MINUTES OF REGULAR MEETING OF
THE BOARD OF TRUSTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
February 18, 2026

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, February, 2026, at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

ROLL CALL:

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

RECOGNITION OF OTHERS IN ATTENDANCE:

Present were Authority Manager Rob Hopkins, Authority Accountant, Ying Johnson, Authority Accounting Clerk, Tanya Lakhtina, and Eric Heffernon, Authority IT specialist. Authority Engineer, Rob Anderson, and the Authority's legal counsel, Jim Cavilia were present via audio and video connection by which they could hear everyone at the meeting, and everyone could hear them. Anne Harry of the Elk Point Sanitation District (EPSD) was also in attendance.

PUBLIC COMMENT:

None.

APPROVAL OF AGENDA:

It was moved by Trustee Nelson, seconded by Trustee Rice and carried unanimously that the meeting agenda as presented be approved.

MINUTES OF PRIOR MEETING:

It was moved by Trustee Fertala, seconded by Trustee Hauge and carried unanimously that the minutes of the Meeting of the Board of Trustees of DCLTSA, dated January 21, 2025, be approved as presented.

Discussion and possible extension of the contract for Tahoe Basin Container Service Inc. for biosolids trucking, a sole source provider, at a rate of $450.33 per trip, an increase of 4.28%.

Authority Accountant, Ying Johnson, explained that Tahoe Basin Container Service Inc. (TBC) continues to be the only available provider of hauling services necessary to transport biosolids from the plant. Ms. Johnson provided the Board with correspondence from TBC indicating that

TBC would continue to provide the trucking service to the Authority through March 31, 2027, at the cost of $450.33 per trip for one or two bins. Following a brief discussion among the Trustees, **it was moved by Trustee Nelson and seconded by Trustee Fertala that extension of the contract Tahoe Basin Container Service Inc. for biosolids trucking, a sole source provider, at a rate of $450.33 per trip through March 31, 2027 be approved.** Chairman McLaughlin opened the floor to public comment regarding the matter. There was no public comment. **The motion was approved unanimously (5-0).**

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's 2025 Discharge Monitoring Report (DMR) and Park Ranch DMR have been completed by the Authority Engineer.

Mr. Hopkins stated that Authority staff recently conducted a site walk with Authority Engineer, Rob Anderson and Tahoe Regional Planning Authority (TRPA) staff to verify existing coverage at the plant in preparation for the planned pavement rehabilitation project. Mr. Hopkins indicated that completion of the coverage analysis will also allow for the closeout of an old TRPA permit related to a plant reservoir lining project.

Mr. Hopkins indicated that new cabinetry and updated controls have been installed by staff on the wet well chopper pumps at the Beach and Main Pump Stations.

Mr. Hopkins reported that the Primary Clarifier #1 at the Plant has been taken out of service for maintenance by staff.

Mr. Hopkins stated that the Authority has recently received a request from the Engineering Division of Douglas County to delegate County inspection authority regarding Phase III of the Tahoe Beach Club development. Mr. Hopkins added that the request has been forwarded to the Authority Engineer for review.

Finally, Mr. Hopkins requested permission from the Board to engage Public Sector Personnel Consultants to conduct a salary survey as part of the process of developing the fiscal year 2026-2027 budget. Mr. Hopkins added that the Authority has generally conducted such a salary survey about every four years. There was no objection from the Board.

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 February 17, 2026, briefly summarizing various issues that Wilson Engineering has been involved with on behalf of the Authority. The February 17, 2026, correspondence is incorporated in these minutes by this reference.

Mr. Anderson confirmed that he had completed the annual DMRs and biosolids reports.

Mr. Anderson explained that he had been working with the Authority legal counsel on a Memorandum of Agreement regarding Bently Ranch to be recorded in Douglas County.

With regard to the TRPA, Mr. Anderson reported that in confirming coverage at the Plant, the TRPA was concerned about not having a record of the Nevada Division of Environmental Protection (NDEP) having removed a requirement that the Plant reservoir be lined and allowing the reservoir to be utilized in emergencies. Mr. Anderson added that it had taken some effort to locate the records necessary to satisfy the TRPA's concerns.

Mr. Anderson indicated that he had received a request from Barton Hospital for sewer capacity for the planned hospital at the former site of the Lakeside Inn as well as a request from the TBC for capacity related to its upcoming phase.

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

ACCOUNTANT's REPORT:

A. General Status Report

The Authority Accountant, Ying Johnson, presented the Accountant's Report, indicating that operating expenses were approximately 12% under budget through the end of December, with the salary and benefits category being 9% under budget as the result of an open position not being filled until the end of December. Additionally, Ms. Johnson reported that approximately $30,000 budgeted for maintenance of the Authority's effluent export line has not been expended.

After sending out third quarter billing statements, Ms. Johnson reported that payments have been received from all large commercial users as well as all of the contributing districts.

Ms. Johnson indicated that influent flows for January 2026 were 9.6% higher than flows in January 2025 with flows from the casino core being up nearly 11%. She added that flows from Bally's are up more than 70% while flows from the Golden Nugget are down because of ongoing construction at the property.

Ms. Johnson thanked the Authority's new Accounting Clerk, Tanya Lakhtina, for assisting in completing the reconciliation of commercial water flows.

With regard to audit services for this year, Ms. Johnson indicated that proposals had been received from two firms and that the recommended agreement would be brought to the Board for consideration at next month's meeting.

Finally, Ms. Johnson reported that she had begun work on the Authority budget for the upcoming year and that the budget should be ready for the Board's consideration at its meeting in March.

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

B. Investment Report

Ms. Johnson provided the Board with a written summary of the Authority's investments and reported that the Authority has total investments of approximately $19.2 million, with approximately $14.9 million in the Local Government Investment Pool (LGIP).

Ms. Johnson also indicated that she was seeking the release of some previously restricted funds based on the Authority's recent payoff of loans taken in 2006. Ms. Johnson stated that the funds would be reallocated to the Authority's LGIP construction fund.

Chairman McLauglin 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 would be signed off by Trustee Rice on his next visit to the Plant.

Chairman McLauglin 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 stated that she did not have much to report from KGID because they had not yeat held their February meeting.

Truste Hauge reported that TDD had also not had a meeting.

Trustee Rice reported that the Douglas County Commission would be having a meeting the next day and that County offices had been closed yesterday and opened that day on a two hour delay as the result of recent snowfall.

Trustee Fertala reported that the RHGID Board had postponed its meeting that had been scheduled for the previous evening.

Chairman McLaughlin reported that more than $200 million in renovations at Caesar's Republic are being planned with a total of more than $400 million to be spent by Caesar's and the Golden Nugget combined. Finally, Chairman McLaughlin anticipated that, based on recent snow, skiers would be coming in large numbers in upcoming weeks.

PUBLIC COMMENT:

Anne Harry of EPSD stated that EPSD is continuing to work on a final easement issue to finally allow for construction of the planned collection system improvements. Ms. Harry added that a meeting with the affected homeowner was coming up and that she was confident that a resolution could be reached and work on the project could finally begin. Authority Engineer, Rob Anderson added that EPSD had been working very diligently to address all of the issues related to the improvements project.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 10:05 a.m.

APPROVED

4939-0190-2995, v. 1

Meeting Date: February 18th, 2026

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

Authority Manager's Monthly Report: February 2026
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's 2025 Annual Discharge Monitoring Report and the Park Ranch Annual DMR have been generated by Authority Engineer R. O. Anderson. Copies of both are available here at the Plant for your review if desired.

2. DCLTSA staff and Mr. Anderson conducted a site walk with personnel from the Tahoe Regional Planning Agency. The site walk was to visually verify existing coverage related to the upcoming Pavement Rehabilitation Project and to close out the historic reservoir lining project, dating from the late 2000's. Mr. Anderson can provide more details if desired.

3. Brand new cabinetry and upgraded controls have been installed on the wet well chopper pumps at the Beach and Main Pump Stations. These grinder pumps serve to break up rags and coagulated grease, accumulations of which create problems with smooth functioning of the pump stations. The work was 100% designed and completed in house.

4. Primary Clarifier #1 has been taken out of service for maintenance. Staff completed a rebuild of both skimmer arms. Again, this work was done 100% in-house.

5. We have received a request from Douglas County Community Development – Engineering Division to Delegate Inspection Authority regarding the sewer infrastructure being proposed for construction as part of Phase III of the Tahoe Beach Club development. The request from Douglas County has been forwarded to our Engineer for review and approval if appropriate.

6. Finally, as part of the preparation process for the Fiscal Year 2026-2027 Budget, I would like to ask the Board for permission to commission a salary survey for DCLTSA personnel. We last completed a salary survey in 2023,

and we have traditionally done one about every 4 years to stay competitive on wages and benefits here in the Basin. The last salary survey was conducted by Public Sector Personnel Consultants, and I would ask authorization to use them again. The last survey completed by Public Sector Personnel Consultants was well structured and very reasonably priced.

WILSON ENGINEERS

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Reno, NV 89521

Office: 775-782-2322

February 17, 2026

Via Email

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

Authority Engineer's Monthly Report – February 2026

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 January 21, 2026. 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 several engineering-related assignments on an as-requested basis. These services included assisting the Authority by reviewing and responding to engineering and permitting related questions, reviewing and analyzing flow data, and providing input and recommendations regarding various requests received by the Authority for plan approvals, mapping requests and easements. During the past month these requests included an initial inquiry from the design professionals working with Barton Hospital on the site design at the intersection of Kahle Drive and US Highway, plan review request for the next phase of Tahoe Beach Club, and most recently requests for further discussions with representatives of KGID on their review of the feasibility of modifying if not eliminating their Market Street Lift Station.

Bently Ranch Effluent Disposal Agreement
During this period, we have been working with Authority Counsel to confirm needed legal references for the anticipated Memorandum of Agreement of the Effluent Agreement with Bently Family, LLC.

Annual DMR's and Biosolids Reports
During the preceding month, with the help of Mr. Hopkins we timely completed and filed on January 30, 2026, the Annual Discharge Monitoring Report with Nevada Division of Environmental Projection – Bureau of Water Pollution Control. These reports include the report required of Park Cattle Company/Park Ranch Holdings and DCLTSA. In addition to compiling the Discharge Monitoring Reports, we also prepared and submitted the required calculations to document nitrogen loading on land owned by Park Ranch Holdings.

Additionally, we prepared and submitted the Annual Biosolids Report to EPA Region IX on January 30, 2026.

Sewer Plant Site Re-Paving Project:

Since the last Board meeting, we were contacted by representatives of Tahoe Regional Planning Agency (TRPA) regarding their review of the application for a permit to construct the Site Repaving Project. The Agency's primary questions related to coverage verification upon the completion of the Phase III project at the plant site, which was apparently not finalized in their records. Additionally, they expressed concern over the ability for the Sewer Authority to use the plant reservoir for emergency purposes without having to line that reservoir. To resolve questions related to current coverage at the plant site, on February 5th we arranged and conducted a site meeting with Agency personnel that included Theresa Avance and Justin Lanoff. At the conclusion of that meeting, the Agency requested that we confirm that the plant site had a TRPA BMP Certificate and that we provide them with a copy of NDEPs approval(s) that removed the requirement to line the plant reservoir and approved the use of the reservoir for emergency purposes. Since the site meeting, we have provided them with a copy of the TRPA-issued BMP Certificate dated January 16, 2007. That certificate was issued at the conclusion of a comprehensive site BMP improvement project that was coincidentally finalized immediately prior to the Authority commencing construction on the Phase III improvements. With a few minor exceptions, the results of the site visit confirmed the current coverage as shown on the Site Re-paving Project plans.

Since the February 5th site visit, we have researched our files to locate the documentation requested by the Agency relative to NDEP's approval to amend their original order that required the Plant Reservoir to be lined. That approval from NDEP was predicated in part on the removal of the accumulated sludge from the bottom of the reservoir, which was completed sometime after completion of the Phase III project. We are now searching our files for the official confirmation to (or from) NDEP that that work was successfully completed. Once we have that documentation, we will submit these supplemental documents to TRPA for their files.

Based on the discussions during the February 5th site meeting, I expect that these documents will suffice for the Agency's purposes and allow them to proceed to finalize the permit terms for the site re-paving project.

Summary of Influent Flows – Year to Date:
Utilizing flow data collected and submitted to us by Ying Johnson, we have reviewed and graphically compiled that data for January 2026. Based on our review of the flow data, the variation in flow received at the plant compared to the sum of the flows received from the contributing districts is about 2.1%. That is, the sum of the flows from the contributing districts is slightly greater than the volume of flow measured at the plant.

The average daily flow during January 2026 was calculated to be 1.17 million gallons per day (1.17 MGD). This daily influent flow volume is virtually the same as the average daily flow (1.16 MGD) measured in 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 related 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.
Ying Johnson
Rob Hopkins

February 18, 2026

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY

Accountant's General Status Report

- The Budget to Actual spreadsheet in your packet shows that, at the end of December, operating expenses were 12% under budget. The Salary and Benefits category alone is 9% under budget, primarily due to being one employee short until the position was filled on the last day of December 2025. Additionally, we budgeted almost $30,000 for Export Line maintenance as we initially anticipated the need to repair or patch certain critical sections of the Export pipeline prior to the start of the replacement project. However, no maintenance costs were incurred through the end of December.
- After sending out the third quarter billing statements, we have received payments from all large commercial accounts. All participating Districts have also paid their fees.
- Influent flows in January were 9.6% higher than in January 2025, with the Beach Pump Station (mostly the casino core) seeing an increase of nearly 11%. On New Year's Day alone, the Beach Pump Station flows were 15% higher than last year, while flows during the Martin Luther King Jr. holiday long weekend were up 9% compared to last year.
- We finalized commercial meter readings for 2025. The overall commercial flow increased 11% from 2024.

    - Bally's experienced the most flow increase by 71%. Higher month-over-month flows are likely related to Tahoe Blue Event Center, with visitors who also spend time in Bally's.
    - Tahoe Blue Event Center's flow increased 41% overall.
    - Golden Nugget experienced a decrease in flows. It is likely due to their year-round construction affecting their business.
- I would like to thank Tanya for her outstanding work in completing the reconciliation of all commercial meter readings.
- At the beginning of January, we issued a Request for Proposals for audit services for the next two-year period.
    - Eide Bailly has proposed a fee of $64,812 for the upcoming year, with a 4% increase each year for the subsequent three years. We requested a two-year contract with an option to extend for two additional one-year terms.
    - Casey Neilon (Sorren, Inc.) has proposed either a one-year contract at $45,000 for the upcoming year, or a two-year contract of $44,000 for the first year and $46,000 for the second year. No additional pricing was proposed beyond the two years.
- We are beginning work on the 2026-2027 fiscal year budget. I will be submitting the tentative budget to you for approval at the March meeting.

Investment Report

The Authority's investments total more than $19.2 million, with more than $14.9 million of that amount being held in the Local Government Investment Pool (LGIP). The change in investment balances since the last Board meeting has been the addition of accrued interest. Additionally, we have requested that the formerly restricted funds associated with the loan taken in 2006 be released to the LGIP Construction fund account. The 2006 loans are paid in full.

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.