

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

## **DRAFT Minutes**

**April 4, 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

No questions or comments from the Board.

No public comments.

Trustee Mitchell moved to approve the agenda as presented. Trustee Gilman seconded. Motion passed unanimously.

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

- I. Approval of Minutes of March 7, 2024, Meeting
- II. Approval of Voucher Report for the Period of March 2024
- III. Approval of purchase of 2024 4x4 Jeep Cherokee for Administration in the amount of \$44,240.25 to be delivered in FY25.
- IV. Approval of purchase of two 2024 Ram 2500 Utility 4x4 Crew Cab Trucks with Harbor Service Body for Water Operations, in the amount of \$62,370.25 each plus a 10 percent tool and lightbar allowance, for a total not to exceed amount of \$137,214.55 to be delivered in FY24 or FY25.
- V. Ratification of Emergency Construction of Temporary Treatment Civil Improvements Contract to Resource Development Co. in the amount of \$868,015
- VI. Ratification of Emergency Construction of Temporary Treatment Civil Improvements Change Order No. 1 to Resource Development Co. in the amount of \$26,771

- VII. Ratification of Emergency Construction of Temporary Treatment Civil Improvements Change Order No. 2 to Resource Development Co. in the amount of \$90,600
- VIII. Approval of Emergency Construction of Temporary Treatment Civil Improvements Change Order No. 3 to Resource Development Co. in the amount of \$24,405
- IX. Approval of Change Order for Emergency Engineering Design, Rate Analysis, and Construction Management to DOWL in the amount not to exceed \$36,300
- X. Approval of Contract with Carson Pump, LLC in the Amount Not to Exceed \$399,140 for the Well 3 Rehabilitation Project
- XI. Approval of purchase of Netzsch NEMO Progressive Cavity Backup Pump for Wastewater Treatment Plant Screw Press from Shape Incorporated in the amount not to exceed \$11,770 plus shipping

No public comments.

No questions or comments from the Board.

Trustee Mitchell moved to approve the consent agenda of April 4, 2024, as presented. Trustee Gilman seconded. Motion passed unanimously.

## **6. Discussion Only (No Action):**

General Manager's Report

### **Budget Update**

Staff is presenting the tentative budget at today's meeting along with preliminary FY25 Budget requests. The third Monday in May is late in the month this year, so the Final Budget will be presented on May 30, 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 30<sup>th</sup> meeting. Shannon will be mailing out an updated May meeting Zoom invitation shortly.

### **General/Admin**

Administrative Staff is beginning PERS data uploads in the new PERis System with the State of Nevada and continues to work through OFA for reimbursement on the WWTP and Arsenic PER projects through the State Revolving Fund. Open enrollment for employee benefits began on April 1. Both open positions (Deputy General Manager and Operator) have now been filled. The Deputy GM will begin on April 23 and the new Operator will begin on May 6.

On March 8, 2024, Staff hosted EDAWN and GOED for a tour and overview of infrastructure and water rights related to future development at TRI Center.

### **Project Updates:**

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

These projects are all substantially complete with a few minor items for final completion. The chlorine tank at the Upper Booster Pump Station is leaking. This is a warranty issue, and the Contractor has been notified.

#### Well 9

ROW acquisition for well site development has been initiated, but there has not been much progress.

#### Comstock Valley Process Extension

The project design is complete, and construction has not proceeded at this time. The customer is currently investigating alternative funding strategies.

#### WWTP Effluent Pump Upgrades

This was a Process Water Project managed by TRI LLC, but TRIGID purchased the pumps and was reimbursed by TRI LLC in order to accelerate the project schedule. The project is complete; however, the new pumps are not operating as specified in the plans. 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. Empire/Cornell pulled one of the pumps to return it to the factory for testing. This week the remaining pump went down so that operations are relying on the backup diesel pump. Staff has notified Empire/Cornell that they need to replace the backup diesel pump with a pump that can meet the system requirements until the two Cornell pumps are repaired or replaced and operating properly. Staff will continue to report back to the Board as this matter progresses.

In addition to the pump problems at the site, the new pumps are not connected to auxiliary power, as required by NAC. Staff is working with an electrical contractor to address this issue as soon as possible.

#### Well 3 Rehabilitation

The contract for this project was on the consent agenda for today. In addition, it is included in both the FY24 CIP and the FY25 CIP. Due to long lead times on the replacement pump parts the project is anticipated to bill \$230k in FY25.

#### Emergency Treatment of Process Wastewater

There were several change orders on today's consent agenda. We understand that there may be one more change order from RDC related to chemical injection taps on the above-grade HDPE pipeline. If necessary, it will be brought back to the Board for ratification. The electrical contractor should be completed by April 12, and Veolia will then begin commissioning, anticipated on April 16. Staff will be working with customers to implement a monthly ordering process to assist with demand and water quality strategies moving forward. In addition, staff expects to meet with advanced water treatment experts in Mid-April to investigate alternative waste stream management approaches for the RO plant.

#### **Operations:**

The water system Sanitary Survey is April 23, 2024, so operators and maintenance personnel are preparing the well houses, tanks, and booster pump stations for the NDEP inspection. They have been painting and replacing damaged drywall at Wells 1, 4, and 5, along with other housekeeping items.

Operators received valve exerciser training on March 14<sup>th</sup> and are currently working on creating and implementing a system-wide valve exercising program.

Operations staff repaired a water line leak on Milan with in-house personnel and equipment. This is a new capability for the District, as we have mobilized outside contractors for leak repairs for the past 20 years. In addition, operations personnel replaced a 14-inch saddle clamp on the WWTP effluent basin. Operations staff is completing more and larger repairs with in-house personnel and equipment whenever possible, as we continue our capabilities in the field.

Staff feels like the District is entering into a phase where we are finally not just fighting fires when it comes to operations. Instead, we are working on preventative maintenance, cross-training, building, and tracking inventory, and collecting and managing our field data better.

**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 May 30, 2024.

TRIGID finally issued all of the 2024 Industrial Discharge Permits and staff is now working with customers on discharge permit billing, setting up quarterly or monthly meetings, and coordinating reporting and compliance questions.

At the last Board meeting, Staff reported that TRIGID had provided a cease-and-desist notice to International Paper for discharging non-compliant material to the TRIGID wastewater treatment plant on several occasions. International Paper has since submitted a comprehensive corrective action plan, including major capital improvements to permanently resolve the issue. TRIGID staff will be visiting the site in April and will report back to the Board if there are any further concerns.

The Integrated Sourcewater Protection Plan modeling is complete, and the report is being drafted. The final document will be presented to the Board of Trustees for consideration at the May 30 Board meeting.

DOWL, Kimley Horn, and TRIGID Staff are now meeting bi-weekly for Comstock Valley and South Valley infrastructure modeling and planning purposes. Development is occurring very quickly in the southern half of the Service Area and the lack of existing master planning documents is posing unique challenges for the District, engineers, and developers. Staff hope that this collaborative initiative will help customers in these areas understand what infrastructure will be required to serve these parcels in a more timely fashion.

**New Development:**

Twenty-four new projects have been started this year, with 17 new construction and 8 tenant improvements. Two projects are currently in plan review.

President Carmona asked about the status of receivables and if GID customers pay in a timely manner. Staff responded that delinquencies and late payments are minimal.  
No other questions or comments.

**7. DISCUSSION/POSSIBLE ACTION:**

Discussion and Possible Action Related to Resolution 24-003, a Resolution designating certain Process Water Enterprise Funds generated from Process Wastewater rates as Committed Fund Balance

GM Whalen presented the information regarding this item, as requested by the Board of Trustees at the March 7, 2024 rate hearing.

No questions or comments from the Board

Amanda Hunt, representing SWITCH, requested an emailed copy of the Resolution.

No additional public comments

Trustee Mitchell moved to approve Resolution 24-003, a Resolution designating certain Process Water Enterprise Funds generated from Process Wastewater rates as Committed Fund Balance. Trustee Gilman seconded. Motion passed unanimously.

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

Presentation, Discussion and Possible Action related to DOWL Process Water and Process Wastewater Rate New Customer Base Rate Recalculation Methodology

GM Whalen indicated that the item is in response to the request by the Board of Trustees at the March 7, 2024 rate hearing to bring back a proposed process for new customers connecting to the system.

Luke Tipton, with DOWL, presented a PowerPoint with a hypothetical recalculation methodology that might be used should new customers connect to the system, depending on meter size.

Trustee Mitchell asked if customers have seen the methodology.

GM Whalen responded that there have been general discussions about what would happen when a new customer connects to the system, but the proposed methodology is presented in response to the Board's request at the March 7, 2024 meeting. The presentation is hypothetical. If a new customer requests a will-serve, staff would notice a rate hearing as required by statute that proposes rate adjustments based on the specific meter size and service requested.

Luke Tipton confirmed that no new rate is being proposed with this agenda item.

Trustee Mitchell asked about the process wastewater rate being based on the volume of water discharged into the reservoir prior to being treated, to which GM Whalen responded.

Trustee Mitchell also asked if a better methodology is identified in the future, could that be brought back to the Board for consideration. GM Whalen reiterated that this is just a general framework, and the Board would determine that actual methodology used when a new customer comes onto the system.

No other questions or comments from the Board.  
No public comment.

Trustee Mitchell moved to approve the DOWL Process Water and Process Wastewater Rate New Customer Base Rate Recalculation Methodology. Trustee Gilman seconded. Motion passed unanimously.

**9. DISCUSSION/POSSIBLE ACTION:**

Presentation, Discussion, and Possible Action to Direct Staff regarding Potential Future Sewer Fund Revenue Deficiencies

GM Whalen provided background information to the Board regarding the history of the sewer fund rates.

Luke Tipton, with DOWL, presented information to the Board regarding the projected revenue shortfalls in the sewer fund and potential timing to address them.

GM Whalen provided further information regarding costs of sewer operations and requested that the Board be proactive and direct staff to notice and agendize a sewer rate hearing for May 2024.

Trustee Gilman requested analysis of rates in comparison to other jurisdictions in Northern Nevada.

Trustee Mitchell asked a question regarding the timing of a rate hearing in relation to implementation of a potential rate increase. GM Whalen responded that it is typical to adopt rates that may be implemented over time and doing so in advance gives customers more notice.

Amanda Hunt, representing SWITCH, stated Switch would prefer to have advanced knowledge of a rate increase.

No other public comments.

Trustee Mitchell moved to Direct Staff to notice a rate hearing for formal consideration of the DOWL rate recommendations at the final Budget Hearing on May 30, 2024. Trustee Gilman seconded. Motion passes unanimously.

**10. DISCUSSION/POSSIBLE ACTION:**

Presentation, Discussion and Possible Action to Approve the FY2025 Tentative Budget and Five-Year Capital Improvement Plan

GM Whalen presented the FY2025 Tentative Budget and Five-Year CIP.

Trustee Mitchell asked a question regarding recording the interfund loan, to which GM Whalen responded.

No further comments or questions from the Board.

No public comments.

Trustee Mitchell moved to approve the FY2025 Tentative Budget and Five-Year Capital Improvement Plan. Trustee Gilman seconded. Motion passed unanimously.

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

No public comments

**12. Adjournment**

President Carmona adjourned the meeting at 3:07pm.