

TRI GENERAL IMPROVEMENT DISTRICT
MINUTES OF THE March 2, 2021 PUBLIC MEETING
OF THE BOARD OF TRUSTEES

Place of Meeting

Pursuant to Section 3 of the Declaration of Emergency Directive 006, there was no physical location. The meeting was held via teleconference only, with members of the public able to join a Zoom Meeting at <https://zoom.us/j/7097790662> or by calling the following number:

Phone: +1 669 900 6833 US Meeting ID: 709 779 0662.

Date of Meeting: March 2, 2021 9:00 a.m.

AGENDAN ITEM 1: Roll Call.

The meeting was called to order at 9:01 a.m. by Trustee Carmona. The meeting was held via Zoom Meeting. GM Shari Whalen presented roll call. Trustee Lance Gilman was absent excused. Present were Trustees Clay Mitchell, and President Jay Carmona. Other attendees were, Debbie Leonard, Legal Counsel for the GID, Tracy Black, Secretary Treasurer, Sara Adler and Will Adler, Silver State Government Relations.

AGENDAN ITEM 2: Pledge of Allegiance

AGENDAN ITEM 3: Public Comments:

There were no public comments.

AGENDAN ITEM 4: Approval to Adopt the Agenda of February 2, 2021 (For Possible Action)

No public comments and no changes needed to the agenda. Trustee Mitchell moved and President Carmona seconded the motion to adopt the agenda of February 2, 2021. The motion carried unanimously.

AGENDA ITEM 5: Consent Agenda (All consent items may be approved together with a single motion, be taken out of order, and/or be heard and discussed individually.)

- A. (For Possible Action) Approval of Minutes of February 2, 2021 meeting
- B. (For Possible Action) Approval of Voucher Report for the period of January 2021
- C. (For Possible Action) Approval of purchase of two iMAG series Influent Flow Meters at TRI WWTP in the amount of \$10,782.16
- D. (For Possible Action) Approval of an amendment to the Farr West Engineering contract in the amount of \$18,916.00 for Arc Flash Protection Analysis and Labeling Improvements at the TRI WWTP

No public comments. Trustee Mitchell moved to approve the consent agenda, President Carmona seconded motion. The motion carried unanimously.

AGENDA ITEM 6: General Manager's Report (Information Only)

Shari Whalen, General Manager, summarized several updates for the GID including budget, projects, and administrative matters.

GM Whalen explained that the financial overview would be given today and requested direction on the district's goals and objectives. Consideration of the Tentative Budget will be presented at the April 6th meeting and the Final budget at a special meeting in May. The May meeting will be rescheduled to meet the timeline set by NRS 554.596.

Project updates:

Arsenic Treatment Plant at well 2. Final walk was completed in early February. We are currently waiting on approval of the final submitted as-builds. The offer for acceptance by the district is anticipated by the end of March.

16 Mile TMWRF Pipeline: The pre-construction meeting was held on January 29th and the notice to proceed was given on March 1st. The project is expected to be substantially completed by October 2022. The Ground-Breaking event is scheduled for late March.

Pump Station at TMWRF: The notice to proceed is expected to be around March 15th. Completion schedule is undetermined because of long lead times on valving.

The Effluent Reservoir Project: The lining process has started and there is a small amount of blasting left to do.

Altitude Valve Project at tank 1 and tank 3. These projects are funded internally as part of the Capital Improvement Plan. The construction portion of the project was advertised, and the bid opening will be tomorrow, March 3rd. The GID staff will be requesting that the construction portion of the project be heard and awarded at the April 6th, board meeting. Clay Valve stations were ordered and are expected to arrive sometime in March.

Auxiliary Power Projects, (backup generators). This project is partly funded by the \$1.3 million TRI LLC settlement agreement. Staff attended the kick-off meeting February 17th, and the design is scheduled to be completed this FY and completed by the following FY.

Contract updates:

A contract with Silver State Government Relations for \$18,000 was executed for assistance with the legislative session. They are currently tracking several bills for the TRIGID and updates will be given regularly to the GM. In addition, Will and the Silver State team will provide an overview and complete summary of the 2021 legislation session during the July board meeting.

The GM will provide regular updates to the board of trustees and forward any bill drafts that the board needs to support or oppose in accordance with the district policies, plans and rules.

Administrative updates:

Staff executed an agreement with the State of Nevada, Deferred Compensation Program to allow employees to enroll in the 457 Investment Program for additional retirement savings. This is at no cost to the District and is on the agenda for approval of the GID application at today's Nevada Deferred Compensation board meeting.

Staff executed a water banking agreement with H2O Investments for banking an additional 111.5 af of water for use within the Tahoe Reno Industrial Center, with an additional letter of understanding regarding assignment of water rights to be allocated for the planned Taco Bell Development.

Staff is coordinating with will serve applicants for the following new development projects: Taco Bell, Sparks Hotel by Courtyard Marriot, 7-11 and thyssenkrupp.

No questions from the trustees.

AGENDA ITEM 7: Discussion and Possible Action to Approve the Water Resource Exchange Agreement between the Truckee Meadows Water Authority, Tahoe-Reno Industrial Center LLC, and the TRI General Improvement District

Mrs. Whalen pointed out that Exhibit A had minor modifications prior to the board meeting and additional modifications are needed. Staff is requesting to amend the motion to give direction to staff to make final modifications to include the legal descriptions when available, which should be in a few days.

GM Whalen summarized the Resource Exchange Agreement. The goal is to convey 4000af of water through the pipeline from TMWRF to the TRI service area and to make sure the river is made whole. The Agreement includes a cash payment to TMWA from the TRI LLC to enable TMWA to assist with the return flow management using TMWA's water resources. GM Whalen referenced the staff report for additional details. The return flow of the 4000af of water will be dealt with in three groups of water of 1500af each, for which the GID is responsible for 1500 af. The Exchange Agreement will satisfy the District's 1500 af return flow obligation.

Trustee Mitchell questioned, "is this a static amount or would it change over time?" GM Whalen answered, "it is", and gave additional details.

No public comments. Trustee Mitchell moved to approve, and President Carmona seconded the motion. Motion carried unanimously.

AGENDA ITEM 8: Discussion and Possible Action to provide direction to General Manager and TRIGID lobbyists regarding potential legislation related to Innovation Zones and other properly related matters.

GM Whalen summarized the bill draft request submitted to the Nevada Legislature and the potential repercussions to the GID.

Will Adler, Silver State Government Relations, lobbyist for the TRIGID, made a statement about the potential impact to the TRIGID, as well as Storey County, if the bill were to be approved.

Trustee Mitchell questioned the percentage of land owned by Blockchains in the GID service area and the possible impact to the GID customers. GM Whalen could not give a percentage but presented a map to show the land owned by Blockchains with the TRIGID service area overlay. GM Whalen responded that it was more than half and possibly as much as 75 percent of the service area and the impact of the innovation zone legislation could be contrary to the best interests of the TRIGID and its customers.

Additional comments were made by Will Adler, explaining that the bill is in draft currently, however, the proposed language is not clear.

President Carmona stated that protecting the GID is the right direction, and any support or direction needed, the board is ready to assist.

Trustee Mitchell moved to approve, and President Carmona seconded the motion. The motion carried unanimously.

AGENDA ITEM 9: Presentation, Discussion and Possible Action to Approve TRIGID Mid-Year Financial Report

GM Shari Whalen detailed some of the topics for the mid-year budget. The report details are Actual over Budget. Operating revenues are higher than anticipated. Expenses are better than expected at 28% of budget at mid-year.

Questions from Trustee Mitchell regarding water sales revenue. GM Whalen explained that the additional funds would go to fund Capital expenditures instead of borrowing the funds. In the next FY the GID staff will be reviewing the rate structure. Examples of some concerns would be that base rates are not covering the fixed costs. In addition, it appears that the water customers are subsidizing the sewer customers. The goal is to clarify the rate structure, not necessarily increase rates. Finally, other concerns are that the framework is not in place to recover costs for the Reuse Program. There is some work to be done in fiscal year 2022 to evaluate these issues.

No questions or public comments. Trustee Mitchell moved to approve, and President Carmona seconded the motion. The motion carried unanimously.

AGENDA ITEM 10: Presentation, Discussion and Possible Action to Direct Staff regarding the FY2022 Tentative Budget

GM Shari Whalen gave a presentation with the following key elements of the tentative budget:

- Staffing Levels
 - Superintendent Position with Operator 1
 - Part time Bookkeeper or Administrative Assistant
- Employee Benefits
 - Employee Dependent Healthcare Premiums, initial cap \$6,000
 - Employee appreciation funds \$1500
- Equipment
 - Service Truck with Crane
 - Rubber Tire Backhoe
 - Valve Exerciser with Vactor
- Contracts
 - Farr West
 - Leonard Law
 - Silver State Analytical
 - Blue Horizon
 - Farr West – T3 Operations
 - Great Basin
 - Caselle
 - Eide Bailly
- Capital Improvement Projects
 - WWTP Improvements
 - Fencing and Auxiliary Power Projects FY22

Trustee Mitchell moved to approve, and President Carmona seconded the motion. The motion carried unanimously.

AGENDA ITEM 11: Discussion and Possible Action to approve amendment to TRIGID Personnel Policy to provide \$520 employee bonus for obtaining new NDEP Water and/or Wastewater Operator Certification(s)

GM Shari Whalen explained the recommendations for this request. This action item is to give incentive to our employees to acquire new NDEP certifications. GM Whalen is requesting this policy to be retroactive back to January 1, 2021.

Trustee Mitchell moved to approve, and President Carmona seconded the motion. The motion carried unanimously.

AGENDA ITEM 12: NEW BUSINESS. There was no new business.

AGENDA ITEM 13: PUBLIC COMMENT. There were no public comments.

AGENDA ITEM 14: ADJOURNMENT. With no further business to come before the Trustees, the meeting was adjourned at approximately 9:55a.