MINUTES OF REGULAR MEETING OF
THE BOARD OF TRUSTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
May 21, 2025

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, May 21, 2025, at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

ROLL CALL:

Present were Trustees John McLaughlin, Sara Nelson, Keith Fertala and Marge Hauge. Trustee Wes Rice was present via audio and video connection by which he could hear everyone at the meeting, and everyone could hear him.

RECOGNITION OF OTHERS IN ATTENDANCE:

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 of the Elk Point Sanitation District (EPSD) was also in attendance.

PUBLIC COMMENT:

None.

APPROVAL OF AGENDA:

It was moved by Trustee Fertala, seconded by Trustee Nelson and carried unanimously 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 that the minutes of the Meeting of the Board of Trustees of DCLTSA, dated April 16, 2025, be approved as presented.

PUBLIC HEARING on Final Budget for Fiscal Year 2025-2026

Ms. East-Janicki provided the Board with a summary of the proposed Fiscal Year 2025-2026 budget, pointing out that the budget is unchanged from the preliminary budget presented previously to the Board. Ms. East-Janicki indicated that the budget includes a 7.6% increase in salaries and benefits as well as 13.9% increase in health insurance costs.

In response to an inquiry from Chairman McLaughlin, Ms. East-Janicki explained that, despite the fact that no retired Authority employees are covered under the Authority's group health insurance plan, the Authority is required to maintain a plan that will cover any retirees if they wish to be covered. Ms. East-Janicki stated that this requirement severely limits the coverage plans that are available to the Authority. Chairman McLaughlin asked that this issued be reviewed by counsel to be sure that the Authority actually has this obligation going forward.

In continuing her summary of the budget, Ms. East-Janicki stated that the budgeted amount for power and utilities is down 5.5%, repairs and supplies are up 16% and that as the result of the HDR collection system assessment not being completed in this fiscal year, engineering and consulting is up in the amount of $20,000.

Ms. East-Janicki continued summarizing various line items in the budget, pointing out that non-operating revenue is budgeted to be down because of lower interest rates. Service rates for the various contributing districts are increasing as follows:

KGID	1.5%
RHGID	1.4%
TDD	10.3%
In-Authority Residential	5+%
In-Authority Commercial	5.5%

Ms. East-Janicki briefly explained how expenses are allocated among the various users based on anticipated flow rates and then adjusted at the end of each year based on actual flows.

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

Following a brief discussion among the Trustees, **it was moved by Trustee Fertala, seconded by Trustee Hauge and approved unanimously that the budget for Fiscal Year 2025-2026 be accepted and approved as presented.**

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's first quarter Discharge Monitoring Reports have been completed and submitted to the Nevada Division of Environmental Protection (NDEP) and the Environmental Protection Agency (EPA).

At the main pump station, Mr. Hopkins explained that staff recently repaired a broken water line that was threatening to flood the pump station. Mr. Hopkins added that staff also upsized the dewatering pump at the station in order to reduce the risk of flooding in the future.

Mr. Hopkins stated that an updated will-serve letter for the Tahoe Beach Club Phase III was recently issued.

Mr. Hopkins indicated that Authority staff repaired a water line leak at the plant just south of the #2 primary clarifier.

Mr. Hopkins reported the phone system has recently been upgraded and that the system is much more user-friendly and intuitive.

Mr. Hopkins stated that the Authority has entered into dewatering/decanting agreement with the Douglas County Stormwater Maintenance Division for the disposal and treatment of stormwater runoff in the Stateline area.

With regard to the beach pump station, Mr. Hopkins indicated that designs are being considered for providing a second form of access to the dry well in order to increase safety.

Finally, Mr. Hopkins reported that a second emergency backup sewer pump has been acquired and will be installed at the beach pump station, providing for additional redundancy.

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 of Wilson Engineers presented correspondence dated May 20, 2025, briefly summarizing various issues that Wilson Engineering has been involved with on behalf of the Authority. The May 20, 2025, correspondence is incorporated in these minutes by this reference.

Mr. Anderson stated that he consulted with Authority management regarding a request related to the Authority's Buckeye Creek Reservoir site in the Carson Valley. Mr. Anderson reported that a request from the Tahoe Beach Club regarding a boundary line adjustment was reviewed on behalf of the Authority and Mr. Anderson assured the Board that the Authority's historic access to the beach pump station would be maintained.

Mr. Anderson indicated that a review of influent flows for the year to date have been reviewed and that there was little variance between the plant influent meter and the metering from the contributing districts.

With regard to the Sewer Plant Site Re-Paving Project, Mr. Anderson stated that the project is out to bid, and he hopes to have a recommended contractor at the June Board meeting.

Mr. Anderson stated that an analysis of effluent flows to the Bently reservoir is being completed in order to determine the availability of capacity going forward.

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 3.25% under budget through the end of March, largely as the result of lower electrical rates and decreased usage.

Ms. East-Janicki reported that total influent flows to the plant, year-to-date, are down approximately 5% with in-Authority flows up approximately 1%.

Ms. East-Janicki stated that the Authority's Other Post Employment Benefits (OPEB) actuarial study has been completed and will result in a non-cash expense of approximately $22,000.

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

B. Consideration and Possible Adoption of the Capital Development Plan for Fiscal Year 2025-2026

Ms. East-Janicki presented the Board with a proposed Capital Development Plan (CDP) for the upcoming fiscal year and explained that the CDP is a planning document that can be revised by the Board at any time. In response to an inquiry from Chairman McLaughlin, Ms. East-Janicki explained how in-Authority system improvements are only paid for by in-Authority users. Trustee Hauge pointed out that the completed Reservoir Sludge Removal project was mistakenly listed on the CDP twice. Ms. East-Janicki thanked Trustee Hauge for catching this inaccuracy.

Chairman McLaughlin opened the floor to public comment regarding the matter. There was no public comment. Following a brief discussion among the Trustees, **it was moved by Trustee Nelson, seconded by Trustee Fertala and approved unanimously that the Capital Development Plan be adopted as presented.**

C. Consideration of the character, conduct and/or professional competence of Rob Hopkins, Authority Manager (Annual Performance Review) to determine potential merit raise amount in advance of contract discussions.

Ms. East-Janicki thanked all of the Trustees for having completed their written evaluations of Mr. Hopkins and stated that based on the average combined score of 4.2 out of 5, a merit raise of 4-5% was justified. Ms. East-Janicki also explained that a pay increase of 4% would put the salary at the mid-point of the salary survey for similar positions and that Mr. Hopkins' salary should be discussed prior to the Board considering the extension of Mr. Hopkins' employment contract with the Authority.

Chairman McLaughlin opened the floor to public comment regarding the matter. There was no public comment. Following a discussion among the Trustees about Mr. Hopkins' good work for the Authority and the fact that he deserves a pay increase, **it was moved by Trustee Fertala, seconded by Trustee Nelson and approved unanimously that a salary increase of 5% be approved for Mr. Hopkins.**

D. Consideration and possible extension of Authority Manager, Rob Hopkins' contract with the Authority through June 22, 2028

Ms. East-Janicki explained that the Authority has historically had three-year employment contracts with its manager and that such an extension was being proposed for Mr. Hopkins, whose current contract expires on June 22, 2025.

Chairman McLaughlin opened the floor to public comment regarding the matter. There was no public comment. Following a brief discussion among the Trustees, **it was moved by Trustee Nelson, seconded by Trustee Rice and approved unanimously that the Authority's employment contract with Mr. Hopkins be extended through June 22, 2028.**

E. Investment Report

Ms. East-Janicki provided the Board with a written summary of the Authority's investments and reported that the Authority has approximately $18.7 million invested, with approximately $13.5 million in the Local Government Investment Pool which paid interest of 4.305% in April. Ms. East-Janicki reported that she had arranged with the Authority's bank to begin daily sweeps of the Authority's accounts in order to increase interest income.

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 the Chairman.

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 Nelson reported that KGID approved its budget for the upcoming fiscal year. Trustee Nelson pointed out that KGID has not had a rate increase since 2017 and that a third party has been engaged to conduct a rate study in the upcoming year. Finally, Trustee Nelson indicated that KGID's new general manager was on board and doing very well.

Trustee Hauge reported the TDD Board had not yet met in May, and she had nothing to report.

Trustee Fertala reported that RHGID recently approved its budget and the employees of RHGID recently chose to no longer be affiliated with the union that had represented the employees for many years. Trustee Fertala indicated that a project to reduce infiltration at Pinewild was going out to bid and the RHGID sewer meter that had not been operating properly was recently removed and tested. The meter appears to be working properly now.

Trustee Rice reported that things at Douglas County were generally good, and that work was still being done to get Muller Parkway constructed.

Chairman McLaughlin reported that work at the major properties in the Casino Core was continuing with the renovations at Caesar's Republic set to open on July 1st. Chairman McLaughlin indicated that renovation work at the Golden Nugget will pause for the summer. Chairman McLaughlin emphasized that hockey at the Tahoe South Events Center has been very good for business and for the local community as a whole and that everyone is looking forward to a good summer.

PUBLIC COMMENT: Anne Harry of Elk Point Sanitation District (EPSD) reported that EPSD's upgrades to its system are estimated to cost approximately $1.36 million and that a loan commitment in the amount of $1.2 million has been secured from the United States Department of Agriculture (USDA). Currently, EPSD is working on the conditions of the loan as well as easement issues related to the project.

ADJOURNMENT:

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

Marge Lizo Hauge

APPROVED

4924-6592-7757, v. 1

Meeting Date: May 21st, 2025

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

Authority Manager's Monthly Report: May 2025
A. General Status Report

Staff Recommendation:

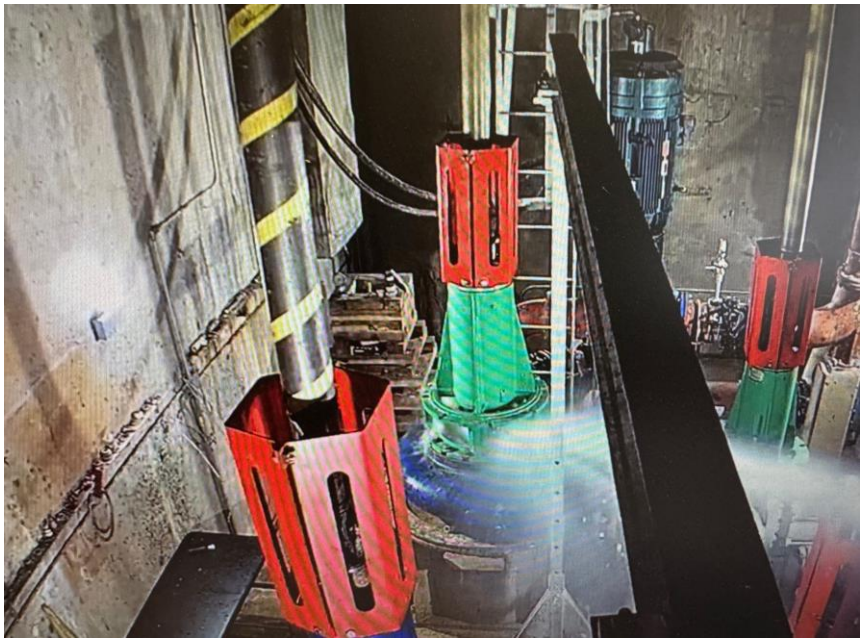
None. This is an informational item only.

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. The First Quarter 2025 Discharge Monitoring Reports were submitted and approved by the NDEP and EPA.

2. Our staff repaired a broken seal flushing water line at the Main Pump Station. The broken line risked flooding the dry well of the pump station. Rapid action by staff prevented any adverse events. Staff also upsized the dewatering sump pump after the flooding event to further mitigate any future flooding issues. Photo attached.



Broken seal water line spraying from pump body

3. We have updated and re-issued a Will-Serve letter to the Tahoe Beach Club regarding the TBC Phase III Project.

4. DCLTSA staff repaired a water line leak located under the paved area south of the #2 Primary Clarifier. Photo attached.



Excavation around broken water line.

5. The DCLTSA phone system has been upgraded to an improved Voice-Over-Internet-Protocol (VoIP) system. The new system is much more intuitive and user friendly for staff.

6. DCLTSA has executed a dewatering / decanting agreement with the Douglas County Stormwater Maintenance Division for the disposal and treatment of runoff collected in storm drain interceptors in the Stateline area.

7. Staff are obtaining quotes for design and construction of a second form of egress from the Beach Pump Station dry well. This will likely involve construction of a fall-protected ladder and perhaps an additional catwalk for maintenance purposes.

8. We have purchased a second engine-driven emergency backup sewer pump, which will be permanently installed at the Beach Pump Station this summer. This pump is similar in design to the pump we installed at the

Main Pump Station in 2023. Both pump systems provide yet another layer of redundancy to both critical pump stations. Photo attached.



Godwin engine-driven emergency backup pump system installed with temporary piping at Beach Pump Station.

WILSON ENGINEERS

1603 Esmeralda Avenue
Minden, NV 89423

9060 Double Diamond Pkwy, Suite 1B
Reno, NV 89521

Office: 775-782-2322

May 20, 2025

Via Email

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

Authority Engineer's Monthly Report – May 2025

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 April 16, 2025. 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, Wilson Engineers LLC, (Wilson), assisted and participated with Authority personnel on various engineering-related assignments on an as-requested basis. These services included participating in internal meetings with Authority Management staff to review the historic considerations and entitlement process of the proposed effluent storage reservoir at the Authority's property located in the Buckeye Creek watershed. We also reviewed and provided feedback to management staff regarding the existing easement that is now controlled by NV Energy for access to the existing substation through the plant property.

We also reviewed a request from Tahoe Beach Club to perform a boundary line adjustment that would re-align the access road through the development. This request includes abandoning certain public utility easements; however, their request does not propose to change the existing 20-foot-wide Sewer Access Easement (Document No. 1995-368477). In speaking with a representative of the Beach Club the existing road that is over the Sewer Authority's existing easement will be removed in favor of a new 10-foot-wide multi-modal path, which the Sewer Authority's personnel can use to access the existing sewer interceptor in this location.

Summary of Influent Flows – Year to Date:
Utilizing flow data collected and submitted to us by Paula East-Janicki, we have reviewed and compiled that data for April 2025. The attached charts summarize the flow meter readings for the period. Like previous presentations of this data, we have superimposed the dates of official holidays (i.e., New Years, Martin Luther King Day, and President's Day) as well as reported daily precipitation. Based on our review of the flow data, the variation in flow received at the plant is about 1.4% greater than the sum of the flows received from the contributing districts. This difference is well within the accuracy limits of the meter manufacturers. That is, the sum of the flows from the contributing districts continues to be slightly less than the volume of flow measured at the plant.

The average daily flow during April 2025 as measured by the influent meter was calculated to be 1.01 million gallons per day (MGD). This daily influent flow volume continues to be slightly lower than the average daily flow measured in 2024 (1.12 MGD). Year to date, the average daily flow measured at the Plant meter is about 1.07 MGD.

2025 Sewer Plant Site Re-Paving Project – Design and Permitting Efforts:
During the period we completed the design and specifications for the re-paving project. The bid solicitation process has commenced as well as the permitting process. To ensure local paving contractors are aware of the project, we sent letters to the following companies in expectation that they would be qualified and capable of completing the proposed work:

- Advanced Asphalt
- QualCon Construction
- Q&D Construction
- SNC Construction
- Colbre Construction.

The bid solicitation process includes the following key dates:

- Pre-bid Meeting: June 4, 2025
- Bid Date: June 10, 2025 (at 2 PM)
- Contract Award, if awarded: June 18, 2025
- Work Commences: After July 1, 2025
- Substantial Completion Date: October 15, 2025

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,

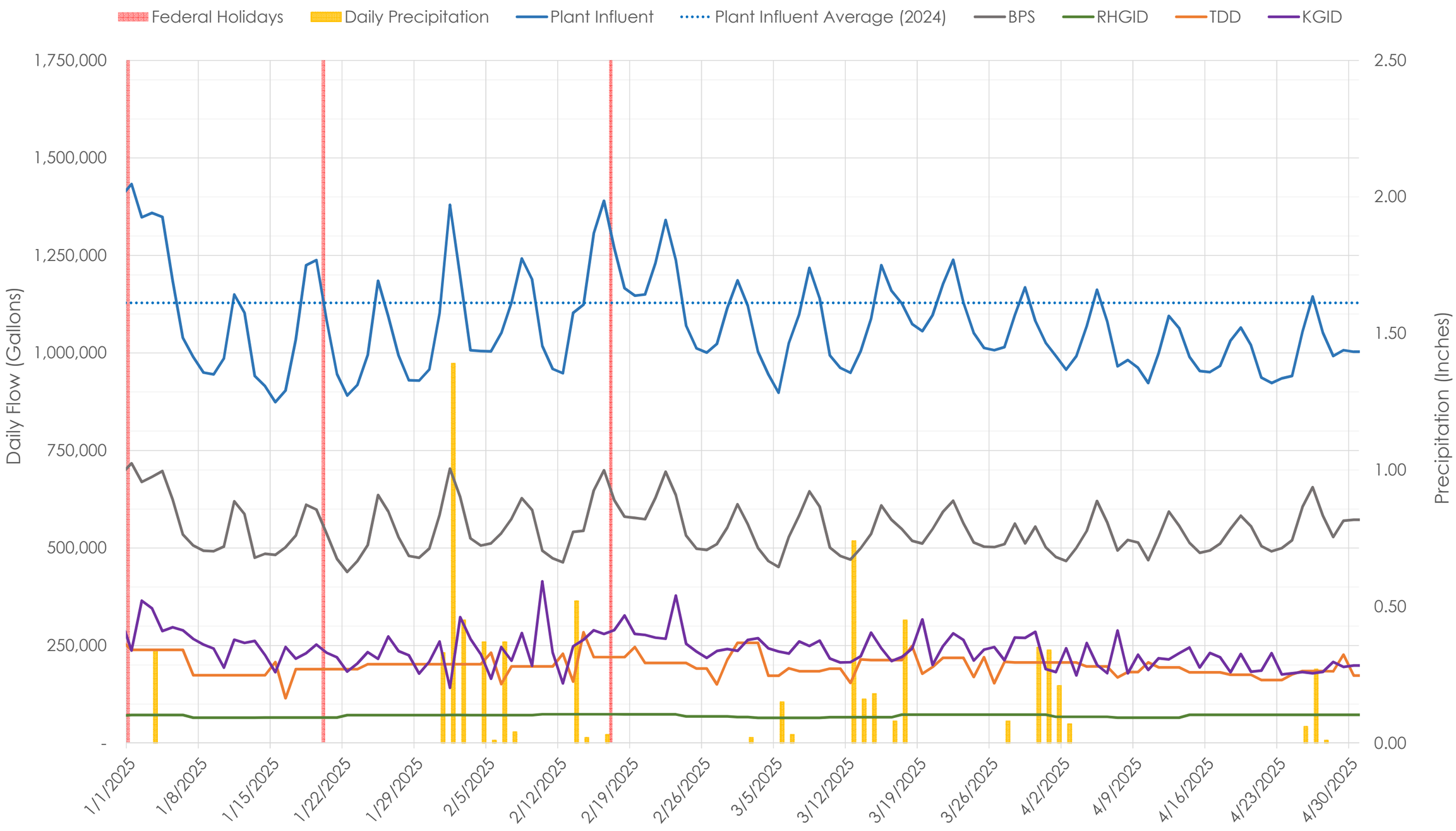
WILSON ENGINEERS LLC

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

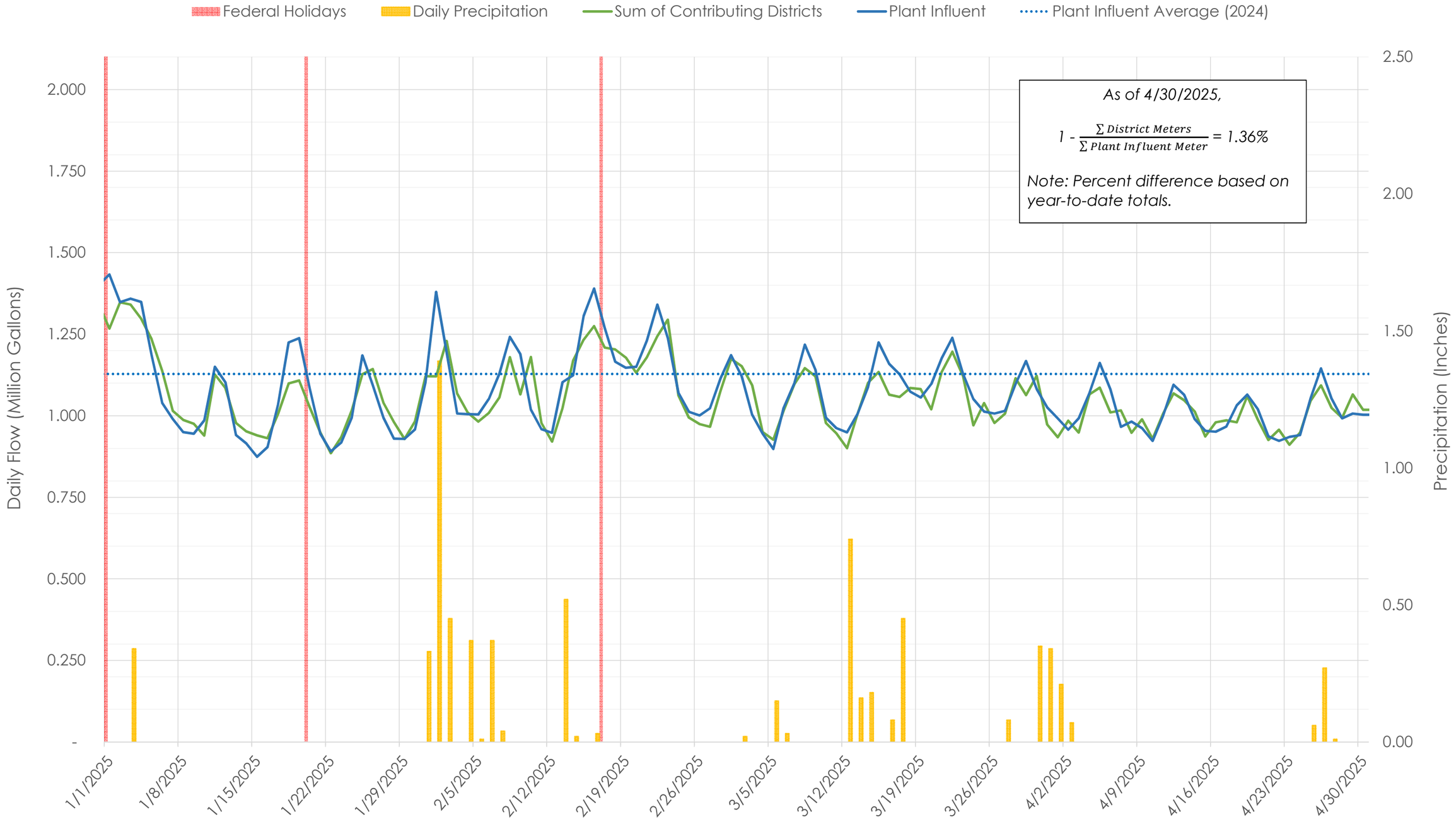
Attachments

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

DCLTSA Flow Comparison with Daily Precipitation
1/1/2025 - 4/30/2025



Plant Influent Meter VS. Sum of Contributing District Meters with Daily Precipitation
1/1/2025 - 4/30/2025

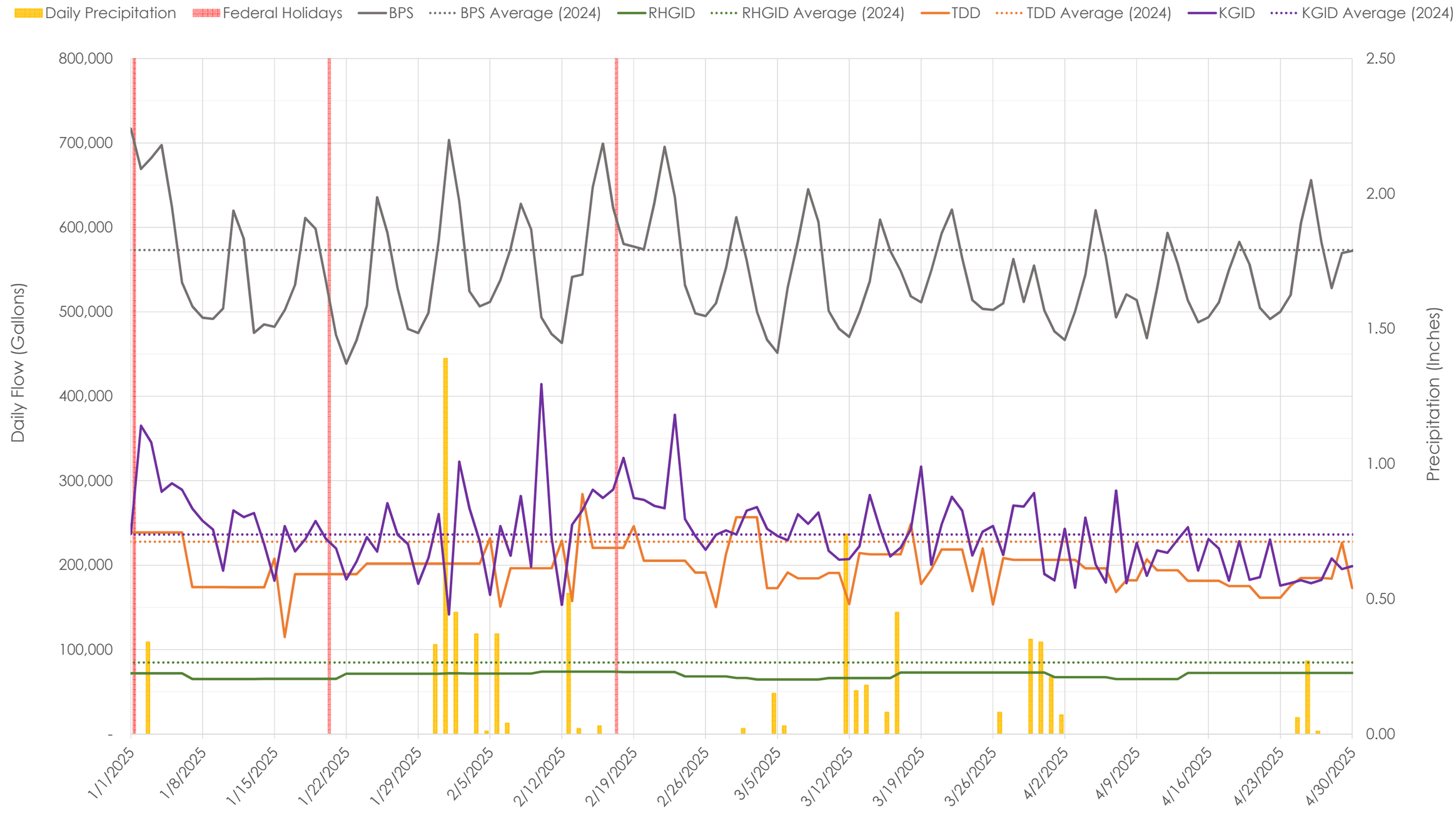


As of 4/30/2025,

$$1 - \frac{\sum District\ Meters}{\sum Plant\ Influent\ Meter} = 1.36\%$$

Note: Percent difference based on year-to-date totals.

Contributing Districts Comparison with Daily Precipitation
1/1/2025 - 4/30/2025



Controller's General Status Report

May 21, 2025

- The Budget to Actual Spreadsheet in your packet shows that we finished March 3.25% under budget. This is largely attributable to lower electric rates and decreased usage.

- Influent Flows here at the plant through April were down 5% overall. Round Hill's flow percentage is down .75%, TDD's flows are level, and KGID's flow percentage is down 1.16% from last year's. The In-District flow percentage is up 1% but commercial flows are down 4%. Again, these decreases may have to do with drier weather this year, thus less infiltration.

- We will be augmenting the current year's budget at the next meeting to be sure we don't go over 10% in any category or overall operating expenses. This is a formality and doesn't affect operations or the Authority's financial position at all. It is simply a requirement for audit and Department of Taxation compliance.

- Macleod Watts has begun updating our OPEB (Other Post Employment Benefits) actuarial study for the current year and the PERS actuarial numbers should be available before we augment the budget. Despite the fact that those are non-cash expenses, they have a real impact on Budget reporting overall.

Capital Development Plan

- Just as with the budget, the Capital Development Plan (CDP) in your packet is the same one submitted to you in March. Two projects we hoped to have completed before July 1, the Main Pump Station

Improvements and the Transfer Switchgear Replacement, are now expected to be complete in September. The Pavement and Concrete Improvements project is expected to begin in July. The Export Pipeline Replacement is on the CDP for the coming year, but we understand there may be hold-ups on Forest Service permitting due to cuts in federal funding.

- The CDP is a planning document and the important part from a compliance position is that the figures on it, plus general fund capital outlay, are the same as the numbers in the budget being submitted. We can change the CDP at any time after submission, with no reporting updates to the State.

Investment Report

The Authority's investments total more than $18.7 million, with $13.5 million of that amount being held in the Local Government Investment Pool (LGIP). In Pril, LGIP was still paying 4.305%. Since the last Board meeting, one of our CD's matured at 5.15% and was replaced with a 3-year CD at 4.1%.

Last week we spoke with the Wells Fargo government banker and we will be utilizing the sweep account feature, Trustee Fertala told us about last month. At current interest rates, it is projected to earn an additional $7,000 per month in 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 Chairman to sign them and return them to me for our records.

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
CAPITAL DEVELOPMENT PLAN

Presented to the Board for Possible Adoption - May 21, 2025

Project		Actual Prior 19 Years	Estimated 2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	Total
Priority Projects									
Main Pump Station Electrical	Design/Permits								$0
and Equipment Improvements	Construction	$729,199	$15,000	$1,006,000					$1,750,199
	Total	$729,199	$15,000	$1,006,000					$1,750,199
Aeration Basin, Grit	Design/Permits	$1,639,029							$1,639,029
and Headworks Improvements	Construction	$7,430,759	$5,582						$7,436,341
	Total	$9,069,788	$5,582						$9,075,370
Plant Switchgear Replacement	Parts & Installation			$345,600					$345,600
	Total	$0	$0	$345,600	$0	$0	$0		$345,600
Export Pipeline Replacement	Design/Permits	$641,931	$240,000	$100,000					$981,931
	Construction	$1,100,000		$1,000,000	$4,000,000	$5,000,000			$11,100,000
	Total	$1,741,931	$240,000	$1,100,000	$4,000,000	$5,000,000	$0		$12,081,931
Pavement/Concrete Improvements to	Design/Permits	$20,567	$80,000	$20,000					$120,567
Plant Road and Admin Area	Construction			$1,500,000					$1,500,000
	Total	$20,567	$80,000	$1,520,000	$0	$0	$0		$1,620,567
Lower Priority - To Be Deferred									
Metering for IS-2 Energy	Total								
Pine Nut Reservoir Rebuild/Line	Design/Permits	$579,518							
(Future $12,000,000 not represented here)	Construction								
	Total	$579,518							
Completed Projects									
Reservoir Sludge Removal	Total	$1,078,607							$1,078,607
Main Pump Station Rehabilitation	Total	$2,210,198							$2,210,198
Underground Emergency Storage (Initial)	Total	$2,317,557							$2,317,557
STPUD Inter-tie		$1,411,476							$1,411,476
Muller Effluent Line Relocation (Per NDOT)	Total	$701,835							$701,835
Automated Sampling	Total	$616,993							$616,993
Reservoir Sludge Removal	Total	$1,078,607							$1,078,607
Beach Pump Station Rehabilitation	Total	$453,810							$453,810
Sodium Hypochlorite Conversion	Total	$830,594							$830,594
Reservoir Lining Design	Total	$750,277							$750,277
Back-up Centrifuge	Total	$258,196							$258,196
SCADA System/Fiber Connectivity	Total	$514,157							$514,157
Thickener Project	Total	$215,431							$215,431
Prior Years' Completed Projects	Total	$13,730,700							$13,730,700
Expenditures: Projects		$38,309,441	$340,582	$3,971,600	$4,000,000	$5,000,000	$0	$0	$46,168,750
Debt Service		$3,369,081	$771,733	$771,733	$680,950	$656,093	$631,236	$631,236	$7,512,062
Resources: USACE Grant		$8,069,648							$8,069,648
EPA Grant (STAG)		$382,300							$382,300
SRLF		$10,491,595							$10,491,595
Transfer from GF/PR Fund		$2,770,000							$2,770,000
Assessments		$24,000,002	$2,250,000	$2,250,000	$2,250,000	$2,250,000	$2,250,000	$2,250,000	$37,500,002
Site Rental Toward Road		$181,509	$144,000	$144,000	$144,000	$144,000	$144,000	$144,000	$1,045,509
Interest Earned		$308,235	$200,000	$0					$508,235
Year End Payables									
Ending Cash Balance		**$7,552,444**	**$9,034,129**	**$6,540,796**	**$4,109,846**	**$703,753**	**$2,322,517**	**$3,941,281**	**$3,941,281**

Report to the Board Regarding
Authority Manager, Rob Hopkins'
Annual Evaluation and Merit Raise

- The evaluations completed by each Board member are attached for your review.

- Following the evaluations are two charts taken from the Salary Study adopted by the Board in January of 2024. The highlighted areas on the first chart entitled Recommended Salary Ranges per classification show the Authority Manager's Salary Range, and the second chart entitled Permanent Salary Range Table Illustrative Merit Increase Guide shows how to determine the percentage amount of a merit raise based on the average evaluation score and the percent ratio (Compa-Ratio) of the employee's current salary to the Mid-Range of their Salary Scale.

- Following the charts from the salary study are two potential Raise Calculation sheets for Rob Hopkins. Tallying the evaluation scores, the average was 4.12 out of 5. Rob's current salary is $228,764 annually or 96.6% of the Mid-range on his scale. The two calculations show the potential merit raise at 4% and at 5%.

- Whatever merit increase the Board awards Rob would go into effect mid-June, and the amount will be reflected in his contract, should the Board decide to extend it.

- With the Board packet I also emailed you a copy of the Salary Study presented to the Board in January 2024, should you want to delve into that further.