NOTICE OF PUBLIC HEARING

The public is hereby notified that **DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY** will hold a Public Hearing to review and approve the Tentative Budget for Fiscal Year 2023/2024 on Wednesday, May 17, 2023 at 9:30 a.m. in the conference room of the Wastewater Reclamation Plant, Highway 50 and Sewer Plant Road in Zephyr Cove, Douglas County, Nevada. A Regular Meeting of the Board of Trustees of the Authority will begin immediately following the public hearing.

The Public Hearing and Regular Meeting will concurrently be conducted via Zoom Teleconference for those who wish to participate via that option using the link, or phone number and passcode below.

https://us06web.zoom.us/j/87487054203?pwd=MHhCemo3Z2ZXcjVJUGczQXpZVHdyZz09

Meeting ID: **874 8705 4203**
Passcode: **170260**
Phone: **+1 669 900 6833**

The tentative budget for Douglas County Lake Tahoe Sewer Authority has been prepared in such detail and on appropriate forms as required by the Nevada Department of Taxation.

Copies of the tentative budget will be on file and available for public inspection with the County Clerk, Minden, Nevada; the Controller of the Authority, Administration Building, Wastewater Reclamation Plant, Zephyr Cove, Douglas County, Nevada; and at the office of the Nevada Department of Taxation.

In accordance with NRS 241.020, this notice has been posted in the following locations:

(1) Douglas County Lake Tahoe Sewer Authority
Wastewater Reclamation Plant Administration Building
Highway 50 and Sewer Plant Road
Zephyr Cove, Nevada

(2) Stateline Post Office
Kingsbury Grade
Stateline, Nevada

(3) Lake Village Home Owners Association
Lake Village Club House
Stateline, Nevada

(4) Douglas County Administration Building
175 Highway 50
Stateline, Nevada

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
PUBLIC HEARING AND REGULAR MEETING AGENDA
WEDNESDAY, MAY 17, 2023

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

Items on the agenda may be taken out of order.

Two or more agenda items may be combined for consideration.

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

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

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

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

1. Call Meeting to Order – 9:30 a.m.
2. Roll Call
3. Recognition of Others in Attendance
4. Public Comment - for discussion only
5. Approval of Agenda - **for possible action.**
6. Minutes of Prior Meeting of the Board of Trustees (April 19, 2023) – **for possible action.**
7. **PUBLIC HEARING** on the Final Budget for Fiscal Year 2023-2024 – **for possible action.**
8. Discussion and possible action regarding access to the Authority's Beach Pump Station and a request by the United States Forest Service (USFS) that the Authority abandon its current right to access via Kahle Drive/Beach Club Drive as part of improvements to Burke Creek being considered by the USFS and the Nevada Tahoe Conservation District – **for possible action.**

9. Manager's Report (Rob Hopkins)

   A. General Report.

10. Engineer's Report

    A. General Projects Status Report.

11. Attorney's Report

    A. Discussion and possible execution of Amended and Restated Agreement between the Authority and Elk Point Sanitation District **– for possible action.**

12. Controller's Report

    A. General Status Report

    B. Investment Report

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

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

15. Final Public Comment

16. Adjournment

CERTIFICATE OF POSTING

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

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

U.S. Post Office
Kingsbury Grade
Stateline, Nevada

Lake Village Homeowners Association
Lake Village Clubhouse
Stateline, Nevada

Douglas County Administration Building
175 Highway 50
Stateline, Nevada

DATED this 12th day of May, 2023.

P. East-Janicki

Print Name: Paula East-Janicki
Title: DCLTSA Controller

MINUTES OF REGULAR MEETING OF
THE BOARD OF TRUSTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
April 19, 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, March 15, 2023, at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

ROLL CALL:

Present were Trustees John McLaughlin, Jodie Nelson, Wes Rice and Keith Fertala. Andy Huckbody was present via audio and video internet connection by which he could hear everyone at the meeting, and everyone could hear him.

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 Rice, seconded by Trustee Nelson and carried unanimously that the agenda be approved and adopted as presented.

MINUTES OF PRIOR MEETING:

It was moved by Trustee Fertala, seconded by Trustee Nelson and carried unanimously that the minutes of the Meeting of the Board of Trustees of DCLTSA, dated March 15, 2023, 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 entered into an agreement with Public Sector Personnel Consultants (PSPC) to conduct a salary survey for the Authority's employees. Mr. Hopkins indicated that PSPC last conducted a salary survey for the Authority four or five years ago and that the survey would be completed in one to two months.

Mr. Hopkins stated that the 2023 first quarter groundwater well monitoring in the Carson Valley has been completed. Mr. Hopkins explained that this sampling is routinely done as part of the Authority's quarterly Discharge Monitoring Reports that are submitted to the Nevada Department of Environmental Protection (NDEP).

Mr. Hopkins indicated that HDR had recently completed updates to the Authority's Operations and Maintenance Manual and that electronic and hard copies have been received by the Authority.

With regard to the Authority Return Activated Sludge (RAS), Mr. Hopkins reported that new electrical and control cabinets will soon be delivered to the plant and would be installed by Authority staff.

Mr. Hopkins stated that staff had recently completed installation of an overhead bridge crane at the Main Pump Station to facilitate servicing and removal of the recently installed emergency backup pump.

Mr. Hopkins reported that work on the mechanical building re-roofing project had recently begun.

With regard to the improvements to Burke Creek and the Authority's access to the Beach Pump Station, Mr. Hopkins indicated that he and the Authority Engineer, Rob Anderson, were continuing to work and communicate with the United State Forest Service (USFS) and Nevada Tahoe Conservation District (NTCD) to ensure that that Authority maintains adequate access to its facilities at the Beach Pump Station. Mr. Hopkins indicated that several options were being considered to maintain two points of access to the station.

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 April 18, 2023, briefly summarizing various issues that R.O.

Anderson Engineering has been involved with on behalf of the Authority. The April 19, 2023 correspondence is incorporated in these minutes by this reference.

Mr. Anderson reported that he had participated in a meeting with USFS and NTCD regarding the new site plan for the Beach Pump Station and he stressed the importance of the Authority maintaining two points of access to the pump station. Mr. Anderson explained that the Authority's access from Beach Club Drive is pursuant to a special use permit issued by USFS. Chairman McLaughlin stressed his concern about the possibility of a catastrophic environmental incident in the event that two points of access are not maintained. Mr. Anderson assured the Chairman that this concern has been communicated to USFS and NTCD.

With regard to the re-roofing of the mechanical building, Mr. Anderson stated that the work was proceeding without any issues.

Mr. Anderson indicated that the Authority's annual flow report has been completed and he has continued to work with the Authority Controller to refine the flow projections for 2023.

Finally, Mr. Anderson reported that review of plans for Phase III of the Tahoe Beach Club has begun.

In response to an inquiry from Trustee Fertala, Mr. Anderson indicated that real flood protection for the Beach Pump Station would not likely be cost-effective.

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 a draft agreement with the Elk Point Sanitation District (EPSD) has been provided to the EPSD Board and we are waiting for a response. Mr. Cavilia reiterated that the new cost to EPSD had been communicated to representatives of EPSD and he was hopeful that the proposed agreement would be ready for the Board's consideration 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 7.29% under budget through February. Ms. East-Janicki also reported that she should be receiving information

from the Public Employees Retirement System (PERS) that will allow her to determine the Authority's pension expenses for the current year. Ms. East-Janicki indicated that pension expenses may go up or down based on the results of the study by PERS which will affect the benefits and salary budget line-item.

Ms. East-Janicki reported that the fee for the salary study being conducted was to be $2,000, which seems very reasonable.

Finally, Ms. East-Janicki indicated that influent to the plant is up 6.2% from last year and that much of that is likely the result of inflow and infiltration.

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

B. Discussion and possible adoption of Authority's 5-year Capital Development Plan prior to submission to the Nevada Department of Taxation.

Ms. East-Janicki presented the Board with an updated 5-year Capital Development Plan, indicating that $1.1 million of the $1.5 million earmarked for pump station improvements this fiscal year has been moved into the following year based upon long lead times in acquiring certain equipment. Ms. East-Janicki also pointed out that the costs related to the new RAS electrical and control cabinets are provided for in the Capital Development Plan to be completed this year.

With regard to replacement of the export pipeline, Ms. East-Janicki indicated that $190,000 is expected to be spent next year on design costs. Ms. East-Janicki stated that the ultimate replacement of the 26 miles of pipe will be very expensive, pointing out that Incline Village General Improvement District (IVGID) recently contracted for the replacement of approximately 6.5 miles of export pipeline at the cost of $55 million. Mr. Hopkins added that because of the cost, it will be important for the Authority to target its replacement work by replacing the most vulnerable portions of the pipeline first. Mr. Hopkins also stated that the portions of the IVGID pipeline being replaced are in areas near the Lake and roadway so the cost per mile is likely higher than what replacing the Authority's pipeline will be.

Ms. East-Janicki recommended that the Board adopt the Capital Development Plan as presented, explaining that the plan can and will be adjusted as needed in the future. In response to a question from Trustee Fertala, Ms. East-Janicki explained that the costs related to the Capital Development Plan are funded by all of the contributing districts as well as the in-Authority users.

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

It was moved by Trustee Nelson, seconded by Trustee Fertala and carried unanimously that the Capital Improvement Plan be adopted as presented.

C. Investment Report

Ms. East-Janicki had a written summary of the Authority's investments available, stating that the Authority has approximately $14.8 million invested and that the only change from last month is the addition of interest. Ms. East-Janicki indicated that approximately $11.8 million is held in the Local Government Investment Pool, approximately $2.9 million in certificates of deposit (CDs), approximately $742,000 in checking and approximately $90,000 in a money market account.

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 by Trustee Nelson, Mr. Hopkins explained that the payment to Universal Engineering Sciences was for six months of water well sampling and testing.

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 Rice reported on behalf of Douglas County that the Tahoe South Events Center (TSEC) is now scheduled to open August 1, 2023, with the delays related to acquisition of necessary electrical switchgear equipment. Chairman McLaughlin concurred that he believes August 1st is a realistic opening date for the TSEC. Trustee Rice also pointed out that the Douglas County Commission has still not committed to funding for the micro-transit project at the Lake.

Trustee Fertala stated that he was very impressed by his recent tour of Authority facilities and that he had not previously realized the extent of the Authority's operation. Trustee Fertala also indicated that RHGID may reach out to the Authority staff for assistance in getting RHGID's new sewer meter installed. Finally, Trustee Fertala indicated that RHGID's annual barbecue would be taking place in the first week of August.

Trustee Huckbody stated that Tahoe Douglas District's (TDD) annual budget was recently approved and sent to the State of Nevada. Trustee Huckbody also indicated that TDD has raised its connection rate and is looking at a different rate for vacation home rentals within TDD. Finally, Trustee Huckbody asked Ms. East-Janicki to provide him with a summary of the rates for each of the Authority's contributing districts.

Trustee Nelson reported that she recently attended meetings at the Nevada Legislature with a group of officials from the Nevada League of Cities and discussed some of the difficulties in finding funding for small districts in Nevada. Trustee Nelson also indicated that KGID approved a contract for engineering services related to KGID's pump station at Market Street. Trustee Nelson stated that KGID also awarded a contract for a waterline project. Trustee Nelson reported that KGID has more than 300 fire hydrants in the district and that the KGID Board has tried to assign the clearing of snow around fire hydrants to local residents. Finally, Trustee Nelson indicated that KGID had spent more than $1.1 million on snow removal this year.

Trustee McLaughlin reported that it has been a difficult winter for the casino core, but that he is hopeful that the extended ski season will bring additional economic activity to the area.

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 10:40 a.m.

_____

APPROVED

_____

4883-5225-4306, v. 1

AUTHORITY CONTROLLER'S

FINAL BUDGET REPORT

May 17, 2023

- For the sake of brevity, I will not go over as many specifics as I did before you approved the tentative budget. Since I submitted that, it was necessary to make some changes, particularly to the Utilities line item. We visited with a representative from NV Energy last week. I had done a 2-year historical look at our electrical usage and found that the price per Kilowatt Hour had nearly doubled in two years. I believed I must have made a mistake, but she confirmed it. Over the last 12 months, our rates (not usage) have increased 39.3%. She also advised that the rate increases are not over, that there was no end to them in sight at this time. I made some other small line-item expense changes to accommodate the increase in electrical costs, but overall, it raised operations and maintenance expenses by more than $47,000.

- Pages 1 through 4 of the budgets have only changed to reflect the new total expenses.

- Looking at Form 19 on Page 5 of the budget I'll direct your attention primarily to the changes made since the tentative budget.

    - In Operating Revenues at the top of the page, you will see an increase of more than $260,536 over last year's revenues. As an enterprise fund, the Authority's revenues must cover its operating expenses. On the budget that Operating Revenues figure includes the Capital Assessment portion of rates as O & M expenses.

    - Since the Tentative Budget, the flow report was completed, and we recognized that KGID's flow contribution for the current year is trending significantly up, and the Beach Pump Station flows are trending down. Therefore, KGID's rates and the In-District rates were

adjusted to accommodate that. Mitch Dion, General Manager at KGID acknowledged that their flows were trending higher due to infiltration of ground water and customers directing their gutters directly to the sewer. The result of this change in expected flow contribution is that the Sewer Fees (In-District) went down and the contracts with Other Districts went up.

- Under Operating Expenses, there is a $70,330 increase in the salaries and benefits category from last year due primarily to the State-mandated 3.75% PERS increase, and the Overtime necessary due to very short staffing. This line item has not changed since the Tentative Budget.

- The Power & Utilities category grew by $130,163 (36.14%) due to announced rate increases for electricity, natural gas and solid waste removal.

- In Engineering and Consulting, there is a $112,035 planned expense for HDR's assessment of the Authority's collection lines. As I've mentioned before, that cost is only charged to In-Authority users.

- In Fuels and Lubricants, I've projected an increase of $13,100 for the year. That's based on the current year's costs through March.

- Overall, the tentative Operations and Maintenance Budget increased $268,535 or 7.73%.

- <u>On Page 6,</u> the Statement of Cash Flows:

  - Under Item A, Cash Flows from Operating Activities, the numbers have changed to reflect the operating expense increases detailed above.

  - Under Item C, Cash Flows from Capital and Related Financing Activities, the Acquisition of Capital Assets has changed to reflect the

changes made to the Authority's Capital Development Plan adopted by the Board at the last meeting. As a reminder we moved the money previously expected to be spent this year to next year's budget because of equipment long lead times.

- The increased projected expenditures impact on the rates stated at the Tentative Budget hearing. Each District Manager has been apprised of this so their budgets can reflect that.

    - Round Hill's overall rates will increase .62%
    - Tahoe Douglas District's rates will increase by 1.86%
    - KGID's rates will decrease by 1.58%.
    - In-Authority residential rates will remain level, at $576 per year, $48 per month.
    - Because the commercial flows increased more than 22% in 2022, the cost per 1,000/gallons decreased by almost 9.5%. For most commercial users, the overall cost increase from higher flows is small, due to the rate decrease. Only Harrah's and Harvey's will see significant increases because their flows increased 42.7% and 29.4% respectively.

After any questions you might have are answered, I'd ask you to adopt the Final Budget as presented.

Douglas County Lake Tahoe Sewer Authority
Wastewater Reclamation Plant

P.O. Box 578, Zephyr Cove, NV 89448 **775-588-3558 • 775-588-1845 fax**

Nevada Department of Taxation
1550 College Parkway, Suite 115
Carson City, NV 89706-7921

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY herewith submits the **FINAL** budget for the fiscal year ending **June 30, 2024**

This budget contains 1 funds, including Debt Service, requiring property tax revenues totaling $ 0

The property tax rates computed herein are based on preliminary data. If the final state computed revenue limitation permits, the tax rate will be increased by an amount not to exceed 0 If the final computation requires, the tax rate will be lowered.

This budget contains 0 governmental fund types with estimated expenditures of $ 0 and 1 proprietary funds with estimated expenses of $ **6,110,481**

Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 (Local Government Budget and Finance Act).

CERTIFICATION

I PAULA EAST-JANICKI
(Printed Name)
AUTHORITY CONTROLLER
(Title)
certify that all applicable funds and financial operations of this Local Government are listed herein.

Signed _____

Dated: May 17, 2023

Phone: 775/586-8575

APPROVED BY THE GOVERNING BOARD

_____

_____

_____

_____

_____

_____

_____

_____

SCHEDULED PUBLIC HEARING:
(Must be held from May 15, 2023 to May 31, 2023 this year)

Date and Time May 17, 2023 9:30 a.m. Publication Date May 6, 2023

Place: Administrative Bldg., Wastewater Reclamation Plant, Round Hill, Nevada

FORM 4404LGF

Last Revised
5/12/2023

INDEX

SCHEDULE		PAGE
1	TRANSMITTAL LETTER	1
--	INDEX	2
S-2	STATISTICAL DATA	3
A-2	PROPRIETARY FUNDS	4
PROPRIETARY FUNDS		
F-1	REVENUES, EXPENSES AND NET INCOME	5
F-2	STATEMENT OF CASH FLOWS	6
C-1	INDEBTEDNESS	7
31	SCHEDULE OF EXISTING CONTRACTS	8
32	SCHEDULE OF PRIVATIZATION CONTRACTS	9

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 6/30/2022	ESTIMATED CURRENT YEAR ENDING 6/30/2023	BUDGET YEAR ENDING 6/30/2024
General Government			
Judicial			
Public Safety			
Public Works			
Sanitation	11	10	10
Health			
Welfare			
Culture and Recreation			
Community Support			
TOTAL GENERAL GOVERNMENT			
Utilities			
Hospitals			
Transit Systems			
Airports			
Other **Board Members**	5	5	5
TOTAL	16	15	15

POPULATION (AS OF JULY 1)	2550	2550	2550
SOURCE OF POPULATION ESTIMATE*	Sewer Connections	Sewer Connections	Sewer Connections
Assessed Valuation (Secured and Unsecured Only)	n/a	n/a	n/a
Net Proceeds of Mines			
TOTAL ASSESSED VALUE	n/a	n/a	n/a
TAX RATE			
General Fund			
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund	0	0	0
Other			
TOTAL TAX RATE	0	0	0

*** Use the population certified by the state in March each year. Small districts may use a number developed per the instructions (page 6) or the best information available.**

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
(Local Government)

SCHEDULE S-2 - STATISTICAL DATA

SCHEDULE A-2 PROPRIETARY AND NONEXPENDABLE TRUST FUNDS

Budget For Fiscal Year Ending June 30, 2024

Budget Summary for DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
(Local Government)

FUND NAME	*	OPERATING REVENUES (1)	OPERATING EXPENSES (2) **	NONOPERATING REVENUES (3)	NONOPERATING EXPENSES (4)	OPERATING TRANSFERS IN (5)	OPERATING TRANSFERS OUT(6)	NET INCOME (7)
PROPRIETARY	**E**	**6,006,325**	**5,916,882**	**398,484**	**193,599**	**0**	**0**	**294,328**
TOTAL		**6,006,325**	**5,916,882**	**398,484**	**193,599**	**0**	**0**	**294,328**

* FUND TYPES: E - Enterprise
I - Internal Service
N - Nonexpendable Trust

** Include Depreciation

PROPRIETARY FUND	(1) ACTUAL PRIOR YEAR ENDING 6/30/2022	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2023	(3) BUDGET YEAR ENDING 06/30/24 TENTATIVE APPROVED	(4) FINAL APPROVED
OPERATING REVENUE				
Sewer Fees	**2,325,227**	**2,713,360**	**2,968,141**	**2,959,343**
Contracts - Other Districts	**2,762,582**	**3,006,429**	**2,978,051**	**3,033,982**
Other Fees	**31,263**	**26,000**	**13,000**	**13,000**
Total Operating Revenue	**5,119,072**	**5,745,789**	**5,959,193**	**6,006,325**
OPERATING EXPENSE				
Salaries, Benefits	**1,583,879**	**1,944,394**	**2,157,773**	**2,157,773**
Utilities	**370,023**	**468,970**	**427,420**	**490,333**
Chemicals, Supplies	**76,313**	**108,250**	**108,250**	**108,250**
Legal, Accounting	**90,527**	**109,300**	**106,300**	**109,300**
Engineering and Consulting	**61,151**	**58,000**	**174,035**	**170,035**
Repairs and Maintenance	**194,203**	**366,325**	**273,800**	**263,300**
Insurance, Other	**272,495**	**281,691**	**313,755**	**306,475**
Fuels, Lubricants	**24,760**	**37,860**	**34,860**	**37,860**
Depreciation/Amortization	**1,869,917**	**2,235,735**	**2,273,557**	**2,273,557**
Total Operating Expense	**4,543,268**	**5,610,525**	**5,869,750**	**5,916,882**
Operating Income or (Loss)	**575,804**	**135,264**	**89,443**	**89,443**
NONOPERATING REVENUES				
Interest Earned	**47,350**	**260,500**	**260,500**	**260,500**
Property Taxes	**0**	**0**	**0**	**0**
Consolidated Tax	**137,984**	**137,984**	**137,984**	**137,984**
Capacity Fees	**4,040**	**0**	**0**	**0**
Gain on Disposal of Assets		**2,500**	**0**	**0**
Federal Grant Funds	**0**	**0**	**0**	**0**
Total Nonoperating Revenues	**189,374**	**400,984**	**398,484**	**398,484**
NONOPERATING EXPENSES				
Interest on Bonds	**180,229**	**110,812**	**193,599**	**193,599**
Loss on Disposal Of Assets	**21,104**	**0**		**0**
Total Nonoperating Expenses	**201,333**	**110,812**	**193,599**	**193,599**
Net Income before Operating Transfers	**563,845**	**425,436**	**294,328**	**294,328**
Operating Transfers (Schedule T)				
In	**0**	**0**		**0**
Out	**0**	**0**		**0**
Net Operating Transfers	**0**	**0**		**0**
CHANGE IN NET POSITION	**563,845**	**425,436**	**294,328**	**294,328**

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY

(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION

FUND ENTERPRISE (PROPRIETARY)

PROPRIETARY FUND 0	(1) ACTUAL PRIOR YEAR ENDING 6/30/2022	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2023	(3) TENTATIVE APPROVED	(4) FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received From Customers	**5,333,093**	**5,745,789**	**5,959,193**	**6,006,325**
Cash Payments to Suppliers	**(1,352,600)**	**(1,430,396)**	**(1,438,420)**	**(1,485,552)**
Cash Payments to Employees	**(1,909,242)**	**(1,944,394)**	**(2,157,773)**	**(2,157,773)**
Deposits Refundable	**(15,758)**			
a. Net cash provided by (or used for) operating activities	**2,055,493**	**2,370,999**	**2,363,000**	**2,363,000**
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
None	**0**	**0**	**0**	**0**
b. Net cash provided by (or used for) noncapital financing activities	**0**	**0**	**0**	**0**
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and Construction - Capital Assets	**(3,989,043)**	**(990,000)**	**(290,000)**	**(1,390,000)**
Consolidated Taxes	**137,984**	**137,984**	**137,984**	**137,984**
Cash Loss from Disposal of Assets	**(21,104)**			
Cash Received for Capacity Fees	**4,040**	**0**	**0**	**0**
Debt Service Interest	**(180,229)**	**(110,812)**	**(193,599)**	**(193,599)**
Debt Service Principal	**(119,533)**	**(345,303)**	**(578,134)**	**(578,134)**
Issuance of Long-Term Debt	**3,618,639**	**748**	**0**	**0**
Debt Issuance Costs	**0**	**0**	**0**	**0**
c. Net cash provided by (or used for) capital and related financing activities	**(549,246)**	**(1,307,383)**	**(923,749)**	**(2,023,749)**
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Redemption (Purchase) of Investments	**0**	**(2,205,000)**	**0**	**0**
Interest on Investments	**40,330**	**235,500**	**235,500**	**235,500**
Purchase of Restricted Investments	**(7,788)**	**0**		
d. Net cash provided by (or used in) investing activities	**32,542**	**(1,969,500)**	**235,500**	**235,500**
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	**1,538,789**	**(905,884)**	**1,674,751**	**574,751**
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	**13,266,033**	**14,804,822**	**15,110,601**	**13,898,938**
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	**14,804,822**	**13,898,938**	**16,785,352**	**14,473,689**

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
(Local Government)

SCHEDULE F-2 STATEMENT OF CASH FLOWS

FUND: ENTERPRISE FUND

ALL EXISTING OR PROPOSED
GENERAL OBLIGATION BONDS, REVENUE BONDS,
MEDIUM-TERM FINANCING, CAPITAL LEASES AND
SPECIAL ASSESSMENT BONDS

* - Type
1 - General Obligation Bonds
2 - G.O. Revenue Supported Bonds
3 - G.O. Special Assessment Bonds
4 - Revenue Bonds
5 - Medium-Term Financing
6 - Medium-Term Financing - Lease Purchase
7 - Capital Leases
8 - Special Assessment Bonds
9 - Mortgages
10 - Other (Specify Type)
11 - Proposed (Specify Type)

(1) NAME OF BOND OR LOAN List and Subtotal By Fund	(2) *	(3) TERM	(4) ORIGINAL AMOUNT OF ISSUE	(5) ISSUE DATE	(6) FINAL PAYMENT DATE	(7) INTEREST RATE	(8) BEGINNING OUTSTANDING BALANCE 7/1/2023	(9) REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/24 INTEREST PAYABLE	(10) PRINCIPAL PAYABLE	(11) (9)+(10) TOTAL
FUND: Proprietary							$	$	$	$
SRF Loan Series May 25, 2006	4	20	$2,000,000	5/25/2006	1/1/2026	3.2375%	$ 257,563.00	$ 7,671.33	$ 83,112.17	$ 90,783.50
SRF Loan Series 2007	4	20	$1,200,000	8/27/2007	7/1/2027	2.875%	$ 208,445.00	$ 5,678.52	$ 44,035.13	$ 49,713.65
SRF Loan Series 2019	4	20	$9,000,000	10/3/2019	1/1/2039	2.080%	$8,777,978.00	$ 180,248.98	$ 450,987.12	$ 631,236.10
							$	$	$	$
TOTAL ALL DEBT SERVICE							$9,243,986.00	$193,598.83	$578,134.42	$771,733.25

SCHEDULE C-1 - INDEBTEDNESS
Budget Fiscal Year 2023-2024

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
(Local Government)

Schedule of Existing Contracts

Budget Year 2023 - 2024

Local Government: DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Contact: PAULA EAST-JANICKI
E-mail Address: pke@dcsid.com
Daytime Telephone: 775-586-8575

Total Number of Existing Contracts: 11

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2023-2024	Proposed Expenditure FY 2024-2025	Reason or need for contract:
1	Allison, MacKenzie, et al., James Cavilia, Esq.	8/2/2004		$ 40,000	$ 40,000	Legal Services
2	Bently Family Limited Partnership	10/26/1998		$ 22,300	$ 22,300	Biosolids Composting
3	R.O. Anderson Engineering, Inc.	7/18/2008		$ 45,000	$ 45,000	District General Engineering Svcs.
4	Tahoe Basin Container Service	4/1/2022	3/31/2024	$ 36,050		Biosolids Hauling
5	Eide Bailly	4/1/2019	1/1/2024	$ 44,000		Audit Services
6	JNA Consulting Group	3/20/2019		$ 1,000	$ 1,000	Debt Management Policy.
7	Paychex Payroll Services	7/1/2019		$ 10,000	$ 10,000	Payroll and Tax Reporting
8	Burgarello Alarm, Inc.	6/26/2018		$ 750	$ 750	Fire Alarm Monitoring
9	Cashman Equipment Company	2/26/2018		$ 7,400	$ 7,400	Generator Inspection
10	Summit Plumbing	5/1/2020	5/1/2026	$ 63,000	$ 63,000	Line Cleaning and Inspection
11	HDR Engineering	8/24/2022		$ 112,035		Collection Line Assessment
12						
13						
14						
15						
16						
17						
18						
19	Total Proposed Expenditures			$ 381,535	$ 189,450	

Additional Explanations (Reference Line Number and Vendor):

Schedule of Privatization Contracts

Budget Year 2023 - 2024

Local Government: DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Contact: PAULA EAST-JANICKI
E-mail Address: pke@dcsid.com
Daytime Telephone: 775-586-8575

Total Number of Privatization Contracts: 0

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Duration (Months/ Years)	Proposed Expenditure FY 2023-2024	Proposed Expenditure FY 2024-2025	Position Class or Grade	Number of FTEs employed by Position Class or Grade	Equivalent hourly wage of FTEs by Position Class or Grade	Reason or need for contract:
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11	Total				0	0		0		

Attach additional sheets if necessary.

Meeting Date: May 17th, 2023

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

Authority Manager's Monthly Report – May 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(s).

1. DCLTSA staff is working with NV Energy on applying for NVE's Agricultural Rate for energy consumed by the DCLTSA Export Pump Station at the Plant. Because 100 percent of our treated effluent is beneficially re-used for agricultural production at Park Cattle and Bently Agrodynamics, we may be able to qualify for a reduced energy rate, at least on our 400 horsepower export pumps. These pumps are one of our single highest energy users at DCLTSA.

2. Progress Payment #1 has been made to East Fork Roofing for the Mechanical Building Re-Roofing Project in the amount of $161,100.00. Progress has been delayed a few days due to the late-season snow last week, but work is still progressing close to schedule at this time.

3. DCLTSA is working with NDOT to identify DCLTSA manholes and other infrastructure that may need to be modified, adjusted to grade, etc. as part of the upcoming NDOT project to repave US Highway 50 from the CA/NV State Line to Spooner Summit. Authority Engineer R.O. Anderson may provide further details.

4. NV Energy is changing their Time-of-Use (TOU) criteria as of June 1, 2023. These changes eliminate Mid-Peak charge categories and expand On-Peak periods by a few hours in the summer. DCLTSA is in the process of adjusting our systems to account for the new TOU changes. As always, we seek to minimize our electrical costs by running equipment during Off-Peak periods whenever possible.

5. The Tahoe Beach Club has approached the Authority with a request to discharge surface water from the TBC construction sites to the DCLTSA sewer. Pre-testing of the water TBC wishes to discharge has shown the water to be far too high in total suspended solids and non-settling colloidal solids. TBC has opted to install

a pre-treatment plant which will add a natural polymer to the surface water and then run this water through a package filtration system prior to discharge to the DCLTSA collection system. Initial jar tests performed at the Plant indicate that the polymer / filtration system proposed by TBC will be sufficient to allow them to discharge to our sewers post-filtration. (Photo attached.)



6. Work requested of DCLTSA by the U.S. Forest Service to repair damage to the Nevada Beach Campground from snow removal activities over the record winter and from the emergency response activity during the flooding event of March 11th, 2023, has been completed by DCLTSA staff ahead of opening the Campground. Costs of the snow removal and of the requested repair activities are still being tabulated by DCLTSA staff and are hoped to be available by the time of the May 17th Board meeting. A list of the requested repairs as well as a few select photographs are attached below for reference.

   Repairs requested by USFS:

Repair actions for berms and slash piles.

1. *Pull berms around sewer plant station back over source site and level to grade. Seed site with species list provided by Forest Botanist by hand broadcasting and gently raking into soil to a depth of 0.25". Seeding should occur between September 15 – November 15, prior to snowfall.*
2. *Install a barrier along Nevada Beach Campground Road to prevent over land vehicle access to pump station on newly cleared site.*
3. *Manually pull slash out of the Burke Creek floodplain including root balls. Chip slash material and scatter over seeded disturbed upland area around sewer pump station. Chip depth over seeded area will not exceed 1" and percent cover will be 90-100%. Excess chip or slash material and root balls will be disposed of offsite.*
4. *Manually or using equipment on approved upland areas, remove the sediment berms adjacent to Kahle ditch and spread in upland disturbed site to*

grade using rakes. Do not place sediment on native vegetation. Limit damage to native vegetation when accessing sites with equipment.

5. *Cut damaged fencing along Tahoe Beach Club property at nearest intact fencepost, and wrap cut fence pieces to avoid exposed hazards to the public. Remove all damaged and cut fencing materials and posts and dispose of offsite.*

Repair actions requested for occupied Tahoe Yellow Cress habitat:

1. *Repair split rail fence along NV campground road south of where it crosses Burke Creek. Replace damaged rails in kind.*
2. *Repair TYC enclosure at the mouth of Burke Creek using materials consistent with the existing design. This repair will be completed prior to opening road access to the beach and campground.*
3. *Using hand tools, remove sediment pile in Tahoe Yellow Cress enclosure at the mouth of Burke Creek to prevent burial and allow for plant emergence. Limit excavation of native beach sand to the extent feasible to prevent removal of Tahoe Yellow Cress. Spread sediment out over upland area outside of enclosure. Enclosure fencing must be returned to existing upright and working condition if alterations are made for access to sediment piles. Please coordinate with Forest Service botanist to arrange for a biological monitor to support this action and inspect fence repairs.*
4. *Surveys completed in occupied Tahoe Yellow Cress habitat that was excavated during flood response (in Kahle Ditch and mouth of Burke Creek) will be conducted in 2023 as a component of the Burke Creek restoration project. Results will be used to determine if outplanting is necessary to respond to impacts from flood response.*

Repair actions requested to mitigate potential introduction and spread of non-native invasive plants.

1. *Straw wattles will be removed and disposed of offsite by July 1, 2023. Early detection rapid response surveys and treatments will be implemented in 2023 and 2024 on sites where straw wattles were installed to prevent introduction and spread of non-native invasive species.*
2. *Monitor flood response disturbance areas for spread of bull thistle and cheat grass into Burke Creek riparian area and Kahle Ditch in 2023 and 2024. Treat new infestations of these species manually. Ground disturbance around sewer plant station excavated and likely spread the seed bank of these species.*

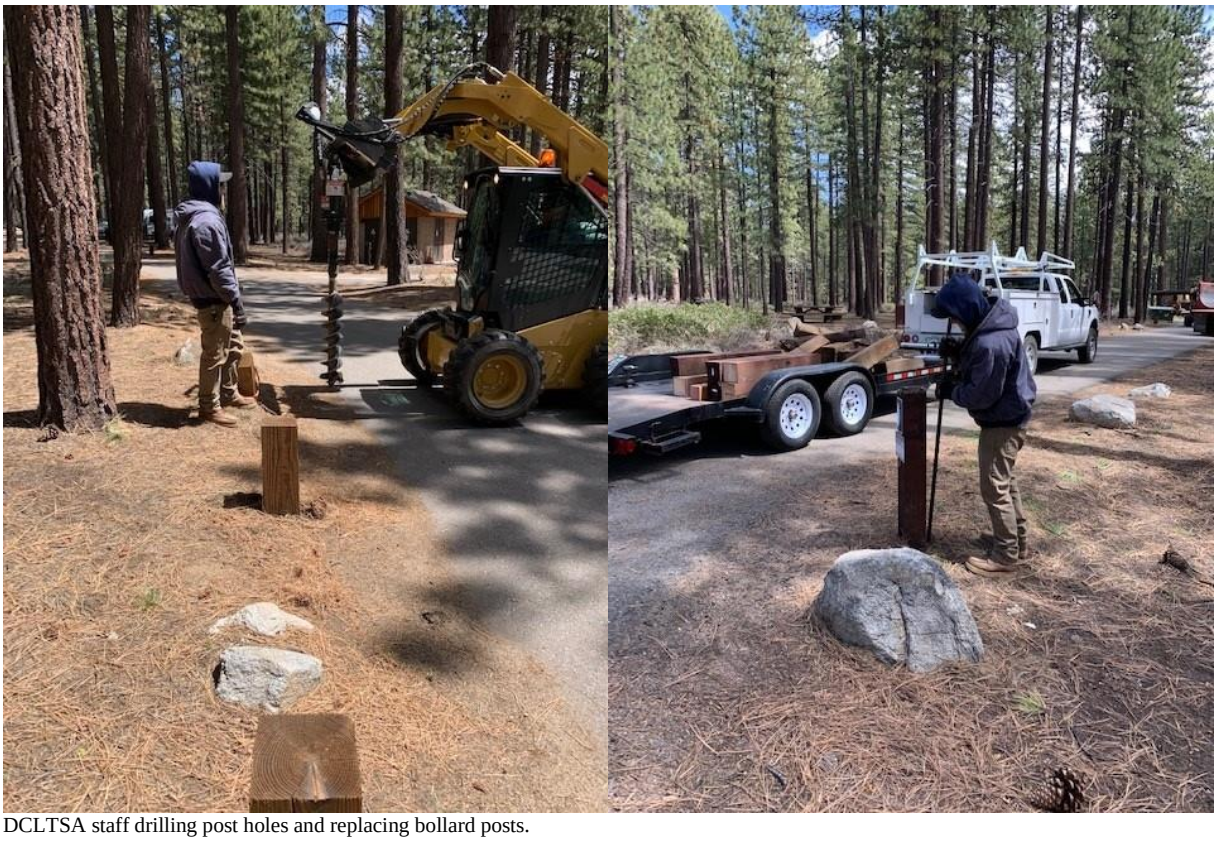
Repair actions from snow removal operations.

1. *Reset or replace 35 total bollards along roadway on plowing route*
2. *Reset or replace 11 campsite marker posts (sites 13, 14, 15, 23, 25, 26, 30, 31, 40, 47, 48).*
3. *Reset 3 boulders at sites 8, 10, 48.*
4. *Work with Tahoe Recreation to properly barricade the guard station entrance prior to Nevada Beach opening to the public.*

Install snow stakes along plow route in the fall, preferably after the gates close to the public



Typical evening plowing our Nevada Beach access



DCLTSA staff drilling post holes and replacing bollard posts.



Replaced split-rail fence near the dog beach portion of Nevada Beach.

AMENDED AND RESTATED AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT made and entered into this ___ day of _____, 2023 by and between DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY, a body political and municipal corporation of the state of Nevada, hereinafter referred to as "AUTHORITY," and the ELK POINT SANITATION DISTRICT, a municipal corporation of the state of Nevada, hereinafter referred to as "EPSD".

W I T N E S S E T H:

WHEREAS, pursuant to the Douglas County Lake Tahoe Sewer Authority Act of 2017, the AUTHORITY is the successor in interest to the DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT, hereinafter referred to as "DISTRICT"; and

WHEREAS, the AUTHORITY owns and operates a wastewater treatment system serving the entire area of the Lake Tahoe Basin within the boundaries of Douglas County, Nevada; and

WHEREAS, EPSD, organized as a General Improvement District pursuant NRS Chapter 318, owns and is responsible for a sewage collection system serving One Hundred (100) residential units within the Elks Point area of Lake Tahoe, all within the service area of the Authority; and

WHEREAS, the DISTRICT and EPSD entered into an Agreement dated March 17, 1971 providing for EPSD's acquisition of sewer treatment capacity from the DISTRICT and for the DISTRICT's operation and maintenance of EPSD's sewage collection system ("1971 Agreement"); and

WHEREAS, the parties are each public agencies under NRS 277.100 and NRS 277.180(1) provides that such public agencies may contract with other public agencies to perform any governmental service, activity or undertaking which any of the contracting agencies is authorized by law to perform; and

WHEREAS, the AUTHORITY is presently operating and maintaining ESPD's sewage collection system consisting of two sewer lift stations and approximately 2,445 lineal feet of 6 inch and 2,055 lineal feet of 8" underground sewage transmission mains ("EPSD Collection System").

WHEREAS, EPSD and AUTHORITY desire to provide for the AUTHORITY's continued treatment of the sewage from EPSD and for the AUTHORITY to continue to operate and maintain the EPSD Collection System; and

WHEREAS, the parties hereto are desirous of fully amending and restating the 1971 Agreement and entering into a mutually beneficial agreement to acknowledge the parties respective responsibilities with regard to the collection and treatment of sewage from EPSD.

WHEREAS, the 1971 Agreement is hereby amended and fully restated as set forth herein;

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

ARTICLE I

Ongoing Treatment of Sewage

The AUTHORITY shall continue to treat and dispose of up to an average of Twenty-Eight Thousand (28,000) gallons of sewage per day from EPSD. As consideration for

treatment and disposal of the EPSD sewage, EPSD shall pay AUTHORITY sewage treatment and disposal fees on a quarterly basis as provided for in Article III below.

The average daily flow of sewage from EPSD shall be determined by the AUTHORITY estimating the total flow from EPSD during each fiscal year and dividing that amount by 365. Should EPSD question or dispute AUTHORITY's estimate of sewage flow from EPSD at any time during term of this Agreement, EPSD may direct the AUTHORITY to install a metering device to accurately measure the flow of sewage from EPSD. Upon such direction from EPSD, the AUTHORITY will determine the cost of acquiring and installing such a metering device and notify EPSD in writing of such cost. Upon payment in full by EPSD of such amount, the Authority shall acquire and install the metering device necessary to accurately measure the flow of sewage from EPSD.

During the term of this Agreement, peak flows of sewage from EPSD shall be limited to two (2) times the average daily flow described above. If any time during the term of this Agreement, the average daily flow of sewage from EPSD over any fiscal year during the term of this Agreement, shall exceed the average daily flow described above by more than Ten percent (10%), then the sewage treatment and disposal fees payable to the AUTHORITY shall increase by such percentage from that point forward until this Agreement expires by its terms or is terminated by the mutual written agreement of the parties.

ARTICLE II

Operation and Maintenance of Collection System

The Authority shall operate and maintain the EPSD Collection System in such a manner as necessary to deliver all sewage from EPSD to the Authority system for treatment and disposal in accordance with all applicable laws and regulations. As consideration for the ongoing

maintenance and operation of the EPSD Collection System, EPSD shall pay sewage collection system fees on a quarterly basis as provided for in Article III below. The AUTHORITY and EPSD acknowledge and agree that such fees are sufficient for the AUTHORITY to operate and maintain the EPSD Collection System in the normal course of business, excepting any catastrophic failure of any portion of the EPSD Collection System. In the event of a catastrophic failure of any portion of the EPSD Collection System, EPSD acknowledges and understands that the AUTHORITY may impose a special assessment on EPSD to cover the AUTHORITY's actual costs associated with repairing or replacing the said portion of the EPSD Collection System. EPSD agrees to promptly pay any such special assessment upon being provided with written documentation of the AUTHORITY's actual costs. In any event, such an assessment will be paid by EPSD within ninety (90) days of receipt of the described documentation.

ARTICLE III

Quarterly Fees

Section 3.1 Treatment and Disposal Fees. For the initial term of this Agreement as provided for herein, EPSD shall pay the AUTHORITY a fee of Fourteen Thousand Four Hundred Dollars ($14,400) per quarter on or before tenth (10th) day of the months of July, October, January and April for the AUTHORITY's treatment and disposal of sewage. In the event that the Authority increases the service fees for residential users within the boundaries of the Authority, this Treatment and Disposal Fee payable by EPSD shall also increase in like-amount, but in no event shall such an increase take place prior to EPSD being provided written notice at least sixty (60) days prior to imposition of the increased fee.

Section 3.2 Collection System Fees. For the initial term of this Agreement as provided for herein, EPSD shall pay the AUTHORITY a fee of Five Thousand Three Hundred

Forty-Eight dollars ($5,348) per quarter on or before tenth (10th) day of the months of July, October, January and April for the AUTHORITY's maintenance and operation of the EPSD Collection System.

Section 3.3 Default in Payment. In the event that EPSD fails to pay when due any amounts owing to the AUTHORITY, such past due amounts shall accrue interest at the rate of one percent (1%) per month until paid in full. If any such amounts remain unpaid for ninety (90) days after written notice of the amount due is delivered to EPSD, the Authority reserves the right to discontinue the provision of services provided for in this Agreement.

ARTICLE IV

Compliance with Rules and Regulations

During the term of this Agreement, EPSD covenants and agrees to comply with all duly adopted and applied rules and regulations of the Authority with regard to the collection, treatment and disposal of sewage as such rules and regulations are made applicable to other public entities who are served by the Authority. Such rules and regulations may relate to, but not be limited to, plumbing, drainage and the manner of discharge of sewage.

ARTICLE V

Term of Agreement

This Agreement shall be effective as of July 1, 2023, and shall remain in effect through June 30, 2033. Upon the expiration of the terms of this Agreement, it is the intention of the Parties that the term of this Agreement will be extended on financial terms that are justified and appropriate at that time. Such an extension of the term of this Agreement is only effective upon the mutual consent of the parties in writing.

ARTICLE VI

Miscellaneous

Section 6.1 Cooperation. EPSD shall cooperate with the AUTHORITY in carrying out the terms and purpose of this Agreement. AUTHORITY and EPSD further agree to cooperate in the compliance with any licensing or operational requirements of the Nevada Division of Environmental Protection or any other governmental entity as it relates to the subject of this Agreement. To that end, each party shall designate a representative for the other to contact in all matters relevant hereto.

Section 6.2 1971 Agreement; Entire Agreement. This Amended and Restated Agreement fully terminates and replaces the 1971 Agreement described above and 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 6.3 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 AUTHORITY, such notices shall be sent to:

Douglas County Lake Tahoe Sewer Authority
P.O. Box 578
Zephyr Cove, NV 89448
Email: rhopkins@dcsid.com

and to:

James R. Cavilia, Esq.
Allison MacKenzie Ltd.
402 North Division Street
Carson City, NV 89703
Email: jcavilia@allisonmackenzie.com

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

Elk Point Sanitation District
C/O McVicar & Laden, CPA PC
Post Office Box 1310
Zephyr Cove, NV 89448
Email: steve@mcvicar-ladencpa.com
karen@mcvical-ladencpa.com

and to:

Elk Point Sanitation District
Forest Martin Bibb
Email: martybibb@gmail.com

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

Section 6.4 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 6.5 Choice of Law. This Agreement shall be construed and interpreted in accordance with and governed by the laws of the State of Nevada.

Section 6.6 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 6.7 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 6.8 Limited Liability. The parties will not waive and intend to assert all available applicable statutory liability limitations in all cases, including NRS Chapter 41. Contract liability of both parties shall not be subject to punitive damages.

Section 6.9 Reasonable Care. Each party shall exercise reasonable care in the performance of its obligations and rights under this Agreement to ensure that the other parties' facilities and operations are not impaired or damaged.

Section 6.10 Force Majeure. Neither party shall be deemed to be in violation of this Agreement if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, epidemics, pandemics or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of this Agreement after the intervening cause ceases.

Section 6.11 Severability. If any provision contained in this Agreement is held to be unenforceable by a court of law or equity, this Agreement shall be construed as if such provision did not exist, and the non-enforceability of such provision shall not be held to render any other provision or provisions of this Agreement unenforceable.

Section 6.12 Time of Essence. Time is of the essence of this Agreement and each term, covenant and condition thereof.

Section 6.13 Authority. The parties hereto represent and warrant that the person executing this Agreement on behalf of each party has full power and authority to enter into this agreement and that the parties are authorized by law to perform the services set forth herein.

The parties hereto are associated with each other only for the purpose and to the extent set forth in this Agreement, and in respect to performance of services and payment of fees pursuant to this Agreement, each party is and shall be a public agency separate and distinct from the other party and, subject only to the terms of this Agreement and any other agreements between the parties, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Agreement. Nothing contained in this Agreement shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for one agency whatsoever with respect to the indebtedness, liabilities, and obligations of the other agency or any other party.

Section 6.9 Captions. The captions of this Agreement do not in any way limit or amplify its terms and provisions.

Section 6.10 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 6.11 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 effect the transactions contemplated by this Agreement.

Section 6.12 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 6.13 Authorship. The parties expressly acknowledge and agree that this Agreement has been jointly drafted and that each part had the opportunity to negotiate the term and obtain the assistance of counsel in reviewing the terms hereof before approving. This Agreement shall not be construed in favor of or against any party hereto but shall be construed in a neutral manner.

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

ELK POINT SANITATION DISTRICT	DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
By:_____	By:_____
_____, Chairman	_____, Chairman
ATTEST: _____	ATTEST: _____
_____, Secretary	_____, Secretary

4860-7203-7199, v. 1

CONTROLLER'S GENERAL STATUS REPORT

May 17, 2023

- There is a Budget to Actual spreadsheet in the Board packet that shows operating expenses through March were 6.35% under budget. As before, most of that underage comes from the Salaries and Benefits category.

- As there are some categories significantly over budget, especially Utilities and Fuels and Lubricants, it will be necessary to augment the current year budget at the next Board meeting. Going more than 10% over in any budget category or the bottom-line operating expenses is a violation of the Nevada Administrative Code. Therefore, we will augment the budget to move money between categories without changing the total expenses.

- Public Sector Personnel Consultants expects to be done with the salary study in the next month.

- Through March this year, overall influent flows are up approximately 11.72% from the same period in 2022. All the districts' flows have increased similarly and will likely continue to increase as snow melts. This is clearly from infiltration as In-Authority commercial flows are down 20% from 2022.

- **Investment Report**

The Authority's investments total more than $14.9 million. We had two CDs mature in the last week at .3% and .6%. I was able to replace them with a one-year CD at 5.15% and an 18 month one at 5.05%. There is a

list of current CDs in the Board packet. The CD balance is still at $2,940,000 with an average interest rate of 4.29%.

We have $11,159,413 in Local Government Investment Pool accounts and last month they paid 3.93%. LGIP deposits are entirely liquid.

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.

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY

JULY - MARCH 2022-2023 BUDGET VS. ACTUAL

		MARCH	Budgeted	Variance	Comments
Salaries	401.11	$ 871,717.00	$ 907,260.75	$ 35,543.75	
OT/Callback	403.11	$ 44,761.00	$ 26,310.75	$ (18,450.25)	Snow Removal!
Holiday	405.11	$ 2,105.00	$ 16,228.50	$ 14,123.50	10 Holidays of 11
NTD	407.11	$ -		$ -	
Longevity	409.11	$ 1,880.00	$ 1,880.00	$ -	Paid Yearly - December
Stand-By Pay	408.11	$ 13,312.00	$ 11,973.00	$ (1,339.00)	Standby Hours Added
Health Insurance	413.11	$ 214,652.00	$ 247,351.50	$ 32,699.50	
State Retirement (PERS)	414/415.1	$ 246,464.00	$ 273,891.75	$ 27,427.75	
SIIS (Workers Comp)	417.11	$ 16,296.00	$ 35,877.75	$ 19,581.75	Lower Increase than Budgeted
Medicare Tax	418.11	$ 13,561.00	$ 13,966.50	$ 405.50	
Unemployment Insurance	419.11	$ 48.00	$ 8,775.00	$ 8,727.00	Annual EMRB Fee/ No one on Unemployment
Contract Svcs	496.11	$ -	$ -	$ -	
OPEB Expense	420.11	$ 22,500.00	$ 22,500.00	$ -	Estimate
Salaries/Benefits		**$ 1,447,296.00**	**$ 1,566,015.50**	**$ 118,719.50**	
Electric Power	421.11/.14	$ 232,628.00	$ 178,312.50	$ (54,315.50)	Rate Increased
Electric Power - BPS	421.12	$ 14,906.00	$ 11,250.00	$ (3,656.00)	"
Electric Power - MPS	421.13	$ 59,317.00	$ 47,625.00	$ (11,692.00)	"

JULY - MARCH 2022-2023 BUDGET VS. ACTUAL

		MARCH	Budgeted	Variance	Comments
Natural Gas	423.11	$ 10,813.00	$ 7,500.00	$ (3,313.00)	Highest Use Time of Year
Natural Gas - BPS	423.12	$ 1,160.00	$ 900.00	$ (260.00)	"
Natural Gas - MPS	423.13	$ 239.00	$ 273.75	$ 34.75	"
Water	425.11	$ 8,687.00	$ 9,300.00	$ 613.00	
Water - BPS	425.12	$ 2,441.00	$ 3,000.00	$ 559.00	
Water - MPS	425.13	$ 102.00	$ 7,575.00	$ 7,473.00	Fully installed Mechanical Seals
Solid Waste Removal	483.11	$ 5,177.00	$ 4,391.25	$ (785.75)	Grit from Headworks
Utilities		**$ 335,470.00**	**$ 270,127.50**	**$ (65,342.50)**	
Chemicals	470.11	$ 50,951.00	$ 75,375.00	$ 24,424.00	
Lab Supplies	471.11	$ 5,395.00	$ 5,812.50	$ 417.50	
Supplies		$ -	$ -	$ -	
Chemicals/Supplies		**$ 56,346.00**	**$ 81,187.50**	**$ 24,841.50**	
Legal Services	460.11	$ 33,670.00	$ 30,000.00	$ (3,670.00)	
Accounting	462.11	$ 46,068.00	$ 45,975.00	$ (93.00)	Audit Fees will smooth by year end
Legal/Accounting		**$ 79,738.00**	**$ 75,975.00**	**$ (3,763.00)**	

JULY - MARCH 2022-2023 BUDGET VS. ACTUAL

		MARCH	Budgeted	Variance	Comments
Engineering	450.11	$ 38,958.00	$ 37,500.00	$ (1,458.00)	Estimated
Engineering - BPS		$ -		$ -	
Engineering - MPS		$ -		$ -	
Engineering - In-District		$ -		$ -	
Consulting	458.11	$ 1,000.00	$ 18,000.00	$ 17,000.00	JNA for Debt Management Report
Engineering/Consulting		**$ 39,958.00**	**$ 55,500.00**	**$ 15,542.00**	
Maintenance Export Line	430.11	$ -	$ 7,125.00	$ 7,125.00	
Maintenance Collection System	430.19	$ 47,250.00	$ 97,875.00	$ 50,625.00	No bill yet for camera assessment.
Repairs Collection System	431.19	$ 9,455.00	$ 1,125.00	$ (8,330.00)	Manhole Lids & Clean-out
Computer/Network Infrastructure	431/432.1	$ 3,976.00	$ 1,500.00	$ (2,476.00)	SCADA Printer & Server Hard Drives
Annual Software Licenses	433.11	$ 19,285.00	$ 18,375.00	$ (910.00)	Incl. ann pmt for erPortal
SCADA Support	434.11	$ -	$ 13,500.00	$ 13,500.00	
Repairs - Vehicles	436.11	$ 14,710.00	$ 3,787.50	$ (10,922.50)	Winter tires on 4 trucks/ Underbudgeted
Repairs - Mechanical	440.11	$ 35,010.00	$ 27,750.00	$ (7,260.00)	Cartridge Seals - Export Pumps & EP Check Valve
Repairs - Mechanical BPS	440.12	$ 952.00	$ 3,750.00	$ 2,798.00	
Repairs - Mechanical MPS	440.13	$ 19,481.00	$ 4,500.00	$ (14,981.00)	Impeller & Shaft Repairs/ Pump Bearings

JULY - MARCH 2022-2023 BUDGET VS. ACTUAL

		MARCH	Budgeted	Variance	Comments
Emergency Repairs	440.3	$ 1,137.00	$ -	$ (1,137.00)	
Repairs Bldg & Grounds	441.11	$ 3,877.00	$ 5,850.00	$ 1,973.00	
Repairs Bldg & Grounds - BPS	441.12	$ -	$ 750.00	$ 750.00	
Repairs Bldg & Grounds - MPS	441.13	$ -	$ -	$ -	
Repairs Heating	442.11	$ 623.00	$ 618.75	$ (4.25)	
Repairs Heating	442.12	$ -	$ 750.00	$ 750.00	
Repairs Heating	442.13	$ -	$ -	$ -	
Repairs Electrical	443.11	$ 6,261.00	$ 5,756.25	$ (504.75)	
Repairs Electrical	443.12	$ 619.00	$ 750.00	$ 131.00	
Repairs Electrical	443.13	$ -	$ 375.00	$ 375.00	
Repairs Instruments	444.11	$ 10,929.00	$ 7,500.00	$ (3,429.00)	Annual SmartCover Warranty
Equipment Rental	447.11	$ -	$ 2,250.00	$ 2,250.00	
Maintenance Supplies	449.11	$ 14,236.00	$ 9,825.00	$ (4,411.00)	Stainless Steel Pipe Fittings - In House Projects
Safety Equipment	487.11	$ 5,021.00	$ 7,500.00	$ 2,479.00	
Odor Control System Maintenance	491.11	$ 51.00	$ 6,750.00	$ 6,699.00	
Repairs/Maintenance		**$ 192,873.00**	**$ 227,962.50**	**$ 35,089.50**	

JULY - MARCH 2022-2023 BUDGET VS. ACTUAL

		MARCH	Budgeted	Variance	Comments
Casualty Insurance	466.11	$ 71,155.00	$ 81,312.00	$ 10,157.00	
Pollution Liability Insurance	468.11	$ -	$ -	$ -	
Insurance		**$ 71,155.00**	**$ 81,312.00**	**$ 10,157.00**	
Telephone	427.11/14	$ 12,558.00	$ 14,625.00	$ 2,067.00	
Telephone	427.12	$ 308.00	$ 300.00	$ (8.00)	
Telephone	427.13	$ -	$ -	$ -	
Small Tools & Equipment	435.11	$ 8,003.00	$ 7,893.75	$ (109.25)	
Laundry and Linen	482.11	$ 1,146.00	$ 2,625.00	$ 1,479.00	
Forest Svc. Fee	484.12/11	$ 379.00	$ 375.00	$ (4.00)	
Training, Dues & Subscriptions	485.11	$ 4,651.00	$ 3,750.00	$ (901.00)	Incl. DM Utility Conference
Office Expenses	486.11	$ 6,188.00	$ 6,750.00	$ 562.00	
Travel	488.11	$ -	$ -	$ -	
Sample Testing	490.11	$ 36,797.00	$ 53,043.75	$ 16,246.75	
Operating Lease	494.11	$ -	$ -	$ -	
Biosolids Disposal	493.11	$ 36,311.00	$ 43,762.50	$ 7,451.50	
Underground Service Alert	495.11	$ 594.00	$ 375.00	$ (219.00)	Ann. Membership Fee

JULY - MARCH 2022-2023 BUDGET VS. ACTUAL

		MARCH	Budgeted	Variance	Comments
Permit Fees	497.11	$ 9,589.00	$ 9,187.50	$ (401.50)	Most Paid at Beginning of Year
Misc Exp and Bank Fees	9.11/480.	$ -	$ 6,900.00	$ 6,900.00	
Other Operating Expenses		**$ 116,524.00**	**$ 149,587.50**	**$ 33,063.50**	
Fuels and Lubricants	476.11	$ 27,907.00	$ 20,145.00	$ (7,762.00)	Diesel Fuel - Power Outages/ Gas Prices
Fuels & Lubricants		**$ 27,907.00**	**$ 20,145.00**	**$ (7,762.00)**	
Total Operating Expenses July - March		**$ 2,367,267.00**	**$ 2,527,812.50**	**$ 160,545.50**	
				6.35%	

CURRENT BROKERED CD MATURITY DATES

	Date	Rate		Amount	Fund
FY '23 - '24					
US BANK NAT'L ASSOCIATION	8/24/2023	2.95%	$	245,000	CF
AMERICAN EXPRESS NAT'L BK	10/18/2023	4.05%	$	245,000	PR
GOLDMAN SACHS BK USA	10/27/2023	2.00%	$	245,000	PR
INTERNATIONAL BK CHICAGO	1/31/2024	4.45%	$	245,000	PR
PARKWAY BANK & TRUST	2/14/2024	4.75%	$	245,000	CF
PACIFIC PREMIER BK IRVINE	4/26/2024	4.40%	$	245,000	CF
FLUSHING BANK	5/6/2024	4.65%	$	245,000	PRF
ASSOC BANK GREEN BAY	5/21/2024	5.15%	$	245,000	PR
TOTAL FY '23 - '24			**$**	**1,960,000**	
FY '24 - '25					
FIRST NAT'L BANK OMAHA	8/14/2024	4.65%	$	245,000	GF
BANK OF HAPOALIM NY	8/16/2024	4.65%	$	245,000	PR
MORGAN STANLEY BK NA	11/4/2024	4.70%	$	245,000	GF
BANK OF BARODA	11/15/2024	5.05%	$	245,000	PR
TOTAL FY '24 - '25			**$**	**980,000**	
			$	**2,940,000**	
		4.29%			

Douglas County Lake Tahoe Sewer Auth.

GL Entry Report - Batch Order

Year: All / Date: 4/19/2023 - 5/17/2023

Entry #	Date	Document	Job	Account	Description	Debits	Credits	Balance
BATCH: 8115	**JOURNAL: B**	**STATUS: Posted**	**PERIOD: 2023 - 10**	**CREATED: 04/25/23 by YHJ**				
143712	04/20/23			417.1100	Q3 FY 22-23 WORKERS' COMP	$5,432.00	$0.00	$5,432.00
143713	04/20/23			101.1000	Q3 FY 22-23 WORKERS' COMP	$0.00	$5,432.00	$0.00
					BATCH 8,115 TOTALS:	**$5,432.00**	**$5,432.00**	**$0.00**
BATCH: 8136	**JOURNAL: B**	**STATUS: Posted**	**PERIOD: 2023 - 11**	**CREATED: 05/01/23 by YHJ**				
143988	05/15/23			414.1100	APRIL PERS CONTRIBS	$12,843.42	$0.00	$12,843.42
143989	05/15/23			415.1100	APRIL PERS CONTRIBS	$12,843.42	$0.00	$25,686.84
143990	05/15/23			101.1000	APRIL PERS CONTRIBS	$0.00	$25,686.84	$0.00
					BATCH 8,136 TOTALS:	**$25,686.84**	**$25,686.84**	**$0.00**
					TOTAL OF ALL JOURNAL(S):	**$31,118.84**	**$31,118.84**	

Douglas County Lake Tahoe Sewer Auth.

AP Check Register (Current by Bank)

Check Dates: 4/19/2023 to 5/17/2023

Check No.	Date	Status*		Vendor ID	Payee Name	Amount
BANK ID: WFCHK - WELLS FARGO CHECKING						**101.1000**
11409	05/02/23	V	5/2/23	O&R	ANTWANE OWENS & KATRINA ROCK	($143.61)
**11584	05/02/23	V	5/2/23	O&R	ANTWANE OWENS & KATRINA ROCK	($143.61)
**11738	04/19/23	P		AL01	ALLISON MACKENZIE, Ltd.	$5,740.00
11739	04/19/23	P		BE15	BENTLY FAMILY LTD PARTNERSHIP	$655.06
11740	04/19/23	P		CODALE	CODALE ELECTRIC SUPPLY	$1,507.28
11741	04/19/23	P		FREDH	FRED HOWARD	$282.21
11742	04/19/23	P		US12	HD SUPPLY, INC./ USABLUEBOOK	$1,339.50
11743	04/19/23	P		SIERRA	DBA SIERRA OFFICE SOLUTIONS	$99.09
11744	04/19/23	P		BOU11	BOULDER EXTERMINATORS, INC	$150.00
11745	04/19/23	P		PA13	JAMES PADILLA	$543.48
11746	04/19/23	P		KI11	KINGSBURY GENERAL IMP. DIST.	$1,215.70
11747	04/19/23	P		MC10	MCMASTER-CARR SUPPLY	$402.31
11748	04/19/23	P		MO19	MOTION INDUSTRIES, INC.	$142.02
11749	04/19/23	P		OREILL	O'REILLY AUTOMOTIVE, INC.	$82.97
11750	04/19/23	P		POL10	POLYDYNE INC.	$8,234.00
11751	04/19/23	P		SIL4	SILVER STATE ANALYTICAL LAB	$564.00
11752	04/19/23	P		SO13	SOUTHWEST GAS	$2,476.11
11753	04/19/23	P		NE42	STATE OF NV. P.E.B.P.	$1,377.55
11754	04/19/23	P		UNITED	UNITED RENTALS (NORTH AMERICA)	$2,340.00
11755	04/19/23	P		WE10	WEDCO RENO	$2,197.60
11756	04/19/23	P		WE18	WESTERN NEVADA SUPPLY CO.	$1,180.00
11757	05/04/23	P		AL17	ALHAMBRA	$112.03
11758	05/04/23	P		AL01	ALLISON MACKENZIE, Ltd.	$1,890.00
11759	05/04/23	P		AUTO01	AUTOMATIONDIRECT.COM, INC.	$836.00
11760	05/04/23	P		BE15	BENTLY FAMILY LTD PARTNERSHIP	$433.02
11761	05/04/23	P		CH15	CHARTER COMMUNICATIONS	$274.95
11762	05/04/23	P		CODALE	CODALE ELECTRIC SUPPLY	$8,387.83
11763	05/04/23	P		DTS	DIGITAL TECHNOLOGY SOLUTIONS	$206.50
11764	05/04/23	P		GI20	DOUGLAS GIBSON	$299.28
11765	05/04/23	P		EAST20	EAST FORK ROOFING, LLC	$106,100.00
11766	05/04/23	P		FREDH	FRED HOWARD	$282.21
11767	05/04/23	P		FR01	FRONTIER	$48.94
11768	05/04/23	P		GA-ACE	GARDNERVILLE ACE HARDWARE	$677.94
11769	05/04/23	P		GR13	GRAINGER	$1,011.39
11770	05/04/23	P		US12	HD SUPPLY, INC./ USABLUEBOOK	$277.52
11771	05/04/23	P		HDR01	HDR, ENGINEERING, INC.	$482.92
11772	05/04/23	P		HOMETO	HOMETOWN HEALTH	$19,331.33
11773	05/04/23	P		PH12	JOHN PHILLIPS	$482.86
11774	05/04/23	P		O&R	KATRINA ROCK	$430.83
11775	05/04/23	P		KI12	KINGSBURY HARDWARE	$10.06
11776	05/04/23	P		LIBERT	LIBERTY UTILITIES	$40.01
11777	05/04/23	P		AGUILA	MANNY AGUILAR	$164.90
11778	05/04/23	P		MET11	METLIFE - GROUP BENEFITS	$1,991.82
11779	05/04/23	P		NV01	NV ENERGY	$37,853.18
11780	05/04/23	P		OREILL	O'REILLY AUTOMOTIVE, INC.	$451.72
11781	05/04/23	P		EA13	PAULA EAST-JANICKI	$933.80
11782	05/04/23	P		VAN1	RICK VAN HORN	$264.21
11783	05/04/23	P		SIL4	SILVER STATE ANALYTICAL LAB	$1,237.00
11784	05/04/23	P		SO10	SOUTH TAHOE REFUSE, INC.	$480.20
11785	05/04/23	P		ST09	STANDARD INSURANCE COMPANY	$930.56
11786	05/04/23	P		NE42	STATE OF NV. P.E.B.P.	$1,377.55
11787	05/04/23	P		SU13	SUMMIT PLUMBING CO., LLC	$4,725.00
11788	05/04/23	P		TA01	TAHOE BASIN CONTAINER SVC.,INC	$2,202.50
11789	05/04/23	P		THATCH	THATCHER COMPANY OF NV, INC.	$11,449.35
11790	05/04/23	P		UNITED	UNITED RENTALS (NORTH AMERICA)	$114.76
11791	05/04/23	P		VI12	VISION SERVICE PLAN - (AT)	$286.96

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

Douglas County Lake Tahoe Sewer Auth.

AP Check Register (Current by Bank)

Check Dates: 4/19/2023 to 5/17/2023

Check No.	Date	Status*	Vendor ID	Payee Name	Amount
11792	05/04/23	P	WE10	WEDCO RENO	$84.32
11793	05/04/23	P	WF01	WELLS FARGO	$5,587.55
11794	05/04/23	P	WE18	WESTERN NEVADA SUPPLY CO.	$5,237.68
				BANK WFCHK REGISTER TOTAL:	**$247,230.34**
				GRAND TOTAL :	**$247,230.34**

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