

TRUCKEE MEADOWS WATER AUTHORITY
MINUTES OF THE JUNE 16, 2021
MEETING OF THE BOARD OF DIRECTORS

The Board of Directors met on Wednesday June 16, 2021, Sparks Council Chambers. Chair Hartung called the meeting to order at 10:05 a.m.

1. ROLL CALL

Members Present: Paul Anderson, Jenny Brekhus, Kristopher Dahir, Naomi Duerr, Vaughn Hartung, and Alexis Hill.

Members Absent: Neoma Jardon

A quorum was present.

2. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Member Hill.

3. PUBLIC COMMENT

There was no public comment.

4. POSSIBLE BOARD COMMENTS OR ACKNOWLEDGEMENTS*

There were no Board comments.

5. APPROVAL OF THE AGENDA

Vice Chair Dahir requested to move agenda item #13 after #6.

Upon motion by Member Dahir second by Member Hill, which motion duly carried by unanimous consent of the members present, the Board approved the agenda as amended.

6. APPROVAL OF THE MINUTES OF THE MAY 20, 2021 MEETING

Upon motion by Member Hill, second by Member Dahir, which motion duly carried by unanimous consent of the members present, the Board approved the May 20, 2021 minutes.

13. DISCUSSION AND ACTION ON NOMINATION AND ELECTION OF CHAIRMAN AND VICE CHAIRMAN AND REQUEST FOR BOARD ADOPTION OF RESOLUTION NO. 296 APPOINTING A CHAIRMAN AND VICE CHAIRMAN FOR FISCAL YEAR 2022

Mark Foree, TMWA General Manager, presented the staff report.

Member Brekhus said she would not support the motion to recommend Chair and Vice Chair from either Washoe County or City of Sparks due to the fact that there are no governing rules for rotation of local agency representation and City of Reno has never held the Chair position.

Upon motion by Member Hill, second by Member Dahir, which motion duly carried five to one with Member Brekhus dissenting, the Board adopted Resolution No. 296: A resolution to appoint Vaughn Hartung Chairman for fiscal year 2022.

Upon motion by Member Anderson, second by Member Hartung, which motion duly carried five to one with Member Brekhus dissenting, the Board adopted Resolution No. 296: A resolution to appoint Kristopher Dahir Vice Chairman for fiscal year 2022.

7. PRESENTATION OF RESULTS OF 2021 LEGISLATIVE ACTIVITIES AND BILLS

John Zimmerman, TMWA Water Resources Manager, Michael Pagni, TMWA General Counsel, and Leo Drozdoff, TMWA Lobbyist, provided an update on significant bills and the outcome of the 2021 legislative session: AB3 (authorized the electronic submission of maps and other documents) TMWA supported this bill and it passed unanimously; AB6 (temporary change applications for water rights), passed; AB87 (proposes to streamline the process by which certain easements of cities and counties can be vacated and abandoned without a hearing), staff worked with the bill sponsors to include an amendment whereby TMWA would no longer be affected, shifted position from oppose to monitor, passed; AB97 (revises provisions governing toxic chemicals), staff worked with the bill sponsor, passed with amendments about forming a working group and working with Nevada Department of Environmental Protection (NDEP) to address issues and concerns; AB356 (State Engineer's water conservation bill) was significantly amended and now states Colorado River water cannot be used to irrigate non-functional turf in the Las Vegas Valley after 2026, passed as amended; and SCR11 which proposes to create a special committee (made up of members of the Assembly and Senate) to evaluate innovation zones. The intent is that it would meet at least once a month for 6 months to study the potential economic benefits of innovation zones. The committee is charged with soliciting input from interested stakeholders, including water authorities as well as tribal governments, environmental groups, labor organizations and local governments; recommendations must be submitted to the Governor before December 31, 2021.

Member Brekhus inquired if the wording in AB87 changed from "shall" to "may." Mr. Pagni replied yes.

Member Duerr inquired how non-functional turf is applied and stated she is hearing that some groups are now pushing to have a similar bill in Northern Nevada, which she would like to be prepared should it

continue to gain traction. Mr. Zimmerman replied it applies to non-functional turf areas, not residential areas. Mr. Pagni added the final language in the bill authorizes the Board of Directors of the Southern Nevada Water Authority (SNWA) to define what is functional and non-functional turf.

Vice Chair Dahir stated that may be setting a precedent and the “drought” language used in the northern Nevada is compared to what is happening in the south; it is important to educate and communicate to the public that the region in the north is not experiencing the same circumstances as in the south.

Member Brekhus inquired who would be the leaders from both houses on water policy and Justice Hardesty’s water court. Mr. Zimmerman replied, with regards to water court, he represents TMWA on the commission to study water adjudication and will keep both the Board and Legislative Subcommittee apprised of its progress. Mr. Drozdoff replied leaders in the Assembly would be Assemblyman Howard Watts and Assemblywoman Sarah Peters, and in the Senate, it is a bit unclear at this time from the south, but from the north it would most likely be Pete Goicoechea.

No action taken.

8. DISCUSSION AND ACTION ON ESTABLISHING A LEGISLATIVE SUBCOMMITTEE FOR THE 2021-2022 INTERIM LEGISLATIVE SESSION AND APPOINTMENT OF TWO OR MORE BOARD MEMBERS TO SUBCOMMITTEE

Mr. Zimmerman presented the staff report.

Upon motion by Member Hartung, second by Member Duerr, which motion duly carried unanimous consent of the members present, the Board approved the appointment of Kristopher Dahir, Naomi Duerr and Alexis Hill as members and Paul Anderson and Jenny Brekhus as alternates to the Legislative Subcommittee for the 2021-2022 Interim Legislative Session.

9. WATER SUPPLY UPDATE

Bill Hauck, TMWA Water Supply Administrator, informed the Board that: the region has officially entered into its second year of drought; 11% and 33% of normal for run-off at Lake Tahoe and Truckee River at Farad, respectively; there is about 1.9 feet of stored water in Lake Tahoe; projections show Lake Tahoe will be below the natural rim by end of October; the required rate of flow (Floriston Rates) are expected to drop in mid-August and upstream storage which is currently at 53k acre feet (AF) (about two-thirds of annual demand) will be used to meet customer demand later this summer; 2015 was much worse when Floriston Rates dropped in April and TMWA only had about 26k AF; staff does not foresee using reserves from either Donner or Independences Lakes; and no additional conservation measures will be required.

Member Brekhus asked how much demand has increased compared to 2015. Mr. Hauck replied about 3% due to a dry spring and customers were using water earlier in the season.

Member Duerr requested a comparison to the national drought be added in the next water supply update.

10. PRESENTATION AND INFORMATIONAL REPORT ON PROPOSED FUTURE ADJUSTMENTS TO SCHEDULE WSF AND BSF FEES

Scott Estes, TMWA Director of Engineering, and Danny Rotter, TMWA Engineering Manager, presented the staff report. Mr. Rotter reiterated that WSF and BSF fees are not rates funded by existing customers, rather the fees are paid for by growth (related to new or expanded service). Mr. Rotter presented the proposed schedule (six months) for public hearings, and planned implementation in January 2022.

Vice Chair Dahir suggested staff have projected numbers beyond what will be implemented in 2022 so there is a foundation and asked if the new fees apply to current projects. Mr. Rotter replied they had not but could do so, and that new fees will apply to new water service agreements entered after the fees are effective. Mr. Estes added the one component in their calculations that can be accurately projected is the carrying charge, but they can also determine if construction costs have risen or decreased.

11. DISCUSSION AND ACTION ON TRANSFER OF SURPLUS REAL PROPERTY LOCATED AT 1905 E. 4TH STREET, RENO, NEVADA TO WASHOE COUNTY FOR NO CONSIDERATION AND REQUEST FOR ADOPTION OF RESOLUTION NO. 294: A RESOLUTION TO APPROVE DONATION OF SURPLUS REAL PROPERTY TO WASHOE COUNTY

Andy Gebhardt, TMWA Director of Operations & Water Quality, presented the staff report.

At this time, the Board discussed the sale of the property and any impact on access to TMWA's 4th Street Well (no impact); process for transferring the property (no appraisal required due to the transfer going to a government agency); how much TMWA initially paid for the property (about \$150k).

Member Hill stated for the record that this is exciting and staff at Washoe County will be working with HOPES to create a clinic on the site that will replicate their services at their main office.

Upon motion by Member Duerr, second by Member Anderson, which motion duly carried unanimous consent of the members present, the Board adopted Resolution No. 294: A resolution to transfer of surplus real property located at 1905 E. 4th Street, Reno, Nevada to Washoe County for no consideration and request for adoption of Resolution No. 294: A resolution to approve donation of surplus real property to Washoe County.

12. DISCUSSION AND ACTION ON REQUEST FOR ADOPTION OF RESOLUTION NO. 295: A RESOLUTION TO APPROVE DONATION OF SURPLUS VEHICLE TO THE NATURE CONSERVANCY FOR INDEPENDENCE LAKE MANAGEMENT ACTIVITIES

Pat Nielson, TMWA Director of Distribution, Maintenance & Generation, presented the staff report.

Mickey Hazelwood, The Nature Conservancy, thanked the Board for their consideration and approval of this request. Mr. Hazelwood appreciates their working relationship with TMWA at Independence Lake and all their work directly correlates to the health of the water quality at the lake.

Upon motion by Member Brekhus, second by Member Dahir, which motion duly carried unanimous consent of the members present, the Board adopted Resolution No. 295: A resolution to approve donation of surplus vehicle to The Nature Conservancy for Independence Lake management activities.

14. GENERAL MANAGER'S REPORT

Mr. Foree stated TMWA celebrated its 20th Anniversary last Friday, June 11th, a party is scheduled on Saturday, August 28th at Verdi and the Board is invited; Chalk Bluff hydro is exempt from licensing; plan to cancel the July Board meeting; and Mr. Zimmerman has been promoted to Assistant General Manager.

15. PUBLIC COMMENT

There was no public comment.

16. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

Chair Hartung requested a future item on cybersecurity and security at TMWA's facilities.

Member Hill requested an item on drought and conservation measures in response to a constituent request.

17. ADJOURNMENT

With no further discussion, Chair Hartung adjourned the meeting at 11:10 a.m.

Approved by the TMWA Board of Directors in session on Wednesday, August 18, 2021.

Sonia Folsom, Board Clerk.