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.

APPROVED

6/17/20

4825-5826-2205, v. 1

Meeting Date: May 20th, 2020

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

Authority Manager's Monthly Report – May 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. Effluent tanks 1 and 2 were drained, cleaned and inspected this past month. Minor repairs to the corrosion protections system were performed by staff.

2. Several remote meetings have been held in the month of May 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.

3. A meeting was held with Edgewood Companies related to the proposed re-design of their proposed "Casita Project". Authority Engineer R.O. Anderson may provide details under cover of his report.

4. DCLTSA has generated a "Critical Employee" list and submitted it to the Nevada Division of Environmental Protection. The list is to be submitted by various public works and infrastructure operations and submitted by NDEP which will then be available to various agencies such as the Nevada Highway Patrol if movement or travel restrictions are put in place.

5. The leak in Manhole 310 that had been holding up acceptance of the new sewer infrastructure at the Tahoe Beach Club Clubhouse site has been successfully fixed by Sierra Nevada Construction. Authority Engineer R.O. Anderson and Authority staff witnessed the leak tests. The Authority Engineer's report may contain further detail. It is expected that the Tahoe Beach Club will be requesting release of the security held by the Authority. By contract, TBC is entitled to return of 90% of the balance held upon acceptance. This would amount to return of about $141,822. Further detail may be provided by the Authority Engineer, Authority Controller and Authority Counsel.

6. Aeration Basins 1 through 4 have been successfully coated, inspected and returned to service (photo attached.) Aeration Basins 5-8 have been drained and

prepared for hydro-blasting. The extraordinarily low sewer flows due to Covid-19 shut-downs have allowed DCLTSA and K.G. Walters to perform recoating work now that was originally scheduled for after Labor Day, 2020. This is putting the project several months ahead of schedule in several aspects. We are working collaboratively to find ways to accelerate other aspects of the project where possible. Some portions of the project are still going to be limited by long lead times on equipment procurement, however, we are hopeful that we may be able to complete the overall project sooner than anticipated.

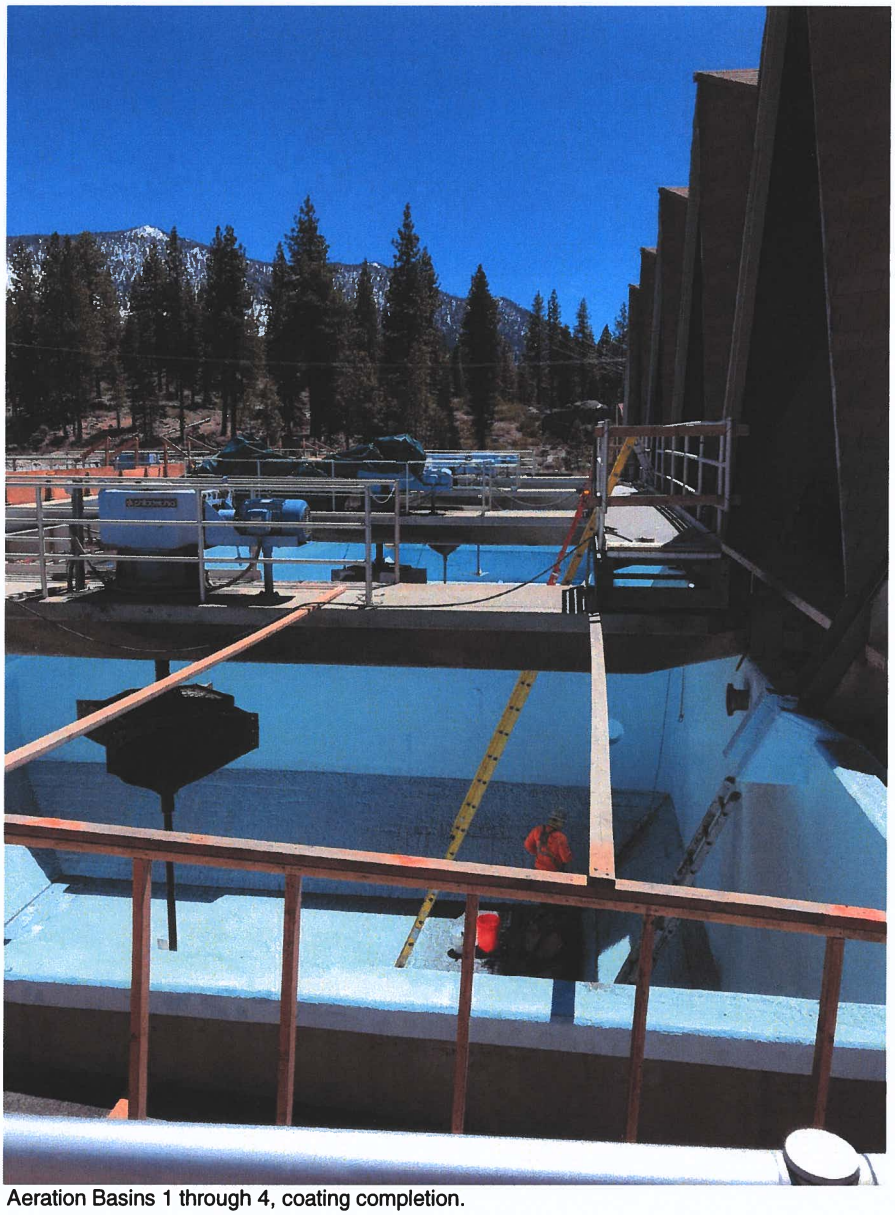
7. Wednesday, April 29th, the Treated Wastewater Effluent force main developed a leak in the area of Terrace View and Pleasant Circle in Kingsbury. No unusual overpressure events were noted related to causing the leak. All spilled effluent was contained and recovered within the repair excavation and a nearby residential lot. No drainages or waterways were impacted.

   The leak appeared along the spiral weld of the force main. This section of force main, installed in 1968, has experienced leaks along the welded seam in the past and this type of pipe manufacture is notorious for having this signature failure.

   This section of line is included in the length that DCLTSA intends to replace in the 2024-time frame, using the capital development monies that we have been accruing for this purpose since 2018.

   Damage to the pavement on Terrace View and Pleasant Circle will be repaired shortly. Work was done by DCLTSA staff and Summit Plumbing to clean silt and debris out of one BMP infiltration structure in a resident's driveway. Costs of the clean-up and pavement repair have been submitted to DCLTSA's insurer.

8. Three residential units at the Tahoe Beach Club Building 2 and two residential units at the Sierra Colina project were inspected by Authority staff in the past month.



Aeration Basins 1 through 4, coating completion.

R|O|Anderson

May 19, 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 – May 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 April 15, 2020. During this period, we provided General Engineering Services. The following paragraphs provide a brief description of these efforts and progress related to each specific task.

General Engineering Services: R.O. Anderson Engineering, Inc. (ROA) assisted and participated with Authority personnel on various engineering-related assignments including coordination meetings, site 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:

- Tahoe Beach Club: At the request of Mr. Hopkins, I was present for and witnessed the final test of Manhole 310. Based on observations during that inspection the interior of the manhole was free of apparent leaks and I believe the contractor, after much effort, was successful in completing this installation. We have not yet surveyed the constructed elevations or prepared the requisite record drawings, but the project is otherwise satisfactorily completed.
- Edgewood Proposed Interceptor Relocation Project: Since our last discussion of this subject, including a conference call with representatives of Edgewood Companies to discuss and understand their proposed approach to this project, we have not received any further correspondence nor have we been requested to review an alternative design, which was discussed.
- Kingsbury Decant Facility Plan Review: The Nevada Tahoe Conservation District is proposing a decant facility to receive materials extracted during street cleaning operations by NDOT and Douglas County. The facility is proposed on Douglas County property at the end of Logging Road off Kingsbury Grade. To date we reviewed the Conceptual Plans and offered preliminary comments in coordination with Mr. Hopkins.
- NDSL easement application: Nevada Division of State Lands (NDSL) is reviewing the easement application for the five crossings of the export force main along

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

Muller Lane (East and West Fork Carson River, Home Slough, East and West Brockliss Slough). Since submitting the formal applications we have had some limited correspondence with them responding to their questions.

- Tahoe South Events Center: We recently received a re-submittal from Welsh-Hagen, the civil engineering firm representing this project. We anticipate starting our review of their material very shortly.
- Highway 50 Infrastructure Capacity Analysis: Summit Plumbing recently completed the TV inspection of the piping in this area. We will be coordinating with Authority Staff to incorporate the findings from this work into the analysis.
- Collection System Cleaning and Emergency Service Contract: Pursuant to Board direction the contract was awarded to Summit Plumbing for $222,696 for three years. Preliminary contractual matters (Notice of Award, Notice to Proceed, insurance review, bid security return, project manual preparation) were successfully completed and the contract is now in effect as of May 1, 2020.
- Annual Flow Report: The report summarizing 2019 flows is finalized and available for distribution. The foundation and basis for the analysis is the same as was discussed at last month's meeting and is described within the report.
- Metering Reconciliation (February 19, 2020 – May 7, 2020): It has now been nearly three months since we completed the testing and reconciliation of the flow meters within the system. Attached please find both a tabular and graphical summary of the meter readings collected for the period from the five existing sewer flow meters: KGID, Beach Pump Station (BPS), Tahoe Douglas District, Round Hill GID's LaserFlow meter and the Plant meter. I am pleased to report that for this period the combined total flows as measured at KGID, BPS and the LaserFlow meter continue to be on average within 2.7% of the total flows as measured at the plant meter.

  From the chart of these flows you can see a few notable trends: a) flows from KGID continue to decline some albeit not nearly as sharply as they did immediately after the Governor's order shutting down the retail and commercial businesses on March 18th; b) flows through the BPS seem to be trending up some; and, c) with a couple notable variations over the past couple of weeks, likely due to communication failure, flows through the LaserFlow meter seem to have stabilized.

  The tabular data has been highlighted to draw your attention to a few considerations in the data: a) the largest daily variation in flow where the combined meters (KGID, BPS and LaserFlow) were less than those measured by the Plant meter was 23% (February 29, 2020); b) the largest daily variation in flow where the combined meters exceeded the flows measured by the Plant meter was 10.1% (March 22, 2020); c) during the period of March 24th – March 29th, the flows as recorded at TDD's meter when compared to the flows registered at the

LaserFlow meter resulted in inexplicably low flows from RHGID. During this same period flows registered and reported by the combined meters (KGID, BPS + LaserFlow) compared to the flows registered at the Plant meter didn't vary by more than 5.5% and averaged within 4.0%. And, d) there was a reported and notable communication failure at the TDD meter on April 29th and April 30th, which skewed the flow distribution between TDD and RHGID.

I will be present during 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.

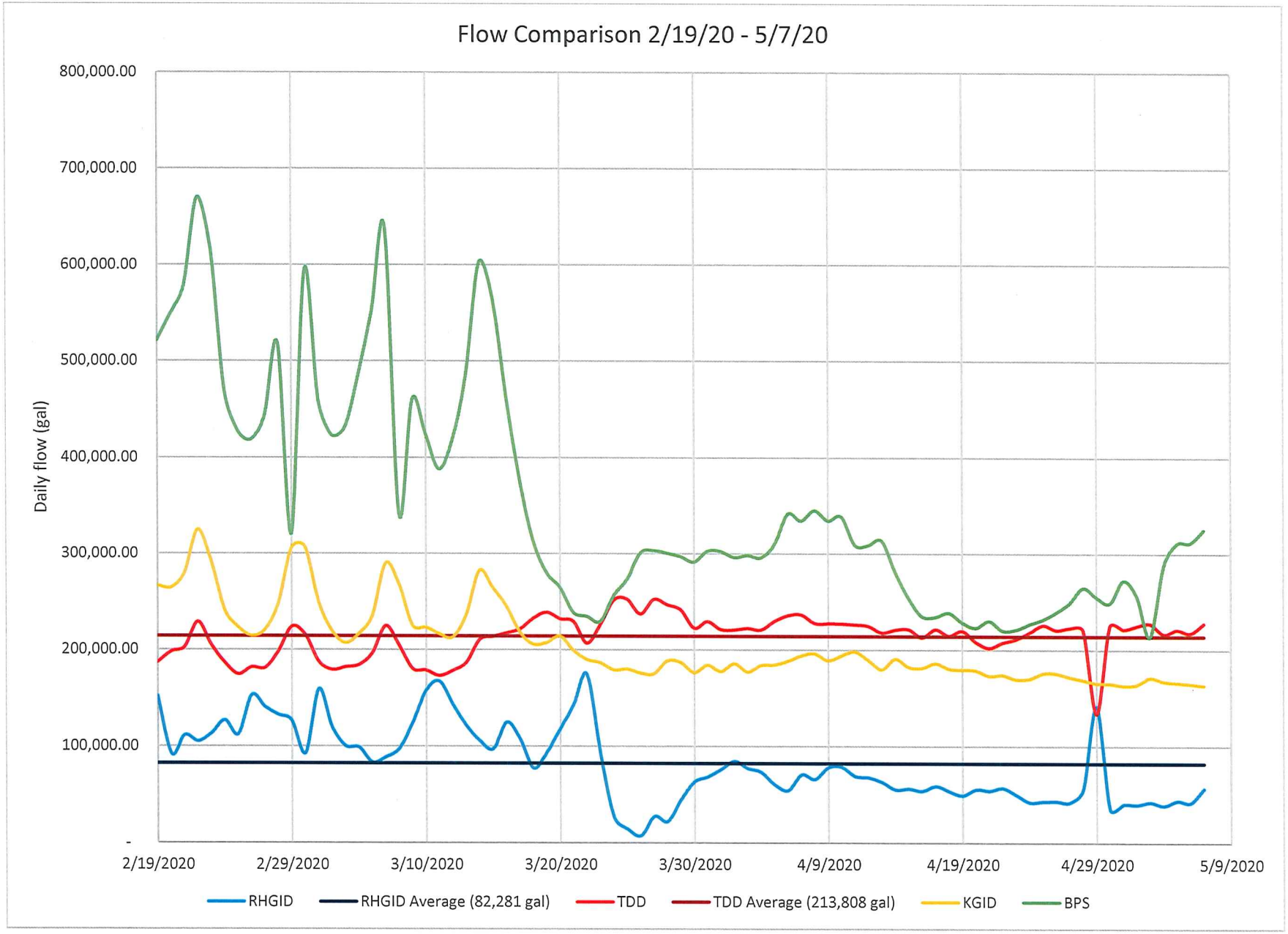
Yours faithfully,

R.O. ANDERSON ENGINEERING, INC.

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

Attachments

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


Flow Comparison 2/19/20 - 5/7/20
800,000.00
700,000.00
600,000.00
500,000.00
400,000.00
300,000.00
200,000.00
100,000.00
-
Daily flow (gal)
2/19/2020
2/29/2020
3/10/2020
3/20/2020
3/30/2020
4/9/2020
4/19/2020
4/29/2020
5/9/2020
RHGID
RHGID Average (82,281 gal)
TDD
TDD Average (213,808 gal)
KGID
BPS

METER RECONCILIATION								
FEBRUARY 19 -MAY 7, 2020								
		BPS	EPSD (Est.)	RHGID	TDD	KGID	INFLUENT	Total % to Influent Meter
2/19/2020		521,216	15,205	152,046	186,949	266,336	1,104,896	103.3%
2/20/2020		549,600	15,205	91,953	197,955	264,254	1,144,832	97.7%
2/21/2020		578,672	15,205	111,552	202,549	279,172	1,199,104	99.0%
2/22/2020		670,128	15,205	104,911	228,720	324,938	1,368,064	98.2%
2/23/2020		616,016	15,205	113,481	204,509	291,958	1,252,864	99.1%
2/24/2020		470,352	15,205	127,031	186,359	241,076	1,032,704	100.7%
2/25/2020		427,744	15,205	112,227	174,468	223,426	944,640	100.9%
2/26/2020		418,544	15,205	152,699	181,734	214,134	937,984	104.7%
2/27/2020		443,376	15,205	140,512	181,159	220,526	962,048	104.0%
2/28/2020		518,176	15,205	132,660	198,129	247,664	1,086,976	102.3%
2/29/2020		321,088	15,205	126,436	223,709	305,748	1,288,704	77.0%
3/1/2020		595,232	15,205	92,800	215,074	306,622	1,249,280	98.1%
3/2/2020		460,160	15,205	158,966	187,653	249,708	1,015,808	105.5%
3/3/2020		423,120	15,205	119,705	179,099	219,256	932,352	102.6%
3/4/2020		431,872	15,205	100,145	182,015	206,770	929,280	100.7%
3/5/2020		486,944	15,205	98,596	184,348	216,286	993,280	100.8%
3/6/2020		552,416	15,205	83,134	196,492	234,898	1,095,680	98.8%
3/7/2020		638,656	15,205	88,723	224,487	289,424	1,286,144	97.7%
3/8/2020		341,696	15,205	97,498	203,932	267,616	1,178,624	78.6%
3/9/2020		460,320	15,205	124,823	180,234	224,778	1,126,656	89.2%
3/10/2020		424,608	15,205	157,595	178,613	222,922	961,024	103.9%
3/11/2020		388,032	15,205	167,294	173,124	216,124	912,384	105.2%
3/12/2020		419,008	15,205	142,960	178,471	212,912	940,032	103.0%
3/13/2020		486,064	15,205	121,412	186,693	236,078	1,045,504	100.0%
3/14/2020		602,480	15,205	105,546	210,371	282,010	1,252,864	97.0%
3/15/2020		566,224	15,205	97,201	213,520	264,114	1,207,296	95.8%
3/16/2020		463,328	15,205	125,119	217,174	245,074	1,070,592	99.6%
3/17/2020		377,072	15,205	107,495	221,288	217,976	948,736	99.0%
3/18/2020		313,776	15,205	77,467	232,269	205,636	869,888	97.1%
3/19/2020		279,616	15,205	93,737	238,732	207,386	845,312	98.7%
3/20/2020		264,352	15,205	118,517	231,772	213,926	828,928	101.8%
3/21/2020		238,464	15,205	143,109	229,293	199,240	788,480	104.7%
3/22/2020		234,480	15,205	174,628	206,731	189,926	745,472	110.1%
3/23/2020		229,280	15,205	91,517	225,967	186,618	734,720	101.9%
3/24/2020		256,080	15,205	26,490	251,374	179,074	752,128	96.8%
3/25/2020		272,816	15,205	14,344	252,454	180,088	775,000	94.8%
3/26/2020		300,608	15,205	7,376	237,056	175,956	778,752	94.5%
3/27/2020		303,120	15,205	27,419	252,310	175,316	800,256	96.6%
3/28/2020		300,240	15,205	22,026	246,613	188,722	806,400	95.8%
3/29/2020		296,864	15,205	44,567	241,510	187,008	807,936	97.2%
3/30/2020		291,168	15,205	63,361	222,376	176,576	787,456	97.6%
3/31/2020		302,544	15,205	68,481	229,243	184,168	816,640	97.9%
4/1/2020		302,288	15,205	76,204	220,931	177,704	805,888	98.3%
4/2/2020		295,904	15,205	84,387	220,496	185,838	816,640	98.2%
4/3/2020		298,176	15,205	77,279	222,117	177,164	811,520	97.3%
4/4/2020		295,760	15,205	73,408	220,488	183,956	806,400	97.8%
4/5/2020		309,360	15,205	60,322	229,403	184,438	826,368	96.7%
4/6/2020		341,840	15,205	54,494	235,510	188,420	873,472	95.6%

		BPS	EPSD (Est.)	RHGID	TDD	KGID	INFLUENT	Total % to Influent Meter
4/7/2020		334,480	15,205	70,840	236,347	194,026	872,960	97.5%
4/8/2020		345,600	15,205	66,022	227,410	196,358	875,520	97.2%
4/9/2020		334,640	15,205	78,483	227,187	189,156	863,744	97.8%
4/10/2020		339,008	15,205	78,851	227,002	194,292	886,272	96.4%
4/11/2020		309,328	15,205	69,275	226,041	198,248	846,336	96.7%
4/12/2020		308,928	15,205	67,973	224,543	189,522	830,464	97.1%
4/13/2020		313,824	15,205	63,014	217,645	179,994	823,808	95.9%
4/14/2020		280,960	15,205	55,284	220,681	190,926	799,744	95.4%
4/15/2020		253,664	15,205	56,244	221,196	182,430	762,368	95.6%
4/16/2020		234,880	15,205	53,810	212,765	181,398	731,136	95.5%
4/17/2020		234,112	15,205	58,972	221,136	186,332	746,496	95.9%
4/18/2020		238,416	15,205	53,610	214,293	180,538	735,744	95.4%
4/19/2020		228,400	15,205	49,275	219,498	179,672	726,528	95.3%
4/20/2020		222,784	15,205	55,670	208,116	178,842	709,120	96.0%
4/21/2020		230,048	15,205	54,167	202,056	173,304	702,976	96.0%
4/22/2020		220,000	15,205	56,936	207,503	174,252	698,368	96.5%
4/23/2020		220,848	15,205	50,011	211,076	169,988	700,928	95.2%
4/24/2020		226,752	15,205	42,291	217,702	170,444	711,168	94.5%
4/25/2020		231,472	15,205	43,257	225,520	176,020	730,624	94.6%
4/26/2020		239,040	15,205	43,397	220,421	175,992	733,696	94.6%
4/27/2020		248,992	15,205	42,342	222,645	172,052	746,496	93.9%
4/28/2020		264,528	15,205	56,069	220,218	169,144	760,832	95.3%
4/29/2020		254,832	15,205	141,441	134,262	165,920	743,936	95.7%
4/30/2020		248,704	15,205	35,277	224,783	165,624	732,672	94.1%
5/1/2020		271,968	15,205	40,558	221,145	163,404	755,200	94.3%
5/2/2020		256,208	15,205	39,718	224,790	164,448	747,008	93.8%
5/3/2020		213,504	15,205	42,357	227,189	171,620	716,800	93.5%
5/4/2020		287,280	15,205	38,847	216,368	167,724	773,120	93.8%
5/5/2020		311,024	15,205	43,862	220,873	166,552	804,864	94.1%
5/6/2020		311,680	15,205	42,058	217,496	165,444	797,696	94.3%
5/7/2020		325,392	15,205	56,633	227,484	163,620	819,200	96.2%
Totals		27,720,176	1,201,233	6,500,197	16,890,864	16,236,246	70,431,832	97.3%

Percentage of Total Flow		**39.4%**	**1.7%**	**9.2%**	**24.0%**	**23.1%**	**102.7%**

AUTHORITY CONTROLLER'S

BOARD REPORT – May 20, 2020

General Status Report

At the end of March, our operating expenses were more than 10% under budget. However, we just received our draft GASB 75 actuarial report indicating a $73,000 increase in our OPEB expense (retiree healthcare) for the year. I questioned it and haven't heard back from them, but if it's correct, that will take a chunk out of the amount we're under budget.

Status of Billing

Since the last meeting, Harrah's and Harvey's indicated they would be paying their bills, and the Hard Rock signed the Forbearance Agreement with us. Since most of our commercial customers do business out of leased properties, and the property owners pay the sewer bills, we have been insulated so far from the economic effects of the Covid-19 shutdown. Additionally, we have not received a single call from our residential users saying they could not pay their bills.

Aeration Basin and Plant Upgrades Project

We have submitted a draw request to the State Revolving Fund which has been approved but not received yet in the amount of $643,938. That will bring the total drawn down this fiscal year to $1,102,226. Of that $110,226 will be held in the LGIP Reserve account to pay the final debt service payment on the loan account.

We anticipate the 2nd Phase Gross Maximum Price Contract for the headworks and grit screening equipment to be ready for Board approval at the June meeting.

Capital Development Plan

The Department of Taxation requires that each year we adopt a Capital Development Plan which specifies how we plan to construct capital assets over the next five-year period. I sent you a copy of the CDP in your packet. The only changes from last year are increased amounts expected to be spent on litigation for the Underground Storage Tank issue, and a quicker timeline on the Aeration Basins & Plant Upgrades Project. I also added the fifth year and put in an extra $2,000,000 figuring the cost estimate for the Effluent Pipeline has likely increased over the last 10 years.

The State does not require that we adhere to the CDP, only that the figures in it match the Final Budget being submitted. They do, and therefore if there are no questions, I would ask that you adopt the CDP as presented.

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. Since the last Board meeting there was another CD called. Since CD rates are at .55% for 3 years, I will be reinvesting that $245,000 in LGIP. It is still paying more than 1.4%. There is a general ledger sheet in your packet detailing the various investment vehicles and a list of the current CD's held.

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.