## Incline Village General Improvement District
### 2017-2018 Budget

**Full-Time Equivalent (FTE) Personnel Summary**

**July 1, 2017**

<table>
<thead>
<tr>
<th>Positions</th>
<th>2015-2016 Budget</th>
<th>2016-2017 Budget</th>
<th>2017-2018 Budget</th>
<th>Changes (+/-)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No.</strong></td>
<td>FTE</td>
<td>FTYR</td>
<td>Total FTE</td>
<td>FTE</td>
</tr>
<tr>
<td><strong>Golf - Championship</strong></td>
<td>78.0</td>
<td>25.9</td>
<td>6.4</td>
<td>32.3</td>
</tr>
<tr>
<td><strong>Golf - Mountain</strong></td>
<td>29.2</td>
<td>9.1</td>
<td>1.5</td>
<td>10.8</td>
</tr>
<tr>
<td><strong>Facilities</strong></td>
<td>1.7</td>
<td>1.2</td>
<td>1.2</td>
<td>2.3</td>
</tr>
<tr>
<td><strong>Ski</strong></td>
<td>254.0</td>
<td>46.7</td>
<td>14.5</td>
<td>61.2</td>
</tr>
<tr>
<td><strong>Recreation</strong></td>
<td>74.1</td>
<td>15.9</td>
<td>8.5</td>
<td>24.3</td>
</tr>
<tr>
<td><strong>Parks</strong></td>
<td>18.1</td>
<td>7.2</td>
<td>1.5</td>
<td>8.7</td>
</tr>
<tr>
<td><strong>Tennis</strong></td>
<td>10.0</td>
<td>1.9</td>
<td>0.1</td>
<td>2.0</td>
</tr>
<tr>
<td><strong>Other Recreation</strong></td>
<td>4.8</td>
<td>1.8</td>
<td>1.0</td>
<td>2.8</td>
</tr>
<tr>
<td><strong>Subtotal Community Svc</strong></td>
<td>467.9</td>
<td>109.6</td>
<td>34.7</td>
<td>144.3</td>
</tr>
<tr>
<td><strong>Beach</strong></td>
<td>96.9</td>
<td>18.0</td>
<td>4.0</td>
<td>22.0</td>
</tr>
<tr>
<td><strong>General Fund</strong></td>
<td>1.0</td>
<td>0.5</td>
<td>22.7</td>
<td>23.2</td>
</tr>
<tr>
<td><strong>Engineering</strong></td>
<td>1.0</td>
<td>0.3</td>
<td>3.8</td>
<td>4.1</td>
</tr>
<tr>
<td><strong>Fleet</strong></td>
<td>0.0</td>
<td>0.0</td>
<td>7.0</td>
<td>7.0</td>
</tr>
<tr>
<td><strong>Buildings</strong></td>
<td>1.0</td>
<td>0.5</td>
<td>5.0</td>
<td>5.5</td>
</tr>
<tr>
<td><strong>Utilities</strong></td>
<td>5.0</td>
<td>3.3</td>
<td>31.2</td>
<td>34.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>572.8</td>
<td>132.2</td>
<td>108.3</td>
<td>240.6</td>
</tr>
</tbody>
</table>

- Supplemental Breakdowns for informational purposes only.
- Marketing: 2.0
  - C. S. Food and Beverage: 46.3

**Legend**
- SM = Seasonal Management
- S = Seasonal
- PT = Part-time
- PTTYR = Part-time Year-Round
- FTTYR = Full-Time Year-Round
- FTE = Full-Time Equivalent

*Footnote: Differences in totals are due to rounding.*
MEMORANDUM

TO: Board of Trustees

THROUGH: Steven J. Pinkerton
General Manager

FROM: Gerald W. Eick, CPA CGMA
Director of Finance

SUBJECT: Review, discuss and possibly approve Resolution Number 1858: A Resolution Preliminarily Approving the Report for Collection of Recreation Standby and Service Charges, Fiscal Year 2017-2018

STRATEGIC PLAN: Long Range Principle 2 Finance – Maintain the allocation of Facility Fee components for operations, debt service and capital expenditure to provide resources for each important aspect of District activities. Comply with Nevada Revised Statutes and Administrative Code requirement for the budget process and document content.

DATE: April 5, 2017

I. RECOMMENDATION

That the Board of Trustees makes a motion to adopt Resolution Number 1858 which preliminarily approves the report for collection of recreation standby and services charges (also known as the Recreation Facility Fee and Beach Facility Fee) and sets forth the public hearing date of Thursday, May 24, 2017 at 6:00 p.m. at 955 Fairway Boulevard, Incline Village NV.

II. BACKGROUND

As part of the annual budget process, the Board traditionally preliminarily approves the resolution presented by Staff, which outlines the billing and collection process set forth in Nevada Revised Statutes 318.197 (establishing standby service charges for services and facilities furnished by the District) and 318. 201 (establishing the method of collection), as well as the preliminary amount of the Recreation Facility Fee (RFF) and Beach Facility Fee (BFF).
Staff has prepared the Report for Collection on the Washoe County Tax Roll for the Recreation Standby and Service Charges (also known as the Recreation Facility Fee and the Beach Facility Fee). The Board is reminded that the method of collections refers to a process that is rooted in historical references. The report includes a table to establish those major events which link the current fee to those past events. Other sections cover budgetary and collection processes.

III. FINANCIAL IMPACT AND BUDGET

Staff has prepared an operating budget consistent with direction from the Board of Trustees which results in a combined Recreation Facility Fee and Beach Facility Fee of $830. Staff is recommending that the Recreation Facility Fee of $705 and Beach Facility Fee of $125, as presented in the 2017-2018 preliminary Recreation Roll Report, be approved by the Board of Trustees.

At this time, the recommendation is only preliminary and may change by the May 24, 2017 date that is set for adoption.

Staff's preliminary recommendation is:

Recreation Facility Fee without beach access .................. $705.
Beach Facility Fee .............................................................. 125.
Total Combined Fee .......................................................... $830.

The total preliminary Recreation Facility Fee is:
Recreation Facility Fee without beach access .................... $5,776,770
Beach Facility Fee with beach access ................................ 969,500
Total Combined Recreation Facility Fee and Beach Fee ...... $6,746,270

IV. ALTERNATIVES

The Board can direct Staff to revise, change, reduce or modify the Recreation Facility Fee and Beach Facility Fee as stated above for the May 24, 2017 public hearing.

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.
RESOLUTION NO. 1858

A RESOLUTION PRELIMINARILY APPROVING
THE REPORT FOR COLLECTION OF RECREATION STANDBY AND SERVICE CHARGES
(ALSO KNOWN AS THE RECREATION FACILITY FEE AND BEACH FACILITY FEE)
FISCAL YEAR 2017-2018

RESOLVED, by the Board of Trustees of the Incline Village General Improvement District, Washoe County, Nevada, that

WHEREAS, pursuant to Resolutions No. 419 and 420, as amended, and the order of this Board, a report entitled "Report for Collection on the County Tax Roll of Recreation Standby and Service Charges" has been prepared and filed with this Board, a report on recreation revenue charges to be collected for the fiscal year 2017-2018 for the use of Burnt Cedar and Incline Beaches as well as the availability of use of the Incline Village Championship and Mountain Golf Courses, Diamond Peak, and other recreational properties and facilities for the District and its people; and

WHEREAS, this Board has examined said report and finds the same to be sufficient for further proceedings in relation thereto; and

WHEREAS, it is proposed that the charges contained in said report be collected by the District in accordance with the provisions of NRS 318.201.

NOW, THEREFORE, IT IS ORDERED, as follows:

1. May 24, 2017, at 6:00 p.m. (or as soon thereafter as practicable), at the Chateau, 955 Fairway Boulevard, Incline Village, Nevada, is fixed as the time and place when and where this Board will hear said report and all objections and protests, if any, to the report, and may revise, change, reduce or modify any charge therein, and finally approve and adopt same.

2. The Secretary shall cause notice of the filing of the report and of the time and place of hearing thereon to be published once a week for two weeks in the North Lake Tahoe Bonanza, a paper printed and published in the District.

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted at a regularly held meeting of the Board of Trustees of the Incline Village General Improvement District on the 13th day of April, 2017, by the following vote:

AYES, and in favor thereof, Trustees
NOES, ___
ABSENT, ___

Tim Callicrate, Secretary
IVGID Board of Trustees
REPORT
FOR COLLECTION ON THE COUNTY TAX ROLL OF
RECREATION STANDBY AND SERVICE CHARGES
(ALSO KNOWN AS THE RECREATION FACILITY FEE AND BEACH FACILITY FEE)

PROCEDURE FOR COLLECTION
UNDER NRS 318.201

FOR THE
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
WASHOE COUNTY, NEVADA

FISCAL YEAR ENDING
JUNE 30, 2018
Report

FOR COLLECTION ON THE COUNTY TAX ROLL OF RECREATION STANDBY AND SERVICE CHARGES

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

This report has been prepared pursuant to the order of the Board of Trustees (herein called "Board") of the Incline Village General Improvement District (herein called "District"), Washoe County (herein called "County"), Nevada, for the purpose of having recreation standby and service charges, herein called ("charges"), for the fiscal year 2017-2018, collected on the general tax roll for said year of the County, and is based on the following facts, determinations and orders, the Board has adopted charges pursuant to NRS 318.201 through prior annual reports and other actions including:

<table>
<thead>
<tr>
<th>Resolution Number</th>
<th>Date Approved</th>
<th>Venue Affected</th>
<th>Related Bond Maturity Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>419</td>
<td>10/5/1967</td>
<td>Burnt Cedar and Incline Beach</td>
<td>N/A</td>
</tr>
<tr>
<td>420</td>
<td>10/5/1967</td>
<td>Burnt Cedar and Incline Beach</td>
<td>N/A</td>
</tr>
<tr>
<td>450</td>
<td>4/16/1968</td>
<td>Burnt Cedar and Incline Beach</td>
<td>N/A</td>
</tr>
<tr>
<td>1261</td>
<td>7/13/1976</td>
<td>Golf Courses, Ski Area, Beaches</td>
<td>N/A</td>
</tr>
<tr>
<td>1262</td>
<td>7/29/1976</td>
<td>Golf Courses, Ski Area, Beaches, Tennis and Recreation Parcels</td>
<td>2022**</td>
</tr>
<tr>
<td>1750</td>
<td>1/14/2004</td>
<td>Golf Courses, Ski Area, Parks, Tennis and Facilities</td>
<td>2014</td>
</tr>
<tr>
<td>1785</td>
<td>5/28/2008</td>
<td>Ski Area</td>
<td>2018</td>
</tr>
</tbody>
</table>

** Resolution 1262 related bond issue was part of refunding in 1991, 2002 and 2012.
I. The following annual charges are for the availability of use of the recreational facilities above described, and such charges (excepting those charges collected directly by the District) shall be collected by the Washoe County Treasurer at the same time and in the same manner and by the same persons as, together with and not separately from, the general taxes for the District.

A. **Dwelling Unit Included in the District Prior to June 1, 1968.** $705 annual base Recreation Facility Fee for each dwelling unit, whether such unit stands alone or is part of a multiple unit residential structure and whether or not such unit is separately assessed by the County Assessor; and an additional $125 annual Beach Facility Fee pertaining to the use of the beaches or boat launching area. (For purposes hereof, a dwelling unit shall be placed on the roll at the earlier of the commencement of construction, site preparation, or utility meter installation on any portion of the lot on which the dwelling unit is located.)

B. **Other Parcels in the District Prior to June 1, 1968.** For each parcel separately assessed by the County Assessor, which parcel does not contain any dwelling units, $705 annual base Recreation Facility Fee and an additional $125 annual Beach Facility Fee pertaining to the use of the beaches or boat launching area.

C. **Properties Annexed After June 1, 1968.** Properties annexed to the District after June 1, 1968, shall have an annual base Recreation Facility Fee of $705. Properties annexed after June 1, 1968, are not entitled to the use of the beaches or boat launching area and pay no Beach Facility Fee.

D. **Exceptions.** Lots, parcels and areas of land used, or the portions thereof used, or intended to be used, for religious purposes or educational purposes; common areas without occupied structures appurtenant to a condominium or townhouse cluster; and publicly owned lands, are excepted and excluded from the charges imposed by subsections A through C of this section. In addition, any parcel which is (1) undeveloped, and (2) subject to a deed restriction, acceptable to IVGID staff, preventing any and all development of the parcel in perpetuity, which deed restriction is recorded in the Washoe County Recorder's Office, and (3) whose owner agrees to waive in perpetuity on his own behalf as well as on behalf of his successors and assigns any right to demand in the future any recreation privileges arising from or associated with said parcel is also excepted and excluded from the charges imposed by subsections A through C of this section.

Any exception granted pursuant to paragraph I. D shall operate prospectively only from and after the date subsequent to which such exception is approved by the Board of Trustees of the Incline Village General Improvement District and no exception as created by the paragraph I. D shall have any retroactive application.
E. **Recreation Privileges.** Each parcel which is charged a Recreation and/or Beach Facility Fee is entitled to recreation privileges, as described in IVGID Ordinance No. 7, an Ordinance Establishing Recreation Privileges by the Incline Village General Improvement District.

F. **Governmental, Civic, or Social Groups of Guests.** Any group of persons which participates with Incline Village General Improvement District property owner groups, governmental, civic, or social groups, in recreation or other community projects, may, upon application by the sponsoring group of Incline Village General Improvement District property owners, and when approved as to the time and use of the Incline Village General Improvement District facilities, be granted beach privileges upon payment of a sum not to exceed $12.00 per person, the amount to be determined at the time of application.

1. The sponsoring groups shall accept in writing total responsibility for their guests in their use of the Incline Village General Improvement District facilities.

2. Approval of use shall be for each specific group as to time and the activity, and shall be authorized in writing by the General Manager or his representatives of the Incline Village General Improvement District at least ten days prior to the requested group activity.

3. Such approval shall be granted only for such times as the group activity shall constitute minimal interference with the normal use of the facility.

II. The amount of moneys required for the fiscal year extending from July 1, 2017, to June 30, 2018, has been determined by this Board to be about $5,776,700 for the Recreation Facility Fee and $969,500 for Beach Facility Fee for the proper servicing of said identified bonds and for the administration, operation, maintenance and improvement of said real properties, equipment and facilities.

III. Said sum has been apportioned among the several lots, pieces or parcels of real property, and dwelling units within the District in accordance with the applicable rates and charges prescribed and established therefore as set forth in this report.

IV. The lots and parcels of real property so charged have been described by their parcel numbers used by the County Assessor in the County Tax Roll for the fiscal year 2017-2018, which are by reference to maps prepared by and on file in the office of the County Assessor for said County.

V. The Board has, by resolution, elected and determined to have such charges for the forthcoming fiscal year collected on the general tax roll of the County of Washoe for said year, on which general District taxes are collected, in the same manner, by the same persons and at the same time, together with and not separately from its general District taxes.
The District has agreed to pay the Washoe County Treasurer an annual fee of $1,000 for the processing of these fees.

VI. The amounts of the charges shall constitute a lien against the lot or parcel of real property against which the charge has been imposed as of the time when the lien of taxes on the roll attaches, and all laws applicable to the levy, collection and enforcement of general taxes of the District, including, but not limited to, those pertaining to the matters of delinquency, correction, cancellation, refund, redemption and sale, are applicable to such charges.

VII. The County Treasurer shall include the amount of the charges on the bills for taxes levied against the respective lots and parcels of land, and thereafter the amounts of the charges shall be collected at the same time and in the same manner and by the same persons as, together with and not separately from, the general taxes for the District, and shall be delinquent at the same time and thereafter be subject to the same delinquency penalties, provided that the County Treasurer may, in his discretion, issue separate bills for such charges and separate receipts for collections on account of such charges.

Dated: May 24, 2017

By Order of the Board of
Trustees of the Incline Village
General Improvement District

__________________________
Secretary
I hereby certify that the report to which this certification is attached was filed with the Board of Trustees of the Incline Village General Improvement District, and set to be heard by it on May 24, 2017, and that I caused notice of said hearing to be published on May 11 and May 18, 2017, in the North Lake Tahoe Bonanza.

Susan A. Herron
District Clerk

I hereby certify that on May 24, 2017, the report to which this certification is attached came on regularly for hearing by the Board of Trustees of the Incline Village General Improvement District, being the time and place set therefore and that said Board heard and considered the report and all objections and protests thereto; that it found by resolution, that protests have not been made by the owners of a majority of the separate parcels of property described in the report, that consideration was given by it to the accuracy of each charge therein, and that where such charge was found to be inaccurate, if any, it was revised, changed, reduced or modified to make it accurate, and was finally approved and adopted.

Susan A. Herron
District Clerk

Received and filed on:

__________________________
Washoe County Treasurer
MEMORANDUM

TO: Board of Trustees

FROM: Kendra Wong
      Board of Trustees, Chairwoman

SUBJECT: Review, discuss and possible action on the proposed modification to the 30-year ground lease with Parasol Tahoe Community Foundation (PTCF)

STRATEGIC PLAN
REFERENCES: Long Range Principles #2 - Finance, #3 - Workforce, #5 - Assets and Infrastructure

DATE: April 4, 2017

I. RECOMMENDED ACTION

That the Board of Trustees makes a motion to direct Staff to provide a summary report on the feasibility of this proposal at our next meeting on April 25, 2017. This feasibility analysis would review the costs and benefits of considering this lease modification and compare existing capital projects currently included in the 5-year CIP plan.

I also recommend that we include this issue on our May 10, 2017 meeting agenda as I want to make sure that we notify the public about this potential change. The agenda item would be conducted similar to the way we hold a public hearing where we receive feedback from the public. I would include as part of this recommendation that we do several display ads in our local newspaper as well as much social media outreach as possible.

II. DISTRICT STRATEGIC PLAN

Long Range Principle #2 - Finance - Report results and demonstrate value
Long Range Principle #2 - Finance - Develop and maintain a long term plan to sustain financial resources
Long Range Principle #3 - Workforce - Comply with State and Federal regulations
Long Range Principle #3 - Continue to provide a safe environment and continue to strive for low workers compensation incidents
Long Range Principle #5 - Maintain, renew, expand and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.

Long Range Principle #5 - Maintain, procure and construct District assets to ensure safe and accessible operations for the public and the District's workforce.

Long Range Principle #5 - Conduct planning and design, in advance of undertaking projects or procurement, to ensure new District assets meet operational requirements and enhance the customer experience.

Long Range Principle #5 - Comply with regulatory requirements and industry standards.

III. BACKGROUND

On January 12, 2000, IVGID executed a 30-year ground lease with three (3) 23-year options for 1.5 acres of land (later amended to 2.36 acres) within the Incline Park property.

The ground lease was for $1 per year and contingent upon PTCF operating a non-profit center on the site. Subsequently, PTCF raised approximately $14 million to construct and furnish the Donald W. Reynolds Community Non-Profit Center. The 31,500 +/- square foot building was completed in 2002. Since that time, PTCF has operated the non-profit center consistent with the lease terms.

IV. CURRENT SITUATION

Recently, PTCF sent a letter to the Board of Trustees indicating an interest in possibly modifying the existing Ground Lease.

The letter stated:

...the Parasol Board of Directors has spent the past year taking an in-depth look at our work in the community and brainstorming new opportunities to effectively meet the changing needs of the community in the future.

One of the opportunities identified by our board would require a modification of the Land Lease currently in place between Parasol and the Incline Village General Improvement District (IVGID). Our board believes that this option would not only broadly serve the
Review, discuss and possible action on the proposed modification to the 30-year ground lease with Parasol Tahoe Community Foundation (PTCF)

whole community it would also address pressing issues currently facing the district.

As a follow up to this letter, I approached PTCF and learned more about their interest in modifying the lease.

PTCF is interested in focusing more of their energies on their core mission which is functioning as a non-profit public charity dedicated to supporting service agencies in the Lake Tahoe region. They would like to shift both monetary and financial resources, which are dedicated to bricks and mortar functions, and dedicate those resources to their core mission. Freeing up these resources would increase the amount of financial support that PTCF could provide to the region.

Under this scenario, they would no longer serve as the landlord for the Donald W. Reynolds Community Non-Profit Center. They would financially support their grantees' office space costs instead of granting them space. Consequently, they would no longer meet the land use requirements of the ground lease.

PTCF would like to engage the District in a dialogue wherein the use of the building improvements would be shifted to the property owner (IVGID) and the lease would be modified to reflect this new arrangement. PTCF would like to remain as a tenant in the building and has offered to assist IVGID in facilitating service agencies' access to the shared-use facilities in the building. While PTCF would also like a small portion of the building to continue as a non-profit center, the majority of the space in the building could be used by IVGID for their programming and office space needs.

As part of the lease modification, PTCF would like to receive adequate consideration for the remaining life of the building improvements. By tapping the value of the building improvements, PTCF would have additional resources to provide to community non-profits.

As you know, IVGID is in the process of assessing its programming and facility needs via the Community Services Master Plan. Both the current plan and the previous plan, that was adopted in 2000, identified the need for more programming space and District office space. The PTCF proposal could potentially be a very cost-effective means to address IVGID's current deficiencies for both programming and office space.
V. CONCLUSION

I believe this proposal could provide benefits to both IVGID and the community; however, the Board of Trustees lacks the necessary details to evaluate the opportunity and compare existing alternatives.

Given that we are near the close of budget season, I recommend that the Board of Trustees initiate a due diligence process so that we can have time to consider this lease modification prior to adopting our budget for Fiscal Year 2017/2018.

I recommend that Staff provide a summary report on the feasibility of this proposal at our next meeting on April 25, 2017. This feasibility analysis would review the costs and benefits of considering this lease modification and compare existing capital projects currently included in the 5-year CIP plan.

I also recommend that we include this issue on our May 10, 2017 meeting agenda as I want to make sure that we notify the public about this potential change. The agenda item would be conducted similar to the way we hold a public hearing where we receive feedback from the public. I would include as part of this recommendation that we do several display ads in our local newspaper as well as much social media outreach as possible.
MEMORANDUM

TO: Board of Trustees

FROM: Kendra Wong
Chairwoman, IVGID Board of Trustees

SUBJECT: 2017/2018 Board of Trustees Work Plan: Confirm the consensus and assign Trustees to submit their top four (4) items to the District Clerk by no later than April 26, 2017

DATE: April 4, 2017 (originally dated March 9, 2017)

At the March 8, 2017 Board of Trustees meeting, the Board of Trustees undertook a conversation about what their work plan should be for 2017/2018. The following list represents the consensus of this conversation:

Ordinance 7
- Review feedback from the community sessions
- Staff report updating progress
- Identify areas of Ordinance 7 to address

Master Plan/Capital Plan
- Create a structure for Master Planning
  o How do all of our Master Plans fit together
  o Create a timeline for regular review
  o Leverage public/private partnerships (e.g. ITF)
- Relationships with non-IVGID entities
  o Washoe County
    ▪ Pedestrian paths
    ▪ Left turn signals
    ▪ Lighted crosswalks
    ▪ Scenic Tahoe Blvd.
    ▪ Regional Plan
  o Explore options with respect to town/city/county

Communication
- IQM2
  o Staff report on software functionality
  o Staff report on required resources to implement
Financial Reporting
- Performance metrics
  o Financial
  o Non-financial/qualitative
- Committee on Popular Reporting
- Continue to improve Fixed Cost/Variable Cost Analyses
- Policies & Procedures – IVGID Code

All Board members are asked to provide to the District Clerk, not later than April 26, 2017, their top four (4) items they are interested in working on. Once that task is complete, the District Clerk will provide this list to the Board Chair who will work with the District General Manager to make assignments that will be presented at the May 10, 2017 Board meeting.
2017 NEVADA LEGISLATIVE UPDATE
REES KINTZ GUINASSO
FRIDAY, MARCH 31, 2017

"No man's life, liberty, or property are safe while the legislature is in session." - Mark Twain

"It's far better the Nevada legislature meet every one hundred and twenty years for two days than every two years for one hundred and twenty days." - unknown author

This first issue of the Reese Kintz Guinasso Legislative Update to the Incline Village General Improvement District ("IVGID") covers the activities of the 79th session of the Nevada Legislature as of March 31, 2017. Before discussing legislation pertinent to IVGID, this section will briefly discuss Nevada's legislative process and the people who participate in and control the process.

I. NEVADA LEGISLATORS

The Nevada Legislature is comprised of 63 members, 42 in the Assembly and 21 in the Senate. All 42 members of the Assembly are elected for 2-year terms at the general election held in even-numbered years. Members of the Senate are elected for 4-year terms, with 10 being elected in one General Election and 11 in the next.

Nevada's Legislature is a part-time "citizen legislature" comprised of people with full-time careers outside of their service to the State. While this may keep Nevada legislators in closer touch with their constituents, it also means that they do not enjoy the same accommodations provided to full-time legislators in larger states. For example, legislators in Nevada do not have individual staff. In this regard, the Legislative Counsel Bureau provides services to legislators. The Legislative Counsel Bureau is a nonpartisan centralized agency. Additionally, Legislators receive a nominal salary for the work of $130 per day for the first 60 days of each regular session and the first 20 days of each special session. Legislators also receive a per diem allowance for meals and lodging set at the Federal rate for Carson City and receive small allowances for stationery, postage, travel, and telephone use.

Presently, the Assembly is controlled by an averaged sized 12-person majority of Democrats, led by Assembly Speaker Jason Frierson. In the Senate, the Democrats hold an extremely narrow 2-person majority, led by Senate Majority Leader Aaron D. Ford. The Governor of Nevada is Brian Sandoval, a Republican.
On the First Monday in odd-numbered years, the Nevada Legislature begins its regular biennial 120-day session. However, the Governor may also call the Legislature into a special session. A special session is a period when the body convenes outside of the normal legislative session. When the Legislature is not in session, permanent and interim Legislative Committees are convened to consider and investigate a wide range of issues and to make recommendations and proposed legislation to the next session of the Legislature.

II. **The Legislative Process in Nevada**

If a governmental agency, elected official, business, lobbyist, or citizen has an idea for legislation, a request for a bill draft may be made by a legislator, the chair of a legislative committee, the Governor, a state agency, or a local government. This “bill draft request” (“BDR”) is processed by the Legal Division of the Legislative Counsel Bureau, which prepares a formal draft of the proposed bill.

Thereafter, the bill is introduced to the Senate or Assembly by a Senator or Assemblyperson, numbered and read for the first time, assigned to committee, and printed.

Next, the committee assigned the bill holds a hearing to take testimony and gather information about the bill. At the conclusion of the hearing(s), a committee may recommend that the House pass the bill as it is written, pass it with amendments, or not pass it at all. A bill given a "Do Pass" recommendation is read a second time and placed on General File for debate and vote in the House it is assigned, while a bill that is given an "Amend and Do Pass" recommendation is read a second time, amended and reprinted before being placed on the General File for action.

Bills are then read a third time, debated and voted upon by the House where the bill was originally introduced. For most bills to pass, 11 votes are required in the Senate, while 22 votes are required in the Assembly. However, if the passage of a bill imposes or increases a tax or fee, it will require 14 votes in the Senate and 28 votes in the Assembly to pass.

The foregoing process is followed again in the non-originating House. If the second house to consider a bill passes it without amendment, it is sent to the Governor. However, if the second house amends a measure, it is returned to the house of origin for consideration of the amendments. In this regard, the house of origin decides whether to accept the second house's amendments. If the house of origin accepts the amendments, the bill will be sent to the Governor for signature. If the amendments are rejected by the house of origin, the bill is either returned to the second house for a decision whether to withdraw the proposed changes or the bill is referred to a conference committee that includes members of both houses. The conference committee attempts to reconcile the differences and presents its recommendation in the form of a conference report. If both houses accept the report, the bill goes to the Governor. If either house rejects the report, a final conference committee is appointed. The bill dies if the members of the second conference committee fail to agree.

Finally, the Governor must act on a passed bill within 5 days after he receives it if the Legislature is still in session, or 10 days if the session has ended. The governor may sign the bill into law,
allow it to become law without his signature, or veto it. A vetoed bill returns to the house of origin for a possible vote on overriding the veto. An override requires a two-thirds majority of both Houses. If the Governor vetoes a bill after session ends, it returns to the next legislative session. Enacted bills become effective on October 1st following the end of the legislative session, unless otherwise specified in the bill.

Importantly, the foregoing process is further constrained by the 120-day time limit placed on the Legislature to complete its business. In this regard, there are several restrictions, rules and deadlines that the Legislature adopts each session.

III. THE 2017 LEGISLATIVE SESSION

The 79th (2017) session of the Nevada Legislature began on February 6, 2017. By law, Nevada legislative sessions last 120 days, and the 79th session will conclude on June 5, 2017.

The first several weeks of the legislative session are much slower than the remainder of the session because not all bills and BDRs have been introduced. Two key deadlines have occur as of the preparation of this update:

- March 20, 2017: Due date for introduction of bills requested by legislators.
- March 27, 2017: Due date for introduction of bills requested by legislative committees.

IV. BILLS

There are several Bills that may impact the Incline Village General Improvement District. We are now over a third of the way through the 2017 Legislative Session and have surpassed the critical deadline of final Legislator’s Bill Introductions on March 20th and Legislative Committee introductions on March 27th.

Concerning General Improvement Districts:

✓ AB349

- Requires the Legislative Auditor to conduct a performance and compliance audit of the Incline Village General Improvement District. (BDR S-585)
- This bill was sponsored by Assemblywoman Lisa Krasner (R-26) on March 20, 2017 and referred to Committee on Ways and Means. Assemblywoman Krasner did not notify IVGID that she was submitting this BDR.
- Legislative note on what the bill does: Existing law authorizes a board of county commissioners to adopt an ordinance forming a general improvement district and grant that district certain basic powers to promote the health, safety, prosperity, security and general welfare of the inhabitants of the district. (NRS 318.015, 318.116) After the adoption of an ordinance creating a general improvement
district, existing law provides for the establishment of a board of trustees with broad powers to manage the district, including, without limitation, the power to: (1) levy taxes; (2) fix or increase or decrease certain rates, tolls, and charges associated with facilities and services provided within the district; and (3) borrow money and incur or assume certain forms of indebtedness. (Chapter 318 of NRS)

Prior to forming a general improvement district, a written service plan for the proposed district must be filed with and approved by the board of county commissioners of each county in which the proposed district is located in accordance with the Special District Control Law. (Chapter 308 of NRS) Once a general improvement district is approved, its facilities, services and financial arrangements must conform to the filed service plan as originally submitted or with approved modifications. (NRS 308.080)

- This bill requires the Legislative Auditor to conduct, without expense to the Incline Village General Improvement District or the Board of County Commissioners of Washoe County, a performance and compliance audit of the Incline Village General Improvement District created by that Board.

- **RKG note:** First, it is important to point out that IVGID is audited every year. Second, IVGID must abide by very stringent rules for reporting to the State. IVGID’s finances are reviewed by the State every year. Hence, the expense of this proposed audit seems unnecessary and redundant. Finally, the creation of IVGID pre-dates the enactment of Chapter 308 of the NRS. This means that IVGID was never required to prepare a “written service plan.” Therefore, the type of audit proposed in the draft legislation would be fruitless. Presently, there does not appear to be any action on this legislation.

- We are waiting to be notified about whether there will be hearing on AB349. If there is a hearing, we will advise the IVGID Board and Staff to consider providing testimony.

**AB379**

- Amends provisions relating to general improvement districts created for the purpose of furnishing recreational facilities. (BDR 25-211)

- This bill was sponsored by Assemblywoman Amber Joiner (D-24) on March 20, 2017 and referred to the Committee on Government Affairs.

- **Legislative note on what the bill does:** Under existing law, a board of county commissioners cannot begin the organization of a general improvement district
that includes any real property within 7 miles from the boundary of an incorporated city or unincorporated town unless one of five conditions is met. (NRS 318.055)

- Section 1 of this bill provides that these conditions do not apply to a proposed district which will furnish recreational facilities if each board of county commissioners and governing body of an incorporated city, unincorporated town and existing general improvement district with territory included within the boundaries of the proposed district consent to the formation of the district by resolution. Existing law authorizes the board of trustees of a general improvement district to acquire, construct, reconstruct, improve, extend and better one or more of the following types of facilities for recreation: exposition buildings, museums, skating rinks, other type rinks, fieldhouses, sports arenas, bowling alleys, swimming pools, stadiums, golf courses, tennis courts, squash courts, other courts, ball fields, other athletic fields, tracks, playgrounds, bowling greens, ball parks, public parks, promenades, beaches, marinas, levees, piers, docks, wharves, boat basins, boathouses, harborsages, anchorages, gymnasiums, appurtenant shower, locker and other bathhouse facilities, amusement halls, dance halls, concert halls, theaters, auditoriums, aviaries, aquariums, zoological gardens, biological gardens and vivariums.

- Section 2 of this bill authorizes a board to: (1) also acquire, operate, maintain, manage and restore these recreational facilities; (2) design, compile or administer certain environmental or cultural reports; (3) take measures to reduce wildfire, restore native vegetation and conserve and manage natural resources; (4) establish or fund the establishment of educational programs at facilities for recreation, including, without limitation, funding for personnel who provide such educational programs; (5) enter into certain agreements with a nonprofit corporation; and (6) establish a fund and accept gifts, grants and donations for deposit in the fund. Section 2 also provides that recreational facilities include watersheds, trails, open spaces, lakes, ponds and rivers.

- RKG note: We have no comments or recommendation for IVGID on this bill at this time. However, if this legislation were passed and Washoe County established this type of District in lieu of financing and managing the parks and recreation currently under its jurisdiction, several questions would need to be
addressed regarding the impact on parks and recreation in Incline Village/Crystal Bay.

- We are waiting for a hearing on AB379 to be scheduled.

✓ SB460

- Revises provisions governing the membership of the Local Government Employee-Management Relations Board. (BDR 23-556)
- This bill was sponsored by the Senate Committee on Government Affairs on March 27, 2017.
- **Legislative note on what the bill does:** Existing law establishes the Local Government Employee-Management Relations Board, which oversees labor relations between local government employers and local government employees. The Board consists of three members appointed by the Governor. In addition to other qualifications and limitations, not more than two of the members may belong to the same political party. (NRS 288.080)
  - Section 1 of this bill: (1) increases the membership of the Board to five members; (2) increases the number of members of the Board who may belong to the same political party to three members; and (3) requires that at least three members of the Board reside in southern Nevada.
  - Section 2 of this bill increases from two to three the number of members that constitute a quorum and clarifies that a quorum may exercise all the power and authority conferred on the Board.
- **RKG note:** This is an important bill to monitor for IVGID due to the fact that certain labor disputes with IVGID employees and their unions can be heard by this body. We did not have any recommendation or other commentary to offer at this time.
- We are waiting for a hearing on SB460 to be scheduled.

✓ SB462

- Authorizes a board of county commissioners to create a committee to review general improvement districts. (BDR 20-496)
- This bill was introduced on March 27, 2017.
- **Legislative note on what the bill does:** Existing law governs the creation and administration of general improvement districts in this State. (Chapter 318 of NRS)
Section 2 of this bill authorizes a board of county commissioners to create a committee to review the existing general improvement districts in the county to determine if the districts should be continued, modified, consolidated, merged or dissolved. Section 2 also provides that such a committee must consist of five members appointed by the board of county commissioners, including a member of the Senate who represents the county and a member of the Assembly who represents the county.

Section 3 of this bill requires such a committee to conduct public hearings on whether a general improvement district should be continued, modified, consolidated, merged or dissolved and places the burden of proof on the general improvement district to establish that there is a public need for its continued existence. Section 3 also requires each committee to submit a report to the Legislative Commission each year regarding the activities and findings of the committee.

Section 4 of this bill sets forth certain information that each general improvement district under review by a committee may be required to provide to the committee.

RKG note: GID's in Nevada have had mixed success. This proposed legislation is focused on empowering Counties to review GID's within their jurisdictions to ensure that they are effectively serving a public need. If this legislation were to pass, IVGID would not have any problems demonstrating that it effectively serves the public. Our only concern is that individuals with political and personal motives adverse to IVGID would attempt to convince Washoe County to use this process to further their political and personal agenda. We believe this legislation should be amended to provide for certain objective criteria to justify any review.

We are awaiting an upcoming hearing on SB462 to be scheduled.

SB471

Revises provisions related to improvement districts. (BDR 25-495)

This bill was introduced on March 27, 2017.

Legislative note on what the bill does: Chapter 309 of NRS, the Nevada Improvement District Act, authorizes the creation and governs the management of a local improvement district for the construction of a power plant and the distribution of energy therefrom or the construction of a sewer system or the construction or acquisition of a water system. (Chapter 309 of NRS) In 1967, the Nevada Legislature eliminated the authority to create such a district. (NRS
(309.025) The only local improvement district currently in existence which is organized pursuant to the Nevada Improvement District Act is Douglas County Sewer Improvement District No. 1.

- Section 36 of this bill repeals the Nevada Improvement District Act.
- Sections 1-5 and 7-11 of this bill make conforming changes.
- Section 35 of this bill abolishes Douglas County Sewer Improvement District No. 1.
- Section 6 of this bill makes a conforming change.
- Sections 12-34 of this bill establish the Douglas County Lake Tahoe Sewer Authority Act, which creates the Douglas County Lake Tahoe Sewer Authority for the purpose of furnishing certain residents of this State with an adequate system of sewage collection and treatment and disposal of wastewater.
- Section 23 of this bill exempts certain property of the Authority from state, county and municipal taxation.
- Section 24 of this bill authorizes the Authority to enter into certain interlocal cooperative agreements with general improvement districts, and authorizes a general improvement district which is party to such an agreement to authorize the Authority to exercise powers, privileges and authority belonging to the general improvement district.
- Section 25 of this bill provides that the Authority is a public employer, subject to certain provisions governing retirement for public employees.
- Section 26 of this bill creates and provides for the appointment of a Board of Trustees which is charged with directing and governing the Authority.
- Section 27 of this bill requires each trustee on the Board to file an oath of office and a bond.
- Sections 28 and 29 of this bill set forth provisions governing the procedures and duties of the Board.
- Sections 30 and 31 of this bill set forth the powers of the Authority and the Board.
- Section 32 of this bill requires the Board to adopt an ordinance governing the financing of the Authority.
- Section 33 of this bill exempts the Authority from regulation by the Public Utilities Commission of Nevada.
- Section 34 of this bill directs the Douglas County Lake Tahoe Sewer Authority to assume the debts, obligations, liabilities and assets of
Douglas County Sewer Improvement District No. 1. Under existing law, if a majority of the members of the board of county commissioners of a county deems it to be in the best interest of the county and of a general improvement district that was exercising three specified powers on October 1, 2005, related to sanitary sewer improvements, the collection and disposal of garbage or refuse and the supply, storage and distribution of water that the district be merged, consolidated or dissolved, the board of county commissioners is required to submit the question of the merger, consolidation or dissolution to the board of trustees of the district. If the board of trustees of the district does not agree to the merger, consolidation or dissolution within 90 days after the submission of the question to the board of trustees, existing law prohibits the merger, consolidation or dissolution of the district. (NRS 318.490)

- Section 3 of this bill requires the submission of the question of merger, consolidation or dissolution to the board of trustees of a district that was exercising any of those three specified powers on October 1, 2005.
- **RKG note:** We have no comment on this legislation. Presently, we are just monitoring.
- We are awaiting an upcoming hearing on SB471 to be scheduled.

### Concerning Public Records Law

- **✓ AB42**
  - Revises various provisions relating to public records. (BDR 19-389)
  - This bill was sponsored by the Assembly Committee on Government Affairs on November 16, 2016 on behalf of the Attorney General.
  - **Legislative note on what the bill does:** Under existing law, all public books and public records of a state or local governmental entity, the contents of which are not otherwise declared by law to be confidential, are required to be open at all times during office hours for inspection and copying by the public. (NRS 239.010) In addition to a balancing test in case law which is applied when existing law is silent with respect to the confidentiality of a book or record, certain public books and public records are exempt from disclosure pursuant to specific statutory provisions that prohibit the disclosure of or specifically declare...
those public books and public records to be confidential. (Donrey of Nev., Inc. v. Bradshaw, 106 Nev. 630 (1990)) These specific statutory exemptions are listed in Nevada's public records law. (NRS 239.010) The Freedom of Information Act is a federal law which, similar to Nevada's public records law, requires public officials to make certain information and records available to the public. The Freedom of Information Act creates categories of information and records to which the Freedom of Information Act does not apply, in addition to the federal statutes which specifically exempt certain matters from disclosure. (5 U.S.C. § 552)

- Sections 2-10 of this bill reorganize the list of statutory exemptions to Nevada's public records law into categories modeled on the categories of information and records which are exempt from disclosure under the Freedom of Information Act.

- Section 12 of this bill makes a conforming change. Unless otherwise defined in another provision in Nevada Revised Statutes, the words and terms defined in the preliminary chapter of Nevada Revised Statutes apply throughout Nevada Revised Statutes. (Preliminary chapter of NRS) In the preliminary chapter, the term "person" excludes a governmental entity. (NRS 0.039)

- Section 11 of this bill includes a governmental entity within the definition of "person" for the purposes of Nevada's public records law, thereby authorizing a governmental entity to request the inspection or copying of the public books and public records of other governmental entities.

- Sections 12-19 and 21-23 of this bill make conforming changes to: (1) clarify that the term “person” refers to the requester of a public book or public record and the term “a public officer or employee” refers to an officer or employee of the governmental entity from which a book or record has been requested for inspection or copying; and (2) exclude a governmental entity from the term “person” where appropriate. Section 15 of this bill specifies that the immunity from civil damages granted in existing law to a public officer or employee who acts in good faith in disclosing or refusing to disclose information and to the employer of the public officer or employee includes attorney's fees. The Committee to Approve Schedules for the Retention and Disposition of Official State Records was created under existing law to review and approve or disapprove the schedules for the retention and disposition of the official
state records that agencies of the Executive Department of the State Government are required to develop and to advise the Division of State Library, Archives and Public Records of the Department of Administration regarding those schedules. (NRS 239.073-239.080) Under existing law, if a person's request for the inspection or copying of a public book or public record has been denied by a governmental entity, the person is authorized to apply to a court for an order allowing the person to inspect or copy the book or record. (NRS 239.011) In addition to the authority to request a court order, section 14 of this bill authorizes a person whose request to inspect or copy a public book or public record of an agency of the Executive Department of the State Government has been denied to apply to the Committee to Approve Schedules for the Retention and Disposition of Official State Records for a nonbinding advisory opinion on whether the agency's basis for denying the request was sufficiently articulated.

- Section 20 of this bill authorizes the Committee to issue such an opinion.
- RKG note: We have no comment on this legislation. We will continue to monitor.
- We are awaiting an upcoming hearing on AB42 to be scheduled.

**SB170**

- Revises provisions governing public records. (BDR 19-560)
- This bill was sponsored by Sen. Tick Segerblom (D-3) on February 13, 2017 and referred to the Committee on Government Affairs.
- **Legislative note on what the bill does:** Under existing law, all public books and public records of a state or local governmental entity, the contents of which are not otherwise declared by law to be confidential, are required to be open at all times during office hours for the public to inspect, copy or receive a copy thereof. Existing law also requires a state or local governmental entity to provide a copy of a public record in any medium in which the public record is readily available. (NRS 239.010)
  - Sections 1 and 3 of this bill clarify in certain existing law that, in addition to the right to inspect and copy a public book or record, members of the public have the right to receive a copy of a public book or record on request.
Section 2 of this bill specifically includes digital and electronic documents in the term "official state record" in the existing law governing public books and records.

Section 4 of this bill requires a governmental entity to provide a copy of a requested public book or record in an electronic medium unless the public book or record is not readily available in an electronic medium or the copy was requested in a different medium in which the public book or record is readily available. Under existing law, if a person requests access to a public book or record or a copy of a public book or record which is not readily available, the governmental entity is required to provide access to the public book or record or a copy of the public book or record not later than the end of the fifth business day after the request was received. If access to the public book or record or a copy of the public book or record cannot be provided not later than the end of the fifth business day after the request was made, the governmental entity is required to provide notice of that fact to the person who made the request and provide a date and time after which the public book or record or the copy of the public book or record will be available. (NRS 239.0107)

Section 5 of this bill requires a governmental entity, if access to a public book or record or a copy of a public book or record cannot be provided within 5 business days after the request was made, to provide access to the public book or record or a copy of the public book or record within 15 business days after the request was received with two exceptions. First, if the governmental entity provides additional notice to the requester: that the governmental entity is unable to meet the deadline of 15 business days, the governmental entity is required to provide access or a copy of the public book or record within 35 business days after the request was received. Second, if the governmental entity provides additional notice to the requester that the request requires the governmental entity to make extraordinary use of its personnel or technological resources, the governmental entity is required to include in the notice a date and time after which the public book or record will reasonably be available.

If a governmental entity fails to comply with these deadlines, section 6 of this bill authorizes the person who requested access to the public book or record or a copy thereof to apply to a district court for an order requiring
the governmental entity to provide access to or a copy of the public book or record.

- Section 7 of this bill prohibits a governmental entity from charging a fee for providing a copy of a public book or record if the request is for an electronic copy of the public book or record or the request is made for noncommercial purposes, unless the governmental entity provides written notice that the request requires the governmental entity to make extraordinary use of its personnel or technological resources.

- If the request requires the governmental entity to make extraordinary use of its personnel or technological resources, section 8 of this bill authorizes the governmental entity to charge the fee in existing law for such extraordinary use of not more than 50 cents per page for commercial requests and authorizes a fee of not more than 10 cents per page for requests that are not commercial.

- Section 7 makes a conforming change to the fee charged for providing a copy of a public book or record in the custody of a governmental law library.

  - RKG note: We have no comment on this legislation at this time. We will continue to monitor.

  - We are awaiting an upcoming hearing on SB170 to be scheduled.

**Procurement and Public Contracting Specific**

✔ AB32

- Revises provisions relating to special fuels. (BDR 32-382)
- This bill was sponsored by the Assembly Committee on Taxation on December 20th 2014.
- Legislative note on what the bill does:
  - Section 1 of this bill revises the definition of “special fuel dealer” for the purposes of imposing taxes on the sale or use of special fuels in this State to specify that the term includes a person who sells liquefied natural gas and delivers such fuel into the tank for the supply of fuel of a motor vehicle that is not owned or controlled by that person.
  - Section 2 of this bill revises the amount of the tax imposed on the sale or use of liquefied petroleum gas and compressed natural gas.
Section 3 of this bill amends the factors for the conversion of volumetric measurements for purposes of taxing the sale or use of liquefied petroleum gas and liquefied natural gas.

Section 4 of this bill provides that the tax returns which must be filed with the Department of Motor Vehicles by a special fuel dealer or special fuel manufacturer must report all quantities of special fuel in gallons.

- **RKG note:** We have no comment on this legislation at this time. We will continue to monitor.
- This bill was heard in Assembly Natural Resources on March 2, 2017. No further action has been taken on this bill to date.

**AB100**

- Revises provisions governing contractors. (BDR 54-194) Revises the requirement that certain types of provisions are void and unenforceable in certain agreements with contractors.
- This bill was sponsored by Assemblywoman Heidi Swank.
- Legislative note on what the bill does:
  - Existing law provides that in a contract for a public work, other than a contract entered into by the Nevada Department of Transportation, a provision that requires a contractor to waive a right to damages or an extension of time acquired as a result of a delay caused by certain actions by the public body is void and unenforceable. (NRS 338.480, 338.485)
  - Section 2 of this bill removes this provision of existing law. Instead, section 1 of this bill makes applicable to an agreement between a public body and a prime contractor for work and labor on a public work a provision of existing law that provides that in an agreement between an owner and a prime contractor a provision that requires the prime contractor to waive a right to damages or an extension of time acquired as a result of certain disruptions or other events is void and unenforceable.

- **RKG Note:** We are informed that an amendment proposed by sponsor removes the added language to 624.622 and focuses on changes in NRS 338.485. However, to date, no amendment has been published and/or brought back to the committee for consideration. We will continue to monitor.
- This bill was originally referred to Committee on Commerce and Labor. However, on Mar 07, 2017, it was withdrawn from committee and re-referred to Committee
on Government Affairs. Hearing was held on March 20, 2017. No further action has been taken since the hearing.

✓ AB106

- This bill revises provisions governing government contracting. (BDR 27-295) The proposed legislation requires certain employers to establish their compliance with certain antidiscrimination provisions of state and federal law as a condition of entry into a governmental contract. It also requires the inclusion of certain terms and conditions in such a contract.

- This bill was sponsored by Assemblywoman Ellen Spiegel.

- Legislative note on what the bill does: Existing provisions of state and federal law generally prohibit discrimination in employment on the basis of race, color, creed, sex, sexual orientation, gender identity or expression, religion, age, disability or national origin. (42 U.S.C. §§ 2000e et seq.; NRS 338.125, 613.310-613.435) In particular, an employer is generally prohibited from paying lower wages to an employee than the wages paid to an employee of the opposite sex for equal work performed under similar working conditions. (29 U.S.C. § 206(d); NRS 608.017)
  - Sections 2, 6, 11 and 19 of this bill prohibit various governmental entities from awarding a contract to an employer, including a public employer, having 50 or more employees unless the employer provides a certificate of pay equity compliance issued to the employer by the Labor Commissioner. Pursuant to section 22 of this bill, the Commissioner is authorized to issue such a certificate only if the employer establishes and the Commissioner determines that the employer provides equal employment opportunity for all employees and applicants for employment regardless of sex, and that male and female employees receive equal pay for equal work.
  - Sections 2, 6, 11 and 19 also authorize those governmental entities to refuse to award a contract to an employer with less than 50 employees unless the employer provides such a certificate.
  - Section 2 applies to a local government with respect to contracts for the purchase of services, supplies, materials or equipment.
  - Section 6 applies to similar contracts awarded by the Administrator of the Purchasing Division of the Department of Administration or another officer or agency in the Executive Department of the State Government.
  - Section 11 applies to a contract for any public work that is financed in whole or in part from public money of this State or its political
subdivisions. Section 11 also enacts those provisions with respect to a subcontract between an employer who has been awarded a contract for a public work and any subcontractor.

- Section 19 applies to contracts for the construction, reconstruction, improvement and maintenance of highways.
- Section 19 likewise makes similar provisions applicable to any subcontract.
- Section 22 governs the process of obtaining the required certificate from the Labor Commissioner. Section 22: (1) sets forth the information that must be provided by an employer in an application for a certificate; (2) authorizes the Commissioner to issue a provisional certificate pending a review of the information; (3) requires the Commissioner to make certain determinations about the practices of the employer as they relate to male and female employees and applicants for employment; and (4) provides for the issuance or denial of a certificate, the cancellation of a provisional certificate and the revocation of a certificate under certain circumstances. Section 22 further requires the Commissioner to adopt regulations as necessary to effectuate this process.

  - **RKG note:** We are informed that the original bill language was going to be discarded in favor of another approach. However, no amendments or new bills have been proposed to date.
  - This bill was heard on February 23, 2017. No further action has been taken to date.

✓ **AB154**

  - Revises provisions relating to prevailing wages. (BDR 28-747) Revises provisions governing the payment of prevailing wages.
  - This bill was sponsored by Assemblyman Chris Brooks, Assemblywoman Ellen Spiegel, Assemblyman Michael Sprinkle, Assemblywoman Amber Joiner and Assemblyman Skip Daly and co-sponsored by 13 other legislators.
  - Legislative note on what the bill does: Under existing law, with certain exceptions, the prevailing wage in a county for each craft or type of work, as determined by the Labor Commissioner, is required to be paid on a project in the county involving new construction, repair or reconstruction that is financed in whole or in part with public money and for which the estimated cost is $250,000 or more. (NRS 338.010, 338.020-338.080)
Sections 1, 3 and 4 of this bill decrease the minimum threshold for the applicability of the prevailing wage requirements from $250,000 to $100,000.

Under existing law, school districts and the Nevada System of Higher Education are required under existing law to pay on their public works and certain other construction projects 90 percent of the prevailing wage rates that are otherwise required to be paid by other public bodies. (NRS 338.030)

Section 2 of this bill eliminates this exception and therefore requires school districts and the Nevada System of Higher Education to pay the same prevailing wage rates on their public works and other construction projects as other public bodies are required to pay.

Under existing law, charter schools are exempt from the requirement in existing law to pay prevailing wage rates on their public works and certain other construction projects. (NRS 338.080)

Section 4 eliminates this exemption and therefore requires charter schools to pay prevailing wage rates on their public works and other construction projects.

RKG note: This legislation could have a fiscal impact on IVGID projects costing between $100,000 and $250,000.

There was a hearing on this bill on March 15, 2017. No further action has been taken to date. We will continue to monitor.

AB280

This legislation proposes to revises provisions relating to preferences in bidding for certain contracts for businesses based in this State. (BDR 27-1060) Establishes provisions relating to preferences in bidding for certain contracts with Nevada-based businesses for state purchasing. Revises provisions relating to preferences in bidding for contracts for certain public works projects.

This bill was sponsored by Assemblyman Jason Frierson, Assemblyman Richard Carrillo, Assemblywoman Daniele Monroe-Moreno, Assemblyman Michael Sprinkle, Assemblywoman Dina Neal, Senator Aaron Ford and Senator Nicole Cannizzaro and co-sponsored by 16 other legislators.

Legislative note on what the bill does: Existing law grants a preference of 5 percent for a bid or proposal for a state purchasing contract which is submitted by a local business owned and operated by a veteran with a service-connected disability. (NRS 333.3361-333.3369)
• Sections 2-8 of this bill create a preference of 5 percent for a bid or proposal for a state purchasing contract which is submitted by a Nevada-based business. To qualify for this preference, section 3 requires such a business to certify that: (1) at least 50 percent of all workers employed for the state purchasing contract will hold a valid Nevada driver's license or identification card; (2) all vehicles used primarily for the state purchasing contract will be either registered in this State or partially apportioned to this State; and (3) certain records will be maintained and made available for inspection within this State.

• Section 5 establishes that a bid or proposal which qualifies for the preference will be deemed to be 5 percent lower than the bid or proposal actually submitted.

• Section 6 imposes certain penalties and restrictions upon a business that makes a material misrepresentation or commits a fraudulent act in applying for a preference or fails to comply with the requirements for a preference.

  o Existing law requires that a contractor, applicant to serve as a construction manager at risk or design-build team that wishes to receive a preference in bidding for a contract for a public work submit an affidavit to the public body sponsoring or financing the public work certifying that: (1) at least 50 percent of all workers employed on the public work will hold a valid Nevada driver's license or identification card; (2) all vehicles used primarily for the public work will be either registered in this State or partially apportioned to this State; (3) at least 50 percent of all design professionals working on the public work will hold a valid Nevada driver's license or identification card; and (4) certain records will be maintained and made available for inspection within this State. (NRS 338.0117)

  • Sections 12-16 of this bill revise the bidding preference that a contractor, applicant to serve as a construction manager at risk or design-build team who meets these requirements receives for certain public works contracts from 5 percent to 10 percent.

  o Existing law prohibits a contractor from being qualified to bid on certain state and local public works if the contractor has, within the preceding year, materially breached a contract for a public work that cost more than $25,000,000 and prohibits a contractor who has materially breached a contract for a public work which exceeds $5,000,000 from receiving a preference in bidding for public works for 5 years. (NRS 338.1379, 338.1382, 338.1389, 338.1415, 338.147, 408.333) Existing law also imposes a penalty of 1 percent of the cost of the contract upon a
contractor, applicant or design-build team who is awarded a contract as a result of a bidding preference and subsequently fails to comply with the requirements to receive that preference. (NRS 338.0117)

- Section 11 of this bill makes a willful failure to comply with the requirements to receive a bidding preference a misdemeanor and creates a separate violation for each worker, vehicle or design professional by which the contractor, applicant or design-build team falls below the requirements.
- Section 7 creates a similar misdemeanor for a business that receives a preference on a state purchasing contract as a Nevada-based business and willfully fails to comply with the requirements for such a preference.

  o RKG Note: We have no comments at this time. We will continue to monitor.
  o The bill was scheduled to be heard on April 5, 2017, in Assembly Government Affairs Committee.

✓ AB406

  o Revises provisions relating to certain construction. (BDR 28-781) Revises provisions relating to the payment of prevailing wages. Revises provisions governing the construction of a public work by a construction manager at risk. Revises provisions relating to agreements with labor organizations concerning contracts with a public body for a public work or with an awardee of certain grants, tax abatements, tax credits or tax exemptions from a public body.
  o This bill was sponsored by Assemblyman Skip Daly, Assemblywoman Teresa Benitez-Thompson, Assemblyman Chris Brooks, Assemblyman Richard Carrillo, and Assemblywoman Shannon Bilbray-Axelrod and co-sponsored by 4 other legislators.
  o Legislative note on what the bill does:
    - Existing law requires that a bidder on various types of public works be “responsible and responsive.” (NRS 338.010, 338.13844, 338.1385, 338.13862, 338.1389, 338.143, 338.1444, 338.147, 338.1475)
      - Section 2 of this bill specifies that the term relates to: (1) the record of the contractor on public works with respect to timeliness of completion, requesting change orders and quality of workforce; and (2) the compliance of the bid with the requirements of the applicable provisions of law.
    - Under existing law, with certain exceptions, the prevailing wage in a county for each craft or type of work, as determined by the Labor
Commissioner, is required to be paid on a project in the county involving new construction, repair or reconstruction that is financed in whole or in part with public money and for which the estimated cost is $250,000 or more. (NRS 338.010, 338.020-338.080)

- Section 4 of this bill decreases the minimum threshold for the applicability of the prevailing wage requirements from $250,000 to $25,000.

- Section 21 of this bill makes a conforming change with respect to incentives provided to a developer for a redevelopment project. To determine the prevailing wages in each county under existing law, the Labor Commissioner is required to survey contractors who have performed work in the county. If, based on the survey, the rate of wages is the same for more than 50 percent of the total hours worked by a specific craft or trade on similar construction, the Labor Commissioner is required to determine that rate as the prevailing wage. (NRS 338.030)

- Section 3 of this bill decreases the percentage at which the rate is required to be prevailing to 30 percent of the total hours for the craft or trade. School districts and the Nevada System of Higher Education are required under existing law to pay on their public works and certain other construction projects 90 percent of the prevailing wage rates that are otherwise required to be paid by other public bodies. (NRS 338.030) Section 3 of this bill eliminates this exception and therefore requires school districts and the Nevada System of Higher Education to pay the same prevailing wage rates on their public works and other construction projects as other public bodies are required to pay.

- During the 78th Regular Session, the exemption from the laws governing public works, including the prevailing wage requirements, was removed for a building of the Nevada System of Higher Education for which less than 25 percent of the costs was paid from money appropriated by this State or from federal money. (Section 2 of chapter 410, Statutes of Nevada 2015, p. 2375)

  - Section 36 of this bill eliminates requirements in existing law for the payment of prevailing wages on construction work of the Nevada System of Higher Education even if the construction work
does not qualify as a public work that are duplicative as a result of the removal of the exemption. Under existing law, charter schools are exempt from the requirement in existing law to pay prevailing wages rates on their public works and certain other construction projects. (NRS 338.080)

- Section 4 of this bill eliminates this exemption and therefore requires charter schools to pay prevailing wage rates on their public works and other construction projects. Existing law makes the prevailing wage requirements applicable to certain construction projects that are not a "public work" as defined in existing law. (NRS 244A.058, 244A.763, 268.568, 271.710, 271.800, 278C.240, 279.500, 318.140, 318.144, 332.390, 333A.120, 349.670, 349.956, 388A.635, 408.3886, 543.545, 701B.265, 701B.625)

- Sections 15-33 of this bill clarify that those prevailing wage requirements apply in the same manner as if the applicable public body had undertaken the project or awarded the contract. Section 8 of the federal National Labor Relations Act prohibits certain agreements between an employer and a labor union whereby the employer agrees to cease or refrain from handling, using, selling, transporting or otherwise dealing in the products of an employer. Agreements in the construction industry relating to the contracting or subcontracting of work to be done at a construction site are exempt from this prohibition. (29 U.S.C. § 158(e))

- Section 7 of this bill provides that the general terms of a subcontract include any provision relating to the contracting or subcontracting of work for an employer in the construction industry that is not prohibited by section 8. Under existing law, public bodies are authorized to construct public works under certain circumstances through a method by which a construction manager at risk provides preconstruction services on the public work and, in some cases, construction services on the public work. (NRS 338.1685-338.16995)

- Under existing law, the proposal of an applicant for a contract as a construction manager at risk is required to include the resume of any employee of the applicant who will be managing the preconstruction and construction of the public work. (NRS 338.1692)
• With certain exceptions, section 10 of this bill prohibits an applicant from substituting such an employee. Section 10 also increases from 25 percent to 50 percent the amount of the estimated cost of construction that the applicant is required to state in the proposal that the applicant will perform if the public work predominantly involves horizontal construction.

• Under existing law, the public body is required to appoint a panel to initially rank the proposals submitted by all applicants for a contract as a construction manager at risk and a second panel to interview and rank applicants whom the public body selected from the rankings of the first panel. (NRS 338.1693)

• Section 11 of this bill prohibits a majority of the members of either panel from being employed by the public body unless the public body is the State Public Works Board. Section 11 also eliminates the requirement in existing law that the public body provide an explanation, upon request, to unsuccessful applicants regarding the reasons they were not selected. The amount of a contract with a construction manager at risk for the construction of a public work is authorized under existing law to be for: (1) the cost of the work, plus a fee, with a guaranteed maximum price; (2) a fixed price; or (3) a fixed price plus reimbursement for certain costs and expenses. (NRS 338.1696)

• Section 12 of this bill eliminates two pricing methods so that the cost of work, plus a fee, with a guaranteed maximum price is the only authorized pricing method for a contract with a construction manager at risk. Section 12 requires the State Public Works Board to prescribe a form which is required to be completed and submitted by a construction manager at risk to the public body to identify and itemize the cost of the work and the fee and to list the names of the subcontractors selected by the construction manager at risk to provide labor, materials or equipment which are estimated by the construction manager at risk to exceed 1 percent of the estimated cost of the public work. To be eligible to provide labor, materials or equipment on a public work for which a construction manager at risk has entered into a contract with a public body, a subcontractor is required to be licensed by the State Contractors' Board and be
determined to be qualified by the construction manager at risk to submit a proposal based on specified criteria. (NRS 338.16991)

- Section 13 of this bill adds the additional eligibility requirement that the subcontractor agree in advance to comply with any provision in the general terms of the contract relating to the contracting or subcontracting of work for an employer in the construction industry that is not prohibited by section 8 of the federal National Labor Relations Act. Therefore, if a subcontractor does not agree in advance to comply with such a provision, the subcontractor is not eligible to provide labor, materials or equipment on a subcontract with a construction manager at risk. Under existing law, an applicant who is determined to not be eligible to provide labor, materials or equipment on a subcontract with a construction manager at risk is authorized to appeal that determination to the public body with whom the construction manager at risk has entered into a contract. (NRS 338.16991)

- Section 5 of this bill clarifies the burden of proof of such an applicant on appeal.

- Section 1 of this bill prohibits a public body that is found to have violated certain requirements governing construction of a public work with a construction manager at risk from entering into a contract with a construction manager at risk for 2 years after being found in violation. If such a violation is found, section 1 makes the contract with the construction manager at risk void and requires the public body to transmit a copy of the decision regarding the violation to the building official having jurisdiction over the project to issue a stop order on the project. Existing law eliminates the authority for public bodies to enter into contracts with construction managers at risk, effective July 1, 2017. (Section 15 of chapter 487, Statutes of Nevada 2013, p. 2986; section 9 of chapter 123, Statutes of Nevada 2015, p. 457)

- Sections 34 and 35 of this bill postpone the prospective expiration of this authority until June 30, 2021.

- Existing law prohibits a public body, in any solicitation, contract or other document related to a contract for a public work from: (1) requiring or prohibiting a bidder or contractor from entering into or adhering to any
agreement with one or more labor organizations in regard to the public work; or (2) discriminating against a bidder or contractor for entering or not entering into, or adhering or refusing to adhere to, any agreement with one or more labor organizations in regard to the public work. Existing law further prohibits a public body, with certain exceptions, from awarding a grant, tax abatement, tax credit or tax exemption that is conditioned upon a requirement that the awardee include in a contract for a project that is the subject of the grant, tax abatement, tax credit or tax exemption a term that: (1) requires or prohibits a bidder or contractor from entering into or adhering to any agreement with one or more labor organizations in regard to the project; or (2) discriminates against a bidder or contractor for entering or not entering into, or adhering or refusing to adhere to, any agreement with one or more labor organizations in regard to the project. (NRS 338.1405)

- Section 36 of this bill eliminates this prohibition.

- RKG Note: This legislation, if enacted, would impact IVGID projects costing over $25,000. There are other legislative proposals addressing prevailing wages and bidding. We expect this legislation to be significantly amended and a larger compromise regarding prevailing wage laws to emerge as the legislative session progresses.

- This legislation was heard on March 29, 2017. No further action was taken.

✓ AB433

- Revises provisions relating to public works. (BDR 28-1013)

- This bill was sponsored by Chris Brooks and was introduced on Monday, March 27, 2017

- Legislative Note on What the Bill Does: Existing law requires, with limited exceptions, a public body or its authorized representative to award a contract for a public work for which the estimated cost exceeds $100,000 to the lowest responsive and responsible bidder or, if the estimated amount of the contract exceeds $250,000, to the contractor who submits the best bid if such a bid is not more than 5 percent higher than the bid submitted by the lowest responsive and responsible bidder. (NRS 338.1385, 338.1389, 338.143, 338.147) This bill authorizes a public body or its authorized representative to award a contract for a public work for which the estimated cost exceeds $100,000 to the responsive and responsible bidder offering the best value bid if, after notice and a public hearing,
the public body or its authorized representative determines that the public work presents unique and complex construction challenges. This bill also sets forth the criteria for a public body or its authorized representative to consider when determining the responsive and responsible bidder offering the best value bid.

- RKG note: We have no comment on this legislation at this time. We will continue to monitor.
- To date, this bill has not been scheduled for a hearing.

✓ SB26

- Makes certain changes concerning governmental entities that contract with or invest in companies that boycott Israel. (BDR 27-418)
- This legislation was proposed by Lt. Governor Hutchison.
- This bill was introduced on Wednesday, November 16, 2016
- Legislative Note on What the bill does:
  - Existing law authorizes contracts between governing bodies of a local government or state agencies within the Executive Branch of the State Government and private contractors and sets forth requirements for the procurement of goods and services by those governing bodies and state agencies. (Chapters 332 and 333 of NRS)
    - Sections 5 and 11 of this bill prohibit governing bodies of a local government, the Administrator of the Purchasing Division of the Department of Administration and state agencies from entering into a contract with a company unless the contract includes a written certification that the company is not engaged in, and agrees for the duration of the contract, not to engage in, a boycott of Israel.
    - Sections 20 and 30 of this bill define a “scrutinized company” as a company that engages in a boycott of Israel.
    - Section 31 of this bill requires the State Treasurer to identify scrutinized companies in which a public fund administered by the State Treasurer has either direct or indirect holdings.
    - Section 32 of this bill further requires the State Treasurer to prepare an annual report of investment of money from such a public fund in those scrutinized companies. The report must be submitted to the Governor and the Legislature on or before February 1 of each year.
    - Section 33 of this bill requires, with certain exceptions, that the State Treasurer: (1) divest all direct holdings of scrutinized
companies from the assets under his or her management; and (2) request the manager of the indirect holdings of a public fund administered by the State Treasurer to consider divesting from such a scrutinized company. The State Treasurer is not required to take any action described in section 33 unless he or she determines that the action is consistent with the fiduciary responsibilities of the State Treasurer.

- Sections 21 and 22 of this bill similarly require the Public Employees' Retirement Board to identify scrutinized companies and to prepare an annual report of investment of money from the Public Employees' Retirement System in those scrutinized companies. However, the identification and report of such scrutinized companies by the Board only applies to companies in which the System has direct holdings.

  - **RKG note:** Our office has been intimately involved with this legislation since the summer of 2016. We have assisted the Lt. Governor's office with developing the concepts and crafting the language of this bill. We have helped develop a large coalition in support of this bill and expect it to have broad bi-partisan support as it works its way through the legislative process. Sixteen other states have enacted similar legislation and several others are considering similar legislation this year.

  - This bill was heard by Senate Government Affairs Committee on March 20, 2017. We expect a work session to be scheduled in the next week and for this bill to be passed out of Committee.

✓ **SB246**

  - Revises provisions relating to public works. (BDR 28-667)
  - This bill is sponsored by Mark Manendo and was introduced on Wednesday, March 8, 2017
  - Legislative note on what the bill does:

    - Under existing law, public bodies are authorized to construct public works under certain circumstances through a method by which a construction manager at risk provides preconstruction services on the public work and, in some cases, construction services on the public work within a guaranteed maximum price, a fixed price or a fixed price plus reimbursement for certain costs. (NRS 338.1685-338.16995) Existing law requires a public body that wishes to use this method to construct a public work to advertise
for proposals for a construction manager at risk by publication in a qualified newspaper. Similarly, any construction manager at risk selected by a public body is required to advertise for applications from subcontractors to provide labor, materials or equipment on the public work by publication in a qualified newspaper. (NRS 338.1692, 338.16995)

- Sections 1 and 2 of this bill make the procedure with which a public body and a construction manager at risk are required to comply for advertising for proposals or applications, as applicable, under the project delivery method of construction manager at risk the same as the procedure with which a public body is required to comply to advertise for bids on a public work for which the estimated cost exceeds $100,000 under the project delivery method of “design-build.”

- Existing law prescribes the procedure for the award by a construction manager at risk to qualified subcontractors of subcontracts for which the estimated value is at least 1 percent of the total cost of the public work or $50,000, whichever is greater. The procedure includes the provision to qualified subcontractors of written notice regarding the specifics of the subcontract and the requirements for submitting a responsive proposal. (NRS 338.16991, 338.16995)

- Section 3 of this bill requires a construction manager at risk to provide each qualified subcontractor with a form that has been prepared by the construction manager at risk and approved by the public body on which any proposal in response to a request for proposals for the public work is required to be submitted.

- Existing law eliminates the authority for public bodies to enter into contracts with construction managers at risk effective July 1, 2017. (Section 15 of chapter 487, Statutes of Nevada 2013, p. 2986 and section 9 of chapter 123, Statutes of Nevada 2015, p. 457)

- Sections 5 and 6 of this bill postpone the prospective expiration of this authority until June 30, 2021.

- Existing law authorizes a public body to contract with a design-build team for the design and construction of a public work if the estimated cost of the public work exceeds $5,000,000. (NRS 338.1711)

- Section 4 of this bill eliminates the $5,000,000 threshold and therefore authorizes a public body to contract with a design-build
team for the design and construction of a public work of any estimated cost.

- RKG note: This bill was amended; however, the text of the amendment has not been published to NELIS.
- This bill was heard on March 20, 2017 and passed out of Committee as amended on March 29, 2017. No further action has been taken. We will continue to monitor.

**SB317**

- Revises provisions relating to preferences in bidding for certain contracts for businesses based in this State. (BDR 27-936)
- This bill is sponsored by Nicole Cannizzaro, Aaron Ford, Tick Segerblom, David Park, Mark Manendo, and Chris Brooks and was introduced on Monday, March 20, 2017
- Legislative note on what the bill does:
  - Existing law grants a preference of 5 percent for a bid or proposal for a state purchasing contract which is submitted by a local business owned and operated by a veteran with a service-connected disability. (NRS 333.3361-333.3369)
    - Sections 2-8 of this bill create a preference of 5 percent for a bid or proposal for a state purchasing contract which is submitted by a Nevada-based business. To qualify for this preference, section 3 requires such a business to certify that: (1) at least 50 percent of all workers employed for the state purchasing contract will hold a valid Nevada driver's license or identification card; (2) all vehicles used primarily for the state purchasing contract will be either registered in this State or partially apportioned to this State; and (3) certain records will be maintained and made available for inspection within this State.
    - Section 5 establishes that a bid or proposal which qualifies for the preference will be deemed to be 5 percent lower than the bid or proposal actually submitted.
    - Section 6 imposes certain penalties and restrictions upon a business that makes a material misrepresentation or commits a fraudulent act in applying for a preference or fails to comply with the requirements for a preference.
Existing law requires that a contractor, applicant to serve as a construction manager at risk or design-build team that wishes to receive a preference in bidding for a contract for a public work submit an affidavit to the public body sponsoring or financing the public work certifying that: (1) at least 50 percent of all workers employed on the public work will hold a valid Nevada driver's license or identification card; (2) all vehicles used primarily for the public work will be either registered in this State or partially apportioned to this State; (3) at least 50 percent of all design professionals working on the public work will hold a valid Nevada driver's license or identification card; and (4) certain records will be maintained and made available for inspection within this State. (NRS 338.0117)

- Sections 12-16 of this bill revise the bidding preference that a contractor, applicant to serve as a construction manager at risk or design-build team who meets these requirements receives for certain public works contracts from 5 percent to 10 percent.

Existing law prohibits a contractor from being qualified to bid on certain state and local public works if the contractor has, within the preceding year, materially breached a contract for a public work that cost more than $25,000,000 and prohibits a contractor who has materially breached a contract for a public work which exceeds $5,000,000 from receiving a preference in bidding for public works for 5 years. (NRS 338.1379, 338.1382, 338.1389, 338.1415, 338.147, 408.333)

Existing law also imposes a penalty of 1 percent of the cost of the contract upon a contractor, applicant or design-build team who is awarded a contract as a result of a bidding preference and subsequently fails to comply with the requirements to receive that preference. (NRS 338.0117)

- Section 11 of this bill makes a willful failure to comply with the requirements to receive a bidding preference a misdemeanor and creates a separate violation for each worker, vehicle or design professional by which the contractor, applicant or design-build team falls below the requirements.

- Section 7 creates a similar misdemeanor for a business that receives a preference on a state purchasing contract as a Nevada-based business and willfully fails to comply with the requirements for such a preference.
RKG note: No comment at this time.

This bill was heard by Senate Government Affairs on March 22, 2017. No further action has been taken to date.

**SB335**

- Establishes provisions authorizing public-private partnerships for certain projects. (BDR 22-1146)
- This bill is sponsored by Michael Roberson and Joseph Hardy, this bill was introduced on Monday, March 20, 2017.
- Legislative note on what the bill does:
  - Existing law sets forth standards and requirements for the public procurement of goods and services and for public works projects. (Chapters 332, 333, 334 and 338 of NRS)
    - Section 8 of this bill provides an alternative to current standards and requirements by authorizing the State and certain local governments to enter into public-private partnerships with private partners.
    - Sections 7 and 9 of this bill provide that a public-private partnership is a contract entered into by a private partner and the State or local government under which the private partner assumes responsibility for: (1) planning, designing, financing, constructing, equipping, improving, maintaining, operating or acquiring rights-of-way for a project, or any portion thereof, but where the State or local government retains ownership of the project; or (2) providing services that a public agency is authorized to provide.
    - Sections 9-15 of this bill set forth the requirements for entering into a public-private partnership, including, without limitation, the: (1) solicitation of proposals; (2) requirements for and authority of private partners; and (3) financing of the public-private partnership.
    - Sections 9-15 additionally authorize the private partner to carry out certain activities relating to the public-private partnership.
    - Section 16 of this bill exempts any lease, easement, operating agreement, license, permit or right of entry that is granted by a public agency to a private partner from taxation.

RKG Note: No comment at this time.

This bill has not been scheduled for a hearing. We will continue to monitor.
SB357

- Revises provisions governing the use of apprentices on public works. (BDR 53-534)
- This bill is sponsored by Kelvin Atkinson, Tick Segerblom, Pat Spearman, Moises Denis and David parks and it was introduced on Monday, March 20, 2017
- Legislative note on what the bill does:
  - Existing law creates the State Apprenticeship Council and requires the Council to establish standards for programs of apprenticeship. (NRS 610.030, 610.090, 610.095) The purposes of such programs include, without limitation: (1) the creation of the opportunity for persons to obtain training that will equip those persons for profitable employment and citizenship; and (2) the establishment of an organized program for the voluntary training of those persons by providing facilities for training and guidance in the arts and crafts of industry and trade. (NRS 610.020) Existing law sets forth the requirements for a public body which sponsors or finances a public work to award a contract to a contractor for the construction of the public work. (Chapter 338 of NRS) Such requirements include, without limitation: (1) the payment of the prevailing wage in the county in which the public work is located; and (2) the establishment of certain fair employment practices for contractors in connection with the performance of work under the contract awarded by the public body. (NRS 338.020, 338.125)
  - Section 4 of this bill requires a public body that awards a contract for a public work for which the estimated cost exceeds $1,000,000 to ensure that an apprentice performs not less than a certain percentage of the total hours of labor on the public work, starting at 3 percent for a contract awarded in calendar year 2018 and rising to 15 percent for a contract awarded in or after calendar year 2022. Section 4 also imposes that requirement upon the Department of Transportation if the estimated cost of the contract exceeds $2,000,000. In addition, section 4: (1) authorizes a public body to submit, pursuant to section 1 of this bill, a request to the Council for a waiver or modification of the requirement to use an apprentice on a public work for the minimum percentage of hours; (2) exempts from the requirement a contractor who cannot, as a result of membership in or affiliation with, or the lack thereof, a labor
organization, retain the apprentices necessary to provide the required hours of labor; and (3) authorizes a contractor to submit a request to the Labor Commissioner to waive the requirement if a change in circumstances makes the completion of the public work subject to the requirement impracticable.

- Section 3 of this bill authorizes the Council to suspend, for not more than 1 year, the right of any contractor on a public work to participate in a program of apprenticeship if the Council determines that the contractor willfully violated the provisions of the contract concerning the use of an apprentice on the public work for the minimum percentage of hours.

- Section 5 of this bill expands the definition of "offense" set forth in existing law relating to public works to include the failure by a contractor to ensure that an apprentice is used on a public work for the required number of hours, thereby subjecting the contractor to a possible civil action to recover damages resulting from the commission of the offense and the temporary disqualification of the contractor from an award of a contract for a public work. (NRS 338.010, 338.016, 338.017)

   o RKG note: No comment at this time.

   o This bill is scheduled to be heard on April 7, 2017, in Senate Commerce, Labor and Energy Committee. We will continue to monitor.

**Concerning Water Rights**

✔ SB494

   o Revises provisions relating to grants for water conservation and capital improvements to certain water systems. (BDR 30-356)

   o This bill was sponsored by the Senate Committee on Government Affairs on March 27, 2017.

   o **Legislative note on what the bill does:** Existing law establishes a program to provide grants of money to purveyors of water and eligible recipients to pay certain costs relating to water. (NRS 349.981)
Section 1 of this bill provides that the program may also provide grants of money to eligible recipients to establish or support cloud seeding operations in this State. Existing law authorizes the Board for Financing Water Projects to administer the program and establishes the Fund for Grants for Water Conservation, Capital Improvements to Certain Water Systems and Improvements to Certain Sewage Disposal Systems to support the program. (NRS 349.982, 349.984)

Section 2 of this bill authorizes the Board to solicit and accept gifts, grants or donations for deposit in the Fund.

RKG note: We have no comment on this legislation at this time. We will continue to monitor.

We are awaiting an upcoming hearing on SB494 to be scheduled.

✓ SB47

Makes various changed relating to the appropriation of water. (BDR 48-499)

This bill was sponsored by the Senate Committee on Natural Resources on November 17, 2016, on behalf of the Division of the Water Resources of the State Department of Conservation and Natural Resources.

Legislative note on what the bill does: Existing law requires any person who wishes to appropriate public waters to apply to the State Engineer for a permit to do so. (NRS 533.325)

Section 1 of this bill revises the requirements for an application for a permit to appropriate water.

Section 2 of this bill requires the State Engineer to publish notice of an application to appropriate water in a newspaper of general circulation where the point of diversion is located. Existing law requires the State Engineer to conduct an inventory of a basin from which water is to be exported before approving an application for an interbasin transfer of more than 250 acre-feet of groundwater if the basin has not previously been studied or inventoried. (NRS 533.364)

Section 3 of this bill requires the State Engineer to instead conduct the inventory before approving an application, or group
of applications collectively applying, for an interbasin transfer of more than 25 percent of the perennial yield or 1,000 acre-feet of groundwater, whichever is less. Upon approving an application for a permit to appropriate water, existing law authorizes the State Engineer to extend the deadline by which construction related to the appropriation of water or the application of water to a beneficial use must be completed or made. A single extension, other than for a municipal or quasi-municipal use for a public water system, may not exceed 1 year. (NRS 533.380)

- Section 4 of this bill clarifies that the single extension may not exceed 1 year from the date for filing proofs provided in the original permit or a previous extension. Section 4 also requires an application to extend the deadline to include evidence of good faith on the part of the applicant in pursuing the perfection of the application.

- Section 5 of this bill eliminates the requirement that a certificate of appropriation set forth the post office address of each holder of the permit. Section 6 of this bill revises provisions relating to certain fees collected by the State Engineer. Existing law recognizes a subsisting right to water livestock which may be proved by the owner of livestock by submitting certain evidence to the State Engineer. (NRS 533.492)

- Section 7 of this bill revises the scale required for a topographic map showing the location of a subsisting right to water livestock from not less than 1:100,000 to not less than 1:24,000. Section 7 also provides that a subsisting right to water livestock is a pre-statutory vested right. Existing law prohibits the denial of an application to change the point of diversion under an existing water right on the basis that the proposed point of diversion is situated in another state.

- Section 8 of this bill adds the same restriction for applications to change the manner of use or place of use. Existing law requires, under certain circumstances, the State Engineer to notify the owner of a water right that the owner has 1 year after the date of the notice to either: (1) use the water right
beneficially and provide proof of such use to the State Engineer; or (2) apply to the State Engineer for an extension of time to work a forfeiture of the water right. If, after 1 year after the date of the notice, the owner of the water right has not taken either action, the State Engineer is required to declare the right forfeited within 30 days. (NRS 534.090)

- Section 9 of this bill eliminates the 30-day period. Existing law authorizes the State Engineer to issue temporary permits to appropriate groundwater in certain designated areas and limit the depth and prohibit reconditioning of domestic wells in such areas. (NRS 534.120)

- Section 10 of this bill renames such a temporary permit as a revocable permit.

- Sections 11, 14 and 15 of this bill make conforming changes.

- Section 10 of this bill also expands the areas in which the State Engineer may limit the depth or prohibit the reconditioning of a domestic well. Further, section 10 requires that a domestic well whose user is furnished water by an entity such as a water district or municipality must be plugged in accordance with any applicable regulations adopted by the State Engineer. Existing law authorizes the State Engineer, assistants and Artesian Well Supervisor to enter the premises to investigate and carry out duties.

- Section 12 of this bill revises the scope of this authority to apply only to the State Engineer, assistants and authorized agents and adds access to the place where the water is being used. Under existing law, the State Engineer may, under certain circumstances, require the plugging of a domestic well if water can be furnished to the site by a political subdivision of the State or certain public utilities. (NRS 534.180)

- Section 13 of this bill removes the requirements that, for the State Engineer to require the plugging of the domestic well: (1) the domestic well must have been drilled on or after July 1, 1981; and (2) the charge for making the connection to the water service is less than $200.
- **RKG note:** We have no comment on this legislation at this time. We will continue to monitor.

- **March 7, 2017:** SB47 was heard before the Senate Committee on Natural Resources. Waiting for further action.

✓ **SB51**

- Makes various changed relating to the adjudication of vested water rights. (BDR 48-180)
- This bill was sponsored by the Senate Committee on Natural Resources on November 16, 2016, on behalf of the Division of the Water Resources of the State Department of Conservation and Natural Resources.

- **Legislative note on what the bill does:** Under existing law, the State Engineer is required, under certain circumstances, to determine the relative rights of various claimants to a stream or stream system upon receiving a petition for such determination or his or her own order for such determination. (NRS 533.090)
  
  - Section 1 of this bill authorizes, rather than requires, the State Engineer to make these determinations. Existing law provides that notice that the State Engineer will begin taking proofs of appropriation to determine the relative rights of various claimants to a stream or stream system is not required until after the State Engineer gathers certain information and has certain surveys and maps prepared. (NRS 533.110)
  
  - Section 2 of this bill requires instead that the notice of when the State Engineer will begin taking proofs of appropriation must be given as soon as practicable after the State Engineer grants the petition or makes his or her own order.
  
  - Sections 17 and 19 of this bill make conforming changes. Sections 3 and 4 of this bill revise the requirements relating to the hydrological surveys executed and maps prepared by the State Engineer for the determination of the water rights in a stream.
  
  - Section 3 provides that the State Engineer is required to execute the surveys or prepare the maps only if necessary.
  
  - Section 4 eliminates a requirement that the costs for the surveys and maps be assessed and collected from the claimants of the water rights in proportionate shares.
Section 5 of this bill provides specifications for the information and documents which must accompany a proof of appropriation.

Section 7 of this bill provides that any proof of appropriation or accompanying map which is found to be defective must be returned to the claimant with an explanation of why the proof or map is defective. A corrected proof or map must be refiled with the State Engineer within 60 days. Under existing law, any person who does not receive notice of the pendency of the proceedings and who has no actual knowledge may file a petition to intervene at any time prior to 6 months after the entry of the determinations of the State Engineer. (NRS 533.130)

Section 8 of this bill revises the time in which a person may intervene to any time prior to the certification of the order of determination. Existing law requires the State Engineer, after receiving the proofs of appropriation, to prepare a preliminary order of determination regarding the rights of claimants to the water and to deliver a copy of the preliminary order to each person who has filed a proof of appropriation. (NRS 533.140)

Section 10 of this bill authorizes the State Engineer to make a copy of the preliminary order available on the Internet in lieu of sending a copy to each claimant. Under existing law, any person claiming any interest in the water may file an objection to the preliminary order within: (1) 30 days after evidence and proofs have been open to public inspection; or (2) such further time as may be allowed by the State Engineer for good cause shown. The State Engineer must hold a hearing on the objections. (NRS 533.145, 533.150) Section 11 of this bill requires the objections to be filed with the State Engineer within: (1) 30 days after the date on which the preliminary order is sent, delivered or made available on the Internet website of the State Engineer; or (2) such further time as may be allowed by the State Engineer for good cause shown.

Section 13 of this bill requires all testimony taken at a hearing on objections to be transcribed by a certified court reporter and requires the original and one copy of the transcript to be filed with the State Engineer. Section 13 also requires the claimants objecting to the preliminary order to pay the fees and expenses of the court reporter. As soon as practicable after the hearing on objections to the preliminary order, existing law requires the State Engineer to enter an order of determination. (NRS 533.160)
Section 14 of this bill authorizes the State Engineer to make a copy of the order of determination available on the Internet in lieu of sending a copy to each claimant. Under existing law, any party aggrieved or dissatisfied with the State Engineer's order of determination may file with the clerk of the district court a notice of exception to the order and, after a hearing on the order of determination, the district court must enter a decree affirming or modifying the order. (NRS 533.170, 533.185)

Section 16 of this bill authorizes the district court to require, under certain circumstances, that a revised map which accurately reflects the decree and conforms with the rules and regulations of the State Engineer be prepared and filed with the district court and the State Engineer. Existing law requires the State Engineer to prepare an annual budget of the money estimated to be necessary to pay the expenses of each stream system or water district. (NRS 533.280)

Section 18 of this bill provides instead that the State Engineer prepare an annual budget of the money estimated to be necessary to pay the expenses of administering each stream system or water district. Section 18 also eliminates a provision that limits the assessment for water distribution expenses to not more than 30 cents per acre-foot of water decreed if the stream system irrigates more than 200,000 acres of land.

RKG note: Since most of Nevada’s surface water was used before the permitting system of Water Act of 1913 Chapter 140 was put into place, any existing water use became a “vested” water right and therefore not subject to the otherwise applicable permitting system. The process of determining amounts and priority of vested rights is an adjudication that culminates in a final judicial decree, as statutorily provided in NRS Chapter 533. Water rights, whether vested, permitted, certified, or simply at the application phase, are treated as real property under Nevada Law. Once a water right is granted, it becomes appurtenant to the land upon which it is used. Unless water rights are specifically reserved to the grantor in a deed conveying land, appurtenant water rights are conveyed along with the land. Water rights holder may file a change application with the state engineer, which, if approved, allows the holder to change the place of beneficial use for a water right to a new parcel of land. However, the State Engineer is allowing utility companies to change of place to a well and not a new parcel of land.

We are awaiting an upcoming hearing on SB51 to be scheduled.
✓ SB134

- Revises provisions concerning water. (BDR 48-787)
- This bill was sponsored by Senator Goicoechea (R-19) on February 13, 2017 and referred to the Committee on Natural Resources.
- **Legislative note on what the bill does:** Existing law requires the State Engineer to reject an application for a permit to appropriate water to beneficial use if there is no unappropriated water at the source of supply or if the proposed use of the water or change conflicts with existing rights or protectable interests in existing domestic wells or threatens to prove detrimental to the public interest. (NRS 533.370)

  - Section 1 of this bill provides that if a proposed use or change conflicts with existing rights or protectable interests in domestic wells, before rejecting the application, the State Engineer may determine if the conflict can be eliminated. Section 1 requires the State Engineer to: (1) inform the applicant and every holder of existing rights and owner of a domestic well with whom the application conflicts; (2) request that the applicant and such holders of existing rights and owners of domestic wells work together to reach an agreement as to whether the conflict can be eliminated; and (3) consider any agreement at a public hearing. Finally, section 1 authorizes the State Engineer to approve the application for a permit on the condition that before the water is appropriated for beneficial use: (1) any measure or action agreed to by the parties is taken; and (2) the conflict must be eliminated.

  - Section 2 of this bill authorizes the State Engineer to require a monitoring, management and mitigation plan as a condition of approval for an application for a permit to appropriate water or to change the point of diversion, manner of use or place of use of water already appropriated even if the State Engineer does not find that the proposed use or change set forth in the application conflicts with existing water rights or protectable interests in domestic wells. Section 2 also requires the plan to, without limitation, specify measures that will be taken by the applicant to avoid and, if necessary, mitigate future conflicts that may occur.

  - **RKG note:** no comment at this time.

  - We are awaiting an upcoming hearing on SB134 to be scheduled.
✓ AB109

- Revises provisions relating to public utilities. (BDR 58-622)
- This bill was sponsored by Assemblyman Ellison (R-33) and Senator Goicoechea (R-19) on February 7, 2017 and referred to the Committee on Commerce and Labor.

  Legislative note on what the bill does: Under existing law, the Public Utilities Commission of Nevada is required to conduct at least one general consumer session annually to solicit comments on issues concerning public utilities from the public in the counties with the largest and second largest populations in the State (currently Clark and Washoe Counties). (NRS 704.069)

  - Section 1 of this bill requires the Commission to also conduct a general consumer session in the county with the fifth largest population in the State (currently Elko County). Under existing law, the Consumer's Advocate of the Bureau of Consumer Protection in the Office of the Attorney General is required to intervene and represent the public interest in certain proceedings conducted by the Public Utilities Commission. (NRS 228.360)

  - Section 2 of this bill requires the Consumer's Advocate also to intervene in proceedings in which a public utility that furnishes water or sewage disposal services, or both, and which has an annual gross operating revenue of $2,000,000 or more files a general rate application with the Commission.

  RKG Comment: We have no comment on this legislation at this time. We will continue to monitor.

  - We are awaiting an upcoming hearing on AB109 to be scheduled.

✓ AB193

- Requires the fluoridation of water in certain circumstances. (BDR 40-716)
- This bill was sponsored by Assemblymen Joiner (D-24) and Sprinkle (D-30) on February 13, 2017 and referred to the Committee on Natural Resources, Agriculture, and Mining

  Legislative note on what the bill does: Existing law requires the State Board of Health to adopt regulations requiring the fluoridation of all water delivered for human consumption in a county whose population is 700,000 or more (currently
Clark County) by a public water system that serves a population of 100,000 or more or by a water authority. (NRS 445A.055)

- Section 2 of this bill requires the Board to instead require such fluoridation in any county whose population is 100,000 or more (currently Clark and Washoe Counties). Section 2 also requires the Board, under certain circumstances, to make a temporary exception to the minimum permissible concentration of fluoride to be maintained in a public water system or water authority in a county whose population is 100,000 or more but less than 700,000 (currently Washoe County).

- **RKG note**: The language of this legislation is ambiguous with respect to whether a GID like IVGID would have to comply. We are seeking clarification regarding the scope of this legislation.

- **March 7, 2017**: SB47 was heard before the Assembly Committee on Natural Resources, Agriculture, and Mining. Waiting further action.

**AB209**

- Revises provisions governing the forfeiture of water rights. (BDR 48-308)

- This bill was sponsored by Assemblyman Oscarson (R-36) on February 13, 2017 and referred to the Committee on Natural Resources, Agriculture, and Mining.

- **Legislative note on what the bill does**: Existing law provides, with limited exception, that the holder of a water right forfeits the right if the holder fails for 5 successive years to use beneficially all or any part of the underground water for the purpose for which the right is acquired or claimed. Existing law authorizes the holder of a water right to request an extension to work the forfeiture and the State Engineer may grant an extension for good cause shown if the request is made before the expiration of the time necessary to work the forfeiture. (NRS 534.090)

  - This bill requires the State Engineer to extend the time necessary to work a forfeiture if the request is made before the expiration of the time necessary to work the forfeiture and the water right authorizes the holder of the right to use groundwater in a basin.

- **RKG note**: We have no comment on this legislation at this time. We will continue to monitor.

- We are awaiting an upcoming hearing on AB209 to be scheduled.
Concerning Property Law (General)

✓ AB34

- Revises provisions relating to state lands. (BDR 26-179)
- This bill was sponsored by the Assembly Committee on Natural Resources, Agriculture, and Mining on November 16, 2016 on behalf of the Division of State Lands of the State Department of Conservation and Natural Resources.
- Legislative note on what the bill does: Under existing law, the Division of State Lands of the State Department of Conservation and Natural Resources must acquire and hold in the name of the State all land and interests in land owned or required by the State, with certain exceptions. (NRS 321.001) The Administrator of the Division is, ex officio, the State Land Registrar. (NRS 321.010) Existing law requires, with certain exceptions, the State Land Registrar to obtain two independent appraisals of any state land before offering the land for sale or lease. (NRS 321.007)
  - Section 1 of this bill changes that requirement so the State Land Registrar must obtain just one independent appraisal before offering state land for sale or lease. Existing law creates the Revolving Account for Land Management as a special account in the State General Fund. Money in the Account must be used to pay the expenses relating to the management of land held by the Division of State Lands, including, without limitation, expenses for appraisals and surveys, construction of fences and barriers for vehicles and the cleanup and maintenance of the land. (NRS 321.067)
  - Section 2 of this bill authorizes money in the Account also to be used to pay expenses relating to the acquisition of or interests in land. Section 2 also provides that the expenses for which money in the Account may be used may include land surveys, required assessments of the land, including surveys of the biological, environmental and cultural conditions and resources of the land, and any required mitigation of the land. Existing law authorizes the State Land Registrar to request an allocation to the Revolving Account from the Contingency Account in the State General Fund if the balance in the Revolving Account is below $5,000. Section 2 of
this bill raises that amount to $20,000. Existing law provides procedural requirements for the sale or lease of state land and exempts from those requirements any lease of residential property with a term of 1 year or less. (NRS 321.335)

○ Section 3 of this bill removes that exemption. Existing law requires the Administrator of the Division of State Lands to develop and make available to cities and counties certain information useful to land use planning. (NRS 321.720)

○ Section 4 of this bill removes the requirement that the Administrator develop and make available to cities and counties: (1) a continuously revised inventory of the land and natural resources of the State; (2) statewide data relating to population densities and trends, economic and environmental characteristics and trends, and directions and extent of urban and rural growth; (3) projections of the nature and quantity of land needed and suitable for various purposes; and (4) a continuously revised inventory of the environmental, geological and physical conditions which influence the desirability of various uses of land. Existing law authorizes, if certain requirements are fulfilled, the lease of state land for less than the fair market value of the land for the first year of the lease if the lessee intends to locate or expand a business in this State. (NRS 322.061)

○ Section 5 of this bill removes a number of the requirements that must be fulfilled, including requirements relating to the number of employees of the business, the capital investment in this State by the business, the average hourly wage paid by the business to employees in this State and the benefits provided by the business. Section 6 of this bill repeals obsolete provisions relating to the Lincoln County Pilot Land Development and Disposal Law. (NRS 321.540-321.590)

○ *RKG note:* We have no comment on this legislation at this time. We will continue to monitor.

○ We are awaiting an upcoming hearing on AB34 to be scheduled.
AB246

- Revises provisions relating to the creation of a local improvement district and tax increment area. (BDR 22-705)
- This bill was sponsored by Assemblyman Kramer (R-40) on March 1, 2017 and referred to Committee on Government Affairs.
- Legislative note on what the bill does: Existing law authorizes the governing body of any county, city or unincorporated town to create an improvement district for the acquisition of certain projects, including a park project, street project or commercial area vitalization project, and to finance the cost of any such project through the issuance of bonds and the levy of assessments upon property in the improvement district. (Chapter 271 of NRS) Two or more governmental entities are authorized under existing law to enter into a cooperative or interlocal agreement in certain circumstances to perform a governmental function. (NRS 277.045-277.188) Existing law authorizes a county to exercise its powers relating to local improvement projects for a project or benefited property that is within the boundaries of a city if the city in which that territory is located consents in an interlocal agreement to the exercise of those powers within its boundaries. (NRS 271.015)
  - Section 1 of this bill extends the authority to enter into such an interlocal agreement to two or more counties. Therefore, a county would be authorized under section 1 to exercise its powers relating to local improvement projects for a project or benefited property that is within the boundaries of another county if the county in which that territory is located consents in an interlocal agreement to the exercise of those powers within its boundaries. Existing law authorizes the governing body of a municipality to designate a tax increment area for the purpose of creating a special account for the payment of bonds or other securities. The designation of a tax increment area by the governing body provides for the allocation of a portion of the taxes levied upon taxable property in the tax increment area each year to pay the bond requirements of loans, money advanced to or indebtedness incurred by the municipality to finance or refinance the project. (Chapter 278C of NRS)
  - Section 2 of this bill authorizes the governing bodies of two or more municipalities whose boundaries are contiguous to enter into an interlocal or cooperative agreement for the creation of a tax increment area for the acquisition or improvement of a street project whose boundaries encompass
all or part of each municipality. Section 2 further provides that if the governing bodies of the municipalities enter into such an agreement: (1) the governing bodies are authorized to take joint action to comply with certain procedures for the creation of a tax increment area; and (2) the tax increment area is required to be administered in accordance with the interlocal or cooperative agreement.

- **RKG note:** We have no comment on this legislation at this time. We will continue to monitor.
- We are awaiting an upcoming hearing on AB246 to be scheduled.

**Other Legislation that may be of interest:**

- **SB145**
  - This bill pertains to solar energy and the supply and demand.
  - Revises provisions relating to energy.
  - This bill was referred to the committee on Commerce, Labor and Energy on February 13, it has not been read into the committee yet. Senator Pat Spearman is the primary sponsor of the bill.
  - **Legislative note on what the bill does:** Existing law establishes the Solar Energy Systems Incentive Program, the Wind Energy Systems Demonstration Program and the Waterpower Energy Systems Demonstration Program. Existing law further establishes the amount of incentives that may be authorized for payment by the Public Utilities Commission of Nevada to each Program. (NRS 701B.005, 701B.010-701B.290, 701B.400-701B.650, 701B.700-701B.880)
    - Section 1 of this bill combines the amount of existing incentives available for payment to each Program into a single pool of money from which the Commission may authorize the payment of an incentive to a Program. Section 1 further requires the Commission, for the period beginning on January 1, 2018, and ending on December 31, 2023, to authorize the payment of incentives in an amount of not more than $2,000,000 per year for the installation of solar energy systems and distributed generation systems at locations throughout the service territories of electric utilities in this State that benefit low-income customers.
Section 2 of this bill provides that incentives available to a participant that is a public entity or nonprofit organization must not exceed 75 percent of the installed cost of the solar energy system or distributed generation system based on the average installed cost of a system, as applicable, in the immediately preceding year.

Section 11 of this bill repeals the provisions of existing law that require each electric utility in this State to create a Lower Income Solar Energy Pilot Program, which are duplicative of the amendatory provisions of section 1. Existing law requires an electric utility with an annual operating revenue of $2,500,000 or more in this State to submit to the Public Utilities Commission of Nevada a plan to increase its supply of electricity or decrease the demands made on its system by its customers. (NRS 704.741)

Section 3 of this bill requires such a utility to submit to the Commission a plan for modernization of the grid as part of the plan to increase its supply or decrease the demands on its system. Existing law requires the Commission to convene a public hearing on the adequacy of a plan to increase supply or reduce demand and to issue an order accepting the plan or specifying any portions of the plan it deems to be inadequate. (NRS 704.746, 704.751)

Section 5 of this bill authorizes the Commission to accept a plan for modernization of the grid if the Commission determines that the benefits of the plan exceed its costs.

Section 4 of this bill requires the Commission to apply the utility cost test in determining whether the plan adequately demonstrates the economic, environmental and other benefits to customers of the electric utility. Existing law creates the Legislative Committee on Energy. (NRS 218E.805)

Sections 6 and 7 of this bill add two nonvoting members to the Committee who represent the building and banking industries in this State, respectively.

Section 8 of this bill requires the Department of Transportation to evaluate and publish annually a report concerning the need for additional publicly available hydrogen-fueling stations over the next 3 years.
Section 9 of this bill appropriates to the Department $2,000,000 to provide incentives for the construction of publicly available hydrogen-fueling stations. Existing law creates the Legislative Committee on Energy and directs the Committee to take a variety of actions with respect to matter related to energy policy within this State. (NRS 218E.800-218E.815)

Section 10 of this bill directs the Committee to conduct an interim study concerning: (1) the development of energy, viability, expansion and implementation of energy efficiency programs; and (2) the viability of establishing green banks and similar entities to help finance the use and harnessing of clean energy projects in this State, for both commercial and residential properties. The Committee will consult with entities and interests from various backgrounds including government, public utilities, real estate development and finance. Section 10 further directs the Governor’s Office of Energy to provide administrative and technical assistance to the Committee. Existing law prohibits an electric utility from making changes in any schedule or imposing any rate on residential customers that is based on the time of day, day of the week or time of year during which the electricity is used or that otherwise varies based upon the time during which the electricity is used. (NRS 704.085)

Section 11 of this bill repeals this prohibition, thereby permitting an electric utility to adopt a rate or schedule based on the time of use if the Public Utilities Commission of Nevada finds the rate or schedule to be just and reasonable. (NRS 704.040)

**RKG note:** We have no comment on this legislation at this time. We will continue to monitor.

We are awaiting an upcoming hearing on SB145 to be scheduled.

**SB146**

- Requires certain electric utilities to file a distributed resources plan with the Public Utilities Commission of Nevada. (BDR 58-15)

- This bill was referred to the committee on Commerce, Labor and Energy by Senator Pat Spearman on February 13, 2017.
- **Legislative note on what the bill does:** Existing law requires an electric utility with an annual operating revenue of $2,500,000 or more in this State to submit to the Public Utilities Commission of Nevada a plan to increase its supply of electricity or decrease the demands made on its system by its customers. (NRS 704.741)
  - Sections 1 and 3 of this bill require such an electric utility to submit to the Commission, on or before July 1, 2018, a distributed resources plan as part of the plan to increase its supply or decrease the demands on its system. A distributed resources plan must: (1) evaluate locational benefits and costs of distributed resources; (2) propose or identify standard tariffs, contracts or other mechanisms for the deployment of cost-effective distributed resources; (3) propose cost-effective methods of effectively coordinating existing programs approved by the Commission; (4) identify additional spending necessary to integrate cost-effective distributed resources into distribution planning; and (5) identify barriers to the deployment of distributed resources. Existing law requires the Commission to convene a public hearing on the adequacy of a plan to increase supply or reduce demand and to issue an order accepting the plan or specifying any portions of the plan it deems to be inadequate. (NRS 704.746, 704.751)
  - Section 2 of this bill authorizes the Commission to accept a distributed resources plan that complies with the provisions of section 1 after such a hearing.

  - **RKG note:** We have no comment on this legislation at this time. We will continue to monitor.
  - We are awaiting an upcoming hearing on SB146 to be scheduled.

- **SB150**
  - Revises provisions related to energy efficiency programs. (BDR 58-568)
  - This bill was referred to the Senate committee on Commerce, Labor and Energy and is being sponsored by Senator Pat Spearman on March 3, 2017.

- **Legislative note on what the bill does:**
  - Sections 2-11 of this bill require the Public Utilities Commission of Nevada to establish annual goals for energy savings applicable to electric utilities and providers of electric service in this State and to establish
performance-based incentives which an electric utility or provider of electric service is entitled to recover if the electric utility or provider of electric service meets or exceeds the annual goals for energy savings established by the Commission.

- Section 9 sets forth certain Legislative findings of the necessity for and the benefits relative to the reduction of the consumption of energy by consumers in this State.

- Section 10 requires the Commission to establish goals for energy savings for each calendar year for the period beginning with calendar year 2018 and ending with calendar year 2025. Section 10 also requires each electric utility and provider of electric service to implement an energy efficiency plan which is cost effective, as measured by the utility cost test, and designed to meet the goals for energy savings established by the Commission. Section 10 further requires that at least 5 percent of the expenditures related to energy efficiency programs must be directed toward low-income customers of the electric utility or provider of electric service. Additionally, section 10 provides that energy savings which exceed the annual goal for an electric utility or provider of electric service may be banked or traded for use in subsequent calendar years.

- Section 11 requires the Commission to establish performance-based incentives which may be recovered by an electric utility or provider of electric service that meets or exceeds its annual goal for energy savings. Section 11 requires each electric utility and provider of electric service to submit annually a report to the Commission which includes: (1) information regarding whether the electric utility or provider of electric service is entitled to a performance-based incentive for the relevant calendar year; and (2) a request to recover any performance-based incentive to which the electric utility or provider of electric service is entitled. Section 11 also provides that, if the Commission approves a request to recover a performance-based incentive, the electric utility or provider of electric service must recover the performance-based incentive over a 12-month period through a rate recovery mechanism approved by the Commission.

- Section 12 of this bill revises existing law relating to the recovery of costs based on the implementation by an electric utility of energy efficiency and conservation programs to authorize the Commission to remove financial
disincentives which discourage an electric utility from implementing or promoting participation in such programs by including a rate adjustment mechanism to ensure that the revenue per customer authorized in a general rate application is recovered without regard to the difference in the quantity of electricity actually sold by the electric utility.

- **RKG note:** We have no comment on this legislation at this time. We will continue to monitor.
- We are awaiting an upcoming hearing on SB150 to be scheduled.

 IsValid AB5

- Provides for the creation of certain local improvement districts. (BDR 22-233)
- This bill was heard in the Assembly Committee on Commerce and Labor and is being sponsored by the committee as well. It was read to committee on February 20, 2017 but no action was taken on it.

  - **Legislative note on what the bill does:** Existing law sets forth the procedures for a governing body to acquire, improve, equip, operate or maintain local improvement districts that include various types of projects, including energy efficiency improvement projects and renewable energy projects. (NRS 271.265-271.630)
    - This bill provides for the creation by a local government, without an election, of a local improvement district that includes an energy efficiency improvement project or a renewable energy project.
- **RKG note:** We have no comment on this legislation at this time. We will continue to monitor.
- We are awaiting an upcoming hearing on AB5 to be scheduled.

IsValid AB140

- Revises the boundary line between Carson City and Washoe County. (BDR S-696)
- This bill was referred to the Assembly Committee on Government Affairs and it sponsored by Assemblyman Al Kramer. It was introduced on February 10, 2017.

  - **Legislative note on what the bill does:** This bill revises the boundary line between Carson City and Washoe County.
We are awaiting an upcoming hearing on AB140 to be scheduled.

SB63

- Revises provisions which govern responsibility for the costs of maintenance and repair of certain county roads. (BDR 20-324)

- This bill was heard in the Assembly Committee on Government Affairs and is being sponsored by the Senate Committee on Revenue and Economic Development. It was read to committee on February 10, 2017 but no action was taken on it.

Legislative note on what the bill does: Existing law provides for the apportionment of the revenues of certain motor vehicle fuel taxes to a county, to the incorporated cities in the county and to the town boards of unincorporated towns in the county for the construction, maintenance and repair of rights-of-way, other than state highways, under the direction and control of the board of county commissioners or the governing body of the city or town, as applicable. (NRS 365.560) Existing law additionally provides that if streets and easements located in a general improvement district have been accepted for dedication by the board of county commissioners, the board of county commissioners is required to: (1) maintain and repair such streets and easements; or (2) pay the board of trustees of the general improvement district for the maintenance and repair of such streets and easements. If the board of county commissioners pays the board of trustees to maintain and repair the streets and easements, the board of county commissioners must use the proceeds received by the county from certain motor vehicle fuel taxes. (NRS 244.278, 365.550)

- This bill establishes the responsibility of the board of county commissioners of a county to: (1) maintain and repair county roads which are located within the boundaries of an unincorporated town; or (2) pay the town board of the unincorporated town for the maintenance and repair of such county streets and roads.

- Additionally, this bill provides that if the board of county commissioners pays a town board to maintain and repair the county streets and roads, the board of county commissioners must use the proceeds of the motor vehicle fuel taxes imposed pursuant to NRS 365.180 and allocated to the county pursuant to NRS 365.550.
• **RKG note:** We have no comment on this legislation at this time. We will continue to monitor.

• We are awaiting an upcoming hearing on SB63 to be scheduled.

✓ **SB78**

• Revises provisions relating to local government financial administration. (BDR 31-403)

• This bill was heard in the Assembly and Senate Committee on Government Affairs and is being sponsored by the Senate Committee on Government Affairs. It was read to committee on March 6, 2017 but no action was taken on it.

• **Legislative note or what the bill does:** The Local Government Budget and Finance Act authorizes the governing body of a local government to establish certain funds, including an enterprise fund to account for operations which are financed and conducted in a manner similar to the operations of a private business, where the intent of the governing body is to have the expenses of providing goods or services to the general public financed through charges imposed on users. (NRS 354.470-354.626) Under existing law, a governing body of a local government is authorized to loan or transfer money from an enterprise fund only if the loan or transfer is made: (1) as a medium-term obligation in compliance with certain requirements; (2) to pay the expenses of the pertinent enterprise; (3) for a cost allocation for employees, equipment or other resources; or (4) upon the dissolution of the enterprise fund. Until June 30, 2021, existing law also authorizes certain local governments to transfer money from an enterprise fund to the general fund of the local government for the purpose of subsidizing the general fund if certain requirements are satisfied. (NRS 354.613)

• This bill authorizes a local government to make such transfers from an enterprise fund on and after July 1, 2021, if: (1) on or before July 1, 2018, the Committee on Local Government Finance has approved a plan adopted by the governing body of the local government to eliminate such transfers, which includes, without limitation, a plan to reduce the amount of such transfers by at least 3.3 percent each fiscal year during the term of the plan; and (2) the local government reduces the amount of the transfers in accordance with the plan.
RKG note: We have no comment on this legislation at this time. We will continue to monitor.

We are awaiting an upcoming hearing on SB78 to be scheduled.

✓ SB87

Revises provisions relating to redevelopment projects. (BDR 22-207)

This bill was referred to the Senate Committee on Government Affairs and is being sponsored by Senator Pete Goicoechea. It was read to committee on February 6, 2017 but no action was taken on it.

Legislative note on what the bill does: Under existing law, with certain exceptions, the prevailing wage in a county for each craft or type of work, as determined by the Labor Commissioner, is required to be paid on a project in the county involving new construction, repair or reconstruction that is financed in whole or in part with public money and for which the estimated cost is $250,000 or more. (NRS 338.010, 338.020-338.080) If a redevelopment agency provides financial incentives to a developer with a value of more than $100,000 on a project, the developer is required under existing law to pay prevailing wage rates on the project. (NRS 279.500)

This bill makes identical the minimum monetary threshold at which the prevailing wage rates are required to be paid on a redevelopment project for which financial incentives have been provided by a redevelopment agency and the minimum monetary threshold at which the prevailing wage rates are required to be paid on a public work, which is $250,000 under existing law.

RKG note: We have no comment on this legislation at this time. We will continue to monitor.

We are awaiting an upcoming hearing on SB87 to be scheduled.

Concerning Taxation

✓ SB85

Exempts certain property from taxation. (BDR 32-272)

This bill was sponsored by Senator Ben Kieckhefer on January 27, 2017 and referred to the Senate Committee on Revenue and Economic Development.
Legislative note on what the bill does: Section 1 of Article 10 of the Nevada Constitution authorizes the Legislature to exempt from taxation property used for charitable purposes.

- Section 6 of Article 10 of the Nevada Constitution requires the Legislature, in enacting such an exemption, to provide a specific date on which the exemption expires. This bill exempts from taxation through June 30, 2037, the real property, including certain furniture and equipment on the property, of the Parasol Tahoe Community Foundation, a nonprofit and charitable organization.

RKG note: We have no comment on this legislation at this time. We will continue to monitor.

- We are awaiting an upcoming hearing on SB85 to be scheduled.

☑ SB54

- Authorizes certain smaller counties to approve additional uses of the proceeds of a tax for infrastructure. (BDR 32-341)

- This bill was sponsored by the Senate Committee on Revenue and Economic Development on November 17, 2016.

Legislative note on what the bill does: Existing law authorizes each county to impose a sales and use tax for certain infrastructure projects. (NRS 377B.100, 377B.160) Existing law authorizes certain smaller counties (currently any county other than Clark and Washoe Counties) to use the proceeds of the tax for certain purposes related to the construction or renovation of schools, the construction or renovation of cultural or historical facilities, or the construction, improvement or equipping of public safety, cultural and recreational, or judicial facilities. (NRS 377B.160)

- This bill authorizes these smaller counties to use the proceeds of the tax for certain purposes related to the construction, improvement or equipping of additional types of governmental facilities. In addition, this bill authorizes these smaller counties to use the proceeds of the tax to pay the costs of operating and maintaining certain governmental facilities. Under existing law, any change to use the proceeds of the tax for the additional purposes authorized by this bill must be approved by a two-thirds majority of the board of county commissioners of the county. (NRS 377B.100)
o **RKG note:** We have no comment on this legislation at this time. We will continue to monitor.

- March 14, 2017: SB54 will be heard before the Senate Committee on Revenue and Economic Development.

**V. CONCLUSION**

The legislative landscape is continuously shifting. Nevertheless, Reese Kintz Guinasso will continue to monitor all introduced bills and bill draft resolutions to ensure that you are fully informed about legislative changes that could affect the Incline Village General Improvement District. In the next report, we will report on any votes, amendments or passages of the bills we have shown above.

Very truly yours,

Jason D. Guinasso, Esq
MINUTES

REGULAR MEETING OF MARCH 8, 2017
Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairwoman Kendra Wong on Wednesday, March 8, 2017 at 6:00 p.m. at the Chateau located at 955 Fairway Boulevard, Incline Village, Nevada.

A. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

B. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*

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

Also present were District Staff Members Director of Finance Gerry Eick, Communications Coordinator Misty Moga, Information Technology Manager James Russell, Diamond Park Ski Resort Manager Mike Bandelin, Director of Human Resources Dee Carey, Director of Public Works Joe Pomroy, Parks and Recreation Director Indra Winquest, and Director of Community Services Sharon Heider.

Members of the public present were Pete Todoroff, Steve Dolan, Dolores Holets, Gail Krolick, Bruce Simonian, Jean Eick, Denise Davis, Omer Rains, and others.

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

C. PUBLIC HEARING – Resolution Number 1854, Authorizing a Medium-Term Installment Purchase Agreement, pursuant to Nevada Revised Statutes 350.087 and Nevada Administrative Code 350.100 through 350.160, in the amount of $448,000.00, to California First National Bank to finance the procurement of eighty (80) electric golf carts, including GPS units, to be located at the Championship Golf Course, with a total amount due of $480,584.00

Chairwoman Wong announced that this is the time for the public hearing and asked for a motion to open the public hearing. Trustee Horan made a motion to
open the public hearing and Trustee Dent seconded the motion. Chairwoman Wong called the question and the motion was unanimously passed.

Chairwoman Wong then asked Director of Finance Gerry Eick if the District had complied with the required noticing; Director of Finance Eick responded yes and proceeded to give an overview of the submitted materials. District General Counsel Jason Guinasso read the public comment advisory statement. Chairwoman Wong asked for public comments; none were made.

Chairwoman Wong asked for a motion to close the public hearing; Trustee Horan made a motion to close the public hearing. Trustee Callicrate seconded the motion. Chairwoman Wong called the question and the motion was unanimously passed.

D. PUBLIC COMMENTS*

Pete Todoroff read from a prepared statement which is attached hereto.

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

Gail Krolick said that she heard a rumor that kind of upset her and noted that she conducts long term property management. The rumor is that the IVGID snow removal crew has the Hyatt as its first priority and then IVGID will help with the bus routes. This rumor is out there with a rather large property management company and that she is asking that the Board instruct Staff to find out if this is true and then suggested that there should be some proactive comments in the newspaper as to whether this is true or not. Ms. Krolick then said that she wanted to recommend that there be separate counsel for the District and then separate counsel for the Board of Trustees and noted that this is something that is long overdue. She knows it will cost some money to have separate counsel for the Board and for the District. Finally, she is also here to give kudos - the Diamond Peak parking problem response has exceeded her expectations and Staff has done a bang up job and it is so much better now so thank you for making that change.

Dolores Holets read from a prepared statement which is attached hereto.

Melissa Mangiaracina said that she was here to support the bike track as she and her family have been going to Truckee to use theirs so this would be a wonderful thing for this community as the citizens wouldn’t have to drive so far for biking. Kylee Mangiaracina said that is a fun sport. Jack Mangiaracina said each
time we go it is so much fun and that if you are really small you can do little stuff and they have stuff for advanced people Melissa Mangiaracina said that this will be a really great thing for those that don’t play golf. Another suggestion is that she lives up by the Mountain Golf Course and she would ask that the District consider adding a bus stop for the Diamond Peak bus as there are a bunch of families up there and it would be beneficial to those families so please consider expanding the bus route.

Diane Morrison and Laurel Jones, two concerned parents said that at the public schools there is going to be a major reduction in the budget to all of the Washoe County schools and that it impacts our schools tremendously. The Washoe County School District announced $12 million dollars in budget cuts with the effect not being announced yet. The potential is that the fourth grade class size would go from 21 to 38 students and the loss of four teachers at the elementary school. The tax initiative that was just passed was for building new schools so that money can’t go to teachers. With 39 students in the fifth grade class there would need to be adjustments made to the infrastructure. They are asking that it be known that we send a lot of tax dollars down the hill and it doesn’t come back. They have compiled a list of the top officials within Washoe County School District so they are asking everyone to call or write them as this is just not about parents taking action rather it is about everyone because it involves all of our tax dollars and schools do drive real estate development. Our schools are qualified for Title 1 funds however we don’t get them because the Washoe County School District sets a different bar in order to receive them.

Aaron James said he was here tonight in support of having a bike park here in town and that this is important for this community and it has been a long time coming. Everyone is extremely excited as it will be an instant hit. He appreciates the confidence in helping with this project as they have done their due diligence for funding and putting everything together. This bike park will be an awesome asset and of great importance to this community. Thank you to all the families and Staff as everyone has been extremely helpful. The community is backing this project so let’s see it through.

Kevin, Atticus and Ashford Edwards came forth and said that they were here tonight to support the bike park and that they appreciate the great work that everyone has put into this project and they are really excited about it.

Chris Beardsley thanked the Board for their time and service because without them we wouldn’t have any kind of community. He asked that everyone envision the site when it is mature as it will be an excellent place to take our kids to and it
Minutes
Meeting of March 8, 2017
Page 4

is a skill building tool that those that use it will have for life. Cycling is something that put a smile on everyone’s face and something that you can do forever. Given our amazing natural terrain, altitude, and our trails, and then throw in a pump track, the kids are going to be very, very good at what they do. It is good for kids that are building their skills and it is good for adults as cycling is a good way to spend their time.

Steve Dolan said that he is in support of the bike track as athletics is a wonderful thing that helps with all sorts of things. Secondly, he moved here because the school class size was twenty two kids and because of the schools. When he hears the class will be going to thirty one, well, that is just devastating. He supports putting pressure on Washoe County School District and noted that the time to act is right away. Next, this time last year, he came before this Board and talked about the wild trout, well, spawning season for the wild trout is approaching and there has been lots of money spent for spawning purposes and the wild Lake Tahoe trout is considered the healthiest rainbow trout in Nevada so let’s try and contain the activities in the streams. One suggestion would be to see more than one sign put up and one placement should be at the dog park with a request to respect the stream. We have a wonderful opportunity to go and protect the money that we have spent. Also, when talking about water clarity, there are two streams that haven’t improved and one that hasn’t is in Incline Village. The center of town has a stream and we need to limit our activity in the streams. There will be a high flow with a lot of surface muck and thus no room for a natural clarification process.

E. APPROVAL OF AGENDA (for possible action)

Trustee Horan made a motion to have a flexible agenda which is defined as taking items on the agenda out of order; combining agenda items with other agenda items; removing items from the agenda; moving agenda items to an agenda of another meeting, or voting on items in a block. Trustee Morris seconded the motion. Hearing no further discussion, Chairwoman Wong called the question and the motion was unanimously passed.

The Board agreed to move Item G.3. up before Item F. Presentations and to move up Item G.5. to right after G.2.
G. GENERAL BUSINESS (for possible action)

G.1. Receive a presentation on a Memorandum of Understanding (MOU) for partnership with the Incline Tahoe Foundation (ITF) to construct and maintain the Incline Bike Park Project, and possibly review, discuss and approve the MOU (Requesting Staff Member: Director of Community Services Sharon Heider) *(was General Business Item G.3.)*

Director of Community Services Sharon Heider gave an overview of the submitted materials.

Chairwoman Wong asked what the projection for construction was; Director of Community Services Heider responded it is wholly dependent on fundraising.

Trustee Callicrate said that he has worked with Ms. Holets and that she has done a tremendous job within the community and that this is a great opportunity to do a public/private agreement and that he has done his due diligence so he will be voting in support on the MOU.

Trustee Morris gave a call out to Elko who has done a lot of work on this and said that the Truckee pump track is great. What he is hearing is that all the funds have to be raised both for construction and maintenance. Director of Community Services Heider said that the construction money has to be in hand and we still need to do some negotiation on the staffing.

Trustee Horan said that the District allocated a budget for that going back a year or two and Staff spent $20,000 so are we going to hold off on any further expenditure under the fundraising is successful. Principal Engineer Charley Miller said that Staff will be spending about $5,000 on permits and that the bulk will be spent after the fundraising is successful. Trustee Horan then asked how the donation kiosk was going to work. Director of Community Services Heider said there are donation bins in the area and that this is the old school tradition for users to donating money. Staff has been talking about new technology such as with one's Smart phone, etc. We just wanted to put the idea of a donation forth and we will do more research.

Trustee Callicrate made a motion to approve the MOU and direct Staff to execute the Memorandum of Understanding (MOU) with the
Incline Tahoe Foundation (ITF). Trustee Morris seconded the motion. Chairwoman Wong asked for any further comments, hearing none, she called the question and the motion was unanimously passed.

F. PRESENTATIONS*

F.1. Opengov.com tutorial presented by Controller Lori Pommerenck

Controller Lori Pommerenck gave a tutorial on Opengov.com.

Chairwoman Wong said if someone didn’t know what ad valorem was where would one find that definition. Controller Pommerenck said on our financial transparency page.

Trustee Horan said that this displays better in Chrome versus Explorer and asked Controller Pommerenck to go to Ski and drill down for revenues and expenses for a quarter; Controller Pommerenck provided this tour.

Chairwoman Wong asked what was included in the central services allocation. Controller Pommerenck said payroll, risk management, accounting, information technology and anything at the administrative level that covers all of the District.

G. GENERAL BUSINESS (for possible action)

G.2. 2017/2018 Budget Review Process: Board Overview of Operating Budget (Requesting Staff Member: General Manager Steve Pinkerton) *(was General Business Item G.1.)*

General Manager Pinkerton gave an overview of the submitted materials followed by individual venue/department managers giving overviews of their venue/department.

Following are questions/answers during this presentation:

Q: $70,000 jump for this year from last year.
A: Correct, have moved some position like Budget Analyst, in services and supplies included upgrades in our Vermont system, and
budgeted for new programs such as growth at the Chateau and growth in the fitness program at Diamond Peak.

Q: For Tennis, you have gone to year round staffing; what was the driver for that change?
A: There is no year round staffing at Tennis rather the add was for the aforementioned accounting position and the Director of Community Services costs.

Q: What changes, if any, are planned for pickleball.
A: We will continue to keep up with the growth and we have added additional time slots as well as purchased some nets, etc. We have created a fee to play at peak time (morning). We are doing everything we can to keep up with the growth of this sport.

Q: Do you have an update on the conversion of the previously mentioned ballfield?
A: We are in the process of evaluating the funding and the project is ongoing so there is nothing new to report. Ready to move and are evaluating the change in use; we are confident it is of benefit to the community and there are no budgeted funds for it.

Q: Theoretically, this is a project for 2018/2019? 
A: Yes unless the funding is presented earlier.
Q: What would be the construction period?
A: One to two weeks for design then go out to bid followed by award and construction.

Q: How many people/positions are at the beaches?
A: Approximately 28.

Q: This is a significant growth from 15; do the total personnel costs include everything?
A: Within the proposed budget, lengthened both the front end and the back end of the season, biggest increase is in fringe benefits which are mostly related to the ACA as well as full time year round staff allocation.

Q: Is there an increase in the wages for the lifeguards?
A: Yes, across the board.
Q: Are we now paying a more equitable wage than we were three or four years ago?
Yes, we have to in order to stay competitive in the job market. We have significant retention issues and had to make adjustments because of California raising their minimum wage.

Where are we on salary surveys?
We are constantly analyzing that and do periodic ones for full time positions and part time positions are done season to season. We have a challenge, at Ski, as the minimum wage is going up five to ten percent a year so we have to look at the going rates as they are very market driven. We will know very early in the spring if we are paying enough for lifeguards and our Human Resources team stays in close contact with other entities.

Is there data to support these increases as it is important to highlight the across the board increase and that the District is not at the top of the market relative to our wages.
Absolutely.

There are two bills in the Legislature to raise the minimum wage in Nevada.
California is already higher and being three miles from that border it impacts us and others.

May the Trustees get a copy of the narratives presented by Staff today.
Yes.

At 7:50 p.m., Chairwoman Wong called for a 10-minute break; the Board reconvened at 8 p.m.

Why is Diamond Peak contributing back to the Recreation Fee?
This is the way we have always done it and a portion of the capital fee does go to Diamond Peak. On the operating side, it has been a contributor which nets out on the operation side. The amount has varied over the years but usually it is between $150 to $250 per parcel.

Is this similar with Golf? Ski is a contributor and has been for quite some time and that contribution is fueled by guests. This statement is not intended as impugning Golf just a generalized statement.
Not since the 1990's
Q: Employee benefits, in Ski, have gone up roughly 50% in the last two years and wages have not.
A: We are projecting an hourly wage increase for front line employees that we don't want to publicly announce but it will be higher next year.

Q: The question was about employee benefits - grown by 50% for the past two years.
A: Part is the ACA and two full time year round positions being charged there.

Q: Ski has to operate with less Staff than desired yet you have managed to provide a really great product which is to be commended upon so do we really need all this Staff or can we run a little skinner?
A: This model is not sustainable and is an inefficient use of resources but our commitment is to a high level of service.

Q: Services and supplies; thought food and beverage was included.
A: Other costs are included and it is all other things except food as we are operating a longer season and it includes lift maintenance.

Q: There has been a 70% increase over the last two years; is this a result of operating longer?
A: It is in multiple areas such as licensing fees, costs of professional services for work on lifts which is increase, more wear and tear on the infrastructure, and incremental costs. Our operating season has 30% more days and there are costs in handling new credit cards.

Q: The Championship Golf Course is becoming more reliant upon the facility fee and getting more from Diamond Peak. From a sustainability standpoint, it works when Diamond Peak has snow but what if next year there is no snow are we going to find ourselves in a world of hurt and is this putting the chicken before it hatches?
A: The golf industry is trying to rebound and recognizes that the decline is a worldwide issue so they are putting more money into the industry and we are trying to do that as well with our programs and use the Mountain Golf Course as a more casual experience. Long term is how to grow this and we will by putting in new programs that try and grow new golfers. We also budget conservatively on Ski because of this scenario. The real resistance, at Golf, is bringing the
rates up to the market and when a consultant saw this they thought we were doing a lot better than they thought. There is a challenge on getting the rates up quickly yet we hope there is room to grow. It is quite a deal for passholders and brings one million dollars of value to the community.

Q: Will the maintenance shift to once a week impact the quality of the golf course?
A: We decided to do this because we have found, with a little tweak on the shotgun starts, time in the morning and that allows play to occur in the afternoon so there will be no quality impact at all.

Q: The real challenge is on the amount of resident play, the pricing, and how sustainable that is. We are holding the pricing the same and we have a lot of resident golfers which is inverse to Ski and he can see going forward this will be a challenge as he is not enthusiastic about the growth of golf.
A: Every other year the increase has been more acceptable. The club members aren’t getting any younger and we are trying to help them out.

Q: If Golf is declining, what sports are they picking up and what sports should we be looking at.
A: We are hearing from the PGA that they are tying golf to the health and wellness industry and we are in a great position because we are already in the health and wellness arena. To the degree we can combine things like yoga for golf, that is what we are trying to do moving forward. Things that are booming are free - trail use, pickleball, etc. and our best effort is how do we combine health and wellness and the golf industry; Luckily we are well positioned. There may be a reduction in golf courses in the region and it is becoming the survival of the fittest. One of the beauties in Ski is there are no new ski resorts. We now have indoor golf because we have realized that there are seven months that can be programmed.

Q: Revenues are flat, expenses are going up and they are being managed; this is not a sustainable model as costs will rise and there are a finite number of rounds so there is nothing left to squeeze out of the revenues, is that correct?
A: Yes, it is really about addressing that with the green fees and Staff is working around the edges to create things here and there and eek
out some time for rounds, leagues, etc. It is a very challenging operation and we are lucky that we have two golf courses in this community as there is a lot of golf in this community.

Q: Eventually we will be faced with the green fees increasing and we have a great golf community here so we should continue to support them but don’t shy away from raising those fees because sometime down the road that will have to occur. Between the two golf courses, Mountain Golf Course gets more and Championship Golf Course gets less, why is that?
A: Because they need the help. The Mountain Golf Course is a loss leader that keeps the costs down at the Championship Golf Course and we used to fill up the Championship Golf Course with one dollar per round golfers but we have now moved them up to the Mountain Golf Course. The Mountain Golf Course is much more of a community amenity and is a good place to start growing golfers therefore since it is more of a community benefit, it receive a bigger subsidy. Additionally, it has a different season because of its location and while we are often compared to Brockway, they are still playing golf at Thanksgiving because of their location and we are not. Staff is doing an incredible job with marketing as it is not really an executive golf course as it is more challenging than is realized.

Q: With facilities, what did we do so well?
A: Two things - we sold the heck out of them and had a lot of events and we struggled with staffing. We have budgeted for a sustainable approach and upping the quality of the events so we don’t have to go after as many weddings.

Q: What about sensitivity to the pricing?
A: We do believe there is a good delta between us and Edgewood and that we can bump up by 10% for non picture pass holders. There have been a number of times, during the ski season, where we have had a real challenge to having these events so we are running into staffing issue and we don’t want to bring in events that we don’t have staff for so we are spending more money on staffing in an effort to find a sustainable volume.

Q: For a non picture passholder, $5,200 is too cheap because at the Hyatt that would get you one portion of the ballroom.
A: We are not on the water and we don’t have accommodations and these are the two basic reasons we lose a booking. We believe the
market will bear a 10% increase and we did increase it 10% last year.

Q: There are a lot of higher end weddings that take place so recommend you go for it.
A: Great, we will.

Q: For food and beverage, is the twelve month position for the banquet chef included in your numbers and is this a summation or does it have its own separate budget.
A: Yes on the banquet chef and it is shown separately but imbedded into two budgets.

Q: May the Board get a copy of the Staff narratives that have been given today?
A: Yes.

Q: Food and beverage is something that we always struggle with and this is an area that continues to struggle because what appears to be breakeven is potentially a loss as it relates to facilities.
A: That is correct and the intent is that both ski and golf need food and beverage and that we are efficient with it. What else can we do as we have this facility to help supplement that money so there is that effort and we enterprise those. By making the venue managers responsible, we have made for better food and beverage operations and ensured that it is a compliment to golf and ski so it is a part of managements function.

Q: Have more difficulty relating it to facilities because if there was a wedding right now, it would be held here at the Chateau, so this is where the struggle is.
A: It is less than $200,000 during the ski season.
Q: It makes it difficult to analyze the Facilities budget because it is not embedded into the budgets.
A: We can slice and dice it a lot of different ways so we strive to keep it middle of the road but we do track it all different way.

Q: In the General Fund, why have utility costs gone up.
A: Include the fiber costs for the entire District.

Q: When are we going to work on updating the District’s Strategic Plan and when are we going to do a deep dive into Ski and/or Golf as that has to happen.
A: Staff gave a preview of the beaches at the last meeting so we will do it down the road and we aren’t able to do it this because of schedules. Don’t need to do it because of all the information at opengov.com which is available to all. Deep dives take time and the major course changes are part of the long term work plan. We are at the end of the budget cycle and we have done a fairly deep dive into Golf. This is one of the reasons we had Staff give you the level of detail, on opengov.com, that is available.

Q: It was great having venue managers make presentation and show ownership and all showed a pretty good knowledge and they will just get better as they get experience in justifying support, etc. The use of opengov.com may be technically challenging but there is certainly a great amount of data available.

A: Venue managers did a great job and the budget is critical and two of the most important items are guidance on the strategic plan and properly executing the budget. One of the reasons we moved the Budget Analyst is that we are now more focused on the scalability and having the ability to make course corrections and having budget preparation become easier; we are looking out two or three years. One of the reasons we have made all the investments in technology is to be able to make some improvements in golf, over time, but it takes some investment, upfront, but we are getting there.

Q: As we went through this, the questions that were asked, relative to the changes in the budget numbers, had some pretty good responses. On the service levels, we need to get better at measuring those. The venue managers heard, in Golf, there is a major challenge in managing that venue. There was a lot of feedback from all the Trustees to the Venue Managers and the Staff and the bottom line is we are requesting the managers know how we are operating.

A: Good summary.

At 9:20 p.m., Chairwoman Wong called for a 10 minute break; the Board reconvened at 9:30 p.m.

G.3. Review, discuss, and possibly adopt Resolution No. 1854 authorizing a Medium-Term Installment Purchase Agreement in the amount of $448,000.00, to California First National Bank to finance the procurement of eighty (80) electric golf carts, including GPS units, to be located at the Championship Golf
Course, with a total amount due of $480,584.00 (Requesting Staff Member: Director of Finance Gerry Eick) *(was General Business Item G.2.)*

Director of Finance Eick gave an overview of the submitted materials.

Trustee Dent said, regarding the budget, there was no mention of the budget on February 8 so he is inquiring about the budget numbers. Director of Finance Eick said that the 2016/2017 budget was essentially done almost fifteen or sixteen months ago and there it was a very similar cost; $56,000 to $89,000 and now at $101,000 from $56,000.

Trustee Dent said with revenues being as high as they are, are we repeating ourselves with a budget augmentation. Director of Finance Eick said yes and if as ski keeps on going, it is very clear that we will have a budget augmentation which is driven by the increase in revenues at Ski and also by Food and Beverage so yes, there will be a budget augmentation.

Trustee Dent so if we have so much cash why don’t we save $30,000 and pay for these outright. Director of Finance Eick said it is a choice if you want that but that one of the reasons we talked about lease/finance option is because we don’t intend to hold the asset for its full useful life. Using a pickup truck as an example, it has a first use and then a second use which is a static period of time. They have a clear residual value and in this particular case it is making less than the full purchase price.

Trustee Callicrate said so at the end of the four years can we turn them in and purchase new carts. Director of Finance Eick said that has always been the plan and that the current lease is five years because of the battery.

Trustee Callicrate said we only use them for five months which means we are using them for much less than the intended life cycle and if we then replace the batters are we conceivably getting a longer life on each of the carts themselves. Director of Finance Eick said that the discussion on the battery life is a key factor to the warranty which expires at the end of the four years and going past
that warrant incurs substantial costs. Trustee Callicrate said so it's not $448,000. Director of Finance Eick said it would be the cost of replacement batteries at $108,000 in addition to buying out the balloon payment.

Trustee Horan made a motion to:

1. Adopt Resolution 1854 authorizing a Medium-Term Installment Purchase Agreement with a principal amount of $448,000.00, with an annual interest rate not to exceed 3.279% and repaid over four years, with the final balloon due no later than May 1, 2021.

2. Authorize Staff to execute all documents based on a review by General Counsel and Staff, and after compliance with the State of Nevada Department of Taxation Guidance Letter 16-004 relative to leasing and installment purchase agreements.

Trustee Morris seconded the motion. Chairwoman Wong asked for any further comments.

Trustee Horan said that financially, at the end of the day, we are better off by leasing and that's why he will support this motion.

Trustee Callicrate said initially that was how he felt. As he looked into it, the District clearly has quite a bit of monies for this purchase so we have that funding thus why tie up $500,000 for a larger project. Chairwoman Wong said that is backwards logic to her as we don't have to spend it. Trustee Callicrate said we have $23 million dollars in unrestricted funds. General Manager Pinkerton said that there is a lot of those monies in the Utility Fund and the reserve fund and that all of that is factored into the five year capital plan. We are asking to execute this way because it is prudent financing, we are getting virtually no interest at all, we have the purchaser assume the balloon payment, and we aren't stuck with an outdated product. Trustee Callicrate said on an outright purchase, did we get this pricing because of buying outright. General Manager Pinkerton said that it is $448,000 over four
years with us paying about $400,000 but that with the purchase we will pay $448,000 upfront and then keep them. Trustee Callicrate said that he feels that the projected time of use is more like eight to ten years which is industry standard. General Manager Pinkerton said that we cycle them out after four years because they start breaking down and that we have done this for the past three cycles. Director of Asset Management Johnson added that it depends as the warranty is very straight forward and no one is warranting anything for four years but we pushed to get a guarantee for four years and that last year most of our carts were out of warranty because of charging. If we purchase, it guarantees we will be purchasing replacement batteries and then there is care and condition. Others are using their carts for a longer life but they are seeing significant care; it makes sense to cycle them on a four year cycle and that we talked at length about this at the February Board of Trustees meeting. General Manager Pinkerton added that there is also a time constraint for this season. Director of Finance Eick said that delivery is necessary in the third week of April irrespective of how we are paying for them.

Hearing no further comments, Chairwoman Wong called the question - Trustees Wong, Horan, and Morris voted in favor of the motion; Trustees Dent and Callicrate voted opposed to the motion.

District General Counsel Guinasso advised the Board that their vote doesn’t meet the statutory requirements so right now we will be paying the balloon payment on the existing lease and buy no new golf carts.

**G.4. Review, discuss and possibly appoint a new member to the Audit Committee - Audit Committee Membership, Policy 15.1.0, Audit Committee (Requesting Trustee: Vice Chairman Phil Horan) (was General Business Item G.5.)**

Vice Chairman Phil Horan stated there were three members of the Audit Committee and one Trustee had a term expire thus he would like to get a third member appointed to the committee and that he would like to nominate Trustee Peter Morris to be on this committee as he doesn’t have
a job right now so this is a good opportunity for him as he could add to that committee.

Vice Chairman Horan made a motion to complete the three member Audit Committee by adding Trustee Morris to the Audit Committee. Chairwoman Wong seconded the motion.

District General Counsel Guinasso reminded the Board that they must deal with this motion before another nomination is made.

Vice Chairman Horan said that Trustee Morris has the background to be on this committee and that he is in a good position to get involved in support of the Board.

Trustee Callicrate said he would like to say that he would hope there is an opportunity to nominate the Treasurer of the Board, Matthew Dent, as he assumed he would have automatically been on this committee since that has been the tradition. He has nothing against Trustee Morris but the Treasurer should be on this committee. Perhaps one of the other members would consider stepping down and that it would be his recommendation that he would request one member to step down in order to have our own Treasurer of the Board on this committee.

Vice Chairman Horan said that the Audit Committee has three members and that any of the Board members are welcome to participate and that any recommendation made by this committee comes to the full Board so we can all participate in the oversight.

Chairwoman Wong said, from a policy perspective, the Treasurer is not directed to be on the Audit Committee.

Trustee Callicrate said it is logical to have the Treasurer on the Audit Committee and that it finds it rather odd that our own Treasurer wouldn’t be on the Audit Committee. It is highly unusual and he won’t be in support of this motion moving forward.

Trustee Morris said he would be honored to serve on the Audit Committee and he hopes he has that opportunity and that he respects the comments as he is the new kid on the block. The Treasurer does have a lot of oversight and that this would allow for a couple of extra checks and balances; he welcomes the opportunity to serve.
Hearing no further comment, Chairwoman Wong called the question - Trustees Wong, Horan, and Morris voted in favor of the motion and Trustees Dent and Callicrate voted opposed - the motion passed.

Vice Chairman Horan said as the ongoing Chair, he would like to call a meeting in either April or May to review the policy as it suggests four meetings be held.

G.5. 2017 Board of Trustees Work Plan - Continuation of discussion began on February 8, 2017 (Requesting Trustee: Chairwoman Kendra Wong) (was General Business Item G.4.)

Due to time constraints, Chairwoman Wong deferred to the next Board of Trustees meeting.

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

Trustee Callicrate provided a recap on the PTA meeting that he went to and spoke as an individual and as a member of the Board who encouraged folks to come to this meeting. While the District isn’t directly involved with the schools, we do have a relationship with them as they use our fields so the IVGID Board of Trustees has the opportunity to say that they are very concerned about the loss of teachers in our schools and that this is critically important as it impacts future residents. Each Trustee can do what they want. District General Counsel Guinasso added that the Trustees can write letters as individuals and reach out to all the people.

Chairwoman Wong reported that next week she, Director of Public Works and the General Manager will be in Washington D.C. meeting with the Nevada Delegation and that this trip is being arranged by Mr. Faust, our Legislative Advocate.

Trustee Dent said that at his website, matthewdent.com, he has created a new citizen portal where citizens will have the option to submit comments, etc. He will be posting regular updates to the citizens. Citizens will also have the option to offer subjects for Flashvote which is funded by him personally; he hopes this increases public engagement.
Vice Chairman Horan said, regarding the schools, that Katy Simon-Holland is our at large representative and that in May she will be speaking to the morning Rotary so he will ask her to meet with the LVGID General Manager.

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

Steve Dolan said the Board had a wonderful interchange and that it was nice to see everyone working together which was counter to the vote on the carts. He doesn’t know why Trustees Calligrate or Dent didn’t make a motion as it seems like it was an opportunity to resolve it and to buy golf carts. He would like to talk about two things – golf and the impact of the number of skiers on the mountain. Discussing both, Trustee Dent was a little worried about supporting losses in the golf community and that one of the beauties is that means a good year in golf so we should tend to have some balance. In long term planning, he thinks Phase 3 includes the expansion of Diamond Peak on the back side which everybody wants. No one wants the roller coaster but by expanding the backside one might be able to strike a balance. Doing this might reinvigorate the community and draw in a bigger base by bringing in the upper end powder skier. Thus, you might want to move to Phase 2 to Phase 1 of the master plan. Mr. Dolan concluded by stating that he is supportive of calling the schools because you have some much power.

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

The meeting was adjourned at 10:48 p.m.

Respectfully submitted,

Susan A. Herron
District Clerk

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

Submitted by Margaret Martini (1 page)
Minutes
Meeting of March 8, 2017
Page 20

Submitted by Dolores Holets (2 pages): Incline Tahoe Foundation letter dated March 8, 2017

Submitted by Pete Todoroff (2 pages)

Submitted by Diane Morrison and Laurel Jones (1 page): Listing of Washoe County School District Board members and employees
3-8-2017

Please add this correspondence/statement to the minutes of the IVGID BOT meeting of 3-8-2017

To Members of the Board of Directors and Recreation Fee participants:

It has come to my attention that a member of the community of recreation tax payers has done some research of attorney fees of some of the General Improvement Districts statewide and locally and has come up with some very interesting and provocative facts about our contractual legal fee and participation.

In looking at the budgeting and the financials of IVGID it is apparent to me, and others, that the property owners are paying, by contract, about 10 times the going rate for GID’s legal representation. The GID’s surveyed are using respected and in some cases renowned attorneys. So it seems as if the property owners here are being subjected to an unconscionable waste in retaining the current legal counsel.

For this amount of money (apprx $ 10,000.00 per month !!!!) we are not even getting full-time representation. Mr. Gianasso is also representing other entities and clients as well as running for various political positions. And in looking at the legal issues presented at some board meetings, Mr. Gianasso is failing to detect and to advise the board members when open meeting laws are being violated. Therefore, costing even more money to the district.

It is also very disconcerting that not only is Mr. Gianasso costing appx 10X the rate of other GID’s, he is failing to prevent easily preventable NRS violations... and doing such antics as usurping the Chairman of the Board in some meetings. Are we paying Mr. Gianasso to disrespect the board positions and the citizens who are only asking for 3 minutes of comments to question some of the actions of IVGID Board members and ask for accountability of staff?

There is something grossly and financially wrong with the retainership of Mr. Gianasso and his law firm by contract.

It is also a travesty that after paying the grossly over market ‘retainer’ monthly fees, that Mr. Gianasso is not qualified to handle all legal matters of IVGID. I am saying this because there are thousands of dollars paid to another law firm for legal issues.

I am hoping that this Board do their due diligence in researching the market rate for GID representation and that they would do their fiduciary duty to those tax payers whose money they are responsible for. It would be unconscionable not to.

[Signature]
Margaret IHendici
Iberville Village resident
Date: March 8, 2017

To: Incline Village General Improvement District, Board of Trustees

From: Dolores Holets, Incline Tahoe Foundation Board Member & Secretary

Re: The Incline Tahoe Foundation’s Partnership and Commitment to the Incline Bike Project

Mission Statement

The mission of the Incline Tahoe Foundation (ITF) is to enhance the overall well-being of the Incline Village and Crystal Bay communities’ public parks, recreation facilities, programs and services through private donations, grants and endowments. In order to accomplish this objective, ITF forms partnership relationships with groups that have projects that are compatible with ITF’s mission.

Background

In October 2013, members of the Incline Bike Project presented their goal of building a “pump track” to the board of ITF. Since that presentation and the approval of the partnership agreement, ITF has enthusiastically supported the Incline Bike Project. The steadfast professional dedication of the Incline Bike Project’s board members, when working with IVGID, ITF, and potential donors, is praiseworthy and contributes significantly to our on-going support.

Additionally, there are specific attributes about the Incline Bike Project that the board of ITF finds particularly appealing:

- Its plan includes more than just a bike park. There will be a pavilion, rest rooms, picnic tables, water fountains, and creek area.
- It will be a safe place for everyone, more importantly children, to go to at any time.
- Its convenient location within the community makes it easily accessible to and from local schools and recreation facilities.
- It will be a facility for everyone to use...disc golfers, par coursers, walkers, tennis groups, rec center users, riders and more.
- It will be a place for community involvement, a hub for conversation and activity.
- It is being developed for the community, by the community.
How the Incline Tahoe Foundation Operates

The Incline Tahoe Foundation works with our Partner Organizations in the following way:

- Because of ITF's 501(C)3 non-profit status, donations made to ITF for our Partner Organizations' projects are tax deductible to the extent permitted by law.
- ITF is responsible for maintaining accurate financial records that reflect our Partner Organizations' donations.
- ITF is responsible for generating donor acknowledgment letters.
- ITF is responsible for completing all necessary tax and regulatory filings.
- ITF is responsible for carrying all necessary insurance required for non-profit organizations.
- ITF is responsible for providing IVGID with a yearly report summarizing ITF/Partner Organization activities.
- ITF is responsible for working with IVGID and Partner Organizations on the long-term maintenance of the projects.

In addition to the Incline Bike Project, several other ITF Partner Organization projects have included disc golf, the Friends of Incline Trails, IVGID tennis, and the Fit Trail. The contribution these projects have made to enhancing our community's recreational opportunities is substantial. The Incline Bike Project certainly meets all the criteria of ITF's mission. Therefore, ITF's commitment to the success of the Incline Bike Project is long-term and unwavering.

ITF Board Members

Paul Zahler: tahoepz@gmail.com (President)
Dolores Holets: dholets@hotmail.com (Secretary)
Shelia Leijon: saleijon@hotmail.com (Treasurer)
Aaron James: alajmeworld@gmail.com
Ethan Bolinger: ethanbolinger@icloud.com

The Incline Tahoe Foundation is a 501(c)3 non-profit organization, tax ID number 27-0832168
My name is Pete Todoroff 786 Southwood Blvd. Incline Village living here come May 1, 2017 37 Years. I did miss last months meeting because someone I talked to had a cold and I was sick. I woke up at 3 AM and could not breath. For another good bit of information is I went to see my VA Cancer Doctor and my Bladder Cancer has returned. I just wish I could get some good information this year.

I also wanted to tell you about my Voting this last election; every candidate I Campaigned for won. I was behind Lisa Krasner and she won without Dirty Politics and for my reward I had the privilege of spending a half a day with her on March 1st. This was a Wonderful Experience. I also got behind Katy Simon who was a Great County Manager in stead of Bill Horn and I believe My Mr. Joe Pomroy can answer that question if the Community wants to know. Last on not least I Campaigned for Matthew Dent. The reason being he brought out what venue is making money and what venue is not and the reason why. I believe this Community needs to know this questions on how our money is being spent.

1. I had a lot of complaints about power outages in January and February. I called NV Energy and they told me that their equipment needed to be updated. I asked NV Energy if they could put this in writing as Chairman of the Citizens Advisory Board I would give a report of our conversation which the answer to me is I have to go through our Attorney. So I did file a complaint against NV Energy and I finally received a response. NV Energy has called a Green Cross Program Application. This is where NV Energy will give you advanced notice if there is going to a power outage for people with life threatening equipment advance notice of Power Outages or updating NV Energy Equipment. I do have this information available for the Community to view. Or if someone in the Community is interested please pick up my card and I will send this too you.

2. The next point I want to bring up is I was the person who brought up $17,000 Emergency Transportation for Seniors. Then I had to go to a Commissioners Meeting in Reno and asked Mr. Slaughter who is the County Manager if Incline Village could get more money for Senior Services which was badly needed because of the Large Population of Seniors in Incline Village and Crystal Bay which he agreed to. He sent $75,000 Dollars right away and another $75,000 Dollars by the end of Government Physical Year which is June 30, 2017.
Washoe County School Board Executive List:

JoEtta Gonzales: Salary: 186,778
Washoe County Superintendent
joegonzales@washoeschools.net

Lisa Ruggerio
School Board Representative
lruggerio@washoeschools.net

Traci Davis Salary: $360,057
Superintendent of Schools
tdavis@washoeschools.net
775.789.4645

Dr. Paul LaMarca Salary: $201,484
Chief School Performance Officer
plamara@washoeschools.net
775.789.4650

Scott Kelley Salary: $20,276
Board of Trustees, Clerk, Incline Rep.

Dr. Kristen McNeill Salary: $237,061
Deputy Superintendent
kmcneill@washoeschools.net
775.789.4640

David Lasic Salary: $179,692
Chief of Staff
dlasic@washoeschools.net
775.789-4675

Scott Bailey Salary: $193,516
Chief Academic Officer
slbailey@washoeschools.net
775.789.4606

Tom Ciesynski
CFO
tciesynski@washoeschools.net
775.348.0312

Byron Green, Ed.D Salary: 201,929
Chief Student Services Officer
bgreen@washoeschools.net
775.789.4675

Pete Etchart Salary: $215,015
Chief Operations Officer
petechart@washoeschools.net
775.851.5672

Ed Grassia
Chief Operations Officer
egrassia@washoeschools.net
775.789.3456

Ben Hayes
Chief Accountability Officer
bhayes@washoeschools.net
775.348.0284

Mark Amodei
NV Congressman
www.amodei.house.gov
775.686.5760
<table>
<thead>
<tr>
<th>DATE</th>
<th>DAY OF THE WEEK</th>
<th>TIME</th>
<th>LOCATION</th>
<th>MEETING</th>
<th>ITEMS SLATED FOR CONSIDERATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>04/25/2017</td>
<td>Tuesday</td>
<td>4:30-5:30 p.m.</td>
<td>Chateau</td>
<td>Audit Committee Meeting</td>
<td></td>
</tr>
<tr>
<td>04/25/2017</td>
<td>Tuesday</td>
<td>5:30 to 6 p.m.</td>
<td>Chateau</td>
<td>Meet and Greet</td>
<td></td>
</tr>
<tr>
<td>04/25/2017</td>
<td>Tuesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td>Approval of RWTB Memo of Understanding for 2017 Event(s)</td>
</tr>
<tr>
<td></td>
<td>(distribution</td>
<td></td>
<td></td>
<td></td>
<td>Ordnances 2 and 4 Public Hearing</td>
</tr>
<tr>
<td></td>
<td>target 04/18/2017</td>
<td></td>
<td></td>
<td></td>
<td>Adopt changes to Ord. 2 and 4</td>
</tr>
<tr>
<td></td>
<td>(firm pocket material due date/time 04/14/2017; 8 a.m.)</td>
<td></td>
<td></td>
<td></td>
<td>Budget Augmentation (2016/2017)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Authorize 2017 USFS Fire Partnership Grant with STPUD</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Board of Trustees Work Plan</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Staff Reports: Community Services Report</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Diamond Peak Ski Season report</td>
</tr>
<tr>
<td>05/10/2017</td>
<td>Wednesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td>District Strategic Plan</td>
</tr>
<tr>
<td></td>
<td>(distribution target 05/03/2017)</td>
<td></td>
<td></td>
<td></td>
<td>Grant Easements to Washoe County (Johnson)</td>
</tr>
<tr>
<td></td>
<td>(firm pocket material due date/time 04/28/2017; 8 a.m.)</td>
<td></td>
<td></td>
<td></td>
<td>WRRF Access Contract Award</td>
</tr>
<tr>
<td>05/24/2017</td>
<td>Wednesday</td>
<td>5:30 to 6 p.m.</td>
<td>Chateau</td>
<td>Meet and Greet</td>
<td>1-1-2017 to 3-31-2017 Quarterly Dashboard Report</td>
</tr>
<tr>
<td>05/24/2017</td>
<td>Wednesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td>Final approval of 2017/2018 District budgets includes public hearings</td>
</tr>
<tr>
<td></td>
<td>(distribution target 05/21/2017)</td>
<td></td>
<td></td>
<td></td>
<td>(firm pocket material due date/time 05/12/2017; 8 a.m.)</td>
</tr>
<tr>
<td></td>
<td>(firm pocket material due date/time 06/02/2017; 8 a.m.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>06/14/2017</td>
<td>Wednesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td>Snowcat purchase</td>
</tr>
</tbody>
</table>

*LONG RANGE DRAFT CALENDAR*

Thursday, April 06, 2017

187
<table>
<thead>
<tr>
<th>DATE</th>
<th>DAY OF THE WEEK</th>
<th>TIME</th>
<th>LOCATION</th>
<th>MEETING</th>
<th>ITEMS SLATED FOR CONSIDERATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/24/2017</td>
<td>Saturday</td>
<td>10 a.m.</td>
<td>Recreation Center</td>
<td>2nd Quarter Community Meeting</td>
<td>Topic: Community Services Master Plan Community Workshop (2 of 2) - First one was held Nov 30, 2016</td>
</tr>
<tr>
<td>06/28/2017</td>
<td>Wednesday</td>
<td>5:30 to 6 p.m.</td>
<td>Chateau</td>
<td>Meet and Greet</td>
<td></td>
</tr>
<tr>
<td>06/28/2017</td>
<td>Wednesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(distribution</td>
<td></td>
<td></td>
<td></td>
<td>July 2017</td>
</tr>
<tr>
<td></td>
<td>target</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>06/21/2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(firm packet</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>material due</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>date/time</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>06/16/2017;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8 a.m.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>07/20/2017</td>
<td>Thursday</td>
<td>5:30 to 6 p.m.</td>
<td>Chateau</td>
<td>Meet and Greet</td>
<td>Approval of Indebtedness Report as required by the State of Nevada SPS#8 Improvement Contract Award</td>
</tr>
<tr>
<td>07/20/2017</td>
<td>Thursday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td></td>
</tr>
<tr>
<td></td>
<td>August 2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08/17/2017</td>
<td>Thursday</td>
<td>5:30 to 6 p.m.</td>
<td>Chateau</td>
<td>Meet and Greet</td>
<td>4-1-2017 to 6-30-17 Quarterly Dashboard Report Mountain Golf Course Carts (lease)</td>
</tr>
<tr>
<td>08/17/2017</td>
<td>Thursday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Week of 8/2 or 8/9</td>
<td></td>
<td></td>
<td>3rd Quarter Community Meeting</td>
<td>Face to Face (repeat of November 2016 event)</td>
</tr>
<tr>
<td></td>
<td>September 2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>09/13/2017</td>
<td>Wednesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td></td>
</tr>
<tr>
<td>09/27/2017</td>
<td>Wednesday</td>
<td>5:30 to 6 p.m.</td>
<td>Chateau</td>
<td>Meet and Greet</td>
<td></td>
</tr>
<tr>
<td>09/27/2017</td>
<td>Wednesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td></td>
</tr>
<tr>
<td></td>
<td>October 2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10/11/2017</td>
<td>Wednesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td></td>
</tr>
<tr>
<td>10/25/2017</td>
<td>Wednesday</td>
<td>5:30 to 6 p.m.</td>
<td>Chateau</td>
<td>Meet and Greet</td>
<td></td>
</tr>
<tr>
<td>10/25/2017</td>
<td>Wednesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td></td>
</tr>
</tbody>
</table>

LONG RANGE DRAFT CALENDAR

Thursday, April 06, 2017
<table>
<thead>
<tr>
<th>DATE</th>
<th>DAY OF THE WEEK</th>
<th>TIME</th>
<th>LOCATION</th>
<th>MEETING</th>
<th>ITEMS SLATED FOR CONSIDERATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/08/2017</td>
<td>Wednesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td></td>
</tr>
<tr>
<td>11/22/2017</td>
<td>Wednesday</td>
<td>5:30 to 6 p.m.</td>
<td>Chateau</td>
<td>Meet and Greet</td>
<td>This meeting is typically cancelled due to the Thanksgiving holiday</td>
</tr>
<tr>
<td>11/22/2017</td>
<td>Wednesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td>This meeting is typically cancelled due to the Thanksgiving holiday</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4th Quarter Community Meeting</td>
<td>Topic:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DECEMBER 2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12/13/2017</td>
<td>Wednesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td>This meeting is typically cancelled due to the Christmas holiday</td>
</tr>
<tr>
<td>12/27/2017</td>
<td>Wednesday</td>
<td>5:30 to 6 p.m.</td>
<td>Chateau</td>
<td>Meet and Greet</td>
<td>This meeting is typically cancelled due to the Christmas holiday</td>
</tr>
<tr>
<td>12/27/2017</td>
<td>Wednesday</td>
<td>6 p.m.</td>
<td>Chateau</td>
<td>Regular Board Meeting</td>
<td></td>
</tr>
</tbody>
</table>

Items sitting in the parking lot (to be discussed but (a) not yet scheduled for a specific Regular Board Meeting) or (b) a future Board not on this calendar

| RFID Picture Passes – Item for next Strategic Plan or three years from now – software not available nor is infrastructure/hardware |
| Revision to Memorandum of Understanding with Incline-Tahoe Parks and Recreation Vision Foundation (ITF) |
| TRPA EIS Contract at Diamond Peak |
| Non-alcoholic beverage contract award |
| Washoe County School District and IVGID Joint Use Agreement Amendment |