



## STANDING ADVISORY COMMITTEE AGENDA

**Tuesday, March 7, 2017 at 3:00 p.m.**  
**Truckee Meadows Water Authority**  
**Independence Meeting Room**  
**1355 Capital Boulevard, Reno, NV 89502**

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### NOTES:

1. The announcement of this meeting has been posted at the following locations: Truckee Meadows Water Authority (1355 Capital Blvd., Reno), Reno City Hall (1 E. First St., Reno), Sparks City Hall (431 Prater Way, Sparks), Sparks Justice Court (1675 E. Prater Way, Sparks), Washoe County Courthouse (75 Court St., Reno), Washoe County Central Library (301 South Center St., Reno), Washoe County Administration (1001 East Ninth St., Reno), at <http://www.tmwa.com>, and State of Nevada Public Notice Website, <https://notice.nv.gov/>.
2. In accordance with NRS 241.020, this agenda closes three working days prior to the meeting. We are pleased to make reasonable accommodations for persons who are disabled and wish to attend meetings. If you require special arrangements for the meeting, please call 834-8002 before the meeting date.
3. The Committee may elect to combine agenda items, consider agenda items out of order, remove agenda items, or delay discussion on agenda items. Arrive at the meeting at the posted time to hear item(s) of interest.
4. Asterisks (\*) denote non-action items.
5. Public comment is limited to three minutes and is allowed during the public comment periods. The public may sign-up to speak during the public comment period or on a specific agenda item by completing a "Request to Speak" card and submitting it to the clerk. In addition to the public comment periods, the Chairman has the discretion to allow public comment on any agenda item, including any item on which action is to be taken.
6. In the event the Chairman and Vice-Chairman are absent, the remaining SAC members may elect a temporary presiding officer to preside over the meeting until the Chairman or Vice-Chairman are present (**Standing Item of Possible Action**).

1. Roll call\*
2. Public comment — limited to no more than three minutes per speaker\*
3. Approval of the agenda (**For Possible Action**)
4. Approval of the minutes of February 7, 2017 meeting (**For Possible Action**)
5. Water Supply Update — Bill Hauck\*
6. Informational report on groundwater aquifers — Randy Van Hoozer and Lauren Roaldson\*
7. Discussion and possible recommendation regarding bills in the 2017 Legislative Session that may affect TMWA — John Zimmerman and Steve Walker (**For Possible Action**)
8. Presentation of public open house results for proposed rate adjustment — Andy Gebhardt\*

9. Presentation of the TMWA Tentative Budget for Fiscal Year ending June 30, 2018 and Draft Capital Improvement Plan for Fiscal Years 2018 through 2022 — Michele Sullivan (**For Possible Action**)
10. Discussion and possible direction to staff regarding agenda items for future meetings (**For Possible Action**)
11. Staff Items\* (Unless otherwise listed with a topic description, this portion of the agenda is limited to announcements)
12. Committee Items\* (Unless otherwise listed with a topic description, this portion of the agenda is limited to announcements)
13. Public Comment — limited to no more than three minutes per speaker\*
14. Adjournment (**For Possible Action**)



## STANDING ADVISORY COMMITTEE

### **DRAFT** MINUTES

February 7, 2017

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The Standing Advisory Committee (SAC) met at Truckee Meadows Water Authority (TMWA) in the Independence Room, 1355 Capital Blvd., Reno, Nevada. Chair McGuire called the meeting to order at 3:10 p.m.

#### 1. ROLL CALL

**Members and Voting Alternates Present:** Bob Chambers, Harry Culbert, Bruce Gescheider, Kevin Haddock, Colin Hayes, Mike Heffner, Don Kowitz, Carol Litster, Neil McGuire, Ken McNeil, Mike Pidlypchak, Fred Schmidt, Mike Schulewitch and Jerry Wager.

**Alternates Present:** Fred Arndt, Ken Becker, Jordan Hastings, Bill Hughes, Karl Katt, Scot Munns, Dale Sanderson, and Jim Smith.

**Members Absent:** Kevin Haddock, and Jonnie Pullman.

**Staff Present:** Jack Byrom, Tabitha Carlisle, John Enloe, Scott Estes, Andy Gebhardt, Sonia Folsom, Mark Foree, Bill Hauck, Joe Petrelli, Shawn Stoddard, Michele Sullivan, Sandra Tozi, Steve Walker, Marci Westlake, John Zimmerman, and Legal Counsel Debbie Leonard.

#### 2. PUBLIC COMMENT

Mary Savoy, Sparks resident, commented she is against the proposed rate adjustment.

#### 3. ELECTION OF CHAIR AND VICE CHAIR FOR 2017

Debbie Leonard, TMWA SAC Legal Counsel, noted Chair Neil McGuire is up for re-election of the SAC and the Vice Chair is vacant due to Ron Turner retiring from the SAC. Ms. Leonard recommended electing the Vice Chair first and have the Vice Chair run the nomination for the Chair.

**Upon motion by Member Gescheider and second by Member Hayes,  
and carried by unanimous consent of the members present, the  
Committee nominated and approved Fred Schmidt as Vice Chair.**

**Upon motion by Member Schmidt and second by Member Chambers, and carried by unanimous consent of the members present, the Committee nominated and approved Neil McGuire as Chair.**

**4. APPROVAL OF THE AGENDA**

**Upon motion by Member Gescheider and second by Member Hayes, and carried by unanimous consent of the members present, the Committee approved the agenda.**

**5. APPROVAL OF THE MINUTES OF THE DECEMBER 6, 2016 MEETING**

Ken McNeil noted Member Kevin Haddock was listed in both the “Present” list and “Absent” list and Member Haddock was absent at the last meeting.

**Upon motion by Member Wager and second by Member Hayes, carried by unanimous consent of the members present, the Committee approved the minutes of the December 6, 2016 meeting with the correction that Member Haddock was absent.**

**6. PROPOSED AMENDMENTS TO SAC GOVERNING RULES**

Ms. Leonard presented the amendments to the TMWA SAC governing rules.

Vice Chair Schmidt suggested the amendments be presented to the TMWA Board of Directors for their approval. Ms. Leonard noted that the Board does not require presentation of SAC governing rules amendments for Board approval, but staff could do so for informational purposes. Mark Foree, TMWA General Manager, added that the amendments can be included in his general manager’s report.

**Upon motion by Member Culbert and second by Member Litster, carried by unanimous consent of the members present, the Committee approved the amendments to the SAC governing rules.**

**7. WATER SUPPLY UPDATE**

Bill Hauck, TMWA Senior Hydrologist, reported that both precipitation and snowpack are about 200% above average, and Lake Tahoe is almost two and a half feet above the natural outlet. Mr. Hauck expects Lake Tahoe and all the upstream reservoirs to fill in 2017, and that we should have normal Truckee River flows in 2017, and potentially through 2019.

Vice Chair Schmidt inquired if it will be problematic if the rate of precipitation and snow storms continue into March/April. Mr. Hauck replied no, there is a mechanism in place to handle the situation. The Army Corps of Engineers has guidelines in place for all federal reservoirs, which allow for additional storage if storm events continue and account for anticipated snowmelt.

Member Wager asked if aquifer storage recovery (ASR) is continuing. Mr. Hauck replied not currently. Chair McGuire clarified for the new SAC members that TMWA's wells are injected with treated surface water through the winter months, which is referred to as ASR.

Member Gescheider inquired if the cloud seeding program is completed for the season. John Enloe, TMWA Director of Natural Resources, replied yes the cloud seeding program stops when the snowpack is over 150% or due to the threat of avalanches.

Member Chambers asked what the ASR effects are on sub surface water as far as natural replenishment. Mr. Hauck replied TMWA's hydrogeologists continue to monitor the water table levels and can report on the recovery results in the next few months.

Member McNeil inquired what the turbidity was in the water at the treatment plants and did it make processing the water difficult. Andy Gebhardt, TMWA Director of Operations and Water Quality, replied the water was at 270 turbidity, but staff was able to treat it and process it.

Member Hastings inquired how stable is the snowpack and what are the chances of quick melt. Mr. Hauck replied its stable and he does not anticipate a quick melt occurring.

Chair McGuire asked how many acre feet (AF) of storage is in one foot of depth in Lake Tahoe. Mr. Hauck replied 122,000 AF of storage per foot.

#### 8. UPDATE ON THE 2017 LEGISLATIVE SESSION

John Zimmerman, TMWA Water Resources Manager, and Steve Walker, TMWA Lobbyist, presented on the status of the 2017 Legislative Bill Draft Requests (BDRs) and the new bills introduced as of the start of the legislative session. Mr. Walker provided an overview of key bills related to water and any potential impacts to TMWA and its customers.

Discussion followed on proposed bills regarding TMWA's vested water rights, metering domestic wells, and the newly introduced BDR regarding the fluoridation of water in Washoe County.

Vice Chair Schmidt inquired if TMWA is promoting or has submitted any BDRs. Mr. Walker replied no, TMWA tends to be more reactive during the legislative session.

Member Wager strongly opposed the fluoride BDR.

Member Gescheider inquired who the sponsor was of the BDR. Mr. Foree replied one of the sponsors is Assemblywoman Amber Joiner. Mr. Foree also mentioned staff has been working with a third party to determine the cost impact on TMWA and customers.

#### 9. PRESENTATION OF PUBLIC OPEN HOUSE SCHEDULE FOR PROPOSED RATE ADJUSTMENT

Mr. Gebhardt presented the public open house schedule for the proposed rate adjustment. There will be a total of four open houses.

Member Schmidt noted the information provided did not include the reason for the rate adjustment and asked that a handout of any information being presented to the public be sent to the SAC members. Mr. Gebhardt replied yes, handouts will be sent out as soon as they are available.

#### 10. PRESENTATION ON THE FIRST HALF FY 2017 FINANCIAL PERFORMANCE

Tabitha Carlisle, TMWA Financial Controller, presented on the first half FY 2017 financial performance. Ms. Carlisle noted total operating revenues are \$5.4 million more than the revised budget and operating spending is \$2.3 million under budget; water sales were up due to a dry summer and normal conservation efforts; hydroelectric revenues were \$0.1 million higher than budgeted due to high river flows; and investment returns have increased slightly. TMWA received the last portion of the Truckee River Operating Agreement (TROA) grant from the Bureau of Reclamation for \$1.2 million.

Member Schmidt confirmed revenues were up \$5.4 million and expenditures was down \$2 million and asked if staff is considering reevaluating the need for a rate adjustment since the financials looked positive. Ms. Carlisle replied yes, the outlook is positive, but it is only half year and this does not take into account the debt service that is coming up in the next couple of years.

Michele Sullivan, TMWA Chief Financial Officer, added that certain components of the budget are covered by recurring revenue. With operating expenses, the capital improvement plan and debt service there is \$13 million funding gap. Mr. Foree added Ms. Sullivan's projections saw a 3% rebound in water sales and reminded the members that the last three years of the proposed rate adjustment can be revisited.

Member Gescheider also asked for a handout on financials, debt service and capital expenditures to better explain the details of the budget. Mr. Foree replied yes, a handout will be provided. Ms. Sullivan replied they are being prepared for the open houses to show all the financial information for the public.

Member Chambers noted a few months ago staff mentioned that if there was no rate adjustment it looked bad to the rating agencies. Mr. Foree replied yes and it is really an inflationary adjustment.

Member Wager asked whether staff is explaining what happened with demand and the conservation efforts. Mr. Gebhardt and Ms. Sullivan both replied yes.

Chair McGuire asked if staff is expecting above average hydroelectric revenues due to the extreme winter. Mr. Foree replied yes, expect to see a little more than \$3 million in revenues in a good year. Currently, we have one hydroelectric plant running and the other two are under different stages of construction.

Member Pidlypchak inquired if TMWA obtained the Lahontan hydroelectric power plants. Mr. Foree replied no, Truckee-Carson Irrigation District (TCID) owns them.

#### 11. PRESENTATION ON THE RATE OF GROWTH AND NEW CONNECTIONS

Shawn Stoddard, TMWA Senior Resource Economist, presented on the staff report. Currently, the average increase in active water services is 176 services per month, which has increased by 6.3% since 2012.

Mr. Foree noted that Ms. Sullivan's projection in the 5-year funding plan was approximately 200 services per month and Mr. Stoddard's results are 176 per month.

**12. DISCUSSION AND POSSIBLE DIRECTION TO STAFF REGARDING AGENDA ITEMS FOR FUTURE MEETINGS**

**February meeting:**

1. Water supply update
2. Update on the 2017 Legislative Session
3. Presentation on the water table recovery
4. Presentation on the tentative budget
5. Presentation on the open house public comments
6. Presentation on the fluoride bill

**13. STAFF ITEMS**

Sonia Folsom, TMWA SAC Liaison, noted SAC members received a draft contact list for members to review and let her know of any changes to their contact information. Ms. Folsom also mentioned the recruitment for the irrigation customer alternate representative is open until March 3<sup>rd</sup> and included in their agenda packet is the SAC orientation presentation and an updated SAC member map for their information.

**14. COMMITTEE ITEMS**

Request to be provided with an updated map of all SAC members.

**15. PUBLIC COMMENT**

There was no public comment.

**16. ADJOURNMENT**

With no further items for discussion, Chair McGuire adjourned the meeting at 4:37 p.m.

Approved by the Standing Advisory Committee in session on \_\_\_\_\_.

Sonia Folsom, Recording Secretary

DRAFT



**STAFF REPORT**

**TO:** SAC  
**THRU:** John Enloe, Director of Natural Resources  
**FROM:** Randy Van Hoozer, Senior Hydrogeologist and Lauren Roaldson, Associate Hydrogeologist  
**DATE:** February 21, 2017  
**SUBJECT:** **Informational Report on Groundwater Aquifers**

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**SUMMARY**

This staff report is a follow-up report from the June, 2016 Board Meeting summarizing groundwater elevation fluctuations in monitoring wells from January 2001 through February 2017. The monitoring wells selected for this summary are intended to represent general groundwater conditions within a hydrographic basin. Groundwater conditions and hydrographs are also included in the 2016-2035 Water Resource Plan provided earlier this year.

Also included in this report are charts depicting monthly precipitation values and nearby groundwater elevations from select wells from 2010 to the beginning of February 2017. The wells selected to depict responses to precipitation show a situation where groundwater levels fluctuate relatively quickly and a situation where precipitation does not have an obvious influence on groundwater aquifer.

Following several years of drought, groundwater elevations are generally recovering. Looking forward, groundwater elevation recoveries are expected to continue due to:

- Increased precipitation and snowpack during the 2016/2017 winter in northern Nevada and California;
- The implementation of TROA – groundwater systems in all hydrographic basins will benefit from surface water storage capabilities defined in TROA and expanded conjunctive use operations;
- Active ASR projects – continued use of ASR within Basins 85, 87 and 92A and the operation of new and expanding ASR projects - recharge activities began in Basin 88 and will be expanded in Basins 88 and 85;
- The construction of a surface water treatment plant in the southwest part of Basin 87 - the treatment plant will provide treated creek water to the distribution system for use in Basins 87 and 88; and
- Importing groundwater from Fish Spring Ranch – currently TMWA owns and operates production wells and a distribution system that transports water from Fish Springs Ranch to Lemmon Valley. This resource will continue to be used to reduce municipal well pumping in Lemmon Valley.

**DISCUSSION:**

The following hydrographs depict groundwater level measurements and nearby total monthly pumping volumes in acre-feet (AF) (depicted in blue) for municipal wells. If the municipal well also serves as a recharge well (Aquifer Storage and Recovery, ASR), those monthly injection volumes (AF) are depicted in purple. When applicable, precipitation values (inches of precipitation) are depicted in orange.

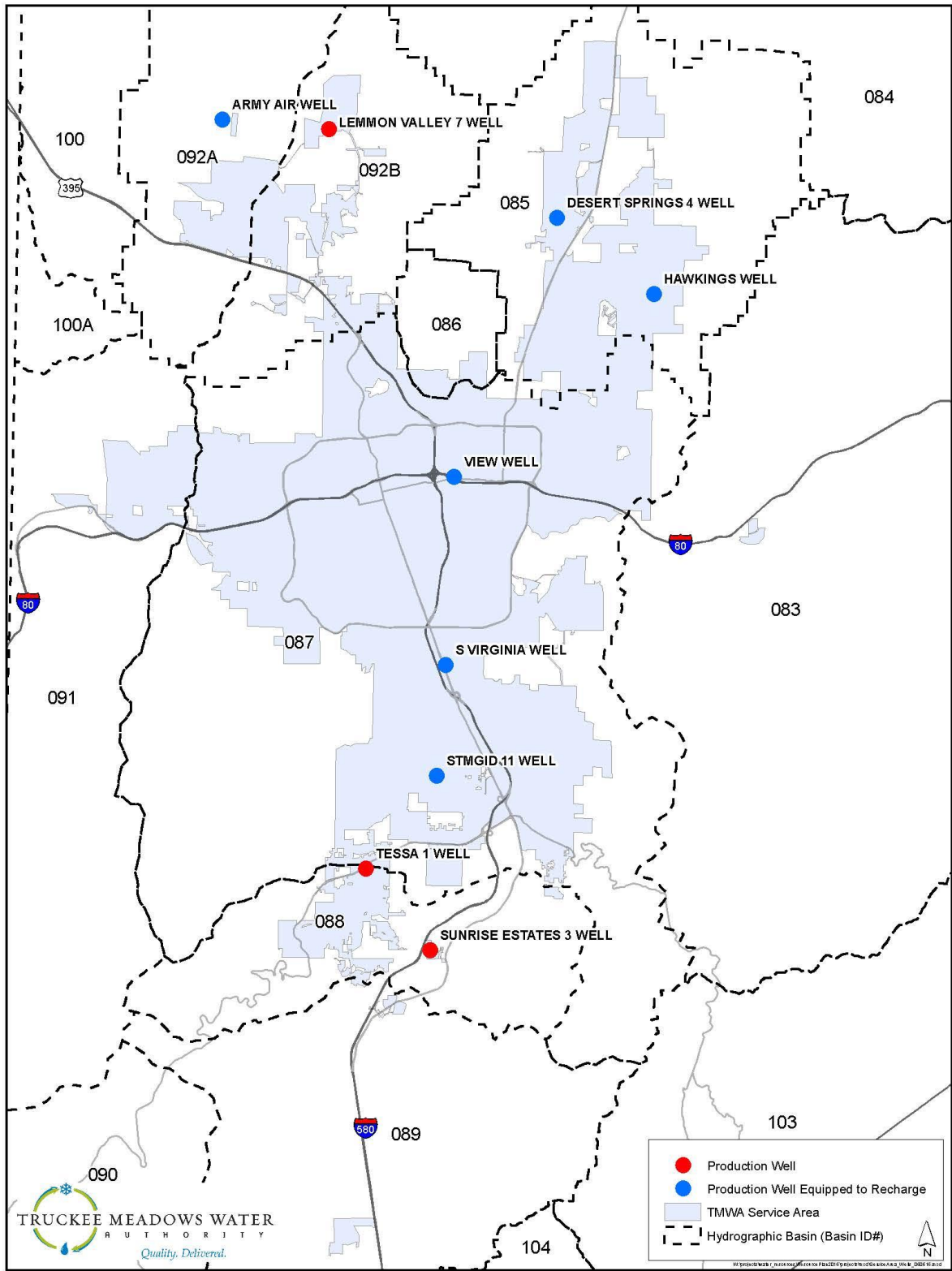
The hydrographs represent changes in groundwater elevations resulting from the variation in precipitation/natural recharge, active or passive (reduced pumping) recharge, pumping of domestic and municipal wells, evapotranspiration, and aquifer properties.

The increased 2016/2017 winter precipitation and snowpack will affect the groundwater elevations in several ways:

- Directly affect groundwater elevations by relatively slow infiltration to deeper aquifers (**Figure 6**);
- Directly affect groundwater elevations by relatively fast infiltration and more direct communication with the aquifer (**Figure 7**); and,
- Indirectly from passive recharge due to increased surface water capacity and storage which will significantly reduce pumping demands during the late summer/fall months.

The TMWA service area and a well location map are shown in **Figure 1**.

Figure 1: Service Area and Well Location Map



## **HYDROGRAPHIC BASIN 87 – NORTH AND SOUTH TRUCKEE MEADOWS**

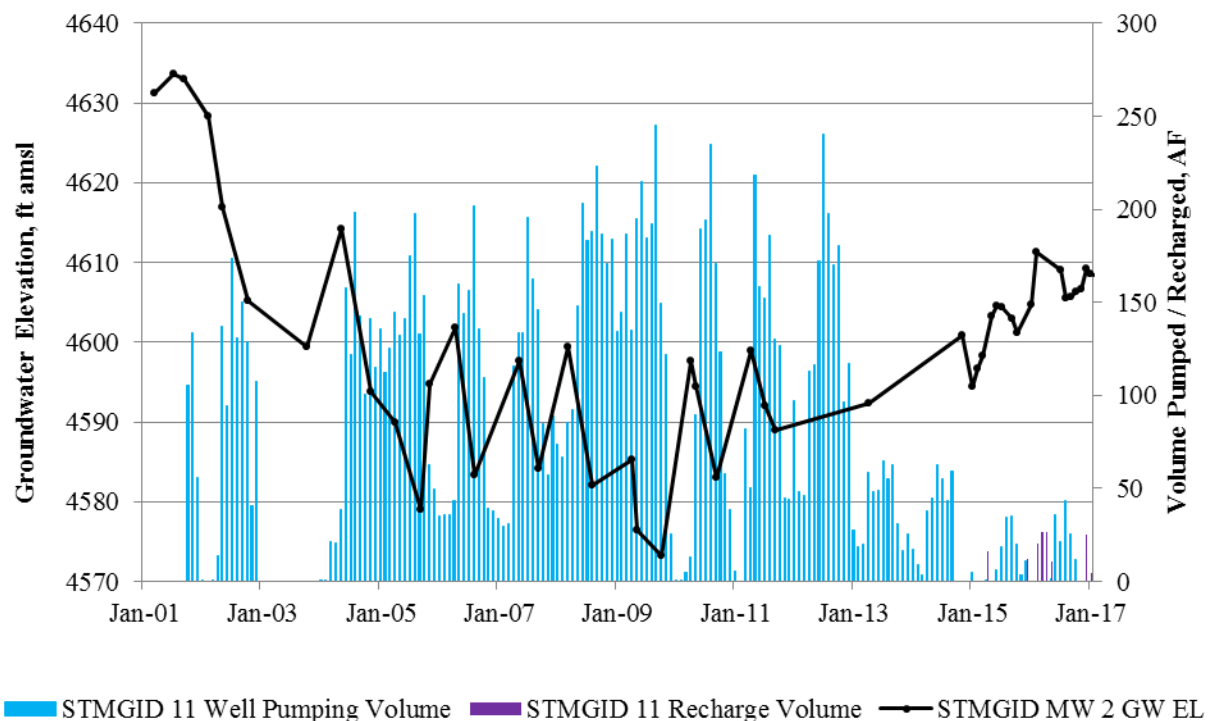
Basin 87 encompasses 195 square miles and includes the alluvial fan aquifer and the basin-fill aquifer. TMWA operates 44 production wells in this relatively large basin (12 wells are located on the alluvial fan and 32 wells are located in the basin-fill). There are also approximately 1,480 domestic wells located within this basin. Groundwater generally flows northeasterly to the valley floor then north.

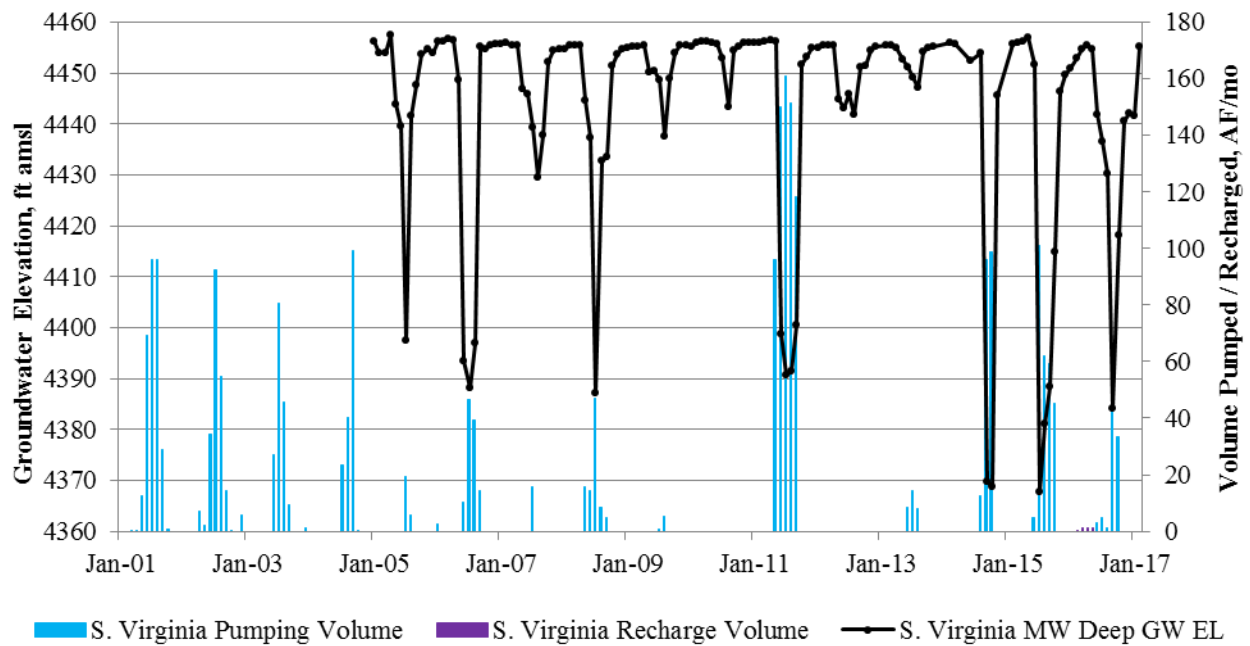
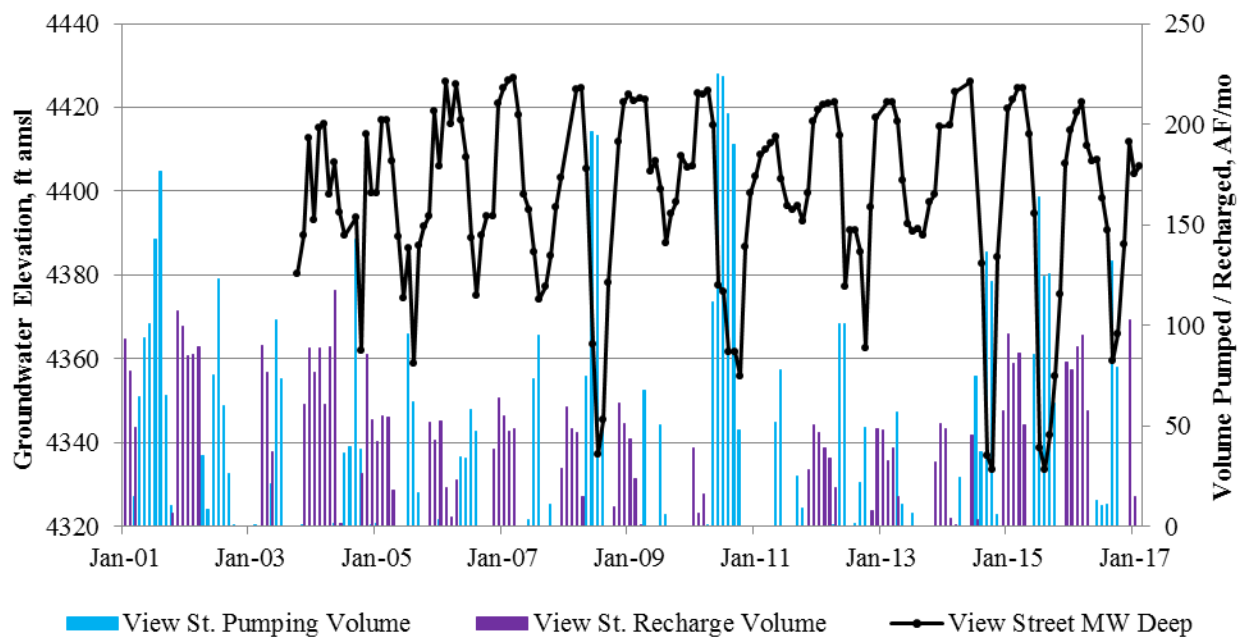
Groundwater elevations fluctuate seasonally with increases during non-pumping and recharge periods (winter months) and declines during pumping periods.

Groundwater elevations in the southwest area declined when groundwater was the only water source. Water level increases are evident in areas where conjunctive use and ASR has occurred since the merger of water systems (**Figure 2**).

In the northern area, the municipal wells are primarily used to supplement summer peak demand. Groundwater elevations continue to be relatively stable. Typically, groundwater elevations decline during pumping and immediately rebound following non-pumping periods. Active ASR has resulted in expedited water level recovery and replenishment (**Figures 3 and 4**).

**Figure 2:** Groundwater Hydrograph for the South-central Area of Basin 87



**Figure 3:** Groundwater Hydrograph for the Central Area of Basin 87**Figure 4:** Groundwater Hydrograph for the North Area of Basin 87

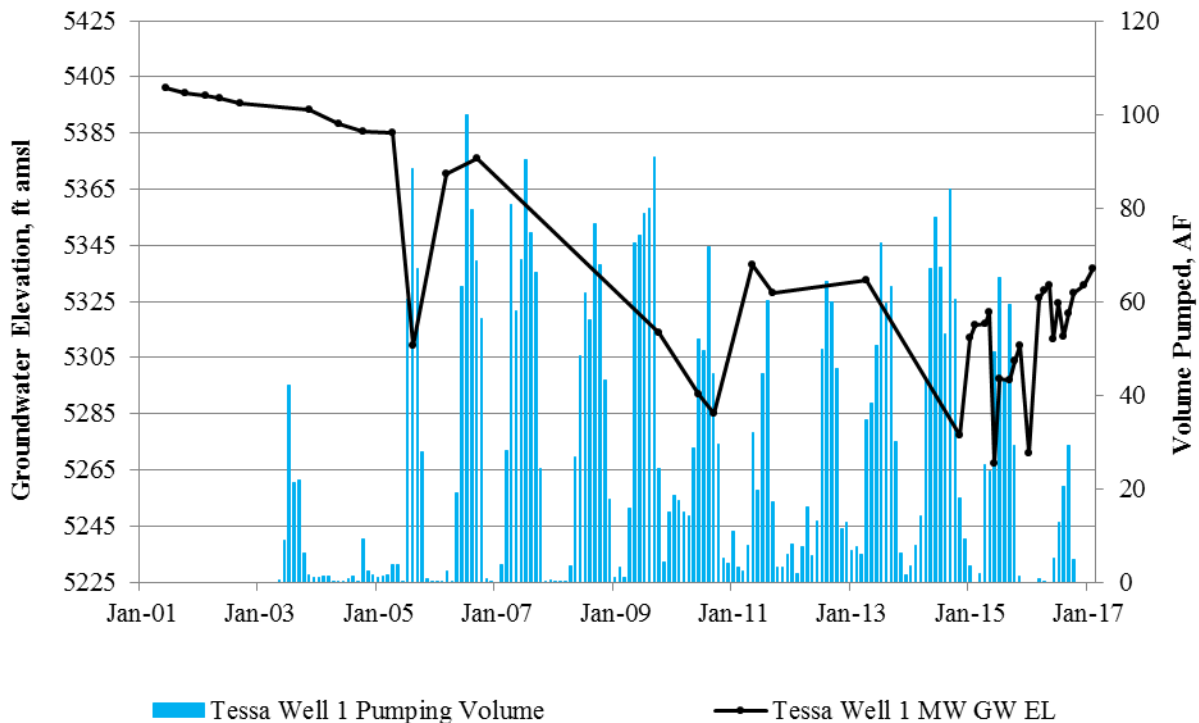
### HYDROGRAPHIC BASIN 88 – PLEASANT VALLEY

Basin 88 encompasses 39 square miles and includes a fractured volcanic rock aquifer and a basin-fill aquifer from which water is used by TMWA and domestic wells. TMWA operates nine production wells in this basin. There are also approximately 820 domestic wells in Basin 88. Groundwater generally flows eastward from the Carson Range through the alluvial fan highlands to the basin fill lowland areas and Steamboat Creek. Steamboat Creek flows northward into Basin 87.

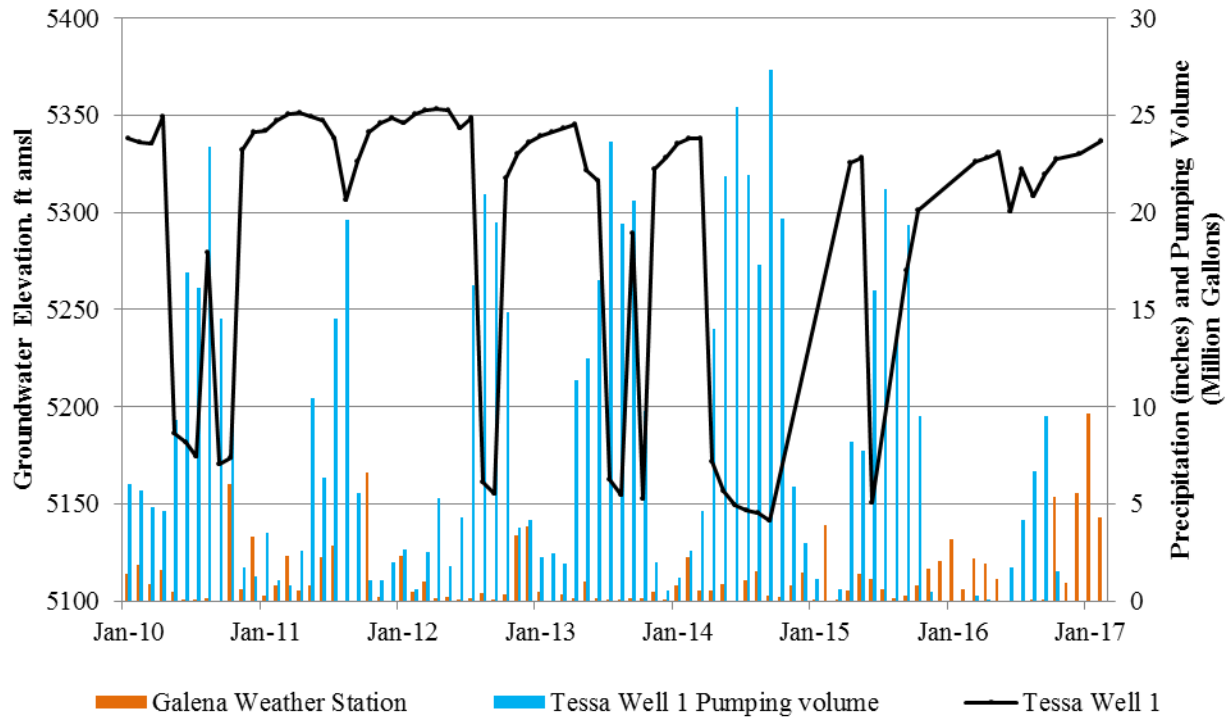
Until recently, groundwater has been the only water source in this area resulting in declining groundwater elevations. The groundwater elevations fluctuate seasonally with increases during reduced pumping and natural recharge periods (winter months) and declines during pumping periods. As shown in **Figure 5**, reductions in pumping over the last year have helped stabilize groundwater levels. This is a direct result of TMWA implementing the first project of the Mount Rose Fan Conjunctive Use Plan, which allowed TMWA to reduce groundwater pumping by almost 50% in 2016 as compared to 2015.

**Figure 6** depicts monthly groundwater elevations, pumping volumes, and precipitation in the Tessa 1 Well area from 2010 through February 2017. Groundwater is in deeper fractured volcanic rock and although recharge due to precipitation is an important groundwater component for this area, it does not immediately affect the aquifer. Conversely as depicted in **Figure 7**, groundwater levels respond relatively quickly to precipitation events. Water levels at Sunrise Estates Well 3 respond almost immediately to precipitation and increased runoff at a nearby stream.

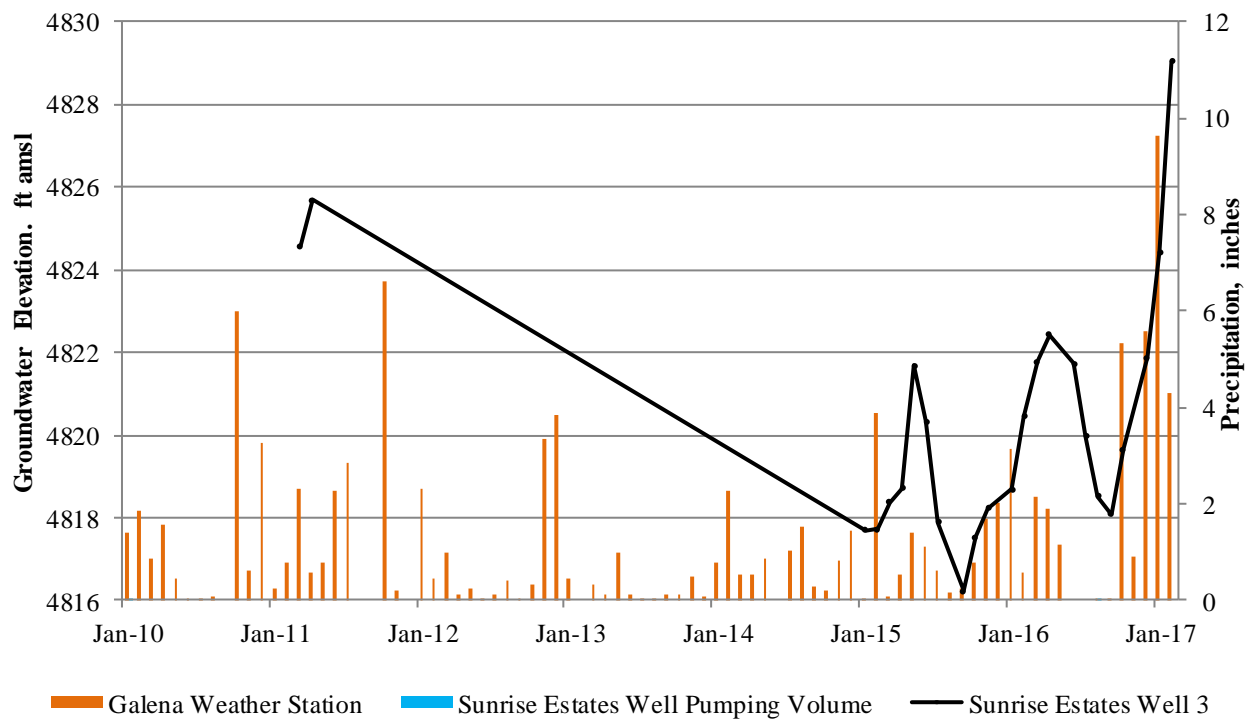
**Figure 5:** Groundwater Hydrograph for the Northwest Area of Basin 88



**Figure 6:** Groundwater Hydrograph for the Northwest Area of Basin 88 with Precipitation (inches)



**Figure 7:** Groundwater Hydrograph for the Southeast Area of Basin 88 with Precipitation (inches)

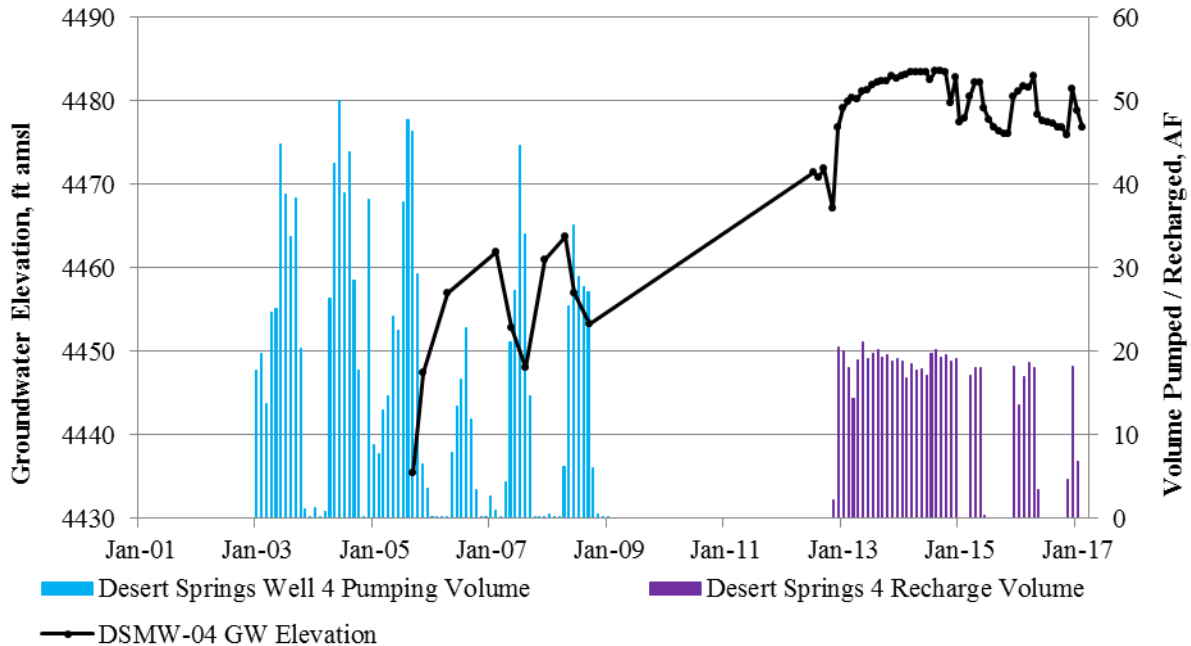


### **HYDROGRAPHIC BASIN 85 – SPANISH SPRINGS VALLEY (SSV)**

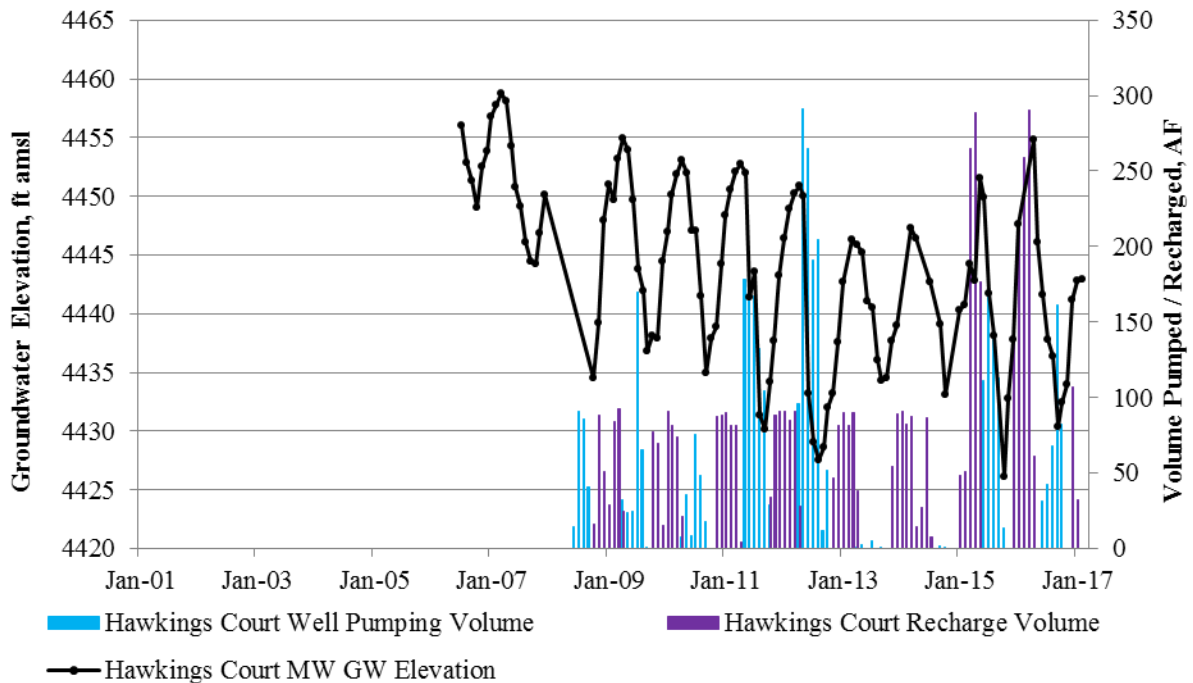
Basin 85 encompasses 80 square miles and includes a volcanic rock aquifer on the east side and an alluvial aquifer on the western and central portion of SSV. TMWA operates 4 production wells that are in the Desert Springs system (west side) and 4 production wells in the Spring Creek and Hawkings System (east side). There are also approximately 410 domestic wells in SSV. Groundwater generally flows west to east from the mountain ridges toward the center of SSV, and then north and south to neighboring basins.

Groundwater pumping in Basin 85 has transitioned with reduced usage on the west side, due to nitrate contamination, to increased usage on the east side. This has resulted in groundwater elevation increases on the west side and decreases on the east side. Overall, groundwater elevations fluctuate seasonally. Active ASR enhances water level recovery as seen in monitoring wells. During 2016, by implementing conjunctive use practices and ASR, TMWA actually recharged more water in the Spanish Springs Valley than what was pumped. Groundwater responses to precipitation are less apparent in Spanish Springs.

**Figure 8:** Groundwater Hydrograph for the West Side of Basin 85





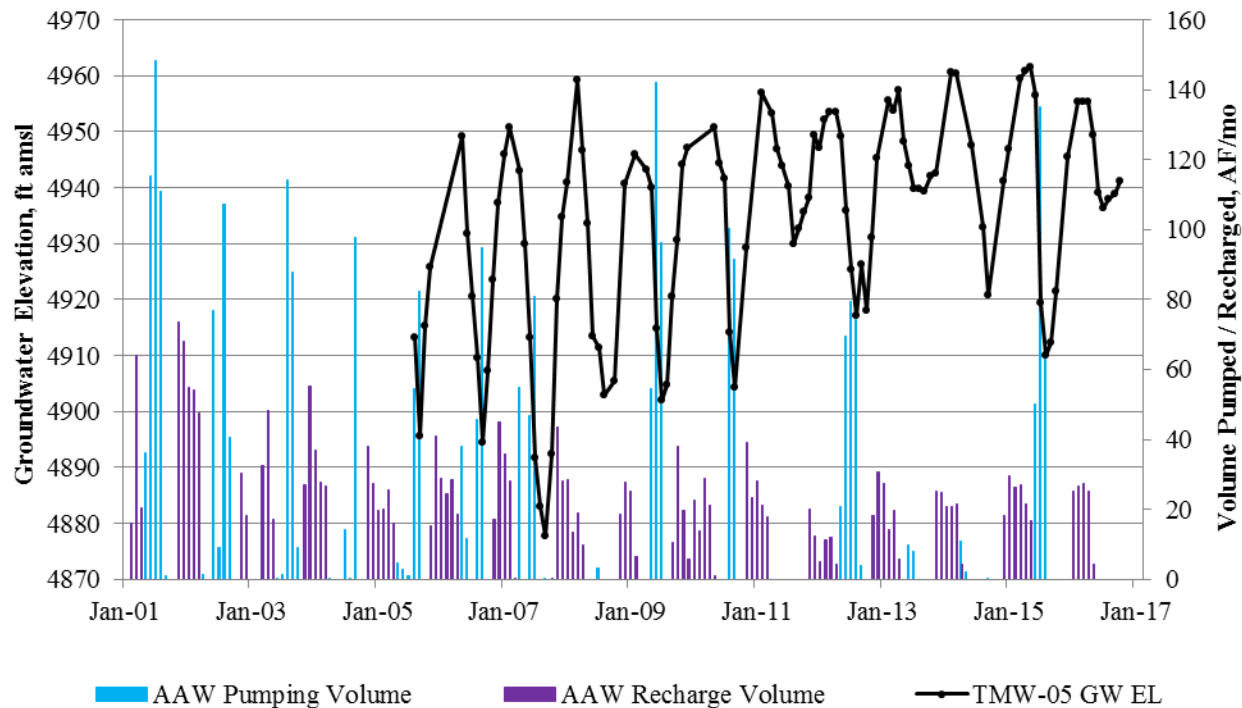
**Figure 9: Groundwater Hydrograph for the East Side of Basin 85**

### **HYDROGRAPHIC BASINS 92A AND 92B – WEST AND EAST LEMMON VALLEY**

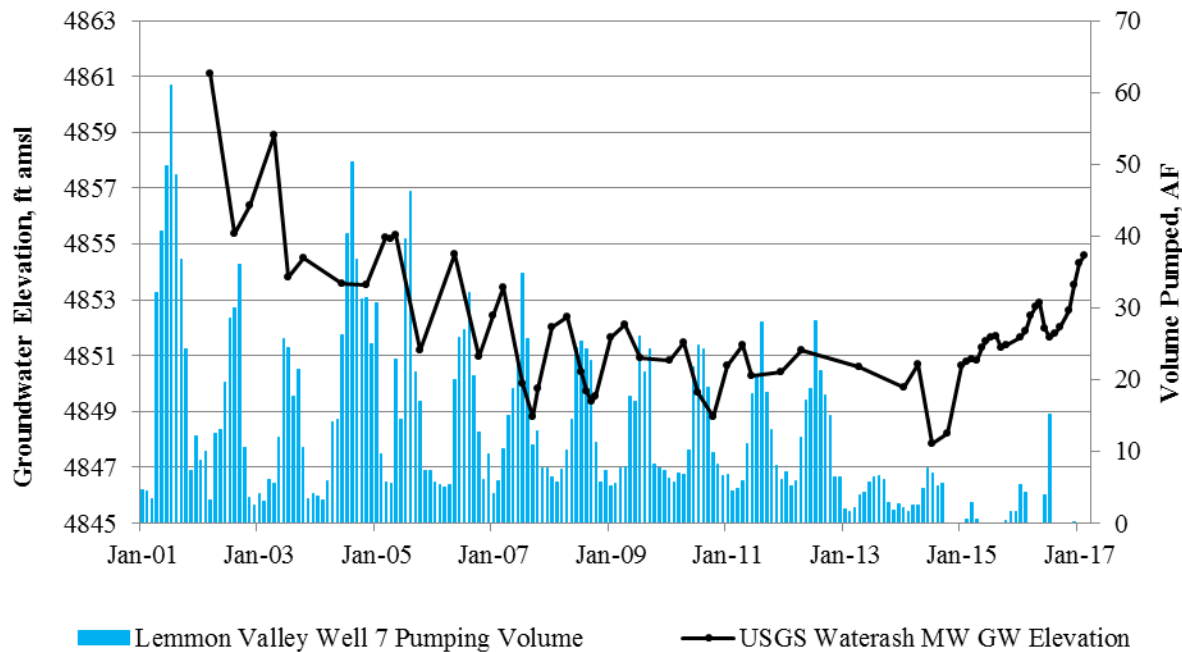
Basin 92A, West Lemmon Valley (WLV), and 92B, East Lemmon Valley (ELV), encompass 97 square miles separated by the Airport fault that runs down the middle of the basin. Lemmon Valley is comprised of mountain ridges, unconsolidated basin-fill deposits and two playa lakes. TMWA operates 3 production wells in WLV and 5 production wells in ELV. There are approximately 730 domestic wells in WLV and approximately 1,370 domestic wells in ELV. Groundwater generally flows from the mountain ridges toward the lower-lying playa areas.

Water levels in WLV and ELV fluctuate annually with rises during non-pumping and recharge periods and declines during pumping periods. As in Spanish Springs, groundwater responses to precipitation are less apparent in Lemmon Valley. Groundwater elevations in WLV are relatively stable and ASR activities have enhanced water level recovery, with water levels increasing by over 10 feet in the past 10 years. Groundwater elevations in ELV have declined over time but by reducing pumping, made possible by the FSR importation project, water levels have stabilized and have begun to rebound. Also, the number of domestic wells is decreasing as residences in the Heppner Sub-Division connect to the municipal water system.

**Figure 10:** Groundwater Hydrograph for Basin 92A



**Figure 11:** Groundwater Hydrograph for Basin 92B





**TO:** TMWA Standing Advisory Committee  
**FROM:** John R. Zimmerman, Manager, Water Resources  
**DATE:** 28 February 2017  
**SUBJECT:** Discussion and possible recommendation regarding bills in the 2017 Legislative Session that may affect TMWA

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TMWA staff, General Counsel, and lobbyist continue to review and monitor bills as they are introduced at the Legislature this session. The current list of bills the TMWA Board has reviewed and provided direction to staff regarding is attached to this report. The TMWA Legislative Subcommittee meets March 3, 2017 to review and provide direction to staff on all newly-introduced bills and staff will update the SAC regarding the Subcommittee's direction on these bills. Additionally, TMWA lobbyist Steve Walker will provide a brief overview of potentially significant bills and answer any questions regarding the legislative process or specific bills.

The SAC is not required to provide direction to staff regarding proposed legislation, however, staff appreciates any discussion or recommendation the SAC may provide.

2017 Legislative Session

Current Status of Approved Bills  
03-03-17

Content	Description	Sponsors	Tags	Board/Committee Position	StatusLast	StatusNext
AB3	Makes various changes relating to the administration of workers' compensation claims. (BDR 53-161)	Committee on Commerce and Labor	Human Resources	1/4 WATCH, NEUTRAL		
AB5	Provides for the creation of certain local improvement districts. (BDR 22-233)	Committee on Government Affairs	Energy; Governance	1/3 WATCH, NEUTRAL		
AB8	Revises provisions governing the collection of delinquent municipal utility charges. (BDR 21-323)	Committee on Government Affairs	Financial, Risk Management; Governance	11/21 WATCH, SUPPORT	Last Meeting: Assembly Committee on Government Affairs Last Meeting Date: 2/10/2017 8:30 AM Last Meeting Action: Mentioned not agenda'd	
AB11	Revises provisions governing the operation of unmanned aerial vehicles. (BDR 44-137)	Committee on Transportation	Emergency Mgmt, Safety, Motor Vehicles; Governance	11/21 WATCH, NEUTRAL		
AB26	Revises provisions governing the dissemination of certain records of criminal history to certain persons by the Central Repository for Nevada Records of Criminal History. (BDR 14-138)	Committee on Corrections, Probation, and Parole	Human Resources	1/4 WATCH, NEUTRAL		Next Meeting: Assembly Committee on Corrections, Probation, and Parole Next Meeting Date: 2/14/2017 8:00 AM
AB30	Establishes a committee to review the current tax structure in this State. (BDR S-432)	Committee on Taxation	Financial, Risk Management	1/10 WATCH, NEUTRAL		
AB32	Revises provisions governing pest control. (BDR 49-176)	Committee on Natural Resources, Agriculture, and Mining	Governance	1/9 WATCH, NEUTRAL		
AB34	Revises provisions relating to state lands. (BDR 26-179)	Committee on Natural Resources, Agriculture, and Mining	Property	12/20 WATCH, NEUTRAL		
AB36	Revises the Charter of the City of Reno. (BDR S-448)	Committee on Legislative Operations and Elections	Governance; Open Meeting, Records, Boards and Elections	1/6 WATCH, NEUTRAL		
AB39	Revises provisions governing the appointment of representatives to a governing board for regional planning in certain counties. (BDR 22-433)	Committee on Government Affairs	Governance; Open Meeting, Records, Boards and Elections	11/21 WATCH, NEUTRAL		
AB42	Revises various provisions relating to public records. (BDR 19-389)	Committee on Government Affairs	Open Meeting, Records, Boards and Elections	11/21 WATCH, NEUTRAL		
AB48	Makes various changes relating to local government. (BDR 21-435)	Committee on Government Affairs	Financial, Risk Management	11/21 OPPOSE, NEUTRAL WITH AMENDMENT		
AB50	Revises provisions relating to the imposition of certain fees, civil penalties and administrative fines by the State Environmental Commission. (BDR 40-181)	Committee on Natural Resources, Agriculture, and Mining	Financial, Risk Management; Governance	12/29 WATCH		

2017 Legislative Session

Current Status of Approved Bills  
03-03-17

Content	Description	Sponsors	Tags	Board/Committee Position	StatusLast	StatusNext
AB54	Revises provisions relating to reports of certain accidents or motor vehicle crashes by employers. (BDR 53-160)	Committee on Commerce and Labor	Emergency Mgmt, Safety, Motor Vehicles	1/6 WATCH, NEUTRAL		
AB71	Revises provisions governing public employees' retirement. (BDR 23-429)	Committee on Government Affairs	PERS, PEBS	14 WATCH, NEUTRAL	Last Meeting: Assembly Committee on Government Affairs Last Meeting Date: 2/9/2017 8:30 AM Last Meeting Action: Mentioned not agendized	
AB72	Revises provisions relating to the Uniform Plumbing Code. (BDR 40-237)	Committee on Health and Human Services	Public Works	1/13 WATCH; Staff Recommendation: WATCH, OPPOSE		
AB79	Revises provisions relating to economic development. (BDR S-404)	Committee on Government Affairs	Financial, Risk Management; Water Rights (Resources, Conservation)	1/6 WATCH, NEUTRAL		
AB83	Makes various changes relating to insurance. (BDR 57-159)	Committee on Commerce and Labor	Financial, Risk Management	1/6 WATCH, NEUTRAL		Next Meeting: Senate Committee on Judiciary Next Meeting Date: 2/13/2017 1:30 PM
AB100	Revises provisions governing contractors. (BDR&nbsp;54-194)	Swank	Public Works	2/7: WATCH		
AB106	Revises provisions governing government contracting. (BDR&nbsp;27-295)	Spiegel	Governance; Public Works	2/9: WATCH		
AB107	Provides for the sealing of records relating to eviction under certain circumstances. (BDR&nbsp;3-689)	Bilbray-Axelrod	Financial, Risk Management; Governance	2/10: WATCH		
AB109	Revises provisions relating to public utilities. (BDR&nbsp;58-622)	Assemblyman Ellison; Senator Goicoechea	Water Rights (Resources, Conservation)	2/9: WATCH, NEUTRAL		
AB113	Requires an employer to make certain accommodations for a nursing mother. (BDR&nbsp;40-7)	Spiegel	Human Resources	2/9: WATCH, SUPPORT		
AB114	Revises provisions governing irrigation districts. (BDR&nbsp;48-639)	Titus	Water Rights (Resources, Conservation)	2/9: WATCH, SUPPORT		
AB121	Makes various changes relating to collective bargaining between local government employers and employee organizations. (BDR&nbsp;23-621)	Yeager	Human Resources	2/9 WATCH		
AB138	Authorizes the de minimus collection of precipitation under certain circumstances. (BDR&nbsp;48-445)	Carlton	Water Rights (Resources, Conservation)	2/10: WATCH, NEUTRAL		
AB140	Revises the boundary line between Carson City and Washoe County. (BDR&nbsp;S-696)	Kramer	Governance; Property	2/10: WATCH		
AB193	Requires the fluoridation of water in certain circumstances. (BDR&nbsp;40-716)	Joiner and Sprinkle	Water Rights (Resources, Conservation)	2/15: WATCH, NOT SUPPORT		
SB10	Revises provisions governing the publication of information concerning unclaimed and abandoned property. (BDR 10-407)	Committee on Judiciary	Property	11/21 WATCH, NEUTRAL		
SB21	Abolishes the Nye County Water District. (BDR S-478)	Committee on Government Affairs	Water Rights (Resources, Conservation)	11/21 WATCH		Next Meeting: Senate Committee on Government Affairs Next Meeting Date: 2/13/2017 1:00 PM

2017 Legislative Session

Current Status of Approved Bills  
03-03-17

Content	Description	Sponsors	Tags	Board/Committee Position	StatusLast	StatusNext
SB23	Clarifies requirements relating to a petition for judicial review of a final administrative decision in a contested case. (BDR 18-374)	Committee on Government Affairs	Governance	11/21 WATCH	Last Meeting:Assembly Committee on Government Affairs  Last Meeting Date:2/10/2017 8:30 AM  Last Meeting Action:Mentioned no jurisdiction	
SB24	Authorizes cities to enact ordinances requiring the registration of vacant properties. (BDR 21-421)	Committee on Government Affairs	Governance; Property	11/21 WATCH		
SB26	Makes certain changes concerning governmental entities that contract with or invest in companies that boycott Israel. (BDR 27-418)	Committee on Government Affairs	Governance	11/21 WATCH, NEUTRAL	Last Meeting:Assembly Committee on Legislative Operations and Elections  Last Meeting Date:2/9/2017 1:30 PM  Last Meeting Action:Mentioned no jurisdiction	
SB27	Revises the definition of the term "mental illness" for purposes of provisions relating to criminal procedure, mental health and intellectual disabilities. (BDR 39-133)	Committee on Health and Human Services	Human Resources	11/21 NEUTRAL		
SB36	Revises provisions relating to ethics in government. (BDR 23-230)	Committee on Legislative Operations and Elections	Governance	11/21 WATCH, NEUTRAL		
SB47	Makes various changes relating to the appropriation of water. (BDR 48-499)	Committee on Natural Resources	Water Rights (Resources, Conservation)	1/6 WATCH, SUPPORT		
SB48	Revises provisions relating to relations between local governments and their employees. (BDR 23-428)	Committee on Government Affairs	Human Resources	1/4 WATCH, NEUTRAL		
SB51	Makes various changes relating to the adjudication of vested water rights. (BDR 48-180)	Committee on Natural Resources	Water Rights (Resources, Conservation)	12/29 WATCH, NEUTRAL		Next Meeting:Senate Committee on Transportation Next Meeting Date:2/14/2017 8:30 AM
SB52	Revises provisions relating to unemployment compensation. (BDR 53-226)	Committee on Commerce, Labor and Energy	Human Resources	1/4 WATCH, NEUTRAL	Last Meeting:Assembly Committee on Government Affairs  Last Meeting Date:2/10/2017 8:30 AM  Last Meeting Action:Mentioned no jurisdiction	
SB53	Revises provisions relating to the installation, operation and maintenance of telecommunications facilities. (BDR 18-234)	Committee on Transportation	Information Tech	1/6 WATCH		

2017 Legislative Session

Current Status of Approved Bills  
03-03-17

Content	Description	Sponsors	Tags	Board/Committee Position	StatusLast	StatusNext
SB63	Revises provisions which govern responsibility for the costs of maintenance and repair of certain county roads. (BDR 20-324)	Committee on Revenue and Economic Development	Governance; Property	1/6 WATCH, NEUTRAL		Next Meeting:Senate Committee on Commerce, Labor and Energy Next Meeting Date:2/17/2017 8:00 AM
SB67	Revises provisions relating to fire safety requirements for multi-story buildings occupied by people. (BDR 42-412)	Committee on Government Affairs	Emergency Mgmt, Safety, Motor Vehicles	1/6 WATCH, NEUTRAL		
SB69	Revises provisions governing state agencies, boards and commissions that regulate occupations and professions. (BDR 54-229)	Committee on Commerce, Labor and Energy	Governance; Human Resources; Open Meeting, Records, Boards and Elections	1/5 WATCH, NEUTRAL		
SB73	Revises provisions relating to water. (BDR 48-177)	Committee on Natural Resources	Property; Water Rights (Resources, Conservation)	1/6 WATCH, NEUTRAL		
SB74	Revises provisions relating to water. (BDR 48-178)	Committee on Natural Resources	Water Rights (Resources, Conservation)	12/29 WATCH	Last Meeting:Assembly Committee on Government Affairs Last Meeting Date:2/9/2017 8:30 AM Last Meeting Action:Mentioned no jurisdiction	
SB78	Revises provisions relating to local government financial administration. (BDR 31-403)	Committee on Government Affairs	Financial, Risk Management	1/9 WATCH, NEUTRAL		
SB80	Makes various changes relating to the Public Employees' Benefits Program and the Deferred Compensation Program. (BDR 18-243)	Committee on Government Affairs	PERS, PEBS	1/5 WATCH, NEUTRAL	Last Meeting:Assembly Committee on Legislative Operations and Elections Last Meeting Date:2/9/2017 1:30 PM Last Meeting Action:Mentioned no jurisdiction	
SB82	Revises provisions relating to employment and trade secrets. (BDR 53-419)	Committee on Commerce, Labor and Energy	Human Resources	1/5 WATCH, NEUTRAL		
SB84	Makes various changes relating to ethics in government. (BDR 23-250)	Committee on Legislative Operations and Elections	Governance	1/6 WATCH		



**TO:** TMWA Standing Advisory Committee (SAC)  
**THRU:** Mark Foree, General Manager  
**FROM:** Michele Sullivan, (incoming) Chief Financial Officer/Treasurer  
**DATE:** February 28, 2017  
**SUBJECT:** **Presentation of the TMWA Tentative Budget for Fiscal Year ending June 30, 2018 and Draft Capital Improvement Plan for Fiscal Years 2018 through 2022**

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### **Recommendation**

TMWA Board and SAC review the tentative budget report for the fiscal year ending June 30, 2018 and preliminary Five Year Capital Improvement Plan 2018-2022 (CIP). This allows the board and SAC to provide input and direction to TMWA management in advance of the public hearing on the budget and CIP on Wednesday, May 17, 2017. The tentative budget will be filed with the Nevada Department of Taxation by April 15, 2017 in compliance with statutory requirements.

### **Schedule of Revenues and Expenses Summary- See Attachment A**

Water demands have been projected based on an average of calendar year 2013 to 2016 water usage per service type and by service size. This methodology projects water sales revenue at \$94.3 million, essentially equal to projections in the most recent funding plan which assumed a 3% rebound in demand from drought levels. The proposed 3% increase in rates is included in revenue. The fiscal year 2018 budget also anticipates the addition of approximately 2,000 service connections over the course of the year. This expected growth is corroborated by current billing statistics.

Hydroelectric revenues are expected to improve over last year with generation expected through the entire year. River flows are expected to be sufficient to operate all three hydroelectric plants, with only minor outages for repairs or weather, which will generate \$3.0 million in revenue.

Other miscellaneous operating revenues are estimated at \$3.1 million. Other miscellaneous revenue are made up of late payment fees, turn-on and turn-off fees, construction water sales, cell phone tower rents, inspection services on new business and interruptible water sales.



Depending on the pace of residential/commercial construction there could be more or less construction water sales and inspection fees than projected.

TMWA operating expenses are expected to increase slightly in 2018. With drought conditions abated more reliance on surface water will occur in fiscal year 2018. As a result, electric power costs are expected to be reduced. Water treatment chemical expenses are expected to increase in fiscal year 2018 due to a 2% increase in pricing and more usage for year-round treatment of surface water. Wages and salaries costs are expected to increase as a result of labor negotiations and a slight increase in staffing levels. Staffing is expected to increase from 204 full time equivalents (FTEs) in fiscal year 2017 to 206 FTEs in fiscal year 2018. The increase in staffing is for two new technicians to assist with combining the water operating systems onto one updated platform. Employee benefits are expected to decrease for fiscal year 2018. New pension accounting rules changed the manner in which pension expense were calculated for fiscal year 2017, and caused a one-time adjustment. Health care premiums are planned to increase 5% with total outlays in this area estimated to be \$2.2 million. All other benefit rates are expected to be similar to last year's levels on a proportionate basis. The budget anticipates continued support of the *Truckee River Fund* for \$850,000 and the *Desert Research Institutes' (DRI's)* cloud seeding activities for \$210,000. As in the past TMWA personnel will continue to work diligently on managing operating expenses. A breakdown of services and supplies expenses is presented in *Attachment C*.

Investment income is expected to continue to be low due to relatively low rates of return but there are indications that interest rates may pick up in fiscal year 2018. Also, an agreement to pay TMWA 5.5% interest on certain reserves balances will be terminated with the 2017 bond refunding, which further reduces investment income in fiscal year 2018. If we were able to continue with the agreement, investment income earned would have been paid to the federal government due to arbitrage rules. Therefore, refunding the bonds at lower rates, and terminating the agreement is the best option for TMWA.

The community is experiencing more growth which is reflected in greater developer fee collections commensurate with the expectation that 2,000 additional residential units will be connected in fiscal year 2018. It is challenging to determine how much of this service connection growth is from entitled projects and shadow inventories.

Interest expense is expected to decrease with the refunding of the 2007 bonds. Some interest rate accommodation is being made for the upcoming refunding. Once that refunding is priced and the deal closed the actual results will be incorporated in the final budget. TMWA anticipates significant savings with a meaningful reduction in outstanding principal on the Series 2007 Refunding Bonds. The budget currently reflects estimates of these savings.

### **Draft Capital Improvement Plan for Fiscal Years 2018-2022**

TMWA plans to spend \$169.5 million over the next five years on a variety of construction projects and capital outlays of which \$42.6 million is expected to be spent in fiscal year 2018. *Please refer to Attachment D.*

Of the total \$42.6 million in capital spending in fiscal year 2018, \$15.1 million (35%), will be for a number of distribution system improvements. Three projects totaling \$3.9 million are included in various RTC road reconstruction projects to replace antiquated water main, valves, service connections and related appurtenances. These projects are the 4<sup>th</sup> Street/Prater Way Main Replacement, South Virginia/Midtown Main Replacement and Pyramid Way Transmission Main Replacement. In addition TMWA will advance two other conjunctive use water main projects on the Mt. Rose/Galena Fan area to further water resource management objectives in this part of the service area. Another water resource management project is to begin the design/engineering with initial construction of the Mt. Rose/Galena Fan Water Treatment Facility for \$6.0 million.

For the last four years of the 2018-2022 CIP TMWA will continue with CIP projects at a reduced, but relatively level scale which will include a combination of rehabilitation construction projects and construction to expand water system capacity to accommodate growth in the community. Total spending on water system rehabilitation projects is expected to be \$126.5 million over five years. The bulk of the remaining balance of project spending will be for water system expansion. After board input TMWA staff will finalize and present a final comprehensive CIP at the May 17, 2017 public hearing.

### **Cash Position and Coverage Ratios**

At this time, TMWA expects to begin fiscal year 2017 with approximately \$160.0 million in total cash and investments, and end the fiscal year with \$152.3 million of total cash and investments based upon planned spending levels. These projections can be found in ***Attachment B***. This is a projected decrease in cash of \$7.7 million, and includes pay down of Commercial Paper notes by \$7.2 million. Of the total ending cash and investments in fiscal year 2018, \$45.6 million will be restricted for debt service payments and reserve requirements under TMWA's bond indentures and \$106.7 million will be unrestricted to be used for future operating expenses, capital improvements and any other necessary outlays. The \$45.6 million in restricted cash reserves includes \$6.5 million of remaining transferred funds from STMGID which is earmarked for capital improvements in the former STMGID service area.

TMWA's senior lien debt coverage ratio (DSC ratio), excluding system development charges, is estimated to be 2.95x by the end of fiscal year 2017. This ratio has been artificially inflated due to the extension of certain maturities of the Series 2016 Refunding Bonds beyond fiscal year 2034, and out of fiscal year 2018. This level of debt service coverage preserves the ability to access senior lien capital markets, if necessary, under favorable terms. TMWA's senior lien bond covenants require a minimum coverage ratio of 1.25x. TMWA's financial goals adopted in August 2003 established a debt coverage goal of approximately 1.50x (excluding developer fees) to maintain mid-level to higher level investment grade credit ratings and pay-as-you-go funding for water system rehabilitation construction projects. TMWA completed a credit review in February, 2017 by two major credit rating agencies, Moody's and Standard & Poors (S&P), in front of the upcoming refunding opportunity with TMWA's Series 2007 Revenue Bonds. TMWA maintained its previous rating with Moody's of Aa2, and was upgraded by Standard & Poor's to AA+ from AA.

**TRUCKEE MEADOWS WATER AUTHORITY**  
**SCHEDULE OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2018 v JUNE 30, 2017**

	Proposed Tentative Fiscal Year 2018 Total	Presented Amended Final Fiscal Year 2017 Total	Increase (Decrease)
<b>OPERATING REVENUES</b>			
Charges for water sales	\$ 94,303,278	\$ 88,833,746	\$ 5,469,532
Hydroelectric sales	2,990,391	1,755,890	1,234,501
Other operating sales	3,131,500	2,471,500	660,000
Total Operating Revenues	100,425,169	93,061,136	7,364,033
<b>OPERATING EXPENSES</b>			
Salaries and wages	19,024,704	18,319,615	705,089
Employee benefits	8,708,062	9,332,796	(624,734)
Services and supplies	26,662,211	26,078,715	583,496
Total Operating Expenses before Depreciation	54,394,977	53,731,126	663,851
Depreciation	34,061,148	33,247,620	813,528
Total Operating Expenses	88,456,125	86,978,746	1,477,379
Operating Income	11,969,044	6,082,390	5,886,654
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment earnings	1,342,692	2,231,304	(888,612)
Unrealized gain on investments	-	-	-
Gain (Loss) on disposal of assets	-	-	-
Amortization of bond/note issuance costs	(468,624)	(474,444)	5,820
Interest expense	(13,687,272)	(16,930,176)	3,242,904
Other non-operating revenue	-	-	-
Other non-operating expenses	-	-	-
Total Nonoperating Revenues (Expenses)	(12,813,204)	(15,173,316)	2,360,112
Income (Loss) before Capital Contributions	(844,160)	(9,090,926)	8,246,766
<b>CAPITAL CONTRIBUTIONS</b>			
Grants	200,004	150,000	50,004
Water meter retrofit program	781,488	1,619,256	(837,768)
Developer infrastructure contributions	-	-	-
Developer will-serve contributions (net of refunds)	5,034,744	4,615,656	419,088
Developer capital contributions-other	4,345,296	3,165,144	1,180,152
Developer facility charges (net of refunds)	4,826,436	4,509,144	317,292
Contributions from others	-	-	-
Contributions from other governments	-	-	-
Net Capital Contributions	15,187,968	14,059,200	1,128,768
Change in Net Position	14,343,808	4,968,274	9,375,534
<b>NET POSITION , BEGINNING OF YEAR</b>	<u>\$ 589,950,588</u>		
<b>NET POSITION, END OF YEAR</b>	<u><u>\$ 604,294,396</u></u>		

**STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2018**

	Presented Tentative Fiscal Year 2018 <u>Total</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 100,425,169
Cash paid to employees	(27,732,766)
Cash paid to suppliers	<u>(26,662,211)</u>
Net Cash Provided by Operating Activities	<u>46,030,192</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition and construction of capital assets	(42,605,000)
Interest paid on financing	(17,225,410)
Principal paid on financing	(2,739,695)
Proceeds from capital debt issuance	-
Redemptions of commercial paper notes	(7,200,000)
Contributions for water meter retrofit program	781,488
Contributions from developers-will-serve letters	5,034,744
Contributions from developers-other	4,345,296
Contributions from developers-facility charges	4,826,436
Grants	200,000
Bond/Note issuance costs	<u>(468,624)</u>
Net Cash (Used) by Capital and Related Financing Activities	<u>(55,050,765)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	<u>1,342,692</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(7,677,881)</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>\$ 160,000,000</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u>\$ 152,322,119</u></u>

**Attachemnt B**

**TRUCKEE MEADOWS WATER AUTHORITY  
OPERATING EXPENSE DETAILS  
ATTACHMENT C**

<b>TMWA Operating Budget</b>	
Wages & Salaries	<b>19,024,707</b>
Employee Benefits	<b>8,708,062</b>
Services & Supplies	<b><u>26,662,211</u></b>
 Total TMWA Operating Budget	 <b><u><u>54,394,980</u></u></b>
 <b>Wages &amp; Salaries</b>	
Salaries & Wages Base MPAT	<b>6,951,511</b>
Wages Base IBEW	<b>9,355,370</b>
Wages Temporary Personnel	<b>368,256</b>
Wages Overtime MPAT	<b>345,720</b>
Wages Overtime 1.5 IBEW	<b>1,112,240</b>
Wages Overtime 2.0 IBEW	<b>841,431</b>
Wages Shift Differentials	<b><u>50,179</u></b>
	<b>19,024,707</b>
 <b>Employee Benefits</b>	
PERS Retirement	<b>4,211,079</b>
Heath Insurance	<b>2,248,999</b>
Life Insurance	<b>62,083</b>
Workmen's compensation	<b>234,173</b>
Employer Medicare	<b>298,900</b>
Long-Term Disability	<b>67,190</b>
Deferred Comp TMWA paid 401a	<b>985,439</b>
Other Post Employment Benefits	<b><u>600,199</u></b>
	<b>8,708,062</b>
 <b>Services &amp; Supplies</b>	
Chemicals	<b>2,366,724</b>
Claim Payments	<b>195,307</b>
Computer software maintenance	<b>550,758</b>
Computer spares and parts	<b>129,432</b>
Computer hardware maintenance	<b>132,816</b>
Contract Services General	<b>4,873,203</b>
Contract Services Construction	<b>189,600</b>
Contract Services Electrical	<b>102,000</b>
Contract Services- Equipment Maintenance and repairs	<b>853,800</b>
Contract Services Facilities maintenance and repairs	<b>567,600</b>
Contract Services	<b>322,254</b>
Ditch Fees	<b>67,200</b>
Storage Fees	<b>648,780</b>

**TRUCKEE MEADOWS WATER AUTHORITY  
OPERATING EXPENSE DETAILS  
ATTACHMENT C**

River monitoring	480,000
Employee expense reimbursements non travel	11,667
Equipment rentals	56,100
Insurance Property/General liability/Fleet	771,627
Leases Land	60,000
Licenses/Permits/application fees	490,398
Postage & Shipping	676,156
Professional Organization dues	96,889
Professional Services Administration	1,269,334
Professional Services Easement/ROW/Appraisals	24,000
Professional Services -Engineering	247,200
Professional Services Geotechnical/environmental	12,600
Professional Services Hydrology/resource Planning/TROA	483,000
Property taxes Nevada County CA	258,600
Property taxes Sierra County CA	384,000
Public Utility electric power	5,360,311
Public Utility gas & Propane	6,800
Public Utility water/sewer/waste disposal	179,400
Public Utility networking communication	16,200
Public Utility telephone	487,438
Street Repairs-Reno	135,000
Street Repairs Regional Transportation Commission	9,000
Street Repairs Sparks	30,000
Street Repairs Washoe County	36,000
Supplies-Administrative Office	784,880
Supplies Small Tools	175,236
Supplies Mechanical Parts	939,851
Supplies Pipes & Fittings	420,900
Supplies fuel/Lube/Oil	385,040
Supplies Pumps	119,400
Supplies Motors	191,200
Training	129,077
Travel/Lodging/Meals	85,434
Truckee River Fund	850,000
	<hr/>
	26,662,211
 Total TMWA Operating Budget	 <u><u>54,394,980</u></u>

Capital Improvement Summary  
Truckee Meadows Water Authority  
FY 2018 - FY 2022

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Proposed Five Year CIP Total
<b>Raw Water Supply Improvements</b>						
Highland Canal-Upgrades-Downstream FY 2018 - FY 2022	225	225	225	225	225	1,125
Highland Canal-Upgrades-Diversion to Chalk Bluff FY 2018 - FY 2022	100	100	100	1,000	100	1,400
Donner Dam Improvements FY 2018	300	-	-	-		300
Independence Lake Permitting Study FY 2018	100					100
Indirect Potable Reuse FY 2018 - FY 2022	100	100	100	100	100	500
TROA Drought Storage / Implementation FY 2018 - FY 2022	150	150	150	150	150	750
Mesa Park Drainage FY 2018	1,900					1,900
	2,875	575	575	1,475	575	6,075
<b>Ground Water Supply Improvments</b>						
Well Rehabilitation Improvements FY 2018 - FY 2022	1,250	925	925	925	925	4,950
Double Diamond #4 Equipment FY 2022	-	-	-		1,000	1,000
Campello Capacity Increase FY 2020		-	150	-		150
Callamont Well South Equipment FY 2021	-	-	-	1,000		1,000
Air Guard Well Replacement FY 2020		-	1,000	-		1,000
Sunrise Well #3 Replacement FY 2018 - FY 2019	500	900	-	-		1,400
Bedell Flat Water Bank FY 2018 - FY 2022	50	100	100	100	100	450
Lemmon Valley Well #8 Replacement FY 2022	-	-	-	-	1,000	1,000
Well Fix & Finish FY 2018 - FY 2022	150	150	150	150	150	750
Well Plugging / Conversion FY 2018	110					110
NDEP Monitoring Wells FY 2018	110					110
Thomas Creek Well Replacement FY 2020 - FY 2021			1,250	1,000		2,250
Spanish Springs Nitrate Treatment FY 2018	400					400
Fish Springs Ranch Monitoring Well Rehabs FY 2018	25					25
Well Head TTHM Mitigation FY 2018	200					200
Spring Creek Well 7 Recharge FY 2019		500				500
Callamont Well North Equipment FY 2022					1,000	1,000
	2,795	2,575	3,575	3,175	4,175	16,295
<b>Treatment Plant Improvements</b>						
Chalk Bluff Treatment Plant Fix & Finish FY 2018 - FY 2022	945	880	700	460	455	3,440
Glendale Treatment Plant Fix and Finish FY 2018 - FY 2022	505	585	1,350	310	165	2,915
Longley Lane Treatment Plant Fix and Finish FY 2018	145	-	-	-	-	145
Chalk Bluff Pump Building Air Handler FY 2018	850	-	-	-	-	850
Chalk Bluff Lighting Upgrade			350			350
Glendale Lighting Upgrade	250					250
Eagle Canyon Transmission Main Phase 2 FY 2019 - 2020	-	100	1,800	-	-	1,900
Truckee Canyon Water Treatment Improvements FY 2018 - FY 2022	65	35	60	60	35	255
Lightning W Treatment Improvements FY 2018 - FY 2022	60	60	10	60	160	350
SCADA Rehab / Plant Operating Software FY 2018 - FY 2022	1,339	1,257	867	755	474	4,692
Mount Rose Surface Water Treatment Plant FY 2018 - FY 2019	6,000	4,000	-	-	-	10,000
Longley Lane Water Treatment Plant Assessment / Retrofit FY 2018, 2020	55	-	600	-	-	655
Sparks Groundwater Treatment Plant FY 2022	-	-	-	-	1,000	1,000
Terminal Tank PH Adjustment FY 2018	290	-	-	-	-	290
Glendale Diversion Emergency Flood Repairs FY 2018	600	-	-	-	-	600
	11,104	6,917	5,737	1,645	2,289	27,692
<b>Pressure Improvements</b>						
Pressure Regulators Rehabilitation FY 2018 - 2022	500	450	450	450	450	2,300
Pressure Reducing Valve ( Roll Seal) Removal FY 2018 - 2022	400	400	400	400	400	2,000
Land Acquisitions FY 2018 - 2022	250	250	250	250	250	1,250
Desert Springs Pressure Improvements FY 2019	-	400	-	-	-	400
Paloma Pressure Regulating Station / Main FY 2018	1,000	-	-	-	-	1,000
Longley Booster Pump Station / Double R Capacity Increase FY 2019	-	500	-	-	-	500
Pump Station Oversizing FY 2018 - 2022	250	100	100	100	100	650
Pump Station Rebuilds, Rehabilitations FY 2018 - 2022	900	1,000	1,000	1,000	1,000	4,900
D'Andrea #3 Pump Station (developer reimbursed direct cost) FY 2018	619	-	-	-	-	619
Truckee River Highlands Pump Station # 1 FY 2021	-	-	-	1,000	-	1,000
Mount Rose Well #3 Pump Station Improvements FY 2019 -2020	-	50	250	-	-	300
Standby Generator Improvements FY 2018 - 2022	150	800	150	150	150	1,400
Generator Additions - Lightening W, Sunrise Estates, and Old Washoe FY 2018	79					79
Idlewild Booster Pump Station Improvements FY 2021 - 2022	-	-	-	100	1,200	1,300
Mogul Booster Pump Station FY 2018	500	-	-	-	-	500
Parkridge Circle Conversion FY 2022	-	-	-	-	300	300
SW Reno Pump Zone Consolidation Phase 1 FY 2021 - 2022	-	-	-	300	3,500	3,800
Spanish Springs #1 Pump Zone Intertie FY 2021	-	-	-	600	-	600
STMGID Tank 4 Booster Pump Station / Transmission Line FY2020 - FY2021	-	-	2,450	550	-	3,000
Yellow Pine Main Pressure Regulating Station FY 2018	330	-	-	-	-	330
Wildwood Pressure Regulating Station Scada Control FY 2021	-	-	-	50	-	50
Truckee River Highlands Pump Station # 2 FY 2022	-	-	-	-	900	900
Old Virginia Regulation Station FY 2020	-	-	330	-	-	330
	4,978	3,950	5,380	4,950	8,250	27,508
<b>Water Main-Distribution-Service Line Improvements</b>						
Street & Highway Main Replacements FY 2018 - FY 2022	3,000	5,000	5,000	5,000	5,000	23,000
4th and Prater Replacement / Modification FY 2018	2,000	-	-	-	-	2,000
South Virginia / Midtown Main Plumb to Liberty FY 2018 - FY 2019	1,100	500	-	-	-	1,600
Pyramid Way Transmission Main FY 2018	800	-	-	-	-	800
California-Marsh 24" Main Replacement FY 2018 - FY 2019	100	1,200	-	-	-	1,300
Booth, Sharon Way, Monroe 24" Main Replacements FY 2020 - FY 2021	-		100	3,100	-	3,200
South Virginia 24" Main (Kumle to Peckham) FY 2019 - FY 2020	-	100	900	-	-	1,000
North East Sparks Feeder Main Relocation FY 2020 - FY 2021	-	-	50	950	-	1,000
Spanish Springs - Spring Creek South Zone Conversion FY 2019	-	700	-	-	-	700
West Hidden Valley, Surge St., Piping Rock Main Replacement FY 2020 - FY 2022	-	0	1,000	230	500	1,730
Spanish Springs Main Replacement FY 2019 - FY 2020	-	650	650	-	-	1,300
Bonnie Lane, Snow Flower, Main Extensions FY 2021 - FY 2022	-	-	-	620	900	1,520
South Truckee Meadows Capacity Improvements FY 2019	-	400	-	-	-	400
Stead Golf Course Main Replacement FY 2021 - FY 2022	-	-	-	90	2,160	2,250
Arrowcreek-Mt. Rose Conjunctive Use Phase 2 FY 2018	400	-	-	-	-	400
Arc Flash Improvements FY 2018	100	-	-	-	-	100

General Waterline Extensions FY 2018 - FY 2021	100	100	100	03-07-17 SAC Agenda Item 9	400
Galvanized / Poly Service Line Replacements FY 2018 - FY 2021	400	400	400	Attachment D	1,600
Verdi Main FY 2018	2,200	-	-	-	2,200
Goldenrod Main FY 2021	-	-	-	1,100	-
Mount Rose 5 Distribution / Pressure Improvements FY 2018	333	-	-	-	-
	10,533	9,050	8,200	11,590	8,560
					47,933
Potable Water Storage Improvements					
Peavine Tank Replacement FY 2018	2,500	-	-	-	-
Sun Valley #2 Tank FY 2019 - FY 2020	-	150	1,750	-	-
Rattlesnake Ring Addition FY 2020	-	-	800	-	-
Zone 11 Tank FY 2018 - FY 2019	150	3,000	-	-	-
Fish Springs Ranch #2 Tank FY 2020 - FY 2021	-	-	100	2,000	-
Storage Tank Recoats; Access; Drainage Improvements FY 2018 - FY 2022	860	800	800	800	800
Highland Reservoir Tank FY 2021 - FY 2022	-	-	-	100	5,700
	3,510	3,950	3,450	2,900	6,500
					20,310
Hydroelectric Improvements					
Forebay, Diversion, and Canal Improvements FY 2018 - FY 2022	45	55	50	50	50
Flume Rehabilitation FY 2018 - FY 2022	800	700	750	750	750
Hydro Plant Generator Rewinds FY 2019 - FY 2021	-	350	350	350	-
	845	1,105	1,150	1,150	800
					5,050
Customer Service Outlays					
Meter Reading Equipment FY 2018 - FY 2022	60	-	60	-	60
New Business Meters FY 2018 - FY 2022	350	350	175	100	100
Mueller Pit Replacements former Washoe County FY 2018 - FY 2022	125	125	125	125	125
Meter - ERT-RTR Replacements FY 2018 - FY 2022	1,250	1,250	1,250	1,250	1,250
	1,785	1,725	1,610	1,475	1,535
					8,130
Administrative Outlays					
GIS / GPS System Mapping Equipment FY 2018 - FY 2022	40	40	40	40	40
Desktop Computer Upgrades FY 2018 - FY 2022	100	100	100	100	100
Network Server / Storage Upgrades FY 2018 - FY 2022	175	175	175	175	275
Network Security Upgrades FY 2018 - FY 2022	150	150	150	150	150
Disaster Recovery Improvements FY 2018	215	-	-	-	-
Furniture - Office Equipment FY 2018 - FY 2022	50	50	50	50	50
Crew Trucks / Vehicles FY 2018 - FY 2022	825	570	585	650	600
Security-ER Projects FY 2018 - FY 2022	150	150	150	150	150
Emergency Operations Annex Design / Construction FY 2018 - FY 2019	500	1,500	-	-	-
Corporate Office Expansion- Design / Construction FY 2018	1,800	-	-	-	-
System Wide Asphalt Rehabilitation FY 2018 - FY 2022	250	250	250	250	250
.	4,255	2,985	1,500	1,565	1,615
					11,920
Subtotal Construction Spending Outlays	42,680	32,832	31,177	29,925	34,299
					170,913
Special Projects Funded by Development					
Water Meter Retrofits FY 2018 - FY 2022	300	300	300	300	300
Water Right Purchases FY 2018 - FY 2022	150	150	150	150	150
	450	450	450	450	450
					2,250
Total Projected Capital Spending	43,130	33,282	31,627	30,375	34,749
					173,163
Former STMGID System Improvements					
STMGID Well Bypass & Chlorine Room Improvements FY 2018 - FY 2019	400	100	-	-	-
STMGID Well #1 Replacement FY 2019 - FY 2020		850	900	-	
STMGID Well Fix & Finish FY 2018 - FY 2022	150	150	150	150	150
STMGID Conjunctive Use Facilities FY 2018 - FY 2020	150	1,800	2,100	-	-
STMGID Tank Recoats FY 2019, FY 2021	-	220	-	300	-
STMGID Mueller Pit Replacements FY 2018 - FY 2021	75	50	50	50	-
STMGID NAC Deficiencies - Saddlehorn, Upper Toll, STMGID East FY 2019 - 2022	-	350	100	2,400	350
Total Former STMGID Capital Spending - Allocated Funding	775	3,520	3,300	2,900	500
					10,995