MINUTES OF REGULAR MEETING OF
THE BOARD OF TRUSTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
FEBRUARY 19, 2020

CALL TO ORDER:

A Meeting of the Board of Trustees of the Douglas County Lake Tahoe Sewer Authority (DCLTSA) was duly convened at 9:30 a.m. on Wednesday, February 19, 2020 at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

ROLL CALL:

Present were Trustees Mike Bradford, Darya Vogt, Grant Thompson, Chuck Fagen and Wes Rice.

RECOGNITION OF OTHERS IN ATTENDANCE:

In attendance were Authority Manager Rob Hopkins, Authority Controller Paula East-Janicki, Authority Accountant, Ying Johnson, Authority Engineer, Rob Anderson, the Authority's attorney, Ryan Russell, and Bob Cook. Also, in attendance was Andrew Hickman of Round Hill General Improvement District (RHGID) and Paul Kearney of Summit Plumbing.

PUBLIC COMMENT:

There was no public comment.

APPROVAL OF AGENDA:

It was moved by Trustee Vogt, seconded by Trustee Thompson and carried unanimously that the agenda be approved and adopted as presented.

MINUTES OF PRIOR MEETING:

It was moved by Trustee Fagen, seconded by Trustee Thompson and carried unanimously that the minutes of the Meeting of the Board of Trustees of DCLTSA, dated January 15, 2020, be approved.

MANAGER'S REPORT:

A. General Status Report

Authority Manager Rob Hopkins presented the Board with a written summary of various general matters related to the Authority and briefly summarized each item in the written report. The written report is incorporated in these minutes by this reference.

Mr. Hopkins reported that several meetings and site visits have occurred as HDR Engineering and K.G. Walters continue to work with regard to proposed plant upgrades and the planning of the improvements.

Mr. Hopkins indicated that the DCLTSA 4th Quarter 2019 Discharge Monitoring Report was submitted and accepted by the NDEP. Further, the DCLTSA 2019 Annual Discharge Monitoring Report was produced by Authority Engineer R.O. Anderson staff and has been turned in to the Nevada Division of Environmental Protection.

Mr. Hopkins reported that DCLTSA staff are actively working with personnel from the Tahoe Beach Club and its construction contractor, SNC, to inspect for and repair leaks identified in the new manholes and sewer main installed near the TBC Clubhouse.

DCLTSA is obtaining quotes from vendors on mechanical shaft seals for the sewer pumps at the Main Pump Station. Ultimately, both the Main and Beach Pump Stations will be converted to mechanical seals to reduce the continuous use and expense of using potable water at both sites.

DCLTSA is preparing cost estimates to upgrade various computer workstations at the Treatment Plant to convert them from Windows 7 based units.

Mr. Hopkins reported that DCLTSA staff inspected 5 more residential units at the Tahoe Beach Club Building 1 in the last four weeks.

The Nevada Division of Environmental Protection (NDEP) re-issued the Authority's waiver for 2020 with regard to the Stormwater Industrial Permit.

Mr. Hopkins indicated that the Authority had received and was reviewing draft site improvement plans for the South Tahoe Events Center. Mr. Rice provided information on the possibility of the project proceeding.

Following thoughtful discussion and questions from the Trustees, Chairman Bradford opened the floor to public comment regarding the matter. Comments included a question in regard to the proposed South Tahoe Events Center.

ENGINEER'S REPORT:

A. General Projects Status Report

In addition to his participation in the Manager's Report, Rob Anderson presented correspondence dated February 18, 2020 briefly summarizing various issues that R.O. Anderson Engineering has been involved with on behalf of the Authority. The February 18, 2020 correspondence is incorporated in these minutes by this reference.

Mr. Anderson indicated that he and his staff have initiated the process to secure a contractor to continue the cleaning of the collection system following the expiration of the current contract at the end of April, 2020.

Mr. Anderson indicated that the annual EPA biosolids report and the NDEP discharge monitoring reports for the Wastewater Reclamation facility and for the Park Ranch effluent reuse have been completed and issued.

Mr. Anderson and his staff have initiated the application process for this year, requesting that NDOT permit right of way access on Kingsbury Grade and Mueller Lane for exercising the force main air release valves at various times during that year.

With regard to the ongoing monitoring of the Bently effluent storage reservoir, Mr. Anderson indicated that his staff is continuing to work with Bently staff to establish an accurate method to determine the volume of the reservoir.

As to the South Tahoe Events Center, Mr. Anderson reported that he has received formal civil improvement plans for DCLTSA review, to which he will issue a response letter.

With regard to the ongoing meter reconciliation work, Mr. Anderson reported that Tahoe Douglas District (TDD) had recently completed a camera inspection of a portion of its lines, but he has not yet seen it. Mr. Anderson indicated that he has been in regular communication with the manufacturer of the laser flow meter in order to ensure proper calibration. Mr. Anderson believes the work has been completed and will be transmitted for further review.

On January 21, 2020, a temporary meter was re-set in the manhole within the Wyndam Resort parking lot to compare the flow data collected there directly to the flow data at the LaserFlow meter.

Following thoughtful discussion and questions, Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment.

ATTORNEY'S REPORT:

A. General Status Report

Mr. Russell had nothing additional to report. Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment.

B. Discussion and possible action regarding leak/warranty issue with the Underground Emergency Storage Tanks

Mr. Russell indicated that discovery in the litigation was ongoing. The Trustees discussed the ongoing cost/risk of litigation. Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment.

AUTHORITY CONTROLLER'S REPORT:

A. General Status Report

Ms. East-Janicki reported that operating expenses were 9.8% under budget. Ms. East-Janicki added that the Authority had not yet been billed for the recently completed audit work. Ms. East-Janicki specifically commented on the cost savings from completing repairs in-house.

Ms. East-Janicki indicated that during the month of January, 190,800 gallons of groundwater were pumped from the underground emergency storage tank.

As to the status of billing, Ms. East-Janicki reported that as of February 7th, we have $109,000 past due, most of that is 4 months or less past due. The Hard Rock accounts for almost $89,000 of that amount. Ms. East-Janicki sent out 2 more pre-lien notices for properties nine months overdue. There are currently 4 liens totaling $4,695.

Ms. East-Janicki indicated that the tentative budget will be presented at the next board meeting.

Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment.

B. Investment Report

Ms. East-Janicki had a written summary of the Authority's investments available, showing a total of approximately $10 million. Ms. East-Janicki reported that this amount does not include loan proceeds from the SRFL or the reserve account for the loan.

Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment.

APPROVAL OF CLAIMS:

The claims along with the Authority's check register were provided to the Board treasurer and were approved.

Reports/updates from Board of Trustees concerning the areas or districts they represent:

Trustees discussed possible date conflicts in May in order to timely approve the final budget.

Trustee Rice stated his support for the proposed events center and indicated he would have more to report at the next meeting. He also indicated that he will be going to Washington DC to work on a lands bill.

Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment.

PUBLIC COMMENT:

There was no public comment.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 10:30 a.m.

APPROVED

Michael H. Bundy

4/13/20

4832-9239-6982, v. 1

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

Authority Manager's Monthly Report – February 2020
A. General Status Report

Staff Recommendation:

None. This is an informational item only.

Discussion/Report:

This item serves to afford the Authority General Manager the opportunity to update the DCLTSA Board of Trustees on select activities over the previous month(s).

1. The DCLTSA 4th Quarter 2019 Discharge Monitoring Report was submitted and passed by the NDEP and EPA.

2. The DCLTSA 2019 Annual Discharge Monitoring Report was produced by Authority Engineer R.O. Anderson staff and has been turned in to the Nevada Division of Environmental Protection. A copy of the Annual Report is available at the Plant for review.

3. DCLTSA staff are actively working with personnel from the Tahoe Beach Club and its construction contractor, SNC, to inspect for and repair leaks identified in the new manholes and sewer main installed near the TBC Clubhouse. Work to seal several leaks in Manhole 310 will resume the week of February 20-24, 2019.

4. Several meetings were held in the month of February related to Phase 1 of the Treatment Plant Upgrade project. Phase 1 entails recoating the Aeration Basins and installing new selector baffles, gates, and railings among other items. Work to coat Aeration Basins 1 through 4 is targeted to be completed before Memorial Day, 2020 (Photo attached). K.G. Walters began mobilizing equipment to the Treatment Plant February 12th.

5. Several meetings and site visits have occurred related to the Treatment Plant Upgrades project as DCLTSA, HDR, and K.G. Walters personnel work cooperatively to determine the optimal equipment packages for the Headworks Grit Removal Package Plant and selection of blower technology which will supply air to the new fine-bubble diffusers in the Aeration Basins. Work is ongoing.

6. DCLTSA is obtaining quotes from vendors on mechanical shaft seals for the sewer pumps at the Main Pump Station. Mechanical seals will end the reliance on pump packing, which uses a great deal of potable water each month to keep

the packing clean and functioning. Ultimately, both the Main and Beach Pump Stations will be converted to mechanical seals to reduce the continuous use and expense of using potable water at both sites.

7. DCLTSA is working up cost estimates to upgrade various computer workstations at the Treatment Plant to convert them from Windows 7 based units, as Windows 7 is no longer supported by Microsoft for security and software upgrades and patches.

8. DCLTSA staff inspected 5 more residential units at the Tahoe Beach Club Building 1 in the last four weeks.

9. DCLTSA staff and personnel from Authority engineer R.O. Anderson have begun preliminary plan review on the civil sewer infrastructure proposed for the Tahoe South Events Center. Work is ongoing. Further detail may be provided by Authority Engineer R.O. Anderson.



Aeration Basin Trains 1 through 4 prior to recoating work.

R O Anderson

February 18, 2020

Via E-mail

Board of Directors
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
P.O. Box 578
Zephyr Cove, NV 89448

Authority Engineer's Monthly Report – February 2020

Dear Members of the Board:

The following report presents a summary of activities undertaken on behalf of the Authority since our last meeting together on January 15, 2020. During this period, we provided services in the following areas:

1) General Engineering Services
2) Meter Reconciliation; RHGID-TDD

The following paragraphs provide a brief description of these efforts and progress related to each of these efforts.

General Engineering Services: R.O. Anderson Engineering, Inc. (ROA) assisted and participated with Authority personnel on various engineering-related assignments including participation in project coordination meetings and phone calls with Authority staff, legal counsel, and Board members on an as-requested basis. In addition to these activities, we have participated in the following specific tasks:

- Collection System Cleaning Contract: The contract with Summit Plumbing for cleaning the collection system is set to expire on April 30, 2020. We have initiated the process to secure a contractor for the next block of time by updating the bidding documents.
- Annual Reporting: The annual EPA biosolids report and the NDEP Discharge Monitoring Reports for the Wastewater Reclamation Facility (WRF, Plant) and for the Park Ranch effluent reuse have been completed and issued.
- ARV Maintenance NDOT Permit: Each year we submit an application to NDOT to permit right-of-way access on Kingsbury Grade and Muller Lane for exercising the force main air release valves at various times during that year. In this period we have initiated the application process for this year.
- Werbin Residence, 119 and 120 Snowbird Court, 1010 Holly Lane; all within Lake Village: In this period, Karen Kuentz with the US Forest Service (USFS) reached out to us and Mr. Hopkins to comment on a proposal to USFS from Mr. Werbin dated March 1, 2019. The proposal was for relocating the existing DCLTSA sewer main

Physical
1603 Esmeralda Avenue
Minden, Nevada 89423
P 775.782.2322

Mailing
P.O. Box 2229
Minden, Nevada 89423
P 775.782.2322

OFFICES
Minden, Nevada
Reno, Nevada

onto the adjacent USFS property. At that time, we were aware that Mr. Werbin may approach USFS regarding main relocation, however, based on subsequent correspondence and plan submittals from Mr. Werbin's representative, Basin Strategies, we believe the USFS request may no longer be relevant.

- Tahoe South Events Center: Welsh-Hagen, the civil engineering firm representing this project, has submitted formal civil improvement plans for DCLTSA review. We anticipate concluding our review of the plans and issuing a draft response letter to Mr. Hopkins later this week.

Meter Reconciliation RHGID-TDD:

As reported during the last Board meeting, Ms. Murphy, Manager of TDD, offered to undertake the required cleaning and completion of the closed-circuit TV video of the existing interceptor from U.S. Highway 50 to the LaserFlow meter. As of this date, the results of that work has not been presented to us for review; however, from recent correspondence with Ms. Murphy, I am told that the work has been completed and that she is preparing the data files for transmittal to us for further review.

On January 21st, with the assistance of the operational staff of RHGID, a temporary meter was re-set in the manhole within the Wyndam Resort parking lot for the purpose of comparing the flow data collected there directly to flow data collected at the LaserFlow meter. Immediately afterward, with the manufacturer's representative present, the LaserFlow meter was inspected and critical settings were reviewed, and data parameters were verified. Based on that review, slight adjustments were made to the flow meter and particularly where the velocity measurements were being made.

We have been collecting and comparing the meter data from these two installations, which has resulted in the manufacturer recommending a further adjustment to the meter settings to correlate the results from the two meters. I will be making those adjustments prior to the Board meeting tomorrow. It is our intention to continue to collect the meter data for at least another week, perhaps two and then to compare the results. Assuming there is good correlation between these data, we can then apply the same adjustments to the data collected from the LaserFlow meter for 2019 for use in the upcoming Flow Report. This, of course, assumes that the results of the closed-circuit TV video confirms no obvious locations of where unaccounted flow is entering the interceptor.

I will be present at the Board meeting and available then to review this information in greater detail, as well as address any specific questions or concerns Board members

might have relative to these subjects. Thank you for your continued confidence and the opportunity to provide these services.

Yours faithfully,

R.O. ANDERSON ENGINEERING, INC.

Robert O. Anderson

Robert O. Anderson, PE, WRS, CFM
Principal Engineer

cc: Jim Cavilia, Esq.
Paula East-Janicki
Rob Hopkins

AUTHORITY CONTROLLER'S

BOARD REPORT – February 19, 2020

General Status Report

At the end of December, our operating expenses were 9.8% under budget. Beth Farley from Eide Bailly called on Friday and said she is sending the bill now. After paying that amount, approximately $38,000 we will still be significantly under budget.

During the month of January, 190,800 gallons of groundwater were pumped out of the Underground Storage Tank at a treatment cost of almost $1,900. The dry weather has significantly reduced the amount of ground water flowing into the tanks.

Status of Billing

As of February 7th, we have $109,000 past due, most of that is 4 months or less past due. The Hard Rock, as usual, accounts for almost $89,000 of that. I did sent out 2 more pre-lien notices this month, though, for properties nine months overdue, and if they don't pay before March 11, I'll be filing liens. There are currently 4 liens totaling $4,695.

Investment Report

We have a little more than $10 million dollars invested in liquid Wells Fargo and Local Government Investment Pool (LGIP) accounts and longer- term laddered CD's. Those amounts do not include the loan

proceed or reserve accounts. There has been no activity since the last Board meeting except the addition of interest.

Claims and Check Register

I sent you copies of the wires and check register from January 11 through February 14, 2020. If there are no questions, I would ask that the Treasurer sign them and return them to me for our records.