

**CARSON CITY CONSOLIDATED MUNICIPALITY
NOTICE OF MEETING OF THE
UTILITY FINANCE OVERSIGHT COMMITTEE**

Day: Tuesday
Date: June 20, 2017
Time: Beginning at 1:00 pm
Location: Community Center, Sierra Room
851 East William Street
Carson City, Nevada

AGENDA

1. Call to Order

2. Roll Call

3. Public Comment:

The public is invited at this time to comment on and discuss any topic that is relevant to, or within the authority of this public body. In order for members of the public to participate in the Committee's consideration of an agenda item, the Committee strongly encourages members of the public to comment on an agenda item during the item itself. No action may be taken on a matter raised under public comment unless the item has been specifically included on the agenda as an item upon which action may be taken.

4. For Possible Action - Approval of Minutes

4.A For Possible Action: To approve the March 28, 2017 draft meeting minutes.

Staff Summary: Committee members will be provided the draft meeting minutes from the March 28, 2017 meeting and asked to review and approve.

[SR-approval of minutes.docx](#)

[03-28-17 minutes.pdf](#)

5. Public Hearing Matters

5.A For Information Only: Presentation of a report from David Bruketta, Utility Manager for the Carson City Public Works Department on general matters relating to flooding in 2017; the Committee's fiscal policies and recommended budgets; and various changes affecting personnel. (David Bruketta; dbruketta@carson.org)

Staff Summary: This is an informational only update on: the 2017 flood disaster and current status; progress made on refinement of the Committee's fiscal policies presentation; summary of changes made to the Committee's recommended budgets and the Board of Supervisors' final adopted budgets for sewer, water and storm water; and staff changes, including awards, hirings and vacancies.

[SR-MR_General.docx](#)

[5A_Report.docx](#)

[Attachment 5A-1.pdf](#)

[Attachment 5A-2.pdf](#)

[Attachment 5A-3.pdf](#)

[Attachment 5A-4.pdf](#)

[Attachment 5A-5.pdf](#)

[Attachment 5A-6.pdf](#)

5.B For Information Only: Presentation of a report from David Bruketta, Utility Manager for the Carson City Public Works Department, concerning updates on budget revenues and expenditures and the progress of projects that have an impact on the City's sewer fund. (David Bruketta; dbruketta@carson.org)

Staff Summary: This is an informational only update on the FY18 sewer fund budget revenues and expenditures; the progress of sewer fund capital projects; wet winter impacts to the treatment plant from inflow and infiltration and damage to infrastructure; development of the collection system master plan; Brunswick Canyon Dam inspection performed by NDEP; pretreatment audit performed by EPA; south lift station lease agreement with the State of Nevada; and the Capital Improvements FY18 project.

[SR-MR_Sewer.docx](#)

[5B_Report.docx](#)

[Attachment 5B-1.pdf](#)

[Attachment 5B-2.pdf](#)

[Attachment 5B-3.pdf](#)

[Attachment 5B-4.pdf](#)

[Attachment 5B-5.pdf](#)

[Attachment 5B-6.pdf](#)

[Attachment 5B-7.pdf](#)

[Attachment 5B-8.pdf](#)

[Attachment 5B-9.pdf](#)

[Attachment 5B-10.pdf](#)

5.C For Information Only: Presentation of a report from David Bruketta, Utility Manager for the Carson City Public Works Department, concerning updates on budget revenues and expenditures and the progress of projects that have an impact on the City's water fund. (David Bruketta; dbruketta@carson.org)

Staff Summary: This is an informational only update on the FY18 water fund budget revenues and expenditures; the progress of water fund capital projects; water leak repairs; and the summer watering schedule.

[SR-MR_Water.docx](#)

[5C_Report.docx](#)

[Attachment 5C-1.pdf](#)

[Attachment 5C-2.pdf](#)

[Attachment 5C-3.pdf](#)

[Attachment 5C-4.pdf](#)

5.D For Information Only: Presentation of a report from David Bruketta, Utility Manager for the Carson City Public Works Department, concerning updates on budget revenues and expenditures and the progress of projects that have an impact on the City's storm water fund. (David Bruketta; dbruketta@carson.org)

Staff Summary: This is an informational only update on: the FY18 storm water fund budget revenues and expenditures; the progress of storm water fund capital projects; and the MS4 renewal process.

[SR-MR_StormWater.docx](#)

[5D_Report.docx](#)

[Attachment 5D-1.pdf](#)

[Attachment 5D-2.pdf](#)

[Attachment 5D-3.pdf](#)

5.E For Information Only: Presentation and discussion on the water and sewer information that was presented to the Planning Commission, acting as the Growth Management Commission on May 31, 2017, as it relates to the Growth Management Commission's recommendation to the Board of Supervisors a Resolution: establishing the maximum number of residential building permit allocations under the Growth Management Ordinance for the years 2018 and 2019 and estimating the maximum number of residential building permits for the years 2020 and 2021; establishing the number of building permit allocations with the Development and General Property Owners categories; and establishing a maximum average daily water usage for commercial and industrial building permits as a threshold for Growth Management Commission review. (David Bruketta; dbruketta@carson.org)

Staff Summary: The Committee will be presented with the staff report and supporting information that was presented to the Planning Commission acting as the Growth Management Commission on 5/31/2017 as part of the growth management agenda item. Staff will discuss and answer questions related to water and sewer connections, building permits and water forecast.

[SR-MR_PlanningCommission.docx](#)

[2017_GrowthManagement.pdf](#)

6. For Information Only: Future Agenda Items

Discussion under this item is limited to the possible placement of new matters on future agendas only. The next meeting is tentatively scheduled for September 19, 2017.

7. Public Comment**

The public is invited at this time to comment on and discuss any topic that is relevant to, or within the authority of the Utility Finance Oversight Committee, including any matter that is not specifically included on the agenda as an action item. No action may be taken on a matter raised under public comment unless the item has been specifically included on the agenda as an item upon which action may be taken.

8. For Possible Action: To Adjourn.

Public Comment**

It is Carson City's aspirational goal to provide for item-specific public comment as follows: in order for members of the public to participate in the public body's consideration of an agenda item, the public is strongly encouraged to comment on an agenda item when called for by the Chair during the item itself. No action may be taken on a matter raised under public comment unless the item has been specifically included on the agenda as an item upon which action may be taken. The Chair also retains discretion to only provide for the Open Meeting Law's minimum public comment and not call for or allow additional individual-item public comment at the time of the body's consideration of the item when: 1) it is deemed necessary by the Chair to the orderly conduct of the meeting; 2) it involves an off-site non-action facility tour agenda item; or 3) it involves any person's or entity's due process appeal or hearing rights provided by statute or the Carson City Municipal Code.

Agenda Management Notice

Items on the agenda may be taken out of order; the public body may combine two or more agenda items for consideration; and the public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time.

Notice to Persons with Disabilities

Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the District Attorney's Office in writing at 885 E. Musser Street, Suite 2030, Carson City NV 89701, or by calling (775) 887-2070 at least 24 hours in advance.

For Further Information

If you would like more information about an agenda item listed above or to request a copy of the supporting material for this meeting, please contact Karen Leet at Kleet@carson.org or call (775) 887-2355. A copy of this agenda and supporting materials for the meeting are also available at the Public Works Department located at 3505 Butti Way, Carson City, NV 89701 or at the City's website at <http://carson.org/government/meeting-information/agendas>.

This notice has been posted at the following locations:

Community Center, 851 East William Street

Public Safety Complex, 885 East Musser Street

City Hall, 201 North Carson Street

Carson City Library, 900 North Roop Street

Business Resource & Innovation Center (BRIC), 108 East Proctor Street

The Carson City Website at <http://carson.org/government/meeting-information/agendas>



STAFF REPORT

Item No. 4A

Report To: Utility Finance Oversight Committee

Meeting Date: 06/20/2017

Staff Contact: Darren Schulz, Director of Public Works

Agenda Title: For Possible Action: To approve the March 28, 2017 draft meeting minutes.

Staff Summary: Committee members will be provided the draft meeting minutes from the March 28, 2017 meeting and asked to review and approve.

Agenda Action: Formal Action/Motion

Time Requested: 5 minutes

Proposed Motion

Move to approve the March 28, 2017 draft meeting minutes.

Board's Strategic Goal

N/A

Previous Action

N/A

Background/Issues & Analysis

N/A

Applicable Statute, Code, Policy, Rule or Regulation

N/A

Financial Information

Is there a fiscal impact? Yes No

If yes, account name/number:

Is it currently budgeted? Yes No

Explanation of Fiscal Impact:

Alternatives

Committee Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)

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A regular meeting of the Carson City Utility Finance Oversight Committee was scheduled for 1:00 p.m. on Tuesday, March 28, 2017 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Andrea Engleman
Vice Chairperson Mike Bennett
Member Randy Bowling
Member Bruce Scott
Member Mike Spell

STAFF: Darren Schulz, Public Works Department Director
David Bruketta, Utility Manager
Sheri Russell, Deputy Chief Financial Officer
Pamala Ganger, Accounting Manager
Dan Yu, Deputy District Attorney
Kathleen King, Chief Deputy Clerk

NOTE: A recording of these proceedings, the committee's agenda materials, and any written comments or documentation provided to the Clerk, during the meeting, are part of the public record. These materials are available for review, in the Recording Secretaries Division of the Carson City Clerk's Office, during regular business hours.

1 - 2. CALL TO ORDER AND ROLL CALL (12:59:45) - Chairperson Engleman called the meeting to order at 12:59 p.m. Roll was called a quorum was present.

3. PUBLIC COMMENT (1:00:10) - Chairperson Engleman entertained public comment. (1:00:54) Donna Hulett advised that she and her husband own property "that is adjacent to the storm drain that you are looking at from Gordon Street to Morgan Mill. And, in fact, it runs adjacent to our property. The property has been flooded, due to the storm drain inadequacy, four times in the last twenty years, and we are here hoping that we can get some response from you folks on addressing this storm drain. It is draining waters all from the corner of College Parkway and Highway 50 and, as the last corner is developed which is right across from SlotWorld and we've just had a corner developed which is the new truck stop there, the Maverik, all that water is coming down to that one storm drain and the storm drain overflows and it cannot carry the water properly. Subsequently, backing up into our back yard and flooding our home. So, we've just had floods in January twice. The Public Works [Department] was out with approximately 500 sand bags which we just had removed last week and so we are hoping to find out when this area will be addressed and how soon because, going forward, we don't know what we can do as far as our property values ..." Chairperson Engleman explained the committee's purview to consider "the financial side of it to see how the money's going to be spent ..."

In reference to a newspaper article, Ms. Hulett advised that "it said from Gordon Street to Morgan Mill was allocated approximately \$1,100,000 to address that and that is the exact area where we're having our problem." Chairperson Engleman noted there were no other citizens present in the meeting room.

4. POSSIBLE ACTION ON APPROVAL OF MINUTES - January 30, 2017 (1:03:47) - Chairperson Engleman entertained suggested revisions and, when none were forthcoming, a motion to approve the minutes. **Member Bowling so moved. Member Spell seconded the motion. Motion carried 5-0.**

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5. AGENDA ITEMS:

5(A) POSSIBLE ACTION TO RECOMMEND TO THE BOARD OF SUPERVISORS APPROVAL OF THE TENTATIVE SEWER FUND BUDGET FOR FY18, AND ACKNOWLEDGE THAT IT IS CONSISTENT WITH THE ADOPTED FINANCIAL POLICIES (1:04:45) - Chairperson Engleman introduced this item, and Mr. Bruketta reviewed the agenda materials in conjunction with displayed slides. Member Spell inquired as to the method by which the \$10,331,829 figure was calculated for 2018 System Reinvestment Funding. Member Spell suggested “that would be imbedded within your total fund balance ... It’s the amount that you would have collected that year that was left over through the system reinvestment funds and it should be basically in that \$6.9 million ... Because that \$6.9 million that exceeds your 2% for your capital contingency reserve ... should include any unspent debt proceeds as well. That’s why you’re exceeding it so much. And everything looks good for ‘16 and ‘17 when you look at the System Reinvestment Funding. And I just cannot figure out how we can have \$10 million which even exceeds the whole total cash on hand. It should be part of that \$6.9 million.”

Mr. Bruketta explained “where that’s coming from is the acquisition of the capital assets, the bond payments, principal and interest, and the bond proceeds. So I guess what you’re questioning is the bond proceeds, the \$6 million for the proceeds, would be put into the capital contingency reserve.” Member Spell referred to last year’s spreadsheet “which broke out perfectly everything that made your fund balance. This ... is distorting the picture. I don’t know if that \$10 million is what you’re saying you collected, part of your fees ... for system reinvestment funding. But it’s really not part of your fund balance and that’s what we’re looking for. So this schedule you did last year, ... it showed out of our fund balance how much is for operating, how much is for debt service, and how much is for system reinvestment. And, like I said, it looks really good for ‘16 and ‘17; that it would be imbedded in ... the balance that exceeds your capital contingency reserve minimum.”

Mr. Bruketta explained, “What we were trying to do this year with this, and maybe this is just working through this process, we were trying to align ... That spreadsheet that you saw last year was a mixture way of doing things and there was confusion that led to how we did it and then what was being reported by Finance for the total budget. So this process is trying to align it to more of a standardized method. So maybe these are some bugs that we’re going to work through on this one since this is the first time we’re preparing it this way.”

In reference to the System Reinvestment Funding figure for FY 2016, Member Spell stated, “that’s what is left in that reserve, your cash on hand that was actually collected through your system reinvestment funding and that’s what we want to see. That’s what you’re supposed to be building your fund balance with so we don’t have to bond; we can do more pay as you go. ... and it looks really good for estimated 2017. ... in ‘16, ... our goal was \$3.5 million. ‘17, we finally got out of the hole which was a problem in our last year’s budgets is we weren’t meeting our goals. We finally got out of it but ... then to go from \$3.6 million to \$10 million ... That does not make sense as far as what our fund balance is.”

Ms. Russell expressed understanding and advised that she would work with Public Works Department staff to “get these where they need to be. ... I see what you’re saying. The reserve should be some breakout of the fund balance available.” Member Spell reiterated “there should be a dollar amount that would be imbedded in the \$6.9 million. Remember like last year, we showed everything that went into the fund balance. ... if I knew this was actually ... what was in the fund balance from your system reinvestment funding and I knew that you had to have 2% of it in capital contingency reserve, basically, the rest would have to be bond proceeds.” Mr. Bruketta explained “it’s the \$6 million bond that we would be proposing this year.” Member Spell clarified “a bond is not system reinvestment funding in your fee schedule. Bond

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proceeds are completely different. ... what we're looking for in this fiscal policy is did you collect \$3.5 million, which was your goal, for system reinvestment funding. ... So you're saying most of that \$10 million is bond proceeds. ... I don't care about bond proceeds. ... in actuality, you can't have bond proceeds sitting around on hand."

Following a brief discussion, Member Spell explained that the Operating Reserve and Capital Contingency Reserve figures are added together for year-end cash-on-hand. "We far exceed what our 2% is for capital contingency so the residual will be made up of unspent bond proceeds and system reinvestment funds. And our goal was to meet the depreciation. You wanted the depreciation amount in the fund balance each year. And, if that's the case, ... you're not going to meet your goal of \$3.5 million of system reinvestment funding in your fund balance for 2018. Because you're saying \$6 million of that \$6.9 million is bond proceeds."

Mr. Bruketta explained that the system reinvestment funding is not classified as a reserve. Ms. Russell further clarified that the system reinvestment funding is "actually what they spent in the year." Member Spell stated, "That's not how you treated it last year. We had it as a line item and that was the confusion is people thought it was a separate fund balance. No. If you go back to the report, it said imbedded within the contingency is the amount of funds you would have available for system reinvestment funding. And then, like last year, you gave us a CIP project list that showed how much system reinvestment funding was going to be used to pay, how much bonds were going to be used for the CIP. And that's where it was really nice to show ... the consumers: this is where your fees are going. ... people think these are all separate funds. No, they're not. You only have one fund balance. Within it, you have operations and maintenance that we've got to break out. And then we have capital contingency which ... that fund, the rest of it, better be at least 2%. And anything over that 2% is going to be unspent bond proceeds and the money that we have collected for system reinvestment."

Mr. Bruketta expressed understanding, and reiterated "it was viewed not as a reserve. It was viewed as a funding source that we're showing how much we're actually spending from that funding source, system reinvestment funding. So, it's not a reserve. That's ... the point of confusion." Member Spell reiterated that bond proceeds are not part of system reinvestment funding. "That's not part of your fees. That's separate. And, here again, ... wasn't that what system reinvestment funding was for? ... to get away, get more money into our fund balance so we don't have to bond as much?" Mr. Bruketta explained "the idea behind the system reinvestment funding was to create a funding source for repair and replacement of equipment, of facilities, ... of capital items. ... we're saying that ... from the rates, we're showing this as a line item here that there would be a proposed \$10.3 million spent from those three different sources ... which is the acquisition of the capital assets, the bond payments, principal and interest and the bond proceeds."

Mr. Schulz explained that "for this upcoming year, 2018, the target is \$3.5 million ... but we are spending \$10.3 million. So \$6 [million] of that \$10.3 [million] is a lump sum coming from a bond. So, now those bond payments that are going to be spread out over the next 20 years, those will be shown in this line item that we put towards capital reinvestment. So we're spending the \$6 million now, but the payment of that will get shown spread out over the next 20 years as that's reinvestment funding that went into the system. The goal is to get away from responding or spend-as-you-go. But for this line item here, if you took the \$6 million out of the \$10.3, you'd end up with \$4.3 so, basically, we would be spending \$4.3 million which we are this coming year, '18, in reinvestment funding." Mr. Schulz responded to questions of clarification, and discussion ensued. Mr. Schulz further explained, "the idea was to get away from the imbedding so that it's very clear as to meeting these goals. But I understand the perspective of looking at it from last year how maybe we confused the issue. We were trying to make it simpler." Member Spell reiterated, "The

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problem last year is people kept thinking they were separate funds. It's all one fund balance and ... it was perfectly laid out. ... We went with the 2% operations and maintenance first. Then we had to have the 2% and then ... bond proceeds. Of course, we cannot mess with those. Those can only be spent on capital projects. And then anything residual would have had to have been the amount of funds that you had for system reinvestment funding."

Ms. Russell clarified that the 2018 operating reserve and capital contingency reserve figures are the "total cash that we expect to be on hand as of the end of 2018. So those are the two total reserves. What we've done with the system reinvestment funding ... is where the craziness lies because that's more what we've spent as opposed to what actually is in that capital contingency reserve figure." Discussion followed, and Ms. Russell explained, "we budget both the proceeds of the bond and the project. So we've budgeted that all to be spent in '18. Whether that actually happens or not, we've budgeted it to be spent. So, in these projections, there shouldn't be much bond proceeds in that \$6.9 million [figure]. ... we've pretended that we've spent it all in '18 even if we have to carry it over in reality." Member Spell stated, "So, in essence then, if there are no bond proceeds in the \$6.9 million, then you have fulfilled your \$3.5 million. In essence, you have more than \$3.5 million of system reinvestment funding because you want to fulfill the \$2.7 for contingency. So you will have that extra \$4 million and that's what I think would be a great number to show all your rate payers. ... look, this is going to come help us fund down our debt." Ms. Russell acknowledged understanding.

In response to a question, Member Spell reiterated that the 2016 and 2017 figures are fine. "... everything penciled out. I knew the capital contingency was covered. The only thing I did not know is were there any bond proceeds left in that ending fund balance. That is a number that would be key is, ... if there is any, if we just flag it, how much bond proceeds are. ... maybe we do have to go back to this line item that shows here's what our fund balance is made up of. And I think that would probably be much easier for a Board member who does not have a lot of time ..." In response to a question, Mr. Schulz discussed the goal "to simplify it, to make it match. But I can understand, from the conversation, that there are some missing pieces that would help fill in the blanks. That's just a little step. This is a work-in-progress ..."

Mr. Bruketta advised that staff would work with Member Spell to fine tune the financial policies table, and continued reviewing the agenda materials in conjunction with displayed slides. At Member Scott's request, Mr. Bruketta provided additional detail of the estimates for connection fees. In response to a question, Mr. Schulz explained that "when we first ... got all the news, all the press, before that July 1 deadline where they went up, we saw a little bit of a spike of people coming in and grabbing some before they had to pay more. Since that time, we haven't seen ... a lot of people trying to come in early to meet that July 1 deadline." Mr. Schulz acknowledged that connection fees are paid with the pulling of a building permit.

In response to a question, Ms. Russell advised that the year-to-date actuals figures are as of December 16, 2016. In response to a question, Mr. Schulz advised that "we're comfortable that the \$65,000 figure [reflected in the 2017 - 18 proposed fiscal summary] is too low. But, depending on how things shake out over the year, working with developers, we just don't know. We can't estimate that very well." Ms. Russell explained that revenue is always budgeted conservatively and expenses are budgeted "a little higher because, at the end of the day, the money comes in and we'll be ahead of the game and then we can spend it on whatever we need to. But, as far as a budget standpoint, we never want to overbudget revenue." Member Scott pointed out that the connection fees estimated for 2016 - 17 "are about 1.3 percent of our total expenditures. So you can see how small connection fees, even now, are in relation to the overall cost of the sewer operation."

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In response to a question, Mr. Bruketta explained that the 14.97 percent increase, between the 2016 - 17 estimated and 2017 - 18 proposed Charges for Service, is due to “one more year of rate increases.” Mr. Bruketta referred to the worksheet for additional detail. Mr. Schulz and Ms. Russell responded to additional questions regarding the Water - Effluent Supplement line item, and salary increases. Mr. Bruketta and Ms. Russell responded to additional questions regarding specific detail of the budget preparation worksheet, and discussion followed.

Mr. Bruketta reviewed the proposed capital projects for FY 18 - 22, in conjunction with a displayed slide. Mr. Bruketta, Mr. Schulz, Ms. Ganger, and Ms. Russell responded to questions regarding the “Reuse - Eagle Valley Golf Course Rehabilitation” line item; the “Groundwater Protection - Sewer Maintenance” line item; and the “Professional Services” line item.

Chairperson Engleman entertained public comment and, when none was forthcoming, a motion. **Member Scott moved to recommend to the Board of Supervisors approval of the tentative Sewer Fund budget for FY 18, recognizing Member Spell’s request for additional clarification for future needs. Vice Chairperson Bennett seconded the motion.** Chairperson Engleman called for a vote on the pending motion. **Motion carried 5-0.**

5(B) POSSIBLE ACTION TO RECOMMEND TO THE BOARD OF SUPERVISORS APPROVAL OF THE TENTATIVE WATER FUND BUDGET FOR FY18, AND ACKNOWLEDGE THAT IT IS CONSISTENT WITH THE ADOPTED FINANCIAL POLICIES

(2:01:45) - Chairperson Engleman introduced this item, and Mr. Bruketta expressed understanding that Member Spell’s comments also applied to this item. Mr. Bruketta reviewed the agenda materials in conjunction with displayed slides, responded to questions of clarification, and discussion ensued. Mr. Schulz stated, “Our goal is to rely less and less on bonds, especially for this fund, and more pay-as-you-go. It just takes us some time to get healthy, to build that up. Then you add and compound the fact that our revenues are coming in below expectations due to people saving. It makes it even worse and it takes us longer to get there ...” In response to a question, Mr. Schulz advised that the increase scheduled for July 1st will be 6.5 percent.

Mr. Bruketta entertained questions or comments relative to the fiscal summary and budget worksheets which were included in the agenda materials. In reference to the financial policies, Member Spell requested support for debt management and debt service coverages. “I can reconcile 2016 to CAFR but I do not have access to ... the debt equity ratio unless I know what your projected fund balances will be and what your total debt will be.” Mr. Bruketta acknowledged the supporting information could be provided.

Mr. Bruketta reviewed the five-year capital improvement plan, which was included in the agenda materials. Mr. Bruketta and Mr. Schulz responded to questions of clarification regarding the communications - fiber - SCADA line item; and the well redrilling line item. Vice Chairperson Bennett commented on the number of assets in the water utility, and stated, “What I’m seeing for capital is pretty minimal. I get that’s a function of the revenue that’s coming in.” Vice Chairperson Bennett expressed concern over deferred maintenance, and inquired as to the amount of maintenance being deferred. He suggested “it doesn’t make a lot of sense to say ... we’re complying with policy but we get to the end and there’s a ten-year projection out and we’re \$15 million upside down. I know we’re doing, we’ve got the little green check box on the system reinvestment but that’s debt service. We’re paying off the credit card for the groceries we bought on the credit card.”

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Mr. Bruketta advised of having anticipated the question, and reviewed the capital improvement plan for the last couple years. "... when you look at the capital improvement plan for water, for 2016, it was \$23 million. For 2017, it was \$13 million. And now the current is being proposed at \$6 million. So, ... those are activities that we do need to do, but we realize that ... there's budget constraints. So we're trying to do the best job we can with the structure that we're given." Mr. Schulz added, "It goes back to our rates. We're built up around a model with projected revenue ... And then we had a blip. And we're not the only ones. Everybody around us had the same blip. So now ... we don't want to react. We want to just sit back and see. Was that just a blip? Or what's going to happen in terms of usage in water over the next year or two. And that will help us project moving forward exactly what's going to happen here. Recently, some of the agencies around us ..., they had the same blip we did. ... They have the same problem we have and they said, 'We gotta look forward and we gotta fix this.' And so they did a two-year rate, 3% a year for two years, an adjustment they called it, to overcome that blip that was caused by people using less water." Mr. Schulz responded to a question of clarification. "In terms of us, we're not projecting that. We're not saying that. We're not ready to make that call yet in terms of this is spiraling down and we're not going to come out of it. We really need some more data in terms of usage that's going up. Now, we have one of the wettest years we've had around here so I don't see any sprinklers running where, last year at this time, sprinklers were running ... That's where the revenue's coming in is for that irrigation. So, those are all moving parts in terms of the future and conversations will have to happen." Discussion followed.

In response to a question referencing the budget preparation worksheet, Mr. Schulz advised that penalties and interest are not written off. "It eventually gets collected." Ms. Russell acknowledged that the water delinquencies line item is a year-to-date figure, collected in one year. In response to a question, Ms. Russell offered to review the journal entry for the sewer fund line item. She assured the committee it's in the fund. In response to a further question, Ms. Russell advised that the year-to-date actuals for the tapping fee, meter box set, and complete service lateral line items could be added to. Member Scott noted that connection fees are less than one percent of the total revenue. He additionally reviewed the figures attributable to full-time employees.

Chairperson Engleman entertained additional committee member questions or comments and, when none were forthcoming, public comments. When no public comments were forthcoming, Chairperson Engleman entertained a motion. **Vice Chairperson Bennett moved to recommend to the Board of Supervisors approval of the tentative water fund budget for FY 18, and acknowledge that it is consistent with adopted financial policies. Member Scott seconded the motion. Motion carried 5-0.**

5(C) POSSIBLE ACTION TO RECOMMEND TO THE BOARD OF SUPERVISORS APPROVAL OF THE TENTATIVE STORM WATER FUND BUDGET FOR FY18 (2:21:29) - Chairperson Engleman introduced this item, and Mr. Bruketta reviewed the agenda materials in conjunction with displayed slides. Mr. Bruketta acknowledged there are 2.5 positions in the Storm Water Fund. Chairperson Engleman expressed uncertainty as to the reason for a "separate storm water department. In other areas, ... it's all part of the sewer department." In response to a question, Mr. Bruketta explained "this is a program that we'd set up back in 2003. It's actually, in the next one, a history. So we set this up as a program to deal with it. In the other areas, referring to Reno, Sparks, Washoe County, or even Clark County, ... they have flood districts. They set up separate accounts. I'm not sure that they are all in the sewer department. They could be part of the streets department also; there's connection between streets. So, it is different than ... how the other ones were set up but it is something that was adopted by the Board back in 2003."

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In response to a further question, Mr. Schulz advised that “we share now. When we do our projects, we try and share. But, for instance, a camel, which is a vehicle that cleans out storm drains; we have a camel in storm drain and we have a camel in sewer, but we’re not allowed by the state to interchange those because of the material you’re picking up. So, I can’t just buy one piece of equipment and share it back and forth. ... So, the ... only other equipment in storm drain are the ... street sweepers. Well, ... that has nothing to do with sewer so we wouldn’t be sharing there anyway. So, ... the goal back in 2003 / 04 was this is a unique utility that needs to stand on its own and be funded on its own to serve as some sort of level of service for storm water.”

Chairperson Engleman advised of having reviewed the storm water ordinances, and that “very few of them are being enforced. ... you can’t with 2.5 people. ... People buy a piece of property and ... the Planning Department says, ‘To avoid flooding, you have to put in a drain in the back and it’s up to you to keep it up.’ And they don’t keep it up. And so flooding occurs and the fact is, with 2.5 people, they can’t go check everybody’s drain ... and fine them. It’s a violation to not keep up with this ... It’s a source of revenue that could be utilized ...” Following a brief discussion, Chairperson Engleman stated, “There’s no doubt in my mind that some sort of rate hike is needed ..., but ... I’m seeing that, even with our present budget, ... there are some things that could be done that aren’t being done ... there needs to be, whether it’s working with the Building Department to go out and check these things, or the Planning Department which puts these requirements in when somebody does a project and they’re required to put in a drain. Who checks for those things?” Mr. Schulz advised that, “When it gets built, it gets checked and inspected that it was built properly. As time goes on, who’s going around and monitoring it? No one, unless we have a complaint.” Discussion followed. Chairperson Engleman reiterated the opinion “there are areas where we could bring in some revenue that we’re not utilizing.

Vice Chairperson Bennett commended City personnel on handling the extraordinary amount of precipitation this year. He expressed certainty that “it didn’t get paid for out of this storm water fund. ... I see ... we have almost a non-existent capital plan but yet we’re looking at a budget and we’re looking at our financial policies and we’re showing we’re meeting all of our financial policies. Now, I’m going to fast forward to the next agenda item which I know we’re not talking about yet, but that is going to be a discussion on raising rates. So, ... as a committee member, I’m in a catch-22. We’re already meeting our financial policies but yet we need more money. ... I don’t know how to reconcile that.” Ms. Russell explained that the budget is based on “what we have today. We haven’t raised rates. The last time, it went up \$1 ... in 2013 and that was ... to pay for debt. That wasn’t anything else. It was a \$1 increase so we could afford some debt to do some projects. So, because we haven’t had that increase, we’re slowly running out of money for capital. We can’t do any improvements at this point. That’s what this budget is showing you. However, because of the flood, we know there are improvements we need to do and ... that’s what the next item is showing you.” Mr. Bruketta advised that the next agenda item would “show the lack of capital funding. So, basically, the revenue generated from the storm water is going to meet what we have now. But, when you look at the five-year CIP, it’s unfunded. We can’t do the vehicle replacements that we’re proposing in FY 20, 21, and 22. So, the CIP is planned out five years, but we’re only looking at the financial policies for next year. So, what we’re saying is that we meet the financial policies, which is actually a very small reserve, and we’ll meet the financial policies for FY 18, but we’ll have very, very limited capital money to make any kind of capital improvements. FY 19, that’ll get worse and by FY 20, we won’t have the money to be able to fund these additional projects.”

Member Scott observed that “21% of the budget is tied with interdepartmental transfers and that seems like something that doesn’t help the situation, particularly in light of what we have facing us out there on the ground.”

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Chairperson Engleman entertained public comment and, when none was forthcoming, entertained additional discussion of the committee members. When no additional discussion was forthcoming, Chairperson Engleman entertained a motion to approve the storm water fund budget. **Member Bowling so moved. Member Scott seconded the motion** for purposes of discussion. Chairperson Engleman entertained discussion on the motion. Member Spell expressed “a problem with this budget for numerous reasons we’ve discussed and discussed. Let’s just start with the financial policies. This budget was never studied, was never in the analysis for having to meet these goals, as we know. We have ... system reinvestment funding, collect \$295,000 a year. That’s not even part of your fee schedule. ... it was not built in, was it? So how can we meet that goal?” Mr. Bruketta acknowledged the validity of the question, and stated, “When we re-did the scope of the Utility Oversight [Committee], the decision was made to include this in there. So, as staff, we were directed to put this together. And so, unless we get other direction, ... we put this together as here’s your financial policies. Here’s money that we put in the reserve account.”

Member Spell expressed “no problem with the O&M and the capital contingency because you’re covering those, no problem. And everybody should have a 45-days O&M. That’s just good business practice. But to ... say that we’re going to put in system reinvestment funding which we don’t even have built into the system, it puts you guys and us in a bad ... and I know we tried to make a broad scope because everybody wanted the whole government entity ... and ... financial policies. That’s my concern when it comes to saying on a recommendation that they’re in compliance.” In response to a question, Member Spell expressed the opinion “they’re not in compliance with system reinvestment funding because there’s never been anything built into their fee.” Chairperson Engleman reminded the committee members that “last year, we went before the Board and ... asked them to approve the budget, but we pointed out that it was not in compliance. ... we’ve never hidden anything from the Board. What we discuss here is exactly what the Board hears.”

Member Scott suggested that item 5(D) may “bear on this same thing but, potentially, a recommendation similar to last year, perhaps coupled with our action on the next item, might be a way to provide the Board our concern and, at the same time, recognize that staff is trying to put a square peg in a round hole.” Vice Chairperson Bennett suggested deferring action on the subject item until after **hearing** item 5(D). **Member Scott withdrew his second. Member Bowling withdrew his motion. (2:37:27) Chairperson Engleman tabled the subject item, and opened item 5(D).**

(3:47:25) Discussion took place regarding the appropriate action. Chairperson Engleman entertained a motion. **Member Scott moved to recommend to the Board of Supervisors the approval of the tentative storm water fund budget for FY 18, with the understanding and the recognition that the storm water fund does not meet the same criteria as the water and sewer funds, and that further consideration of storm drainage rates are necessary to allow us to treat them the same way we treat the water and sewer. Vice Chairperson Bennett seconded the motion. Motion carried 5-0.**

5(D) POSSIBLE ACTION TO RECOMMEND TO THE BOARD OF SUPERVISORS A STORM WATER RATE INCREASE, AS PROPOSED BY STAFF, TO SUPPORT AN IMPROVED CITYWIDE STORM WATER PROGRAM (2:37:35) - Chairperson Engleman introduced this item, and Mr. Bruketta introduced Storm Water Engineer Robb Fellows. Mr. Bruketta reviewed the agenda materials in conjunction with displayed slides.

In response to a question, Mr. Schulz advised that four bonds are currently being paid. “The first one gets reduced in about nine years from now. ... There’s one that was just done ... last year. 2025 is when the first one drops off.” In response to a further question, Mr. Fellows explained that the bonds are for “the

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northwest drainage projects, everything associated with the freeway. ... When the freeway was contemplated, there were improvements related to that that the City was bound to do and those bond funds paid for those improvements.”

In response to a question, Mr. Bruketta explained that “in our current five-year capital plan, in year 2020, there ... needs to be replacement on some of the equipment. So in our fleet management program, part of our asset management, ... we look at our current usage, we look at the repair costs associated with it. As the infrastructure ages, there’s more operational costs associated with it but that’s a recommendation from Fleet to be able to start replacing some of this equipment because it’ll exceed its useful life.” In response to a question, Mr. Fellows explained that “under the CRS Program and under the MS4, there’s a stormwater maintenance component and, currently, we’re getting credit for that. And, if that drops off, then we could drop.” Mr. Fellows acknowledged that insurance premiums could increase as a result.

Chairperson Engleman expressed concern over rate design. In response to a question, Mr. Bruketta explained “it’s a compilation of hearing ... where some of these significant needs are. There are many more needs out there than this, but these are relative prioritized needs.” In response to a further question, Mr. Bruketta explained “we have the \$9.7 million in needs for the capital projects and so we said, ‘How do we get \$9.7 million?’ There’s additional operating activities ... like professional services ... So, we considered different options. We looked at five years. We looked at one year and we came up with two years. ... It’s an approach to try and minimize the continued impact. ... We did a five-year rate increase for water and sewer and, every July 1, we hear from the consumers about it. I get it that ... this is an impact and no one wants rates to go up. But, on the flip side, if rates don’t go up, we have a nonsustainable program.”

Chairperson Engleman reiterated concern “with how this was done.” She inquired as to whether a \$1 rate increase was considered for the first year; \$2 the second year; and another \$2 the third year. Mr. Bruketta reiterated “we looked at multiple options. We can do that. Now, again, if we want to do a ten-year CIP and we delay, then the items on the bottom of the CIP fall off. Or we reprioritize based on policy direction. But the sooner that we implement rates, the better off we are especially as we start looking at some of the equipment and the repair of what we have.”

Chairperson Engleman expressed concern that the customers “are going to get hit with ... a 6.5 percent hike in July and also this \$2 and some cents addition on the bill. I’m very concerned about how that’s going to hit the average person who is having a lot of trouble paying their water bill. ... I would have been happier if we’d gotten some choices here. I would have been happier if we had some notice so that we could have a public hearing ... We have a lot of people in this community that are pretty smart and do rate design at the Public Utilities Commission ... that might have been able to give us some suggestion. ... I have no doubt about your needs. ... I know they’re needed and there’s no doubt that we need to do a rate hike. My concern is how we’re doing it. To take a motion before the Board of Supervisors and say, ‘This is the best possible rate design that we think you should adopt,’ I’m uncomfortable with that because we’re not looking at anything else. We’re only looking at one set. Even when you did the whole five-year water thing, the Board had choices. The consultant gave them choices. ... I’m uncomfortable that we have no choices. I’m uncomfortable that we’re sort of backed into a corner. We definitely want to get these things done but I’m also concerned about the people having to pay the bills, and what’s feasible. ... In good rate design, you always start off as slow as possible and build and so that’s why I was hoping we could do something that was more along maybe \$1 the first year, and then build.”

Mr. Schulz advised that staff is “very open to discussion and alternatives. What David did and what the team did was what are our needs? What do we need to do? And then we backed into the rate. And it

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sounds like, what I'm hearing, is you're mostly concerned with the phasing portion of the rate. ... it was under my direction that, what have we done in the past? What worked? What didn't work? Let's come up with ... our idea of what is the best for that, knowing very well that, between this committee and the Board of Supervisors, that could change. But as soon as I give you five options to choose from and I give somebody else five options to choose from, we're going to end up somewhere. The idea of what came before you today is staff's best, all the knowledge we have put together that this is going to prove the best. If we have to phase this in over five years, we can do that. We can make that work. But what we recommended ... this is what we felt was the best from us. And I don't feel like there's anything wrong with a recommendation from this committee back to us that, 'We do not like the two-year phase in. We would like to see it over four years.' And that would be your recommendation going up."

Chairperson Engleman suggested phasing in the rate increase over three years. "The public's going to get hit with a 6.5 percent rate hike July 1st and then that stops. So then, it's a bit easier in the following years to add on these other rates. ... I have not discussed this with any members of the committee. This is all new to them, but this is an area where I have been involved at the Public Utilities Commission, the Public Service Commission, and so forth. And I had really expected that when we got to the area of discussing rates that it wouldn't just be a fast thing; that it would be something where we would look at it and hold the public hearing and get input from the public. Because once you do that, then the public owns it. There are fewer complaints."

Mr. Schulz offered to schedule a public open house "in the next couple months." He advised that a public open house was held "a year, year and a half ago when this had forward momentum. Other things got in our way. We did hope for some more public here today. This has been agendized it and was noticed and everybody is aware of it. But that's certainly a recommendation that you could send us to do ..."

Member Scott advised of a "slightly different reaction. ... as a commercial property owner, in the wintertime, I find my storm drain element of my utilities bill is pretty significant. But I think the biggest concern here is really the individual residential folks. And, when I look at \$2 a month increase one year and, essentially \$2 a month the second year, I'm not overwhelmed by that personally in terms of whether it's \$1.50, \$1.50, and \$1 or something like that, I think for the most part, I would see that as less critical than taking advantage of people's awareness to really understand what the needs are. We have huge needs out there. This list of 21 capital improvement plan elements with almost a \$10 million budget is sort of a drop in the bucket. That'll make a huge difference but, at the same time, we have a lot of other areas that I think we ... could put monies into. This is a resource issue in my mind in many ways. And we've got regulatory elements which we need to keep and FEMA is there with not exactly a velvet hammer, but certainly a hammer. That can be difficult and you run into that in different places. So, personally, I'm ... open to discuss, but I'm not as concerned about the \$2 a month followed by \$2 a month over two years for residential folks because I think, right now, the residential is a pretty limited amount of impact on a person in their utility picture or in their overall ownership of a residence picture. And, frankly, I think the need is sooner rather than later." Discussion followed.

Vice Chairperson Bennett expressed agreement with Member Scott's comments. Vice Chairperson Bennett expressed relief "to see this going forward. It's been a concern of mine every time we vote that we talk about storm water funding. ... we're meeting those targets but the targets don't tell the whole story so now we're starting to tell the whole story. It's been agendized, as Darren pointed out. It hit the front page of the newspaper this morning. The only public comment we had relative to this item was that somebody had supported it, wanting to know when a project was going to happen near their house because they're being impacted by it. I get the sense of ... we'd like to see more options but, at the end of the day, we need to

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provide the revenue to do what we need to do for the fund. And this is a step in that direction so I'd like to see it move forward."

Chairperson Engleman reiterated the suggestion to increase the rate by "\$1 the first year and then the balance the second year." Vice Chairperson Bennett expressed support, and stated, "I personally would not like to see it go past the two years. I think we've waited long enough."

In reference to the ten-year capital plan, Member Spell commented, "These are critical projects. Let's say after ten years, how much mediation are we really going to see if we have another really bad flood? Will there be enough outcry that ... 'you doubled my rates and I still don't see that much.' The \$4 doesn't mean anything to me but is press publicity. Doubled the rates and what did we get for it? Is this maybe not even enough to really have a significant impact if we have serious flooding again?" Mr. Schulz explained that "the operations side is very critical too in terms of maintaining the current systems that we have. There are ditches all over town that have never been cleaned. So that's integral too. So, at the end of ten years, this is all done, this is built, this program is going and we have the same storm that we just had, the normal resident from Carson City is, in fact, going to see a substantial difference in the damage that is caused by flood water." In response to a question, Mr. Schulz advised that the Public Works Department is responsible for cleaning culverts. "The other thing ... in terms of this last event, we're getting a lot of interest in our Streets Department. Well, Streets have been covering, helping storm drain for years and years and years because, as you said, 2.3 FTEs just doesn't get it done. So ... it's one more reason to try and really establish this as a stand-alone enterprise fund that they're working on the things that they should be working. It doesn't mean our Streets crews won't work on storm drain projects but, just like we do on our other funds, there should be a tabulation of that and that should get charged to storm drain and they should reimburse our Streets Division. That would be the plan moving forward."

Member Bowling reflected back on his history as a consultant to the City, and commented, "We did a lot of the analysis back then of 'where's the cause' and it primarily came from large, impervious surfaces. Parking lots, car dealerships. Well, that's the engineering side of things. Then when you get down to ... who's going to pay. Well, you saw the result of the analysis. It's a political decision and rightfully so. The monthly rates based on the type of land use is what came out of the sausage-making process. It's what we have, but what we also have is the fact we need money to do projects. Otherwise, the danger is just going to increase year after year after year." Member Bowling expressed agreement "that we should get as much done as we can as quickly as we can. I'd love for it to be free but it's not going to be free. We have to pay for it and the sooner we can address these problems and issues, ... the more quickly we can get on a corrected road so we don't have to look back and ... wish we would have done this sooner. ... the focus ... is ... we have to take some action and we have to get revenue into the storm water fund."

Member Scott observed "we had a lot of things that went really well with the storm drain, from the storms we had and the system that we had in place. ... we had a lot of water in King Street, but we didn't have that much sediment. And we didn't have a storm drain on Washington Street full of sediment that took months to clean out and thousands and thousands of dollars. We have ... obviously a lot of sensitive areas but ... the drainage up on the water company property in Kings Canyon worked extremely well. And, incidentally, as a recharge program, maybe the water utility should think about that. There's a lot of things that worked well. NDOT did tremendous things for this community in their freeway construction. We got ... 100-year storm drain detention in a lot of areas in a lot of watersheds. So, now's the time when we can focus on where didn't have improvements and where we need them but I think we have to remember, a lot of things

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worked pretty well. And a lot of people worked very well. The City's organization, from the '87 flood on, ... when the Attorney General's office became a conduit for water flowing down King Street, ... the mobilization and the steps that were taken by the City to manage the runoff ... was done very well.

"We need to keep that momentum and we need to focus on the fact that these events have allowed people to see we still have a lot to do. When it's dry and nothing's happening, ... you forget about it. A year later, it's just all in the past. I think there's two sides to this but I think we're only just the first few steps into the process of really helping this community to be solidified as far as a whole lot more flood resistance, particularly in the areas where we've had some problems. And a lot of the problems are not huge. But ... there are some that are pretty significant. There also may be some opportunities for cost sharing grants and other things that we can utilize for water quality benefits or sedimentation benefits or other related aspects. That's not factored in here and I don't think it should be but it may be a way that staff can make the money go further."

Chairperson Engleman advised that she came "prepared to not accept a motion on the rate hike which is my purview under *Robert's Rules of Order*." Chairperson Engleman offered to consider "a rate hike that started with \$1 and then went the whole way the second year." Member Scott suggested a phased increase, as follows: \$1, \$2, and \$2 "over a three-year program, and a five year ... total." Mr. Bruketta adjusted figures on a displayed spreadsheet, and discussion ensued.

In response to a question, Mr. Schulz advised that the suggested phased increase "comes down to getting the projects done faster and so, we would be coming to you, hopefully, in five years and presenting our capital budget moving forward. We would have more accomplished and then there would be funding there for future projects. We would have a new 10-year CIP and we would actually have projects on that 10-year CIP because we're not just funding debt service which is what we're doing now. So it's just going to speed all that up. That's what it will do. We're not going to turn around and add another person to the system or that sort of thing. It's just going to speed up this timing. Instead of 10 years, it'll compress that and we'll be able to do more projects in the future."

In reference to previous discussion, Member Bowling commented, "It's one thing to start developing a CIP based on observations in the field. I think we'll get a better bang for the buck and more efficient use of monies if the CIP is developed with the planning that is needed so much now but you're not able to get that planning done because there isn't sufficient funding for it. ... the planning effort is really important to ... develop a good CIP for the future."

Mr. Bruketta expressed appreciation for the comment, and advised that "with [Mr. Fellows'] history, we have ... a lot of bits and pieces; we just don't have a comprehensive plan. And that is part of ... moving into the next phase of storm water that we included and that's that planning aspect to be able to take these bits and pieces and putting them into a comprehensive program ... so that there are better expectations. And that's part of this element that would be included."

Discussion took place regarding the appropriate action, and Mr. Bruketta responded to questions of clarification in conjunction with displayed slides.

Chairperson Engleman entertained a motion to recommend to the Board of Supervisors that a rate increase is necessary; and to recommend a rate increase of 25%, 35%, 35% for residential customers and for the other rate categories for the FY 2017 / 18 budget. Following a brief discussion, Chairperson Engleman reopened item 5(C). [See time stamp "3:47:25," on page 8, under item 5(C)].

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(3:53:14) Chairperson Engleman entertained a motion. **Vice Chairperson Bennett moved to recommend to the Board of Supervisors a storm water rate increase in the amount of 25% the first year, 35% the second year, and 35% the third year, to support an improved Citywide storm water program, and to further our goal of meeting the goals of the financial policies. Member Scott seconded the motion.** Vice Chairperson Bennett acknowledged the intent of his motion to increase rates across the board for every rate category. Following a brief discussion, **Vice Chairperson Bennett amended his motion to indicate an effective date of FY 2018. Member Scott continued his second. Motion carried 5-0.**

6. FUTURE AGENDA ITEMS (3:55:50) - Chairperson Engleman entertained suggestions for future agenda items. Mr. Bruketta advised that the next meeting date is scheduled for Tuesday, June 20th at 1:00 p.m.

7. PUBLIC COMMENT (3:56:30) - Chairperson Engleman entertained public comment; however, none was forthcoming.

8. ACTION TO ADJOURN (3:56:35) - Vice Chairperson Bennett moved to adjourn the meeting at 3:56 p.m. Member Scott seconded the motion. Motion carried 5-0.

The Minutes of the March 28, 2017 Carson City Utility Finance Oversight Committee meeting are so approved this _____ day of June, 2017.

ANDREA ENGLEMAN, Chair



STAFF REPORT

Item No. 5A

Report To: Utility Finance Oversight Committee

Meeting Date: 06/20/2017

Staff Contact: Darren Schulz, Director of Public Works (dschulz@carson.org)

Agenda Title: For Information Only: Presentation of a report from David Bruketta, Utility Manager for the Carson City Public Works Department on general matters relating to flooding in 2017; the Committee's fiscal policies and recommended budgets; and various changes affecting personnel. (David Bruketta; dbruketta@carson.org)

Staff Summary: This is an informational only update on: the 2017 flood disaster and current status; progress made on refinement of the Committee's fiscal policies presentation; summary of changes made to the Committee's recommended budgets and the Board of Supervisors' final adopted budgets for sewer, water and storm water; and staff changes, including awards, hirings and vacancies.

Agenda Action: Other/Presentation

Time Requested: 15 minutes

Proposed Motion

N/A

Board's Strategic Goal

N/A

Previous Action

N/A

Background/Issues & Analysis

N/A

Applicable Statute, Code, Policy, Rule or Regulation

N/A

Financial Information

Is there a fiscal impact? Yes No

If yes, account name/number:

Is it currently budgeted? Yes No

Explanation of Fiscal Impact:

Alternatives

Committee Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)



To: Utility Finance Oversight Committee

From: David Bruketta, Utility Manager

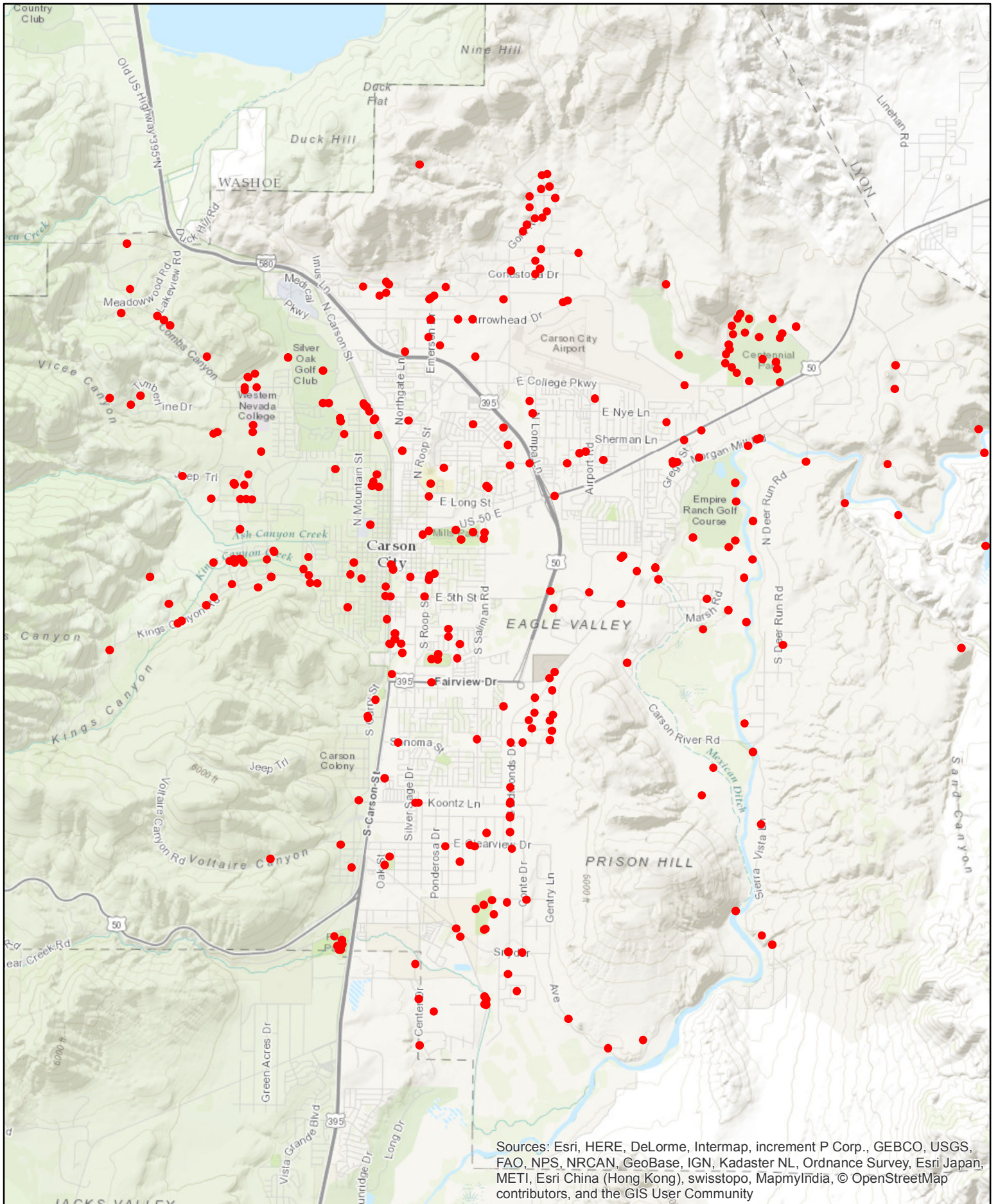
Regarding: 5.A: Report from David Bruketta, Utility Manager for the Carson City Public Works Department, on general matters relating to flooding in 2017; the Committee's fiscal policies and recommended budgets; and various changes affecting personnel.

Date: 6/20/2017

-
1. The 2017 flood disaster and current status.
 - Map showing locations of flood damage (Attachment 5A-1)
 - Flood Project list (Attachment 5A-2)
 2. Progress made on refinement to the Committee's fiscal policies presentation.
 - Fiscal Policies (Attachment 5A-3)
 3. Summary of changes made to the Committee's recommended budgets and the Board of Supervisors' final adopted budgets for sewer, water and storm water.
 - Sewer Fund Comparison (Attachment 5A-4)
 - Water Fund Comparison (Attachment 5A-5)
 - Storm Water Fund Comparison (Attachment 5A-5)
 4. Staff changes including awards, hirings and vacancies.
 - Awards:
 - Sewer – Joe Carter awarded NWEA Plant Maintenance Technologist of the Year for 2016
 - Sewer – Joe Carter obtained a NWEA Wastewater Operator II Certificate.
 - Sewer – Chris Wade obtained a NWEA Wastewater Operator I Certificate.
 - Sewer – Jennifer Lopez awarded the NWEA Northern Nevada Operator of the Year for 2017
 - Sewer – Jennifer Lopez obtained a NWEA Wastewater Operator III Certificate.
 - Sewer – WRRF awarded the George W. Burke, Jr. Facility Safety Award for 2017 (Randall Gray)
 - Sewer – Presentations
 - April 16: NWEA conference – facility upgrades (Joe/Jennifer)
 - September 16: APWA conference – facility upgrades (Joe/Jennifer)
 - April 17: UNR Civil Engineering program – facility upgrades (Randall/Jim)
 - September 17: Invited back -APWA bioreactor performance (Joe/Jennifer)
 - WaterSpot magazine (NWEA / NWRA) summer issue - plant upgrades (Jennifer)
 - WaterSpot magazine (NWEA / NWRA) fall issue - plant upgrades (Jennifer)
 - Water – Brandon Mathiesen obtained a Water D-4 certificate
 - Water – Joe Reya promoted to a Water Distribution Tech 3
 - Hiring:

- Sewer – Jeff McGoodwin – Wastewater Treatment Plant Mechanic (22 years) – retired
 - Hired Jared Reid
- Vacancies:
 - No current vacancies

Attachment: 5A-1



Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community



Carson City Public Works
3505 Butti Way
Carson City, NV 89701
775-283-7394

Jan./Feb. Flood Damage

1 inch = 6,000 feet
 Page 2 of 25
 1 Miles

THIS MAP IS FOR ILLUSTRATIVE PURPOSES ONLY. IT DOES NOT REPRESENT A SURVEY. NO LIABILITY IS ASSUMED AS TO THE SUFFICIENCY OR ACCURACY OF THE DATA DELINEATED HEREON.
 Document Path: I:\ENGP\Private\PS\libey\GIS\floodingdamage.mxd Updated: 6/7/2017 12:12:40 PM

Attachment: 5A-2

List of Projects

ITEM NUMBER	Project Number	LOCATION	DESCRIPTION OF DAMAGE AND SCOPE OF WORK	COST ESTIMATE
1	FL0002	Rhodes & S Curry Streets	Rhodes and Curry, deep road cutting on Rhodes, shoulder cutting in Curry, AC patch needed, water valve access requires restoration, storm drain pipes are plugged. Includes 1,000' of cleaning, restoration of Rhodes to include fill, and AC grindings surface. Debris removal not included. Does not include emergency protective measures. Some of the work has been done by city forces & Contractors, costs have not been included.	\$75,000.00
2	FL0003	Voltaire Canyon Rd	Approximately 1 mile of road has significant wash outs (1 to 3 feet in spots). Both roads leading to the Voltaire water tank are damaged as well.(Elder/Bottoms). Grade new roadway separate from existing channel. Stabilize channel with rock checks. Engineering plans needed.	\$120,000.00
3	FL0004	Various streets bounded by West Clearview, Pioneer, Voltaire Cochise Streets	Rutting and edge of roadways eroded away on 10 streets. Regrade shoulders and fill with aggregate base material. Also, includes debris removal from ditches adjacent to streets	\$37,000.00
4	FL0005	Old Clear Creek Rd, Fuji Park & Fairgrounds	Multiple areas of washout/erosion within Park and Fairgrounds. Repairs involve filling, compacting and regrading damaged areas. Access road to the fishing pond has been completely washed out. Grading needs to be done in parking area due to wash outs. Small wash outs around pond perimeter. Sediment in North Basin next to Bodine's parking lot will need to be taken out. Water draining into barn at northwest door. Rodeo arena has many small areas that washed out which will require some grading. Water breached pond diversion channel in two spots just west of the entrance gate. Minor site grading on all dirt surfaces needed.	\$22,000.00

List of Projects

ITEM NUMBER	Project Number	LOCATION	DESCRIPTION OF DAMAGE AND SCOPE OF WORK	COST ESTIMATE
5	FL0006	Various streets bounded by Center, Rabe, Snyder Golden Eagle Streets	Rutting and edge of roadways eroded away on 5 streets. Regrade shoulders and fill with aggregate base material. Also, includes debris removal from ditches adjacent to streets	\$26,500.00
6	FL0001	Centennial Park, Livermore Sports Complex, Governor's Field	Flood damage to various Sport's Complex's consist of erosion to fields and outer areas and debris removal. Repair consists of grading, filling with DG and restoring sod areas	\$62,488.10
7	FL0007	S Edmonds Dr, Snyder to Fairview	Debris along the entire roadway, mainly along the east side but there are area on the west side as well. Repair consists of debris removal and grading of shoulders and ditches. Traffic control	\$43,000.00
8	FL0008	Various streets bounded by S Edmonds, Snyder, Fairview, Grntry Streets	Rutting and edge of roadways eroded away on 11 streets. Regade shoulders and fill with aggregate base material. Also, includes debris removal from ditches adjacent to streets	\$38,500.00
9	FL0009	Various streets bounded by Koontz, Snyder, S Carson, S Edmonds Streets	Rutting and edge of roadways eroded away on 6 streets. Regade shoulders and fill with aggregate base material. Also, includes debris removal from ditches adjacent to streets	\$11,500.00
10	FL0010	Various streets bounded by Fairview, S Deer Run, Hwy 50 E, Carson River Rd, Streets	Rutting and edge of roadways eroded away on 5 streets. Regade shoulders and fill with aggregate base material. Also, includes debris removal from ditches adjacent to streets	\$18,500.00

List of Projects

ITEM NUMBER	Project Number	LOCATION	DESCRIPTION OF DAMAGE AND SCOPE OF WORK	COST ESTIMATE
11	FL0011	Riverview Park	Cost for repair of the trails around Korean Memorial Park (Riverview Park) area will be \$70 a linear foot for total reconstruction and \$30 a linear foot for a minor restoration of the trail. This is based on a 10 ft wide trail. Currently there are 2 miles of Trails in Korean Memorial Park affected by the flood. It is also estimated approximately 70% of the trails would need a total reconstruction and 30% minor restoration. Debris removal and equipment (Bench footing) erosion	\$612,000.00
12	FL0012	Riverview Trail	350 LF trail damage DG (\$14,000); 2,100 LF reconstruct trail (\$147,000); debris removal (\$25,000)	\$186,000.00
13	FL0013	Empire Ranch River Trail	2,000 LF of trail damaged (\$28,000); 3,600 LF trail Washed out (\$252,000); 4,000 LF reconstruct 4-wire fence (\$20,000), debris removal (\$15,000) Needs debris removal; ADA sidewalk has eroded and is undermined at West end; monument displaced; 400 LF path eroded; 300 LF of split rail fence damaged or missing; concrete rail/headwall damage to historic bridge	\$315,000.00
14	FL0014	Brunswick Canyon Rd	Roadway blew out at culvert closing. Culvert pipe completely washed out (\$15,000). Also other miscellaneous rock falls need to be removed (\$5,000). Unable to access due to washed out road. Only access is off of Sedge Road. Need to evaluate access road, Bridge, overflow structure, Dam, Compressor building, valve box at toe of dam, emergency overflow structure along river, permit required sampling points. Need to evaluate access roads to all required sampling sites. (Bruketta); Estimation, if damaged/erosion is approx. \$25,000. 4,000+ LF of roadway washed out. Cannot access utility (sample box, manhole) to assess any damage. Engineering Plans needed	\$150,000.00
15	FL0015	Brunswick Canyon	Cannot access location due to road washed out as identified in item "Carson River Springs, Sample Station, Crossing". Estimation, if damaged, approx. \$25,000	\$25,000.00

List of Projects

ITEM NUMBER	Project Number	LOCATION	DESCRIPTION OF DAMAGE AND SCOPE OF WORK	COST ESTIMATE
16	FL0016	Flint Road/ CC Landfill	Need to evaluate finished slopes for erosion. Most temporary roads inaccessible due to muddy, slippery, unsafe conditions. MSW fill area for commercial inaccessible due to large amounts of standing water. Badger Daylighting called out to remove large amounts of standing water. Unknown cost at this time. (Bruketta) 250 CY debris (mud) removal (\$3,500); 200 CY import base (\$9,000); Vac Truck (3 days at \$1,500 per day = \$4,500); trailer mounted water pump (\$3,000 per week at 1 week = \$3,000)	\$20,000.00
17	FL0017	Route 6/ Hellsbells Rd	Hells Bells to Moffit Water over path. Entire path is undermined and concrete beams supporting the railing system and keeping the trail contained has been undermined and is in jeopardy of collapse. Path compromised and concrete rip rap damaged. Path has collapsed and culvert has been eroded.	\$150,000.00
18	FL0018	Rifle Range	The Rifle Range entrance road has locations where water has eroded away	\$15,000.00
19	FL0001	Governors Field	Field #4, erosion of material into the roadway east side. Field #6, erosion of material into roadway along outfield fence with some fence posts exposed (12 locations). Field #3, erosion of material into roadway along the outfield fence (multiple locations). Field #1, erosion of material into the roadway (multiple locations). Warning track repair on all fields 8'wide x 800' length D.G. \$19,000. Repair D.G. areas in between T-Ball fields \$2,000. Repair eroded area behind Field #3 and batting cages approximately 5,000 square ft. \$15,000. Street sweeper through out complex approximately 4hrs \$600. Turf damage from erosion on Field #6, cut out and replace 300square feet of sod \$500.00. Clean up of eroded materials and debris, 3 man crew for 16 hours \$1,000. Fiber washed out of playground equipment area at the tee ball fields. 50' x 50' at 4" deep \$1,000.00 labor 1 crew + 5yd dump truck \$900.00 (Cooley/Kastens)	See Item 6

List of Projects

ITEM NUMBER	Project Number	LOCATION	DESCRIPTION OF DAMAGE AND SCOPE OF WORK	COST ESTIMATE
20	FL0019	Linear Ditch Trail / Freeway Multi-use Path	Pathway undermined and compromised in various locations between Roop and Fairview along the Linear Ditch Trail and between Northridge and College Parkway along the freeway multi-use path.	\$30,000.00
21	FL0020	Goni Canyon Channel Area	Channel area near 3000 N Lompa Lane has approximately 2' of debris buildup in channel to be removed	\$60,000.00
22	FL0021	Various Streets in northern portion of Carson City (Arrowhead, Garnet, Emerson, Bonanza etc.)	Rutting and edge of roadways eroded away on multiple streets. Regrade shoulders and fill with aggregate base material. Also, includes debris removal from ditches adjacent to streets	\$55,000.00
23	FL0022	Arrowhead East	Debris removal in ditch along roadway, several culverts clogged. Length of approximately 1.25 miles	\$75,000.00
24	FL0023	Various Street in northeast Carson (Fermi, Goni Salk, etc.)	Debris removal, ditch re-establishment, repair of gravel road to Goni water tank including grading roadway and importing gravel. Repair of culvert and inlet structure at Fermi	\$55,000.00
25	FL0024	Sugarloaf Access Road	Significant erosion, along 4x4 road between Goni Canyon and Sugarloaf Communication Site	\$40,000.00
26	FL0025	Mills Park	Fiber washed out of playground equipment area (Saliman side) 50' x 50' at 6" depth of material \$2,000.00/ labor 1 crew + 5yd truck \$1,000.00. Reestablish base under 500 LF of railroad track (near Saliman side playground) (\$5,000). Fire Memorial holding water. (Cooley/Kastens)	\$8,000.00
27	FL0026	Drainage Ditch Through Mills Park and Along High School	Drainage ditch through mills park and along high school has damage to ditch banks, loss of armoring, and significant sediment buildup. The Length is approximately 1500 feet	\$80,000.00

List of Projects

ITEM NUMBER	Project Number	LOCATION	DESCRIPTION OF DAMAGE AND SCOPE OF WORK	COST ESTIMATE
28	FL0027	Multi-Use Path Along Carson St from Nye to Hot Springs	Pathway has been undermined in multiple locations between Nye and Hot Springs on the west side of Carson Street	\$20,000.00
29	FL0028	Fritsch Detention Basin	Repair damage at the outlet	\$10,000.00
30	FL0029	Longview Park and Walking Path	Water from one main drainage ditch has diverted and is flowing next to the paved walking trail. Base material has been washed out from under the asphalt in areas. Pavement has failed in multiple areas. Need to remove vegetation/reshape ditch. Need to repair failed pavement. Wood chips around play structure have been washed away.	\$25,000.00
31	FL0030	Ash Canyon Road	Erosion along edge of pavement between Longview and Brush has caused edge of roadway to fail, ditch needs to be reestablished. Dirt road further west has locations where water has eroded across the road	\$15,000.00
32	FL0031	V&T Trail	3 Culverts along trail need to be cleaned, sediment along pathway ditch to be removed	\$11,000.00
33	FL0032	Vicee Canyon Basins	Basins 8 and 9 are completely full of sediment/debris, Basin 7 starting to fill with sediment. Channel upstream of basins is eroded.	\$18,000.00
34	FL0033	Paradise View Booster	Sump pump and motor have been flooded and needs to be replaced	\$6,000.00
35	FL0034	Various Roads in Timberline and Combs Canyon Rd	Remove sediment and re-establish ditches in the timberline neighborhood, re-construct shoulder along Combs Canyon for 100' and repair failing edge of pavement	\$20,000.00
36	FL0035	Timberline Sediment Basin	Sediment and debris in basin to be removed	\$9,000.00
37	FL0036	Combs Canyon Channel and Sediment Basin	Channel has an approximately 500' long large 5' deep cut in it, sediment basin has several feet of sediment in it that needs to be removed	\$35,000.00
38	FL0037	City wide	Emergency protective measures	\$200,000.00

List of Projects

ITEM NUMBER	Project Number	LOCATION	DESCRIPTION OF DAMAGE AND SCOPE OF WORK	COST ESTIMATE
39	FL0038	Mexican Ditch Trail	A large section of trail approximately 24' length x 20' width x 2' deep was washed away when the river overflowed from the Mexican Dam	\$20,000.00
40	FL0039	Aquatics Facility	Sheet rock damage due to roof leak. Leak and Sheetrock have not been repaired	\$10,000.00
41	FL0040	Community Center	Roofing needs to be repaired and acoustic ceiling tiles need replacing due to roof leaks in west hallway.	\$2,000.00
42	FL0041	Sheriff Jail	Roof repairs needed and replacement of acoustical ceiling tiles.	\$1,000.00
43	FL0042	Court House	Sheetrock damage to third floor in front of courtrooms. Replacement of acoustical tiles is needed. West facing glass by fines and fees has broken seals. Water damage in third floor ceiling near Department 2 courtroom.	\$25,000.00
44	FL0043	Senior Center Thrift Store	Flooding through door. Carpet and sheetrock damage. Sheetrock removed to allow for area to dry out. It has not been replaced.	\$3,000.00
45	FL0044	Sheriff Administration	Sheetrock damage near front entry due to roof leaks. Some roof repairs have been started in that area.	\$10,000.00
46	FL0045	Carson City Library	Leaks through conduits at HVAC. Stained sheet rock and acoustic tiles. Tiles have not been replaced. Repairs have been done to conduits.	\$2,500.00
47	FL0046	Court House Parking Lot	Sinkhole around drainage inlet	\$6,000.00
48	FL0047	East Valley Golf Course	Turf Damage; 650 LF 6' cart path needs reconstruction; 500 SF of parking lot needs patched	79,000

Attachment: 5A-3

FINANCIAL POLICIES

FUND 510 SEWER OPERATION

Goal	Description	Target	ACTUAL FISCAL YEAR 2016	
Operating Reserve	45 days of O&M expense	\$ 619,098	\$ 619,098	✔
Capital Contingency Reserve	Minimum balance equal to 2% of system fixed assets	\$ 2,777,091	\$ 6,074,918	✔
System Reinvestment Funding	Annually funded from rates an amount equal to annual depreciation expense	\$ 3,311,678	\$ 2,028,562	✘
Debt Management	Maintain debt to equity ratio of about 50:50	50:50	30:70	✔
Debt Service Coverage	Maintain net revenues to be at least 1.0 times total debt service	1.0	3.15	✔
Goal	Description	Target	PROJECTED FISCAL YEAR 2017	
Operating Reserve	45 days of O&M expense	\$ 762,238	\$ 762,238	✔
Capital Contingency Reserve	Minimum balance equal to 2% of system fixed assets	\$ 2,777,091	\$ 9,195,277	✔
System Reinvestment Funding	Annually funded from rates an amount equal to annual depreciation expense	\$ 3,500,000	\$ 3,684,979	✔
Debt Management	Maintain debt to equity ratio of about 50:50	50:50	30:70	✔
Debt Service Coverage	Maintain net revenues to be at least 1.0 times total debt service	1.0	2.62	✔
Goal	Description	Target	TENATIVE BUDGET FISCAL YEAR 2018	
Operating Reserve	45 days of O&M expense	\$ 832,659	\$ 832,659	✔
Capital Contingency Reserve	Minimum balance equal to 2% of system fixed assets	\$ 2,777,091	\$ 6,975,164	✔
System Reinvestment Funding	Annually funded from rates an amount equal to annual depreciation expense	\$ 3,500,000	\$ 10,331,829	✔
Debt Management	Maintain debt to equity ratio of about 50:50	50:50	33:67	✔
Debt Service Coverage	Maintain net revenues to be at least 1.0 times total debt service	1.0	2.05	✔

Attachment: 5A-4

FY 17-18 SEWER FUND COMPARISON

Department Name: Sewer Fund			
Department Number: 510 and 515			
	UFOC	BOS	
	Recommended	Adopted	Difference
REVENUE			
Charges for Services	\$ 14,837,879	\$ 14,837,878	\$ (1)
Non-Operating Income	33,000	33,000	-
Connection Fees	65,000	65,000	-
Grant Revenue	1,550	1,550	-
TOTAL	\$ 14,937,429	\$ 14,937,428	\$ (1)
EXPENDITURE			
Salary	\$ 1,688,486	\$ 1,688,486	\$ 0
Benefits	825,834	825,834	0
Service & Supplies	4,359,857	4,359,857	-
Depreciation	3,500,000	3,500,000	-
Bond Interest	1,266,104	1,311,430	45,326
Other	1,500	1,500	-
Transfers Out	-	-	-
TOTAL	\$ 11,641,781	\$ 11,687,107	\$ 45,327
NET INCOME (LOSS)	\$ 3,295,648	\$ 3,250,321	\$ (45,328)
Bond Proceeds	\$ 6,000,000	\$ 6,000,000	\$ -
Capital Outlay	\$ 12,380,665	\$ 12,380,665	\$ -
Bond Principal Payments	\$ 2,685,060	\$ 2,749,132	\$ 64,072

Attachment: 5A-5

FY 17-18 STORMWATER DRAINAGE FUND COMPARISON

Department Name: Stormwater Drainage Fund			
Department Number: 505-3702			
	UFOC	BOS	
	Recommended	Adopted	Difference
REVENUE			
Charges for Services	\$ 1,396,316	\$ 1,396,316	\$ -
Intergovernmental	-	-	-
Operating Transfers In	-	-	-
Non-Operating Income	1,500	1,500	-
TOTAL	\$ 1,397,816	\$ 1,397,816	\$ -
EXPENDITURE			
Salary	\$ 145,054	\$ 145,054	\$ -
Benefits	78,499	78,499	-
Service & Supplies	440,916	440,916	-
Depreciation	295,000	295,000	-
Bond Interest	129,452	120,835	(8,617)
Other	1,000	1,000	-
Operating Transfers Out	-	-	-
TOTAL	\$ 1,089,921	\$ 1,081,304	\$ (8,617)
NET INCOME (LOSS)	\$ 307,895	\$ 316,512	\$ 8,617
Bond Proceeds	\$ -	\$ -	\$ -
Capital Outlay	\$ -	\$ -	\$ -
Bond Principal Payments	\$ 538,657	\$ 497,522	\$ (41,135)

Attachment: 5A-6

FY 17-18 WATER FUND COMPARISON

Department Name: Water			
Department Number: 520			
	UFOC	BOS	
	Recommended	Adopted	Difference
REVENUE			
Charges for Services	\$ 15,724,926	\$ 15,724,926	\$ -
Non-Operating Income	15,000	15,000	-
Connection Fees	30,000	30,000	-
Grant Revenue	195,678	195,678	-
TOTAL	\$ 15,965,604	\$ 15,965,604	\$ -
EXPENDITURE			
Salary	\$ 1,836,061	\$ 1,836,061	\$ -
Benefits	1,002,109	1,002,109	-
Service & Supplies	5,710,502	5,710,502	-
Depreciation	3,500,000	3,500,000	-
Bond Interest	1,966,015	1,955,101	(10,914)
Other	2,000	2,000	-
TOTAL	\$ 14,016,687	\$ 14,005,773	\$ (10,914)
NET INCOME (LOSS)	\$ 1,948,917	\$ 1,959,831	\$ 10,914
Bond Proceeds	\$ -	\$ -	\$ -
Capital Outlay	\$ 1,291,000	\$ 1,291,000	\$ -
Bond Principal Payments	\$ 3,366,154	\$ 3,366,154	\$ -



STAFF REPORT

Item No. 5B

Report To: Utility Finance Oversight Committee

Meeting Date: 06/20/2017

Staff Contact: Darren Schulz, Director of Public Works (dschulz@carson.org)

Agenda Title: For Information Only: Presentation of a report from David Bruketta, Utility Manager for the Carson City Public Works Department, concerning updates on budget revenues and expenditures and the progress of projects that have an impact on the City's sewer fund. (David Bruketta; dbruketta@carson.org)

Staff Summary: This is an informational only update on the FY18 sewer fund budget revenues and expenditures; the progress of sewer fund capital projects; wet winter impacts to the treatment plant from inflow and infiltration and damage to infrastructure; development of the collection system master plan; Brunswick Canyon Dam inspection performed by NDEP; pretreatment audit performed by EPA; south lift station lease agreement with the State of Nevada; and the Capital Improvements FY18 project.

Agenda Action: Other/Presentation

Time Requested: 45 minutes

Proposed Motion

N/A

Board's Strategic Goal

N/A

Previous Action

N/A

Background/Issues & Analysis

N/A

Applicable Statute, Code, Policy, Rule or Regulation

N/A

Financial Information

Is there a fiscal impact? Yes No

If yes, account name/number:

Is it currently budgeted? Yes No

Explanation of Fiscal Impact:

Alternatives

Committee Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)



To: Utility Finance Oversight Committee

From: David Bruketta, Utility Manager

Regarding: 5.B: Report from David Bruketta, Utility Manager for the Carson City Public Works Department, concerning updates on budget revenues and expenditures and the progress of projects that have an impact on the City's sewer fund.

Date: 6/20/2017

-
1. The FY18 Sewer Fund budget revenues and expenditures.
 - Update as of May 22, 2017 (Attachment 5B-1).
 2. Progress of Sewer Fund capital projects.
 - Update as of May 22, 2017 (Attachment 5B-2).
 3. Wet winter impact to the treatment plant from inflow and infiltration and damage to infrastructure.
 - Update as of May 19, 2017 (Attachment 5B-3)
 4. Development of the collection system master plan.
 - Update as of 6/8/2017 (Attachment 5B-4)
 5. Brunswick Canyon dam inspection performed by NDEP.
 - December 19, 2016 report (Attachment 5B-5)
 6. Pretreatment audit performed by EPA.
 - March 23, 2017 report (Attachment 5B-6)
 7. South Lift Station lease agreement with the State of Nevada.
 - December 14, 2011 lease amendment 1 (Attachment 5B-7)
 8. Capital Improvements FY18 Project.
 - Request for Proposal (Attachment 5B-8)
 - Design Contract (Attachment 5B-9)
 - Materials testing and special inspections (Attachment 5B-10)

Attachment: 5B-1

Department				
CAMPO	Engineering	Facilities Maintenance	Fleet	Fleet Radios
GIS	Infrastructure Tax	Landfill	RTC	Sewer Capital
Sewer Maintenance	Sewer WWRP	Sewer/WWRP Revenue	Stormwater	Street Maintenance
Transit	Water			

CASH BALANCE FYTD2017
Grand Total

Type	Revenue				
	REVENUE	FY16 Actual	FY17 Budget	FY17 YTD	FY17 (Under)/Over
Charges for Services					
.02-00 User Charges	3,227,027.44	3,704,854	3,474,965.18	X	(229,888.82)
.06-00 Douglas County	95,765.35	-	-	✓	-
.11-00 Septic Disposal	18,088.80	12,000	18,810.90	✓	6,810.90
.25-00 Fixed Capitalization	7,824,437.25	8,996,826	8,112,455.12	X	(884,370.88)
.27-00 Variable Capitalization	6.83	-	4.11	✓	4.11
.28-00 Effluent Meter Charges	13,634.64	13,000	12,498.42	X	(501.58)
.50-01 ISC: General Fund	10,704.00	-	-	✓	-
.50-15 ISC: RTC Fund	2,555.00	-	-	✓	-
.50-17 ISF: Streets Maintenance Fund	1,520.00	-	-	✓	-
.50-53 ISC: Stormwater Drainage Fund	1,225.00	-	-	✓	-
.50-56 ISC: Water Fund	3,405.00	10,000	3,545.00	X	(6,455.00)
.62-00 Penalties and Interest	122,816.11	85,000	104,565.78	✓	19,565.78
.69-00 Inspection Fees	-	-	-	✓	-
.70-00 Refunds/Reimbursements	112,186.83	-	1,337.25	✓	1,337.25
.75-00 Other Charges	5,892.00	-	5,534.00	✓	5,534.00
.75-01 Right of Way Toll	-	-	109,932.61	✓	109,932.61
.06-00 Department Charges	5,524.79	-	478.53	✓	478.53
Charges for Services Total	11,444,789.04	12,821,680	11,844,126.90	X	(977,553.10)
Bond Proceeds					
.03-00 Bond Proceeds	10,052,189.15	27,895,076	24,997,492.39	X	(2,897,583.61)
.03-01 Premium on Bond Proceeds	415,387.40	-	-	✓	-
Bond Proceeds Total	10,467,576.55	27,895,076	24,997,492.39	X	(2,897,583.61)
Investment Income					
.02-00 Interest Income	39,207.08	2,500	37,650.41	✓	35,150.41
.03-00 Net Increase in Fair Value Investments	34,233.48	-	-	✓	-
Investment Income Total	73,440.56	2,500	37,650.41	✓	35,150.41
Miscellaneous					
.16-00 Miscellaneous Other Income	-	-	-	✓	-
.21-00 Sewer Lateral Reimbursement	3,580.00	5,000	3,000.00	X	(2,000.00)
Miscellaneous Total	3,580.00	5,000	3,000.00	X	(2,000.00)
Capital Contributions					
.05-01 Connection Fees: Commercial	15,689.78	25,000	50,503.56	✓	25,503.56
.05-02 Connection Fees: Residential	44,717.50	15,000	177,969.00	✓	162,969.00
.10-00 Developer Contributions	61,155.24	-	-	✓	-
.20-01 Capital Contributions	7,884.97	-	-	✓	-
.92-00 NDOT Bypass Reimbursement	-	-	-	✓	-
Capital Contributions Total	129,447.49	40,000	228,472.56	✓	188,472.56
Federal Interest Subsidy					
.01-02 Build America Bonds - 2010F SRF Sewer Bonds	1,616.71	1,550	1,484.82	X	(65.18)
Federal Interest Subsidy Total	1,616.71	1,550	1,484.82	X	(65.18)
Gain(loss) on sales of capital assets					
.20-00 Gain on Sale of Assets	-	-	-	✓	-
.10-01 Surplus Sales	-	-	4,085.00	✓	4,085.00
.10-02 Vehicle Sales	1,900.00	-	-	✓	-
Gain(loss) on sales of capital assets Total	1,900.00	-	4,085.00	✓	4,085.00
Grand Total	22,122,350.35	40,765,806	37,116,312.08	X	(3,649,493.92)

Type	Expenditure					
	EXPENDITURES	FY16 Actual	FY17 Budget	FY17 YTD	FY17 Under/(Over)	FY17 % Spent
Salaries and Wages						
.01-01 Salaries	1,243,409.00	1,368,696	1,192,013.58	✓	176,682.42	87%
.01-02 Hourly/Seasonal	104,744.29	115,000	113,803.52	✓	1,196.48	99%
.01-03 Administrative Pay	-	-	220.96	X	(220.96)	0%
.01-06 Management Leave Pay	11,084.25	-	9,617.04	X	(9,617.04)	0%
.01-07 Annual Leave Payoff	12,807.06	-	7,680.78	X	(7,680.78)	0%
.01-08 Sick Leave Payoff	34,492.31	-	41,092.92	X	(41,092.92)	0%
.01-09 Workers' Compensatory Leave	5,251.90	-	88.69	X	(88.69)	0%
.01-11 Overtime	46,293.60	41,000	69,972.31	X	(28,972.31)	171%
.01-12 Call Back Pay	7,210.25	12,000	9,509.49	✓	2,490.51	79%
.01-13 Standby Pay	54,489.28	55,000	50,667.74	✓	4,332.26	92%
.01-14 F L S A	229.78	-	383.90	X	(383.90)	0%
.01-16 Holiday Pay	7,593.59	-	9,831.37	X	(9,831.37)	0%
Salaries and Wages Total	1,527,605.31	1,591,696	1,504,882.30	✓	86,813.70	95%
Employee Benefits						
.02-25 Medicare	18,991.12	22,190	19,369.86	✓	2,820.14	87%
.02-30 Retirement	287,947.68	314,742	276,467.17	✓	38,274.83	88%
.02-40 Group Insurance	255,863.37	279,709	253,777.64	✓	25,931.36	91%
.02-50 Workers' Compensation	19,013.41	23,614	21,497.16	✓	2,116.84	91%
.02-60 Education Incentive	747.50	675	275.00	✓	400.00	41%
.02-65 Clothing Allowance	8,109.13	9,000	5,678.93	✓	3,321.07	63%
.02-66 Foul Weather Allowance	2,505.00	2,663	2,730.00	X	(67.00)	103%
.02-68 Tool Allowance	975.00	1,207	1,216.80	X	(9.80)	101%
.02-70 Car Allowance	-	-	-	✓	-	0%
.02-71 Phone Allowance	3,237.00	3,247	3,162.25	✓	84.75	97%
.02-72 Mobile Device Allowance	405.00	407	371.25	✓	35.75	91%
.02-86 OPEB Cost	109,440.00	120,384	-	✓	120,384.00	0%
.02-87 GASB 69 Pension Expense	(59,929.00)	-	-	✓	-	0%
Employee Benefits Total	647,305.21	777,838	584,546.06	✓	193,291.94	75%
Services and Supplies						
.03-09 Professional Services	59,488.70	383,500	229,496.99	✓	154,003.01	60%
.03-12 Auditing Fees	22,732.00	24,000	21,690.00	✓	2,310.00	90%
.03-30 Training	11,423.26	11,000	3,198.00	✓	7,802.00	29%
.03-45 Data Processing	8,532.81	8,500	8,671.34	X	(171.34)	102%
.03-49 Contractual Services	-	3,000	-	✓	3,000.00	0%
.03-56 Physicals (Employee)	-	-	-	✓	-	0%
.03-62 Unemployment Compensation	1,436.84	-	510.43	X	(510.43)	0%
.03-72 USGS Stream Monitoring	-	-	-	✓	-	0%
.03-75 Sludge Hauling	27,251.85	35,000	2,236.25	✓	32,763.75	6%
.04-30 Equipment Repair & Maintenance	202,036.12	200,213	205,155.51	X	(4,942.51)	102%
.04-33 Software Maintenance	28,191.85	50,000	22,904.91	✓	27,095.09	46%
.04-34 Building Repair & Maintenance	16,734.17	12,500	9,999.14	✓	2,500.86	80%
.04-35 Vehicle Repair & Maintenance	35,031.24	30,000	25,996.72	✓	4,003.28	87%
.04-36 Facility Repair & Maintenance	47,908.97	75,000	64,187.03	✓	10,812.97	86%
.04-37 Effluent Line Repairs	27,141.00	30,000	-	✓	30,000.00	0%
.04-44 Office Equipment Rental	1,172.05	2,000	2,959.27	X	(959.27)	148%
.04-45 Equipment Rental	1,444.65	11,000	522.38	✓	10,477.62	5%

Type	Revenue			
REVENUE	FY16 Actual	FY17 Budget	FY17 YTD	FY17 (Under)/Over

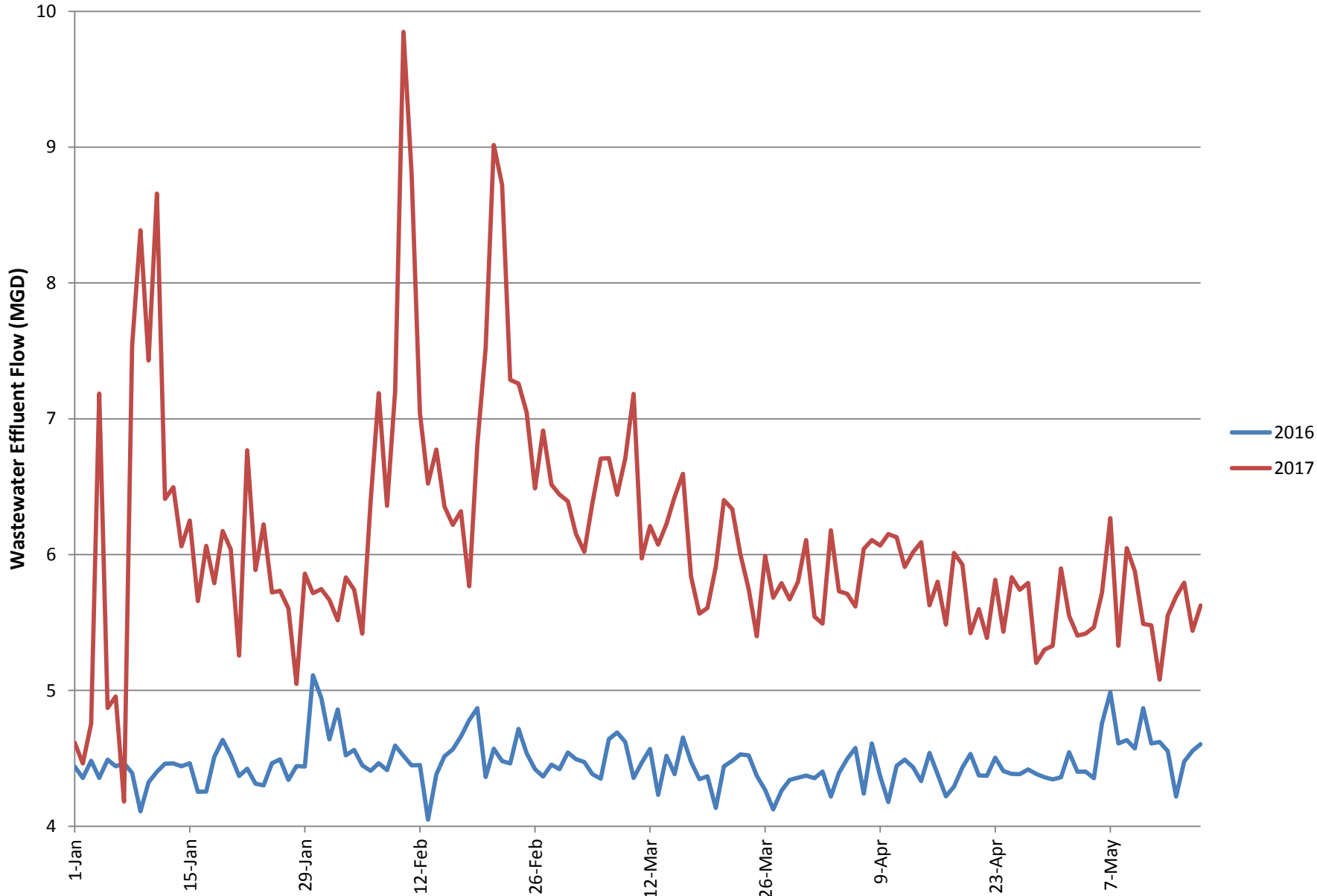
Type	Expenditure				
EXPENDITURES	FY16 Actual	FY17 Budget	FY17 YTD	FY17 Under/(Over)	FY17 % Spent
.04-67 Telemetry Repair & Maintenance	29,164.93	25,000	28,011.43	✗ (3,011.43)	112%
.04-70 S. Sewer Repair & Maintenance	-	50,000	10,278.00	✓ 39,722.00	21%
.04-72 Mosquito Control	57,519.01	66,500	54,076.18	✓ 12,423.82	81%
.04-89 Effluent - Golf Course - Eagle Valley	43,962.92	37,500	29,995.96	✓ 7,504.04	80%
.04-90 Fees and Permits	24,824.10	25,000	36,766.00	✗ (11,766.00)	147%
.04-91 Effluent - Golf Course - Carson City	26,462.31	37,500	16,131.44	✓ 21,368.56	43%
.05-42 Printing/Advertising	6,693.88	5,000	1,414.69	✓ 3,585.31	28%
.05-45 Membership/Publications	4,093.92	3,000	5,745.06	✗ (2,745.06)	192%
.05-80 Travel	6,532.77	8,000	4,740.88	✓ 3,259.12	59%
.06-01 Office Supplies	4,215.26	5,500	2,632.46	✓ 2,867.54	48%
.06-02 Postage/Shipping	23,776.40	41,000	38,484.18	✓ 2,515.82	94%
.06-25 Operating Supplies	133,747.59	118,000	145,092.56	✗ (27,092.56)	123%
.06-36 Laboratory Expense	45,746.94	38,000	38,186.52	✗ (186.52)	100%
.06-37 Chemicals	192,001.07	274,000	335,109.51	✗ (61,109.51)	122%
.06-45 Books/Periodicals	267.00	500	-	✓ 500.00	0%
.06-60 Vehicle Fuel/Oil	21,089.46	36,000	19,579.63	✓ 16,420.37	54%
.06-74 Small Tools/Instruments	3,277.70	14,300	5,286.97	✓ 9,013.03	37%
.06-75 Small Furnishings	14,522.88	17,000	2,834.72	✓ 14,165.28	17%
.07-10 Telephone	12,489.76	13,500	11,481.45	✓ 2,018.55	85%
.07-12 Power	512,424.68	600,000	468,139.07	✓ 131,860.93	78%
.07-13 Heating	27,020.50	48,000	40,911.73	✓ 7,088.27	85%
.09-01 ISC: General Fund	1,222,896.00	1,177,283	1,079,177.00	✓ 98,106.00	92%
.09-15 ISC: Insurance Fund	227,500.00	227,500	227,500.00	✓ -	100%
.09-50 ISC: Fleet Management	80,437.50	80,419	80,419.00	✓ -	100%
.09-55 ISC: Radios	5,264.00	3,040	3,040.00	✓ -	100%
.12-99 Grant Allocation/Direct Bill	(72,039.32)	-	(22,209.25)	✓ 22,209.25	0%
.24-30 Refunds & Reimbursements	-	10,000	-	✓ 10,000.00	0%
.24-49 Bad Debt Expense	-	400	-	✓ 400.00	0%
.24-50 Cash Short/Over	-	50	-	✓ 50.00	0%
.06-76 Technical Equipment	50,716.70	10,000	7,825.01	✓ 2,174.99	78%
.04-39 Water - Effluent Supplementation	59,892.70	100,000	37,062.90	✓ 62,937.10	37%
.05-87 Click-2-Gov Fees	330.40	3,000	2,165.92	✓ 834.08	72%
Services and Supplies Total	3,255,356.57	3,950,705	3,307,406.99	✓ 643,298.01	84%
Operating Transfer Out					
.72-83 Group Medical Fund	-	-	-	✓ -	0%
.72-75 Fleet Management Fund	-	-	-	✓ -	0%
Operating Transfer Out Total	-	-	-	✓ -	0%
Capitalized Assets					
.50-00	(12,463.48)	-	-	✓ -	0%
Capitalized Assets Total	(12,463.48)	-	-	✓ -	0%
Capital Projects					
.70-40 Construction	168,483.94	50,000	62,276.80	✗ (12,276.80)	125%
.70-70 Labor	7,080.89	-	3,737.33	✗ (3,737.33)	0%
.74-01 Land Acquisition	-	-	-	✓ -	0%
.77-15 Computer Equipment	2,380.00	-	-	✓ -	0%
.77-75 Equipment	258,680.25	365,000	333,926.23	✓ 31,073.77	91%
.78-10 Facility Upgrade	41,928.81	225,000	29,481.00	✓ 195,519.00	13%
.77-25 Comm-Fiber-SCADA	8,420.01	90,000	90,000.00	✓ -	100%
.77-05 Vehicle Replacement Program	-	160,000	152,220.77	✓ 7,779.23	95%
Capital Projects Total	486,973.90	890,000	671,642.13	✓ 218,357.87	75%
Grand Total	5,904,777.51	7,210,239	6,068,477.48	✓ 1,141,761.52	84%

Attachment: 5B-2

FY 2017-21 Capital Improvement Plan, Sewer							
Description	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	5 Yr Total	
CAPITAL PROJECTS FUNDED BY RATE REVENUE							
Sewer							
Other Capital							
Equipment Replacement	165,000	336,000	369,000	185,000	200,000	1,255,000	
Facility Upgrade	75,000	75,000	75,000	75,000	75,000	375,000	
Groundwater Protection	50,000	50,000	50,000	50,000	50,000	250,000	
Fuel Facility	60,000	60,000	-	-	-	120,000	
Sewer Other Capital Total	350,000	521,000	494,000	310,000	325,000	2,000,000	
Wastewater							
Equipment Replacement	200,000	200,000	200,000	200,000	200,000	1,000,000	
Treatment - Facility Upgrade	150,000	150,000	150,000	150,000	150,000	750,000	
Treatment Total	350,000	350,000	350,000	350,000	350,000	1,750,000	
Other Capital							
Vehicle Replacement	55,000	55,000	55,000	55,000	55,000	275,000	
Communications-Fiber-SCADA	90,000	40,000	40,000	40,000	40,000	250,000	
Wastewater Other Capital Total	145,000	95,000	95,000	95,000	95,000	525,000	
Total Capital funded by Rate Revenues	845,000	966,000	939,000	755,000	770,000	4,275,000	
CAPITAL PROJECTS FUNDED BY SYSTEM REINVESTMENT							
Sewer							
Collection - Riverview Lift Station Reconstruction	-	-	-	-	200,000	200,000	
Collection - Sewer Line and Manhole Replacement/Rehabilitation/Sliplining	1,800,000	-	-	3,000,000	2,000,000	6,800,000	
Collection - South Lift Station Reconstruction	-	-	-	-	-	-	
Collection - System Pipeline Air Release Rehabilitation	50,000	-	-	50,000	50,000	150,000	
Wastewater							
Reuse - Brunswick Canyon Reservoir Inlet/Outlet	-	-	-	450,000	-	450,000	
Reuse - East Reuse System Modification	-	-	-	1,500,000	1,500,000	3,000,000	
Reuse - Effluent 100 HP Pump/Motor & Valve Replacement (4)	-	-	-	-	-	-	
Reuse - Effluent 250 HP Pump/Motor & Valve Replacement (5)	-	-	-	-	-	-	
Reuse - Pipe Corrosion Control System	-	-	-	-	350,000	350,000	
Reuse - Pipe Corrosion Electrical Continuity	-	-	-	-	300,000	300,000	
Reuse - Pipe Corrosion ESP Isolation Valves	-	-	-	-	50,000	50,000	
Reuse - Pipe Joint Coupling Rehabilitation	-	-	-	50,000	50,000	100,000	
Reuse - System Pipeline Air Release Rehabilitation	-	-	-	50,000	100,000	150,000	
Treatment - WRRF Phase 1A and 1B	3,000,000	4,315,000	500,000	500,000	500,000	8,815,000	
Treatment - WRRF Replace PLC's and MCC's	-	-	330,000	-	-	330,000	
Total	4,850,000	4,315,000	830,000	5,600,000	5,100,000	20,695,000	
CAPITAL PROJECTS FUNDED BY BOND PROCEEDS							
Sewer							
Collection - Sewer Line and Manhole Replacement/Rehabilitation	1,000,000	1,735,000	-	-	-	2,735,000	
Total	1,000,000	1,735,000	-	-	-	2,735,000	
Wastewater							
Treatment - Old Facility Demobilization	-	125,000	-	-	-	125,000	
Treatment - WRRF Phase 1A and 1B	12,074,000	7,382,667	-	-	-	19,456,667	
Treatment Replace Headworks and North Lift	-	-	-	600,000	5,400,000	6,000,000	
Total	12,074,000	7,507,667	-	600,000	5,400,000	25,581,667	
Reuse - Brunswick Canyon Reservoir Aeration System and Misc	-	-	250,000	-	-	250,000	
Total	-	-	250,000	-	-	250,000	
Total	13,074,000	9,242,667	250,000	600,000	5,400,000	28,566,667	
TOTAL CAPITAL PROJECTS	18,769,000	14,523,667	2,019,000	6,955,000	11,270,000	53,536,667	

Attachment: 5B-3

CCWRRF Effluent Flow as of 5/19/17



Attachment: 5B-4

Sewer System Master Plan Update

Draft Final Report
Carson City

May 2017

DRAFT



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List of Abbreviations and Acronyms

ACP	Asbestos Cement Pipe
CCWRP	Carson City Wastewater Reclamation Plant
CIP	Capital Improvement Project
d/D	Max Flow Depth/Pipe Diameter
DARF	Depth Area Reduction Factor
DU	Dwelling Unit
fps	Feet per Second
GIS	Graphical Information Systems
gpm	Gallons per Minute
mgd	Million Gallons per Day
NASSCO	National Association of Sewer Service Companies
NDOT	Nevada Department of Transportation
PDWF	Peak Dry Weather Flows
POSM	Pipeline Observation System Management
PVC	Polyvinyl Chloride
PWWF	Peak Wet Weather Flows
SCADA	Supervisory Control And Data Acquisition
SOI	Sphere of Influence
VCP	Vitrified Clay Pipe

Attachment: 5B-5



**DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF WATER RESOURCES**

901 South Stewart Street, Suite 2002

Carson City, Nevada 89701-5250

(775) 684-2800 • Fax (775) 684-2811

<http://water.nv.gov>

December 19, 2016

DAVID BRUKETTA
3505 BRUTTI WAY
CARSON CITY, NV 89701

Re: Dam Safety Inspection of the CARSON CITY TREATED EFFLUENT DAM, J-228
(NV00223).

Dear DAVID BRUKETTA:

On December 6, 2016, Edmund Quaglieri, P.E., Chris Thorson, P.E., and Katherine Clancey, E.I.T, of the State of Engineer's office, inspected the CARSON CITY TREATED EFFLUENT DAM. The purpose of the inspection was to determine the condition of the structure with respect to dam safety. The CARSON CITY TREATED EFFLUENT DAM is classified as a **High** hazard dam due to downstream development.

The overall condition of the dam is **SATISFACTORY**. Based on the engineer's observations, the following corrective actions should be taken:

Short Term (1 Year)

1. An operation and maintenance manual and maintenance log should be established for this dam.
2. Review the current Emergency Action Plan for this impoundment and submit an update or replace the one on file from 2005.

Long Term (2 Years)

1. CREST - Rutting: Rutting on crest should be filled in and a camber established on the crest to encourage even runoff. - Photos Attached.
2. CREST - Repair gate on the crest of the dam that allows for access down to the toe of the dam.
3. CREST, UPSTREAM FACE, AND DOWNSTREAM FACE - Vegetation: Continue monitoring vegetation and removing brush and trees before becoming well established.

December 19, 2016

Page 2 of 2

4. LEFT AND RIGHT DOWNSTREAM ABUTMENT/GROIN, AND DOWNSTREAM TOE AREA - Vegetation: Remove vegetation within 25 feet of the structure and disposed of offsite. - Photos Attached.
5. PRINCIPAL SPILLWAY - Concrete Spalling/Cracking: Monitor the spillway concrete cracking. If condition worsens, repair cracks to prevent water from undermining the concrete slab. - Photos Attached.
6. PRINCIPAL SPILLWAY - Debris: Maintain the spillway clear from obstructions/debris. One of the concrete weep holes in the spillway was plugged with a propane bottle.
7. DOWNSTREAM TOE AND AREA - Caulking on the vault lid at the toe of the dam is starting to fail. Recommend cleaning the joint and reapplying a sealant to prevent water intrusion into the vault. There was standing water inside the valve vault and the piping inside was starting to show signs of surface corrosion. - Photos Attached.
8. DOWNSTREAM TOE AND AREA - Seepage: Monitor the amount of water loss due to seepage. - Photos Attached.

The above items are considered maintenance issues and do not require a new approval of plans and specifications (permit) to accomplish. Please be aware that future modifications may require submittal of plans and specifications for review and approval (permit).

If you have any questions, please feel free to call the undersigned at (775) 684-2800.

Sincerely,



Edmund Quagliari, P.E.
Engineering Manager II



Chris Thorson, P.E.
Water Resource Specialist II

EQ/CMT/jw
Enclosure

cc: NDEP Water Pollution Control, email (jmaez@ndep.nv.gov)

CREST – Rutting



Looking southeast.



Looking northwest.

LEFT AND RIGHT DOWNSTREAM ABUTMENT/GROIN – Vegetation



Vegetation along the left downstream groin, looking upstream.



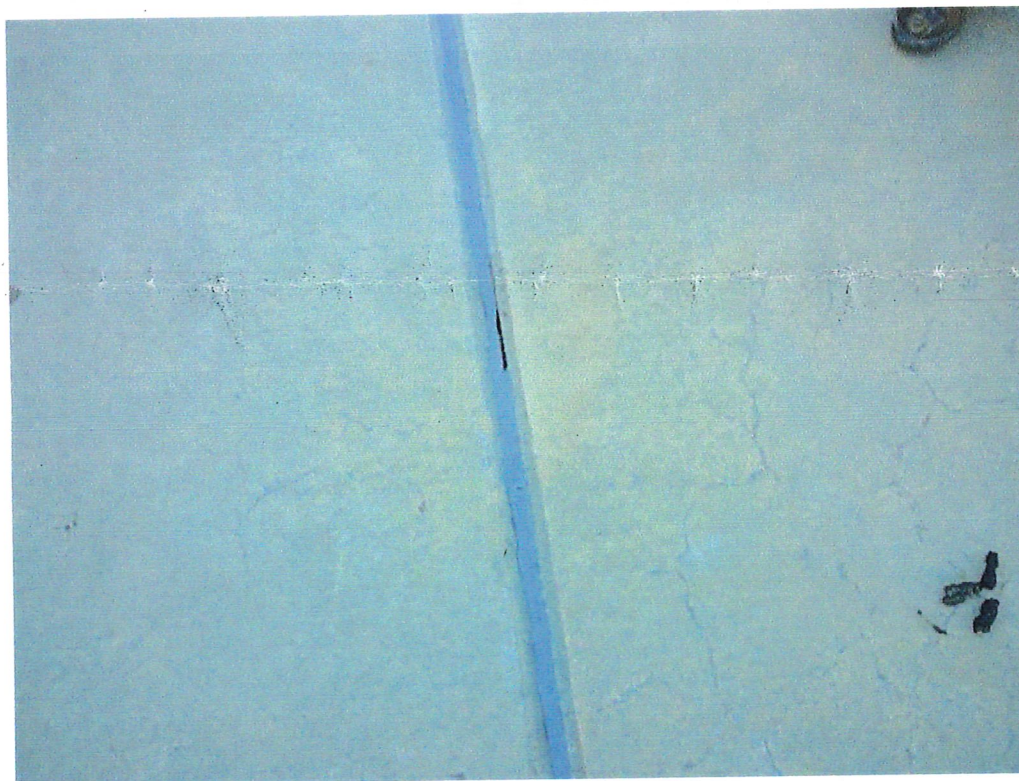
Vegetation along the right downstream groin, looking upstream.

PRINCIPAL SPILLWAY - Concrete Spalling/Cracking

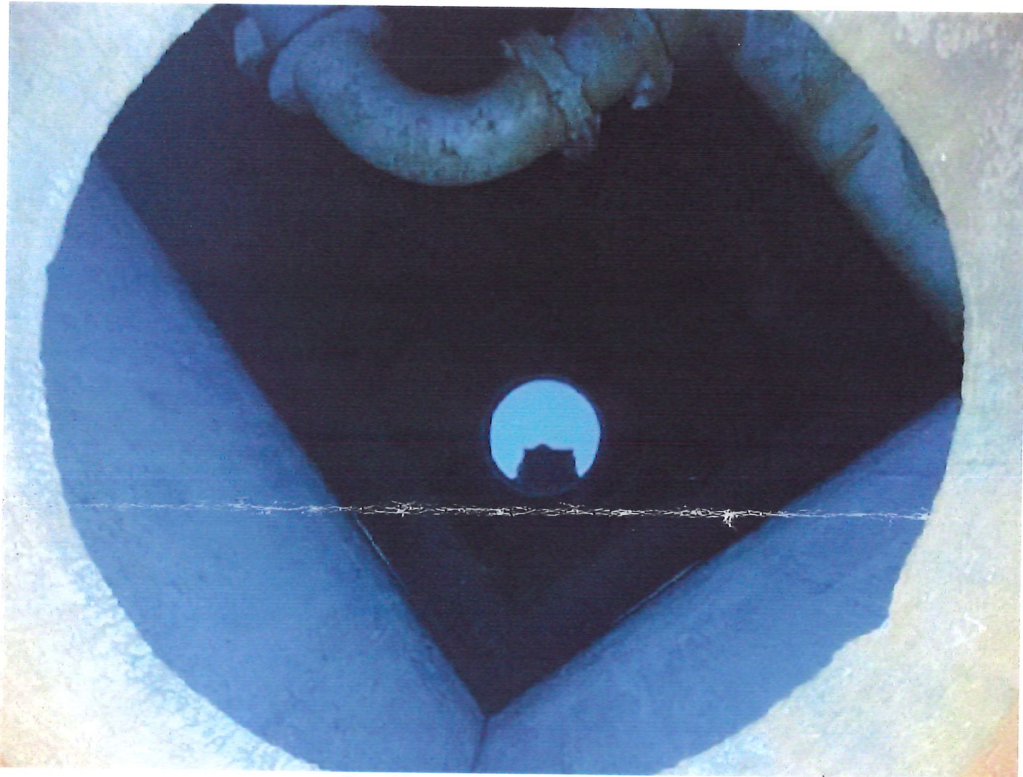


Looking southeast.

DOWNSTREAM TOE AND AREA - Valve Vault



Voids between concrete joints and sealant.



Standing water in valve vault.

DOWNSTREAM TOE AND AREA – Seepage



Seepage collected from the dam.



Seepage flowing into the Carson River.

Attachment: 5B-6



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX – PACIFIC SOUTHWEST REGION
75 Hawthorne Street
San Francisco, CA 94105-3901

March 23, 2017

In Reply Refer To: ENF-3-1

Ms. Kelly Hale
Environmental Control Foreman
Carson City
3505 Butti Way
Carson City, NV 89701

Re: Clean Water Act Pretreatment Compliance Inspection

Dear Ms. Hale:

Enclosed is the *Pretreatment Compliance Inspection (PCI) Report for Carson City*. The PCI was conducted on October 18-19, 2016. We ask that the City provide short written responses to each of the requirements and recommendations presented in Section IV – Areas of Concern of the report by **May 5, 2017**.

Please send your letter to the attention of James Polek at EPA (and include the code “ENF-3-1” in the address above), with a copy to the Nevada Division of Environmental Protection.

We would like to thank you for your cooperation during the inspection. If you have any questions, please call Jim Polek at (415) 972-3185 or e-mail him at polek.jim@epa.gov.

Sincerely,

A handwritten signature in blue ink that reads "Ken Greenberg".

Ken Greenberg
Manager, Water Section I
Enforcement Division

Enclosure

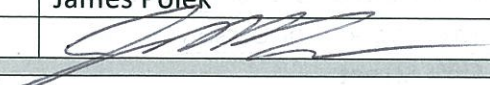
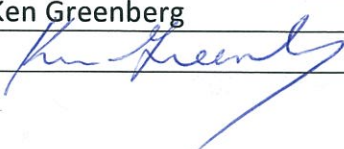
cc (enclosure by email):

Joseph Maez, Nevada Division of Environmental Protection

Region 9 Enforcement Division
75 Hawthorne Street
San Francisco, CA 94105

Inspection Date(s):	October 18-19, 2016		
Media:	Water		
Regulatory Program(s)	Clean Water Act – PRETREATMENT COMPLIANCE INSPECTION		
Company Name:	Carson City Public Works Department		
Facility or Site Name:	Pretreatment Program for Carson City Wastewater Reclamation Facility		
Facility/Site Physical Location:	3320 East Fifth Street Carson City, NV 89701		
Mailing address:	3505 Butti Way Carson City, NV 89701-3498		
Facility/Site Contact:	Kelly Hale	Title: Environmental Control Foreman	
	Phone: 775-283-7376	Email: khale@ci.carson-city.nv.us	
Facility/Site Identifier:	Nevada Discharge Permit NEV90008 – Carson City Wastewater Reclamation Facility		
Facility/Site Personnel Participating in Inspection:			
Name	Affiliation	Title	Email
Kelly Hale	Carson City Public Works	Environmental Control Foreman	khale@ci.carson-city.nv.us
Mark Irwin	Carson City Public Works	Environmental Control Officer	mirwin@carson.org
Ken Peck	Carson City Public Works	Environmental Control Officer	kpeck@carson.org
EPA Inspector(s):			
Jim Polek	EPA	Enforcement Officer	polek.jim@epa.gov
Federal/State/Tribal/Local Representatives:			
Mark Kaminski	NDEP	Professional Engineer Water Pollution Control	mkaminsk@ndep.nv.gov
Steve McGoff	NDEP	Professional Engineer Water Pollution Control	smcgoff@ndep.nv.gov

Carson City Environmental Control Authority
 Inspection Date(s): 10/18-19/2016

Katrina Pascual	NDEP	Staff Engineer Water Pollution Control	kpascual@ndep.nv.gov
Andrew Dixon	NDEP	Staff Engineer Water Pollution Control	andrew.dixon@ndep.nv.gov
Report Author:			
	James Polek		415-972-3185
			Date: 3/22/17
Supervisor :			
	Ken Greenberg		415-972-3577
			Date: 3/23/17

SECTION I – INTRODUCTION

I. Purpose of the Inspection

The purpose of the pretreatment compliance inspection (PCI) was to evaluate the effectiveness of the pretreatment program implemented by the Carson City Public Works Environmental Control Authority (ECA) for the Carson City Wastewater Reclamation Facility (CCWRF) with respect to the General Pretreatment Requirements of 40 CFR Part 403. The PCI included file review, assessment of resources, data management, implementation, compliance monitoring, industrial user classification, and compliance with the Nevada Discharge permit. EPA Region 9 has direct implementation authority for oversight of the pretreatment program within the State of Nevada.

The inspection included review of selected control mechanisms, a file review of three industrial users, and oversight inspections of three permitted significant industrial user facilities. The PCI reviewed the pretreatment program for 2016 as well as some program aspects over a four-year period to assess program trends because the last pretreatment compliance inspection/audit conducted by EPA or its contractor was in September 2005.

SECTION II – FACILITY / SITE DESCRIPTION

II.1 Background

The CCWRF discharges to the groundwater of the State of Nevada under Discharge Permit No. NEV90008. The existing permit expired on January 6, 2015. The State is in the process of updating the permit to include pretreatment program requirements for implementing the pretreatment program and plans to reissue the permit in the near future.

The City's most recent pretreatment annual report covers the period from July 1, 2014 through June 30, 2015. This report was reviewed as part of this inspection.

The CCWRF is designed to treat up to 9.5 million gallons per day (MGD) and typically discharges approximately 6.9 MGD. Treatment at the plant consists of preliminary mechanical treatment, primary clarification, biological treatment, secondary clarification, filtration, and disinfection. The treated wastewater is discharged to the Brunswick Canyon Effluent Storage Reservoir, various re-use sites, or for dust control at construction sites. At the time of the inspection, the CCWRF was undergoing a major upgrade with numerous active construction projects. The plant upgrades are planned to be completed in about 1.5 years and were not the focus of this inspection.

II.2 Industrial User Classification

The ECA has identified 19 significant industrial users (SIUs) discharging to the CCWRF. Six of these SIUs are categorical industrial users (CIUs) and consist of facilities that conduct metal finishing, iron & steel manufacturing, and ferrous casting. Two of the SIUs are non-categorical SIUs and consist of an industrial laundry and die cutting facility. The remaining 11 facilities are zero-discharging CIUs that include metal finishers, aluminum forming facilities, and an ink formulating facility. The ECA has issued individual permits to all 19 SIUs. The ECA has also issued individual permits to its 485 non-significant industrial users, which include 143 automotive facilities, 219 food processors, 83 industrial facilities, 29 medical establishments, and 11 facilities with septic systems.

II.3 Control Mechanisms

The ECA's goal is to issue individual permits to all 503 IUs annually. Due to a legacy software system used to create permits, this goal has been difficult to achieve. This PCI looked at Carson City's pretreatment program from 2013 through 2016 in order assess trends of the program since the last pretreatment compliance inspection/audit of the City's program by EPA was in September 2005.

Focusing on the SIU permits, the City permitted 16 SIUs in 2013, 14 SIUs in 2014, eight SIUs in 2015, and all 19 SIUs in 2016. The reason for the improvement in 2016 is due to the recent implementation of a new asset management system that allows ECA staff to efficiently create permits.

II.4 Local Limits

The ECA has not modified its local limits since 1995. The ECA established local limits for arsenic, barium, biochemical oxygen demand (BOD), boron, cadmium, chromium, carbonaceous oxygen demand (COD), copper, cyanide, formaldehyde, iron, lead, manganese, mercury, nickel, selenium, silver, sulfides, zinc, chlorinated phenols, phenolic compounds, pH, temperature, total suspended solids (TSS), and oil & grease. The ECA plans to review its local limits in the near future because the plant is under major construction to replace old, aging portions of the plant and to implement a new treatment system. The ECA is aware that if they need to revise their local limits then they need to have EPA's Pretreatment Coordinator review and approve the new limits because revising local limit is a major program modification.

II.6 Inspections and Compliance Monitoring

The ECA's goal is to inspect all industrial users annually and SIUs, including CIUs, semiannually. It is a pretreatment program requirement to inspect and sample all SIUs annually. In 2016, the ECA inspected and sampled all 19 SIUs. However, in previous years this requirement was not met because of staffing, work load, and computer system issues. Appendix A summarizes which SIUs were inspected and sampled from 2013 through 2016.

II.7 POTW Compliance

From 2013 to 2016, the CCWRF has not experienced upset, pass-through or interference. Appendix B has a list of issues that the CCWRF did not have during the 2013 to 2016 timeframe.

II.8 Enforcement

The SIUs have been in consistent compliance since 2010 so the ECA has not had an enforcement action since 2010. In 2010, the ECA used an escalating enforcement method to get a non-cooperative industry to submit a baseline monitoring report and install a sampling manhole.

The ECA is in the process of updating their Enforcement Response Plan (ERP). They are aware that the ERP needs to be reviewed and approved by EPA's Pretreatment Coordinator before it can be finalized.

When the ECA had a facility in significant non-compliance (SNC) they did publish that fact in the local Carson City newspaper.

SECTION III – OBSERVATIONS

For 2016, EPA did not identify significant deficiencies regarding ECA's issuance of control mechanisms, enforcement of control mechanisms, conducting inspections, identifying and defining SIUs, and adequately preventing backups, pass-through and interference. However, from 2013 to 2015, EPA identified deficiencies in program implementation as described below and further detailed in the Pretreatment Inspection Checklist (Appendix C). These deficiencies may be the result of inadequate resources to run ECA's Pretreatment Program, which is further discussed in the next section.

SECTION IV – AREAS OF CONCERN

The presentation of areas of concern does not constitute a formal compliance determination or violation.

ECA failed to control through permits the contribution to the POTW by each SIU to ensure compliance with applicable Pretreatment Standards and Requirements [40 CFR 403.8(f)(1)(iii)].

At the time of the inspection, ECA had four SIUs that did not have valid permits: Cubix, AquaSyn, Ameriken, and Dura-bond. However, ECA plans to have these facilities inspected and permitted prior to the end of the calendar year.

The number of facilities without valid permits increased from 2013 to 2015 because of the deterioration of a legacy computer system used to generate permits. The number of facilities without valid permits was three in 2013, five in 2014, and 11 in 2015. See Appendix A for a list of facilities that were not inspected, and therefore, did not have a valid permit.

ECA indicated that permits are issued annually but the permits for Alsco and Click-Bond are for about four and five years, respectively. The duration is less than the maximum allowed permit duration of five years, however, it is confusing to have long duration permit cycles when permits are issued annually.

The permits lacked sufficient detail in the body of the permit and relied on references to Carson City Municipal Code or other documents. In order for permits to be clear to industrial users, ECA should include all pertinent language in the body of the permit. Such language shall include, but not be limited to, permit duration, statement of non-transferability, effluent limits, notification of significant discharge changes, 24-hour notice of violation, requirement of resampling within 30 days of detecting a violation, reporting requirements, record-keeping requirements, civil penalty statement, criminal penalty statement, and requirements to control slug discharges.

ECA failed to implement and develop procedures to ensure compliance with the Pretreatment Program Requirements [40 CFR 403.8(f)(2)(iv)].

Alsco and PCC Structural submitted late self-monitoring reports in January 2016 and July 2016. ECA did not conduct any enforcement actions for the late reports.

The Alsco file did not contain a baseline monitoring report from the facility.

ECA failed to inspect and sample each SIU annually to ensure compliance with the applicable Pretreatment Standards and Requirements [40 CFR 403.8(f)(2)(v)].

From 2013 to 2015, ECA did not inspect and sample all SIUs at least once during the year. The facilities not inspected or sampled correlate to the SIUs that did not have valid permits. See Appendix A for a list of facilities that were not inspected and were not sampled.

For 2016, ECA was on schedule to inspect and sample all SIUs. At the time of inspection, four SIUs still needed to be inspected and sampled. These activities were scheduled to be completed by October 2016.

It is recommended that ECA include additional information in IU inspection reports, including the need, or lack of need, for a facility to have a slug control plan [40 CFR 403.8(f)(2)(vi)].

Inspection reports are just one sheet without much detail. ECA could write a narrative report or a more detailed checklist. Documentation of facility conditions are not effectively captured with a checklist.

Inspection reports for 2015 and 2014 that were reviewed did not have "Section B – Does this industry have a slug control plan?" filled in. It is required that ECA determine if each of their SIUs need a Slug Control Plan, and it is important that this evaluation is documented. If the process is not documented, then it can be assumed that ECA did not make a Slug Control Plan determination of its SIUs.

ECA failed to investigate instances of non-compliance with applicable Pretreatment Standards and Requirements [40 CFR 403.8(f)(2)(vii)].

Click Bond's permit indicates TTO analysis should be EPA Method 624, however, the analytical results indicate that EPA Method 8260 (Toxicity Characteristic Leaching Procedure) was used, which is not an approved method for TTO evaluation.

PCC Structural's permit does not state that oil & grease samples should be collected in glass containers. If the IU collected oil & grease samples in plastic containers, then the results may not be representative. AlSCO's permit does indicate that a glass container should be used for oil & grease samples. ECA needs to be consistent and correct with the permit language for each SIU.

ECA shall have sufficient resources and qualified personnel to carry out the authorities and procedures within the applicable Pretreatment Standards and Requirements [40 CFR 403.8(f)(3)].

The current three ECA personnel appear to be qualified to carry out the Pretreatment Program authorities and procedures. However, they have an insufficient number of staff, as evidenced by past permitting and inspection issues discussed above. Additionally, the ECA staff have duties beyond pretreatment (spill response, abandoned materials cleanup, citizen complaints, etc.), which means that the effective number of pretreatment employees is less than three. ECA's 2015 Annual report estimated a full-time employee equivalent of 0.87 working on pretreatment. Two other northern Nevada municipalities have pretreatment programs with 19 SIUS and they have pretreatment staff ranging from 4.2 to 6.5 full-time employees. ECA's less-than-one employee equivalent working on pretreatment is much less than the other two municipalities with approved pretreatment programs. ECA needs additional staff to properly manage its Pretreatment Program.

ECA needs to contact EPA (Approval Authority) for substantial modification to its Pretreatment Program [40 CFR 403.18(b)].

ECA is currently modifying their Enforcement Response Plan. Once a draft of the revised document is prepared, ECA needs to submit the document to EPA for review and approval.

The City is conducting major upgrades to the CCWRF, which are expected to be complete in 2018. Once construction is complete, ECA plans to assess the need to modify its local limits to reflect operations of the new plant. If local limits are revised, ECA must submit the revised local limits to EPA for review and approval.

APPENDICES

Appendix A – Table summarizing SIUs inspected and sampled from 2013 to 2016.

Appendix B – Table summarizing issues at CCWRF from 2103 to 2016.

Appendix C – Control Authority Pretreatment Inspection Checklist.

Appendix A

2013		3 not inspected		Asset Class	Property Owner Address	Inspected	Sampled
Asset ID	Description	Asset Class	Property Owner Address	Inspected	Sampled		
PERMIT0010	Cubix Corporation	CAT	2800 Lockheed Wy	december	0 discharge		
PERMIT0012	Aquasyn LLC	CAT	1771 S. Sutro Ter	BMR April	0 discharge		
PERMIT0023	Ameriken Die Supply Inc.	NCSIU	2280 Conestoga Dr	June	Batch		
PERMIT0039	Triangle Labs, Inc.	CAT	6101 Morgan Mill Rd	December	July, December		
PERMIT0043	PCC-Structurals	CAT	2727 Lockheed Wy	December	June, December		
PERMIT0051	MC-21, Inc.	CAT	5151 Sigstrom Dr.	January	0 discharge		
PERMIT0052	Micromanipulator Co., Inc.	CAT	1555 Forrest Wy		0 discharge		
PERMIT0056	RE Dixon	CAT	2801 Lockheed Wy	december	0 discharge		
PERMIT0057	Specline Nevada	CAT	2230 Mouton Dr	december	0 discharge		
PERMIT0071	MC-21, Inc.	CAT	5100 Convair	January	0 discharge		
PERMIT0077	Rice Hydro Inc	CAT	3500 Arrowhead Dr		0 discharge		
PERMIT0093	Dura-Bond Bearing Co.	CAT	3200 Arrowhead Dr		July, December		
PERMIT0112	Chromalloy Nevada	CAT	3636 Arrowhead Dr	April, sept	June, December		
PERMIT0135	Click Bond, Inc.	CAT	2660-2666 Lockheed Dr	April, new	Batch		
PERMIT0136	Click-Bond Inc.	CAT	2180 Lockheed Wy	July	Batch		
PERMIT0138	Taiyo America, Inc.	CAT	2675 Antler Dr	September	0 discharge		
PERMIT0140	EZE-LAP Diamond	CAT	3572 Arrowhead Dr		0 discharge		
PERMIT0153	All Metals Processing of NV	CAT	3915 Fairview Dr Unit B	december	0 discharge		
PERMIT3009	Alisco	NCSIU		November	June, December		

Appendix A

2014 5 not inspected

Asset ID	Description	Asset Class	Property Owner Address	Inspected	Sampled
PERMIT0010	Cubix Corporation	CAT	2800 Lockheed Wy	June	0 discharge
PERMIT0012	Aquasyn LLC	CAT	1771 S. Sutro Ter		0 discharge
PERMIT0023	Ameriken Die Supply Inc.	CAT	2280 Conestoga Dr	June	12/1/2013, btach
PERMIT0039	Triangle Labs, Inc.	CAT	6101 Morgan Mill Rd	June, December	July
PERMIT0043	PCC-Structurals	CAT	2727 Lockheed Wy	June, December	January, July
PERMIT0051	MC-21, Inc.	CAT	5151 Sigstrom Dr.		0 discharge
PERMIT0052	Micromanipulator Co., Inc.	CAT	1555 Forrest Wy		0 discharge
PERMIT0056	RE Dixon	CAT	2801 Lockheed Wy	March, June	0 discharge
PERMIT0057	Specline Nevada	CAT	2230 Mouton Dr	June	0 discharge
PERMIT0071	MC-21, Inc.	CAT	5100 Convair		0 discharge
PERMIT0077	Rice Hydro Inc	CAT	3500 Arrowhead Dr	June	0 discharge
PERMIT0093	Dura-Bond Bearing Co.	CAT	3200 Arrowhead Dr	January, december	June, December
PERMIT0112	Chromalloy Nevada	CAT	3636 Arrowhead Dr		June, December
PERMIT0135	Click Bond, Inc.	CAT	2660-2666 Lockheed Dr	March	Batch
PERMIT0136	Click-Bond Inc.	CAT	2180 Lockheed Wy	March	Batch
PERMIT0138	Taiyo America, Inc.	CAT	2675 Antler Dr	March, June	0 discharge
PERMIT0140	EZE-LAP Diamond	CAT	3572 Arrowhead Dr	January, June	0 discharge
PERMIT0153	All Metals Processing of NV	CAT	3915 Fairview Dr Unit B	June	0 discharge
PERMIT3009	AlSCO	NCSIU		June, December	June

Appendix A

2015 11 not inspected

Asset ID	Description	Asset Class	Property Owner Address	Inspected	Sampled
PERMIT0010	Cubix Corporation	CAT	2800 Lockheed Wy		0 discharge
PERMIT0012	Aquasyn LLC	CAT	1771 S. Sutro Ter		0 discharge
PERMIT0023	Ameriken Die Supply Inc.	CAT	2280 Conestoga Dr		batch
PERMIT0039	Triangle Labs, Inc.	CAT	6101 Morgan Mill Rd		January
PERMIT0043	PCC-Structurals	CAT	2727 Lockheed Wy	November	
PERMIT0051	MC-21, Inc.	CAT	5151 Sigstrom Dr.		0 discharge
PERMIT0052	Micromanipulator Co., Inc.	CAT	1555 Forrest Wy		0 discharge
PERMIT0056	RE Dixon	CAT	2801 Lockheed Wy		0 discharge
PERMIT0057	Speciline Nevada	CAT	2230 Mouton Dr		0 discharge
PERMIT0071	MC-21, Inc.	CAT	5100 Convair		0 discharge
PERMIT0077	Rice Hydro Inc	CAT	3500 Arrowhead Dr		0 discharge
PERMIT0093	Dura-Bond Bearing Co.	CAT	3200 Arrowhead Dr	July	July
PERMIT0112	Chromalloy Nevada	CAT	3636 Arrowhead Dr	January	June, december
PERMIT0135	Click Bond, Inc.	CAT	2660-2666 Lockheed Dr	April	Batch
PERMIT0136	Click-Bond Inc.	CAT	2180 Lockheed Wy	April	Batch
PERMIT0138	Taiyo America, Inc.	CAT	2675 Antler Dr	August	0 discharge
PERMIT0140	EZE-LAP Diamond	CAT	3572 Arrowhead Dr		0 discharge
PERMIT0153	All Metals Processing of NV	CAT	3915 Fairview Dr Unit B	June	0 discharge
PERMIT3009	Alisco	NCSIU		August	June december

Appendix A

2016

Asset ID	Description	Asset Class	Property Owner Address	Inspected	Sampled
PERMIT0010	Cubix Corporation	CAT	2800 Lockheed Wy	October	0 Discharge
PERMIT0012	Aquasyn LLC	CAT	1771 S. Sutro Ter	October	0 Discharge
PERMIT0023	Ameriken Die Supply Inc.	CAT	2280 Conestoga Dr	October	batch
PERMIT0039	Triangle Labs, Inc.	CAT	6101 Morgan Mill Rd	May	June
PERMIT0043	PCC-Structurals	CAT	2727 Lockheed Wy	October	July
PERMIT0051	MC-21, Inc.	CAT	5151 Sigstrom Dr.	June	0 discharge, June
PERMIT0052	Micromanipulator Co., Inc.	CAT	1555 Forrest Wy	September	0 discharge, September
PERMIT0056	RE Dixon	CAT	2801 Lockheed Wy	April	0 discharge April
PERMIT0057	Speciline Nevada	CAT	2230 Mouton Dr	February	0 discharge, February
PERMIT0071	MC-21, Inc.	CAT	5100 Convair	June	0 discharge, June
PERMIT0077	Rice Hydro Inc	CAT	3500 Arrowhead Dr	May	0 discharge June
PERMIT0093	Dura-Bond Bearing Co.	CAT	3200 Arrowhead Dr	October	October if running
PERMIT0112	Chromalloy Nevada	CAT	3636 Arrowhead Dr	May	0 discharge May
PERMIT0135	Click Bond, Inc.	CAT	2660-2666 Lockheed Dr	April	Batch
PERMIT0136	Click-Bond Inc.	CAT	2180 Lockheed Wy	April	Batch
PERMIT0138	Taiyo America, Inc.	CAT	2675 Antler Dr	August	0 discharge January
PERMIT0140	EZE-LAP Diamond	CAT	3572 Arrowhead Dr	June	0 discharge June
PERMIT0153	All Metals Processing of NV	CAT	3915 Fairview Dr Unit B	April	0 discharge April
PERMIT3009	Alisco	NCSIU	1161 Fairview	May	June

Appendix B

WWTP Issues?

	2013	2014	2015	2016
Interference	None	None	None	None
Pass Through	None	None	None	None
Fire or explosions	None	None	None	None
Corrosive structural damage	None	None	None	None
Flow obstruction	None	None	None	None
Excessive Flow Rates	None	None	None	None
Excessive pollutant Concentrations	None	None	None	None
Heat Problems	None	None	None	None
Intreference due to O&G	None	None	None	None
Toxic Fumes	None	None	None	None
Illicit dumping	None	None	None	None
Worker health and safety	None	None	None	None
Other: List	None	None	None	None

APPENDIX C – POTW PRETREATMENT COMPLIANCE INSPECTION CHECKLIST

PCI CHECKLIST CONTENTS

Cover Page	
<input type="checkbox"/> Section I	Supplemental Data Review/Interview
<input type="checkbox"/> Section II	IU File Evaluation
<input type="checkbox"/> Section III	Evaluation and Summary
<input type="checkbox"/> Attachment A	Pretreatment Program Status Update
<input type="checkbox"/> Attachment B	Pretreatment Program Profile
<input type="checkbox"/> Attachment C	Worksheets
	<input type="checkbox"/> WENDB Data Entry Worksheet
	<input type="checkbox"/> RNC Worksheet
	<input type="checkbox"/> IU Site Visit Report Form (Optional)
	<input type="checkbox"/> File Review Worksheets (Optional)
Attachment D	Supporting Documentation

CA name and address: Carson City Public Works Environmental Control Authority 3505 Butti Way Carson City NV 89701	Date(s) of PCI
	10/18/16 – 10/19/16 Period covered by PCI January 2013 to October 2016

PIRT / DSS incorporated in NPDES permit?	Yes	No

INSPECTOR (S)

Name	Title/Affiliation	Telephone Number
Jim Polek	U.S. EPA Enforcement Officer	415-972-3185

CA REPRESENTATIVE (S)

Name	Title/Affiliation	Telephone Number
David Bruketta	Utility Manager *	775-283-7357
Kelly Hale	Environmental Control Foreman	775-283-7376
Mark Irwin	Environmental Control Officer	775-283-7380
Ken Peck	Environmental Control Officer	775-283-7390

*Identified program contact

ACRONYM LIST

Acronym	Term
BMR	Baseline Monitoring Report
CA	Control Authority
CFR	Code of Federal Regulations
CIU	Categorical industrial user
CSO	Combined sewer overflow
CWA	Clean Water Act
CWF	Combined wastestream formula
DSS	Domestic Sewage Study
EP	Extraction Procedure
EPA	U.S. Environmental Protection Agency
ERP	Enforcement response plan
FTE	Full-time equivalent
FWA	Flow-weighted average
gpd	Gallons per day
IU	Industrial user
IWS	Industrial waste survey
MGD	Million gallons per day
MSW	Municipal solid waste
NA	Not applicable
N/D	Not determined
NPDES	National Pollutant Discharge Elimination System
NSCIU	Nonsignificant Categorical Industrial User
O&G	Oil and grease
PIRT	Pretreatment Implementation Review Task Force
POTW	Publicly owned treatment works
RCRA	Resource Conservation and Recovery Act
RNC	Reportable noncompliance
SIU	Significant industrial user
SNC	Significant noncompliance
TCLP	Toxicity Characteristic Leachate Procedure
TRC	Technical review criteria
TTO	Total toxic organics
WENDB	Water Enforcement National Data Base

SECTION I: SUPPLEMENTAL DATA REVIEW/INTERVIEW

INSTRUCTIONS: Complete this section during the onsite visit based on CA activities since the last PCI or audit. Attach documentation where appropriate. Specific data may be required in some cases.

A. CA PRETREATMENT PROGRAM MODIFICATION [403.18]

	Yes	No
1. Did the CA make substantial changes to the pretreatment program that were not approved by the Approval Authority (e. g., definitions, limits)?		X

If yes, describe.

We have made some changes in our program as related to the computerized scheduling, and record keeping, as we have implemented a new computer program, eR Portal, for those services.

	Yes	No
2. Is the CA in the process of modifying any approved pretreatment program component (including legal authority, local limits, DSS requirements, etc.)?		X

If yes, describe.

We will be reviewing our local limits, as we are under construction at the plant to replace old aging portions, and implement a new treatment system. Most likely a contractor will review local limits after 2018 construction completion.

	YES	NO
3. a. Has the CA adopted the 3 required components of the streamlining regulations (slug control requirements referenced in the control mechanisms, definition of SNC, and modification to sampling requirements)?	X	

Slug control requirements - CCMC 12.06.060, and part of each and every permit, and will be in inspection SOP when it is done.

Definition of SNC – in ERP as reference (currently in draft will be in as city policy when approved)

Modification to sampling requirements - We review at each sampling event, currently adjusting sampling schedules to more accommodate ECA schedules, we are in compliance with the rule. The City samples SIUs/CIUs once per year and will increase frequency if an issue is found. SIUs/CIUs sample twice per year.

If not, when?

b. Does the CA plan to adopt any of the non-mandatory aspects of the streamlining regulations?

YES	NO
	X

We will reevaluate once we are completely in compliance with the required components, and up and running with our new computer program.

If yes, describe..

SECTION I: SUPPLEMENTAL DATA REVIEW/INTERVIEW (Continued)

B. IU CHARACTERIZATION [403.8(f)(2)(i)&(ii)]

1. How and when does the CA update its IWS to identify new IUs or changes in wastewater discharges at existing IUs? [403.8(f)(2)(i)]

We review all incoming business license applications. We also check the local advertising, and our own observations as we move around the city.

We review all commercial building permits, for new or existing buildings, demo permits, and tenant improvements.

We have good working relationships with the building department, business license department, fire department, health department, and others who communicate with us regarding new businesses or changes in existing businesses.

Our inspection form has a check of any changes in processes to help update if the industry has not already notified us. We have good relationships with all of them and they often call to consult.

2. How many IUs are currently identified by the CA in each of the following groups?

a.	<input type="text" value="19"/>	SIUs (as defined by the CA) [WENDB - SIUS]
	<input type="text" value="6"/>	CIUs [WENDB - CIUS]
	<input type="text" value="11"/>	Zero-discharging CIUs
	<input type="text" value="0"/>	Middle-Tier CIUs*
	<input type="text" value="2"/>	Noncategorical SIUs**
b.	<input type="text" value="485"/>	Other regulated noncategorical IUs (specify)
c.	<input type="text" value="504"/>	TOTAL

The following section is to be completed only if the POTW has adopted Middle Tier Permitting.

List CIUs: See attached

List Middle-Tier CIUs: N/A

List Noncategorical SIUs: Also and Ameriken

d. NSCIUs** (as defined by 40 CFR 403.3(v)(2))

List NSCIUs:

All zero dischargers would be considered NSCIUs but the City did not adopt non-mandatory aspects of streamlining regulations so they cannot use NSCIUs category. Therefore, the zero discharges would still need to report twice per year to confirm that they are not discharging industrial wastewater to the City sewer system.

* Middle Tier CIUs are those that discharge categorical wastewater that does not exceed any of the following:

- o 0.01% of the design dry weather hydraulic capacity of the POTW, or 5,000 gpd whichever is smaller, as measured by a continuous effluent flow monitoring device
- o 0.01% of the design dry weather organic capacity of the POTW
- o 0.01% of the maximum allowable headworks loading for any pollutant for which approved local limits were developed by a POTW.

** A NSCIU never discharges more than 100 gpd of total categorical wastewater (excluding, noncontact cooling and boiler blowdown wastewater) and the following conditions are met:

- o Discharger consistently complied with all applicable categorical requirements
- o Discharger submits annual certification statement required in 40 CFR 403.12(q)
- o Discharger never discharges any untreated concentrated wastewater.

SECTION I: SUPPLEMENTAL DATA REVIEW/INTERVIEW (Continued)

C. CONTROL MECHANISM EVALUATION [403.8(f)(1)(iii)]

1. a. How many SIUs (as defined by the CA) are required to be covered by an individual control mechanism ? 19. All CIUs and SIUs are covered by permits

List SIUs:

List attached.

- b. How many SIUs (as defined by the CA) are required to be covered by a general control Mechanism? None, the City does not use general control mechanism.

List SIUs:

N/A

- c. How many SIUs are not covered by an existing, unexpired permit or other control mechanism ? Four, but will be zero by years end.

If any, explain.

Cubix, AquaSyn, Ameriken, Dura-bond

We have been changing over on our computerized systems, and have changed the way we schedule inspections. These four will be done by the end of 2016 and back on valid permits. The number of facilities without valid permits increased from 2013 to 2015 because of the deterioration of the legacy computer system. In 2013 it was three facilities, in 2014 it was five facilities, and in 2015 it was 11 facilities that were not covered by valid permits. By the end of 2016 it will be zero facilities not covered by a permit, which is an improvement directly resulting from the new asset management system.

2. How many control mechanisms were not issued within 180 days of the expiration date of the previous control mechanism? Same answer as number 1 above.

If any, explain.

SECTION I: SUPPLEMENTAL DATA REVIEW/INTERVIEW (Continued)

D. APPLICATION OF PRETREATMENT STANDARDS AND REQUIREMENTS

1. a. How many SIUs were not evaluated for the need to develop slug discharge control plans*?
 [403.8(f)(2)(vi)] **All SIUs were evaluated.**

b. List the SIUs below or attach additional sheets as needed.

These were previously done as part of our inspection program, prior to 2006, and reassessed as needed with process changes. No SIUs required a slug discharge control plan from the initial evaluation.

AquaSyn, and Clickbond,(#2) were evaluated when they came on line, as well as any new industry. The City is creating an SOP for inspecting and permitting a new industry, and slug discharge evaluation will be included.

* For dischargers identified as significant prior to November 14, 2005, this evaluation must be performed at least once by October 14, 2006. Additional SIUs must be evaluated within 1 year of being designated as a SIU.

2. Did the CA apply all applicable categorical standards and local limits to IUs whose wastes are hauled to the POTW ?

N/A	Yes	No
X		

We do not accept any trucked in industrial waste.

If yes, identify the industries.

If no, explain.

3. Did any IUs notify the CA of a hazardous waste discharge? [403.12(j)&(p)]

Yes	No
	X

If yes, identify and explain.

SECTION I: SUPPLEMENTAL DATA REVIEW/INTERVIEW (Continued)

E. APPLICATION OF PRETREATMENT STANDARDS AND REQUIREMENTS

1. Identify the following.

Program Aspect	Required Frequency	Actual Frequency	Explain Difference
a. Inspection			
• CIUs	1	1	With exceptions listed earlier for 2013 to 2015
• Middle-Tier CIUs			
• NSCIUs			
• Other SIUs	1	1	
b. Sampling (by CA)			
• CIUs	1	1	With exceptions listed earlier for 2013 to 2015
• Middle-Tier CIUs			
• NSCIUs			
• Other SIUs	1	1	
c. Self – Monitoring			
• CIUs		2	
• Middle-Tier CIUs			
• Other SIUs		2	
d. Reporting			
• CIUs		2	
• Middle-Tier CIUs			
• NSCIUs			
• Other SIUs		2	

2. In the past 12 months, how many, and what percentage of, SIUs were the following? [403.8(f)(2)(vi)]

a. Not sampled or not inspected at least once		0%
b. Not sampled at least once		0%
c. Not inspected at least once		0%

If any, explain.

See attached charts for the period of 2013 to present, missing inspections and or sampling was due to computer scheduling and record keeping problems that have been corrected with the new program in use. The industries missed were non-significant categorical industries. There were no problems at the POTW during this difficult period.

By the end of 2016, all 19 SIUs will be inspected and sampled at least once within the year.

SECTION I: SUPPLEMENTAL DATA REVIEW/INTERVIEW (Continued)

F. ENFORCEMENT

1. Which of the following enforcement actions did the CA use?

None since 2010 needed

- a. Notice or letter of violation
- b. Administrative orders
- c. Administrative fines
- d. Show cause hearings
- e. Compliance schedules
- f. Permit revocation
- g. Civil suits
- h. Criminal suits
- i. Termination of services
- j. Other (specify)

N/A	Yes	No
X		
X		
X		
X		
X		
X		
X		
X		
X		
X		

Explain if appropriate

None since 2010 needed. In 2010 we used an escalating enforcement method, due to an industry being non-cooperative with our efforts to get them to prepare a BMR, and install a sampling manhole. The BMR was eventually completed and the manhole installed. This industry went out of business in the middle of 2014.

2. Did the CA comply with its approved ERP? [403.8(f)(5)] [RNC - II]

N/A	Yes	No
	X	

The City is revising its ERP and will submit it to EPA for review and approval.

3. Indicate the number and percent of SIUs that were identified as being in SNC* with the following requirements from the CA's last pretreatment program report. If the CA's report does not provide this information, obtain the information for the most recent four full quarters during the inspection.

SNC Evaluation Period **2016**

	0	0%	Applicable pretreatment standards and reporting requirements	*SNC defined by:
	0	0%	Self - monitoring requirements	POTW
	0	0%	Pretreatment compliance schedules	EPA
				X

3a. Indicate the number of SIUs that have been in 100% compliance with all pretreatment requirements?

Evaluation Period: 2016

Number of SIUs: 19

Names of SIUs: **See list of SIUs attached**

SECTION I: SUPPLEMENTAL DATA REVIEW/INTERVIEW (Continued)

F. ENFORCEMENT (Continued)									
7. a. How many SIUs are on compliance schedules?	0								
b. List these SIUs by name and compliance schedule end dates (attach additional sheets as needed).									
	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:50%;">SIU</th> <th style="width:50%;">End Date</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>	SIU	End Date						
SIU	End Date								
8. Were any CIUs allowed more than 3 years from the effective date of a categorical standard to achieve compliance? [403.6(b)] If yes, identify and explain.	Yes								
	No X								
9. Did any SIUs return to compliance by any of the following? N/A a. Within 90 days b. Within the time specified in the ERP c. Through a compliance schedule component (including legal authority, local limits, DSS requirements, etc.)? If non-compliance occurs, the City puts the IU on a compliance schedule.	Yes								
	No								
G. ADDITIONAL EVALUATIONS									

SECTION I COMPLETED BY: James Polek	DATE: 10/18/16
TITLE: U.S. EPA Enforcement Officer	TELEPHONE: 415-972-3185
POTW REPRESENTATIVE: Kelly Hale	DATE: 10/18/16
PROVIDING RESPONSES: Initial information and review with EPA	TELEPHONE: 775-283-7376

SECTION II: IU FILE EVALUATION

INSTRUCTIONS: Select a representative number of SIU files to review. Provide relevant details on each file reviewed. Comment on problems identified. Where possible, all CIUs (and SIUs) added since the last PCI or audit should be evaluated. Make copies of this section to review additional files as necessary.

NARRATIVE COMMENTS			
FILE <u> 1 </u> Industry name and address AlSCO 1161 Fairview Drive Carson City, NV 89030		Total flow (gpd)	Process flow (gpd) 72,000 average 108,000 maximum
		Type of industry (products manufactured) Commercial Laundry	
Industry visited during PCI Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Applicable Federal category None	Compliance status <input type="checkbox"/> SNC (period: _____) Consistently in <input type="checkbox"/> Noncompliance/corrected Compliance <input type="checkbox"/> Noncompliance/continuing	
Comments Permit #3009 Consistently in compliance.			

SECTION II: IU FILE EVALUATION (Continued)

NARRATIVE COMMENTS			
FILE <u> 2 </u> Industry name and address Click Bond, Inc. 2180 Lockheed Way Carson City, NV 89706		Total flow (gpd)	Process flow (gpd) 60 (batch flow)
		Type of industry (products manufactured) Fastener Manufacturer	
Industry visited during PCI Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Applicable Federal category 40 CFR 433.17 Metal Finishing	Compliance status <input type="checkbox"/> SNC (period: _____) Consistently in <input type="checkbox"/> Noncompliance/corrected compliance <input type="checkbox"/> Noncompliance/continuing	
Comments Permit #0136 Consistently in compliance.			
NARRATIVE COMMENTS			
FILE <u> 3 </u> Industry name and address PCC – Structurals 2727 Lockheed Way Carson City, NV 89706		Total flow (gpd)	Process flow (gpd) 1898 average 2190 maximum
		Type of industry (products manufactured) Ferrous Casting	
Industry visited during PCI Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Applicable Federal category 40 CFR 464 Ferrous Casting	Compliance status <input type="checkbox"/> SNC (period: _____) Consistently in <input type="checkbox"/> Noncompliance/corrected Compliance <input type="checkbox"/> Noncompliance/continuing	
Comments Permit #0043 Consistently in compliance.			

SECTION II: IU EVALUATION (Continued)

Industry Name					<i>INSTRUCTIONS: Evaluate the contents of SIU files. If no problem exists for a particular question, mark the square with a check (√). Use (Not Applicable) where necessary. Use ND (Not Determined) where there is insufficient information to evaluate/determine implementation status. Where a problem is indicated, mark with a numerical value and provide a corresponding explanation in the comment area below. Comment on each problem identified. For example, if the file is missing a notification of classification, place a (1) in the square and a matching statement as to the nature of the problem that exists in the space below. The next problem would be marked as (2) and so on. Clearly indicate the file that each comment pertains to; also indicate where a comment applies to all the files.</i>	
Alisco	Click Bond	PCC - Structural				
File <u>1</u>	File <u>2</u>	File <u>3</u>	File ___	File ___	IU FILE REVIEW	Reg. Cite
					A. CA NOTIFICATION OF IU	
√	√	√			1. Notification of classification or change in classification	403.8(f)(2)(iii)
√	√	√			2. Notification of applicable standards/requirements/RCRA	403.8(f)(2)(iii)
Comments						

SECTION II: IU EVALUATION (Continued)

File <u>1</u>	File <u>2</u>	File <u>3</u>	File ___	File ___	IU FILE REVIEW	Reg. Cite
					B. ISSUANCE OF IU CONTROL MECHANISM	
√	√	√			1. Issuance or reissuance of control mechanism	403.8(f)(1)(iii)
NA	NA	NA			a. Individual control mechanism	
					b. General control mechanism	403.8(f)(1)(iii)(A)
					2. Individual control mechanism contents	403.8(f)(1)(iii)(B)
(1)	(2)	√			a. Statement of duration (≤ 5 years)	
(3)	(3)	(3)			b. Statement of nontransferability	
√	√	√			c. Applicable effluent limits (local limits, categorical standards, Best Management Practices)	
					d. Self monitoring requirements	403.8(f)(1)(iii)(B)(4)
√	√	√			• Identification of pollutants to be monitored	
ND	ND	ND			• Process for seeking a waiver for pollutant not present or expected to be present (for CIUs only)	
√	√	√			• Sampling frequency	
					○ Has the POTW reduced the IU's monitoring requirements for pollutants not present or expected to be not present? (Y/N)	
√	√	√			• Sampling locations/discharge points	
√	√	√			• Sample types (grab or composite)	
√	√	√			• Reporting requirements (including all monitoring results)	
√	√	√			• Record-keeping requirements	
√	√	√			e. Statement of applicable civil and criminal penalties	
√	√	√			f. Compliance schedules	
√	√	√			g. Notice of slug loading	
√	√	√			h. Notification of spills, bypasses, upsets, etc.	
(4)	(4)	(4)			i. Notification of significant change in discharge	
(5)	(5)	(5)			j. 24-hour notification of violation/resample requirement	
NA	NA	NA			k. Slug discharge control plan, if determined by the POTW to be necessary.	
<p>Comments</p> <p>(1) Issue date is 5/2/16 and renewal date is 8/1/2020</p> <p>(2) Issue date is 4/27/16 and renewal date is 4/1/2021 (Both (1) and (2) are less than 5 years but City indicated that permits are issued annually, so renewal date is confusing.)</p> <p>(3) Permit references Carson City Municipal Code 12.06, which has statement of non-transferability unless the City is notified (minimum requirement). Recommend including language directly into permit.</p> <p>(4) Similar to Comment (3), notification of significant changes in discharge is in CCMC 12.06.</p> <p>(5) The 24-hour notice of violation is included on cover page of permit, but the 30-day resampling was located at the end of the permit.</p>						

SECTION II: IU EVALUATION (Continued)

File <u>1</u>	File <u>2</u>	File <u>3</u>	File ___	File ___	IU FILE REVIEW	Reg. Cite
					B. ISSUANCE OF IU CONTROL MECHANISM (cont.)	
					3. Issuance of General Control Mechanisms	403.8(f)(1)(iii)(A)
N/A	N/A	N/A			a. Involve the same or similar operations	
N/A	N/A	N/A			b. Discharge the same types of wastes	
N/A	N/A	N/A			c. Require the same effluent limitations	
					d. Written request by the IU for coverage by a general control mechanism including:	
N/A	N/A	N/A			• Contact information	
N/A	N/A	N/A			• Production processes	
N/A	N/A	N/A			• Types of waste generated	
N/A	N/A	N/A			• Location for monitoring all wastes covered by the general permit	
N/A	N/A	N/A			e. Documentation to support the POTW's determination	
Comments						

SECTION II: IU EVALUATION (Continued)

File <u>1</u>	File <u>2</u>	File <u>3</u>	File ___	File ___	IU FILE REVIEW	Reg. Cite
					C. CA APPLICATION OF IU PRETREATMENT STANDRDS	
√	√	√			1. IU categorization	403.8(f)(1)(ii)
					2. Calculation and application of categorical standards	403.8(f)(1)(ii)
√	√	√			a. Classification by category/subcategory	
√	√	√			b. Classification as new/existing source	
√	√	√			c. Application of limits for all regulated pollutants	
N/A	N/A	N/A			d. Classification of nonsignificant CIU	403.3(v)(2)
√	√	√			3. Application of local limits	403.5(c)&(d)& 403.8(f)(1)(ii)
√	√	√			4. Application of Best Management Practices	403.8(f)(1)(iii)(B)(4)
N/A	N/A	√			5. Calculation and application of production based-standards	403.6(c)
N/A	N/A	N/A			6. Calculation and application of CWF or FWA	403.6(d)&(e)
√	(6)	(6)			7. Application of most stringent limit	403.8(f)(1)(ii)
<p>Comments</p> <p>(6) CIUs are sampled at end of process and are compared to categorical limits. Samples at manholes are compared to local limits. Manhole samples include domestic waste.</p>						

SECTION II: IU EVALUATION (Continued)

File 1	File 2	File 3	File 4	File 5	IU FILE REVIEW	Reg. Cite
D. CA COMPLIANCE MONITORING						
Sampling						
√	√	√			1. Sampling (once a year, except as otherwise specified)	403.8(f)(2)(v)
<ul style="list-style-type: none"> a. If a POTW has waived monitoring for CIU <ul style="list-style-type: none"> • Sample waived pollutant(s) at least once during the term of the control mechanism b. If a POTW has reduced an IU's reporting requirements <ul style="list-style-type: none"> • Sample and analyze IU discharge at least once every 2 years 						
N/A	N/A	N/A				403.8(f)(2)(v)(A)
N/A	N/A	N/A				403.8(f)(2)(v)(C)
ND	ND	ND			2. Sampling at frequency specified in approved program	
√	√	√			3. Documentation of sampling activities	403.8(f)(2)(vi)
√	√	√			4. Analysis for all regulated parameters	
√	(7)	(9)			5. Appropriate analytical methods (40 CFR Part 136)	403.8(f)(2)(vi)
Inspection						
√	√	√			6. Inspection (once a year, except as otherwise specified)	403.8(f)(2)(v)
<ul style="list-style-type: none"> a. If a POTW has determined a discharger to be a NSCIU <ul style="list-style-type: none"> • Evaluation of discharger with the definition of NSCIU once per year (verification of certification forms submitted by NSCIUs, compliance with pretreatment standards and requirements) b. If a POTW has reduced an IU's reporting requirements <ul style="list-style-type: none"> • Inspect at least once every 2 years 						
N/A	N/A	N/A				403.8(f)(2)(v)(B)
N/A	N/A	N/A				403.8(f)(2)(v)(C)
ND	ND	ND			7. Inspection at frequency specified in approved program	
√	√	√			8. Documentation of inspection activities	403.8(f)(2)(vi)
√	√	(8)			9. Evaluation of need for slug discharge control plan	403.8(f)(2)(vi)
<p>Comments</p> <p>(7) Click Bond permit indicates TTO analysis be EPA Method 624. Analytical results indicate that 8260 TCLP Method was used. Is TTO using EPA Method 624 correct?</p> <p>(8) Inspection reports for 2015 and 2014 did not have "Section B – Does this industry have a slug control plan?" filled in. Inspection reports are just one sheet without much detail. Could write a narrative report or a more detailed checklist.</p> <p>(9) PCC Structural permit does not state that oil & grease sample should be collected in a glass container. Facility #1, Alsco's, permit does indicate glass container for oil & grease analyses.</p>						

SECTION II: IU EVALUATION (Continued)

File <u>1</u>	File <u>2</u>	File <u>3</u>	File ___	File ___	IU FILE REVIEW	Reg. Cite
					E. CA ENFORCEMENT ACTIVITIES	
					1. Identification of violations	403.8(f)(2)(vi)
N/A	N/A	N/A			a. Discharge violations	
N/A	N/A	N/A			b. Monitoring/reporting violations	
N/A	N/A	N/A			c. Compliance schedule violations	
N/A	N/A	N/A			2. Calculation of SNC	403.8(f)(2)(vi)
N/A	N/A	N/A			3. Adherence to approved ERP	403.8(f)(5)
N/A	N/A	N/A			4. Escalation of enforcement	403.8(f)(5)
N/A	N/A	N/A			5. Publication for SNC	403.8(f)(2)(vi)
<p>Comments</p> <p>Last SNC was in 2010.</p>						

SECTION II: IU EVALUATION (Continued)

File	File	File	F i l e	File	IU FILE REVIEW	Reg. Cite
<u>1</u>	<u>2</u>	<u>3</u>	—	—		
F. IU COMPLIANCE STATUS						
Self-Monitoring and Reporting						
√	√	√			1. Sampling at frequency specified in control mechanism/regulation	403.12(e)&(h)
√	√	√			2. Analysis of all required pollutants	403.12(g)(1)&(h)
(10)	√	√			3. Submission of BMR/90-day report	403.12(b) &(d)
√	√	√			4. Periodic self monitoring reports	403.12(e)&(h)
√	√	√			5. Reporting all required pollutants	403.12(g)(1)&(h)
√	√	√			6. Signatory/certification of reports	403.12(i)
N/A	N/A	N/A			7. Annual certification by NSCIUs	403.12(q)
(11)	√	(12)			8. Submission of compliance schedule reports by required dates	403.12(c)
					9. Notification within 24-hours of becoming aware of violations	403.12(g)(2)
N/A	N/A	N/A			• Discharge violation	
N/A	N/A	N/A			• Slug load	
N/A	N/A	N/A			• Accidental spill	
N/A	N/A	N/A			10. Resampling/reporting within 30 days of knowledge of violation	403.12(g)(2)
N/A	N/A	N/A			11. Notification of hazardous waste discharge	403.12(j)&(p)
N/A	N/A	N/A			12. Submission/implementation of slug discharge control plan	403.8(f)(2)(v)
N/A	N/A	N/A			13. Notification of significant changes	403.12(j)
INSTRUCTIONS: Indicate the IU's noncompliance status by placing and "X" in the appropriate box.						
					Discharge	
					13. Noncompliance with discharge limits (but not SNC)	
					14. SNC	403.8(f)(2)(vii)
					a. Chronic violations	
					b. TRC	
					c. Pass through or interference	403.5(a)(1)
					• Spill or slug load	403.12(f)
					d. Other discharge violations (specify)	
					Reporting	
X					15. Noncompliance with reporting requirements (but not SNC)	403.8(f)(2)(vii)
		X			16. SNC with reporting requirements	403.8(f)(2)(vii)
Comments						
(10) No BMR in Alsco file						
(11) * Alsco submitted July 2016 report on July 11, 2016 and January 2016 report on January 4, 2016.						
(12) * PCC Structural – submitted July 2016 report on August 1, 2016 and January 2016 report on January 29, 2016.						
* Self-monitoring reports are due on January 1st and July 1st. No enforcement was conducted for late reports.						

SECTION III: EVALUATION AND SUMMARY

INSTRUCTIONS: Identify program components that the CA is recommended (Rec.) or required (Req.) to implement in order to effectively implement the pretreatment program and/or to meet its regulatory requirements. Specify the corrective action the CA needs to take.

Description	Regulatory Citation	Checklist Question(s)	Action	
			Rec.	Req.
A. CA PRETREATMENT PROGRAM MODIFICATION				
1. Notify of program modification (Req.) Need to notify EPA when ERP is revised and ready for review and approval, which must be done before implementation.	403.18	I.A		
2. Modify the program to accommodate the streamlining regulations	403.8(f)(1)(iii)(B)(6), 403.8(f)(2)(viii), 403.12(g)	I.A.3; II.B.2.d; II.B.2.k; II.E.2		
Required streamlining requirements appear to be in place but legal authority was not reviewed as part of PCI.				
B. IU CHARACTERIZATION				
1. Identify and locate all SIUs Done.	403.8(f)(2)(i)	I.B		
2. Identify the character and volume of pollutants contributed to POTW by IUs Done.	403.8(f)(2)(ii)	I.B.1; I.E.1		
C. CONTROL MECHANISM EVALUATION				
1. Issue individual or general control mechanisms to all SIUs (Rec.) Need to improve permit format to include all required information in the permit and not just reference CCMC.	403.8(f)(1)(iii)	I.C.1 & 2; II.B.1;		

SECTION III: EVALUATION AND SUMMARY (Continued)

Description	Regulatory Citation	Checklist Question(s)	Action	
			Rec.	Req.
C. CONTROL MECHANISM EVALUATION (Continued)				
2. Ensure control mechanisms contents include: <ul style="list-style-type: none"> a. A statement of duration b. A statement of nontransferability c. Effluent limits d. Self - monitoring requirements e. A statement of penalties f. Compliance schedules g. Notice of slug loading h. Notification of spills, bypasses, upsets, etc. i. Notification of significant change in discharge j. 24-hour notification of violation/resample requirement 	403.8(f)(1)(B)	II.B.2.a-j		
(Rec.) Same comment as C.1				
D. APPLICATION OF PRETREATMENT STANDARDS AND REQUIREMENTS				
1. Apply all applicable pretreatment standards	403.8(f)(1)(iii)	II.B.2.a-j		
Done.				
2. Evaluate the need for SIUs to develop slug discharge control plans	403.8(f)(2)(vi); 403.5	I.D.2; II.C.1 - 6		
Done.				
E. COMPLIANCE MONITORING				
1. Inspect and sample each SIU in accordance with approved program	Approved program	I.E.1; II.D.2 & 7;		
(Rec.) Could improve inspection report form and go to detailed check list.				

SECTION III: EVALUATION AND SUMMARY (Continued)

Description	Regulatory Citation	Checklist Question(s)	Action	
			Rec.	Req.
E. COMPLIANCE MONITORING (Continued)				
2. Inspect and sample each SIU once a year	403.8(f)(2)(v)	I.E.1 & 2; II.D.1 & 6		
Done for 2016. Issues with 2013 through 2015.				
3. Use proper sampling analysis (40 CFR Part 136) and inspection procedures	403.8(f)(2)(vii)	II.D.3, 5 & 8		
(Req.) The City's permit for Click Bond required EPA Method 624 be used to assess TTO concentrations. The facility used TCLP EPA Method 8260, which is not an approved method for assessing TTO concentrations.				
4. Require, receive, and analyze reports from SIUs	403.8(f)(2)(iv)	I.E.1; II.B.2.d; II.F.1-12		
(Req.) Should enforce against SIUs/CIUs that submit reports late.				
5. Monitor to demonstrate continued compliance and resampling after violation(s)	403.8(f)(2)(vii)	II.F.3, 4 & 9		
Done.				
6. Ensure CIUs report on all regulated pollutants at least once every 6 months	403.12(g)(1)&(2)	II.F.2 & 5		
City allows TTO Certification (signed by facility) that no dumping of TTOs into wastewater has occurred, rather than sample for TTOs.				

SECTION III: EVALUATION AND SUMMARY (Continued)

Description	Regulatory Citation	Checklist Question(s)	Action	
			Rec.	Req.
E. COMPLIANCE MONITORING (Continued)				
7. Ensure noncategorical SIUs self-monitor and report all regulated pollutants at least once every 6 months Done	403.12(h)	II.F.2 & 5		
8. Require self-monitoring reports from CIUs to be signed and certified and reports from SIUs to be signed Done	403.12(l); 403.6(a)(2)(ii)	II.F.6		
9. Receive notification of hazardous waste discharges N/A	403.12(j)&(p)	I.D.3; II.F.10		
F. ENFORCEMENT				
1. Implement approved ERP Yes. City in process of revising ERP and will seek approval from EPA when document is ready.	403.8(f)(5)	I.F.2; II.E.3		
2. Annually publish a list of IUs in SNC Publish when they have SNCs. It has been a while since an IU has been in SNC.	403.8(f)(2)(viii)	I.F.4; II.E.5		

SECTION III: EVALUATION AND SUMMARY (Continued)

Description	Regulatory Citation	Checklist Question(s)	Action	
			Rec.	Req.
F. ENFORCEMENT (Continued)				
3. Develop IU compliance schedules Yes, when necessary.	403.8(f)(1)(iv)(A)	I.F.1, 7 & 9; II.B.2.f		
4. Ensure IU compliance within 3 years of standards effective date (or less than 3 years where required by standard) Yes.	403.6(b)	I.F.8		
5. Ensure new sources report on compliance with appropriate standards within first 90 days of discharge Yes.	403.12(d)	II.F.3		
G. ADDITIONAL EVALUATIONS				

SECTION III COMPLETED BY: James Polek	DATE: 2/2/17
TITLE: U.S. EPA Enforcement Officer	TELEPHONE: 415-972-3185

Attachment: 5B-7



BG-93, REM, #4068/13182
Carson City
APN: 10-281-46

Recording requested by & return to:
Division of State Lands
901 S. Stewart St., Suite 5003
Carson City, NV 89701-5246

LEASE AMENDMENT #1
**Carson City Sewer Lift Station, Stewart Facility and
Northern Nevada Correctional Center**

THIS LEASE AMENDMENT, made and entered into this 14th day of December, 2011, by and between the STATE OF NEVADA, acting through the DIVISION OF STATE LANDS, and the State Land Registrar, for and on behalf of the DEPARTMENT OF PUBLIC WORKS, DIVISION OF BUILDINGS AND GROUNDS, hereinafter referred to as GRANTOR, and CARSON CITY, a consolidated municipality, hereinafter referred to as GRANTEE.

WITNESSETH:

WHEREAS, the GRANTOR granted a Lease to CARSON CITY on March 20, 1997 and recorded as Document Number 200454 on March 24, 1997 in the official records of Carson City for the purpose of constructing a sewer lift station to serve Northern Nevada Correctional Center and the southern section of Carson City over and across a portion of

that certain property situate and lying within a portion of the NW 1/4 of Section 4, Township 14 North, Range 20 East, M.D.M.; and

WHEREAS, the Lease contained a paragraph that in part reads as follows: "LESSEE agrees to pay LESSOR as and for rental of said property the sum of TWO HUNDRED FIFTY (\$250.00) DOLLARS per year beginning November 1, 1996, and each November 1 thereafter."; and

WHEREAS, the Lease gives GRANTOR the right to re-evaluate and adjust said annual fee to reflect current market value every five years; and

WHEREAS, the GRANTOR recently completed a rental re-evaluation and determined that the annual rental fee for the lease has increased and is due and payable on November 1, 2011.

NOW THEREFORE, the Lease is hereby amended as follows:


FOR AND IN CONSIDERATION of this Amendment, Carson City, Nevada hereby agrees to pay a rental fee of TWO HUNDRED EIGHTY AND NO/100'S (\$280.00) DOLLARS per year to the State of Nevada beginning on or before November 1, 2011 and on or before November 1st each year thereafter. The State of Nevada reserves the right to reassess and adjust the rental fee every FIVE (5) years.

GRANTEE, shall record this Lease Amendment at the Carson City Recorder's Office. All other terms and conditions of the Lease remain in full force and effect, with no other changes or amendments thereto.

LESSEE:

**CITY OF CARSON CITY
A CONSOLIDATED MUNICIPALITY**

ATTEST

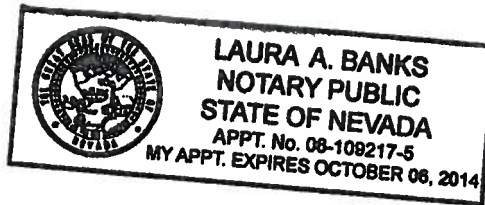
By 
ROBERT CROWELL
Mayor


City Clerk

STATE OF NEVADA)
 :SS
CARSON CITY)

On NOV. 17, 2011 personally appeared before me, a notary public, Robert Crowell as Mayor of Carson City, Nevada, who acknowledged that he executed the above instrument.

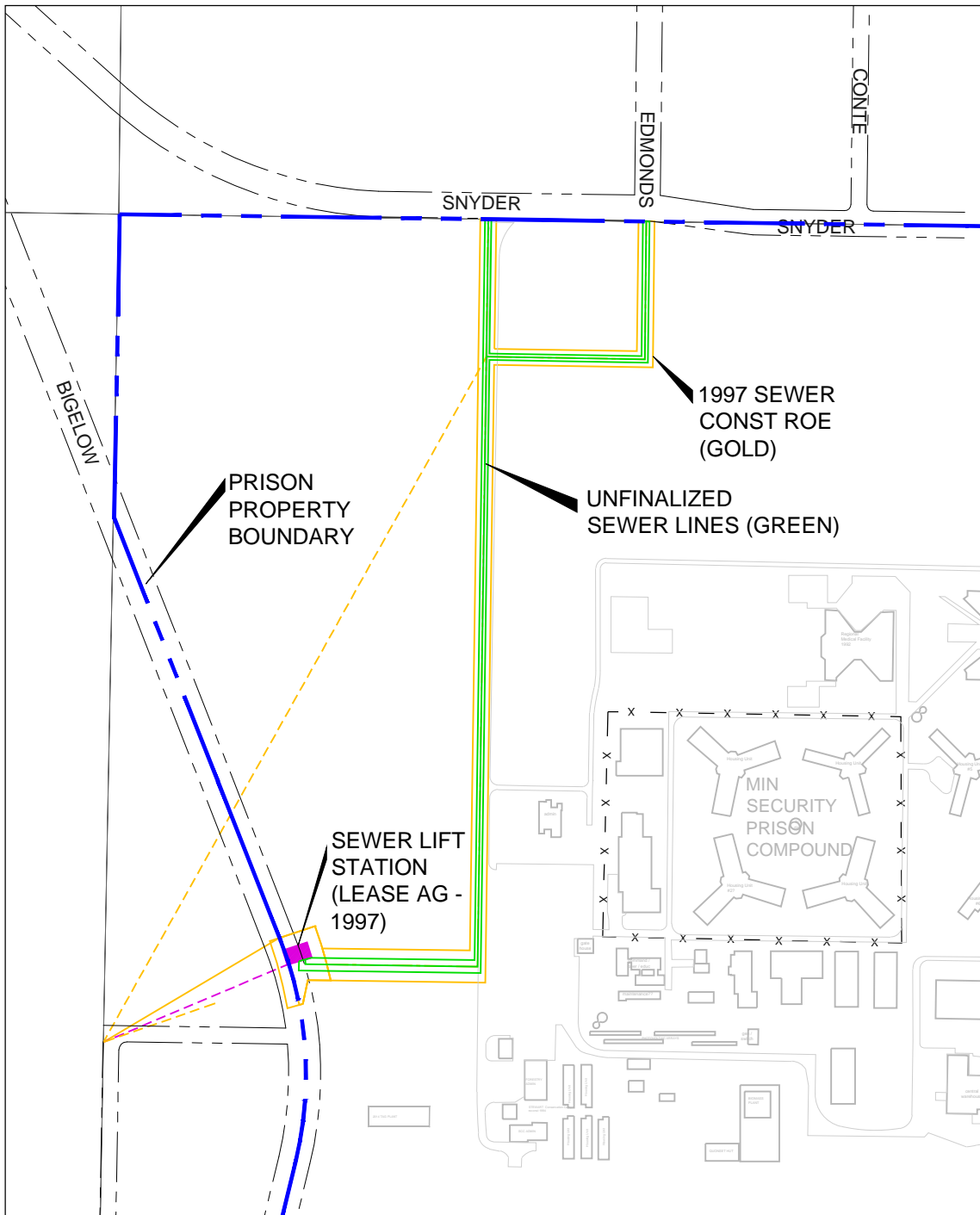

NOTARY PUBLIC



**APPROVED as to Form:
CATHERINE CORTEZ MASTO
Attorney General**

By: 
KEVIN BENSON
Deputy Attorney General

Date: 9-29-11



**NORTHERN NV
CORRECTIONAL CENTER
SEWER LINE**

Attachment: 5B-8

REQUEST FOR PROPOSALS

Water Resource Recovery Facility-Capital Improvements FY18: Wastewater Design Services and Construction Support

ADVERTISED RFP 1617-114 Water Resource Recovery Facility- Capital Improvements FY18: Wastewater Design Services and Construction Support

RELEASE DATE: March 10, 2017

Carson City invites qualified firms to submit proposals for the **Water Resource Recovery Facility-Capital Improvement FY18: Wastewater Design Services and Construction Support**. Proposals shall be submitted in accordance with the Documents and Requirements as set forth in the formal "Request for Proposals."

PROPOSALS shall be submitted to the **Carson City FINANCE DEPARTMENT – PURCHASING AND CONTRACTS**, 201 N. Carson Street, Suite 3, Carson City, Nevada 89701, by no later than **2:00 p.m. on April 11, 2017**.

RECOMMENDATION FOR AWARD will be made by the Public Works Department, based on the evaluation results of the City Review and Selection Committee. Once the committee has made a recommendation and a contract is negotiated, the results will be posted on the City's website www.carson.org/currentbids and all respondents will be notified by e-mail of the recommendation for award to the successful respondent.

FINAL SELECTION will be made by the Carson City Board of Supervisors Should it become necessary to reschedule the date set for award, notice will be provided to those finalists selected. In all instances, a decision rendered by Carson City shall be deemed final.

1 INTRODUCTION (General Information)

- 1.1 Carson City invites qualified firms to submit proposals for the **Water Resource Recovery Facility-Capital Improvements FY18**. Proposals shall be submitted in accordance with the Documents and Requirements as set forth in the formal "Request for Proposals." The Contract that will result from this "Request for Proposals" will include what is indicated in Section 4 of this RFP.
- 1.2 A City Review and Selection Committee will evaluate the proposals submitted.
- 1.3 During evaluation, the City Review and Selection Committee reserves the right, where it may serve the City's best interest, to request additional information or clarification from the Consulting Firm, or to allow corrections of errors or omissions. Oral interviews **may** be conducted by the City Review and Selection Committee for the ~~consultants~~ who submit a proposal and were short listed. If interviews are held only the top consultants will be interviewed.
- 1.4 Submission of a proposal indicates acceptance by the Consulting Firm of the conditions contained in this Request for Proposals, unless clearly and specifically

PROVISIONS AND REQUIREMENTS

noted in the proposal submitted and confirmed in the resultant contract between Carson City and the Firm selected.

- 1.5 The use of the term "firm" refers to Consultant Firms with certified personnel, doing business in the United States and duly registered in the State of Nevada with business license paid to the City and County of Carson City after selection of the firm. With this type of project, the City may accept one or more firms teaming up for joint venture with a Nevada-based firm to prepare the required services, but the City will recognize such a consortium as a single entity only with one juridical personality.
- 1.6 There is no expressed or implied intent or obligation for Carson City to reimburse responding firms for any expenses incurred in preparing proposals, as well as, travel expenses during interviews (if required) in response to this Request for Proposals.
- 1.7 Carson City shall reserve the right to terminate any agreement resultant from this solicitation and subsequent action for cause but not limited to inadequacy of performance.

2 CARSON CITY CONTACT PERSON:

- 2.1 Until the receipt and opening of proposals, the proposers' principal contact with Carson City will be as listed below. All questions are to be submitted in writing and potential Proposers will receive copies of all questions and answers through Carson City's website except for the questions that are considered proprietary. Questions will only be received through 12:00 p.m. on **March 27, 2017**.

Laura Rader, CPPB
Purchasing and Contracts Administrator
Carson Finance Department – Purchasing and Contracts
201 N. Carson Street, Suite 3
Carson City, NV 89701
775-283-7362
e-mail: LRader@carson.org

- 2.2 All contacts regarding the proposal should be with the above-named individual only. Proposers contacting other City staff or City officials may be disqualified for doing so.

3 BACKGROUND INFORMATION:

In 2006, Carson City completed the Carson City Wastewater Reclamation Plant (WRP) Design Report (*2006 Design Report*). The *2006 Design Report* identified treatment processes modifications needed to improve reliability and performance of the existing facilities, increase operational and energy efficiency, meet increasing influent flows and loads, and plan for phased implementation of the next increments of capacity. By the time the *2006 Design Report Update* was complete, the economic recession impacted Carson City and wastewater flows decreased. Around the same time, the City implemented a program to decrease collection system inflow and infiltration (I/I). The decreased population and reduction in I/I combined with water conservation measures

PROVISIONS AND REQUIREMENTS

has resulted in a reduced hydraulic loading to the treatment plant.

Recognizing that expanding facilities was not the immediate driver, the City focused on interim, operational and efficiency improvements as well as maintenance and rehabilitation enhancements to the WRP. In 2013, Consultant completed the assistance with Capital Improvement Plan (CIP) project which identified and prioritized capital improvement projects over the next 25-year planning horizon. These capital projects were grouped into three major categories: treatment enhancement/expansion, rehabilitation/replacement, and operational efficiency/reliability. As a result of this the Water Resource Recovery Project Improvement-Phase 1A was designed and is currently under construction.

These improvements were related to upgrades at the Headworks Screen Area, revised piping at the Intermediate Pump Station, a new Bio-Reactor Tank, addition of a third Secondary Clarifier, installation of new sludge heaters and sludge mixing pumps at the Digester Complex and miscellaneous mechanical and electrical improvements throughout the plant.

The City is in the process of hiring a design team for Phase 1B. Phase 1B will utilize a 'Low Bid' delivery method and will focus on the following:

- Odor Control systems for the Headworks.
- Primary Clarifiers and the North Lift Pump Station.
- Reconditioning of the existing Primary Clarifiers mechanisms.
- New 16 inch effluent line from the IPS to the Bio-Reactor.
- New mechanisms for the existing Secondary Clarifiers.
- Access platform in the Solids Handling Building.
- Lining of the existing overflow pond.
- Repurposing of the existing Aeration Pond.
- Replacement of various motor control centers and sludge pumping equipment.

Anticipated Schedule:

Release RFP	March 10, 2017
RFP Submittal Deadline	2 PM April 11, 2017
Firms Notified of Short List	April 17, 2017 (if necessary)
Short List Interviews	April 24, 2017 (if necessary)
Contract Negotiations	May 15, 2017
Board Awards Design Contract	June 15, 2017
Design Complete	January 31, 2018
Begin Construction	March 16, 2018

PROVISIONS AND REQUIREMENTS

4 SCOPE OF SERVICES:

4.1 The scope of services for the Water Resource Recovery Facility Improvements will be cooperatively developed by the selected consultant and City Staff which will include the following as a minimum:

- Kick off meeting with City
- Scheduling and cost development meeting
- Develop and obtain all permits
- Monthly update meetings through design (8 minimum)
- Development of 30% contract drawings and specifications
- Participation in a value engineering study at 30%
- Development of 60% contract drawings and specifications
- Development of 90% contract drawings and specifications
- Bid ability / Constructability review of 90%
- Building department review
- Development of 100% contract drawings and specifications
- Construction support services

5 RFP REQUIREMENTS:

5.1 **Submission of RFP Proposals:**

5.1.1 A master copy (so marked) of the Proposal and an electronic copy (pdf document), a title page showing the RFP subject; the firm's name, address, telephone number and e-mail of a contact person. The Proposal must be received on or before the date and time set for receipt of proposals.

Proposals must include a one page cover letter signed by the proposed project manager for the project. The letter shall state that the project manager will not be removed from the project without permission of the City or the consultant may forfeit the project. Cover letter not included in page count.

Proposals shall be clear, straightforward, and not exceed 15 pages in length as shown by sections below including resumes. Company brochures can be provided as an appendix to the 15 pages referenced above but shall not exceed 4 pages.

5.1.2 **Proposals shall contain the following information:**

5.1.2.1 **Project Experience (3-4 Pages)(6.3.A&B):**

a. Demonstrated experience with projects similar in scope and cost. The estimated cost of the 1B improvements is \$10 million. List a maximum of 4 projects with references, bid price of the project, final price of the project and a list of subs.

PROVISIONS AND REQUIREMENTS

5.1.2.2 **Technical Capacity (5-6 Pages) (6.3.B&C):**

- a. Key staff, including Project Manager information and use of any sub-consultants.
- b. Relevant Experience-
- c. Demonstrated commitment and availability to the project.

5.1.2.3 **Project Approach (4-5 Pages) (6.3.D):**

Provide a written narrative clearly demonstrating the consultants approach to design. Include all the steps necessary to work in a collaborative environment and the consultants experience working in a collaborative environment. Demonstrate the steps taken for in house quality control and sub-contractor management, ability to manage schedule and cost controls.

5.1.2.4 **Submission of proposals**

Submit proposals in a manila envelope to:

Laura Rader, CPPB
Purchasing and Contracts Administrator
Carson Finance Department – Purchasing and Contracts
201 N. Carson Street, Suite 3
Carson City, NV 89701

Envelopes shall be clearly labeled with the project name and contract number

6 **EVALUATION OF PROPOSALS:**

- 6.1 Proposals submitted will be evaluated by the City Review and Selection Committee.
- 6.2 The Committee may call for **oral interviews**. The City reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether or not said proposal is selected. The tentative date set for oral interviews is April 24, 2017
- 6.3 **The following categories will be evaluated in the selection process:**
 - A. Project Experience: Proposer demonstrates experience with similar projects, and has an excellent performance record. **(20 points)**
 - B. Project Manager: Demonstrates experience and abilities **(10 points)**

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- C. Technical Capacity: Proposer demonstrates that the knowledge, skills and abilities to perform the specifications of the RFP exist within its organization. **(40 points)**
 - D. Project Approach: Proposal is organized and responsive to all requirements of the RFP, and proposer exhibits competence regarding the proposed project. Proposer exhibits insightful approach to the project design. **(30 points)**
- 6.4 The firms will be ranked and an agreement shall be negotiated following the selection of the most qualified applicant. If an acceptable agreement cannot be reached with the highest ranked applicant, the City shall proceed to negotiate with the next highest ranked applicant and so on until an acceptable agreement is negotiated or the City, in its sole discretion, elects to terminate the solicitation.

7 RIGHT TO REJECT PROPOSALS:

- 7.1 Submission of proposal indicates acceptance by the Consulting Firm of the conditions contained in this RFP unless clearly and specifically noted in the proposal submitted and confirmed in the subsequent contract between Carson City and the Consulting Firm selected.
- 7.2 Carson City reserves the right to reject any or all proposals and to award to the proposer the City deems most qualified and whose award of the contract will accrue to the best interests of the City.
- 7.3 **Late proposals will not be accepted.** Prospective proposers are held responsible that their proposals arrive at the Carson City Finance Department - Purchasing and Contracts on or before the designated time and date.

8 WITHDRAWAL OF PROPOSALS:

- 8.1 Requests to withdraw proposals received after the date and time set for opening and acknowledging proposals will not be considered.

9 CONTRACT TERMINATION:

- 9.1 Carson City reserves the right to terminate the contract if the Consultant does not perform as required by the terms of the contract. Reasons for termination may include, but are not limited, to the following:
 - 9.1.1 Failure to provide sufficient personnel as identified in the RFP.
 - 9.1.2 Failure to provide the principal team as submitted.
 - 9.1.3 Substitution of the team or other identified personnel without prior approval of Carson City.

PROVISIONS AND REQUIREMENTS

10 INSURANCE REQUIREMENTS/HOLD HARMLESS CLAUSE:

Proposer's attention is directed to the insurance requirements as delineated in Attachment A. It is highly recommended that proposers confer with their insurance carriers or brokers to determine in advance of proposal submission the availability of insurance certificates and endorsements as prescribed and provided herein. If a proposer fails to comply strictly with the insurance requirements, the proposal may be disqualified.

11 FUNDING OUT CLAUSE:

Proposers shall be aware that any agreement resultant from award of this Request for Proposal shall be subject to cancellation without penalty, in the event that Carson City's funding authority shall fail to obligate funds requisite for its continuation.

12 STATUS OF SUCCESSFUL PROPOSERS:

Successful proposer shall have the status of an "Independent Contractor" as defined by NRS 284.173, and shall not be entitled to any or all of the rights, privileges, benefits, and emoluments of either an officer or employee of Carson City.

13 COMPLIANCE WITH IMMIGRATION AND NATURALIZATION LAWS:

Successful proposer shall at all times be in compliance with Immigration and Naturalization Laws regarding eligibility of their employees or subcontractors to work in the United States.

14 OPEN MEETING LAW:

Proposers shall be aware that NRS 241 provides that public business shall be conducted in an open meeting. Any resultant award shall be defended against any challenge by the Carson City District Attorney's Office.

15 WITHDRAWAL OF PROPOSALS:

Proposals may be withdrawn at any time up to the opening and acknowledgment upon written notice to the Carson City Purchasing Office. Withdrawal requests received after the time set for opening and acknowledging shall not be considered.

16 APPEAL BY UNSUCCESSFUL PROPOSERS:

Any unsuccessful proposer may appeal a pending RFP award prior to award by Carson City. The appellant must:

Submit a written protest to the Carson City Purchasing and Contracts Administrator within five (5) calendar days after a recommendation to accept or reject proposals has been posted to www.carson.org/currentbids

Describe, in the written protest, the issues to be addressed on appeal.

Post, with the written protest, a bond with good and solvent surety authorized to do business in this state or submit other security in a form approved by Carson City, who will hold the bond or other security until a determination is made on the appeal.

PROVISIONS AND REQUIREMENTS

Post the bond or other security in the amount of 25% of the total dollar value of appellant's bid, up to a maximum bond or other security amount of \$250,000.

Not seek any type of judicial intervention until Carson City has rendered their final decision on the protests.

Carson City will stay any award actions until after the Carson City Purchasing and Contracts Administrator has responded in writing to the protest. If the appellant is not satisfied with the response, appellant may then protest to the Carson City Board of Supervisors, who will render a final decision for Carson City. **No bid protests will be heard by the Board of Supervisors unless the bidder has followed the appeal process.**

If an appeal is granted, the full amount of the posted bond will be returned to the appellant. If the appeal is denied or not upheld, a claim may be made against the bond for expenses suffered by Carson City because of the unsuccessful appeal.

***** END OF DOCUMENT *****

Attachment A: Sample Contract

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.XXXX-XXX

Title: _____

THIS CONTRACT made and entered into this XXth day of (Month), 2017, by and between Carson City, a consolidated municipality, a political subdivision of the State of Nevada, hereinafter referred to as "CITY", and (Vendor Name). hereinafter referred to as "CONSULTANT".

WITNESSETH:

WHEREAS, the Purchasing and Contracts Manager for **CITY** is authorized pursuant to Nevada Revised Statutes (hereinafter referred to as "NRS") 332 and 338 and Carson City Purchasing Resolution #1990-R71, to approve and accept this Contract as set forth in and by the following provisions; and

WHEREAS, this Contract is for consulting services from one or more licensed architects, engineers and/or land surveyors; and

WHEREAS, this Contract (does involve X) (does not involve _____) a "public work" construction project, which pursuant to NRS 338.010(17) means any project for the new construction, repair or reconstruction of an applicable project financed in whole or in part from public money; and

WHEREAS, CONSULTANT'S compensation under this agreement (does _____) (does not X) utilize in whole or in part money derived from one or more federal grant funding source(s); and

WHEREAS, it is deemed necessary that the services of **CONSULTANT** for **CONTRACT No. XXXX-XXX** (hereinafter referred to as "Contract") are both necessary and in the best interest of **CITY**; and

NOW, THEREFORE, in consideration of the aforesaid premises, and the following terms, conditions and other valuable consideration, the parties mutually agree as follows:

1. REQUIRED APPROVAL:

This Contract shall not become effective until and unless approved by the Carson City Board of Supervisors.

2. SCOPE OF WORK (Incorporated Contract Documents):

2.1 **CONSULTANT** shall provide and perform the following services set forth in Exhibit A, which shall all be attached hereto and incorporated herein by reference for and on behalf of **CITY** and hereinafter referred to as the "SERVICES".

2.2 **CONSULTANT** represents that it is duly licensed by **CITY** for the purposes of performing the SERVICES.

2.3 **CONSULTANT** represents that it is duly qualified and licensed in the State of Nevada for the purposes of performing the SERVICES.

For P&C Use Only	
CCBL expires	_____
GL expires	_____
AL expires	_____
PL expires	_____
WC expires	_____

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

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Title: _____

2.4 **CONSULTANT** represents that it and/or the persons it may employ possess all skills and training necessary to perform the SERVICES described herein and required hereunder. **CONSULTANT** shall perform the SERVICES faithfully, diligently, in a timely and professional manner, to the best of its ability, and in such a manner as is customarily performed by a person who is in the business of providing such services in similar circumstances. **CONSULTANT** shall be responsible for the professional quality and technical accuracy of all SERVICES furnished by **CONSULTANT** to **CITY**.

2.5 **CONSULTANT** represents that neither the execution of this Contract nor the rendering of services by **CONSULTANT** hereunder will violate the provisions of or constitute a default under any other contract or agreement to which **CONSULTANT** is a party or by which **CONSULTANT** is bound, or which would preclude **CONSULTANT** from performing the SERVICES required of **CONSULTANT** hereunder, or which would impose any liability or obligation upon **CITY** for accepting such SERVICES.

2.6 Before commencing with the performance of any work under this Contract, **CONSULTANT** shall obtain all necessary permits and licenses as may be necessary. Before and during the progress of work under this Contract, **CONSULTANT** shall give all notice and comply with all the laws, ordinances, rules and regulations of every kind and nature now or hereafter in effect promulgated by any Federal, State, County, or other Governmental Authority, relating to the performance of work under this Contract. If **CONSULTANT** performs any work that is contrary to any such law, ordinance, rule or regulation, it shall bear all the costs arising therefrom.

2.7 Special Terms and Conditions for Engineers, Architects, and Land Surveying/Testing:

2.7.1 *Use of **CONSULTANT'S** Drawings, Specifications and Other Documents:*

2.7.1.1 The drawings, specifications and other documents prepared by **CONSULTANT** for this Contract are instruments of **CONSULTANT'S** service for use solely with respect to this Contract and, unless otherwise provided, **CONSULTANT** shall be deemed the author of these documents and shall retain all common law statutory and other reserved rights, including the copyright.

2.7.2 *Cost Accounting and Audits:*

2.7.2.1 If required by **CITY**, **CONSULTANT** agrees to make available to **CITY** for two (2) years after the completion of the SERVICES under this Contract, such books, records, receipts, vouchers, or other data as may be deemed necessary by **CITY** to enable it to arrive at appropriate cost figures for the purpose of establishing depreciation rates for the various materials and other elements which may have been incorporated into the SERVICES performed under this Contract.

2.7.3 *If Land Surveying or Testing SERVICES are provided to a Public Work Project involving actual Construction (not solely design work):*

2.7.3.1 DAVIS-BACON & RELATED ACTS 29 CFR PARTS 1,3,5,6,&7 AND NRS 338.070(5): **CONSULTANT** shall comply with Davis-Bacon Act and NRS 338.070(5). **CONSULTANT** and each covered contractor or subcontractor must provide a weekly statement of wages paid to each of its employees engaged in covered SERVICES. The statement shall be executed by **CONSULTANT** or subcontractor or by an authorized officer or employee of **CONSULTANT** or subcontractor who supervised the payment of

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.XXXX-XXX

Title: _____

wages and shall be on the "Statement of Compliance" form. **CONSULTANT** shall submit a Statement of Compliance that is prescribed by the Nevada Labor Commissioner or contains identical wording. Per NRS 338.070(6) the records maintained pursuant to subsection 5 of this statute must be open at all reasonable hours to the inspection of the public body (the **CITY'S** representative) awarding the contract. The **CONSULTANT** engaged on the public work or subcontractor engaged on the public work shall ensure that a copy of each record for each calendar month is received by the public body awarding the contract (the **City**) **no later than 15 days after the end of the month.**

2.7.3.2 FEDERAL FUNDING: In the event federal funds are used for payment of all or part of this Contract, **CONSULTANT** shall submit a Statement of Compliance form WH347 or a form with identical wording and a Statement of Compliance prescribed by the Nevada Labor Commissioner **within 7 days after the regular pay date for the pay period.** The original Statements shall be delivered to Carson City Public Works, 3505 Butti Way, Carson City, Nevada 89703, attention Davis-Bacon/Federal Funding Compliance.

2.7.3.3 CERTIFIED PAYROLLS FOR DAVIS-BACON AND PREVAILING WAGE PROJECTS: The higher of the Federal or local prevailing wage rates for **CITY**, as established by the Nevada Labor Commission and the Davis-Bacon Act, shall be paid for all classifications of labor on this project SERVICES. Should a classification be missing from the Davis-Bacon rates the **CONSULTANT** shall complete a request of authorization for additional classification or rate form SF1444 in its entirety and submit it to the **CITY** for approval and submission to the U.S. Department of Labor. Also, in accordance with NRS 338, the hourly and daily wage rates for the State and Davis-Bacon must be posted at the work site by **CONSULTANT**. **CONSULTANT** shall ensure that a copy of **CONSULTANT'S** and subcontractor's certified payrolls for each calendar week are received by **CITY**.

2.7.3.3.1 Per NRS 338.070(5) a **CONSULTANT** engaged on a public work and each subcontractor engaged on the public work shall keep or cause to be kept:

(a) An accurate record showing, for each worker employed by the contractor or subcontractor in connection with the public work:

- (1) The name of the worker;
- (2) The occupation of the worker;
- (3) The gender of the worker, if the worker voluntarily agreed to specify that information pursuant to subsection 4, or an entry indicating that the worker declined to specify such information;
- (4) The ethnicity of the worker, if the worker voluntarily agreed to specify that information pursuant to subsection 4, or an entry indicating that the worker declined to specify such information;
- (5) If the worker has a driver's license or identification card, an indication of the state or other jurisdiction that issued the license or card; and
- (6) The actual per diem, wages and benefits paid to the worker; and

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

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Title: _____

(b) An additional accurate record showing, for each worker employed by the contractor or subcontractor in connection with the public work who has a driver's license or identification card:

- (1) The name of the worker;
- (2) The driver's license number or identification card number of the worker; and
- (3) The state or other jurisdiction that issued the license or card.

2.7.3.3.2 The original payroll records shall be certified and shall be submitted weekly to Carson City Public Works, 3505 Butti Way, Carson City, Nevada 89703, attention Davis-Bacon/Federal Funding Compliance. Submission of such certified payrolls shall be a condition precedent for processing the monthly progress payment. **CONSULTANT**, as General Contractor, shall collect the wage reports from the subcontractors and ensure the receipt of a certified copy of each weekly payroll for submission to **CITY** as one complete package.

2.7.3.3.3 Pursuant to NRS 338.060 and 338.070, **CONSULTANT** hereby agrees to forfeit, as a penalty to **CITY**, not less than Twenty Dollars (\$20) nor more than Fifty Dollars (\$50) for each calendar day or portion thereof that each worker employed on the Contract is paid less than the designated rate for any WORK done under the Contract, by **CONSULTANT** or any subcontractor under him/her, or is not reported to **CITY** as required by NRS 338.070.

2.7.3.4 FAIR EMPLOYMENT PRACTICES: Pursuant to NRS 338.125, Fair Employment Practices, the following provisions must be included in any contract between **CONSULTANT** and a public body such as **CITY**:

2.7.3.4.1 *In connection with the performance of work or SERVICES under this Contract, CONSULTANT agrees not to discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, gender identity, or age, including, without limitation, with regard to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including without limitation, apprenticeship.*

2.7.3.4.2 **CONSULTANT** further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

2.7.3.5 PREFERENTIAL EMPLOYMENT: Unless, and except if, this Contract is funded in whole or in part by federal grant funding (see 40 C.F.R. § 31.36(c) *Competition*), pursuant to NRS 338.130, in all cases where persons are employed in the construction of public works, preference must be given, the qualifications of the applicants being equal: (1) First: To persons who have been honorably discharged from the Army, Navy, Air Force, Marine Corps or Coast Guard of the United States, a reserve component thereof or the National Guard; and are citizens of the State of Nevada. (2) Second: To other citizens of the State of Nevada.

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.XXXX-XXX

Title: _____

2.7.3.5.1 In connection with the performance of SERVICES under this Contract, **CONSULTANT** agrees to comply with the provisions of NRS 338.130 requiring certain preferences to be given to which persons are employed in the construction of a public work. If **CONSULTANT** fails to comply with the provisions of NRS 338.130, pursuant to the terms of NRS 338.130(3), this Contract is void, and any failure or refusal to comply with any of the provisions of this section renders this Contract void.

2.8 CITY Responsibilities:

2.8.1 **CITY** shall make available to **CONSULTANT** all technical data that is in **CITY'S** possession, reasonably required by **CONSULTANT** relating to the SERVICES.

2.8.2 **CITY** shall provide access to and make all provisions for **CONSULTANT** to enter upon public and private lands, to the fullest extent permitted by law, as reasonably required for **CONSULTANT** to perform the SERVICES.

2.8.3 **CITY** shall examine all reports, correspondence, and other documents presented by **CONSULTANT** upon request of **CITY**, and render, in writing, decisions pertaining thereto within a reasonable time so as not to delay the work of **CONSULTANT**.

2.8.4 It is expressly understood and agreed that all work done by **CONSULTANT** shall be subject to inspection and acceptance by **CITY** and approval of SERVICES shall not forfeit the right of **CITY** to require correction, and nothing contained herein shall relieve **CONSULTANT** of the responsibility of the SERVICES required under the terms of this Contract until all SERVICES have been completed and accepted by **CITY**.

3. CONTRACT TERM:

3.1 This Contract shall be effective from (Month XX, 2017, subject to Carson City Board of Supervisors' approval to (Month XX, 2017, unless sooner terminated by either party as specified in **Section 7** (CONTRACT TERMINATION).

4. NOTICE:

4.1 Except any applicable bid and award process where notices may be limited to postings by **CITY** on its Finance Department/Bid Opportunities website (www.carson.org), all notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by e-mail, by regular mail, by telephonic facsimile with simultaneous regular mail, or by certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other party at the address specified below.

4.2 Notice to **CONSULTANT** shall be addressed to:

(Company Contact), (Title)
(Company)
(Street Address)
(City), (State) (ZIP)
Telephone Number/ Fax Number
email: (E-Mail Address)

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.XXXX-XXX

Title: _____

4.3 Notice to **CITY** shall be addressed to:

Carson City Purchasing and Contracts Department
Laura Rader, Purchasing and Contracts Administrator
201 North Carson Street, Suite 3
Carson City, NV 89701
775-283-7137 / FAX 775-887-2107
LRader@carson.org

5. COMPENSATION:

5.1 The parties agree that **CONSULTANT** will provide the SERVICES specified in **Section 2** (SCOPE OF WORK) and **CITY** agrees to pay **CONSULTANT** the Contract's compensation based upon Time and Materials and the Scope of Work Fee Schedule for a not to exceed maximum amount of (Amount written out in words) Dollars and 00/100 (\$XXX,000.00), and hereinafter referred to as "Contract Sum".

5.2 Contract Sum represents full and adequate compensation for the completed SERVICES, and includes the furnishing of all materials; all labor, equipment, tools, and appliances; and all expenses, direct or indirect, connected with the proper execution of the SERVICES.

5.3 **CONSULTANT** shall provide **CITY** with a scope of work for each task to be completed and if approved by the Public Works Director, **CONSULTANT** will be provided a "Task Order" authorizing the work.

5.4 **CITY** has provided a sample invoice and **CONSULTANT** shall submit its request for payment using said sample invoice.

5.5 Payment by **CITY** for the SERVICES rendered by **CONSULTANT** shall be due within thirty (30) calendar days from the date **CITY** acknowledges that the performance meets the requirements of this Contract or from the date the correct, complete, and descriptive invoice is received by **CITY** employee designated on the sample invoice, whichever is the later date.

5.6 **CITY** does not agree to reimburse **CONSULTANT** for expenses unless otherwise specified.

6. TIMELINESS OF BILLING SUBMISSION:

6.1 The parties agree that timeliness of billing is of the essence to this Contract and recognize that **CITY** is on a fiscal year which is defined as the period beginning July 1 and ending June 30 of the following year. All billings for dates of service prior to July 1 must be submitted to **CITY** no later than the first Friday in August of the same year. A billing submitted after the first Friday in August will subject **CONSULTANT** to an administrative fee not to exceed \$100.00. The parties hereby agree this is a reasonable estimate of the additional costs to **CITY** of processing the billing as a stale claim and that this amount will be deducted from the stale claim payment due to **CONSULTANT**.

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.XXXX-XXX

Title: _____

7. CONTRACT TERMINATION:

7.1 Termination Without Cause:

7.1.1 Any discretionary or vested right of renewal notwithstanding, this Contract may be terminated upon written notice by mutual consent of both parties or unilaterally by either party without cause.

7.1.2 **CITY** reserves the right to terminate this Contract for convenience whenever it considers termination, in its sole and unfettered discretion, to be in the public interest. In the event that the Contract is terminated in this manner, payment will be made for SERVICES actually completed. If termination occurs under this provision, in no event shall **CONSULTANT** be entitled to anticipated profits on items of SERVICES not performed as of the effective date of the termination or compensation for any other item, including but not limited to, unabsorbed overhead. **CONSULTANT** shall require that all subcontracts which it enters related to this Contract likewise contain a termination for convenience clause which precludes the ability of any subconsultant to make claims against **CONSULTANT** for damages due to breach of contract, of lost profit on items of SERVICES not performed or of unabsorbed overhead, in the event of a convenience termination.

7.2 Termination for Nonappropriation:

7.2.1 All payments and SERVICES provided under this Contract are contingent upon the availability of the necessary public funding, which may include various internal and external sources. In the event that Carson City does not acquire and appropriate the funding necessary to perform in accordance with the terms of the Contract, the Contract shall automatically terminate upon **CITY'S** notice to **CONSULTANT** of such nonappropriation, and no claim or cause of action may be based upon any such nonappropriation.

7.3 Cause Termination for Default or Breach:

7.3.1 A default or breach may be declared with or without termination.

7.3.2 This Contract may be terminated by either party upon written notice of default or breach to the other party as follows:

7.3.2.1 If **CONSULTANT** fails to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or any SERVICES called for by this Contract within the time requirements specified in this Contract or within any granted extension of those time requirements; or

7.3.2.2 If any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by **CONSULTANT** to provide the goods or SERVICES or any services required by this Contract is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or

7.3.2.3 If **CONSULTANT** becomes insolvent, subject to receivership, or becomes voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; or

7.3.2.4 If **CITY** materially breaches any material duty under this Contract and any such breach impairs **CONSULTANT'S** ability to perform; or

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7.3.2.5 If it is found by **CITY** that any quid pro quo or gratuities in the form of money, services, entertainment, gifts, or otherwise were offered or given by **CONSULTANT**, or any agent or representative of **CONSULTANT**, to any officer or employee of **CITY** with a view toward securing a contract or securing favorable treatment with respect to awarding, extending, amending, or making any determination with respect to the performing of such contract; or

7.3.2.6 If it is found by **CITY** that **CONSULTANT** has failed to disclose any material conflict of interest relative to the performance of this Contract.

7.4 Time to Correct (Declared Default or Breach):

7.4.1 Termination upon a declared default or breach may be exercised only after providing 7 (seven) calendar days written notice of default or breach, and the subsequent failure of the defaulting or breaching party, within five (5) calendar days of providing that default or breach notice, to provide evidence satisfactory to the aggrieved party demonstrating that the declared default or breach has been corrected. Time to correct shall run concurrently with any notice of default or breach and such time to correct is not subject to any stay with respect to the nonexistence of any Notice of Termination. Untimely correction shall not void the right to termination otherwise properly noticed unless waiver of the noticed default or breach is expressly provided in writing by the aggrieved party. There shall be no time to correct with respect to any notice of termination without cause or termination for nonappropriation.

7.5 Winding Up Affairs Upon Termination:

7.5.1 In the event of termination of this Contract for any reason, the parties agree that the provisions of this **Subsection 7.5** (Winding Up Affairs Upon Termination) survive termination:

7.5.1.1 The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination; and

7.5.1.2 **CONSULTANT** shall satisfactorily complete SERVICES in progress at the agreed rate (or a pro rata basis if necessary) if so requested by **CITY**; and

7.5.1.3 **CONSULTANT** shall execute any documents and take any actions necessary to effectuate an assignment of this Contract if so requested by **CITY**; and

7.5.1.4 **CONSULTANT** shall preserve, protect, and promptly deliver into **CITY** possession all proprietary information in accordance **Section 19** (CITY OWNERSHIP OF PROPRIETARY INFORMATION).

7.6 Notice of Termination:

7.6.1 Unless otherwise specified in this Contract, termination shall not be effective until seven (7) calendar days after a party has provided written notice of default or breach, or notice of without cause termination. Notice of Termination may be given at the time of notice of default or breach, or notice of without cause termination. Notice of Termination may be provided separately at any time after the running of the 7-day notice period, and such termination shall be effective on the date the Notice of Termination is provided to the party unless a specific effective date is otherwise set forth therein. Any delay in providing a Notice of Termination after the 7-day notice

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period has run without a timely correction by the defaulting or breaching party shall not constitute any waiver of the right to terminate under the existing notice(s).

8. REMEDIES:

Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages, and to a prevailing party reasonable attorney's fees and costs. The parties agree that, in the event a lawsuit is filed and a party is awarded attorney's fees by the court, for any reason, the amount of recoverable attorney's fees shall not exceed the rate of \$125 per hour. **CITY** may set off consideration against any unpaid obligation of **CONSULTANT** to **CITY**.

9. LIMITED LIABILITY:

CITY will not waive and intends to assert available NRS Chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise expressly provided for elsewhere in this Contract. Damages for any **CITY** breach shall never exceed the amount of funds appropriated for payment under this Contract, but not yet paid to **CONSULTANT**, for the fiscal year budget in existence at the time of the breach. **CONSULTANT'S** tort liability shall not be limited.

10. FORCE MAJEURE:

Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of this Contract after the intervening cause ceases.

11. INDEMNIFICATION:

11.1 To the extent permitted by law, including, but not limited to, the provisions of NRS Chapter 41, each party shall indemnify, hold harmless and defend, not excluding the other's right to participate, the other party from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorney's fees and costs, arising out of any alleged negligent or willful acts or omissions of the indemnifying party, its officers, employees and agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of the indemnity which would otherwise exist as to any party or person described in this Section.

11.2 As required by NRS 338.155, if this Contract involves a "public work" construction project as defined above, **CONSULTANT** shall defend, indemnify and hold harmless the **CITY**, and the employees, officers and agents of the public body from any liabilities, damages, losses, claims, actions or proceedings, including without limitation, reasonable attorney's fees, to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the **CONSULTANT** or the employees or agents of the **CONSULTANT** in the performance of the Contract. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of the indemnity which would otherwise exist as to any party or person described in this section. However, with respect to any anticipated benefits to **CITY** resulting from the Scope of Work, **CONSULTANT** shall not be responsible or liable to **CITY** for any warranties, guarantees, fitness for a particular purpose or loss of anticipated profits resulting from any termination of this Contract. Additionally, **CONSULTANT** shall not be responsible for acts and decisions of third parties, including governmental agencies, other than **CONSULTANT'S** subcontractors, that impact project completion and/or success.

11.3 Except as otherwise provided in **Subsection 11.5** below, the indemnifying party shall not be obligated to provide a legal defense to the indemnified party, nor reimburse the indemnified party for the same, for any period occurring before the indemnified party provides written notice of the pending claim(s) or cause(s) of action to the indemnifying party, along with:

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11.3.1 a written request for a legal defense for such pending claim(s) or cause(s) of action; and

11.3.2 a detailed explanation of the basis upon which the indemnified party believes that the claim or cause of action asserted against the indemnified party implicates the culpable conduct of the indemnifying party, its officers, employees, and/or agents.

11.4 After the indemnifying party has begun to provide a legal defense for the indemnified party, the indemnifying party shall not be obligated to fund or reimburse any fees or costs provided by any additional counsel for the indemnified party, including counsel through which the indemnified party might voluntarily choose to participate in its defense of the same matter.

11.5 After the indemnifying party has begun to provide a legal defense for the indemnified party, the indemnifying party shall be obligated to reimburse the reasonable attorney's fees and costs incurred by the indemnified party during the initial thirty (30) day period of the claim or cause of action, if any, incurred by separate counsel.

12. **INDEPENDENT CONTRACTOR:**

12.1 **CONSULTANT**, as an independent contractor, is a natural person, firm or corporation who agrees to perform SERVICES for a fixed price according to his or its own methods and without subjection to the supervision or control of the **CITY**, except as to the results of the SERVICES, and not as to the means by which the SERVICES are accomplished.

12.2 It is mutually agreed that **CONSULTANT** is associated with **CITY** only for the purposes and to the extent specified in this Contract, and in respect to performance of the contracted SERVICES pursuant to this Contract. **CONSULTANT** is and shall be an independent contractor and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract.

12.3 Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for **CITY** whatsoever with respect to the indebtedness, liabilities, and obligations of **CONSULTANT** or any other party.

12.4 **CONSULTANT**, in addition to **Section 11** (INDEMNIFICATION), shall indemnify and hold **CITY** harmless from, and defend **CITY** against, any and all losses, damages, claims, costs, penalties, liabilities, expenses arising out of or incurred in any way because of, but not limited to, **CONSULTANT'S** obligations or legal duties regarding any taxes, fees, assessments, benefits, entitlements, notice of benefits, employee's eligibility to work, to any third party, subcontractor, employee, state, local or federal governmental entity.

12.5 Neither **CONSULTANT** nor its employees, agents, or representatives shall be considered employees, agents, or representatives of **CITY**.

13. **INSURANCE REQUIREMENTS (GENERAL):**

13.1 **NOTICE: The following general insurance requirements shall apply unless these general requirements are altered by any specific requirements set forth in CITY'S solicitation for bid document, the adopted bid or other document incorporated into this Contract by the parties.**

13.2 **CONSULTANT**, as an independent contractor and not an employee of **CITY**, must carry policies of insurance in amounts specified and pay all taxes and fees incident hereunto. **CITY** shall have no liability except as specifically provided in this Contract.

13.3 **CONSULTANT** shall not commence work before: (1) **CONSULTANT** has provided the required evidence of insurance to **CITY** Purchasing and Contracts, and (2) **CITY** has approved the insurance policies provided by **CONSULTANT**.

13.4 Prior approval of the insurance policies by **CITY** shall be a condition precedent to any payment of consideration under this Contract and **CITY'S** approval of any changes to insurance coverage during the

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course of performance shall constitute an ongoing condition subsequent this Contract. Any failure of **CITY** to timely approve shall not constitute a waiver of the condition.

13.5 *Insurance Coverage (13.6 through 13.23):*

13.6 **CONSULTANT** shall, at **CONSULTANT'S** sole expense, procure, maintain and keep in force for the duration of this Contract the following insurance conforming to the minimum requirements specified below. Unless specifically specified herein or otherwise agreed to by **CITY**, the required insurance shall be in effect prior to the commencement of work by **CONSULTANT** and shall continue in force as appropriate until the later of:

13.6.1 Final acceptance by **CITY** of the completion of this Contract; or

13.6.2 Such time as the insurance is no longer required by **CITY** under the terms of this Contract.

13.6.3 Any insurance or self-insurance available to **CITY** under its coverage(s) shall be in excess of and non-contributing with any insurance required from **CONSULTANT**. **CONSULTANT'S** insurance policies shall apply on a primary basis. Until such time as the insurance is no longer required by **CITY**, **CONSULTANT** shall provide **CITY** with renewal or replacement evidence of insurance no less than thirty (30) calendar days before the expiration or replacement of the required insurance. If at any time during the period when insurance is required by this Contract, an insurer or surety shall fail to comply with the requirements of this Contract, as soon as **CONSULTANT** has knowledge of any such failure, **CONSULTANT** shall immediately notify **CITY** and immediately replace such insurance or bond with an insurer meeting the requirements.

13.7 *General Insurance Requirements (13.8 through 13.23):*

13.8 **Certificate Holder:** Each certificate shall list Carson City c/o Carson City Purchasing and Contracts, 201 N. Carson Street, Suite 3, Carson City, NV 89701 as a certificate holder.

13.9 **Additional Insured:** By endorsement to the general liability insurance policy evidenced by **CONTRACTOR**, The City and County of Carson City, Nevada, its officers, employees and immune contractors shall be named as additional insureds for all liability arising from this Contract.

13.10 **Waiver of Subrogation:** Each liability insurance policy, except for professional liability, shall provide for a waiver of subrogation in favor of City.

13.11 **Cross-Liability:** All required liability policies shall provide cross-liability coverage as would be achieved under the standard ISO separation of insureds clause.

13.12 **Deductibles and Self-Insured Retentions:** Insurance maintained by **CONTRACTOR** shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by **CITY**. Such approval shall not relieve **CONTRACTOR** from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed \$5,000.00 per occurrence, unless otherwise approved by **CITY**.

13.13 **Policy Cancellation:** Except for ten (10) calendar days' notice for non-payment of premium, premium, **CONTRACTOR** or its insurers must provide thirty (30) calendar days prior written notice to Carson City Purchasing and Contracts if any policy will be canceled, non-renewed or if required coverage and /or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by mail to Carson City Purchasing and Contracts, 201 N. Carson Street, Suite 3, Carson City, NV 89701. When available, each insurance policy shall be endorsed to provide thirty (30) days' notice of cancellation, except for ten (10) days' notice for non-payment of premium, to City.

13.14 **Approved Insurer:** Each insurance policy shall be issued by insurance companies authorized to do business in the State of Nevada or eligible surplus lines insurers under federal and Nevada law and

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having agents in Nevada upon whom service of process may be made, and currently rated by A.M. Best as "A-VII" or better.

13.15 **Evidence of Insurance:** Prior to commencement of work, **CONTRACTOR** must provide the following documents to Carson City Purchasing and Contracts, 201 North Carson Street, Suite 3, Carson City, NV 89701:

13.16 **Certificate of Insurance:** **CONTRACTOR** shall furnish City with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth herein. The Acord 25 Certificate of Insurance form or a form substantially similar must be submitted to Carson City Purchasing and Contracts to evidence the insurance policies and coverages required of **CONTRACTOR**.

13.17 **Additional Insured Endorsement:** An Additional Insured Endorsement (CG20 10 or C20 26), signed by an authorized insurance company representative, must be submitted to Carson City Purchasing and Contracts to evidence the endorsement of **CITY** as an additional insured per **Subsection 13.9** (Additional Insured).

13.18 **Schedule of Underlying Insurance Policies:** If Umbrella or Excess policy is evidenced to comply with minimum limits, a copy of the Underlying Schedule from the Umbrella or Excess insurance policy may be required.

13.19 **Review and Approval:** Documents specified above must be submitted for review and approval by **CITY** Purchasing and Contracts prior to the commencement of work by **CONTRACTOR**. Neither approval by **CITY** nor failure to disapprove the insurance furnished by **CONTRACTOR** shall relieve **CONTRACTOR** of **CONTRACTOR'S** full responsibility to provide the insurance required by this Contract. Compliance with the insurance requirements of this Contract shall not limit the liability of **CONTRACTOR** or its sub-contractors, employees or agents to **CITY** or others, and shall be in addition to and not in lieu of any other remedy available to **CITY** under this Contract or otherwise. **CITY** reserves the right to request and review a copy of any required insurance policy or endorsement to assure compliance with these requirements.

13.20 **COMMERCIAL GENERAL LIABILITY INSURANCE:**

CONTRACTOR shall maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 each occurrence.

13.20.1 *Minimum Limits required:*

13.20.2 Two Million Dollars (\$2,000,000.00) - General Aggregate.

13.20.3 Two Million Dollars (\$2,000,000.00) - Products & Completed Operations Aggregate.

13.20.4 One Million Dollars (\$1,000,000.00) - Each Occurrence.

13.20.5 CGL insurance shall be written on ISO occurrence form CG 00 01 04 13 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, products-completed operations, personal and advertising injury, and liability assumed under an insured contract [(including the tort liability of another assumed in a business contract)].

13.20.6 City and County of Carson City, Nevada, its officers, employees and immune contractors shall be included as an insured under the CGL, using ISO additional insured endorsement CG 20 10 or CG 20 26, or a substitute providing equivalent coverage, and under the commercial umbrella, if any.

13.20.7 This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to City There shall be no endorsement or modification of the CGL to make it excess over other available

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insurance; alternatively, if the CGL states that it is excess or pro rata, the policy shall be endorsed to be primary with respect to the additional insured.

13.20.8 There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability assumed under a contract.

13.20.9 Contractor waives all rights against City and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the commercial general liability or commercial umbrella liability insurance maintained pursuant to this Contract. Insurer shall endorse CGL policy as required to waive subrogation against City with respect to any loss paid under the policy.

13.21 BUSINESS AUTOMOBILE LIABILITY INSURANCE:

13.21.1 *Minimum Limit required:*

13.21.2 Contractor shall maintain automobile liability and, if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 each accident for bodily injury and property damage.

13.21.3 Such insurance shall cover liability arising out of owned, hired, and non-owned autos (as applicable). Coverage as required above shall be written on ISO form CA 00 01, CA 00 05, CA 00 25, or a substitute form providing equivalent liability coverage.

13.21.4 Contractor waives all rights against City and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the automobile liability or other liability insurance obtained by **CONTRACTOR** pursuant this Contract.

13.22 PROFESSIONAL LIABILITY INSURANCE

13.22.1 *Minimum Limit required:*

13.22.2 **CONTRACTOR** shall maintain professional liability insurance applying to all activities performed under this Contract with limits not less than One Million Dollars (\$1,000,000.00) and Two Million Dollars (\$2,000,000) in the aggregate.

13.22.3 Retroactive date: Prior to commencement of the performance of this Contract.

13.22.4 **CONTRACTOR** will maintain professional liability insurance during the term of this Contract and for a period of three (3) years after termination of this Contract unless waived by the City. In the event of non-renewal or other lapse in coverage during the term of this Contract or the three (3) year period described above, **CONTRACTOR** shall purchase Extended Reporting Period coverage for claims arising out of **CONTRACTOR's** negligence acts, errors and omissions committed during the term of the Professional Liability Policy. The Extended Reporting Period shall continue through a minimum of three (3) years after termination date of this Contract.

13.22.5 A certified copy of this policy may be required.

13.23 WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE:

13.23.1 **CONTRACTOR** shall provide workers' compensation insurance as required by NRS Chapters 616A through 616D inclusive and Employer's Liability insurance

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with a minimum limit not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

13.23.2 **CONTRACTOR** may, in lieu of furnishing a certificate of an insurer, provide an affidavit indicating that **CONTRACTOR** is a sole proprietor; that **CONTRACTOR** will not use the services of any employees in the performance of this Contract; that **CONTRACTOR** has elected to not be included in the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive; and that **CONTRACTOR** is otherwise in compliance with the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive.

13.23.3 **CONTRACTOR** waives all rights against City and its agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by the workers' compensation and employer's liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract. Contractor shall obtain an endorsement equivalent to WC 00 03 13 to affect this waiver.

14. BUSINESS LICENSE:

14.1 **CONSULTANT** shall not commence work before **CONSULTANT** has provided a copy of his Carson City business license to Carson City Purchasing and Contracts.

14.2 The Carson City business license shall continue in force until the later of: (1) final acceptance by **CITY** of the completion of this Contract; or (2) such time as the Carson City business license is no longer required by **CITY** under the terms of this Contract.

15. COMPLIANCE WITH LEGAL OBLIGATIONS:

CONSULTANT shall procure and maintain for the duration of this Contract any state, county, city, or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by **CONSULTANT** to provide the goods or SERVICES or any services of this Contract. **CONSULTANT** will be responsible to pay all government obligations, including, but not limited to, all taxes, assessments, fees, fines, judgments, premiums, permits, and licenses required or imposed by law or a court. Real property and personal property taxes are the responsibility of **CONSULTANT** in accordance with NRS Chapter 361 generally and NRS 361.157 and 361.159, specifically regarding for profit activity. **CONSULTANT** agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this Contract. **CITY** may set-off against consideration due any delinquent government obligation.

16. WAIVER OF BREACH:

Failure to declare a breach or the actual waiver of any particular breach of this Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

17. SEVERABILITY:

If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the nonenforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.

18. ASSIGNMENT / DELEGATION:

To the extent that any assignment of any right under this Contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this Contract, attempts to operate as a novation, or includes a waiver or abrogation of any defense to payment by **CITY**, such offending portion of the assignment shall be void, and shall be a breach of this Contract. **CONSULTANT** shall neither assign, transfer nor delegate any rights, obligations or duties under this Contract without the prior written approval of **CITY**. The parties do not intend to benefit any third party beneficiary regarding their respective performance under this

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19. CITY OWNERSHIP OF PROPRIETARY INFORMATION:

Any files, reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer programs, computer codes, and computer records (which are intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by **CONSULTANT** (or its subcontractors) in performance of its obligations under this Contract shall be the exclusive property of **CITY** and all such materials shall be delivered into **CITY** possession by **CONSULTANT** upon completion, termination, or cancellation of this Contract. **CONSULTANT** shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of **CONSULTANT'S** obligations under this Contract without the prior written consent of **CITY**. Notwithstanding the foregoing, **CITY** shall have no proprietary interest in any materials licensed for use by **CITY** that are subject to patent, trademark or copyright protection.

20. PUBLIC RECORDS:

Pursuant to; NRS 239.010, information or documents received from **CONSULTANT** may be open to public inspection and copying. **CITY** will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests. **CONSULTANT** may clearly label specific parts of an individual document as a "trade secret" or "confidential" in accordance with NRS 332.061, provided that **CONSULTANT** thereby agrees to indemnify and defend **CITY** for honoring such a designation. The failure to so label any document that is released by **CITY** shall constitute a complete waiver of any and all claims for damages caused by any release of the records.

21. CONFIDENTIALITY:

CONSULTANT shall keep confidential all information, in whatever form, produced, prepared, observed or received by **CONSULTANT** to the extent that such information is confidential by law or otherwise required by this Contract.

22. FEDERAL FUNDING:

22.1 In the event federal grant funds are used for payment of all or part of this Contract:

22.1.1 **CONTRACTOR** certifies, by signing this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to the regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt. 67, § 67.510, as published as pt. VII of the May 26, 1988, Federal Register (pp. 19160-19211), and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.

22.1.2 **CONTRACTOR** and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program-specific regulations.

22.1.3 **CONTRACTOR** and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and Executive Order 11478 (July 21, 2014) and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, sexual orientation, gender identity, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions).

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22.1.4 If and when applicable to the particular federal funding and the Scope of Work under this Contract, **CONTRACTOR** and its subcontractors shall comply with: American Iron and Steel (AIS) provisions of P.L. 113- 76, Consolidated Appropriations Act, 2014, Section 1605 – Buy American (100% Domestic Content of iron, steel and manufactured goods); Federal Highway Administration (FHWA) 23 U.S.C. § 313 – Buy America, 23 C.F.R. §635.410 (100% Domestic Content of steel, iron and manufactured products); Federal Transit Administration (FTA) 49 U.S.C. § 5323(j), 49 C.F.R. Part 661 – Buy America Requirements (See 60% Domestic Content for buses and other Rolling Stock).

23. **LOBBYING:**

23.1 The parties agree, whether expressly prohibited by federal law, or otherwise, that no funding associated with this Contract will be used for any purpose associated with or related to lobbying or influencing or attempting to lobby or influence for any purpose the following:

23.1.1 Any federal, state, county or local agency, legislature, commission, council or board;

23.1.2 Any federal, state, county or local legislator, commission member, council member, board member, or other elected official; or

23.1.3 Any officer or employee of any federal, state, county or local agency; legislature, commission, council or board.

24. **GENERAL WARRANTY:**

CONSULTANT warrants that it will perform all SERVICES required hereunder in accordance with the prevailing standard of care by exercising the skill and care normally required of individuals performing the same or similar SERVICES, under the same or similar circumstances, in the State of Nevada.

25. **PROPER AUTHORITY:**

The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract. **CONSULTANT** acknowledges that this Contract is effective only after approval by the Carson City Board of Supervisors and only for the period of time specified in this Contract. Any SERVICES performed by **CONSULTANT** before this Contract is effective or after it ceases to be effective is performed at the sole risk of **CONSULTANT**.

26. **ALTERNATIVE DISPUTE RESOLUTION (Public Work):**

If the SERVICES under this Contract involve a “public work” as defined under NRS 338.010(17), then pursuant to NRS 338.150, a public body charged with the drafting of specifications for a public work shall include in the specifications a clause requiring the use of a method of alternative dispute resolution (“ADR”) before initiation of a judicial action if a dispute arising between the public body and the **CONSULTANT** engaged on the public work cannot otherwise be settled. Therefore, unless ADR is otherwise provided for by the parties in any other incorporated attachment to this Contract, in the event that a dispute arising between **CITY** and **CONSULTANT** regarding that public work cannot otherwise be settled, **CITY** and **CONSULTANT** agree that, before judicial action may be initiated, **CITY** and **CONSULTANT** will submit the dispute to non-binding mediation. **CITY** shall present **CONSULTANT** with a list of three potential mediators. **CONSULTANT** shall select one person to serve as the mediator from the list of potential mediators presented by **CITY**. The person selected as mediator shall determine the rules governing the mediation.

27. **GOVERNING LAW / JURISDICTION:**

This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada, without giving effect to any principle of conflict-of-law that would require the application of the law of any other jurisdiction. **CONSULTANT** consents and agrees to the jurisdiction of the courts of the State of Nevada located in Carson City, Nevada for enforcement of this Contract.

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.XXXX-XXX

Title: _____

28. ENTIRE CONTRACT AND MODIFICATION:

This Contract and its integrated attachment(s) constitute the entire Contract of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other Contracts that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto and approved by the Carson City Board of Supervisors. Conflicts in language between this Contract and any other agreement between CITY and CONSULTANT on this same matter shall be construed consistent with the terms of this Contract. The parties agree that each has had their respective counsel review this Contract which shall be construed as if it was jointly drafted.

**PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No.XXXX-XXX**

Title: _____

29. ACKNOWLEDGMENT AND EXECUTION:

This Contract may be executed in counterparts. The parties hereto have caused this Contract to be signed and intend to be legally bound thereby as follows:

CITY

Chief Financial Officer
Attn: Laura Tadman, Purchasing & Contracts Administrator
Purchasing and Contracts Department
201 North Carson Street, Suite 3
Carson City, Nevada 89701
Telephone: 775-283-7137
Fax: 775-887-2107
LTadman@carson.org

By: _____
Nancy Paulson, Chief Financial Officer

Dated _____

CITY'S LEGAL COUNSEL

Carson City District Attorney

I have reviewed this Contract and approve as to its legal form.

By: _____
Deputy District Attorney

Dated _____

CITY'S ORIGINATING DEPARTMENT
CONSULTANT will not be given authorization to begin work until this Contract has been signed by Purchasing and Contracts

BY: Laura Rader, CPPB

Account: XXX-XXXX-XXX.XX-XX
Project # XXXXXX

By: _____

Dated _____

PROJECT CONTACT PERSON:

XXXX, Project Manager
Telephone: 775-XXXXX

PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No.XXXX-XXX

Title: _____

Undersigned deposes and says under penalty of perjury: That he/she is **CONSULTANT** or authorized agent of **CONSULTANT**; that he/she has read the foregoing Contract; and that he/she understands the terms, conditions and requirements thereof.

CONSULTANT

BY: (Contact Person)

TITLE:

FIRM: (Company Name)

CARSON CITY BUSINESS LICENSE #: 17-

Address:

City: _____ **State:** _____ **Zip Code:** _____

Telephone: (XXX) 686-9590XXX-XXXX/ **Fax:** (XXX) XXX-XXXX

E-mail Address:

(Signature of Contractor)

DATED _____

STATE OF _____)

)ss

County of _____)

Signed and sworn (or affirmed before me on this _____ day of _____, 20__.

(Signature of Notary)

(Notary Stamp)

PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.XXXX-XXX

Title: _____

CONTRACT ACCEPTANCE AND EXECUTION:

The Board of Supervisors for Carson City, Nevada at their publicly noticed meeting of (Month) XX, 2017 approved the acceptance of the attached Contract hereinbefore identified as **CONTRACT No. 1415-XXX**. Further, the Board of Supervisors authorizes the Mayor of Carson City, Nevada to set his hand to this document and record his signature for the execution of this Contract in accordance with the action taken.

CARSON CITY, NEVADA

ROBERT L. CROWELL, MAYOR

DATED this XXth day of (Month) 2017.

ATTEST:

SUSAN MERRIWETHER, CLERK-RECORDER

DATED this XXth day of (Month), 2017.

**PROFESSIONAL SERVICES CONSULTANT AGREEMENT
Contract No.XXXX-XXX**

Title: _____

SAMPLE INVOICE

Invoice Number: _____

Invoice Date: _____

Invoice Period: _____

Vendor Number: _____

Invoice shall be submitted to:

Carson City Public Works
Attn: Karen White
3505 Butti Way
Carson City NV 89701

Line Item #	Description	Unit Cost	Units Completed	Total \$\$
Total for this invoice				

Original Contract Sum	\$ _____
Less amount previously billed	\$ _____
= contract sum prior to this invoice	\$ _____
Less this invoice	\$ _____
=Dollars remaining on Contract	\$ _____

ENCLOSE COPIES OF RECEIPTS & INVOICES FOR EXPENSES & OUTSIDE SERVICES

Attachment: 5B-9