MINUTES OF THE SPECIAL MEETING OF
THE BOARD OF TRUSTEES OF
DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY
April 10, 2019

## 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, April 10, 2019 at the Wastewater Treatment Plant, Stateline, Douglas County, Nevada.

## ROLL CALL:

Present were Trustees Mike Bradford, Darya Vogt and Chuck Fagen. Trustee Grant Thompson participated via telephone connection by which everyone at the meeting could hear him and he could hear everyone at the meeting. Trustee Wes Rice was absent at the outset of the meeting.

## 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, Ying Johnson, accounting clerk and Bob Cook. Also, in attendance were Andrew Hickman of Round Hill General Improvement District (RHGID), Marty Johnson of JNA Consulting Group, and Patrick Rhamey and Andrew Strain of the Tahoe Beach Club.

## PUBLIC COMMENT:

There was no public comment.

## APPROVAL OF AGENDA:

**It was moved by Trustee Vogt, seconded by Chairman Bradford and carried unanimously that the agenda be approved and adopted as presented.**

## MINUTES OF PRIOR MEETING:

**It was moved by Trustee Vogt, seconded by Chairman Bradford and carried unanimously that the minutes of the Meeting of the Board of Trustees of DCLTSA, dated March 20, 2019, be approved as presented.**

**Discussion and possible action regarding Tahoe Beach Club's (TBC) request to accept bonding for the completion of interceptor relocation work; and the request for the Authority to sign off on TBC's Phase I Condominium Subdivision Map.**

Authority Manager, Rob Hopkins summarized the requirement that an Authority sewer interceptor be relocated to accommodate the construction of the TBC Clubhouse and the TBC's request that the Authority sign-off on the TBC's Phase I Condominium Subdivision Map. Mr. Hopkins explained that the TBC had obtained an updated engineer's estimate of the cost of relocating the sewer interceptor in the amount of $398,600. Mr. Hopkins stated that the TBC was requesting that the Authority accept a bond in an amount that is the difference between the engineer's estimate and the amount ($241,020) of the security being held by Douglas County for the sewer interceptor relocation. Mr. Hopkins finally indicated that the TBC was also requesting that the Authority sign-off on TBC's Phase I Condominium Subdivision Map.

Mr. Hopkins explained that after consulting with Authority legal counsel and receiving assurances from Douglas County that the security being held by the County would not be released without the prior written consent of the Authority that upon receipt of the additional security ($157,580), he would recommend that the Authority sign-off on the Subdivision Map. Authority legal counsel, Jim Cavilia confirmed that TBC had received written confirmation from a Douglas County official that the County would hold $241,020 of the security until getting approval from the Authority. Mr. Cavilia also explained that pursuant to the Authority's written agreement with TBC, TBC is obligated to complete the sewer interceptor relocation prior to September 1, 2019.

Trustee Wes Rice joined the meeting at 9:45 a.m.

Chairman Bradford expressed his appreciation of the efforts of TBC officials to get Douglas County officials to commit to retaining security on behalf of the Authority. Chairman Bradford then recognized Patrick Rhamey of TBC. Mr. Rhamey thanked Chairman Bradford and explained the separation between the clubhouse property that involves the sewer interceptor relocation and the subdivision map that needs the approval of the Authority. Mr. Rhamey indicated that the property involved in the subdivision map is not served or effected by the sewer interceptor that requires relocation. Specifically, Mr. Rhamey requested that the Authority sign-off of the subdivision map before the additional security is posted with the Authority. Mr. Rhamey indicated that the additional security ($157,580) would be posted prior to work being initiated on the sewer interceptor relocation. Mr. Rhamey suggested that it would take a couple of weeks to prepare the documentation necessary to post the additional security and that in the meantime, TBC would like to proceed with the residential development in order to begin selling units.

Following a discussion about the potential risks to the Authority, Chairman Bradford explained that the risk is really a timing issue and he also had Mr. Hopkins confirm that the current operation of the sewer interceptor is not impaired.

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

Following some discussion among the Trustees, **it was moved by Chairman Bradford, that the Authority Manager be directed to sign the TBC Phase I Condominium Subdivision Map with the understanding that no work will be initiated on the sewer interceptor**

**relocation until the additional financial security in the amount of $157,580 be posted with the Authority. The motion was seconded by Trustee Rice.** Chairman Bradford stressed that in attempting to cooperate with the property owner in this case, it was appropriate for the Authority to take some very limited risk in terms of timing. **The motion passed unanimously.**

**Presentation by Marty Johnson of JNA Consulting Group regarding financing options for the Authority's capital improvement project.**

Marty Johnson of JNA Consulting Group was introduced by Chairman Bradford as the individual who the Authority has engaged to present the Board with various options to finance the Authority's capital improvement plans. Mr. Johnson thanked Chairman Bradford and indicated that he had worked with Douglas County Sewer Improvement District (DCSID) in the early 2000s and had completed an analysis of the Authority's current situation. Mr. Johnson proceeded to walk the Board through a presentation in which he assumed that the Authority would borrow $8 million to complete planned capital improvement projects.

Mr. Johnson initially pointed out that the Authority currently has only about $1 million in debt and with current financing will be debt free in 2029. Mr. Johnson stated that the Authority's Capital Improvement Plan includes approximately $14.5 million worth of projects to be completed over approximately the next five years and that the Authority has the ability to issue Revenue Bonds based upon the Authority's fees and interest earnings.

Mr. Johnson went on to explain that the Authority has three options for borrowing funds: 1) the State Revolving Fund Program (SRF); 2) Public Market Investors; or 3) Private Financial Institution. Mr. Johnson outlined the benefits and disadvantages of each option, concluding that use of the SRF probably makes the most sense for the Authority based upon total costs and the ease of the process.

Ms. East-Janicki explained that the approximate cost of the Authority's next capital improvement projects (aeration basins, headworks screening and grit removal) is $7 million. Mr. Johnson stated that it was important to be sure to request sufficient funds from the SRF because the program has limited funds available each year. Mr. Johnson stressed that it was always better to pursue as much money as possible initially with the understanding that there was no requirement that the total amount ultimately be borrowed. Following some discussion among the Trustees, Chairman Bradford concluded that proceeding with the SRF process made the most sense for the Authority.

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

Finally, following the recommendation of Mr. Johnson and Ms. East-Janicki, **it was moved by Chairman Bradford, seconded by Trustee Vogt and carried unanimously that staff be directed to work with Mr. Johnson to pursue as much funding as is available from the SRF to finalize a borrowing arrangement.**

## 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 stated that export pumps 1 and 2 have been successfully converted from Variable Frequency Drives to "Soft Start-Stop" configurations with no problems.

Mr. Hopkins indicated that the Authority's export flow data for the previous year had been submitted to the Nevada Department of Conservation and Natural Resources for the 2018 Carson Valley Pumpage Inventory.

Mr. Hopkins thanked Bob Cook for coordinating a recently completed AED/CPR Certification class for Authority and RHGID personnel.

Mr. Hopkins reported that Authority staff had recently completed testing of several types of polymer products in an effort to reduce costs related to polymer use. Mr. Hopkins indicated that results of the testing should be available in the next few weeks.

With regard to the DCLTSA/South Tahoe Public Utility District (STPUD) Intertie, Mr. Hopkins indicated that runoff was drained from the facility in coordination with STPUD staff and that the exercise was used as a training opportunity for the Authority and STPUD.

Mr. Hopkins also reported that the Emergency Underground Storage Tank system was recently pumped out to allow for inspection by various parties in preparation for mediation that is scheduled to take place on May 22nd.

Finally, Mr. Hopkins stated that Authority operations staff conducted a Treatment Plant tour for Incline Village General Improvement District (IVGID) personnel.

## ENGINEER'S REPORT:

### A. General Projects Status Report

In addition to his participation in the Manager's Report, Rob Anderson presented correspondence dated April 5, 2019 briefly summarizing various issues that R.O. Anderson Engineering has been involved with on behalf of the Authority. The April 5, 2019 correspondence is incorporated in these minutes by this reference.

Mr. Anderson provided a summary of the written correspondence and indicated that he was continuing to work with Authority Staff on the Annual Flow Report, that he anticipates being completed in time for review at the May 8th Board of Trustees meeting. Chairman Bradford emphasized the importance of the flow data and the metering, stating that the Board must have

the best objective information possible before making any changes related to allocating costs to Authority customers.

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

## ATTORNEY'S REPORT:

### A. General Status Report

Mr. Cavilia had nothing additional to report. Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment.

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

Mr. Cavilia indicated that mediation of this matter has been set to take place on April 22, 2019. Chairman Bradford opened the floor to public comment regarding the matter. There was no public comment.

## AUTHORITY CONTROLLER'S REPORT:

### A. General Status Report

Ms. East-Janicki provided the trustees with a spreadsheet showing current expenses and she reported that operating expenses are almost 5% under budget through February. Ms. East-Janicki indicated that she did anticipate some additional electrical costs related to pumping out the emergency underground storage system. Mr. Anderson indicated that it would be necessary to know the amount of water pumped from the underground storage system in order to accurately calculate the sewage flows from the Authority users. Mr. Hopkins confirmed that the necessary data is available.

With regard to billing, Ms. East-Janicki indicated that Fourth Quarter invoices had been sent out and that eight pre-lien notices had been sent to users who are in default. Ms. East-Janicki also reported that she had agreed to a payment plan with another customer in default.

Ms. East-Janicki stated that she had recently communicated to SRF officials that the Authority would likely be seeking approximately $8 million in SRF funding over the next three years. Ms. East-Janicki indicated that the next step in the SRF process would be approval of the formal application, that should be ready for the Board's consideration at its meeting on May 8th.

Ms. East-Janicki stated that she has discussed Ethics Training with Wayne Carlson of POOL/PACT and that based upon the State Legislature currently being in session, training will be scheduled after July 1st so that any legislative changes can be incorporated in the program.

Ms. East-Janicki reported that based upon Board direction, she contacted Public Sector Personnel Consultants (PSPC) about including employee benefits in its analysis on behalf of the Authority. Ms. East-Janicki indicated that the additional cost would be $2,000 which was approved by Chairman Bradford.

Ms. East-Janicki finally indicated that the upcoming Board of Trustees meetings are planned for May 8th, May 29th, June 19th and August 21st. No meeting is scheduled to take place in July.

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

**B. Investment Report**

Ms. East-Janicki had a written summary of the Authority's investments available, showing a total of a little over $9 million. Also, a copy of the general ledger was available for review.

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

**Reports/updated from Board Trustees concerning the areas or districts they represent**

Trustee Thompson described in some detail a situation that Tahoe Douglas District (TDD) is dealing with involving an exposed sewer line along the beach that serves eleven residences. Mr. Thompson explained that the sewer line has been repaired many times over the years but that it really should be abandoned, but such action would require each residence to have a pump station to connect to TDD's force main. Mr. Thompson sought input on what might be a cost-effective solution because based upon the information to date, the cost of individual pump stations was very high. Mr. Hopkins stated that it may be necessary for TDD to impose a special assessment on all of its user in order to address the issue. Mr. Anderson added that a complete engineering review should be completed before any decisions are made. Trustee Thompson thanked the group for the input.

Trustee Rice reported that Douglas County was in the midst of the annual budget process and that the County's new Chief Financial Officer was doing an outstanding job.

Trustee Vogt reported that KGID was in discussion with Kingsbury Snow Removal Company about leasing space from KGID.

Chairman Bradford 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 Treasurer and were approved.

**PUBLIC COMMENT:**

There was no public comment.

**ADJOURNMENT:**

There being no further business, the meeting was adjourned at 11:50 a.m.

Michael A. Bradford

APPROVED

4822-8858-0244, v. 1

**DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY**
Staff Report

***Subject / Title:***

Authority Manager's Monthly Report – April 10th, 2019
A. General Status Report

***Staff Recommendation:***

None. This is an informational item only.

***Discussion/Report:***

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

1. Export pumps 1 and 2 have been successfully converted from Variable Frequency Drives to Soft Start-Stop configurations. Both pumps have been running in "lead" positions over the past month with no problems since the conversion.

2. Export flow data for the period between October 1, 2017 and September 30, 2018 has been submitted to the Nevada Department of Conservation and Natural Resources for the 2018 Carson Valley Pumpage Inventory. This inventory is used to calculate the overall water balance in the various Carson Valley watersheds and aquifers.

3. NV Energy is working with DCLTSA staff to gather flow data and track past overall energy use at the Treatment Plant in order to see if we can qualify for energy saving credits when the Authority converts the Aeration Basins to fine-bubble diffused air systems over the next few years. Power use and flow data going back 3 years has been submitted to NV Energy technical staff to be used for historical comparative purposes.

4. AED / CPR Certification class was held at DCLTSA this month. 4 DCLTSA staff and 4 personnel from RHGID attended. Certification was coordinated by Bob Cook.

5. Testing work on several types of polymer product has been completed. The testing work is being done to investigate ways in which polymer costs might be reduced while maintaining high quality biosolids production at the plant. Analysis of the field data is anticipated to be complete in the next few weeks.

6. The DCLTSA / STPUD intertie was exercised in order to drain runoff which has accumulated in the pipeline over this past winter season. The work was coordinated with STPUD and was used as a training opportunity for the staff of each organization.

7. The Emergency Underground Storage Tank system was pumped down and the system inspected to determine if the buckling of the manifolds has progressed since the last inspection in September 2018. The inspection is being done in advance of a second round of mediation related to the structural failure of the tank manifolds. Mediation is scheduled for April 22nd. Further details related to the mediation may be provided by the Authority legal counsel.

8. DCLTSA Operations staff conducted a Treatment Plant tour for IVGID personnel.

**Meeting Date: April 10th, 2019**

**DOUGLAS COUNTY LAKE TAHOE SEWER AUTHORITY**
Staff Report

***Subject / Title:***

Discussion and possible action regarding Tahoe Beach Club's (TBC) request to accept bonding for the completion of the Interceptor relocation work; and the request for the Authority to sign off on TBC's Phase I Condominium Subdivision Map – **for possible action.**

***Staff Recommendation:***

Staff recommends acceptance of bonding and / or signing off on maps only if either Condition 1 or Condition 2 as listed in the attached letter from the Authority Manager to Andrew Strain, Vice President of Development for TBC, have been met by TBC.

***Discussion/Report:***

1. Tahoe Beach Club (TBC) has obtained an updated Engineer's Estimate of Probable Cost for the relocation of the Authority's Interceptor. The updated cost estimate was requested by the Authority in order to determine what an adequate bond for the work would be. The new estimate for the work is $398,600. This new cost estimate is acceptable to the Authority staff.

2. TBC is requesting that the Board consider allowing TBC to issue a bond in the amount covering only the difference between the amount currently held by Douglas County, and the amount of the new estimate.

3. The amount held by the County is $241,020. The difference between the estimate and the County bond is $157,580.

4. TBC is requesting that the Authority Board consider accepting a $157,580 bond for the work, rather than requiring TBC to bond the full $398,600 with the Authority.

5. TBC has also requested that the Board authorize the Authority Manager sign off on TBC's Phase I Condominium Subdivision Map.

After consultation with Authority legal counsel and the Authority Engineer, it is the position of the Authority Manager that the Authority accept TBC's proposal given one of the two following Options occur:

1. The Authority will accept the $157,580 as a bond with the Authority if the Authority receives written assurances from Douglas County that $241,020 of the bond currently held by the County will be held specifically for the benefit of the

Authority for the completion of Interceptor relocation work, and that $241,020 of the bond will not be released without prior written consent of the Authority. This written assurance from the County will need to be obtained by TBC and presented to the Authority, or

2. TBC may bond the full amount of the Engineer's Estimate ($398,600) with the Authority.

Finally, regarding TBC's request for the Authority Manager's signature, the Manager recommends that, consistent with the Authority's position on this matter since January, the Authority should not sign off on the Phase I Condominium Subdivision Map until adequate security is in place for the benefit of the Authority or until the Interceptor relocation project is completed, inspected and accepted by the Sewer Authority.

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***Attachments:***

1. E-mail request from Andrew Strain, Vice President of Development, Tahoe Beach Club, to Rob Hopkins, DCLTSA Manager re: "DCLTSA Sewer Line Relocation Board of Directors Agenda Item Requests"

2. Letter from Authority Manager to Andrew Strain titled: "Response to TBC request to combine performance bond with Douglas County 040219"

3. Updated Engineer's Estimate of Probable Cost, titled: "Cost Estimate.1-15-19"

## Rob Hopkins

**From:** Andrew Strain <astrain@tbcdevelopment.com>
**Sent:** Monday, April 01, 2019 9:48 AM
**To:** Rob Hopkins
**Cc:** Patrick Rhamey
**Subject:** DCLTSA Sewer Line Relocation Board of Directors Agenda Item Requests
**Attachments:** Cost Estimate.1-15-19.pdf

**Follow Up Flag:** Flag for follow up
**Flag Status:** Completed

Good Morning Rob:

Thank you for arranging the Beach Club agenda item before the Board of Directors on April 10.

Specifically, we are requesting that the Board take the following actions:

1. Authorize the General Manger to accept our net construction bond amount for the DCLTSA sewer line relocation in the amount of $157,580. As the Engineer of Record for the sewer line relocation, RO Anderson has prepared a current engineer's estimate of probable costs for this work in the amount of $398,600. See the attached estimate from RO Anderson. We currently have a completion performance bond on file with Douglas County in the amount of $241,020 for the same work although the estimate was prepared in 2016. We propose to combine the existing security bond on file with $157,580 to reach the total of $398,600 shown in the RO Anderson engineer's estimate. The work will be completed this summer because it is necessary in order to complete the Club building construction which is scheduled to open in late 2019. It is fair and reasonable to bond the work, however, the same work should not be required to be bonded twice by two separate public agencies; and

2. Authorize the General Manager to sign the Phase I Condominium Subdivision Map on behalf of the District in the next ten days. We are in the final stages of completing construction on the 46 Phase I condominium units. We will close the sales and begin turning them over to the buyers in the next 60 days. The County's final acceptance and recording process takes time and the DCLTSA's signature is an important step in the process that must occur first.

We plan to attend the meeting to present and discuss the requests with you and the Board.

We appreciate your assistance,
Andrew

Andrew Strain
Vice President of Development

Beach Club Development, LLC
170 Highway 50
PO Box 5536
Lake Tahoe, NV 89449

Astrain@tbcdevelopment.com

**Douglas County Lake Tahoe Sewer Authority**
**Wastewater Reclamation Plant**

P.O. Box 578, Zephyr Cove, NV 89448 775-588-3558 • 775-588-1845 fax

Andrew Strain
Vice President of Development

April 2, 2019

Beach Club Development, LLC
170 Highway 50
PO Box 5536
Lake Tahoe, NV 89449

*via e-mail*

Dear Andrew,

The staff of Douglas County Lake Tahoe Sewer Authority ("Authority") has reviewed the new Engineer's Estimate of Probable Cost which you recently submitted for the relocation of the Authority's 24-inch sewer interceptor where it crosses Tahoe Beach Club ("TBC") Property. We are comfortable with the new cost estimate.

Regarding TBC's request that the Authority consider accepting an additional $157,580 as a bond to be used in combination with the existing County bond of $241,020 to cover the new estimate of $398,600, the Authority staff is willing to recommend to the Authority Board of Trustees either of the following options:

1. The Authority will accept the $157,580 as a bond with the Authority if the Authority receives written assurances from Douglas County that $241,020 of the bond currently held by the County will be held specifically for the benefit of the Authority for the completion of Interceptor relocation work, and that $241,020 of the bond will not be released without prior written consent of the Authority. This written assurance from the County will need to be obtained by TBC and presented to the Authority.

2. TBC may bond the full amount of the Engineer's Estimate ($398,600) with the Authority.

Please let us know as soon as possible if either of these options is acceptable to you. This matter can be considered by the Authority's Board of Trustees at its upcoming meeting on April 10th. Upon approval of one of these options by the Authority's Board and compliance by TBC, I will sign the Phase I Condominium Subdivision Map on behalf of the Authority.

Consistent with the Authority's position on this matter since January, I cannot sign off on the Phase I Condominium Subdivision Map until adequate security is in place for the benefit of the Authority or until the Interceptor relocation project is completed, inspected and accepted by the Sewer Authority.

Please do not hesitate to contact me at any time regarding this matter.

Best regards,

Rob Hopkins

04.02.2019

DCLTSA General Manager

## ENGINEER'S PRELIMINARY ESTIMATE OF PROBABLE COSTS

R O Anderson

| | | | |
|---|---|---|---|
| **Client:** | TAHOE BEACH CLUB | **Estimated:** | JEL/ROA |
| **Project:** | Sanitary Sewer Relocation | **Checked:** | |
| **Description:** | Cost Estimate for Sewer Line Relocation | **Date:** | 15-Jan-19 |
| **File:** | Y:\Client Files\2758\2758-001\Documents\[Cost Estimate.1-15-19.xlsx]Sewer Line Relocation | | |

**DIVISION 1 - GENERAL REQUIREMENTS**

| ITEM | DESCRIPTION | QUANTITY | | UNIT COST | TOTAL |
|---|---|---|---|---|---|
| 1 | Mobilization, Demobilization, BMPs, Testing, General Requirements | 1 | Lump Sum | 12 /% | $38,800 |
| | | | | SUB TOTAL | $38,800 |

**DIVISION 2 - EXISTING CONDITIONS**

| ITEM | DESCRIPTION | QUANTITY | | UNIT COST | TOTAL |
|---|---|---|---|---|---|
| 1 | Dewatering | 1 | Lump Sum | $100,000.00 /LS | $100,000 |
| 2 | Sanitary Sewer Manhole Abandonment & Demolition | 3 | Each | $12,000.00 /EA | $36,000 |
| | | | | | $136,000 |

**DIVISION 3 - CONCRETE**

| ITEM | DESCRIPTION | QUANTITY | | UNIT COST | TOTAL |
|---|---|---|---|---|---|
| 1 | Plugging of Abandoned Sanitary Sewer | 5 | Cubic Yards | $400.00 /CY | $2,000 |
| | | | | SUB TOTAL | $2,000 |

**DIVISION 33 - UTILITIES**

| ITEM | DESCRIPTION | QUANTITY | | UNIT COST | TOTAL |
|---|---|---|---|---|---|
| 1 | New 72" Pre-Cast Sanitary Sewer Manhole | 2 | Each | $30,000.00 /EA | $60,000 |
| 2 | New 24" PVC Gravity Sanitary Sewer In Place | 216 | Lineal Feet | $350.00 /LF | $75,600 |
| 3 | Bypass Pumping | 1 | Lump Sum | $50,000.00 /LS | $50,000 |
| | | | | SUB TOTAL | $185,600 |

| | |
|---|---|
| CONSTRUCTION SUB TOTAL | $362,400 |
| CONTINGENCY AT 10% | $36,200 |
| **ENGINEER'S PRELIMINARY ESTIMATE OF PROBABLE COSTS** | **$398,600** |

R|O|Anderson

April 5, 2019

***Via E-mail***

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

**Authority Engineer's Monthly Report – April 2019**

Dear Members of the Board:

Given the short period since the Board's last meeting, the activities that we've undertaken since that meeting have been relatively limited. Specifically we have participated in the following efforts:

- Annual Flow Report: We expect that during the next period, together with Authority staff, we will finalize the flow report for 2018 for Board review and approval at the May meeting.

*Meter Reconciliation Project:*

Since the last Board meeting, on behalf of RHGID we have deployed two separate meters to capture what we expect from inspection to be most of the flows being discharged from the RHGID collection system. Currently, the period of record is insufficient to report reasonable findings.

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, PE, WRS, CFM
Principal Engineer

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

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**AUTHORITY CONTROLLER'S**

**BOARD REPORT – April 10, 2019**

## General Status Report

I've given you a spreadsheet that shows at the end of February our operating expenses were almost 5% under budget. The savings are spread among most of the budget line items. We can expect increased electrical costs as we are having to pump out the emergency underground storage tank which has filled with ground water again. This will add to the Main Pump Station costs as well as those here at the plant.

## Status of Billing

We just sent out the 4th quarter invoices. I will be sending out pre-lien notices to 8 customers who have made no payments since we began billing in July. Additionally, 1 customer contacted me last week and we set up a payment plan to get her current. We will continue to charge late fees until that happens.

## Status of State Revolving Fund (SRF) Loan Application

I have communicated to the SRF the Board's direction that we will likely be applying for an $8,000,000 loan spread over 3 years to do the Aeration Basin Project, Headworks and Grit Improvements. The next step is the formal application which I will complete for the May 8 meeting. That will require a Board resolution for the SRF to accept it.

## Status of Scheduling Ethics and Open Meeting Law Training

I contacted Wayne Carlson to inquire about his coming and conducting Ethics and Open Meeting Law training for the Board. Since the Legislature is in session, he believes we should wait until after July 1 so he can incorporate any legislative changes that are made into the training. He will be available to come to any Board meeting August 21 or thereafter.

## Status of the Personnel Study be Public Sector Personnel Consultants (PSPC)

Per Board direction, I asked PSPC about including benefits in the study and was advised it would raise the cost by $2,000. Mike Bradford okayed that. PSPC sent me a list of information they need to begin, and I will be providing that in the next week.

## Investment Report

We have a little more than $9.1 million dollars invested in liquid Wells Fargo and Local Government Investment Pool accounts and longer-term laddered CD's. The only change since the last meeting was the addition of interest.

## Claims and Check Register

There have been no wires since the last meeting, and I provided you with the check register from March 20 through April 10. If there are no questions, I would ask that the Treasurer sign them and return them to me for our records.