, and *not* constructive residents who spend a couple of days a year in our community and then return home to their real residences, nor the tourists of the world who have no financial investment in our community, don't care about any of these activities. In order to demonstrate the level of ambivalence, I have created a spreadsheet (below) which summarizes the percentage of residents (rather than outsiders) who will actually use the proposed new summer time recreational facilities:

Resident Support for Summer Time Master Plan Components Would You Actually Participate?			
Plan Component	Resident		
	FT Resident Participation	PT Resident Participation	Ambivalence/ Non-Participation
Zip Lines	6.1%	18.4%	<b>75.5%</b>
Canopy Tours	13.9%	24.3%	<b>61.8%</b>
Aerial Challenge Course	14.5%	24.6%	<b>60.9%</b>
Segway Tours	12.3%	15.6%	<b>72.1%</b>
Mountain Top Activities	5.8%	10.2%	<b>84%</b>
Hiking Trails	5.9%	7.6%	<b>86.5%</b>
Kids Woodland Tours	13.2%	18%	<b>68.8%</b>
Alpine Slide/Coaster	8.8%	18%	<b>73.2%</b>
Mountain Biking	6.8%	11.4%	<b>81.8%</b>
Bike Skills Park	8.7%	13%	<b>78.3%</b>
Base Area Activities	10.3%	13.8%	<b>75.9%</b>
Bike Pump Track	14%	20.2%	<b>65.8%</b>

<sup>10</sup> See page 22 of the Plan.

<sup>11</sup> See page 25 of the Plan.

Based upon these results I submit our community is by-and-large *not* interested in these summertime recreation-based activities at Diamond Peak as the Plan suggests. And once the community learns the real costs associated with these activities, I predict support will be even *less*. Mr. Pinkerton tells us his “goal is to make sure that we...work closely with our community.” Are you of the opinion ignoring the will of our residents represents “working closely with our community?”

**Furthermore, the Plan’s Proposed Activities are Not for We Residents But Rather, Those in Our Community Who Make Money Off the World’s Tourists/Visitors Using Our Facilities as an Attractant Without Having to Pay Their Fair Share of the Costs Associated Therewith:** And this is exactly what the Plan reveals. For instance, take a look at page 20 of the Plan where “market assessment identified a number of indicators for *tourism-related summer visitation*.” The Plan relied upon one of the biggest benefactors of more recreational business enterprises financially supported by local property owners, the Lake Tahoe Hyatt Hotel: “management expressed a strong interest in...adventure courses/canopy tours and use of the Snowflake venue.” Additionally, “Hyatt personnel ...indicated that there is a strong (visitor) market...for team building exercises...in concert with (visitor) meeting/conference business.”<sup>12</sup> And these views were extended by SE Group to the “CalNeva...(and) Boulder Bay Club (i.e., the Biltmore Hotel)...(which) will have a similar customer make-up.”

Finally, why else compare the Plan’s proposed summer activities to “the Ponderosa Ranch (which)...in its heyday...attracted 300,000 visitors annually-all looking for something to do” if not to hammer home the point that “extending the use of Diamond Peak...into the summer months with an operation that shows a positive return would be a *financial benefit*<sup>13</sup> to the community?”<sup>14</sup>

Simply stated, here we have another example of ***very expensive recreational facility capital improvements which will exist for outsiders rather than we residents who will be the ones involuntarily required to pay for them.***

**If We Really Want to Learn the Will of Local Property Owners, Why Don’t We Formally Ask Them?** Given the Plan so directly impacts local property owners who are involuntarily assessed the RFF; and 70% or more of them cannot express their will by voting for or against IVGID Trustees; why don’t we survey each and every one? And why don’t we create a survey which is not crafted by staff in such a manner that it suggests the intended outcome? The last time this occurred in 2006, local property owners were clear; they didn’t want us embarking upon new projects costing millions secured by the RFF. And what did staff and the then Board do? *IGNORE* their will.

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<sup>12</sup> See page 51 of the Plan.

<sup>13</sup> Exactly what “financial benefit?” According to the Plan there will be no financial return to the local property owners who will be asked to guaranty and subsidize its projected capital and operational costs for at least the first ten years of its life inasmuch as all positive cash flow has been targeted for phase 3 and 4 capital improvements.

<sup>14</sup> See page 19 of the Plan.

**We're Supposed to Believe Our Professional Consultants' Rosy Projections Yet They Don't Even Understand Who We Really, Where We're Really Located and From Where the Financing of the Plan's Improvements Will Come From:** Like most people, SE Group doesn't understand what IVGID really is. Listen to page 1 of Appendix A where it represents that the Plan "summarizes research conducted by RRC Associates...with assistance from SE Group, on behalf of...IVGID." It then goes on to recite that IVGID is a "parks and recreation department"<sup>15</sup> when it is not.

Nor does SE Group understand Diamond Peak is *not* located "on Lake Tahoe."<sup>16</sup> Those of us who live here know Diamond Peak is located several miles away from Lake Tahoe. We also know that the Plan's representation that "no other mountain resort can offer" this geographic location is *wrong!* The gondola which whiskers patrons to the top of Heavenly is located closer to Lake Tahoe than Diamond Peak<sup>17</sup>. And Homewood is even closer; directly *across the street!*

Therefore whatever geographic uniqueness the Plan assigns to Diamond Peak is equally assignable to Heavenly and Homewood. In other words, when everyone is special, no one is special!

Nor does the SE Group understand that the Plan's financing requirements are reliant upon the RFF (see discussion below) notwithstanding the fact: it purportedly understands that "members of the community...do *not* want to pay for additional facilities at Diamond Peak;"<sup>18</sup> residents surveyed explicitly instructed IVGID and the SE Group to "*not* pass on (these) costs to...residents;"<sup>19</sup> the Plan acknowledges that "the IVGID Board of Trustees has provided clear and emphatic direction that the planned improvements at Diamond Peak *must* be financially self-sustaining and not reliant upon use of the RFF (n)or cause any necessary increases to the RFF;"<sup>20</sup> and as a result, the Plan represents that those capital improvement costs will "*NOT* (be) reliant upon use of the RFF" but rather, "through the use of (two) bond issue(s) with the payments/retirement of the bonded debt an included expense."<sup>20</sup>

***If our professional consultants don't even understand who we are, what we manage and where we're located, why should the reader believe any of its financial conclusions are valid?***

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<sup>15</sup> Page 31 of Appendix A to the Plan states that IVGID is really the "Incline Village Parks and Recreation Department" because it is *the* organization that "manages numerous facilities (including Diamond Peak)...two golf courses...community centers (and the)...beaches."

<sup>16</sup> Page 2 of Appendix A states that Diamond Peak is in a unique...geographic position *on* Lake Tahoe; a quality no other mountain resort can offer in the summertime."

<sup>17</sup> Note the admission at page 2 of Appendix A: "with the exception of Heavenly, (all) other resorts are further removed from the Lake, rather than being (like Diamond Peak) *right on the Lake.*"

<sup>18</sup> See page 27 of the Plan.

<sup>19</sup> See page 24 of the Plan.

<sup>20</sup> See Page 60 of the Plan.

**The Plan IS Dependent Upon Use of the RFF Notwithstanding the Fact it Explicitly Represents it Will “NOT (be) Reliant Upon Use of the RFF.”**<sup>20</sup> The Plan is quite straightforward in its capital requirements, and from where those sums will come: “Phase 1 w(ill) be initiated with 100% *bonded* capital of roughly \$4 million...Of the \$6.2 million required to develop the infrastructure in phase 2, approximately \$2.1 million w(ill) be provided by phase 1 NOI<sup>21</sup> (and) the remaining \$4 million w(ill) be *bonded* similar to phase 1.” Translation: the Plan is dependent upon roughly \$4 million of *bonds* associated with phase 1 improvements, supplemented by another \$4 million of *bonds* associated with phase 2 improvements.

But without posting a specific revenue source which guarantees repayment of the bonds, they will either not be available in the marketplace or alternatively, their cost will be prohibitive. And let me give an example of what I am talking about. All of IVGID’s outstanding recreational facility indebtedness is evidenced by general obligation bonds (“GOBs”). These are bonds guaranteed by the full, faith and credit of IVGID including all of its recreational facilities, other assets, general revenues and taxes<sup>22</sup>. Normally GOBs require voter approval before they can be issued<sup>23</sup>. When is the last time IVGID brought a bond proposal before voters for their approval? NEVER! And why not? Because arrogantly, staff and past Boards think they know better than you!

Now what does any of this have to do with relying upon the RFF? Note NRS 350.020(1) again<sup>23</sup> where it states that “except as otherwise provided by subsections 3 and 4.” Let’s examine NRS 350.020(3) which states that “if payment of a general obligation of the municipality is *additionally secured by a pledge of gross or net revenue of a project to be financed by its issue*, and the governing body determines, by an affirmative vote of two-thirds of the members elected to the governing body, that the pledged revenue will at least equal the amount required in each year for the payment of interest and principal...the municipality may...incur this general obligation *without an election*.”

IVGID proposes issuance of GOBs which are additionally secured by a pledge of gross revenue financed by the RFF. As a result, it is able to circumvent the voter requirement for all GOBs. But by doing this, isn’t necessary capital improvement financing for phases 1 and 2 of the Plan is reliant upon the RFF? Since the answer is a resounding YES, ***the Plan’s financing representations are false!***

**The Plan’s Proposed Operational and Maintenance Expenses Do Not Accurately Set Forth All Anticipated Expenses:** Table 22 on page 65 of the Plan opines that starting with phase 1, IVGID will incur \$837,317 in operating and maintenance expenses associated with Diamond Peak’s proposed

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<sup>21</sup> “Net Operating Income” after all expenses.

<sup>22</sup> See NRS 350.0045.

<sup>23</sup> See NRS 350.020(1): “Except as otherwise provided by subsections 3 and 4, if a municipality proposes to issue or incur general obligations, the proposal *must* be submitted to the electors of the municipality at a special election called for that purpose or the next general municipal election or general state election.”

new summer activities. But when one goes to Table 21 on page 61 of the Plan, one sees the total is \$1,033,725. Even if \$38,664 of expenses are deducted from this total associated with winter use of the Alpine Coaster, we're still looking at \$157,774 more in operational expenses than the \$837,317 number disclosed on Table 22.

Moreover, Table 21 on page 61 of the Plan omits several obvious expenses, and understates several others. For instance,

**Central Services:** IVGID assigns all operations reported in its Community Services Fund an expense it labels "Central Services." The expense is allegedly based upon the "central services" provided by the General Fund to the employees whose wages are assigned to the Community Services Fund. Given sources and uses for summertime operation of Diamond Peak will be reported in the Community Services Fund, IVGID will incur more than \$837,317 in Diamond Peak summertime operating and maintenance expenses.

**Workers' Compensation:** IVGID does not report workers' compensation expenses to the fund/sub-fund within which its employees are receiving workers' compensation benefits. Rather, they are reported to a workers' compensation sub-fund. Given some portion of payroll for summertime operation of Diamond Peak will be spent on workers' compensation premiums which will not be reported in the Diamond Peak summertime operations, IVGID will incur more than \$837,317 in Diamond Peak summertime operating and maintenance expenses.

**Sales Cost Allowances:** At page 59 of the Plan where the SE Group projects anticipated revenues, it states "in-district residents using the new amenities at Diamond Peak will be provided with special pricing lower than non-resident guests." What the Plan is really describing is the Picture Pass Holder's ("PPH's") resident discount. Yet an examination of Table 20 reveals no such discount. No distinction is made between the "revenue per visit" for each "activity/revenue outlet" of a PPH, versus that of a non-resident. IVGID's financials typically report the PPH discount as a "sales cost allowance" expense. The failure to report resident discounts means IVGID will incur more than \$837,317 in Diamond Peak summertime operating and maintenance expenses.

**Insurance:** At the SE Group's February 12, 2014 presentation of the Draft Plan, some of the additional expenses which would be incurred were discussed and one of them was additional insurance for canopy tours/zip lines, alpine coasters and the summer operation of ski lifts. Gerry Eick informed the Board that the added insurance costs would total about \$100,000. Yet an examination of Table 21 of the Plan reveals an added insurance cost of only \$24,134.30. Which number is accurate? Given insurance costs for roughly the same number of winter operation days at Diamond Peak total \$168,000<sup>24</sup>, I'm thinking the SE Group's estimate of \$24,134.30 is low. Higher insurance

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<sup>24</sup> See page 102 of the current fiscal year's operating budget at [http://ivgid.org/client\\_uploads/2014\\_2015\\_operating\\_budget\\_194\\_pages.pdf](http://ivgid.org/client_uploads/2014_2015_operating_budget_194_pages.pdf) ("the Budget").

costs means IVGID will incur more than \$837,317 in Diamond Peak summertime operating and maintenance expenses.

**Design Fees:** Before one can secure entitlements and permits to construct any of this “stuff,” an architect has to put it to paper, and an engineer has to put his/her stamp on it. Although Table 18 estimates nearly \$400,000 in Snowflake Lodge design fees, I see no similar expense for the canopy tour/zip line, alpine coaster, challenge course, bike loop, etc. Who is going to draw plans for all of these improvements which can be reviewed and approved by Washoe County, and at what cost? Additional design costs means IVGID will incur more than \$837,317 in Diamond Peak summertime operating and maintenance expenses.

**Marketing:** According to page 104 of the Budget, last year Diamond Peak generated \$2,418,700 of revenue on mountain operations. In order to generate this amount of revenue, page 137 of the Budget reveals that last year Diamond Peak spent \$644,221 on marketing. Table 22 of the Plan projects that starting in year one, Diamond Peak will generate essentially the same amount of revenue (\$2,383,250) on summertime operations. Yet it will be able to attain this revenue spending only 4.66% of Diamond Peak’s winter marketing dollars (\$29,998.80). I’m thinking the SE Group’s estimate of \$29,998.80 is low. Higher marketing costs means IVGID will incur more than \$837,317 in Diamond Peak summertime operating and maintenance expenses.

**Activity Revenues:** Table 20 of the Plan projects revenues broken down by “activity/revenue outlet.” Just for giggles I concentrated on the projected “revenue per visit” for the canopy tour/zip line (\$100) and compared it to what Heavenly charges for its canopy tour/zip line. What I discovered is that Heavenly only charges \$60<sup>25</sup>. Either the SE Group thinks visitors will pay a 66% premium to zip line Diamond Peak versus Heavenly, or its projected pricing is faulty. I’m thinking the latter. Lower pricing means IVGID will realize less than \$2,383,250 in Diamond Peak summertime operating revenues. And given the SE Group has projected that nearly 40% of all phase 1 summertime operating revenues will come from the canopy tour/zip line, a mistake in pricing such as the one suggested will have substantial adverse effects on the Plan’s projected NOI.

**More Expenses or Less Revenues Than Projected Equals Less NOI Than Relied Upon:** Since the Plan relies upon NOI after expenses to fund part or all of over \$14 million of phase 2-4 capital improvements, the amount of projected revenues and expenses becomes critical to the financial viability of the Plan because without NOI, there can be no funding source other than the RFF. Stated differently, “garbage (data) in equals garbage (conclusions) out.”

**Even Though Staff is Unable to Turn a Profit on Any of its Recreational Facilities, We’re Supposed to Believe That Commencing Year One Diamond Peak Summertime Operations Will**

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<sup>25</sup> See <http://www.skiheavenly.com/the-mountain/adventurepeaksummer.aspx#zipline>.

**Generate Nearly \$1 Million of NOI:** That's exactly what Table 22 on page 65 of the Plan represents and if you believe this, please come and see me. I have a bridge I'd like to sell you.

**We DON'T Require the Plan to Use the Snowflake Lodge for Summer Weddings/Events:** as the SE Group suggests at page 52 of the Plan<sup>26</sup>. Have you stopped to ask yourself why we don't currently use Diamond Peak's Lakeview lift and Snowflake Lodge during the summer months for "weddings, retreats, local fundraisers and meetings, etc." if these are such under-utilized *existing* assets? The answer has *nothing* to do with implementation of the Plan, and everything to do with staff securing TRPA approval! It turns out IVGID has no use permit from TRPA to operate the Snowflake Lodge. Rather, it claims to be exempt from having to secure such a permit having had its current use "grandfathered" in at the time TRPA was created. So although no new capital improvements are required to utilize these existing assets for the summertime purposes suggested, staff does *nothing*. Why not?

When I hear members of the community praise the Plan because they think it's a good idea to use the Snowflake Lodge during the summer months for "weddings, retreats, local fundraisers and meetings, etc.,," they *don't* understand their praise is *misplaced*. We *don't* need to spend \$6,267,444 on a new Snowflake Lodge<sup>27</sup> in order to host "weddings, retreats, local fundraisers and meetings, etc." And we never needed the Plan to tell us the Snowflake Lodge is an under-utilized asset. All we need to do is go through the TRPA approval process assuming *arguendo*, it's even possible to secure such approval for summertime operations. Yet instead of taking this "baby step," the Plan suggests summertime use of the Snowflake Lodge be part of a comprehensive "update" costing \$20 Million or even more!

**But if the SE Group's Rosy Financial Projections Don't Pan Out, Won't We Have the Flexibility to Stop Midstream? NO!** Before IVGID can construct any of the new summertime facilities outlined in the Plan, it must secure approvals from the U.S. Forest Service and TRPA. This is going to cost several hundred thousand dollars in professional fees<sup>28</sup>, untold tens if not hundreds of thousands of additional dollars in unreported staff time and encompass several years.

If those approvals are secured, the Plan is contingent upon two GOBs at least one of which's premiums will have to be paid for prior to the construction of any improvements or the receipt of any revenues. And those GOBs will also involve hundreds of thousands of dollars in professional, issuance

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<sup>26</sup> "With...new summer activities, *existing* base infra-structure and planned upgrades to the Snowflake Lodge, Diamond Peak has the ability to host group events and gatherings that would benefit from the unique activities and opportunities available on the mountain...includ(ing)...weddings, retreats, local fundraisers and meetings, etc."

<sup>27</sup> See Table 18 at Page 55 of the Plan.

<sup>28</sup> At least \$200,000 according to the Plan.

and sales fees in addition to the roughly \$8.2 Million of principal. At that point there will be no turning back because IVGID will be permanently committed to and invested in the Plan.

**We Already Have Invested More Into Diamond Peak Than it is Worth, So Why Are We Contemplating Taking Local Property Owners \$20 Million or More Underwater?** We've had this discussion before. What is Diamond Peak worth? If we had to sell it today, what could be realized and how would that number compare to our cost basis (i.e., the capital costs we've invested)? Remember, we purchased Diamond Peak in 1976 for \$1,945,123<sup>29</sup>. Substantial capital upgrades/improvements have been constructed since then including installation of the Crystal detachable quad chairlift (at a cost of several million dollars), upgrades to Diamond Peak's man-made snowmaking system (at a cost of another several million dollars), renovations to the Base Lodge and construction of the Skier Services Building (at a cost of at least \$7 Million<sup>30</sup>) and now the \$3½ million expenditure on the "culvert to nowhere" which was discovered during construction of the Skier Services Building's foundation. Ladies and gentlemen, ***we're underwater!*** And now the Plan suggests we "double down" on our investment to the tune of at least an additional \$18.2 million and probably more than \$20 million in new capital improvements. Mr. Pinkerton tells us his "goal is to make sure that we... responsibly manage the assets of our District." Are you of the opinion doubling down on an underwater community asset is "responsible?"

**The Need for Personal Guarantees to Protect Local Property Owners:** Some of us are from Missouri (the show me state) and for many of the reasons discussed above, we don't believe the Plan's rosy predictions (i.e., we've seen the movie). Others remember back to the misrepresentations which were made eleven or more years ago concerning the source of funding for The Chateau renovations. So if notwithstanding the Board is going to go down this Fantasyland road, I and others I know demand that *personal guarantees* be incorporated into financial aspects of the Plan. Stated differently, if the Board demands our RFF be posted as security for the Plan's financial aspects, then we local property owners demand that proponents put their moneys where their mouths are. We demand that: IVGID staff which is pushing the Plan, explicitly including Brad Wilson, Brad Johnson and Mr. Pinkerton; as well as each member of the Board who votes for its approval; as well as each candidate for IVGID Trustee who doesn't come out in opposition to the Plan; as well as the SE Group and each of its principals; all personally guarantee in writing to local property owners who are assessed the RFF that none of the Plan's capital nor operational expenses will be directly or indirectly secured by nor paid from the RFF as the Plan represents<sup>20</sup>. If these individuals refuse, then as far as I am concerned, the Plan is not worth the paper it has been written on and it should be summarily dismissed. The Board has been elected to look out for local property owners' interests. To not look out for our interests as I suggest translates into irresponsibility. That's not why the Board was elected to act.

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<sup>29</sup> See page 21 of IVGID Resolution No. 1262 adopted July 19, 1976.

<sup>30</sup> See page 84 of the Board packet; page 2 of Gerry Eick's July 17, 2014 Staff Memorandum.

## Diamond Peak Master Plan - Financial Analysis

## Anticipated Financial Performance

Category	Total Project Cost	Phase 1	Phase 2	Phase 3
Challenge Course	\$300,000	\$300,000		
Canopy Tour - Crystal to Base	\$924,000	\$924,000		
MTB Trails - below the Incline Flume	\$234,000	\$234,000		
MTB Trails - above the Incline Flume	\$28,000	\$28,000		
Family/Kid's Base Area Bike Loop	\$28,000	\$28,000		
Kids Pump Track	\$24,000	\$24,000		
Bike Skills Park	\$16,000	\$16,000		
Hiking Trails - Snowflake to Base (east side)	\$12,000	\$12,000		
Hiking Trails - Snowflake to Base (west side)	\$12,000	\$12,000		
Interpretive Signage	\$10,000	\$10,000		
Alpine Coaster	\$1,656,390	\$1,656,390		
Climbing Wall	\$80,000		\$80,000	
Play Area	\$30,000		\$30,000	
Rental Equipment	\$18,000	\$18,000		
Entitlement and Permitting	\$360,000	\$160,000	\$110,000	\$90,000
Activities Total	\$3,732,390	\$3,422,390	\$220,000	\$90,000
	\$3,187,500		\$3,187,500	
FFE, telecom, security	\$286,875		\$286,875	
Design Fees	\$389,000		\$389,000	
Kitchen Equipment	\$1,000,000	\$250,000	\$750,000	\$000
Snowflake Outdoor Deck	\$675,000		\$675,000	
Removal of existing Snowflake Building	\$12,000		\$12,000	
Removal of existing Snowflake Deck	\$10,500		\$10,500	
Project Contingency	\$194,294		\$194,294	
Per Year Cost Escalation	\$467,450		\$467,450	
Total	\$6,242,619	\$250,000	\$5,992,619	
Snowmaking on Diamondback	\$675,000		\$675,000	
Snowmaking on Freeway	\$178,500		\$178,500	
Ridge trail grading	\$19,500		\$18,500	
Beginner route grading	\$63,850			\$83,850
FIS Traverse Extension	\$120,900			\$120,900
On-mountain Trail Improvements Total	\$1,077,750		\$18,500	\$1,059,250
Lakeview Improve lift download capacity	\$350,000	\$350,000		
Lakeview lift replacement	\$4,080,000			\$4,080,000
Splitway lift (Lakeview relocation)	\$250,000			\$250,000
Lift Improvements Total	\$4,680,000	\$350,000		\$4,340,000

## *Assumptions & Inputs*

Table 18. Anticipated Capital Expenditures by Phase

Category	Total Project Cost				
		Years 1-2	Years 3-6	Year 7	Years 8-10
Challenge Course	\$300,000	\$300,000			
Canopy Tour - Crystal to Base	\$924,000	\$924,000			
MTB Trails - below the Incline Flume	\$234,000	\$234,000			
MTB Trails - above the Incline Flume	\$28,000	\$28,000			
Family/Kid's Base Area Bike Loop	\$28,000	\$28,000			
Kids Pump Track	\$24,000	\$24,000			
Bike Skills Park	\$16,000	\$16,000			
Hiking Trails - Snowflake to Base (east side)	\$12,000	\$12,000			
Hiking Trails - Snowflake to Base (west side)	\$12,000	\$12,000			
Interpretive Signage	\$10,000	\$10,000			
Alpine Coaster	\$1,656,390	\$1,656,390			
Climbing Wall	\$80,000		\$80,000		
Play Area	\$30,000		\$30,000		
Rental Equipment	\$18,000	\$18,000			
Entitlement and Permitting	\$560,000	\$160,000	\$110,000	\$90,000	\$200,000
<b>Activities Total</b>	<b>\$3,932,390</b>	<b>\$3,422,390</b>	<b>\$220,000</b>	<b>\$90,000</b>	<b>\$200,000</b>
FFE, telecom, security	\$3,187,500		\$3,187,500		
Design Fees	\$286,875		\$286,875		
Kitchen Equipment	\$389,000		\$389,000		
Snowflake Outdoor Deck	\$1,000,000	\$250,000	\$750,000		
Removal of existing Snowflake Building	\$675,000		\$675,000		
Removal of existing Snowflake Deck	\$24,000		\$24,000		
Project Contingency	\$21,000		\$21,000		
Per Year Cost Escalation	\$195,419		\$195,419		
<b>Total</b>	<b>\$6,267,444</b>	<b>\$250,000</b>	<b>\$6,017,444</b>		
Snowmaking on Diamondback	\$675,000		\$675,000		
Snowmaking on Freeway	\$178,500		\$178,500		
Ridge trail grading	\$19,500		\$19,500		
Beginner route grading	\$83,850		\$83,850		
FIS Traverse Extension	\$120,900		\$120,900		
<b>On-mountain Trail Improvements Total</b>	<b>\$1,077,750</b>		<b>\$19,500</b>	<b>\$1,058,250</b>	
Lakeview Improve lift download capacity	\$350,000				
Lakeview lift replacement	\$4,090,000				
Spillway lift (Lakeview relocation)	\$250,000				
Backside Lift	\$2,140,000				
Backside Trail Work/Construction	\$150,000				
<b>Lift Improvements Total</b>	<b>\$6,980,000</b>				

## **DP MASTER PLAN – ANOTHER INCLINE LAKE FIASCO?**

Mr. Chairman, members of the board. My name is Svata Trossen and I live in Tyrolian Village, above the Diamond Peak ski area. I'm here today to voice my objection to the proposed projects being considered to increase the use of Diamond Peak during the summer months.

In my opinion, the Diamond Peak Master Plan project is too ambitious, too expensive and not of interest to the majority of property owners in Incline Village.

As some of you may know, IVGID was presented with a similar, much smaller recreational project in 2005, which was purchased on June 6, 2008. I'm referring to the 5 acre parcel at Incline Lake. The plan presented suggested an information kiosk, rest rooms, parking facilities for snow shoeing, cross country skiing, hiking and other recreational activities. The Board was excited about the project, and voted to adopt it. The land was purchased – without resident input, I believe -- for approximately \$250,000, which was raised by assessing each Incline Village parcel a one-time fee of \$31. Since then, Incline Lake has been drained, negatively affecting the scenic charm of the area, and the Forest Service has done nothing to improve the area. We still own the parcel, no improvements have been made, but fortunately we do not pay taxes on it. At this point, it has little value for us. There are many use restrictions on it, one of them being that nothing can be sold i.e. water, hats, sunblock, souvenir t-shirts etc. There is also a restriction on to whom it can be sold without incurring a penalty.

I wonder if this Diamond Peak Master Plan is leading us down the same path, but at a substantially higher cost? I wonder if the IVGID board members who will be voting on adopting this plan feel so strongly about its success that they would be willing to invest their personal money in it? That would be an interesting question to ask of them.

Let's look at the survey results figures. We're told that very high percentages of the respondents were in favor of almost all the activities and programs suggested. That would certainly justify going forth with Phase 1 of the proposed plan. BUT, only 500 people were interested enough to even participate in and complete the survey (another approximately 200 surveys were partially completed). Only 54% (270 people!) of these were full time residents, and another 29% (145 people) were part time residents. If my math is correct, that's 8.75% of residents even bothered to complete the survey. That's a total of 415 parcels out of 8,000 being represented – which is reduced if both spouses and/or family members each completed the survey. Is it fair for IVGID to invest, initially, \$4+ million in a venture that so few residents are interested in? Having remodeled a home, I understand that initial cost estimates are always too low, and have to believe that the Diamond Peak project will also end up costing much more than anticipated.

At Friday's Bonanza meeting, Mr. Pinkerton stated that IVGID wants to "provide services for the community." It appears to me that this project is aimed more at tourists than residents. To me, it appears that the low survey response indicates that the community does not want these particular services.

Since the zip line was one of the activities the report indicated would be of interest, out of curiosity we drove to see the Tahoe Treetop Adventure Park at the Granlibakken Conference

Center on Friday, July 11, in the late morning. Only 10 of the 12 parking spots were occupied, and there was only a handful of people participating, with no one waiting to take part. The Release of Liability form alone terrified me!! Liability insurance costs must be astronomically high! I observed children zipping on the line from tree platform to tree platform, often bumping at a fairly high speed into the foam padding attached to the tree trunks. I imagined that there would be some very sore children in bed that evening. It's my understanding that there are two other similar zip line centers in the area – one at Squaw Valley and another at Kirkwood ski area, and Heavenly has plans to install one also. With such limited interest, is it prudent to invest in yet another location to draw from the limited pool of visitors? Incidentally, the cost was \$50 for adults and \$40 for children up to 12. In today's economy, are there many families that can afford such pricey recreational activities, and how often? Remember; just because you build it, they won't necessarily come!

I agree that we could increase the usage of Diamond Peak in the summer, but I feel that we should start on a much smaller and less expensive scale to determine whether or not the projected visits figures are realistic. Perhaps hiking and biking trails could be developed, along with a Nature trail emphasizing educational and environmental principles. This could probably be done for a reasonable investment. I don't think that any permanent structures should be erected to mar the natural view of the area (i.e. climbing wall, equipment sheds etc.). A new Snowflake Lodge would be a welcome year round improvement, but I have reservations about noise from weddings, retreats, meetings etc.

Parking, trash and noise issues for those living in the immediate vicinity of the ski area need to be taken into consideration. In Tyrolian Village we often hear the band playing on the pier at the Hyatt hotel, which is much farther away than Snowflake Lodge or the base lodge. We have already experienced the noise pollution from a few summer events held at the base lodge in the past.

When we bought our home, we understood that there would be issues from visitors to the ski area in the winter, and we accepted that. Snow somewhat dampens the noise, but the parking is a nightmare. I invite board members to drive up and down Ski Way between Fairview and the upper parking lot on a weekend or holiday to experience the obstacle course the residents of Tyrolian Village have to maneuver on a busy ski day. People don't realize that Ski Way is an active traffic road, and not a parking lot. They unload their snow equipment onto the roadway, and even set up lawn chairs to have their lunch. Children dart out from between parked cars, and skiers get off of the trams and walk directly into the path of oncoming vehicles without checking first. This is a safety issue. Even though I've asked for signage to be posted e.g. ACTIVE TRAFFIC ROAD, DO NOT BLOCK or words to that effect, nothing has been done. There has been some discussion in the past that TRPA agreed not to allow summer activities at Diamond Peak, but I do not have personal knowledge of this MOU.

In my opinion, the Master Plan needs much more resident support before the IVGID board commits us to such a financial burden. We don't need another white elephant in our community.

Thank you for your time and attention.

**BILLS**  
(\$10,000.00 and Any Final CIP Payments)

		Amount	Department	Program	Project Name, Description & CIP information	
	<b>07/23 thru 07/29/2014</b>					
1	S. Geoffrey Schladow, PHD	76,000.00	TWSA	PW	Professional services for submission of complete final report regarding "Lake Tahoe Flow Modeling Update" ( 78% reimbursable per TWSA)- 06/27 Final payment	
2	<b>Sub-Total</b>	<b>76,000.00</b>				
3	<b>07/30 thru 08/05/2014</b>					
4	Averill Consulting, Inc	20,879.42	*			
5			PW	IT	\$18,531.02 - IT equipment and services support site recovery manager - inv 07/10	
6			General	IT	<b>District wide Microsoft Office Software Upgrade Project - \$2,348.40</b> - 1 open SQL server STD 2014 Open license GOV plus 10 SQL STD user client access license GOV - inv 07/10	
7					Project Mgr - Eick, CIP #1213CO1502, Total Contract \$7,000.00, Complete to Date \$2,348.40 or 33.55%	
8	BJG Architecture & Engineering	10,605.00	Eng	PW	<b>Public Works Equipment Storage Building Project</b> - Professional Services Contract for engineering and architectural design - inv 07/29	
9					Project Mgr - B. Johnson, CIP #2297BD1301, Total Contract \$123,750.00, Complete to Date \$45,522.50 or 36.79%	
10	CalFirst National Bank	15,677.00				
11			Carts	Champ Golf	\$9,314.36 - Sept 2014 Club Car Golf cart lease - inv 07/31	
12			Carts	Mtn Golf	\$6,362.64 - Sept 2014 EZ GO Golf cart lease - inv 07/31	
13	Independent Sanitation	88,788.55	*	General	PW	\$78,038.55 - JUL 2014 residential trash service, \$10,750.00 - JUL 2014 recycle fee - inv 08/01
14	Kelley Erosion Control, Inc	19,395.00	Eng	Ski	<b>Diamond Peak BMP Revegetation Project</b> - Professional services contract for irrigation system and planting - inv 07/22	
15					Project Mgr - Lefrancois, CIP #3499LI1404, Total Contract \$24,995.00, Complete to date \$19,395.00 or 77.60%	
16	Michael's Reno PowerSports	7,299.00	*	Fleet	Ski	<b>2005 Suzuki ATV #559 Replacement Project</b> - Replacement purchase for Ski ATV - inv 07/25

**BILLS**  
(\$10,000.00 and Any Final CIP Payments)

		<b>Amount</b>		<b>Department</b>	<b>Program</b>	<b>Project Name, Description &amp; CIP information</b>
17						Project Mgr - Allen, CIP #3464NL441, Total Contract \$7,299.00, Complete to Date 100% - <b>FINAL</b>
18	Thunderbird Communications, Inc.	14,141.41	*	Sewer	PW	<b>Sewer Pumping Station Improvements Project</b> - Radio telemetry equipment for sewer system - inv 06/30
19						Project Mgr - Lochridge, CIP #2599DI1104, Total Contract \$81,000.00, Complete to Date \$69,082.13 or 85.29%
20	<b>Sub-Total</b>	<b>176,785.38</b>				
21	<b>Combined 07/29 &amp; 08/05/2014</b>	<b>252,785.38</b>				

## **BOARD REPORT**

**TO:** Board of Trustees

**THROUGH:** Steven J Pinkerton  
General Manager

**FROM:** Gerry Eick, CPA CGMA  
Director of Finance, Accounting, Risk Management and Information  
Technology

**SUBJECT:** Information Technology Strategic Plan

**DATE:** August 4, 2014

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### **I. PURPOSE AND FINDINGS**

Over the last several months, the IT Department has been transitioning towards a new set of goals and policy direction. The attached Information Technology Strategic Plan (Plan) is intended to set that new direction by stating the intended goals.

### **II. BACKGROUND**

The Plan has been developed by considering the prior commitment of the District to move away from internally developed software coupled with several existing capital improvement projects that would move to more advanced hardware and software systems. These are all put into the context of the anticipated report, which is expected in September, from the District's IT Consultant; Averill Consulting Group. Averill Consulting Group's Tim Averill has reviewed and validated the goals stated in the Plan.

### **III. FINANCIAL IMPACT AND BUDGET**

Time is of the essence; therefore we are presenting the Plan as a report on August 13, 2014 with the expectation that at the Board of Trustees meetings in September or October, the Board of Trustees will receive the District's IT Consultant Report and see the outline for implementation. At the same time, under General Business, several capital projects will be brought forward to actually begin execution of the hardware and software upgrades.

**Incline Village General Improvement District  
Information Technology Strategic Plan  
Issued August 2014**

**Page 1 of 2**

**History**

The development of the current conditions for Information Technology (IT) for the Incline Village General Improvement District (IVGID) can be traced to two specific points in time – (1) a substantial reinvestment occurred as the District approached the concerns for the Y2K; and (2) following that action, a five year plan through 2005 was developed. These actions focused on the development of a local area network (LAN) and largely internally managed and internally developed operating systems. In the time since, the District has largely utilized Microsoft and Dell products and developed a network largely accessed by traditional personal computers through its radio based communications routing. No other formal updates have been made to the IT Strategic Plan as the focus was on implementation.

During 2012, the District finalized its shift to internally developed point of sales systems with the implementation of “Capstone” for District venues. The IT Department was made up of six members of Staff including three developers. Considerable resources were directed at writing program systems. The underlying hardware was maintained with a series of annual investments averaging about \$50,000 for each of the last 5 years. There have been additional individual purchases to support servers and routers. The District identified a project for a clean room, at the Administration Building, to provide a better environment after seeing a router fail prematurely. A variety of alternatives were discussed. While a project data sheet was developed, the work has not been undertaken at this time given the uncertainty of the Administration Building.

The 2013 Capital Improvement Planning process opened the door to several new directions for IT. These included the virtualization of the servers and moving to third party developed point of sales systems. The main drivers were the realization that technology advances in both hardware and software were moving faster than internal resources could match. Projects were scoped and reported for (1) point of sales system for the Diamond Peak Ski Resort; (2) virtualization of servers; and (3) firewall, licensing and Wi-Fi upgrades.

**Actions within Calendar Year 2014**

In April 2014, several personnel changes prompted the utilization of an IT Consultant to support management of the IT functions and department. This became an opportunity to ask for a general assessment of the condition and operations of IT for the District as a whole. Based on this review, the conclusion was to adopt an updated IT Strategic Plan and then proceed to implement change management to reach these strategies.

The consultants reviewed elements of hardware, software, operating systems, routing and communication systems, security systems and protocols, Staff and District existing procedures, and utilization of the IT Department in general. There was also a view to the future. Technology and the related devices are being utilized in an ever increasing capacity and roles across every operation within the District. This opportunity has the potential to affect far more than just the IT Department; it has the potential to actually provide a boost in productivity across many venues.

One ongoing limitation for the environment in which the District operates is the connectivity to outside of the Tahoe Basin. Given the nature of the mountain terrain and the under investment by internet providers, there are several options for processing that cannot be considered due to a lack of assurance of connectivity. Our

**Incline Village General Improvement District  
Information Technology Strategic Plan  
Issued August 2014**

**Page 2 of 2**

fundamental hardware plan is a private cloud, utilizing the previous decision to move to purchased software systems and eliminate internal development as soon as possible.

**Strategic Plan Effective upon Adoption in 2014**

**Goals**

1. Provide a robust and highly reliable technology infrastructure that supports the District's utility, community service, and administrative activities.
2. Develop a responsive governance structure for the IT Department that promotes accountability, communication, and collaborative support to all venues.
3. Develop a support model and technical infrastructure that strikes the appropriate balance between internal and external resources and satisfies the diverse needs of the District.
4. Provide superior information system technologies that will permit the implementation of the most cost-effective administration, the best customer services, and the best utilization of the District's information resources for policy direction, planning and decision making.
5. Support excellence in our IT Staff and our external resource providers.

**Attributes of Application of these Goals**

1. Maintain a fully redundant virtualized server configuration at Public Works and at the Administration locations.
2. Utilize an updated standardized network profile that allows communications between venues via both radio frequency and, as available, fiber lines. The network and related communication systems will separate capacities for District operations and the public's use. Public access will be made available to the extent communication infrastructure can be maintained for both services.
3. IT Department Staff will be organized to support regular operating functions while external providers will be sought to meet needs that occur infrequently or in special circumstances. An example will be to conduct an annual compliance review of all system integrity and security.
4. The District's IT Steering Committee will have representatives from all major venue users to provide regular feedback on service capacities and needs, to anticipate the future, and to monitor the current application of the District investment in technology.
5. The IT Department will maintain a set of objectives to support the stated Goals. An annual status report will be provided to the District's General Manager.

August 4, 2014

**IVGID**

Attention: **Steve Pinkerton**, General Manager  
893 Southwood Blvd.  
Incline Village, Nevada 89451  
e-mail: [steve\\_pinkerton@ivgid.org](mailto:steve_pinkerton@ivgid.org)

ORIGINAL DELIVERED EVEN DATE  
COPY E-MAILED ON EVEN DATE

Re: Request for Refund of the 2014-15 Recreation and Beach Facility Fees

Dear **Steve**:

As you know I am a local property owner of a dwelling unit (APN 128-052-09) who pays the Recreation ("the RFF") and Beach ("the BFF") Facility Fees.

IVGID has adopted a Resolution (1830) which orders collection of the RFF/BFF through the offices of the County Department of Revenue (as its collection agent) together with the County's collection of general *ad valorem* taxes. Although that resolution states, in part, that "all laws applicable to the levy, collection and enforcement of general taxes of the county, including, but not limited to, those pertaining to the matters of...REFUND...are applicable to such charges," no mechanism has been adopted for the administrative resolution of challenges to IVGID's assessment, nor claims for refund.

The right to claim refund of a general tax arises after the Board of Equalization ("the BOE") has certified that there have been changes in a property's assessed valuation. However in order to secure that certification, an owner of property (or his/her agent) must first exercise administrative remedies challenging its assessment. I have checked with the County Assessor who informs me the County will neither accept nor resolve claims for refund of the RFF/BFF for at least two reasons. First, the BOE resolves appeals based upon assessed valuation. Since the RFF/BFF is uniform in amount and not based upon assessed valuation, the BOE has no jurisdiction to hear my appeal.

Second, the BOE resolves appeals based upon a property's assessed valuation. Since the RFF/BFF is assessed against dwelling units rather than properties, the BOE has no jurisdiction to hear my appeal.

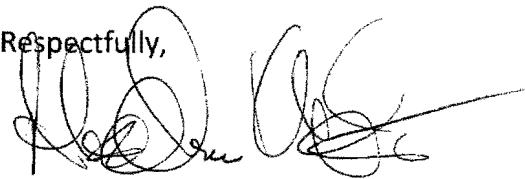
The Assessor informs me that since it is nothing more than IVGID's collection agent, my refund request must be addressed to IVGID. Therefore I am addressing it to IVGID. Next Monday I plan on paying the 2014-15 RFF/BFF for my property, under protest<sup>1</sup>. Contemporaneously, I am putting you on notice (as IVGID's GM) that I seek its refund. I make request that IVGID provide the administrative remedy, by a disinterested third party, the County is unable to provide.

If you have not advised me in writing of the administrative tribunal which will hear my claim for refund, as well as a date and time for the hearing, by August 15, 2014, I will construe IVGID's conduct to be the equivalent of offering me no administrative remedy whatsoever, and I shall act accordingly.

<sup>1</sup> I have previously placed IVGID on notice that all payments of the RFF/BFF to the County as IVGID's collection agent are under protest and duress.

Thank you for your cooperation.

Respectfully,



AARON L. KATZ

P.O. Box 3022

Incline Village, NV. 89450-3022

(775) 833-1008

e-mail · [s4s@ix.netcom.com](mailto:s4s@ix.netcom.com)

ALK/a  
encl.

## Herron, Susan

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**From:** Bob Lyons [bob@lyonsoffice.com]  
**Sent:** Monday, August 04, 2014 9:58 AM  
**To:** Bob Lyons; Wolfe, Joseph; Hammerel, Jim; Devine, Bill; Smith, Jim; Simonian, Bruce E.  
**Cc:** Herron, Susan  
**Subject:** RE: DP Master Plan  
**Attachments:** RE: IGVID's Master Plan for Diamond Peak

More input from our group sent directly to me and my reply.

Bob Lyons  
(H) 775-832-2534  
(M) 775-232-5063

**From:** Bob Lyons  
**Sent:** Friday, August 01, 2014 12:01 PM  
**To:** [joe\\_trustee@ivgid.org](mailto:joe_trustee@ivgid.org); [hammerel\\_trustee@ivgid.org](mailto:hammerel_trustee@ivgid.org); [devine\\_trustee@ivgid.org](mailto:devine_trustee@ivgid.org); [smith\\_trustee@ivgid.org](mailto:smith_trustee@ivgid.org); [bruce\\_trustee@ivgid.org](mailto:bruce_trustee@ivgid.org)  
**Cc:** [Susan.Herron@ivgid.org](mailto:Susan.Herron@ivgid.org)  
**Subject:** DP Master Plan

Gentlemen, I have about 25 homeowners who trust me to attend the board meetings and express our joint views. (I will gladly provide d-list if you want) With minor exceptions (family tree upgrades) we were all unanimous re: the OR 7 changes. But, as expected, not everyone is on the same page re: the DP Master Plan. Anticipating that would not be in unanimous agreement about the plan I encouraged my friends and neighbors to send their input directly to IVGID, but a couple of them have responded to me anyway. Some of the feedback I received includes a distrust of the SE Group, (I pulled their website and they seem credible) the financial forecasts and one colleague thinks it is a bit overkill – she called it an ‘Alpine Coney Island’ plan that violates the leave no trace mantra of the mountains. One of my neighbors thought the zip line and the roller coaster were a bit of an overkill, but I told him that the plan included installing the revenue generating parts of the project first in order to make the plan self funding for phases III and IV. He was not satisfied. I encouraged he and all respondents to send their input directly to you; however I suspect I will continue to receive more comments and I will pass them all along to you.

I am cc'ing you on my email updating my friends and neighbors that I sent out yesterday. (Turned it into a word doc) I was taking notes as fast as I could but I might have gotten the phasing deliverables a bit mixed up. Sorry about that. As I said Tuesday evening I think this is a good plan with a logical implementation timeline. But environmental sensitivity is important as this is Lake Tahoe and not Coney Island as one respondent indicated. And you likely know there is already a rock climbing wall in town already.

I think the upgrades are necessary in order to preserve the ski area from becoming obsolete, especially the upgrades to the chairlifts, the snow making and the terrain. SE is right, it takes about 10 minutes to get up the Lakeview chair and my son can ski down the lift line run in 40 seconds. They did their homework on the ski issues and they are 100 % correct on all of them. I was impressed. I also understand the summer activities need to come first in order to make the project self-funding as soon as possible.

Thank you for the hard work.

Bob Lyons - 719 Joyce Lane  
(H) 775 832 2534

(M) 775-232-5063

## Herron, Susan

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**From:** Bob Lyons [bob@lyonsoffice.com]  
**Sent:** Monday, August 04, 2014 9:40 AM  
**To:** Pamela Miller; Don/Pam Wight  
**Cc:** Beth Maxwell; Johnson Karen; Johnson Brian; Barta Leslie; Craig and Carla Kirk; Donna Karam; Carol Hayes; Nancy; Curtis McLachlan; hblr@pacbell.net; Louie Tall; TVHSFL@aol.com; Arnold Sullivan; Mary Becker; JaniceSchumacher37@yahoo.com; Lee Koch; Terry Barbery; Megan Warren; holnestahoe@charter.net; Charlene Meenan  
**Subject:** RE: IGVID's Master Plan for Diamond Peak

Thanks Pam's for your replies. I will forward to the IVGID board. Their plan makes good business sense to me, but I do not have any first had experience re: IVGID's track record for successful project management because I have only lived here since 2006. In my days in high-tech I was on the receiving end of countless 'death by powerpoint' presentations from software partners requesting investment money from HP and Visa, (my last two jobs) promising the reaping untold millions in quick returns for my firm(s) and I can smell them out pretty easily. SE Group impressed me. I checked them out on the Internet; they seem very credible and credentialled. More importantly, they did their homework and knew every issue re: shortcomings of our ski area and proposed a good solution for each one. I do understand that upgrading ski facilities is mandatory in order to compete with other areas and I am pretty sure very little, if anything, has been done the mountain itself since 1986 – (obviously I know about re-building the business office and minor changes to the lodge) and keeping the mountain itself upgraded is a separate need and does impact revenue. Proof point: I stopped skiing at Kirkwood years ago because the lifts are too slow. The speed of the lift has a dramatic effect on lift lines. Personally, I view installing the summer venues as necessary to keep the ski area up and running. (I don't expect unanimous agreement here)

Pam Miller: As far as financials for Diamond Peak or any other venue that carries a separate P&L I don't keep track because when they are announced they seem to be immediately refuted by certain townspeople who seem to have a different set of numbers readily available. However I would think that the financials are part of SE Group's business justification for moving ahead with the project.

If anyone else wants to express their point of view you can reply to all on this d-list or to IVGID directly. I previously asked that everyone reply to IVGID so as to avoid an internal debate between our group, but I suppose a healthy debate is not such a bad idea after all this is a proposed project that will create various opinions. I may have been wrong about the value of a zip line ride – I did one a while back in New Zealand and it was very affordable. That was the basis for my comment.

Again, if anyone replies to all I will forward your comments, un-edited, to IVGID unless you ask me not to or do it yourself. It is more important that they hear our opinions vs. keeping them internal to our group. And FYI there are six additional hearings coming up on this project, check with their web-site or call them for dates / times.

Thanks again.

Bob Lyons  
(H) 775-832-2534  
(M) 775-232-5063

**From:** Pamela Miller [mailto:tahoepamela@yahoo.com]  
**Sent:** Monday, August 04, 2014 7:28 AM  
**To:** Don/Pam Wight; Bob Lyons  
**Cc:** Beth Maxwell; Johnson Karen; Johnson Brian; Barta Leslie; Craig and Carla Kirk; Donna Karam; Carol Hayes; Nancy; Curtis McLachlan; hblr@pacbell.net; Louie Tall; TVHSFL@aol.com; Arnold Sullivan; Mary Becker; JaniceSchumacher37@yahoo.com; Lee Koch; Terry Barbery; Megan Warren; holnestahoe@charter.net; Charlene Meenan  
**Subject:** Re: IGVID's Master Plan for Diamond Peak

Dear Everyone,

Jim Hammerall informed me about this plan last spring. We do need to make DP more of a 4 season revenue generating resort, or risk losing it all together. The idea of refurbishing Snowflake Lodge and having it be available to rent for weddings, and private parties is excellent. That is a clear revenue gain with minimal impact.

Also, the zip line idea has a very small footprint. I was in Alaska this summer and every tourist town that we got off the cruise on had a zip line. They ranged in price from \$139 to \$179. My daughter works at Copper Mtn in Colorado and the zip line costs \$159, so \$100 is actually way too cheap. I teach high school and I know the kids would pay to do this type of adventure. The only impact is that they are parking their cars in the parking lot: big deal!

This town has been jammed with tourists all summer: we might as well take some of their money. I have ridden the alpine slide at Breckenridge. Again it is fun to do at least once, and is definitely a family oriented activity that tourists will take their small kids on.

Also as a skier, I totally support the expansion of the mountain. Spread the skiers out over more terrain! I feel that all of these activities make our mountain more economically viable. Did they mention how much money DP is currently losing every year?



Pamela Miller

On Sunday, August 3, 2014 8:39 PM, Don/Pam Wight <[fangwi@charter.net](mailto:fangwi@charter.net)> wrote:

You asked that I reply to all re you email about Diamond Peak.

Having spent many, many years either.... fighting for something....or fighting against something, I do not always keep up with IVGID these days

My personal opinion is that:

- \* Diamond Peak can never become a destination resort and I don't want it to do so. We are maxed out with summer renters. We do not need to attract summer day visitors
- \* Would not want a mini roller coaster ride OR .... a zip line @, you wrote....\$100/ride.
- \* Any improvement to "eating facilities" at DP for the summer would keep people out of local restaurants. If local restaurants "don't make it" during the summer and two weeks at Christmas.....they are gone.
- \* If I had a home in the vicinity of DP, I would be furious re any summer activities and resulting noise from cars, people and equipment. I would have known about the ski resort at time of purchase.....but I would NOT have thought there would be noise in the spring, summer & fall . I WOULD THINK that those home owner associations would actively oppose summer activities. Their property values could FALL..
- \* Know nothing re back country chair lift.
- \* Know nothing re other improvements to "keep up" with other ski resorts.
- \* Know nothing, these days, about cash flow at DP. I personally am happy if we break even and have a reserve
- \* Can not imagine IVGID selling muni bonds ....to finance any "Master Plan"without increasing Rec. Fee
- \* I do think that Diamond Peak is probably used....mostly by locals (be they parcel owners or renters). Is that terribly wrong?????
- \* I like that "is done" at DP for the summer will help DP compete with destinations like Hawaii in the winter

Pam

Sent from my iPad

On Jul 31, 2014, at 11:00 AM, Bob Lyons <[bob@lyonoffice.com](mailto:bob@lyonoffice.com)> wrote:

Update from last night's meeting re: Master Plan for Diamond Peak.

Well, I would suspect not all of you are going to agree with me, but they actually had a pretty decent plan this time – 18 months in the making. The town was split about 50 / 50 re: those in favor vs. those who are against, with the dissenters mainly being Katz, Wright, (yawn) and people who live close to the ski area. I did not have prior access to the plan and when it was presented by SE Group (they update ski areas for a living) so if you have a chance have a look at last night's presentation and provide your feedback to IVGID. Some of the upgrades proposed were a bit out there, like a zip line (\$100 per ride..... that is more likely worth about \$12.50 or \$8.00 with a Hyatt coupon) and a mini-roller coaster crisscrossing the ski runs, (elevated) but they also recommended upgrading Snow Flake Lodge and putting a back country chair off the top of Crystal Peak and down toward the Carson Valley. Here is a summary of my notes:

1. It is basically a 'keep up with the Jones' plan, citing improvements in the works for NorthStar, Squaw, Heavenly, Mt. Rose and Homewood that could take ski traffic and summer revenue away from Diamond Peak / Incline Village. The plan was more aligned to keeping people in town for activities vs. attracting people away from the competing resorts.
2. They recommend upgrading for income generating summer activities to help the ski area \$\$\$ / numbers in times of marginal snow. They had some impressive stats on the number of ski resorts in North America going down from circa 750 to 480 (I think) in the last 20 years, and said the numbers are declining because the resorts are not adapting.
3. It is a phased plan, with summer activities coming first in Phases I and II (Snow Flake Lodge upgrade) along with some infrastructure improvements (lifts, runs, snow making) and Phases III and IV (Back country lift) funded by income from Phases I and II with a forecast of 10% increased skier activity. Phase IV is not planned to be completed until year 8.
4. They claim a 4.2 Mn muni bond debt funding effort will return 8.2 Mn in capital improvements. Of course, if the plan is a bust then the parcel owners will likely be asked to help with the debt restructuring. Along these lines, they claim the project will not be funded via rec fees.
  - a. They claim an ROI (Return on investment) will be achieved by year 5. They also had IRR and NPV calculations (Internal Rate of Return and Net Present Value) stats that they did not present. Too bad, Beth and I can analyze this stuff pretty easily. I am sure many of you can also crunch the numbers.
5. I took some notes and this is what I said when my time to speak came up. I brought up six points:
  - a. I told them half of me does not want to turn the community into a destination resort but the other half of me knows that if we don't go ahead and invest while all of the other ski areas do we run the risk of our ski resort being rendered obsolete. And then in addition to not having summer activates we no longer have a ski area.
  - b. I told them I like the plan, assuming the numbers hold up. I also said the phased approach was logical with phases III and IV being funded from the revenue generated from phases I and II.
  - c. I told them I was not fully sold on the roller coaster gizmo, as one of the previous speakers was pretty vocal re: increased noise (kids screaming) and the impact on those who live close to DP. He had a very valid point as the coaster is planned to run until 8 PM in the summer. They also plan to run it in the winter, not sure how that will work out.
  - d. I recommended that they survey the Hyatt re: how many guests actually are directed out of the area by Hyatt employees for summer activities and to forecast the associated loss of revenue. I did not bring this up but it might make sense to keep these people in town. Since these guests are already in town it would be better to ferry them to DP vs. have them driving up

and down Hwy 28 to get in and out of town. I did say since these guests are already here, they can't make it any worse.

e. I also said we need an alternative to Lake Tahoe and the beaches for summer activities when the wind kicks up.

f. Last, I told them the worst part of the plan from my perspective was that I would be 72 years old by the time the back country lift was in operation and asked them to speed up the timeline. That got a chuckle from the audience.

If you have a POV please send it to IVGID. Thanks.

Bob Lyons  
(H) 775-832-2534  
(M) 775-232-5063

**From:** Bob Lyons

**Sent:** Sunday, July 27, 2014 9:22 AM

**To:** Bob Lyons; 'Don/Pam Wight'; Beth Maxwell; 'Johnson Karen'; 'Johnson Brian'; 'Barta Leslie'; 'Craig and Carla Kirk'; 'Donna Karam'; 'Carol Hayes'; 'Nancy'; 'Curtis McLachlan'; '[hblr@pacbell.net](mailto:hblr@pacbell.net)'; 'Louie Tall'; '[TVHSFL@aol.com](mailto:TVHSFL@aol.com)'; 'Arnold Sullivan'; Mary Becker; '[JaniceSchumacher37@yahoo.com](mailto:JaniceSchumacher37@yahoo.com)'; '[tahoepamela@yahoo.com](mailto:tahoepamela@yahoo.com)'; 'Lee Koch'; 'Terry Barber'; 'Megan Warren'; '[holmestahoe@charter.net](mailto:holmestahoe@charter.net)'; 'Charlene Meenan'

**Subject:** IVGID's Master Plan for Diamond Peak

Please see attached email from our neighbor Karen Johnson and my initial reply. Apparently there is a meeting planned for this Wednesday, 7/30 at the Chateau to discuss the master plan for Diamond Peak, presumably about summer use. If we can come to a consensus (might be a bit tough) on this I am happy to present our views at this meeting and say I represent about 25 parcel owners. Of course I would need everyone's input prior to the meeting and concurrence re: joint POV.

Here are my initial thoughts:

1. We need to hear them out first, so it may be tough to form an opinion without knowing the plan. This plan may be driven by one / two Trustees who were exposed at the 6/11 meeting as having the aspiration to turn Incline Village into the next Aspen.

a. They are planning a one hour 'meet and greet' from 4:30 to 5:30, so they are apparently going to try hard to work the crowd.

2. Assuming the plan is wild and crazy, involves untold millions in typical top-dollar IVGID style spending / bond issues, is disruptive to the community and is driven by one or more Trustees more concerned about padding their resumes vs. respecting the needs of the homeowners then we should take issue with it and require a full disclosure as to why they feel the need to compete with Northstar, Vail (East / West Properties I think), Squaw Valley and other destination resorts.

3. If the ultimate plan is to turn Incline Village into a destination resort (duh, where is the airport and the highway infrastructure???) this plan would change the personality of our area significantly and we need to decide, individually, if this is a good idea. If we all agree one way or another that would be great. If the vote is 23 – 2, say, for example, then the minority can opt out of being included in my presentation of our POV.

a. Upside of becoming a destination resort:

- i. Home values may increase.
- ii. Good for local businesses.

iii. Good for Hyatt and their desire to become a five star hotel.

(They are currently stuck with four star status because they don't own a resort or golf course)

iv. Good for Trustees who want to pad their resume and go work somewhere else for a real salary (wink wink, pls n h )

b. Downside of becoming a destination resort

- i. Traffic, traffic, more traffic

- ii. Impact on wildlife. Kiss the bears goodbye. Or maybe there will be more of them as the short term visitors are the culprit re: easily accessible garbage. In any event, expect more of them to be killed.
  - iii. More work and planning for an already stressed WM Waste staff / facility.
  - iv. Environmental impact on the Lake.
  - v. Increased short term rental population and impact on the beaches.
  - vi. Plan to increase home values may backfire if the place is overrun and home values may decrease.
- c. My view:
  - i. Personally I don't think Incline Village is geographically situated to become a destination resort. It is impossible to expand the roads and there is no airport nearby. Land here is finite and expansion is not possible, meaning poorly planned expansion will result in overcrowding. And unless they plan on building runways off the Hyatt pier (gotta throw in a little humor here.....) there is no way to compensate for this shortfall. Northstar and Squaw had land to play with when they implemented their expansion plans – Martis Camp, Lookout Mountain, Lahonton, Squaw Valley and Alpine Meadows merging – there was already a chairlift in place to connect the two resorts – it was privately owned. And they did not have the Lake to consider.
  - ii. The impact on the Lake has to be taken into account.
  - iii. The ski area is small, sits on a westerly facing slope (meaning the snow melts fast for you non-skiers) and is at a low elevation. (8,500 feet at the top – the base of Mt. Rose is at 8,260, again, for you non-skiers) It is impossible to change this geographical limitation regardless of how much \$\$\$ you throw at the issue.
    - 1. I have heard of plans to expand the ski terrain at Diamond Peak to the Northeast from the top of the Crystal Chair, (towards Carson Valley and Reno) which I am in favor of. Don't know if that is part of the plan for their presentation next week or not. Again, for you non-skiers, the topography of Diamond Peak is such that good skiers and beginners who think they belong on the top of the hill always have to take the Crystal Run down unless it is a heavy snow season which allows for the more difficult runs to be available to the good skiers. This means good skiers and 'accidents waiting to happen' are on the same run – not good. Good skiers and beginners do not belong on the same runs because the actions of beginners are unpredictable.
    - iv. Diamond Peak is already used in the summer in case you don't know – mountain biking trails crisscross it and hiking, both non-revenue producing activities.
    - v. If my theory of becoming a destination resort is not true and they simply want to expand for revenue producing activities like a zip-line, year round restaurant, etc. then it may not be the worst plan, but IVGID seems to have a very nasty habit of thinking that they have to be the biggest and best at everything, which comes with a large price tag. Have you seen all the brand new shiny toys they have at mid-mountain at Diamond Peak and then looked at what Mt. Rose uses for the same purpose? It is the Prince and the Pauper.
    - vi. I think a controlled growth plan is need, with expansion considered on a project by project basis vs. one master plan which could turn the town upside down. Don't forget, this is the same group of Trustees who, merely a month or two ago, wanted to make our beaches open to the public. To say the current board has a credibility issue is an understatement.

Pls cc; all on your reply, and if you want to opt out of this d-list let me know. If the replies are all over the place and we can't come to a consensus I will speak as an individual parcel owner



## Herron, Susan

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**From:** Bob Lyons [bob@lyonsoffice.com]  
**Sent:** Friday, August 01, 2014 12:01 PM  
**To:** Wolfe, Joseph; Hammerel, Jim; Devine, Bill; Smith, Jim; Simonian, Bruce E.  
**Cc:** Herron, Susan  
**Subject:** DP Master Plan  
**Attachments:** Update from last night.docx

Gentlemen, I have about 25 homeowners who trust me to attend the board meetings and express our joint views. (I will gladly provide d-list if you want) With minor exceptions (family tree upgrades) we were all unanimous re: the OR 7 changes. But, as expected, not everyone is on the same page re: the DP Master Plan. Anticipating that would not be in unanimous agreement about the plan I encouraged my friends and neighbors to send their input directly to IVGID, but a couple of them have responded to me anyway. Some of the feedback I received includes a distrust of the SE Group, (I pulled their website and they seem credible) the financial forecasts and one colleague thinks it is a bit overkill – she called it an ‘Alpine Coney Island’ plan that violates the leave no trace mantra of the mountains. One of my neighbors thought the zip line and the roller coaster were a bit of an overkill, but I told him that the plan included installing the revenue generating parts of the project first in order to make the plan self funding for phases III and IV. He was not satisfied. I encouraged he and all respondents to send their input directly to you; however I suspect I will continue to receive more comments and I will pass them all along to you.

I am cc'ing you on my email updating my friends and neighbors that I sent out yesterday. (Turned it into a word doc) I was taking notes as fast as I could but I might have gotten the phasing deliverables a bit mixed up. Sorry about that. As I said Tuesday evening I think this is a good plan with a logical implementation timeline. But environmental sensitivity is important as this is Lake Tahoe and not Coney Island as one respondent indicated. And you likely know there is already a rock climbing wall in town already.

I think the upgrades are necessary in order to preserve the ski area from becoming obsolete, especially the upgrades to the chairlifts, the snow making and the terrain. SE is right, it takes about 10 minutes to get up the Lakeview chair and my son can ski down the lift line run in 40 seconds. They did their homework on the ski issues and they are 100 % correct on all of them. I was impressed. I also understand the summer activities need to come first in order to make the project self-funding as soon as possible.

Thank you for the hard work.

Bob Lyons – 719 Joyce Lane  
(H) 775-832-2534  
(M) 775-232-5063

Update from last night's meeting re: Master Plan for Diamond Peak.

Well, I would suspect not all of you are going to agree with me, but they actually had a pretty decent plan this time – 18 months in the making. The town was split about 50 / 50 re: those in favor vs. those who are against, with the dissenters mainly being Katz, Wright, (yawn) and people who live close to the ski area. I did not have prior access to the plan and when it was presented by SE Group (they update ski areas for a living) so if you have a chance have a look at last night's presentation and provide your feedback to IVGID. Some of the upgrades proposed were a bit out there, like a zip line (\$100 per ride..... that is more likely worth about \$12.50 or \$8.00 with a Hyatt coupon) and a mini-roller coaster crisscrossing the ski runs, (elevated) but they also recommended upgrading Snow Flake Lodge and putting a back country chair off the top of Crystal Peak and down toward the Carson Valley. Here is a summary of my notes:

1. It is basically a 'keep up with the Jones' plan, citing improvements in the works for NorthStar, Squaw, Heavenly, Mt. Rose and Homewood that could take ski traffic and summer revenue away from Diamond Peak / Incline Village. The plan was more aligned to keeping people in town for activities vs. attracting people away from the competing resorts.
2. They recommend upgrading for income generating summer activities to help the ski area \$\$\$ / numbers in times of marginal snow. They had some impressive stats on the number of ski resorts in North America going down from circa 750 to 480 (I think) in the last 20 years, and said the numbers are declining because the resorts are not adapting.
3. It is a phased plan, with summer activities coming first in Phases I and II (Snow Flake Lodge upgrade) along with some infrastructure improvements (lifts, runs, snow making) and Phases III and IV (Back country lift) funded by income from Phases I and II with a forecast of 10% increased skier activity. Phase IV is not planned to be completed until year 8.
4. They claim a 4.2 Mn muni bond debt funding effort will return 8.2 Mn in capital improvements. Of course, if the plan is a bust then the parcel owners will likely be asked to help with the debt restructuring. Along these lines, they claim the project will not be funded via rec fees.
  - a. They claim an ROI (Return on investment) will be achieved by year 5. They also had IRR and NPV calculations (Internal Rate of Return and Net Present Value) stats that they did not present. Too bad, Beth and I can analyze this stuff pretty easily. I am sure many of you can also crunch the numbers.
5. I took some notes and this is what I said when my time to speak came up. I brought up six points:
  - a. I told them half of me does not want to turn the community into a destination resort but the other half of me knows that if we don't go ahead and invest while all of the other ski areas do we run the risk of our ski resort being rendered obsolete. And then in addition to not having summer activates we no longer have a ski area.
  - b. I told them I like the plan, assuming the numbers hold up. I also said the phased approach was logical with phases III and IV being funded from the revenue generated from phases I and II.
  - c. I told them I was not fully sold on the roller coaster gizmo, as one of the previous speakers was pretty vocal re: increased noise (kids screaming) and the impact on those who live close to DP. He had a very valid point as the coaster is planned to run until 8 PM in the summer. They also plan to run it in the winter, not sure how that will work out.
  - d. I recommended that they survey the Hyatt re: how many guests actually are directed out of the area by Hyatt employees for summer activities and to forecast the associated

loss of revenue. I did not bring this up but it might make sense to keep these people in town. Since these guests are already in town it would be better to ferry them to DP vs. have them driving up and down Hwy 28 to get in and out of town. I did say since these guests are already here, they can't make it any worse.

- e. I also said we need an alternative to Lake Tahoe and the beaches for summer activities when the wind kicks up.
- f. Last, I told them the worst part of the plan from my perspective was that I would be 72 years old by the time the back country lift was in operation and asked them to speed up the timeline. That got a chuckle from the audience.

If you have a POV please send it to IVGID. Thanks.

Bob Lyons  
(H) 775-832-2534  
(M) 775-232-5063

## Herron, Susan

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**From:** jhammerel@gmail.com on behalf of Jim Hammerel - IVGID [hammerel\_trustee@ivgid.org]  
**Sent:** Thursday, July 31, 2014 11:33 AM  
**To:** Herron, Susan  
**Subject:** Fwd: Help Decide Diamond Peak's Future

Hi Susan,  
Correspondence received.

Jim Hammerel  
Vice Chairman  
Board of Trustees  
893 Southwood Blvd.  
Incline Village, NV 89451  
email: [hammerel\\_trustee@ivgid.org](mailto:hammerel_trustee@ivgid.org)  
phone: 775-298-1546



----- Forwarded message -----

From: John <[jfaadland@yahoo.com](mailto:jfaadland@yahoo.com)>  
Date: Wed, Jul 30, 2014 at 9:38 PM  
Subject: Re: Help Decide Diamond Peak's Future  
To: Jim Hammerel <[jhammerel@gmail.com](mailto:jhammerel@gmail.com)>  
Cc: Gladys Gmail <[gladysaadland@gmail.com](mailto:gladysaadland@gmail.com)>

Hi Jim,

Thanks for sending the information below and the link to the DP Master Plan. I was able to attend tonight and like most of those in attendance, I fully support the development of the DP Master Plan as I see it as a much needed planning model for improving our great little neighborhood ski area for greater use throughout all four seasons. I ski at DP nearly every week (mid-week) in the winter season when I am not teaching over at NS and we are very fortunate to have DP Ski Area right here in our backyard. I also participated in a 3-day PSIA education event there this winter as well. The only major point of contention seems to be the Alpine Slide/Coaster proposal of which I am neither for or against, but there seems to be allot of concern over building the coaster and the potential environmental impact?

Otherwise, I believe going forward with approving the DP Draft Master Plan is the right thing to do for the future of Incline Village for both full and part-time residents along with enhancing tourism and business revenue.

Cheers,  
John

PS - Congratulations on the birth of your baby girl and we wish you and your family all the best!

On Jul 29, 2014, at 5:13 PM, Jim Hammerel <[jhammerel@gmail.com](mailto:jhammerel@gmail.com)> wrote:

Yikes. My apologies. Here's the correct link to the Master Plan:

[http://www.ivgid.org/client\\_uploads/diamond\\_peak\\_master\\_plan\\_july2014.pdf](http://www.ivgid.org/client_uploads/diamond_peak_master_plan_july2014.pdf)

Sorry,

Jim

On Tue, Jul 29, 2014 at 5:04 PM, Jim Hammerel <[jhammerel@gmail.com](mailto:jhammerel@gmail.com)> wrote:

Dear Friend,

First and foremost, I apologize for the impersonal nature of a mass mailing, but this was the most effective way to get to everyone right now.

A few people have asked to be made aware when an important issue comes before the IVGID Board of Trustees, so I wanted to send out a little public service announcement that one of those issues is here. Tomorrow, Wednesday July 30, the Trustees will be collecting public comment on the final Diamond Peak Master Plan. This plan has taken over a year to create and is nearly ready for adoption by the Trustees. We're anticipating a final vote to approve it in September.

Diamond Peak's current master plan is almost 30 years old and is largely completed. This new plan sets forth a strategy that will not only improve winter operations, but also open the door to summer operations at Diamond Peak.

I invite you to review the new plan by downloading it here:

[http://www.ivgid.org/client\\_uploads/se\\_group\\_meet\\_and\\_greet\\_7\\_30\\_2014.pdf](http://www.ivgid.org/client_uploads/se_group_meet_and_greet_7_30_2014.pdf)

You can also view the meeting agenda here:

[http://www.ivgid.org/client\\_uploads/bot\\_regular\\_agenda\\_7\\_30\\_2014.pdf](http://www.ivgid.org/client_uploads/bot_regular_agenda_7_30_2014.pdf)

An informal meet and greet with the consultants who drafted the plan will start at 4:30pm at the Chateau. The regular board meeting will begin at 6:00pm at the same location. Drinks and light snacks will be served.

If you're receiving this email it's because you and your demographic are under-represented in this town. Decisions are being made on your behalf by people who don't share your vision or values. Although emails and letters to the board (a big thank you to those that have written) are really important and welcome, the most effective way to have your voice heard is attending a meeting and voicing your opinion to the entire board at once.

I invite you to share this, or invite others who may be interested in the future of Incline Village/Crystal Bay and our valuable amenity Diamond Peak.

What: IVGID Board of Trustees Meeting (Diamond Peak Master Plan)

When: Wednesday, July 30 at 4:30pm/6:00pm

Where: The Chateau on Fairway Blvd.

Who: You!

Sincerely,

Jim Hammerel

IVGID Board of Trustees

## **Herron, Susan**

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**From:** Kathryn Bricker [brickerkathryn@hotmail.com]  
**Sent:** Saturday, July 26, 2014 3:19 PM  
**To:** Herron, Susan  
**Cc:** pressbonanzaeditor; mark smith; carolyn stark-wegnerbears  
**Subject:** please forward to trustees and enter in record  
**Attachments:** WOS country club center 7.26.14.jpg; 2wos country club center 7.26.14.jpg

Incline Village Trustees:

Remember Sandy and her cubs who were relocated by NDOW in 2012 from Incline Village to the Sweetwater range? Miraculously Sandy returned to her original home in Sand Harbor without being struck by a vehicle and was trapped this morning again by NDOW and released.

Meanwhile the exact same business dumpsters in Incline Village where she was originally trapped continue to bait bears and the Incline Village Trustees postpone making a decision as to whether mandatory bear resistant trash receptacles are right for the community. Are we really going to continue to be so unfair to the bears?

The pictures of trash violations included are posted today on Lake Tahoe Wall of Shame. Nothing has changed since 2012 when Sandy and her cubs were feeding from these dumpsters.

Kathryn Bricker



## **Herron, Susan**

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**From:** Wilson, Brad R.  
**Sent:** Tuesday, July 29, 2014 3:23 PM  
**To:** Herron, Susan  
**Subject:** From a Diamond Peak Pass Holder

From March 13, 2014:

Hello,

As your valley neighbor down in Carson City, I have been following with considerable interest the Master Plan for adding all-season activities to the Diamond Peak Ski Resort and want to tell you why I am so excited about the project.

After a wonderful day on the slopes this Thursday, I made an opportunity to drop by the Resort Office and chat with General Manager, Brad Wilson. It seems Brad's enthusiasm for the project surpasses even my own, and you folks are fortunate to have such an intelligent, well-spoken advocate on the IVGID payroll. As he pointed out to me, numerous challenges lie ahead, but I am optimistic the plan will successfully navigate not only the many approval processes, but also the considerable funding challenges that lie ahead.

Back to why I'm excited!

It has always seemed to me that as simply awesome a non-skiing visit to Incline Village may be, tourists are no doubt looking for more to see and do than getting sunburn on the beach at Sand Harbor, hiking, gazing wistfully at the remains of the Ponderosa/Bonanza, playing miniature golf and enjoying the restaurants.

An expanded, and more accessible Snowflake Lodge seems to be an excellent place to begin. Our neighbor Donna here in Quail Run Retirement does not get around too well these days, but I can imagine the surprise of her Red Hat Club girlfriends when she takes them to a luncheon overlooking Lake Tahoe. Wow! We brought her with us a day last fall and she had a great time just hanging out in the Base Lodge. Snowflake is a diamond in the rough and has sooo much potential as a North Lake destination

Zip-lines should be next on the list. The wife and I spent 10days on Kauai last fall and a zip-line adventure was one of the high points. Safe and secure, but exciting enough to for even the most jaded. And a special part of the tour was having our guides inform us of the island scenery we were enjoying and telling of how threatened much of it was and what was being done to preserve it. A motivating educational experience in addition to all the fun!

Well, I could go on and on (don't get me started on Alpine Slides!), but I think you've got the idea.

Best wishes and I look forward to someday bringing my three grandchildren to Diamond Peak and enjoying a wonderful summer day.

From IPad: Steve Waclo  
1171 Bandtail Drive  
Carson City, NV 89701  
775 883 7927

Brad Wilson  
General Manager  
Diamond Peak Ski Resort  
(775) 883 7927

**Herron, Susan**

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**From:** Nick Harris [nhtahoe@gmail.com]  
**Sent:** Tuesday, July 29, 2014 1:41 PM  
**To:** Herron, Susan  
**Subject:** The Diamond Peak Master Plan

My family has been full time in Incline since 1995. I went to middle and high school here, and was on the Diamond Peak Ski Team for years. My wife and I recently purchased our first home at 1323 Zurich Ln. We're big supporters of Diamond Peak becoming a better year-round resource (we run and mountain bike on Diamond Peak just about every day of the week). We've definitely got a few grumps in Tyrolian Village who oppose all progress/change, but I think most of us here are excited about improvements to our community. Maybe with the exception of the Segway tours which would be an abomination! Just wanted to add our voices in support of what you are doing.

Can't make the July 30th meeting, but would like a meeting packet.

Cheers,  
Nick & Mari Harris

## Herron, Susan

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**From:** jhammerel@gmail.com on behalf of Jim Hammerel - IVGID [hammerel\_trustee@ivgid.org]  
**Sent:** Tuesday, July 29, 2014 12:01 PM  
**To:** Herron, Susan  
**Subject:** Fwd: Against White Form passes  
**Attachments:** Whit Form Letter Against such a pass.docx

Correspondence received.

Jim Hammerel  
Vice Chairman  
Board of Trustees  
893 Southwood Blvd.  
Incline Village, NV 89451  
email: [hammerel\\_trustee@ivgid.org](mailto:hammerel_trustee@ivgid.org)  
phone: 775-298-1546



----- Forwarded message -----

From: **DR JAMES FORSYTHE** <[eforsythe@sbcglobal.net](mailto:eforsythe@sbcglobal.net)>  
Date: Tue, Jul 29, 2014 at 11:57 AM  
Subject: Against White Form passes  
To: "hammerel\_trustee@ivgid.org" <[hammerel\\_trustee@ivgid.org](mailto:hammerel_trustee@ivgid.org)>

I stand against the "white form passes that are being used. I am a property owner and have bee for 30 years. I am sending a letter that was written by Jane Bekowich. I am in support of her letter.

Thank you,  
Earlene Forsythe  
Property Owner  
Unit 28 Crystal Shores East, 549 Lake Shore Blvd

Dear Board of Trustees,

It has come to my attention a 'white form' pass is being used to enable renters and guests of parcel owners to use the beaches. It is my understanding this includes all time share units, the Hyatt, the Parkside Inn, any condo or home being rented etc. These forms are often included in rental packets provided by agencies or homeowners. There are no limits to the number of passes that may be given out. The 'white form' pass is NOT included in our Ordinance #7 and should be eliminated. There will be a flurry of protests by owners of rental units, but Sand Harbor with shuttle service from Incline Village, and Kings Beach are minutes away. People will continue to come to Incline Village. This area is one of the most beautiful spots in the world. Our beaches don't need to be compromised.

Let's look at potential numbers:

\*Time Share:

200 time share units in Incline Village x 16 summer weeks X 3,200 weekly owners X 3 people per week (on average) = 9,600 white form passes

Condos:

\*Using VRBO and Home Away there are approximately 675 rental units available on these two sites alone. This doesn't include rental agencies and real estate firms.

\*Hyatt Hotel:

May use as many 'white forms' as they like. Some guests prefer Incline Village private beaches because we have children's facilities and a less expensive snack bar.

I have been told that in 2012 more than 11,000 white form passes were used for our beaches. One can imagine how many were issued in 2013 or what the numbers will be this year. Does this tell you, as homeowners, that we have a problem?

I propose the following inclusion in our Ordinance #7 Article 111 Item 30

Should read as follows:

Available Privileges: Every eligible parcel may receive any combination of up to five (5) Recreation Passes or Recreation Punch Cards. A additional five (5) Punch Cards Per parcel may be purchased for a fee of 1/3<sup>rd</sup> of the recreational fee, with a maximum of ten (10) Recreation Passes and/or Punch Cards per parcel.

Should a parcel owner require beach 'special occasion' guest passes for a specific date, a list of guests will be provided to the Recreation Department along with the beach access fees as determined by IVGID. Individual beach passes will be issued accordingly. IDs will be required at the gate for all adults. Parcel owners will be able to do this on a one time per year basis

Jane Bekowich





Brad Wilson  
General Manager  
Diamond Peak  
1210 Ski Way  
Incline Village, NV 89451

Dear Brad,

Thanks to you and your staff for the comprehensive presentation on Diamond Peak's Master Plan and its' exciting potential, should such a direction be adopted. From our discussion following your presentation, I know it was no surprise that the Master Plan implementation garnered unanimous and enthusiastic support from the Incline Village Crystal Bay Visitors Bureau board of directors.

A project as innovative and financially solid as the one detailed in your plan has the ability to provide long needed tourism infrastructure that would positively affect not only the Incline Village and Crystal Bay communities, but the entire North Shore. Our business community will certainly be excited with the prospects. Of particular note, is the diversification of activities to provide recreational alternatives not tied to snowfall amounts and timing. With our last three years' experience, such alternative activities seem critical to maintaining our tourism base.

Please keep us informed about progression of the Master Plan, Brad, and let this agency know how we may assist in insuring its' adoption and implementation. Your team is to be commended for leading the charge to innovation within our ski resort community.

Sincerely,

A handwritten signature in blue ink that appears to read "Bill".

Bill Hoffman  
Executive Director  
Incline Village/Crystal Bay Visitors Bureau

## Herron, Susan

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**From:** jhammerel@gmail.com on behalf of Jim Hammerel - IVGID [hammerel\_trustee@ivgid.org]  
**Sent:** Tuesday, July 29, 2014 11:42 AM  
**To:** Herron, Susan  
**Subject:** Fwd: Incline Village General Improvement District Support :: Jim Hammerel - Trustee

Correspondence received.

Thanks,

Jim Hammerel  
Vice Chairman  
Board of Trustees  
893 Southwood Blvd.  
Incline Village, NV 89451  
email: [hammerel\\_trustee@ivgid.org](mailto:hammerel_trustee@ivgid.org)  
phone: 775-298-1546



----- Forwarded message -----

From: **Rick Holden** <[r6000h@yahoo.com](mailto:r6000h@yahoo.com)>  
Date: Tue, Jul 29, 2014 at 10:37 AM  
Subject: Incline Village General Improvement District Support :: Jim Hammerel - Trustee  
To: [hammerel\\_trustee@ivgid.org](mailto:hammerel_trustee@ivgid.org)

Incline Village General Improvement District Support :: Jim Hammerel - Trustee

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Name: Rick Holden  
Email: [r6000h@yahoo.com](mailto:r6000h@yahoo.com)  
Phone:  
Fax:  
Street:

City: Incline Village  
State, Zip: NV, 89451  
Subscribe: Yes  
Comments:

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Hi Jim,

I'm a local resident and avid user of Tahoe's abundant outdoor recreation opportunities. I wanted to voice my opinion on the Diamond Peak master plan. I am in strong favor of the plan. I think it is the right approach in keeping Diamond Peak a local community resort. Adding summer activities that stick to the natural beauty of

DP but expand access via additional trails, lifts, summer camps, etc. will improve the experience for locals and also attract the type of tourist/visitor that Incline Village would want.

Regards  
Rick Holden

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User Agent:

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Mozilla/5.0 (Macintosh; Intel Mac OS X 10.9; rv:29.0) Gecko/20100101 Firefox/29.0

Session Data (SID: ashdrh9v0dgp3ige310v3q9nj3):

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Array
(
    [captchaCompleted] => 1
)
```

## Herron, Susan

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**From:** Anna Becker [tahoebecker@hotmail.com]  
**Sent:** Monday, July 28, 2014 7:00 PM  
**To:** Herron, Susan  
**Subject:** In Support of Summer Activities at Diamond Peak

Hi Susan,

I am unable to attend this week's Master Plan presentation; however, I wanted to express my **strong support** for the proposal to introduce year-round activities at Diamond Peak.

I am long-time resident of Incline Village (>10 years) and have been a season passholder at Diamond Peak. I believe we can implement a reasonable program that won't impact quality of life for local residents while also introducing a new revenue stream for our community...not to mention activities that I would be glad to share with my family and friends. The resort is a big part of what makes our community special and I can't think of a better option than taking advantage of the terrain in the summer for organized, safe outdoor recreation.

Please use this email as my support, as needed, during the meeting to represent my voice.

Thanks in advance,  
Anna Becker

Sent from Windows Mail

## JUST THE “BEAR” FACTS, PLEASE

Over the past several months I have tried to educate myself on “the bear issue” as it relates to the proposed changes to IVGID’s Ordinance 1 (Trash Removal) policy. I have found it difficult to sort out the emotional arguments from fact and logic. I was pleased to see IVGID’s new General Manager, Steve Pinkerton, delay further discussion on the trash ordinance until more homework has been done as this is a very controversial topic as IVGID can ill-afford another public fiasco like the proposed Ordinance 7 recreation policy changes that the public overwhelmingly rejected.

Before going further, I want to make it clear that I like bears and don’t want to see them get in harms way. If new policies and practices truly protect them, then I say “go for it”. But, so far, the logic behind a “mandate” affecting all property owners somehow escapes me. And, there are a number of questions that simply have not been answered to my satisfaction. So, let’s ask these questions of logic and see if they evoke rational answers:

1. It’s a given that bears get hungry. It’s also been stated by the “experts” that, because of the recent drought, nature will not provide sufficient natural or normal food sources in the wild. Therefore, the bears, probably in larger number than normal, will seek food elsewhere. Okay, so some come to IV/CB. If they don’t find food in our trash because everyone has been mandated to have bear-proof containers or small brown condos in front of their homes (bear boxes), **where will they go?**
2. **Won’t the bears still be hungry? Won’t they become more desperate and more aggressive?** Aren’t they likely to try to get on patios/decks where barbecuing takes place? Or into kitchens/homes where baking takes place? Or cars where maybe someone has left fast food remnants inadvertently? Or other similar places where true human/bear conflict could be significantly more dangerous than getting into a trash can? Should we then mandate no more outdoor barbecues or should we fine people for baking with their windows open?
3. As the argument goes, eventually these discouraged (but even hungrier) bears will go away. But, remember, they are still hungry. So, will we feel better about their plight if they wander to someplace else (say, King’s Beach) and get in harm’s way? **Does “not in my back yard” solve the “problem” or does it simply move the “problem”?** Remember, the experts have told us there is not enough natural food in their natural habitat. They must either go to another Community to seek food or go back to their natural habitat and starve!?
4. According to the tax rolls, IV/CB has some 8700 properties. How many irresponsible owners are there that do not follow current policy? How many fines have been levied? More important, where fines have been levied, what is the recidivism (repeat offender) rate? Let’s say that 5% of our parcel owners are somehow irresponsible (pick any number, the point will still remain). **Why penalize/tax 95% of the population for the negligence of the few? If we have fewer than 200-300 bad neighbors, why are we considering taxing some 8300-8500?** This is a government mandate mentality.
5. I have heard a thought process that says why not start the mandatory containers with Commercial/HOA dumpsters where some of the more prominent “incidents” have occurred. On the surface, this seems logical. However, those who favor a blanket mandate for everyone will say that the bears will then go to residential containers when they don’t find food at the commercial dumpsters. Following this logic then begs the earlier question posed in #2 above – they won’t find food at residential containers under a mandated policy and will become more desperate and more aggressive – still in our backyard!

6. **So, I'm back to current policy. Is it aggressively inspected and enforced? What is the recidivism rate? How big is the problem exactly---how many properties?** It is my hypothesis that rigorous policing and significant penalties will curb most of the negligence. Force bear-proof containers and dumpsters on repeat offenders and hit them hard in the pocketbook!
7. I am disappointed at the IVGID staff-generated brochure on this topic as it doesn't portray the pros and cons of the issue. While it shows that bear-box trash removal costs less, it fails to inform that those boxes have an upfront cost which must be amortized over the life of the box. Then it shows a before and after dumpster---“before” shows the lid up of an overflowing container with garbage strewn on the ground while the “after” shows a bear-proof dumpster nice and neat. Maybe the staff can tell us what happens when nice and neat is full---**won't irresponsible people simply put overflow garbage on the ground like they do with a full regular dumpster?**
8. Finally, many have questioned a 10-year agreement with Waste Management. However, in my opinion, this should be the last thing to be considered. Starting there implies that questions/issues 1-7 have been satisfied. Assuming they are (I seriously doubt it), raising everyone's trash removal rate 35% for the next 10-13 years) is a major rip-off and is simply lining the pockets of a near-monopoly. Alternative trash collection options should be staffed and presented to the public whether we modify Ordinance 1 or not.

In summary, the proposed ordinance seems to defy basic logic. The questions must be asked as to their true impact. The organized bear advocates say “what we have isn’t working”. OK, so why? I’ve heard that California wildlife authorities treat offending bears different (more humanely) than Nevada (NDOW). I recently read that two bears were chased away with rubber bullets by NDOW to let them know they are not wanted here. Is a major part of a “solution” changing what happens to hungry bears when they wander into IV/CB and authorities are called? If so, pursue that avenue rather than penalize all responsible citizens. Or, is there a solution that provides food for bears in their natural habitat during this drought period? A radical thought, but the fact remains that bears will be hungry and seek food wherever they can.

I will try to keep an open mind based on logical and well-thought out responses to the questions raised. To date emotion has trumped logic and I am not a believer in government mandates affecting everyone to get at the few who may be causing the majority of a problem. Tough and aggressive policy geared at offenders that is rigidly enforced seems to be a preferred solution to the “trash issue”. I don’t have a good answer to where the bears are supposed to get food.

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