



Tahoe-Truckee Sanitation Agency  
Special Board Meeting  
May 15, 2019



# TAHOE-TRUCKEE SANITATION AGENCY

A Public Agency  
13720 Butterfield Drive  
TRUCKEE, CALIFORNIA 96161  
(530) 587-2525 • FAX (530) 587-5840

## Directors

*S. Lane Lewis: President*  
*Dale Cox: Vice President*  
*Jon Northrop*  
*Dan Wilkins*  
*Blake Tresan*

## General Manager

*LaRue Griffin*

## BOARD OF DIRECTORS SPECIAL MEETING NOTICE AND AGENDA

**Date:** May 15, 2019

**Time:** 9:00 AM

**Place:** Board Room, Tahoe-Truckee Sanitation Agency, 13720 Butterfield Drive, Truckee, California

Members of the public will have the opportunity to directly address the Agency Board of Directors concerning any item listed on the Agenda below before or during consideration of that item. To better accommodate members of the public and staff, some Agenda items may be considered in an order different than listed below.

**I. Call to Order, Roll Call, and Pledge of Allegiance**

**II. Public Comment** Discussion items only, no action to be taken. Any person may address the Board at this time upon any subject that is within the jurisdiction of Tahoe-Truckee Sanitation Agency and that does not appear on the agenda. Any matter that requires action may be referred to staff for a report and action at a subsequent Board meeting. Please note there is a five (5) minute limit per person. In addition to or in lieu of public comment, any person may submit a written statement concerning Agency business to be included in the record of proceedings and filed with the meeting minutes. Any such statement must be provided to the recording secretary at the meeting.

**III. Professional Achievements, Awards & Anniversaries** Acknowledgement of staff for professional achievements, awards and anniversaries received the previous calendar month or quarter.

**IV. Consent Agenda** Consent Agenda items are routine items that may be approved without discussion. If an item requires discussion, it may be removed from the Consent Agenda prior to action.

1. Approval of the minutes of the regular Board meeting on April 10, 2019.
2. Approval of general fund warrants.
3. Approval of financial statements.

**V. Regular Agenda**

1. Discussion and update of the Compensation and Classification Study.
2. Approval of Ordinance 2-2019 electing to collect sewer service charges on the county tax roll.

3. Approval to advertise and solicit bids for the 2019 Digital Scanning of Sewer Lines project.
4. Approval of the TTSA/TTAD Property Exchange Agreement.
5. Discussion on the Master Sewer Plan level of service.
6. Discussion on energy use, conservation, and recovery.
7. Discussion and action on payment to the CalPERS retirement pension plans.
8. Discussion on fiscal year 2019-2020 Agency financial budgets.

**VI. Management Team Report**

1. Department Reports.
2. General Manager Report.

**VII. Board of Director Comment Opportunity** for directors to ask questions for clarification, make brief announcements and reports, provide information to staff, request staff to report back on a matter, or direct staff to place a matter on a subsequent agenda.

**VIII. Closed Session**

1. Closed session for public employee discipline/dismissal/release.

**IX. Regular Agenda (continued)**

1. Consider adoption of resolution concerning appointment of hearing officer for employee termination appeal hearing.

**X. Adjournment**

Posted and Mailed, 05/10/19



LaRue Griffin  
Secretary to the Board

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, then please contact Roshelle Chavez at 530-587-2525 or 530-587-5840 (fax). Requests must be made as early as possible, and at least one-full business day before the start of the meeting.

Documents and material relating to an open session agenda item that are provided to the T-TSA Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection and copying at the Agency's office located at 13720 Butterfield Drive, Truckee, CA.



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** LaRue Griffin, General Manager  
**Item:** I  
**Subject:** Call to Order, Roll Call, and Pledge of Allegiance

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### **Background**

Call to Order, Roll Call, and Pledge of Allegiance.



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** LaRue Griffin, General Manager  
**Item:** II  
**Subject:** Public Comment

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### **Background**

Discussion items only, no action to be taken. Any person may address the Board at this time upon any subject that is within the jurisdiction of Tahoe-Truckee Sanitation Agency and that does not appear on the agenda. Any matter that requires action may be referred to staff for a report and action at a subsequent Board meeting. There is a five (5) minute limit per person.



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Vicky Lufrano, Human Resources Administrator  
**Item:** III  
**Subject:** Professional Achievements, Awards & Anniversaries

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### **Background**

Acknowledgement of staff for professional achievements, awards and anniversaries received the previous calendar month or quarter.

### **Achievements and Promotions**

- Ryan Schultz – Received Electrical/Instrumentation Grade 3 Certification
- Ryan Schultz – Promoted to I&E Technician II
- Zeb Snider – Received Mechanical Technologist Grade 3 Certification
- Zeb Snider – Promoted to Mechanic III
- Billy Martin – Received Wastewater Treatment Plant Operator Grade 1 Certification
- Billy Martin – Promoted to Wastewater Treatment Plant Operator I

### **1-Year, 5-Year, 10-Year, 15-Year, 20-Year, Etc. Anniversaries**

- Robert Gray – IT Department Manager - 20 Years (May 2019)
- Vicky Lufrano – Human Resources Administrator – 1 Year (May 2019)
- Angelina Henson – Administrative Assistant I – 1 Year (May 2019)

### **Fiscal Impact**

Increased salary for promotions

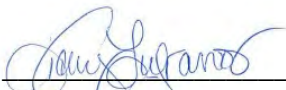
### **Attachments**

None.

### **Recommendation**

No action required.

### **Review Tracking**

Submitted By:   
Vicky Lufrano  
Human Resources Administrator

Approved By:   
LaRue Griffin  
General Manager



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Roshelle Chavez, Administrative Services Manager  
**Item:** IV-1  
**Subject:** Approval of the minutes of the regular Board meeting on April 10, 2019

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### **Background**

Draft minutes from previous meeting(s) held are presented to the Board of Directors for review and approval.

### **Fiscal Impact**

None.

### **Attachments**

Minutes of the regular Board meeting on April 10, 2019.

### **Recommendation**

Management recommends approval of the minutes of the regular Board meeting on April 10, 2019.

### **Review Tracking**

Submitted By:   
Roshelle Chavez  
Administrative Services Manager

Approved By:   
LaRue Griffin  
General Manager

**BOARD OF DIRECTORS**  
**REGULAR MEETING MINUTES**

April 10, 2019

I. Call to Order:

President Lewis called the regular meeting of the Tahoe-Truckee Sanitation Agency Board of Directors to order at 9:00 AM. Roll call and Pledge of Allegiance followed.

Directors Present: S. Lane Lewis, NTPUD  
Dale Cox, SVPSD (via teleconference)  
Jon Northrop, ASCWD  
Dan Wilkins, TCPUD  
Blake Tresan, TSD

Staff Present: LaRue Griffin, General Manager  
Roshelle Chavez, Administrative Services Manager  
Jay Parker, Engineering Manager  
Michael Peak, Operations Manager  
Richard Pallante, Maintenance Manager  
Vicky Lufrano, Human Resources Administrator  
Richard P. Shanahan, Agency Counsel  
Michelle Mackey, Administration Department  
Dawn Davis, Administration Department  
Aaron Carlsson, Engineering Department  
Scott Fleming, Engineering Department  
Mike Smith, Engineering Department  
Paul Shouse, Maintenance Department  
Jim Redmond, Maintenance Department  
Jesus Zarate, Maintenance Department  
Jaime Garcia, Maintenance Department  
Ryan Schultz, Maintenance Department

Public Present: Shawn Koorn, HDR Engineering, Inc.  
Sarah Coolidge, North Tahoe PUD  
Danielle Grindle, Squaw Valley PSD  
Fabienne Gueissaz, Squaw Valley PSD



Following the pledge of allegiance, President Lewis provided a moment of silence to honor the memory of Mr. O. Z. Butterfield who recently passed away.

## II. Public Comment

There was no public comment. No action was taken by the Board.

## III. Professional Achievements, Awards & Anniversaries

Mrs. Vicky Lufrano acknowledged Agency staff whom obtained professional achievements, awards, and anniversaries received for the previous calendar month to the Board of Directors.

Most of the Agency employees left the meeting after the acknowledgement.

## IV. Consent Agenda

1. Approval of the minutes of the regular Board meeting on March 13, 2019.
2. Approval of general fund warrants.
3. Approval of financial statements.
4. Approval of progress pay estimate no. 2 for the Building 27 Main Service Upgrade project.

**MOTION** by Director Wilkins, **SECOND** by Director Northrop to approve the Consent Agenda items; unanimously approved.

The Board approved the motion by the following roll call vote:

AYES:	Directors Cox, Northrop, Wilkins, Tresan and President Lewis.
NOES:	None
ABSENT:	None
ABSTAIN:	None

Motion passed.

## V. Regular Agenda

1. Presentation of the Sewer Connection Fee Study.

Mr. Shawn Koorn of HDR Engineering, Inc. provided a presentation of the Sewer Connection Fee Study. The study recommended a base fee of \$1,500 plus a \$1.75 per square footage fee for residential living units; a base fee of \$1,500 plus a \$1.75 per square footage fee for accessory dwelling units (ADU) in excess of 500 square feet; a \$1.75 per square footage fee for residential additions, not defined as an ADU, exceeding 500 square feet; and other minor revisions to the non-residential connection fees to simplify implementation.

2. Public hearing to consider the adoption of a proposed ordinance adjusting Agency connection charges and making related amendments.

President Lewis opened the public hearing at 10:06 AM. No comments were received from the public and the public hearing was closed at 10:07 AM.

3. Approval of Ordinance No. 1-2019 adjusting Agency connection charges and making related amendments.

Director Tresan recommended the second sentence of Section 6, subsection B read “The applicant shall provide the Agency with a copy of the building permit issued by the county or town with jurisdiction, which must show the square footage within the new residential structure or addition, not including any carport, covered or uncovered walkway, garage, overhang, patio, enclosed patio, detached accessory structure or similar area.”

**MOTION** by Director Northrop, **SECOND** by Director Wilkins to approve Ordinance No. 1-2019 adjusting Agency connection charges and making related amendments and include the change as proposed by Director Tresan; unanimously approved.

The Board approved the motion by the following roll call vote:

AYES: Directors Cox, Northrop, Wilkins, Tresan and President Lewis  
NOES: None  
ABSENT: None  
ABSTAIN: None

Motion passed.

4. Approval to enter into a contract with CNW Construction, Inc. to perform the Administration Building Office Remodel project.

**MOTION** by Director Wilkins, **SECOND** by Director Northrop to approve the contract with CNW Construction, Inc. to perform the Administration Building Office Remodel project in the amount of \$66,000; unanimously approved.

The Board approved the motion by the following roll call vote:

AYES: Directors Cox, Northrop, Wilkins, Tresan and President Lewis  
NOES: None  
ABSENT: None  
ABSTAIN: None

Motion passed.

5. Approval to award the 2019 Plant Concrete Repair project.

**MOTION** by Director Northrop, **SECOND** by Director Tresan to award the 2019 Plant Concrete Repair Project to Q&D Construction, LLC. In the amount of \$448,643.80; unanimously approved.

The Board approved the motion by the following roll call vote:

AYES: Directors Cox, Northrop, Wilkins, Tresan and President Lewis  
NOES: None  
ABSENT: None  
ABSTAIN: None

Motion passed.

6. Approval to advertise and solicit bids for the 2019 Roof Repair project.

**MOTION** by Director Northrop, **SECOND** by Director Cox to approve to advertise and solicit bids for the 2019 Roof Repair project; unanimously approved.

The Board approved the motion by the following roll call vote:

AYES: Directors Cox, Northrop, Wilkins, Tresan and President Lewis  
NOES: None  
ABSENT: None  
ABSTAIN: None

Motion passed.

7. Approval of the T-TSA Investment Policy.

**MOTION** by Director Northrop, **SECOND** by Director Tresan to approve the T-TSA Investment Policy; unanimously approved.

The Board approved the motion by the following roll call vote:

AYES: Directors Cox, Northrop, Wilkins, Tresan and President Lewis  
NOES: None  
ABSENT: None  
ABSTAIN: None

Motion passed.

8. Discussion and action on funding request from the Truckee River Watershed Council.

**MOTION** by Director Wilkins, **SECOND** by Director Cox to approve the funding request of \$5,000.00 to the Truckee River Watershed Council; unanimously approved.

The Board approved the motion by the following roll call vote:

AYES: Directors Cox, Northrop, Wilkins, Tresan and President Lewis  
NOES: None  
ABSENT: None  
ABSTAIN: None

Motion passed.

9. Discussion and action on video recordings of the Board of Directors meeting.

Mr. Griffin informed the Board of Directors that a new video camera and microphone were purchased for video recording the Board of Directors meetings. The Board of Directors directed the meetings continue to be recorded and published to the Agency website.

VI. Management Team Reports

1. Department Reports.

Mr. Peak provided an update on current and past projects for the operations department and reported that the all waste discharge requirements were met for the month.

Mr. Pallante provided an update on current and past projects for the maintenance department.

Mr. Carlsson provided an update on current and past projects for the engineering department.

Mrs. Chavez provided an update on current and past projects for the administration department.

No action was taken by the Board.

2. General Manager Report

Mr. Griffin provided an update on the status of various ongoing projects, none of which required action by the Board.

No action was taken by the Board.

VII. Board of Director Comment

Director Tresan inquired about the status of the SEED Solar project and requested a future Board of Directors discussion on energy use and conservation. Director Wilkins stated there are consultants that could be utilized to assist in assessing the Agency's energy needs. President Lewis requested a discussion item be placed on the next meeting agenda to discuss the matter accordingly.

Directors Tresan and Wilkins informed the other Board of Directors they were contacted by Teichert for discussion of future mining operations on Agency property.

President Lewis commended Agency staff on the new financial statement format and increased public transparency.

VIII. Closed Session

The Board went into closed session with legal counsel and Mr. Griffin at 10:57 AM.

1. Conference with General Manager, as Agency real property negotiator, concerning price and terms of payment relating to potential to real property exchange with Truckee Tahoe Airport District concerning Nevada County APN 019-440-81, APN 049-040-24 and APN 049-040-25 pursuant to Government Code Section 54956.8.
2. Closed session for public employee discipline/dismissal/release.

The meeting was reopened at 11:28 PM.

IX. ADJOURNMENT

**MOTION** by Director Northrop, **SECOND** by Director Cox to adjourn the meeting of the Board of Directors; unanimously approved.

The Board approved the motion by the following roll call vote:

AYES: Directors Cox, Northrop, Wilkins, Tresan and President Lewis  
NOES: None  
ABSENT: None  
ABSTAIN: None

Motion passed and the meeting was adjourned at 11:29 AM.

LaRue Griffin  
Secretary to the Board

Approved: \_\_\_\_\_



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Roshelle Chavez, Administrative Services Manager  
**Item:** IV-2  
**Subject:** Approval of general fund warrants

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### **Background**

Warrants paid and payable for the previous calendar month(s).

### **Fiscal Impact**

Decrease in Agency general fund per the warrant amounts.


### **Attachments**

Report of general fund warrants.

### **Recommendation**

Management recommends approval of the general fund warrants paid and payable.

### **Review Tracking**

Submitted By:   
Roshelle Chavez  
Administrative Services Manager

Approved By:   
LaRue Griffin  
General Manager



Tahoe-Truckee Sanitation Agency  
Accounts Payable  
Print Check Detail  
04/01/2019 - 04/30/2019

Vendor	Check No.	Check Date	Check Description	Amount
<b>AIRGAS USA, LLC</b>				
	77878	4/10/2019	HELIUM TANKS	383.91
	77878	4/10/2019	HELIUM TANKS	505.43
	77878	4/10/2019	HYDROCARBON	487.73
	77878	4/10/2019	CYLINDER RENTAL	168.81
			<b>Total:</b>	<b>1,545.88</b>
<b>ALLIED 100, LLC</b>				
	77880	4/10/2019	ARCH AED MEDICAL	299.98
			<b>Total:</b>	<b>299.98</b>
<b>ALPHA ANALYTICAL, INC</b>				
	77881	4/10/2019	FINAL EFFLUENT W25 JAN19	850.00
	77881	4/10/2019	FINAL EFFLUENT JAN 2019	350.00
	77881	4/10/2019	1Q2019 SLUDGE METALS/NITR	275.00
	77881	4/10/2019	1Q19 PRETREATMENT	2,090.00
	77881	4/10/2019	JAN19 FINAL EFFLUENT W36	900.00
	77881	4/10/2019	FEB 19 FINAL EFFUENT W31	200.00
			<b>Total:</b>	<b>4,665.00</b>
<b>AMAZON CAPITAL SERVICES</b>				
	77882	4/10/2019	HEX KEY CADDY SET	436.16
	77882	4/10/2019	TOE BOARD PIPE SAFETY	34.93
	77882	4/10/2019	HIGH POWER RELAY	438.22
	77882	4/10/2019	EYE WASH CARTRIDGE	590.92
	77882	4/10/2019	EYE WASH CARTRIDGE CREDIT	(147.73)
	77882	4/10/2019	EYE WASH CARTRIDGE	152.87
	77882	4/10/2019	MR LONG ARM	52.59
	77882	4/10/2019	FLAMMABLE LIQUIDS CABINET	889.94
			<b>Total:</b>	<b>2,447.90</b>
<b>AMERIPRIDE UNIFORM SERVICES</b>				
	77883	4/10/2019	UNIFORMS	337.00
	77883	4/10/2019	UNIFORMS	554.02
	77883	4/10/2019	UNIFORMS	453.96
	77883	4/10/2019	SWEATHSHIRT-VICKY	35.43
	77980	4/10/2019	SWEATSHIRTS	110.42
	77980	4/10/2019	SWEATSHIRTS	36.81
			<b>Total:</b>	<b>1,527.64</b>
<b>ANGELINA HENSON</b>				
	77903	4/10/2019	REIMB VI NATE HENSON	252.79
			<b>Total:</b>	<b>252.79</b>
<b>AT&amp;T</b>				
	77884	4/10/2019	AT&T 966 BILL	1,223.47
	77977	4/10/2019	TELHPONE 001 BILL	1,924.32
	77976	4/10/2019	TELEPHONE 380 BILL	2,641.38
			<b>Total:</b>	<b>5,789.17</b>
<b>BAKER HUGHES DRUCK, LLC</b>				
	77833	3/8/2019	DRUCK DPI CALIBRATOR	(507.80)
			<b>Total:</b>	<b>(507.80)</b>



Tahoe-Truckee Sanitation Agency  
 Accounts Payable  
 Print Check Detail  
 04/01/2019 - 04/30/2019

Vendor	Check No.	Check Date	Check Description	Amount
<b>BARE BONES WORK WEAR</b>				
	77885	4/10/2019	FULL HOODED SWEATSHIRT	121.59
	77885	4/10/2019	ACRYLIC WATCH HAT	128.57
			<b>Total:</b>	<b>250.16</b>
<b>BARTKIEWICZ, KRONICK &amp; SHANAHAN</b>				
	77992	4/18/2019	LEGAL SERVICES	13,938.18
			<b>Total:</b>	<b>13,938.18</b>
<b>BATTERIES PLUS</b>				
	77886	4/10/2019	TROJAN BATTERY	470.95
			<b>Total:</b>	<b>470.95</b>
<b>BLAKE TRESAN</b>				
	77966	4/10/2019	APRIL BOARD MEETING	100.00
			<b>Total:</b>	<b>100.00</b>
<b>BORGES &amp; MAHONEY</b>				
	77887	4/10/2019	VALVE YOKE	1,650.84
			<b>Total:</b>	<b>1,650.84</b>
<b>BRADY INDUSTRIES</b>				
	77984	4/10/2019	RESTOCK	301.01
	77984	4/10/2019	RESTOCK	162.79
	77984	4/10/2019	NAPKIN TALL FOLD	119.28
			<b>Total:</b>	<b>583.08</b>
<b>CAROLLO</b>				
	77995	4/24/2019	MASTER SEWER PLAN	11,190.50
			<b>Total:</b>	<b>11,190.50</b>
<b>CHRISTIAN &amp; MARGARITA WEDEKIND</b>				
	77957	4/5/2019	SERVICE CHARGE REFUND	1,406.76
			<b>Total:</b>	<b>1,406.76</b>
<b>CONNEY SAFETY</b>				
	77888	4/10/2019	SENSOR AIR MONITOR	299.58
			<b>Total:</b>	<b>299.58</b>
<b>CORELOGIC INFORMATION SOLUTIONS, IN</b>				
	77889	4/10/2019	CORELOGIC MONTHLY BILL'	635.84
			<b>Total:</b>	<b>635.84</b>
<b>CSRMA % ALLIANT INSURANCE SERVICES</b>				
	77879	4/10/2019	WORKERS COMP PAYROLLAUDIT	2,875.00
			<b>Total:</b>	<b>2,875.00</b>
<b>CWEA</b>				
	77890	4/10/2019	CERTIFICATE, HOLMES	97.00
	77890	4/10/2019	CERTIFICATE, SMITH	87.00
	77890	4/10/2019	MEMBERSHIP, NITZ	188.00
	77890	4/10/2019	MEMBERSHIP, SCHRANDT	188.00
			<b>Total:</b>	<b>560.00</b>





Tahoe-Truckee Sanitation Agency  
 Accounts Payable  
 Print Check Detail  
 04/01/2019 - 04/30/2019

Vendor	Check No.	Check Date	Check Description	Amount
<b>CYBER MARKETING NETWORK, INC</b>				
	77939	4/10/2019	BOOTS, TYLER	174.81
	77939	4/10/2019	BOOTS, FLEMMING	179.41
			<b>Total:</b>	<b>354.22</b>
<b>DALE COX</b>				
	77964	4/10/2019	REIMB MEDICARE	134.00
	77964	4/10/2019	APRIL BOARD MEETING	100.00
	77994	4/22/2019	REIMBURSEMENT	445.23
			<b>Total:</b>	<b>679.23</b>
<b>DANIEL WILKINS</b>				
	77965	4/10/2019	APRIL BOARD MEETING	100.00
			<b>Total:</b>	<b>100.00</b>
<b>DATCO SERVICES CORP.</b>				
	77891	4/10/2019	DATCO MONTHLY FEE	126.75
			<b>Total:</b>	<b>126.75</b>
<b>DELL COMMERCIAL CREDIT</b>				
<b>VOID CHECK</b>				
	77892	4/10/2019	COMPUTER FOR HAINES	0.00
			<b>Total:</b>	<b>0.00</b>
<b>DELL COMPUTER CORP. C/O DELL USA L.</b>				
	77993	4/18/2019	COMPUTER FOR I & E	738.28
	77993	4/18/2019	LAPTOP FOR LARUE	1,945.79
	77993	4/18/2019	COMPUTER FOR MIKE SMITH	1,064.06
	77993	4/18/2019	CREDIT FOR Q LOGIC 57810	(400.91)
			<b>Total:</b>	<b>3,347.22</b>
<b>DIGI-KEY</b>				
	77893	4/10/2019	PHOENIX CONTACTS	434.39
	77893	4/10/2019	DEV KIT	87.51
			<b>Total:</b>	<b>521.90</b>
<b>EWS- ENVIRONMENTAL WATER SOLUTIONS</b>				
	77894	4/10/2019	DIAGNOSE TUTHILL	500.00
			<b>Total:</b>	<b>500.00</b>
<b>FEDERAL EXPRESS CORP.</b>				
	77970	4/10/2019	SHIPPING CHARGES	116.88
	77970	4/10/2019	SHIPPING CHARGES	41.37
	77970	4/10/2019	SHIPPING CHARGES	147.24
			<b>Total:</b>	<b>305.49</b>
<b>FISHER SCIENTIFIC COMPANY</b>				
	77895	4/10/2019	LAB SUPPLIES	1,614.51
	77895	4/10/2019	LAB SUPPLIES	2,171.02
	77982	4/10/2019	LAB SUPPLIES	560.42
	77982	4/10/2019	LAB SUPPLIES	341.18
	77982	4/10/2019	LAB/SAFETY SUPPLIES	136.12
	77982	4/10/2019	LAB SUPPLIES	220.48
	77982	4/10/2019	LAB SUPPLIES	2,248.80
	77982	4/10/2019	LAB SUPPLIES	380.74
	77982	4/10/2019	LAB SUPPLIES	460.77
			<b>Total:</b>	<b>8,134.04</b>



Tahoe-Truckee Sanitation Agency  
 Accounts Payable  
 Print Check Detail  
 04/01/2019 - 04/30/2019

Vendor	Check No.	Check Date	Check Description	Amount
<b>GETGO, INC.</b>				
	77896	4/10/2019	GETGO MONTHLY BILL	77.71
			<b>Total:</b>	<b>77.71</b>
<b>GLOBAL INDUSTRIAL</b>				
	77897	4/10/2019	WALL MOUNT LOCK	37.69
			<b>Total:</b>	<b>37.69</b>
<b>GRAINGER INC., W.W.</b>				
	77899	4/10/2019	VALVE REBUILD KIT	787.06
	77899	4/10/2019	EYE WASH	577.44
	77899	4/10/2019	GLASS SCRAPER	45.61
	77899	4/10/2019	CORDLESS DRILL	128.82
	77899	4/10/2019	WATER NOZZLE	246.05
	77899	4/10/2019	VACUUM BREAKER	93.02
	77899	4/10/2019	SCRUBBER SPONGE	163.35
	77899	4/10/2019	HOSE CLAMP, FEMALE SWIVEL	372.79
	77899	4/10/2019	NOZZLE GASKET	778.41
	77899	4/10/2019	FUSE	10.80
	77899	4/10/2019	V BELT	99.19
	77899	4/10/2019	NOZZLE GASKET	6.61
			<b>Total:</b>	<b>3,309.15</b>
<b>GREG O'HAIR</b>				
	77919	4/10/2019	REIMB VI GREG	400.00
			<b>Total:</b>	<b>400.00</b>
<b>GREGORY PATTERSON</b>				
	77989	4/18/2019	SERVICE CHARGE REFUND	76.50
			<b>Total:</b>	<b>76.50</b>
<b>HACH CHEMICAL COMPANY</b>				
	77900	4/10/2019	DILUTION 10 ML	120.75
	77900	4/10/2019	KIT MEMBRANE	202.86
	77900	4/10/2019	PH WIDE RANGE CABLE ADAPT	940.20
			<b>Total:</b>	<b>1,263.81</b>
<b>HAHN EQUIPMENT CO. INC</b>				
	77901	4/10/2019	PHASE MONITOR RELAYS	254.08
			<b>Total:</b>	<b>254.08</b>
<b>HDR ENGINEERING, INC.</b>				
	77902	4/10/2019	HDR- CONN FEE STUDY	2,033.26
	77990	4/18/2019	CONNECTION FEE STUDY	2,682.03
			<b>Total:</b>	<b>4,715.29</b>
<b>HOFFMAN SOUTHWEST CORP</b>				
	77997	4/30/2019	RETENTION FOR PROG PAY# 1	4,761.93
	77997	4/30/2019	RETENTION FOR PROG PAY# 2	1,731.61
			<b>Total:</b>	<b>6,493.54</b>
<b>HUNT &amp; SONS INC.</b>				
	77905	4/10/2019	DIESEL FUEL	1,096.02
	77905	4/10/2019	UNLEADED GAS	1,447.66
			<b>Total:</b>	<b>2,543.68</b>



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<b>INLAND SUPPLY CO, INC.</b>				
	77906	4/10/2019	JANITORIAL SUPPLIES	486.91
			<b>Total:</b>	<b>486.91</b>
<b>J&amp;L PRO KLEEN, INC.</b>				
	77907	4/10/2019	JANITORIAL - MARCH 2019	2,300.00
			<b>Total:</b>	<b>2,300.00</b>
<b>JAMES REDMOND</b>				
	77974	4/10/2019	VISON REIMBURSEMENT	210.00
			<b>Total:</b>	<b>210.00</b>
<b>JENNY THELEEN</b>				
	77959	4/5/2019	SERVICE CHARGE REFUND	2,295.00
			<b>Total:</b>	<b>2,295.00</b>
<b>JEROEN PREISS, AIMS TEAM LLC</b>				
	77877	4/10/2019	INVOICE #1	11,704.00
			<b>Total:</b>	<b>11,704.00</b>
<b>JOHN M. ELLSWORTH CO., INC</b>				
	77908	4/10/2019	WYE, BRASS PLAIN	261.69
			<b>Total:</b>	<b>261.69</b>
<b>JON NORTHROP</b>				
	77963	4/10/2019	REIMB RX/MED	219.80
	77963	4/10/2019	REIMB VI	79.99
	77963	4/10/2019	REIMB RX/MED	219.80
	77963	4/10/2019	APRIL BOARD MEETING	100.00
			<b>Total:</b>	<b>619.59</b>
<b>KEN GRADY CO., INC.</b>				
	77898	4/10/2019	CHLORINE CAL GAS	529.30
			<b>Total:</b>	<b>529.30</b>
<b>LARRY TURNER</b>				
	77958	4/5/2019	SERVICE CHARGE REFUND	27.00
			<b>Total:</b>	<b>27.00</b>
<b>LAWRENCE BOUSQUET</b>				
	77956	4/5/2019	SERVICE CHARGE REFUND	826.48
			<b>Total:</b>	<b>826.48</b>
<b>LHOIST NORTH AMERICA</b>				
	77909	4/10/2019	HYDRATED LIME	7,514.00
	77909	4/10/2019	HYDRATED LIME	8,476.64
			<b>Total:</b>	<b>15,990.64</b>
<b>LIBERTY UTILITIES</b>				
	77975	4/10/2019	ELECTRIC BILL	24.02
	77975	4/10/2019	ELECTRIC BILL	39.66
	77975	4/10/2019	LIBETY UTILITY BILL	20.68
			<b>Total:</b>	<b>84.36</b>



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<b>MAGID GLOVE &amp; SAFETY CO LLC</b>				
	77911	4/10/2019	NITRILE GLOVES	643.55
	77911	4/10/2019	NITRILE GLOVES	514.84
			<b>Total:</b>	<b>1,158.39</b>
<b>MCMMASTER-CARR</b>				
	77912	4/10/2019	GASKETS, COPPER TUBING	215.56
	77912	4/10/2019	GASKETS	515.01
	77912	4/10/2019	GASKETS	161.11
	77912	4/10/2019	ALUMINUM SHEET	145.86
			<b>Total:</b>	<b>1,037.54</b>
<b>MCVICARS CONSULTING</b>				
	77913	4/10/2019	QUARTERLY HEALTH CHECK	650.00
			<b>Total:</b>	<b>650.00</b>
<b>MICHAEL PEAK</b>				
	77923	4/10/2019	REIMB VI, LAUREN PEAK	400.00
			<b>Total:</b>	<b>400.00</b>
<b>MICHELLE CORRIGAN</b>				
	77987	4/18/2019	SERVICE CHARGE REFUND	47.22
			<b>Total:</b>	<b>47.22</b>
<b>MRC GLOBAL</b>				
	77914	4/10/2019	POSITIONER EXCHANGE SPIND	285.76
			<b>Total:</b>	<b>285.76</b>
<b>MSC INDUSTRIAL SUPPLY</b>				
	77915	4/10/2019	GRINDER	377.79
			<b>Total:</b>	<b>377.79</b>
<b>NAPA- SIERRA</b>				
	77916	4/10/2019	BATTERY FOR VHCL# 21	139.81
	77916	4/10/2019	ELEC PARTS FOR GAPVAX	43.47
			<b>Total:</b>	<b>183.28</b>
<b>NEOPOST</b>				
	77917	4/10/2019	NEOPOST METER RENTAL	173.66
			<b>Total:</b>	<b>173.66</b>
<b>NEWEGG, INC.</b>				
	77918	4/10/2019	BULLET NETWORK CAMERA	1,005.64
	77918	4/10/2019	VIOTEK	1,487.53
	77918	4/10/2019	ROAD POWER BATTERY HOLD	36.86
			<b>Total:</b>	<b>2,530.03</b>
<b>NORTHERN SIERRA AQMD</b>				
	77979	4/10/2019	PERMIT # 96-73-12	1,541.58
			<b>Total:</b>	<b>1,541.58</b>



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<b>OFFICE DEPOT</b>				
	77920	4/10/2019	OFFICE SUPPLIES	80.56
	77920	4/10/2019	OFFICE SUPPLIES	851.23
	77920	4/10/2019	OFFICE SUPPLIES	31.38
	77920	4/10/2019	OFFICE SUPPLIES	48.29
	77920	4/10/2019	OFFICE SUPPLIES	477.49
			<b>Total:</b>	<b>1,488.95</b>
<b>O'REILLY AUTO PARTS</b>				
	77983	4/10/2019	FEE FOR BATTERIES VHCL 2	1.25
	77983	4/10/2019	FEE FOR BATTERIES VHCL#5	1.25
	77983	4/10/2019	FEE FOR WIPER BLADES	1.25
	77983	4/10/2019	FEE FOR WIPER BLADES	1.25
	77983	4/10/2019	BATTERIES FOR VHCL# 2 & 5	196.89
	77983	4/10/2019	WIPER BLADES FOR VHCL#20	53.02
			<b>Total:</b>	<b>254.91</b>
<b>PATRICIA MEDE</b>				
	77988	4/18/2019	SERVICE CHARGE REFUND	117.20
			<b>Total:</b>	<b>117.20</b>
<b>PAUL TOVBIN &amp; ZHANA VISHNEVSKAYA</b>				
	77960	4/5/2019	SERVICE CHARGE REFUND	178.50
			<b>Total:</b>	<b>178.50</b>
<b>PAYMENTUS</b>				
	77996	4/25/2019	TRAN FEES FEBRUARY 2019	1,728.50
	77996	4/25/2019	TRAN FEES MARCH 2019	1,172.00
			<b>Total:</b>	<b>2,900.50</b>
<b>PDM STEEL SVC CNTRS, INC.-SPARKS NV</b>				
	77922	4/10/2019	PIPE SIZE TUBE CHARGE	6.78
	77922	4/10/2019	STEEL PLATE	834.77
			<b>Total:</b>	<b>841.55</b>
<b>PETERBILT EQUIPMENT TRUCK PARTS &amp; E</b>				
	77924	4/10/2019	GAP VAX COOLANT PARTS	277.13
	77924	4/10/2019	GASKET CONNECTION	238.42
			<b>Total:</b>	<b>515.55</b>
<b>PINNACLE TOWERS INC.</b>				
	77925	4/10/2019	PLUTO MOUNTAIN BILL	687.61
			<b>Total:</b>	<b>687.61</b>
<b>PLATT ELECTRIC COMPANY</b>				
	77926	4/10/2019	BNR BLOWER PARTS	528.95
	77926	4/10/2019	BNR BLOWER PARTS	122.51
			<b>Total:</b>	<b>651.46</b>
<b>R.F. MACDONALD COMPANY</b>				
	77978	4/10/2019	RF WORK ORDER# 145649	1,168.31
	77978	4/10/2019	RF WORK ORDER# 145965	1,900.00
			<b>Total:</b>	<b>3,068.31</b>



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<b>RATERMANN MANUFACTURING, INC.</b>				
	77928	4/10/2019	WORCESTER PARTS	3,059.45
			<b>Total:</b>	<b>3,059.45</b>
<b>RENO GAZETTE &amp; JOURNAL</b>				
	77971	4/10/2019	BID-ADMIN REMODEL	603.00
			<b>Total:</b>	<b>603.00</b>
<b>REXEL</b>				
	77961	4/5/2019	FLUKE THERMAL IMAGER	4,705.06
	77961	4/5/2019	FLUKE THERMAL IMAGER FEE	70.58
			<b>Total:</b>	<b>4,775.64</b>
<b>RICHARD PALLANTE</b>				
	77921	4/10/2019	REIMB CDL CERT PALLANTE	88.25
			<b>Total:</b>	<b>88.25</b>
<b>ROSHELLE CHAVEZ</b>				
	77968	4/10/2019	REIMB CELL PHONE	42.80
			<b>Total:</b>	<b>42.80</b>
<b>ROY SMITH COMPANY</b>				
	77929	4/10/2019	LIQUID OXYGEN	2,697.78
	77973	4/10/2019	LIQUID OXYGEN	671.44
			<b>Total:</b>	<b>3,369.22</b>
<b>S. LANE LEWIS</b>				
	77962	4/10/2019	REIMB COBRA	1,905.00
	77962	4/10/2019	APRIL BOARD MEETING	100.00
			<b>Total:</b>	<b>2,005.00</b>
<b>SAVE MART SUPERMARKETS</b>				
	77930	4/10/2019	SAVEMART GROCERIES	134.36
			<b>Total:</b>	<b>134.36</b>
<b>SCHNEIDER ELECTRIC USA, INC</b>				
	77985	4/10/2019	PROG PAY #2	59,975.81
	77985	4/10/2019	RETENTION	(2,998.80)
			<b>Total:</b>	<b>56,977.01</b>
<b>SHERWIN-WILLIAMS</b>				
	77931	4/10/2019	STOCK PAINT SUPPLIES	233.18
			<b>Total:</b>	<b>233.18</b>
<b>SIERRA ELECTRONICS</b>				
	77932	4/10/2019	ANNL AGREEMNT,MOBILERADIO	5,870.00
			<b>Total:</b>	<b>5,870.00</b>
<b>SIERRA NV MEDIA GROUP ACCT#1066714</b>				
	77934	4/10/2019	BID-PLANT CONCRETE REPAIR	600.08
			<b>Total:</b>	<b>600.08</b>
<b>SIERRA OFFICE SOLUTIONS</b>				
	77935	4/10/2019	SIERRA OFFICE BILL	2.24
			<b>Total:</b>	<b>2.24</b>



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<b>SIERRA SYSTEMS, INC.</b>				
	77933	4/10/2019	AS400 SUPPORT	3,860.00
			<b>Total:</b>	<b>3,860.00</b>
<b>SOLENIS</b>				
	77936	4/10/2019	POLYMER	11,527.00
			<b>Total:</b>	<b>11,527.00</b>
<b>SOUTHWEST GAS CORP.</b>				
	77969	4/10/2019	NATURAL GAS	637.80
	77969	4/10/2019	NATURAL GAS	5,255.84
			<b>Total:</b>	<b>5,893.64</b>
<b>STANDARD INSURANCE-DENTAL</b>				
	77955	4/5/2019	DENTAL INSURANCE PREMIUMS	8,198.36
			<b>Total:</b>	<b>8,198.36</b>
<b>STANDARD INSURANCE-LIFE</b>				
	77954	4/5/2019	LIFE INSURANCE PREMIUMS	2,159.72
			<b>Total:</b>	<b>2,159.72</b>
<b>STAPLES ADVANTAGE</b>				
	77937	4/10/2019	CABINET SAFETY	108.24
	77981	4/10/2019	OFFICE SUPPLIES	56.15
	77981	4/10/2019	OFFICE SUPPLIES	18.18
			<b>Total:</b>	<b>182.57</b>
<b>STATE SUPPLY COMPANY</b>				
	77938	4/10/2019	HEAT EXCHANGER	4,466.46
	77938	4/10/2019	REPAIR KIT BERAING ASSEM	363.99
			<b>Total:</b>	<b>4,830.45</b>
<b>SUPER BRIGHT LEDS INC</b>				
	77940	4/10/2019	DUAL HEAD LED LIGHT	32.84
			<b>Total:</b>	<b>32.84</b>
<b>TAHOE TRUCKEE DISPOSAL</b>				
	77941	4/10/2019	MARCH SLUDGE	6,756.93
	77941	4/10/2019	CENTRIFUGE	10,885.35
			<b>Total:</b>	<b>17,642.28</b>
<b>TELEDYNE INSTRUMENTS, INC.</b>				
	77942	4/10/2019	TOC ANALYZER	18,131.88
			<b>Total:</b>	<b>18,131.88</b>
<b>THATCHER COMPANY OF CA, INC.</b>				
	77943	4/10/2019	METHANOL CREDIT FOR261892	(546.72)
	77943	4/10/2019	METHANOL	13,417.99
	77943	4/10/2019	METHANOL	12,581.14
	77943	4/10/2019	METHANOL	12,565.34
	77943	4/10/2019	CHLORINE	7,520.00
	77943	4/10/2019	CHLORINE EMPTIES	(4,000.00)
	77943	4/10/2019	CHLORINE	7,520.00
	77943	4/10/2019	CHLORINE EMPTIES	(4,000.00)
			<b>Total:</b>	<b>45,057.75</b>



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<b>THE HON COMPANY</b>				
	77904	4/10/2019	ENGINEERING FURNITURE	1,279.32
	77904	4/10/2019	BILLING & ACCNTING FURN	2,059.36
			<b>Total:</b>	<b>3,338.68</b>
<b>THERMO FISHER SCIENTIFIC (ASHEVILLE)</b>				
<b>VOID CHECK</b>				
	77944	4/10/2019	LAB SUPPLIES	0.00
	77944	4/10/2019	LAB SUPPLIES	0.00
	77944	4/10/2019	LAB SUPPLIES	0.00
	77944	4/10/2019	LAB SUPPLIES	0.00
	77944	4/10/2019	LAB RESTOCK	0.00
	77944	4/10/2019	LAB SUPPLIES	0.00
	77944	4/10/2019	LAB SUPPLIES	0.00
			<b>Total:</b>	<b>0.00</b>
<b>THOMSON WEST</b>				
	77945	4/10/2019	THOMSON WEST MONTHLY	334.50
			<b>Total:</b>	<b>334.50</b>
<b>TRUCKEE DONNER PUD</b>				
	77927	4/10/2019	ELECTRIC BILL	51.22
	77927	4/10/2019	ELECTRIC BILL	60.29
	77927	4/10/2019	ELECTRIC BILL	27.32
	77927	4/10/2019	ELECTRIC/WATER	79,956.91
			<b>Total:</b>	<b>80,095.74</b>
<b>TRUCKEE RIVER GLASS INC.</b>				
	77946	4/10/2019	TEMPERED GLASS	187.93
			<b>Total:</b>	<b>187.93</b>
<b>TRUCKEE RIVER WATERSHED COUNCIL</b>				
	77991	4/18/2019	TRWC WEED WARRIORS	5,000.00
			<b>Total:</b>	<b>5,000.00</b>
<b>ULINE</b>				
	77947	4/10/2019	BIN STORAGE	1,904.30
	77947	4/10/2019	SORBENT PADS	1,376.07
	77947	4/10/2019	STACKABLE BIN DIVIDERS	97.23
			<b>Total:</b>	<b>3,377.60</b>
<b>VERIZON WIRELESS</b>				
	77948	4/10/2019	VERIZON BILL	469.10
			<b>Total:</b>	<b>469.10</b>
<b>VICKY LUFRANO</b>				
	77910	4/10/2019	REIMB CALGOVHR CONF,VICKY	582.21
	77967	4/10/2019	REIMB CELL PHONE	42.80
			<b>Total:</b>	<b>625.01</b>
<b>VOID ZERO AMOUNT CHECKS VENDOR</b>				
	77986	4/11/2019	VOID	0.00
			<b>Total:</b>	<b>0.00</b>





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<b>VWR SCIENTIFIC, INC.</b>				
	77949	4/10/2019	NITRIL GLOVES, TUBES	465.98
	77949	4/10/2019	CULTURE TUBES	886.67
	77949	4/10/2019	BDH POTASS CHLORIDE	113.83
	77949	4/10/2019	TUBES	989.16
	77949	4/10/2019	GLASS DISP, EYEWEAR	200.19
	77949	4/10/2019	TUBE COL COMPAR	785.10
	77972	4/10/2019	BOTTLE RECT,LARGE	669.98
			<b>Total:</b>	<b>4,110.91</b>
<b>WESTERN ENV. TESTING LAB.</b>				
	77951	4/10/2019	1Q19 SLUDGE TESTING	75.40
	77951	4/10/2019	1Q19 SLUDGE TESTING	75.40
	77951	4/10/2019	1Q19 SLUDGE TESTING	75.40
	77951	4/10/2019	1Q19 SLUDGE TESTING	75.40
	77951	4/10/2019	1Q19 SLUDGE TESTING	75.40
	77951	4/10/2019	1Q19 SLUDGE TESTING	75.40
	77951	4/10/2019	1Q19 SLUDGE TESTING	75.40
			<b>Total:</b>	<b>527.80</b>
<b>WESTERN NEVADA SUPPLY</b>				
	77950	4/10/2019	STOCK	569.65
			<b>Total:</b>	<b>569.65</b>
<b>YP</b>				
	77952	4/10/2019	MONTHLY DEX-YP	10.64
			<b>Total:</b>	<b>10.64</b>
<b>ZORO</b>				
	77953	4/10/2019	UTILITY TOTE	66.35
	77953	4/10/2019	CHISEL GASKET PAINT STRIP	40.91
	77953	4/10/2019	DIELECTRIC FLANGE	1,064.97
	77953	4/10/2019	KNOCKOUT SEAL	101.48
			<b>Total:</b>	<b>1,273.71</b>
<b>Print Check Total</b>				<b>432,844.50</b>



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<b>CALIFORNIA STATE BOARD OF EQUALIZAT</b>				
	1112594	4/15/2019	1ST QTR USE TAX 2019	1,844.00
			<b>Total:</b>	<b>1,844.00</b>
<b>EMPLOYMENT DEVELOPEMENT DEPARTMENT</b>				
	1112602	4/26/2019	UNEMPLOYMENT	3,053.61
	1112586	4/1/2019	STATE TAX DEPOSIT	12,578.50
	1112596	4/16/2019	STATE TAX DEPOSIT	12,585.14
			<b>Total:</b>	<b>28,217.25</b>
<b>FEDERAL TAXES/EFTPS</b>				
	1112585	4/1/2019	FEDERAL TAX DEPOSIT	32,116.42
	1112597	4/16/2019	FEDERAL TAX DEPOSIT	32,100.82
			<b>Total:</b>	<b>64,217.24</b>
<b>FIRST US COMMUNITY CREDIT UNION</b>				
	1112589	4/1/2019	PAYROLL DEPOSITS	3,200.00
	1112598	4/16/2019	PAYROLL DEPOSITS	3,200.00
			<b>Total:</b>	<b>6,400.00</b>
<b>NATIONWIDE RETIREMENT SOLUTIONS</b>				
	1112587	4/1/2019	DEFERRED COMP DEPOSITS	4,399.96
	1112600	4/16/2019	DEFERRED COMP DEPOSITS	4,399.96
			<b>Total:</b>	<b>8,799.92</b>
<b>NAVIA BENEFIT SOLUTIONS</b>				
	1112591	4/4/2019	HRA DISBURSEMENTS	108.58
	1112595	4/16/2019	HRA DISBURSEMENTS	739.04
	1112595	4/16/2019	HRA DISBURSEMENTS	86.88
	1112595	4/16/2019	HRA DISBURSEMENTS	807.98
	1112603	4/26/2019	HRA DISBURSEMENTS	1,089.78
	1112603	4/26/2019	HRA DISBURSEMENTS	1,280.88
	1112604	4/30/2019	HRA DISBURSEMENTS	1,263.74
	1112605	4/30/2019	PARTICIPANT/COBRA FEES	325.20
			<b>Total:</b>	<b>5,702.08</b>
<b>PERS 457 PLAN</b>				
	1112588	4/1/2019	DEFERRED COMP DEPOSITS	7,065.66
	1112599	4/16/2019	DEFERRED COMP DEPOSITS	7,135.66
			<b>Total:</b>	<b>14,201.32</b>
<b>PERS-HEALTH PREMIUM</b>				
	1112590	4/1/2019	HEALTH PREM RETIREES	52,447.85
	1112590	4/1/2019	HEALTH PREM ACTIVE EMP	93,859.95
			<b>Total:</b>	<b>146,307.80</b>
<b>PERS-RETIREMENT</b>				
	1112592	4/4/2019	FOR PAYROLL ENDING 033119	30,989.55
	1112592	4/18/2019	FOR PAYROLL ENDING 033119	8,326.03
	1112593	4/18/2019	LAUREY RBF	50.13
			<b>Total:</b>	<b>39,365.71</b>



Tahoe-Truckee Sanitation Agency  
Accounts Payable  
Electronic Transfer Detail  
04/01/2019 -04/30/2019

Vendor	Check No.	Check Date	Check Description	Amount
<b>U.S. BANK BANK CARD DIVISION</b>				
	1112601	4/18/2019	GAS VEHICLE 25	177.46
	1112601	4/18/2019	OFFICE SUPPLIES	259.68
	1112601	4/18/2019	HIGH SPEED 4K HDMI CABLE	45.53
	1112601	4/18/2019	POE DIGITAL CLOCK	373.62
	1112601	4/18/2019	SMART UPS'S	2,531.81
	1112601	4/18/2019	CAT 6A CABLES	235.88
	1112601	4/18/2019	UPGRADE FOR LIGHT BAR	28.00
	1112601	4/18/2019	10" LED LIGHT BAR	243.95
	1112601	4/18/2019	DIMOND WINTER BOOTS 2019	211.03
	1112601	4/18/2019	DOCK SAFETY GATE	1,221.64
	1112601	4/18/2019	PIPE INSULATION TAPE STR	26.99
	1112601	4/18/2019	WATTS FLOW PRO FILTER CAR	42.35
	1112601	4/18/2019	ELECTRICAL SAFTEY	691.90
	1112601	4/18/2019	CORD COVER KIT	27.62
	1112601	4/18/2019	16F WERNER LADDER	257.33
	1112601	4/18/2019	55 GAL DRUM GLYCOL	1,338.69
	1112601	4/18/2019	AIR MONITOR REPAIR	382.88
	1112601	4/18/2019	BNR BLOWER DP MONITOR+TAX	162.37
	1112601	4/18/2019	REPLACE FACE SHIELD	71.99
	1112601	4/18/2019	MOBIL OIL SHC 629	1,090.20
	1112601	4/18/2019	ADOBE,MSFT,GOOG,ELAST,AMA	2,103.03
	1112601	4/18/2019	1" COMPENSATOR MPT ENDS	1,994.98
	1112601	4/18/2019	MEATL DOOR RICHARD OFFICE	375.00
	1112601	4/18/2019	RICHARD DOOR REPAIR	112.25
	1112601	4/18/2019	FRIDAY TRAINING	52.68
	1112601	4/18/2019	SOL TO BID ADMIN REMODEL	1,695.16
			<b>Total:</b>	<b>15,754.02</b>
<b>Electronic Trasfer Total</b>				<b>330,809.34</b>



Tahoe-Truckee Sanitation Agency  
Accounts Payable  
Payroll and General Fund Warrant Summary  
04/01/2019 - 04/30/2019

Description	Pay Date	Amount
Payroll	04/15/19	158,360.60
<b>Payroll Total</b>		<b>158,360.60</b>

General Fund Warrant Summary	Amount
Print Check Total	432,844.50
Electronic Transfer Total	330,809.34
Payroll Total	158,360.60
<b>Warrant Total</b>	<b>922,014.44</b>



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Roshelle Chavez, Administrative Services Manager  
**Item:** IV-3  
**Subject:** Approval of financial statements

---

### **Background**

Financial statements for the previous calendar month(s).

### **Fiscal Impact**

None.


### **Attachments**

Report of financial statements.

### **Recommendation**

Management recommends approval of the financial statements.

### **Review Tracking**

Submitted By:   
Roshelle Chavez  
Administrative Services Manager

Approved By:   
LaRue Griffin  
General Manager



Tahoe-Truckee Sanitation Agency  
Fund 00: Administration  
Fiscal Year 2018 - 2019  
Period Ending April 30,2019

	Budget (\$)	Month (\$)	Month (%)	Year-To-Date (\$)	Year-To-Date (%)
<b>REVENUE</b>					
Tax Revenue - Ad Valorem	3,000,000.00	7,036.25	0.2	2,255,037.18	75.2
<b>TOTAL REVENUE</b>	<b>3,000,000.00</b>	<b>7,036.25</b>	<b>0.2</b>	<b>2,255,037.18</b>	<b>75.2</b>
<b>EXPENDITURE</b>					
Salaries & Wages	825,000.00	85,895.06	10.4	835,421.45	101.3
Employee Benefits					
Retirement	200,000.00	6,797.05	3.4	116,326.89	58.2
Workers Compensation	15,000.00	0.00	0.0	13,573.20	90.5
Medicare	15,000.00	1,179.09	7.9	10,837.40	72.3
State Disability Insurance	6,000.00	1,312.09	21.9	6,513.57	108.6
Life Insurance	4,000.00	354.08	8.9	3,458.21	86.5
Health Insurance	190,000.00	28,149.95	0.1	260,910.65	1.4
Dental Insurance	20,000.00	2,046.36	10.2	21,291.96	106.5
Navia HRA	10,000.00	639.60	6.4	11,701.46	117.0
OPEB	0.00	0.00	0.0	0.00	0.0
Vision Reimbursement	5,000.00	819.01	14.8	2,740.45	54.8
Other Employee Benefits	0.00	126.00	0.0	2,107.06	0.0
Pension Expense	0.00	(980.00)	0.0	0.00	0.0
<i>Total</i>	<i>465,000.00</i>	<i>40,443.23</i>	<i>8.7</i>	<i>449,460.85</i>	<i>96.7</i>
Director Fees	7,000.00	500.00	7.1	4,800.00	68.6
Vehicle					
Fuel	4,000.00	0.00	0.0	1,264.44	31.6
Maintenance	2,000.00	277.16	13.9	406.93	20.4
<i>Total</i>	<i>6,000.00</i>	<i>277.16</i>	<i>4.6</i>	<i>1,671.37</i>	<i>27.9</i>
CSRMA Insurance	90,000.00	0.00	0.0	128,377.32	142.6
Professional Memberships					
Agency	25,000.00	0.00	0.0	24,992.00	100.0
Employee	5,000.00	0.00	0.0	2,031.00	40.6
<i>Total</i>	<i>30,000.00</i>	<i>0.00</i>	<i>0.0</i>	<i>27,023.00</i>	<i>90.1</i>
Agency Permits and Licenses	150,000.00	1,541.58	1.0	153,512.26	102.3
Office Expense					
Bank Fees	15,000.00	159.96	1.1	13,916.59	92.8
Supplies	25,000.00	5,637.36	22.6	35,409.82	141.6
Furniture	4,000.00	0.00	0.0	921.32	23.0
IT Hardware	6,000.00	119.97	2.0	179.41	3.0
Software	5,000.00	0.00	0.0	5,107.66	102.2
Advertising	7,500.00	4,826.27	64.4	8,927.08	119.0
<i>Total</i>	<i>62,500.00</i>	<i>10,743.56</i>	<i>17.2</i>	<i>64,461.88</i>	<i>103.1</i>
Contractual Services					
Invoice Processing	70,000.00	2,900.50	4.1	69,501.96	99.3
County Services	60,000.00	0.00	0.0	61,456.88	102.4
Janitorial	28,000.00	2,400.97	8.3	23,717.78	84.4
General Office	10,000.00	12.99	0.1	11,452.93	114.5
Leases	0.00	0.00	0.0	0.00	0.0
<i>Total</i>	<i>168,000.00</i>	<i>5,314.46</i>	<i>3.2</i>	<i>166,129.55</i>	<i>98.9</i>
Professional Services					
Legal	200,000.00	34,173.78	17.1	221,399.86	110.7
Accounting & Billing Support	20,000.00	2,687.50	13.4	32,948.53	164.7
Auditor	45,000.00	2,080.00	4.6	34,015.00	75.6
Other	0.00	73,212.53	0.0	117,374.20	0.0
<i>Total</i>	<i>265,000.00</i>	<i>112,153.81</i>	<i>42.3</i>	<i>405,737.59</i>	<i>153.1</i>
Conferences and Training	15,000.00	0.00	0.0	17,161.38	114.4
Uncollectible Accounts	5,000.00	366.10	7.3	3,629.67	72.6
Utilities					
Heating Fuel	3,500.00	0.00	0.0	3,740.50	106.9
Electricity	90,000.00	7,632.16	8.5	67,716.00	75.2
Water	500.00	0.00	0.0	0.00	0.0
Natural Gas	5,000.00	589.36	11.8	3,648.40	73.0
Telephone	4,000.00	715.56	17.9	11,103.95	277.6
<i>Total</i>	<i>103,000.00</i>	<i>8,937.08</i>	<i>8.7</i>	<i>92,038.88</i>	<i>0.9</i>
<b>TOTAL EXPENDITURE</b>	<b>2,191,500.00</b>	<b>266,172.04</b>	<b>12.2</b>	<b>2,343,595.17</b>	<b>106.9</b>
<b>NET INCOME</b>	<b>808,500.00</b>			<b>(88,557.99)</b>	

Footnote: Above budget for Retirement Benefits includes amounts towards the UAL which is posted to Net Pension Liability.



Tahoe-Truckee Sanitation Agency  
Fund 01: Operation and Maintenance  
Fiscal Year 2018 - 2019  
Period Ending April 30, 2019

	Budget (\$)	Month (\$)	Month (%)	Year-To-Date (\$)	Year-To-Date (%)
<b>REVENUE</b>					
Service Charges					
Income from Service Charges	13,000,000.00	2,113.63	0.0	12,624,331.00	97.1
<b>TOTAL REVENUE</b>	<b>13,000,000.00</b>	<b>2,113.63</b>	<b>0.0</b>	<b>12,624,331.00</b>	<b>97.1</b>
<b>EXPENDITURE</b>					
Salaries & Wages					
Operations	1,650,000.00	135,370.10	8.2	1,452,149.08	88.0
Laboratory	600,000.00	35,807.48	6.0	335,123.88	55.9
Maintenance	825,000.00	76,213.00	9.2	786,171.63	95.3
Instr. & Elect.	400,000.00	32,049.37	8.0	313,123.38	78.3
Engineering	475,000.00	34,288.87	7.2	371,104.39	78.1
Safety	95,000.00	8,796.00	9.3	89,314.23	94.0
IT	250,000.00	20,452.00	8.2	204,705.33	81.9
<i>Total</i>	<i>4,295,000.00</i>	<i>342,976.82</i>	<i>8.0</i>	<i>3,551,691.92</i>	<i>82.7</i>
Employee Benefits					
Retirement	1,200,000.00	28,628.38	2.4	520,008.03	43.3
Workers Compensation	55,000.00	0.00	0.0	85,633.42	155.7
Medicare	65,000.00	5,036.39	7.7	48,909.10	75.2
State Disability Insurance	40,000.00	2,997.39	7.5	37,781.33	94.5
Life Insurance	25,000.00	1,618.44	6.5	17,141.82	68.6
Health Insurance	1,300,000.00	121,081.68	9.3	1,119,725.63	86.1
Dental Insurance	70,000.00	6,152.00	8.8	61,325.76	87.6
Navia HRA	40,000.00	5,062.48	12.7	32,260.68	80.7
OPEB	0.00	0.00	0.0	0.00	0.0
Vision Reimbursement	20,000.00	580.18	2.9	8,399.94	42.0
Other Employee Benefits	0.00	3,254.47	0.0	6,451.08	0.0
<i>Total</i>	<i>2,815,000.00</i>	<i>174,411.41</i>	<i>6.2</i>	<i>1,937,636.79</i>	<i>68.8</i>
Vehicle					
Fuel	22,000.00	1,592.21	7.2	16,101.27	73.2
Maintenance	20,000.00	747.83	3.7	25,125.73	125.6
<i>Total</i>	<i>42,000.00</i>	<i>2,340.04</i>	<i>5.6</i>	<i>41,227.00</i>	<i>98.2</i>
Professional Memberships	15,000.00	1,149.00	7.7	11,412.25	76.1
Office Expense					
Furniture	6,000.00	0.00	0.0	4,618.21	77.0
IT Hardware	50,000.00	233.62	0.5	11,269.08	22.5
Software	30,000.00	3,500.86	11.7	26,435.77	87.3
Advertising	10,000.00	0.00	0.0	0.00	0.0
<i>Total</i>	<i>96,000.00</i>	<i>3,734.48</i>	<i>3.9</i>	<i>42,323.06</i>	<i>44.1</i>
Professional Services					
Engineering	100,000.00	0.00	0.0	27,360.67	27.4
<i>Total</i>	<i>100,000.00</i>	<i>0.00</i>	<i>0.0</i>	<i>27,360.67</i>	<i>27.4</i>
Conferences and Training	25,000.00	0.00	0.0	10,564.90	42.3
Utilities					
Heating Fuel	31,500.00	0.00	0.0	47,076.88	149.5
Electricity	810,000.00	68,773.86	8.5	653,849.05	80.7
Water	4,500.00	113.40	2.5	1,224.30	27.2
Natural Gas	45,000.00	5,304.28	11.8	32,752.04	72.8
Telephone	36,000.00	4,500.52	12.5	27,644.94	76.8
<i>Total</i>	<i>927,000.00</i>	<i>78,692.06</i>	<i>8.5</i>	<i>762,547.21</i>	<i>82.3</i>



Tahoe-Truckee Sanitation Agency  
 Fund 01: Operation and Maintenance  
 Fiscal Year 2018 - 2019  
 Period Ending April 30, 2019

	Budget (\$)	Month (\$)	Month (%)	Year-To-Date (\$)	Year-To-Date (%)
<b>Contractual Services</b>					
Operations	1,250,000.00	97,510.64	7.8	985,191.22	78.8
Laboratory	55,000.00	1,407.61	2.6	39,137.66	71.2
Maintenance	75,000.00	3,245.85	4.3	53,132.80	70.8
Instr. & Elect.	40,000.00	1,132.23	2.8	13,325.92	33.3
Safety	35,000.00	6,376.52	18.2	16,498.73	47.1
IT	50,000.00	43.19	0.1	324.44	0.7
Engineering	150,000.00	118.89	0.1	933.79	0.6
<i>Total</i>	<i>1,655,000.00</i>	<i>109,834.93</i>	<i>6.6</i>	<i>1,108,544.56</i>	<i>67.0</i>
<b>Supplies, Repairs and Maintenance</b>					
Operations	50,000.00	437.00	0.9	30,670.55	61.3
Laboratory	15,000.00	11,460.33	76.4	82,447.54	549.7
Maintenance	200,000.00	48,164.15	24.1	216,216.19	108.1
Instr. & Elect.	130,000.00	10,905.43	8.4	100,977.69	77.7
Safety	75,000.00	6,058.27	8.1	38,726.37	51.6
IT	80,000.00	6,954.76	8.7	29,302.55	36.6
<i>Total</i>	<i>550,000.00</i>	<i>83,979.94</i>	<i>15.3</i>	<i>498,340.89</i>	<i>90.6</i>
<b>TOTAL EXPENDITURE</b>	<b>10,520,000.00</b>	<b>797,118.68</b>	<b>7.6</b>	<b>7,991,649.25</b>	<b>76.0</b>
<b>NET INCOME</b>	<b>2,480,000.00</b>			<b>4,632,681.75</b>	





Tahoe-Truckee Sanitation Agency  
 Fund 02: Wastewater Capital Reserve Fund  
 Fiscal Year 2018 - 2019  
 Period Ending April 30, 2019

<b>DESCRIPTION</b>	Budget (\$)	Month (\$)	Month (%)	Year-To-Date (\$)	Year-To-Date (%)
Barscreens, Washers, Compactors	1,500,000.00	0.00	0.0	0.00	0.0
TRI Improvements *	1,375,000.00	0.00	0.0	1,351,948.25	98.3
Operation and Maintenance Carts	25,000.00	0.00	0.0	0.00	0.0
<b>SUB TOTOAL</b>	<b>2,900,000.00</b>	<b>0.00</b>	<b>0.0</b>	<b>1,351,948.25</b>	<b>46.6</b>
Debt Payment of SRF Loan (73.2%)	2,377,168.00			2,377,168.00	
<b>TOTAL</b>	<b>5,277,168.00</b>	<b>0.00</b>	<b>0.0</b>	<b>3,729,116.25</b>	<b>70.7</b>

Note: \* Project Complete



Tahoe-Truckee Sanitation Agency  
 Fund 06: Replacement, Rehabilitation and Upgrade  
 Fiscal Year 2018 - 2019  
 Period Ending April 30, 2019

DESCRIPTION	Budget (\$)	Month (\$)	Month (%)	Year-To-Date (\$)	Year-To-Date (%)
Clarifier Coating Improvement	375,000.00	0.00	0.0	189,472.70	50.5
Lab Equipment Replacement	50,000.00	2,580.03	5.2	35,560.93	71.1
Admin. Office Improvement	125,000.00	0.00	0.0	30,502.28	24.4
Accounting Software Upgrade	75,000.00	0.00	0.0	44,313.00	59.1
Bldg. #27 Switchgear Improvement	575,000.00	59,975.81	10.4	554,937.52	96.5
EPDM Roof Replacement *	150,000.00	0.00	0.0	126,907.00	84.6
Translucent Panel Rehabilitation	50,000.00	(163.57)	(0.3)	16,476.92	33.0
RAS AFD Upgrades	30,000.00	0.00	0.0	0.00	0.0
TRI Improvements *	1,375,000.00	0.00	0.0	1,331,128.07	96.8
Portable PD Pump	75,000.00	0.00	0.0	0.00	0.0
Centrifuge Rebuild	50,000.00	0.00	0.0	0.00	0.0
Robicon Drive Upgrade	100,000.00	0.00	0.0	0.00	0.0
Admin. MCC Panel Improvements	50,000.00	0.00	0.0	0.00	0.0
Joerger Drive Reconstruction	100,000.00	0.00	0.0	92,252.72	92.3
<b>SUB TOTAL</b>	<b>3,180,000.00</b>	<b>62,392.27</b>	<b>2.0</b>	<b>2,421,551.14</b>	<b>76.2</b>
Debt Payment on SRF Loan (26.8%)	870,329.20	0.00	0.0	870,329.20	100.0
<b>TOTAL</b>	<b>4,050,329.20</b>	<b>62,392.27</b>	<b>2.0</b>	<b>3,291,880.34</b>	<b>81.3</b>

Note: \* Project Complete



**Tahoe Truckee Sanitation Agency  
Fund Balances  
Period Ending April 30, 2019**

Fund No.	Description	Beginning Month Balance	Interest	Revenue	Expenditure	Transfers	Ending Month Balance
				7,036.25	266,172.04		
				<u>0.00</u>	<u>(94,653.95)</u>		
0	Admininstration	39,569.33	222.64	7,036.25	171,518.09	200,000.00	75,310.13
				2,113.63	797,118.68		
				<u>589,834.52</u>	<u>(132,652.87)</u>		
1	Operations & Maintenance	914,133.32	1,964.22	591,948.15	664,465.81	0.00	843,579.88
				70,520.00			
				<u>2,276.31</u>			
2	WWCRF	18,100,024.44	109,329.64	72,796.31	0.00	0.00	18,282,150.39
4	SRF	3,000,429.58	18,514.78	0.00	0.00	0.00	3,018,944.36
					62,392.27		
					<u>18,890.53</u>		
6	Rehab	26,039,214.91	160,680.42	0.00	81,282.80	(200,000.00)	25,918,612.53
7	Emergency Reserve	4,000,000.00	24,682.82	0.00	0.00	0.00	4,024,682.82
<b>Total Fund Balance</b>		<b>52,093,371.58</b>	<b>315,394.52</b>	<b>671,780.71</b>	<b>917,266.70</b>	<b>0.00</b>	<b>52,163,280.11</b>

Note: Revenue and expenditure consist of accrued and cash totals.

**End of Month Cash Balances  
Period Ending April 30, 2019**

Account	Description	Avg. Monthly Interest Rate	Beginning Month Balance	Ending Month Balance
L.A.I.F.		2.45%	50,999,439.40	50,578,142.07
Savings	Wells Fargo - Investment	0.10%	497,118.60	933,030.30
	US Bank - Service Charge	NA	75,674.12	22,063.22
	US Bank - Tax Revenue	0.25%	2,789.99	2,790.04
	US Bank - WWCRF	0.25%	9,445.07	65,724.31
Checking	US Bank - General Checking	NA	503,446.44	400,466.87
	Wells Fargo - Payroll	NA	3,857.96	159,463.30
Checking	US Bank - Petty Cash	NA	1,600.00	1,600.00
<b>Cash Balance Totals</b>		<b>NA</b>	<b>52,093,371.58</b>	<b>52,163,280.11</b>

**Local Agency Investment Fund**  
**P.O. Box 942809**  
**Sacramento, CA 94209-0001**  
**(916) 653-3001**

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)  
 May 02, 2019

TAHOE TRUCKEE SANITATION AGENCY

TREASURER  
 13720 BUTTERFIELD DRIVE  
 TRUCKEE, CA 96161

PMIA Average Monthly Yields

**Account Number:**  
 70-31-001

Tran Type Definitions

April 2019 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
4/15/2019	4/12/2019	QRD	1603473	SYSTEM	314,702.67
4/29/2019	4/29/2019	RW	1605353	DAWN DAVIS	-750,000.00
4/29/2019	4/29/2019	RD	1605354	DAWN DAVIS	14,000.00

Account Summary

Total Deposit:	328,702.67	Beginning Balance:	50,999,439.40
Total Withdrawal:	-750,000.00	Ending Balance:	50,578,142.07



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Vicky Lufrano, Human Resources Administrator  
**Item:** V-1  
**Subject:** Discussion and update of the Compensation and Classification Study

---

### **Background**

Bryce Consulting, Inc. was approved to perform an Agency Compensation and Classification Study at the September 12, 2018 Board meeting. As part of the study and as requested by the Board of Directors, a list of comparable agencies was prepared and approved at the December 12, 2018 Board of Directors meeting.

Ms. Shellie Anderson of Bryce Consulting, Inc. will be attending the Board of Directors meeting to provide an update to the Compensation and Classification Study and address any questions or comments.

### **Fiscal Impact**

None.


### **Attachments**


Bryce Consulting, Inc. presentation.

### **Recommendation**

No action required.

### **Review Tracking**

Submitted By:   
Vicky Lufrano  
Human Resources Administrator

Approved By:   
LaRue Griffin  
General Manager

# Truckee -Tahoe Sanitation Agency

May 15, 2019

Board of Directors

# Classification Study Update

- Employee Orientation **Completed**
- Department Manager Interviews **Completed**
- Employees Complete Position Inventory Questionnaires **Completed**
- Employee Interviews **Completed**
- Develop Classification Plan Structure **Completed**
- Review Classification Plan Structure with Agency **Completed**
- Prepare Job Descriptions **Completed**
- Review Job Descriptions with Agency **Completed**
- Conduct Employee Review Process **In Process**
- Conduct FLSA Analysis **In Process**
- Finalize Classification Study

# Compensation Study Update

- Review and Recommend Compensation Survey Parameters **Completed**
- Review Compensation Survey Parameters with the Agency **Completed**
- Finalize Compensation Parameters **Completed**
- Contact Survey Employers and Prepare Information Packet **Completed**
- Collect and Analyze Salary Survey Data **Completed**
- Review Preliminary Survey Results with the Agency **In Process**
- Follow Up Data Collection **In Process**
- Prepare Preliminary Salary Plan and Internal Relationship Analysis **In Process**
- Review and Revise Salary Plan with the Agency
- Prepare and Present Final Report





# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Roshelle Chavez, Administrative Services Manager  
**Item:** V-2  
**Subject:** Approval of Ordinance 2-2019 electing to collect sewer service charges on the county tax roll

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### **Background**

There have been discussions on how the Agency could be more efficient in its sewer service charge billing and invoicing process. Currently, the Agency processes its sewer service charges twice a year (January & July) through staff efforts and third-party contracted services. After staff discussion and input, an analysis was performed to compare the fiscal impacts of maintaining the current billing and invoice process against submitting the charges to county tax rolls for collection. At the February 13, 2019 Board of Directors meeting, direction was given for staff to proceed with the collection of sewer service charges on the county tax roll.

The purposes of this ordinance are to make the election to bill and collect service charges on the county tax rolls, to authorize and direct Agency staff to annually prepare the report of service charges and notice the public hearing required by state law, and to otherwise authorize and direct Agency staff to coordinate and work with the counties to implement tax roll billing and collection.

Should the Board of Directors approve Ordinance 2-2019, the Agency will hold a public hearing on the report of charges at the June 12, 2019 Board meeting.

### **Fiscal Impact**

None.

### **Attachments**

Ordinance 2-2019

### **Recommendation**

Management and staff recommend approval of Ordinance 2-2019 electing to collect sewer service charges on the county tax roll.

### **Review Tracking**

Submitted By:   
Roshelle Chavez  
Administrative Services Manager

Approved By:   
LaRue Griffin  
General Manager

**ORDINANCE NO. 2-2019**

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF  
THE TAHOE-TRUCKEE SANITATION AGENCY  
ELECTING TO COLLECT SEWER SERVICE CHARGES  
ON THE COUNTY TAX ROLL**

BE IT ORDAINED by the Board of Directors of the Tahoe-Truckee Sanitation Agency as follows:

**Section 1. Recitals.** This ordinance is adopted with reference to the following background recitals:

(a) The Agency levies and collects sewer service charges from the owners of parcels connected to the sewer system pursuant to law Agency Act, Agency Ordinance No. 2-2015, and other applicable ordinances. The current Agency ordinances that authorize the levy and collection of Agency sewer service charges were adopted pursuant to Health and Safety Code section 5471 and other applicable law.

(b) Currently, the Agency directly mails the service charge bills semi-annually on July 1 and January 1 of each year. For some accounts, as an accommodation to the property owner, the Agency bills the lessee of the property pursuant to a billing agreement with the owner.

(c) State law authorizes the Agency to elect to have its service charges collected on the County tax roll in the same manner as property taxes. Portions of the Agency territory are located within three counties, which are the County of El Dorado, County of Nevada, and County of Placer; therefore, this ordinance and the tax roll billing election applies to these Counties.

(d) The Board desires to transition from direct billing and collection of service charges by the Agency to billing and collection on and through the County property tax rolls. The purposes of this ordinance are to make the election to bill and collect service charges on the County tax rolls, to authorize and direct Agency staff to annually prepare the report of service charges and notice the public hearing required by state law, and to otherwise authorize and direct Agency staff to coordinate and work with the Counties to implement the tax roll billing and collection.

**Section 2. Authority.** This ordinance is adopted pursuant to Agency Act sections 67, 80 and 130, Health and Safety Code sections 5471 and 5473, and other applicable law.

**Section 3. Election to Collect Sewer Service Charges on Tax Roll.** Pursuant to Health and Safety Code sections 5473 through 5473.9, the Agency elects to have its sewer service charges collected on the County tax rolls in the same manner, by the same persons, and at the same time as the general property taxes.

**Section 4. Annual Report of Service Charges.** Commencing with the 2019-20 property tax year, and continuing each year thereafter until modified or repealed by the Board, the

Agency General Manager and his designees are authorized and directed to cause a written report of sewer service charges for collection on the tax roll to be prepared in accordance with Health and Safety Code section 5473. The report of charges shall include (a) a list and description (by County assessor parcel number) of each parcel of real property receiving sewer service and to be billed through the County tax roll, and (b) the corresponding amount of the Agency sewer service charges for the parcel for the year computed in conformity with applicable Agency ordinances and rates. The report of charges shall be completed and filed with the Agency Secretary at least three weeks before the regular Board of Directors meeting for the month of June or July of each year.

**Section 5. Annual Public Hearing.** Each year upon filing the report of service charges, the Agency Secretary is authorized and directed to prepare and publish a public hearing notice and notice of filing of report of charges in accordance with Health and Safety Code section 5473.1. The public hearing ordinarily will be held at the regular Board meeting in June or July of each year.

**Section 6. First Time Public Hearing.** For the first time a parcel's service charges are proposed for collection on the County tax year, in addition to the notice pursuant to section 5, the Agency Secretary shall mail the public hearing notice and notice of filing of report of charges to the parcel owner in accordance with Health and Safety Code section 5473.1. Notices shall be mailed to the parcel owner address as shown on the last equalized County assessment roll.

**Section 7. Rollout Over Years.** The Agency goal is to bill and collect all service charges through the County tax rolls. However, the Board acknowledges that this process may take a few years to implement and that there may be some parcels that, for legal or other reasons, cannot be billed through the tax roll. The Board therefore authorizes and directs the Agency General Manager and his designees to develop and implement a multi-year phased approach to implementing service charge billing and collection through the County tax rolls. Until a parcel's service charges are billed and collected through the tax roll, the Agency shall continue to directly mail and collect the service charge bill on a semi-annual basis. For those parcels that continue to receive service charge bills from the Agency, the Agency may continue to collect delinquent service charges against the parcel on and through the County tax roll pursuant to Health and Safety Code section 5473a and Ordinance Nos. 2-2015 and 3-90.

**Section 8. Termination of Lessee Agreements.** With service charge billing and collection through the County tax roll and with County property tax bills being sent only to the parcel owner, the Agency no longer will be able to accommodate and provide for billing to and collection from the lessee of the parcel. Therefore, as a parcel transitions to the County tax roll for service charge billing and collection, any Agency lessee billing agreement with the parcel owner shall be terminated effective June 30 of the year that the Agency begins collection through the tax roll.

**Section 9. Related Authorization.** The Board authorizes and directs the Agency General Manager and his designees to work and coordinate with the County property tax billing and collection staffs as appropriate to implement the service charge tax roll billing and collection as authorized by this ordinance, including authorization to request each County to provide a direct charge tax code for the Agency. The Board further authorizes and directs

the Agency General Manager and his designees to approve and execute such agreements, certificates, and documents and as may be necessary or appropriate to effectuate the transition to and implementation of billing and collection through the County tax rolls.

**Section 10. Effective Date.** This ordinance shall take effect 30 days after its passage.

**Section 11. Posting.** This ordinance shall be posted within the Agency in at least three conspicuous places within 10 days after its adoption.

PASSED AND ADOPTED by the Board of Directors of the Tahoe-Truckee Sanitation Agency on the 15<sup>th</sup> day of May 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Lane Lewis, President

Attest:

\_\_\_\_\_  
LaRue Griffin, Secretary

#### CERTIFICATE

I hereby certify that the foregoing is a full, true and correct copy of Ordinance No. 2-2019, duly and regularly adopted by the Board of Directors of Tahoe-Truckee Sanitation Agency on May 15, 2019.

\_\_\_\_\_  
LaRue Griffin  
Secretary of the Board



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Jay Parker, Engineering Manager  
**Item:** V-3  
**Subject:** Approval to advertise and solicit bids for the 2019 Digital Scanning of Sewer Lines project

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### **Background**

As is customary each year, T-TSA will be digitally scanning the Truckee River Interceptor (TRI) this fall. The project will focus on scanning Schedules I and II, which spans the distance between the CalTrans Maintenance Yard in Tahoe City and Manhole 53 near Bridge No. 6, as shown in the attached figure. The total length to be scanned is approximately 35,000 feet and consists of RCP and DIP piping ranging from 24 to 33 inches in diameter.

The project field work is scheduled to occur between September 3, 2019 and October 11, 2019.

### **Fiscal Impact**

The engineer's estimate for this project is \$140,000.


### **Attachments**


Digital scanning schedule figure.

### **Recommendation**

Management and staff recommend approval to advertise and solicit bids for the 2019 Digital Scanning of Sewer Lines project.

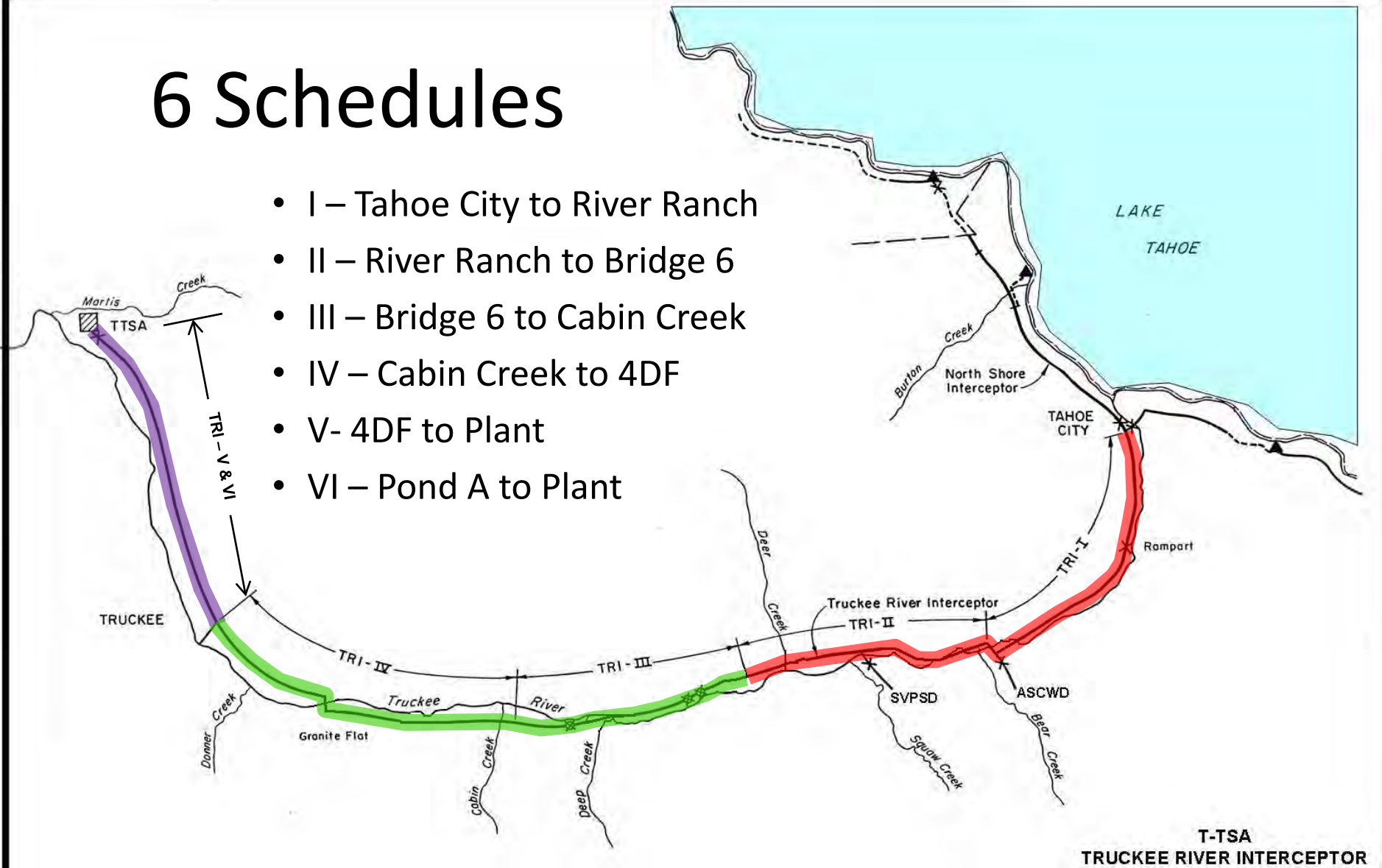
### **Review Tracking**

Submitted By:   
Jay Parker  
Engineering Manager

Approved By:   
LaRue Griffin  
General Manager

# 6 Schedules

- I – Tahoe City to River Ranch
- II – River Ranch to Bridge 6
- III – Bridge 6 to Cabin Creek
- IV – Cabin Creek to 4DF
- V- 4DF to Plant
- VI – Pond A to Plant



T-TSA  
TRUCKEE RIVER INTERCEPTOR

2020 2021 2019



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** LaRue Griffin, General Manager  
**Item:** V-4  
**Subject:** Approval of the TTSA/TTAD Property Exchange Agreement

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### **Background**

TTSA and the Truckee Tahoe Airport District (TTAD) have been planning and negotiating a property exchange which consists of fee simple title exchanges and issuance of an avigation easement.

TTSA currently owns "Area A" (approximately 53 acres) and "Area C" (approximately 14 acres) and the Truckee Tahoe Airport District (TTAD) owns "Area B" (approximately 68 acres). The areas are shown on Exhibit A of the attached property exchange agreement. TTSA and TTAD obtained an appraisal which concluded the combined value of the TTSA areas is \$2,585,000 and that the value of the TTAD area is \$3,100,000.

TTSA and TTAD have agreed to participate in a property exchange that would grant "Area A" and an avigation easement on "Area C" to TTAD and grant "Area B" to TTSA. TTSA and TTAD will amend the boundaries of "Area A" and "Area B" such that the approximate values of the "Area A" and "Area C" avigation easement will roughly equal the approximate value of "Area B".

The agreement also provides additional criteria and terms of the property exchange.

### **Fiscal Impact**

Associated costs for lot and easement plats.

### **Attachments**

TTSA/TTAD Property Exchange Agreement.

### **Recommendation**

Management recommends approval of the TTSA/TTAD Property Exchange Agreement.

### **Review Tracking**

Submitted By: \_\_\_\_\_

  
LaRue Griffin  
General Manager

## TTSA/TTAD REAL PROPERTY EXCHANGE AGREEMENT

THIS AGREEMENT is made this \_\_\_ day of \_\_\_\_\_, 2019 by and between Tahoe-Truckee Sanitation Agency, a local government agency (“**Agency**”), and Tahoe-Truckee Airport District, a local government agency (“**District**”). This Agreement will become effective on the date that it is signed by the last party to sign as indicated by the date associated with that party’s signature on the signature page below. The parties agree as follows:

**1. RECITALS.** This Agreement is made with reference to the following recitals:

**1.1.** Agency is presently the owner in fee simple of that certain unimproved real property located in the County of Nevada, State of California, as shown on the attached Exhibit A as “**Area A**” (approximately 53 acres) and “**Area C**” (approximately 14 acres). Area A is located within the Town of Truckee and Area C is located partially in the Town of Truckee and partially in the unincorporated area of the County of Nevada.

**1.2.** District is presently the owner in fee simple of that certain unimproved real property located in the unincorporated area of the County of Nevada, State of California, as shown on the attached Exhibit A as “**Area B**” (approximately 68 acres).

**1.3.** Agency desires to acquire Area B for certain Agency purposes. District desires to acquire Area A for certain District purposes and it desires to acquire a surface and overhead avigation easement (i.e., an easement allowing overflight in the airspace above property and restricting the construction of buildings or structures or planting of trees on the property) over Area C. The parties therefore desire to exchange real property interests with (a) Agency conveying to District fee simple title to Area A and a surface and overhead avigation easement on and over Area C, and (b) District conveying to Agency fee simple title to Area B, on and subject to the terms and conditions of this Agreement.

**1.4.** In planning for and negotiating this real property exchange, the parties cooperated on the preparation of an appraisal of the three property interests (Area A fee, Area B fee, and Area C easement). An appraisal firm, Johnson Perkins Griffin, prepared and provided to each party two appraisal reports (one for the Agency property (Area A fee and Area C easement) and one for the District property (Area B fee)) each dated January 30, 2019 (the reports are on file with each party). The appraisal reports concluded that the combined value of the Agency property is \$2,585,000 and that the value of the District Property is \$3,100,000.

## **2. EXCHANGE AND TRANSFER OF PROPERTY AND EASEMENTS**

**2.1. Exchange of Property.** Agency agrees to sell, grant, and convey to District, and District agrees to purchase, acquire, and accept from Agency, fee title to Area A and a surface and overhead avigation easement on and over Area C, on and subject to the terms and conditions of this Agreement (including the modification of the Area A boundaries as provided in section 3.1). District agrees to sell, grant, and convey to Agency, and Agency agrees to purchase, acquire, and accept from District, fee title to Area B, on and subject to the terms and conditions of this Agreement (including the modification of the Area B boundaries as provided in section 3.1).



**2.2. Consideration.** The parties intend to exchange real property interests of roughly the same approximate value. Prior to the Close of Escrow (as defined at section 5.1) and as provided in section 3.1, the parties shall prepare and agree upon an increased Area A boundary and a decreased Area B boundary such that the approximate values of the Area A fee and Area C avigation easement interests will roughly equal the approximate value of the Area B fee interest. Consequently, at the Close of Escrow neither party will pay any purchase price to the other party.

### **3. PRE-CLOSING ACTIONS**

**3.1. Prepare Lot and Easement Plats.** Upon approval of this Agreement, the parties shall agree upon jointly retaining an engineer or surveyor to prepare lot and easement plats pursuant to this section and to assist with processing the lot line adjustments pursuant to section 3.3. The parties shall split the fees and costs of the engineer or surveyor. The engineer or surveyor, in coordination with the parties, shall prepare recordable plats showing (a) the Area A lot with the increased boundary (as generally shown in the hatched area on Exhibit A), (b) the Area B lot with the decreased boundary (as generally shown in the hatched area on Exhibit A), and (c) the Area C easement area. The engineer or surveyor shall collaborate with the parties to ensure that the final lot sizes are such that the approximate values of the Area A lot and Area C easement are roughly the same as the approximate value of the Area B lot. The final plats as prepared by the engineer or surveyor and approved by the parties shall be referred to as the “**Area A Lot**,” “**Area B Lot**” and “**Area C Easement Drawing**.”

**3.2. Prepare Easement.** Upon approval of this Agreement, the parties shall cooperate and coordinate on the preparation of a recordable surface and overhead avigation easement on mutually satisfactory terms that will accompany the Area C Easement Drawing to be prepared under section 3.1. The final easement together with the Area C Easement Drawing as approved by the parties shall be referred to as the “**Area C Easement**.”

**3.3. Apply for Lot Line Adjustments.** At the Close of Escrow, the real property lots to be conveyed to each party must comply with the California Subdivision Map Act (Government Code section 66410, et seq.) and applicable Town of Truckee and County of Nevada subdivision ordinances. Upon completed preparation of the Area A Lot, Area B Lot, and Area C Easement Drawing, the parties shall cooperate and coordinate on the preparation and filing of parcel map applications with the Town of Truckee and the County of Nevada to create the new Area A Lot and Area B Lot described above and as finally determined pursuant to section 3.1. Since Area A is located within the Town of Truckee, it shall be created and conveyed as a new separate parcel, rather than being merged with and added to the District parcel to the south that is located in the unincorporated area. Since Area B is located within the unincorporated area, it shall be created and conveyed as a new separate parcel, rather than being merged with and added to the Agency parcel to the north that is located within the Town of Truckee. The parties shall split the costs (e.g., Town and County fees and costs, title company fees and costs, engineering or surveyor fees) incurred in preparing, filing, and processing the parcel map applications.

**3.4. Request 65402(c) Review.** Upon completed preparation of the Area A Lot, Area B Lot, and Area C Easement Drawing, and concurrent with the parcel map applications, the parties jointly shall request the Town of Truckee Community Development Department

and Nevada County Planning Department to review this proposed real property exchange transaction and report on it as to conformity with the Truckee General Plan (for the Town with respect to the subject real property located within the Town of Truckee) and the Nevada County General Plan (for the County with respect to the subject real property located within the unincorporated area) pursuant to California Government Code section 65402(c).

**3.5. Request FAA Approval.** Upon completed preparation of the Area A Lot, Area B Lot, and Area C Easement Drawing, District shall apply to the Federal Aviation Administration (“**FAA**”) for approval of the real property exchange transactions under this Agreement. District shall bear all costs and expenses associated with applying for and obtaining FAA approval.

**3.6. Request TTUSD Consent.** A portion of Area A is subject to a Lease Agreement dated December 12, 2001 between Agency and the Tahoe Truckee Unified School District (“**School District**”) and located within lease area. As such, prior to transferring the Area A Lot to District, Agency must obtain the written consent of the School District. (See Lease Agreement section 37.) The portion of Area A within the leased area is not used by the School District. Upon completed preparation of the Area A Lot, Area B Lot, and Area C Easement Drawing, Agency shall request School District consent pursuant to section 37. Agency shall bear all costs and expenses associated with requesting and obtaining School District consent.

#### **4. TITLE REVIEW; CONDITION OF PROPERTY**

**4.1. Title Review Period.** No later than 45 days prior to the expected date for the closing, each party shall obtain from the Title Company (as defined at section 5.1) a current preliminary report (the “**Title Report**”) for a California Land Title Association (CLTA) or American Land Title Association (ALTA) title insurance policy (at the party’s choice) for the real property to be acquired by the party and showing the status of title to the property and all recorded liens, encumbrances, and other exceptions to the title. Each party shall have 20 days following its receipt of the Title Report to object to other party in writing regarding those title matters that are unacceptable to the party. If a party fails to object in writing to the other party within the 20-day period, then the party shall be deemed to have waived any right to object to the title. If a party timely objects, then the grantor party shall use commercially reasonable efforts to remove or otherwise cure the objection(s) prior to the closing. If the grantor party is unable or unwilling to cure such objection(s), and if the Title Company does not agree to insure over any such objection(s), then the objecting party may elect by written notice to the other party to either accept title subject to the objection(s) or terminate this Agreement.

**4.2. Title Insurance.** At the Close of Escrow, the Title Company shall issue to each grantee party a CLTA or ALTA title insurance policy (at the party’s choice) in an amount determined by the party (the “**Title Policy**”), subject only to (a) the lien of real property taxes, bonds, and assessments not then due, and (b) those exceptions (if any) shown by the Title Report that are accepted by party pursuant to section 4.1 (collectively the “**Approved Real Property Exceptions**”).

**4.3. As-Is Condition.** Each party has been advised to investigate the condition and suitability of all aspects of the property it will acquire under this Agreement and all matters affecting the value, desirability, or usability of the property, including potential environmental hazards arising from the presence in, on, under, around or about the property of toxic materials or hazardous substances. Except as otherwise expressly in section 7, neither party, nor its officers, directors, employees, or agents, makes or has made any representations or warranties of any kind, express or implied, written or oral, as to the physical condition of its property; condition of the property soils or groundwater; permissible uses of the property or limitations on use (including matters pertaining to zoning, environmental, or other laws, regulations or governmental requirements); utilities on or near the property; costs of operating or managing the property; presence or absence of toxic materials or hazardous substances in, on, under, around or about the property; condition of title to the property; or any other matter bearing on the use, value, or condition of the property.

## **5. ESCROW AND CLOSING**

**5.1. Escrow.** Upon completed preparation of the Area A Lot, Area B Lot, and Area C Easement Drawing pursuant to section 3.1, a fully executed copy of this Agreement shall be deposited with \_\_\_\_\_ Title Company, at Truckee, California (the “**Title Company**”), and such delivery shall constitute the opening of an escrow (the “**Escrow**”) for consummating the exchange and transfer of the real property interests under this Agreement. The Escrow shall be subject to the standard conditions for acceptance of escrow and standard escrow instructions, but only to the extent that the standard conditions and instructions impose no additional obligations or liabilities on the parties, and further subject to the terms and conditions of this Agreement. In the case of any conflict between this Agreement and any standard escrow conditions or instructions, this Agreement shall govern. The close of Escrow shall take place at the offices of the Title Company as soon as convenient after satisfaction or waiver of the conditions precedent set forth in section 6, unless extended by mutual agreement of the parties (the “**Close of Escrow**”).

**5.2. Agency Documents.** At least one business day prior to the Close of Escrow, Agency shall deposit with the Title Company the following documents:

(a) Grant deed in recordable form and duly approved, executed, and notarized by Agency conveying good, marketable, and insurable fee simple title to the Area A Lot to District;

(b) Area C Easement in recordable form and duly approved, executed, and notarized by Agency conveying the easement to District;

(c) Resolution or certificate of acceptance accepting and authorizing the recording of the Area B Lot grant deed;

(d) Agency’s share of the fees and costs described in section 5.5; and,

(e) Such other instruments or documents as are reasonably required by the terms of this Agreement or by the Title Company in order to consummate the closing.

**5.3. District Documents.** At least one business day prior to the Close of Escrow, District shall deposit with the Title Company the following documents:

(a) Grant deed in recordable form and duly approved, executed, and notarized by District conveying good, marketable, and insurable fee simple title to the Area B Lot to Agency;

(b) Resolution or certificate of acceptance accepting and authorizing the recording of the Area A Lot grant deed and the Area C Easement;

(c) District's share of the fees and costs described in section 5.5; and,

(d) Such other instruments or documents as are reasonably required by the terms of this Agreement or by the Title Company in order to consummate the closing.

**5.4. Close of Escrow.** After all the requirements of section 3 have been satisfied and all conditions precedent set forth in section 6 have been satisfied or waived, the parties shall instruct the Title Company to close Escrow by taking the following actions:

(a) Good, marketable and insurable fee simple title to the Area A Lot shall be transferred and conveyed to District by recording with the county recorder the grant deed (marked to return to District);

(b) The Area C Easement shall be transferred and conveyed to District by recording the easement with the county recorder (marked to return to District);

(c) Good, marketable and insurable fee simple title to the Area B Lot shall be transferred and conveyed to Agency by recording with the county recorder the grant deed (marked to return to Agency);

(d) Each Title Policy, subject only to the Approved Real Property Exceptions, shall be delivered to the appropriate party; and,

(e) Expenses of Escrow, prorated items and other adjustments provided for in this Agreement shall be charged or credited, as the case may be, to Agency and District as provided in sections 3 and 5.5.

Following Close of Escrow, possession of the Area A Lot shall be delivered to District, free and clear of all occupancies and uses, and possession of the Area B Lot shall be delivered to Agency, free and clear of all occupancies and uses.

**5.5. Prorations and Expenses.** Non-delinquent real property taxes and assessments (if any; Area A, Area B, and Area C currently are tax-exempt) shall be prorated on the basis of actual days elapsed and a 365-day year, between Agency and District as of the Close of Escrow. Any delinquent real property taxes, assessments and other charges collected on the tax roll shall be brought current by grantor party prior to Close of Escrow. The parties shall split 50%/50% the closing and related costs, including real estate transfer taxes, recording fees, and Escrow fees. Each party shall pay the title insurance fees and costs for its Title Policy. Following Close of Escrow, each grantee party shall be responsible for any real

property taxes, assessments, or other charges levied against the real property it acquires under this Agreement.

**5.6. Agreement and Escrow Termination.** Should this Agreement be terminated according to its terms or by mutual consent of the parties prior to Close of Escrow, then all documents in Escrow shall be returned by the Title Company to the party having deposited the same and each party shall be released from all further obligations and liabilities under this Agreement (except that a party shall retain its breach of contract rights and remedies in the event of an Agreement default by the other party). If the Title Company charges any cancellation fees or charges or other customary escrow or title fees or charges, such fees and charges shall be borne equally between the parties.

## **6. CONDITIONS PRECEDENT TO CLOSING; FAILURE OF CONDITIONS**

**6.1. Mutual Conditions Precedent.** Each party's obligations under this Agreement are subject to the satisfaction (or waiver by both parties) prior to Close of Escrow of the following mutual conditions precedent:

(a) The parties shall have approved the final Area A Lot, Area B Lot, Area C Easement Drawing, and Area C Easement pursuant to sections 3.1 and 3.2.

(b) The Town of Truckee and County of Nevada shall have approved the parcel map applications pursuant to section 3.3 and the parcel maps shall have been recorded in the Nevada County Recorder's Office.

(c) The Town of Truckee Community Development Department and Nevada County Planning Department have approved the proposed real property exchange transaction pursuant to California Government Code section 65402(c) or Town or County disapproval have been overruled by Agency and District.

(d) The FAA shall have approved the real property exchange transactions pursuant to section 3.5.

**6.2. District Conditions Precedent.** District's obligations under this Agreement are subject to satisfaction (or waiver by District in its sole discretion) prior to Close of Escrow of the following conditions precedent:

(a) District shall have approved the status of the title to the Area A Lot and Area C Easement area pursuant to section 3.1, and the Title Company is prepared to issue the Title Policy to District.

(b) Agency shall have delivered to the Title Company the documents and other deliverables listed in section 5.2.

(c) There shall have been no material damage to the Area A Lot or Area C Easement area, nor any proceeding in eminent domain threatened or commenced in respect of such property or any part of it.

(d) All representations and warranties of Agency under this Agreement shall be true and correct in all material respects as of the Close of Escrow.

(e) Agency shall have performed or complied in all material respects with all covenants, agreements, and conditions set forth in this Agreement on its part to be performed or complied with at or prior to Close of Escrow.

**6.3. Agency Conditions Precedent.** Agency's obligations under this Agreement are subject to satisfaction (or waiver by Agency in its sole discretion) prior to Close of Escrow of the following conditions precedent:

(a) School District has given its written consent pursuant to section 3.6.

(b) Agency shall have approved the status of the title to the Area B Lot pursuant to section 3.1, and the Title Company is prepared to issue the Title Policy to Agency.

(c) District shall have delivered to the Title Company the documents and other deliverables listed in section 5.3.

(d) There shall have been no material damage to the Area B Lot, nor any proceeding in eminent domain threatened or commenced in respect of such property or any part of it.

(e) All representations and warranties of District under this Agreement shall be true and correct in all material respects as of the Close of Escrow.

(f) District shall have performed or complied in all material respects with all covenants, agreements, and conditions set forth in this Agreement on its part to be performed or complied with at or prior to Close of Escrow.

**6.4. Failure of Conditions.** Should any of the conditions set forth in sections 6.1 to 6.3 not be satisfied or waived prior to the Close of Escrow, then the party entitled to the benefit of the condition shall have the option to either waive the condition and close Escrow or terminate this Agreement. Nothing in this section shall be construed to limit a party's breach of contract rights and remedies in the event of an Agreement default by the other party.

## **7. REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION**

**7.1. District Representations.** In consideration of Agency entering into this Agreement and as an inducement to Agency to sell and convey property to District, District represents and warrants to Agency that as of the date of this Agreement and the Close of Escrow:

(a) District is duly organized, validly existing, and in good standing under the laws of California and the person(s) executing this Agreement on behalf of District have the full right and authority to execute this Agreement on behalf of District and to bind District to the obligations in this Agreement (subject to the conditions precedent in section 6).

(b) This Agreement and all documents to be executed by District and delivered to Agency upon Close of Escrow are, or at the time of the Close of Escrow will be (i) duly authorized, properly executed, and delivered by District, and (ii) legal, valid, and binding obligations of District enforceable in accordance with their terms.

(c) The execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement will not conflict with or constitute a default under any of the terms, conditions, or provisions of any other agreement or judicial order to which District is a party or by which District is bound.

(d) District is or will be as of the Close of Escrow vested with fee simple title to the Area B Lot, subject only to the Approved Real Property Exceptions.

(e) Except as disclosed in the Title Policy, there are no leases, rental agreements, licenses, or other agreements or occupancies allowing any third-party rights to use all or any portion of the Area B Lot.

(f) Except for the representations and warranties of Agency contained in Section 7.2, District acknowledges that it will be acquiring the Area A Lot and Area C Easement as is, where is, and with all faults, and without any representation or warranty of Agency as to the nature or condition of title to the property, the physical condition of the property, the uses of the property, or any use limitations.

(g) District has no knowledge of any pending or threatened litigation, administrative proceeding or other legal or governmental action affecting the Area B Lot or against District and related to or arising from District's interest in the Area B Lot.

(h) District has not used or stored Hazardous Materials on the Area B Lot in any manner that violates federal, state or local laws, ordinances, rules or regulations governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials. To the best of District's knowledge, no prior owner, tenant, subtenant, or occupant has used or stored Hazardous Materials on the Area B Lot in any manner that violates federal, state or local laws, ordinances, rules or regulations governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials. District has not received any notice concerning any violation or alleged violation of federal, state or local laws, ordinances, rules or regulations governing the use, storage, treatment, transportation, manufacture, handling, production or disposal of Hazardous Materials on the Area B Lot. For purposes of this Agreement, "**Hazardous Materials**" means any hazardous or toxic substances or related materials defined as such in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. section 9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. section 1801 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. section 9601 et seq.), and in the regulations promulgated pursuant to those acts, or any other federal or state statute or regulation.

**7.2. Agency Representations.** In consideration of District entering into this Agreement and as an inducement to District to sell and convey property to Agency, Agency represents and warrants to District that as of the date of this Agreement and the Close of Escrow:

(a) Agency is duly organized, validly existing, and in good standing under the laws of California and the person(s) executing this Agreement on behalf of Agency have the full

right and authority to execute this Agreement on behalf of Agency and to bind Agency to the obligations in this Agreement (subject to the conditions precedent in section 6).

(b) This Agreement and all documents to be executed by Agency and delivered to Agency upon Close of Escrow are, or at the time of the Close of Escrow will be (i) duly authorized, properly executed, and delivered by Agency, and (ii) legal, valid, and binding obligations of Agency enforceable in accordance with their terms.

(c) The execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement will not conflict with or constitute a default under any of the terms, conditions, or provisions of any other agreement or judicial order to which Agency is a party or by which Agency is bound.

(d) Agency is or will be as of the Close of Escrow vested with fee simple title to the Area A Lot and Area C Easement area, subject only to the Approved Real Property Exceptions.

(e) Except for the School District lease referred to in section 3.6 and as otherwise disclosed in the Title Policy, there are no leases, rental agreements, licenses, or other agreements or occupancies allowing any third-party rights to use all or any portion of the Area A Lot or Area C Easement area.

(f) Except for the representations and warranties of District contained in Section 7.1, Agency acknowledges that it will be acquiring the Area B Lot as is, where is, and with all faults, and without any representation or warranty of Agency as to the nature or condition of title to the property, the physical condition of the property, the uses of the property, or any use limitations.

(g) Agency has no knowledge of any pending or threatened litigation, administrative proceeding or other legal or governmental action affecting the Area A Lot or Area C Easement area against Agency and related to or arising from Agency's interest in the Area A Lot or Area C Easement area.

(h) Agency has not used or stored Hazardous Materials on the Area A Lot or Area C Easement area in any manner that violates federal, state or local laws, ordinances, rules or regulations governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials. To the best of Agency's knowledge, no prior owner, tenant, subtenant, or occupant has used or stored Hazardous Materials on the Area A Lot or Area C Easement area in any manner that violates federal, state or local laws, ordinances, rules or regulations governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials. Agency has not received any notice concerning any violation or alleged violation of federal, state or local laws, ordinances, rules or regulations governing the use, storage, treatment, transportation, manufacture, handling, production or disposal of Hazardous Materials on the Area A Lot or Area C Easement area.

**7.3. Agency Indemnification.** Agency shall indemnify, defend, and hold harmless District from all loss, cost, liability, expense, damage, or other injury, including without limitation, attorney fees and expenses, incurred by reason of or in any manner resulting



from the breach of a warranty or representation in this section 7 or any third-party claim or lawsuit relating to the Area B Lot and arising out of or related to an occurrence or incident that occurred prior to the Close of Escrow.

**7.4. District Indemnification.** District shall indemnify, defend, and hold harmless Agency from all loss, cost, liability, expense, damage, or other injury, including without limitation, attorney fees and expenses, incurred by reason of or in any manner resulting from the breach of a warranty or representation in this section 7 or any third-party claim or lawsuit relating to the Area A Lot or Area C Easement area and arising out of or related to an occurrence or incident that occurred prior to the Close of Escrow.

**8. RISK OF LOSS.** Each party shall bear the risk of loss of or damage to its real property from fire or other casualty until Close of Escrow. In the event of any material damage to or destruction of the Area A, Area B or Area C property by fire or other casualty, whether or not insured, or the taking of all or part of such property by power of eminent domain, prior to Close of Escrow, a grantee party may, at its option, at any time prior to the Close of Escrow, either:

**8.1.** Terminate this Agreement; or

**8.2.** Elect to proceed with the Close of Escrow, in which event the grantor party shall do the following: deliver to the grantee party at Close of Escrow (a) any insurance proceeds received by the grantor party and related to the damage to or destruction of the property (but excluding monies that have been spent or incurred by the grantor party in the repair of the property), (b) any eminent domain proceeds, and (c) a written assignment of all rights and claims of the grantor party under any applicable insurance policy; and, fully cooperate with and assist the grantee party in adjusting any loss and perfecting and pursuing any claim under any applicable insurance policy. In the event of any non-material damage or destruction, the parties shall proceed under this section 8.2.

## **9. GENERAL PROVISIONS**

**9.1. Brokers.** In the event any broker, salesperson or other person perfects a claim for a real estate commission or other similar fee based upon the sale and transfer to District of the Property, the party through whom the broker, salesperson or other person makes its claim shall be solely responsible for the commission or other fee and shall indemnify and hold harmless the other party from the claim and all liabilities, costs and expenses related to such claim.

**9.2. Survival.** The parties' representations and warranties contained in this Agreement shall survive the Close of Escrow and continue for a period of one year thereafter and shall thereupon expire and be of no further force and effect; except that parties' representation and warranties set forth in sections 7.1(f) and 7.2(f) shall survive the Close of Escrow indefinitely. Any claim for breach of any such representation and warranty must be made in writing within 30 days from the date of the breach or shall be waived. However, if any such claim is timely initiated within the one-year and 30 days period, it may be pursued to completion by the claiming party. The waivers of claims or rights, the releases, and the indemnification obligations of the parties shall survive the Close of Escrow or the earlier termination of this Agreement.

**9.3. Entire Agreement.** The parties intend this document to be the sole, final, complete, exclusive and integrated expression and statement of the terms of their Agreement concerning the subject matter of this document. This Agreement supersedes all prior oral or written negotiations, representations, contracts, or other documents that may be related to the subject matter of this Agreement, except those other documents that may be expressly referenced in this Agreement.

**9.4. Construction and Interpretation.** The parties agree and acknowledge that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

**9.5. Waiver.** The waiver at any time by any party of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.

**9.6. Remedies Not Exclusive.** The remedies provided in this Agreement are cumulative and not exclusive, and are in addition to any other remedies that may be provided by law or equity. The exercise by either party of any remedy under this Agreement shall be without prejudice to the enforcement of any other remedy.

**9.7. Severability.** If any part of this Agreement is held to be void, invalid, illegal or unenforceable, then the remaining parts will continue in full force and effect and be fully binding, so long as the rights and obligations of the parties are not materially and adversely affected.

**9.8. Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties.

**9.9. Amendment.** This Agreement may be modified or amended only by a subsequent written agreement approved and executed by both parties. Amendment by Agency requires approval by its Board of Directors.

**9.10. Further Assurances and Cooperation.** In order to carry out and give full effect to this Agreement, each party will use all reasonable efforts to provide such information, sign and deliver such further instruments and documents, and take such actions as may be reasonably requested by the other party, so long as not inconsistent with the provisions of this Agreement and not involving the assumption of obligations or liabilities different from, in excess of, or in addition to those expressly provided for in this Agreement. The parties will reasonably cooperate with each other to carry out the purpose and intent of this Agreement, including providing assistance in obtaining approvals and permits from regulatory agencies required to perform the obligations under this Agreement.

**9.11. Headings.** Headings are inserted for convenience of reference only and shall not be utilized to construe, limit, or otherwise interpret this Agreement.

**9.12. Notices.** Any notice, consent, approval, or other communication (collectively “**Notice**”) required or permitted to be given under this Agreement shall be in writing and

delivered or sent either (a) in person, (b) by prepaid, first class U.S. mail, (c) by a nationally-recognized commercial overnight courier service that guarantees next day delivery and provides a receipt, or (d) by email with a confirmed receipt. Any Notice so delivered or sent will be deemed given (a) when delivered in person, (b) three days after deposited in prepaid, first class U.S. mail, (c) on the date of delivery as shown on the overnight courier service receipt, or (d) upon the sender's receipt of an email from the other party confirming the receipt of the emailed Notice. Notices required or permitted to be given under this Agreement shall be addressed as follows:

<p>Agency:</p> <p>General Manager Tahoe-Truckee Sanitation Agency 13720 Butterfield Drive Truckee, CA 96161 lgriffin@ttsa.net</p>	<p>District:</p> <p>General Manager Tahoe-Truckee Airport District 10356 Truckee Airport Road Truckee, CA 96161 kevin.smith@truckeetahoeairport.com</p>
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Any party may change its contact information by notifying the other party in writing of the change of address.

TAHOE-TRUCKEE SANITATION AGENCY

TAHOE-TRUCKEE AIRPORT DISTRICT

Dated: \_\_\_\_\_, 2019

Dated: \_\_\_\_\_, 2019

By: \_\_\_\_\_  
LaRue Griffin, General Manager

By: \_\_\_\_\_  
Kevin Smith, General Manager

# EXHIBIT A

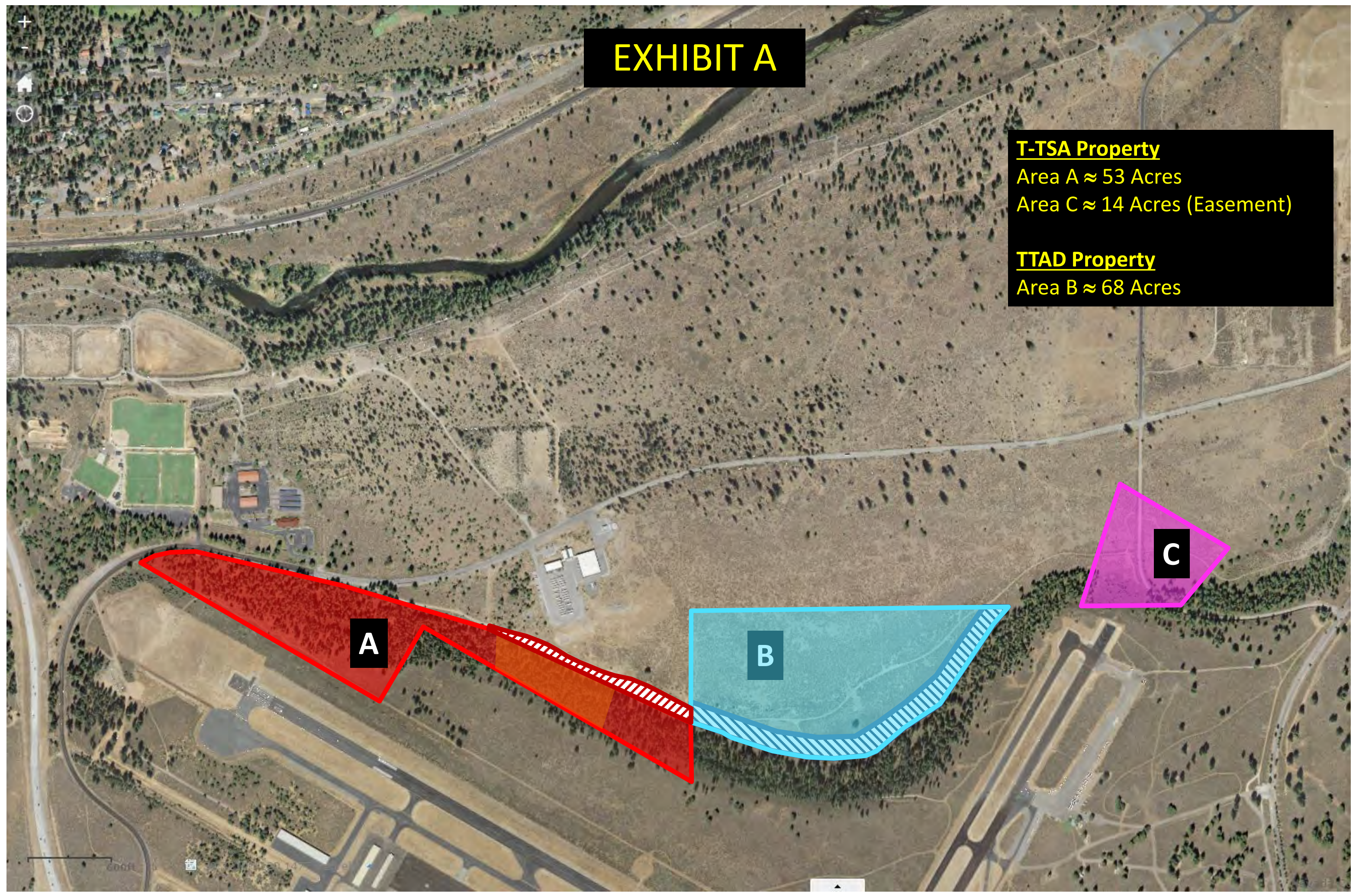
**T-TSA Property**  
Area A  $\approx$  53 Acres  
Area C  $\approx$  14 Acres (Easement)

**TTAD Property**  
Area B  $\approx$  68 Acres

**A**

**B**

**C**





# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Jay Parker, Engineering Manager  
**Item:** V-5  
**Subject:** Discussion on the Master Sewer Plan level of service

---

### **Background**

In 2019, the Agency embarked on a project to develop a Master Sewer Plan (Plan) with Carollo Engineers, Inc. (Carollo). The purpose of the Plan is to perform an evaluation of existing T-TSA facilities to include the TRI and WRP, to assess existing and future regulatory requirements, assess the condition and capacity of existing facilities, project future flows and loads, develop and evaluate alternatives for upgrades and improvements to meet future conditions through a 25-year planning cycle, and to recommend a schedule and cost estimates for selected capital improvements accordingly.

The scope of services for the Plan generally requires Carollo to (1) review background data and information, (2) develop a hydraulic model of the water reclamation plant (WRP), (3) conduct an evaluation of WRP capacities, (4) develop a biological model of the WRP's liquids and solids treatment plant processes, (5) conduct an evaluation of the WRP operations and treatment processes, (6) develop an updated hydraulic model of the TRI, (7) conduct an evaluation of TRI capacities, (9) identify recommendations to mitigate deficiencies identified for the WRP and TRI, (10) develop cost estimates, (11) prepare a final report and presentation to the Board of Directors, and (12) provide various project management tasks.

One aspect of the master planning strategy is to understand its missions and goals. Working with representatives from various Agency departments, Carollo developed a summary table that intends to capture the goals of the Plan together with associated service levels and performance objectives. The level of service criteria will subsequently be used to identify and justify the need for capital projects to address growth, repair, and rehabilitation of existing facilities.

### **Fiscal Impact**

The level of service criteria will help establish projects and other work that may have future financial impacts.


### **Attachments**


Table entitled "T-TSA Master Sewer Plan Goals and Level of Services aligned with Implementation Strategies and Proposed CIP Projects".

### **Recommendation**

Management and staff recommend Board of Directors discussion on the level of service for the Plan and obtain direction accordingly.

### **Review Tracking**

Submitted By:   
Jay Parker  
Engineering Manager

Approved By:   
LaRue Griffin  
General Manager

## T-TSA Master Sewer Plan Goals and Level of Services aligned with Implementation Strategies and Proposed CIP Projects

MSP Goals	Levels of Service Goals	Master Sewer Plan Implementation Strategies
<b>Operate and maintain the wastewater treatment plant and related facilities in a sound, efficient and effective manner.</b>		
	Operate WRP in full compliance with all federal and state regulatory requirements, with no permit violations	Develop regulatory alternatives that provide direction for evaluating WRP CIP alternatives for reliable permit compliance.
		Plan, size, and recommend facility improvements to maintain functions necessary for regulatory compliance.
		Maintain system reliability during emergency events, and develop SOPs to ensure critical systems are back on line within prescribed targets after catastrophic events.
		Understand, evaluate, and plan facilities to mitigate the effects of climate change.
	Manage flows to prevent plant loading complications at WRP	Use new WRP Hydraulic Model to assess the flow capacity of the WRP and identify hydraulic bottlenecks and limitations. Recommend CIP improvements to mitigate these hydraulic issues.
		Develop alternatives to provide flow diversion for Glenshire and flow equalization for all raw sewage influent flows.
		Assess load impacts for the anticipated range of scenarios and recommend CIP improvements to alleviate impacts to WRP operations.
	Operate TRI with no SSOs	Continue TRI Inspection Program.
		Assess TRI capacity and predict potential areas of wet weather, condition, or operational related SSOs, and recommend CIP improvements to reduce the risk of SSOs.
		Quantify Infiltration and Inflow, and develop an understanding of its impact, such that critical decisions can be made regarding management of the TRI.
		Operate TRI in accordance with SSMP.
	Operate WRP as efficiently as possible	Evaluate WRP equipment and unit processes for efficiency and provide recommendations for improvements that could improve efficiency.
Optimize operation of WRP, including the reduction in energy and chemical use, while maintaining regulatory compliance.		
Consider total life cycle costs when evaluating CIP alternatives for implementation.		
Consider the "triple bottom line" when evaluating CIP alternatives for implementation.		
<b>Maintain a workplace that fosters professional growth and job satisfaction.</b>		
	Protect employee health and safety	Maintain a safe workplace to mitigate employee health and safety risks through proactive safety programs and training, development of SOPs and updated Operations Manuals.
		Improve safety and redundancy in WRP structures, equipment and unit processes. This including conformance to current codes (such as NFPA 820), providing adequate means of isolation for equipment and pipelines, replacing obsolete equipment that could pose hazards, and ensuring that facilities are structurally sound.
	Maintain productive and engaged staff	Evaluate alternatives to potentially hazardous processes to address safety concerns.
		Provide learning and growth opportunities for staff through prescribed training and career development programs.
<b>Protect its assets and investments through sound financial policies and practices.</b>		
	Achieve future rate stability	Use life-cycle cost to help make decisions.
		Develop justifiable cost of service estimates.
		Develop effective CIP prioritization to align with budget limitations.
		Provide adequate reserves to meet long-term financial objectives.
	Be cost efficient and fiscally responsible	Deliver levels of service at the lowest long-term life cycle cost (WRP) and lowest capital cost (TRI), without risk to regulatory compliance, safety, or public health.
		Minimize chemical expenditure and operational costs, by optimizing process operations and maintenance strategies.
		Consider fiscal optimization when making decisions.
	Implement CMMS project as part of an ongoing Asset Management program	Use CMMS information to align present and future asset management program needs.
		Use WRP Condition Assessment, WRP Performance and Capacity Assessment, and predictive failure analysis to repair/rehabilitate/retrofit infrastructure in a cost-effective manner.
		Maintain all assets in good condition (i.e., reliable and redundant).
	Update the WRP & TRI CIPs on a regular basis	Incorporate Asset Management Policy for WRP and TRI when updating the CIP.

# T-TSA Master Sewer Plan Goals and Level of Services aligned with Implementation Strategies and Proposed CIP Projects

Improve service through long-range planning and the wise use of technology.		
	Understand Regional Growth to maintain adaptability	Collaborate with contributing agencies to understand long term planning parameters for growth and potential flow impacts.
		Collaborate with County Planning agencies.
		Develop understanding of potable water supply conditions to anticipate potential changes to flow or source water quality.
	Modify the system to adapt to climate change	Design new infrastructure to accommodate regional hydraulic and snowpack melt/runoff within the service life of the assets.
	Maximize long-term resource recovery	Identify recovery options for all resources including: FOG, food waste/ADM, nutrients, sludge/Class B biosolids, and digester biogas.
Lead the discussion of strategy development for regional wastewater issues for the benefit of all customers and the environment.		
	Protect public health and the environment	Effectively and reliably contain all chemicals with no environmental releases.
		Identify projects that promote environmental stewardship.
		Evaluate and improve the odor control mitigation strategy.
	Be a good neighbor and responsible member of the community	Evaluate emission sources and consider improving to newer technologies.
		Identify projects that improve community relations.
		Participate in interdisciplinary projects where opportunities arise.
		Where possible, coordinate TRI and WRP projects with other agencies to minimize negative customer impacts, share resources, and minimize costs.
	Be a regional leader	Create and execute agreements with member districts related to flow and load criteria.
	Provide excellent customer service	Determine how customer research results will be measured, communicated, and acted on.
		Develop and implement public outreach strategy.
	Continue public outreach program	Conduct scheduled tours.
		Participate in education outreach programs.

## Abbreviations

ADM	anaerobically digestible material	SOPs	Standard Operating Procedures
CIP	capital improvement program	SSMP	Sanitary Sewer Master Plan
CMMS	computerized maintenance management software/system	SSO	sanitary sewer overflow
FOG	fats, oils, grease	TRI	Truckee River Interceptor
MSP	Master Sewer Plan	T-TSA	Tahoe-Truckee Sanitation Agency
NFPA	National Fire Protection Association	WRP	Water Reclamation Plant



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** LaRue Griffin, General Manager  
**Item:** V-6  
**Subject:** Discussion on energy use, conservation, and recovery

---

### **Background**

At the October 10, 2019 Board of Directors meeting, the Board of Directors approved a memorandum of understanding for the cooperative purchase of renewable energy (a solar photovoltaic system) as it related to the Sustainable Energy & Economic Development Fund and Collaborative Solar Initiative program (SEED).

As the Agency continues with the SEED program, a discussion on the Agency's current energy use, conservation, and recovery was requested to be discussed as this may affect the Agency's Master Sewer Plan and continued participation in the SEED program.

### **Fiscal Impact**

None.

### **Attachments**

None.

### **Recommendation**

Management recommends the Board of Directors discuss and provide direction on current Agency energy use, conservation, and recovery.

### **Review Tracking**

Submitted By: \_\_\_\_\_

  
LaRue Griffin  
General Manager





# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Roshelle Chavez, Administrative Services Manager  
**Item:** V-7  
**Subject:** Discussion and action on payment to the CalPERS retirement pension plans

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### **Background**

The Agency participates in the California Public Employees' Retirement System (CalPERS) which includes a plan for Classic and PEPRA (Public Employees' Pension Reform Act) employees. Based on the annual valuation reports prepared by CalPERS, the estimated unfunded accrued liability for each plan for 06/30/19 are as follows:

- Classic Employees: \$15,768,548
- PEPRA Employees: \$26,666

It should be noted the actuarial valuation reports for each plan (attached) are prepared as of June 30, 2017 and dated August 2018. The Agency is expecting an updated report within the next few months and the amortization data may vary as report projections may have changed.

The Agency intends to maintain the amortized payment schedule (\$2,425 annual payment in July 2019) for the PEPRA plan UAL (unfunded accrued liability). Once an updated amortization valuation report is provided, the Agency will review and consider full payment of the UAL to fully fund the plan.

The larger UAL is associated with the Classic employee plan. Due to the larger UAL amount, there is a benefit to the Agency to reduce the UAL quicker as there is a substantial savings in accrued interest. Attached is a spreadsheet identifying other possible amortization schedules as projected by CalPERS. It should be noted the amortization schedule in the actuarial valuation report assumes a current discount rate of 7.25% throughout the payment schedule and the spreadsheet utilizes a phased in discount rate of 7.0%, therefore creating a minor difference for the 30-year amortization schedules.

As indicated in the attached spreadsheet, there is a substantial savings to the Agency should it decide to reduce its UAL within a period less than 30 years. Based on the amortization schedule data and previous review of Agency finances, the Agency could provide payment in accordance with the 5-year amortization schedule without significant financial impacts to the Agency. It should be noted, the 5-year amortization schedule would be a discretionary payment schedule and the Agency would retain the ability to reduce the payment, if needed, to be consistent with its 30-year schedule.

As the next upcoming payment is due by July 31, management requests Board of Directors discussion and direction on how to proceed with payment on the Agency's UAL for the Classic and PEPRA employee pension plans.

**Fiscal Impact**

Varies on amortization schedule.

**Attachments**

CalPERS Classic Annual Valuation Report as of July 30, 2017 for Classic employees.


CalPERS Classic Annual Valuation Report as of July 30, 2017 for PEPRA employees.


Alternative amortization schedule worksheet.

**Recommendation**

Management recommends maintaining the annual UAL amortization payment schedule as proposed in the annual valuation report for PEPRA employees and providing the addition discretionary payment as indicated in the 5-year annual UAL amortization payment schedule as shown in the attached spreadsheet for Classic employees.

**Review Tracking**

Submitted By:  \_\_\_\_\_  
Roshelle Chavez  
Administrative Services Manager

Approved By:  \_\_\_\_\_  
LaRue Griffin  
General Manager



**California Public Employees' Retirement System**  
**Actuarial Office**  
 P.O. Box 942709  
 Sacramento, CA 94229-2709  
 TTY: (916) 795-3240  
 (888) 225-7377 phone – (916) 795-2744 fax  
[www.calpers.ca.gov](http://www.calpers.ca.gov)

August 2018

Miscellaneous Plan of the Tahoe-Truckee Sanitation Agency  
 (CalPERS ID: 5084675063)  
 Annual Valuation Report as of June 30, 2017

Dear Employer,

As an attachment to this letter, you will find a copy of the June 30, 2017 actuarial valuation report of the pension plan.

Because this plan is in a risk pool, the following valuation report has been separated into two sections:

- Section 1 contains specific information for the plan including the development of the current and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2017.

Section 2 can be found on the CalPERS website at ([www.calpers.ca.gov](http://www.calpers.ca.gov)). From the home page, go to "Forms & Publications" and select "View All". In the search box, enter "Risk Pool" and from the results list download the Miscellaneous or Safety Risk Pool Actuarial Valuation Report as appropriate.

Your June 30, 2017 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your assigned CalPERS staff actuary, whose signature appears in the Actuarial Certification section on page 1, is available to discuss the report with you after August 1, 2018.

The exhibit below displays the minimum employer contributions, before any cost sharing, for Fiscal Year 2019-20 along with estimates of the required contributions for Fiscal Year 2020-21. Member contributions other than cost sharing (whether paid by the employer or the employee) are in addition to the results shown below. The employer contributions in this report do not reflect any cost sharing arrangements you may have with your employees.

Required Contribution

Fiscal Year	Employer Normal Cost Rate	Employer Payment of Unfunded Liability
2019-20	13.666%	\$1,060,669
<i>Projected Results</i>		
2020-21	14.5%	\$1,191,000

The actual investment return for Fiscal Year 2017-18 was not known at the time this report was prepared. The projections above assume the investment return for that year would be 7.25 percent. *If the actual investment return for Fiscal Year 2017-18 differs from 7.25 percent, the actual contribution requirements for the projected years will differ from those shown above.*

Moreover, the projected results for Fiscal Year 2020-21 assume that there are no future plan changes, no further changes in assumptions other than those recently approved, and no liability gains or losses. Such changes can have a significant impact on required contributions. Since they cannot be predicted in advance, the projected employer results shown above are estimates. The actual required employer contributions for Fiscal Year 2020-21 will be **provided in next year's report.**

For additional details regarding the assumptions and methods used for these projections please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section.

The "Risk Analysis" section of the valuation report also contains estimated employer contributions in future years under a variety of investment return scenarios.

## Changes since the Prior Year's Valuation

At its December 2016 meeting, the CalPERS Board of Administration lowered the discount rate from 7.50 percent to 7.00 percent using a three-year phase-in beginning with the June 30, 2016 actuarial valuations. The minimum employer contributions for Fiscal Year 2019-20 determined in this valuation were calculated using a discount rate of 7.25 percent. The projected employer contributions on Page 5 are calculated under the assumption that the discount rate will be lowered to 7.00 percent next year as adopted by the Board.

On December 19, 2017, the CalPERS Board of Administration adopted new actuarial assumptions based on the recommendations in the December 2017 CalPERS Experience Study and Review of Actuarial Assumptions. This study reviewed the retirement rates, termination rates, mortality rates, rates of salary increases and inflation assumption for Public Agencies. These new assumptions are incorporated in your actuarial valuations and will impact the required contribution for FY 2019-20. In addition, the Board adopted a new asset portfolio as part of its Asset Liability Management. The new asset mix supports a 7.00 percent discount rate. The reduction of the inflation assumption will be implemented in two steps in conjunction with the decreases in the discount rate. For the June 30, 2017 valuation an inflation rate of 2.625 percent was used and a rate of 2.50 percent will be used in the following valuation.

The CalPERS Board of Administration has adopted a new amortization policy effective with the June 30, 2019 actuarial valuation. The new policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed using a level dollar amount. In addition, the new policy removes the 5-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy removes the 5-year ramp-down on investment gains/losses. These changes will apply only to new UAL bases established on or after June 30, 2019.

For inactive employers the new amortization policy imposes a maximum amortization period of 15 years for all unfunded accrued liabilities effective June 30, 2017. Furthermore, the plan actuary has the ability to shorten the amortization period on any valuation date based on the life expectancy of plan members and projected cash flow needs to the plan. The impact of this has been reflected in the current valuation results.

The CalPERS Board of Administration adopted a Risk Mitigation Policy which is designed to reduce funding risk over time. This Policy has been temporarily suspended during the period over which the discount rate is being lowered. More details on the Risk Mitigation Policy can be found on our website.

Besides the above noted changes, there may also be changes specific to the plan such as contract amendments and funding changes.

Further descriptions of general changes are included in the "Highlights and Executive Summary" section and in **Appendix A**, "Statement of Actuarial Data, Methods and Assumptions" of the Section 2 report.

We understand that you might have a number of questions about these results. While we are very interested in discussing these results with your agency, in the interest of allowing us to give every public agency their results, we ask that you wait until after August 1 to contact us with actuarial related questions.

If you have other questions, please call our customer contact center at (888) CalPERS or (888-225-7377).

Sincerely,

SCOTT TERANDO  
Chief Actuary



Actuarial Valuation  
as of June 30, 2017

for the  
Miscellaneous Plan  
of the  
Tahoe-Truckee Sanitation Agency  
(CalPERS ID: 5084675063)

Required Contributions  
for Fiscal Year  
July 1, 2019 - June 30, 2020

# Table of Contents

Section 1 – Plan Specific Information

Section 2 – Risk Pool Actuarial Valuation Information

# Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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Plan Specific Information  
for the  
Miscellaneous Plan  
of the  
Tahoe-Truckee Sanitation Agency

(CalPERS ID: 5084675063)

(Rate Plan: 1235)

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## Actuarial Certification

Section 1 of this report is based on the member and financial data contained in our records as of June 30, 2017 which was provided by your agency and the benefit provisions under your contract with CalPERS. Section 2 of this report is based on the member and financial data as of June 30, 2017 provided by employers participating in the Miscellaneous Risk Pool to which the plan belongs and benefit provisions under the CalPERS contracts for those agencies.

As set forth in Section 2 of this report, the pool actuaries have certified that, in their opinion, the valuation of the risk pool containing your Miscellaneous Plan has been performed in accordance with generally accepted actuarial principles consistent with standards of practice prescribed by the Actuarial Standards Board, and that the assumptions and methods are internally consistent and reasonable for the risk pool as of the date of this valuation and as prescribed by the CalPERS Board of Administration according to provisions set forth in the **California Public Employees' Retirement Law**.

Having relied upon the information set forth in Section 2 of this report and based on the census and benefit provision information for the plan, it is my opinion as the plan actuary that Unfunded Accrued Liability amortization bases as of June 30, 2017 and employer contribution as of July 1, 2019, have been properly and accurately determined in accordance with the principles and standards stated above.

The undersigned is an actuary for CalPERS, a member of both the American Academy of Actuaries and Society of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

JEAN FANNJIANG, ASA, MAAA  
Senior Pension Actuary, CalPERS  
Plan Actuary

## Highlights and Executive Summary

- Introduction
- Purpose of Section 1
- Required Employer Contributions
- **Plan's Funded Status**
- Projected Employer Contributions
- Changes Since the Prior Year's **V**aluation
- Subsequent Events

## Introduction

This report presents the results of the June 30, 2017 actuarial valuation of the Miscellaneous Plan of the Tahoe-Truckee Sanitation Agency **of the California Public Employees' Retirement System (CalPERS)**. This actuarial valuation sets the required employer contributions for Fiscal Year 2019-20.

## Purpose of Section 1

This Section 1 report for the Miscellaneous Plan of the Tahoe-Truckee Sanitation Agency of the California **Public Employees' Retirement System (CalPERS)** was prepared by the plan actuary in order to:

- Set forth the assets and accrued liabilities of this plan as of June 30, 2017;
- Determine the minimum required employer contribution for this plan for the fiscal year July 1, 2019 through June 30, 2020; and
- Provide actuarial information as of June 30, 2017 to the CalPERS Board of Administration and other interested parties.

The pension funding information presented in this report should not be used in financial reports subject to GASB Statement No. 68 for a Cost Sharing Employer Defined Benefit Pension Plan. A separate accounting valuation report for such purposes is available from CalPERS and details for ordering are available on our website.

The measurements shown in this actuarial valuation may not be applicable for other purposes. The employer should contact their actuary before disseminating any portion of this report for any reason that is not explicitly described above.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes in actuarial policies; and changes in plan provisions or applicable law.

### California Actuarial Advisory Panel Recommendations

This report includes all the basic disclosure elements as described in the *Model Disclosure Elements for Actuarial Valuation Reports* recommended in 2011 by the California Actuarial Advisory Panel (CAAP), with the exception of including the original base amounts of the various components of the unfunded liability in the Schedule of Amortization Bases shown on page 9.

Additionally, this report includes **the following "Enhanced Risk Disclosures"** also recommended by the CAAP in the Model Disclosure Elements document:

- A **"Deterministic Stress Test,"** projecting future results under different investment income scenarios
- A **"Sensitivity Analysis,"** showing the impact on current valuation results using alternative discount rates of 6.0 percent, 7.0 percent and 8.0 percent.

## Required Employer Contributions

	Fiscal Year	
Required Employer Contributions	2019-20	
Employer Normal Cost Rate	13.666%	
<i>Plus, Either</i>		
1) Monthly Employer Dollar UAL Payment	\$	88,389.10
<i>Or</i>		
2) Annual Lump Sum Prepayment Option	\$	1,024,192
<p><i>The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars).</i></p> <p><i>Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change.</i></p> <p><i>In accordance with Sections 20537 and 20572 of the Public Employees' Retirement Law, if a contracting agency fails to remit the required contributions when due, interest and penalties may apply.</i></p>		

	Fiscal Year	Fiscal Year
	2018-19	2019-20
Development of Normal Cost as a Percentage of Payroll <sup>1</sup>		
Base Total Normal Cost for Formula	19.521%	20.468%
Surcharge for Class 1 Benefits <sup>2</sup>		
a) 3% COLA	1.291%	1.152%
Phase out of Normal Cost Difference <sup>3</sup>	0.000%	0.000%
<b>Plan's Total Normal Cost</b>	<b>20.812%</b>	<b>21.620%</b>
Formula's Expected Employee Contribution Rate	7.952%	7.954%
Employer Normal Cost Rate	12.860%	13.666%
Projected Payroll for the Contribution Fiscal Year	\$ 4,251,401	\$ 3,571,661
Estimated Employer Contributions Based on Projected Payroll		
<b>Plan's Estimated Employer Normal Cost</b>	\$ 546,730	\$ 488,103
<b>Plan's Payment on Amortization Bases<sup>4</sup></b>	883,817	1,060,669
% of Projected Payroll (illustrative only)	20.789%	29.697%
Estimated Total Employer Contribution	\$ 1,430,547	\$ 1,548,772
% of Projected Payroll (illustrative only)	33.649%	43.363%

<sup>1</sup> The results shown for Fiscal Year 2018-19 reflect the prior year valuation and may not take into account any lump sum payment, side fund payoff, or rate adjustment made after June 30, 2017.

<sup>2</sup> Section 2 of this report contains a list of Class 1 benefits and corresponding surcharges for each benefit.

<sup>3</sup> The normal cost difference is phased out over a five-year period. The phase out of normal cost difference is 100 percent for the first year of pooling, and is incrementally reduced by 20 percent of the original normal cost difference for each subsequent year. This is non-zero only for plans that joined a pool within the past 5 years. Most plans joined a pool June 30, 2003, when risk pooling was implemented.

<sup>4</sup> See page 9 for a breakdown of the Amortization Bases.

## Plan's Funded Status

		June 30, 2016		June 30, 2017
1. Present Value of Projected Benefits (PVB)	\$	58,692,027	\$	60,287,764
2. Entry Age Normal Accrued Liability (AL)		53,208,168		54,789,304
3. <b>Plan's Market Value of Assets (MVA)</b>		38,040,312		39,653,083
4. Unfunded Accrued Liability (UAL) [(2) - (3)]		15,167,856		15,136,221
5. Funded Ratio [(3) / (2)]		71.5%		72.4%

This measure of funded status is an assessment of the need for future employer contributions based on the selected actuarial cost method used to fund the plan. The UAL is the present value of future employer contributions for service that has already been earned and is in addition to future normal cost contributions for active members. For a measure of funded status that is appropriate for assessing the sufficiency of plan assets to cover estimated **termination liabilities**, please see "Hypothetical Termination Liability" in the "Risk Analysis" section.

## Projected Employer Contributions

The table below shows projected employer contributions (before cost sharing) for the next six fiscal years. Projected **results reflect the adopted changes to the discount rate described in Appendix A, "Statement of Actuarial Data, Methods and Assumptions"** of the Section 2 report. The projections also assume that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period.

Fiscal Year	Required Contribution	Projected Future Employer Contributions (Assumes 7.25% Return for Fiscal Year 2017-18)				
		2019-20	2020-21	2021-22	2022-23	2023-24
Normal Cost %	13.666%	14.5%	14.5%	14.5%	14.5%	14.5%
UAL Payment	\$1,060,669	\$1,191,000	\$1,349,000	\$1,479,000	\$1,553,000	\$1,632,000

Changes in the UAL due to actuarial gains or losses as well as changes in actuarial assumptions or methods are amortized using a **5-year ramp up**. For more information, please see "Amortization of the Unfunded Actuarial Accrued Liability" under "Actuarial Methods" in Appendix A of Section 2. This method phases in the impact of unanticipated changes in UAL over a 5-year period and attempts to minimize employer cost volatility from year to year. As a result of this methodology, dramatic changes in the required employer contributions in any one year are less likely. However, required contributions can change gradually and significantly over the next five years. In years where there is a large increase in UAL the relatively small amortization payments during the ramp up period could result in a funded ratio that is projected to decrease initially while the contribution impact of the increase in the UAL is phased in.

Due to the adopted changes in the discount rate for next **year's** valuation in combination with the 5-year phase-in ramp, the increases in the required contributions are expected to continue for six years from Fiscal Year 2019-20 through Fiscal Year 2024-25.

For projected contributions under alternate investment return scenarios, please see the "Analysis of Future Investment Return Scenarios" in the "Risk Analysis" section.

## Changes since the Prior **Year's** Valuation

### Benefits

None. This valuation generally reflects plan changes by amendments effective before the date of the report. Please refer to **the "Plan's Major Benefit Options"** and Appendix B of Section 2 for a summary of the plan provisions used in this valuation.

### Actuarial Methods and Assumptions

At its December 2016 meeting, the CalPERS Board of Administration lowered the discount rate from 7.50 percent to 7.00 percent using a three-year phase-in beginning with the June 30, 2016 actuarial valuations. The minimum employer contributions for Fiscal Year 2019-20 determined in this valuation were calculated using a discount rate of 7.25 percent. The projected employer contributions on page 5 are calculated assuming that the discount rate will be lowered to 7.00 percent next year as adopted by the Board. The decision to reduce the discount rate was primarily based on reduced capital market assumptions provided by external investment consultants and CalPERS investment staff. The specific decision adopted by the Board reflected recommendations from CalPERS staff and additional input from employer and employee stakeholder groups. Based on the investment allocation adopted by the Board and capital market assumptions, the reduced discount rate assumption provides a more realistic assumption for the long-term investment return of the fund.

On December 19, 2017, the CalPERS Board of Administration adopted new actuarial assumptions based on the recommendations in the December 2017 CalPERS Experience Study and Review of Actuarial Assumptions. This study reviewed the retirement rates, termination rates, mortality rates, rates of salary increases and inflation assumption for Public Agencies. These new assumptions are incorporated in this actuarial valuation and will impact the required contribution for FY 2019-20. In addition, the Board adopted a new asset portfolio as part of its Asset Liability Management. The new asset mix supports a 7.00 percent discount rate. The reduction of the inflation assumption will be implemented in two steps in conjunction with the decreases in the discount rate. For the June 30, 2017 valuation an inflation rate of 2.625 percent will be used and a rate of 2.50 percent in the following valuation.

**Notwithstanding the Board's decision to** phase into a 7.0 percent discount rate, subsequent analysis of the expected investment return of CalPERS assets or changes to the investment allocation may result in a change to this three-year discount rate schedule.

## Subsequent Events

The CalPERS Board of Administration has adopted a new amortization policy effective with the June 30, 2019 actuarial valuation. The new policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed using a level dollar amount. In addition, the new policy removes the 5-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy removes the 5-year ramp-down on investment gains/losses. These changes will apply only to new UAL bases established on or after June 30, 2019.

For inactive employers the new amortization policy imposes a maximum amortization period of 15 years for all unfunded accrued liabilities effective June 30, 2017. Furthermore, the plan actuary has the ability to shorten the amortization period on any valuation date based on the life expectancy of plan members and projected cash flow needs to the plan. The impact of this has been reflected in the current valuation results.

The contribution requirements determined in this actuarial valuation report are based on demographic and financial information as of June 30, 2017. Changes in the value of assets subsequent to that date are not reflected. Investment returns below the assumed rate of return will increase the retired contribution, while investment returns above the assumed rate of return will decrease the retired contribution.

This actuarial valuation report reflects statutory changes, regulatory changes and CalPERS Board actions through January 2018. Any subsequent changes or actions are not reflected.

## Assets and Liabilities

- Breakdown of Entry Age Normal Accrued Liability
- Allocation **of Plan's Share of Pool's Experience/Assumption Change**
- **Development of Plan's Share of Pool's** MVA
- **Schedule of Plan's** Amortization Bases
- Amortization Schedule and Alternatives
- Employer Contribution History
- Funding History

## Breakdown of Entry Age Normal Accrued Liability

Active Members	\$	11,974,049
Transferred Members		859,748
Terminated Members		408,257
Members and Beneficiaries Receiving Payments		<u>41,547,250</u>
Total	\$	54,789,304

## Allocation of Plan's Share of Pool's Experience/Assumption Change

It is the policy of CalPERS to ensure equity within the risk pools by allocating the pool's experience gains/losses and assumption changes in a manner that treats each employer equitably and maintains benefit security for the members of the System while minimizing substantial variations in employer contributions. The Pool's experience gains/losses and impact of assumption/method changes is allocated to the plan as follows:

1. Plan's Accrued Liability	\$	54,789,304
2. Projected UAL balance at 6/30/17		15,674,263
3. Pool's Accrued Liability <sup>1</sup>	\$	15,780,998,593
4. Sum of Pool's Individual Plan UAL Balances at 6/30/17 <sup>1</sup>		3,912,002,885
5. Pool's 2016/17 Investment & Asset (Gain)/Loss		(413,206,167)
6. Pool's 2016/17 Other (Gain)/Loss		(21,126,605)
7. Plan's Share of Pool's Asset (Gain)/Loss $[(1) - (2)] / [(3) - (4)] * (5)$		(1,361,748)
8. Plan's Share of Pool's Other (Gain)/Loss $[(1)] / [(3)] * (6)$		(73,348)
9. Plan's New (Gain)/Loss as of 6/30/2017 $[(7) + (8)]$	\$	(1,435,096)
10. Increase in Pool's Accrued Liability due to Change in Assumptions <sup>1</sup>		258,379,047
11. Plan's Share of Pool's Change in Assumptions $[(1)] / [(3)] * (10)$	\$	897,054

<sup>1</sup> Does not include plans that transferred to Pool on the valuation date.

## Development of the Plan's Share of Pool's Market Value of Assets

12. Plan's UAL $[(2) + (9) + (11)]$	\$	15,136,221
13. Plan's Share of Pool's MVA $[(1) - (12)]$	\$	39,653,083



## Schedule of Plan's Amortization Bases

There is a two-year lag between the valuation date and the start of the contribution fiscal year.

- The assets, liabilities, and funded status of the plan are measured as of the valuation date: June 30, 2017.
- The employer contribution determined by the valuation is for the fiscal year beginning two years after the valuation date: Fiscal Year 2019-20.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the payment on the UAL for the fiscal year and adjusting for interest. Additional discretionary payments are reflected in the Expected Payments column in the fiscal year they were made by the agency.

Reason for Base	Date Established	Ramp Up/Down 2019-20	Amortization Period	Balance 6/30/17	Payment 2017-18	Balance 6/30/18	Payment 2018-19	Amounts for Fiscal 2019-20	
								Balance 6/30/19	Scheduled Payment for 2019-20
SHARE OF PRE-2013 POOL UAL	06/30/13	No Ramp	17	\$6,343,798	\$495,586	\$6,290,487	\$504,526	\$6,224,052	\$518,228
ASSET (GAIN)/LOSS	06/30/13	100% →	26	\$5,091,599	\$205,597	\$5,247,820	\$278,258	\$5,340,119	\$357,341
NON-ASSET (GAIN)/LOSS	06/30/13	100% →	26	\$19,280	\$779	\$19,871	\$1,054	\$20,220	\$1,353
ASSET (GAIN)/LOSS	06/30/14	80% ↗	27	\$(4,050,900)	\$(110,813)	\$(4,229,831)	\$(168,616)	\$(4,361,872)	\$(230,987)
NON-ASSET (GAIN)/LOSS	06/30/14	80% ↗	27	\$4,573	\$125	\$4,775	\$190	\$4,924	\$261
ASSUMPTION CHANGE	06/30/14	80% ↗	17	\$2,610,596	\$97,186	\$2,699,217	\$148,496	\$2,741,125	\$203,381
ASSET (GAIN)/LOSS	06/30/15	60% ↗	28	\$2,448,242	\$34,475	\$2,590,037	\$69,889	\$2,705,437	\$107,715
NON-ASSET (GAIN)/LOSS	06/30/15	60% ↗	28	\$(205,763)	\$(2,897)	\$(217,681)	\$(5,874)	\$(227,380)	\$(9,053)
ASSET (GAIN)/LOSS	06/30/16	40% ↗	29	\$2,893,896	\$0	\$3,103,703	\$43,069	\$3,284,119	\$88,512
NON-ASSET (GAIN)/LOSS	06/30/16	40% ↗	29	\$(368,488)	\$0	\$(395,203)	\$(5,484)	\$(418,176)	\$(11,270)
ASSUMPTION CHANGE	06/30/16	40% ↗	19	\$887,430	\$(17,872)	\$970,277	\$18,310	\$1,021,660	\$37,622
ASSET (GAIN)/LOSS	06/30/17	20% ↗	30	\$(1,361,748)	\$0	\$(1,460,474)	\$0	\$(1,566,359)	\$(21,711)
NON-ASSET (GAIN)/LOSS	06/30/17	20% ↗	30	\$(73,348)	\$0	\$(78,666)	\$0	\$(84,370)	\$(1,169)
ASSUMPTION CHANGE	06/30/17	20% ↗	20	\$897,054	\$(24,450)	\$987,412	\$(25,153)	\$1,085,048	\$20,448
<b>TOTAL</b>				\$15,136,221	\$677,716	\$15,531,744	\$858,665	\$15,768,547	\$1,060,671

The (gain)/loss bases are the plan's allocated share of the risk pool's (gain)/loss for the fiscal year as disclosed on the previous page. These (gain)/loss bases will be amortized according to Board policy over 30 years with a 5-year ramp-up.

If the total Unfunded Liability is negative (i.e., plan has a surplus), the scheduled payment is \$0, because the minimum required contribution under PEPRA must be at least equal to the normal cost.

## Amortization Schedule and Alternatives

The amortization schedule on the previous page shows the minimum contributions required according to CalPERS amortization policy. There has been considerable interest from many agencies in paying off these unfunded accrued liabilities sooner and the possible savings in doing so. As a result, we have provided alternate amortization schedules to help analyze the current amortization schedule and illustrate the advantages of accelerating unfunded liability payments.

Shown on the following page are future year amortization payments based on: 1) the current amortization schedule reflecting the individual bases and remaining periods shown on the previous page, and 2) alternate **"fresh start" amortization schedules using two sample periods that would both result** in interest savings relative to the current amortization schedule. Note that the payments under each alternate scenario increase by 2.875 percent for each year into the future. The schedules do not attempt to reflect any experience after June 30, 2017 that may deviate from the actuarial assumptions. Therefore, future amortization payments displayed in the Current Amortization Schedule may not match projected amortization payments shown in connection with Projected Employer Contributions provided elsewhere in this report.

The Current Amortization Schedule typically contains individual bases that are both positive and negative. Positive bases result from plan changes, assumption changes or plan experience that result in increases to unfunded liability. Negative bases result from plan changes, assumption changes or plan experience that result in decreases to unfunded liability. The combination of positive and negative bases within an amortization schedule can result in unusual or problematic circumstances in future years such as:

- A positive total unfunded liability with a negative total payment,
- A negative total unfunded liability with a positive total payment, or
- Total payments that completely amortize the unfunded liability over a very short period of time

In any year where one of the above scenarios occurs, the actuary will consider corrective action such as **replacing the existing unfunded liability bases with a single "fresh start" base and amortizing it over a reasonable period.**

The Current Amortization Schedule on the following page may appear to show that, based on the current amortization bases, one of the above scenarios will occur at some point in the future. It is impossible to know today whether such a scenario will in fact arise since there will be additional bases added to the amortization schedule in each future year. Should such a scenario arise in any future year, the actuary will take appropriate action based on guidelines in the CalPERS amortization policy.

## Amortization Schedule and Alternatives

Date	<u>Current Amortization Schedule</u>		<u>Alternate Schedules</u>			
	Balance	Payment	15 Year Amortization		10 Year Amortization	
			Balance	Payment	Balance	Payment
6/30/2019	15,768,548	1,060,669	15,768,548	1,433,848	15,768,548	1,955,605
6/30/2020	15,813,322	1,174,544	15,426,852	1,475,072	14,886,513	2,011,828
6/30/2021	15,743,412	1,301,325	15,017,691	1,517,480	13,882,304	2,069,668
6/30/2022	15,537,136	1,398,619	14,534,948	1,561,107	12,745,390	2,129,171
6/30/2023	15,215,147	1,436,106	13,972,024	1,605,989	11,464,428	2,190,385
6/30/2024	14,830,991	1,477,394	13,321,808	1,652,162	10,027,202	2,253,358
6/30/2025	14,376,226	1,519,869	12,576,635	1,699,661	8,420,560	2,318,143
6/30/2026	13,844,502	1,563,565	11,728,245	1,748,526	6,630,346	2,384,789
6/30/2027	13,228,976	1,608,517	10,767,741	1,798,797	4,641,321	2,453,352
6/30/2028	12,522,271	1,654,762	9,685,540	1,850,512	2,437,087	2,523,886
6/30/2029	11,716,437	1,702,337	8,471,322	1,903,714		
6/30/2030	10,802,912	1,751,279	7,113,977	1,958,446		
6/30/2031	9,772,471	1,801,628	5,601,543	2,014,751		
6/30/2032	8,615,181	1,779,927	3,921,146	2,072,675		
6/30/2033	7,396,461	1,755,488	2,058,934	2,132,265		
6/30/2034	6,114,694	1,699,396				
6/30/2035	4,798,088	1,606,444				
6/30/2036	3,482,291	667,693				
6/30/2037	3,043,283	621,498				
6/30/2038	2,620,288	572,095				
6/30/2039	2,217,788	552,497				
6/30/2040	1,806,404	568,381				
6/30/2041	1,348,744	450,886				
6/30/2042	979,583	436,870				
6/30/2043	598,173	356,742				
6/30/2044	272,092	193,201				
6/30/2045	91,737	67,772				
6/30/2046	28,202	29,207				
6/30/2047						
6/30/2048						
Totals		30,808,712		26,425,006		22,290,185
Interest Paid		15,040,163		10,656,457		6,521,636
Estimated Savings				4,383,705		8,518,526

\* This schedule does not reflect the impact of adopted discount rate changes that will become effective beyond June 30, 2017. For Projected Employer Contributions, please see page 5.

## Employer Contribution History

The table below provides a recent history of the required employer contributions for the plan, as determined by the annual actuarial valuation. It does not account for prepayments or benefit changes made during a fiscal year.

Fiscal Year	Employer Normal Cost	Unfunded Liability Payment (\$)
2016 - 17	12.252%	\$608,173
2017 - 18	12.293%	\$720,036
2018 - 19	12.860%	\$883,817
2019 - 20	13.666%	\$1,060,669

## Funding History

The funding history below shows the **plan's actuarial accrued liability, share of the pool's market value of assets, share of the pool's unfunded liability, funded ratio, and annual covered payroll.**

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Plan's Share of Pool's Unfunded Liability	Funded Ratio	Annual Covered Payroll
06/30/2011	\$ 38,148,001	\$ 29,308,573	\$ 8,839,428	76.8%	\$ 4,607,627
06/30/2012	40,245,298	29,170,945	11,074,353	72.5%	4,194,169
06/30/2013	42,820,951	32,848,295	9,972,656	76.7%	4,251,202
06/30/2014	47,897,904	38,597,431	9,300,473	80.6%	4,136,717
06/30/2015	50,499,856	38,838,445	11,661,411	76.9%	4,236,875
06/30/2016	53,208,168	38,040,312	15,167,856	71.5%	3,890,634
06/30/2017	54,789,304	39,653,083	15,136,221	72.4%	3,280,505

## Risk Analysis

- Analysis of Future Investment Return Scenarios
- Analysis of Discount Rate Sensitivity
- Volatility Ratios
- Hypothetical Termination Liability

## Analysis of Future Investment Return Scenarios

Analysis was performed to determine the effects of various future investment returns on required employer contributions. The projections below provide a range of results based on five investment return scenarios assumed to occur during the next four fiscal years (2017-18, 2018-19, 2019-20 and 2020-21). The projections also assume that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur.

Each of the five investment return scenarios assumes a return of 7.25 percent for fiscal year 2017-18. For fiscal years 2018-19, 2019-20, and 2020-21 each scenario assumes an alternate fixed annual return. The fixed return assumptions for the five scenarios are 1.0 percent, 4.0 percent, 7.0 percent, 9.0 percent and 12.0 percent.

The alternate investment returns were chosen based on stochastic analysis of possible future investment returns over the four-year period ending June 30, 2021. Using the expected returns and volatility of the asset classes in which the funds are invested, we produced five thousand stochastic outcomes for this period based on the recently completed Asset Liability Management process. We then selected annual returns that approximate the 5<sup>th</sup>, 25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup>, and 95<sup>th</sup> percentiles for these outcomes. For example, of all the 4-year outcomes generated in the stochastic analysis, approximately 25 percent of them had an average annual return of 4.0 percent or less.

Required contributions outside of this range are also possible. In particular, whereas it is unlikely that investment returns will average less than 1.0 percent or greater than 12.0 percent over this four-year period, the possibility of a single investment return less than 1.0 percent or greater than 12.0 percent in any given year is much greater.

Assumed Annual Return From 2018-19 through 2020-21	Projected Employer Contributions			
	2020-21	2021-22	2022-23	2023-24
<b>1.0%</b>				
Normal Cost	14.5%	14.5%	14.5%	14.5%
UAL Contribution	\$1,191,000	\$1,388,000	\$1,601,000	\$1,801,000
<b>4.0%</b>				
Normal Cost	14.5%	14.5%	14.5%	14.5%
UAL Contribution	\$1,191,000	\$1,368,000	\$1,541,000	\$1,679,000
<b>7.0%</b>				
Normal Cost	14.5%	14.5%	14.5%	14.5%
UAL Contribution	\$1,191,000	\$1,349,000	\$1,479,000	\$1,553,000
<b>9.0%</b>				
Normal Cost	14.5%	14.8%	15.1%	15.4%
UAL Contribution	\$1,191,000	\$1,336,000	\$1,443,000	\$1,484,000
<b>12.0%</b>				
Normal Cost	14.5%	14.8%	15.1%	15.4%
UAL Contribution	\$1,191,000	\$1,316,000	\$1,381,000	\$1,351,000

Given the temporary suspension of the Risk Mitigation Policy during the period over which the discount rate assumption is being phased down to 7.0 percent, the projections above were performed without reflection of any possible impact of this Policy for Fiscal Year 2020-21. In addition, the projections above do not reflect the recent changes to the new amortization policy effective with the June 30, 2019 valuation but the impact on the results above is expected to be minimal.

## Analysis of Discount Rate Sensitivity

Shown below are various valuation results as of June 30, 2017 assuming alternate discount rates. Results are shown using the current discount rate of 7.25 percent as well as alternate discount rates of 6.0 percent, 7.0 percent, and 8.0 percent. The alternate rate of 7.0 percent was selected since the Board has adopted this rate as the final discount rate at the end of the three-year phase-in of the reduction in this assumption. The rates of 6.0 percent and 8.0 percent were selected since they illustrate the impact of a 1 percent increase or decrease to the 7.0 percent assumption. This analysis shows the potential plan impacts if the PERF were to realize investment returns of 6.0 percent, 7.0 percent, or 8.0 percent over the long-term.

This type of analysis gives the reader a sense of the long-term risk to required contributions. For a measure of funded status that is appropriate for assessing the sufficiency of plan assets to cover estimated termination liabilities, **please see "Hypothetical Termination Liability" at the end** of this section.

Sensitivity Analysis				
As of June 30, 2017	<b>Plan's</b> Total Normal Cost	Accrued Liability	Unfunded Accrued Liability	Funded Status
7.25% (current discount rate)	21.620%	\$54,789,304	\$15,136,221	72.4%
6.0%	28.048%	\$63,050,447	\$23,397,364	62.9%
7.0%	22.482%	\$55,657,350	\$16,004,267	71.2%
8.0%	18.225%	\$49,539,975	\$9,886,892	80.0%

## Volatility Ratios

Actuarial calculations are based on a number of assumptions about long-term demographic and economic behavior. Unless these assumptions (terminations, deaths, disabilities, retirements, salary growth, and investment return) are exactly realized each year, there will be differences on a year-to-year basis. The year-to-year differences between actual experience and the assumptions are called actuarial gains and losses and serve to lower or raise required employer contributions from one year to the next. Therefore, employer contributions will inevitably fluctuate, especially due to the ups and downs of investment returns.

### Asset Volatility Ratio (AVR)

Plans that have higher asset-to-payroll ratios experience more volatile employer contributions (as a percentage of payroll) due to investment return. For example, a plan with an asset-to-payroll ratio of 8 may experience twice the contribution volatility due to investment return volatility, than a plan with an asset-to-payroll ratio of 4. Shown below is the asset **volatility ratio, a measure of the plan's current contribution volatility**. It should be noted that this ratio is a measure of the current situation. It increases over time but generally tends to stabilize as the plan matures.

### Liability Volatility Ratio (LVR)

Plans that have higher liability-to-payroll ratios experience more volatile employer contributions (as a percentage of payroll) due to investment return and changes in liability. For example, a plan with a liability-to-payroll ratio of 8 is expected to have twice the contribution volatility of a plan with a liability-to-payroll ratio of 4. The liability volatility ratio is also shown in the table below. It should be noted that this ratio indicates a longer-term potential for contribution volatility. The asset volatility ratio, described above, will tend to move closer to the liability volatility ratio as the plan matures. Since the liability volatility ratio is a long-term measure, it is shown below at the current discount rate (7.25 percent) as well as the discount rate the Board has adopted to determine the contribution requirement in the June 30, 2018 actuarial valuation (7.00 percent).

Rate Volatility	As of June 30, 2017	
1. Market Value of Assets	\$	39,653,083
2. Payroll		3,280,505
3. Asset Volatility Ratio (AVR) [(1) / (2)]		12.1
4. Accrued Liability	\$	54,789,304
5. Liability Volatility Ratio (LVR) [(4) / (2)]		16.7
6. Accrued Liability (7.00% discount rate)		55,657,350
7. Projected Liability Volatility Ratio [(6) / (2)]		17.0



## Hypothetical Termination Liability

The hypothetical termination liability is an estimate of the financial position of the plan had the contract with CalPERS been terminated as of June 30, 2017. The plan liability on a termination basis is calculated differently **compared to the plan's ongoing funding liability**. For the hypothetical termination liability calculation, both compensation and service are frozen as of the valuation date and no future pay increases or service accruals are assumed. This measure of funded status is not appropriate for assessing the need for future employer contributions in the case of an ongoing plan, that is, for an employer that continues to provide CalPERS retirement benefits to active employees.

A more conservative investment policy and asset allocation strategy was adopted by the CalPERS Board for the Terminated Agency Pool. The Terminated Agency Pool has limited funding sources since no future employer contributions will be made. Therefore, expected benefit payments are secured by risk-free assets and benefit security for members is increased while funding risk is limited. However, this asset allocation has a lower expected rate of return than the PERF and consequently, a lower discount rate is assumed. The lower discount rate for the Terminated Agency Pool results in higher liabilities for terminated plans.

The effective termination discount rate will depend on actual market rates of return for risk-free securities on the date of termination. As market discount rates are variable, the table below shows a range for the hypothetical termination liability based on the lowest and highest interest rates observed during an approximate 2-year period centered around the valuation date.

Market Value of Assets (MVA)	Hypothetical Termination Liability <sup>1,2</sup> @ 1.75%	Funded Status	Unfunded Termination Liability @ 1.75%	Hypothetical Termination Liability <sup>1,2</sup> @ 3.00%	Funded Status	Unfunded Termination Liability @ 3.00%
\$39,653,083	\$98,461,090	40.3%	\$58,808,008	\$88,416,236	44.9%	\$48,763,153

<sup>1</sup> The hypothetical liabilities calculated above include a 5 percent mortality contingency load in accordance with Board policy. Other actuarial assumptions can be found in Appendix A.

<sup>2</sup> The current discount rate assumption used for termination valuations is a weighted average of the 10-year and 30-year U.S. Treasury yields where the weights are based on matching asset and liability durations as of the termination date. The discount rates used in the table are based on 20-year Treasury bonds, rounded to the nearest quarter percentage point, which is a good proxy for most plans. The 20-year Treasury yield was 2.61 percent on June 30, 2017, and was 2.83 percent on January 31, 2018.

In order to terminate the plan, you must first contact our Retirement Services Contract Unit to initiate a Resolution of Intent to terminate. The completed Resolution will allow the plan actuary to give you a preliminary termination valuation with a more up-to-date estimate of the plan liabilities. CalPERS advises you to consult with the plan actuary before beginning this process.

## Participant Data

The table below shows a summary of **your plan's** member data upon which this valuation is based:

	June 30, 2016	June 30, 2017
Reported Payroll	\$ 3,890,634	\$ 3,280,505
Projected Payroll for Contribution Purposes	\$ 4,251,401	\$ 3,571,661
Number of Members		
Active	40	32
Transferred	4	4
Separated	12	13
Retired	74	80

## List of Class 1 Benefit Provisions

This plan has the additional Class 1 Benefit Provisions:

- 3% Annual Cost-of-Living Allowance Increase (3% COLA)

## **Plan's Major Benefit** Options

## Plan's Major Benefit Options

Shown below is a summary of the major optional benefits for which your agency has contracted. A description of principal standard and optional plan provisions is in Appendix B within Section 2 of this report.

Benefit Provision	Contract package		
	Active Misc	Inactive Misc	Receiving Misc
Benefit Formula	2.7% @ 55	2.0% @ 55	
Social Security Coverage	No	No	
Full/Modified	Full	Full	
Employee Contribution Rate	8.00%		
Final Average Compensation Period	Three Year	Three Year	
Sick Leave Credit	Yes	Yes	
Non-Industrial Disability	Standard	Standard	
Industrial Disability	No	No	
Pre-Retirement Death Benefits			
Optional Settlement 2	Yes	Yes	
1959 Survivor Benefit Level	level 3	level 3	
Special	No	No	
Alternate (firefighters)	No	No	No
Post-Retirement Death Benefits			
Lump Sum	\$500	\$500	\$500
Survivor Allowance (PRSA)	No	No	No
COLA	3%	3%	3%

# Section 2

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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**Section 2 may be found on the CalPERS website  
([www.calpers.ca.gov](http://www.calpers.ca.gov)) in the Forms and  
Publications section**



**California Public Employees' Retirement System**  
**Actuarial Office**  
 P.O. Box 942709  
 Sacramento, CA 94229-2709  
 TTY: (916) 795-3240  
 (888) 225-7377 phone – (916) 795-2744 fax  
[www.calpers.ca.gov](http://www.calpers.ca.gov)

August 2018

PEPRA Miscellaneous Plan of the Tahoe-Truckee Sanitation Agency  
 (CalPERS ID: 5084675063)  
 Annual Valuation Report as of June 30, 2017

Dear Employer,

As an attachment to this letter, you will find a copy of the June 30, 2017 actuarial valuation report of the pension plan.

Because this plan is in a risk pool, the following valuation report has been separated into two sections:

- Section 1 contains specific information for the plan including the development of the current and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2017.

Section 2 can be found on the CalPERS website at ([www.calpers.ca.gov](http://www.calpers.ca.gov)). From the home page, go to "Forms & Publications" and select "View All". In the search box, enter "Risk Pool" and from the results list download the Miscellaneous or Safety Risk Pool Actuarial Valuation Report as appropriate.

Your June 30, 2017 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your assigned CalPERS staff actuary, whose signature appears in the Actuarial Certification section on page 1, is available to discuss the report with you after August 1, 2018.

The exhibit below displays the minimum employer contributions, before any cost sharing, for Fiscal Year 2019-20 along with estimates of the required contributions for Fiscal Year 2020-21. Member contributions other than cost sharing (whether paid by the employer or the employee) are in addition to the results shown below. The employer contributions in this report do not reflect any cost sharing arrangements you may have with your employees.

Required Contribution

Fiscal Year	Employer Normal Cost Rate	Employer Payment of Unfunded Liability
2019-20	7.191%	\$2,425
<i>Projected Results</i>		
2020-21	7.8%	\$2,900

The actual investment return for Fiscal Year 2017-18 was not known at the time this report was prepared. The projections above assume the investment return for that year would be 7.25 percent. *If the actual investment return for Fiscal Year 2017-18 differs from 7.25 percent, the actual contribution requirements for the projected years will differ from those shown above.*

Moreover, the projected results for Fiscal Year 2020-21 assume that there are no future plan changes, no further changes in assumptions other than those recently approved, and no liability gains or losses. Such changes can have a significant impact on required contributions. Since they cannot be predicted in advance, the projected employer results shown above are estimates. The actual required employer contributions for Fiscal Year 2020-21 will be **provided in next year's report.**

For additional details regarding the assumptions and methods used for these projections please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section.

The "Risk Analysis" section of the valuation report also contains estimated employer contributions in future years under a variety of investment return scenarios.

## Changes since the Prior Year's Valuation

At its December 2016 meeting, the CalPERS Board of Administration lowered the discount rate from 7.50 percent to 7.00 percent using a three-year phase-in beginning with the June 30, 2016 actuarial valuations. The minimum employer contributions for Fiscal Year 2019-20 determined in this valuation were calculated using a discount rate of 7.25 percent. The projected employer contributions on Page 5 are calculated under the assumption that the discount rate will be lowered to 7.00 percent next year as adopted by the Board.

On December 19, 2017, the CalPERS Board of Administration adopted new actuarial assumptions based on the recommendations in the December 2017 CalPERS Experience Study and Review of Actuarial Assumptions. This study reviewed the retirement rates, termination rates, mortality rates, rates of salary increases and inflation assumption for Public Agencies. These new assumptions are incorporated in your actuarial valuations and will impact the required contribution for FY 2019-20. In addition, the Board adopted a new asset portfolio as part of its Asset Liability Management. The new asset mix supports a 7.00 percent discount rate. The reduction of the inflation assumption will be implemented in two steps in conjunction with the decreases in the discount rate. For the June 30, 2017 valuation an inflation rate of 2.625 percent was used and a rate of 2.50 percent will be used in the following valuation.

The CalPERS Board of Administration has adopted a new amortization policy effective with the June 30, 2019 actuarial valuation. The new policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed using a level dollar amount. In addition, the new policy removes the 5-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy removes the 5-year ramp-down on investment gains/losses. These changes will apply only to new UAL bases established on or after June 30, 2019.

For inactive employers the new amortization policy imposes a maximum amortization period of 15 years for all unfunded accrued liabilities effective June 30, 2017. Furthermore, the plan actuary has the ability to shorten the amortization period on any valuation date based on the life expectancy of plan members and projected cash flow needs to the plan. The impact of this has been reflected in the current valuation results.

The CalPERS Board of Administration adopted a Risk Mitigation Policy which is designed to reduce funding risk over time. This Policy has been temporarily suspended during the period over which the discount rate is being lowered. More details on the Risk Mitigation Policy can be found on our website.

Besides the above noted changes, there may also be changes specific to the plan such as contract amendments and funding changes.

Further descriptions of general changes are included in the "Highlights and Executive Summary" section and in **Appendix A**, "Statement of Actuarial Data, Methods and Assumptions" of the Section 2 report.

We understand that you might have a number of questions about these results. While we are very interested in discussing these results with your agency, in the interest of allowing us to give every public agency their results, we ask that you wait until after August 1 to contact us with actuarial related questions.

If you have other questions, please call our customer contact center at (888) CalPERS or (888-225-7377).

Sincerely,

SCOTT TERANDO  
Chief Actuary



Actuarial Valuation  
as of June 30, 2017

for the  
PEPRA Miscellaneous Plan  
of the  
Tahoe-Truckee Sanitation Agency  
(CalPERS ID: 5084675063)

Required Contributions  
for Fiscal Year  
July 1, 2019 - June 30, 2020



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Section 1 – Plan Specific Information

Section 2 – Risk Pool Actuarial Valuation Information

# Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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Plan Specific Information  
for the  
PEPRA Miscellaneous Plan  
of the  
Tahoe-Truckee Sanitation Agency

(CalPERS ID: 5084675063)

(Rate Plan: 26799)

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## Actuarial Certification

Section 1 of this report is based on the member and financial data contained in our records as of June 30, 2017 which was provided by your agency and the benefit provisions under your contract with CalPERS. Section 2 of this report is based on the member and financial data as of June 30, 2017 provided by employers participating in the Miscellaneous Risk Pool to which the plan belongs and benefit provisions under the CalPERS contracts for those agencies.

As set forth in Section 2 of this report, the pool actuaries have certified that, in their opinion, the valuation of the risk pool containing your PEPRA Miscellaneous Plan has been performed in accordance with generally accepted actuarial principles consistent with standards of practice prescribed by the Actuarial Standards Board, and that the assumptions and methods are internally consistent and reasonable for the risk pool as of the date of this valuation and as prescribed by the CalPERS Board of Administration according to provisions set forth in **the California Public Employees' Retirement Law.**

Having relied upon the information set forth in Section 2 of this report and based on the census and benefit provision information for the plan, it is my opinion as the plan actuary that Unfunded Accrued Liability amortization bases as of June 30, 2017 and employer contribution as of July 1, 2019, have been properly and accurately determined in accordance with the principles and standards stated above.

The undersigned is an actuary for CalPERS, a member of both the American Academy of Actuaries and Society of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

JEAN FANNJIANG, ASA, MAAA  
Senior Pension Actuary, CalPERS  
Plan Actuary

## Highlights and Executive Summary

- Introduction
- Purpose of Section 1
- Required Employer Contributions
- **Plan's Funded Status**
- Projected Employer Contributions
- Changes Since the Prior Year's **V**aluation
- Subsequent Events

## Introduction

This report presents the results of the June 30, 2017 actuarial valuation of the PEPRA Miscellaneous Plan of the Tahoe-Truckee Sanitation Agency **of the California Public Employees' Retirement System (CalPERS)**. This actuarial valuation sets the required employer contributions for Fiscal Year 2019-20.

## Purpose of Section 1

This Section 1 report for the PEPRA Miscellaneous Plan of the Tahoe-Truckee Sanitation Agency of the **California Public Employees' Retirement System (CalPERS)** was prepared by the plan actuary in order to:

- Set forth the assets and accrued liabilities of this plan as of June 30, 2017;
- Determine the minimum required employer contribution for this plan for the fiscal year July 1, 2019 through June 30, 2020; and
- Provide actuarial information as of June 30, 2017 to the CalPERS Board of Administration and other interested parties.

The pension funding information presented in this report should not be used in financial reports subject to GASB Statement No. 68 for a Cost Sharing Employer Defined Benefit Pension Plan. A separate accounting valuation report for such purposes is available from CalPERS and details for ordering are available on our website.

The measurements shown in this actuarial valuation may not be applicable for other purposes. The employer should contact their actuary before disseminating any portion of this report for any reason that is not explicitly described above.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes in actuarial policies; and changes in plan provisions or applicable law.

### California Actuarial Advisory Panel Recommendations

This report includes all the basic disclosure elements as described in the *Model Disclosure Elements for Actuarial Valuation Reports* recommended in 2011 by the California Actuarial Advisory Panel (CAAP), with the exception of including the original base amounts of the various components of the unfunded liability in the Schedule of Amortization Bases shown on page 9.

Additionally, this report includes **the following "Enhanced Risk Disclosures"** also recommended by the CAAP in the Model Disclosure Elements document:

- A **"Deterministic Stress Test,"** projecting future results under different investment income scenarios
- A **"Sensitivity Analysis,"** showing the impact on current valuation results using alternative discount rates of 6.0 percent, 7.0 percent and 8.0 percent.

## Required Employer Contributions

	Fiscal Year	
Required Employer Contributions	2019-20	
Employer Normal Cost Rate	7.191%	
<i>Plus, Either</i>		
1) Monthly Employer Dollar UAL Payment	\$	202.06
<i>Or</i>		
2) Annual Lump Sum Prepayment Option	\$	2,341
<p><i>The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars).</i></p> <p><i>Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change.</i></p> <p><b><i>In accordance with Sections 20537 and 20572 of the Public Employees' Retirement Law, if a contracting agency fails to remit the required contributions when due, interest and penalties may apply.</i></b></p>		

	Fiscal Year	Fiscal Year
	2018-19	2019-20
Development of Normal Cost as a Percentage of Payroll <sup>1</sup>		
Base Total Normal Cost for Formula	13.092%	13.735%
Surcharge for Class 1 Benefits <sup>2</sup>		
a) 3% COLA	0.791%	0.706%
Phase out of Normal Cost Difference <sup>3</sup>	0.000%	0.000%
<b>Plan's Total Normal Cost</b>	<b>13.883%</b>	<b>14.441%</b>
Plan's Employee Contribution Rate	6.500%	7.250%
Employer Normal Cost Rate	7.383%	7.191%
Projected Payroll for the Contribution Fiscal Year	\$ 627,549	\$ 1,314,637
Estimated Employer Contributions Based on Projected Payroll		
<b>Plan's Estimated Employer Normal Cost</b>	\$ 46,332	\$ 94,536
<b>Plan's Payment on Amortization Bases<sup>4</sup></b>	222	2,425
% of Projected Payroll (illustrative only)	0.035%	0.184%
Estimated Total Employer Contribution	\$ 46,554	\$ 96,961
% of Projected Payroll (illustrative only)	7.418%	7.375%

<sup>1</sup> The results shown for Fiscal Year 2018-19 reflect the prior year valuation and may not take into account any lump sum payment, side fund payoff, or rate adjustment made after June 30, 2017.

<sup>2</sup> Section 2 of this report contains a list of Class 1 benefits and corresponding surcharges for each benefit.

<sup>3</sup> The normal cost difference is phased out over a five-year period. The phase out of normal cost difference is 100 percent for the first year of pooling, and is incrementally reduced by 20 percent of the original normal cost difference for each subsequent year. This is non-zero only for plans that joined a pool within the past 5 years. Most plans joined a pool June 30, 2003, when risk pooling was implemented.

<sup>4</sup> See page 9 for a breakdown of the Amortization Bases.

## Plan's Funded Status

	June 30, 2016	June 30, 2017
1. Present Value of Projected Benefits (PVB) \$	744,148	\$ 1,937,418
2. Entry Age Normal Accrued Liability (AL)	48,159	211,290
3. <b>Plan's Market Value of Assets (MVA)</b>	43,401	207,449
4. Unfunded Accrued Liability (UAL) [(2) - (3)]	4,758	3,841
5. Funded Ratio [(3) / (2)]	90.1%	98.2%

This measure of funded status is an assessment of the need for future employer contributions based on the selected actuarial cost method used to fund the plan. The UAL is the present value of future employer contributions for service that has already been earned and is in addition to future normal cost contributions for active members. For a measure of funded status that is appropriate for assessing the sufficiency of plan assets to cover estimated termination liabilities, please see "Hypothetical Termination Liability" in the "Risk Analysis" section.

## Projected Employer Contributions

The table below shows projected employer contributions (before cost sharing) for the next six fiscal years. Projected results reflect the adopted **changes to the discount rate described in Appendix A, "Statement of Actuarial Data, Methods and Assumptions"** of the Section 2 report. The projections also assume that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period.

Fiscal Year	Required Contribution	Projected Future Employer Contributions (Assumes 7.25% Return for Fiscal Year 2017-18)				
		2019-20	2020-21	2021-22	2022-23	2023-24
Normal Cost %	7.191%	7.8%	7.8%	7.8%	7.8%	7.8%
UAL Payment	\$2,425	\$2,900	\$3,500	\$4,100	\$4,700	\$5,400

Changes in the UAL due to actuarial gains or losses as well as changes in actuarial assumptions or methods are amortized using a 5-year ramp up. For more **information, please see "Amortization of the Unfunded Actuarial Accrued Liability" under "Actuarial Methods" in Appendix A of Section 2.** This method phases in the impact of unanticipated changes in UAL over a 5-year period and attempts to minimize employer cost volatility from year to year. As a result of this methodology, dramatic changes in the required employer contributions in any one year are less likely. However, required contributions can change gradually and significantly over the next five years. In years where there is a large increase in UAL the relatively small amortization payments during the ramp up period could result in a funded ratio that is projected to decrease initially while the contribution impact of the increase in the UAL is phased in.

Due to the adopted changes in the discount rate for next **year's** valuation in combination with the 5-year phase-in ramp, the increases in the required contributions are expected to continue for six years from Fiscal Year 2019-20 through Fiscal Year 2024-25.

**For projected contributions under alternate investment return scenarios, please see the "Analysis of Future Investment Return Scenarios" in the "Risk Analysis" section.**



## Changes since the Prior **Year's** Valuation

### Benefits

None. This valuation generally reflects plan changes by amendments effective before the date of the report. Please refer to **the "Plan's Major Benefit Options"** and Appendix B of Section 2 for a summary of the plan provisions used in this valuation.

### Actuarial Methods and Assumptions

At its December 2016 meeting, the CalPERS Board of Administration lowered the discount rate from 7.50 percent to 7.00 percent using a three-year phase-in beginning with the June 30, 2016 actuarial valuations. The minimum employer contributions for Fiscal Year 2019-20 determined in this valuation were calculated using a discount rate of 7.25 percent. The projected employer contributions on page 5 are calculated assuming that the discount rate will be lowered to 7.00 percent next year as adopted by the Board. The decision to reduce the discount rate was primarily based on reduced capital market assumptions provided by external investment consultants and CalPERS investment staff. The specific decision adopted by the Board reflected recommendations from CalPERS staff and additional input from employer and employee stakeholder groups. Based on the investment allocation adopted by the Board and capital market assumptions, the reduced discount rate assumption provides a more realistic assumption for the long-term investment return of the fund.

On December 19, 2017, the CalPERS Board of Administration adopted new actuarial assumptions based on the recommendations in the December 2017 CalPERS Experience Study and Review of Actuarial Assumptions. This study reviewed the retirement rates, termination rates, mortality rates, rates of salary increases and inflation assumption for Public Agencies. These new assumptions are incorporated in this actuarial valuation and will impact the required contribution for FY 2019-20. In addition, the Board adopted a new asset portfolio as part of its Asset Liability Management. The new asset mix supports a 7.00 percent discount rate. The reduction of the inflation assumption will be implemented in two steps in conjunction with the decreases in the discount rate. For the June 30, 2017 valuation an inflation rate of 2.625 percent will be used and a rate of 2.50 percent in the following valuation.

**Notwithstanding the Board's decision to** phase into a 7.0 percent discount rate, subsequent analysis of the expected investment return of CalPERS assets or changes to the investment allocation may result in a change to this three-year discount rate schedule.

## Subsequent Events

The CalPERS Board of Administration has adopted a new amortization policy effective with the June 30, 2019 actuarial valuation. The new policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed using a level dollar amount. In addition, the new policy removes the 5-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy removes the 5-year ramp-down on investment gains/losses. These changes will apply only to new UAL bases established on or after June 30, 2019.

For inactive employers the new amortization policy imposes a maximum amortization period of 15 years for all unfunded accrued liabilities effective June 30, 2017. Furthermore, the plan actuary has the ability to shorten the amortization period on any valuation date based on the life expectancy of plan members and projected cash flow needs to the plan. The impact of this has been reflected in the current valuation results.

The contribution requirements determined in this actuarial valuation report are based on demographic and financial information as of June 30, 2017. Changes in the value of assets subsequent to that date are not reflected. Investment returns below the assumed rate of return will increase the retired contribution, while investment returns above the assumed rate of return will decrease the retired contribution.

This actuarial valuation report reflects statutory changes, regulatory changes and CalPERS Board actions through January 2018. Any subsequent changes or actions are not reflected.

## Assets and Liabilities

- Breakdown of Entry Age Normal Accrued Liability
- **Allocation of Plan's Share of Pool's Experience/Assumption Change**
- **Development of Plan's Share of Pool's MVA**
- Schedule of **Plan's** Amortization Bases
- Amortization Schedule and Alternatives
- Employer Contribution History
- Funding History

## Breakdown of Entry Age Normal Accrued Liability

Active Members	\$	207,823
Transferred Members		0
Terminated Members		3,467
Members and Beneficiaries Receiving Payments		0
Total	\$	211,290

## Allocation of Plan's Share of Pool's Experience/Assumption Change

It is the policy of CalPERS to ensure equity within the risk pools by allocating the pool's experience gains/losses and assumption changes in a manner that treats each employer equitably and maintains benefit security for the members of the System while minimizing substantial variations in employer contributions. The Pool's experience gains/losses and impact of assumption/method changes is allocated to the plan as follows:

1. Plan's Accrued Liability	\$	211,290
2. Projected UAL balance at 6/30/17		7,750
3. Pool's Accrued Liability <sup>1</sup>	\$	15,780,998,593
4. Sum of Pool's Individual Plan UAL Balances at 6/30/17 <sup>1</sup>		3,912,002,885
5. Pool's 2016/17 Investment & Asset (Gain)/Loss		(413,206,167)
6. Pool's 2016/17 Other (Gain)/Loss		(21,126,605)
7. Plan's Share of Pool's Asset (Gain)/Loss [(1) - (2)] / [(3) - (4)] * (5)		(7,086)
8. Plan's Share of Pool's Other (Gain)/Loss [(1)] / [(3)] * (6)		(283)
9. Plan's New (Gain)/Loss as of 6/30/2017 [(7) + (8)]	\$	(7,369)
10. Increase in Pool's Accrued Liability due to Change in Assumptions <sup>1</sup>		258,379,047
11. Plan's Share of Pool's Change in Assumptions [(1)] / [(3)] * (10)	\$	3,459

<sup>1</sup> Does not include plans that transferred to Pool on the valuation date.

## Development of the Plan's Share of Pool's Market Value of Assets

12. Plan's UAL [(2) + (9) + (11)]	\$	3,841
13. Plan's Share of Pool's MVA [(1) - (12)]	\$	207,449

## Schedule of Plan's Amortization Bases

There is a two-year lag between the valuation date and the start of the contribution fiscal year.

- The assets, liabilities, and funded status of the plan are measured as of the valuation date: June 30, 2017.
- The employer contribution determined by the valuation is for the fiscal year beginning two years after the valuation date: Fiscal Year 2019-20.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the payment on the UAL for the fiscal year and adjusting for interest. Additional discretionary payments are reflected in the Expected Payments column in the fiscal year they were made by the agency.

Reason for Base	Date Established	Ramp Up/Down 2019-20	Amortization Period	Balance 6/30/17	Payment 2017-18	Balance 6/30/18	Payment 2018-19	Amounts for Fiscal 2019-20	
								Balance 6/30/19	Scheduled Payment for 2019-20
FRESH START	06/30/17	No Ramp	15	\$3,841	\$(11,603)	\$16,136	\$(9,038)	\$26,666	\$2,425
TOTAL				\$3,841	\$(11,603)	\$16,136	\$(9,038)	\$26,666	\$2,425

The **(gain)/loss bases are the plan's allocated share of the risk pool's (gain)/loss for the fiscal year as disclosed on the previous page.** These (gain)/loss bases will be amortized according to Board policy over 30 years with a 5-year ramp-up.

If the total Unfunded Liability is negative (i.e., plan has a surplus), the scheduled payment is \$0, because the minimum required contribution under PEPRA must be at least equal to the normal cost.

## Amortization Schedule and Alternatives

The amortization schedule on the previous page shows the minimum contributions required according to CalPERS amortization policy. There has been considerable interest from many agencies in paying off these unfunded accrued liabilities sooner and the possible savings in doing so. As a result, we have provided alternate amortization schedules to help analyze the current amortization schedule and illustrate the advantages of accelerating unfunded liability payments.

Shown on the following page are future year amortization payments based on: 1) the current amortization schedule reflecting the individual bases and remaining periods shown on the previous page, and 2) alternate **"fresh start" amortization schedules using two sample periods that would both result in interest savings** relative to the current amortization schedule. Note that the payments under each alternate scenario increase by 2.875 percent for each year into the future. The schedules do not attempt to reflect any experience after June 30, 2017 that may deviate from the actuarial assumptions. Therefore, future amortization payments displayed in the Current Amortization Schedule may not match projected amortization payments shown in connection with Projected Employer Contributions provided elsewhere in this report.

The Current Amortization Schedule typically contains individual bases that are both positive and negative. Positive bases result from plan changes, assumption changes or plan experience that result in increases to unfunded liability. Negative bases result from plan changes, assumption changes or plan experience that result in decreases to unfunded liability. The combination of positive and negative bases within an amortization schedule can result in unusual or problematic circumstances in future years such as:

- A positive total unfunded liability with a negative total payment,
- A negative total unfunded liability with a positive total payment, or
- Total payments that completely amortize the unfunded liability over a very short period of time

In any year where one of the above scenarios occurs, the actuary will consider corrective action such as replacing the existing unfunded liability **bases with a single "fresh start" base and amortizing it over a** reasonable period.

The Current Amortization Schedule on the following page may appear to show that, based on the current amortization bases, one of the above scenarios will occur at some point in the future. It is impossible to know today whether such a scenario will in fact arise since there will be additional bases added to the amortization schedule in each future year. Should such a scenario arise in any future year, the actuary will take appropriate action based on guidelines in the CalPERS amortization policy.

## Amortization Schedule and Alternatives

Date	<u>Current Amortization Schedule</u>		<u>Alternate Schedules</u>			
	Balance	Payment	10 Year Amortization		5 Year Amortization	
	Balance	Payment	Balance	Payment	Balance	Payment
6/30/2019	26,666	2,425	26,666	3,307	26,666	5,992
6/30/2020	26,088	2,494	25,174	3,402	22,393	6,165
6/30/2021	25,396	2,566	23,476	3,500	17,632	6,342
6/30/2022	24,580	2,640	21,553	3,601	12,343	6,524
6/30/2023	23,628	2,716	19,387	3,704	6,481	6,712
6/30/2024	22,528	2,794	16,957	3,811		
6/30/2025	21,268	2,874	14,240	3,920		
6/30/2026	19,833	2,957	11,212	4,033		
6/30/2027	18,209	3,042	7,849	4,149		
6/30/2028	16,379	3,129	4,121	4,268		
6/30/2029	14,326	3,219				
6/30/2030	12,030	3,312				
6/30/2031	9,473	3,407				
6/30/2032	6,631	3,505				
6/30/2033	3,482	3,606				
6/30/2034						
6/30/2035						
6/30/2036						
6/30/2037						
6/30/2038						
6/30/2039						
6/30/2040						
6/30/2041						
6/30/2042						
6/30/2043						
6/30/2044						
6/30/2045						
6/30/2046						
6/30/2047						
6/30/2048						
Totals		44,687		37,694		31,735
Interest Paid		18,021		11,029		5,070
Estimated Savings				6,992		12,951

\* This schedule does not reflect the impact of adopted discount rate changes that will become effective beyond June 30, 2017. For Projected Employer Contributions, please see page 5.

## Employer Contribution History

The table below provides a recent history of the required employer contributions for the plan, as determined by the annual actuarial valuation. It does not account for prepayments or benefit changes made during a fiscal year.

Fiscal Year	Employer Normal Cost	Unfunded Liability Payment (\$)
2016 - 17	7.066%	\$11
2017 - 18	7.045%	\$34
2018 - 19	7.383%	\$222
2019 - 20	7.191%	\$2,425

## Funding History

The funding history below shows the **plan's actuarial accrued liability, share of the pool's market value of assets, share of the pool's unfunded liability, funded ratio, and annual covered payroll.**

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Plan's Share of Pool's Unfunded Liability	Funded Ratio	Annual Covered Payroll
06/30/2014	\$ 160	\$ 167	\$ (7)	104.5%	\$ 56,076
06/30/2015	13,271	12,364	907	93.2%	113,948
06/30/2016	48,159	43,401	4,758	90.1%	574,296
06/30/2017	211,290	207,449	3,841	98.2%	1,207,470

## Risk Analysis

- Analysis of Future Investment Return Scenarios
- Analysis of Discount Rate Sensitivity
- Volatility Ratios
- Hypothetical Termination Liability



## Analysis of Future Investment Return Scenarios

Analysis was performed to determine the effects of various future investment returns on required employer contributions. The projections below provide a range of results based on five investment return scenarios assumed to occur during the next four fiscal years (2017-18, 2018-19, 2019-20 and 2020-21). The projections also assume that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur.

Each of the five investment return scenarios assumes a return of 7.25 percent for fiscal year 2017-18. For fiscal years 2018-19, 2019-20, and 2020-21 each scenario assumes an alternate fixed annual return. The fixed return assumptions for the five scenarios are 1.0 percent, 4.0 percent, 7.0 percent, 9.0 percent and 12.0 percent.

The alternate investment returns were chosen based on stochastic analysis of possible future investment returns over the four-year period ending June 30, 2021. Using the expected returns and volatility of the asset classes in which the funds are invested, we produced five thousand stochastic outcomes for this period based on the recently completed Asset Liability Management process. We then selected annual returns that approximate the 5<sup>th</sup>, 25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup>, and 95<sup>th</sup> percentiles for these outcomes. For example, of all the 4-year outcomes generated in the stochastic analysis, approximately 25 percent of them had an average annual return of 4.0 percent or less.

Required contributions outside of this range are also possible. In particular, whereas it is unlikely that investment returns will average less than 1.0 percent or greater than 12.0 percent over this four-year period, the possibility of a single investment return less than 1.0 percent or greater than 12.0 percent in any given year is much greater.

Assumed Annual Return From 2018-19 through 2020-21	Projected Employer Contributions			
	2020-21	2021-22	2022-23	2023-24
1.0%				
Normal Cost	7.8%	7.8%	7.8%	7.8%
UAL Contribution	\$2,900	\$3,700	\$4,800	\$6,000
4.0%				
Normal Cost	7.8%	7.8%	7.8%	7.8%
UAL Contribution	\$2,900	\$3,600	\$4,400	\$5,400
7.0%				
Normal Cost	7.8%	7.8%	7.8%	7.8%
UAL Contribution	\$2,900	\$3,500	\$4,100	\$4,700
9.0%				
Normal Cost	7.8%	7.9%	8.1%	7.8%
UAL Contribution	\$2,900	\$3,500	\$4,000	\$4,400
12.0%				
Normal Cost	7.8%	7.9%	8.1%	7.8%
UAL Contribution	\$2,900	\$3,400	\$3,600	\$3,700

Given the temporary suspension of the Risk Mitigation Policy during the period over which the discount rate assumption is being phased down to 7.0 percent, the projections above were performed without reflection of any possible impact of this Policy for Fiscal Year 2020-21. In addition, the projections above do not reflect the recent changes to the new amortization policy effective with the June 30, 2019 valuation but the impact on the results above is expected to be minimal.

## Analysis of Discount Rate Sensitivity

Shown below are various valuation results as of June 30, 2017 assuming alternate discount rates. Results are shown using the current discount rate of 7.25 percent as well as alternate discount rates of 6.0 percent, 7.0 percent, and 8.0 percent. The alternate rate of 7.0 percent was selected since the Board has adopted this rate as the final discount rate at the end of the three-year phase-in of the reduction in this assumption. The rates of 6.0 percent and 8.0 percent were selected since they illustrate the impact of a 1 percent increase or decrease to the 7.0 percent assumption. This analysis shows the potential plan impacts if the PERF were to realize investment returns of 6.0 percent, 7.0 percent, or 8.0 percent over the long-term.

This type of analysis gives the reader a sense of the long-term risk to required contributions. For a measure of funded status that is appropriate for assessing the sufficiency of plan assets to cover estimated termination liabilities, **please see "Hypothetical Termination Liability" at the end** of this section.

Sensitivity Analysis				
As of June 30, 2017	<b>Plan's</b> Total Normal Cost	Accrued Liability	Unfunded Accrued Liability	Funded Status
7.25% (current discount rate)	14.441%	\$211,290	\$3,841	98.2%
6.0%	18.577%	\$278,525	\$71,076	74.5%
7.0%	15.006%	\$218,465	\$11,016	95.0%
8.0%	12.266%	\$172,449	\$(35,000)	120.3%

## Volatility Ratios

Actuarial calculations are based on a number of assumptions about long-term demographic and economic behavior. Unless these assumptions (terminations, deaths, disabilities, retirements, salary growth, and investment return) are exactly realized each year, there will be differences on a year-to-year basis. The year-to-year differences between actual experience and the assumptions are called actuarial gains and losses and serve to lower or raise required employer contributions from one year to the next. Therefore, employer contributions will inevitably fluctuate, especially due to the ups and downs of investment returns.

### Asset Volatility Ratio (AVR)

Plans that have higher asset-to-payroll ratios experience more volatile employer contributions (as a percentage of payroll) due to investment return. For example, a plan with an asset-to-payroll ratio of 8 may experience twice the contribution volatility due to investment return volatility, than a plan with an asset-to-payroll ratio of 4. Shown below is the asset **volatility ratio, a measure of the plan's current contribution volatility**. It should be noted that this ratio is a measure of the current situation. It increases over time but generally tends to stabilize as the plan matures.

### Liability Volatility Ratio (LVR)

Plans that have higher liability-to-payroll ratios experience more volatile employer contributions (as a percentage of payroll) due to investment return and changes in liability. For example, a plan with a liability-to-payroll ratio of 8 is expected to have twice the contribution volatility of a plan with a liability-to-payroll ratio of 4. The liability volatility ratio is also shown in the table below. It should be noted that this ratio indicates a longer-term potential for contribution volatility. The asset volatility ratio, described above, will tend to move closer to the liability volatility ratio as the plan matures. Since the liability volatility ratio is a long-term measure, it is shown below at the current discount rate (7.25 percent) as well as the discount rate the Board has adopted to determine the contribution requirement in the June 30, 2018 actuarial valuation (7.00 percent).

Rate Volatility	As of June 30, 2017	
1. Market Value of Assets	\$	207,449
2. Payroll		1,207,470
3. Asset Volatility Ratio (AVR) [(1) / (2)]		0.2
4. Accrued Liability	\$	211,290
5. Liability Volatility Ratio (LVR) [(4) / (2)]		0.2
6. Accrued Liability (7.00% discount rate)		218,465
7. Projected Liability Volatility Ratio [(6) / (2)]		0.2

## Hypothetical Termination Liability

The hypothetical termination liability is an estimate of the financial position of the plan had the contract with CalPERS been terminated as of June 30, 2017. The plan liability on a termination basis is calculated differently **compared to the plan's ongoing funding liability**. For the hypothetical termination liability calculation, both compensation and service are frozen as of the valuation date and no future pay increases or service accruals are assumed. This measure of funded status is not appropriate for assessing the need for future employer contributions in the case of an ongoing plan, that is, for an employer that continues to provide CalPERS retirement benefits to active employees.

A more conservative investment policy and asset allocation strategy was adopted by the CalPERS Board for the Terminated Agency Pool. The Terminated Agency Pool has limited funding sources since no future employer contributions will be made. Therefore, expected benefit payments are secured by risk-free assets and benefit security for members is increased while funding risk is limited. However, this asset allocation has a lower expected rate of return than the PERF and consequently, a lower discount rate is assumed. The lower discount rate for the Terminated Agency Pool results in higher liabilities for terminated plans.

The effective termination discount rate will depend on actual market rates of return for risk-free securities on the date of termination. As market discount rates are variable, the table below shows a range for the hypothetical termination liability based on the lowest and highest interest rates observed during an approximate 2-year period centered around the valuation date.

Market Value of Assets (MVA)	Hypothetical Termination Liability <sup>1,2</sup> @ 1.75%	Funded Status	Unfunded Termination Liability @ 1.75%	Hypothetical Termination Liability <sup>1,2</sup> @ 3.00%	Funded Status	Unfunded Termination Liability @ 3.00%
\$207,449	\$470,743	44.1%	\$263,294	\$331,739	62.5%	\$124,290

<sup>1</sup> The hypothetical liabilities calculated above include a 5 percent mortality contingency load in accordance with Board policy. Other actuarial assumptions can be found in Appendix A.

<sup>2</sup> The current discount rate assumption used for termination valuations is a weighted average of the 10-year and 30-year U.S. Treasury yields where the weights are based on matching asset and liability durations as of the termination date. The discount rates used in the table are based on 20-year Treasury bonds, rounded to the nearest quarter percentage point, which is a good proxy for most plans. The 20-year Treasury yield was 2.61 percent on June 30, 2017, and was 2.83 percent on January 31, 2018.

In order to terminate the plan, you must first contact our Retirement Services Contract Unit to initiate a Resolution of Intent to terminate. The completed Resolution will allow the plan actuary to give you a preliminary termination valuation with a more up-to-date estimate of the plan liabilities. CalPERS advises you to consult with the plan actuary before beginning this process.

## Participant Data

The table below shows a summary of **your plan's** member data upon which this valuation is based:

	June 30, 2016	June 30, 2017
Reported Payroll	\$ 574,296	\$ 1,207,470
Projected Payroll for Contribution Purposes	\$ 627,549	\$ 1,314,637
Number of Members		
Active	9	17
Transferred	0	0
Separated	1	2
Retired	0	0

## List of Class 1 Benefit Provisions

This plan has the additional Class 1 Benefit Provisions:

- 3% Annual Cost-of-Living Allowance Increase (3% COLA)

## **Plan's Major Benefit** Options

## Plan’s Major Benefit Options

Shown below is a summary of the major optional benefits for which your agency has contracted. A description of principal standard and optional plan provisions is in Appendix B within Section 2 of this report.

	Contract package	
Benefit Provision	Active Misc	
Benefit Formula	2.0% @ 62	
Social Security Coverage	No	
Full/Modified	Full	
Employee Contribution Rate	6.50%	
Final Average Compensation Period	Three Year	
Sick Leave Credit	Yes	
Non-Industrial Disability	Standard	
Industrial Disability	No	
Pre-Retirement Death Benefits		
Optional Settlement 2	Yes	
1959 Survivor Benefit Level	level 3	
Special	No	
Alternate (firefighters)	No	
Post-Retirement Death Benefits		
Lump Sum	\$500	
Survivor Allowance (PRSA)	No	
COLA	3%	

# Section 2

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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**Section 2 may be found on the CalPERS website  
([www.calpers.ca.gov](http://www.calpers.ca.gov)) in the Forms and  
Publications section**



**UAL Amortization Schedules**

Fiscal Year End	30-Yr Amortization			15-Yr Amortization				10-Yr Amortization				5-Yr Amortization			
	Balance	Payment	Cumulative Payment	Balance	Payment	Add't Payment	Cumulative Payment	Balance	Payment	Add't Payment	Cumulative Payment	Balance	Payment	Add't Payment	Cumulative Payment
2019	\$ 15,531,744	\$ 858,665	\$ 858,665	\$ 15,531,744	\$ 858,665	\$ -	\$ 858,665	\$ 15,531,744	\$ 858,665	\$ -	\$ 858,665	\$ 15,531,744	\$ 858,665	\$ -	\$ 858,665
2020	\$ 15,768,548	\$ 1,060,669	\$ 1,919,334	\$ 15,730,756	\$ 1,430,412	\$ 369,743	\$ 2,289,077	\$ 15,730,756	\$ 1,950,918	\$ 890,248	\$ 2,809,583	\$ 15,730,756	\$ 3,535,087	\$ 2,474,418	\$ 4,393,752
2021	\$ 15,813,322	\$ 1,174,544	\$ 3,093,878	\$ 15,352,279	\$ 1,456,695	\$ 282,150	\$ 3,745,771	\$ 14,813,864	\$ 1,991,362	\$ 816,818	\$ 4,800,944	\$ 13,175,186	\$ 3,616,977	\$ 2,442,433	\$ 8,010,730
2022	\$ 15,743,412	\$ 1,301,325	\$ 4,395,204	\$ 14,920,122	\$ 1,496,754	\$ 195,428	\$ 5,242,525	\$ 13,790,954	\$ 2,046,124	\$ 744,799	\$ 6,847,068	\$ 10,356,019	\$ 3,716,444	\$ 2,415,119	\$ 11,727,174
2023	\$ 15,537,136	\$ 1,398,619	\$ 5,793,823	\$ 14,416,277	\$ 1,537,914	\$ 139,295	\$ 6,780,439	\$ 12,639,793	\$ 2,102,393	\$ 703,773	\$ 8,949,461	\$ 7,236,620	\$ 3,818,647	\$ 2,420,027	\$ 15,545,820
2024	\$ 15,215,147	\$ 1,436,106	\$ 7,229,928	\$ 13,834,585	\$ 1,580,207	\$ 144,101	\$ 8,360,646	\$ 11,349,847	\$ 2,160,208	\$ 724,103	\$ 11,109,669	\$ 3,793,145	\$ 3,923,659	\$ 2,487,554	\$ 19,469,480
2025	\$ 14,830,991	\$ 1,477,394	\$ 8,707,322	\$ 13,168,427	\$ 1,623,663	\$ 146,269	\$ 9,984,309	\$ 9,909,799	\$ 2,219,614	\$ 742,220	\$ 13,329,284				
2026	\$ 14,376,226	\$ 1,519,869	\$ 10,227,191	\$ 12,410,687	\$ 1,668,313	\$ 148,445	\$ 11,652,623	\$ 8,307,498	\$ 2,280,654	\$ 760,785	\$ 15,609,937				
2027	\$ 13,844,502	\$ 1,563,565	\$ 11,790,756	\$ 11,553,719	\$ 1,714,192	\$ 150,627	\$ 13,366,815	\$ 6,529,897	\$ 2,343,371	\$ 779,806	\$ 17,953,309				
2028	\$ 13,228,976	\$ 1,608,517	\$ 13,399,273	\$ 10,589,305	\$ 1,761,332	\$ 152,815	\$ 15,128,147	\$ 4,562,987	\$ 2,407,814	\$ 799,297	\$ 20,361,123				
2029	\$ 12,522,271	\$ 1,654,762	\$ 15,054,036	\$ 9,508,620	\$ 1,809,769	\$ 155,007	\$ 16,937,916	\$ 2,391,734	\$ 2,474,029	\$ 819,267	\$ 22,835,152				
2030	\$ 11,716,437	\$ 1,702,337	\$ 16,756,373	\$ 8,302,184	\$ 1,859,538	\$ 157,201	\$ 18,797,453								
2031	\$ 10,802,912	\$ 1,751,279	\$ 18,507,651	\$ 6,959,816	\$ 1,910,675	\$ 159,396	\$ 20,708,128								
2032	\$ 9,772,471	\$ 1,801,628	\$ 20,309,280	\$ 5,470,586	\$ 1,963,218	\$ 161,590	\$ 22,671,347								
2033	\$ 8,615,181	\$ 1,779,927	\$ 22,089,206	\$ 3,822,758	\$ 2,017,207	\$ 237,280	\$ 24,688,554								
2034	\$ 7,396,461	\$ 1,755,488	\$ 23,844,694	\$ 2,003,736	\$ 2,072,680	\$ 317,192	\$ 26,761,234								
2035	\$ 6,114,694	\$ 1,699,396	\$ 25,544,090												
2036	\$ 4,798,088	\$ 1,606,444	\$ 27,150,534												
2037	\$ 3,482,291	\$ 667,693	\$ 27,818,227												
2038	\$ 3,043,283	\$ 621,498	\$ 28,439,725												
2039	\$ 2,620,288	\$ 572,095	\$ 29,011,820												
2040	\$ 2,217,788	\$ 552,497	\$ 29,564,317												
2041	\$ 1,806,404	\$ 568,381	\$ 30,132,698												
2042	\$ 1,348,744	\$ 450,886	\$ 30,583,584												
2043	\$ 979,583	\$ 436,870	\$ 31,020,454												
2044	\$ 598,173	\$ 356,742	\$ 31,377,197												
2045	\$ 272,092	\$ 193,201	\$ 31,570,398												
2046	\$ 91,737	\$ 67,772	\$ 31,638,170												
2047	\$ 28,202	\$ 29,207	\$ 31,667,377												
<b>Total Payment</b>		\$31,667,377			\$26,761,234				\$22,835,152				\$19,469,480		
<b>Interest Paid</b>		\$14,302,310			\$10,171,813				\$6,245,731				\$2,880,059		
<b>Savings</b>		-			\$4,130,497				\$8,056,579				\$11,422,251		



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** LaRue Griffin, General Manager  
**Item:** V-8  
**Subject:** Discussion on fiscal year 2019-2020 Agency financial budgets

---

### **Background**

The Agency has historically adopted upcoming fiscal year budgets in the month of June prior to commencement of the upcoming fiscal year. As the budget formats have recently changed, the Agency is currently monitoring, tracking and creating a baseline for expenditures for each of its departments (i.e. engineering, operations, administration, etc.). It should be noted, previous fiscal year budgets were not categorized for individual department detail. Without complete data collection of one complete fiscal year cycle, the upcoming fiscal year budgets would be created on 10 months of data collection.

To assist in the preparation of the fiscal year 2019-2020 budgets, a complete data collection of one fiscal year is preferred. Management requests Board of Directors discussion on potentially postponing the approval of the fiscal year 2019-2020 budgets until the regular Board of Directors meeting scheduled for August 14 to obtain a complete one year data collection period.

### **Fiscal Impact**

None.

### **Attachments**

None.

### **Recommendation**

Management recommends postponing the approval of the fiscal year 2019-2020 budgets to the regular Board of Directors meeting scheduled for August 14.

### **Review Tracking**

Submitted By:   
LaRue Griffin  
General Manager



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** LaRue Griffin, General Manager  
**Item:** VI-1  
**Subject:** Department Reports

---

### **Background**

Department reports for previous and current month(s).

### **Fiscal Impact**

None.

### **Attachments**

1. Operations Department Report.
2. Maintenance Department Report.
3. Engineering Department Report.
4. Information Technology (IT) Department Report.
5. Administration Department Report.

### **Recommendation**

No action required.

### **Review Tracking**

Submitted By: \_\_\_\_\_

  
LaRue Griffin  
General Manager



TAHOE-TRUCKEE SANITATION AGENCY  
OPERATIONS DEPARTMENT REPORT

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Michael Peak, Operations Manager  
**Subject:** Operations Report

---

All plant waste discharge requirements were met for the month.

**Operations Report:**

- Overall, the plant performed well through the month.

**Laboratory Report:**

- Staff performed necessary laboratory testing per WDR requirements and operational needs.

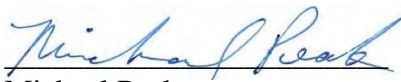
**Plant Data:**

Influent Flow Description	MG
Monthly average daily <sup>(1)</sup>	6.63
Monthly maximum instantaneous <sup>(1)</sup>	9.14
Maximum 7- day average	6.84

Effluent Limitation Description <sup>(2)</sup>	WDR Monthly Average		WDR Daily Maximum	
	Recorded	Limit	Recorded	Limit
Suspended Solids (mg/l)	0.7	10.0	1.1	20.0
Turbidity (NTU)	NA	NA	1.6	10.0
Total Phosphorus (mg/l)	0.35	0.80	0.44	1.50
Chemical Oxygen Demand (mg/l)	22.0	45.0	24.0	60.0

- Notes:
1. Flows are depicted in the attached graph.
  2. Effluent table data per WDR reportable frequency. Attached graphs depict all recorded data

**Review Tracking:**

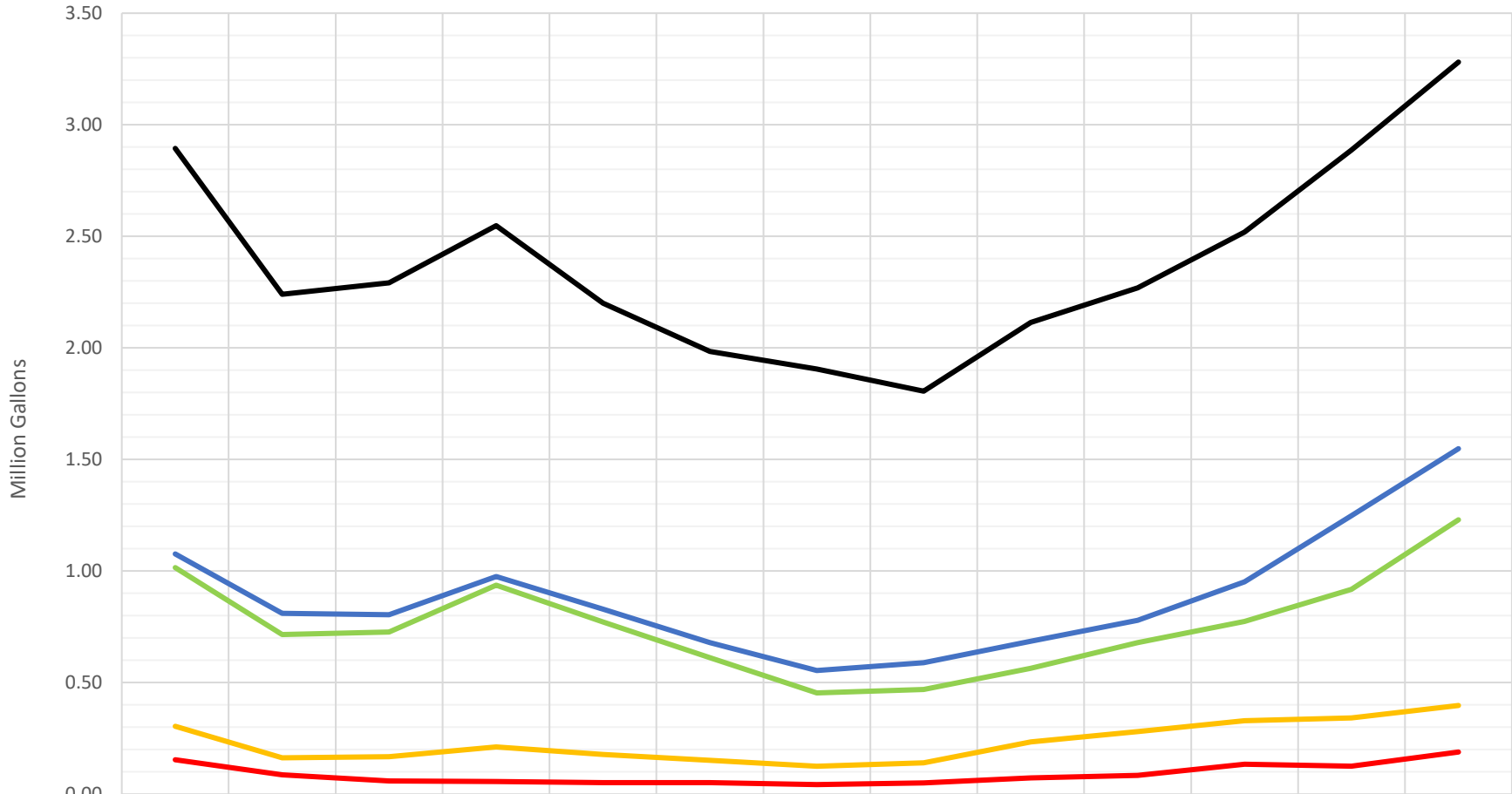
Submitted By:   
 Michael Peak  
 Operations Manager

Approved By:   
 LaRue Griffin  
 General Manager





### Monthly Average Daily Flow (Districts)



	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
NTPUD	1.08	0.81	0.80	0.98	0.83	0.68	0.55	0.59	0.69	0.78	0.95	1.25	1.55
TCPUD	1.02	0.72	0.73	0.94	0.77	0.61	0.45	0.47	0.56	0.68	0.77	0.92	1.23
ASCWD	0.15	0.09	0.06	0.06	0.05	0.05	0.04	0.05	0.07	0.08	0.13	0.13	0.19
SVPSD	0.30	0.16	0.17	0.21	0.18	0.15	0.13	0.14	0.23	0.28	0.33	0.34	0.40
TSD	2.89	2.24	2.29	2.55	2.20	1.98	1.91	1.81	2.11	2.27	2.52	2.89	3.28





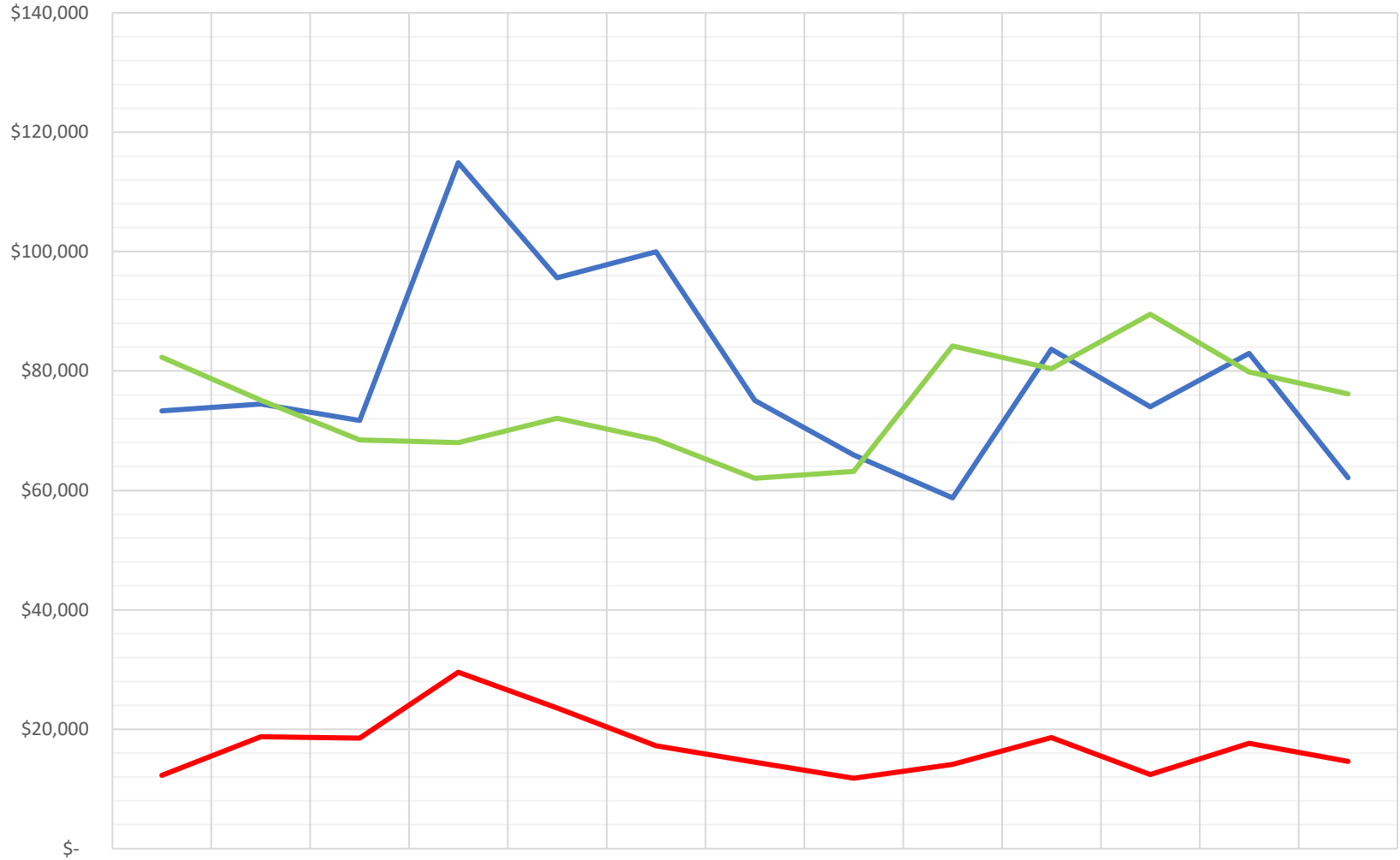








### Chemical, Power and Sludge Disposal Costs



	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
— Chemical	\$73,330	\$74,466	\$71,733	\$114,902	\$95,616	\$99,985	\$75,081	\$65,950	\$58,752	\$83,644	\$74,020	\$82,977	\$62,144
— Power	\$82,300	\$75,117	\$68,486	\$68,012	\$72,081	\$68,530	\$62,041	\$63,203	\$84,179	\$80,374	\$89,515	\$79,844	\$76,190
— Sludge Disposal	\$12,296	\$18,752	\$18,517	\$29,550	\$23,564	\$17,231	\$14,472	\$11,797	\$14,115	\$18,617	\$12,429	\$17,642	\$14,638



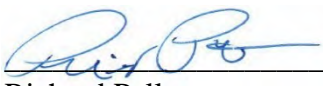
## TAHOE-TRUCKEE SANITATION AGENCY MAINTENANCE DEPARTMENT REPORT

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Richard Pallante, Maintenance Manager  
**Subject:** Maintenance Report

---

- ◆ **Project support:** In the month of April, Maintenance staff provided support for the following projects:
  - The first of the TRI USA Dig- Alert request have been received for the construction season.
- ◆ **Plant Maintenance activity:** Maintenance staff resources were focused on the following for the month of April:
  - Work order statistics for April are as follows:
    - Completed a total of 508 work orders, a 20% increase from the previous month.
    - 476 scheduled preventative maintenance work orders, a 55% increase from the previous month.
    - 26 corrective, 3 project, 1 safety work orders.
    - End of April open work orders by work group: Mechanical 61, Facilities 32, I&E 36.
- ◆ **Plant Maintenance projects:** Maintenance staff performed tasks on the following ongoing projects:
  - Lucity data collection.
  - Budget preparation.

### Review Tracking:

Submitted By:   
Richard Pallante  
Maintenance Manager

Approved By:   
LaRue Griffin  
General Manager




## TAHOE-TRUCKEE SANITATION AGENCY ENGINEERING DEPARTMENT REPORT


**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Jay Parker, Engineering Manager  
**Subject:** Engineering Report

---

- ◆ **Projects:** In the month of April, Engineering staff continued working on the following projects:
  - 2019 Plant Concrete Repair Project
  - 2019 Roof Repair Project
  - Headworks Improvements Project
  - Administration Building Office Remodel Project
  - Digital Scanning of Sewer Lines
  - Multi-use Digester Pump
  - Master Sewer Plan
  
- ◆ **Project Planning Meetings:** Engineering staff assisted in review of construction documents and/or attended coordination meetings for the following projects:
  - Hotel Avery

### Review Tracking:

Submitted By:   
Jay Parker  
Engineering Manager

Approved By:   
LaRue Griffin  
General Manager



## TAHOE-TRUCKEE SANITATION AGENCY IT DEPARTMENT REPORT


**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Bob Gray, IT Department Manager  
**Subject:** Information Technology (IT) Report


---

- T-TSA Plant Information System (PIS)
  - Integration with SIS and SCADA ongoing
  - Development of GIS database integration for equipment
- T-TSA SCADA Information System (SIS)
  - Runtimes being configured for all VFDs, and starters
- SCADA HMI Virtual Machine Development and Software Upgrade
  - Virtual Machine (SCADAMAIN10)
    - Current tagname server application loaded and running
    - Development of System Platform on going
  - Virtual Machine (SCADAMAIN11B)
    - Wonderware software ready for Application Server development
    - Model of plant starting to be developed
- SCADA Developments
  - Modifications to BNR backwash routines and cell rotations to mitigate high headloss issues during Spring high flows
- Computer Hardware Upgrades
  - New server on order for replacement and refurbishing of VMHOST1 (Primary Virtual Machine Host Machine)
  - Configuration of Network Attached Storage device NAS3
    - NAS3 will become primary file server and surveillance storage
    - NAS2 will become backup file storage server
    - NAS1 will become backup surveillance storage server
- CLINO Automation Equipment/Software Upgrade
  - CPU equipment acquired
  - IO count determined and compiling hardware requirements
  - Determining network communications needs and configuration for remote IO stations
- BNR Blower Cabinet Environment Monitoring and Logging
  - Programming of localized PLC and data collector that will monitor the following:
    - Inside ambient cabinet temperature
    - Outside ambient cabinet temperature
    - Pressure differential across blower
  - This logged data along with software analysis will provide us with operational efficiency scores along with predictive maintenance data



- Programming server software that will take data from each of the blowers and distribute to SCADA, SIS, and PI
- Programming client devices with touchscreen access.
- Master Plan and Carollo Assistance
  - Provided modifications to web portal for obtaining historical operations shift data.
- Permitting Web Portal
  - Programming and launching of TTSA Connection Permit web portal and database

Submitted By:   
Robert Gray  
IT Department Manger

Approved By:   
LaRue Griffin  
General Manager



# TAHOE-TRUCKEE SANITATION AGENCY

## ADMINISTRATION DEPARTMENT REPORT

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** Roshelle Chavez, Administrative Services Manager  
**Subject:** Administration Report

---

### Accounting

- Completed monthly A/P, A/R, payroll, general ledger processes, and bank reconciliations.
- Coordination with Management for preparation of 2019/2020 Agency budgets.

### Billing/Customer Service

- General assistance with billing customer accounts, adjustments, refunds, reduction agreements and plan review.
- Conducted fourteen (14) commercial inspection(s) and no residential inspection(s).
- Processed eleven (11) new account(s)/connection(s): 2 Commercial / 9 Residential.
- Continued planning for implementation of Ordinance No. 1-2019:
  - Held two workshops for member district representatives regarding implementation plans, problems and solutions.
  - Worked with IT department to develop a new T-TSA permit portal for member districts.
- Continued planning for implementation of tax roll billing:
  - Review billing master to determine accounts for tax roll billing.
  - Reviewed tax roll listing for residential tenants and developed a listing for owner public notification.
  - Worked with software programmer to update billing codes and set up programming logic for tax roll billing.
  - Finalized Public Notice to Infosend for customer mailing 05/06/2019.

### Purchasing


- Coordinated purchase of plant O&M supplies and performed various administrative tasks.
- Coordinated with Engineering and Operations Department regarding Agency contracts and bids.

### General Administration

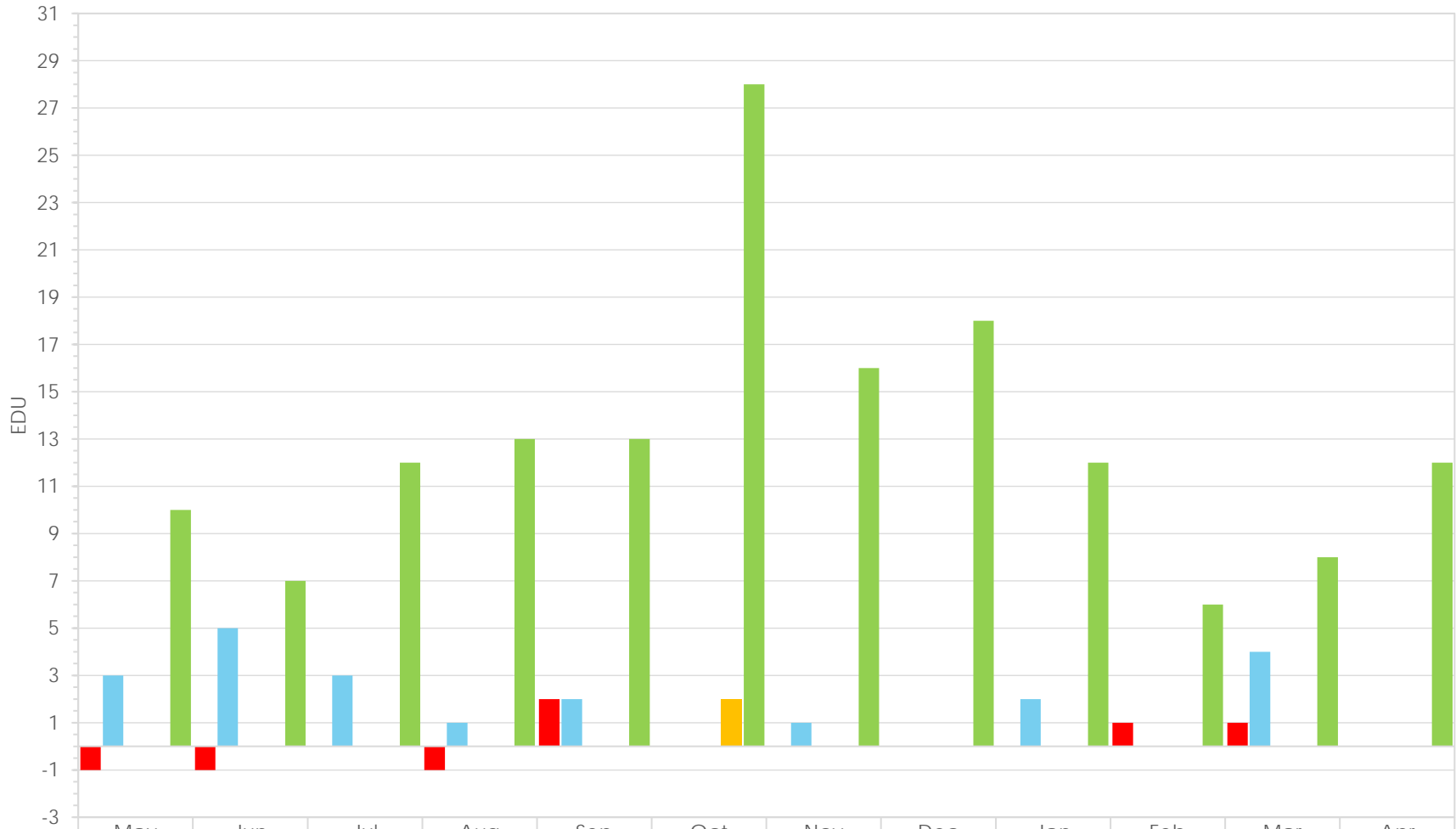
- All areas continued coordination with Caselle software and are well into the prep phase of implementation.
- Successfully completed first Surplus Sale on GovDeals.com with the assistance of the Maintenance Department.
- Reviewed Administration Department updated Job Descriptions for the Compensation and Classification Study.
- Performed various administrative duties to assist GM and Board of Directors.
- Performed miscellaneous public records requests.

### Review Tracking

Submitted By:   
Roshelle Chavez  
Administrative Services Manager

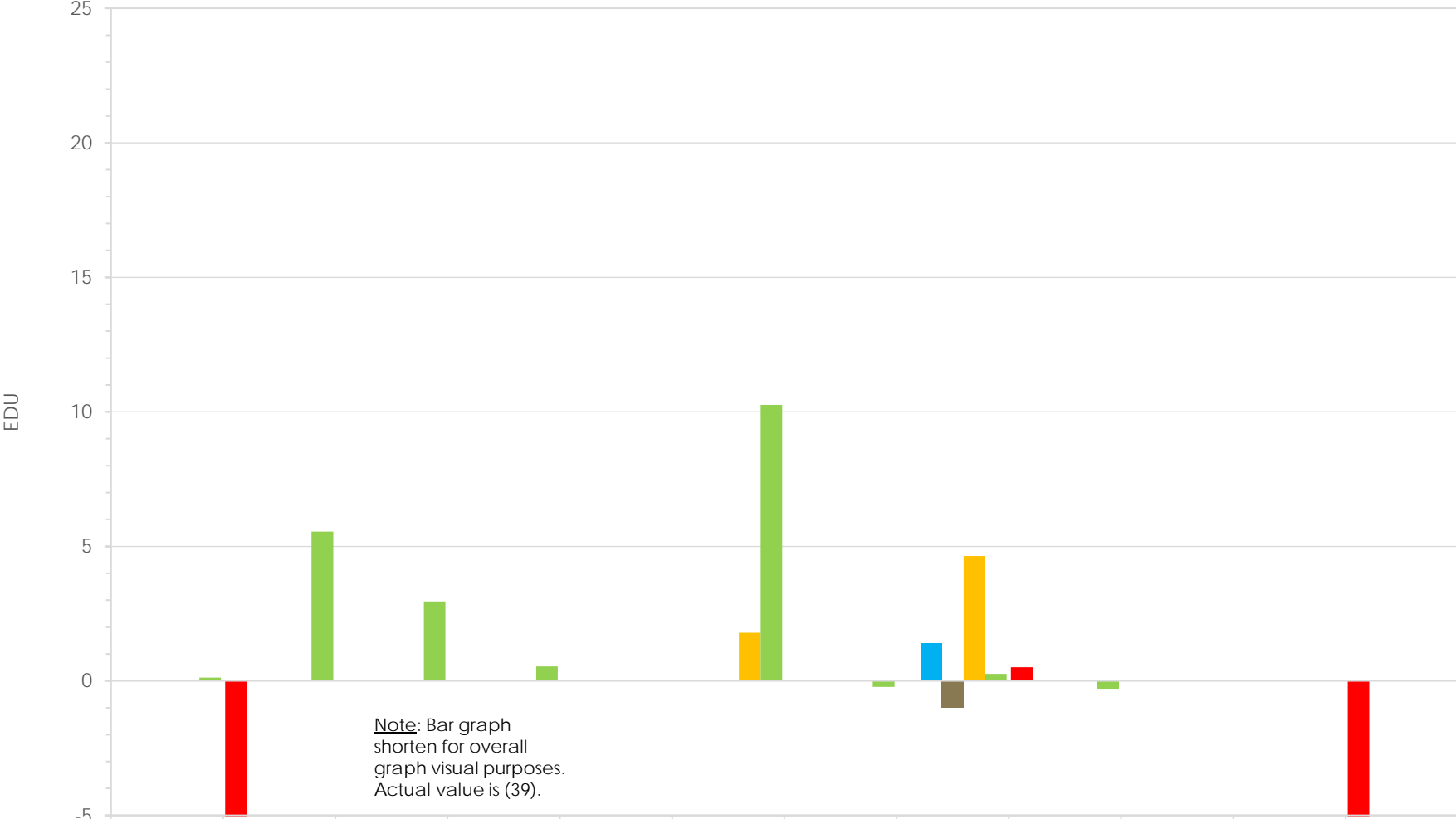
Approved By:   
LaRue Griffin  
General Manager

# Residential EDU Summary



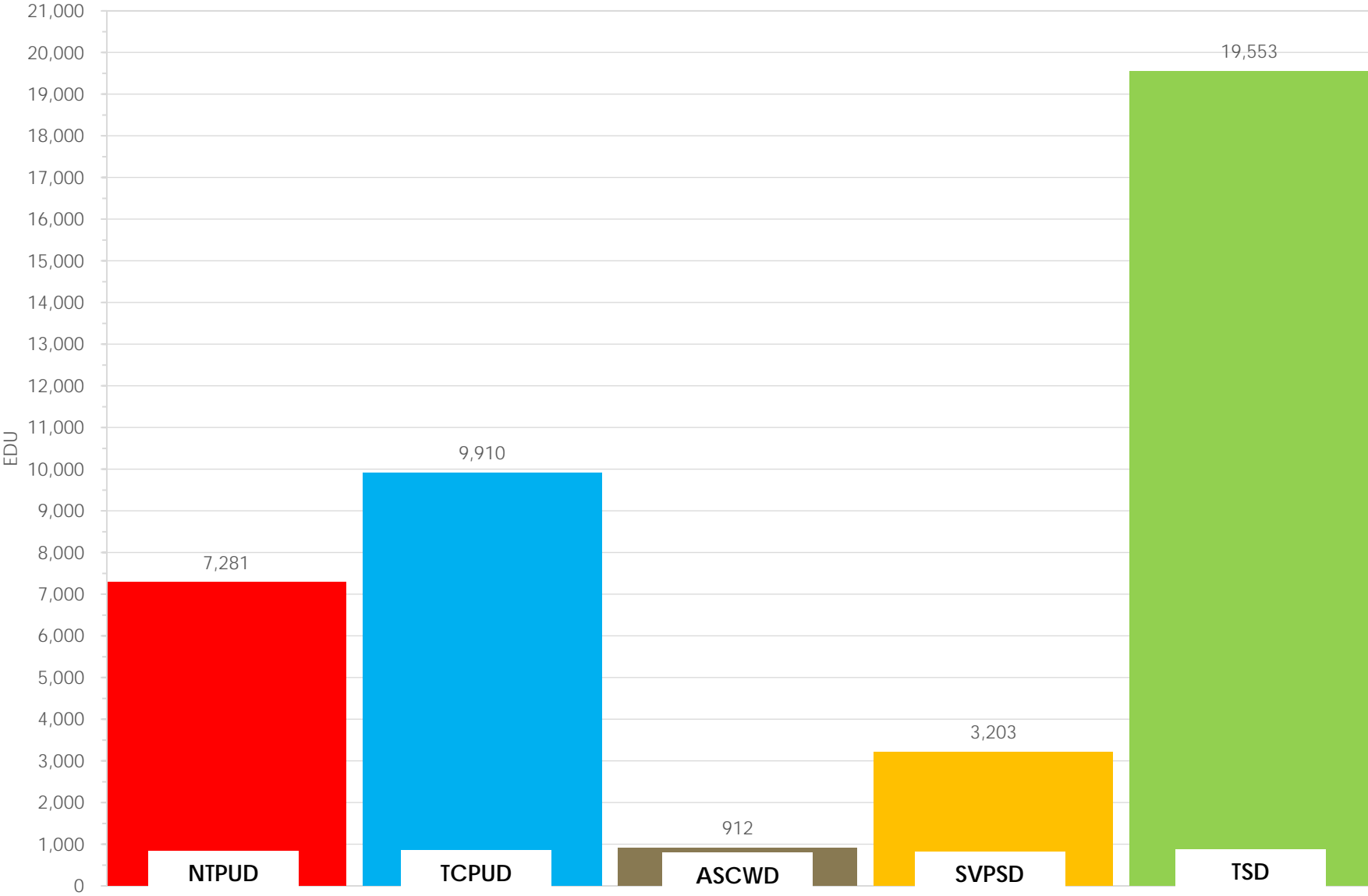
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
■ NTPUD	(1)	(1)	0	(1)	2	0	0	0	0	1	1	0
■ TCPUD	3	5	3	1	2	0	1	0	2	0	4	0
■ ASCWD	0	0	0	0	0	0	0	0	0	0	0	0
■ SVSPD	0	0	0	0	0	2	0	0	0	0	0	0
■ TSD	10	7	12	13	13	28	16	18	12	6	8	12

# Other EDU Summary

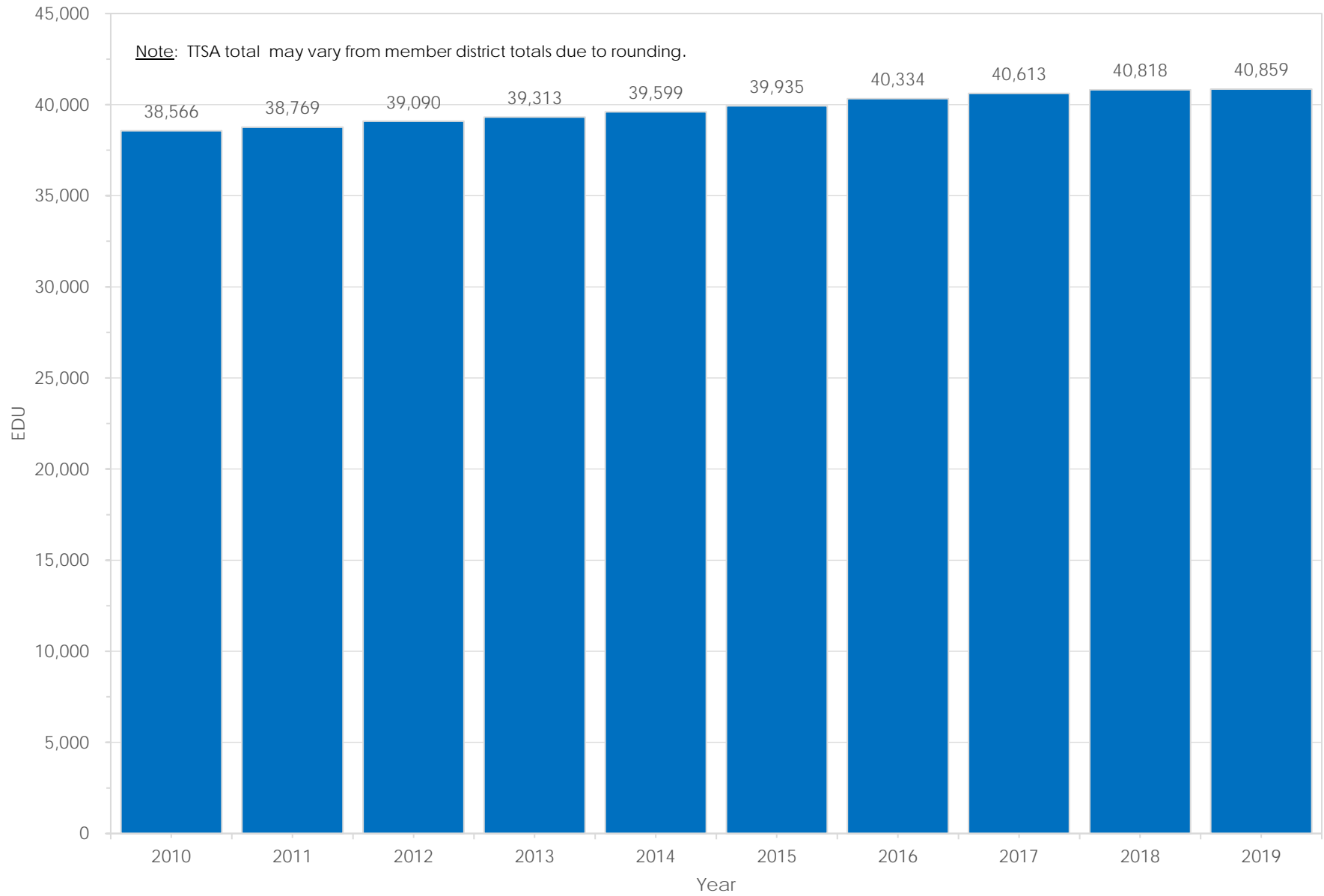


	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
■ NTPUD	0.0	(39.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.0	0.0	(5.2)
■ TCPUD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.4	0.0	0.0	0.0	0.0
■ ASCWD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(1.0)	0.0	0.0	0.0	0.0
■ SVSPD	0.0	0.0	0.0	0.0	0.0	1.8	0.0	4.6	0.0	0.0	0.0	0.0
■ TSD	0.1	5.6	2.9	0.5	0.0	10.3	(0.2)	0.3	(0.3)	0.0	0.0	0.0

# Current EDU Summary By Member District



# Historical TTSA EDU Summary





# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** LaRue Griffin, General Manager  
**Item:** VI-2  
**Subject:** General Manager Report

---

### **Continuing Projects/Work**

- Management and staff continued revision of the employee handbook.
- Management and staff continued to assist with the Compensation and Classification Study.
- Management and staff continued to investigate options to become more efficient.
- Management and staff continued implementation of the new software programs.

### **Past Month Projects/Work**

- Management and staff worked with CalPERS to evaluate different payment options towards the Agency's employee pension plan.
- Management attended the monthly member district luncheon.
- Management assisted staff with updated financial reports.
- Management and staff commenced preparation of fiscal year 2019-2020 budgets.
- Management approved license and contractor indemnification agreements (attached) for work associated with TMWD weed eradication activities.
- Staff provided training on implementation of Ordinance No. 1-2019 to member districts.
- Staff provided a plant tour for Shasta College students.

### **Review Tracking**

Submitted By:   
\_\_\_\_\_  
LaRue Griffin  
General Manager

## LICENSE AGREEMENT

This License Agreement (“Agreement”) is made this 17 day of APRIL, 2019, in Truckee, California, by and between the Truckee River Watershed Council (hereinafter “TRWC”), and the Tahoe-Truckee Sanitation Agency (hereinafter “T-TSA”), with reference to the following facts:

1. TRWC desires to enter T-TSA’s property using the T-TSA emergency storage ponds access roads, the TRI easement road and portions of the Truckee River Legacy Trail to assess non-native and native plants, remove (by hand or with shovels) or chemically treat non-native invasive plant species, and transport them from the site; and
2. T-TSA is willing to allow TRWC to enter T-TSA’s property on the following terms and conditions.

NOW, THEREFORE, IN CONSIDERATION of the promises herein contained, it is agreed by and between TRWC and T-TSA as follows:

1. License. T-TSA hereby grants a license to TRWC, its employees, agents, invitees, volunteers and contractors (collectively, the “Weed Warriors Entities”) to use certain portions of T-TSA’s property, as shown on Exhibit A attached hereto and incorporated herein by this reference, solely for conducting eradication activities, as defined in Section 18 below, to be conducted by TRWC’s contractor during the period of May 15 and October 15, 2019 (“Contractor Eradication Activities”). For the areas shown in Exhibit A, Weed Warrior Entities shall only enter the areas after notifying the Town of Truckee and T-TSA and receiving their permission a minimum of 24 hours in advance of the entry. The Town of Truckee and/or T-TSA may deny Weed Warrior Entities access to any of the areas shown on Exhibit A at any time and for any reason. TRWC accepts the condition of such portion of T-TSA’s property “AS IS,” and accepts all risk respecting



the condition of such T-TSA property. T-TSA makes no representations or warranties, implied or express, concerning the condition of T-TSA's property or its fitness for the use intended by TRWC.

2. Repair and Clean-Up of Property. TRWC shall clean-up and repair any damage to T-TSA's property arising out of Contractor Eradication Activities and associated work, or in the exercise of any of its rights conferred by this Agreement. By October 15, 2019, TRWC shall clean-up any litter and other debris on T-TSA property, T-TSA's emergency storage pond access roads, the TRI easement road and portions of the Truckee River Legacy Trail, arising out of or resulting from Contractor Eradication Activities and associated work. If the clean-up does not occur timely, T-TSA may perform the clean-up and bill TRWC for the costs thereof. If any damage is not repaired within five (5) days after its occurrence, T-TSA may repair the damage and bill TRWC for the costs thereof. TRWC shall pay each bill within thirty (30) days after its date. Interest at the rate of 10% per annum shall accrue on any late payment.
3. Term. This Agreement shall become effective on the date first above written and shall remain in effect until all of TRWC's obligations hereunder are completed, but not to exceed October 15, 2019, unless extended in writing by Agency.
4. Permits and Compliance with Laws. TRWC, at its sole cost, shall be responsible for obtaining any and all governmental permits, approvals, consents, licenses and other authorizations that may be necessary to conduct Contractor Eradication Activities and associated work, including the use of T-TSA's property, T-TSA's emergency pond access roads, the TRI easement road and portions of the Truckee River Legacy Trail. TRWC further warrants and represents that TRWC and its contractor shall conduct

Contractor Eradication Activities and associated work in compliance with all applicable laws, including, but not limited to, statutes, ordinances, codes, and rules and regulations of any governmental body having jurisdiction over Contractor Eradication Activities and associated work.

5. No Claim. TRWC and the TRWC Entities, and each of them, shall not suffer, permit or cause any mechanics', materialmen's or other similar liens or claims of lien to be filed against T-TSA or any portion of T-TSA property, T-TSA's emergency storage pond access roads, the TRI easement road or the Truckee River Legacy Trail, arising out of Contractor Eradication Activities or associated work, or any work performed hereunder. In the event any such lien is recorded or filed, TRWC shall immediately undertake all steps necessary to remove such liens and shall defend, protect, indemnify and hold T-TSA harmless from and against any such lien or related claim.
6. Indemnity. TRWC recognizes and hereby agrees that T-TSA and its directors, officers, agents and employees shall not be liable for any injury or death to any person or damage to any property arising out of or related to the (a) condition of T-TSA's property, T-TSA's emergency storage pond access roads, the TRI easement road or the Truckee River Legacy Trail, or (b) the performance or activities of TRWC or any of the TRWC Entities pursuant to this Agreement. TRWC shall indemnify, protect, defend and hold harmless T-TSA and its directors, officers, agents, employees, visitors and contractors from and against any and all liabilities, claims (by third parties or otherwise), demands, suits, administrative proceedings, damages, losses, judgments, awards, penalties, fines, attorneys' fees and expenses, expert witness fees and/or costs of any kind, whether actual, alleged or threatened, attributable to, arising from, or related to: (a) any breach of any of

the covenants or obligations under this Agreement by TRWC or any of the TRWC Entities ; (b) the condition of T-TSA's property, T-TSA's emergency storage pond access roads, the TRI easement road or the Truckee River Legacy Trail; or (c) negligent acts, errors or omissions, or willful misconduct by TRWC or any of the TRWC Entities arising from or related to the Contractor Eradication Activities or associated work (hereinafter collectively referred to as "Claims" or "Claim"), except to the extent the sole negligence, active negligence or willful misconduct of an indemnified party proximately causes the Claim.

Neither expiration of the term or termination of this Agreement nor completion of the acts to be performed under this Agreement shall release TRWC from its obligations to indemnify, as to any Claims, so long as the event upon which such Claim is predicated shall have occurred prior to the effective date of any such expiration or termination or completion and arose out of or was in any way connected with the performance, operations or activities under this Agreement by TRWC, its employees, agents or independent contractors, or the employee, agent or independent contractor of any one of them, or any of the TRWC Entities. The provisions of this Section 6 shall survive any expiration of the term or termination of this Agreement and shall remain in effect until TRWC's obligations under this section have been fulfilled.

Submission of insurance certificates or submission of proof of compliance with the insurance requirements in this Agreement does not relieve TRWC from liability under

this Section 6. The obligations of this Section 6 shall apply whether or not such insurance policies shall have been determined to be applicable to any of the Claims.

In any and all claims against T-TSA, or its directors, officers, employees or agents, by any employee of TRWC, any independent contractor of TRWC, anyone directly or indirectly employed by any of them or anyone for whose acts any of any of them may be liable, the indemnification obligation under this Section 6 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for TRWC or any independent contractor of TRWC under Worker's Compensation acts, disability benefit acts or other employee benefit acts.

TRWC shall require its contractor that will be performing the Contractor Eradication Activities to enter into an indemnification and hold harmless agreement with T-TSA containing provisions comparable to the above before the contractor commences such activities.

7. Contractors/Subcontractors. No contractual, legal or other relationship shall be created between T-TSA and any contractor, subcontractor or other agent engaged by TRWC.

This Agreement shall not create any obligation on the part of T-TSA to pay or to see that the payment of any sum is made to any contractor, subcontractor or other agent engaged by TRWC.

8. Insurance. TRWC and its contractor, and each of them, shall, at their sole cost and expense, maintain the following policies of insurance covering their activities and associated work pursuant to this Agreement: (a) Commercial General Liability, and

Business or Comprehensive Automobile Liability Insurance, each policy having a combined single limit of no less than \$1,000,000, insuring against all liability, claims, damages, costs, demands or losses arising out of their activities and associated work; and (b) Workers' Compensation Insurance as required under the Workers' Compensation Insurance Laws of California. TRWC's insurance shall cover TRWC and each of the TRWC Entities. T-TSA, its officers, directors, agents and employees shall be named as additional insureds under the Commercial General Liability, and Business or Comprehensive Automobile Liability Insurance policies. Each policy shall not contain any special limitations on the scope of protection afforded to T-TSA, its directors, officers, agents and employees. TRWC's and its contractor's insurance coverage shall be primary and shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability. T-TSA's insurance, if any, shall be excess and shall not contribute with TRWC's or its contractor's insurance. TRWC and its contractor shall provide proofs of such insurance to T-TSA on or before May 15, 2019. TRWC and its contractor shall provide T-TSA with 30 days' written notice of any material change, reduction of coverage or cancellation of the insurance policies. The requirements as to the types, limits and T-TSA's approval of insurance coverage to be maintained by TRWC and its contractor are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by TRWC under this Agreement.

9. Notices. Any notice, approval or other communication which may be required or permitted to be given or delivered hereunder shall be in writing and shall be deemed to have been given, delivered and received (i) as of the date when the notice is personally

delivered or (ii) if mailed, in the United States Mail, certified, return receipt requested, as of the date of the delivery of such notice or (iii) if delivered by courier or express mail service, telegram or mail gram where the carrier provides or retains evidence of the date of delivery, as of the date of such delivery.

To T-TSA:

Tahoe-Truckee Sanitation Agency  
Attn: General Manager  
13720 Butterfield Drive Truckee, CA 96161

To TRWC:

Matt Freitas  
Truckee River Watershed Council  
P. O. Box 8568 Truckee, CA 96162

Pursuant to the notice provision outlined in this section, the parties may designate a different address for receiving notices under this Agreement.

10. Assignment. TRWC shall not assign this Agreement or any rights or obligations hereunder to any entity or person without T-TSA's prior written consent, which consent shall not be unreasonably withheld. Any assignment of this Agreement or any rights or obligations hereunder by TRWC without the prior written consent of T-TSA shall render this Agreement null, void and of no effect.

11. Integration and Construction of Agreement.

a. Integration. This Agreement sets forth the complete and final understanding of the parties with regard to the subject matter hereof and supersedes any and all prior

communications, representations, negotiations, understandings and agreements, whether written or oral, concerning said subject matter.

b. Construction. The language of all parts of this Agreement shall be construed according to their plain meaning and shall not be construed for or against either of the parties, as each party has participated in the drafting and review of this Agreement, and has had an opportunity to consult its legal counsel in connection with this Agreement.

12. Governing Law. This Agreement shall be interpreted in accordance with the laws of the State of California.

13. No Waiver. No delay on the part of any party in exercising any right or remedy under this Agreement or failure to exercise the same shall operate as a waiver in whole or in part of any such right or remedy.

14. Modifications and Amendments. This Agreement may be modified, amended or changed only by a written agreement signed by both parties.

15. Counterparts. This Agreement may be executed in one or more counterparts, all of which together shall constitute one and the same Agreement.

16. Authorization. The parties warrant and represent that the individuals executing this Agreement have been authorized to do so by the party for whom they sign.

17. Attorneys' Fees. In any action or proceeding arising from or relating to this Agreement commenced by a party hereto, the prevailing party shall be entitled to recover its reasonable attorneys' fees in addition to any other costs, interest and damages permitted by law.

18. Eradication Activities. For purposes of this Agreement, the term "eradication activities" shall mean the hand removal or chemical treatment of non-native invasive species


including but not limited to spotted knapweed, musk thistle, bull thistle, yellow starthistle, perennial pepperweed, and teasel. In the case of chemical control, only a qualified contractor with a pesticide application license for California, and registered with Nevada County, will treat with the legally appropriate herbicide.



**IN WITNESS WHEREOF**, TRWC and T-TSA have caused this Agreement to be executed by

their duly authorized officers as follows:

TAHOE-TRUCKEE SANITATION AGENCY

  
\_\_\_\_\_

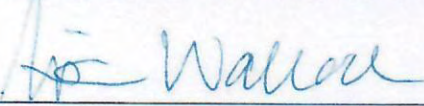
LaRue Griffin

Name

General Manager

Title

TRUCKEE RIVER WATERSHED COUNCIL

  
\_\_\_\_\_

Lisa Wallace

Name


Exec. Dir. 4/16/19

Title

**IN WITNESS WHEREOF**, TRWC and T-TSA have caused this Agreement to be executed by

their duly authorized officers as follows:

TAHOE-TRUCKEE SANITATION AGENCY

  
\_\_\_\_\_

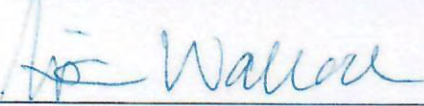
LaRue Griffin

Name

General Manager

Title

TRUCKEE RIVER WATERSHED COUNCIL

  
\_\_\_\_\_

Lisa Wallace

Name



Exec. Dir. 4/16/19

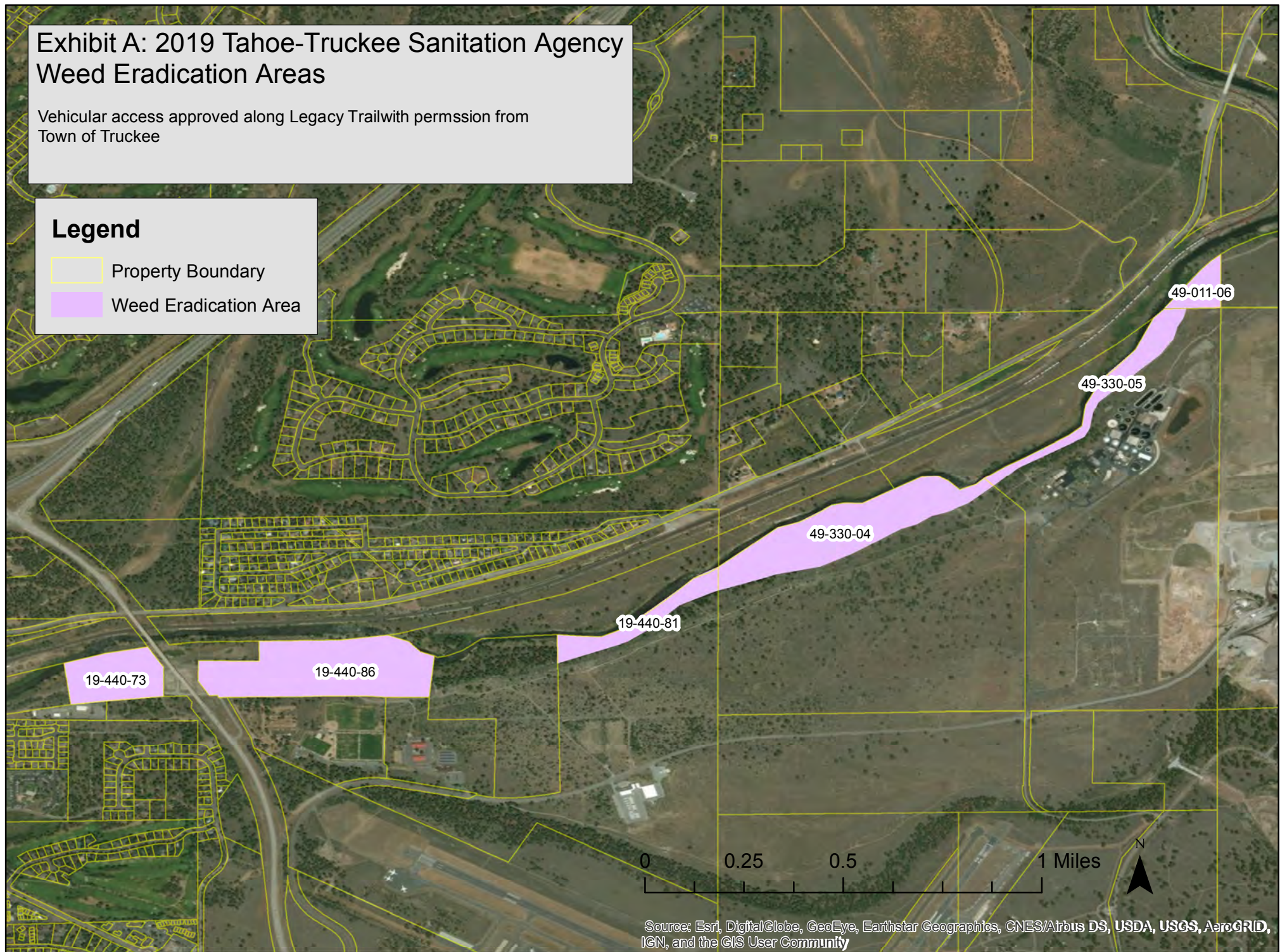
Title

# Exhibit A: 2019 Tahoe-Truckee Sanitation Agency Weed Eradication Areas

Vehicular access approved along Legacy Trail with permission from  
Town of Truckee

## Legend

-  Property Boundary
-  Weed Eradication Area



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

## INDEMNIFICATION AGREEMENT

This Indemnification and Hold Harmless Agreement ("Agreement") is made this 30 day of APRIL, 2019, in Truckee, California, by and between the Tahoe-Truckee Sanitation Agency (hereinafter "T-TSA") and TRIANGLE PROPERTIES, INC. (hereinafter "Contractor"), with reference to the following facts:

- (A) T-TSA and the Truckee River Watershed Council (hereinafter "TRWC") have entered into that certain license agreement dated APRIL 17, 2019 ("License Agreement") to allow TRWC's employees, agents, invitees, volunteers, and contractors access to T-TSA property in order to conduct weed eradication activities;
- (B) The License Agreement also allows TRWC to hire Contractor to perform additional professional weed eradication services during the period of May 15 and October 15, 2019 ("Contractor Eradication Activities," as that term is defined in Sections 1 and 18 of the License Agreement) for the removal of non-native invasive plant species; and
- (C) T-TSA is willing to provide Contractor with access to T-TSA's property for the performance of such Contractor Eradication Activities under the License Agreement subject to the terms and conditions contained in this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the promises herein contained, T-TSA and Contractor agree as follows:

1. Term. This Agreement shall become effective on the date first written above and shall remain in effect until all of Contractor's obligations hereunder are completed, but not to exceed October 15, 2019, unless extended in writing by Agency.
2. Contractor Access to T-TSA Property. Contractor shall have access to T-TSA property consistent with the terms and conditions of the License Agreement in order to conduct and carry out the Contractor Eradication Activities.
3. Indemnification. Contractor agrees that T-TSA and its directors, officers, agents and employees shall not be liable for any injury or death to any person or damage to any property arising out of or related to the (a) condition of T-TSA's property, T-TSA's emergency storage pond access roads, the TRI easement road or the Truckee River Legacy Trail, or (b) the performance of Contractor Eradication Activities by Contractor and its officers, agents and employees pursuant to the License Agreement. Contractor shall indemnify, protect, defend and hold harmless T-TSA and its directors, officers, agents, employees, visitors and contractors from and against any and all liabilities, claims (by third parties or otherwise), demands, suits, administrative proceedings, damages, losses, judgments, awards, penalties, fines, attorneys' fees and expenses, expert witness fees and/or costs of any kind, whether actual, alleged or threatened, attributable to, arising from, or related to: (a) any breach of any of the covenants or obligations under this Agreement by Contractor or its officers, agents or employees; (b) the condition of T-TSA's property, T-TSA's emergency storage pond access roads, the TRI easement road or the Truckee River Legacy Trail; or (c) negligent acts, errors or omissions, or willful misconduct by

Contractor, its officers, agents or employees arising from or related to Contractor Eradication Activities or associated work (hereinafter collectively referred to as "Claims" or "Claim"), except to the extent the sole negligence, active negligence or willful misconduct of an indemnified party proximately causes the Claim.

Neither expiration of the term or termination of this Agreement or the License Agreement nor completion of Contractor Eradication Activities shall release Contractor from its obligations under this Section 3, as to any Claims, so long as the event upon which such Claim is predicated shall have occurred prior to the effective date of any such expiration or termination or completion and arose out of or was in any way connected with the performance, operations or activities under this Agreement or pursuant to the License Agreement by Contractor, its officers, agents or employees. The provisions of this Section 3 shall survive any expiration of the term or termination of this Agreement or the License Agreement and shall remain in effect until Contractor's obligations under this section have been fulfilled.

Submission of insurance certificates or submission of proof of compliance with the insurance requirements in this Agreement does not relieve Contractor from liability under this Section 3. The obligations of this Section 3 shall apply whether or not such insurance policies shall have been determined to be applicable to any of the Claims.

In any and all claims against T-TSA, or its directors, officers, employees or agents, by any employee of Contractor, any independent contractor of Contractor, anyone directly or indirectly employed by any of them or anyone whose acts any of them may be liable, the indemnification obligation under this Section 3 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor or any independent contractor of Contractor under Workers' Compensation acts, disability benefit acts or other employee benefit acts.

4. Insurance. Contractor shall, at its sole cost and expense, maintain the following policies of insurance covering its Contractor Eradication Activities and associated work pursuant to this Agreement and the License Agreement: (a) Commercial General Liability, and Business or Comprehensive Automobile Liability Insurance, each policy having a combined single limit of no less than \$1,000,000, insuring against all liability, claims, damages, costs, demands or losses arising out of its activities and associated work; and (b) Workers' Compensation Insurance as required under the Workers' Compensation Insurance Laws of California. Contractor's insurance shall cover Contractor, its officers, agents and employees. T-TSA, its officers, directors, agents and employees shall be named as additional insureds under the Commercial General Liability, and Business or Comprehensive Automobile Liability Insurance policies. Each policy shall not contain any special limitation on the scope of protection afforded to T-TSA, its directors, officers, agents and employees. Contractor's insurance coverage shall be primary and shall apply separately to each insured against whom a Claim is made or suit is brought, except with respect to the limits of the insurer's liability. T-TSA's insurance, if any, shall be excess and shall not contribute with Contractor's insurance. Contractor shall provide proofs of such insurance to T-TSA prior to commencing any Contractor Eradication Activities. Contractor shall provide T-TSA with thirty (30) days' written notice of any material change, reduction of coverage or cancellation of the insurance policies. The requirements as to the types,

limits and T-TSA's approval of insurance coverage to be maintained by Contractor are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Contractor under this Agreement.

5. Repair and Clean-Up of Property. Contractor promptly shall clean up and repair any damage to T-TSA's property arising out of Contractor Eradication Activities and associated work, or in the exercise of any of its rights conferred by this Agreement. By October 15, 2019, Contractor shall clean up any litter and other debris on T-TSA property, T-TSA's emergency storage pond access roads, the TRI easement road and portions of the Truckee River Legacy Trail, arising out of or resulting from Contractor Eradication Activities and associated work. If the clean-up does not occur in a timely manner, T-TSA may perform the clean-up work and bill Contractor for the costs thereof. If any damage to T-TSA's property is not repaired within five (5) days after its occurrence, T-TSA may repair the damage and bill Contractor for the costs thereof. Contractor shall pay each bill within thirty (30) days after its date. Interest at the rate of 10% per annum shall accrue on any late payment.

6. Permits and Compliance with Laws. Contractor, at its sole cost, shall be responsible for obtaining any and all governmental permits, approvals, consents, licenses and other authorizations that may be necessary to conduct Contractor Eradication Activities and associated work, including the use of T-TSA's property, T-TSA's emergency pond access roads, the TRI easement road and portions of the Truckee River Legacy Trail. Contractor further warrants and represents that Contractor shall conduct Contractor Eradication Activities and associated work in compliance with all applicable laws, including, but not limited to, statutes, ordinances, codes and rules and regulations of any governmental body having jurisdiction over Contractor Eradication Activities and associated work.

7. Assignment. Contractor shall not assign this Agreement or any rights or obligations hereunder to any entity or person without T-TSA's prior written consent, which consent shall not be unreasonably withheld. Any assignment of this Agreement or any rights or obligations hereunder by Contractor without the prior written consent of T-TSA shall render this Agreement null, void and of no effect.

8. Integration of Agreement. This Agreement sets forth the complete and final understanding of the parties with regard to the subject matter hereof and supersedes any and all prior communications, representations, negotiations, understandings and agreements, whether written or oral, concerning said subject matter.

9. Construction of Agreement. The language of all parts of this Agreement shall be construed according to their plain meaning and shall not be construed for or against either of the parties, as each party has participated in the drafting and review of this Agreement, and has had an opportunity to consult its legal counsel in connection with this Agreement.

10. Governing Law. This Agreement shall be interpreted in accordance with the laws of the State of California.

11. No Waiver. No delay on the part of any party in exercising any right or remedy under this Agreement or failure to exercise the same shall operate as a waiver in whole or in part of any such right or remedy.

12. Modifications and Amendments. This Agreement may be modified, amended, or changed only by a written agreement signed by both parties.

13. Counterparts. This Agreement may be executed in one or more counterparts, all of which together shall constitute one and the same Agreement.

14. Authorization. The parties warrant and represent that the individuals executing this Agreement have been authorized to do so by the party for whom they sign.

15. Attorneys' Fees. In any action or proceeding arising from or relating to this Agreement commenced by a party hereto, the prevailing party shall be entitled to recover its reasonable attorneys' fees in addition to any other costs, interest and damages permitted by law.

16. Notices. Any notice, approval or other communication which may be required or permitted to be given or delivered hereunder shall be in writing and shall be deemed to have been given, delivered and received (i) as of the date when the notice is personally delivered or (ii) if mailed, in the United States Mail, certified, return receipt requested, as of the date of the delivery of such notice or (iii) if delivered by courier or express mail service, telegram or mail gram where the carrier provides or retains evidence of the date of delivery, as of the date of such delivery.

To T-TSA:


Tahoe-Truckee Sanitation Agency  
Attn: General Manager  
13720 Butterfield Drive  
Truckee, CA 96161

To Contractor:

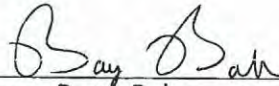
Triangle Properties, Inc.  
3500 American River Drive  
Sacramento, CA 95864

**IN WITNESS WHEREOF**, T-TSA and Contractor have caused this Agreement to be executed by their duly authorized officers as follows:

TAHOE-TRUCKEE SANITATION AGENCY

  
\_\_\_\_\_  
LaRue Griffin  
General Manager

CONTRACTOR

  
\_\_\_\_\_  
Name: Barry Baba  
Title: Habitat Resource Manager



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** LaRue Griffin, General Manager  
**Item:** VII  
**Subject:** Board of Director Comment

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### **Background**

Opportunity for directors to ask questions for clarification, make brief announcements and reports, provide information to staff, request staff to report back on a matter, or direct staff to place a matter on a subsequent agenda.





# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** LaRue Griffin, General Manager  
**Item:** VIII  
**Subject:** Closed Session

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1. Closed session for public employee discipline/dismissal/release.



# TAHOE-TRUCKEE SANITATION AGENCY

## MEMORANDUM

**Date:** May 15, 2019  
**To:** Board of Directors  
**From:** LaRue Griffin, General Manager  
**Item:** IX  
**Subject:** Consider adoption of resolution concerning appointment of hearing officer for employee termination appeal hearing

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