

TRUCKEE MEADOWS WATER AUTHORITY
MINUTES OF THE SEPTEMBER 15, 2021
MEETING OF THE BOARD OF DIRECTORS

The Board of Directors met on Wednesday September 15, 2021, Sparks Council Chambers. Vice Chair Dahir called the meeting to order at 10:04 a.m.

1. ROLL CALL

Members Present: Kristopher Dahir, Naomi Duerr, Vaughn Hartung (via remote technology), Alexis Hill, and Neoma Jardon (via remote technology).

Members Absent: Paul Anderson and Jenny Brekhus.

A quorum was present.

2. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Mark Foree, TMWA General Manager.

3. PUBLIC COMMENT

There was no public comment.

4. POSSIBLE BOARD COMMENTS OR ACKNOWLEDGEMENTS

There were no Board comments.

5. APPROVAL OF THE AGENDA

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

6. APPROVAL OF THE MINUTES OF THE AUGUST 18, 2021 MEETING

Upon motion by Member Duerr, second by Member Hill, which motion duly carried by unanimous consent of the members present, the Board approved the August 18, 2021 minutes.

7. WATER SUPPLY UPDATE

Bill Hauck, TMWA Water Supply Supervisor, informed the Board: the last day of normal Truckee River flows for 2021 was on August 18th; Floriston Rates could no longer be met after that day because Lake

Tahoe and Boca Reservoir didn't have enough water in storage to meet the required rate of flow at the CA/NV state line; by August 22nd TMWA needed to augment supply with additional groundwater pumping and releases from Lake Tahoe and Donner Lake to keep surface water treatment plants online as customer demands were still high; approximately 2,800 acre feet (AF) of upstream storage has already been used with about 2,500 AF more expected to be released before the season is over; it is too early to speculate about the upcoming winter and expected snowpack levels; TMWA still has over 47,000 AF in storage and available for use if needed;; the water surface elevation of Lake Tahoe is projected to go below the rim by next month and the outlook for flows in the Truckee River next year will be completely dependent upon this upcoming winter; but TMWA will continue to provide its customers with a reliable supply of high quality drinking water for as long as the drought persists.

At this time members of the Board asked if any of TMWA's water supply was used to support fighting fires in the region and if the upcoming winter will be another dry season, what resources does TMWA have to supply water to its customers. Mr. Hauck replied no, none of TMWA's water supply was used for firefighting. He noted TMWA has a great portfolio to supply water to its customers, and with water stored under the Truckee River Operating Agreement, water supply will be available if there is another dry year.

8. DISCUSSION AND ACTION ON RESOLUTION NO. 297: A RESOLUTION TO APPROVE FUNDING FOR THE PROJECTS RECOMMENDED BY THE TRUCKEE RIVER FUND ADVISORY COMMITTEE AND AN AUTHORIZATION FOR THE COMMUNITY FOUNDATION TO FUND SUCH PROJECTS FROM FUND PROCEEDS

Sonia Folsom, TMWA Executive Assistant, presented an overview of the seven projects recommended for approval.

Member Hill disclosed she sits on the Washoe County Board of County Commissioners, but there is no conflict of interest as it relates to project #256, Washoe County River Stewards Project.

Upon motion by Member Hill, second by Member Duerr, which motion duly carried by unanimous consent of the members present, the Board adopted Resolution No. 297: A Resolution to approve funding for the projects recommended by the Truckee River Fund Advisory Committee and an authorization for the Community Foundation to fund such projects from Fund proceeds.

9. PRESENTATION OF PRELIMINARY FISCAL YEAR 2021 UNAUDITED FINANCIAL PERFORMANCE

Matt Bowman, TMWA Financial Controller, presented the preliminary FY2021 unaudited financial performance: capital spending was 70% of budget; water revenue sales was higher than budget by about \$7.5M (or 7%), the last two years it was within 1% of budget; hydroelectric sales was lower than budget at \$2.8M (13%); operating expenses were within 2% (\$4.1M) of budget; non-operating expenses was \$4.3M (45%) above budget; and higher capital contributions resulting in a \$11.4M (34%) positive change in net-position for FY 2021.

Vice Chair Dahir inquired about the rate increase and keep the balance of what is needed and what is coming in; given the increases in income, are we still projected to engage in the increases. Mr. Bowman replied staff will present the 5-year funding plan next month and it will be addressed at that time.

10. DISCUSSION AND ACTION REGARDING GENERAL MANAGER PERFORMANCE REVIEW FOR CONTRACT YEAR 2020/2021 AND DISCUSSION AND ACTION ON POSSIBLE PERFORMANCE LUMP SUM AWARD AND/OR OTHER COMPENSATION ADJUSTMENT

Vice Chair Dahir noted Mark Foree, TMWA General Manager, is not asking for more than the cost of living increase under the terms of his employment contract.

Jessica Atkinson, TMWA Human Resources Manager, presented the staff report. Ms. Atkinson said that one Board Member was inadvertently missed to participate in the survey. Once that Board Member submits their responses an amended survey will be attached to the General Manager's Report in October.

Members of the Board expressed their appreciation and gratitude to Mr. Foree for his hard work and dedication over the years, and his expert staff who do amazing work; a testament to his leadership style. They continued with thanking him for always being responsive to answer questions and address issues.

Mr. Foree thanked the Board for their continued support over the years and said we couldn't do it without support of the Board including providing TMWA with competitive compensation and benefits so that we are able to recruit and retain the best-of-the-best as well as providing our staff with the necessary resources to do their jobs exceptionally well.

Upon motion by Member Duerr, second by Member Hill, which motion duly carried by unanimous consent of the members present, the Board accepted the performance review for contract year 2020/2021.

11. DISCUSSION AND ACTION ON REQUEST FOR BOARD INPUT AND ACCEPTANCE OF GENERAL MANAGER PERFORMANCE OBJECTIVES FOR CONTRACT YEAR 2021/2022

Mr. Foree presented the proposed goals, many of which are focused on projects and initiatives that will improve water resource management, and increase and diversify water supplies and drought resiliency. He noted one additional goal suggested in the GM's performance survey which is related to conservation initiatives and updating the modelling of TMWA's water supply, as it relates to climate change, more frequently.

Member Hill appreciated the addition of Goal #13 as it was her suggestion. Member Duerr agreed and appreciated that staff will be more proactive with updating the models.

Upon motion by Member Hill, second by Member Duerr, which motion duly carried by unanimous consent of the members present, the Board approved the General Manager performance objectives for contract year 2021/2022 with the addition of Goal #13: Analyze opportunities to increase water conservation for drought resiliency, use best available science to evaluate global climate change models applicable to this region, and advise the Board.

12. GENERAL MANAGER'S REPORT

Mr. Foree informed the Board of the October Strategic Planning Workshop will be held virtually due to the ongoing situation with the pandemic.

13. PUBLIC COMMENT

There was no public comment.

14. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

There were no Board comments.

15. ADJOURNMENT

With no further discussion, Vice Chair Dahir adjourned the meeting at 11:04 a.m.

Approved by the TMWA Board of Directors in session on Wednesday, October 20, 2021.

Sonia Folsom, Board Clerk.