MINUTES OF THE REGULAR MEETING OF
THE BOARD OF TRUISTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
October 11, 2017

CALL TO ORDER:

A Meeting of the Board of Trustees of the Douglas County Lake Tahoe Sewer Authority (DCLTSA) duly convened at 9:30 a.m. on Wednesday, September 20, 2017 at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

SWEARING IN OF TRUSTEES (Oath of Office):

DCLTSA legal counsel, James Cavilia, administered the oath of office to each of the four initial Trustees of DCLTSA.

ROLL CALL:

Present were Trustee Darya Vogt, Trustee Wes Rice, Trustee Grant Thompson and Trustee Nancy McDermid.

RECOGNITION OF OTHERS IN ATTENDANCE:

In attendance were Authority Manager Rob Hopkins, Authority Controller Paula East-Janicki, Authority Engineer, Rob Anderson, the Authority's attorney, James Cavilia, Mike Bradford and Bob Cook. Representatives of Kingsbury General Improvement District (KGID), Round Hill General Improvement District (RHGID) and Tahoe Douglas District (TDD) in addition to members of the public were also in attendance.

PUBLIC COMMENT:

Jim Beattie a former KGID Trustee expressed his appreciation for the legislation that created the Sewer Authority and he thanked the staff and Board of Douglas County Sewer Improvement District No. 1 (DCSID) for their work in this transition to the Sewer Authority.

Discussion and Possible action regarding the appointment of a fifth Trustee of the Douglas County Lake Tahoe Sewer Authority Board representing the business community within Stateline, Nevada.

It was moved by Trustee McDermid and seconded by Trustee Rice that Mike Bradford be appointed as the fifth Trustee of the DCLTSA Board. Trustee McDermid pointed out that as the long-time operator of a business in Stateline and the Chairman of the DCSID Board for the past few years, Mike Bradford was ideally suited to provide continuity and consistency as the new entity took over the governance of the sewer collection, treatment and disposal system. The other Trustees expressed their support for Mr. Bradford. The floor was opened to public comment regarding the matter. There was no public comment. **The motion to appoint Mike Bradford as the fifth Trustee of the DCLTSA Board was approved unanimously.**

SWEARING IN OF FIFTH TRUSTEE (Oath of Office):

Mr. Cavilia administered the oath of office to Mr. Bradford.

APPROVAL OF AGENDA:

It was moved by Trustee McDermid, seconded by Trustee Bradford and carried unanimously that the agenda as noticed be approved and adopted.

MINUTES OF PRIOR MEETING:

It was moved by Trustee McDermid, seconded by Trustee Bradford and carried unanimously that the minutes of the Regular (final) Meeting of the Board of Directors of DCSID, dated September 20, 2017 be accepted as presented.

Discussion and possible action to elect Chair, Secretary and Treasurer of the DCLTSA Board.

It was moved by Trustee Rice and seconded by Trustee McDermid that Mike Bradford be appointed as Chairman of the Board of Trustees. Following a brief discussion among the Trustees about Trustee Bradford's experience, there was no public comment and **the motion to appoint Mike Bradford as Chairman of the Board of Trustees was approved unanimously.**

A general discussion ensued about the duties of the positions of Secretary and Treasurer. The Authority Controller, Paula East-Janicki discussed her expectations with regard to the position of treasurer. Following a discussion among the Trustees and no public comment, **it was moved by Trustee McDermid, seconded by Trustee Thompson and carried unanimously that Wes Rice be appointed as Secretary of the Board of Trustees. Additionally, it was moved by Chairman Bradford, seconded by Trustee Thompson and carried unanimously that Nancy McDermid be appointed as treasurer of the Board of Trustees.**

Discussion and possible action to determine date, time and location for regular meetings of the DCLTSA Board.

Following a discussion among the Trustees regarding other commitments and possible conflicts, **it was moved by Trustee McDermid and seconded by Trustee Rice that the regular meetings of the Board of Trustees would take place at the wastewater treatment plant on the second Wednesday of each month at 9:30 a.m.** Mr. Cavilia pointed out that the statute creating the DCLTSA did not require regular meeting dates and accordingly the Board was allowed to set meetings at its convenience in accordance with the noticing requirements of Nevada's Open Meeting Law. Chairman Bradford added that it may be possible in the future to have meetings less often than monthly. Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment. **The motion passed unanimously.**

Discussion and possible action to determine which Trustees shall be authorized to sign checks.

Following a discussion among the Trustees about their availability generally and the need for multiple parties to be available to sign checks for the Authority, it **was moved by Trustee Rice and seconded by Trustee Thompson that Trustees Mike Bradford, Nancy McDermid and Darya Vogt together with the Authority Manager, Rob Hopkins be granted check signing authority.** Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment. **The motion passed unanimously.**

Discussion and possible action regarding legislation creating DCLTSA and the purpose and authority of DCLTSA.

The Authority's legal counsel, James Cavilia provided the Board with a brief summary of the legislation creating the DCLTSA and the underlying purpose of the Authority as it relates to the collection, treatment and disposal of sewage in the area of the Lake Tahoe Basin within the boundaries of Douglas County. Chairman Bradford expressed his appreciation to Senator Settelmeyer and Assemblyman Wheeler for supporting the legislation that resulted in the Authority. Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment.

Discussion and possible action regarding compensation of Trustees.

The Authority's legal counsel, James Cavilia explained that the Authority's enabling legislation did not address compensation of the Trustees in any manner and that such a decision was up to the Board in its discretion. Chairman Bradford expressed his opinion that he did not believe that any compensation was necessary but that he would go along with whatever the Trustees decide. A general discussion ensued about the general duties of the Trustees and Chairman Bradford stated that the Trustees' duties would not likely extend beyond participation in Board meetings. Trustee Thompson expressed his opinion that the Trustees should be paid some reasonable fee. Trustee McDermid indicated that she would inquire of the Douglas County District Attorney as

to her eligibility to be paid as a sitting member of the Douglas County Commission. Ms. McDermid also expressed concerns about what impact Trustee pay would have on the Authority's finances, stating that whatever the Board is paid, in total, it should not exceed what the Board of DCSID was paid historically.

A general discussion ensued about the pay of general improvement district trustees and the payment of board members of other similar entities. Following the consideration of various possibilities, **it was moved by Trustee Thompson and seconded by Trustee Vogt that the Trustees be paid a meeting participation fee of $750 for each meeting in which the Trustee participates.** Additional discussion took place among the Trustees. Chairman Bradford opened the floor to public comment regarding the matter. Jim Beattie suggested that the Board consider a monthly fee per Trustee regardless of whether the Trustee attends a meeting. There was no further public comment. **The motion passed unanimously.**

MANAGER'S REPORT:

A. General Status Report

Authority Manager, Rob Hopkins presented the Board with a written summary of various general matters related to the Authority and briefly summarized each item in the written report.

Mr. Hopkins reported that the bid opening for the effluent force-main realignment in the Carson Valley was to occur later in the day and that he anticipated the project beginning in December. The effluent force-main that suffered damage in September has been fully repaired with the approval of the Nevada Division of Environmental Protection (NDEP). Additionally, Mr. Hopkins indicated that a review of prior export pipeline assessments was continuing.

With regard to the export pump building that suffered damage from the electrical brown-outs, Mr. Hopkins reported that repairs have been made and that no electrical problems have occurred recently. Mr. Hopkins reported that a notice was received from NV Energy indicating that electrical rates would be going up and that such an increase may require an adjustment to the Authority's budget at some point during the fiscal year. A brief discussion occurred among the Trustees about the rate increase with all agreeing that methods to reduce electrical usage and to possibly generate electricity must be considered going forward. Bob Cook stated that the Authority should renew the effort to have its rates reduced to the agricultural irrigation levels. Janet Murphy of TDD added that the NV Energy rate increase was related to major infrastructure projects of NV Energy in the area.

Mr. Hopkins reported that the re-coating of the effluent storage tanks at the plant was ongoing and that the contractor was doing a good job. Dewatering at the Tahoe Beach Club was continuing. Mr. Hopkins stated that work on implementing automatic sampling at the plant was

proceeding and Mr. Hopkins also explained the details of this work and how it was part of his overall plan to reduce the need for 24-hour staffing at the plant.

Mr. Hopkins ended his report by reading the prepared statement that he read at the last meeting of DCSID. Mr. Hopkins asked that the statement be included in the minutes of the meeting as a means of providing perspective about the Authority's history. The statement was as follows:

> As manager of the Douglas County Sewer Improvement District, I would like to offer a few words and thoughts at this the final meeting of this unique organization.
>
> Over 60 years ago, several local businessmen had a vision of what this area could become, and what kind of infrastructure would be needed to both support the growth of the region and protect the fragile environment of Lake Tahoe.
>
> The individuals who conceived of the project that would become DCSID created an organization and an operational model unique in Nevada history. These men put their finances and reputations on the line by building and operating an entire wastewater infrastructure system initially at their own expense.
>
> The founders of DCSID structured the district to provide a public wastewater service, and chose to run the operation like a business, focusing on delivering quality results at the best possible cost. They created a powerful statement of what can be done in a public agency with creative thought and determination.
>
> As the Douglas County Sewer Improvement District moves on to become the Douglas County Lake Tahoe Sewer Authority, it is with recognition that we are building on the foundation of the great visionaries who came before us. It is a proud legacy, and one in which I have been honored to be entrusted with. Thank you all for giving me the opportunity to serve this historic organization.
>
> ROB HOPKINS

In response to a question from Trustee Thompson regarding the export force-main break, Mr. Hopkins explained that the Authority was in regular contact with NDEP officials and that NDEP was fully satisfied with the Authority's actions to mitigate the effects of the spill. Mr. Hopkins emphasized the value of the District's on-site reservoir as providing emergency effluent storage in the event of a problem with the export force-main.

Chairman Bradford opened the floor to public comment regarding the matter. In response to an inquiry from Janet Murphy of TDD, Mr. Hopkins indicated that the District's on-site emergency effluent storage reservoir was not lined.

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 9, 2017 summarizing four issues that R.O. Anderson Engineering has been involved with on behalf of the Authority. The four issues are 1) Engineering Services; 2) Main Pump Station Storage Capacity Improvement Project; 3) DCSID/STPUD Intertie; and 4) Muller Lane Force Main Realignment. The October 9, 2017 correspondence is incorporated in these minutes by this reference.

Mr. Anderson reported that at the next meeting of the Board of Trustees he will have a summary of his review of the 2011 assessment of the export force-main. This summary will allow the Board to make an informed decision about the life span of the force-main and properly plan for its replacement.

Mr. Anderson then provided the Board with a general summary of the Main Pump Station Emergency Underground Storage Project and how the underground storage will provide the Authority with a much greater response time in the event of problems with the Main Pump Station. Mr. Anderson explained that shortly after completion of the project it was discovered that the system was leaking which allowed the inflow of groundwater. Mr. Anderson reported that pursuant to the contract document, as the project engineer he has issued his decision on the Authority's claim, concluding that the contractor is responsible for repairing the system. The contractor disagrees with this conclusion and has the right to request mediation in accordance with the contract documents. A discussion ensued about the project generally and Mr. Anderson confirmed that the total project cost was $1,240,000 and that his estimate of the repair costs is $900,000. Mr. Anderson also provided the Board with an explanation of how sewage is delivered to the plant and the importance of the main pump station as it is necessary to deliver sewage from the Stateline commercial area.

Mr. Anderson also reported that the STPUD intertie project was nearly complete with testing to be conducted very soon. Following testing, Mr. Anderson indicated that the improvements will be ready for acceptance by STPUD.

Mr. Anderson confirmed that bids were scheduled to be opened for the Muller Lane Force-Main Realignment Project later in the day. Mr. Anderson provided the Board with a brief history of the project and he indicated that he expected a number of bids to be submitted. He anticipates bringing a contract for the project to the Board meeting in November.

Chairman Bradford opened the floor to public comment regarding the Engineer's general report. There was no public comment.

B. Discussion and possible action regarding leak/warranty issue with Underground Emergency Storage Tanks

With regard to the Underground Storage Tank failure, Mr. Anderson reiterated the process involved in pursuing the Authority's claim for the failure of the project. Chairman Bradford opened the floor to public comment regarding this matter. There was no public comment.

ATTORNEY'S REPORT:

A. General Status Report

Other that what he had contributed earlier in the meeting, the Authority's Attorney, Jim Cavilia had nothing additional to report. Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment.

AUTHORITY CONTROLLER'S REPORT:

A. General Status Report

Authority Controller Paula East-Janicki presented the board with a spreadsheet showing actual expenses compared to budget for the current fiscal year. Ms. East-Janicki stated that operating expenses for the first two months of the fiscal year were 1.25% over budget. Ms. East-Janicki reported that she was continuing her work with regard to the annual audit.

Ms. East-Janicki also provided the Trustees with a packet of information regarding ethics training and asked that each Trustee review the information. Ms. East-Janicki asked each Trustee, following their review of the material, to acknowledge in writing having received the information.

Finally, Ms. East-Janicki provided each Trustee with W-4s and I-9s to be completed for payroll purposes.

Chairman Bradford thanked Ms. East-Janicki for the information and opened the floor to public comment. There was no public comment.

B. Discussion, report of funds transferred and possible action to transfer additional money from the General Fund to the Construction Fund for payments toward ongoing District Development Plan projects.

Ms. East-Janicki explained that the Authority's Construction Fund balance is currently $299,000 with an anticipated inflow of approximately $229,000 and anticipated expenses of approximately

$407,500. Based upon the current balance and anticipated expenses, Ms. East-Janicki indicated that it was not necessary to transfer any funds at this time.

Finally, Ms. East-Janicki provided the Trustees with a general summary of the relationship between the Authority's General Fund and its Construction Fund as well as the Authority's revenue sources.

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

Investment Report

Ms. East-Janicki presented the Board with a summary of the District's investments, totaling approximately $9,025,000 in Certificates of Deposit and savings.

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

APPROVAL OF CLAIMS:

The claims presented were reviewed and approved by Trustee McDermid on behalf of the Board.

PUBLIC COMMENT:

None

ADJOURNMENT:

There being no further business, the meeting was adjourned at noon.

Wesley A. Rice

APPROVED

Darya Vogt

4818-0515-2852, v. 1

DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
Staff Report

Subject / Title:

District Manager's Monthly Report – OCTOBER, 2017
A. General Status Report

Staff Recommendation:

None. This is an informational item only.

Discussion/Report:

This item is regularly agendized to afford the District Manager the opportunity to update the DCLTSA Board of Trustees on select activities over the previous month.

1. DCLTSA Manager Hopkins attended the pre-bid meeting for the upcoming Effluent Force Main Relocation Project at the Authority Engineer, R.O. Anderson, offices in Minden, Nevada. Details of the meeting are covered in the Engineers Report.

2. The Effluent Export Pipeline, which was damaged due to water hammer overpressure on September 6th, 2017, has been fully repaired. Final work to rehabilitate the disturbed areas along the Forest Service easement is being completed. A review of the Export Pipeline Condition Assessment Report, completed in 2011 for DCSID, is being performed for the Authority by its Engineer, R.O. Anderson. Details to follow.

3. Authority staff has been going through the Export Building pipe and valve systems looking for damage after the overpressure event on September 6th. It appears that several packing assemblies and other appurtenances may need to be replaced in the near future. Funding for any needed repairs will be sourced from the Plant Repair Fund, which has been set up by the Authority for events such as this.

4. The Authority has received notice from NV Energy that energy rates have increased as of October 1st, 2017. The rates will increase the power costs to the Authority by between 9.9 and 16.81 percent. This increase was not anticipated during the Fiscal 2017-18 budget process, therefore the Authority may need to adjust the utility budget accordingly at the midpoint of the fiscal year in December, 2107.

5. Warranty recoating work on the #1 Effluent Tank is well underway. Surface preparation inspection was performed by Authority Engineer R.O. Anderson staff

on October 10th, 2017. The Contractor (RDC) is pushing aggressively to complete the work ahead of schedule.

6. Dewatering flow from the Tahoe Beach Club continues to be received by the Authority.

7. Grading work for the installation of the automatic samplers and related hardware is being completed by K.G. Walters Construction. This portion of the Treatment Plant Automation Project is anticipated to be completed in advance of the close of the Basin "dig" season on October 15th, 2017. Overall, the project is on schedule with substantial completion estimated at the end of January, 2018.

8. Manager's comments at the closing meeting of the Douglas County Sewer Improvement District No.1 on September 20th, 2017:

As manager of the Douglas County Sewer Improvement District, I would like to offer a few words and thoughts at this the final meeting of this unique organization.

Over 60 years ago, several local businessmen had a vision of what this area could become, and what kind of infrastructure would be needed to both support the growth of the region and protect the fragile environment of Lake Tahoe.

The individuals who conceived of the project that would become DCSID created an organization and an operational model unique in Nevada history. These men put their finances and reputations on the line by building and operating an entire wastewater infrastructure system initially at their own expense.

The founders of DCSID structured the district to provide a public wastewater service, and chose to run the operation like a business, focusing on delivering quality results at the best possible cost. They created a powerful statement of what can be done in a public agency with creative thought and determination.

As the Douglas County Sewer Improvement District moves on to become the Douglas County Lake Tahoe Sewer Authority, it is with recognition that we are building on the foundation of the great visionaries who came before us. It is a proud legacy, and one in which I have been honored to be entrusted with. Thank you all for giving me the opportunity to serve this historic organization.

ROB HOPKINS

R O Anderson

October 9, 2017

Via E-mail

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

District Engineer's Monthly Report – October 2017

Dear Members of the Board:

The following report presents a summary of activities undertaken on behalf of the District since our last meeting on September 20, 2017. During this period, we participated with District personnel in the following areas:

1) District Engineering Services
2) Main Pump Station Storage Capacity Improvement Project
3) DCSID/STPUD Intertie
4) Muller Lane Force Main Realignment

The following paragraphs provide a brief description of these efforts and progress related to each of these specific assignments.

District Engineering Services: R.O. Anderson Engineering, Inc. (ROA) assisted and participated with District personnel on various engineering-related assignments including: participation in project coordination meetings and phone calls with District staff, legal counsel, and Board members on an as-requested basis. In addition to these activities, we have actively participated in the following specific tasks:

- Export Force Main Breach: We provided additional engineering analysis to assist Mr. Hopkins with his formal report to Nevada Division of Environmental Protection – Water Pollution Control (NDEP-WPC), specifically estimating a dilution factor for the effluent in the reservoir. We have also re-reviewed the export force main Condition Assessment Report prepared by V&A Engineering in 2011 in order to make recommendations for rehabilitation options of vulnerable portions of the line. Based on this latter review, we will be meeting with Mr. Hopkins to discuss our findings and recommendations for further assessment and repairs.
- Effluent Tank Re-coating: The Contractor (RDC) is progressing well with the surface preparation work; we are checking in on the Contractor's progress regularly. They anticipate being ready for surface preparation inspection on October 9, 2017 and beginning coating shortly thereafter.

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- Sierra Colina: This project is currently under construction. Paradigm 8 is the General Contractor and Joy Engineering is installing the sewer. We have been monitoring the construction of sewer mains and manholes and will continue to be present for testing as the contractor is ready. The final map was submitted for signature and after review of the map we recommended to Mr. Hopkins that it could be signed as presented.

- USFS Coordination: Together with Ms. Karen Kuentz at USFS, we have determined that we need to formally request an extension to the temporary construction permit for the Main Pump Station (MPS) Emergency Storage Vaults for the purposes of allowing the anticipated repairs of the warranty/construction defect at a to be determined future date. Ms. Kuentz also directed us to formally request that the Beach Pump Station (BPS) Emergency Storage Vaults be removed from the main permit as the successful construction of the STPUD Intertie has eliminated the District's former plan to move forward with the BPS project. In addition, Ms. Kuentz requested that we formally notify USFS of the District's change of name so that the new entity will be properly reflected on the revised and updated permits. There are several additional, relatively minor items that Ms. Kuentz has asked us to address. We will work toward completing these administrative items in the coming few weeks.

- Tahoe Beach Club: Welsh-Hagen, the engineers for this project, were required by NDEP to confirm adequate capacity of the BPS for their project. We coordinated with Mr. Hopkins to provide the requested letter to the Tahoe Beach Club and Mr. Hagen.

Pump Station Storage Capacity: As reviewed at the last Board meeting, on September 11, 2017, we issued our formal decision approving the District's claim against the Contractor for warranty-related defects. As of this date, we have not received any further communication from the Contractor or its representatives. I do, however, fully expect their formal response by close of business, Wednesday, October 11, 2017. Once we receive that document we, together with Mr. Cavilia, will be better able to provide the District with recommendations on how best to proceed.

DCSID/STPUD Intertie: The flow testing and start-up that was originally scheduled for the end of September was postponed accommodating the availability of Tesco representatives, as well as receipt of parts for the completion of the valve actuator modification and replacement work all as generally described in last month's report. Start-up has now been re-scheduled for October 16 through 18. There have been no further efforts expended during this period and, therefore, last month's update remains current and is reiterated here for the benefit of the new Board members.

Work remaining includes revegetation, testing, and contract closeout. We are anticipating one additional change order for the valve actuator work necessitated by actual power voltage available at the site.

No additional Change Orders or Applications for Payment were received or processed, therefore the project's current financial status remains the same as last month at:

Original Contract Price	$ 915,600.00
Net Change by Change Orders	$ 89,082.00 (9.7%)
Current Contract Price	$ 1,004,682.00
Work Completed and Stored to Date	$ 949,782.00 (95%)
Remaining Work to be Completed	$ 54,900.00

This project was approximately 95% complete as of the date of the last application for payment. As allowed by the contract, the District has retained 5% of the completed work, $47,489.10, from the payments to the Contractor. This amount will be released upon satisfactory completion and testing of the project.

Muller Lane Effluent Force Main Relocation: The bidding period began on Wednesday, September 20, 2017 and bids are due October 11, 2017 at 2pm. The bidding documents are available on the ROA website and two standard, recognized plan rooms. Only one general contractor, White Rock Construction, attended the pre-bid meeting on September 25, 2017. We have since directly contacted all contractors that were interested in the project last year, as well as additional qualified contractors that may be interested, to ensure they are aware of the project, the upcoming Bid Date, and to encourage a competitive bidding environment. We have also responded to some contractor questions by issuing two formal addenda. As of this date, over 15 contractors, sub-contractors or suppliers have downloaded the project plans from our website. We are, therefore, cautiously optimistic that we will receive several bids from qualified contractors for the District to evaluate.

The NDOT and State Lands permits are still in process. Douglas County did not have any review comments on the design documents and are ready to issue their Site Improvement Permit upon confirmation of approval from NDOT. NDEP has also approved the current design without any additional comments. And, as reported at last month's meeting, NDEP has issued the temporary discharge permit for land application of the effluent to be emptied from the pipe during construction

NDOT recently provided us with their final plans for the bridge replacement project and have requested we review them before October 16, 2017. We don't anticipate that we

will have any particular comments on their plans as our facilities will have been relocated in advance of the bridge construction.

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.

Yours faithfully,

R.O. ANDERSON ENGINEERING, INC.

Robert O. Anderson, P.E., W.R.S., CFM
Principal Engineer

Attachments

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

GENERAL STATUS REPORT – October 11, 2017

- **General Status Report**

  I have given you a Budget to Actual spreadsheet which shows that we finished August 1.25% over budget. July and August are high flow months, so typically expenses run proportionately higher than later in the year. However, the bills have not yet been received for Summit's work on the emergency repair of the effluent line or for the large clamp on the final repair. Those will, of course have an impact on the budget in the next couple of months.

  I am still working on documents for the annual audit. Grant Thornton has set a target date to have financials issued the last week in October. We will also be undergoing a PERS audit next week.

  I have given each of you an Ethics Training packet along with the legislation passed, SB 84, revising the code of ethics for public officers and employees. There is a form Acknowledgment that must be signed by each Trustee unless it has been signed and filed with the Nevada Commission on Ethics in regards to your other public positions. Please sign the acknowledgment if that is applicable to you and return it to me within the next three weeks. I will file it with the Commission.

  I have also given each of you W-4 Forms and I-9's. I will need those filled out and returned to me with two forms of ID. The ID copies are of course kept locked in my office. The forms must be filled out before the first pay day.

Transfer of Funds From the General Fund to the Construction Fund

At the current time, the Construction Fund has a balance of approximately $299,000. I anticipate Inflows of $229,000 from the In-District Development Plan contribution and the second quarter assessment of the participating districts. Expenses between now and the next Board meeting are expected to be approximately $407,500 for the Intertie, the Automated Sampling Project, the Emergency Storage Leak and the Muller Lane Effluent Line Relocation.

I expect to have almost $120,000 left in the construction fund at the middle of November without transferring funds from the general fund.

Investment Report

The District's investments total a little more than $9,025,000. This month, I transferred the remaining Construction Fund investment balance to the General Fund (operating account) in preparation for payment of the expenses on the spreadsheet I've given you.

The remaining investments are spread out over investment accounts in LGIP and Wells Fargo, and laddered CD's.