MINUTES
REGULAR MEETING OF SEPTEMBER 26, 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 Tuesday, September 26, 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 Matthew Dent, Peter Morris, Phil Horan, Tim Callicrate, and Kendra Wong.

Also present were District Staff Members Communications Coordinator Misty Moga, Director of Public Works Joe Pomroy, Director of Golf Michael McCloskey, and Director of Asset Management Brad Johnson.

Members of the public present were Michael Durand, Pete Todoroff, Darryl Dworkin, Jack Dalton, Frank Wright, Denise Davis, Kathleen Watty, John Eppolito, Margaret Martini, Cliff Dobler, Linda Newman, Gayle Holderer, Jack Hubbard, Gene Brockman, Shirley Attick, Mark Newman, Steve Dolan, Sara Schmitz, Jack Tedford, Paul Smith, and others.

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

C. PUBLIC COMMENTS*

Pete Todoroff said he has a few questions – when he was in real estate school, unless you owned the land it is worth nothing. He lives right next to Dale Smith who was the original architect for Parasol and he has been on the Citizen Advisory Board for four years. He doesn’t understand why that was done on that building nor why Dale Smith didn’t have his name signed on the documents or have any of the footage/square feet rather he had just had a bunch of different colors. There were two reds and he couldn’t tell the difference so he doesn’t understand it and doesn’t know why you wasted time on it. He didn’t see his signature just his logo so did someone in house do it or what. He talked to the District General Manager
last week and we had very good meeting. People come up and get to say their concerns but they never get answers; is the District General Manager working on – he doesn’t know so one is left wondering. We need a forum to air our concerns and get some answers.

Frank Wright handed out to each Board member a community newsletter he hoped you all could use and an information packet that he put together. The purpose is to get some understanding of what is going on. A lot of questions were answered at the community forum and he would welcome Board members to respond so we can correct in a future edition. Another topic that is bothering him again is that there are two Washoe County Sheriff officers in the back of this room. He got the response from the Washoe County Sheriff that the request came from District General Counsel and that there are scared and/or intimidated community members. He is shocked that this guy is let loose as he has no authority. Finally, his last thing, is that he is not sure if District General Counsel should be sitting there as he has information that he has been fired by RKG and that they took him out because of the problems he has caused and the amount of money they may have to pay for his indiscretions. So he is asking the Board members to find out as he could be wrong but one of you needs to ask that question and find out what is his status with that law firm.

Mark Newman said there is a very simple rule in Wall Street, follow the money. So let’s follow the money and go after three puppets and leave the District General Manager along because the responsibility is with the three puppeteers as the puppet master could be very smart. The Parasol situation has now become a joke to a very serious matter as the land lease and the potential that this lease was signed by someone who shouldn’t have signed it. The land belongs to IVGID and the building goes back to IVGID so follow the money and ask of the three puppets who is getting the money. Mr. Newman then went on to share a college hoops story where someone was busted in the scheme and asked if it sounded familiar. Mr. Newman then said that he talked to the FBI as he knows a couple of guys and this thing ain’t good as the FBI can be brought in as it is a Federal matter. Just look at the front page of the New York Times as there is a whistleblower and there were playbacks on wiretaps. Be very, very careful because one might not realize the trouble and he would hate to see this make the front page of the Wall Street Journal.

Linda Newman read from a prepared statement which was submitted.

Ilosja Dobler read from a prepared statement which was submitted.
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Jeff Homola said he has been a resident and a homeowner since 1992 and there are a few comments made by Board members that he finds disturbing. Trustee Morris, on August 22, stated that the purchase of the Parasol building is not a bailout. Well, we know that Parasol is in default so why would any logical person pay $5.5 million to a tenant that is in default and how would that be anything other than a bailout so that is a very bold statement. Why would three of our Trustees want to spend $5.5 million on a property that IVGID doesn’t need and that IVGID should already own; something is very wrong here.

Joe Schultz said he is relatively new to the community and he read, with great interest, the report prepared by Holland & Hart. It seems to him a lot of time, effort, and money is being spent trying to acquire the Parasol building without some affirmation that IVGID would be a tenant thus you are spinning your wheels which is not in the best interest of the homeowners.

Cliff Dobler read from a prepared statement which is attached hereto.

Jack Hubbard passed on his opportunity to speak.

Wayne Hooper read from a prepared statement which is attached hereto.

John Eppolito said he has been here going on twenty years and that he doesn’t have long comments. He has listened to what people have to say and he doesn’t think Ms. Newman’s concerns have been addressed so you may need to do something there. This has been handled in the wrong way and he thought it was the Board’s job to do what the people in the community want; people don’t want you to purchase the Parasol building and you don’t have to buy it as this whole thing is backwards. He doesn’t think there are three Trustees who are doing what the people want as he doesn’t see a big outcry for this acquisition. Until Ms. Newman’s concerns are addressed, in an open forum, he is on Ms. Newman’s side and urges the Board to listen to the community because it doesn’t have to be this divisive. Mr. Eppolito then shared that he would be attending an upcoming Washoe County School District Board meeting to discuss student data mining.

Darryl Dworkin read from a prepared statement which is attached hereto.

Sara Schmitz said that she has been a resident for a year and that she has been coming to these meetings but that she has nothing prepared for tonight. She might be a bit naïve but she has been to these meetings and all of you here tonight are leaders. This community needs to be kinder and gentler as people are very upset that they aren’t being listened to. She is from a small town in the Midwest and she
moved across the country with her last place of residency being the town of Danville. She was engaged, people were listening and engaged, yet here we have the Sheriff’s in the back of the room and we are a village which is smaller than a town. She has never experienced such a litigious environment with a lot of money being spent. You are all here to be the leaders of our community so put that olive branch out and do something to embrace the community to bring the tensions down. We all need each other as we run into each other at the grocery, etc. so help to bring the animosity down a notch as it would be wonderful.

Gene Brockman said he comes here tonight as a former two term Trustee in which he was the Chair for at least two years and Vice Chair for three others. He is speaking about General Business Item 5; the Board meetings are under the control of the Chair who has certain rules and responsibilities. One of those responsibilities is to affix the time limit for public comment and he would not like to see that written into a resolution as it is not the Board responsibility rather it is the Chair. If he had his druthers, he would like to see public comment as is now and not revert after each agenda item. There is an instance of control and the amount of time available that needs to be discussed.

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

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

Chairwoman Wong asked for any changes to the agenda as submitted.

Trustee Horan made a motion that General Business Items F.3., F.4., F.5. and F.6. be removed from the agenda as the driving fact is that that none of the items meets the standards to be placed on the agenda. Furthermore, items F.3 and F.4 are premature. Earlier this year, the Board agreed that we needed to update are policies and practices and are in the process of doing that. In respect to public records and record retention, Staff has already met with the State Library/Archives and the Attorney General and they have volunteered to work with us to bring processes and procedures current. While our email retention policy is not current, the fact is that the emails do go into archives but are difficult to pull up when requested it they are back in time. Item F.5 can certainly be brought to the Board when it has been properly prepared. Item F.6 has not been prepared in accordance to policy and contains nothing to support the action. Trustee Morris seconded the motion. Chairwoman Wong open the matter up for discussion.
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Trustee Callicrate said that he doesn’t have an issue with one or two of these and that Trustee Dent should have an opportunity to speak to those. He does take issue with the meeting with the State Archivist and asked who sent him down to the State Library and what authority was there given to do that as it takes Board action to have one representative do that which he has been thinking about long and hard and that this was an inappropriate action to represent this Board. Chairwoman Wong said that topic was not on the agenda. Trustee Callicrate said that Trustee Horan brought it up. Chairwoman Wong said it will be put on the next agenda. Trustee Callicrate said Staff went down there and that was stated with respect to the removal of F.4 and F.5 so his comments did pertain to those four items. Regarding F.6., this Board has no right to act on voting on agenda items and then referenced Policy 3.1.0 about putting an item on the agenda and acting upon that request and let’s show respect for our fellow Board member. If we want to remove F.6 then let’s put that on as a special meeting as it is a very serious matter so let’s have a special meeting for F.6. Chairwoman Wong said regarding F.6. that it is on the agenda in this manner because Trustee Dent violated the Open Meeting Law. Trustee Callicrate asked how. Chairwoman Wong said when we are discussing character, etc. it requires special notice thus the way it was written it would have violated the Open Meeting Law and it wouldn’t have been approved because we hadn’t given the required notice. Trustee Callicrate said so we agendize then give notice. Chairwoman Wong said no, we will need to prepare the notice first and that she didn’t want to get an Open Meeting Law complaint so that is why she reframed it. It is clear what is Trustee Dent’s requests are there but that we must comply with the Open Meeting Law. Trustee Callicrate said he would like to hear from Trustee Dent. Trustee Dent said that this is just another attempt to silence the Trustees as for the last seven weeks, our Chair has violated Policy 3.1.0, paragraph 8, and denied putting items on the agenda so she has censored the Trustees about e-mails and public records which also implicates Chairwoman Wong. He has learned, over the past couple of days, that a preliminary investigation has been conducted by lawyers and members of the community and that they were both surprised and disturbed with the evidence as there are more people involved. By doing what the Chair is doing it is a continuation of censuring. An example is a simple e-mail of his that the District Clerk said she would put in the packet and then doesn’t after saying she will.

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

Trustee Callicrate said that it would be appropriate and more prudent to schedule F.1 to the next Board meeting or to call a special meeting rather than trying to go
through this tonight as we just got this late last night so it is only fair to the community to have time to look through this as well. Trustee Horan said he didn’t have a big problem with it as he read through it once and had some questions. He agrees that the Board hasn’t had a lot of time but he would like to ask some questions without making any decisions. Chairwoman Wong said that she agrees with that and that she would like to take advantage of have Ms. Fogarty here. Trustee Callicrate said we are paying $7,000 for Ms. Fogarty’s service so one more trip up the hill wouldn’t be too much to ask for. Chairwoman Wong said we are paying for her to be here tonight. Trustee Callicrate said if that is the case then there was some misunderstanding as he thought she was here to provide her legal opinion and he assumed that was part of the deal and that there would be no additional charge. He would like to stop the Parasol discussions as it is ludicrous what we are going through and further he can’t recall where this Board has had this much discussion about removing an item as it seems that some have their mind made up. He would like to take F.1 off the agenda and either reschedule it to October or, if needed, hold a special meeting and stated that this wasn’t a motion and asked when things changed. Chairwoman Wong said that she was just trying to get consensus. Trustee Callicrate said that this request doesn’t require a motion. Trustee Morris said that we get to have a discussion because just because a request is made doesn’t mean it automatically goes off the agenda. Chairwoman Wong said that this is the time for the Board to discuss its business and that if the topic is something else, it should be conducted outside this room. Trustee Morris said this Board has been continually berated for not giving information and sharing information thus he wanted to know if we had the ability; he has read the opinion from Holland & Hart and their representative is here to discuss it and he would like to hear what she has to say and ask some questions as we owe that to our community and that he doesn’t think we have to take action. Chairwoman Wong said let’s continue with this General Business item and, at the end, we will decide if we need more information and then asked Trustee Callicrate if that was a good compromise. Trustee Callicrate responded no but that it seems as though this is the way it is going to be. Chairwoman Wong confirmed that is what the Board will do.

E. STAFF PRESENTATIONS*

E.1. Solid Waste Services Verbal Update (Presenting Staff Member: Director of Public Works Joe Pomroy)

Director of Public Works Pomroy gave a Powerpoint presentation which is included herewith by reference.
Trustee Morris said that we are once again entering the yard waste pick up program, which runs for a month, and that he knows that with as much communication as we are trying to put out there, we still suffered when the yard waste ended in July with people thinking could still put out their yard waste and all those implications. So, as with the same thing about to happen again and running through October 28, are there any more plans to remind people. Director of Public Works Pomroy said not outside the stickers that came with the flyers, there will be something in the Public Works News, and he hopes that the users read the sticker before they use it.

Trustee Callicrate said that one concern he has, and we were told this by Ms. Bradley, is that two Trustees have been meeting on a subcommittee and he didn’t know if we still had two Trustees serving on that subcommittee. Trustee Horan said there was only one Trustee at the most recent meeting. Trustee Callicrate said that he just wanted to make sure that we are all up to speed on that issue and said that this subcommittee has done a great job and that he hopes that compliance is going to become a thing of the past as well as violations. He understands that a couple of people have been taken care of and hope this can be done.

E.2. Golf Season to Date Verbal Update (Presenting Staff Member: Director of Golf Michael McCloskey)

Director of Golf Michael McCloskey gave a verbal update.

Trustee Morris congratulated Staff and said he heard that people have been very pleased with the games of golf that they have been able to play. Staff has his heartfelt thanks for going as hard as they could and asked if the indicated increase in the number of rounds played in April and May was due to pent up demand and/or attraction of additional players. Director of Golf McCloskey said it was a combination of both and noted that when it is a great boating year it is beneficial to golf. We also opened a little earlier and knocked down our maintenance to every day so there were a multitude of things that assisted in this and that the weather helped from mid-June to about a week ago. Trustee Horan extended his congratulations on a great season and said that Staff did a great job.

Chairwoman Wong called for a break at 7:15 p.m. and the Board reconvened at 7:25 p.m.
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Prior to the reading of the Ethics Law Announcement which was posted on the agenda, Trustee Callicrate said that he objected to this announcement being read. He looked back at the video for August 22 and it was agreed that this would be brought back to the Board. This is a misinterpretation of the law and sets up this Board for a future Open Meeting Law and Ethics complaint. Chairwoman Wong said that the Board asked District General Counsel to create this. Trustee Callicrate said no, we asked this to be brought back to the Board and that was clear as day. District General Counsel Guinasso said that his recollection was that he was to look at what the Washoe County Planning Commission provided and then include it on this Board agenda. Trustee Callicrate said that the Board did give direction and that we all agreed to that direction. Chairwoman Wong said that it is here for the reading and that she is directing Staff to bring it back to the Board for approval at our next meeting.

**ETHICS LAW ANNOUNCEMENT (to be read by District General Counsel)**

Trustees are reminded that, if with respect to any matter or any person coming before the Board today:

1. You have received a gift or loan,
2. You have a pecuniary interest,
3. You have a commitment in a private capacity such as a family, employment, business or similar relationship, or
4. You provided representation or counseling that is reasonably related to the matter being considered to a person or entity for compensation before another agency within the immediately preceding year,

You must disclose that gift, loan, interest, commitment, or prior representation at the time the matter is being considered. And you must furthermore abstain from deliberation or voting on the matter if it is clear that the gift, loan, interest, commitment or prior representation would materially affect the independence of judgment of a reasonable person.

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

F.1. Receive, review and discuss second legal opinion from Megan Fogarty of Holland and Hart LLC regarding modification to the lease between Parasol Tahoe Community Foundation and IVGiD, responses to Board of Trustees questions related thereto, as well as related covenants, conditions, restrictions and encumbrances of record relating to the leased property and the
proposed lease modification. (Requesting Trustee: Chairwoman Kendra Wong)

Ms. Fogarty of Holland & Hart LLC said that she understands that the Board may not have had a chance to review, she does charge by the hour, key is to getting it right, and that she will come back and she will not exceed the $7,500 estimate. Ms. Fogarty gave her analysis and an overview of her report.

Trustee Callicrate said that gave some better clarity to what we received last night and noted that you touched on the CC&R’s from the original documentation so it boils down to can we legally occupy the building and what he was looking for was a written opinion, yes or no, and in reading this document it is somewhat ambiguous, depending upon interpretation, that we could say yes, we can occupy or no, we can’t occupy because, going further, if we can’t use the building then why purchase the building and another thing if in ten years the CC&R’s are lifted then there is a valid concern that these were there to maintain for the next ten years. He does have a few additional concerns but not sure if you were given the information so he does appreciate you taking the time to explain. Trustee Callicrate concluded by stating that what he would like is to see, in writing, a yes or no because we have to have a legal document. Ms. Fogarty said it goes to intent and that there may be parties that were there so that would be helpful to know from them. The restriction doesn't clearly indicate that your Staff supports these activities, as an Administration Building, so she could argue both sides and that the additional information would be very helpful. Ms. Fogarty noted that one of the individuals around is the Gardena gentleman. Trustee Callicrate said that is the rub of the whole situation and where we are mired down. He was on the first Board when the lease was signed and he never expected this. Manny Sylvester and possibly Rod Campbell may still be living here. There is a lot of this that we have in front of us that hinges on occupancy. Ms. Fogarty said that an idea struck her today and that was what if Parasol and IVGID wanted to explore a lease by IVGID of the facilities, which is another option, and that she could run the analysis a little more in depth as being a non-profit collaborator. Trustee Callicrate said some might say yes we are and some might say not; jokingly it is clearly stated in there but until we drill down on can we occupy or not we are not going to making this decision. He would offer to maintain the status quo for ten years and then at the end let's renegotiate at that time as time flies – offering this an another option. Chairwoman Wong said she has a question for Trustee Callicrate; what was the intent of the Board at that time. Trustee
Callicrate said that Parasol was going to be around for thirty years or ninety nine years with Project MANA as the main anchor of the building and that it would provide office space for all the non-profits in the community. There was never any discussion about IVGID moving in because of the original CC&R’s. He didn’t realize that Gardena had dissolved, which is a moot point, as officers can act in perpetuity and we never looked at it as a potential for IVGID to move into rather it was strictly for non-profits.

Trustee Horan said that one of the considerations when make agreements is that down the road is not always clear and not always black and white and that this is kind of gray and in the middle as to what we might be able to do.

Trustee Morris said that he took from Ms. Fogarty’s formal response and comments is that though Gardena was correctly wound up, you indicated that someone who held the correct position could continue to wind up those affairs and that it goes into perpetuity and that the whole way to get it clarified is if Gardena or the persons in charge would agree to some resolution of that ambiguity so could that still happen all these years later. Ms. Fogarty said that it is possible to continue into perpetuity for a variety of actions and there are sunsets however the statute came into play after this came into being. She would have to dig into this and she did touch on retroactive but she would have to look at it. In general, no retroactively applies and are we still truly in a winding up or taking a second bit of the apple. Trustee Morris asked who would have standing and can you expand on that: Ms. Fogarty responded, in this case, there was a set of CC&R’s in the sense that we normally have now with a subdivision. All owners have standing generally and that this is a different category because in this set of restrictions it states that Boise Cascade would have standing for violation in gross and arguably, Gardena, if they are the survivor. They run with the land and there is some case law if there was a relation. They owned a large piece of property so it in place for the benefit and she doesn’t know of any other party that could have standing but it is possible.

Trustee Callicrate said that getting to the yes or no was kind of the whole point of retaining you so if you are unable to say yes you can or no you can’t then we are where we were six months ago and that this has been an interesting academic exercise. Trustee Callicrate added that he is not impugning Ms. Fogarty as Ms. Fogarty has done a great job rather his concern is that this Board doesn’t have a definite yes and one of these parties materialize then we are really in a particular bind and he doesn’t want to do something like that in a reckless manner for the community so that is
why he was hoping for a definite yes or no and thus we are where we were six months ago.

Trustee Morris said he would differ as it has not been an academic exercise rather we got to know what we can do with that building and thus we are doing our duty for the community. He feels that this continues to be a worthwhile exercise as it helps us understand where we are at and allows us to make decisions going forward. His purpose is to make decisions from facts and numbers and not on emotion or suspicion.

Trustee Callicrate said that he didn’t mean to impugn Ms. Fogarty but that this Board is back where it was six month ago and that this is the first portion of a ninety nine year lease with the CC&R’s expiring in ten years. There is still five years left in the initial lease and it seems to him to continue to have them operate as they have for the past fifteen years so that during the next ten years the Board, at that time, will have a much clearer opportunity to act as the C&R’s will be a moot point and then the District can do what it wants and possibly have a back and forth negotiation. This becomes very emotional and he is very much against this at the price and terms proposed at this point and that he didn’t mean academic exercise as impugning as he has learned a lot.

Trustee Dent said that he appreciated the presentation as he didn’t read the document because he saw it in his e-mail this afternoon. There is no assurance that IVGID can legally occupy this building and that has been the question for the last six months. So we are spinning our wheels as no one wants this so why are we continuing to spend time on this item. Trustee Dent then asked Ms. Fogarty if the preliminary title report will be provided in the supplemental report. Ms. Fogarty said yes with along with all the exception reports.

Chairwoman Wong said that she appreciates Ms. Fogarty’s well written documents and conclusions and that she answered all the questions posed. Chairwoman Wong then said that she has an odd question – if you were sitting in our shoes, would you feel comfortable moving forward and discussing this as all Staff supports recreation in some form as it is a main part of our mission as IVGID. Ms. Fogarty said it is a difficult question and as a Board member there is not a black and white answer. The business decision is much more difficult as there is an argument to use the building and it is a strong argument and there would probably be challenge to it. Again, with a lot in the law, there are arguments on both sides and a lot of
people will take up the flag for either side. You have to look at what is best for your business and Staff and do we need more space. Explore it and then talk to the parties who have a stake in it, and there are a lot of them, and you could probably get to a position where it is comfortable to explore it if it is determined to be the best as there are a lot of people who say no and a lot of people who say yes. This Board was voted in to make that decision.

Chairwoman Wong asked when Ms. Fogarty anticipated the supplemental information would be available. Ms. Fogarty said at the end of this week. Chairwoman Wong said that we will leave it as is and if there are more questions after receiving the supplemental information then we will agendize it then. District General Counsel Guinasso if it would be possible for Ms. Fogarty to participate by telephone; Chairwoman Wong said yes that would be appropriate.

F.2. Review, discuss and possibly vote on each of the following questions regarding the Parasol Tahoe Community Foundation request for modification to their 30-year ground lease: (Requesting Trustee: Chairwoman Kendra Wong)

A. Is there a justifiable need for additional recreation space? Is there a justifiable need for different administration space?

B. Are there other spaces in IV/CB, either for rent or purchase, that meet the needs of IVGID?

C. Would it be advantageous for IVGID to design and build space that meets our specific needs?

D. Is the Parasol proposal an economically viable option?

E. Are the terms and conditions of the Parasol proposal the most advantageous for IVGID?

Chairwoman Wong said that she didn’t know if the Board would get through all the questions but that she did want to start to discuss and try to come to a conclusion and then direct Staff to get any additional information.

Is there a justifiable need for additional recreation space? Is there a justifiable need for different administration space?

Trustee Horan said that he has spent some time with Staff discussion what we can and can’t do and after having that conversation, they could use more recreational space and the programs they are talking about it would seem to be a justifiable need for additional space.
Trustee Morris said he would concur that there is a definite need for additional space and that while the work goes on with the Community Services Master Plan, eighty percent are asking for more and more. There remains a lot to ponder such as cost justification, etc. but there is definitely a need for more recreational space.

Chairwoman Wong said that she concurs and that in reading through the different analyses, there is an opportunity here. She has talked to several members and we have several programs packed on top of each other and that separation would be in the best interest of the community.

Trustee Callicrate said that he has been in contact with several members of the recreational community and Staff and we can’t under what didn’t get done and noted that building in the original format would have alleviated these restraints. Our Staff does an awesome job and we have to look at the fact that there is a need for recreational space but we also have to look at the costs involved. There is a need for a different administrative space, via remodel or whatever, and that the Parasol is not a perfect fit. There is a need for space and a different space for Administration and it has to be cost effective.

Trustee Dent said that he is excited for the Community Services Master Plan to be completed and that going out to get a consultant to put the time and effort in what they do. He has heard that the weight room is cramped. He needs to see the Community Services Master Plan and then vote to approve it and that this feels like we are going a little backwards. Back in February, this Board made the Administration building the lowest priority and that the Diamond Peak Master Plan got booted down the road so what is going to give; we had that discussion because we needed to prioritize and we voted to make the Administration building the lowest. This is going back to answering this question and it sounds like we need it.

Chairwoman Wong asked all the Board members if they were all in agreement to yes; all Board members said yes.

Chairwoman Wong said that the Administration building was the lowest and that doesn’t mean that there isn’t a need there rather that it just is not the highest priority as we have been exploring the options for a number of years so the need does exist.
Trustee Morris said we need to do something about Southwood as we have discussed this many times. If the Board wants to change those priorities and have that discussion then let’s have as he has never felt the plan was in stone. We have to monitor external factors and when opportunities arrive that are worthy of consideration we may need to make an adjustment to the place. And yes, there is a need to do something as the building is so far past its prime and it is not a candidate for rehabilitation so we probably have to do one or the other – build in situ or buy something else or possibly rent something else so, at the moment, yes, there is justifiable need for different administrative space.

Trustee Horan said that he agrees.

_Are there other spaces in IV/CB, either for rent or purchase, that meet the needs of IVGID?_

Trustee Morris said that there has been quite a bit of discussion about rental space in Incline Village and that he is very concerned about renting because we are here for forever and by renting a commercial space for forever we are condemning future populations to unknown costs of that rental. We haven’t done the analysis of rent versus build and that the idea of renting, on its face, doesn’t make sense to him so he would rule out renting. As to purchase, not something to be done at this time, as we would have to look at current market rates and give that consideration if we decide to do something.

Trustee Callicrate said there are places for rent and for different reasons it would be less for renting. As to renovation and as horrendous as the Southwood building is, it is self-contained and people have been going there for fifty seven years thus modifications can be made until a decision is made which goes to question three. Yes, there are other spaces that be rented or purchased at whatever cost etc. which gets spread out within the community so there are facilities for rent or purchase.

Chairwoman Wong said there is convenience in efficiencies to be gained being in one building and that the space existing in our community it would breaking up our teams and losing that convenience and what she was looking at.

Trustee Horan said he had nothing to add.
Trustee Dent said that yes there are a lot of options sitting in town. By renting some space it frees up additional space and with a rental price at $2 per square foot and going out twenty three years we won’t be paying for any maintenance so that is very viable. Going to question 3, tacking it on to the Recreation Center would be to put everything in one spot.

Chairwoman Wong said so four of the Board members acknowledge that rent or purchase wouldn’t be optimal and one Board member thinks that rent or purchase would be optimal. Trustee Dent said he would like to add renovate the space as he does that for fun.

 Would it be advantageous for IVGID to design and build space that meets our specific needs?

Trustee Callicrate said that designing to suit our needs would mean it would be designed to modern specifications and efficiencies and thus could easily accommodate folks from the Recreation Center which would then mean a larger opportunity to renovate a twenty five year old building and get a thorough overview of what could happen at that campus so he is in favor of design and building to meet our specific needs.

Trustee Dent said that the efficiency of doing that for the building is that the Parasol building has hallways that are eight to nine feet wide and we could build exactly what we need and plan for where we are going to build so being built for us makes sense.

Trustee Horan said he agreed.

Trustee Morris said it would be more advantageous if cost was not in this equation as design and build to suit our needs means we get it right and all would be good. The issue for him is something that he is still wrestling with and that is the cost to build a ten thousand square foot office building has an rough estimate of around six million dollars and if we decide to do anything then we may commit the community to that six million dollars and potentially with the Parasol situation, as he doesn’t think any of us have said we would pay $5.5 million, that at the right price, that could be something to consider, again at the right price, if we decide to do anything. It is very important to him to say that, if we do anything, to include all the other options and that includes Parasol as well as any other issues that need to be addressed.
Chairwoman Wong said we have an estimate at $5.6 million so does it make sense to design and building and is does that make the most economic sense as potentially we wouldn’t be gaining any additional opportunities for recreation and to gain that, the cost would most likely go up.

Trustee Callicrate said we need accurate numbers. He is not recommending rebuilding on the Southwood site but rather renovating the Recreation Center and building a wing. He doesn’t want to throw out a number because it will stick and numbers have to be factual before they can be reconsidered.

*Is the Parasol proposal an economically viable option?*

Trustee Callicrate said it is not in its current state because of all the unknowns it is not an economically viable option in his estimation.

Trustee Horan said that the Parasol proposal is not economically viable at the proposed price and that at a price it could be viable.

Trustee Morris said that the number that Parasol proposed is not advantageous for us but that he doesn’t think that any of us know the number at the moment. He would ask this earnestly – is there a price above zero that Parasol could propose that would be an attractive proposition – he doesn’t know that number but he does know it is not at $5.5 million but that it could be at a price and done with minimal risks. He does wonder if it is no at any price or might there be something in there.

Trustee Horan said it is not no at any price but right now he is not comfortable with the legal risks and we should mitigate those risks so it could be made an economically viable option.

Trustee Callicrate said since the CC&R’s will be expiring in ten years that at this point there are many opportunities for us if we want to look into them. At this time, he wouldn’t feel comfortable moving forward with the Parasol building and certainly not with the current terms. He is not sure about lesser terms due to the amount of information and he doesn’t want to spend money if we can’t occupy it. It is such a contentious issue that this might be an opportunity to take a huge step back and a deep breath and wait until the Community Services Master Plan comes out and we approve it and then we can start concurrently with the replacement of the Administration building and whatever price makes sense. He doesn’t think there is an urgency to
move forward with the Parasol proposal at this time and that this is not
kicking it down the road because in ten years when the CC&R’s are lifted on
the entire parcel we will then have a lot of latitude. Time is on our side and
there is no reason to keep pushing this forward.

Trustee Dent said his answer is no because there is no assurance that
IVGID can legally occupy that building and when comparing it to another
piece of land or building and given these two options which is not the only
options as there are several options on the table, he is definitely a no.

Chairwoman Wong said that she respects Trustee Morris’ comment that
doing nothing is always an option and that for her there is an amount where
it does become an economically viable option and that is not at $5.5 million.
There can be a justifiable benefit to the community and she does want to
evaluate the alternative proposal as it is an option that she hasn’t thought
about so she would like to think about it and mull it over because it is worth
evaluating as an option.

Trustee Morris said he would echo what Trustee Callicrate said about our
feet not to the fire and we don’t have to rush because we don’t have to do
anything. We can definitely take our time to consider the options and we will
have to consider that if we do something within the next ten years for
Administration and the Recreation Center what do we do when we get that
building back and maybe that will factor into the long decision but we don’t
have to do anything now. Whatever the right number is, we do need to
eliminate the risks which changes the complexion as we are not in the
decision making mode yet. Yes, there is a number and it will fluctuate based
on where we are at.

Chairwoman Wong said, regarding mitigating our risks, that one thing that
could be done is to go back to this representative and try to get clarification
from that person. She doesn’t know the details or the costs involved but it is
probably worth exploring the costs, time, effort, etc. that it would take by our
Staff. District General Manager Pinkerton said he could provide that report
at our next meeting. Trustee Morris asked what would be in that report.
District General Manager Pinkerton said Staff could make contact with the
parties as Mr. Littman is up in Boise so we could do some due diligence to
possibly find out a little more and possibly get some answers to questions
that have been posed tonight.
Chairwoman Wong said that she feels that the Board is at a stopping point as there could be potential for more information as well as needing the final report from Ms. Fogarty which perhaps will give the Board more clarity or confusion.

F.3. Review and discuss public records request fulfillment, policies, and include potential witnesses (Requesting Trustee: Treasurer Matthew Dent) *(this item was removed, in its entirety, from the agenda)*

F.4. Review, discuss and possibly approve hiring Best Best & Krieger LLP to conduct an investigation of District operations regarding the retention of emails and other public records, with a not-to-exceed amount of $20,000 (Requesting Trustee: Treasurer Matthew Dent) *(this item was removed, in its entirety, from the agenda)*

F.5. Review, discuss, and possibly approve the Board reverting back the Public Participation to include a comment section prior to each agenda item that was in place in August 2015; the time limit shall be three (3) minutes for each person per comment period (Requesting Trustee: Treasurer Matthew Dent) *(this item was removed, in its entirety, from the agenda)*

F.6. Review, discuss, and possibly approve or reject Trustee Dent’s proposed requests for two (2) agenda items for the Board to consider the character, alleged misconduct, and professional competence, of I VGID General Manager and District General Counsel at a future Board of Trustees meeting (Requesting Trustee: Chairwoman Wong) *(this item was removed, in its entirety, from the agenda)*

F.7. Review process for selection of professional services provider for Security Services covering the period October 1, 2017 to September 30, 2019, and authorize the General Manager to execute an agreement for these services with High Sierra Patrol, Inc., for the first year cost of $65,610, and including a three year extension in 2019 at discretion of the General Manager, and two additional extensions in 2022 and 2025 at the discretion of the Board of Trustees (Requesting Staff Member: Director of Finance Gerry Eick)
Director of Finance Eick gave an overview of the submitted materials.

Trustee Morris made a motion to:

1. Approve Security Services Agreement to September 30, 2019 with High Sierra Patrol, Inc., for the first year cost of $65,610, and including a three year extension in 2019, at discretion of the General Manager, and two additional extensions in 2022 and 2025 at the discretion of the Board of Trustees.

2. Authorize the General Manager to execute all Agreements upon review by Staff and General Counsel.

Trustee Horan seconded the motion. Chairwoman Wong asked for any comments.

Trustee Horan said that he would ask that the District General Manager make a report to the Board at the time of renewal. Director of Finance Eick said that this contract is always noted each and every year.

Hearing no further comment, Chairwoman Wong called the question; Trustees Dent, Morris, Horan and Wong voted in favor of the motion. Trustee Callicrate was not in the room when the vote was called.

G. **DISTRICT STAFF UPDATE**

District General Manager Steve Pinkerton
- Financial Transparency
- Capital Improvement Projects update
- Golf Courses at Incline Village

District General Manager Steve Pinkerton gave an overview of each item.

Trustee Dent said regarding the Capital Improvement Plan expense report that it has been over a year and asked when Staff will have an update to see how we did with last year’s expenses versus budget. District General Manager Pinkerton said Staff was planning on distributing that at the next Board meeting.

H. **APPROVAL OF MINUTES** *(for possible action)*
H.1. Special Meeting of August 2, 2017

Chairwoman Wong asked for any changes, none were received, so Chairman Wong said that the August 2, 2017 minutes were approved as submitted.

I. REPORTS TO THE IVGID BOARD OF TRUSTEES*

I.1. District General Counsel Jason Guinasso

District General Counsel Guinasso said, regarding the Katz litigation, that the satisfaction of that judgment was filed after Mr. Cornell tendered $241,646.11 from his client’s trust account and that this money is now in an IVGID account so the judgment has been fully satisfied. Regarding the appeal, on September 19, the Nevada Supreme Court rejected Mr. Katz’ brief and the court also had some words about emergency words so it was resubmitted and accepted. It is now up to the Nevada Supreme Court as to the next action. For the IVGID code, there is presently a draft framework and he is in the process of taking all the current documents involved in the process and pulling them together and looking forward to presenting a rough draft in the near future. For public records and the District’s retention schedule, we reached out to State Archives for an audit and noted because of the concerns raised that he did reach out to both Trustee Callicrate and Dent to see if they wanted to attend and his calls were not returned. He then followed up with a text message which there was no response. He then reached out to Trustee Horan who accepted the invitation. The purpose of the meeting was to gather information, ask questions, and get their recommendation which was to adopt the Local Government Manual in its entirety. Presently, Staff is working on that being a future agenda item and when the Board adopts it, we will coordinate a District-wide training program. State Archives is willing to provide as much as we need and to whomever and State Archives has made themselves available to help us with all facets however the entire process will take about six months after the policy has been updated and recognize same.

Trustee Callicrate said did you say you called me and left a message; District General Counsel Guinasso said yes, on August 25, Friday. Trustee Callicrate said ok and said that he wanted to ask you directly about a comment made by a member of the public and that is if you are still involved with RKG that he would like to hear from you your answer. District General
Counsel Guinasso said yes, he is currently a partner with RKG. Trustee Callicrate said he wants to get that out there and not have that percolate. Regarding the District’s responses to Attorney General’s requests on Open Meeting Law complaints, when we had our training sessions, Ms. Bradley said as individual Trustees we could look at that under attorney/client privilege so he was under the impression that we were getting those yet we haven’t received any of them. District General Counsel Guinasso said that he has them in a binder in his office and that he would welcome you or any other Trustee to review them in his office as he is not prepared to distribute them. Trustee Callicrate said that he will call and schedule an appointment. Trustee Horan asked if we have received all the Open Meeting Law complaints; District General Counsel Guinasso said yes and that there haven’t been any new ones since July. Trustee Dent said and we haven’t received an opinion. District General Counsel Guinasso said that is correct and noted that the time frames have expired on all except maybe one complaint for correction. Usually, the Attorney General turns these around quicker but all complaints are taking longer to receive an opinion.

J. **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 said that he got a letter from Thomas Whalen referencing the Washoe County Commissioners and the property at Diamond Peak and that he wanted to bring this to the Board’s attention because University of Nevada, Reno owns the property and said that this was mailed to him and asked where he should put it or have it reviewed. Chairwoman Wong said please submit it to Staff who will respond.

K. **CORRESPONDENCE RECEIVED BY THE DISTRICT***

District Clerk Susan Herron said that correspondence had been received from Joe Shackford, Bruce Simonian, and Aaron Katz and that it has been distributed and will be included in the next Board packet in hard copy form.

L. **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.

Margaret Martini said that she has been taking notes and Ms. Fogarty’s opinion, from her understanding, was that she only got information from Mr. Alling and the
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District General Manager and while she doesn’t know what documents she reviewed, the preliminary title report should have been the number one ordered document so again remiss. On the additional recreational programs and needing space for this and that, we don’t need nor can we afford more recreational programs because they don’t make financial sense unless you can prove that they make sense and do all of you remember zero based budgeting. How much more space do we need or want because we are tripping over each other and if we have so much more need then why are we losing so much money on the Recreation Center. Nothing is paying for itself so when it is said that we need more space are we saying we are tripping over each other rather let’s discuss making them more financially viable. As to Parasol, they probably won’t be there in two years and not in one discussion was it about IVGiD and having this property that is three times more than we need – none of that was discussed so where is the financial responsibility from this Board? Want it, want it, want it and you don’t discuss stupid things like utility costs. Get the legal assurance for occupancy.

Pete Todoroff said he has been here and going to these meetings for thirty seven years and never has he seen what has gone on. We have two Trustees who are listening, Trustees Dent and Callicrate, and they are listening to this community as to what we want. He talked to the District General Manager about the community forum. Another things that brings up a red flag is that Dale Smith didn’t sign this so if it was signed by someone else then that is a felony. He feels that this Board needs to be listening to this community and have a forum where you can answer our questions otherwise the votes will remain three to two and he is tired of that as he has been going to these meetings since the 1980’s and he can’t believe what is happening with the Parasol matter.

Sara Schmitz said that she heard a really nice conversation between the Board members and to summarize the District needs some additional Administrative space, Recreation Center needs space for the gym, Parasol doesn’t fix two items then you are not quite sure, legally, that Administration can there even if it is for free as you would be taking on legal risk if somehow there was an issue with the Administrative people being in that building and that there is a want to have all the Administrative people in the same place. So let’s focus on two things separately – talk about adding onto the Recreation Center and then talk about Administrative space. For Administration, let’s rent for ten years and allow the CC&R’s to do what they are going to do and thus not paint yourself into a corner, have some interim time, and create flexibility in your plans – this is what she heard the Board talk about and she is just summarizing.
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Steve Dolan said that he agreed with what Ms. Schmitz said and that it is similar to what he intends to say. He also agrees with Mr. Todoroff in that the dysfunction is pretty astounding. Did you hear yourself talking to each — retroactive law, don’t know the laws we have to deal with, stated it is a little scary where it is going, and heard reservations. Trustee Morris was do nothing which seems to be the best thing to do. Essentially, in all three cases, they are built buildings and you are pretty out of line in terms of what we can do. Trustee Dent does it for a hobby and I have been doing it for thirty years. You don’t need granite countertops, vaulted ceilings, etc. as that is not what is needed so the cost is nowhere near $600 per square foot. If it was designed like the Incline Beach facility, it could be $20 million. Office buildings take care of people and they aren’t that expensive. Make the ideal deal to try and buy the Parasol building at what you want to sell the Southwood building for or lease or buy the building where the courthouse is.

M. REVIEW WITH BOARD OF TRUSTEES, BY THE DISTRICT GENERAL MANAGER, THE LONG RANGE CALENDAR (for possible action)

District General Manager Pinkerton went over the long range calendar with the following edits:

➤ Next meeting is 10/25 — add the Parasol item, review of ethics law announcement, and discussion on visit to State Archives
➤ 11/7 set for public meeting/community forum.

N. ADJOURNMENT (for possible action)

The meeting was adjourned at 9:12 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 (2 pages): Public Comment at the 9-26-17 IVGID BOT Meeting By Margaret Martini — to be included with the Minutes of the Meeting
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Submitted by Linda Newman (2 pages): Linda Newman 9-26-17 BOT Meeting. Public Comments – to be included with the Minutes to this meeting

Submitted by Iljosa Dobler (2 pages): Public comments to be included in the next board packet and made part of the minutes to this meeting on September 26, 2017

Submitted by Clifford F. Dobler (3 pages): Public Comment to be included in the next Board Packet and included with the Minutes of the September 26, 2017 Minutes

Submitted by Wayne Hooper (1 pages): Public Comment at September 26, 2017 Board of Trustee Meeting – To be included in next board packet

Submitted by Darryl R. Dworkin (1 page): For the IVGID Board of Trustees meeting of September 28, 2017
Public Comment at the 9-26-17 IVGID BOT Meeting
By Margaret Martini – to be included with the Minutes of the Meeting

Our District has a fondness for repurposing. They have kept $170 of our Rec Fee collected to repay two bonds that have now matured and repurposed those funds to pay for increased operating expenses and consultants for new capital projects. They have repurposed our Rec Fee to cover Beach Fund expenditures and just about anything Staff wants and the General Fund does not have the money to cover. They have repurposed their mandate as a government providing water, sewer, and trash services by delaying major infrastructure projects, negotiating bad deals, ignoring best management practices and charging us more so we can get a whole lot less. They have repurposed their role as government employees providing recreation services and facilities to OUR COMMUNITY and consider themselves Corporate Resort Executives entitled to private sector salaries and benefits WITHOUT PRIVATE SECTOR PERFORMANCE MEASURES AND ACCOUNTABILITY. And they have placed the burden of subsidizing these money losing enterprises on parcel owners who are crowded out of enjoying their own facilities and are forced to pay for the wear and tear of the tourists and short term renters --our Rec Fee dollars were never intended to support.

Now the District is doubling down on their repurposing. They want to use $5.5 million of our Rec Fee to bail out Parasol from fulfilling their contractual responsibilities and repurpose a 31,500 sq ft Community Non-Profit Center for IVGID Administrative Offices. And it doesn’t end there. The GM and District Counsel have repurposed Public Records by denying their existence, concealing, deleting or destroying them. Who can forget, Counsel Guinasso’s remark that the District does not have a Chart of Accounts –and therefore cannot provide it to the Trustees requesting it. Or Chair Wong telling us that emails are not public records. Apparently, repurposing Government Accountability and Transparency has become an art form when it comes to the District’s Finances with the Director of Finance spinning numbers out of thin air and keeping Trustee’s prying eyes from seeing the actual transactions the financials are supposed to be reporting. Does any one actually know how our taxes and Rec, Beach and utility fees are actually being spent and what the true costs are for delivering utility and recreation services? EXACTLY – We don’t know and nor do our Trustees! We have listened without the ability to respond while the GM, Counsel and some Trustees have repurposed the facts.
with a long litany of false statements and misrepresentations on everything from our District’s financial health to the meaning of Nevada laws.

Following the abysmal legacy of some former Trustees, Wong, Horan and Morris have repurposed their fiduciary duties by delegating all of their statutory powers and responsibilities to the General Manager and District Counsel.

All this repurposing should lead every savvy citizen to one conclusion: It’s time for the Community to recall these three trustees and repurpose them out of office.
Linda Newman 9-26-17 BOT Meeting Public Comments - to be included with the Minutes to this meeting

Holland & Hart’s legal opinion on Parasol legal issues dated September 22nd was slipped into the Board Packet yesterday, one day before this meeting. This surreptitious act is another assault on the letter and spirit of Nevada’s Open Meeting Law designed to ensure transparency in the deliberations on which public policy is based. As the District has not provided adequate time to review these documents, F-1 should be removed from the Agenda.

In addition, it must be noted that the Attorney’s work product is not a result of the Board’s direction. It is the contrived product of General Manager Pinkerton and Legal Counsel Guinasso, as the Holland & Hart attorney’s opinion is based solely upon representations by Parasol’s Board Director and legal representative, Ron Alling and our General Manager Pinkerton. What did these two proponents of a Parasol bailout by IVGID citizens tell this attorney and what documents were provided for this Attorney to review?

There are seven pages of supposition built upon the shaky foundation of Pinkerton’s long history of providing inaccurate and false information to the Community and the Board and Parasol’s unknown and undocumented representations. Remember, Parasol is the party to the lease and their compliance is being challenged. Parasol also recorded the 1999 Amendment to the Boise Cascade land use restrictions that is not legally valid in order to secure 2.36 acres of IVGID land at a $1 per year for up to 99 years. The former Parasol lawyer that executed and secured this Amendment is of Counsel to Mr. Guinnasso’s law firm. That Attorney is also responsible for the Parasol land lease and
amendment. Among other RKG conflicts of interest, this poses a material conflict of interest that demands RKG recuse itself from any and all matters involving Parasol.

If you choose to wade through these pages, you will see that each item is still a dispute yet to be resolved. If this Legal Opinion has any value at all, I can point you to the Holland & Hart Attorney’s failure to render an opinion on whether or not IVGID can legally use the building. This means, there is no going forward modifying a lease and assigning any value and payment for leasehold improvements—because there is no assurance that IVGID can legally occupy this Building.

Game over...
Public comments to be included in the next board packet and made part of the minutes to this meeting on September 26, 2017

BY: Iljosa Dobler

I reviewed the legal opinion from Megan M. Fogarty of Holland and Hart regarding Parasol legal issues. Seven pages of determinations that disputes probably exist.

The most important paragraph is the final one on page 8 in which she provides IVGID two options:

1) Do nothing and maintain the STATUS QUO

2) Negotiate a formal acquisition at whatever value is deemed reasonable when considering the numerous factors in play

   A) IVGID ability to use the Building

   B) and the effect the CC&R's will have on such use

So we have no legal opinion on IVGID's ability to use the building. Yet that was one of the questions asked by Trustees.

The question becomes: IF IVGID buys out the lease can they use the building. Why no opinion? Because no assurances could be given as to use. Why? because the CC&R's as they currently exist only allows use of the building by Parasol, Parasol Collaborators or Parasol's successors in interest.

IVGID will argue that they became a Community Collaborator under the ground lease amendment on 1/24/2002 which allows IVGID the right to
use all portions of the facility as a Community Collaborator per the 2001 business plan.

As defined in the 2001 business plan, Community Collaborator are not residents in the DWR Center but they have access to shared office, storage and building services. Further it states that a Parasol Collaborator must maintain status as a CHARITY.

So if IVGID is not a charity then the 1/24/2002 amendment to the ground lease allowing IVGID to be a Community Collaborator would be in conflict with the 2001 business plan and invalid.

To buy out the lease and occupy the building knowing there exists language which suggests IVGID cannot use the building would be reckless, breaking a contract and against the law.
September 26, 2017

Public Comment to be included in the next Board Packet and included with the Minutes of the September 26, 2017 Minutes
By: Clifford F. Dobler

At the August 22nd Board meeting, during discussions on IVGID's buyout of Parasol's lease, GM Pinkerton stated that he would correct the Fund Balance Stress Test, the 5 Year Capital Plan and the Executive Summary "to make sure the accurate facts come out and make sure you have the information." (Livestream Part 2 at 21.40). As of today, the false information remains and no corrections have been made.

Trustee Dent requested the Property Conditions Report Pinkerton had promised to provide. Pinkerton replied: "we feel that we have done one and we normally don't do a replacement reserve report." Yet, the Feasibility Report in the April 25th, 2017 Board Packet states: "As an existing building, we will likely incur capital replacement costs sooner. While you can never predict the exact cost or timing, staff will further investigate this cost via a comprehensive condition assessment and maintenance evaluation." (Report dated April 18, 2017 on page 271 of the April 25, 2017 Board Packet).

This is one of the primary reports required from a third party for the purchase of any large property. Yet, there is no report.
What Pinkerton is telling you is a sales job. Do not make any decisions based on his information. It is simply wrong and not in the best interests of our community.

Parasol's responsibility for the entire property is actually a liability. Parasol knows this. To operate the building for the remaining 15 year lease term will cost Parasol approximately $7,500,000 plus $2,000,000 more for capital improvements. Parasol will gladly give the building to IVGID. As Claudia Andersen said it is actually worth NOTHING.
Public Comment at September 26, 2017 Board of Trustee Meeting - To be included in next board packet

By: Wayne Hooper

At the August 22, 2017 Board of Trustees Meeting, Mr. Pinkerton stated that the operating expenses of the Parasol Building will be approximately the same as operating the existing 893 Southwood Building.

Back in April a Feasibility Report dated April 18, 2017 prepared by IVGID states on Page 13:

"However, adding a building the size of the D.W. Reynolds Community Non-Profit Center to IVGID's Assets will require an immediate increase in the amount of staffing and cost dedicated to building and facilities and not at some point in the future."

"IVGID will need to add support staff hours to maintain and operate the building. There will also be staff time dedicated to property management as well."

So how do you reconcile these two statements made 4 months apart?
Darryl R. Dworkin
705 Birdie Way
Incline Village, NV 89451-8804

For the IVGID Board of Trustees meeting of September 28, 2017

Notice of Meeting #2 has 5 sections that are on the Agenda for review, discussion and possible vote regarding Parasol.

Haven't prior Board meetings already reviewed and discussed this extensively? Didn't a FlashVote indicate how residents feel on this?

Please allow a quick review of Item 2 from a resident standpoint:

Point A  There is justifiable need for added recreation space and most agree current Admin building is insufficient to house staff. Moving staff from the Rec. building into an enlarged Admin building makes sense.

Point B  YES, there are other spaces available in Incline Village; The Clearpoint Building has two contiguous 5,000 square foot, total 10,000 sq. ft., immediately available. There are additional smaller spaces as well in the building.

Point C  “Advantageous” has many facets. Time, design, cost analysis. What is known is that the carry costs of the Reynolds Building at some 31,000 sq. ft. and over 15 years old are more than double what a new 10,000 sq. ft. facility built to IVGID needs would be.

Point D  Is the Parasol proposal economically viable? Absolutely NOT. There is no possible economic justification to pay anything to have a building three times the size needed requiring extensive renovation to become usable for IVGID purposes. Any 20 year cost analysis would bear this out.

Point E  Are the terms and conditions of the Parasol proposal advantageous for IVGID? THERE IS NO POSSIBLE JUSTIFICATION for IVGID to consider the proposal. To consider spending anything to take over management, maintenance and utilities for a building that IVGID would have half usage of after spending over $500,000 to make that half-space usable cannot be justified.

IVGID has already spent way too much time, effort and dollars on the proposal. It’s time to stop and realize that the ONLY POSSIBLE way IVGID should acquire the Reynolds building is to provide a true “lease modification” wherein Parasol, at no expense to IVGID, is allowed to remain and continue their occupancy after moving themselves and all their tenants to the first floor providing IVGID full usage of the entire 2nd floor with IVGID relieving Parasol of building management, maintenance and utilities. Parasol would save over $150,000 annually in costs to assist their mission; IVGID would be spending about $105,000 annually, including amortized renovation cost, more than a new facility offset by not having to build that new facility.

This is the only possible realistic and financially responsible answer...