MINUTES OF REGULAR MEETING OF
THE BOARD OF TRUSTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
June 26, 2024

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, June 26, 2024, at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

ROLL CALL:

Present were Trustees John McLaughlin, Keith Fertala, Andy Huckbody and Wes Rice. Trustee Jodie Nelson was not in attendance.

RECOGNITION OF OTHERS IN ATTENDANCE:

Also present were Authority Manager Rob Hopkins, Authority Controller Paula East-Janicki, Authority Accountant Ying Johnson, IT specialist, Eric Heffernon, Authority Engineer, Rob Anderson, and the Authority's legal counsel, Jim Cavilia. Bradley Oneto of the Elk Point Sanitation District (EPSD) was also in attendance.

PUBLIC COMMENT:

None.

APPROVAL OF AGENDA:

It was moved by Trustee Rice, seconded by Trustee Fertala and carried unanimously (4-0) that the meeting agenda as presented be approved.

MINUTES OF PRIOR MEETING:

It was moved by Trustee Fertala, seconded by Trustee Huckbody and carried unanimously (3-0) that the minutes of the Meeting of the Board of Trustees of DCLTSA, dated May 15, 2024, be approved as presented. Trustee Rice abstained from the vote because he was not in attendance at the May 15, 2024 meeting.

MANAGER'S REPORT:

A. General Status Report

Mr. 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 Authority staff assisted Elk Point Sanitation District with determining whether or not a storm drain was connected to EPSD's sewer collection system. It was determined that the storm drain was not connected to the sewer collection system.

Mr. Hopkins stated that Authority staff participated in a preconstruction meeting with representatives of the Tahoe Beach Club in regard to the installation of new manholes along Club House Drive.

Mr. Hopkins indicated that staff worked with NV Energy to replace an old power pole that was within one foot of the Authority's high-pressure export force main. Mr. Hopkins expressed his gratitude to NV Energy personnel for their cooperation in protecting the authority's infrastructure.

With regard to the remodeling work being done at the Golden Nugget, Mr. Hopkins reported that the Authority Controller, Paula East-Janicki and Authority Accountant, Ying Johnson, worked with Lumos Engineering to get an updated fixture count and determine the required fees that will be payable to the Authority.

Mr. Hopkins indicated that a meter reporting issue is still being experienced with regard to the Tahoe Douglas District (TDD) meter and that the issue appears to involve communication with the meter. Authority staff is continuing to work on the matter with TDD staff.

Mr. Hopkins reported that staff participated in a preconstruction meeting related to the Burke Creek work being conducted by the United States Forest Service (USFS). Mr. Hopkins stressed that the planned work would not impact or change the Authority's access to the Beach Pump Station (BPS).

Finally, Mr. Hopkins stated that maintenance and repairs were successfully completed on the Number 2 Secondary Clarifier at the plant by Authority staff.

In response to an inquiry by Trustee Rice, Mr. Hopkins assured the Board that no beavers have been harmed as the result of the Authority's work in the Burke Creek area. In response to a question from Chairman McLaughlin, Mr. Hopkins stated that it was his understanding that the only work being proposed for this year by the USFS in the Burke Creek area will be east of the existing access road and that for now, there should be no change in the Authority's access to the BPS. Mr. Hopkins added that he also believed that the USFS was planning to backfill an existing ditch adjacent to Beach Club Drive.

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 June 24, 2024, briefly summarizing various issues that R.O. Anderson Engineering has been involved with on behalf of the Authority. The June 24, 2024, correspondence is incorporated in these minutes by this reference.

Mr. Anderson reported that work is continuing with HDR to review as-built plans of the Authority's sewer lines.

Also, Mr. Anderson stated that field-survey work was continuing with regard to the South Tahoe Public Utility District intertie at Edgewood and that a solution is being worked on.

Mr. Anderson indicated that the design of a sedimentation basin along the access road to the Beach Pump Station has been completed and that the next step will be to submit the plan to the USFS for review and approval.

With regard to the planned repaving work at the plant, Mr. Anderson stated that cost estimates have been completed and that it is hoped that the work can be completed this year.

Mr. Anderson also presented the Board with the influent flow meter data, reporting that there was a 2.2% variance between the contributing districts' meter readings and the Authority meter at the plant.

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

B. Discussion and possible action regarding the assignment of January 10, 2010 Agreement between Douglas County Lake Tahoe Sewer Authority, formerly known as Douglas County Sewer Improvement District No. 1, and R.O. Anderson Engineering, Inc. to Wilson Engineers, LLC and the acknowledgement of the term of agreement.

Mr. Anderson informed the Board that he was in the process of selling R.O. Anderson Engineering, Inc. to Wilson Engineers, LLC out of Tempe, Arizona. Mr. Anderson explained that he would continue to work for the firm for a minimum of five years and that the size and expertise of Wilson would be a benefit to the Authority and Anderson's other existing clients. Mr. Anderson indicated that Wilson has approximately 140 employees and that the proposed transaction was scheduled to close as of July 1, 2024. Mr. Anderson requested that the Board consent to the assignment of his existing 2010 contract to Wilson and that the term of the contract be explicitly acknowledged as the term of the 2010 contract had previously expired. Finally, Mr. Anderson stated that there would be no change in the fees charged to the Authority.

Based on the discussion of the Board and input from Mr. Hopkins a consensus was reached that the agreement for engineering services should be assigned and updated with an initial term of five years. Following the Board's discussion, it was **moved by Trustee Rice and seconded by Trustee Fertala that the assignment of the R.O. Anderson agreement to Wilson Engineers, LLC be approved, and that Mr. Hopkins be directed to update the agreement with a new term of five years.** Chairman McLaughlin opened the floor to public comment regarding the matter. There was no public comment. **The motion was approved unanimously (4-0).**

AUTHORITY CONTROLLER'S REPORT:

A. General Status Report

The Authority Controller, Paula East-Janicki, provided the Board with a budget to actual spreadsheet and reported that operating expenses are approximately 4.95% under budget through May. Ms. East-Janicki stated that total influent flows are down approximately 11.3% compared to last year.

Ms. East-Janicki reported that flows from the Beach Pump Station are down approximately 3.6%, flows from TDD are down approximately 22%, flows from RHGID are also down, but the amount is difficult to state because of issues with RHGID's meter. Ms. East-Janicki indicated that flows from in-Authority commercial users are up approximately 1%. Ms. East-Janicki also stated that KGID's meter has recently been repaired and appears to be transmitting flows correctly.

Finally, Ms. East-Janicki reported that based on the fixture counts for the remodeling work at the Golden Nugget, it is expected that the property owner will be responsible to the Authority for new connection fees of approximately $73,000.

B. Discussion and possible action to augment Fiscal Year 2023-2024 budget, shifting expenses between line items, and increasing total operating expenses by $130,000 for depreciation.

Ms. East-Janicki explained that each year it is necessary to augment the budget to ensure that no budget line is more than 10% over the budget numbers provided to the Nevada Department of Taxation. Ms. East-Janicki provided the Board with a budget to actual estimate, showing the modification of various line items to comply with actual expenses and adding a depreciation expense of $130,000 which had previously been overlooked. Ms. East-Janicki explained that the total actual cash expenses of the Authority did not change. Following a brief discussion among the Trustees, it was **moved by Trustee Fertala and seconded by Trustee Rice that the Fiscal Year 2023-2024 budget be augmented as recommended.** Chairman McLaughlin opened the floor to public comment regarding the matter. There was no public comment. **The motion was approved unanimously (4-0).**

C. Investment Report

Ms. East-Janicki provided the Board with a written summary of the Authority's investments and reported that the Authority has approximately $17.2 million invested with approximately $12.7 million of that amount in the Local Government Investment Pool (LGIP) that paid 5.29% in interest in the previous month. Ms. East-Janicki indicated that the only change since last month has been the addition of interest.

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.

The claims were signed off on by Trustee Rice as the Board Treasurer.

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 stated that three more sewer laterals along the beach were lost in Marla Bay as the result of high water. Trustee Huckbody indicated that TDD was continuing to encourage the homeowners in Marla Bay to move the laterals from the beach and that TDD was also looking into the possibility of obtaining grant funding to help fund the relocation of the laterals. Trustee Huckbody also stated that TDD was working to improve communications from its meters and lift stations.

Trustee Fertala reported that RHGID's new manager was currently in the process of replacing a departing employee. Trustee Fertala indicated that RHGID recently entered into an agreement with Elk Point Country Club to provide water service to the community in the event of an emergency. Finally, Trustee Fertala reported that the timing of RHGID's billing was being revised to be consistent with the billings of the Authority and the other contributing districts.

Trustee Rice was pleased to report that federal funding of approximately $24 million has been appropriated to complete a hiking/biking trail from Sand Harbor to Spooner summit. Trustee Rice also indicated that he was hopeful that parking changes and additional security planned at Zephyr Cove from July 4-6 would reduce the sort of problems that have been experienced in previous years.

Chairman McLaughlin stated that they were expecting record attendance at this year's celebrity golf tournament and that Edgewood is completely booked for the entire week of the tournament. Chairman McLaughlin reported that business has been good in the casino core and the minor league hockey was scheduled to begin in the Tahoe South Events Center in October. Finally, Chairman McLaughlin indicated that he was working with the Authority Engineer to provide for

Edgewood to be responsible for the costs related to regular maintenance and flushing of the STPUD emergency intertie.

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

PUBLIC COMMENT:

Brad Oneto of EPSD reported that the EPSD Board was working with the United State Department of Agriculture and the Nevada State Revolving Loan Fund to get funding for necessary improvements to the EPSD collection system. Mr. Oneto also indicated that EPSD had recently engaged R.O. Anderson Engineering to prepare preliminary engineering for the work and that EPSD now has a website to keep its users informed. Finally, Mr. Oneto thanked the Board and the staff of the Authority for its assistance and cooperation.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 10:40 a.m.

APPROVED

4893-9456-8657, v. 1

Meeting Date: June 26, 2024

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

Authority Manager's Monthly Report – June 2024
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. DCLTSA staff responded to a request from Elks Point Sanitation District to determine if a storm drain might be connected to the EPSD sewer collection system. Field inspection by DCLTSA determined that the storm drain is not connected to the EPSD sewer.

2. DCLTSA staff attended a pre-construction meeting with the Tahoe Beach Club and their contractor, SNC, to measure five DCLTSA manholes for new cones and lids along Club House Drive, which is how they refer to the portion of Kahle Drive on TBC's property. This work is one of the few outstanding items included in the TBC Phase II, Change Order II (aka Phase III) part of the Beach Club project.

3. Our staff worked with NV Energy to safely replace an aging power pole that was directly adjacent to our high-pressure export force main near 298 Chimney Rock Drive. We would like to thank NV Energy for their responsiveness to our concerns related to protecting our force main. (Photo attached.)

4. Paula and Ying have been working with Lumos Engineering to update the fixture count and determine fees due to the Authority for the remodeling work being done at the Golden Nugget Hotel / Casino. Paula may provide more detail if desired.

5. Sewer meter reporting issues persist with transmission of flow data from both KGID and TDD flowmeters. Our staff is continuing to work on this with both our participating Districts.

6. Our staff attended a pre-construction meeting for the United States Forest Service's "Burke Creek Rabe Meadow Riparian Restoration Project". Burdick

Construction will be the contractor performing the work. We are coordinating with them to assure proper protection of Authority infrastructure in the area and to provide some limited space for Burdick to stage materials and equipment.

7. We drained the Number 2 Secondary Clarifier this month to repair the skimmer arms on the clarifier. The main issue appears to be metal fatigue that has accrued over the many years of continuous operation. All repairs were completed in-house. (Photo attached.)



Power pole to be removed next to our export force main.



Staff cleaning #2 Secondary Clarifier prior to repair work.

R O Anderson

June 24, 2024

Via Email

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

Authority Engineer's Monthly Report –June 2024

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 May 22, 2024. During this period, we provided general engineering support as requested. The following paragraphs provide a brief description of these efforts and progress related to each specific task.

General Engineering Services
In addition to general consulting services and attendance at the Board meeting, R.O. Anderson Engineering, Inc. (ROA) assisted and participated with Authority personnel on engineering-related assignments on an as-requested basis. Some of those assignments included:

- Assisting Authority personnel and HDR confirm record information and as-built drawings for the sewer mains within the Sierra Colina development and recent construction along US. Highway 50 for the Events Center. The information collected will be converted to GIS data and over time added to the Sewer Authority's Map Book.
- Field surveying and verification of as-constructed elevations of a portion of the STPUD intertie through Edgewood's property.
- Efforts to complete the drawings for the proposed sedimentation basin at the north side of the access road to the Beach Pump Station. With the completion of this design the permitting process with U.S. Forest Service can commence.

DCLTSA: 2024 Paving Project - Sewer Plant Site Including Reservoir Access Road
During the period we have made further progress on the preliminary design of the proposed pavement sections including re-construction of the entry to the Administrative Office that will include accessibility improvements to meet Americans with Disabilities Act.

Summary of Influent Flows – Year to Date 2024: With the assistance of Ms. East-Janicki, we have reviewed and updated the flow meter data for the period of January 1st through May 31st of this year. The attached charts summarize the flow meter readings for the period. The

Physical
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Minden, Nevada
Reno, Nevada

R O Anderson

average daily flow for this period (January 1st –May 31st) was 1.10 MGD. This flow is about 10% less than the average daily flow (1.26 MGD) that was measured in 2023.

When the sum of the readings from the contributing districts are compared to the influent meter at the Plant, there's a 2.26% difference between the total of the participating districts and the influent meter, with the combined flows from the contributing district being lower. This is mostly readily seen on the second of the three attached flow charts.

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.

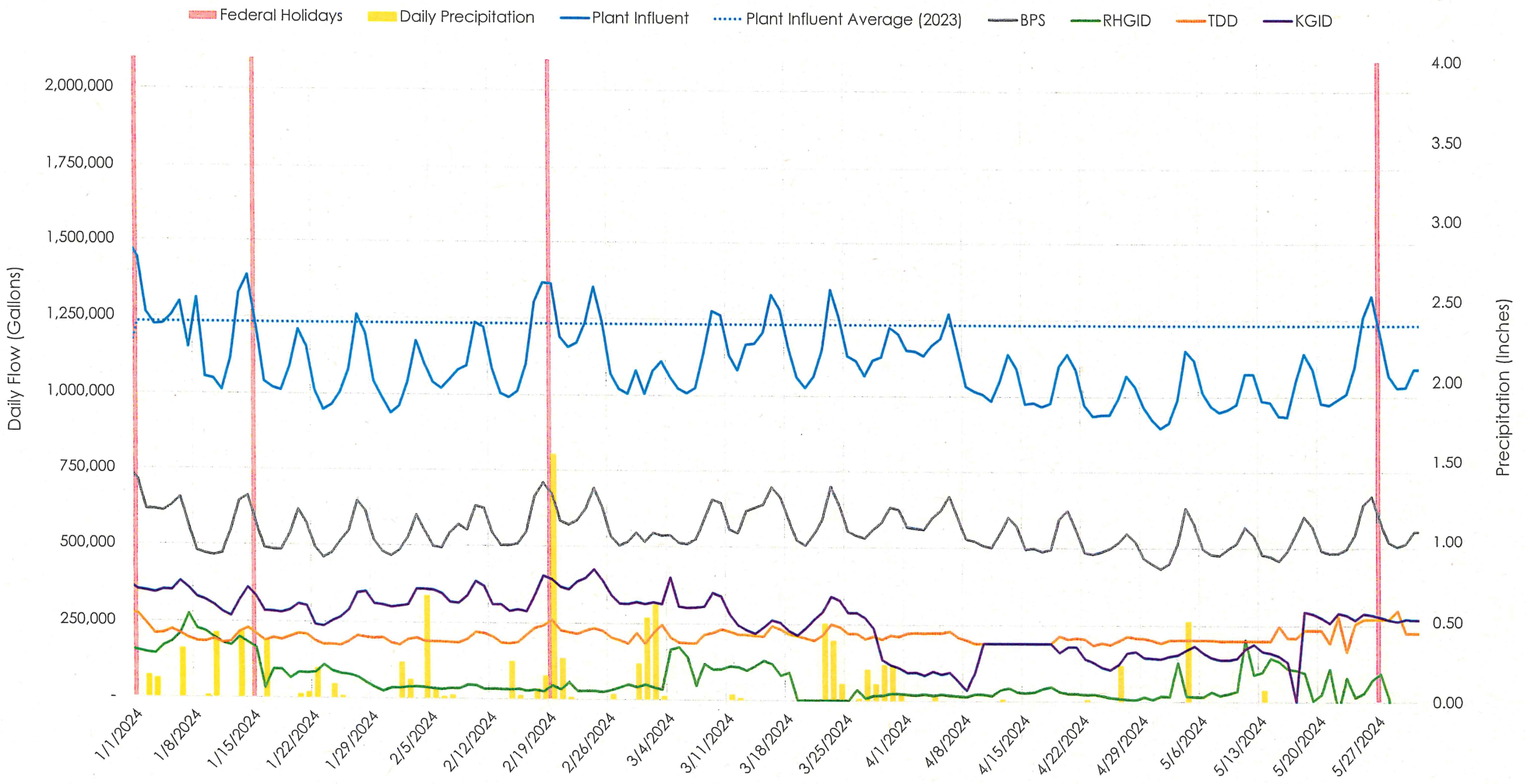
Robert O. Anderson PE

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

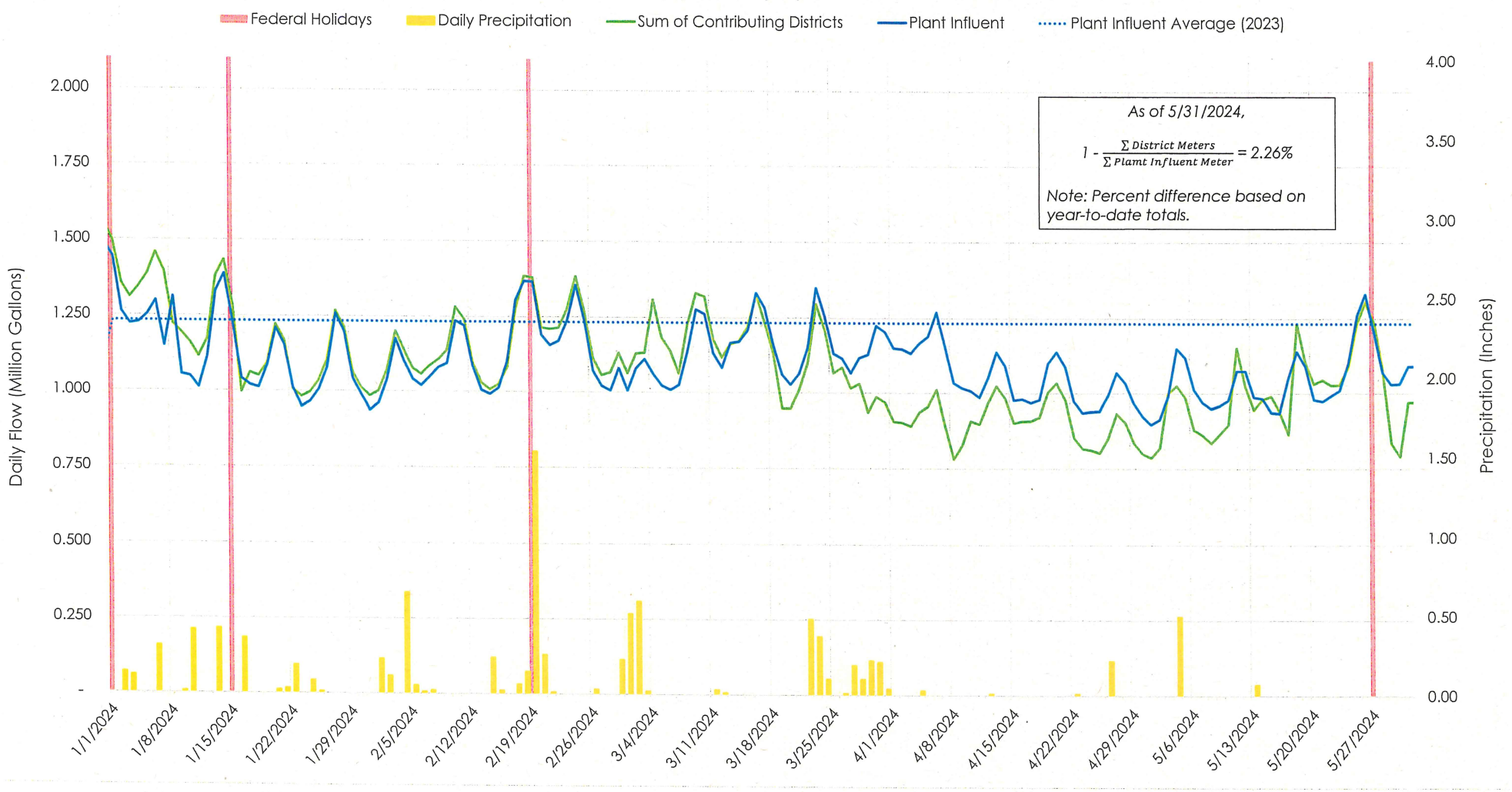
Attachments

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

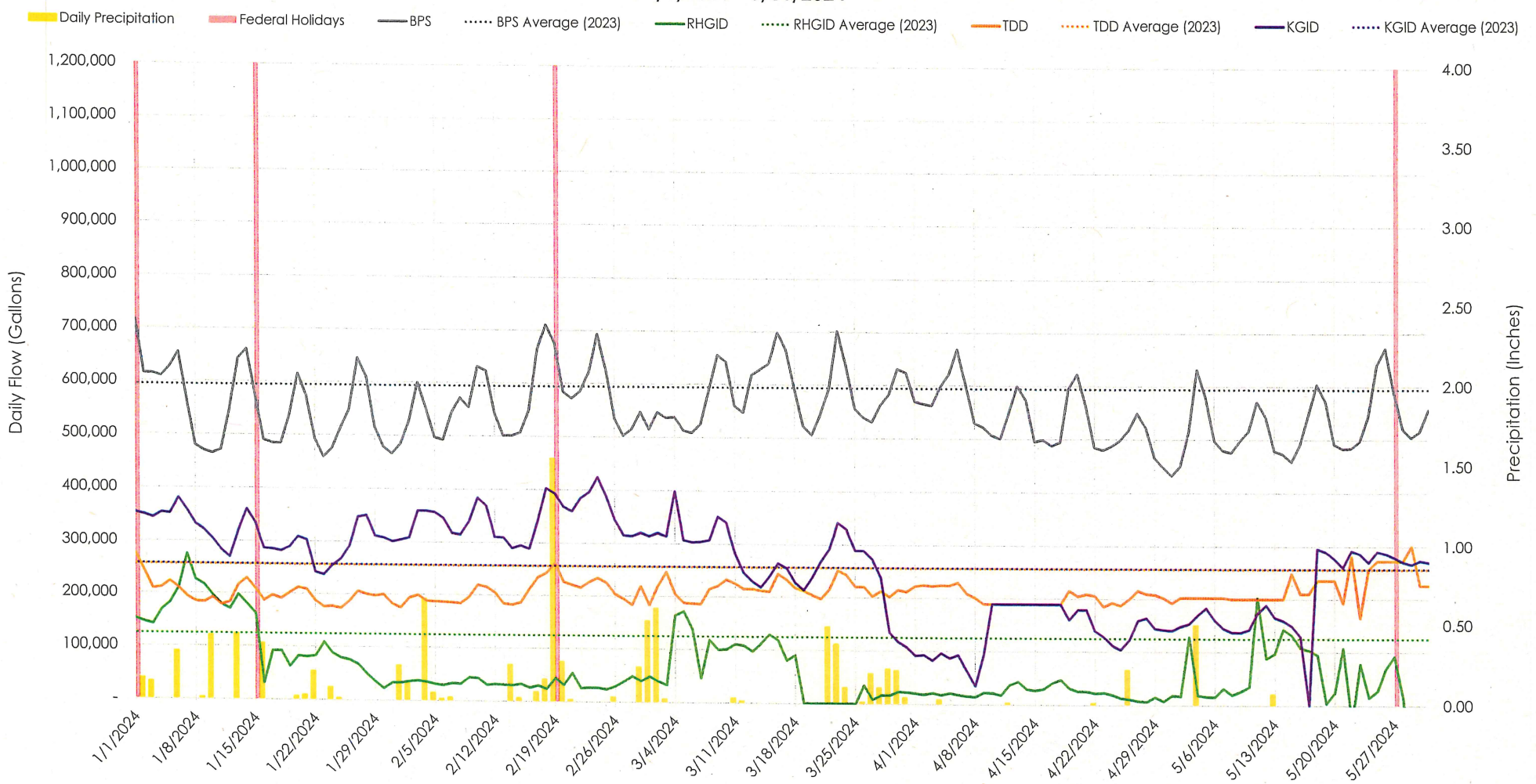
DCLTSA Flow Comparison with Daily Precipitation
1/1/2024 - 5/31/2024



Plant Influent Meter VS. Sum of Contributing District Meters with Daily Precipitation
1/1/2024 - 5/31/2024



Contributing Districts Comparison with Daily Precipitation
1/1/2024 - 5/31/2024



R O Anderson

June 20, 2024

Via E-mail and U.S. Mail

John McLaughlin, Chairman
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
1 Sewer Plant Road
Zephyr Cove, NV 89448

Request to Assign Professional Services Agreement dated February 19, 2010 (as amended, the "Agreement") to Wilson Engineers, LLC

Dear John,

Thank you, again, for your time earlier this week when we briefly discussed this subject. As we discussed, we are in final discussions with Wilson Engineers, LLC, Tempe, AZ (www.wilson-engineers.com) to acquire substantially all the assets of R.O. Anderson Engineering, Inc. Wilson Engineers is a professional engineering firm of about 140 people, with considerable expertise in all facets of water and wastewater engineering design, electrical engineering, and construction administration services. As such, they bring additional engineering depth and expertise that is complementary to our firm's capabilities that we fully expect will prove beneficial to all our clients. As I mentioned to you then, virtually all our staff will continue their employment with Wilson Engineers going forward. For the foreseeable future, my role with Wilson Engineers will be substantially the same and include similar client responsibilities as I have had with Anderson Engineering. Perhaps it's needless to say, but we are very excited about all that the merger with Wilson Engineers affords our clients and our professional personnel going forward.

In connection with this transaction, we desire to assign and transfer our Agreement with the Sewer Authority to Wilson Engineers so that they may continue the long-standing relationship we've enjoyed over the years. Wilson is prepared to assume all go-forward rights and responsibilities under the Agreement and, with the Board's approval of this assignment, Wilson will be permitted to perform the same. The Agreement will otherwise remain unmodified and in full force and effect.

Accordingly, we kindly request the Board of Directors' consideration and consent to this request for assignment of the Agreement effective as of the closing date, which we expect will be July 1, 2024. With the Board's approval and direction, Mr. Hopkins' signature in the space provided below will be sufficient to accomplish this purpose, notwithstanding any contrary language in the Agreement.

R O Anderson

Upon completion and closing of this transaction, I will provide the representatives of the Authority with updated contact information and address(es) for future correspondence.

Thank you again for your continued confidence and assistance in accomplishing this assignment. During your review should you have any questions or require further clarifications, I trust you won't hesitate to contact me directly.

Yours faithfully,

R.O. ANDERSON ENGINEERING, INC.

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

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

Accepted and agreed at the Board's June 26, 2024, Board meeting:

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY

By: _____
Name: Robert Hopkins
Title: General Manager

CONTROLLER'S GENERAL STATUS REPORT

June 26, 2024

- The Budget to Actual worksheet in your packet shows operating expenses through May were 4.95% under budget. Utility costs that have been a concern all year have come into line and are now also slightly under budget.

- Influent flows through May of this year were down 11.3% over the same period last year. As I've told you before, I believe that is due to the exceedingly wet winter of 2022-2023, which resulted in higher flows last year from I & I. The authority's Beach Pump Station is down 3.6%, but TDD is down 22.3%. Our In-District commercial user's flows are up 1%. That is due to the Event Center coming online. It appears that Round Hill's flows are also down but I can't quantify it because their reporting doesn't match the time frames of the other districts. In July, they will change their system to bill from the first to the last day of each month and that will make it easier to calculate correctly. KGID'S meter has been fixed and as of June 18, it appears that it is transmitting flows correctly. Paul Kearney will provide the flow data for the interim days.

- **Budget Augmentation**

  Each year in June we augment the budget for the fiscal year ending June 30. We do this in to ensure that no budget line item or the bottom-line amount of operating expenses finishes the year at 10% over the numbers previously submitted to the Department of Taxation. To do so is a violation of the

administrative code and results in an audit finding and possible fines.

In your packet there is a budget to actual estimation through the end of the year. We have tried to account for all expenses that we know are coming down the pike, so some categories like Repairs and Maintenance we've left lots of room for emergencies. We have shifted money between categories, removing more than $100,000 from Salaries and Benefits to fund the other line items where we're close to or over budget. Nevertheless, the operating expenses minus depreciation are staying the same in the augmentation as those in the final budget. A depreciation projection run this week indicated we needed to add money to that line item, so we added $130,000. Before the addition of 4th quarter assets, we are almost $76,000 over. Even though depreciation is a non-cash item, it is still considered an operating expense.

If there are no questions, I would ask that you approve the augmented budget for the fiscal year ending June 30, 2024, and I will submit it to the State.

- **Investment Report**

The Authority's investments total more than $17.2 million, with $12.7 million of that being held in the Local Government Investment Pool (LGIP). LGIP paid more than 5.29% interest again last month.

The only change in the past month has been the addition of interest.

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.