

## MEMORANDUM

**TO:** Audit Committee

**THROUGH:** Ray Tulloch

**FROM:** Clifford F. Dobler

**SUBJECT:** Potential charge offs of capitalized costs incurred in the capital project #2599SS1102 - Wastewater Treatment Plant Improvements

**STRATEGIC  
PLAN REFERENCE(S):** None

**DATE:** 6-16-2022

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### **I. RECOMMENDATION**

Review, discuss and determine if action is necessary to expense costs that may have been incorrectly capitalized. This may also require identification of what level of asset componentization is being applied and too ensure consistency in this application.

### **II. BACKGROUND and ANALYSIS**

For the seven year period from 7-1-2014 to June 30, 2021, \$1,197,757 in costs were charged to the Wastewater Treatment Plant Improvements capital project #2599SS1102. Several outside design, IVGID engineering charges, IVGID work orders, and outside purchases and contracts were included.

It is unclear, if the charges were capitalized as one capital assets or capitalized as individual components of the Wastewater Treatment Plant.

#### **Probable Expense Items**

A portion of charges (\$179,461) by Jacobs Engineering Group may have been for concept or preliminary design. These type of charges would be expensed based on Moss Adams recommendations.

IVGID Engineering charges of \$74,950 should have been expensed based on Moss Adams recommendations.

There were 15 internal work orders for \$41,937 consisting of labor only and several may not have reached the capitalization thresholds or could have been for normal repairs. Several small purchases may have been materials for the work orders and should be combined with the labor cost to determine if capitalization thresholds were met.

### **Components subject to capitalization as separate components**

The vast majority of the remaining costs appear to be for a variety of items and should be capitalized as components.

### **Exhibits**

- A. List of Costs from 7-1-2015 to 6-30-2021
- B. Project Summary for 2020

### **III. BID RESULTS**

Not required

### **IV. FINANCIAL IMPACT AND BUDGET**

Possible necessity to record a prior period adjustment

### **V. ALTERNATIVES**

NONE

### **VI. COMMENTS**

NONE

### **VII. STRATEGIC PLAN REFERENCE(S)**

NONE

### **VIII. BUSINESS IMPACT**

Proper reporting to users of the CAFR insuring an accurate reflection of expenses for operations.

	From 07/01/2014 to 06/30/2021						
	2599SS1102 Wastewater Treatment Plant Improvements	<b>EXHIBIT A</b>					
<b>EFFECTIVE DAT</b>	<b>DESCRIPTION</b>	<b>VENDOR</b>	<b>VENDOR INVOICE#</b>	<b>PO</b>	<b>DEBIT</b>	<b>CREDIT</b>	<b>BALANCE</b>
	Capital Improvements						0.00
08/31/2014	I-393670-2W P-S004597 C-747560 CH2M H	Jacobs Engineering Group Inc			17,232.15		17,232.15
09/30/2014	I-PSI-13013 P-S004695 C-748168 Centris	Centrisys Corporation			31,855.00		49,087.15
09/30/2014	I-PSI-13014 P-S004695 C-748168 Centris	Centrisys Corporation			11,515.00		60,602.15
09/30/2014	I-4003109 P-S004597 C-748018 CH2M Hill	Jacobs Engineering Group Inc			7,409.80		68,011.95
10/31/2014	Rebuild and servicing of two solids dewa	Centrisys Corporation	PSI-13137	15-0029	20,110.00		88,121.95
10/31/2014	Rebuild and servicing of two solids dewa	Centrisys Corporation	PSI-13137	15-0029	12,455.60		100,577.55
10/31/2014	Rebuild and servicing of two solids dewa	Centrisys Corporation	PSI-13138	15-0029	3,334.79		103,912.34
10/31/2014	Rebuild and servicing of two solids dewa	Centrisys Corporation	PSI-13138	15-0029	3,140.21		107,052.55
11/13/2014	TO 15, WWTP 2W Pump Station & Headworks	Jacobs Engineering Group Inc	4004782	14-0028	5,613.80		112,666.35
11/25/2014	History PO # S004812 2nd pump overhaul a	Reed Electrical & Field Services	RJIR2386	15-0109	5,696.92		118,363.27
11/30/2014	TO 15, WWTP 2W Pump Station & Headworks	Jacobs Engineering Group Inc	4006452	14-0028	12,825.60		131,188.87
12/23/2014	Seal rebuild kit for 2nd WWTP pumpover	Nevada Seal & Pump	3476	15-0154	2,276.45		133,465.32
01/27/2015	TO 15, WWTP 2W Pump Station & Headworks	Jacobs Engineering Group Inc	4007925	14-0028	11,154.91		144,620.23
02/24/2015	TO 15, WWTP 2W Pump Station & Headworks	Jacobs Engineering Group Inc	4009830	14-0028	7,875.70		152,495.93
02/24/2015	HVAC replacement at WWTP.	CR Engineering	3002	15-0113	2,515.20		155,011.13
02/28/2015	TO 15, WWTP 2W Pump Station & Headworks	Jacobs Engineering Group Inc	4011152	14-0028	1,377.60		156,388.73
06/09/2015	Chesterton 442 split seal for pump rebui	Nevada Seal & Pump	3683	15-0310	4,332.71		160,721.44
06/23/2015	Two centrifugal water pumps.	MuniQuip, LLC	103173	15-0166	17,728.31		178,449.75
06/29/2015	Hotbox installation around domestic wate	Burt & Burt, Inc	5426	15-0329	199.00		178,648.75
06/29/2015	Change order -discovered non compliant p	Burt & Burt, Inc	5426	15-0329	534.00		179,182.75
06/29/2015	Change order -discovered non compliant p	Burt & Burt, Inc	5428	15-0329	166.00		179,348.75
06/30/2015	Pump and motor rebuild. CO approved to	Reed Electrical & Field Services	RJIR2651	15-0309	9,406.70		188,755.45
06/30/2015	Change order -discovered non compliant p	Burt & Burt, Inc	5429	15-0329	2,363.00		191,118.45
06/30/2015	Hotbox installation around domestic wate	Burt & Burt, Inc	5424	15-0329	5,550.00		196,668.45
06/30/2015	Hotbox installation around domestic wate	Burt & Burt, Inc	5422	15-0329	701.00		197,369.45
06/30/2015	Replace (3) garage door openers and (1)	Thompson Garage Doors	76926	15-0357	3,429.65		200,799.10
06/30/2015	Replace (3) garage door openers and (1)	Thompson Garage Doors	76924	15-0357	4,360.26		205,159.36
	<b>TOTAL</b>				<b>205,159.36</b>	<b>0.00</b>	<b>205,159.36</b>
					Balance	Forward	205,159.36
07/31/2015	Project 2599SS1102 - Removed & installed	Thompson Garage Doors	77803		3,653.29		208,812.65
11/30/2015	CIP Engineering Charges - November 2015				9,000.00		217,812.65
11/30/2015	CIP #2599SS1102 - TO 15.1, WWTP Headwork	Jacobs Engineering Group Inc	4024778	16-0044	29,994.91		247,807.56
12/31/2015	CIP Engineering Charges - December 2015				12,000.00		259,807.56
12/31/2015	2W Pump replacement project.	FARR Construction CORP Dba:Resource Developmer	122915	16-0096	53,100.00		312,907.56
12/31/2015	Change Order Misc Piping Change at 2nd F	FARR Construction CORP Dba:Resource Developmer	122915	16-0096	577.05		313,484.61
12/31/2015	Change Order Misc Piping Change at 3rd F	FARR Construction CORP Dba:Resource Developmer	122915	16-0096	743.10		314,227.71
01/31/2016	CIP #2599SS1102 - Rotary drum screen equ	Parkson Corp	AR1/51014197	16-0045	8,440.20		322,667.91
01/31/2016	CIP #2599SS1102 - W2 Building HVAC Renov	Mt. Rose Heating & Air Conditioning, Inc	112792	16-0095	7,000.00		329,667.91
01/31/2016	CIP #2599SS1102 - WWTP meter replacement	Siemens Industry, Inc	5600651823	16-0188	5,419.70		335,087.61
02/23/2016	3-mechanical seals for north aeration ba	Nevada Seal & Pump	NSP1706	16-0190	6,993.00		342,080.61
02/23/2016	3-mechanical seals for north aeration ba	Nevada Seal & Pump	NSP1706	16-0190	28.46		342,109.07
02/29/2016	CH Spencer& Co/Air Valve Actuator- TP 2599SS1102	????????????????????????????????			7,022.00		349,131.07
02/29/2016	CIP Work Order Charge - Work Order #5994				2,052.95		351,184.02
02/29/2016	CIP Engineering Charges - February 2016				7,000.00		358,184.02
02/29/2016	CIP #2599SS1102 - W2 Building HVAC Renov	Mt. Rose Heating & Air Conditioning, Inc	3927	16-0095	34,990.00		393,174.02
02/29/2016	Fronthead w/wear ring for WWTP north bas	JM Squared Equipment	116-7039	16-0209	18,900.00		412,074.02
02/29/2016	Freight	JM Squared Equipment	116-7039	16-0209	150.00		412,224.02
02/29/2016	CIP #2599SS1102 - volute gasket, P/N TAK	JM Squared Equipment	116-7039	16-0209	57.00		412,281.02

From 07/01/2014 to 06/30/2021									
	2599SS1102 Wastewater Treatment Plant Improvements	<b>EXHIBIT A</b>							
02/29/2016	CIP #2599SS1102 - Inlet flange gasket, P	JM Squared Equipment	116-7039	16-0209	187.50			412,468.52	
03/08/2016	CIP #2599SS1102 - FCA 10 DI 900	Western Nevada Supply	16545269		2,290.65			414,759.17	
03/31/2016	Work Order #5994: North basins rebuild 3 motors and recirculating pumps				8,058.08			422,817.25	
03/31/2016	MAR 2016 - in store chgs	Napa Sierra Nevada, Inc	MAR 2016 STMNT		5.02			422,822.27	
03/31/2016	MAR 2015 - in store chgs	Village Ace Hardware	1244-MAR 2016STMNT		83.66			422,905.93	
03/31/2016	MAR 2015 - in store chgs	Village Ace Hardware	1244-MAR 2016STMNT		48.40			422,954.33	
03/31/2016	CIP Engineering Charges - Estimates				10,000.00			432,954.33	
03/31/2016	Rotary drum screen equipment associated	Parkson Corp	AR1/51014880-1	16-0045	63,301.50			496,255.83	
03/31/2016	WWTP north basins: Rebuild three electri	Reed Electrical & Field Services	RJIR3070	16-0219	33,298.92			529,554.75	
04/12/2016	Project 2599SS1102 - materials	Western Nevada Supply	16580355		18.99			529,573.74	
04/19/2016	CIP #2599SS1102 - impact wrench	MSC Industrial Supply Co.	66492826		470.75			530,044.49	
04/26/2016	CIP 2599SS1102 - proto std imp socket se	MSC Industrial Supply Co.	C66499076		299.63			530,344.12	
04/29/2016	APR 2016 in-store chgs	Village Ace Hardware	244-APR 2016 STMNT		136.51			530,480.63	
04/30/2016	CIP Work Order Charges - April 2016				64,681.10			595,161.73	
04/30/2016	CIP Engineering Charges - April 2016				3,500.00			598,661.73	
04/30/2016	To correct JE 91432 Assume reversal of a portion of Work Order Charges -April 2016						61,924.52	536,737.21	
05/10/2016	Materials for Headworks Rehab Project.	Western Nevada Supply	16608884	16-0323	63.37			536,800.58	
05/10/2016	Materials for Headworks Rehab Project.	Western Nevada Supply	16608939	16-0323	801.68			537,602.26	
05/24/2016	Materials for Headworks Rehab Project.	Western Nevada Supply	16608883	16-0323	3,831.13			541,433.39	
05/24/2016	Materials for Headworks Rehab Project.	Western Nevada Supply	16608953	16-0323	7,824.30			549,257.69	
05/31/2016	CIP Engineering Charges - May 2016				12,000.00			561,257.69	
05/31/2016	TO 15, WWTP 2W Pump Station & Headworks	Jacobs Engineering Group Inc	4033645	14-0028	24,850.67			586,108.36	
06/07/2016	CIP Project 2599SS1102-Junc Box, overloa	Grainger, Inc.	9127092550		933.12			587,041.48	
06/07/2016	Materials for Headworks Rehab Project.	Western Nevada Supply	16608888	16-0323	9,566.00			596,607.48	
06/28/2016	TO 15.1, WWTP Headworks Rehab project. B	Jacobs Engineering Group Inc	4029341	16-0044	7,737.80			604,345.28	
06/30/2016	CIP Engineering Charges - June 2016				12,000.00			616,345.28	
06/30/2016	TO 15.1, WWTP Headworks Rehab project. B	Jacobs Engineering Group Inc	4035170	16-0044	5,414.30			621,759.58	
06/30/2016	Refurbished display panel for WWTP, per	Centrisys Corporation	PSI-16334	16-0399	6,641.15			626,400.73	
	<b>TOTAL</b>				<b>483,165.89</b>		<b>61,924.52</b>	<b>421,241.37</b>	
07/28/2016	Installation of rotary microscreen, Trea	FARR Construction CORP Db:Resource Developmer	16012-C	16-0317	90,300.00		Forward	626,400.73	
07/31/2016	CIP Engineering Charges - July 2016				4,000.00			720,700.73	
08/09/2016	Add'l work -Installation of rotary micro	FARR Construction CORP Db:Resource Developmer	08/04 16012-C	16-0317	8,834.79			729,535.52	
08/30/2016	CIP #2599SS1102- W2 Building HVAC Renova	Mt. Rose Heating & Air Conditioning, Inc	113047	16-0095	2,210.00			731,745.52	
08/30/2016	Add'l work -Installation of rotary micro	FARR Construction CORP Db:Resource Developmer	Aug 8 16012-C	16-0317	4,941.74			736,687.26	
08/30/2016	Add'l work -Installation of rotary micro	FARR Construction CORP Db:Resource Developmer	Aug 8 16012-C	16-0317			4,941.74	731,745.52	
08/30/2016	Add'l work -Installation of rotary micro	FARR Construction CORP Db:Resource Developmer	Aug 8 16012-C	16-0317	4,941.74			736,687.26	
09/27/2016	South aeration basin recirculating pumps	JM Squared Equipment	116-7110	17-0051	18,900.00			755,587.26	
09/27/2016	Volute gaskets.	JM Squared Equipment	116-7110	17-0051	57.00			755,644.26	
09/27/2016	Inlet flange gasket	JM Squared Equipment	116-7110	17-0051	187.50			755,831.76	
09/27/2016	Freight	JM Squared Equipment	116-7110	17-0051	150.00			755,981.76	
09/30/2016	Grating for influent channel walkway.	American Grating LLC	50130	17-0066	6,006.00			761,987.76	
09/30/2016	Freight	American Grating LLC	50130	17-0066	340.00			762,327.76	
10/25/2016	CIP 2599SS1102 - Materials	Western Nevada Supply	16805246		2,321.34			764,649.10	
10/25/2016	volute gasket	JM Squared Equipment	116-7122		111.13			764,760.23	
10/30/2016	CIP #2599SS1102 - WRRF: Modify basin wal	FARR Construction CORP Db:Resource Developmer	10-30-2016	16-0393	13,556.65			778,316.88	
11/08/2016	4x3x1/4 ALUM ANGLE	PDM Steel Service Centers, Inc	282193-01		356.92			778,673.80	
11/08/2016	CIP 2599SS1102 - combination wrenches	MSC Industrial Supply Co.	35968158		121.22			778,795.02	
11/08/2016	Mechanical seal for south basin aeration	Nevada Seal & Pump	NSP2092	17-0115	6,789.00			785,584.02	
11/08/2016	Freight	Nevada Seal & Pump	NSP2092	17-0115	26.48			785,610.50	
11/10/2016	Replace concrete slab in breezeway and u	Eric's Concrete Pavers, Inc	1396	17-0110	5,327.00			790,937.50	
11/29/2016	CIP #2599SS1102 - Rebuild south basin #1	Reed Electrical & Field Services	RJIR3406	17-0133	26,781.14			817,718.64	
11/30/2016	4x3x1/4 ALUM ANGLE	PDM Steel Service Centers, Inc	282085-01		178.28			817,896.92	

From 07/01/2014 to 06/30/2021							
	2599SS1102 Wastewater Treatment Plant Improvements	<b>EXHIBIT A</b>					
11/30/2016	CIP Work Order Charges - November 2016				606.84		818,503.76
11/30/2016	CIP Work Order Charges - November 2016				538.28		819,042.04
11/30/2016	NOV 2016 in store chgs	Village Ace Hardware	#4244 NOV 2016 chg		65.25		819,107.29
12/13/2016	Mixer for north aeration basin at the WR	Xylem Water Solutions	3556925087	16-0369	8,080.00		827,187.29
12/13/2016	Freight	Xylem Water Solutions	3556925087	16-0369	323.00		827,510.29
12/27/2016	Chesterton 442-30, 3.75in.SA RSC/RSC S F	Nevada Seal & Pump	NSP2156		4,163.31		831,673.60
12/31/2016	Accrue Village Ace Acct #4244 Dec 2016				89.04		831,762.64
01/01/2017	Accrue Village Ace Acct #4244 Dec 2016					89.04	831,673.60
01/17/2017	Dec 2016 - in-store chgs	Village Ace Hardware	#4244 - Dec 2016		98.79		831,772.39
02/28/2017	Rotary drum screen equipment associated	Parkson Corp	AR1-51014880-2	16-0045	12,660.30		844,432.69
02/28/2017	Rotary drum screen equipment associated	Parkson Corp	AR1-51014880-2	16-0045		12,660.30	831,772.39
02/28/2017	Rotary drum screen equipment associated	Parkson Corp	AR1-51014880-2	16-0045	12,660.30		844,432.69
	<b>TOTAL</b>				<b>235,723.04</b>	<b>17,691.08</b>	<b>218,031.96</b>
					Balance	Forward	844,432.69
03/17/2018	Sodium hypochlorite pumps for WRRF	G3 Engineering Inc.	2018-5654	18-0178	22,704.72		867,137.41
03/27/2018	expansion wedge anchor	Grainger, Inc.	9740649224		88.88		867,226.29
03/27/2018	ss angle type 304	PDM Steel Service Centers, Inc	336450-01		300.24		867,526.53
03/29/2018	channel, butterfly valve, spring nut, &	Grainger, Inc.	9742805121		1,781.32		869,307.85
03/31/2018	March 2018 In-Store Chgs - Acct# 4244	Village Ace Hardware	4244-MARCH 2018		31.00		869,338.85
04/03/2018	reducer bushings	Grainger, Inc.	9743177634		43.75		869,382.60
04/03/2018	pvc sockets, adapters, etc...	Grainger, Inc.	9746709261		1,547.99		870,930.59
04/03/2018	2 1/2 & 3 150# B&N sets	Western Nevada Supply	17379911		38.34		870,968.93
04/03/2018	pressure adapters & bushings	Grainger, Inc.	9746709279		208.64		871,177.57
04/03/2018	pressure adapters	Grainger, Inc.	9746803395		107.90		871,285.47
04/11/2018	ball valves	Grainger, Inc.	9754708486		821.15		872,106.62
04/18/2018	6 element static mixer	USABlueBook	548361		315.25		872,421.87
04/23/2018	pipe markers	Grainger, Inc.	9766213178		23.00		872,444.87
04/26/2018	pipe markers	Grainger, Inc.	9770923374		43.92		872,488.79
05/01/2018	hex cap screws & nuts, & washers	Grainger, Inc.	9774463054		97.05		872,585.84
05/02/2018	cplgs & adapters	Grainger, Inc.	9775723696		67.84		872,653.68
05/03/2018	pipe markers	Grainger, Inc.	9777377723		19.40		872,673.08
05/16/2018	channel spring nut & cap slip sockets	Grainger, Inc.	9790419908		181.97		872,855.05
05/21/2018	repair motor	Reed Electrical & Field Services	RJIR4095		1,411.10		874,266.15
05/22/2018	channel struts, dust caps, cpvb ball vlv	Grainger, Inc.	9795935262		872.31		875,138.46
05/22/2018	cpvc bv, union, sockets	Grainger, Inc.	9795942664		614.95		875,753.41
05/30/2018	dismantle, repair & remount motor	Reed Electrical & Field Services	RJIR4124		1,791.52		877,544.93
06/01/2018	Move CIP costs to correct GL Account	UNKNOWN transfer from another account.			28,150.00	????????	905,694.93
06/05/2018	50% Down Pmt WRRF Improvements Project;	L.A. Perks Plumbing & Heating, Inc.	855844	18-0361	15,972.00		921,666.93
06/18/2018	vinyl flooring installed @ PW	Simonian Flooring, Inc.	10268		2,688.75		924,355.68
	<b>TOTAL</b>				<b>79,922.99</b>	<b>0.00</b>	<b>79,922.99</b>
					Balance	Forward	924,355.68
07/30/2018	WRRF Improvements Project; day tank repl	L.A. Perks Plumbing & Heating, Inc.	856525	18-0361	540.92		924,896.60
08/01/2018	WRRF Improvements Project; day tank repl	L.A. Perks Plumbing & Heating, Inc.	856572	18-0361	416.34		925,312.94
09/11/2018	WRRF Improvements Project; two new contr	DO Supply, INC	8032	19-0078	7,780.00		933,092.94
09/30/2018	CIP Engineering Charges - September 2018				700.00		933,792.94
10/11/2018	WRRF Improvements Project; day tank repl	L.A. Perks Plumbing & Heating, Inc.	857628	18-0361	15,971.83		949,764.77
10/31/2018	CIP Work Order Charges - Oct 2018				315.99		950,080.76
11/30/2018	CIP Engineering Charges - November 2018				1,200.00		951,280.76
02/20/2019	WRRF Improvements; rotor and gaskets for the DWSP.	R-2 Engineering, Inc.	117681	19-0195	6,129.48		957,410.24
03/13/2019	motor replacement	Reed Electrical & Field Services	SJIR1026		2,041.69		959,451.93
05/07/2019	Centrisys Corporation - Vendor Invoice PSI-22431				25,731.15		985,183.08
05/07/2019	Centrisys Corporation - Vendor Invoice PSI-22431				3,824.90		989,007.98

From 07/01/2014 to 06/30/2021									
	2599SS1102 Wastewater Treatment Plant Improvements	<b>EXHIBIT A</b>							
05/07/2019	Centrisys Corporation - Vendor Invoice PSI-22431							5,215.77	994,223.75
05/31/2019	CIP Engineering Charges							1,600.00	995,823.75
06/14/2019	CIP#2599SS1102 ER7056 .035X 33 LB PK MIG WELDING WIRE SPOOL,	MSC Industrial Supply Co.	C23214981					957.36	996,781.11
06/17/2019	PARALLEL CABLE , FOR USE WITH 20KP49,PORTABLE GENERATOR,INVERTER,PURE SINE WAVE etc	Grainger, Inc.	9206596703					3,306.29	1,000,087.40
06/17/2019	252 AMP 200(208)/230V MILLERMATIC MIG WELDER	MSC Industrial Supply Co.	23214971					3,557.03	1,003,644.43
06/30/2019	Accrue PO 19-0315 GE Engineering for pol							39,500.00	1,043,144.43
06/30/2019	WRRF Improvements; Steamscrubber glassware washer, per Quote 142992.	USABlueBook	949773	19-0327				10,102.50	1,053,246.93
	<b>TOTAL</b>							<b>128,891.25</b>	<b>0.00</b>
									<b>128,891.25</b>
								Balance	Forward
									1,053,246.93
08/12/2019	Accrue PO 19-0315 GE Engineering for pol								39,500.00
08/12/2019	Polymer Feed System for the WRRF, per UGSI Quote 201903-22447-2. This equipment bid per NRS 332.	G3 Engineering Inc.	2019-6264	19-0315				39,500.00	1,053,246.93
08/27/2019	credit memo for packing slip #2321497, invoice 23214971	MSC Industrial Supply Co.	62943959						3,557.03
08/30/2019	252 AMP 200(208) /230V Millermatic MIG, replacement for invoice 23214971, CR 62943959	MSC Industrial Supply Co.	31577171					3,557.03	1,053,246.93
09/19/2019	COUPLING,CPVC,80,1-1/2 IN.,SLIP SOCKET	Grainger, Inc.	9298136848					63.90	1,053,310.83
09/19/2019	CPVC BV,UNION,SOCKET/FNPT,1-1/2"	Grainger, Inc.	9297873847					394.80	1,053,705.63
09/19/2019	1-1/2 CPVC 80 HOT WTR PIPE	Western Nevada Supply	18035777					227.60	1,053,933.23
09/30/2019	CIP Work Order Charges - September 2019							1,462.65	1,055,395.88
09/30/2019	MALE ADAPTER,1-1/2 IN.,235 PSI AT 73F,ELBOW, 45,CPVC,80,1-1/2 IN.,SLIP SOCKET,ELBOW, 90,CPVC,80,1-1/2 IN.,SLIP SOC	Grainger, Inc.	9309110949					316.48	1,055,712.36
09/30/2019	CIP Engineering Charges - Sept. 2019							1,000.00	1,056,712.36
10/08/2019	parts for CIP 2599SS1102 (SPEA 1 MA ADPT CPVC 80,SPEA 1 S CPVC 80 45 ELL,SPEA 1 S CPVC 80 90 ELL,CPVC 80 HOT WTR	Western Nevada Supply	18060733					544.23	1,057,256.59
10/09/2019	CIP 2599SS1102 - 1 CPVC 80 HOT WTR PIPE	Western Nevada Supply	18063327					67.80	1,057,324.39
10/11/2019	SPEA 1-1/2 X 3/4 S CPVC 80 BUSH,SPEA 3/4 S CPVC 80 T,ASAH 3/4 1072 OMNI CPVC 80 S BALL VLV	Western Nevada Supply	18067206					305.82	1,057,630.21
10/31/2019	MALE ADAPTER,3/4 IN,NIPPLE,THREADED AT BOTH ENDS	Grainger, Inc.	9341524388					16.29	1,057,646.50
10/31/2019	Acct 4244 -October 2019 In-Store Chgs	Village Ace Hardware	4244-October 2019					45.39	1,057,691.89
10/31/2019	CIP Work Order Charges - October 2019							10,251.11	1,067,943.00
11/01/2019	NIPPLE,THREADED AT BOTH ENDS	Grainger, Inc.	9341804822					12.63	1,067,955.63
11/01/2019	Project #2599SS1102 -ASAH 3/4 T21 1609 CPVC 80 TU E BALL VLV,SPEA 3/4 S CPVC 80 T,SPEA 3/4 FA CPVC 80 ADPT,SPEA 1-1/2 X 1 S CPVC 80 BUSH,SPEA 1-1/2 S CPVC 80 CPLG,1-1/2 CPVC 80 HOT WTR PIPE	Western Nevada Supply	18093599					926.38	1,068,882.01
11/14/2019	3/4" SPEARS MFG CPVC,3/4 X 1/2MXF CPVC SCH 80 BUSHING	MSC Industrial Supply Co.	73788411					39.60	1,068,921.61
11/14/2019	SPEA 3/4 S CPVC 80 90 ELL,SPEA 3/4 S CPVC 80 45 ELL,ASAH 3/4 T21 1609 CPVC 80 TU E BALL VLV	Western Nevada Supply	18112009					307.60	1,069,229.21
11/18/2019	SPEA 3/4 X 1/2 TXT CPVC 80 BUSH,SPEA 3/4 S CPVC 80 CPLG	Western Nevada Supply	18112011					30.62	1,069,259.83
11/20/2019	CIP 2599SS1102 POST BASE,6 IN,SILVER	Grainger, Inc.	9363270621					382.40	1,069,642.23
11/20/2019	SPEA 1-1/2 S CPVC 80 CPLG	Western Nevada Supply	18119314					30.80	1,069,673.03
11/30/2019	CIP Work Order Charges - November 2019							8,064.68	1,077,737.71
12/03/2019	SMBL 317 SDL NYL 4.74-5.63 X 3/4, LF 3/4 MIP X MIP CORP STP, 6 300 1/8T BG L441 FF GSKT	Western Nevada Supply	18130548					262.29	1,078,000.00
12/04/2019	HHCS,5/8-11X2-1/2,STEEL,GR 5,ZP,PK5	Grainger, Inc.	9375685113					20.16	1,078,020.16
12/04/2019	HEX NUTS,HHCS & Threaded Rod/materials	Grainger, Inc.	9375726149					135.40	1,078,155.56
12/05/2019	4 150 1/8T BG L441 FF GSKT, 3 150 1/8T BG L441 FF GSKT	Western Nevada Supply	18132582					76.60	1,078,232.16
12/09/2019	PEC-04 F1-CI-NBR/NBR-GE w/HWGPPEC,4,F1,CI,NBR,NBR,GE-S30SC0*GS-6-HD8	Frank A. Olsen Company LLC	243997					2,023.27	1,080,255.43
12/10/2019	HHCS,5/8-11X2-1/2,STEEL,GR 5,ZP,PK5	Grainger, Inc.	9380739772					15.12	1,080,270.55
12/10/2019	HEX NUT,5/8-11,GR 5,ZP,PK25, HHCS,5/8-11X3,STEEL,GR 5,ZP,PK5	Grainger, Inc.	9381277988					32.50	1,080,303.05
12/31/2019	CIP Work Order Charges - December 2019							1,279.63	1,081,582.68
12/31/2019	CIP Work Order Charges - December 2019							692.57	1,082,275.25
01/03/2020	CIP 2599SS1102-Electromagnetic flowmeter	Seco Controls LLC	143021					2,402.99	1,084,678.24
01/08/2020	THREADED ROD,316 SS,5/8-11X6 FT, HREADED ROD,18-8 SS,3/4-10X6 FTT, HHCS,3/4-10X2-1/2,STEEL,GR 5,ZP,PK5	Grainger, Inc.	9404629561					100.41	1,084,778.65
01/31/2020	CIP Work Order Charges - January 2020							4,090.48	1,088,869.13
02/24/2020	CIP #2599SS1102 ABB "MINI-MAG" FEM300 ELECTROMAGNETIC FLOWMETER,WAFER-STYLE, INTEGRAL TRANSMITTER	Seco Controls LLC	143099					2,578.47	1,091,447.60
06/22/2020	TRIPP PDU BASIC 120V 15A 5-15R 5-15PManufacturer Part Number: PDU1215	CDW Government, Inc.	ZFJ6841					81.49	1,091,529.09
06/23/2020	APC SMART UPS X 3000VA RT 100-127VSerial No: SAS2006254802Manufacturer Part Number: SMX3000RMLV2UNC	CDW Government, Inc.	ZFP2382					1,999.14	1,093,528.23
06/26/2020	PROLINE 1000BASE-SX EXTENDED MMFMManufacturer Part Number: SFP-MX-CDW	CDW Government, Inc.	ZGG0841					203.58	1,093,731.81
06/26/2020	WRRF Network Security Computer Hardware	Dell Marketing LP C/O Dell USA L.P.	10402887375	20-0284				4,182.11	1,097,913.92
	<b>TOTAL</b>							<b>87,724.02</b>	<b>43,057.03</b>
									<b>44,666.99</b>

From 07/01/2014 to 06/30/2021									
2599SS1102 Wastewater Treatment Plant Improvements		<b>EXHIBIT A</b>							
						Balance		Forward	
07/20/2020	Badger Meter Item: 100-0164 M2-100-R1-A-SAK-S-XXGF-STD	Badger Meter, Inc.	1377464			3,922.00		1,101,835.92	
07/20/2020	WRRF Improvements Project; 2 new sludge level indicators.	Hach Co.	12044680	21-0033		7,368.40		1,109,204.32	
07/25/2020	WRRF Network Security Server Hardware	Dell Marketing LP C/O Dell USA L.P.	10410795539	20-0283		5,358.64		1,114,562.96	
07/27/2020	10 MEGA FLG ADPT, 10 X 1/8 FF SPPCO FLG GSKT 150	Western Nevada Supply	18419783			567.31		1,115,130.27	
08/14/2020	WRRF Network Hardware	SHI International Corp.	B12139080	20-0291		612.18		1,115,742.45	
08/21/2020	WRRF Network Hardware	SHI International Corp.	B12175991	20-0291		6,771.98		1,122,514.43	
08/27/2020	FASTENAL COMPANY 01NVCARHardware for WRRF maga meter installation CIP 2599SS1102					171.27		1,122,685.70	
08/27/2020	FASTENAL COMPANY 01NVMINHardware for WRRF mag meter installation CIP 2599SS1102					25.44		1,122,711.14	
08/31/2020	PO WRRF08312020 ( Microsoft Windows Server 2019 Standard License, WinSvrCal 2019 SNGL MVL USRCAL 2019 Windows	SHI International Corp.	B12229037			1,991.37		1,124,702.51	
09/14/2020	WRRF Improvements; DWSP Pump #1 replacement.	Liberty Process Equipment, INC	0084286-IN	21-0066		6,746.18		1,131,448.69	
09/15/2020	HHCS,5/8-11X2-1/2,STEEL,GR 2,ZP,PK5, HHCS,3/4-10X3,STEEL,GR 5,ZP,PK5, BATTERY,D,PREMIUM,1.5VDC,PK12	Grainger, Inc.	9653485921			123.76		1,131,572.45	
09/15/2020	VMware vSphere Essentials Kit subscription and license	SHI International Corp.	B12282760			753.48		1,132,325.93	
09/16/2020	3 150 1/8T BG L441 FF GSKT, 4 150 1/8T BG L441 FF GSKT, 8 150 1/8T BG L441 FF GSKT	Western Nevada Supply	18489350			399.77		1,132,725.70	
09/16/2020	4" DeZurik Model PEC Eccentric Plug Valve, 6" DeZurik Model PEC Eccentric Plug Valve	Frank A. Olsen Company LLC	245636			2,076.52		1,134,802.22	
09/23/2020	WRRF Network Hardware	SHI International Corp.	B12327647	20-0291		4,845.60		1,139,647.82	
10/01/2020	3 VICT E GSKT FOR 77 07 997 GREEN	Western Nevada Supply	18509259			24.79		1,139,672.61	
10/02/2020	WRRF Facility Improvements project; Network security upgrades per TO 35.	Jacobs Engineering Group Inc	D3404100 -01	20-0280		15,993.66		1,155,666.27	
10/05/2020	INSTALLED STANDARD RAIN GUTTERS @ 1250 SweetwaterRd	Dunn Rite Inc	16035			2,056.00		1,157,722.27	
10/07/2020	Veeam bck & rpl vul sub 1yr upfront billing	???????????????				1,066.67		1,158,788.94	
10/14/2020	6" DeZurik Model PEC Eccentric Plug Valve Cast Iron Body, Flanged ANSI 125/150 Ends	Frank A. Olsen Company LLC	245818			1,256.06		1,160,045.00	
10/21/2020	HHCS,3/4-10X3,STEEL,GR 5,ZP,PK5, HEX NUT,3/4-10,GR 5,ZP,PK20	Grainger, Inc.	9692402473			67.88		1,160,112.88	
10/22/2020	FCA 6 DI, 6 150 1/8T BG L441 FF GSKT	Western Nevada Supply	18538969			373.32		1,160,486.20	
10/23/2020	CUSTOM SHAFT HEAD	Liberty Process Equipment, INC	0084827-IN			445.66		1,160,931.86	
10/30/2020	ESET Endpoint Protection Advanced	SHI International Corp.	B12527789			535.40		1,161,467.26	
10/31/2020	CIP Work Order Charges - October 2020					304.53		1,161,771.79	
11/01/2020	TIMING BELT	Applied Industrial Technology	7019969305			267.66		1,162,039.45	
11/04/2020	STANDON C9206 6 FC SS SUPPORT	Western Nevada Supply	18540547			1,030.89		1,163,070.34	
11/27/2020	WRRF Facility Improvements project; Network security upgrades per TO 35.	Jacobs Engineering Group Inc	D3404100 -02	20-0280		31,973.21		1,195,043.55	
11/30/2020	CIP Work Order Charges - November 2020					106.51		1,195,150.06	
11/30/2020	CIP Work Order Charges - November 2020					1,336.03		1,196,486.09	
12/04/2020	CONDUIT 3/4-IN GALV STEEL, APP NTC-75 3/4 IN CONN NO THR, APP T75-M 3/4 T UNILET FORM 3	Rexel USA, Inc DBA Platt Electric Supply	1B49840			365.82		1,196,851.91	
02/01/2021	Tax - items send to consultant in CA	SHI International Corp.	B12175991 TAX			490.97		1,197,342.88	
02/01/2021	Tax - items send to consultant in CA	SHI International Corp.	B12185589 TAX			9.10		1,197,351.98	
02/01/2021	Tax - items send to consultant in CA	SHI International Corp.	B12139080 TAX			44.38		1,197,396.36	
04/30/2021	CIP Engineering Charges - April 2021					250.00		1,197,646.36	
05/30/2021	WRRF Network Hardware	SHI International Corp.	B12185589	20-0291		2,416.92		1,200,063.28	
06/30/2021	To expense CIP Cost to Operating Assume Rain Gutters above							2,306.00	1,197,757.28
<b>TOTAL</b>						<b>102,149.36</b>		<b>2,306.00</b>	<b>99,843.36</b>
<b>GRAND TOTAL</b>						<b>1,424,386.60</b>		<b>226,629.32</b>	<b>1,197,757.28</b>

	<u>Jacobs</u>	<u>Engineer</u>	<u>Work Order</u>
	17,232		
	7,410		
	5,619		
	12,826		
	11,154		
	7,876		
	1,378		
	63,495	-	-
	<u>Jacobs</u>	<u>Engineer</u>	<u>Work Order</u>
		9,000	
	29,996		
		12,000	
			2,052
		7,000	







		1,600	
	-	4,200	316
	<u>Jacobs</u>	<u>Engineer</u>	<u>Work Order</u>
			1,463
		1,000	
			10,251
			8,085
			1,280
			693
			4,090
	-	1,000	25,862



## EXHIBIT B



### Project Summary

<b>Project Number:</b>	2599SS1102
<b>Title:</b>	Water Resource Recovery Facility Improvements
<b>Project Type:</b>	E - Capital Maintenance
<b>Division:</b>	99 - General Administration - Sewer
<b>Budget Year:</b>	2020
<b>Finance Option:</b>	
<b>Asset Type:</b>	SS - Sewer System
<b>Active:</b>	Yes

#### Project Description

The District's water resource recovery facility (WRRF) treats all of the raw sewage from the communities of Incline Village and Crystal Bay. The original treatment plant was built in 1962 and went through many upgrades as the community grew in size. The current plant configuration is largely the same from the major renovation in 1992 that replaced most equipment and processes. The plant is rated to treat 2.14 MGD by the State of Nevada. The plant has preliminary treatment, aeration, sedimentation, disinfection and solids dewatering processes to treat the raw sewage. Each of these processes consist of electrical, mechanical, instrumentation, and communication equipment. The plant also has odor control, chemical storage, fuel storage, overflow ponds, effluent storage reservoir, emergency generator, and other miscellaneous structures. Future years include the develop, design and construction of odor control upgrades.

#### Project Internal Staff

Staff selects, purchases and installs small equipment projects. Larger replacement projects are bid to outside contractors.

#### Project Justification

The majority of equipment and processes at the WRRF are 20 years old. The WRRF has sufficient capacity and redundancy that has kept the operating hours low for a number of pieces of equipment. Some equipment is run 24/7 necessitating frequent replacement. The forecast is staff's projection of the needed equipment replacement. It is planned to replace the potable water system, pump and motor installs, meters and sensors and to upgrade servers, firewalls, and other network equipment.

<b>Forecast</b>				
<b>Budget Year</b>	<b>Total Expense</b>	<b>Total Revenue</b>	<b>Difference</b>	
2020				
Equipment improvements	15,000	0	15,000	
Mechanical Systems, sensors & meters	35,000	0	35,000	
SCADA, Network and Server Enhancements	50,000	0	50,000	
Year Total	100,000	0	100,000	
2021				
Equipment improvements	75,000	0	75,000	
Year Total	75,000	0	75,000	
2022				
Equipment improvements	75,000	0	75,000	
Year Total	75,000	0	75,000	
2023				
Equipment improvements	75,000	0	75,000	
Odor Control Predesign	25,000	0	25,000	
Year Total	100,000	0	100,000	
2024				
Equipment improvements	75,000	0	75,000	
Odor Control Design	100,000	0	100,000	
Year Total	175,000	0	175,000	
2025				
Equipment improvements	100,000	0	100,000	
Odor Control Construction	500,000	0	500,000	
Year Total	600,000	0	600,000	
2026				
Emergency generator replacement	300,000	0	300,000	
Equipment improvements	100,000	0	100,000	
Year Total	400,000	0	400,000	
2027				
Equipment improvements	100,000	0	100,000	
Year Total	100,000	0	100,000	
2028				
Equipment improvements	100,000	0	100,000	
Year Total	100,000	0	100,000	
	<b>1,725,000</b>	<b>0</b>	<b>1,725,000</b>	
<b>Year Identified</b>	<b>Start Date</b>	<b>Est. Completion Date</b>	<b>Manager</b>	<b>Project Partner</b>
2012	Jul 1, 2019	Jun 30, 2020	Utility Superintendent	