MINUTES OF REGULAR MEETING OF
THE BOARD OF TRUSTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
September 18, 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, September 18, 2024, at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

ROLL CALL:

Present were Trustees John McLaughlin, Keith Fertala, Andy Huckbody and Jodie Nelson. Trustee Wes Rice was absent.

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. Anne Harry and Kylie Gerken of the Elk Point Sanitation District (EPSD) were also in attendance.

PUBLIC COMMENT:

None.

APPROVAL OF AGENDA:

It was moved by Trustee Nelson, seconded by Trustee Huckbody 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 Nelson and carried unanimously (4-0) that the minutes of the Meeting of the Board of Trustees of DCLTSA, dated August 21, 2024, be approved as presented.

Consideration and Possible Appointment of John McLaughlin for a three-year term beginning October 1, 2024, as Trustee representing the business community of Stateline, Nevada, pursuant to Nevada Revised Statute Section 335, Subsection 26(e).

Authority legal counsel, Jim Cavilia reported that Chairman McLaughlin's current term as a Trustee was coming to an end as of September 30, 2024. Mr. Cavilia added that by statute, the seat held by Chairman McLaughlin is to be filled by a representative of the business community

of Stateline, Nevada, and the individual is to be appointed by the other members of the Board of Trustees.

Chairman McLaughlin expressed his willingness to serve an additional three-term as Trustee if the other Trustees wished for him to do so. Following a brief discussion among the Trustees, **it was moved by Trustee Nelson and seconded by Trustee Huckbody that John McLaughlin be appointed for a three-year term beginning October 1, 2024, as Trustee representing the business community of Stateline, Nevada.** Chairman McLaughlin opened the floor to public comment regarding the matter. There was no public comment. **The motion passed unanimously (3-0).**

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 the Authority has obtained proposals to replace the automatic transfer switch and related components at the treatment plant. Mr. Hopkins stated that the lead time for the new component is from six to sixteen weeks.

Mr. Hopkins indicated that Authority staff was in the process of replacing the failing bulkhead fittings on the sodium hypochlorite tanks.

Based on a recent inspection of the package headworks system at the plant, Mr. Hopkins indicated that Authority staff is ordering replacement wear bars for the grit collection augers and additional fittings that show signs of wear.

Mr. Hopkins stated that quotes have been received to complete the bypass necessary to replace electrical components at the Authority's Main Pump Station.

Mr. Hopkins reported that in the first week of September the Authority had an unannounced routine inspection from the Department of Occupational Safety and Health (OSHA) at the treatment plant. The inspection raised a few minor items that are being addressed by Authority staff.

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 September 17, 2024, briefly summarizing various issues that R.O.

Anderson Engineering has been involved with on behalf of the Authority. The September 17, 2024, correspondence is incorporated in these minutes by this reference.

Mr. Anderson reported that the Authority's application to the United States Forest Service (USFS) regarding the proposed sedimentation basin near the access road to the Beach Pump Sation is nearly complete. Mr. Anderson anticipates that approval of the application will take from six to nine months.

Mr. Anderson indicated that the Authority's comments regarding plans for three buildings on the Werbin family property in Lake Village have been submitted to the property owner.

With regard to the planned repaving project at the treatment plant, Mr. Anderson stated that progress has been made with the Tahoe Regional Planning Authority (TRPA) regarding an old TRPA permit that needs to be closed out before proceeding with this project.

Finally, Mr. Anderson reported that a summary of influent flows for 2024 has been completed with flows being down approximately 5% from 2023. Mr. Anderson stated that the variation between the meters of the various districts and the Authority's meter at the plant is less than 1%.

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

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 were approximately 14% over budget for the first month of the fiscal year. Ms. East-Janicki explained that this was mainly a result of certain items being prepaid and that some costs budgeted for the previous fiscal year did not get paid until the current fiscal year.

Ms. East-Janicki also reported that she and the Authority Accountant, Ying Johnson, have been busy preparing for the Authority's annual audit and that everything has been going well thus far.

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

B. Discussion regarding possible revision to the Authority's general operational ordinance regulating operations and services, as well as fees for services provide by the Authority.

Ms. East-Janicki report that she and the Authority Manager have been working with the Authority Engineer and the Authority's legal counsel to update the Authority's general operating ordinance that was last revised in 2003. Ms. East-Janicki explained that she had conducted a general survey of similar sewer providers to compare connection fees and other relevant data.

Ms. East-Janicki indicated that she was recommending certain revisions to the Authority's ordinance and that she was looking for direction from the Board at this time. Ms. East-Janicki summarized the proposed revisions to include the following:

- Utilization of fixture counts to determine the connection fee for new residential units as they are currently used for commercial uses;
- Increase of the "per fixture unit" fee from $2 per day to $3;
- Providing for the ability to fine commercial users that fail to properly maintain grease interceptors;
- Combining the Plant Expansion and Emergency Repair Fund with the Construction Fund; and
- Inclusion of a Stand-By Fee for commercial users who go off-line but wish to retain capacity for future use.

Following a general discussion of the Trustees regarding the proposed revision of the Authority's operating ordinance, a consensus was reached to bring a proposed new ordinance to the Board for formal consideration and approval at a future meeting.

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

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 $18.1 million invested. The only change in the Authority's investments since the prior month is 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 Chairman McLaughlin.

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

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

Trustee Huckbody stated that at the next meeting of the Tahoe Douglas District (TDD) Board his replacement on the Authority Board will be selected, as his term expires on January 1, 2025.

Trustee Nelson reported that Kingsbury General Improvement District (KGID) recently celebrated its 60th anniversary. Trustee Nelson also stated that KGID's dispute with the Tahoe Douglas Fire District regarding responsibility for clearing fire hydrants was not yet resolved.

Trustee Fertala reported that Round Hill General Improvement District (RHGID) had a meeting last night and that a recently hired operator at RHGID was let go during the probationary period. Other applicants are now being considered. Finally, Trustee Fertala indicated that a subcommittee of the RHGID Board had been formed for the purpose of negotiating an employment agreement with the new RHGID manager.

Chairman McLaughlin reported that it has been a very good summer in the casino core and that thus far there has been very little impact from wildfires. With regard to the new Barton medical facility being proposed at Stateline, Chairman McLaughlin indicated that the planning process was continuing. Mr. Anderson added that an analysis was currently being conducted with regard to the visual impacts of the planned facility.

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

PUBLIC COMMENT: Anne Harry of EPSD indicated that EPSD was currently in the process of looking into the appropriate rates based on the size of residences as EPSD prepares to take full responsibility for its sewer collection system.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 10:45 a.m.

APPROVED

4895-4592-7919, v. 1

Meeting Date: September 18th, 2024

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

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

1. DCLTSA has received proposals to replace the aging Treatment Plant Automatic Transfer Switch (ATS) and upgrade the Programmable Logic Controller (PLC) for the ATS unit. The proposal considers replacing the old internal ATS components with new components of the same type from the same manufacturer. The PLC will be modernized with updated components. Lead times for the equipment range from 6 to 16 weeks.

2. Our maintenance staff are putting together a replacement parts list for some failing bulkhead fittings on our bulk sodium hypochlorite tanks. The fittings are over 10 years old and are due for replacement as a routine preventative maintenance item.

3. We removed the package headworks system from service to conduct inspection and service activities. Based on the inspection, we will be ordering replacement wear bars for the grit collection augers and some additional fittings which are showing signs of wear. SAFECO, provider of the package headworks equipment, has offered to send out a technician to look over the unit when we are ready to replace the wear bars and other parts. We intend to take SAFECO up on their offer of assistance.

4. Quotes have been received to perform the bypass of the old electrical components at the Main Pump Station (MPS). The work will require removing the MPS from utility power for about a week while the electrical systems are rebuilt. The project will involve powering the station using rental generators tied into temporary electrical panels, and those panels then running our existing sewer pumps.

5. In the first week of September, the Department of Occupational Safety and Health conducted a routine inspection of the Treatment Plant. A formal report

back from OSHA is pending at the time of this writing, however staff has been diligently working to address punch list items that were identified during the OSHA walk thorough. We will be upgrading some of our emergency equipment, such as emergency eye-wash and emergency showers to modern standards in the near future in order to stay current with OSHA standards.

R O Anderson

a WILSON ENGINEERS company

September 17, 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 – September 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 August 21, 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 a Wilson Engineers Company (ROA) assisted and participated with Authority personnel on various engineering-related assignments on an as-requested basis. Some of those assignments included:

- Beach Pump Station Access Road – We completed the design of the proposed sedimentation and snow storage basin and have prepared a draft of the USFS application for review. Following is a snippet of the Site Plan that reflects the extent of the planned improvements relative to the access road to the Beach Pump Station as well as Burke Creek and Beach Club Drive. As you are aware, these proposed improvements lie entirely on property managed by USFS. Despite the historic site disturbance that occurs each year due to snow storage and removal efforts, we anticipate that the process to obtain a formal authorization and approval to proceed with the work may require 6 – 9 months to complete.

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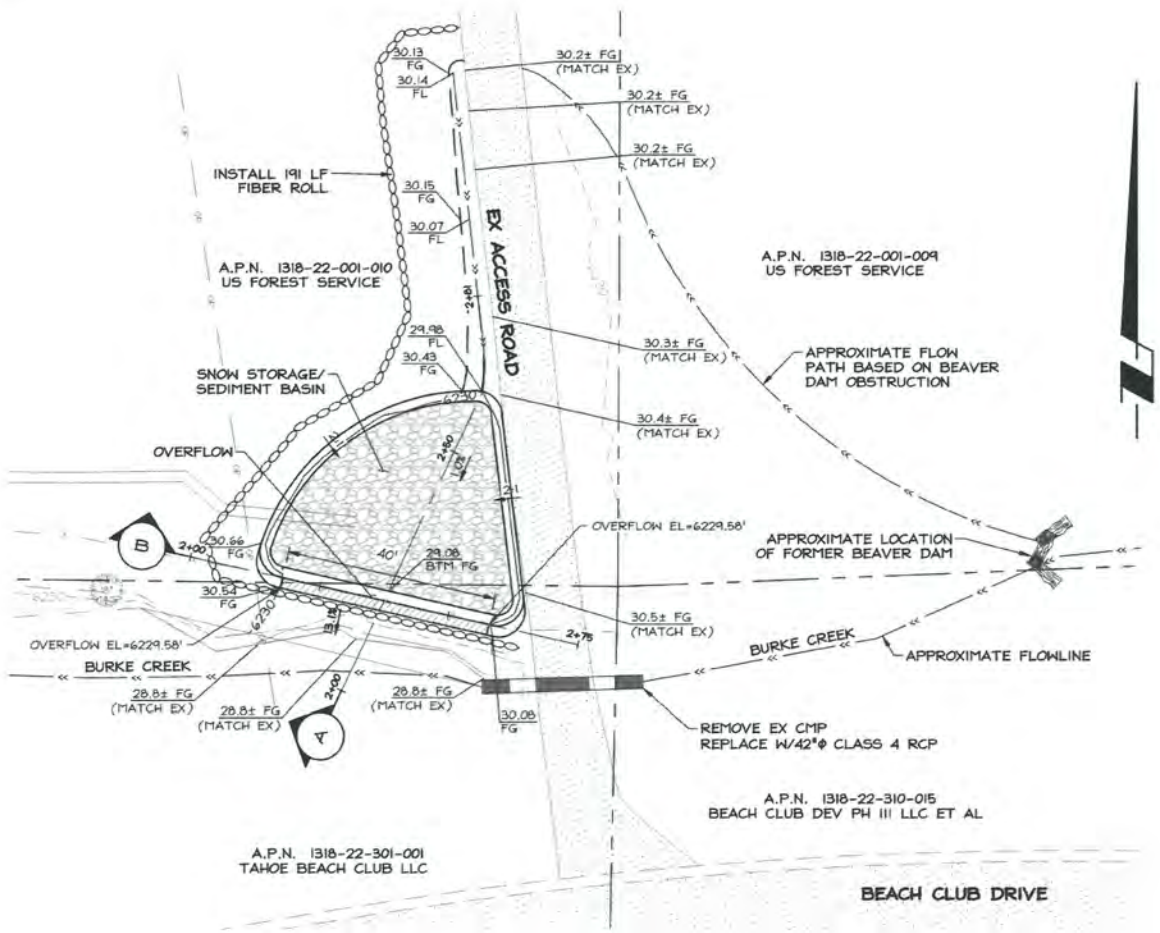


Proposed Sedimentation & Snow Storage Basin
Beach Pump Station Access Road

- Werbin Family Residences, Lake Village – Review of Plans and Draft Boundary Line Adjustment – Based on direction received, we have prepared the formal review comments on this request and delivered them directly to the Owner's representative.

- Sewer Plant Site Re-Paving Project – Design and Permitting Efforts – During this period we have prepared and submitted the supplemental information required by TRPA to demonstrate the reason and basis for the Sewer Authority not completing the work to install a liner of the Plant Reservoir. For context, the Plant Manager and Senior Operator at that time, had made significant changes to the treatment operations that rendered the historic and regular use of the Plant

Reservoir as a decant basin unnecessary. Based on those operation changes, the Sewer Authority was successful in convincing NDEP-Bureau of Water Pollution Control that lining the plant reservoir was not warranted and the requirement was removed. It was for that reason that the Sewer Authority did not complete the lining project that had been approved by TRPA. Having now updated representatives of TRPA with this background, we understand that the Agency is satisfied and now working to confirm available land coverage at the site.

Summary of Influent Flows – Year to Date 2024: With the assistance of Ms. East-Janicki, we have reviewed and updated the flow meter data from the respective contributing districts for the period of January 1st through August 31st of this year. The attached charts summarize the readings for the period. The average daily flow for this period (January 1st -August 31st) was 1.17 MGD. This flow is about 5% less than the average daily flow that was measured in 2023 for the same period (1.23 MGD).

When the sum of the readings from the contributing districts are compared to the influent meter at the Plant, there's a 0.9-percent (0.9%) difference between the combined total flow from the participating districts and the cumulative flow readings as captured at the influent meter. For this period, the combined flow from the contributing districts is slightly lower than the total volume measured at the influent meter. This variation is mostly readily seen on the second of the three attached flow charts. Based on our review of these data, despite daily variations, we continue to have a very high degree of confidence that the relative flows between each district are being equitably accounted for.

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,

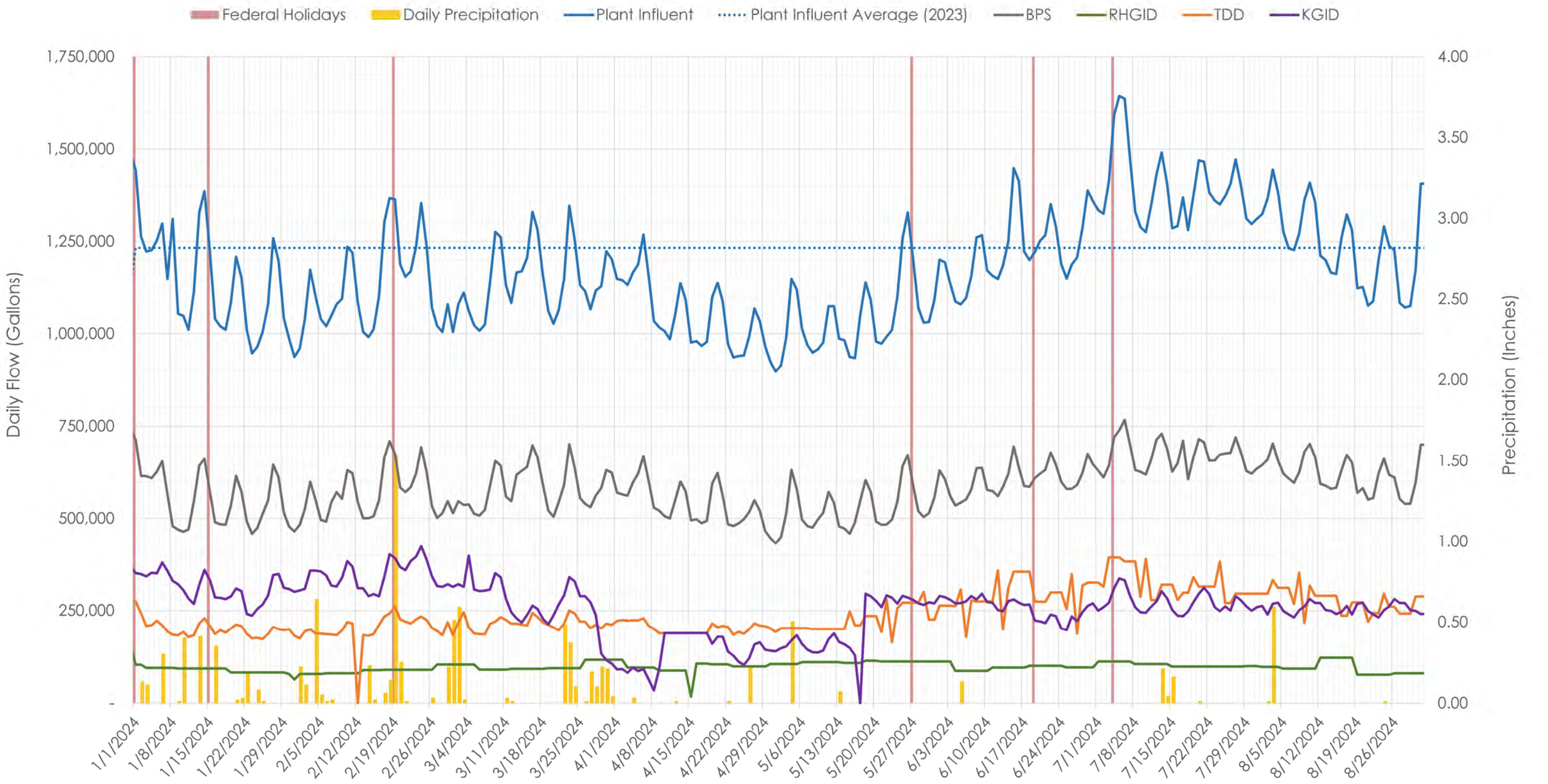
R.O. ANDERSON a Wilson Engineers Company

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

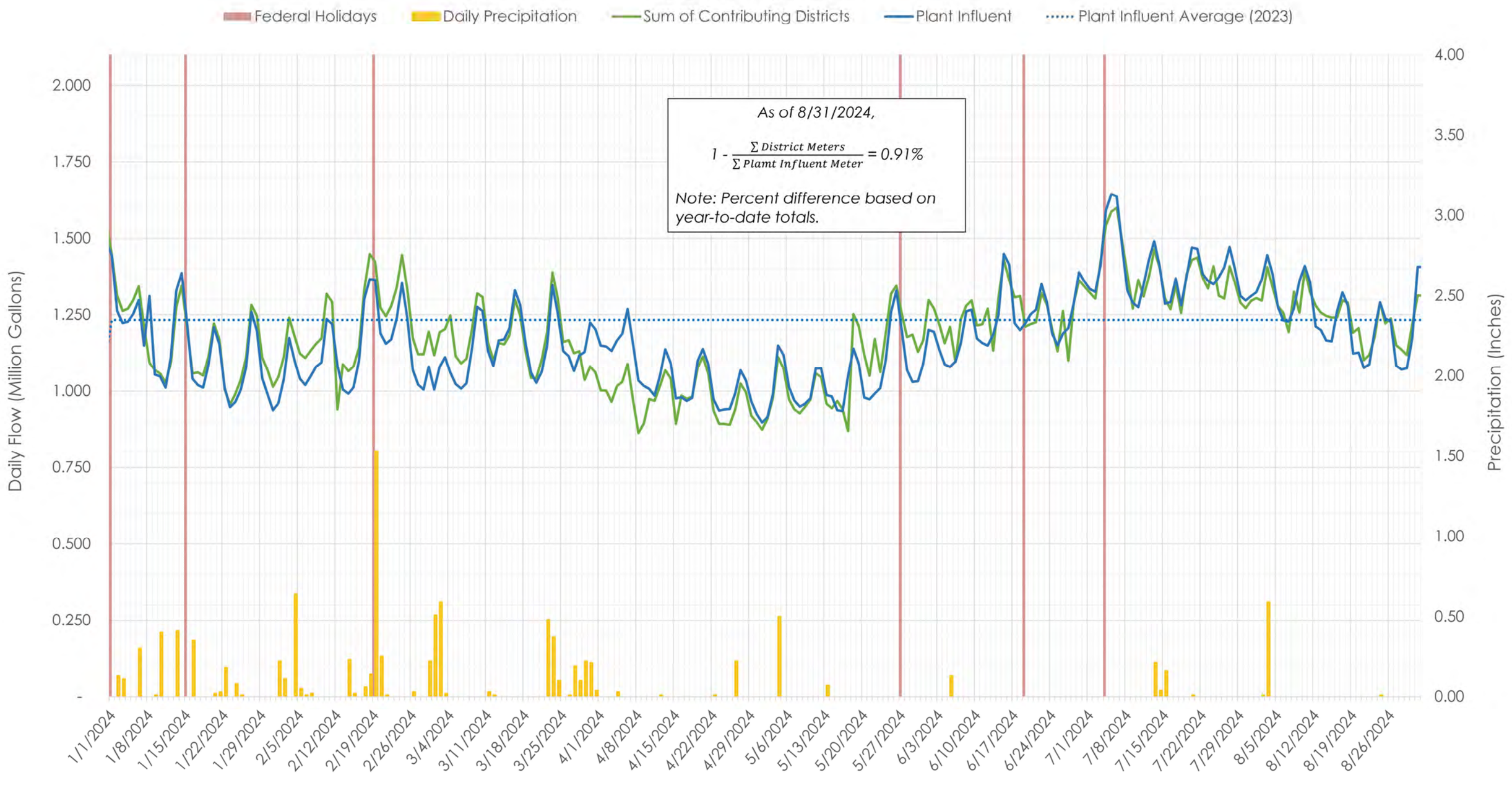
Attachments

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

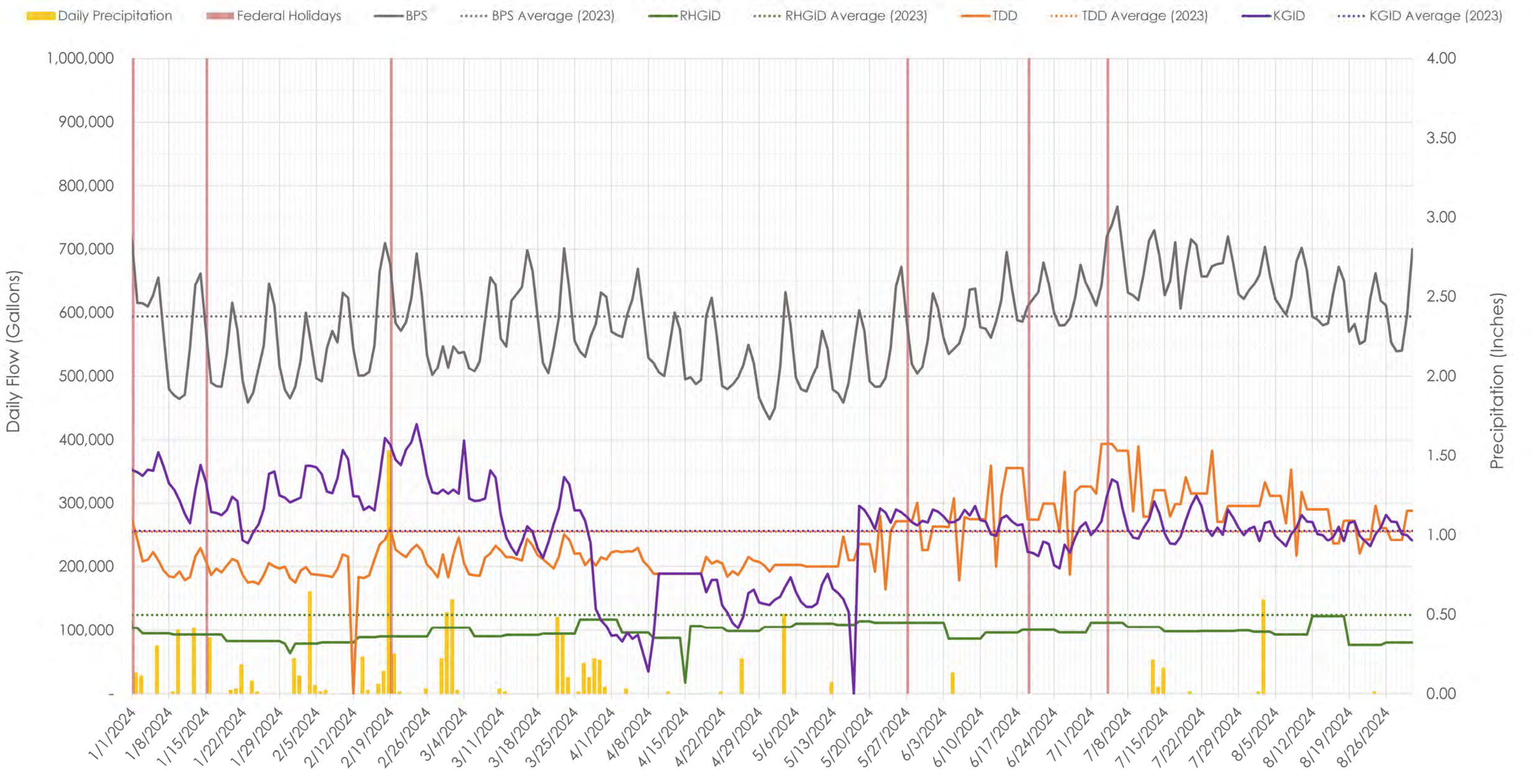
DCLTSA Flow Comparison with Daily Precipitation
1/1/2024 - 8/31/2024



Plant Influent Meter VS. Sum of Contributing District Meters with Daily Precipitation
1/1/2024 - 8/31/2024



Contributing Districts Comparison with Daily Precipitation
1/1/2024 - 8/31/2024



CONTROLLER'S GENERAL STATUS REPORT

September 18, 2024

- The Budget to Actual Spreadsheet in your packet shows that we finished the first month of the fiscal year 14% over budget. However, annual software, Smartcover and permit expenses have been prepaid so the amounts should come in line over the year. Those three line items account for more than $34,000 of the $43,000 overage. Additionally, the $8,700 spent in July for HDR's collection line assessment was not in this fiscal year budget at all as it was scheduled to be completed last June.

- Ying and I have been busy preparing for the audit which is underway.

- **Investment Report**

The Authority's investments total more than $18.1 million, with $13.1 million of that being held in the Local Government Investment Pool (LGIP). LGIP paid more than 5.76% interest in August. The only change in the investment accounts since the last Board meeting was 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.

CONTROLLER'S REPORT ON REVISION OF THE AUTHORITY'S ORDINANCE

The general operational Ordinance which regulates the Authority's operations and services, as well as fees for those services was last revised in 2003. It has frequently been discussed at Board level that the Authority's connection fees, in particular, are no longer adequate. To change that, as well as other provisions that may be outdated, it is necessary to adopt a new Ordinance.

A survey of 7 other districts, Round Hill, Kingsbury, Tahoe Douglas District, Minden Gardnerville Sewer District, Indian Hills, Douglas County and STPUD, indicated that the average residential connection fee is currently $5,054. The Authority's connection fee for a 3-bedroom house is currently $800.

Jim Cavilia, Rob Hopkins, Rob Anderson and I have reviewed the existing ordinance. If the Board concurs, my suggested revisions would include:

- Utilizing a fixture unit count for determining residential connection fees, as we have always done with businesses. Doing this ensures smaller houses pay less and larger ones pay more. The existing Ordinance has a fixed fee per bedroom.

- Increasing the "per fixture unit" cost by 50%, from $2 per gallon per day to $3. That change would result in a $4,320 connection fee for a 2-bathroom home. This increase is based on a "capacity calculation" dividing the capital cost of the treatment plant today divided by the gallons per day of permitted capacity. Since 2006, that cost has increased 65%.

- Adding a provision for monitoring and fining commercial establishments that do not properly maintain grease interceptors.

- Combining the Plant Expansion and Emergency Repair Fund with the Construction Fund as they are designated for accounting purposes. The combined fund would still be restricted for use on large repair and replacement projects.