MINUTES OF REGULAR MEETING OF
THE BOARD OF TRUSTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
February 15, 2023

CALL TO ORDER:

A Meeting of the Board of Trustees of the Douglas County Lake Tahoe Sewer Authority (DCLTSA) was duly convened at 9:30 a.m. on Wednesday, February 15, 2023, at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

ROLL CALL:

Present were Trustees John McLaughlin, Andy Huckbody and Jodie Nelson.

RECOGNITION OF OTHERS IN ATTENDANCE:

Also present were Authority Manager Rob Hopkins, Authority Controller Paula East-Janicki, Authority Accountant Ying Johnson, Authority Engineer, Rob Anderson and the Authority's legal counsel, Jim Cavilia.

PUBLIC COMMENT:

There was no public comment.

APPROVAL OF AGENDA:

It was moved by Trustee Huckbody, seconded by Trustee Nelson and carried unanimously (3-0) that the agenda be approved and adopted as presented.

MINUTES OF PRIOR MEETING:

It was moved by Trustee Nelson, seconded by Trustee Huckbody and carried unanimously (3-0) that the minutes of the Meeting of the Board of Trustees of DCLTSA, dated January 18, 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 he participated in a virtual meeting with representatives of South Tahoe Public Utilities District (STPUD), Incline Village General Improvement District (IVGID), Indian

Hills General Improvement District (IHGID), the Town of Mammoth Lakes and Bently Agrowdynamics to discuss the future sale of Bently property and the ongoing disposal of biosolids on the Bently Ranch. Mr. Hopkins stressed that the Bently representative assured everyone that existing agreements would be honored and that regular meetings would be held going forward.

Mr. Hopkins stated that Authority staff and R.O. Anderson Engineering continue to review and consider proposed new access designs with regard to the Beach Pump Station. Mr. Hopkins explained that the parking and access are being redesigned to accommodate improvements to the Burke Creek drainage that are being planned by the U.S. Forest Service and the Nevada Tahoe Conservation District (NTCD).

With regard to the Authority's agreement with Bently for effluent disposal, Mr. Hopkins reported that he has reviewed and provided comments to an updated effluent disposal agreement that has been prepared by the Authority's legal counsel.

Mr. Hopkins thanked the Authority engineer Rob Anderson and his staff for their work in completing the 2022 Annual Discharge Monitoring Report (DMR) which was recently submitted to the Nevada Division of Environmental Protection (NDEP).

With regard to treatment plant operations, Mr. Hopkins reported that he has provided laboratory and plant performance data to HDR Engineering for review since completion of the treatment plant upgrades in April 2022.

Mr. Hopkins stated that Authority staff has recently completed installation of new SCADA control panels for the sodium hypochlorite disinfection pump system and that significant savings were realized by completing the work in-house.

Mr. Hopkins reported that staff also replaced a failed power supply unit related to the Authority's export pumps.

Finally, Mr. Hopkins thanked staff for their ongoing snow removal efforts that are also continuing to contribute to overtime costs for the Authority.

In response to an inquiry from Trustee Huckbody, Mr. Hopkins stated that sewage flows appear to be higher than last year, averaging approximately 1.2 million gallons per day in January.

Chairman McLaughlin 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 February 14, 2023, briefly summarizing various issues that R.O.

Anderson Engineering has been involved with on behalf of the Authority. The February 14, 2023 correspondence is incorporated in these minutes by this reference.

With regard to the new access for the Beach Pump Station, Mr. Anderson indicated that the planned changes would result in a reduction in impacts to the wetlands in the area and a small increase in the amount of pavement.

Mr. Anderson confirmed that the Authority's annual DMR was timely filed with NDEP and that a biosolids report was currently being finalized.

Mr. Anderson reported that he was working with the contractor on the mechanical building re-roofing project to be sure that the appropriate bonds are in place. Mr. Anderson stated that once the project is started it is expected to take 3-4 weeks to complete.

In response to a question from Trustee Huckbody, Mr. Anderson stated that work on the new access to the Beach Pump Station will likely take place in the summer and that either the NTCD or Douglas County would be responsible for the removal of existing pavement and that the Authority's new access and parking will be part of the project.

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

Attorney's Report

A. Status of Updated Agreement between the Authority and Elk Point Sanitation District.

The Authority's legal counsel, Jim Cavilia, reported that he has prepared a draft agreement with the Elk Point Sanitation District (EPSD) that will generate the funds required for the Authority to provide the necessary improvements to the EPSD sewage collection system and properly maintain the system going forward. Mr. Hopkins added that two EPSD pump stations need to be upgraded and that he hopes to be able to complete the work this year. Mr. Cavilia indicated that he would keep the Board informed as the proposed new agreement is considered by EPSD in the near future.

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

AUTHORITY CONTROLLER'S REPORT:

A. General Status Report

Ms. East-Janicki reported that the Authority's operating expenses are approximately 9% under budget through December. Ms. East-Janicki added that work is beginning on preparation of a tentative budget for the upcoming year which will be presented to the Board in March.

Ms. East-Janicki provided the Board with an updated Capital Development Plan and explained that the plan is funded from the Authority's Capital Development Assessment that generates $2.25 million annually.

With regard to the sewer collection line review and analysis, Ms. East-Janicki stated that the work is continuing and that the data will be submitted to HDR Engineering in order to prioritize the repair and replacement of those lines.

Following Ms. East-Janicki's report, a general discussion among the Trustees ensued regarding the Capital Development Plan, in general, and the effluent pipeline replacement project, specifically. Ms. East-Janicki explained that she has budgeted for engineering and permitting in the upcoming year for the effluent pipeline project and that the Capital Development Plan is adjusted each year and then included in the final Authority budget approved in May. Ms. East-Janicki explained that the Capital Development Plan projects are paid for from the Authority's Construction fund.

In response to an inquiry from the Board, Ms. East-Janicki stated that expenses related to the repair and replacement of the Authority's sewer collection system will be paid from the Authority's general fund.

Chairman McLaughlin 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 $14.7 million invested and that since the last Board meeting she has acquired three new certificates of deposit (CDs), each in the amount of $245,000 and that the total held in CDs is now $2,940,000 with approximately $11.8 million held in the Local Government Investment Pool.

Chairman McLaughlin 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. In response to an inquiry from Trustee Nelson, Ms. East-Janicki explained various expenses outlined in the list of claims. In response to a question from Trustee Huckbody, Ms. East-Janicki stated that the Authority's recent monthly bills, approximately $41,000, were higher than normal as a result of higher influent flows.

The claims were signed off on by Chairman McLaughlin.

Chairman McLaughlin 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 Huckbody reported that Tahoe Douglas District (TDD) did not have a meeting in February and added that TDD has utilized Casey Neilon for its annual audit in recent years.

Trustee Nelson reported that Kingsbury General Improvement District (KGID) was having its regular monthly Board meeting in the upcoming week and that a special meeting was being planned to discuss KGID's new building on Pine Ridge with the plan of retrofitting the building to include KGID's operations and administrative functions in the same location.

Trustee McLaughlin reported that the Douglas County Commission was once again scheduled to discuss the funding of micro-transit at Lake Tahoe during an upcoming meeting. Trustee McLaughlin expressed his hope of getting the funding finally approved and he added that 50-60% of the users of the micro-transit are employees. Trustee McLaughlin also reported that occupancy has been down slightly because of the frequency of weekend snowstorms.

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

PUBLIC COMMENT:

None.

ADJOURNMENT:

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

APPROVED

4872-2479-8804, v. 1

Meeting Date: February 15th, 2023

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

Authority Manager's Monthly Report – February 2023
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.

1. I participated in a Zoom meeting with South Tahoe Public Utility District, Incline Village GID, Indian Hills GID, the Town of Mammoth Lakes and representatives of Bently Agrowdynamics to discuss the future sale of the Bently properties and the future of biosolids disposal at the Bently Ranch. Bently staff assured all that existing agreements shall be honored, and that any agreements that come up for renewal prior to negotiations with potential buyers will be renewed. At the time of the discussion, no proposals to purchase the Bently properties had been received. All members participating in the Zoom meeting agreed to continue regular meetings quarterly in order to stay informed as to the status of the Bently property.

2. DCLTSA staff has reviewed the proposed new pavement, parking, and access design generated by Authority Engineer R.O. Anderson for the Beach Pump Station. The parking revisions are necessary as the U.S. Forest Service and the Nevada Tahoe Conservation District are planning to recontour the Burke Creek drainage and remove existing paved access to the Beach Pump Station via the Tahoe Beach Club properties. Mr. Anderson can provide additional details if desired.

3. DCLTSA has reviewed draft language provided to staff by Authority Counsel Jim Cavilia for the update of the Bently effluent disposal agreement. Comments on the Bently 2nd Amended and Restated Agreement have been returned to Mr. Cavilia. Jim may provide additional detail to the Board as requested.

4. I wish to thank Authority Engineer R.O. Anderson and his staff for their good work generating the 2022 Annual Discharge Monitoring Report. The report has been submitted to the Nevada Division of Environmental Protection.

5. I recently forwarded laboratory and plant performance data to HDR Engineering for their review of Treatment Plant operations since the completion of the Treatment Plant Upgrades Project in April 2022. We have not yet received any feedback from HDR, but based on work Paula and Ying have done for our Biosolids reporting, I am pleased to inform the Board that our Biosolids tonnage hauled off from the Plant for disposal has been reduced by about 15.5% this year as compared to 2021, and that reflects only 8 months of us operating in the new Nitrification / Denitrification mode.

6. DCLTSA staff is completing work building new SCADA control panels for the Authority Sodium Hypochlorite Disinfection Pump System. This work is being done in-house and will save the Authority considerably versus contracting the work out to a vendor such as Tesco Controls.

7. DCLTSA staff recently replaced a failing Universal Power Supply unit for the Export Pump Programmable Logic Controllers.

8. Snow removal continues to be the primary generator of Overtime costs for this month. Once again, I wish to thank all our staff for the long hours they have put in to keep DCLTSA operations functioning.

R O Anderson

February 14, 2023

Via Email

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

Authority Engineer's Monthly Report – February 2023

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 January 18, 2023. 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 project-specific services provided this past month include:

Beach Pump Station – Alternative Site Access Exhibit
As generally discussed at the last meeting of the Board, NTCD is working on the design of the Kahle Drive Improvement Project. As part of that project, representatives of the USFS are seeking to terminate the Authority's access to the Beach Pump Station site from Beach Club Drive. The basis of USFS' request is to remove the current paved driveway and culvert from what is the riparian area of Burke Creek. During the period we worked with Authority personnel to develop an alternative configuration of access improvements at the Beach Pump Station site accessing directly through the campground at Nevada Beach. A copy of the preliminary Site Plan depicting the alternate configuration is attached for your reference and consideration.

In response to the Authority's requested site improvements, we received a few questions from the USFS representative requiring some justification for the proposed parking and driveway configuration. Again, after collaborating with Authority personnel, we prepared and ultimately submitted a reasoned justification.

As of this date, we are awaiting further input or responses from either USFS or NTCD as to the acceptability of the Authority's proposed improvements.

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OFFICES
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2023 Mechanical Building Re-roof Project:
As approved by the Board, we prepared and issued the Notice of Award to East Fork Roofing for this project including the full Project Manual. Representatives of East Fork Roofing have acknowledged receipt of the Project Manual and are working to provide the required bonds and insurance documents. Once those documents have been received and reviewed, the Notice to Proceed can be issued.

As a reminder, the duration of this contract requires the work to be substantially complete on or before May 31, 2023.

Annual DMR's and Biosolids Reports
At the time of the Board's last meeting, we discussed that we were working to review, compile, and complete the Authority's Annual Discharge Monitoring Reports (DMRs) to NDEP-Bureau of Water Pollution Control for both Park Cattle Company and DCLTSA. Those documents were finalized and timely submitted on January 27, 2023.

We are currently working to prepare the Annual Biosolids Report for submittal to EPA, Region IX, which is due later this month.

Finally, we prepared our initial review and analysis of the 2022 influent flows in preparation to begin working on the annual Flow Report.

I will be present at the Board meeting and available then to review this information in greater detail, as well as address any specific questions or concerns Board members might have relative to these subjects. Thank you for your continued confidence and the opportunity to provide these services.

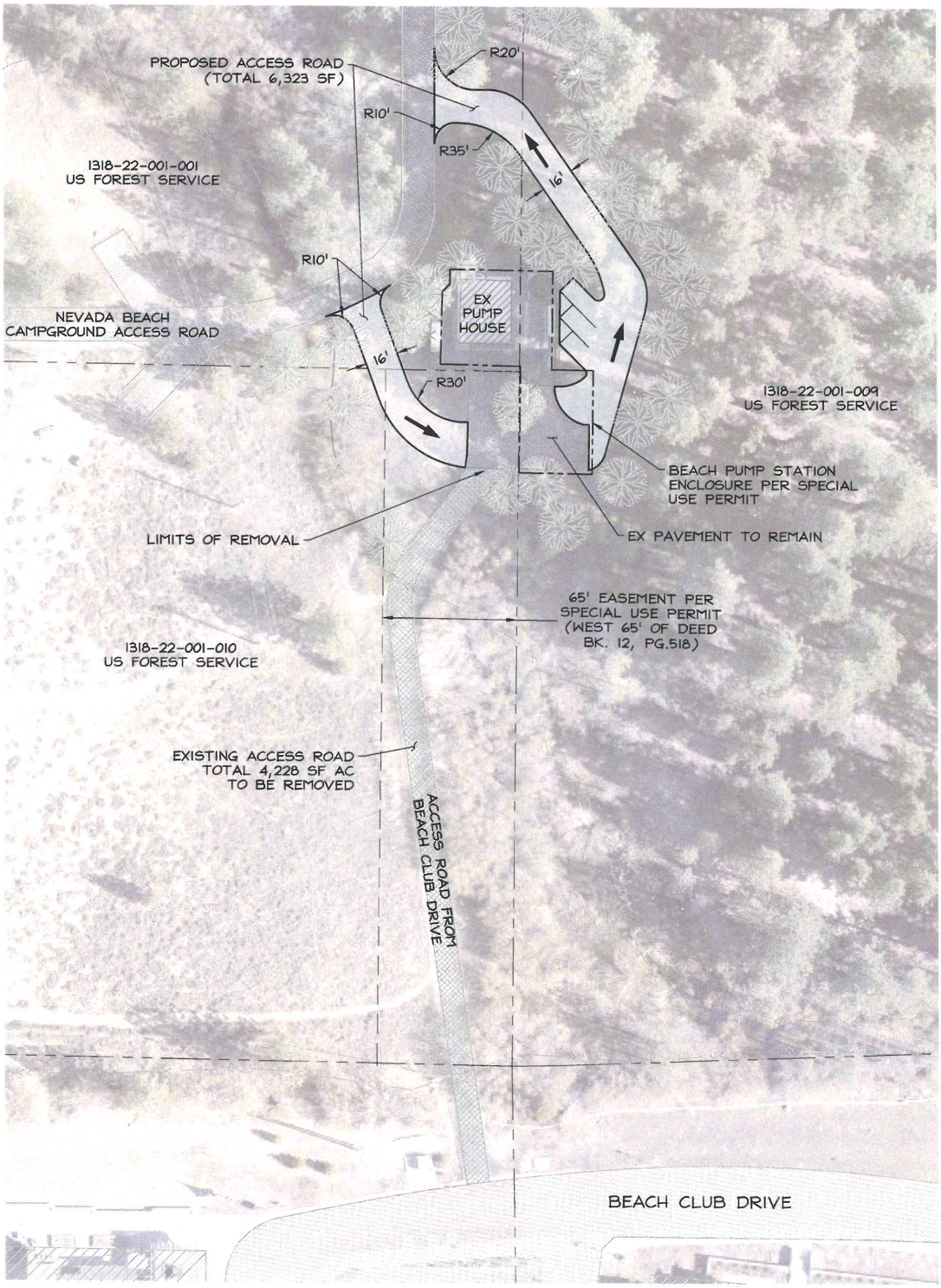
Yours faithfully,

R.O. ANDERSON ENGINEERING, INC.

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

Attachment

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



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R|O|Anderson
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DCLTSA
BEACH PUMP STATION ACCESS ALTERNATIVE CONFIGURATION

0643-002

01/25/2023

CONTROLLER'S GENERAL STATUS REPORT

February 15, 2023

- There is a Budget to Actual spreadsheet in the Board packet that shows operating expenses through December were almost 9% under budget. As before, most of that underage comes from the Salaries and Benefits category.

- We are beginning work on the next fiscal year budget. The tentative budget will be presented to the Board at the March 15 meeting.

- As part of the budget process, I have updated the Authority's Five-Year Capital Development Plan, and included it in the Board packet. This Plan is for large capital projects, usually over $1 million, that will be paid for from the Construction Fund. That fund is fed by the Special Assessment portion of rates, which totals $2.25 million per year.

Last year the Board requested that we also do a Capital Plan for the repair and replacement of the Authority's collection lines. We commissioned a camera assessment of all the lines by Summit Plumbing. However, due to early snow this year, that assessment is only about half done and will be started again when the snow melts. Once that is finished, and using the actual camera data, HDR Engineering will undertake a risk and replacement analysis to identify which segments of line should be prioritized for repair or replacement and an estimated cost. That will be a six-month process which takes us up to the budget cycle for 2024-2025. A Capital Plan for collection lines will be completed then.

Regarding the Construction Fund Capital Development Plan, last year we budgeted $1.5 million for Equipment and Electrical Improvements to the Main and Beach Pump Stations and $90,000 for the Return Activated Sludge Pumps Control Cabinet. That cabinet will finish off the Aeration Basins and Plant Upgrades project. To date, due to very long equipment lead times, only approximately $270,000 of the $1,590,000 has so far been expended. Anything left in that amount will be carried forward to next year. For now, you'll see that I've left the money in this fiscal year and hopefully by next month we'll have a clearer picture of when each portion of the project will be accomplished.

I have put $190,000 in next year's plan to begin the engineering and permitting process for replacement of the export line, which could possibly begin the following year.

I have given you the Plan this month so each of you can have the time to look it over and ask questions before the next Board meeting. For the tentative budget, I will use the numbers on this plan, but in April we can adopt one that will likely be more accurate. While we are not bound to stay within the confines of the plan, I do have to match the figures in the budget to it, so a final plan will need to be adopted in April ahead of the May final budget hearing.

- **Investment Report**

The Authority's investments total a little more than $14.7 million. Since the last Board meeting, I purchased three new CDs, $245,000 from each fund. Two of them mature in 18 months at 4.65%, and one in 12 months at 4.75%. The CDs now total $2,940,000 and there is a listing of them in the Board packet. The remaining $11,800,000 of Authority investments is held in entirely liquid investment checking and Local

Government Investment Pool accounts. LGIP paid almost 3.5% on our investments last month.

Claims and Check Register

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