NOTICE OF REGULAR MEETING OF

BOARD OF TRUSTEES OF

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY

WEDNESDAY, JUNE 17, 2020

Pursuant to Chapter 241 of the Nevada Revised Statutes, the Board of Trustees of Douglas County Lake Tahoe Sewer Authority hereby notifies all interested parties that a Regular Meeting of the Board will be conducted telephonically on June 17, 2020, beginning at 9:30 a.m.

Due to Governor Sisolak's mandated steps to protect against the spread of the coronavirus, the Board of Trustees of Douglas County Lake Tahoe Sewer Authority will participate in this meeting by telephone. There will be no physical meeting place. Members of the Public wishing to take part in the meeting may do so by using the phone number and conference code below:

Via Cell Phone: 1 702-359-0270
Via Landline Phone: 1 800-201-7439
Conference Code: 356286.

Copies of this Notice are posted in the following locations:

Wastewater Reclamation Plant
Highway 50 and Sewer Plant Road
Zephyr Cove, Nevada

U.S. Post Office
Kingsbury Grade
Stateline, Nevada

Lake Village Homeowners Association
Lake Village Clubhouse
Stateline, Nevada

Douglas County Administration Building
175 Highway 50
Stateline, Nevada

The meeting shall be conducted in accordance with the following Agenda. Unless otherwise stated, items may be considered out of order at the discretion of the chairperson. Unless otherwise noted, all items shall include discussion and possible action.

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
REGULAR MEETING AGENDA
WEDNESDAY, JUNE 17, 2020

Action may be taken on any agenda item unless noted "for discussion only."

Items on the agenda may be taken out of order.

Two or more agenda items may be combined for consideration.

An item may be removed from the agenda or discussion relating to an item may be delayed at any time.

Public comment will be taken on any item on this agenda on which action may be taken, before action is taken on the item.

Every meeting of the Board of Trustees will provide at least two public comment periods in compliance with the minimum requirements of the Open Meeting Law prior to adjournment. In addition, it is the Board's goal to also provide for item-specific public comment. No action may be taken on a matter raised under public comment unless the item has been specifically included on the agenda as an item upon which action may be taken. The Chair also retains discretion to limit comment to three minutes per person and only provide for the Open Meeting Law's minimum public comment.

Copies of supporting material, if any, may be requested from Paula East-Janicki by mail at P.O. Box 578, Zephyr Cove, NV 89448 or by telephone at (775) 586-8575. Copies of supporting material, if any, are also available on the Douglas County Lake Tahoe Sewer Authority website: https://www.dcltsa.org.

1. Call Meeting to Order – 9:30 a.m.
2. Roll Call
3. Recognition of Others in Attendance
4. Public Comment - for discussion only
5. Approval of Agenda - **for possible action.**
6. Minutes of Prior Meetings of the Board of Trustees (April 29, 2020 and May 20, 2020) – **for possible action.**

7. Discussion and Possible Execution of a Construction Management at Risk Guaranteed Maximum Price Contract with K.G. Walters Construction Co. Inc. for Phase 2 of the Treatment Plant Upgrades Project in the Amount of $1,885,404 (One Million, Eight Hundred Eighty Five Thousand, Four Hundred and Four Dollars) – **for possible action.**

8. Discussion and Possible Action to Allow Staff to Contract for Replacement of a Portion of Sewer Line Located on U.S. Highway 50 in Stateline, Nevada Between the Roadway and Harrah's Casino in compliance with NRS Chapter 338.011 in Order to Meet an Emergency which Threatens the Health, Safety and Welfare of the Public - **for possible action.**

9. Discussion and Possible Action to Allow Staff to Contract for Replacement of a Portion of Effluent Line Located on Forest Service Land in Stateline, Nevada near Burke Creek and the residential area of Terrace View in compliance with NRS Chapter 338.011 in Order to Meet an Emergency which Threatens the Health, Safety and Welfare of the Public - **for possible action.**

10. Manager's Report (Rob Hopkins)

    A. General Status Report

11. Engineer's Report

    A. General Projects Status Report.

12. Attorney's Report (Ryan Russell and Jim Cavilia)

    A. General Status Report

13. Controller's Report

    A. General Status Report

    B. Discussion and Possible Action to Augment the Budget for Fiscal Year 2019-2020 - **for possible action.**

    C. Investment Report

14. Approval of Claims – **for possible action**

15. Reports/updates from Board Trustees concerning the areas or districts they represent – for discussion only.

16. Final Public Comment

17. Adjournment

CERTIFICATE OF POSTING

I hereby certify that, prior to 9:00 A.M. on this date, I personally posted a copy of the foregoing Notice of Public Hearing and Regular Meeting and Agenda of the Board of Trustees of the Douglas County Lake Tahoe Sewer Authority at the following locations:

Douglas County Lake Tahoe Sewer Authority
Wastewater Treatment Plant
Sewer Plant Road/Highway 50
Zephyr Cove, NV 89448

U.S. Post Office
Kingsbury Grade
Stateline, Nevada

Lake Village Homeowners Association
Lake Village Clubhouse
Stateline, Nevada

Douglas County Administration Building
175 Highway 50
Stateline, Nevada

DATED this 12th day of June, 2020.

P East-Janicki

Print Name: Paula East-Janicki
Title: DCLTSA Controller

4836-9237-4975, v. 1

MINUTES OF EMERGENCY SPECIAL MEETING OF
THE BOARD OF TRUSTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
April 29, 2020

CALL TO ORDER:

Due to the Governor's mandated steps to protect against the spread of the Coronavirus (Covid-19), a Meeting of the Board of Trustees of the Douglas County Lake Tahoe Sewer Authority (DCLTSA) was duly convened via telephone conference call at 9:30 a.m. on Wednesday, April 29, 2020 originating at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

ROLL CALL:

Present and taking part via telephone connection were Trustees Mike Bradford, Darya Vogt, Grant Thompson, Chuck Fagen and Wes Rice. Each of them could hear all others taking part in the meeting.

RECOGNITION OF OTHERS IN ATTENDANCE:

Also in attendance were Authority Manager Rob Hopkins, Authority Controller Paula East-Janicki, Ying Johnson, Authority Accountant, and telephonically Rob Anderson, Authority Engineer, the Authority's attorney, Ryan Russell and Bob Cook

PUBLIC COMMENT:

There was no public comment.

DISCUSSION AND POSSIBLE ACTION:

Discussion to review and possibly amend or restate Resolution 2018-1 to reduce or eliminate the time of delinquency before which the Authority may record a lien as a result of unpaid sewer charges – for possible action.

The Trustees discussed the fact that the economic situation the Authority faces is uncertain as a result of the Covid-19 pandemic and the attendant economic fallout as well as the utilization of forbearance agreements with certain customers, all of which necessitate the need for the Authority to react swiftly and without the restraint of a time of delinquency requirement.

Following thoughtful discussion and questions from the Trustees, Trustee Fagen moved and Trustee Thompson seconded to eliminate the time of delinquency before which the Authority may record a lien as a result of unpaid sewer charges from Resolution 2018-1 and make the first line of paragraph 3 of that resolution read as follows: "If fees or charges due to the Authority are unpaid, the Authority may record a lien against the real property for which the fee or charge is due.

Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment. Chairman Bradford then called for the question and the motion carried unanimously.

PUBLIC COMMENT:

There was no public comment.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 10:15 a.m.

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APPROVED

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4835-8706-7583, v. 1

MINUTES OF REGULAR MEETING OF
THE BOARD OF TRUSTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
May 20, 2020

CALL TO ORDER:

Due to the Governor's mandated steps to protect against the spread of the Coronavirus (Covid-19), a Meeting of the Board of Trustees of the Douglas County Lake Tahoe Sewer Authority (DCLTSA) was duly convened via telephone conference call at 9:30 a.m. on Wednesday, May 20, 2020 originating at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

ROLL CALL:

Present and taking part via telephone connection were Trustees Mike Bradford, Darya Vogt, Grant Thompson, Chuck Fagen and Wes Rice. Each of them could hear all others taking part in the meeting.

RECOGNITION OF OTHERS IN ATTENDANCE:

Also in attendance were Authority Manager Rob Hopkins, Authority Controller Paula East-Janicki, Ying Johnson, Authority Accountant, and telephonically Rob Anderson, Authority Engineer, the Authority's attorney, Ryan Russell, Bob Cook, and Andrew Strain and Patrick Rhamey of Tahoe Beach Club.

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 Thompson, seconded by Trustee Vogt and carried unanimously that the minutes of the Meeting of the Board of Trustees of DCLTSA, dated April 15, 2020, be approved, with the minor revision noted.

PUBLIC HEARING on the Final Budget for Fiscal Year 2020-2021 – for possible action.

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

It was moved by Chairman Bradford, seconded by Trustee Rice that the Final Budget for Fiscal Year 2020-2021 be approved as presented.

DISCUSSION AND POSSIBLE ACTION:

Discussion and possible action regarding Release to Tahoe Beach Club of 90% of the Security Deposit Held Regarding the Sewer Line Relocation, in the amount of $141,822. – for possible action.

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

It was moved by Trustee Vogt, seconded by Trustee Thompson to Release to Tahoe Beach Club of 90% of the Security Deposit Held Regarding the Sewer Line Relocation, in the amount of $141,822. Motion carried unanimously.

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.

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

ENGINEER'S REPORT:

A. General Projects Status Report

In addition to his participation in the Manager's Report, Rob Anderson presented a report in the form of correspondence, and briefly summarizing each item therein as well as various issues that R.O. Anderson Engineering has been involved with on behalf of the Authority. The correspondence is incorporated in these minutes by this reference.

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

ATTORNEY'S REPORT:

Mr. Russell had nothing new to report. There was no public comment.

AUTHORITY CONTROLLER'S REPORT:

A. General Status Report

Ms. East-Janicki indicated that her report was provided and that she was happy to answer any questions. That report is incorporated in these minutes by this reference. There were no questions and no public comment.

B. Consideration and Possible Adoption of the Capital Development Plan for Fiscal Year 2020-2021 – for possible action.

Ms. East-Janicki presented the Capital Development Plan for Fiscal Year 2020-2021.

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

It was moved by Trustee Vogt, seconded by Trustee Rice to approve the Capital Development Plan for Fiscal Year 2020-2021. Motion carried unanimously.

C. 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.

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

It was moved by Trustee Vogt, seconded by Trustee Fagan to approve the claims as presented. Motion carried unanimously.

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

Trustees discussed the process of reopening the economy and how different the summer at Lake Tahoe will be. Discussion included the cancellation of events including the summer concert series, and Fourth of July Fireworks. The celebrity golf tournament will be played without spectators and televised.

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 11:15 a.m.

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APPROVED

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4825-5826-2205, v. 1

Meeting Date: May 20th, 2020

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

Discussion and Possible Action to Allow Staff to Contract for Replacement of a Portion of Sewer Line Located on U.S. Highway 50 in Stateline, Nevada Between the Roadway and Harrah's Casino in compliance with NRS Chapter 338.011 in Order to Meet an Emergency which Threatens the Health, Safety and Welfare of the Public - **for possible action.**

Staff Recommendation:

Staff requests the ***DCLTSA Board authorize staff to replace 146 feet of 6-inch Vitreous Clay Pipe between Manholes MH-117 and MH-116A in the Casino Core.***

Discussion/Report:

Report is attached.

Please note: This is a reduction of scope of Option 1, presented in the attached document. The reduction in scope has been done to save funds which may be needed for the proposed emergency replacement of select sections of the Export Force Main.

CONCERNS AND RECOMMENDATIONS REGARDING FAILED SEWER LINE SEGMENT BETWEEN DCLTSA MANHOLES #117 AND 116-A

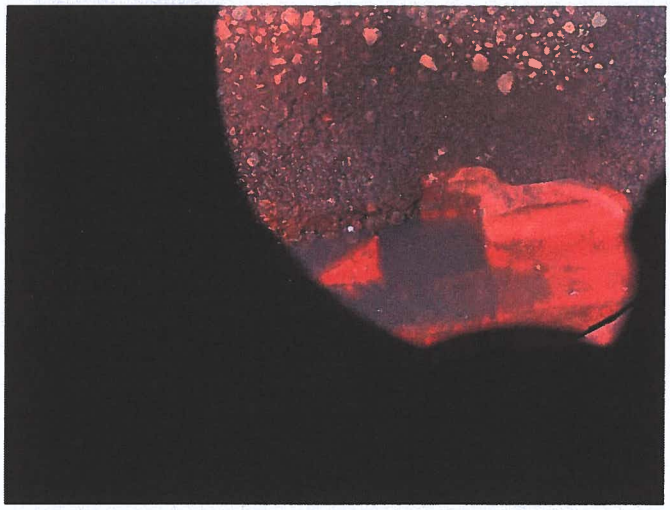
On May 27th, 2020, during routine CCTV inspection of the sewer line segment between Manhole MH-117 and MH-116A staff discovered that the sewer line, a 6" clay (VCP) pipe, has had the invert section of the pipe completely eroded away. That is, there is no "bottom section" of the pipe, only a dirt channel which acts as the conduit for sewage flow and the dewatering flows from the basement sump pumps for both Harrah's and Harveys Casinos, which produce the bulk of the flow here.



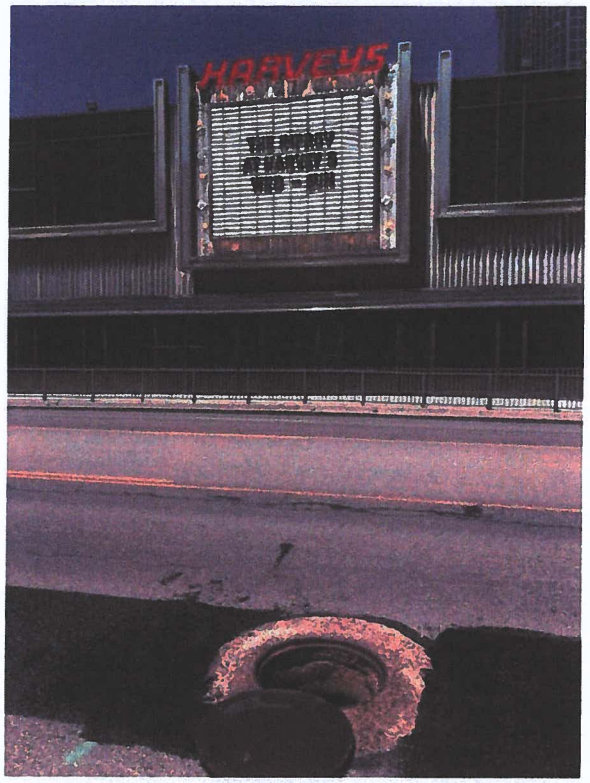
During the same CCTV inspection, staff discovered that a section of clay pipe had dislodged and was partially impeding the flow of sewage and collecting debris on it. DCLTSA staff contacted STPUD and requested assistance and additional special line-clearing tools to clear the blockage. The blockage was cleared successfully. However, the fact that the pipe is so degraded highlights the need to replace this section with all possible haste in order to prevent a future sewer main blockage and spill. Photos are attached below for clarity.



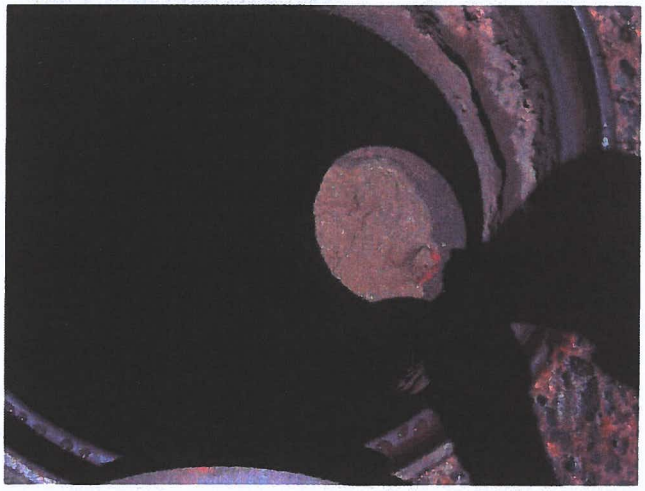
Yellow arrow points to void spaces where the clay pipe has been destroyed just upstream of MH 116A.



Invert of MH-116A, showing dislodged piece of clay pipe flushed out of line.



Location of MH-116A for reference.



Dirty water generated when flushing debris upstream of MH-116A. Jet rodding into subsurface soil as there is no pipe bottom.

RECOMMENDATIONS:

I would like to consider the following options, and obtain an Engineers Estimate of Probable Cost for each.

Option 1:

1. Replace MH-117, replace and upgrade 146 feet of 6-inch VCP pipe with 10-inch SDR-35, and Replace MH-116A. (Two new Manholes and 146 feet of 10 new 10-inch sewer pipe)

2. Replace MH-117, replace and upgrade 146 feet of 6-inch VCP pipe with 10-inch SDR-35, and Replace MH-116A, replace and upgrade an additional 87 feet of 6-inch clay to 10-inch SDR-35 and replace MH-116. (Three new Manholes and 233 feet of new 10-inch sewer pipe)

3. Replace MH-117, replace and upgrade 146 feet of 6-inch VCP pipe with 10-inch SDR-35, and Replace MH-116A, replace and upgrade an additional 87 feet of 6-inch clay to 10-inch SDR-35 and replace MH-116, replace the rest of the 6 inch line between MH-116 and MH-111, and tie in with the existing manhole MH-111. (Three new Manholes and 496 feet of new 10-inch sewer pipe)

NEXT STEPS:

I would propose that the Authority obtain the professional opinion of R.O. Anderson Engineering as to the state and condition of this sewer line. If the Engineers opinion warrants, I would like to propose a special Board meeting to declare this replacement an emergency, which should expedite the replacement of the failed line between MH-117 and MH-116A at a minimum. To me, it makes much more sense to replace and upgrade the whole section that fronts the Casino Core, if budget permits.

I believe we might be able to proceed immediately after we have an Engineers Estimate and the Emergency Declaration from the Board, which may allow us to avoid going out to bid and let us select a contractor and proceed quickly. If we do a sewer bypass, we should be able to remove and replace the line along its existing axis quickly. We would need staff from R.O. Anderson to supervise and map the work and make sure grade and elevation are correct among many other details that R.O. Anderson can guide DCLTSA through.

If I were to choose a contractor to do the work, my first choice would be White Rock Construction, who did our STPUD intertie and the Muller Lane Force Main relocation.

Best regards,

Rob Hopkins

DCLTSA Manager

Meeting Date: June 17th, 2020

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

Discussion and Possible Action to Allow Staff to Contract for Replacement of a Portion of Effluent Line Located on Forest Service Land in Stateline, Nevada near Burke Creek and the residential area of Terrace View in compliance with NRS Chapter 338.011 in Order to Meet an Emergency which Threatens the Health, Safety and Welfare of the Public - **for possible action..**

Staff Recommendation:

Staff requests the ***DCLTSA Board authorize staff to begin work to determine costs and designs for the various proposed Export force main replacement options stated in the attached report.***

Discussion/Report:

Report is attached.

CONCERNS AND RECOMMENDATIONS REGARDING REPEATED LEAKS ON DCLTSA EXPORT FORCE MAIN

TIMELINE:

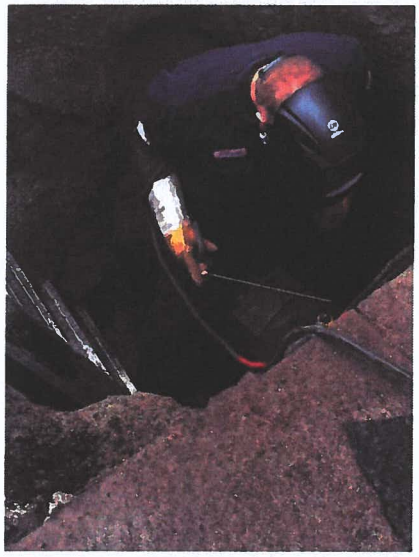
Since the major Export Line failure that occurred due to the repeated power failures on September 9th 2017, DCLTSA has had four additional leaks on the Export line segments between Terrace View Drive and the Export line segment that runs in the U.S. Forest Service easement.

SEPTEMBER 9TH,2017: Major Export pipeline failure at approximate DCLTSA Map Location STA 75+00, located on page 39 of the DCLTSA map book. Spill estimate: 87,000-96,600 gallons discharged; 64,600 gallons recovered via vacuum truck.



Picture of Force Main Rupture, September 9, 2017.

MARCH 9TH, 2018: Minor leak on Terrace View at approximate DCLTSA Map Location STA 41+100, located on page 37 of the DCLTSA map book. Spill estimate: 1,800-5,400 gallons, 100% volume recovered via vacuum truck.



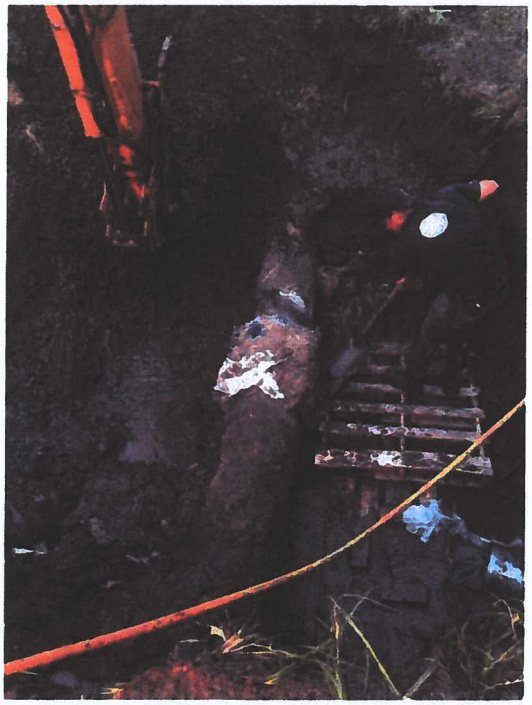
Welding repair patch on pinhole on Export force main, March 9, 2018

APRIL 29TH, 2020: Moderate leak on Terrace View and Pleasant Circle at approximate DCLTSA Map Location STA 42+100, located on page 38 of the DCLTSA map book. Spill estimate: 31,000 gallons, 100% recovered via vacuum truck. Remediation work done for 1 homeowner whose property the effluent ponded on.



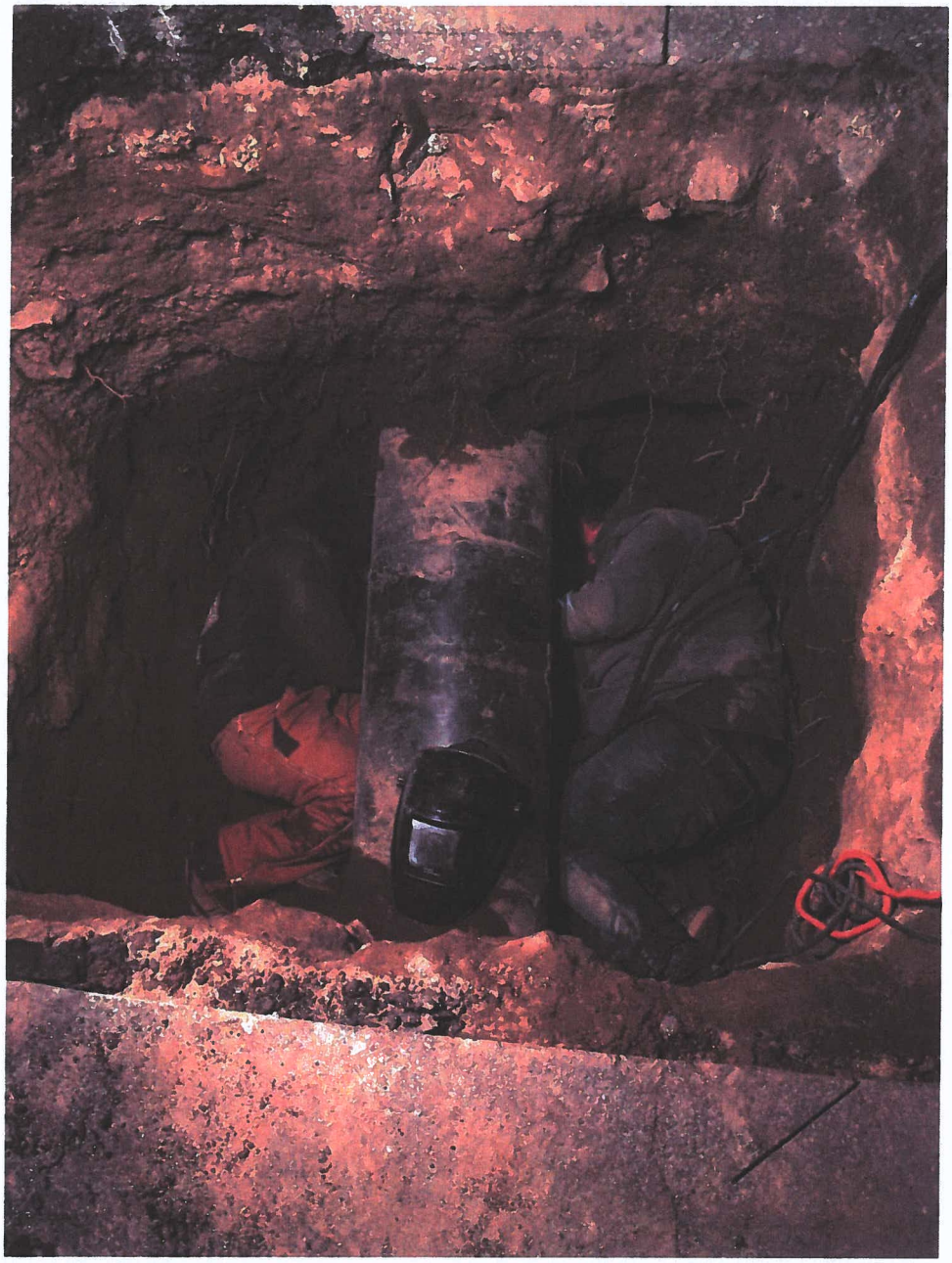
Treated wastewater effluent being captured and recovered via vacuum truck, April 29th, 2020.

May 26th, 2020: Moderate leak at the September 9th, 2017 repair site referenced previously. The new hole was much smaller than the 2017 rupture. Leak in pipe was about 3 feet from the 2017 repair. Spill estimated at less than 30,000 gallons, mostly saturated soils around pipeline.



DCLTSA staff exposing the 2017 repair to repair new pinhole leak discovered May 25th, 2020.

June 9th, 2020: Minor leak on Terrace View at approximate DCLTSA Map Location STA 38+100, Located on page 37 of the DCLTSA Map Book. Pinhole leak estimated at 12,100 gallons, which was recovered via vacuum truck. This repair became complicated in that while welding a repair patch on the pipe pinhole, several thinner areas of pipe were identified nearby. DCLTSA opted to remove and replace a short section of force main out of an abundance of caution. The section of force main removed will be saved on site at the plant for inspection and analysis.



DCLTSA staff attempting to weld a repair patch over pinhole in Export force main, June 9th, 2020.

CONCERNS:

It appears that the frequency of leaks is increasing significantly. So far, the SCADA system improvements made after the September 2017 Export force main rupture have assisted DCLTSA staff in responding quickly and minimizing the severity of the leaks.

We have been very fortunate in that the three most recent leaks occurred during good weather, during daylight and regular working hours, allowing our staff to address mitigation and repair quickly. Given the close proximity of the leaks on Terrace View and near the 2017 repair, I feel it is only a matter of time before we have a serious event, and it might occur during inclement winter weather or during a time in which addressing a repair may be very difficult.

The sections of the Export force main that continue to fail are in the residential neighborhood of Terrace View and in proximity to Burke Creek, which flows directly to Lake Tahoe. I believe that the condition of the Export force main in this area may present a hazard to both public safety and to the protection of the Lake Tahoe watershed. I would therefore request that the Board consider a declaration allowing DCLTSA to perform large-scale emergency repair / replacement of this Export line segment.

It is understood that we are already into the Construction Season, and that the availability of contractors and the time needed to design and permit any of the below suggested options is going to be a factor. It is my hope that Option 1 or 2 can be constructed this year. It may not be possible to get the other Options done in the 2020 construction season.

RECOMMENDATIONS:

I would like to consider the following options, and obtain an Engineers Estimate of Probable Cost for each. The list below is prioritized from what I consider the "minimum" necessary to reduce risk of failure over the next several months (Option 1 or 2), to the maximum size project that DCLTSA might accomplish with such short notice. Option 4 and 5 would reduce the risk to a high degree, short of full Export pipeline replacement from the Plant to the point where the force main exits the Tahoe Basin near the top of Kingsbury Grade. That project could be considered in future years.

Option:

1. Replace the Export force main from the intersection of Summit Drive and Terrace View (approximately DCLTSA Map STA 35+75 near ARV 3) to where the Export force main exits Terrace View and enters the U.S. Forest Service easement (approximately at DCLTSA Map STA 51+00.)

2. Replace the line segment listed in Option 1 and replace the line segment that runs along Chimney Rock Road and Summit Drive as well. This would be the section on DCLTSA Maps

between STA 25+00 / ARV #2 and STA 35+00 / ARV #3. This would replace all the force main in the neighborhood and near Burke Creek.

3. Replace all the line listed in Option 1 and 2 and extend the new line up the U.S. Forest Service easement to the meadow area near DCLTSA Map STA 75+00, where the September 9, 2017 and May 26, 2020 failures occurred.

4. Replace all the line length listed in Option 1 through 3, and further extend it to the location of ARV #6, located near to DCLTSA Map STA 99+00. This would replace a great deal of the line that is exposed to high pressures and could buy us time to replace the remaining line along Benjamin and South Benjamin Drive later.

5. Replace all the line length listed in Options 1 through 4 but include the relatively short segment where the Export force main leaves the Treatment Plant and runs through the forest to Chimney Rock Road. DCLTSA Map STA 1+00 to STA 25+00. This section could be added into any of the above Options if the budget permits.

NEXT STEPS:

I would propose that the Authority obtain the professional opinion of R.O. Anderson Engineering as to the cost and practicality of the Options presented above. If the Engineers opinion warrants, I would like to propose that the Board authorize an Emergency Repair and / or Replacement of the appropriate length of Export force main that can reasonably expected to be completed in the 2020 Construction Season.

I believe we might be able to proceed immediately after we have an Engineers Estimate and the Emergency Declaration from the Board, which may allow us to avoid going out to bid and let us select a contractor and proceed quickly.

Best regards,

Rob Hopkins

DCLTSA Manager

Meeting Date: June 17th, 2020

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

Authority Manager's Monthly Report – June 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. Several remote meetings have been held in the month of June related to design and scheduling for the Treatment Plant Upgrades Project Guaranteed Maximum Price package #2. Overall, the project is on-time or ahead of schedule.

2. A meeting between KGID, the Nevada Tahoe Conservation District, Douglas County and DCLTSA was held to discuss a decant facility proposed on Douglas County property at the end of Logging Road off Kingsbury Grade. The facility will be used jointly by NDOT and Douglas County to decant water and sediment from vacuum trucks and sweepers that clean streets, stormwater conveyance, and treatment features. The facility is currently proposed to have water service and decant water will drain to the sewer after treatment via sedimentation. If the facility builds sand / oil separators as proposed, I do not see any issues with the proposal.

3. Bid openings for the Treatment Plant Upgrades – Early Equipment Procurement was held on Tuesday, June 2nd. This process is included as part of GMP 2.

4. DCLTSA staff performed a fixture count for the Tahoe Beach Club Clubhouse. This count will be used to reconcile the fixture count based on the original project drawings and the as-built construction. The Authority Controller may provide further details.

5. DCLTSA staff performed walk-through inspections on Units 204 and 205 within Building 2 at the Tahoe Beach Club.

6. Closed circuit television inspection of the Authority sewer systems continues.

7. Coating work on Aeration Basins 5 through 8 continues to proceed ahead of schedule.

AUTHORITY CONTROLLER'S

BOARD REPORT – June 17, 2020

General Status Report

At the end of April, our operating expenses were still more than 10% under budget. However, since that time, we have had a number of situations that will eat into that, and possibly even put us over budget. Between the GASB 75 actuarial report indicating a $73,000 increase in our OPEB expense (retiree healthcare) for the year, an employee we just discovered went back on our unemployment account in January and a raft of emergency repairs, I expect to finish the fiscal year close to budget but not much under.

Status of Billing

Currently we have $121,500 in outstanding bills. However, of that $106,770 is from the two commercial accounts that have signed Forbearance Agreements with us and $6,000 is from accounts that we hold liens on. In these uncertain times, I feel pretty good about the status of our receivables.

Aeration Basin and Plant Upgrades Project

We have received $1,102,226 from the State Revolving Fund loan proceeds since the project began. Of that amount $110,226 is held in the LGIP Reserve account to pay the final debt service payment on the loan account.

Budget Augmentation

Every year at this time, if there is a chance we will go more than 10% over budget in any line item or the operating expense total, it is necessary to submit a Budget Augmentation. I put copies of Form 19 and Form 20 in the Board packet and have added approximately $110,000 to the various categories. The items that have changed are highlighted. I have also reduced some line items where we have not had extraordinary expenses or unhappy surprises in the last month. Just because we augment the budget doesn't mean we will spend the money, but if in fact we are able to do the emergency repairs before June 30, this will keep us from getting dinged by the State for going over budget.

Obviously, the increased expenses would occur in the areas we've already talked about, the OPEB Expense, Unemployment and Emergency Repairs.

If there are no questions, I would ask that you adopt the Budget Augmentation so I can submit it to the State.

Investment Report

We have a little more than $10.3 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 on the investment accounts since the last Board meeting with the exception of adding interest. Obviously, the emergency repairs in the near future will put a dent in these.

Claims and Check Register

I put copies of the wires and check register from April 15 through May 15, 2020 in the Board packet. If there are no questions, when we can get together again, I will ask that the Treasurer sign them and return them to me for our records.

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY

JULY - APRIL 2019-2020 BUDGET VS. ACTUAL

	JULY -APR	Budgeted	Variance	Comments
Salaries	$ 958,859.50	$ 955,784.08	$ (3,075.42)	
OT/Callback	$ 10,605.27	$ 28,239.17	$ 17,633.90	
Holiday	$ 9,941.80	$ 12,926.67	$ 2,984.87	10 of 11 holidays
NTD	$ 14.77	$ -	$ (14.77)	
Longevity	$ 4,095.00	$ 4,095.00	$ -	Paid Yearly - December
Stand-By Pay	$ 10,113.93	$ 10,443.33	$ 329.40	
Health Insurance	$ 221,473.21	$ 270,626.67	$ 49,153.46	
State Retirement (PERS)	$ 261,231.41	$ 279,384.17	$ 18,152.76	
SIIS (Workers Comp)	$ 29,447.50	$ 36,781.67	$ 7,334.17	
Medicare Tax	$ 15,096.67	$ 14,446.67	$ (650.00)	
Unemployment Insurance	$ 8,659.50	$ 2,500.00	$ (6,159.50)	
Contract Svcs	$ -	$ -	$ -	
OPEB Expense	$ 63,333.33	$ 25,000.00	$ (38,333.33)	Based on New GASB 75 report
Salaries/Benefits	**$ 1,592,871.89**	**$ 1,640,227.41**	**$ 47,355.52**	

JULY - APRIL 2019-2020 BUDGET VS. ACTUAL

	JULY -APR	Budgeted	Variance	Comments
Electric Power	$ 191,710.13	$ 223,062.50	$ 31,352.37	
Electric Power - BPS	$ 11,949.27	$ 15,000.00	$ 3,050.73	
Electric Power - MPS	$ 47,138.59	$ 56,770.83	$ 9,632.24	
Natural Gas	$ 9,386.28	$ 9,037.50	$ (348.78)	
Natural Gas - BPS	$ 1,116.56	$ 4,583.33	$ 3,466.77	
Natural Gas - MPS	$ 301.79	$ 291.67	$ (10.12)	
Water	$ 9,435.22	$ 8,666.67	$ (768.55)	Under budgeted
Water - BPS	$ 2,642.11	$ 4,583.33	$ 1,941.22	
Water - MPS	$ 9,481.50	$ 1,175.00	$ (8,306.50)	Under budgeted
Solid Waste Removal	$ 3,247.16	$ 3,379.17	$ 132.01	
Utilities	**$ 286,408.61**	**$ 326,550.00**	**$ 40,141.39**	
Chemicals	$ 49,779.45	$ 70,833.33	$ 21,053.88	
Lab Supplies	$ 3,373.67	$ 1,041.67	$ (2,332.00)	Performing extra tests
Supplies	$ -	$ -	$ -	
Chemicals/Supplies	**$ 53,153.12**	**$ 71,875.00**	**$ 18,721.88**	

JULY - APRIL 2019-2020 BUDGET VS. ACTUAL

	JULY -APR	Budgeted	Variance	Comments
Legal Services	$ 37,384.45	$ 45,833.33	$ 8,448.88	
Accounting	$ 40,891.18	$ 34,041.67	$ (6,849.51)	Audit bill ($38,000)
Legal/Accounting	**$ 78,275.63**	**$ 79,875.00**	**$ 1,599.37**	
Engineering	$ 85,988.45	$ 66,666.67	$ (19,321.78)	
Engineering - BPS	$ -	$ -	$ -	
Engineering - MPS	$ -	$ -	$ -	
Engineering - In-District	$ -	$ -	$ -	
Consulting	$ 21,850.00	$ 30,833.33	$ 8,983.33	
Engineering/Consulting	**$ 107,838.45**	**$ 97,500.00**	**$ (10,338.45)**	
Maintenance Export Line	$ -	$ 24,583.33	$ 24,583.33	
Maintenance Collection System	$ 48,873.50	$ 58,750.00	$ 9,876.50	
Repairs Collection System	$ 4,202.37	$ 9,583.33	$ 5,380.96	
Computer Maintenance/Supplies	$ 4,093.75	$ 8,529.17	$ 4,435.42	
Annual Software Licenses	$ 19,685.90	$ 20,416.67	$ 730.77	SCADA Annual
SCADA Support	$ 21,315.75	$ 10,833.33	$ (10,482.42)	Tesco Meter Integration

JULY - APRIL 2019-2020 BUDGET VS. ACTUAL

	JULY -APR	Budgeted	Variance	Comments
Repairs - Vehicles	$ 6,791.93	$ 16,708.33	$ 9,916.40	
Repairs - Mechanical	$ 35,014.00	$ 66,666.67	$ 31,652.67	
Repairs - Mechanical BPS	$ 4,914.21	$ 23,333.33	$ 18,419.12	
Repairs - Mechanical MPS	$ 7,380.88	$ 7,270.83	$ (110.05)	Repairs to ABBA Pumps
Emergency Repairs	$ 16,029.99	$ -	$ (16,029.99)	
Repairs Bldg & Grounds	$ 9,159.25	$ 9,000.00	$ (159.25)	County Weed Abatement
Repairs Bldg & Grounds - BPS	$ 189.38	$ 1,666.67	$ 1,477.29	
Repairs Bldg & Grounds - MPS	$ -	$ -	$ -	
Repairs Heating	$ 121.24	$ 687.50	$ 566.26	
Repairs Heating	$ 110.75	$ 3,333.33	$ 3,222.58	
Repairs Heating	$ -	$ -	$ -	
Repairs Electrical	$ 1,465.51	$ 2,895.83	$ 1,430.32	
Repairs Electrical	$ 131.70	$ 4,166.67	$ 4,034.97	
Repairs Electrical	$ -	$ 416.67	$ 416.67	
Repairs Instruments	$ 8,541.92	$ 15,416.67	$ 6,874.75	
Equipment Rental	$ 643.60	$ 5,000.00	$ 4,356.40	
Maintenance Supplies	$ 5,555.57	$ 5,916.67	$ 361.10	

JULY - APRIL 2019-2020 BUDGET VS. ACTUAL

	JULY -APR	Budgeted	Variance	Comments
Safety Equipment	$ 5,158.73	$ 9,166.67	$ 4,007.94	
Odor Control System Maintenance	$ 2,838.75	$ 20,000.00	$ 17,161.25	
Repairs/Maintenance	**$ 202,218.68**	**$ 324,341.67**	**$ 122,122.99**	
Casualty Insurance	$ 43,043.93	$ 73,335.00	$ 30,291.07	
Pollution Liability Insurance	$ -	$ -	$ -	
Insurance	**$ 43,043.93**	**$ 73,335.00**	**$ 30,291.07**	
Telephone	$ 16,413.30	$ 21,250.00	$ 4,836.70	
Telephone	$ 835.96	$ 2,375.00	$ 1,539.04	
Telephone	$ -	$ 500.00	$ 500.00	
Small Tools & Equipment	$ 5,475.65	$ 7,520.83	$ 2,045.18	
Laundry and Linen	$ 1,523.86	$ 4,583.33	$ 3,059.47	
Forest Svc. Fee	$ -	$ 416.67	$ 416.67	
Training, Dues & Subscriptions	$ 2,012.53	$ 6,666.67	$ 4,654.14	
Office Expenses	$ 8,839.44	$ 18,333.33	$ 9,493.89	
Travel	$ -	$ -	$ -	
Sample Testing	$ 33,494.70	$ 33,104.17	$ (390.53)	

JULY - APRIL 2019-2020 BUDGET VS. ACTUAL

	JULY -APR	Budgeted	Variance	Comments
Operating Lease	$ -	$ -	$ -	
Biosolids Disposal	$ 46,392.36	$ 55,833.33	$ 9,440.97	
Underground Service Alert	$ 469.49	$ 304.17	$ (165.32)	Annual Fee Doubled
Permit Fees	$ 10,458.19	$ 13,541.67	$ 3,083.48	
Misc Exp and Bank Fees	$ 4,920.00	$ 4,750.00	$ (170.00)	
Other Operating Expenses	**$ 130,835.48**	**$ 169,179.17**	**$ 38,343.69**	
Fuels and Lubricants	$ 12,878.69	$ 19,050.00	$ 6,171.31	
Fuels & Lubricants	**$ 12,878.69**	**$ 19,050.00**	**$ 6,171.31**	
Total Operating Expenses Thru APRIL	**$ 2,507,524.49**	**$ 2,801,933.24**	**$ 294,408.76**	
			10.51%	

PROPRIETARY FUND	(1) ACTUAL PRIOR YEAR ENDING 6/30/2018	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2019	(3) BUDGET YEAR ENDING 06/30/20 FINAL APPROVED	(3) BUDGET YEAR ENDING 06/30/20 AUGMENTED APPROVED
OPERATING REVENUE				
Sewer Fees	**2,132,489**	**2,287,615**	**2,448,405**	**2,448,405**
Contracts - Other Districts	**2,214,028**	**2,408,000**	**2,495,717**	**2,495,717**
Other Fees	**189,753**	**55,325**	**13,000**	**13,000**
Total Operating Revenue	**4,536,270**	**4,750,940**	**4,957,122**	**4,957,122**
OPERATING EXPENSE				
Salaries, Benefits	**1,913,391**	**2,027,076**	**1,950,074**	**2,027,076**
Utilities	**361,197**	**378,960**	**391,860**	**378,960**
Chemicals, Supplies	**83,817**	**79,250**	**86,250**	**79,250**
Legal, Accounting	**110,487**	**100,850**	**95,850**	**100,850**
Engineering and Consulting	**188,033**	**157,000**	**117,000**	**157,000**
Repairs and Maintenance	**306,149**	**406,735**	**340,710**	**397,710**
Insurance, Other	**209,788**	**284,142**	**339,517**	**293,170**
Fuels, Lubricants	**16,082**	**19,860**	**22,860**	**19,860**
Depreciation/Amortization	**1,610,159**	**1,683,525**	**1,797,858**	**1,797,858**
Total Operating Expense	**4,799,103**	**5,137,398**	**5,141,979**	**5,251,733**
Operating Income or (Loss)	**(262,833)**	**(386,458)**	**(184,857)**	**(294,611)**
NONOPERATING REVENUES				
Interest Earned	**111,966**	**91,225**	**98,000**	**98,000**
Property Taxes	**0**	**0**	**0**	**0**
Consolidated Tax	**137,984**	**137,984**	**137,984**	**137,984**
Capacity Fees	**(4,080)**	**1,275**	**0**	**0**
Gain on Disposal of Assets	**0**	**0**	**0**	**0**
Federal Grant Funds	**0**	**0**	**0**	**0**
Total Nonoperating Revenues	**245,870**	**230,484**	**235,984**	**235,984**
NONOPERATING EXPENSES				
Interest on Bonds	**33,205**	**31,537**	**30,964**	**30,964**
Loss on Disposal of Assets	**0**	**0**	**0**	**0**
Total Nonoperating Expenses	**33,205**	**31,537**	**30,964**	**30,964**
Net Income before Operating Transfers	**(50,168)**	**(187,511)**	**20,163**	**(89,591)**
Operating Transfers (Schedule T)				
In	**0**	**0**	**0**	**0**
Out	**0**	**0**	**0**	**0**
Net Operating Transfers	**0**	**0**	**0**	**0**
CHANGE IN NET POSITION	**(50,168)**	**(187,511)**	**20,163**	**(89,591)**

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY

(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION

FUND ENTERPRISE (PROPRIETARY)

PROPRIETARY FUND 0	(1) ACTUAL PRIOR YEAR ENDING 6/30/2018	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2019	(3) BUDGET YEAR ENDING 06/30/20 FINAL APPROVED	(3) BUDGET YEAR ENDING 06/30/20 FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received From Customers	4,806,702	4,750,940	4,957,122	4,957,122
Cash Payments to Suppliers	(1,416,004)	(1,426,797)	(1,394,047)	(1,426,800)
Cash Payments to Employees	(2,017,731)	(2,027,076)	1,950,074	(2,027,076)
a. Net cash provided by (or used for) operating activities	1,372,967	1,297,067	1,613,001	1,503,248
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
None	0	0		0
b. Net cash provided by (or used for) noncapital financing activities	0	0		0
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and Construction - Capital Assets	(2,423,607)	(235,010)	(3,600,000)	(3,600,000)
Cash Received from Sale of Assets	0	0	0	0
Consolidated Taxes	137,984	137,984	137,984	137,984
Cash Received from Federal Grant	0	0	0	0
Cash Received for Capacity Fees	(4,080)	0	0	0
Debt Service Interest	(33,205)	(31,537)	(30,964)	(30,964)
Debt Service Principal	(105,649)	(108,961)	(112,376)	(112,376)
Issuance of Long-Term Debt	0		3,000,000	3,000,000
Debt Issuance Costs	0	0	0	0
c. Net cash provided by (or used for) capital and related financing activities	(2,428,557)	(237,524)	(605,356)	(605,356)
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Redemption (Purchase) of Investments	0	0	0	0
Interest on Investments	108,515	91,225	98,000	98,000
d. Net cash provided by (or used in) investing activities	108,515	91,225	98,000	98,000
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	(947,075)	1,150,768	1,105,645	995,891
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	5,521,450	4,574,375	5,725,143	5,725,143
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	4,574,375	5,725,143	6,830,788	6,721,034

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
(Local Government)

SCHEDULE F-2 STATEMENT OF CASH FLOWS

FUND: ENTERPRISE FUND

Douglas County Lake Tahoe Sewer Auth.

GL Entry Report - Batch Order

Year: All / Date: 5/15/2020 - 6/17/2020

Entry #	Date	Document	Job	Account	Description	Debits	Credits	Balance
BATCH: 6766	**JOURNAL: B**		**STATUS: Posted**	**PERIOD: 2020 - 11**	**CREATED: 04/30/20 by YHJ**			
128904	05/15/20			414.1100	APRIL PERS CONTRIBS	$17,984.31	$0.00	$17,984.31
128905	05/15/20			415.1100	APRIL PERS CONTRIBS	$17,984.31	$0.00	$35,968.62
128906	05/15/20			101.1000	APRIL PERS CONTRIBS	$0.00	$35,968.62	$0.00
					BATCH 6,766 TOTALS:	**$35,968.62**	**$35,968.62**	**$0.00**
BATCH: 6815	**JOURNAL: B**		**STATUS: Posted**	**PERIOD: 2020 - 12**	**CREATED: 06/09/20 by YHJ**			
129486	06/15/20			414.1100	MAY PERS CONTRIBS	$12,774.30	$0.00	$12,774.30
129487	06/15/20			415.1100	MAY PERS CONTRIBS	$12,774.31	$0.00	$25,548.61
129488	06/15/20			101.1000	MAY PERS CONTRIBS	$0.00	$25,548.61	$0.00
					BATCH 6,815 TOTALS:	**$25,548.61**	**$25,548.61**	**$0.00**
					TOTAL OF ALL JOURNAL(S):	**$61,517.23**	**$61,517.23**	

Douglas County Lake Tahoe Sewer Auth.

AP Check Register (Current by Bank)

Check Dates: 5/15/2020 to 6/17/2020

Check No.	Date	Status	Vendor ID	Payee Name	Amount
BANK ID: WFCHK - WELLS FARGO CHECKING					**101.1000**
9475	06/04/20	P	ABBA	ABBA PUMP PARTS & SVC	$11,128.00
9476	06/04/20	P	AL17	ALHAMBRA	$96.86
9477	06/04/20	P	BEACH	BEACH CLUB DEVELOPMENT LLC	$141,822.00
9478	06/04/20	P	BE15	BENTLY FAMILY LTD PARTNERSHIP	$884.38
9479	06/04/20	P	BBB	BETTER BUSINESS BUREAU	$504.00
9480	06/04/20	P	CA12	CARSON VALLEY OIL CO., INC.	$641.62
9481	06/04/20	P	BLAKE	CHARLES DAVID BLAKE	$601.98
9482	06/04/20	P	NA12	CHERYL NAFIE	$615.72
9483	06/04/20	P	HEFFER	ERIC HEFFERNON	$136.76
9484	06/04/20	P	FASTEN	FASTENAL COMPANY	$58.82
9485	06/04/20	P	FREDH	FRED HOWARD	$496.76
9486	06/04/20	P	FR01	FRONTIER	$581.80
9487	06/04/20	P	GRIFFI	GRIFFIN SYSTEMS, INC.	$437.50
9488	06/04/20	P	HDR01	HDR, ENGINEERING, INC.	$50,319.41
9489	06/04/20	P	HIGH	HIGH SIERRA ELEVATOR INSPS	$1,250.00
9490	06/04/20	P	HOMETO	HOMETOWN HEALTH	$18,703.58
9491	06/04/20	P	SIERRA	DBA SIERRA OFFICE SOLUTIONS	$64.00
9492	06/04/20	P	BOU11	JAMES G. CECIL/BOULDER EXTER.	$100.00
9493	06/04/20	P	PA13	JAMES PADILLA	$543.48
9494	06/04/20	P	IKE01	KELVIN IKEHARA	$360.03
9495	06/04/20	P	LEWIS	LEWIS ROCA ROTHGERBER CHRISTIE	$10,329.50
9496	06/04/20	P	LIBERT	LIBERTY UTILITIES	$31.21
9497	06/04/20	P	AGUILA	MANNY AGUILAR	$135.50
9498	06/04/20	P	MC10	MCMASTER-CARR SUPPLY	$303.65
9499	06/04/20	P	MET11	METLIFE - GROUP BENEFITS	$2,169.95
9500	06/04/20	P	GUT	MIKE GUTIERREZ	$369.00
9501	06/04/20	P	NE222	NDEP-BWPC	$7,658.00
9502	06/04/20	P	OREILL	O'REILLY AUTOMOTIVE, INC.	$54.42
9503	06/04/20	P	PACVAN	PAC-VAN INC.	$8,450.00
9504	06/04/20	P	EA13	PAULA EAST-JANICKI	$644.95
9505	06/04/20	P	POL10	POLYDYNE INC.	$5,520.00
9506	06/04/20	P	AN12	R.O. ANDERSON ENGINEERING, INC	$17,687.50
9507	06/04/20	P	VAN1	RICK VAN HORN	$264.21
9508	06/04/20	P	COOK	ROBERT COOK	$2,100.00
9509	06/04/20	P	RO12	ROUND HILL GENERAL IMP. DIST.	$1,072.10
9510	06/04/20	P	SIL5	SILVER STATE BUILDING MATERIAL	$4,488.47
9511	06/04/20	P	SILVER	SILVER STATE ELEVATOR CO	$630.00
9512	06/04/20	P	ST09	STANDARD INSURANCE COMPANY	$754.12
9513	06/04/20	P	SU13	SUMMIT PLUMBING CO., LLC	$22,075.95
9514	06/04/20	P	UNITED	UNITED RENTALS (NORTH AMERICA)	$4,950.00
9515	06/04/20	P	VER	VERIZON	$316.40
9516	06/04/20	P	VI12	VISION SERVICE PLAN - (AT)	$298.54
9517	06/04/20	P	WREED	WARREN REED INSURANCE, INC.	$81,933.97
9518	06/04/20	P	WE10	WEDCO INC.	$38.75
9519	06/04/20	P	WE12	Western Envir. Testing Lab	$800.18
9520	06/04/20	P	WE18	WESTERN NEVADA SUPPLY CO.	$3,358.21
				BANK WFCHK REGISTER TOTAL:	**$405,781.28**
				GRAND TOTAL :	**$405,781.28**

*** Check Status Types: "P" - Printed ; "M" - Manual ; "V" - Void (Void Date); "A" - Application; "E" - EFT**
**** Denotes broken check sequence.**