MINUTES OF THE REGULAR MEETING OF
THE BOARD OF TRUSTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
August 17, 2022

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, August 17, 2022 at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

ROLL CALL:

Present were Trustees Rick Gardner, Chuck Fagen and John McLaughlin. Trustee Darya Vogt was present via audio and video internet connection by which she could hear everyone at the meeting, and everyone could hear her.

RECOGNITION OF OTHERS IN ATTENDANCE:

Also present were Authority Manager Rob Hopkins, Controller Paula East-Janicki, Accountant Ying Johnson, Authority Engineer, Rob Anderson, the Authority's legal counsel, Jim Cavilia, and Natalie Yanish, Kingsbury General Improvement District (KGID) Trustee.

PUBLIC COMMENT:

None.

APPROVAL OF AGENDA:

It was moved by Trustee Vogt, seconded by Trustee Fagen and carried unanimously (4-0) that the agenda be approved and adopted as presented.

MINUTES OF PRIOR MEETING:

It was moved by Trustee Vogt, seconded by Trustee McLaughlin and carried unanimously (4-0) that the minutes of the Meeting of the Board of Trustees of DCLTSA, dated June 15, 2022, be approved as presented.

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 some items in the written report. The written report is incorporated in these minutes by this reference.

Mr. Hopkins reported that the Authority's closed circuit television inspection of the Authority's collection system is expected to be completed in early September and that based upon an agreement for reimbursement, the collection system of the Elk Point Sewer District is also being completed.

Mr. Hopkins indicated that a scope of work has been agreed to with HDR Engineering for completion of a risk assessment related to the sewer collection system that will include an evaluation of repair/replacement techniques, timing and costs.

Mr. Hopkins explained a conference call that he participated in with the Authority Engineer and representatives of South Tahoe Public Utility District (STPUD) regarding STPUD's strategic plan with regard to the use and disposal of treated effluent.

With regard to the connection of Edgewood's Villas project to the sewer collection system, Mr. Hopkins reported that temporary connection has been successfully completed. As part of that connection, Authority staff was able to determine that Authority's interceptor line in that area is generally in good condition.

Mr. Hopkins stated that Authority staff completed the inspection and refurbishment of the pumps and piping related to the lined emergency storage pond located at the plant site.

In response to an inquiry from Washoe County, Mr. Hopkins indicated that he shared information about the Authority's new surge tank system at the plant. Washoe County is considering the installation of a similar system.

With regard to the STPUD emergency intertie, Mr. Hopkins reported that, in order to accommodate development at Edgewood, the intertie has been successfully relocated and approved by Authority staff and STPUD.

Mr. Hopkins reported that Discharge Monitoring Reports for the second quarter of 2022 have been submitted to and approved by the Nevada Department of Environmental Protection (NDEP) and the Environmental Protection Agency (EPA).

Authority staff recently inspected and approved the grease interceptor installed to serve the Tahoe South Events Center (TSEC).

Mr. Hopkins expressed his gratitude to KG Walters for the recent barbecue at the plant to celebrate completion of the most recent plant upgrades.

Mr. Hopkins also thanked HDR Engineering for nominating Mr. Hopkins for a scholarship to attend the summer program of the National Association of Clean Water Agencies (NACWA). Mr. Hopkins indicated that the program was very educational and gave him some insight into likely future sewer treatment requirements.

In response to an inquiry from Chairman Gardner, Mr. Hopkins stated that a plan would be coming forward in the future for replacement of the failed emergency underground storage tank.

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

ATTORNEY'S REPORT

A. Status of current Agreement with Bently Family, LLC regarding the storage and disposal of effluent from Douglas County Lake Tahoe Sewer Authority.

The Authority's legal counsel, Jim Cavilia, indicated that the Authority's agreement with Bently Family LLC for the storage and disposal of effluent on Bently's agricultural property in the Carson Valley was last updated in 2016 and that based upon the Bently property being currently on the market, the Authority has communicated with Bently's representative to be sure that any buyer of the property is aware of the obligation with regard to the Authority's effluent. Authority Engineer Rob Anderson added that it was his understanding that the potential buyer of the property intended to continue the current agricultural use and was aware of the agreement with the Authority. Mr. Cavilia indicated that the current agreement runs through 2035 and that unless some change is being proposed or considered it is not necessary to update or modify the agreement at this time. Trustee McLaughlin stressed the importance of the agreement with Bently.

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

B. Expiring terms of Douglas County Lake Tahoe Sewer Authority Trustees appointed by Kingsbury General Improvement District, Round Hill General Improvement District and Tahoe Douglas District.

Mr. Cavilia informed the Board that terms of Trustees Gardner, Vogt and Fagen would be expiring as of October 1, 2022 and that the respective appointing Districts should appoint or reappoint trustees prior to October 1, 2022. Trustee Fagen indicated that RHGID was prepared to appoint a new trustee prior to that date. Chairman Gardner explained that TDD has some issues with vacancies on its board, but that things were being worked out and it was likely that he would be reappointed to the Authority Board of Trustees. Finally, Trustee Vogt indicated that this matter would be scheduled for consideration by the KGID Board at its meeting in September.

Chairman Gardner 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, Authority Engineer, Rob Anderson, presented correspondence dated August 16, 2022, briefly summarizing various issues that R.O. Anderson Engineering has been involved with on behalf of the Authority. The August 16, 2022 correspondence is incorporated in these minutes by this reference.

Mr. Anderson described his participation in assisting with preparation and submittal of the Nevada Department of Transportation (NDOT) application for an encroachment permit in relation to the TSEC.

With regard to the Tahoe Beach Club (TBC), Mr. Anderson reported that he had reviewed on behalf of the Authority, recent revision to the TBC tentative map and that in order to address the Authority's needs, TBC would be providing the Authority with a blanket easement to access sewer improvements. Mr. Anderson also indicated that his staff was currently conducting a review of the improvement plans for Phase 3 of the TBC.

With regard to Bently Family, LLC, Mr. Anderson indicated that the representatives of Bently have been very cooperative with regard to the Agreement with the Authority and that it was his understanding that the sale of the Bently property would likely be completed by the end of the year.

Finally, Mr. Anderson reported that with regard to the, now cancelled, project regarding the re-roofing of the mechanical building at the plant, the contractor has been asked to remove the material that had previously been delivered. An offer by the contractor to sell the materials to the Authority is being considered. The Authority needs to sure that the materials can be effectively utilized by another contractor when the project is re-bid.

In response to a question from Chairman Gardner, Mr. Anderson indicated that the TSEC needs no additional approvals from the Authority.

Chairman Gardner 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 provided the Board with a brief written report and indicated that, preliminarily, it looks like the Authority's operating expense for the prior fiscal year were 16% under budget. Ms. East-Janicki attributed the lower expenses to the actuarial accounting of the Authority's Public Employee Retirement System (PERS) expenses.

With regard to the final budget versus actual numbers for the fiscal year, Ms. East-Janicki reported that with the augmentation that was approved in June, all line-items were within 10% of the budget in accordance with state requirements.

Ms. East-Janicki reported that the Authority's accounts receivable for in-District users has a credit balance based on the number of users who have paid ahead.

Ms. East-Janicki reported that the annual audit process has begun and that based on the reduced amount of federal money received by the Authority last year, a "single audit" is not required. This

will save the Authority approximately $10,500 in audit fees. Ms. East-Janicki expects the on-site audit work to take approximately three weeks to complete.

Chairman Gardner 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, stating that the Authority has approximately $13.2 million invested with all but $735,000 (in Certificates of Deposit) of that amount being liquid. Based upon CD rates beginning to rise, Ms. East-Janicki anticipates moving some additional funds into CDs.

In response to an inquiry by Chairman Gardner, Ms. East-Janicki explained how the Authority's funds are segregated and accounted for in order to ensure the appropriate use of resources.

Chairman Gardner 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. Chairman Gardner indicated that he had signed off on the claims.

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

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

Trustee Fagen reported that Round Hill General Improvement District's (RHGID) sewer meter installation has been delayed until September when sewer flows will be reduced. Trustee Fagen also indicated that then RHGID representative on the Authority Board, beginning in October, would likely be Keith Fertala.

Trustee Vogt reported that Kingsbury General Improvement District (KGID) did not have a meeting this month and that the KGID Board would be considering a stormwater/drainage fee for residents in the near future.

Trustee McLaughlin reported that TSEC construction was continuing within budget, but that completion of the project may be delayed because of supply chain issues related to the electrical system. Trustee McLaughlin indicated that Transient Occupancy Tax collections are exceeding budget at this time. With regard to funding from Douglas County for micro-transit at Tahoe, Trustee McLaughlin reported that discussions were continuing with the County Commission. Trustee McLaughlin went on to explain that the "micro-transit" involves the use of minivans that are available by app free of charge for transportation within the South Tahoe area. The service began in July and usage is increasing steadily. Trustee McLaughlin explained that current funding

is in place to provide the service for six years. Finally, Trustee McLaughlin indicated that business in the casino core and Edgewood has been very good throughout the summer months.

Chairman Gardner reported that the Tahoe Douglas District (TDD) Board met last week and that a settlement has been reached with regard to the litigation involving Skyland Estates. Chairman Gardner also reported that the TDD Board may have a vacancy in January, which will result in the TDD Board appointing a member at that time.

Chairman Gardner 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 10:25 a.m.

APPROVED

4860-6070-5318, v. 2

Meeting Date: August 17th, 2022

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

Authority Manager's Monthly Report – July - August 2022
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. Closed Circuit TV inspection of the DCLTSA gravity collection system is anticipated to be fully completed by September 9th, 2022. DCLTSA also performed CCTV inspection of the sewer mains in the Elk's Point Sewer District at EPSD's request. The costs of this additional work are to be reimbursed to the Authority.

2. The Scope of Work for the DCLTSA Collection System Capital Improvement Project has been completed by HDR Engineering and reviewed by DCLTSA staff. The Scope of Work will provide DCLTSA with a risk assessment of our collection system, an evaluation of repair and replacement techniques for identified defects, as well as an estimate of probable cost for each area.

3. I participated in a conference call with our engineer, Rob Anderson, and STPUD engineering staff to discuss the development of STPUD's Recycled Water Strategic Plan. STPUD is investigating various long-term solutions for disposal of treated effluent generated by the STPUD Water Reclamation Facility. Our Engineer can provide greater details upon request.

4. Work to install a temporary "Insert-a-Tee" connection from the Edgewood Casita project to the DCLTSA trunk interceptor has been completed and inspected by DCLTSA staff. DCLTSA staff collected a "coupon" from the hole tapped into the interceptor so that the overall pipe condition could be assessed. The interior of the interceptor has been "slip-lined" at some point in the past, and the lining is in good condition. The condition of the outer portion of the pipe also appears to be in good condition.

5. DCLTSA staff inspected and refurbished pumps and piping for the on-site HDPE lined Emergency Storage Basin behind the Plant. (Photo attached)

6. I provided reference materials on our new Pulseco Surge Tank System to John Hulette, P.E. with the Washoe County Community Services Department. Washoe is looking to install a similar system as part of a future facility upgrade.

7. Relocation of the DCLTSA Intertie Pipeline on the Edgewood Golf property has been completed. The electronics and telemetry for the valves have been tested by both DCLTSA and STPUD staff and have passed. As-Built drawings have been submitted to DCLTSA and are under review by our Engineer. Further detail may be provided by our Engineer, R.O. Anderson.

8. Discharge Monitoring Reports for the second quarter of 2022 have been submitted and passed by the NDEP and EPA.

9. Staff inspected and approved the grease interceptor installed to service the Tahoe South Events Center facilities.

10. Authority Engineer R.O. Anderson has reviewed Tahoe Beach Club Phase 3 plans as well as minor map corrections on the completed portions of the Phase 2 portions of the TBC project. Our Engineer can add further detail upon request.

11. DCLTSA staff wishes to thank K.G. Walters Construction for putting on a very nice barbeque event at the Plant to celebrate the completion of the DCLTSA Treatment Plant Upgrades Project. The barbeque was well attended and the food delicious!

12. Finally, I would like to thank HDR Engineering for nominating me for National Association of Clean Water Agencies (NACWA) Small & Mid-Size Utility Executive Scholarship – Summer 2022 Program. The program provides free attendance and a stipend for about a dozen small utility executives to attend the annual NACWA meeting in Seattle, held July 24th to 27th this year.

    The goal of the scholarship program is to expose small agency executives to Federal officials and decision makers who promulgate regulations on a national-level scale.

    The conference provided excellent information regarding Emerging Contaminates of Concern in wastewater and biosolids, and regulations that may be on the horizon that could impact water reclamation facilities nationwide.



DCLTSA staff pulling a pump at the Emergency Storage Basin for reconditioning.

AMENDED AND RESTATED AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT made and entered into this 19th day of October, 2016 by and between DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT NO. 1, a political subdivision of the state of Nevada, hereinafter referred to as "DISTRICT," and the BENTLY FAMILY, LLC, a Nevada limited liability company, hereinafter referred to as "OWNER,"

W I T N E S S E T H:

WHEREAS, the DISTRICT is a local improvement DISTRICT formed and organized pursuant to the provisions of Chapter 309, Nevada Revised Statutes; and

WHEREAS, the DISTRICT does presently own and operate a wastewater treatment system lying within the Lake Tahoe Basin and an effluent reuse system lying within the Carson Valley in Douglas County, Nevada; and

WHEREAS, the DISTRICT has previously constructed and is presently operating and maintaining pump stations and an effluent pipeline for the export of treated wastewater effluent from the DISTRICT's works and treatment facilities at or near Stateline, Lake Tahoe, Nevada; and

WHEREAS, the DISTRICT has previously constructed and is presently operating an effluent transmission main across the Carson Valley to carry treated wastewater effluent to the DISTRICT's Wastewater Storage Facility, known as the Buckeye Creek Effluent Storage Facility in the Pine Nut Mountains; and

WHEREAS, OWNER is the owner of certain real property located in Douglas County, Nevada, commonly known as BENTLY RANCH, upon which OWNER is authorized to utilize treated effluent for agricultural and irrigation purposes. The BENTLY RANCH effluent

irrigation area and the improvement associated with this Agreement are generally depicted on Exhibit "A," which is attached hereto and incorporated herein by this reference as if fully set forth herein; and

WHEREAS, the DISTRICT and OWNER's predecessor in interest, BENTLY FAMILY LIMITED PARTNERSHIP, a Nevada limited partnership, have most recently entered into an agreement dated September 15, 2006 providing for the delivery to and use of treated effluent on OWNER's real property in Douglas County, Nevada ("2006 Agreement"); and

WHEREAS, the DISTRICT has constructed its effluent transmission main on and through OWNER's real property, and has provided OWNER with turnouts (points of diversion) for delivery of wastewater effluent to OWNER's real property; and

WHEREAS, OWNER owns and operates an 1800-acre foot lined effluent storage reservoir on its real property "Bently Reservoir".

WHEREAS, OWNER desires to continue to receive said wastewater effluent from DISTRICT and to cause it to be applied to the lands of OWNER for agricultural and irrigation purposes or such other legally permitted uses as it chooses; and

WHEREAS, the DISTRICT also currently provides treated wastewater effluent to PARK CATTLE CO., a Nevada corporation, for irrigation purposes near OWNER's Exhibit "A" real property; and

WHEREAS, pursuant to prior written agreements with the DISTRICT, the OWNER and PARK CATTLE CO. have agreed on an annual, non-cumulative basis to share approximately equally all of the available treated wastewater effluent exported from the DISTRICT, between the periods of May 1st and October 31st, as specified herein at their respective points of diversion; and

WHEREAS, OWNER receives such treated wastewater effluent as specified herein at the points of diversion; and

WHEREAS, OWNER or a related entity has received from the Nevada Division of Environmental Protection (NDEP) an Authorization to Discharge ("Discharge Permit") allowing for the use of treated effluent for agricultural irrigation on terms and conditions set out in said Discharge Permit; and

WHEREAS, OWNER has been issued a permit by the Nevada State Engineer's Office for a secondary water right pursuant to the provisions of NRS 533.440 so that OWNER is authorized under Nevada's water law to receive and irrigate with the treated wastewater effluent; and

WHEREAS, OWNER has a special use permit issued by Douglas County, Nevada, authorizing OWNER to receive and irrigate with the treated wastewater effluent; and

WHEREAS, the parties hereto are desirous of amending and restating the 2006 Agreement and entering into a mutually beneficial agreement to provide for the continued delivery of treated wastewater effluent from the DISTRICT's effluent transmission main and to provide for the acceptance, storage and use of said wastewater effluent for irrigation purposes on OWNER's real property during the periods as hereinafter provided, assuring the protection of the health and welfare of the residents of Douglas County and the State of Nevada and elsewhere and consistent with the preservation of the natural beauty, resources and recreation of these areas, and to promote the beneficial utilization and conservation of water.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties do agree as follows:

ARTICLE I
Operation and Maintenance of Effluent Transmission Main and Wastewater Storage Facility

OWNER shall own, operate, and maintain the transmission line from the DISTRICT'S Transmission Main, after the check valve located just behind the flow metering structure, to the Bently Reservoir and OWNER has acquired necessary easements or rights of way and installed and operates the transmission line from the Transmission Main to the Bently Reservoir. OWNER shall continue to be solely responsible for the operation and maintenance of the Bently Reservoir. The District shall be responsible for the maintenance of those improvements, including the flow metering structure, from the check valve described above to the Transmission Main.

ARTICLE II
Owner's Real Property

OWNER represents that it or a related entity now owns in fee the real property that makes up the Effluent Reuse Area depicted on Exhibit "A" and that it shall for the term of this Agreement set aside said real property or some portion of it in accordance with OWNER's Discharge Permit and receive the allocation of wastewater effluent as hereinafter provided and use said wastewater effluent for irrigation purposes.

ARTICLE III
Delivery and Use of Wastewater Effluent

Section 3.1 Quantity of Wastewater Effluent. The DISTRICT will make available for use by OWNER during the irrigation season, pursuant to this Agreement, up to five (5.0) million gallons per day of wastewater effluent or in such other amount as may otherwise be authorized by NDEP or any other regulatory body having jurisdiction thereof and agreed to by

the DISTRICT and OWNER. Such amount, to be so determined, is not to be relied upon by the OWNER as it is dependent upon availability of wastewater effluent.

Section 3.2 Issuance of and Compliance with Permits. As a prerequisite to receiving such wastewater effluent OWNER agrees to obtain all the requisite permits and/or authorization from all public entities having jurisdiction hereof, including, but not limited to, those required by Douglas County, the Discharge Permit issued by NDEP and the permit for a secondary water right issued by the Nevada State Engineer. While irrigating, OWNER shall manage said wastewater effluent according to its Discharge Permit (as may be modified in the future) and as same may be issued by NDEP. A copy of said Discharge Permit has been delivered to DISTRICT. In addition, OWNER agrees to meet all other requirements of the State of Nevada or the United States Environmental Protection Agency or any other public authority having jurisdiction hereof as may from time to time become effective, including, but not limited to, the timely filing of quarterly discharge monitoring reports with NDEP. The DISTRICT shall provide OWNER with effluent quality reports for the proper submittal of quarterly discharge monitoring reports by OWNER. All groundwater monitoring required by NDEP will be the responsibility of OWNER, however DISTRICT shall reimburse OWNER for the reasonable costs of such monitoring. DISTRICT shall make such reimbursements on a quarterly basis and copies of the monitoring results shall be submitted to DISTRICT quarterly.

Section 3.3 Delivery. During the term of this Agreement, DISTRICT has the right to deliver, and OWNER shall receive the quantities of treated wastewater effluent referenced in Section 3.1.

ARTICLE IV
Metering and Flow Control

Section 4.1 Duties of District. At its sole cost and expense, DISTRICT will inspect and maintain as operable metering and telemetry equipment together with the requisite power supply previously constructed. The DISTRICT shall maintain and calibrate telemetry equipment from time to time as required to ensure correct measurement of flow. An Effluent Management Plan has been provided to the DISTRICT by OWNER. The DISTRICT and OWNER agree to perform their respective obligations as set forth in said plan and to exercise diligence in complying with the terms thereof as well as the terms of the Discharge Permit, as the same may, from time to time, be modified in the future.

Section 4.2 Duties of Owner. Unless otherwise provided in this Agreement, OWNER has or shall construct, install, replace and maintain all of the facilities described in Section 4.1 above, except metering and telemetry, as well as modification of facilities as may be required by OWNER or any regulatory agency having jurisdiction thereof. Such construction of improvements, as well as those which from time to time may be required for public compliance, shall be subject to review, approval and inspection by the DISTRICT. During OWNER's acceptance of treated effluent from the District pursuant to the term of this Agreement, OWNER shall provide DISTRICT with monthly measurements as to the total amount of effluent stored in the Bently Reservoir. DISTRICT shall have the right, but not the obligation, during the term of this Agreement at the sole expense of the DISTRICT to install and maintain improvements to measure and monitor, in real-time, the volume (or stage) of effluent stored in the Bently Reservoir.

During the term of this Agreement OWNER shall accept and store the DISTRICT's exported effluent between the periods of September 1st and May 31st of each year, so long as Bently Reservoir has sufficient capacity. All stored effluent in OWNER'S Reservoir,

is strictly for use on OWNER'S Property. As provided for below in Section 5.1 DISTRICT reserves the right to store treated effluent in an effluent storage reservoir yet to be constructed on the DISTRICT's Buckeye Creek real property.

Section 4.3 Cooperation. DISTRICT shall cooperate with OWNER in regulating the discharge of flows so as to assist OWNER in receiving adequate flows of wastewater effluent. DISTRICT and OWNER further agree to cooperate in the receipt and use of effluent on an on-going basis and in adjusting the annual wastewater effluent flow rates to ensure the efficient operation hereof and to further ensure that neither DISTRICT nor OWNER violate their then existing regulatory permits or authorizations. To that end, each party shall designate a representative for the other to contact in all matters relevant hereto.

Section 4.4 License for Access. During the term of this Agreement, OWNER grants DISTRICT, its employees and agents, a license for ingress and egress to and from the Owner's real property as depicted on Exhibit "A" for any and all purposes necessary for the DISTRICT to perform its obligations under this Agreement, including monitoring, maintenance and repair activities. Access shall be through such reasonable route(s) as OWNER may designate or approve from time to time. The license granted by this section may not be revoked during the term of this Agreement or any extension thereof.

ARTICLE V
Duty to Deliver and Accept Wastewater Effluent

Section 5.1 District. OWNER does not acquire any right to demand any quantity of wastewater effluent to be exported. Delivery of effluent to the lands of OWNER is subject to the legal and practical ability of DISTRICT to do so.

Section 5.2 Owner. Acceptance and use of wastewater effluent by OWNER pursuant to this Agreement is subject to the legal and practical ability of the OWNER to accept and use such wastewater effluent.

ARTICLE VI
Consideration

Section 6.1 Administration Fee. In consideration hereof, an annual fee of Three Thousand and No/100 Dollars ($3.000.00) shall be paid by the OWNER to the DISTRICT for administering this Agreement and the delivery of treated wastewater effluent herein. A like sum shall be payable at the end of each calendar year of this Agreement together with the Use Fee provided for below.

Section 6.2 Use Fee. OWNER shall pay to DISTRICT for the use of such wastewater effluent an amount equal to the sum obtained by multiplying the rate of $0.02 times the number of thousands of gallons ($0.02/1,000 gallons) delivered for use to OWNER pursuant to this Agreement. Annually, at the end of the calendar year, total use will be calculated, and OWNER will be invoiced for the volume of effluent delivered to the Owner as measured by the meter installed and maintained by the District with payment therefore to be made within thirty (30) days of OWNER's receipt of such invoice.

Section 6.3 Adjustments. Every five years, beginning on July 1, 2021, the parties agree to review the amount of compensation for administrative and use charges which at that time may be adjusted as the economic and other operating conditions surrounding this Agreement shall indicate or require. Such adjustments shall become effective upon agreement of the parties, and if such agreement is not reached, then the compensation will be set by arbitration in accordance with the provisions of Chapter 38 of the Nevada Revised Statutes (Uniform Arbitration Act).

Section 6.4 Construction and Other Charges. In order to provide for delivery of effluent from the Effluent Transmission Main to the Bently reservoir it has been necessary to install a transmission line and related improvements. As consideration for Bently's agreement to accept and store effluent in accordance with the terms of this Agreement, the DISTRICT has borne the cost of such transmission line and improvements. Because OWNER has installed a portion that transmission line and related improvements as described in Section 4.2 above, the DISTRICT has reimbursed OWNER for its actual cost of said transmission line and improvements in the amount of $143,896.00.

As provided for hereinabove, OWNER shall pay all replacement, operation and maintenance costs allocable to any of its facilities and DISTRICT shall pay all such costs allocable to its facilities.

As consideration for the effluent provided by DISTRICT pursuant to this Agreement, OWNER agrees to accept the effluent and utilize it for agricultural irrigation or such other legally permitted uses as it chooses during the term of this Agreement.

ARTICLE VII
Warranties

Section 7.1 Owner. OWNER warrants that the right of DISTRICT to discharge its wastewater effluent hereunder shall be appurtenant to and does hereby become a covenant running with the OWNERS's Exhibit "A" real property.

Section 7.2 District. The DISTRICT warrants that the treated wastewater effluent exported by DISTRICT and discharged into OWNER's pipeline and storage reservoir shall conform to all present and future specifications and requirements of the regulatory agencies of the State of Nevada relating to the application of treated wastewater effluent for use on

irrigated farm lands as required by the DISTRICT's Discharge Permit issued by the Nevada Division of Environmental Protection.

ARTICLE VIII
Conditions Precedent

Section 8.1 Receipt of Permits. OWNER's rights and obligations under this Agreement are contingent upon receipt and maintenance by OWNER of all permits and approvals necessary to allow OWNER to accept and use the wastewater effluent on OWNER's real property, including, without limitation, the permits referenced in Section 3.2 and upon OWNER's determination in its sole and absolute discretion that the terms and conditions of such permits and approvals are satisfactory.

Section 8.2 Time Limitation. In the event that OWNER is for any reason incapable of accepting wastewater effluent and implementing this Agreement without restriction or limitation, this Agreement shall without further action be rendered null and void and each of the parties signatory hereto shall be restored to their prior legal positions without liability each to the other. In such event, the parties agree to execute and deliver to each other, in recordable form, an acknowledgment of cancellation or termination of this Agreement.

ARTICLE IX
Term of Agreement

This Agreement shall be effective through December 31, 2035, unless sooner terminated as provided in Article X. The terms of this Agreement, the term of this Agreement may be renewed or extended only upon the mutual consent of the parties in writing.

ARTICLE X
Termination by District

This Agreement is entered into by DISTRICT pursuant to its Permit to Discharge issued by NDEP and the laws of the State of Nevada. This Agreement may be terminated by DISTRICT prior to the expiration of the term provided in Article IX:

(a) In the event the DISTRICT subsequent hereto shall develop processes approved by the appropriate Governmental agencies sufficient to allow the DISTRICT to retain and dispose the wastewater effluent within the Lake Tahoe drainage basin; or

(b) In the event the DISTRICT subsequent hereto shall develop adequate effluent storage approved by the appropriate Governmental agencies on real property owned or controlled by DISTRICT;

(c) In the event the District, by Governmental action, be required to relocate its point of discharge or otherwise modify its method of effluent use and/or disposal; or

(d) The DISTRICT in its sole and uncontrolled discretion determines to relocate its point of discharge, to modify its discharge permit, method of discharge and/or use of its wastewater effluent.

The DISTRICT shall provide OWNER with notice of at least twelve (12) months prior to termination of this Agreement as provided for in this provision. Such notice shall not be required in the event that the DISTRICT is required by Governmental action to discontinue the delivery of its treated wastewater effluent to OWNER more quickly. Upon termination as provided for herein, the DISTRICT shall discontinue the delivery of its treated wastewater effluent to OWNER and this Agreement shall be rendered null and void and of no further legal effect.

ARTICLE XI
No Acquisition of Title

OWNER agrees that by entering into this Agreement it shall acquire no title to said wastewater effluent and any right to receive such wastewater effluent shall be subject to the provisions of this Agreement.

ARTICLE XII
Covenant Running with Land

Section 12.1 Covenant. The terms and conditions set forth in this Agreement shall constitute covenants running with the land and shall be appurtenant to the real property owned by the OWNER, as depicted on Exhibit "A," and shall be binding upon the successors and assigns of OWNER. It is expressly understood and agreed that at the time of the execution of this Agreement all of the real property shown in the attached Exhibit "A" are subject to the terms and conditions of this contract and are encumbered by this Agreement which shall constitute a covenant running with the land.

Section 12.2 Memorandum of Agreement. The parties hereto covenant and agree to execute a memorandum of this Agreement in recordable form which may, at the option of either party, be recorded in the office of the Recorder in Douglas County, Nevada.

ARTICLE XIII
Indemnification

Section 13.1 District. DISTRICT agrees to indemnify and hold OWNER harmless from and against and with respect to any and all claims, demands, losses, costs, expenses, obligations, liabilities, actions, suits, damages, diminution in value and deficiencies, including, without limitation, interest and penalties, counsel fees and all amounts paid in settlement of any claim, action or suit (all such claims, demands, losses, costs, expenses, etc. being referred to herein collectively as "Claims"), which may be asserted against OWNER, or which OWNER shall incur or suffer, and which arise out of, result from or relate to any fact

inconsistent with any representation or warranty of DISTRICT herein or the nonfulfillment of any agreement or covenant of DISTRICT contained in this Agreement or in any document furnished or required to be furnished to OWNER in connection with the consummation of the transactions contemplated hereby or which relate to any liability retained by DISTRICT. The term "Claims" as used in this Agreement is not limited to matters asserted by third parties against OWNER but includes damages, losses and expenses incurred or sustained by OWNER in the absence of third-party claims.

Section 13.2 Owner. OWNER agrees to indemnify and hold DISTRICT harmless from and against and with respect to any and all Claims which may be asserted against DISTRICT, or which DISTRICT shall incur or suffer, and which arise out of, result from or relate to any fact inconsistent with any representation or warranty of OWNER herein or the actions of OWNER with regard to the subject of this agreement or the nonfulfillment of any agreement or covenant of OWNER contained in this Agreement or in any document furnished or required to be furnished to DISTRICT in connection with the consummation of the transactions contemplated hereby.

ARTICLE XIV
Assignability

This Agreement may be assigned or transferred by OWNER to any other person, who acquires ownership of the Exhibit "A" real property or a substantial portion of said property, following receipt of approval by all regulatory agencies having jurisdiction hereof and upon the prior written consent of DISTRICT, which consent shall not be unreasonably withheld. OWNER shall be responsible for any costs and compliance requirements associated with any such assignment.

ARTICLE XV

Miscellaneous

Section 15.1 2006 Agreement. This Amended and Restated Agreement fully terminates and replaces the 2006 Agreement described above.

Section 15.2 Notices. All notices required or permitted to be given by law or by the terms of this Agreement shall be in writing and shall be considered given upon personal service of a copy on the party to be served, or twenty-four (24) hours after mailing such notice by certified mail, return receipt requested, postage prepaid, addressed to the parties as follows:

(a) If to DISTRICT, such notices shall be sent to:

Douglas County Sewer Improvement District No. 1
P.O. Box 578
Zephyr Cove, NV 89448

and to:

James R. Cavilia, Esq.
Allison MacKenzie Ltd.
402 North Division Street
Carson City, NV 89703

(b) If to OWNER, such notices shall be sent to:

Bently Family, LLC
Attention: Matt McKinney
P.O. Box B
Minden, NV 89423

and to:

Chris D. Nichols, Esq.
Minden Lawyers, LLC
990 Ironwood Drive #300
Minden, NV 89423

Any party may change the address to which notices to it hereunder are addressed by a notice in writing to the others.

Section 15.3 Consent. Whenever the approval or consent of any party is required for any purpose under this Agreement, that approval or consent will not be unreasonably withheld or delayed. Without limiting the foregoing, if any approval or consent is requested by either party, unless the consenting party notifies the requesting party within thirty (30) days that it will not grant the approval or consent, the consenting party will be deemed to have given the approval or consent on the thirty-first (31st) day.

Section 15.4 Entire Agreement. This Agreement constitutes the entire and only understanding between the parties concerning its subject matter, and supersedes any and all prior agreements, arrangements, communications or representations, whether oral or written with respect thereto. No alteration, amendment, change, modification or waiver to this Agreement shall be valid or binding unless the same is in writing and signed by duly authorized representatives of the parties hereto.

Section 15.5 Choice of Law. This Agreement shall be construed and interpreted in accordance with, and governed by the laws of the State of Nevada.

Section 15.6 Waiver. Neither a course of conduct, nor any waiver by either party with respect to a default or breach of any provision of this Agreement by the other party shall operate or be construed as a waiver of any subsequent default or breach, or as a modification of this Agreement.

Section 15.7 Attorney's Fees. If any party commences an action against the other party to enforce any of the terms hereof or because of the breach of either party of any of the terms hereof, the prevailing party shall be entitled to reasonable attorney's fees, costs and expenses incurred in connection with the prosecution or defense of such action.

Section 15.8 Time of Essence. Time is of the essence of this Agreement and each term, covenant and condition thereof.

Section 15.9 Captions. The captions of this Agreement do not in any way limit or amplify its terms and provisions.

Section 15.10 Binding on Successors. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and to their respective heirs, successors and assigns for all time.

Section 15.11 Execution of Additional Documents. In addition to documents and other matters specifically referenced in this Agreement, the parties agree to execute and/or deliver, or cause to be executed and/or delivered such other documents and/or materials, carrying out the terms and conditions of this Agreement, as may be reasonably necessary to affect the transactions contemplated by this Agreement.

Section 15.12 Counterparts. This Agreement may be executed in one or more counterparts, and each counterpart shall constitute an original instrument but all such counterparts shall only constitute one and the same instrument.

Section 15.13 Authorship. This Agreement has been reviewed by attorneys representing the respective parties and therefore shall not be construed in favor of or against any party hereto based on the sole or primary authorship of this Agreement being the work of one party hereto.

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IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

BENTLY FAMILY, LLC
By: It's Managing Member, CPB Holdings, Ltd., a Nevada limited liability company

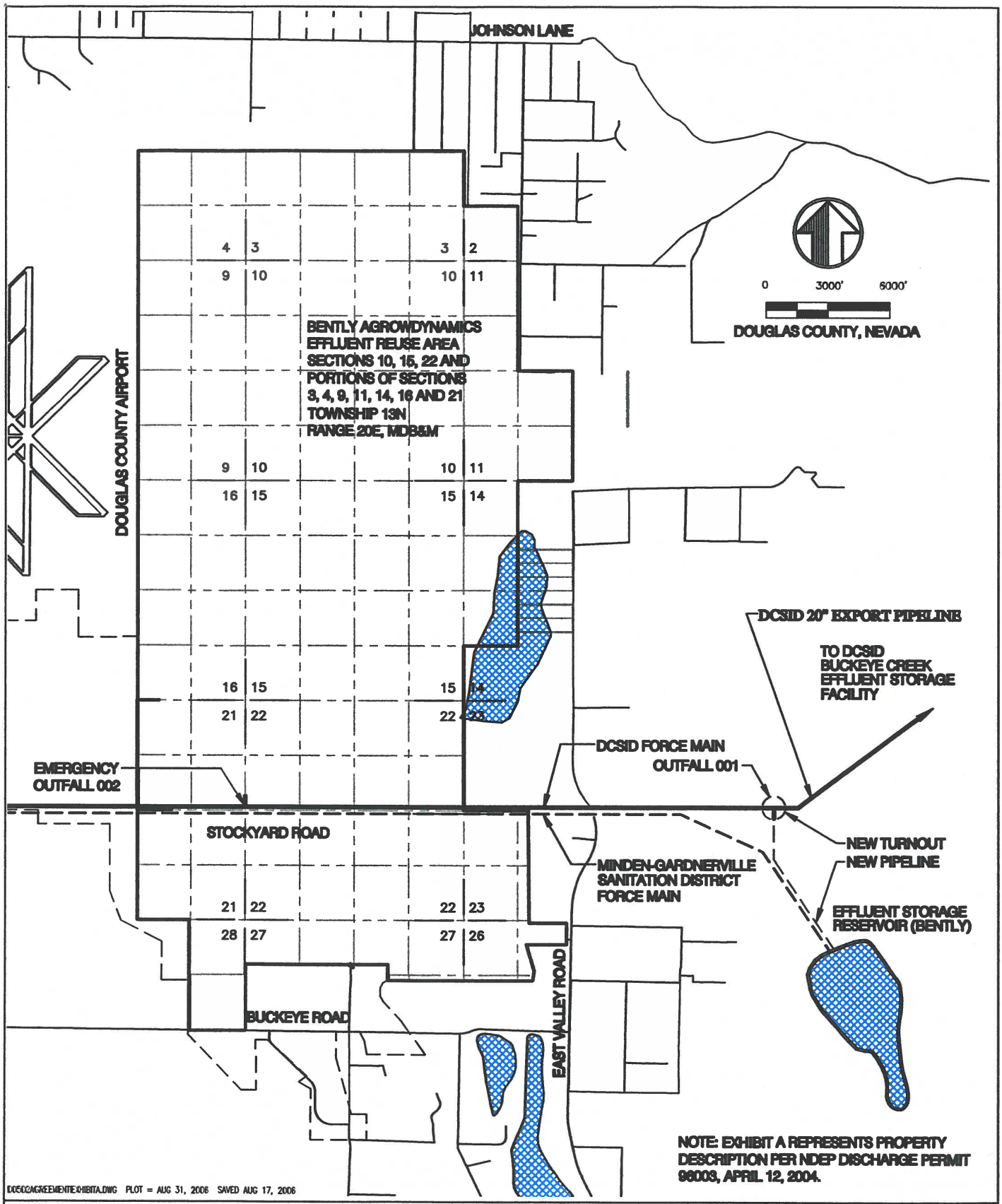
By: _____
Christopher P. Bently, Manager

DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT NO. 1

By: _____
Mike Bradford, President

ATTEST: _____
Secretary

4815-1418-2449, v. 1



DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT NO.1
BENTLY AGROWDYNAMICS AGREEMENT
EXHIBIT A

JWA CONSULTING ENGINEERS, INC.
Zephyr Cove, Nevada
Pleasant Hill, California

R|O|Anderson

August 16, 2022

Via Email

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

Authority Engineer's Monthly Report – July/August 2022

Dear Members of the Board:

The following report presents a summary of activities undertaken on behalf of the Sewer Authority since our last meeting together on June 15, 2022. During this period, we provided general engineering support and project review services on various projects as assigned. 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 engineering-related assignments on an as-requested basis. A summary of the services provided this month follows.

Tahoe South Events Center: Sewer Mains Replacement Project - NDOT Encroachment Permit Application

In cooperation with the Events Center's engineering representative, Jennifer Roman, PE, we reviewed the draft encroachment permit application and facilitated obtaining the Authority Manager's signature on the application. Given that when the sewer mains are replaced the Sewer Authority will be responsible for maintaining those pipes, NDOT requires that the encroachment permit be issued to the Sewer Authority – hence the need for the Manager's signature on the application.

Tahoe Beach Club, Amended Final Map, Minor Modification to Tentative Subdivision Map

During the period representatives of Tahoe Beach Club submitted copies of the pending Amended Final Subdivision Map and a Minor Modification to the project's Tentative Map. As requested, we reviewed these documents and upon completing our review found that the primary changes related to modifications to the building footprints and designating a blanket easement for both KGID and DCLTSA over the common areas (lands outside the existing and proposed buildings) for the purpose of installation and maintenance of sewer

Physical
1603 Esmeralda Avenue
Minden, Nevada 89423
775.782.2322

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

OFFICES
Minden, Nevada
Reno, Nevada

and water lines and their appurtenances. The Sewer Authority's existing easements for its interceptor is unchanged by the Amended Map.

Additionally, Tahoe Beach Club has submitted for technical review and approval the improvement plans for Phase 3. We are initiating our review of those plans now and will provide comments when they are available.

Bently Ranch Effluent Re-Use Agreement

As requested, we have been coordinating with representatives of Bently Ranch to solicit their approval for the Sewer Authority to prepare and, with Bently's approval, ultimately record a Memorandum of Agreement for this important right. I expect Mr. Cavilia will provide input to the Board on these discussions and re-affirm, under the circumstances, the importance of working with Mr. Bently's representatives to document the existing effluent re-use agreement and the affected place of use within the public record.

2021 Mechanical Building Re-roof Project:

Since the Board's last meeting, we have been in touch with the former roofing company's supplier about removing the stockpiled and stored materials that remain on site. The materials supplier has offered to sell the materials to the Authority for use when this project moves forward. As of this date, a schedule for re-bidding and constructing the project has not been set.

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

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

CONTROLLER'S GENERAL STATUS REPORT

August 17, 2022

- There is a Budget to Actual spreadsheet in the Board packet that shows, preliminarily, we finished the last fiscal year with operating expenses more than 16% under-budget. I say preliminarily because not all of the June bills are in yet and not all closing entries have been made. One thing that contributes to the 16% under budget is the PERS Actuarial accounting of the Authority's PERS expense. We actually contributed $326,000, but our books must reflect the PERS evaluation, which netted out at $45,000. The trade-off is that our financial statements will show a decrease of $650,000 in our long-term PERS liability.

- The Budget to Actual "Budgeted" column reflects the original budget amounts as submitted in May of 2021. You may recall that at the June meeting, we augmented that budget to move money between the line-item categories to keep from going 10% over on any of them. That Budget Augmentation form is also included in your packet for comparison purposes. It appears that we easily came in under every line item.

- Both at the end of the last fiscal year, and one month into the first quarter of the current one, the Authority receivables from In-District users has a credit balance. In other words, more customers have paid ahead than owe us money.

- We have begun the audit process, by scanning and providing proofs to Eide Bailly's audit team. It appears we will be working with the same audit team that we had last year, which is good. They are

already familiar with our operations. Some really good news is that the amount of federal funds making up our loan this year came in just short of $750,000 so we will not require the more comprehensive "single audit." This will save the Authority $10,500 in audit fees.

- The on-site fieldwork is scheduled to begin on September 19 and run through October 7.

- **Investment Report**

At the current time, the Authority's investments total almost $13.2 million. As before all but $735,000 is entirely liquid. The $735,000 is invested in CD's that will mature over the next 18 months. The only change to investment accounts since the last Board meeting has been the addition of interest. The investment balance still stands at a little more than $12.8 million. Except for $735,000 which is invested in CD's, the rest of it is entirely liquid. Last month, the Local Government Investment Pool paid a little more than 1% interest.

Claims and Check Register

The check register and wires since the last meeting are in the Board packet. If there are no questions, in the Board Treasurer's absence, I will ask the Chairman to sign them and return them to me for our records.

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY

JUNE 2021-2022 BUDGET VS. ACTUAL

		JUNE	Budgeted	Variance	Comments
Salaries	401.11	$ 1,165,818.00	$ 1,279,535.00	$ 113,717.00	
OT/Callback	403.11	$ 30,263.00	$ 19,193.00	$ (11,070.00)	Short staffed
Holiday	405.11	$ 10,861.00	$ 15,807.00	$ 4,946.00	11 Holidays of 11
NTD	407.11	$ -	$ -	$ -	
Longevity	409.11	$ 4,270.00	$ 4,270.00	$ -	
Stand-By Pay	408.11	$ 15,820.00	$ 15,964.00	$ 144.00	
Health Insurance	413.11	$ 296,876.00	$ 312,754.00	$ 15,878.00	
State Retirement (PERS)	414/415.11	$ 45,259.00	$ 386,686.00	$ 341,427.00	**Actual contributions $326,666 - PERS Actuarial Estimate Netted $45,259**
SIIS (Workers Comp)	417.11	$ 20,073.00	$ 47,837.00	$ 27,764.00	Smaller Increase than Expected
Medicare Tax	418.11	$ 19,198.00	$ 19,354.00	$ 156.00	
Unemployment Insurance	419.11	$ 45.00	$ 23,920.00	$ 23,875.00	Annual EMRB Fee
Contract Svcs	496.11	$ -	$ -	$ -	
OPEB Expense	420.11	$ 28,861.33	$ 50,000.00	$ 21,138.67	Estimate
Salaries/Benefits		**$ 1,637,344.33**	**$ 2,175,320.00**	**$ 537,975.67**	
Electric Power	421.11/.14	$ 239,702.00	$ 230,750.00	$ (8,952.00)	
Electric Power - BPS	421.12	$ 15,368.00	$ 11,000.00	$ (4,368.00)	
Electric Power - MPS	421.13	$ 64,715.00	$ 54,500.00	$ (10,215.00)	

JUNE 2021-2022 BUDGET VS. ACTUAL

		JUNE	Budgeted	Variance	Comments
Natural Gas	423.11	$ 10,853.00	$ 10,000.00	$ (853.00)	
Natural Gas - BPS	423.12	$ 1,438.00	$ 900.00	$ (538.00)	
Natural Gas - MPS	423.13	$ 394.00	$ 365.00	$ (29.00)	
Water	425.11	$ 12,124.00	$ 12,400.00	$ 276.00	
Water - BPS	425.12	$ 3,888.00	$ 3,000.00	$ (888.00)	
Water - MPS	425.13	$ 14,486.00	$ 10,100.00	$ (4,386.00)	
Solid Waste Removal	483.11	$ 7,055.42	$ 4,655.00	$ (2,400.42)	More grit and rags w/new process
Utilities		**$ 370,023.42**	**$ 337,670.00**	**$ (32,353.42)**	
Chemicals	470.11	$ 71,128.00	$ 67,000.00	$ (4,128.00)	Extra chemicals for process change
Lab Supplies	471.11	$ 5,185.00	$ 2,750.00	$ (2,435.00)	Extra tests for process change
Supplies		$ -	$ -	$ -	
Chemicals/Supplies		**$ 76,313.00**	**$ 69,750.00**	**$ (6,563.00)**	
Legal Services	460.11	$ 34,964.00	$ 40,000.00	$ 5,036.00	
Accounting	462.11	$ 55,563.00	$ 55,350.00	$ (213.00)	
Legal/Accounting		**$ 90,527.00**	**$ 95,350.00**	**$ 4,823.00**	

JUNE 2021-2022 BUDGET VS. ACTUAL

		JUNE	Budgeted	Variance	Comments
Engineering	450.11	$ 41,051.00	$ 60,000.00	$ 18,949.00	
Engineering - BPS		$ -	$ -	$ -	
Engineering - MPS		$ -	$ -	$ -	
Engineering - In-District		$ -	$ -	$ -	
Consulting	458.11	$ 21,100.00	$ 34,000.00	$ 12,900.00	
Engineering/Consulting		**$ 62,151.00**	**$ 94,000.00**	**$ 31,849.00**	
Maintenance Export Line	430.11	$ 2,420.00	$ 19,500.00	$ 17,080.00	
Maintenance Collection System	430.19	$ 123,425.00	$ 70,500.00	$ (52,925.00)	Camera Inspection Estimated
Repairs Collection System	431.19	$ -	$ 1,500.00	$ 1,500.00	
Computer Maintenance/Supplies	431/432.11	$ 692.00	$ 5,000.00	$ 4,308.00	
Annual Software Licenses	433.11	$ 20,379.00	$ 24,500.00	$ 4,121.00	
SCADA Support	434.11	$ 22,028.00	$ 18,000.00	$ (4,028.00)	Modification to daily flow log
Repairs - Vehicles	436.11	$ 8,361.00	$ 10,050.00	$ 1,689.00	
Repairs - Mechanical	440.11	$ 38,852.00	$ 45,000.00	$ 6,148.00	
Repairs - Mechanical BPS	440.12	$ 2,103.00	$ 7,000.00	$ 4,897.00	
Repairs - Mechanical MPS	440.13	$ 1,303.00	$ 11,000.00	$ 9,697.00	
Emergency Repairs	440.3	$ -	$ -	$ -	
Repairs Bldg & Grounds	441.11	$ 4,184.00	$ 7,800.00	$ 3,616.00	

JUNE 2021-2022 BUDGET VS. ACTUAL

		JUNE	Budgeted	Variance	Comments
Repairs Bldg & Grounds - BPS	441.12	$ -	$ 1,000.00	$ 1,000.00	
Repairs Bldg & Grounds - MPS	441.13	$ -	$ -	$ -	
Repairs Heating	442.11	$ -	$ 825.00	$ 825.00	
Repairs Heating	442.12	$ -	$ 1,000.00	$ 1,000.00	
Repairs Heating	442.13	$ -	$ -	$ -	
Repairs Electrical	443.11	$ 6,002.00	$ 1,675.00	$ (4,327.00)	Upgrade project related works
Repairs Electrical	443.12	$ -	$ 1,000.00	$ 1,000.00	
Repairs Electrical	443.13	$ -	$ 500.00	$ 500.00	
Repairs Instruments	444.11	$ 7,305.00	$ 10,000.00	$ 2,695.00	
Equipment Rental	447.11	$ 1,772.00	$ 3,000.00	$ 1,228.00	
Maintenance Supplies	449.11	$ 13,329.00	$ 5,100.00	$ (8,229.00)	Cost of hardware material skyrocketed
Safety Equipment	487.11	$ 10,950.00	$ 8,000.00	$ (2,950.00)	Incl. elevator inspections/permits
Odor Control System Maintenance	491.11	$ 55.00	$ 19,000.00	$ 18,945.00	Carbon medium charged to project
Repairs/Maintenance		**$ 263,160.00**	**$ 270,950.00**	**$ 7,790.00**	
Casualty Insurance	466.11	$ 87,440.00	$ 100,800.00	$ 13,360.00	Smaller Increase than expected
Pollution Liability Insurance	468.11	$ -	$ -	$ -	
Insurance		**$ 87,440.00**	**$ 100,800.00**	**$ 13,360.00**	

JUNE 2021-2022 BUDGET VS. ACTUAL

		JUNE	Budgeted	Variance	Comments
Telephone	427.11	$ 19,987.00	$ 20,500.00	$ 513.00	
Telephone	427.12	$ 422.00	$ 1,150.00	$ 728.00	
Telephone	427.13	$ -	$ -	$ -	
Small Tools & Equipment	435.11	$ 11,422.00	$ 8,025.00	$ (3,397.00)	In-House Projects
Laundry and Linen	482.11	$ 2,301.00	$ 3,500.00	$ 1,199.00	
Forest Svc. Fee	484.11	$ 1,234.00	$ 500.00	$ (734.00)	3 year fee
Training, Dues & Subscriptions	485.11	$ 2,562.00	$ 5,000.00	$ 2,438.00	
Office Expenses	486.11	$ 9,514.00	$ 12,000.00	$ 2,486.00	
Travel	488.11	$ -	$ -	$ -	
Sample Testing	490.11	$ 59,707.00	$ 45,725.00	$ (13,982.00)	More testing for new process
Operating Lease	494.11	$ -	$ -	$ -	
Biosolids Disposal	493.11	$ 50,846.00	$ 56,650.00	$ 5,804.00	
Underground Service Alert	495.11	$ 397.00	$ 500.00	$ 103.00	
Permit Fees	497.11	$ 9,580.00	$ 13,250.00	$ 3,670.00	
Misc Exp and Bank Fees	499.11/480.1	$ 8,126.00	$ 10,700.00	$ 2,574.00	
Other Operating Expenses		**$ 176,098.00**	**$ 177,500.00**	**$ 1,402.00**	

JUNE 2021-2022 BUDGET VS. ACTUAL

		JUNE	Budgeted	Variance	Comments
Fuels and Lubricants	476.11	$ 24,760.00	$ 22,860.00	$ (1,900.00)	Increased gas prices
Fuels & Lubricants		**$ 24,760.00**	**$ 22,860.00**	**$ (1,900.00)**	
Total Operating Expenses Thru JUNE		**$ 2,787,816.75**	**$ 3,344,200.00**	**$ 556,383.25**	
				16.64%	

PROPRIETARY FUND	(1) ACTUAL PRIOR YEAR ENDING 6/30/2020	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2021	(3) BUDGET YEAR ENDING 06/30/22 FINAL APPROVED	(3) BUDGET YEAR ENDING 06/30/22 AUGMENTED APPROVED
OPERATING REVENUE				
Sewer Fees	**2,465,666**	**2,448,621**	**2,321,164**	**2,350,691**
Contracts - Other Districts	**2,361,588**	**2,745,482**	**2,985,068**	**2,955,540**
Other Fees	**182,167**	**13,000**	**13,000**	**13,000**
Total Operating Revenue	**5,009,421**	**5,207,103**	**5,319,232**	**5,319,231**
OPERATING EXPENSE				
Salaries, Benefits	**1,928,057**	**2,139,338**	**2,175,335**	**2,043,935**
Utilities	**326,478**	**345,505**	**337,670**	**380,920**
Chemicals, Supplies	**62,397**	**71,250**	**69,750**	**89,750**
Legal, Accounting	**84,423**	**99,850**	**95,350**	**115,350**
Engineering and Consulting	**125,836**	**104,000**	**94,000**	**89,000**
Repairs and Maintenance	**307,777**	**264,475**	**227,450**	**288,950**
Insurance, Other	**243,317**	**298,825**	**321,800**	**303,450**
Fuels, Lubricants	**14,368**	**20,860**	**22,860**	**32,860**
Depreciation/Amortization	**1,648,966**	**1,819,263**	**1,794,225**	**1,794,225**
Total Operating Expense	**4,741,619**	**5,163,366**	**5,138,440**	**5,138,440**
Operating Income or (Loss)	**267,802**	**43,737**	**180,792**	**180,792**
NONOPERATING REVENUES				
Interest Earned	**171,488**	**113,000**	**63,300**	**63,300**
Property Taxes	**0**	**0**	**0**	**0**
Consolidated Tax	**137,984**	**137,984**	**137,984**	**137,984**
Capacity Fees	**56,600**	**0**	**0**	**0**
Gain on Disposal of Assets	**720**	**0**	**0**	**0**
Federal Grant Funds	**0**	**0**	**0**	**0**
Total Nonoperating Revenues	**366,792**	**250,984**	**201,284**	**201,284**
NONOPERATING EXPENSES				
Interest on Bonds	**32,629**	**157,718**	**208,164**	**208,164**
Loan Acqusition Expense	**101,909**	**0**	**0**	**0**
Total Nonoperating Expenses	**134,538**	**157,718**	**208,164**	**208,164**
Net Income before Operating Transfers	**500,056**	**137,003**	**173,912**	**173,912**
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	**500,056**	**137,003**	**173,912**	**173,912**

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY

(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION

FUND ENTERPRISE (PROPRIETARY)

Douglas County Lake Tahoe Sewer Auth.

AP Check Register (Current by Bank)

Check Dates: 6/16/2022 to 8/17/2022

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
BANK ID: WFCHK - WELLS FARGO CHECKING					**101.1000**
11137	07/06/22	P	AL17	ALHAMBRA	$163.45
11138	07/06/22	P	BE15	BENTLY FAMILY LTD PARTNERSHIP	$408.80
11139	07/06/22	P	CA25	CASHMAN EQUIPMENT COMPANY	$126.12
11140	07/06/22	P	DTS	DIGITAL TECHNOLOGY SOLUTIONS	$265.50
11141	07/06/22	P	GI20	DOUGLAS GIBSON	$299.28
11142	07/06/22	P	FREDH	FRED HOWARD	$564.41
11143	07/06/22	P	HDR01	HDR, ENGINEERING, INC.	$3,237.19
11144	07/06/22	P	PH12	JOHN PHILLIPS	$482.86
11145	07/06/22	P	IKE01	KELVIN IKEHARA	$361.82
11146	07/06/22	P	LA12	LAWSON PRODUCTS, INC.	$1,328.23
11147	07/06/22	P	AGUILA	MANNY AGUILAR	$170.10
11148	07/06/22	P	MO19	MOTION INDUSTRIES, INC.	$510.36
11149	07/06/22	P	NV01	NV ENERGY	$28,932.77
11150	07/06/22	P	EA13	PAULA EAST-JANICKI	$857.24
11151	07/06/22	P	VAN1	RICK VAN HORN	$264.21
11152	07/06/22	P	SO10	SOUTH TAHOE REFUSE, INC.	$607.53
11153	07/06/22	P	AB01	SUMMIT FIRE & SECURITY	$5,750.00
11154	07/06/22	P	TA01	TAHOE BASIN CONTAINER SVC.,INC	$3,332.50
11155	07/06/22	P	VER	VERIZON	$316.24
11156	07/06/22	P	WE10	WEDCO INC.	$238.68
11157	07/06/22	P	WE12	Western Envir. Testing Lab	$442.00
11158	07/06/22	P	JOHN	YING H. JOHNSON	$25.50
11159	07/27/22	P	AL01	ALLISON MACKENZIE, Ltd.	$10,570.00
11160	07/27/22	P	BE15	BENTLY FAMILY LTD PARTNERSHIP	$1,448.16
11161	07/27/22	P	CA12	CARSON VALLEY OIL CO., INC.	$1,962.19
11162	07/27/22	P	CH15	CHARTER COMMUNICATIONS	$259.95
11163	07/27/22	P	CODALE	CODALE ELECTRIC SUPPLY	$2,550.00
11164	07/27/22	P	DCP&W	DOUGLAS COUNTY PARKS AND WEED	$427.08
11165	07/27/22	P	GADDIS	GADDIS INCORPORATED	$3,714.38
11166	07/27/22	P	GR13	GRAINGER	$1,462.69
11167	07/27/22	P	HDR01	HDR, ENGINEERING, INC.	$7,445.46
11168	07/27/22	P	HOMETO	HOMETOWN HEALTH	$17,032.79
11169	07/27/22	P	SIERRA	DBA SIERRA OFFICE SOLUTIONS	$100.93
11170	07/27/22	P	BOU11	BOULDER EXTERMINATORS, INC	$150.00
11171	07/27/22	P	KGW	K.G. WALTERS CONSTRUCTION CO.	$169,507.25
11172	07/27/22	P	KI11	KINGSBURY GENERAL IMP. DIST.	$1,309.13
11173	07/27/22	P	PR02	LINDE GAS & EQUIPMENT INC.	$68.50
11174	07/27/22	P	MET11	METLIFE - GROUP BENEFITS	$1,859.63
11175	07/27/22	P	MOU02	MOUNTAIN ALARM	$159.00
11176	07/27/22	P	OREILL	O'REILLY AUTOMOTIVE, INC.	$286.81
11177	07/27/22	P	OLIN	OLIN CORP - CHLOR ALKALI	$6,702.19
11178	07/27/22	P	NE42	STATE OF NV. P.E.B.P.	$1,377.55
11179	07/27/22	P	AB01	SUMMIT FIRE & SECURITY	$4,000.00
11180	07/27/22	P	SU13	SUMMIT PLUMBING CO., LLC	$11,025.00
11181	07/27/22	P	TA18	TAHOE REGIONAL PLANNING AGENCY	$920.00
11182	07/27/22	P	UN16	UNDERGROUND SERVICE ALERT,INC.	$594.13
11183	07/27/22	P	US12	USABLUEBOOK	$929.14
11184	07/27/22	P	VI12	VISION SERVICE PLAN - (AT)	$271.06
11185	07/27/22	P	WF01	WELLS FARGO	$6,731.41
11186	07/27/22	P	WE12	Western Envir. Testing Lab	$1,072.00
11187	08/10/22	P	ABBA	ABBA PUMP PARTS & SVC	$2,595.00
11188	08/10/22	P	AL17	ALHAMBRA	$164.45
11189	08/10/22	P	AL01	ALLISON MACKENZIE, Ltd.	$980.00
11190	08/10/22	P	BE15	BENTLY FAMILY LTD PARTNERSHIP	$464.94
11191	08/10/22	P	CA12	CARSON VALLEY OIL CO., INC.	$1,536.85
11192	08/10/22	P	CA25	CASHMAN EQUIPMENT COMPANY	$1,567.20

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**** Denotes broken check sequence.**

Douglas County Lake Tahoe Sewer Auth.

AP Check Register (Current by Bank)

Check Dates: 6/16/2022 to 8/17/2022

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
11193	08/10/22	P	CODALE	CODALE ELECTRIC SUPPLY	$1,548.32
11194	08/10/22	P	CAP03	DBA CAPITAL MACHINE	$1,472.00
11195	08/10/22	P	GI20	DOUGLAS GIBSON	$299.28
11196	08/10/22	P	FREDH	FRED HOWARD	$564.41
11197	08/10/22	P	FR01	FRONTIER	$158.93
11198	08/10/22	P	GR13	GRAINGER	$150.47
11199	08/10/22	P	HDR01	HDR, ENGINEERING, INC.	$1,500.73
11200	08/10/22	P	JENSPR	JENSEN PRECAST - CORPORATE	$1,300.00
11201	08/10/22	P	PH12	JOHN PHILLIPS	$482.86
11202	08/10/22	P	IKE01	KELVIN IKEHARA	$361.82
11203	08/10/22	P	KI11	KINGSBURY GENERAL IMP. DIST.	$1,298.63
11204	08/10/22	P	KI12	KINGSBURY HARDWARE	$60.95
11205	08/10/22	P	LA12	LAWSON PRODUCTS, INC.	$1,051.48
11206	08/10/22	P	LES-SL	LES SCHWAB TIRES	$39.98
11207	08/10/22	P	LIBE	LIBERTY PROCESS EQUIPMENT	$1,672.43
11208	08/10/22	P	LIBERT	LIBERTY UTILITIES	$35.17
11209	08/10/22	P	AGUILA	MANNY AGUILAR	$170.10
11210	08/10/22	P	MC10	MCMASTER-CARR SUPPLY	$16.76
11211	08/10/22	P	GUT	MIKE GUTIERREZ	$350.00
11212	08/10/22	P	MO19	MOTION INDUSTRIES, INC.	$157.08
11213	08/10/22	P	LA11	NAPA AUTO PARTS	$1,148.56
11214	08/10/22	P	NE39	NEVADA SEAL & PUMP	$12,626.37
11215	08/10/22	P	NICOLO	NIKOLAI NIKOLOV	$240.00
11216	08/10/22	P	NV01	NV ENERGY	$30,279.60
11217	08/10/22	P	OREILL	O'REILLY AUTOMOTIVE, INC.	$192.43
11218	08/10/22	P	EA13	PAULA EAST-JANICKI	$857.24
11219	08/10/22	P	AN12	R.O. ANDERSON ENGINEERING, INC	$5,030.00
11220	08/10/22	P	VAN1	RICK VAN HORN	$264.21
11221	08/10/22	P	ROBHOP	ROBERT HOPKINS	$128.99
11222	08/10/22	P	SIL4	SILVER STATE ANALYTICAL LAB	$254.00
11223	08/10/22	P	SO10	SOUTH TAHOE REFUSE, INC.	$571.07
11224	08/10/22	P	SO13	SOUTHWEST GAS	$277.43
11225	08/10/22	P	ST09	STANDARD INSURANCE COMPANY	$534.51
11226	08/10/22	P	NE42	STATE OF NV. P.E.B.P.	$1,377.55
11227	08/10/22	P	SU13	SUMMIT PLUMBING CO., LLC	$1,162.50
11228	08/10/22	P	TA01	TAHOE BASIN CONTAINER SVC.,INC	$3,332.50
11229	08/10/22	P	VER	VERIZON	$316.20
11230	08/10/22	P	WE10	WEDCO INC.	$494.92
11231	08/10/22	P	WF01	WELLS FARGO	$9,735.61
11232	08/10/22	P	WE12	Western Envir. Testing Lab	$2,670.00
11233	08/10/22	P	WE18	WESTERN NEVADA SUPPLY CO.	$114.64
				BANK WFCHK REGISTER TOTAL:	**$394,229.39**
				GRAND TOTAL :	**$394,229.39**

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Douglas County Lake Tahoe Sewer Auth.

GL Entry Report - Batch Order

Year: All / Date: 6/16/2022 - 8/17/2022

Entry #	Date	Document	Job	Account	Description	Debits	Credits	Balance
BATCH: 7749	**JOURNAL: B**	**STATUS: Posted**	**PERIOD: 2023 - 1**	**CREATED: 06/21/22 by YHJ**				
139688	07/01/22			265.4000	SRF LOANS DEBT SVC	$61,164.83	$0.00	$61,164.83
139689	07/01/22			705.4000	SRF LOANS DEBT SVC	$9,083.74	$0.00	$70,248.57
139690	07/01/22			706.4000	SRF LOANS DEBT SVC	$90,186.28	$0.00	$160,434.85
139691	07/01/22			101.4000	SRF LOANS DEBT SVC	$0.00	$160,434.85	$0.00
					BATCH 7,749 TOTALS:	**$160,434.85**	**$160,434.85**	**$0.00**
BATCH: 7753	**JOURNAL: B**	**STATUS: Posted**	**PERIOD: 2023 - 1**	**CREATED: 06/28/22 by YHJ**				
139781	07/15/22			414.1100	JUNE PERS CONTRIBS	$12,321.13	$0.00	$12,321.13
139782	07/15/22			415.1100	JUNE PERS CONTRIBS	$12,321.12	$0.00	$24,642.25
139783	07/15/22			101.1000	JUNE PERS CONTRIBS	$0.00	$24,642.25	$0.00
					BATCH 7,753 TOTALS:	**$24,642.25**	**$24,642.25**	**$0.00**
BATCH: 7781	**JOURNAL: B**	**STATUS: Posted**	**PERIOD: 2023 - 1**	**CREATED: 07/21/22 by YHJ**				
139941	07/20/22			417.1100	Q4 FY 21-22 WORKERS' COMP	$4,476.00	$0.00	$4,476.00
139942	07/20/22			101.1000	Q4 FY 21-22 WORKERS' COMP	$0.00	$4,476.00	$0.00
					BATCH 7,781 TOTALS:	**$4,476.00**	**$4,476.00**	**$0.00**
BATCH: 7798	**JOURNAL: B**	**STATUS: Posted**	**PERIOD: 2023 - 2**	**CREATED: 08/01/22 by YHJ**				
140100	08/15/22			414.1100	JULY 2022 PERS CONTRIBS	$11,924.82	$0.00	$11,924.82
140101	08/15/22			415.1100	JULY 2022 PERS CONTRIBS	$11,924.83	$0.00	$23,849.65
140102	08/15/22			101.1000	JULY 2022 PERS CONTRIBS	$0.00	$23,849.65	$0.00
					BATCH 7,798 TOTALS:	**$23,849.65**	**$23,849.65**	**$0.00**
					TOTAL OF ALL JOURNAL(S):	**$213,402.75**	**$213,402.75**	