MINUTES OF REGULAR MEETING OF
THE BOARD OF TRUSTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
October 16, 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, October 16, 2024, at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

ROLL CALL:

Present were Trustees John McLaughlin, Andy Huckbody, Jodie Nelson and Wes Rice. Trustee Keith Fertala 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), Bob Felton of Elk Point Country Club Homeowners Association and Marge Lugo Hauge, of Tahoe Douglas District (TDD) 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 Rice, seconded by Trustee Nelson and carried unanimously (4-0) that the minutes of the Meeting of the Board of Trustees of DCLTSA, dated September 18, 2024 (mistakenly identified in the agenda as minutes, dated August 21, 2024), be approved as presented.

Discussion and possible action to introduce, on first reading, a proposed ordinance regarding the Authority's operations and services, as well as fees for providing services. The proposed ordinance is intended to fully amend and replace the Authority's current operating ordinance.

Authority Controller, Paula East-Janicki, provided the Board with a written summary of the proposed ordinance highlighting the substantive differences in the proposed ordinance when compared to the Authority's existing ordinance which was last updated in 2003. Ms. East-Janicki explained that she reviewed the fees and processes of seven similar districts in northern Nevada. Ms. East-Janicki also explained that the proposed ordinance based new connection fees on Sewer Drain Fixtures Units (DFUs) rather than on the bedrooms in a new residential unit. Ms. East-Janicki stated that the Authority's current residential connection fee is $800 for a 3-bedroom home while the average connection fee among the seven other similar districts is $5,054 per unit.

A connection fee is determined by multiplying the number of DFUs by 80 gallons per day by the established rate for each Gallon Per Day (GPD). Ms. East-Janicki explained that setting the rate at $2.50 per GPD would result in a connection fee of $3,800 for a standard two-bedroom house with each additional bathroom adding $1,200 to the connection fee.

Ms. East-Janicki stated that the amount of the connection fee increase was up the Board but that some increase was justified base on the Authority's increasing capital costs associated with sewage treatment. Authority Manager, Rob Hopkins suggested that an increase in the connection fee could be implemented over a period of years. Mr. Hopkins believed that a 50% increase in the connection fee over a period of time was appropriate.

Ms. East-Janicki then summarized the changes being recommended in the proposed ordinance as follows:

- Addition of a provision for monitoring and fining commercial establishments that do not properly maintain grease interceptors;
- Combining of the Plant Expansion and Emergency Repair Fund with the Construction Fund for accounting purposes;
- Removing any provisions related to the annexation of properties into the Authority; and
- Addition of a stand-by capacity maintenance fee that would allow a commercial user to retain its capacity during a prolonged period of non-operation.

The Authority Engineer, Rob Anderson indicated that he would like to suggest some updated language for Article III of the proposed ordinance and that he would provide such language in advance of the new ordinance being considered for adoption in November.

Following a discussion among the Trustees, **it was moved by Trustee Huckbody, seconded by Trustee Nelson that the proposed ordinance be brought back to the Board for final adoption with the suggested revisions of Rob Anderson and with a 25% increase in the connection fee in 2025 and additional increases of 12.5% in both 2026 and 2027.** Chairman McLaughlin

opened the floor to public comment regarding the matter. There was no public comment. **The motion carried unanimously (4-0).**

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 an Authority service truck was recently involved in an accident in which the Authority employee suffered minor injuries and was on light duty for a short period of time. The Authority truck was an older vehicle and will likely be "totaled" as a result of the accident.

With regard to the OSHA inspection that took place in September, Mr. Hopkins indicated that all items identified by OSHA have been corrected and OSHA has been informed.

Mr. Hopkins explained that HDR is continuing its work in mapping the Authority's existing and proposed Export Force Main alignments as part of Phase 2 of the Export Force Main Replacement Project.

Mr. Hopkins stated that the Authority Engineer and Authority staff have been working with representatives of the United States Geological Survey to compile data regarding the amount and location of effluent exported annually to the Carson Valley by the Authority.

With regard to the package headworks grit auger at the plant, Mr. Hopkins indicated that new wear bars have been ordered.

Mr. Hopkins reported that installation of the channel grinder at the Beach Pump Station is underway and is anticipated to be completed by the end of October.

Also regarding the Beach Pump Station, Mr. Hopkins stated that quotes are being obtained for an elevated scaffold and secondary access ladder for the dry well in order to make normal maintenance activities easier and safer.

Mr. Hopkins stated that the Authority is working with the California Water Environment Association to get some locally sourced operator training for Authority staff that will be approved by the Nevada Division of Environmental Protection.

Finally, Mr. Hopkins reported that data is currently being gathered to complete the Authority's 2024 Third Quarter Discharge Monitoring Report.

In response to a question from Trustee Nelson about the Authority's storage capacity in the Carson Valley for effluent, the Authority Engineer, Rob Anderson explained that the Authority shares effluent storage capacity, which is utilized in the winter months, with the Minden Gardnerville

Sanitation District (MGSD) in a lined pond on Bently property. Mr. Anderson stressed that, based on historic growth rates, the Authority has sufficient storage capacity for many years.

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 October 15, 2024, briefly summarizing various issues that Wilson Engineers (formerly known as R.O. Anderson Engineering) has been involved with on behalf of the Authority. The October 15, 2024, correspondence is incorporated in these minutes by this reference.

Mr. Anderson reported that the Tahoe Regional Planning Authority (TRPA) permitting for the planned repaving project at the treatment plant is progressing and it is anticipated that the project can be completed in the spring of 2025.

Mr. Anderson provided the Board with a report of influent flows to-date for 2024 and indicated that the correlation between the participating districts' meters and the inflow meter at the plan was excellent.

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 3.2% over budget through August of 2024.

Ms. East-Janicki stated that fieldwork on the annual audit has been completed. Ms. East-Janicki added that the new auditor, Casey Neilon, has been great to work with and that the audit should be completed by the next Board meeting in November.

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

B. Investment Report

Ms. East-Janicki provided the Board with a written summary of the Authority's investments and reported that the Authority has more than $18.1 million invested with approximately $13.1 million in the Local Government Investment Pool. The only change in the Authority's investments since the previous meeting of the Board 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 introduced Marge Lugo Hauge of the TDD Board and indicated that Ms. Lugo Hauge had been selected to fill his position on the Authority Board beginning in January, 2025. Ms. Lugo Hauge indicated that she has lived in the Cave Rock area since 1989 and recently participated in a tour of the Authority treatment plant.

Trustee Huckbody reported that TDD was waiting for TRPA approval for the removal of TDD's sewer line on the beach at Marla Bay which must be completed by October of 2025. Trustee Huckbody explained that removal of the line will require 22 homeowners to relocate their sewer laterals.

Trustee Nelson reported that Kingsbury General Improvement District (KGID) recently reviewed proposed rate revisions and that a public workshop is being scheduled to discuss upcoming capital improvement projects in KGID. Trustee Nelson added that the KGID Board recently received information about a proposed bill in Congress to deal with potential liability as a result of "forever" chemicals in the water supply. Mr. Hopkins stated the risks from such chemicals in the local water supply were very low and Trustee Nelson stated that the proposed legislation was being proposed to shield local water suppliers from potential liability.

Trustee Rice summarized recent actions of the Douglas County Commission in settling a dispute regarding a proposed aggregate mine on tribal property in the Carson Valley, explaining that the County had no authority to preclude the proposed activity and that the County was able get certain concessions from the contractor requiring limited hours and the payment of royalties to pay for road maintenance.

Chairman McLaughlin stated that good weather in October was good for business in the casino core and that the new events center has been doing well moving into the fall when there is no limit on the number of events at the center. Chairman McLaughlin added that opening night for the new hockey team in November was already sold out with many other events planned.

Chairman McLaughlin stated that the Golden Nugget was continuing its work on one tower and that Harvey's/Harrah's are moving forward with capital improvement projects costing more than $130 million.

PUBLIC COMMENT: Bob Felton of Elks Point Country Club Homeowners Association asked Chairman McLaughlin a question about ownership of the new Tahoe South Events Center (TSEC). Chairman McLaughlin stated the TSEC is owned and operated by the Tahoe Douglas Visitor's Authority.

ADJOURNMENT:

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

APPROVED

4853-6094-8980, v. 1

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

Authority Manager's Monthly Report – October 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. An Authority service truck was involved in a traffic accident at the intersection of Highway 50 and Kahle Drive. Our truck was rear-ended by a distracted driver while waiting at the stop light at the intersection. All accident and police reports have been filed. The one DCLTSA staff member involved has been medically assessed after the accident and has been placed on light duty until further medical follow-up approves him for return to full time, regular duty. The crew truck is likely to be a total loss due to a bent frame.

2. Our staff has corrected 100% of the items called out in the OSHA compliance inspection conducted last month and we have communicated this back to OSHA for their records.

3. HDR is continuing to work on mapping the existing and proposed Export Force Main alignments for Phase 2 of the Export Force Main Replacement Project. Any tree removal / earthwork will take place in the spring of 2025 when construction season resumes in the Basin.

4. DCLTSA and our Engineer, Rob Anderson, have been working with Eric Morway of the United States Geological Survey, to compile annual treated effluent flow data and GIS data of DCLTSA outfall locations. The data is being collected by USGS for a Scientific Investigation Report (SIR) to document Carson Valley hydraulic modeling and to show where the different effluent sources originate and enter Carson Valley.

5. Wear bars for the package headworks grit auger have been ordered.

6. Final fitting for the installation of the channel grinder at the Beach Pump Station is underway. We hope to have the unit installed and operational by the end of October.

7. We are obtaining quotes to construct an elevated scaffold and secondary access ladder for the dry well at the Beach Pump Station. The scaffold and ladder will make routine maintenance of the BPS flowmeter much easier and will provide a secondary egress point from the BPS drywell, improving safety.

8. We are working with Kaylon Prior of the California Water Environment Association (CWEA) to get locally sourced Operator training and continuing education opportunities approved by the Nevada Division of Environmental Protection.

9. We are gathering data to generate the Third Quarter 2024 Discharge Monitoring Report.



Bear on the roof of the office, October 2024…

R O Anderson

WILSON ENGINEERS company

October 15, 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 – October 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 September 18, 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 further coordination efforts on the application to USFS for the Beach Pump Station Access Road and responding to questions about the Authority's plan review comments from the civil engineer designing the Werbin Residence.

2024 Sewer Plant Site Re-Paving Project – Design and Permitting Efforts: Over the past couple of weeks, we have made further progress with representatives of TRPA regarding the administrative hold that was placed on permitting of this project. As I reported at last month's meeting, while permitting the design of the lining of the Plant Reservoir, the Sewer Authority through its operational staff were successful modifying the treatment processes such that the Plant Reservoir was no longer needed for treatment purposes to meet discharge permit levels. After testing the operational changes for a considerable amount of time, in 2007 or 2008, the Sewer Authority successfully petitioned NDEP-Bureau of Water Pollution Control (NDEP) to modify its Order to remove the requirement to line the reservoir. NDEP ultimately approved that request, which included an allowance to use the reservoir for emergency purposes if needed.

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Based on our most recent conversations with representatives of TRPA's permitting staff, they were apparently unaware of the decision by NDEP to eliminate the requirement to line the Plant Reservoir. Based on these same discussions, TRPA has agreed to process the application for the construction permit for the proposed Plant Re-paving Project based on the amount of coverage at the plant site that was verified with the proposed lining of the Plant Reservoir. They have verbally requested that we provide further documentation supporting the modifications to the treatment processes that have eliminated the need to use the Plant Reservoir for water quality purposes. While it has taken a couple of months to obtain this clarification and commitment from TRPA, we believe it is a positive outcome and should serve to minimize the processing time for the project's permit to construct.

While working with TRPA on the permitting and coverage issue described above, we have made further progress on the design of the re-paving project including the reconstruction of the Main Entry to the Administration Building while creating an accessible route into the building. Over the coming 30 - 45 days we expect to complete the draft design (90% level) of the project and be ready to initiate the formal permitting process with TRPA and Douglas County.

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 September 30th of this year. The attached charts summarize the readings for the period. The average daily flow for this period (January 1st -September 30th) was 1.16 MGD. This flow is about 10-percent less than the average daily flow that was measured in 2023 for the same period (1.29 MGD), and nearly the same as the average daily flow observed in 2022 for the same period (1.12 MGD). As you will recall, 2023 was a relatively large water year whereas 2024 to date the region has had a relatively low volume of precipitation. It, therefore, seems probable that the difference in total plant flows over these past three years is attributable to variance in precipitation.

When the sum of the readings from the contributing districts are compared to the influent meter at the Plant, there's less than 1-percent (actually calculated at 0.33%) variance between the combined total flow from the contributing districts and the cumulative flow readings as captured at the Plant's 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

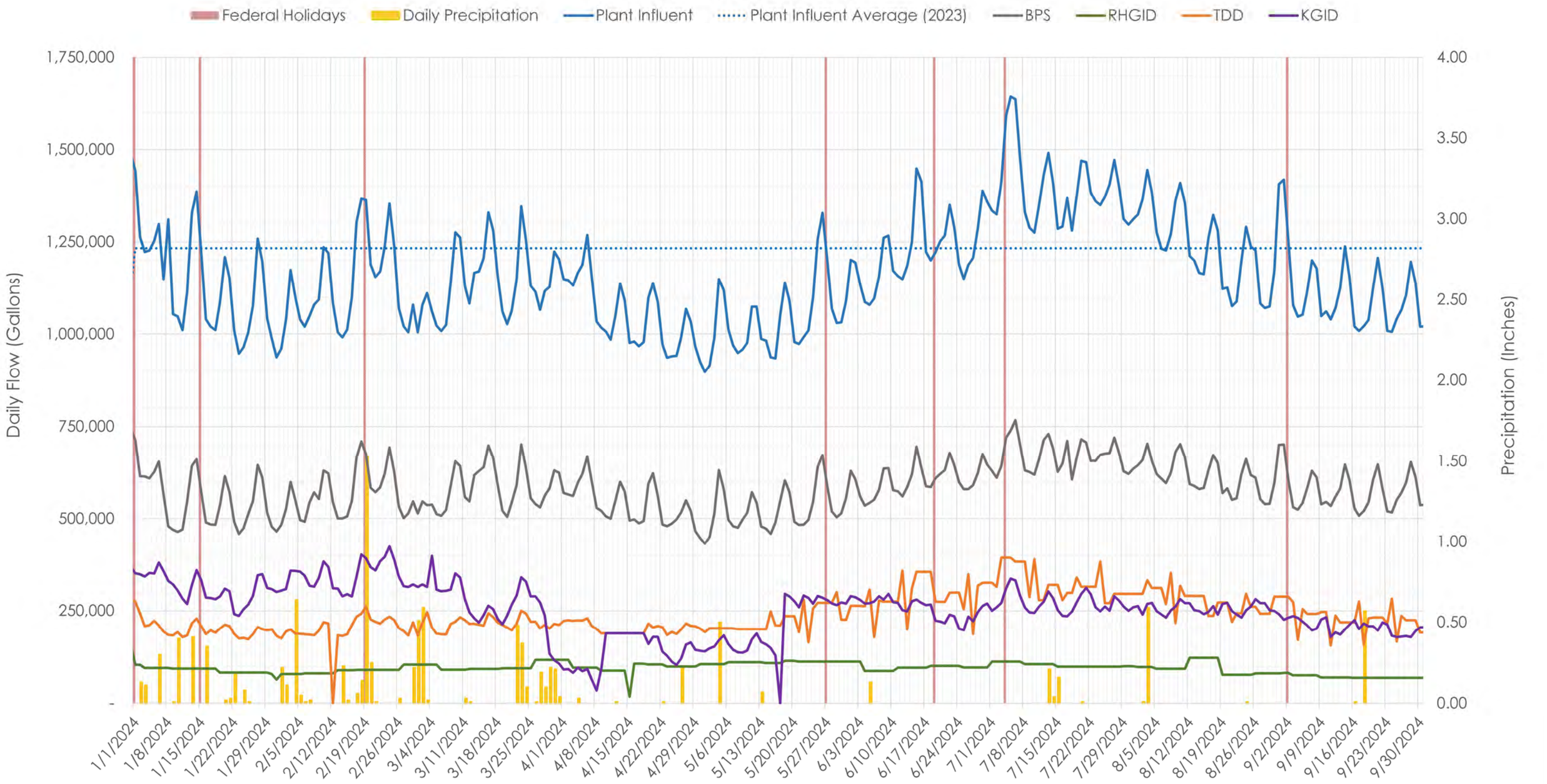
Robert O. Anderson PE

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

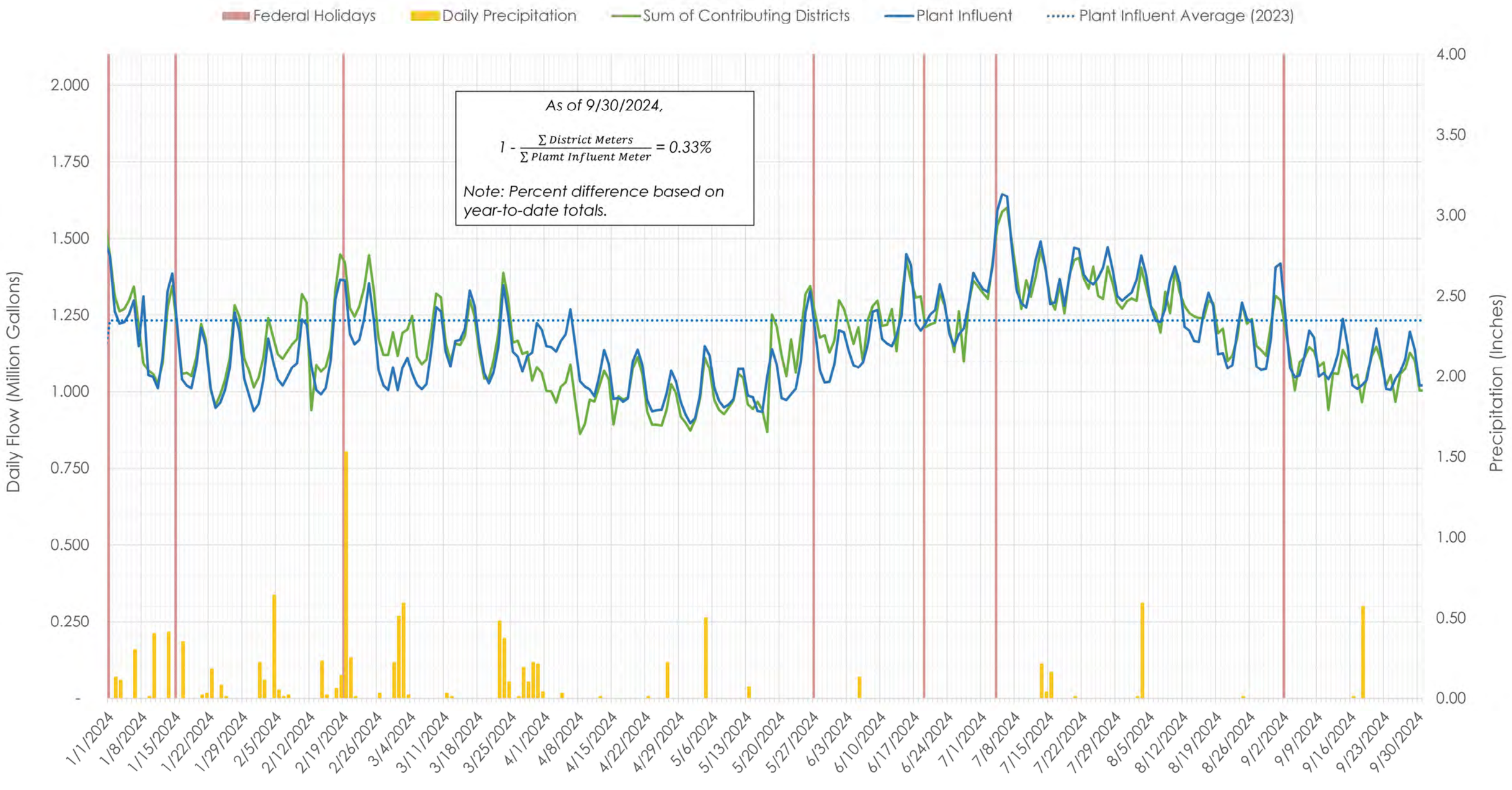
Attachments

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

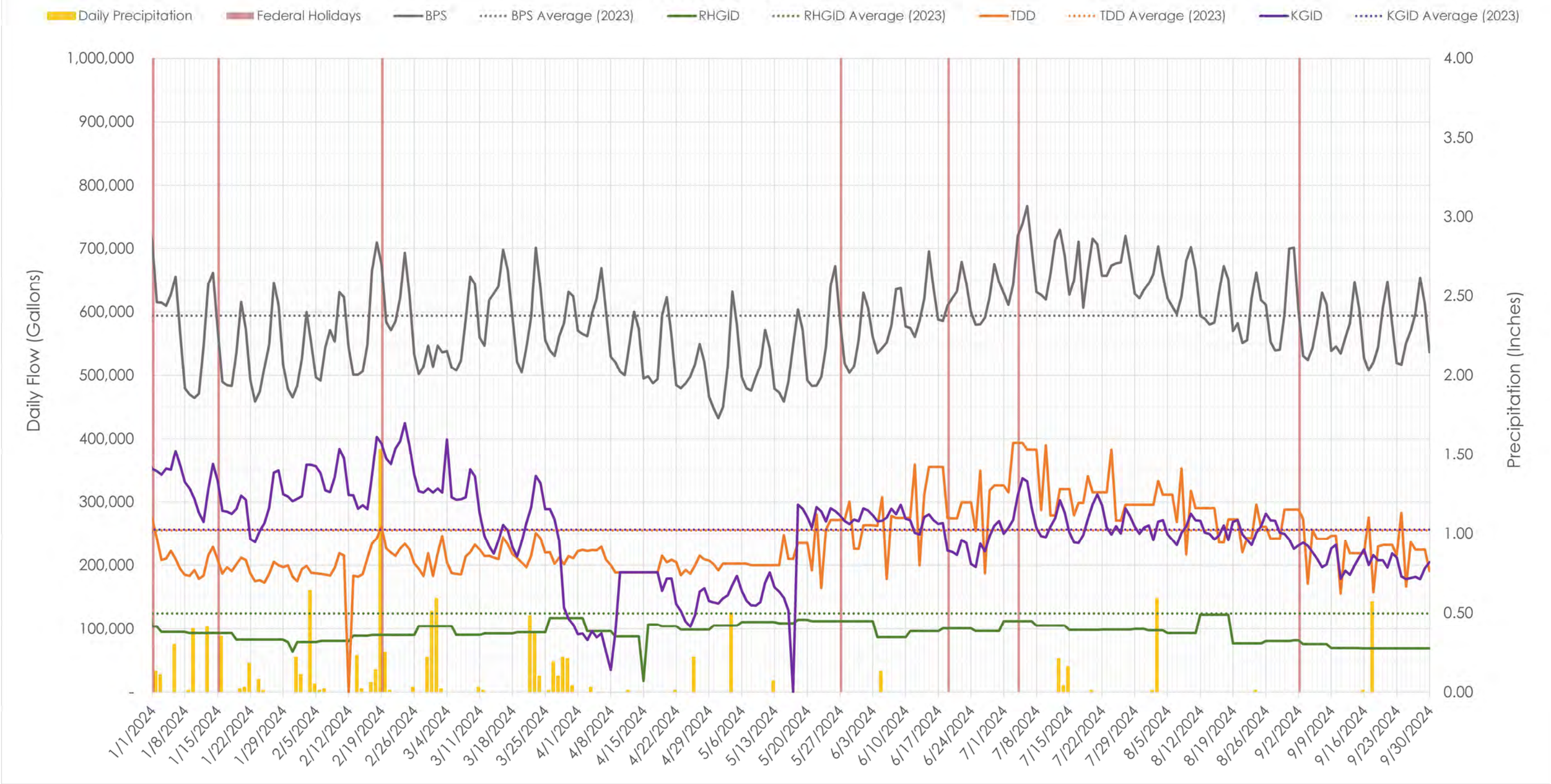
DCLTSA Flow Comparison with Daily Precipitation
1/1/2024 - 9/30/2024



Plant Influent Meter VS. Sum of Contributing District Meters with Daily Precipitation
1/1/2024 - 9/30/2024



Contributing Districts Comparison with Daily Precipitation
1/1/2024 - 9/30/2024



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

October 16, 2024

As we discussed last month, the general operational Ordinance which regulates the Authority's operations and services, as well as fees for those services, was last revised in 2003. Over the past months, we have worked with Jim Cavilia and Rob Anderson to change provisions in the 2003 Ordinance that are outdated, as well as connection fees.

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.

If the Board concurs, our suggested revisions include:

- Utilizing a drainage fixture unit (DFU) count, as defined in the International Plumbing Code 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.

    - The connection charge is figured as follows:
      # DFUs X 80 gallons per day X rate.

    - Increasing the charge by 25%, from $2 per gallon per day (GPD) to $2.50 would result in a $3,800 connection fee for a 2-bathroom home. Many new homes, particularly here in Tahoe, have 3 bathrooms or more. At $2.50 per GPD, each bathroom adds $1,200 to the connection fee. The updated DFU chart is attached to this report.

    - As I told you last month, the usual formula for figuring "capacity" is derived by 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%. I had previously recommended increasing the connection fee by 50% to $3.00. That amount would result in a $4,560 connection fee for a 2-bedroom home and $6,240 for a 3-bedroom one. If the Board thinks the 25% increase is insufficient, the capacity calculation certainly justifies 50%.

Other proposed changes to the existing ordinance include:

- 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.

- Removing the provision for properties annexing to the Authority.

- Adding a Stand-by Capacity Maintenance Fee provision for commercial users, during prolonged periods of non-operation.

DFU - Drainage Fixture Units

Individual Appliance, Appurtenance or Fixture	Minimum Size of Trap (inch)	Drainage Fixture Unit Values (DFU)	
		Private	Public
Automatic clothes washers, commercial	2		3
Automatic clothes washers, residential	2	2	
Bathroom (water closet, lavatory, bidet and tub/shower	3	6	
Bathtub	1 1/2	2	2
Bidet	1 1/4	1	
Bidet	1 1/2	2	
Dental unit, cuspidor	1 1/4		1
Dental lavatory	1 1/2		1
Dishwashing machine	1 1/2	2	2
Drinking Fountain	1 1/4	0.5	0.5
Floor drain, 3"	3	6	6
Floor drain, 4"	4	8	8
Food waste disposer	2		3
Shower	2	2	2
Laundry Tub	1 1/2	2	2
Lavatory	1 1/4	1	1
Bar sink	1 1/2	1	
Kitchen sink, domestic	1 1/2	2	2
Laundry sink	1 1/2	2	2
Mobile home, trap	3	12	
Service or mop basin	2		3
Sink, clinical	1 1/2		2
Sink, commercial with food waste			3
Urinal	2	2	2
Washfountain	1 1/2		2
WC - Water Closet, gravity tank	3	3	4
WC- Water Closet, flushometer tank, valve	3	3	4
Water cooler	1 1/4	0.5	0.5

CONTROLLER'S GENERAL STATUS REPORT

October 16, 2024

- The Budget to Actual Spreadsheet in your packet shows that we finished August 3.2% over budget. That's down from 14% in July, so we're headed in the right direction. Additionally, as I advised last month, annual software, Smartcover and permit expenses have been prepaid so the amounts should come in line over the year.

- The field-work portion of our audit is complete. The Excel portion of our financials have been submitted and I hope to have the written portion done early next week. Casey Neilon has been great to work with. They will present the final audit next month at the Board meeting.

- **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). 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.