

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

## **DRAFT Minutes**

**May 30, 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 2:02p.m. by President Jay Carmona. GM Shari Whalen took roll call. Present were President Jay Carmona and Trustee Lance Gilman. Other attendees were Shannon McKnight, Clerk/Treasurer; Debbie Leonard, Legal Counsel; and members of the public. Trustee Clay Mitchell arrived at 2:05pm.

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

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

No public comment

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

Adoption of Agenda

GM Whalen requested that items 5.7 and 5.8 be moved from the consent agenda and considered at the end of the other agenda items.

Trustee Mitchell arrived at 2:05pm.  
No questions or comments from the Board.  
No public comments.

Trustee Mitchell moved to approve the agenda moving items 5.VII and 5.VIII to after item 13 on the regular agenda. Trustee Gilman seconded. Motion passed unanimously.

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

- I. Approval of Minutes of April 4, 2024, Meeting
- II. Approval of Voucher Report for the Period of April 2024
- III. Approval of TRIGID Standard Details for Design and Construction of Public Works Projects
- IV. Ratification of Emergency Construction of Temporary Civil Improvements Change Order No. 4 in the amount of \$26,047
- V. Ratification of Change Order for FY24 Annual Engineering Support Services Contract with DOWL in the amount of \$16,000
- VI. Approval of Annual Engineering Support Contract with DOWL in the amount of \$120,000, subject to Appropriation in the FY25 Final Budget

- VII. Approval of Water Infrastructure Master Plan Contract with DOWL in the amount of \$150,000, subject to Appropriation in the FY25 Final Budget
- VIII. Approval of Process Water Infrastructure Master Plan Contract with DOWL in the amount of \$150,000, subject to Appropriation in the FY25 Final Budget
- IX. Ratification of Change Order for FY24 Annual Legal Support Services Contract with Leonard Law in the amount of \$30,000
- X. Approval of a Litigation Support Services Contract with Leonard Law related to Switch Ltd. vs. TRI General Improvement District, Case No. 24 OC 0004 IE
- XI. Approval of Annual Legal Support Contract with Leonard Law in the amount of \$150,000, subject to Appropriation in the FY25 Final Budget
- XII. Approval of Contract Extension for Fiscal Year 2025, with Silver State Analytical in the amount not to exceed \$47,550 for analytical testing, subject to Appropriation in the FY25 Final Budget
- XIII. Approval of Contract Extension for Fiscal Year 2025, with Sierra Controls in the amount not to exceed \$45,000 for SCADA technical support and integration services, subject to Appropriation in the FY25 Final Budget

No public comments.

Trustee Mitchell moved to approve the consent agenda of May 30, 2024, moving items 5.VII and 5.VIII to be heard after item 13. Trustee Gilman seconded. Motion passed unanimously.

## 6. Discussion Only (No Action):

General Manager's Report

### **Budget Update**

Staff is presenting the final budget at today's meeting along with the third quarter budget update.

### **General/Admin**

Our next Board of Trustees meeting will not be until August 1, 2024, because our normal Board meetings would be June 6 (next Thursday) and July 4 (holiday).

The Deputy General Manager position is unfilled. The position has been advertised for three weeks with no applicants. In June, Senior Staff plan to hold a brainstorming session to determine if there are alternatives, such as contracting some in-house services, until the position is filled.

We are excited to announce that our newest operator, Brady Cardenas, started on May 6<sup>th</sup>. He's currently training on our water and process water systems, while being based primarily at the WWTP.

The Public Works Week Reception will occur at the Reservoir Upper Booster Pump Station immediately following today's Board meeting.

### **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

Both the on-site portions of the Process Water System and the temporary treatment of process wastewater are being commissioned. The Sydney line is being flushed today and the first two process water system customers are anticipated to be hooked up next week.

Commissioning of the TMWRF pump station and pipeline are expected to begin on June 10<sup>th</sup>, pending secondary effluent permit approval by the State Engineer, which has been received. Several of the required water rights permits have been granted to put the line into service, and the final set of permits are required for full commissioning. TMWRF pump station commissioning is a little more challenging due to the large volume of water of 72 million gallons that was originally specified to be moved through the facility in the original contract documents from 2019. Because the reservoir is filling, staff does not want the extra water from commissioning to enter the reservoir. TRIGID and DOWL will be meeting with the Cities in the next month to determine if an alternative commissioning specification can be agreed to that will limit the amount of water pumped into our system that exceeds projected demand this summer. The hope is to have final commissioning on the TMWRF Pump Station in July 2024.

The 2017 Effluent Agreement, between TRIGID and the Cities of Reno and Sparks, provides that the Cities must complete a rate study to establish a base fee and shortage fee related to operation of the TMWRF pump station. To Staff's knowledge, this has not been completed to date. However, in mid-2022, TRIGID provided the 2022 Rate Study, prepared by DOWL, to the Cities, which included an exhibit with a possible rate methodology for the TMWRF base rate for the Cities. Staff is unclear on the actual cost associated with operation and maintenance of the TMWRF pump station in a shortage condition. However, the Cities have raised this question several times over the past two years, and the issue is still unresolved. Current demand projections indicate that TMWRF effluent will be required to meet demand in July 2024; however, this water year is unlikely to present a shortage condition.

#### Well 9

No progress to report.

#### Comstock Valley Process Extension

The project design was complete in March 2023, and construction has not proceeded yet. The customer is currently investigating alternative funding strategies, including State Infrastructure Bank Funding. Staff has indicated to the Treasurer's office that this may not be the highest priority for SIB funding. Staff will meet with Redwood and the Treasurer's office next Wednesday.

#### 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 substantially complete; however, the new pumps are not operating as specified in the plans. At the last meeting, Staff reported that Empire/Cornell pulled one of the pumps to return it to the factory for testing and that the second on-site pump went down. Pump 1 was repaired at the factory and was re-installed this month at no cost to the District. However, there continues to be concern regarding Pump 2, which has been pulled and is currently undergoing testing and repairs at the factory. It should be delivered and installed next week. 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, and the cost will be reimbursed by TRI, LLC.

#### Well 3 Rehabilitation

The well rehab is underway and is expected to be complete next week. Parts to rebuild the pump and convert it to water cooled (instead of oil cooled) will be delivered and installed in July and will be part of next year's budget.

#### Emergency Treatment

The last of the expected change orders was on today's consent agenda. In addition, the Third Quarter Budget Report provides an updated accounting of project costs to date. Costs are \$1.54 million, which is higher than anticipated and budgeted. Veolia is having some challenges dealing with colder-than-anticipated water temperatures and has made several modifications. They are piloting a new solution and may continue to make minor and possibly major modifications to their treatment approach. Staff is working closely with the first two customers for flushing and initial connection, which staff expects to happen next week at the latest. Staff met with advanced water treatment experts in Mid-April to investigate alternative waste stream management approaches for the RO plant to address degradation to water quality in the reservoir, and staff has a follow up meeting set for July 9th.

**Water Rights:**

Staff issued one consent to an assignment this month. DOWL is working with the Master Developer to move the final surface water rights to the induction wells at this time.

**Easements:**

Staff is working with a new customer on several easements near the Reservoir for their development, but they are not finalized at this time. In addition, DOWL and the Master Developer are working on the Small Reclaim Tank easement adjacent to the Reservoir, as well as the on-site Tesla easements. The Sydney relocation easement is complete.

**Operations:**

The water system Sanitary Survey was completed April 23, 2024. Most of the comments received were very minor, so staff considered the field portion of the survey to be a success. During the Sanitary Survey, and in follow-up correspondence, NDEP notified TRIGID that they consider a water hot-tap (a new service connection by means of a tapping saddle to an existing, in-service, and pressurized water main) to be a water project requiring NDEP design review and approval. Hot-taps are common at TRI Center, and most new services are hooked up to the TRIGID water system by means of a hot-tap. This additional review requested by NDEP could considerably extend the design review and approval timeline for new projects at TRI Center. Staff completed research and discovered that TRIGID may be eligible for a waiver of NDEP BSDW design review of hot-taps, which would allow TRIGID to continue to expedite design reviews and will-serve issuance. Staff is currently compiling all of the documents to accompany a waiver request (one of which is Standard Details, which was on the consent agenda today). Staff plans to submit the application in June.

Operations staff have stepped up in preparation for the Veolia RO system to come online this month. I would like to thank them for going above and beyond to coordinate with Veolia, to facilitate special requests, and to be 100 percent engaged in learning this new system.

**Engineering:**

Staff finally issued all of the 2024 Industrial Discharge Permits and billed for this year's permits. Staff is looking at outsourcing the industrial discharge program management for the remainder of 2024, due to current staffing challenges.

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 hopes 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. Today's agenda items 5.VII and 5.VIII will help to address this growing challenge.

**New Development:**

We have eight developer projects currently under construction at this time, with seven additional projects in design review. Due to staffing challenges, Staff is considering engaging the District Engineer to assist with the design review and

will-serve issuance, if they can expedite processing. Staff will report back to the Board on this option at the next Board of Trustees meeting.

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

## **7. Discussion/Possible Action**

Discussion and Possible Action to Approve Resolution 24-004, A Resolution of the TRI General Improvement District Recognizing the Employees and Elected Officials of the TRI General Improvement District.

GM Whalen read the resolution into the record.

Trustee Mitchell and President Carmona made general comments expressing appreciation for staff.  
No public comment.

Trustee Mitchell moved to approve Resolution 24-004, A Resolution of the TRI General Improvement District Recognizing the Employees and Elected Officials of the TRI General Improvement District.  
Trustee Gilman seconded. Motion passed unanimously.

## **8. Discussion/Possible Action**

Discussion and Possible Action to adopt the Community Source Water Protection Program for Public Water Systems in Storey County, Nevada.

GM Whalen introduced Ethan Mason, from NDEP, and Jill Sutherland, from RCI, and gave an overview of the program. Ethan Thanked described NDEP's involvement and thanked the Board for the support of the program. Jill Sutherland stated that they had great collaboration with the community and county and that RCI will continue to work with NDEP on implementation of the plan. GM Whalen indicated the plan will also be considered by Storey County.

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

Trustee Mitchell moved to adopt the Community Source Water Protection Plan for Public Water Systems in Storey County, Nevada. Trustee Gilman seconded. Motion passed unanimously.

## **9. Discussion/Possible Action**

Discussion and Possible Action to adopt the TRI General Improvement District Water Conservation Plan in accordance with NRS 540.141

GM Whalen gave an overview to the Board and noted NDEP has approved the plan. She also described the improvements made in TRIGID's system to minimize system losses. Luke Tipton from DOWL was available for questions.

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

Trustee Mitchell moved to approve the TRI General Improvement District Water Conservation Plan in accordance with NRS 540.141. Trustee Gilman seconded. Motion passed unanimously.

**10. DISCUSSION/POSSIBLE ACTION:**

Discussion, Presentation and Possible Action to accept the TRIGID FY24 Third Quarter Financial Report for the Water, Sewer, and Process Water Enterprise Funds, including but not limited to an Update on Expenses and Revenues related to the New Process Wastewater Cost Center in the Process Water Enterprise Fund.

GM Whalen explained that the agenda item language indicates a particular focus on process water and process wastewater in response to earlier direction from the Board. GM Whalen gave an overview of the TRIGID financials after the Third Quarter.

Water fund – operating revenues are at 163% of budget due to delay in the process water system coming online. Non-operating revenue is at 424% of the budget due to unanticipated growth. Operating expenses is at 69% of the budget and capital expenditures is at 39% of the budget, but year-end purchases will increase the number. GM Whalen indicated staff's belief that the water fund will end the year at or below budget.

Sewer fund – operating revenue is at 80.7% of the budget. Operating expenses are at 68% and capital expenditure is at 79% of the budget. Certain line items are anticipated to have overages due to WWTP pump problems. Staff will bring a budget augmentation to the Board at the August meeting.

Process water – 2% of revenue and 14% of expenses for the process water cost center. Expenses are starting to accrue as this system comes online. The revenue is a reimbursement from the Master Developer for diesel, not from rates.

Process wastewater – no revenue to date to report and \$704,000 of expenses as invoices begin to come in.

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

Trustee Mitchell moved to accept the TRIGID FY24 Third Quarter Financial Report. Trustee Gilman seconded. Motion passed unanimously.

**11. Discussion/Possible action:**

Public Hearing, Presentation, Discussion and Possible Action to Approve the FY2025 Final Budget, including, but not limited to the Water Fund Final Budget, Sewer Fund Final Budget, Process Water Fund Final Budget,

Position Control, Salary Schedule, Organizational Chart, Comprehensive Five-Year Capital Improvement Plan, and Annual Indebtedness Report

GM Whalen gave a brief update on the two changes from the tentative budget to the final budget and reviewed the FY24-25 budget request.

No questions or comments from the Board  
Public hearing. No public comments made.

Trustee Mitchell moved to close the final budget hearing and move to approve the FY2025 Final Budget, including, but not limited to the Water Fund Final Budget, Sewer Fund Final Budget, Process Water Fund Final Budget, Position Control, Salary Schedule, Organizational Chart, Comprehensive Five-Year Capital Improvement Plan, and Annual Indebtedness Report. Trustee Gilman seconded the motion. Motion passed unanimously.

## **12. Discussion/Action**

Public Hearing, Discussion, and Possible Action related to Resolution 24-005, A Resolution to Modify the TRIGID Sewer Rates beginning in Fiscal Year 2026 (July 1, 2025)

GM Whalen presented the item, explained the rationale for the rate modification, and informed the Board of the rate process and statutory noticing.

Luke Tipton was available to discuss the rate study.

No questions or comments from the Board  
Public hearing. No public comments made.

Trustee Mitchell moved to close the public hearing on sewer rates and to approve Resolution 24-005, A Resolution to Modify the TRIGID Sewer Rates beginning in Fiscal Year 2026 (July 1, 2025). Trustee Gilman seconded. Motion passed unanimously.

## **13. Discussion/Possible action:**

Discussion and Possible Action to amend Section 6.1.1 of the TRIGID Personnel Policy to change the certification bonus to a certification pay increase dependent on certification level.

GM Whalen presented the item to the Board and clarified the section of the Personnel Policy being modified.

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

Trustee Mitchell moved to approve the amendment to the TRIGID Personnel Policy to change the certification bonus to a certification pay increase dependent on certification level. Trustee Gilman seconded. Motion passed unanimously.

**Item 5.VII - Approval of Water Infrastructure Master Plan Contract with DOWL in the amount of \$150,000, subject to Appropriation in the FY25 Final Budget**

GM Whalen gave an overview of Items 5.VI and item 5.VIII to the Board, explaining the need for funding infrastructure master planning and that Staff anticipated coming back to the Board in August related to funding for a sewer master plan. GM Whalen indicated that Staff was requesting \$100,000 for the water master plan and \$125,000 for the process water master plan.

Trustee Gilman stated he supported the request.  
No public comment

Trustee Mitchell moved to approve the Water Infrastructure Master Plan contract in the amount of \$100,000.00 and authorize the General Manager to sign. Trustee Gilman seconded. Motion passed unanimously.

**Item 5.VIII - Approval of Process Water Infrastructure Master Plan Contract with DOWL in the amount of \$150,000 subject to Appropriation in the FY25 Final Budget amount**

Trustee Mitchell moved to approve the Process Water Infrastructure Master Plan contract in the amount not to exceed \$125,000.00 and authorize the General Manager to sign. Trustee Gilman seconded. Motion passed unanimously.

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

No public comment

**15. Adjournment**

President Carmona adjourned the meeting at 2:59 pm.



## **TRI GENERAL IMPROVEMENT DISTRICT PUBLIC NOTICE**

### **NOTICE OF POSSIBLE QUORUM TRI GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES**

Notice is hereby given that a quorum of the TRI General Improvement District Board of Trustees may be present at the TRIGID National Public Works and Public Service Recognition Week Reception to be held at 845 Venice Drive, TRIGID Upper Booster Pump Station, immediately following the May 30, 2024 Board of Trustees Meeting.

Although board members constituting a quorum may be in attendance for the purpose of celebration and not to conduct a meeting, deliberate toward a decision or take action on any matter over which the public body has supervision, control, jurisdiction or advisory power, this notice is provided in an abundance of caution given the potential for a quorum of the foregoing body to be present at this reception.

This Notice of Possible Quorum for the Reception is posted at the following locations:

TRI General Improvement District Administrative Office (440 USA Parkway, Suite 440, McCarran),  
TRI General Improvement District website, <http://tri-gid.org>,  
State of Nevada Public Notice Website, <https://notice.nv.gov>.