

# **TRI General Improvement District Board of Trustees Meeting**

## **DRAFT Minutes**

**March 7, 2024, 2:00 pm**  
**440 USA Parkway Suite 105, McCarran, NV 89437**  
**and by Zoom**

### **1. Call to Order and Roll Call**

The meeting was called to order at 2:01p.m. by President Jay Carmona. GM Shari Whalen took roll call. Present were President Jay Carmona, Trustee Clay Mitchell, and Trustee Lance Gilman. Other attendees were Shannon McKnight, Clerk/Treasurer; Debbie Leonard, Legal Counsel; Oz Henke, Technical Services Manager; and members of the public.

### **2. Pledge of Allegiance**

### **3. Public Comment (No Action)**

No public comment.

### **4. Discussion/Possible Action:**

Adoption of Agenda.

GM Whalen requested item 8 be heard prior to agenda item 7.

No questions or comments.

No public comments.

Trustee Mitchell moved to approve the agenda with item 8 to be heard before item 7. Trustee Gilman seconded. Motion passed unanimously.

### **5. Consent Agenda for Possible Action:**

- I. Approval of Minutes of December 7, 2023 Meeting
- II. Approval of Voucher Report for the Period of November 2023
- III. Approval of Voucher Report for the Period of December 2023
- IV. Approval of Award of Contract with DOWL for Phase I of the TRIGID Water Resources Plan in the amount not to exceed \$50,000
- V. Approval of Change Order for Emergency Engineering Design, Rate Analysis, and Construction Management to DOWL in the amount not to exceed \$56,600

- VI. Ratification of three-year contract for temporary process wastewater treatment with Veolia in the amount of \$303,920 for equipment preparation charges, plus \$3,883 daily for rental fees, plus associated consumable charges.

No questions or comments.

No public comments.

Trustee Mitchell moved to approve the consent agenda of March 7, 2024, as presented. Trustee Gilman seconded. Motion passed unanimously.

## 6. Discussion Only (No Action):

General Manager's Report

GM Whalen presented the report to the Board.

Budget Update

Staff is presenting the second quarter FY24 budget update at today's meeting along with preliminary FY25 Budget requests. The tentative budget will be presented on April 4, 2024, and the Final Budget will be presented on May 16, 2024. The regularly scheduled Board of Trustees meeting on the first Thursday in May will be cancelled, and all District business will be heard at the May 16th meeting.

General/Admin

Administrative Staff finalized the Public Employee Retirement System (PERS) audit with the State of Nevada and began the process of requesting reimbursement on the WWTP and Arsenic PER projects through the State Revolving Fund. Staff also completed the annual PACT audit.

Project Updates:

TMWRF Pipeline, TMWRF Pump Station, Asamera Reservoir, Sydney Process Line, Reservoir Booster Pump Stations, Surface Water Induction Wells, and Process System Pressure Testing

These projects are all substantially complete with a few minor items for final completion. There is a mitigation measure that has been completed for the cathodic protection system on the pipeline near TMWRF and staff is waiting on a final report. Commissioning at the lower and upper Booster Pump Station is now complete. A portion of the surface water rights at the induction well sites still need to be permitted. PLPT protest on the pipeline water rights has been resolved, and TMWA will be submitting change applications to the State Engineer shortly.

Well 9

ROW acquisition for well site development is underway.

### Comstock Valley Process Extension

The project design is complete and is waiting for Redwood to initiate construction since March 2023. Staff recently notified Redwood that the project is required to be completed by June 2024, and they are currently investigating alternative funding strategies.

### WWTP Effluent Pump Upgrades

This was a Process Water Project managed by Tahoe Reno Industrial Center, LLC, ("TRILLC") but TRIGID purchased the pumps and was reimbursed by TRILLC in order to accelerate the project schedule. The project is substantially complete; however, the new pumps are not operating as specified, creating a warranty issue. TRIGID has issued a letter to Empire and Cornell stating that we are no longer paying for the rental bypass pump at the WWTP, requesting reimbursement for costs incurred, and requesting that Empire/Cornell submit a plan to the District for resolution on the pump warranty issues.

### Well 3 Rehabilitation

This project is part of TRIGID's approved five-year CIP. The contract has been put out to bid and is expected to be on the April 4, 2024, Board agenda for approval. Staff has included a contingency in the FY25 Budget Request in case the project is not completed by the end of this fiscal year.

### Emergency Treatment

During the May 18, 2023, Board of Trustees meeting, the Board directed staff to enter into emergency contracts for engineering services, emergency construction, and emergency rental equipment for temporary treatment of process water. The DOWL contract was executed in May 2023, when civil design commenced. The emergency construction contract was awarded to RDC with a Notice to Proceed issued on January 17, 2024. The Veolia contract was finally executed on February 6, 2024. On or about February 26, 2024, RDC demobilized from the site due to uncertainty around the scope of work and requested change orders as a result of in-field change requests by Veolia. Most significantly, Veolia has made a change to their treatment plan by adding a third multi-media filter after the contract was executed. This change by Veolia resulted in an RDC change order request for over \$230,000. Staff met with DOWL, Veolia, and RDC multiple times in the last two weeks in order to redirect special requests and control cost overruns on the project; however, this continues to be a dynamic situation. Staff will continue to report back to the Board on developments in this project.

There is also an approved change order in the amount of \$27,771 to address electrical delays via rental equipment. That Change Order will be brought back for ratification at the April 4, 2024, Board of Trustees meeting.

One part of the project that is going smoothly is the Denmark process water tie-in (Bid Alternate 3). That project was recently completed by RDC, and as of March 6, 2024, Switch's process wastewater discharge is bypassing the wastewater treatment plant and discharging directly to the Reservoir via the new temporary pipeline route. This may improve effluent water quality from the WWTP and the Process Water Supply blend from the Reservoir Complex. This also gives TRIGID another temporary tool to arrest reservoir filling, if needed, and will improve data on water quality coming out of WWTP.

Water Rights:  
Nothing to report

Easements:  
Nothing to report

Operations:  
The valve exerciser has been delivered to TRIGID, and operator training will occur on March 14th. This is very exciting because the District has never had a valve exercising program, so many of the water valves in the system have not been opened or closed for many years. This preventative maintenance program will also help clean our valve cans and deal more effectively with emergency situations in the water system.

Lift Station SCADA Upgrades are finally complete. Check valves at the WWTP were replaced and staff is working to automate the slide gate at the plant to provide more efficient operations at the plant.

Operations personnel visited the Fallon and Donner wastewater treatment plants with consultant GCW recently, as part of our WWTP PER study. The operators were able to compare technology observed in the Portland area in November with ZeeWeed technology in use at these regional plants.

WWClyde completed operator training for the upper and lower booster pumps stations at the Reservoir Complex. The upper pump station is now running on SCADA.

The water system Sanitary Survey, performed by NDEP every three years, has been scheduled for April 23, 2024. Staff has been busy getting ready for NDEP's upcoming visit.

Engineering:  
TRIGID's first comprehensive set of design standards has been completed by DOWL and reviewed by District Staff. DOWL is now making final edits and staff hopes to have the standards ready to present to the Board on April 4, 2024.

TRIGID is over three months behind in issuing some of the Industrial Discharge Permits. The last of the permits should be issued to customers within the next two weeks.

Discharge to washes continue at Sydney and Peru, but the discharge north of the Reservoir has proven infeasible at this time due to clay soils in the area. TRIGID has communicated this to NDEP and requested delays on the compliance schedule requiring TRIGID to construct two new monitoring wells to monitor groundwater in the area of this outfall location.

On March 6, 2024, TRIGID provided a cease-and-desist notice to International Paper for discharging non-compliant material to the TRIGID wastewater treatment plant on at least three different occasions. They

will be required to submit a corrective action plan within 10 days, and staff will schedule a follow-up site visit to review the CAP.

New Development:

Twenty-two new projects have been started this year, with 15 new construction and 7 tenant improvements. Two projects are currently in plan review.

No questions or public comments on GM Report.

\*\*ITEM 8 heard prior to ITEM 7.

## **8. DISCUSSION/POSSIBLE ACTION:**

Public Hearing, Discussion and Possible Action Related to Resolution 24-002, A Resolution Creating a Process Wastewater Rate for Process Water Customers discharging Process Wastewater

Trustee Gilman abstained from discussing or voting on this item.

Luke Tipton from DOWL gave a presentation of the process wastewater rate study.

GM Whalen provided background and gave an update to the Board on the current status of reservoir filling, the process water system and process wastewater system, the timeline of the rate setting and notices issued as required by statute and specifically to Tesla and Switch, and correspondence with Tesla and Switch, which was provided to the Board.

GM Whalen further discussed the need for approval of the rates to provide a revenue source for temporary emergency treatment in order to avoid curtailment of Switch and Tesla's process wastewater discharges.

GM Whalen recommended that President Carmona allow public comment in excess of the three-minute limit.

Public hearing opened for public comment.

Public comment made by Paul Taggart representing Switch.

Public comment made by Brian Bolz representing Tesla.

Discussion between the Board, GM Whalen, Paul Taggart, Luke Tipton, and Brian Bolz followed.

Public comment made by Pat Mulroy.

Further discussion between the Board, GM Whalen, and Paul Taggart.

No further public comment.

Trustee Mitchell made a motion to adopt Resolution 24-002, a Resolution Creating a Process Wastewater Rate for Process Water Customers discharging Process Wastewater, with the following added three directions to staff discussed on the record: (1) designate any surplus generated by these rates as restricted funds for process wastewater; (2) develop a process as new customers are brought on to the process wastewater system; and (3) come back to the Board with a report on rates in 90 days and review rates in 6 months and then annually thereafter. President Carmona seconded. Motion passed unanimously.

## **7. DISCUSSION/POSSIBLE ACTION:**

Discussion and Possible Action Related to Resolution 24-001, A Resolution Creating an Interfund Loan Between the Water Service Fund and the Process Water Service Fund to Pay for Emergency Contracts and Operating Capital in FY24 and FY25

GM Whalen presented the item to the Board.

Trustee Gilman abstained from discussing or voting on this item.

GM Whalen answered a question from Trustee Mitchell.

No public comment.

Trustee Mitchell made a motion to adopt Resolution 24-001, A Resolution Creating an Interfund Loan Between the Water Service Fund and the Process Water Service Fund to Pay for Emergency Contracts and initial Operating Capital in FY24 and FY 25 in the amount of \$2,756,786.00 contingent upon appropriate rates being set by the Board of Trustees to ensure the process water fund has appropriate revenues to pay the subject loan. President Carmona seconded. Motion passed unanimously.

**9. DISCUSSION/POSSIBLE ACTION:**

Presentation, Discussion and Possible Action to Approve the FY24 Second Quarter Financial Report

GM Whalen presented the FY24 second quarter overview.

The Water Enterprise Fund shows 116% of revenues and 52% of expenses mid-year.

The Sewer Enterprise Fund shows 50% of revenues and 47% of expenses mid-year.

No comments or questions from the Board.

No public comment.

Trustee Mitchell moved to approve the FY 24 Second Quarter Financial Report. Trustee Gilman seconded. Motion passed unanimously.

**10. DISCUSSION/POSSIBLE ACTION:**

Discussion and Possible Action to Modify the TRIGID Organizational Chart and the FY24 Position Control to remove the Civil Engineer Position and create the Deputy General Manager Position

GM Whalen presented the item to the Board.

No comments or questions from the Board.

No public comments.

Trustee Mitchell moved to modify the TRIGID Organization Chart and the FY24 Position Control to remove the Civil Engineer Position and create the Deputy General Manager position. Trustee Gilman seconded. Motion passed unanimously.

**11. DISCUSSION/POSSIBLE ACTION:**

Presentation, Discussion and Possible Action to Direct Staff regarding the FY2025 Tentative Budget

GM Whalen presented the FY25 tentative budget requests.

No comments or questions from the Board.

No public comments.

Trustee Mitchell moved to accept the preliminary requests presented in the FY25 budget goals and preliminary requests power point presentation and instruct staff to proceed with budget requests. Trustee Gilman seconded. Motion passed unanimously.

**12. Public Comment (No Action)**

No public comment.

**13. Adjournment**

President Carmona adjourned the meeting at 4:20pm.