



STAFF REPORT

TO: Chairman and Board Members
FROM: Mark Foree, General Manager
DATE: August 12, 2013
SUBJECT: **General Manager's Report**

Attached please find the written reports from the Management team including the Operations Report (*Attachment A*), the Customer Services Report (*Attachment B*), and the Water Resource and the Annexation Activity Report (*Attachment C*) and the Web Usage and Social Media Report (*Attachment D*).

Also included in your agenda packet are press clippings from June 12, 2013 through August 14, 2013.

Last month the Tahoe Pyramid Bikeway entered a MOU with NV Energy for Bikeway use across Farad Hydro Plant property currently owned by NV Energy. Per TMWA's Asset Purchase Agreement with Sierra Pacific Power Co. (now NV Energy), the Farad property is to be transferred to TMWA upon occurrence of certain conditions including reconstruction of the dam. Because of this, TMWA staff was asked to review, provide input to and ultimately consent to the MOU. All TMWA staff comments were incorporated into the MOU and the execution copy is attached.

Also attached is email correspondence from a customer who feels that TMWA's water main construction project on Plumb Lane has adversely impacted his fence and landscaping. TMWA is continuing to work with our contractor and this customer to make sure these issues are resolved appropriately. The customer requested that this information be provided to the Board of Directors.

I am very pleased to report that the Hydro Crew has once again broken the all-time record for both generation and revenue in a fiscal year. The generation total was 52,056,000 kwh, breaking last year's record by just 72,000 kwh. The revenue total was \$3,558,000 which broke last year's record by \$38,000. Congratulations to the Hydro Crew for this outstanding accomplishment!



STAFF REPORT

TO: Board of Directors
THRU: Mark Foree, General Manager
FROM: Scott Estes
BY: Bill Hauck
DATE: August 12, 2013
SUBJECT: **Operations Report for August 2013 Board Meeting**

(A) Water Supply

Truckee River Flows - Truckee River flow at the CA/NV state line is 500 cubic feet per second (cfs) at the moment. This is the normal Floriston Rate flow for this time of year. The vast majority of water in the river right now is being released from upstream reservoirs as natural runoff in the Truckee River has fallen off substantially. About 84% of the Floriston Rate water reaching the CA/NV State line is coming from Lake Tahoe (340 cfs) and the rest from Boca Reservoir (80 cfs). We should continue to have full Truckee River flows for the remainder of 2013.

Reservoir Storage - Upstream reservoir storage is now less than half full. The elevation of Lake Tahoe is 6225.50 feet which equates to a storage volume of 304,000 acre-feet (AF) or 41% of maximum storage capacity. Boca Reservoir is about $\frac{3}{4}$ full with approximately 30,950 acre-feet of water in storage at the moment. It is 74% of its maximum capacity. Combined, Floriston Rate water storage is approximately 333,950 AF or 43% of maximum storage capacity. Donner Lake storage is currently 8,400 AF or 88% of maximum capacity. Independence Lake storage is currently 16,080 AF which is 92% of its maximum storage capacity (17,500 AF). Prosser Reservoir storage is currently 10,400 AF which is 35% of its maximum storage capacity. Stampede Reservoir's storage is currently at 130,500 AF which is 58% of its maximum capacity.

Outlook - Despite back to back dry winters and the resulting below average streamflow runoff we have experienced in the Truckee River and Lake Tahoe basins, TMWA has enough carry-over storage in Tahoe to make it through the rest of 2013. We will not be operating any differently than we normally do in order to meet customer demand. The Truckee River will flow normally for the rest of the year. Unfortunately, since Lake Tahoe and Boca Reservoir are being relied upon so heavily this summer to make Floriston Rates, they will be very low by the end of December. Assuming normal hydrology from this point forward, the elevation of Lake

Tahoe will be approximately ½ foot or so above the natural rim. Tahoe has once again proven to be invaluable as far as this community's water supply is concerned.

(B) Water Production

Demand - Water demands averaged 106 MGD last week reflecting just about average conditions for this time of year. Through August 11, 2013 TMWA water demands were just slightly less than 2012 (99.3%) through the same point in time. The Chalk Bluff Treatment plant fed by the Highland Canal, along with the Glendale Water Treatment Plant and a series of production wells located throughout TMWA's service territory are on-line in order to meet customer demand.

(C) Hydro Production

Generation - Average Truckee River flow at Farad was 513 cubic feet per second (cfs) during the month of July. A total of 4,115 MW hours were generated. This yielded combined hydropower revenues from the three power plants of \$282,886 for the month or an average of \$9,125/day. Generation at the Washoe plant averaged \$2,140/day. Generation at the Verdi plant averaged \$3,551/day, and the Fleish plant averaged \$3,434/day. The long range generation outlook still remains good as we anticipate having full Truckee River flows through 2013. Assuming normal hydrologic conditions for the rest of the year, reduced flows of 300 cubic feet per second during the months of November and December are still projected to occur. This will negatively impact hydro generation, but is still more than enough water to keep the plants on-line and operational. If the hydrologic patterns shift and we experience a wet fall, then it is possible that Truckee River flows could be higher and TMWA's hydro generation opportunities enhanced.

Because the July TMWA Board meeting was cancelled, there has not been an opportunity to officially report the record hydro generation for FY 2013 which ended on June 30, 2013. This is the second year in a row that new records for generation and hydro revenue have been set. The back-to-back records can be attributed to the expert operation of the plants, excellent maintenance and repair, ice fighting to maintain generation through the cold winter months and the winter of 2011 which ensured normal river flows throughout the two year period. The annual totals for FY's 2012 and 2013 are as follows:

FY	Generation (MWH)	Revenue (\$\$)
2012	51,984	\$3,519,896
2013	52,056	\$3,557,985



STAFF REPORT

TO: Chairman and Board Members
THRU: Mark Foree, General Manager
FROM: Kim Mazeres, Customer Relations Director
DATE: August 12, 2012
SUBJECT: **Customer Service Report**

The following is a summary of Customer Service activity since the June Board meeting.

Ombudsman

There were no calls to the Ombudsman in June and five (5) calls in July. They included: one from the City of Reno regarding graffiti on our building in Idlewild Park; a plumber who was calling in a possible water leak; a landlord who wanted to know if his tenant had put the water service in their name; a customer with a question about her bill; and, a customer who wanted to put water service in to her name. All calls were handled satisfactorily, except the customer who had a question about her bill – that customer did not return Joanne’s call.

Communications

Since the May Board meeting there were media articles and stories on: the Tahoe Pyramid Bikeway, with the opening of trail and the suspension bridge upriver of our Fleisch Power Plant; the award from the American Society of Civil Engineers for the Glendale Water Supply Improvement Project; information about for our Tree Care Program, which is funded by Landscape Retrofit money; information about upcoming workshops and tours; information about street closures and/or work due to water line replacements; information about I-580 revegetation watering; several letters to the editor on conservation and growth (one of which was contacted by us for follow-up); and, recognition of the Truckee River Fund’s participation in KTMB’s Great Community Clean-up. Additionally, TMWA’s water quality has been a subject of discussion on various social media sites, due to a re-circulation of a previous article about the incorrect Environmental Working Group ranking of our water quality.

Three (3) workshops were held in June and July, including: sprinkler maintenance, attended by 37 customers; drip system maintenance, attended by 28 customers; and, a Hug High Garden tour/workshop, attended by 25 customers. TMWA had a booth at the “X Night” at the Nevada Museum of Art in both June and July – in June we featured tree care and in July we featured conservation. Two TMWA employees participated in a panel discussion to the Sunrise Sustainable Resources Group on water supply and conservation. One (1) tour of the Chalk Bluff Plant was given to a group of middle and high schoolers.

Variances

There are currently 78 active watering day variances: 48 in Reno, 27 in Sparks and 3 in Washoe County. Thus far this year we have granted 324 variances for changing watering days, planting new sod, bringing back dying landscape, etc.

Customer Calls – June & July

- 18,223 phone calls handled
- Average handling time of 4 minutes, 9 seconds a call
- Average speed of answer – 24 seconds

On a related, and very positive note, our outsourcer has begun hiring work-at-home Call Center agents here in the Reno area. Two new agents in the area began their training today, and will be on the phones taking calls from our customers no later than September 3rd.

Billing – June and July

- 189,736 bills issued
- 443 (.2%) corrected bills

Service Orders – June and July

- 14,746 service orders taken
- 8,070 (55%) move-ins / move-outs
- 1,718 (12%) new meter sets and meter/register/ERT exchanges and equipment checks
- 1,375 (9%) cut-out-for-non-payment and cut-in after receiving payments, including deposits and checks for tamper
- 983 (7%) re-read meters
- 877 (6%) zero consumption meter checks
- 516 (4%) problems / emergencies, including cut-out for customer repairs, dirty water, no water, leaks, pressure complaints, safety issues, installing water meter blankets, etc.
- 365 (3%) various collection actions, including hanging 48-hour notices for elderly and disabled customers, returned mail and/or unpaid deposits, and handling of additional deposits
- 279 (2%) high-bill complaints / audit and water usage review requests
- 151 (1%) meter retrofit, including billing and non-billing meter sets, requests to go to the metered rate and mandatory conversions to the metered rate for new tenants

Remittance – June and July

- 67,653 mail-in payments
- 34,538 electronically via Check-Free
- 27,527 payments via RapidPay (EFT)
- 19,495 one-time bank account payments
- 9,865 store payments
- 7,283 payments via drop box or at front desk
- 3,674 credit card payments

Collections – June and July

- 28,282 accounts received a late charge
- Mailed 13,743 10-day delinquent notices, 7.3% of accounts 187,989
- Mailed 2,677 48-hour delinquent notices, 1.4% of accounts
- 331 accounts eligible for disconnect
- 351 accounts actually disconnected (includes accounts re-cut out because of bouncing a check to be reconnected from previous disconnection for non-payment)
- 0.16% write-off to revenue

New business / New Construction – June and July

- 28 active jobs currently in process
- Nearly \$613,000 in new business fees/facility charges collected

Meter Statistics – Fiscal Year to Date (thru July)

- 0 meter retrofits completed
- 54 meter exchanges completed
- 58 new business meter sets completed
- 93,856 total meters installed (billing and non-billing)
- 4,853 total non-billing meters currently installed
- 278 meters yet to be installed on flat-rate accounts



STAFF REPORT

TO: Chairman and Board Members
THRU: Mark Foree, General Manager
FROM: John Erwin, Natural Resources
DATE: 12 August 2013
SUBJECT: Report Water Resource and Annexation Activity

RULE 7

Rule 7 water resource purchases and will-serve commitment sales against purchased water resources through this reporting period:

Beginning Balance		7,815.42 AF
Purchases of water rights	0.00 AF	
Refunds	0.00 AF	
Sales	8.36 AF	
Adjustment	0.00 AF	
Ending Balance		7,807.06 AF
Price per acre foot at report date:		\$7,660

ANNEXATIONS

No annexations to report.

STAFF REPORT – Web & Social Media

TO: Chairman and Board Members
THRU: Mark Foree, General Manager
FROM: Robert Charpentier
DATE: August 12, 2013
SUBJECT: July 2013 Web Report-www.tmwa.com and additional TMWA websites

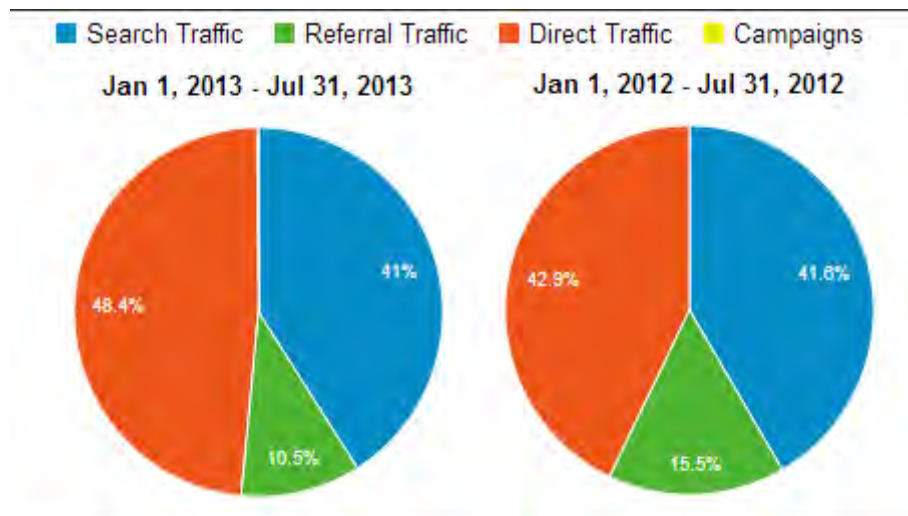
tmwa.com — January-July, 2013 Website Overview

In the first seven months of calendar year 2013, the TMWA website has seen a steady increase in traffic over the same period in 2012. Visitor numbers have ticked up nearly 14% — from 176,204 to 200,404. Of this number, 56% were returning visitors and 44% came to tmwa.com for the first time ever (this split is consistent with previous months). The average visit duration remained at a little over two minutes, with the majority of visitors focused on employment, contact information, and payment information.

Though the total number of pages visited on tmwa.com dropped by 9%, the bounce rate fell by 45% and the average visit duration increased by 20%. These results indicate that tmwa.com's visitors are having greater success at finding what they are looking for on our site with a minimum number of clicks.

Traffic to tmwa.com is coming from the following sources:

The decline in Referral Traffic in favor of Direct Traffic may indicate that users are more familiar with tmwa.com and how to find it on the Web.



Top Content for Jan-May 2013 Period

The most visited pages on tmwa.com (listed below) are similar to those on many corporate and organizational websites; 'home,' 'employment' and 'contact us' pages nearly always rank at the top. An ongoing review of session paths and exit pages will be conducted to identify opportunities to improve the navigation, structure and content on the tmwa.com site.

Rank	Page	Pageviews	%Pageviews
1.....	Homepage	158,177.....	48%
2.....	Employment.....	24,959.....	8%
3.....	Contact Us.....	19,967.....	6%
4.....	Residential/Payment Options.....	16,400.....	5%
5.....	Customer Service/Residential.....	10,032.....	3%

Website Update and Consolidation Project

Assessment work on an updated tmwa.com website has begun in the form of stakeholder meetings to review and update the 2012 discovery process that assessed TMWA's changing Web needs. Additionally, a review of potential content management systems was conducted and a solution established in WordPress, which is widely supported by multiple vendors and offers the functionality and flexibility that will be required by TMWA in its next-generation site. The next step is to conduct a cost-benefit analysis to determine if TMWA's current or near-future needs justify development at this time.

Jan-May 2013, Web & Social Media Report

The monthly web Board reports focus on traffic and usage trends at www.tmwa.com; however, there are several other TMWA-managed websites that are now tracked and reported. Social media has continued to gain ground and is incorporated within several of the additional websites.

TMWA Social Media



Currently TMWA has **779 Twitter followers** and **256 Facebook fans**. There is a current Twitter feed on the *tmwa.com* homepage that is updated daily to reflect current topics. Social media: The analytics for both *tmwa.com* as well as Truckee Meadows Community Forestry Coalition indicate a growing trend in social media and its value. Social media will be incorporated in the overall strategy of consolidation for all these websites. Interactions with followers on Facebook increased over this time period.



TMWA's YouTube Channel: <http://www.youtube.com/user/truckeemeadowswater>

The "TMWA at Work" video series now has six videos on YouTube:

- Ice Fighting: <http://www.youtube.com/watch?v=2n0IT9aRmp4> and
- Highland Canal Improvement Project: <http://www.youtube.com/watch?v=6q-Y87YB-uM>
- Water Main Repair on Haskell St.: <http://www.youtube.com/watch?v=5n516dIn4yE>
- Idlewild Pump Station Improvements: <http://www.youtube.com/watch?v=8YZZ8Zzm6sc>
- Steamboat Spillway, Flume Repair: http://www.youtube.com/watch?v=g_nCxXRfEgw
- Fleish 'Railcar Bridge'
<http://www.youtube.com/watch?v=K77IOsexcDQ&feature=youtu.be>

Pending informational videos include:

- Slipline water main installation
- Independence Lake Infrastructure Improvements
- Hydro Power Overview
- How to Read Your Meter

The idea behind the "TMWA at Work" videos is to inform our customers about the various projects in progress and demonstrate TMWA's expertise in planning and executing plant operations and infrastructure improvements. Given TMWA's excellent track record in both these categories, these videos should provide valuable reinforcement of our key value proposition: "*Quality. Delivered.*"

TMWA also manages the following informational websites:

- www.communityforestry.org:
- www.howdoyousave.org:
- www.tmwastorage.com:
- www.tmwaacademy.com:
- www.tmwalandscapguide.com:
- www.truckeeriverfund.org:

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**MEMORANDUM OF UNDERSTANDING
AMONG
TAHOE PYRAMID BIKEWAY AND
SIERRA PACIFIC POWER COMPANY D/B/A NV ENERGY
REGARDING THE FARAD HYDROELECTRIC FACILITY PROPERTY**

This MEMORANDUM OF UNDERSTANDING (“MOU”) is hereby entered into by and between the Tahoe-Pyramid Bikeway, a Nevada nonprofit corporation (“TPB”), and Sierra Pacific Power Company d/b/a NV Energy, a Nevada corporation (“NV Energy”), and is acknowledged and consented to by Truckee Meadows Water Authority, a Joint Powers Authority created pursuant to Nevada Revised Statutes Chapter 277, among the Cities of Sparks and Reno, and County of Washoe, Nevada (“TMWA”). TPB and NV Energy are individually referred to herein as “Party” and collectively as “Parties.”

RECITALS

- A. TPB is a Nevada nonprofit corporation formed in part for the purpose of constructing and maintaining a bikeway for public use that will connect Lake Tahoe to Pyramid Lake (the “Tahoe-Pyramid Bikeway”).
- B. NV Energy is a company incorporated under the laws of the State of Nevada, a wholly-owned subsidiary of NV Energy, Inc., a holding company incorporated under the laws of the State of Nevada, and a “public utility” as that term is defined and used in Chapter 704 of the Nevada Revised Statutes. NV Energy provides retail electric service to the public in northern Nevada and natural gas service to the public in Washoe County, Nevada.
- C. TPB desires to utilize for the Tahoe Pyramid Bikeway a section of the Truckee River Canyon with existing roadways and facilities on property owned by NV Energy in Nevada County, California on which is located NV Energy’s Farad Hydroelectric Facility (the “Farad Property”) including access across a proposed ramp over the penstocks through which water is delivered to the powerhouse or an alternative route around or over the Farad Hydroelectric Facility.
- D. The Farad Hydroelectric Facility is composed of a powerhouse, generators, penstocks, forebay structure, substation, and related appurtenant equipment.
- E. The Farad Property is owned by NV Energy, and is under contract to be transferred to the Truckee Meadows Water Authority (“TMWA”) upon satisfaction or occurrence of conditions and subject to other terms, conditions, rights and obligations not related to this MOU.
- F. NV Energy is willing to grant limited public access across portions of the Farad Property subject to the terms of this MOU.

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G. TMWA consents to NV Energy entering this MOU and acknowledges that TMWA and the Farad Property will be subject to the terms of this MOU at such time as TMWA becomes the owner of the Farad Property.

A. PURPOSE AND OBJECTIVE OF MOU

1. Purpose of MOU. The purpose of this MOU is to formalize a cooperative relationship between TPB and NV Energy for the purpose of creating and maintaining a public recreational trail (the "Bike Trail") that crosses the Farad Property. Specifically, the Bike Trail will cross property owned by NV Energy on which the Farad Hydroelectric Facility is located, as shown on the map attached hereto and incorporated herein as "**Exhibit A**".
2. Objective of MOU. The objective of this MOU is to set forth the expectations and responsibilities of each Party hereto regarding access to, construction of, and maintenance of the Bike Trail so that it can be used by the public for recreational purposes.

B. GRANT OF RIGHT OF ACCESS TO FARAD PROPERTY

1. Public Access Right. NV Energy agrees to grant a limited right of access to the public ("Access Right") across a portion of the Farad Property, as shown on **Exhibit A**. NV Energy will provide this access through a revocable license for permission to pass. The Parties agree that this Access Right conveys no property right to TPB or the public.
2. Designation of Public Access Area. The Bike Trail will consist, in part, of an existing dirt road, referred to herein as the "Shared-Use Road" and, in part, of a path, including a method of access around or over the Farad Hydroelectric Facility, to be constructed by TPB which shall be exclusively for Bike Trail use, referred to herein as the "Non-motorized Path." **Exhibit A** delineates those segments of the Bike Trail that are Shared-Use Road and those segments that are Non-motorized Path. The Access Right is limited to such designated segments, and nothing in this MOU shall be construed to grant a right of access to any other portion of the Farad Property or the property of third parties. Any unauthorized public use of any portions of the Farad Property outside the designated Bike Trail, or of NV Energy facilities, will be considered by NV Energy to constitute a trespass, and NV Energy retains all rights to seek any and all available remedies against any trespassers and to revoke the Access Right if it deems appropriate. The Parties may by mutual agreement redesignate segments of the Bike Path from Shared-Use Road to Non-motorized Path and from Non-motorized Path to Shared-Use Road.

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3. Permitted Uses. Except for limited authorized construction and maintenance activities undertaken by TPB as set forth in Paragraph B.4 of this MOU, the Access Right is limited exclusively to recreational use of the Bike Trail by pedestrians and non-motorized vehicles (bicycles, strollers, etc.). Overnight camping, fires, firearm use, hunting, and equestrian uses are expressly prohibited.
4. TPB Access for Construction and Maintenance. NV Energy conveys permission to TPB to access the Farad Property, including property outside the Bike Trail, to the extent reasonable and necessary for the purpose of construction and maintenance of the Non-motorized Path and to perform clean-up of the Bike Trail pursuant to D.3 of this MOU. The Bike Trail shall be no more than twenty-five (25) feet wide.

C. EFFECTIVE DATE AND TERM

1. Effective Date. This MOU shall become effective upon the last date of approval by all Parties and shall remain in effect until terminated pursuant to the provisions of this MOU.
2. Termination. Either Party may terminate this MOU by giving ninety (90) days written notice to the other Party.

D. RESPONSIBILITIES OF NV ENERGY

Pursuant to this MOU, NV Energy agrees to:

1. Keep Bike Trail Open. NV Energy will use reasonable efforts to keep the Bike Trail open for non-motorized recreational use but reserves the right to close the Bike Trail to such use if it deems necessary to protect public safety or prevent against legal liability. Absent the existence of an emergency that requires NV Energy to immediately close the Bike Trail to the public, NV Energy agrees to provide TPB with reasonable notice of any such closure and, consistent with the purpose of this MOU, work with TPB to develop a solution that avoids the need for Bike Trail closure, if possible.
2. Install Security Fencing. At the time that construction is initiated on the facilities that will provide Bike Path access around or over the Hydroelectric Facility and prior to the opening of the Bike Trail to the public, NV Energy may install additional security fencing and gates as necessary to maintain the current level of security, the cost of which shall be paid for by TPB pursuant to Paragraph E.2 of this MOU, that NV

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Energy reasonably determines, after consultation with TPB, to be necessary to protect equipment and the public, however, such cost responsibility shall be limited to security fencing around the Farad Hydroelectric Facility. The Parties may mutually agree to have a third party install the security fencing and gates determined by NV Energy to be necessary pursuant to this paragraph.

3. Signage. NV Energy will place directional, cautionary and other signs on the Farad Property (the cost of which shall be paid for by TPB to the extent provided in Paragraph E.2 of this MOU), along, adjacent to, and in the vicinity of the Bike Trail at such locations that NV Energy determines are necessary for the safe and functional use of the Bike Trail for public recreation, to warn users of the Bike Trail of potential dangers on the Farad Property, and to minimize NV Energy's potential legal liability, provided that TPB may, in its sole discretion, install any requested signs using TPB volunteers. The content, appearance and location of each sign shall be within NV Energy's reasonable discretion; however, NV Energy shall consult with TPB on the content and placement of all signs. The Parties may mutually agree to have TPB or a third party install the signage determined by NV Energy to be necessary pursuant to this paragraph.
4. General Maintenance of the Shared-use Road. NV Energy shall be responsible for general repair, maintenance and weed abatement within and adjacent to the Shared-use Road, in the manner and to the standards that NV Energy historically has maintained the road, including but not limited to, reasonable upkeep of any road tread, including repair of washouts if necessary; and maintaining functionality of drainage facilities, such as appropriate gradient and culverts. Nothing in this MOU shall be construed to require NV Energy to undertake such activities as snow and debris removal that it would not normally undertake for its own use of the Shared-use Road.

E. RESPONSIBILITIES OF TPB

Pursuant to this MOU, TPB agrees to:

1. Construction of the Non-motorized Path. TPB may construct, at its sole cost and expense, the Non-motorized Path in a manner that TPB determines will support bicycle and pedestrian use. In constructing the trail near the Farad powerhouse it is anticipated that rockery work and erection of access around or over the Farad Hydroelectric Facility will be required, the design and implementation of which shall be subject to NV Energy's approval, which approval shall not be unreasonably withheld. TPB shall keep NV Energy reasonably informed if, and as, its design of facilities progresses, shall submit its design and plans for such work to NV

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Energy for approval, and shall provide NV Energy written notice thirty (30) days prior to initiation of construction.

2. Fencing and Signage. TPB agrees to pay for: 1) materials and labor for construction of additional security fencing and gates around the Farad Hydroelectric Facility that NV Energy reasonably determines, after consultation with TPB, to be necessary to protect equipment and the public pursuant to Paragraph D.2 of this MOU; 2) repairs to any security fencing or gates that are installed pursuant to this MOU, where such repairs are necessitated by the activity of Bike Trail users; and 3) signs that NV Energy determines are needed pursuant to Paragraph D.3 of this MOU. Appropriate security fencing must be installed prior to initiation of work on the facilities that are installed to provide access around or over the Farad Hydroelectric Facility.
3. Clean-up of Bike Trail. Once the Bike Trail is open to the public, TPB shall provide litter control and clean-up of the Bike Trail associated with public access, including trash pickup, sign repair/replacement, graffiti removal, and periodic inspection. TPB will perform its clean-up responsibilities with the assistance of volunteers or otherwise at TPB's expense.
4. Bike Trail Repair, Maintenance and Weed Abatement. TPB shall provide for and be solely responsible for the repair, maintenance, and weed abatement within the Non-motorized Path, including the access around or over the Farad Hydroelectric Facility.
5. Liability Waiver. To the extent that TPB uses volunteer assistance for the purpose of carrying out its responsibilities under this MOU, TPB shall require volunteers to sign a liability waiver that completely absolves TPB and NV Energy from any liability that might arise from such activities on the Bike Trail or adjacent private lands owned by NV Energy. Said liability waiver must be approved by NV Energy prior to signing by any individuals.
6. TPB Notice to NV Energy. TPB agrees to notify NV Energy in writing at least thirty (30) business days in advance of any activities that will require access outside the Bike Trail, including any construction activities, and shall provide copies of any and all required permit approvals associated with proposed construction, a description of any motorized equipment to be used and specific identification of persons requiring such access. Such access will be subject to NV Energy's written consent, which consent will not be unreasonably withheld. Regardless of construction permit conditions, TPB agrees to implement reasonable Best Management Practices during and after construction to safeguard water quality and to stabilize soil conditions to control erosion. TPB agrees to rehabilitate and return all disturbed areas to pre-construction conditions or better.

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7. Closure for Construction and Maintenance Work. Construction or rehabilitation of many of the facilities on the Farad property will be necessary on an ongoing basis in order to restore and maintain the operability of the hydroelectric plant and will require the Bike Path to be closed for extended periods of time and may require the TPB installed facilities to be removed while work is being done. When construction or maintenance work requires the removal of TPB installed facilities, TBP shall be solely responsible for, and neither NV Energy nor its successor will be responsible for, the cost of removing, replacing, repairing or reinstalling any facilities installed and owned by TPB. Absent the existence of an emergency that requires the immediate removal of TPB installed facilities, NV Energy agrees to provide TPB with reasonable notice of any construction or maintenance work that requires removal of TPB installed facilities and, consistent with the purpose of this MOU, cooperate with TPB in TPB's removal of the facilities.
8. Temporary Revocation of Access for Public Safety. Notwithstanding the consent of NV Energy to limited public access pursuant to this MOU, the Parties acknowledge that temporary revocation or restriction of the Access Right may be necessary from time to time to protect public health and safety. Circumstances that may require such restriction or revocation of the Access Right include but are not limited to NV Energy construction, repair or maintenance activities in connection with the Farad Property, persistent and uncorrected abuses by the public including acts of vandalism or trespass on the Farad Property, hazardous or unsafe conditions that threaten public safety, or emergencies creating hazardous conditions including but not limited to such events such as landslides or floods. Except for emergency conditions, in the event any Party wishes to restrict or revoke the public's right of access, such Party agrees to notify the other Party in writing of the reason for the restriction, the area affected, and the proposed duration of the restriction. Unless the other Party objects to the restriction within five business days of receipt of the notice, the reason for the restriction will be presumed valid and the notifying Party may proceed to erect signs or barriers as necessary to notify the public of the restriction. In the event a notified Party objects to the proposed restriction, it shall notify the Party proposing the restriction of its objection no later than five business days following receipt of the notice, and in that event shall meet and confer with the other Party to attempt to determine a course of action satisfactory to both Parties. During emergency conditions that may require restriction of public access to protect the public, any Party without notice to the other Parties has the right, but not the obligation, to erect signs or barriers as necessary to restrict access for the duration of the emergency.
9. Indemnity and Insurance: TPB agrees to indemnify, defend and hold harmless NV Energy from and against any and all claims of third parties

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arising or relating to the public use of the Bike Trail. During the term of this MOU, TPB agrees to carry a \$1,000,000 per occurrence liability insurance policy covering the Bike Trail activities contemplated herein. TPB shall furnish NV Energy with a policy or certificate of liability insurance in which NV Energy is named as an additional insured, including its officers, agents, and assigns. Such policy or certificate shall bear a thirty day written notice of cancellation to the certificate holder. TPB shall require any contractors engaged by TPB in connection with work performed under this MOU to carry a \$1,000,000 per occurrence liability insurance policy, and to furnish NV Energy with a policy or certificate of liability insurance in which NV Energy is named as an additional insured, including its officers, agents, and assigns. Such policy or certificate shall bear a thirty day written notice of cancellation to the certificate holder

F. MUTUAL AGREEMENTS OF THE PARTIES

1. Safety and Security. TPB acknowledges that NV Energy shall not provide safety and security services for the use of the Bike Trail and adjacent portions of the Farad Property by members of the public.
2. Use of Own Resources. The Parties shall manage their own activities and utilize their own resources, including the expenditure of their own funds and staff time, in pursuing the responsibilities set forth in this MOU. However, each Party shall carry out its separate activities and responsibilities in a mutually beneficial manner consistent with the purpose and objectives of this MOU.
3. Communication. The Parties shall endeavor to regularly communicate with one another regarding the Parties' fulfillment of their responsibilities under this MOU, including but not limited to, the identification of any existing or potential problems associated with public use of the Bike Trail and the development of mutually-acceptable resolutions to such problems. Notices and other communications pertaining to this MOU shall be provided as follows:

If to Tahoe Pyramid Bikeway:

If to NV Energy

Janet Phillips, President
 Tahoe Pyramid Bikeway
 4790 Caughlin Parkway, #138
 Reno, NV 89519
 (775) 825-9868

Manager, Property Services
 NV Energy
 6100 Neil Road
 Reno, NV 89511
 (775) 834-4567

EXECUTION COPY

4. No Consideration. The Parties enter into this MOU with the understanding and belief that the limitations on liability contained in the provisions of California's Recreational Use Statute, California Civil Code Section 846, apply to the recreational activities for which the Bike Trail will be open to the public. The Parties agree that they shall not solicit or accept consideration for the recreational use of the Bike Trail described herein.
5. Access to Third Party Property. TPB shall be solely responsible for securing permission to cross property of third parties as necessary to access the Bike Trail, including any costs associated with securing such access. Nothing in this MOU shall be construed as any representation by NV Energy concerning right of access across such properties, and TPB acknowledges that the Access Right granted by this MOU is not intended to create any rights on behalf of TPB or the public that do not otherwise exist in the property of third parties.
6. Transfer of MOU on Transfer of Farad Property. Should NV Energy transfer ownership of the Farad Property, this MOU shall be binding on the successor owner of the Farad Property and all rights and obligations under this MOU shall transfer to such successor owner.
7. Transfer of MOU on Dissolution of TPB. Should TPB dissolve or no longer exist, the rights and obligations associated with this MOU shall transfer to its successor, the identity of which shall, if possible, be provided to NV Energy prior to TPB's dissolution. Should TPB designate a successor prior to its dissolution, NVE has the right to approve the designated successor as a party to this MOU, to ensure it will assume and honor the responsibilities of TPB under this MOU. NVE consent to the designated successor shall not be unreasonably withheld. Should TPB dissolve without a legally constituted successor, NVE may terminate this MOU.

EXECUTION COPY

IN WITNESS HEREOF, the Parties have caused their duly authorized representatives to execute this MOU as follows:

TAHOE-PYRAMID BIKEWAY

**SIERRA PACIFIC POWER
COMPANY D/B/A NV ENERGY**

By: *Janet R. Phillips*
Janet Phillips
President
4790 Caughlin Parkway, #138
Reno, NV 89519

By: *Mary Simmons*
Mary Simmons
Vice President, External Strategy
6100 Neil Road
Reno, NV 89511

Dated: 7/25/13

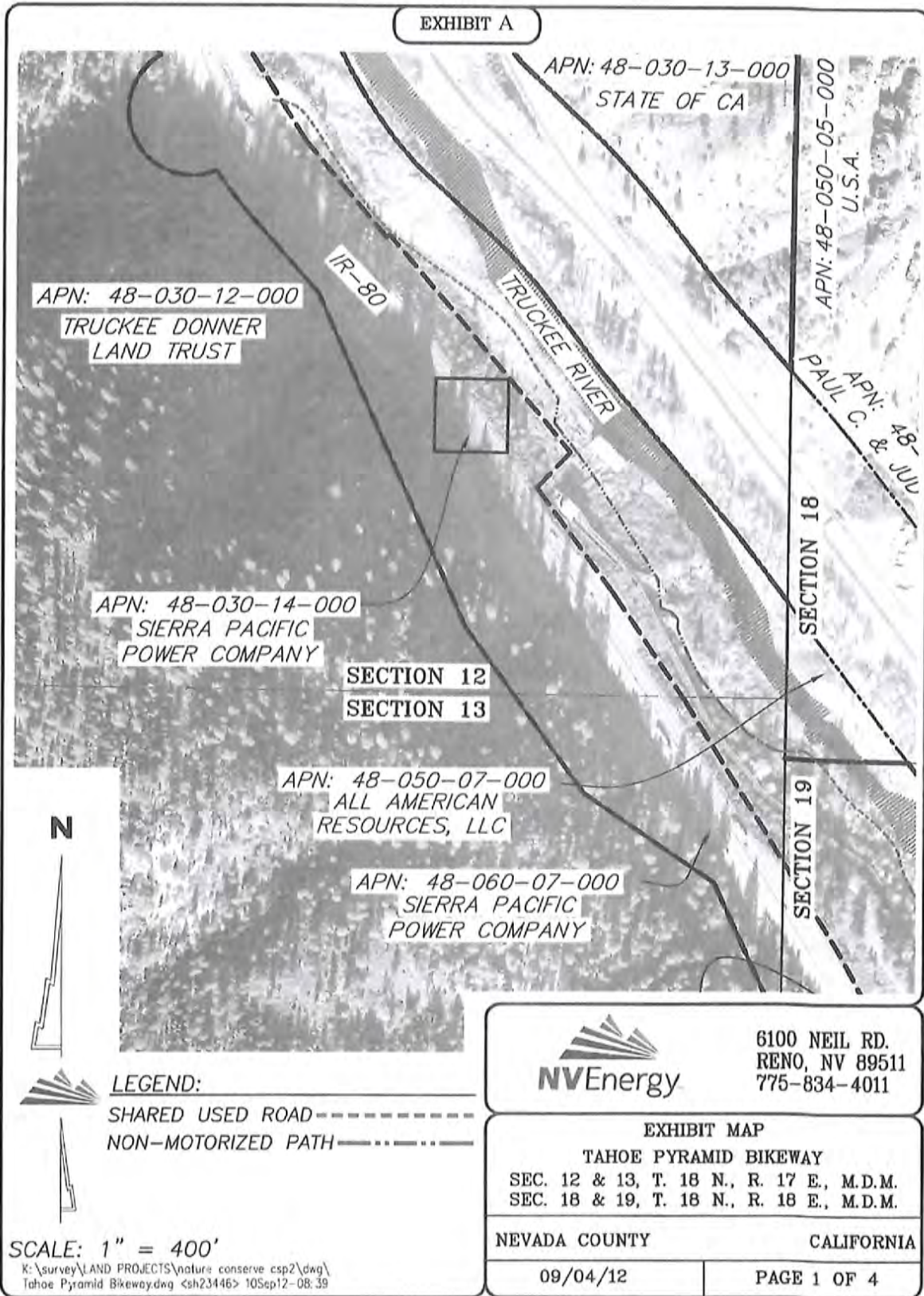
Dated: 7/25/13

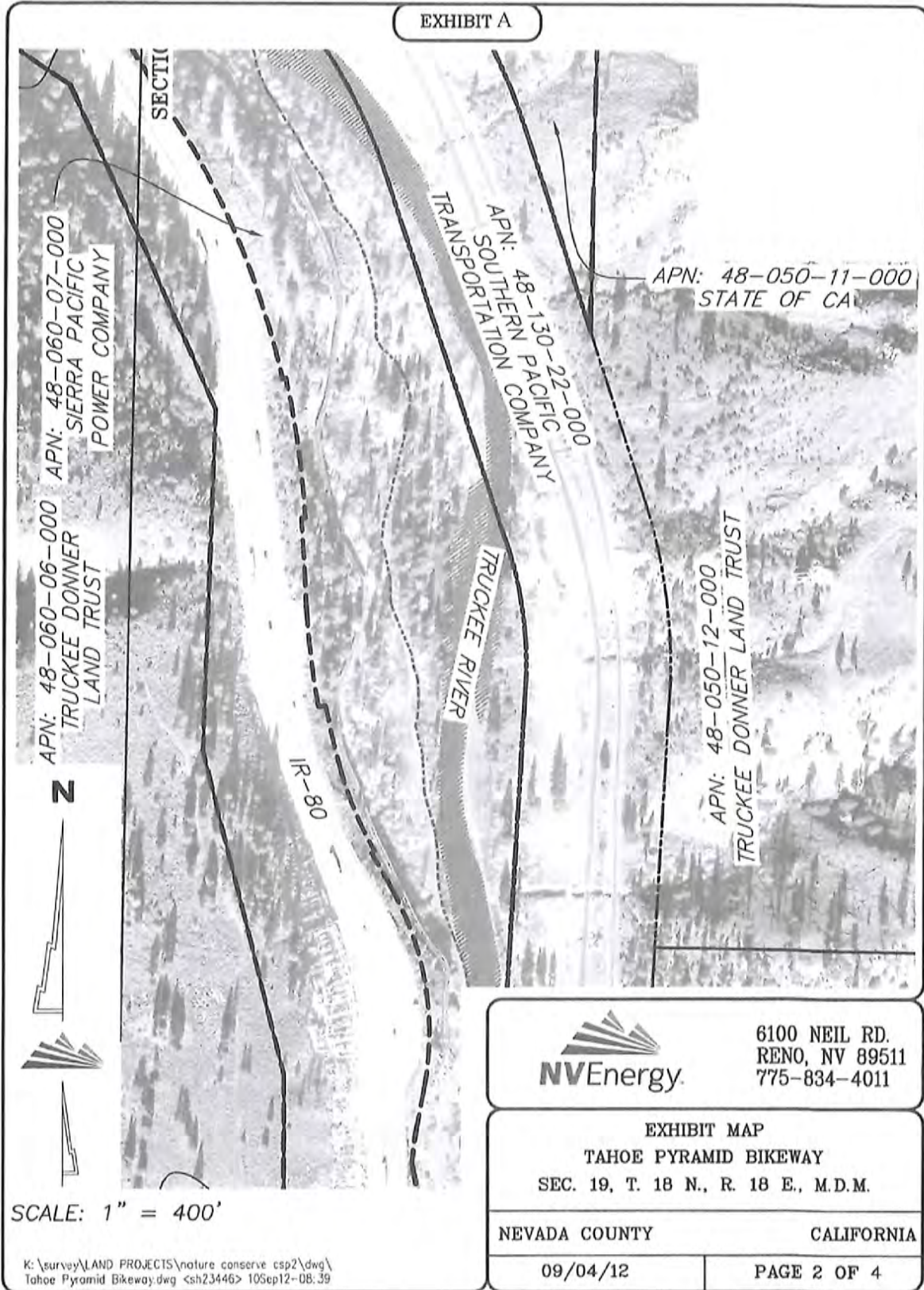
Reviewed and consented to:

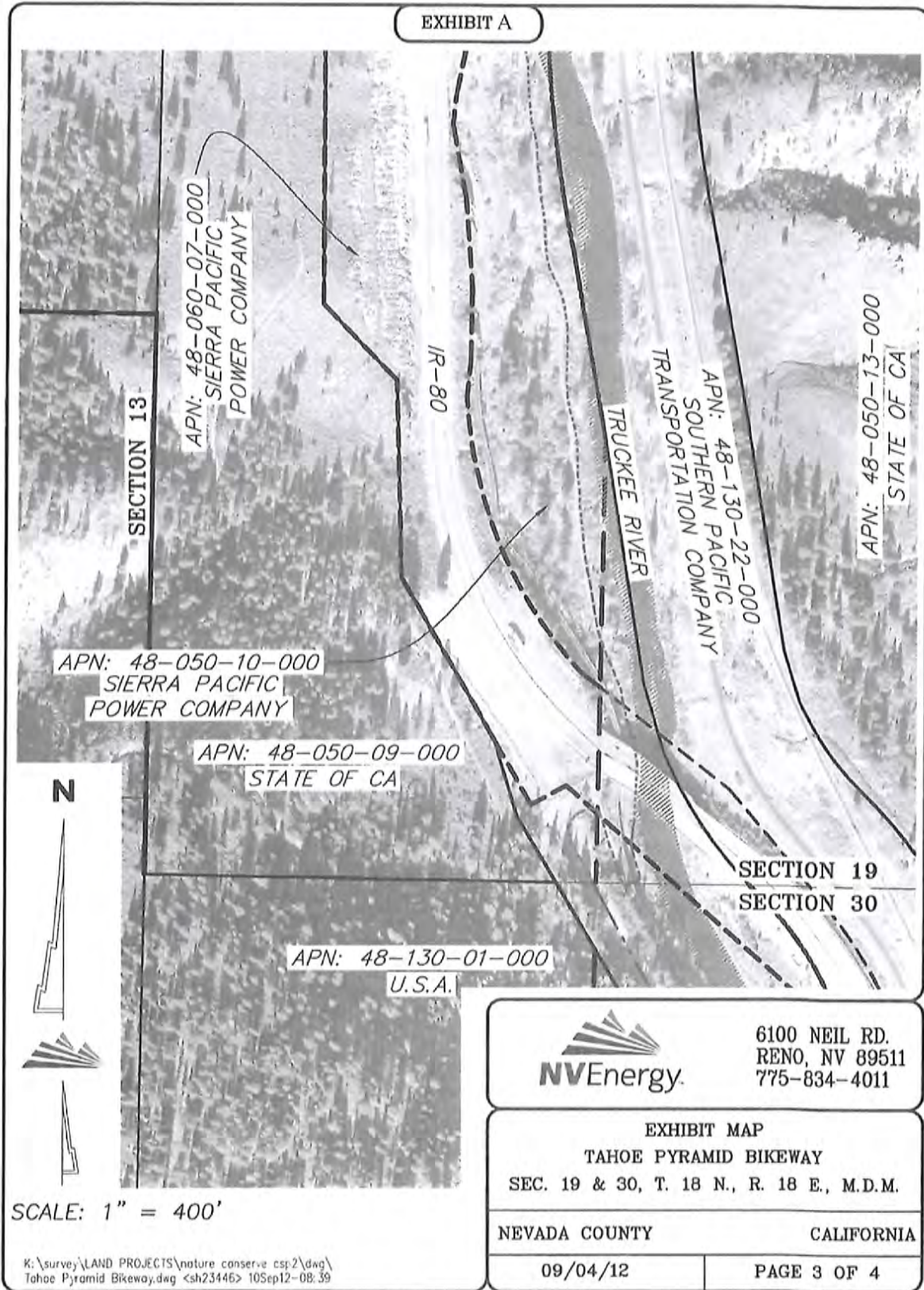
TRUCKEE MEADOWS WATER AUTHORITY

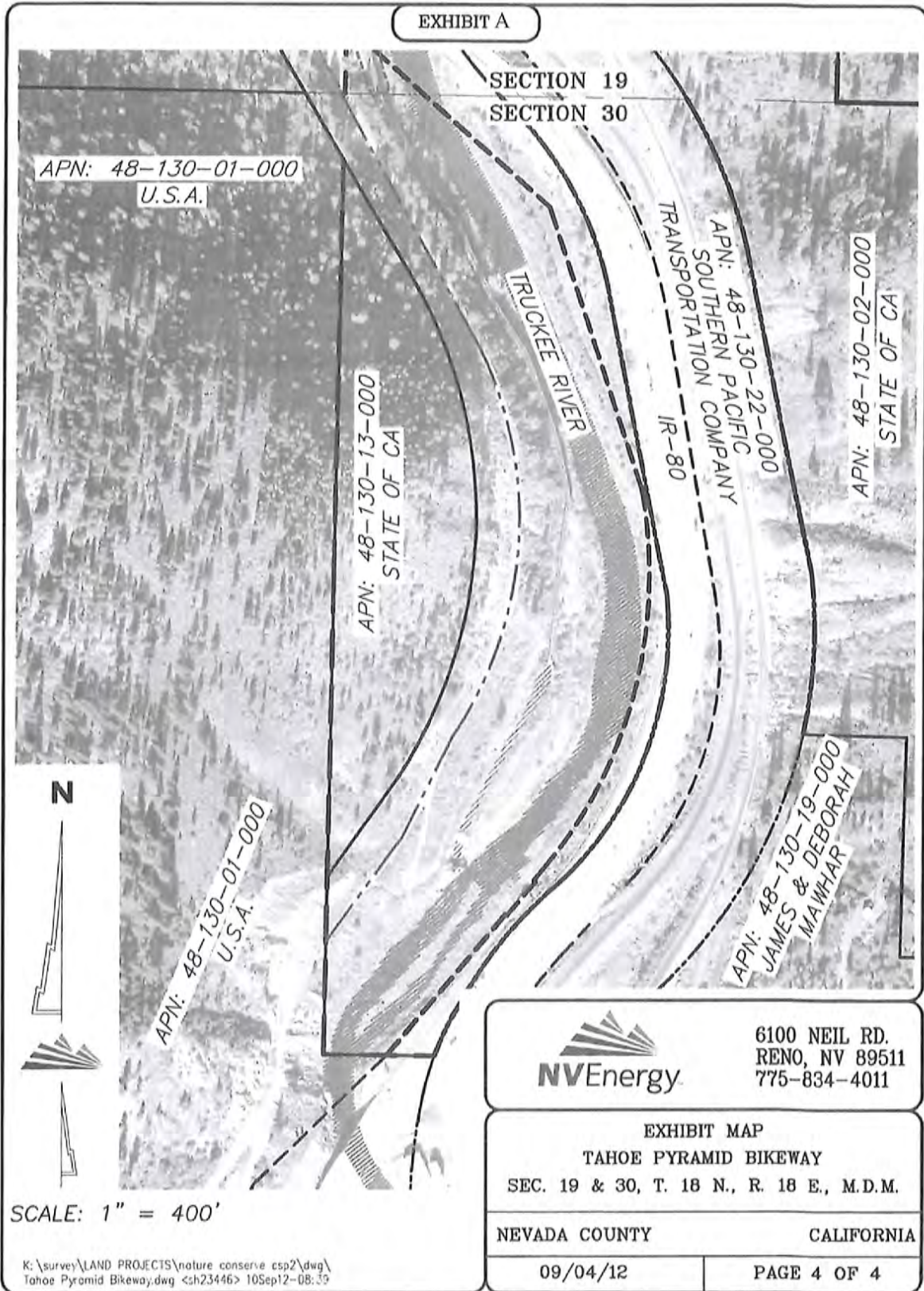
By: *Mark Foree*

Dated: 7/25/13









Rives, Cara

From: Gebhardt, Andy
Sent: Monday, June 24, 2013 9:29 AM
To: Rives, Cara
Subject: FW: Are TMWA and you serious about what you told me about my property on plumb lane!

Follow Up Flag: Follow up
Flag Status: Flagged

Categories: Board

Cara-

This customer has asked that this correspondence be sent to the TMWA Board.

Let me know if you need anything else.

Thanks-

Andy

From: Struffert, Chris
Sent: Monday, June 24, 2013 9:26 AM
To: Sean M Ward
Cc: Gebhardt, Andy
Subject: RE: Are TMWA and you serious about what you told me about my property on plumb lane!

Hello Sean,

I apologize for the watering notification you received last Wednesday from one of our Conservation Consultants. I understand that recent construction activities have affected your plants, and with that in mind I have asked that watering day restrictions be lifted for you this summer so that you can reestablish growth with your new plants, and also ensure that other existing plants you have receive sufficient water to thrive during the upcoming construction. Please continue to water as you deem necessary to maintain the health of your yard.

Secondly, I appreciate the time you have taken to meet with me to find agreeable solutions to the issues that have arisen due to this very important project. I understand that your time is valuable. TMWA has also spent considerable time, resources, and expense to minimize the impact of this project to you and your family. In fact, landscaping, irrigation improvements to your property, and design costs for these improvements will total over \$25,000. I certainly had no intention of antagonizing your family during this process. If you have specific things that you would like changed please let me know what they are so I can better focus my efforts.

Regarding the damage to your fence, RaPiD Construction has repaired the damage they believe was a result of their work. I understand that the repairs do not exactly match the existing fence, but I have inspected the work and believe it is suitable until the project is completed in September. I would prefer to wait with final repairs until all work is finished so we do not have to address multiple fence issues with the possibility of further repairs as the project progresses. If there are repairs you believe cannot wait, please bring them to my attention and we can discuss options. My understanding from your last email on May 30 was that you would send additional images, and I have not received them.

Finally, based on your request, your correspondence will be forwarded to the TMWA Board of Directors. It was my impression that we were working successfully to do everything reasonably possible to minimize the impact of this project to you and your family. I am hopeful that the rapport we have built over the past months is not collapsing to the point that you believe you are being antagonized and harassed. I continue to look forward to a successful outcome for all parties involved.

Sincerely,



Chris Struffert, P.E.

Senior Engineer

Truckee Meadows Water Authority

(775) 834-8047 (direct)

(775) 741-6655 (cell)

(775) 834-8003 (fax)

www.tmwa.com

Chris,

I got a notification today that I was watering some plants on the side of my house on my wrong day (Haley - TMWA). How dare you! I was asked by the work crew yesterday that have basically destroyed the front of my property to avoid watering, and helped them but thought I could water today.

Further, Scott (TMWA) had delivered plants after the previous group of workers that TMWA had hired destroyed my planter that I had built and destroyed all plants in it. I had not had the opportunity to plant all of the plants that Scott had purchased and thought that it better to water than have them to die.

Yes Chris I am very busy. Currently I charge \$2,000 per day consultant charges to Pharmaceutical companies for my advice, approximately \$200, per hour. I have been willing to meet with you and other TMWA representatives during many of my working hours to develop an amicable resolution to the changes that will occur to the front of my property, however TMWA still seem to want to antagonize my family and I, so things may change appropriately.

Further, The fence that was damaged has not been fixed to my satisfaction and I feel that there is still ongoing work that will further damage it in the near future. I have taken many pictures to document this damage and devaluation to my property that will be presented at the appropriate time.

I will insist that TMWA do not issue warnings about water usage to my household while this work is progressing in and outside my property.

Further I expect that TMWA board or an independent authority (on my acceptance) will have a final say on the final satisfaction after completion of TMWA projects outside my house. I hope we have an understanding on this. I would also like you to forward this to all TMWA board members at the nearest convenience so that they may have an understanding of the complicated situation that TMWA have placed me in.

Please notify TMWA representatives to stop the harrasing notifications of misuse of water until you stop destroying my property.

Sincerely,

Sean M. Ward
Professor

Department of Physiology and Cell Biology University of Nevada School of Medicine Manville Medical Sciences Building
Reno, NV 89557, USA.

Tel: (775) 784-6061

Fax: (775) 784-6903

Email: SMWard@medicine.nevada.edu

On 5/30/13 4:06 PM, "Struffert, Chris" <cstruffert@tmwa.com> wrote:

>Sean,

>

>I will follow up with RaPiD again and meet them on site if I need to.

>I may need to get Signature back in the picture if there is unrepaired

>damage that they are responsible for. Leaving broken boards for

>someone else to take care of is unacceptable. We'll work it out.

>

>CS

>

>

>

>

>

>-----Original Message-----

>From: Sean M Ward [mailto:smward@medicine.nevada.edu]

>Sent: Thursday, May 30, 2013 3:55 PM

>To: Struffert, Chris

>Subject: Re: Another note on Plumb

>

>Hi Chris,

>I hate to be a squeaky wheel but the fence will defiantly require

>further attention. First of all I would like to state that Perry has

>been very helpful and has already performed many of the repairs to the

>fence. Much of the original damage was not caused by RaPiD but by

>Signature landscapes that dropped limbs etc when the trees were cut

>down. Signature did not want to perform any repairs as they thought the

>fence would suffer much damage when the trunks were being removed by RaPiD.

>Unfortunately some of the repairs are not what I expected.

>

>The 4x4 that was replaced is of a different cut and possibly wood (not

>redwood roughcut). The 4x4 was cut 2 inches short and is not vertical

>but is slanting toards my house by 2-3 inches. The 2x4's that are

>attached to this are not perperdicualr to the 4x4 or on the same line

>as the other 2x4's on the fence, or each other for that matter.

>

>There are many other issues (2x4's being pulled etc) that have damaged

>them that I need to explain to you but I have a meeting this afternoon.

>

>I will get back to you tomorrow with images after I take them tonight.

>

>It is my expectation that TMWA will leave the fence in a condition as

>good or better than the pre-existing one. Nothing more or less.

>

>I hope you appreciate this.

>

>Sincerely,

>

>

>Sean

>

>Sean M. Ward

>

>Professor

>Department of Physiology and Cell Biology University of Nevada School

>of Medicine Anderson Medical Sciences Building Reno, NV 89557, USA.

>

>Tel: (775) 784-6061

>Fax: (775) 784-6903

>Email: SMWard@medicine.nevada.edu

>

>

>On 5/30/13 3:11 PM, "Struffert, Chris" <cstruffert@tmwa.com> wrote:

>

>>Hello Sean.

>>

>>I talked to Perry (the foreman with RaPiD Construction) yesterday
>>afternoon, and he was already aware of the damage to your fence. He
>>told me he replaced a post, and it sounds like the 2x4s and boards you
>>mentioned were also replaced. RaPiD is a very conscientious contractor.
>>I have been working with them for almost 15 years now. I believe they
>>did their best to repair the damage to your fence, probably even
>>damage that may have occurred during others' work. If the matter
>>needs further attention, please let me know.

>>

>>Thanks,

>>CS

>>

>>-----Original Message-----

>>From: Sean M Ward [mailto:smward@medicine.nevada.edu]

>>Sent: Wednesday, May 29, 2013 11:08 AM

>>To: Struffert, Chris

>>Subject: Another note on Plumb

>>

>>Hi Chris,

>>There are a couple of other things that I need to bring to your
>>attention. First, there is considerable damage to different sections
>>of the fence (see exhibits 1 and 2 as examples), I am not that naïve
>>that I did not realize this was going to happen with the tree removal
>>but they will need it repaired (4x4's, 2x4's and 1x4 uprights). One
>>thing that concerns me is that there are several sections where the
>>2x4's are ripped from the 4x's resulting in damage to where the 2x4 was in place.
>>This leaves the 4x4's weak where the connection was made and I do not
>>want a patch job performed as I will end up replacing it in a year or

>>two.

>>

>>Another thing is that although the guys made a good job of rebuilding
>>the planter that I had in place at the start of my driveway, however
>>the plants took a considerable hit. Both planters were equally
>>balanced when built (i.e. same number of plants and ages) but as you
>>can see there is a large difference in these now (exhibits).

>>

>>I will send additional photos separately as the files are quite large.

>>

>>

>>Sincerely,

>>

>>Sean

>>

>>Sean M. Ward

>>

>>Professor

>>Department of Physiology and Cell Biology University of Nevada School
>>of Medicine Anderson Medical Sciences Building Reno, NV 89557, USA.

>>

>>Tel: (775) 784-6061

>>Fax: (775) 784-6903

>>Email: SMWard@medicine.nevada.edu

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