



**TRUCKEE MEADOWS WATER AUTHORITY**  
**Board of Directors**  
**AGENDA**

**Wednesday, January 19, 2022 at 10:00 a.m.**  
**Virtual Meeting Only**

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MEMBERS OF THE PUBLIC MAY ATTEND VIA THE WEB LINK, OR  
TELEPHONICALLY BY CALLING THE NUMBER, LISTED BELOW.  
NO PHYSICAL LOCATION IS BEING PROVIDED FOR THIS MEETING  
**(be sure to keep your audio on mute, and do not place the call on hold)**

Please click the link below to join the webinar:

<https://tmwa.zoom.us/j/82941683278?pwd=UTdrZE04cDd2RUhkL1dVNlZyRmN0UT09>

Or call:

Phone: (888) 788-0099

Webinar ID: 829 4168 3278

Password: 870831

**Board Members**

Chair Vaughn Hartung  
Member Neoma Jardon  
Member Jenny Brekhus  
Member Paul Anderson

Vice Chair Kristopher Dahir  
Member Alexis Hill  
Member Naomi Duerr

**NOTES:**

1. Pursuant to NRS 241.020(11), this meeting will be held by teleconference only.
2. The announcement of this meeting has been electronically posted in compliance with NRS 241.020(3) at <http://www.tmwa.com>, and NRS 232.2175 at <https://notice.nv.gov/>.
3. Pursuant to NRS 241.020(3) staff reports and supporting material for the meeting are available on the TMWA website at <http://www.tmwa.com/meeting/> or you can contact Sonia Folsom at (775) 834-8002. Supporting material is made available to the general public in accordance with NRS 241.020(6).
4. The Board 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.
5. Asterisks (\*) denote non-action items.
6. Live public comment, whether on action items or general public comment, may be made during the meeting by clicking on the "Reactions" icon at the bottom of your screen and selecting the "raise hand icon and unmuting yourself to speak when your name is called. Or if you are calling in, press \*9 to "raise your hand" and \*6 to unmute your phone when your name is called. Public comment, may be provided by submitting written comments online on TMWA's Public Comment Form ([tmwa.com/PublicComment](http://tmwa.com/PublicComment)) or by email sent to [boardclerk@tmwa.com](mailto:boardclerk@tmwa.com) prior to the Board opening the public comment period during the meeting. In addition, public comments may be provided by leaving a voicemail at (775)834-0255 prior to 4:00 p.m. the day before the scheduled meeting. Voicemail messages received will be noted during the meeting and summarized for entry into the record. Public comment is limited to three minutes and is allowed during the public comment periods. The Board may elect to receive public comment only during the two public comment periods rather than each action item.
7. In the event the Chairman and Vice-Chairman are absent, the remaining Board 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**).
8. Notice of possible quorum of Western Regional Water Commission: Because several members of the Truckee Meadows Water Authority Board of Directors are also Trustees of the Western Regional Water Commission, it is possible that a quorum of the Western Regional Water Commission may be present, however, such members will not deliberate or take action at this meeting in their capacity as Trustees of the Western Regional Water Commission.

<sup>1</sup>The Board may adjourn from the public meeting at any time during the agenda to receive information and conduct labor-oriented discussions in accordance with NRS 288.220 or receive information from legal counsel regarding potential or existing litigation and to deliberate toward a decision on such matters related to litigation or potential litigation.

1. Roll call\*
2. Pledge of allegiance\*
3. Public comment — limited to no more than three minutes per speaker\*
4. Possible Board comments or acknowledgements\*
5. Approval of the agenda **(For Possible Action)**
6. Approval of the minutes of the December 7, 2021 meeting of the TMWA Board of Directors **(For Possible Action)**
7. Presentation of TMWA's 2021 Popular Annual Financial Report (PAFR) — Matt Bowman\*
8. Water Supply Update — Bill Hauck\*
9. PUBLIC HEARING ON RATE AMENDMENT
  - A. Rate Amendment, Second Hearing and Adoption: Discussion and action on Resolution No. 299: A resolution to adopt TMWA Rate Schedule BSF – Business Services Fees — Scott Estes, Michele Sullivan and Danny Rotter **(For Possible Action)**
  - B. Rate Amendment, Second Hearing and Adoption: Discussion and action on Resolution No. 300: A resolution to adopt TMWA Rate Schedule WSF – Water System Facility Charges revising area fee, supply and treatment, and storage unit costs — Scott Estes, Michele Sullivan and Danny Rotter **(For Possible Action)**
  - C. Public Comment — limited to no more than three minutes per speaker\*
- CLOSE PUBLIC HEARING
10. Discussion and action, and possible direction to staff regarding the General Manager recruitment selection process — Jessica Atkinson **(For Possible Action)**
11. General Manager's Report\*
12. Public comment — limited to no more than three minutes per speaker\*
13. Board comments and requests for future agenda items\*
14. Adjournment **(For Possible Action)**

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TRUCKEE MEADOWS WATER AUTHORITY  
**DRAFT** MINUTES OF THE DECEMBER 7, 2021  
MEETING OF THE BOARD OF DIRECTORS

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The Board of Directors met on Tuesday December 7, 2021, at the Sparks Council Chambers. Chair Hartung called the meeting to order at 2:01 p.m.

**1. ROLL CALL**

**Members Present:** Paul Anderson, Jenny Brekhus, Kristopher Dahir, Naomi Duerr, Vaughn Hartung, and Neoma Jardon. Member Duerr participated via remote technology.

**Member Absent:** Alexis Hill

A quorum was present.

**2. PLEDGE OF ALLEGIANCE**

The pledge of allegiance was led by Karl Katt, TMWA Standing Advisory Committee Member.

**3. PUBLIC COMMENT**

There was no public comment.

**4. POSSIBLE BOARD COMMENTS OR ACKNOWLEDGEMENTS**

There were no Board comments.

**5. APPROVAL OF THE AGENDA**

Chair Hartung suggested hearing items 10.A and 10. B concurrently and 12 and 13 concurrently.

**Upon motion by Member Jardon, second by Member Dahir, 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 OCTOBER 20, 2021 MEETING**

**Upon motion by Member Anderson, second by Member Jardon, which motion duly carried by unanimous consent of the members present, the Board approved the October 20, 2021 minutes.**

**7. DISCUSSION AND ACTION ON ADOPTION OF RESOLUTION NO. 298: A RESOLUTION TO APPROVE THE ANNUAL COMPREHENSIVE FINANCIAL REPORT(ACFR) FOR FISCAL YEAR ENDED JUNE 30, 2021**

Matt Bowman, TMWA Financial Controller, acknowledged TMWA staff Sophie Cardinal, Principal Accountant, who facilitated the majority of the audit with Eide Bailly, and Sandra Tozi, Senior Financial Analyst, and Sonia Folsom Executive Assistant, on their contribution in the statistical section. Mr. Bowman presented the updated ACFR with no audit findings. He also presented a preliminary example of TMWA's first Popular Annual Financial Report (PAFR) which is a user-friendly version of the ACFR for the general public and will be submitted to Government Finance Officers Association (GFOA) by December 31, 2021. The PAFR will be presented to the Board in January.

**Upon motion by Member Dahir, second by Member Jardon, which motion duly carried by unanimous consent of the members present, the Board adopted Resolution No. 298: A resolution to approve the Annual Comprehensive Financial Report for Fiscal Year ended June 30, 2021.**

**8. PRESENTATION OF FINANCIAL PERFORMANCE FOR FIRST QUARTER FISCAL YEAR 2022**

Mr. Bowman presented the financial performance for first quarter fiscal year 2022: change in net position was \$4.0m (18%) higher than budget; operating revenue was \$0.8m (2%) higher than budget which was driven primarily by higher water sales and other operating sales, but offset by lower hydroelectric sales; water sales was higher by \$0.5m (1%); total operating expenses were \$1.0m (4%) lower than budget; non-operating expenses were \$0.4m higher than budgeted; capital contributions were \$2.5m higher than budget, driven primarily by higher developer infrastructure contributions and higher developer facility charges; and total cash on hand was \$230.4m or \$0.8m higher than at the beginning of the fiscal year.

Member Anderson thanked Mr. Bowman and appreciated the quality of the report and data presented.

**9. DISCUSSION AND ACTION, AND POSSIBLE DIRECTION TO STAFF REGARDING THE APPROVAL OF AN INTERLOCAL AGREEMENT (ILA) BETWEEN TMWA AND CITY OF RENO ON CONSTRUCTION AND OPERATION OF THE AMERICAN FLAT ADVANCED PURIFIED WATER DEMONSTRATION FACILITY**

Stef Morris, TMWA Water Resources Manager, presented the report which includes the terms, and recommended to the Board to authorize the ILA with City of Reno ("Reno"), which was approved by Reno City Council at their November 10<sup>th</sup> meeting, and is consistent with the cost allocation presented by Mr. Bowman at last month's Board meeting.

Member Brekhus expressed her concerns about TMWA entering into this ILA with Reno regarding Reno's stagnant rate structure and connection fees, ability of debt allocation and payment of debt, the sewer

shed affiliated with this project, and inquired of the connection between the water being sold by TMWA and the Vidler water system.

Chair Hartung stated that TMWA staff are not in a position to answer Member Brekhus' questions related to Reno's financial situation.

Mr. Bowman agreed that TMWA needs to have confidence with its partners, which they do, but the question of whether either party has the ability to pay will be confirmed at a later time.

Member Duerr stated, in an effort to expand underground storage, she voted in support of this ILA at Reno City Council and confirmed the construction cost of the transmission main approved at Reno City Council. Ms. Morris replied yes.

Chair Hartung inquired, to Member Brekhus' point, about how this relates to Vidler water, expressing concern that TMWA and the A+ water would be in direct competition. John Enloe, TMWA Director of Natural Resources, replied staff has had initial discussions with Vidler Water (Vidler), and stated that TMWA would not be in direct competition, rather complementary to their project. In the ILA, nothing is finalized yet, staff has contemplated a combination of resources: For example, if water rights were required for a project, two-thirds could be supplied by Vidler water and one-third from TMWA's A+ water, which would be sold at the same price as Vidler and the revenue from the A+ water sold would be split between TMWA and City of Reno, 40 and 60 percent respectively. No decisions have been made at this time and discussions are ongoing.

Mark Foree, TMWA General Manager, added TMWA would only need to modify Rule 7, water rights dedication, in order to implement the combination of resources required for dedication that Mr. Enloe described.

Member Brekhus asked about the reservoir for \$90m at Red Rock, it not being part of the cost-share and only Reno would be responsible for paying for it, and that Reno Sparks Indian Colony is exploring options to send water to Hungry Valley. Mr. Enloe replied TMWA has not been part of the discussions between Reno Sparks Indian Colony and Reno, and Reno's first priority is the American Flat project, and its second priority is the Red Rock reservoir and expansion of the purple pipe system.

**Upon motion by Member Duerr, second by Member Dahir, which motion duly carried by five to one with Member Brekhus dissenting, the Board approved the Interlocal Agreement between TMWA and City of Reno on construction and operation of the American Flat Advanced Purified Water Demonstration Facility.**

## 10. PUBLIC HEARING ON RATE AMENDMENTS

### A. INTRODUCTION AND FIRST READING OF AMENDMENTS TO TMWA RATE SCHEDULE WSF – WATER SYSTEM FACILITY CHARGES REVISING AREA FEE, SUPPLY AND TREATMENT, AND STORAGE UNIT COSTS

### B. INTRODUCTION AND FIRST READING OF AMENDMENTS TO TMWA RATE SCHEDULE BSF – BUSINESS SERVICES FEES

Chairman Hartung opened the hearings on Items 10A and 10B concurrently. Danny Rotter, TMWA Engineering Manager, and Michele Sullivan, TMWA Chief Financial Officer, presented the public outreach schedule and proposed revisions to TMWA's Rate Schedule WSF charges, revising area fee, supply and treatment, and storage unit costs and BSF amendments. Mr. Rotter explained both fees apply to new business projects that require developers to apply for new or expanded water service, and do not affect costs or rates to existing customers, and the last time they were updated was in 2018.

Vice Chair Dahir inquired why staff is increasing rates at this level and thereby increasing the cost of housing. Ms. Sullivan replied that in 2018, prior to the fees increasing, about \$90m had been advanced to construct infrastructure required for future growth. Since 2018, the amount owed by developers to TMWA for this growth has decreased to about \$40-50m; part of the calculation is the limited amount per gallons per minute (GPM) in an area and the fees need to cover the cost of building the expansion. Mr. Foree added there are two very separate funding mechanisms: one is to pay for water service on a monthly basis for existing customers and the second is cost of infrastructure for new development; they can't be intertwined because of Board policy of non-cross subsidization and that growth pays for growth.

Member Brekhus said it is a good model, TMWA calibrates rates to the CIP in a periodic manner, compared to that of the Reno sewer fund, which has not been increased, even on a Consumer Price Index (CPI) basis.

Member Jardon reiterated that growth pays for growth, but what they consistently hear at Reno is that they need to put in infrastructure before anything is built; today's decision is moving in the direction of having infrastructure in place so TMWA is prepared for any development related to growth.

### C. PUBLIC COMMENT

There was no public comment.

**Upon motion by Member Brekhus, second by Member Jardon, which motion duly carried by unanimous consent of the members present, the Board approved to refer to a second reading of amendments to TMWA Rate Schedule WSF – Water System Facility Charges revising area fee, supply and treatment, and storage unit costs.**

**Upon motion by Member Brekhus, second by Member Jardon, which motion duly carried by unanimous consent of the members present, the Board approved to refer to a second reading of amendments to TMWA Rate Schedule BSF – Business Services Fees.**

### CLOSE PUBLIC HEARING

## 11. PRESENTATION OF TRUCKEE RIVER FUND ACTIVITIES FOR CALENDAR YEAR 2021

Sonia Folsom, TMWA Executive Assistant, presented the staff report.

Vice Chair Dahir inquired what reason(s) a project would not get approved for funding. Ms. Folsom replied a few reasons could be that it doesn't fall under any of the priorities, or the project was downstream of TMWA's service area.

12. DISCUSSION AND ACTION, AND POSSIBLE DIRECTION TO STAFF REGARDING THE APPOINTMENT OF JON COMBS TO THE STANDING ADVISORY COMMITTEE (SAC) TO FILL THE WHOLESALE CUSTOMER REPRESENTATIVE ALTERNATE POSITION FOR TERM BEGINNING JANUARY 1, 2022 TO DECEMBER 31, 2023
13. DISCUSSION AND ACTION, AND POSSIBLE DIRECTION TO STAFF REGARDING APPOINTMENTS TO THE STANDING ADVISORY COMMITTEE TO FILL VACANCIES IN EXISTING POSITIONS WHOSE TERMS EXPIRE DECEMBER 31, 2021, SUCH APPOINTMENTS TO BE MADE FOR NEW TERMS FROM JANUARY 1, 2022 TO DECEMBER 31, 2023 FROM THE FOLLOWING LIST OF CANDIDATES: (1) CHRIS MELTON, PRIMARY REPRESENTATIVE, WHOLESALE CUSTOMER; (2) JONNIE PULLMAN, ALTERNATE REPRESENTATIVE, MULTI-FAMILY CUSTOMER; (3) JOHN KRMPOTIC, ALTERNATE REPRESENTATIVE, COMMERCIAL CUSTOMER; (4) COLIN HAYES, PRIMARY REPRESENTATIVE, BANN; (5) JIM SMITH, ALTERNATE REPRESENTATIVE, BANN; (6) KRISTINE BROWN CALIGER, PRIMARY REPRESENTATIVE, RENO-SPARKS CHAMBER; AND (7) ANN SILVER, ALTERNATE REPRESENTATIVE, RENO-SPARKS CHAMBER

Chair Hartung opened items #12 and 13 concurrently and Ms. Folsom presented the staff reports for agenda items #12 and #13 concurrently.

**Upon motion by Member Duerr, second by Member Jardon, which motion duly carried by unanimous consent of the members present, the Board approved the appointment of Jon Combs to the Standing Advisory Committee (SAC) to fill the wholesale customer representative alternate position for term beginning January 1, 2022 to December 31, 2023.**

**Upon motion by Member Duerr, second by Member Jardon, which motion duly carried by unanimous consent of the members present, the Board approved the appointments to the Standing Advisory Committee to fill vacancies in existing positions whose terms expire December 31, 2021, such appointments to be made for new terms from January 1, 2022 to December 31, 2023, as follows: (1) Chris Melton, primary representative, wholesale customer; (2) Jonnie Pullman, alternate representative, multi-family customer; (3) John Krmpotic, alternate representative, commercial customer; (4) Colin Hayes, primary representative, BANN; (5) Jim Smith, alternate representative, BANN; (6) Kristine Brown Caliger, primary representative,**

**Reno-Sparks Chamber; and (7) Ann Silver, alternate representative, Reno-Sparks Chamber.**

**14. DISCUSSION AND ACTION ON SCHEDULING REGULAR BOARD MEETING DATES AND TIMES FOR THE CALENDAR YEAR 2022**

Ms. Folsom presented the proposed meeting dates and times for calendar year 2022.

**Upon motion by Member Jardon, second by Member Anderson, which motion duly carried by unanimous consent of the members present, the Board approved the Board meeting dates and times for the calendar year 2022.**

**15. GENERAL MANAGER'S REPORT**

Mr. Foree reported that there is a weather system coming over the next couple of weeks with hopes that it will positively impact our water supply and snowpack. Mr. Foree added that Western Urban Water Coalition (WUWC), which TMWA is a member of, filed an amicus brief requesting the 9<sup>th</sup> Circuit to rehear the panel's decision on the California River Watch v. City of Vacaville; staff is monitoring the case. Ms. Morris added that a final decision from the court will likely not be made until January or February.

**16. PUBLIC COMMENT**

There was no public comment.

**17. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS**

Member Duerr asked Mr. Foree to review the article she sent him regarding climate change and impact on snowpack levels and to see if there are other articles related to the topic.

Chair Hartung wished everyone a Happy Holidays.

**18. ADJOURNMENT**

With no further discussion, Chair Hartung adjourned the meeting at 3:29 p.m.

Approved by the TMWA Board of Directors in session on \_\_\_\_\_.

Sonia Folsom, Board Clerk.





**TO:** Board of Directors  
**THRU:** John Zimmerman, Assistant General Manager  
**FROM:** Michele Sullivan, Chief Financial Officer  
Matt Bowman, Financial Controller  
**DATE:** January 12, 2022  
**SUBJECT:** **Presentation of TMWA's 2021 Popular Annual Financial Report (PAFR)**

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### **Summary**

For the first time, TMWA has published a Popular Annual Financial Report (PAFR). The PAFR is a high-level financial report with information extracted from TMWA's Annual Comprehensive Financial Report (ACFR). The PAFR is designed to be readily accessible and easily understandable to the general public and those who do not have a background in public finance.

Many governments and agencies use a PAFR to feature relevant financial information that can sometimes be difficult to interpret when presented in formalized accounting standards and language. TMWA's PAFR uses this approach while expanding upon key financial events of 2021 and providing perspective on TMWA's financial accomplishments since its formation 20 years ago. While publishing a PAFR is not required, TMWA staff believes it will be an ongoing benefit to the public and intends to publish the report each year going forward.

TMWA staff has published the PAFR across several media outlets and shared directly with TMWA stakeholders. Staff posted the PAFR to TMWA's website, smartaboutwater.com and social media. The PAFR was also posted on ThisIsReno's LinkedIn page, and the lead story in the January bill insert. Staff also shared the PAFR directly with TMWA's rating agencies. In addition to these publishing efforts, staff has entered the report into the Government Finance Officers Association's (GFOA) PAFR Award Program. This program recognizes excellent PAFR's across the United States.

### **Attachments**

Attachment A: TMWA Popular Annual Financial Report - 2021



# Popular Annual Financial Report | 2021



## TO OUR CUSTOMERS

Since TMWA was formed in 2001, our focus has always been to deliver drinking water of exceptional quality to our community. While much has changed in the past twenty years, this commitment has not waived.

Our priority is maintaining a highly efficient, dependable drinking water system that can scale with the needs of the Truckee Meadows. This requires coordinated internal planning and diligent management of our water resources, facilities, and finances, so when new challenges or opportunities emerge, TMWA can respond.

As you read on, you will learn more about TMWA's current financial position and key investments we have made and are preparing for in the coming months and years.

This report is a summary overview of the more extensive Annual Comprehensive Financial Report, which is audited and presented to TMWA's Board of Directors each fall for approval, and is then filed with the Nevada Department of Taxation. An archive of all reports, along with policy overviews, is available to the public ([tmwa.com/financial-information](https://tmwa.com/financial-information)).

We are honored to serve our customers through this community-owned water utility and appreciate your interest in TMWA's finances.



Michele Sullivan  
Chief Financial Officer  
Truckee Meadows Water Authority

*This Popular Annual Financial Report is based on accounting standards and audited information that is fully represented in TMWA's Annual Comprehensive Financial Report, which can be found at [tmwa.com/financial-information](https://tmwa.com/financial-information).*

*Chalk Bluff Water Treatment Plant  
(Cover image: Fleish Bridge over the Truckee River)*



20 YEARS OF COMMUNITY

When Sierra Pacific Power Company announced plans to sell its water utility division, it generated attention in the marketplace and concern by residents of the Truckee Meadows. Up to that point, the power company had been the primary water provider to the region for over 70 years.

With the intent of controlling its own water resource destiny, elected leaders in Reno, Sparks, and Washoe County collaborated to establish a “joint-powers agreement”

and issued \$452 million in revenue-backed bonds to purchase the utility from Sierra Pacific in June 2001.

The initial funds not only secured the purchase of the water company and its related assets but also, and perhaps more critically, maintained local control of water resources in the Truckee Meadows.



Fleish Hydroelectric Plant flume conveyance along the Truckee River.

TRUCKEE MEADOWS WATER AUTHORITY'S MULTI-JURISDICTIONAL GOVERNING BOARD

Truckee Meadows Water Authority (TMWA) is a not-for-profit, community-owned water utility. With joint-powers authority, TMWA's Board of Directors is comprised of seven elected officials and citizen appointees from Reno, Sparks, and Washoe County. TMWA has no financial interdependence with any of its member agencies.

While representing each jurisdiction, board members collectively make policy decisions and issue directives with a regional perspective, to ensure TMWA's customers have access to sustainable, high-quality drinking water for the near term and for decades to come.



**VAUGHN HARTUNG**  
Chairman  
Washoe County  
Commissioner



**KRISTOPHER DAHIR**  
Vice Chairman  
Sparks City Council Member



**PAUL ANDERSON**  
Director  
Sparks City Council Member



**JENNY BREKHUS**  
Director  
Reno City Council Member



**NAOMI DUERR**  
Director  
Reno City Council Member



**NEOMA JARDON**  
Director  
Reno City Council Member



**ALEXIS HILL**  
Director  
Washoe County Commissioner

SENIOR MANAGEMENT

**MARK FOREE, PE**  
General Manager

**JOHN ZIMMERMAN, ESQ.**  
Assistant General Manager

**MICHELE SULLIVAN, CPA**  
Chief Financial Officer

**SCOTT ESTES, PE**  
Director of Engineering

**PAT NIELSON**  
Director of Distribution,  
Maintenance, and Generation

**JOHN ENLOE, PE**  
Director of Natural Resources  
Planning, and Management

**ANDY GEBHARDT**  
Director of Operations  
and Water Quality





YOUR WATER AUTHORITY

TMWA provides drinking water to over 440,000 residents in Reno, Sparks, and Washoe County — a service area that stretches 165.9 square miles. The primary source of water is the Truckee River, which flows from Lake Tahoe and

other tributaries in the watershed upstream of the Truckee Meadows. The lowest elevation point in TMWA’s distribution infrastructure is 3,983 feet, and the highest point is 6,676 feet, which is above the elevation of Lake Tahoe.

WATER DELIVERY

4

Number of water treatment facilities

200+

Million Gallons per Day (MGD)  
Maximum drinking water production capacity

100%

Safe Drinking Water Act compliance

WHO WE SERVE

131,296

Customer accounts

440,000+

Residents

165.9sq.mi.

Service area

ASSETS

\$739m

Capital asset investment since 2001

2,755

Miles of pipeline

\$1,021m

Total capital assets

FY 2021 PERFORMANCE

\$115.4m

Operating revenue

\$98.2m

Operating expenses

\$12.3m

Interest expense

FINANCIAL RATINGS

Aa2

Moody’s

AA+

S&P

AA

Fitch



01-19-22 BOARD Agenda Item7  
Attachment A

The Truckee River flows through downtown Reno.

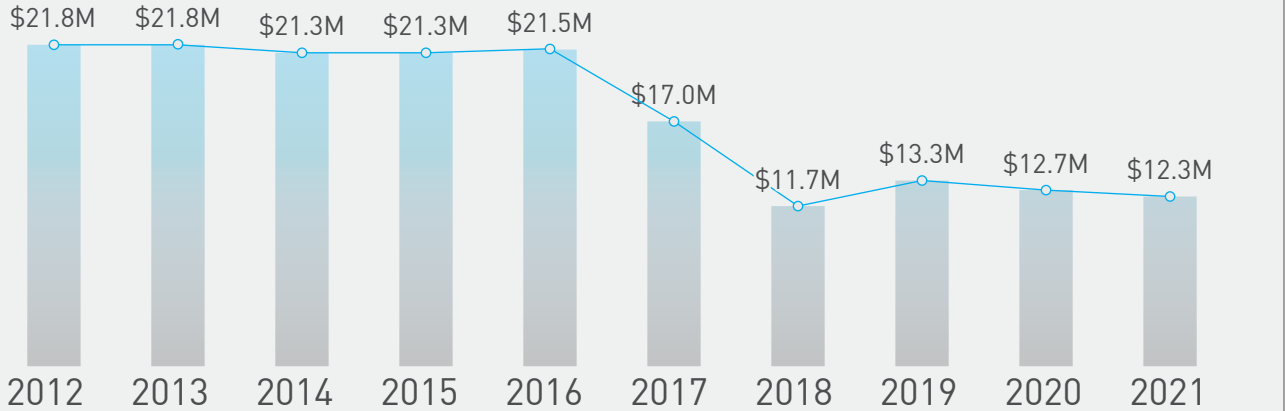
MEETING OUR OBLIGATIONS

By issuing bonds to purchase Sierra Pacific Power Company’s water business in 2001, TMWA became responsible for the debt repayment of \$452 million. TMWA’s diligent and strategic management of its financial obligations since then is part of the reason Moody’s, S&P, and Fitch have upgraded TMWA’s ratings over the years.

This disciplined approach has been successful. Over the past decade, TMWA has reduced interest expense by nearly 50% and has paid down its principal by \$117 million. As of June 30, 2021, TMWA’s total outstanding debt was \$392 million.

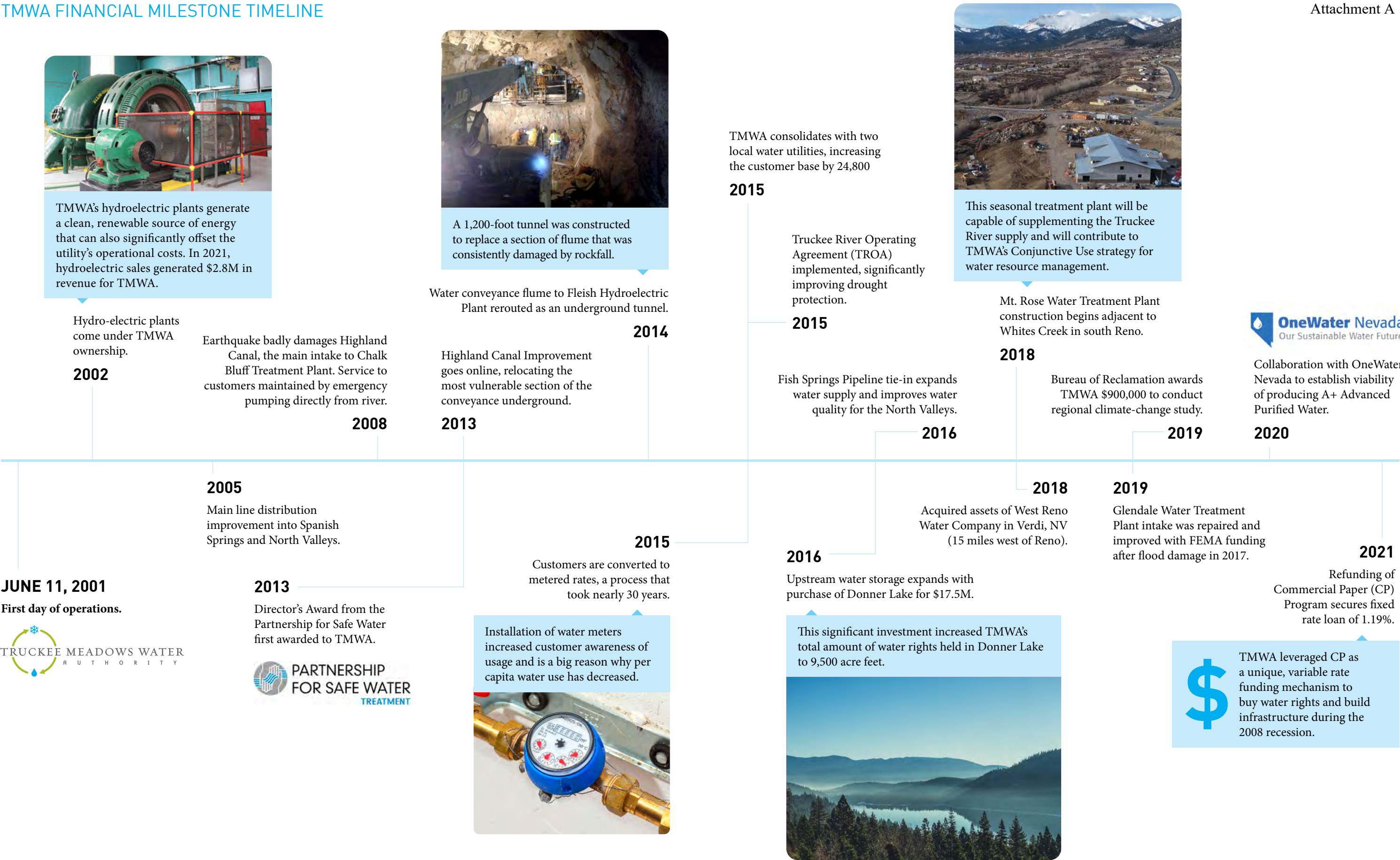
An important aspect of this pay-down strategy has been accomplished through the refunding of older bonds and issuing newer ones at a lower interest rate. Proactive approaches like this have helped strengthen TMWA’s financial ratings, while also paying off debt faster.

TMWA’S REDUCED INTEREST EXPENSE OVER THE PAST 10 YEARS





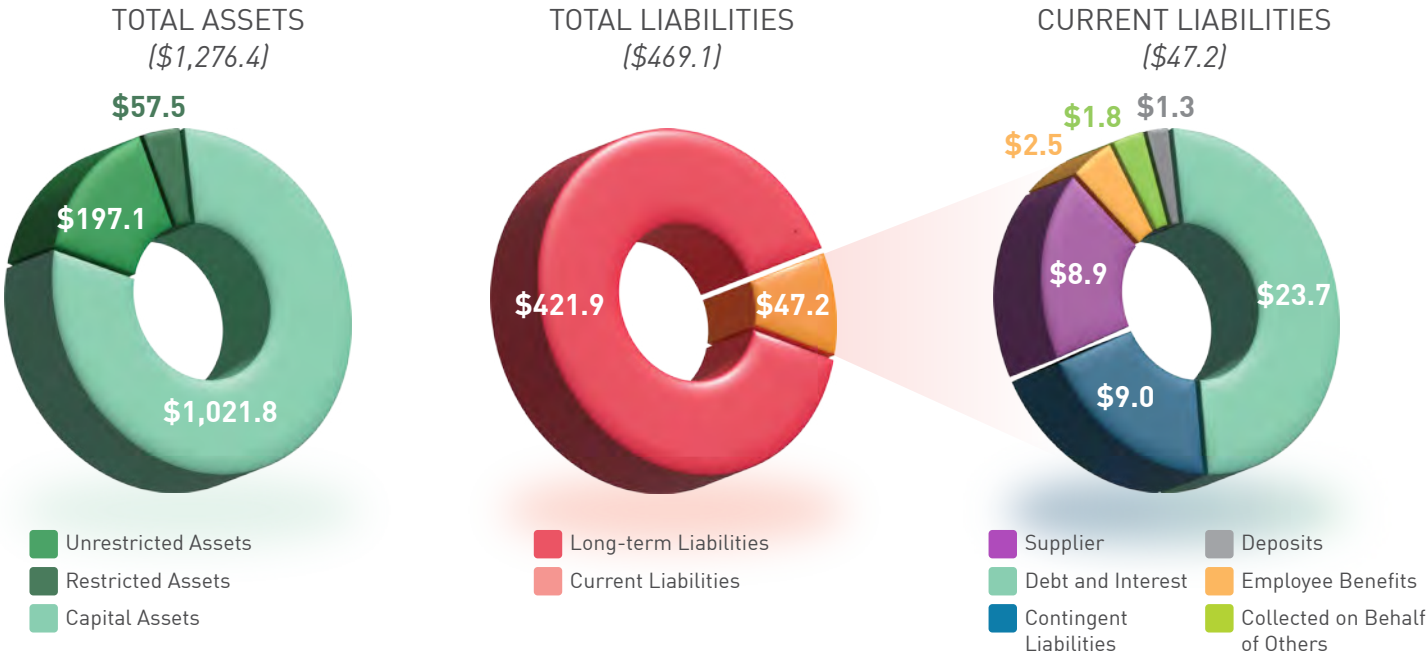
TMWA FINANCIAL MILESTONE TIMELINE



THE BIG PICTURE ON TMWA'S FINANCIAL POSITION

**Net Position** provides a point-in-time ‘snapshot’ of the financial status for governmental organizations. Much like a balance sheet, Net Position provides insight into what government agencies own (assets), and what they owe (liabilities) at the end of each fiscal year.

AT-A-GLANCE *(in millions)*



STATEMENT OF NET POSITION *(in millions)*

	2021	2020	2019
Unrestricted Current Assets	192.8	168.7	171.1
Restricted Current Assets	31.1	27.7	15.7
Long-Term Restricted and Other Assets	27.3	29.8	29.5
Net OPEB Asset	3.4	2.3	-
Capital Assets, net	1,021.8	1,007.7	980.7
<b>Total Assets</b>	<b>1,276.4</b>	<b>1,236.2</b>	<b>1,197.0</b>
Deferred Outflow of Resources	12.8	14.9	14.1
Total Assets and Deferred Outflow of Resources	1,289.2	1,251.1	1,211.1
Total Current Liabilities	47.2	47.9	47.1
Long Term Debt Outstanding	376.3	383.3	401.7
Net Pension and Other Current Liabilities	45.6	43.5	41.6
<b>Total Liabilities</b>	<b>469.1</b>	<b>474.7</b>	<b>490.4</b>
Deferred Inflow of Resources	6.0	6.7	2.5
Net Investment in Capital Assets	649.1	617.5	573.2
Restricted	50.7	50.0	37.6
Unrestricted	114.4	102.2	107.3
<b>Total Net Position</b>	<b>814.2</b>	<b>769.7</b>	<b>718.1</b>

CHANGES IN NET POSITION

**Changes in Net Position** (formally, the Statement of Revenues, Expenses and Changes in Net Position) is a financial statement that focuses on a particular time period, which for TMWA is always during its fiscal year from July 1

to June 30. Much like an income statement, it focuses on four key items—revenue, expenses, gains (through contributions), and losses.

CHANGES IN NET POSITION *(in millions)*

	2021	2020	2019
Operating Revenues	115.4	108.1	107.1
Operating Expenses	98.2	94.1	92.5
Operating Income	17.2	14.0	14.6
Nonoperating Revenues (Expenses), net	-14.1	-6.6	-6.7
<b>Income before Capital Contributions</b>	<b>3.1</b>	<b>7.4</b>	<b>7.9</b>
Capital Contributions	41.4	44.2	42.2
<b>Change in Net Position</b>	<b>44.5</b>	<b>51.6</b>	<b>50.1</b>
Net Position — Beginning of Year	769.7	718.1	668.0
<b>Net Position — End of Year</b>	<b>814.2</b>	<b>769.7</b>	<b>718.1</b>



To view TMWA's complete financial statements, visit the Annual Comprehensive Financial Report at [tmwa.com/financial-information](https://tmwa.com/financial-information).

EXPLANATION OF TERMS *(See more formal accounting definitions in Appendix)*

**UNRESTRICTED ASSETS:** Assets such as cash, accounts receivable, deposits, and prepaid expenses that can be used and managed with flexibility.

**RESTRICTED ASSETS:** Assets that must be used for specific purposes, primarily the repayment of debt.

**CAPITAL ASSETS:** Fixed physical assets, such as water mains, treatment plants, pump and pressure regulating stations, water tanks, vehicles, etc.

**DEFERRED FLOW OF RESOURCES:** Accounting for revenue or expenses that will occur in the future.

**TOTAL NET POSITION:** Represents the balance of a governmental organization's assets against its liabilities.

**OPERATING REVENUES:** Money generated from water, hydroelectric, and other operating sales. From this amount, operating expenses are subtracted to determine operating income.

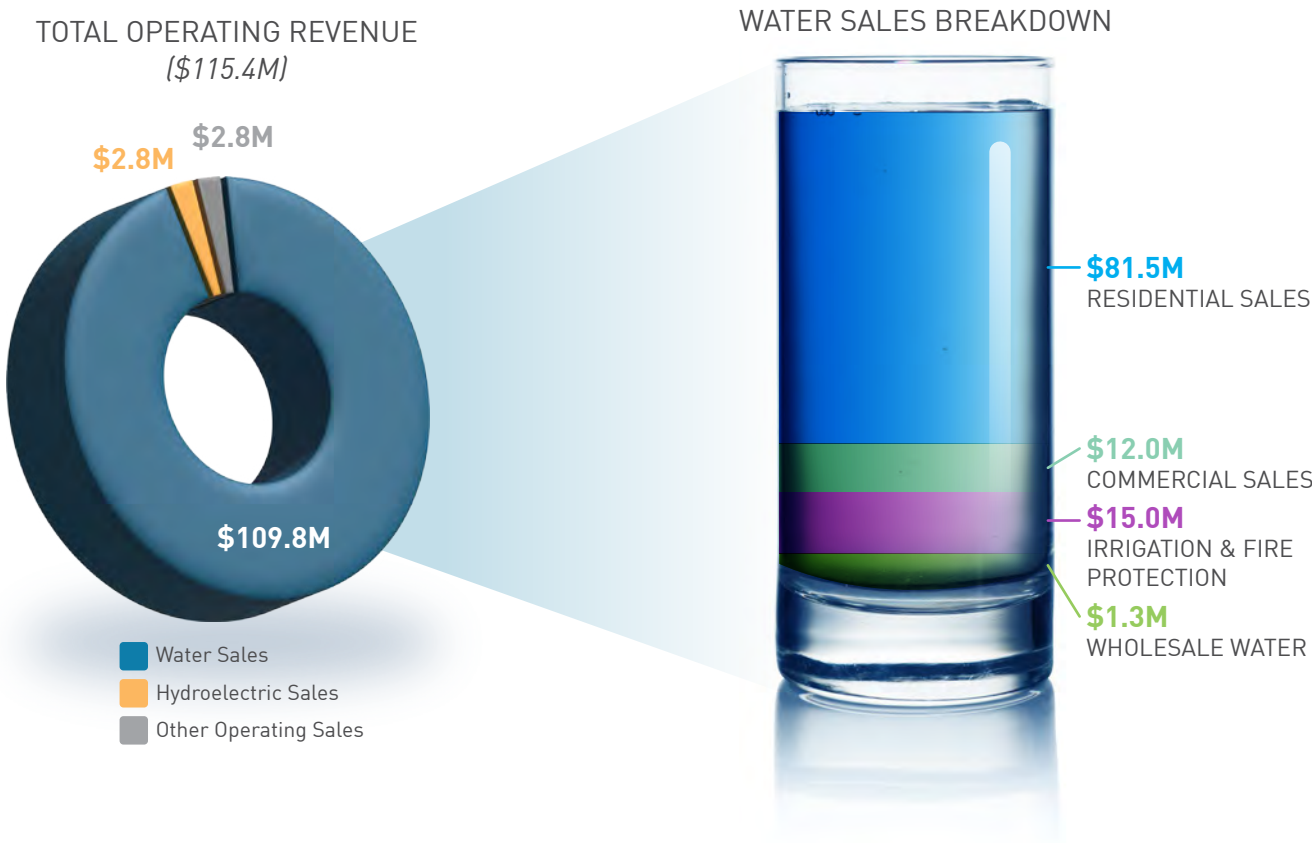
**OPERATING EXPENSES:** Costs that are directly associated with day-to-day operation, such as wages, benefits, and supplies.

**NONOPERATING REVENUE OR EXPENSES:** Income or costs that are not directly attributable to core business operations (i.e., interest expense and investment income).

**CAPITAL CONTRIBUTIONS:** Grant proceeds or funds that are invested into TMWA's infrastructure.



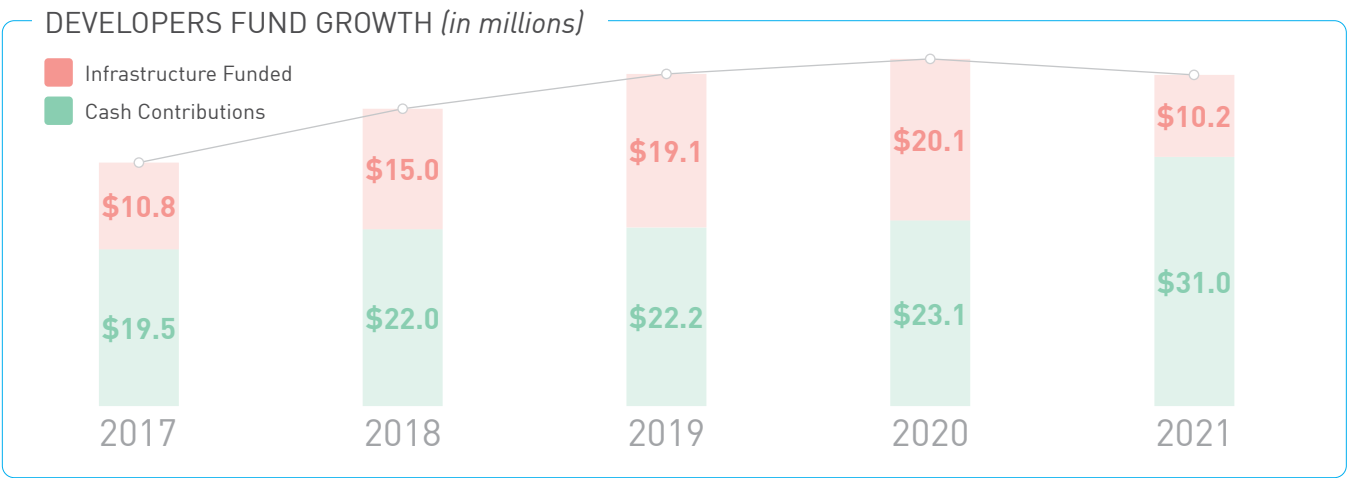
INCOMING: WATER SALES PROVIDE 95% OF TMWA'S OPERATING REVENUE



GROWTH PAYING FOR GROWTH

Neither TMWA nor its customers underwrite or pay for new infrastructure needed for residential or commercial development. To protect ratepayers from the short and long-term costs of service-area expansion, cash and infrastructure contributions from developers are required. Over the past five years, total developer contributions for new growth have exceeded \$193 million.

New development projects are approved by the county and cities. Before building can begin, water rights must be dedicated to TMWA. For each acre-foot of surface water needed to serve new development, an additional 11% of water rights is required and must be dedicated to TMWA for drought storage.



OUTGOING: HOW TMWA SPENDS BY THE DOLLAR

Spending at TMWA, which affects customer rates, is allocated among specific categories. These allocations are shown below, represented as cents on the dollar.



EXPLANATION OF EXPENSES

SALARIES, WAGES & EMPLOYEE BENEFITS

Compensation paid to our workforce in performing TMWA's day-to-day operations.

SERVICES & SUPPLIES

Non-payroll related expenses of day-to-day operations, (i.e., treatment supplies, infrastructure maintenance, distribution, customer service, etc.)

PRINCIPAL & INTEREST ON CUSTOMER RELATED DEBT

Principal and interest payments on all loans outstanding except those associated with service territory expansion.

REHABILITATIVE CAPITAL SPENDING

The cost of replacing and maintaining existing capital assets, (i.e., water treatment plants, infrastructure replacements, storage tanks, etc.)

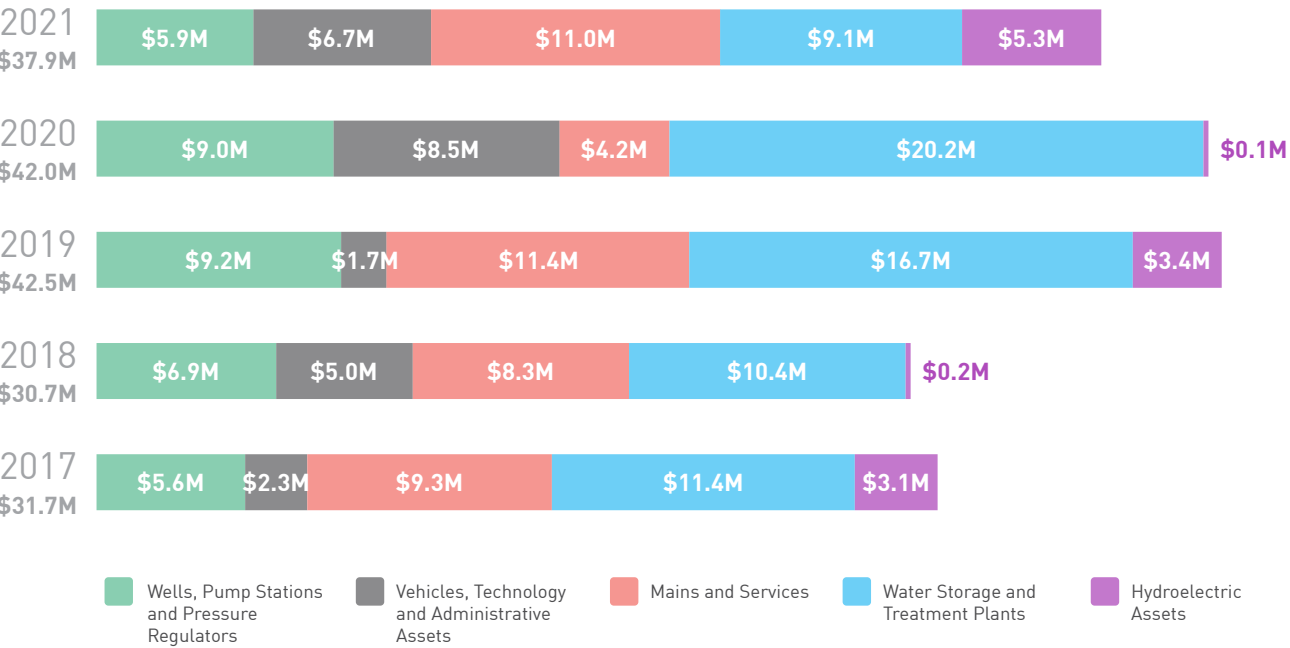


KEEPING WATER FLOWING

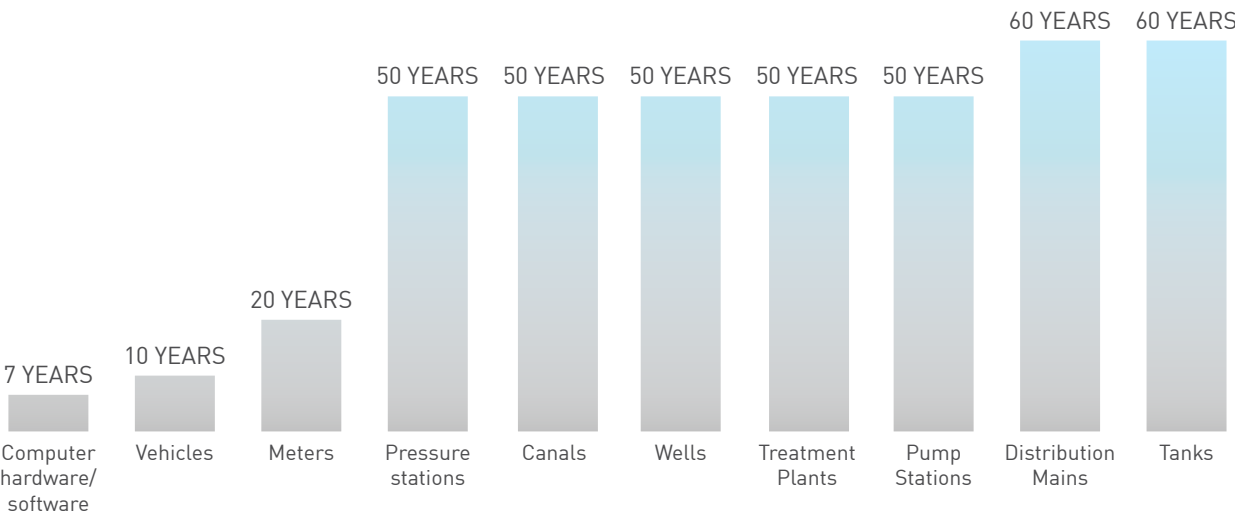
Day or night, when customers turn on their taps, they expect the water to flow. This means 24/7 operations for TMWA. With a consistently operating system, there is almost always something within our extensive infrastructure that requires maintenance, rehabilitation, or replacement.

Although maintenance needs and planned project expenses can shift each year, TMWA’s primary infrastructure investments usually go into three categories: 1) Wells, pump stations and pressure regulators; 2) Mains and services; and 3) Water storage and treatment plants.

CAPITAL SPENDING BY CATEGORY



ASSET LIFE CYCLES (Maximum estimated years)



ADVANCING OUR WATER SYSTEM & SERVICES

Mount Rose Water Treatment Plant — Online Spring 2022.

Mount Rose Water Treatment Plant is a major capital investment that bolsters TMWA’s conjunctive-use strategy, which promotes using surface water whenever possible to help optimize groundwater storage.

Before TMWA’s 2015 consolidations with Washoe County Department of Water Resources and South Truckee Meadows General Improvement District, the only source of drinking water in the Mt. Rose and Galena fan areas was groundwater, which had been in continual decline since the 1990s. Upon acquisition of these systems, TMWA quickly focused on increasing surface water distribution into the area. Through the construction of water mains and booster stations, water treated from the Truckee River now reaches the Arrowcreek, Callahan Ranch, Montreux, and Saddlehorn neighborhoods.

The location of the Mount Rose facility reduces the cost of delivering surface water to these neighborhoods as well, while further improving water resource reliability for both TMWA customers and domestic well owners. Total production from Whites Creek will vary seasonally, as permits from the Nevada State Engineer require TMWA leave enough flow in the creek to maintain wildlife and habitat needs, as well as downstream irrigation requirements. Diversions to the plant will be reduced or eliminated when creek flows are low.

With more surface water added to TMWA’s supply, it will allow more wells to rest which also helps facilitate groundwater recharge. The results have been promising, with groundwater levels in the Mt. Rose and Galena fan aquifers rising over 10-20 feet under TMWA’s conjunctive-use approach.



TMWA Drinking Water Treatment Plants – Maximum capacity levels (in millions of gallons/day)



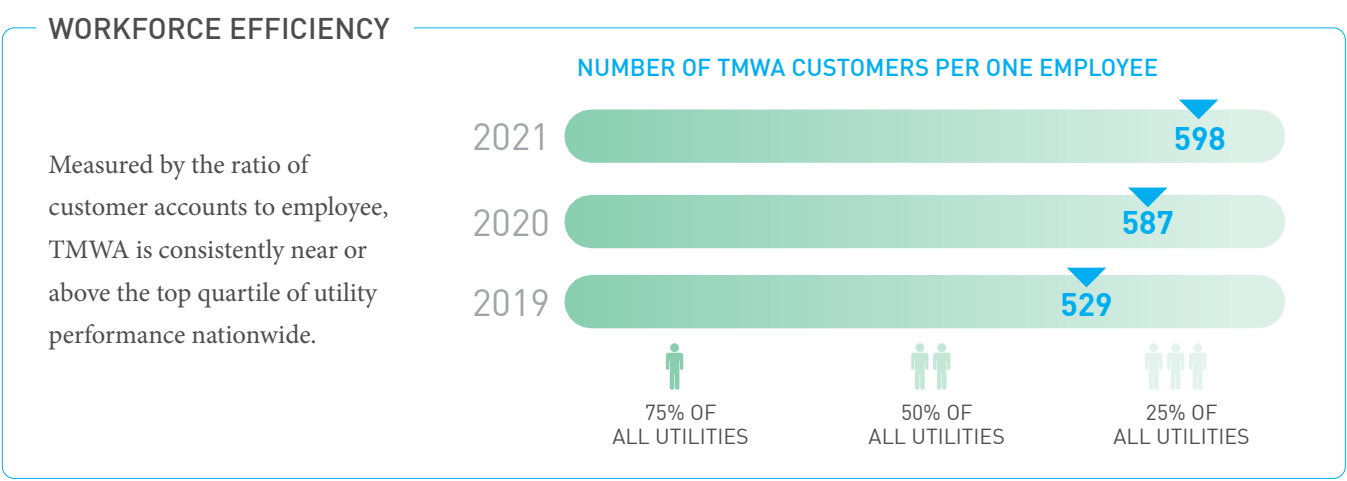
SPRING 2021

NEW CUSTOMER INFORMATION SYSTEM LAUNCHES

In direct response to customer feedback, TMWA modernized its Customer Information System in March. This transition was a complete transformation: It increased bill payment options, enhanced visibility into water usage and created more efficiency for TMWA’s customer service and billing operations.

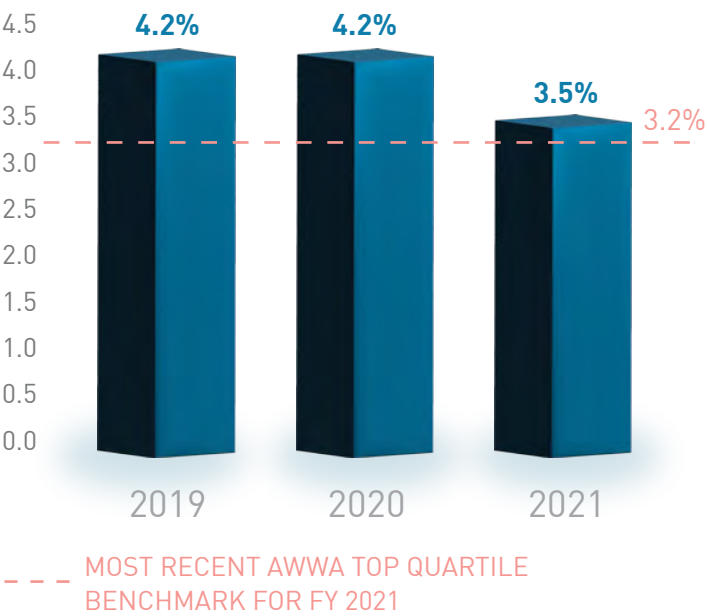
OUTPERFORMING NATIONAL BENCHMARKS

Each year, TMWA reviews its operational performance against benchmarking standards defined by the American Water Works Association (AWWA), which has a membership of over 4,300 that represents 80% of the water utility companies in the US. TMWA sets its performance goal targets to meet or exceed AWWA's top quartile benchmarks.



FINANCIAL EFFECTIVENESS

Financial effectiveness is measured by the change in net position divided by total assets. This demonstrates an organization's ability to use its assets to generate income. When financial effectiveness percentages are positive, an organization is in a strong position to secure capital for major projects. TMWA frequently exceeds AWWA benchmarks for financial effectiveness as demonstrated in the chart below.



TMWA'S FY 2021 AWARDS

- “Utility of the Future, Today” Award by the Water Research Foundation**
- TMWA is one of only 65 water utilities nationwide to be honored with the award, which highlights transformational work in community engagement, watershed stewardship, and resource management.
- “Five-year Presidents Award for Water Treatment” by the Partnership for Safe Water**
- TMWA's Chalk Bluff Water Treatment Plant continues to be nationally recognized for its long-term commitment to optimizing operations and achieving outstanding performance.
- “Hydroelectric Project of the Year” Award by American Public Works Association (Nevada Chapter)**
- Recognized in the category of *Historic Restoration*, this unique and challenging project included the replacement of several components of the Fleish flume, overflow and turbine-tailpiece structures.

INTEGRATING IT ALL

This report is a high-level overview of [TMWA's Annual Comprehensive Financial Report](#), which offers a detailed review of multiple financial statements, as well as the policies that guide TMWA's approach to managing funds.

This annual financial report gives insight into the fiscal health of TMWA's operations year after year. Beyond annual financial reporting, TMWA has an integrated planning approach across three areas of focus: Funding, Facilities, and Water Resources.

TMWA's Funding Plan projects into the next five years, whereas the Facility and Water Resource Plans look 20+ years into the future. Although these are three distinct planning efforts, the implementation of the plans is integrated.

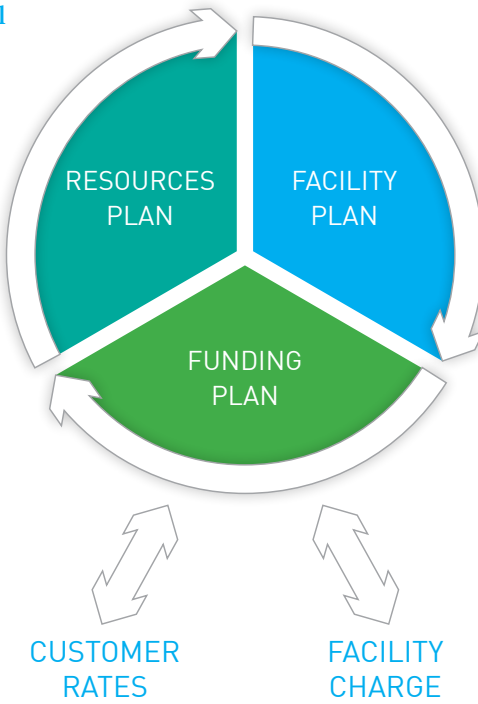
For example:

The **Water Resource Plan** estimates water supply and demand, giving insight into the facility capacity that will be needed for TMWA's future infrastructure.

The **Facility Plan** identifies the condition of TMWA's existing capital assets and project expansions needed to meet future growth, as identified in the Water Resource Plan. Facility charges are calculated based on the Facility Plan and are what builders and developers pay to connect new construction to the water system. This keeps customer rates protected from the cost of new developments, ensuring growth pays for growth.

The **Funding Plan** is a five-year operations plan that also incorporates the Five-Year Capital Improvement Plan. It is a thorough analysis of all revenues and expenses, as well as any capital improvements and infrastructure needed—with an assessment of overall spending and identification of funding options.

This integrated planning approach is how TMWA can both ensure the delivery of high-quality drinking water while keeping customer rates as low as possible for years to come. To see all of TMWA's most recent plans, go to [tmwa.com/planning](https://tmwa.com/planning).



Pyramid Lake — The terminus of the Truckee River watershed.



APPENDIX

ADDITIONAL HELPFUL DEFINITIONS

CAPITAL ASSETS: Significant pieces of property with a useful life longer than one year that are not intended for sale. These are recorded as an asset on Net Position statements and expensed over time through depreciation.

UNRESTRICTED ASSETS: Cash or other valuable items that may be used by an organization for general expenses or any legitimate purpose.

RESTRICTED ASSETS: Cash or other valuable items that must be set aside for a specific purpose or to meet contractual requirements.

CAPITAL CONTRIBUTIONS: Cash or other assets provided to an organization. For TMWA, capital contributions are usually applied to infrastructure expansion or enhancement.

DEFERRED INFLOW OF RESOURCES: An acquisition of assets that is applicable to a future reporting period.

DEFERRED OUTFLOW OF RESOURCES: A consumption of assets that is applicable to a future reporting period.

INTEREST: Cost of borrowing money, expressed as a percentage, based on the principal amount of a loan or deposit.

PRINCIPAL: Outstanding balance of a loan, not including any accrued interest.

TOTAL NET POSITION: Represents the difference between 1) an entity’s assets plus deferred outflows of resources, and 2) its liabilities plus deferred inflows of resources.

FINANCIAL RATINGS DEFINED

A utility’s bond rating is a grade that indicates its creditworthiness. Private, independent rating services such as Standard & Poor’s, Moody’s, and Fitch provide evaluations of

an organization’s financial strength based on its ability to pay a bond’s principal and interest in a timely fashion.

WHERE TMWA STANDS

Bond Rating			Rating Category
MOODY’S	S&P	FITCH	
Aaa	AAA	AAA	PRIME
Aa1	✓ AA+	AA+	✓ HIGH GRADE
✓ Aa2	AA	✓ AA	
Aa3	AA-	AA-	
A1	A+	A+	UPPER MEDIUM GRADE
A2	A	A	
A3	B	A-	
Baa 1 2 3	BBB +/-	B +/-	LOWER MEDIUM GRADE

Bond ratings are expressed as letters ranging from “AAA” or “Aaa” which is the highest grade, to “D” (“junk”), which is the lowest grade. Different rating services use the same letter grades but use various combinations of uppercase and lowercase letters to differentiate themselves.



Beautiful Lake Tahoe, the source of the Truckee River.



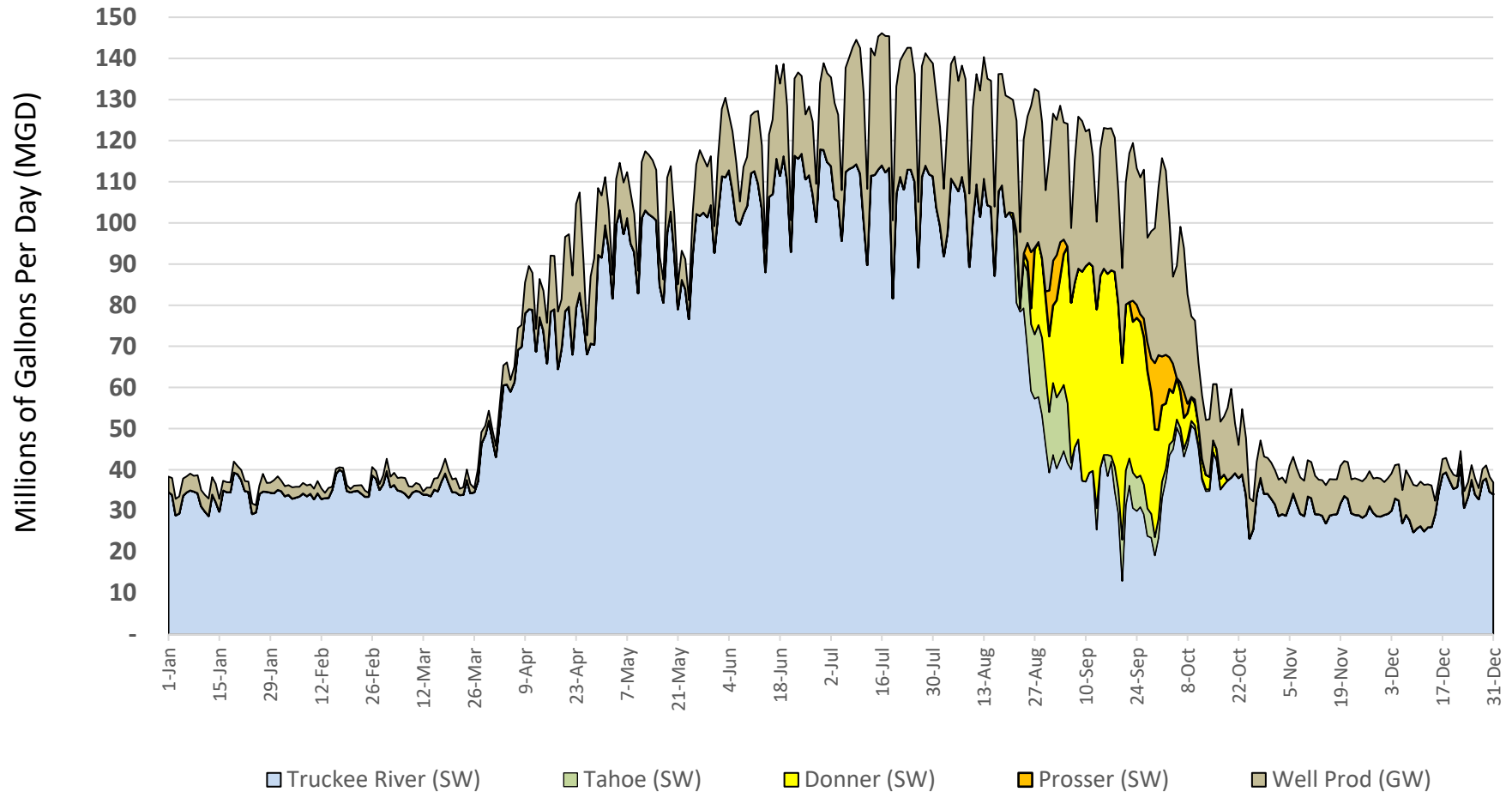


## Water Supply Update

Board of Directors Meeting

January 19, 2022

# 2021 TMWA Actual Sources of Supply

















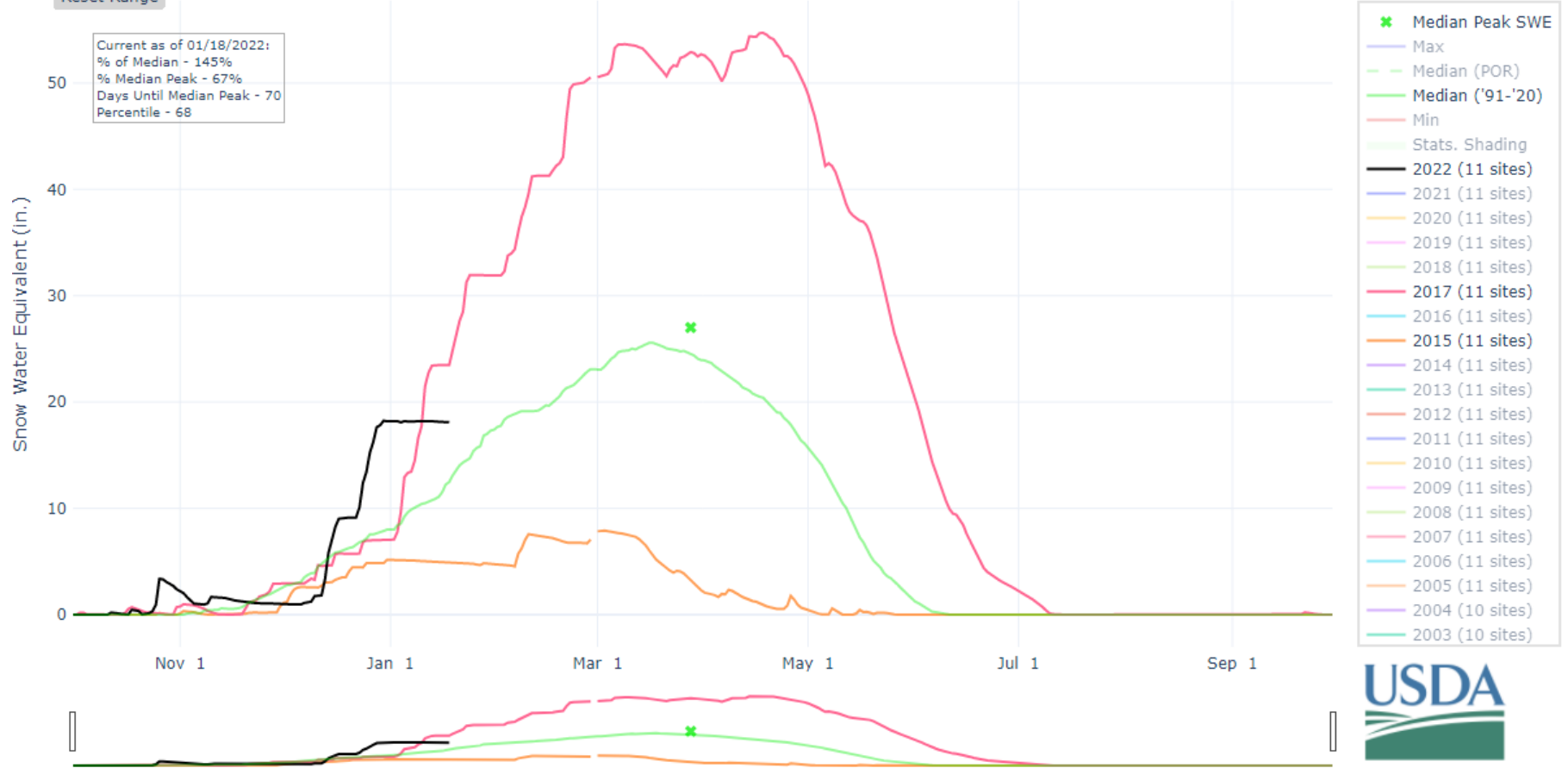
# Lake Tahoe Basin Snowpack (01/18/2022)

## SNOW WATER EQUIVALENT IN LAKE TAHOE

Reset Range

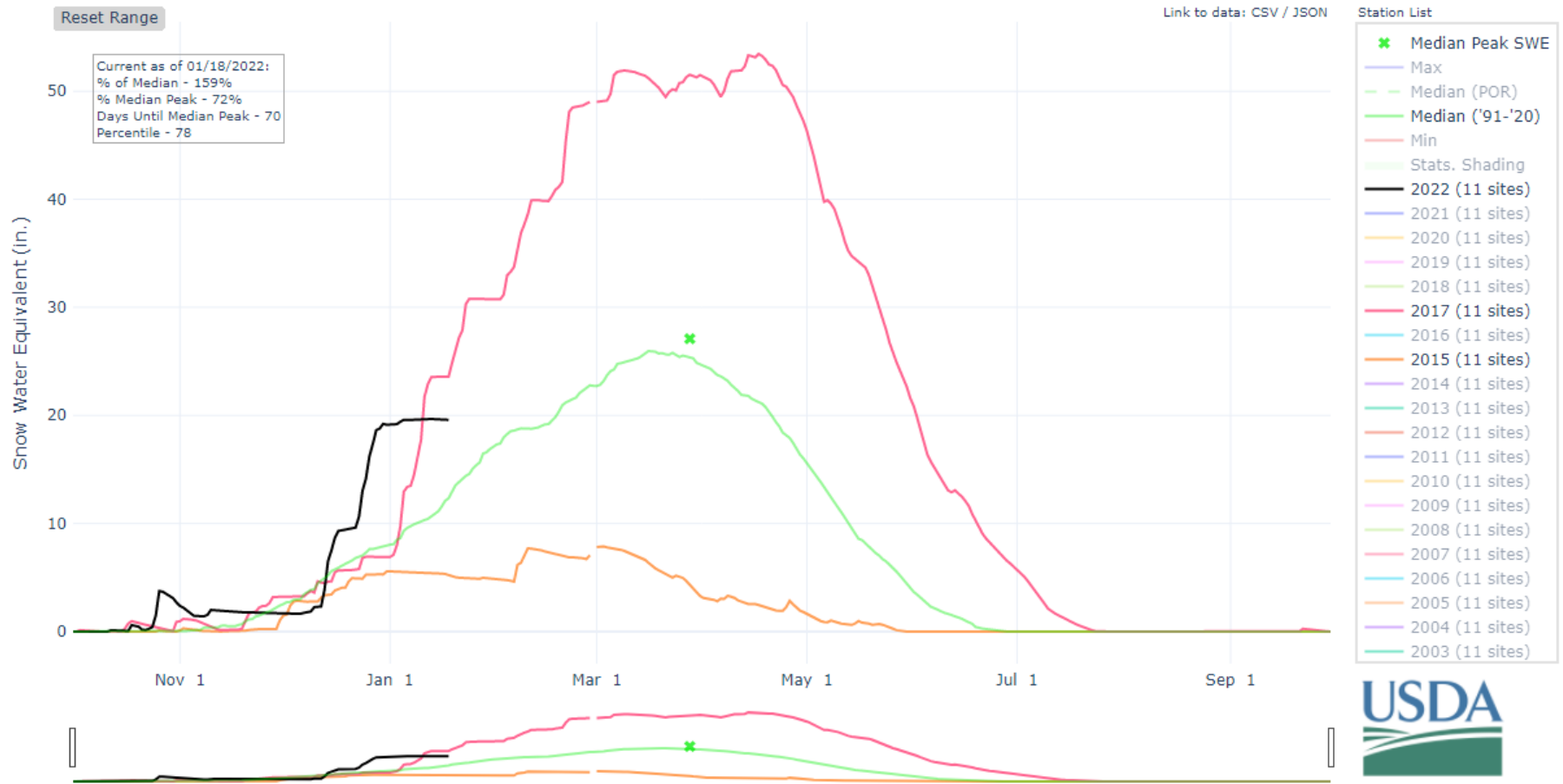
Link to data: CSV / JSON

Station List

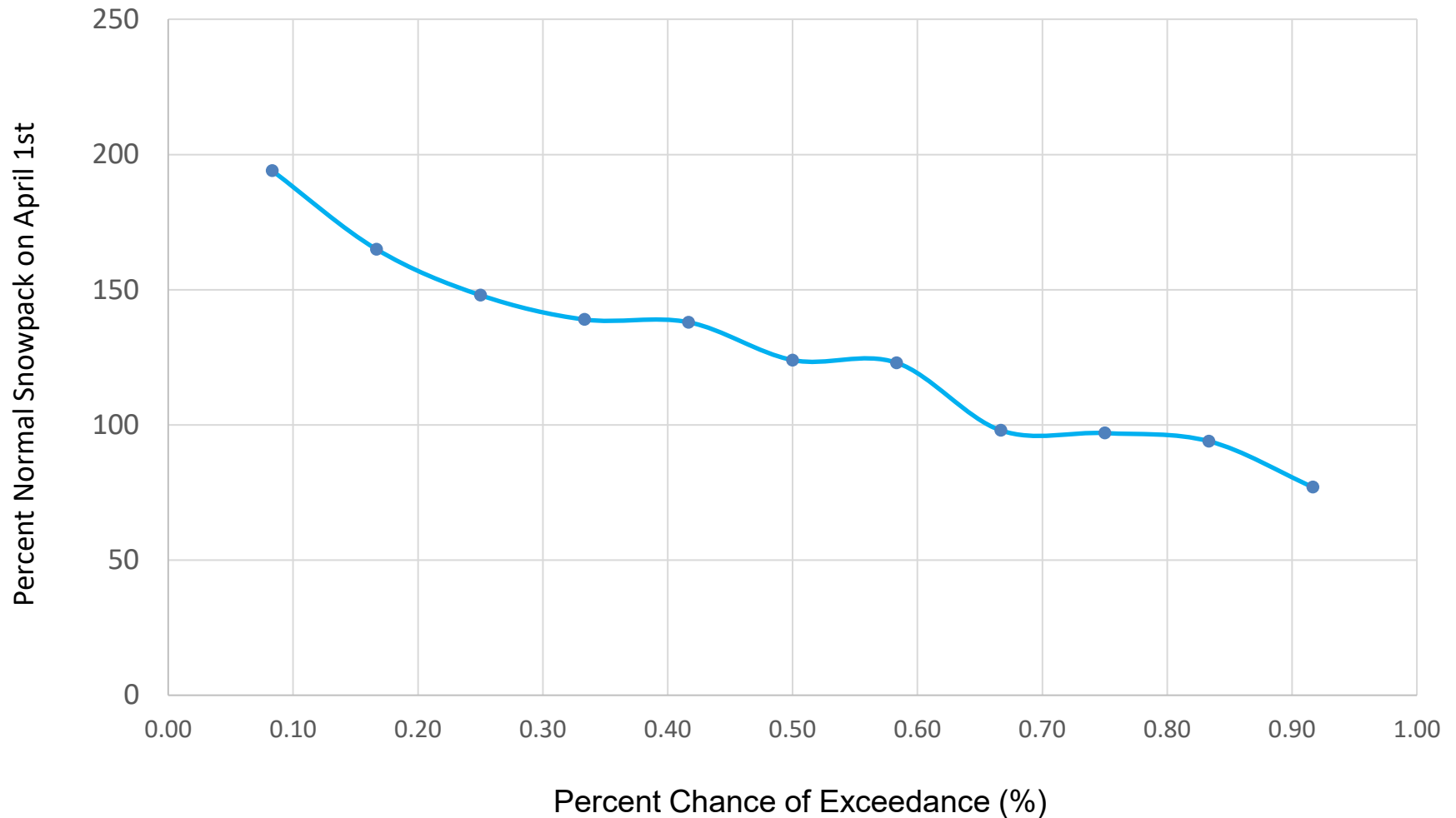


# Truckee Basin Snowpack (01/18/2022)

## SNOW WATER EQUIVALENT IN TRUCKEE



# Chances of Ending Season with Average or Better Snowpack

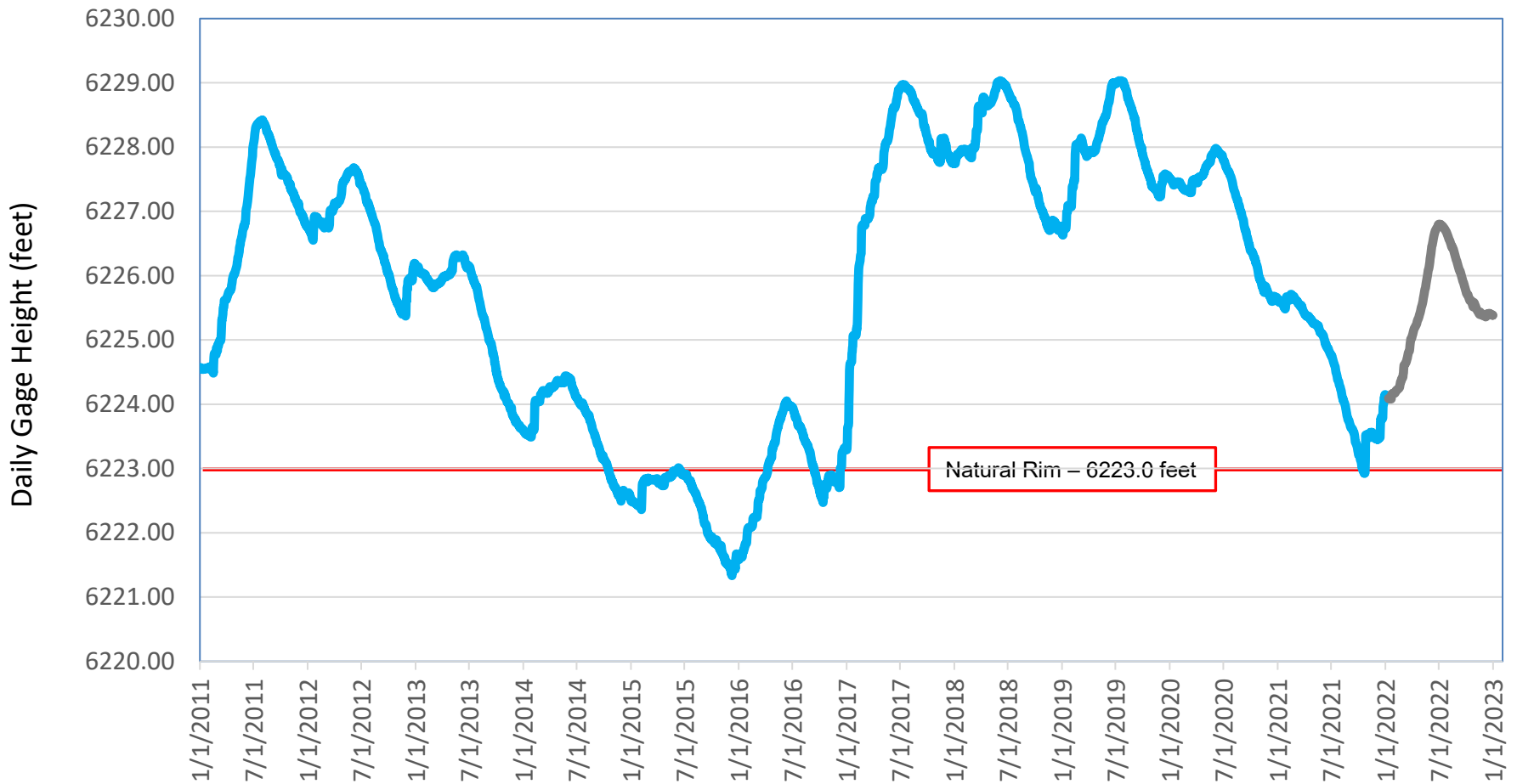


# Truckee River System

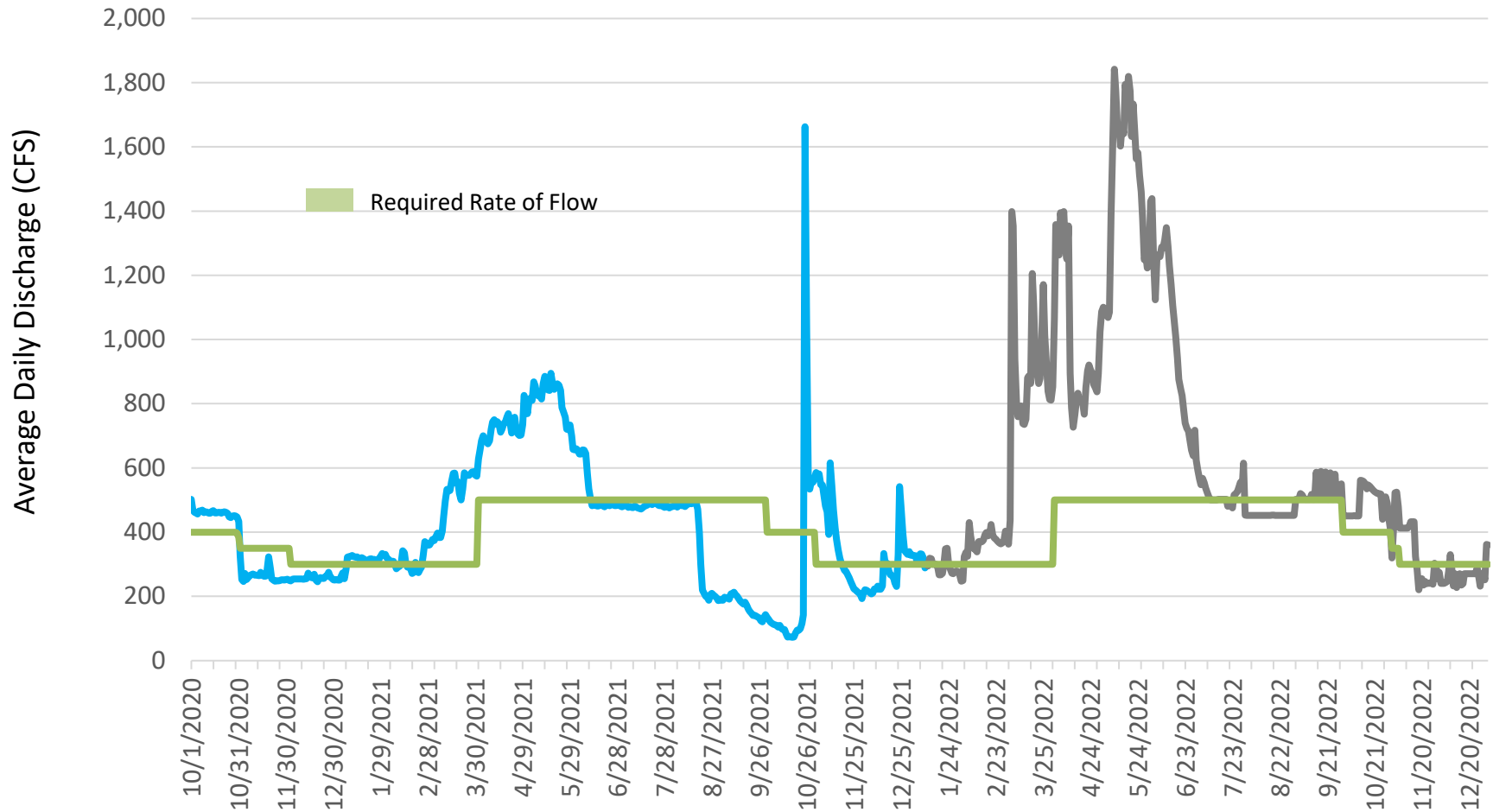
01-19-22 BOARD Agenda Item 8



# Actual and Projected Lake Tahoe Elevation through 2022



# Actual and Projected Truckee River Flow at Farad through 2022

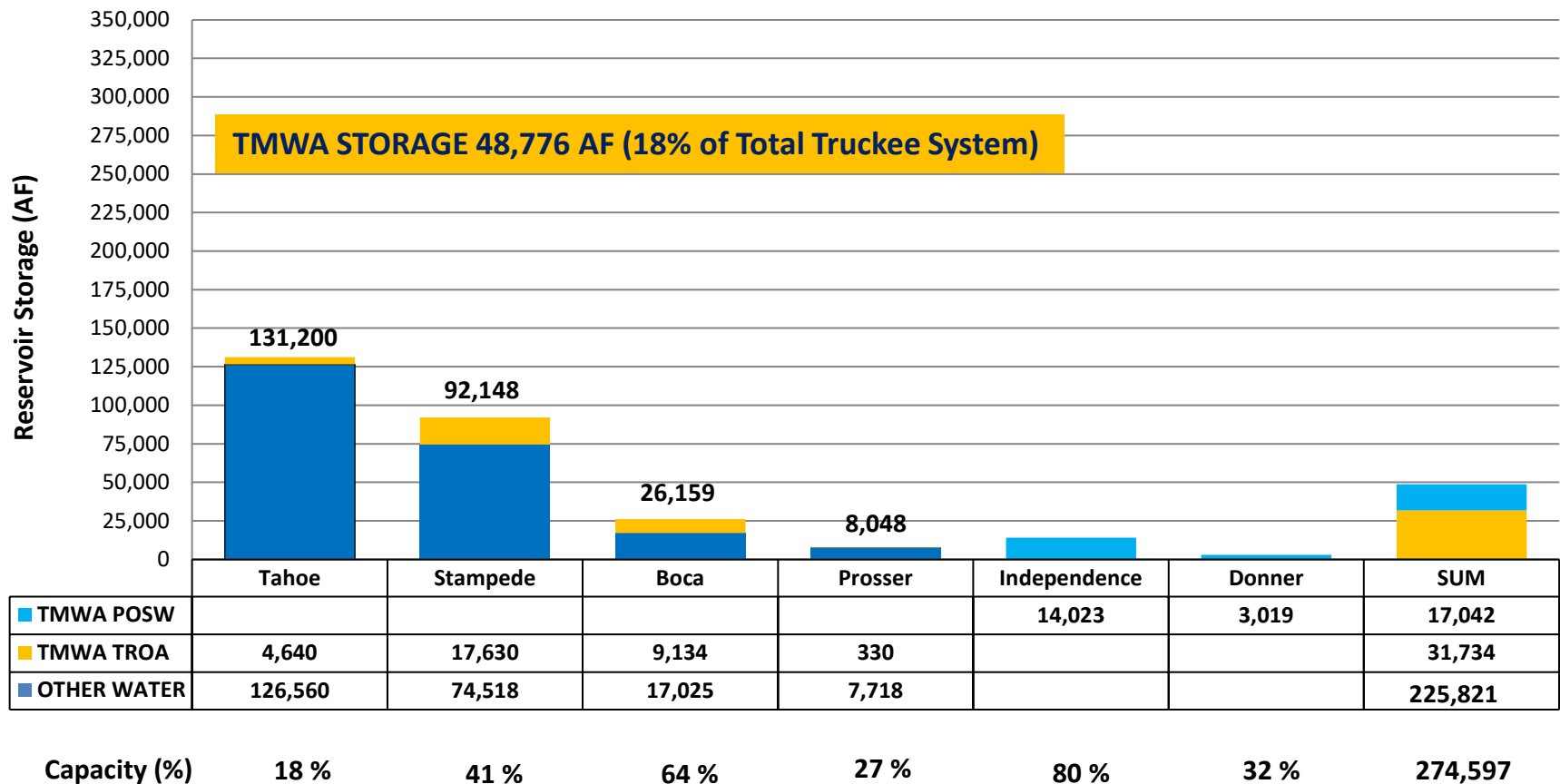


# January 01, 2022 NRCS Streamflow Forecasts

- Lake Tahoe Gates Closed Rise (GCR) – 1.19' median
  - 2.10' (176% normal) 30% COE (Apr-High)
  - 1.90' **(160% normal)** 50% COE (Apr-High)
  - 1.50' (126% normal) 70% COE (Apr-High)
- Truckee River at Farad, CA (A-J) – 225KAF median
  - 428 KAF (190% normal) 30% COE (Apr-Jul)
  - 370 KAF **(164% normal)** 50% COE (Apr-Jul)
  - 230 KAF (102% normal) 70% COE (Apr-Jul)



# Truckee River System Storage (1/18/2022)



MAX SYSTEM CAPACITY 1,068,270 AF

CURRENT CAPACITY 274,597 AF (26 % Capacity)

**Thank you!**  
Questions?

Bill Hauck, Water Supply Supervisor  
Email: [bhauck@tmwa.com](mailto:bhauck@tmwa.com)  
O: (775) 834-8111 M: (775) 250-1333



## STAFF REPORT

**TO:** TMWA Board of Directors  
**THRU:** Mark Foree, General Manager  
**FROM:** Michele Sullivan, CFO  
Scott Estes, Director of Engineering  
Danny Rotter, Engineering Manager  
**DATE:** January 12, 2022  
**SUBJECT:** **Rate Amendment, Second Hearing and Adoption: Discussion and action on Resolution No. 299: A resolution to adopt TMWA Rate Schedule BSF – Business Services Fees**  
**Rate Amendment, Second Hearing and Adoption: Discussion and action on Resolution No. 300: A resolution to adopt TMWA Rate Schedule WSF – Water System Facility Charges revising Area Fee, Supply and Treatment, and Storage unit costs**

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### **Summary:**

Facility Charges (connection fees) and New Business Fees were last updated in 2018. Staff has completed an analysis of New Business Fees and Facility Charges and is recommending revisions to Rate Schedule WSF (Water System Facility Charges) and Rate Schedule BSF (Business Services Fees) as shown in the attached red-line documents.

### **Recommendation:**

Staff submits for the Board's consideration for Second Reading and adoption the attached redline of TMWA's Rate Schedule WSF-Water System Facility Charges to revise and update Area Fee, Supply and Treatment, and Storage Unit Costs based on current collection of revenues and cost information. In addition, staff submits for the Board's consideration for Second Reading and adoption the attached redline of TMWA's Rate Schedule BSF-Business Services Fees to revise and update application fees, engineering review fees and inspection fees based on current collection of revenues and cost information. Staff recommends the adoption of Resolutions No. 299 and 300 and recommends that the revised rates become effective Monday, January 31, 2022.

### **Background:**

Rate Schedule WSF contains Area Fee and Facility Charge Unit Costs which are used to calculate fees that TMWA collects from new development to reimburse the utility for regional facility improvements installed by TMWA to meet the demands of new growth. Area Fee Unit Costs, Supply and Treatment Facility Unit Costs, and Storage Facility Unit Costs apply only to

developers applying for new or expanded water service, and do not affect the costs or rates to serve existing customers. In other words, pursuant to Board direction on customer rates: growth pays for growth.

The overall impact of the proposed fee revisions on typical Single Family Residential (SFR) and Multi-Family Residential (MFR) units was calculated for several areas where the majority of growth is occurring. The average cost of a SFR unit, based on the six Areas selected, increases by \$416 and the average cost of a MFR increases by \$117.

One suggestion received from the NAIOP Commercial Real Estate Developers Association Governing Board was to consolidate some of our Areas. In response, staff is also recommending consolidating Areas 11 (South Truckee Meadows) and 14 (STMGID West) since Area 11 already includes the old STMGID East area and both former STMGID areas benefit from the same Area 11 improvements.

In addition to Facility Charges, staff also analyzed our New Business Fees. Finance has developed new specialized reports that pull new business labor costs directly from timesheet data and new business fees collected from our finance systems. The new process provides a significant increase in accuracy for analyzing and determining new business costs. Business Services Fees are paid by new development for engineering planning and review time, water rights review time, easement and right-of-way review time, project management time and inspection time in the field during construction. In addition, there are also charges for vehicle time for inspectors and labor and equipment time to perform hot taps. In summary, Engineering category fees are proposed to increase 76%; Lands/Water Rights fees are increasing 34%; and Inspection/Crew Time fees are increasing 100%.

### **Public Outreach:**

Staff has not received any additional comments or input since the First Reading. Since the initial presentation to the TMWA Board in June, staff has made a presentation to the NAIOP Governing Board; has conducted one public workshop on the evening of September 29 at TMWA corporate offices; has presented this analysis to the TMWA SAC (who recommended acceptance of the proposed changes) and presented the First Reading at the TMWA Board's December meeting. Staff contacted the Builders Association of Northern Nevada (BANN) twice but was not invited to present to that group.

**2021 AREA FEES & FACILITY CHARGES w/FINANCE CHARGE**

AREA FEES		6/30/2018	6/30/2021	\$\$	%
<u>Area</u>	<u>Description</u>	<u>Existing</u> <u>Fee</u>	<u>Proposed</u> <u>Fee</u>	<u>Increase or</u> <u>Decrease</u>	<u>Increase or</u> <u>Decrease</u>
1	South Virginia	\$ 1,677	\$ 3,440	\$ 1,763	105%
2	Sparks-East Reno	\$ 2,627	\$ 2,811	\$ 184	7%
2A	Sparks-East Reno - A	\$ 1,313	\$ 1,406	\$ 93	7%
3	NW Reno-Northgate	\$ 3,679	\$ 3,258	\$ (421)	-11%
4	Sparks-Spanish Springs	\$ 4,483	\$ 4,167	\$ (316)	-7%
5	Sparks-The Vistas	\$ 7,167	\$ 8,179	\$ 1,012	14%
6	Sun Valley-Sullivan	\$ 2,311	\$ 4,354	\$ 2,043	88%
7	NW Reno-Verdi	\$ 7,916	\$ 11,435	\$ 3,519	44%
8	Sierra-North Virginia	\$ 9,260	\$ 11,199	\$ 1,939	21%
9	Southwest Reno	\$ 3,290	\$ 2,878	\$ (412)	-13%
10	Stead-Silver Lk-Lemmon Vly	\$ 6,279	\$ 6,695	\$ 416	7%
11	South Truckee Meadows <sup>(1)</sup>	\$ 4,232	\$ 5,751	\$ 1,519	36%
12	Spanish Springs	\$ 9,384	\$ 9,097	\$ (287)	-3%
13A	Heppner <sup>(2)</sup>	\$ 2,085	\$ 2,115	\$ 30	1%
15	Arrowcreek/Mt Rose	\$ 12,942	\$ 14,624	\$ 1,682	13%
TC	Truckee Canyon	\$ 8,036	\$ 7,551	\$ (485)	-6%

**FACILITY CHARGES**

Supply/Treatment Unit Cost	\$ 6,328	\$ 6,957	\$ 629	10%
Storage Unit Cost	\$ 1,658	\$ 1,287	\$ (371)	-22%

**Notes:**

1. Area 11 represents a consolidation of old Area 11 + old Area 14.
2. Area 13A also pays a \$5490 fee per lot for on-site water system facilities.

**RECENT HISTORICAL FACILITY COSTS - 2021 UPDATE CYCLE****Water Mains:**

<u>Project Name</u>	<u>Year</u>	<u>Diameter</u>	<u>Length</u>	<u>Cost</u>	<u>\$/in-LF</u>	
Caughlin-Mayberry Tie	2013	20	3460	\$1,317,402	\$19.04	
Lemmon Drive	2016	24	27630	\$9,635,646	\$14.53	
North Valleys Integ.	2016	18	2550	\$798,328	\$17.39	
Stead Ph. 2	2017	20	11880	\$3,311,905	\$13.94	
Arrowcreek Prkwy	2019	16	8100	\$2,508,370	\$19.35	
Verdi Main Extn.	2019	18	2700	\$1,444,052	\$29.71	no river xing
California-Marsh	2020	24	3500	\$2,332,324	\$27.77	
Boomtown Intertie	2021	16	1660	\$795,751	\$29.96	no J&B, no BPS
<b>AVG =</b>				<b>\$21.46</b>	<b>per in-LF</b>	

**Pump Stations:**

<u>Project Name</u>	<u>Year</u>	<u>(gpm)</u>	<u>Hp</u>	<u>Cost</u>	
Sutro #2	2016	2450	125	\$992,901	
Satellite Hills	2017	1500	90	\$1,748,788	
D'Andrea #3	2018	1750	240	\$1,184,438	
Gulling (K-Row#1 Repl.	2020			\$2,144,289	no pipeline costs
Disc Drive	2021			\$2,719,450	low bid + 20%, no pipeline costs
Kinglet	2021			\$1,726,000	low bid + 20%, no pipeline costs
Common (Stonegate)	2022				
<b>AVG =</b>				<b>\$1,752,644</b>	

**Wells:**

<u>Project Name</u>	<u>Year</u>	<u>Hp</u>	<u>(gpm)</u>	<u>Cost</u>	<u>\$/gpm</u>	
Huffaker PI Well	2016	60	600	\$1,303,284	\$2,172	equipping only - no drilling/casing
Innovation Well	2016	100	600	\$1,941,701	\$3,236	equipping only - no drilling/casing
Double Diamond 3 Wel	2016	250	1800	\$1,733,427	\$963	equipping only - no drilling/casing
Callamont North	2023		400			
<b>AVG =</b>				<b>\$1,659,471</b>		(drilling varies from \$500K-\$1M)

**Storage Tanks:**

<u>Project Name</u>	<u>Year</u>	<u>(MG)</u>	<u>Type</u>	<u>Cost</u>	<u>\$/gallon</u>	
Somersett #1	2005	2	PSC	\$2,499,281	\$1.25	
Pyramid	2007	4	STL	\$4,844,749	\$1.21	
Raleigh #3	2007	4	STL	\$3,722,356	\$0.93	
Hunter Creek Res	2008	4	STL	\$4,260,803	\$1.07	
Peavine	2018	2	STL	\$2,038,961	\$1.02	no excavation, minor sitework
STMGID East	2022	3.7	STL			not under construction yet
Caughlin #2	2023	1	STL			2 @ 500K gallons each
<b>AVG =</b>				<b>\$1.10</b>	<b>per Gallon</b>	

Ridgeview	2006	1.5	PSC	\$5,531,292	\$3.69	not included in average cost
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**Summary - Construction Costs:**

<b>Pipeline</b>	<b>\$25</b>	<b>/dia in-LF</b>	(assume current spike is extreme)
<b>BPS</b>	<b>\$1,940,000</b>	<b>ea.</b>	(avg of Gulling & Kinglet)
<b>Wells</b>	<b>\$1,750,000</b>	<b>ea.</b>	(may be light?, Callamont coming)
<b>Tanks</b>	<b>\$1.1</b>	<b>gallon</b>	(may be light?)

**SFR EXAMPLES**

Average Lot Size = 6000 SQ.FT.  
 Max Day Demand = **0.5** GPM

	<u>Existing Fees</u>		<u>Proposed Fees</u>	
Area 3 Fee =	\$	3,679 per GPM	\$	3,258 per GPM
Area 4 Fee =	\$	4,483 per GPM	\$	4,167 per GPM
Area 7 Fee =	\$	7,916 per GPM	\$	11,435 per GPM
Area 10 Fee =	\$	6,279 per GPM	\$	6,695 per GPM
Area 11 Fee =	\$	4,232 per GPM	\$	5,751 per GPM
Area 12 Fee =	\$	9,384 per GPM	\$	9,097 per GPM
Area 15 Fee =	\$	12,942 per GPM	\$	14,624 per GPM
Supply-Treatment =	\$	6,328 per GPM	\$	6,957 per GPM
Storage =	\$	1,658 per GPM	\$	1,287 per GPM

**Old/Existing Fees:**

<u>Location</u>	<u>Area Fees</u>	<u>Storage Facility Charge</u>	<u>Supply - Treatment Charge</u>	<u>Total Facility Charges</u>
NW/Somersett - Area 3	\$ 1,840	\$ 829	\$ 3,164	\$ 5,833
Kiley Ranch - Area 4	\$ 2,242	\$ 829	\$ 3,164	\$ 6,235
Verdi - Area 7	\$ 3,958	\$ -	\$ 3,164	\$ 7,122
North Valleys - Area 10	\$ 3,140	\$ -	\$ 3,164	\$ 6,304
Double Diamond - Area 11	\$ 2,116	\$ -	\$ 3,164	\$ 5,280
Spanish Springs - Area 12	\$ 4,692	\$ -	\$ 3,164	\$ 7,856
Mt Rose - Area 15	\$ 6,471	\$ -	\$ -	\$ 6,471

**New/Proposed Fees:**

<u>Location</u>	<u>Area Fees</u>	<u>Storage Facility Charge</u>	<u>Supply - Treatment Charge</u>	<u>Total Facility Charges</u>
NW/Somersett - Area 3	\$ 1,629	\$ 644	\$ 3,479	\$ 5,751
Kiley Ranch - Area 4	\$ 2,084	\$ 644	\$ 3,479	\$ 6,206
Verdi - Area 7	\$ 5,718	\$ -	\$ 3,479	\$ 9,196
North Valleys - Area 10	\$ 3,348	\$ -	\$ 3,479	\$ 6,826
Double Diamond - Area 11	\$ 2,876	\$ -	\$ 3,479	\$ 6,354
Spanish Springs - Area 12	\$ 4,549	\$ -	\$ 3,479	\$ 8,027
Mt Rose - Area 15	\$ 7,312	\$ -	\$ -	\$ 7,312

**Proposed Fees vs. Existing Fees**

NW/Somersett - Area 3 Impact =	\$	(82)	per SFR unit decrease
Kiley Ranch - Area 4 Impact =	\$	(29)	per SFR unit decrease
No. Valleys - Area 10 Impact =	\$	523	per SFR unit increase
Dbl Diamond - Area 11 Impact =	\$	1,074	per SFR unit increase
Sp. Sprngs - Area 12 Impact =	\$	171	per SFR unit increase
Mt Rose - Area 15 Impact =	\$	841	per SFR unit increase

**Average = \$ 416**

**MFR EXAMPLES**Max Day Demand = **0.14** GPM

	<u>Existing Fees</u>	<u>Proposed Fees</u>
Area 3 Fee =	\$ 3,679 per GPM	\$ 3,258 per GPM
Area 4 Fee =	\$ 4,483 per GPM	\$ 4,167 per GPM
Area 7 Fee =	\$ 7,916 per GPM	\$ 11,435 per GPM
Area 10 Fee =	\$ 6,279 per GPM	\$ 6,695 per GPM
Area 11 Fee =	\$ 4,232 per GPM	\$ 5,751 per GPM
Area 12 Fee =	\$ 9,384 per GPM	\$ 9,097 per GPM
Area 15 Fee =	\$ 12,942 per GPM	\$ 14,624 per GPM
Supply-Treatment =	\$ 6,328 per GPM	\$ 6,957 per GPM
Storage =	\$ 1,658 per GPM	\$ 1,287 per GPM

**Old/Existing Fees:**

<u>Location</u>	<u>Area Fees</u>	<u>Storage Facility Charge</u>	<u>Supply - Treatment Charge</u>	<u>Total Facility Charges</u>
NW/Somersett - Area 3	\$ 515	\$ 232	\$ 886	\$ 1,633
Kiley Ranch - Area 4	\$ 628	\$ 232	\$ 886	\$ 1,746
Verdi - Area 7	\$ 1,108	\$ -	\$ 886	\$ 1,994
North Valleys - Area 10	\$ 879	\$ -	\$ 886	\$ 1,765
Double Diamond - Area 11	\$ 592	\$ -	\$ 886	\$ 1,478
Spanish Springs - Area 12	\$ 1,314	\$ -	\$ 886	\$ 2,200
Mt Rose - Area 15	\$ 1,812	\$ -	\$ -	\$ 1,812

**New/Proposed Fees:**

<u>Location</u>	<u>Area Fees</u>	<u>Storage Facility Charge</u>	<u>Supply - Treatment Charge</u>	<u>Total Facility Charges</u>
NW/Somersett - Area 3	\$ 456	\$ 180	\$ 974	\$ 1,610
Kiley Ranch - Area 4	\$ 583	\$ 180	\$ 974	\$ 1,738
Verdi - Area 7	\$ 1,601	\$ -	\$ 974	\$ 2,575
North Valleys - Area 10	\$ 937	\$ -	\$ 974	\$ 1,911
Double Diamond - Area 11	\$ 805	\$ -	\$ 974	\$ 1,779
Spanish Springs - Area 12	\$ 1,274	\$ -	\$ 974	\$ 2,248
Mt Rose - Area 15	\$ 2,047	\$ -	\$ -	\$ 2,047

**Proposed Fees vs. Existing Fees**

NW/Somersett - Area 3 Impact =	\$ (23)	per MFR unit decrease
Kiley Ranch - Area 4 Impact =	\$ (8)	per MFR unit decrease
No. Valleys - Area 10 Impact =	\$ 146	per MFR unit increase
Dbl Diamond - Area 11 Impact =	\$ 301	per MFR unit increase
Sp. Sprngs - Area 12 Impact =	\$ 48	per MFR unit increase
Mt Rose - Area 15 Impact =	\$ 235	per MFR unit increase

**Average = \$ 117**



**TRUCKEE MEADOWS WATER AUTHORITY**

**RESOLUTION NO. 299**

**A RESOLUTION ADOPTING AMENDMENTS TO TRUCKEE MEADOWS WATER  
AUTHORITY’S RATE SCHEDULE BSF – BUSINESS SERVICES FEES**

**WHEREAS**, upon its formation, the Truckee Meadows Water Authority (“the Authority”) adopted Rules of Service on March 28, 2001, and such Rules have been modified and revised subsequent to the formation of TMWA;

**WHEREAS**, after conducting a review of its rate schedules, the Authority has revised and amended Rate Schedules BSF from time to time to meet the needs of its business environment by ensuring appropriate cost recovery through its fees and rates;

**WHEREAS**, the Authority’s Board desires to amend the Authority’s Rate Schedules BSF to update the fees charged for services rendered and facilities constructed as more fully described in Exhibit 1 attached hereto and incorporated herein by reference;

**WHEREAS**, the revisions to Rates Schedules set forth in Exhibit 1 attached hereto and incorporated herein are appropriate and justified;

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE TRUCKEE  
MEADOWS WATER AUTHORITY DOES RESOLVE:**

The revisions to Rate Schedules BSF as set forth in Exhibit 1 are approved and adopted effective 12:00 A.M. January 31, 2022.

Upon motion of \_\_\_\_\_, seconded by \_\_\_\_\_, the foregoing Resolution was passed and adopted this 19th day of January 2022 by the following vote of the Board:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Abstain: \_\_\_\_\_ Absent: \_\_\_\_\_

Approved this 19<sup>th</sup> day of January 2022.

\_\_\_\_\_  
Chairman

## **Truckee Meadows Water Authority**

### **RATE SCHEDULES**

#### **BSF - BUSINESS SERVICES FEES**

##### **APPLICABILITY**

In order to provide delivery of water to a particular Service Property(ies) due to the addition of new Service or Modified Service to existing water system Facilities, an Applicant is subject to the following business services fees. Business services shall mean services provided by the Authority for the benefit of Applicants for new Service or Modified Service and may include, but are not limited to, modification of an existing Service(s), system planning; design review; permitting; right-of-way or easement acquisition; water rights review; inspection; and document preparation.

##### **SPECIAL DEFINITIONS**

“Annexation” is the development of the minimum water system facility plan along with required improvements and required agreements in order to annex single family residence parcels or commercial and multi-family parcels.

“Design Report for NAC Compliance” shall mean the engineering analysis of existing and proposed water system Facilities for new subdivisions, water system planning, and/or expansion. Findings and conclusions from said studies shall be presented in report form to the Washoe County Health District (WCHD) for their approval in compliance with NAC 445A.6666 and 445A.66695. In November 2018, the Authority, NDEP and WCHD entered into an Interlocal Agreement giving Authority the responsibility for design reviews for NAC Compliance. Authority continues to perform hydraulic modeling, supply and storage capacity calculations, etc. but those results are no longer presented to WCHD unless the project is selected for audit.

“Discovery Level 1” is the development of preliminary, major off-site water system Facility requirements along with key assumptions and costs where engineering staff time will be limited to less than twelve (12) hours. Discovery 1 scope of work will be limited to projects and site locations in the Authority’s retail service area, and where extensive engineering planning and design is not required. The Applicant will receive a written description of preliminary off-site requirements and costs. In the event a project application exceeds the minimal planning/design scope of work requirements for Discovery 1, or the site is outside the Authority’s retail service area, the Authority may reclassify and treat the project as a Discovery 2.

## **Truckee Meadows Water Authority**

### **RATE SCHEDULES**

#### **BSF - BUSINESS SERVICES FEES**

“Discovery Level 2” is the same as Discovery 1, but planning and design may require over twelve (12) hours of Authority’s engineering staff time.

“Hardship Letters” shall be provided upon request by an Applicant for submittal to the State Engineer responding to the Authority’s ability to serve the Service Property. The letter only provides an estimate of the costs for the Authority to serve the Service Property. For Service Properties less than 500-feet from the Authority’s water system Facilities, the approximate main size, length and cost will be provided. For Service Properties greater than 500-feet from Authority’s water system Facilities, the letter will state that the Service Property is over 500-feet from the Authority’s water system without an estimate of the costs for the Authority to serve the Service Property.

“Point of Inspection” is water system facilities and associated fittings that attach to a feeder or project main for main connections, Service Taps, Service Pipes, Meter Facilities, valves, vertical offsets, horizontal offsets and trench and backfill requirements.

Applicant shall pay the Authority the applicable Business Service Fees for processing the Application and the installation of water system Facilities necessary to serve the Applicant, shown in the following table.

#### **SPECIAL CONDITIONS**

1. Applicant’s designs of water system Facilities shall be prepared by or under the direction of and wet-stamped by a Professional Engineer registered in the State of Nevada. After two submittals by Applicant to correct the designs of water system Facilities to Authority’s satisfaction, Authority can charge additional, applicable Engineering and Planning Review Fees contained in this Rate Schedule.

# Truckee Meadows Water Authority

## RATE SCHEDULES

### BSF - BUSINESS SERVICES FEES

<u>Application Type &amp;/Or New Business Service</u>	<u>Engineering Analysis/Review</u>	<u>Lands or Water Resources</u>	<u>Inspection &amp;/or Crew</u>
A. Residential – Single Service including separation of shared service into single metered services (each additional separate service is a POI)	<del>\$300</del> 400 + <del>\$30-60</del> per POI	<del>\$450</del> 200	<del>\$200</del> 350 + <del>\$50-90</del> per POI
B. Commercial Service with up to 3 service taps/service lines/meter facilities (Domestic, Fire & Irrigation) - applies to applications for Industrial, Irrigation, Construction Water	<del>\$700</del> 1,400 + <del>\$30-60</del> per POI	<del>\$450</del> 600	<del>\$300</del> 550 + <del>\$450</del> 265 per POI
C. Residential – Subdivision or Multi-Family - Design Review – per final map or phase	<del>\$2,400</del> 4,700 + <del>\$30-60</del> per POI	<del>\$450</del> 600	<del>\$300</del> 550 + <del>\$450</del> 265 per POI
D. Tenant Improvement with New or Deficit Demand with no new water facilities required	<del>\$450</del> 300	\$300	
E. Main Extensions – Alone or with any service	<del>\$1,800</del> 3,500 + <del>\$30-60</del> per POI		<del>\$300</del> 550, +\$25/LF + <del>\$450</del> 265 per POI
F. Fire Hydrant or Fire Service (alone, existing main)	<del>\$300</del> 600 + <del>\$60</del> per POI	<del>\$450</del> 200	\$200
G. Additional Engineering Review	<del>\$450</del> 300		
H. Retirements and Domestic Well Conversions	<del>\$300</del> 400	<del>\$450</del> 200	<del>\$200</del> 350
I. Hot taps up to 2" – by Authority - Hot taps >2" up to 12" – by Authority - Hot taps >12" – by Licensed Specialty Contractor hired directly by Applicant			<del>\$300</del> 400 <del>\$550</del> 960 <del>\$200</del> 350
J. Pressure Regulating Stations	<del>\$1,500</del> 3,000	<del>\$450</del> 200	<del>\$7,200</del> 12,700 (insp. + setup)
K. Annexation (includes <u>Level 1 Discovery</u> ) <u>Annexation (includes Level 2 Discovery)</u>	<del>\$2,400</del> 4,500 <del>\$7,000</del>	<del>\$300</del> 600	
- Discovery – Level 1	<del>\$2,400</del> 4,500		
- Discovery – Level 2	<del>\$3,600</del> 7,000		
- Water Service Acknowledgement Letter	<del>\$200</del> 400		
- Hardship Letter – Parcel <500' from water system	<del>\$200</del> 500		
- Hardship Letter – Parcel >500' from water system	<del>\$450</del> 200		
L. Property & Water Rights Research & Documents - Research/verify title of non-permitted water rights, per parcel - Research/verify title of permitted water rights, per parcel - Research and establish easements, rights-of-way or fee property dedications, per parcel - Document Preparation including Will-Serve Letter, No Water Rights Required Letter, Banking Agreements, Deeds, etc.		\$350 \$200 <del>\$300</del> 400  <del>\$450</del> 200 per document	
M. Deferred WSF Fees (subdivisions only) Setup & Document - Meter Set Request, per request, groups or single	<del>\$300</del> 500 <del>\$200</del> 400		
N. ILA Audit Fee, per Residential, Commercial or Main Project (Applies to Items A, B, C, E and F)	<del>\$400</del> 200		

**TRUCKEE MEADOWS WATER AUTHORITY**

**RESOLUTION NO. 300**

**A RESOLUTION ADOPTING AMENDMENTS TO TRUCKEE MEADOWS WATER AUTHORITY'S RATE SCHEDULE WSF – WATER SYSTEM FACILITY CHARGES REVISING AREA FEE, SUPPLY AND TREATMENT, AND STORAGE UNIT COSTS**

**WHEREAS**, upon its formation, the Truckee Meadows Water Authority (“the Authority”) adopted Rules of Service on March 28, 2001, and such Rules have been modified and revised subsequent to the formation of TMWA;

**WHEREAS**, after conducting a review of its rate schedules, the Authority has revised and amended Rate Schedules WSF from time to time to meet the needs of its business environment by ensuring appropriate cost recovery through its fees and rates;

**WHEREAS**, the Authority’s Board desires to amend the Authority’s Rate Schedule WSF to update the fees charged for services rendered and facilities constructed as more fully described in Exhibit 1 attached hereto and incorporated herein by reference;

**WHEREAS**, the revisions to Rates Schedules set forth in Exhibit 1 attached hereto and incorporated herein are appropriate and justified;

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE TRUCKEE MEADOWS WATER AUTHORITY DOES RESOLVE:**

The revisions to Rate Schedule WSF as set forth in Exhibit 1 are approved and adopted effective 12:00 A.M. January 31, 2022.

Upon motion of \_\_\_\_\_, seconded by \_\_\_\_\_, the foregoing Resolution was passed and adopted this 19th day of January 2022 by the following vote of the Board:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Abstain: \_\_\_\_\_ Absent: \_\_\_\_\_

Approved this 19<sup>th</sup> day of January 2022.

\_\_\_\_\_  
Chairman

# Truckee Meadows Water Authority

## RATE SCHEDULES

### WSF – WATER SYSTEM FACILITY CHARGES

#### APPLICABILITY

Pursuant to procedures set forth in Rule 5, Applicants for new Service or Modified Service to a Service Property(ies) are subject to Water System Facility (WSF) Charges. WSF Charges are based on the Maximum Day Demand estimated in gallons per minute (GPM) by the Authority to serve the Service Property(ies) multiplied by the following Unit Costs. WSF Charges will be assessed where applicable and as identified in the Water Service Agreement.

#### A. Area Facility Unit Cost by Charge Area

	<u>Charge Area</u>	<u>Old Amount</u>	<u>New Amount</u>	
0	Central Reno	\$0.00	\$ 0.00	per GPM
1	South Truckee Meadows	\$1,677.00	3,440.00	per GPM
2	Sparks-East Reno	2,627.00	2,811.00	per GPM
2A	Sparks-Inside McCarran Blvd	1,313.00	1,406.00	per GPM
3	Northwest Reno – Northgate/Mogul	3,679.00	3,258.00	per GPM
4	Sparks – Pyramid/Spanish Springs	4,483.00	4,167.00	per GPM
5	Sparks – The Vistas	7,167.00	8,179.00	per GPM
6	Sun Valley-Sullivan Pump Zones	2,311.00	4,354.00	per GPM
7	Verdi	7,916.00	11,428.00	per GPM
8	Sierra-North Virginia Pump System	9,260.00	11,199.00	per GPM
9	Lakeridge-Plumas Pump System	3,290.00	2,878.00	per GPM
10	Stead–Silver Lake–Lemmon Valley	6,279.00	6,695.00	per GPM
11	<del>South</del> east Truckee Meadows	4,232.00	5,751.00	per GPM
12	Spanish Springs	9,384.00	9,097.00	per GPM
13A	Heppner*	2,085.00	2,115.00	per GPM
14	<del>STMGID West/Thomas Creek</del>	815.00		
15	Arrowcreek/Mt. Rose**	12,942.00	14,624.00	per GPM
	Truckee Canyon	8,036.00	7,551.00	per GPM

Where a Service Property is not located within an established Charge Area described above or where the Area Facility Unit Cost for that Charge Area has not been established, applicable Area Facility Unit Costs shall be determined by Authority on a case by case basis and may include charges for on-site and off-site improvements, including Oversizing Costs, to integrate new Water System Facilities or to connect to, expand, relocate or alter existing water Facilities, determined by the Authority as necessary to facilitate annexation of the Service Property into the Authority's Retail Service Area and/or development of the Charge Area or Charge Area Unit Cost to be established, as set forth in the Annexation Agreement or Water Service Agreement between Applicant and Authority.

\* Charge Area 13A is subject to an additional charge of \$5,490.00 per lot for on-site distribution improvements.

\*\* Component of fee includes estimated costs of acquiring supplemental resource supply. Fee may be reduced to ~~\$8,641.00~~10,286.00 upon Applicant dedication of an acceptable combination of groundwater and creek water rights to satisfy supplemental conjunctive use supply as determined by the Authority pursuant to its Rule 7.

Added: 06/18/03 Amended: 10/01/03; 01/21/04; 03/01/05; 10/18/06; 03/01/08; 05/21/09; 05/21/10; 06/19/13; 10/15/14; 01/01/15; 05/21/15; 06/16/16, 10/01/19

# Truckee Meadows Water Authority

## RATE SCHEDULES

### WSF – WATER SYSTEM FACILITY CHARGES

#### B. Supply and Treatment Facility Unit Cost By Charge Area

“Supply and Treatment Facility Unit Cost” is the unit cost in dollars per GPM of Maximum Day Demand, representing the cost to construct and finance supply/treatment improvements identified in the Authority’s facility plan.

	<u>Charge Area</u>	<u>Old Amount</u>	<u>New Amount</u>	
0	Central Reno	\$6,328.00	\$6,957.00	per GPM
1	South Truckee Meadows	6,328.00	6,957.00	per GPM
2	Sparks-East Reno	6,328.00	6,957.00	per GPM
2A	Sparks-Inside McCarran Blvd	6,328.00	6,957.00	per GPM
3	Northwest Reno – Northgate/Mogul	6,328.00	6,957.00	per GPM
4	Sparks – Pyramid/Spanish Springs	6,328.00	6,957.00	per GPM
5	Sparks – The Vistas	6,328.00	6,957.00	per GPM
6	Sun Valley-Sullivan Pump Zones	6,328.00	6,957.00	per GPM
7	Verdi	6,328.00	6,957.00	per GPM
8	Sierra-North Virginia Pump System	6,328.00	6,957.00	per GPM
9	Lakeridge-Plumas Pump System	6,328.00	6,957.00	per GPM
10	Stead–Silver Lake-Lemmon Valley*	6,328.00	6,957.00	per GPM
11	<del>South</del> east Truckee Meadows	6,328.00	6,957.00	per GPM
12	Spanish Springs	6,328.00	6,957.00	per GPM
13A	Heppner	0.00	0.00	per GPM
14	<del>STMGID-West/Thomas-Creek</del>	<del>815.00</del>		
15	Arrowcreek/Mt. Rose	0.00	0.00	per GPM
	Satellite Systems**	6,328.00	6,957.00	per GPM

\* For Area 10 growth dedicating Fish Springs groundwater resources, the Supply-Treatment Facility Unit Cost is 0 (zero).

\*\* Satellite Systems include Truckee Canyon, Stampmill, Sunrise Estates, Old Washoe Estates and Lightning W.

Added: 06/18/03 Amended: 10/01/03; 01/21/04; 03/01/05; 10/18/06; 03/01/08; 05/21/09; 05/21/10; 06/19/13; 10/15/14; 01/01/15; 05/21/15; 06/16/16, 10/01/19

# Truckee Meadows Water Authority

## RATE SCHEDULES

### WSF – WATER SYSTEM FACILITY CHARGES

#### C. Storage Facility Unit Cost By Charge Area

“Storage Facility Unit Cost” is the unit cost in dollars per GPM of Maximum Day Demand, representing the cost to construct and finance storage improvements identified in the Authority’s facility plan.

	<u>Charge Area</u>	<u>Old Amount</u>	<u>New Amount</u>	
0	Central Reno	<del>\$1,658.00</del>	\$1,287.00	per GPM
1	South Truckee Meadows	<del>1,658.00</del>	1,287.00	per GPM
2	Sparks-East Reno	<del>1,658.00</del>	1,287.00	per GPM
2A	Sparks-Inside McCarran Blvd	<del>1,658.00</del>	1,287.00	per GPM
3	Northwest Reno – Northgate/Mogul	<del>1,658.00</del>	1,287.00	per GPM
4	Sparks – Pyramid/Spanish Springs	<del>1,658.00</del>	1,287.00	per GPM
5	Sparks – The Vistas	<del>1,658.00</del>	1,287.00	per GPM
6	Sun Valley-Sullivan Pump Zones	<del>1,658.00</del>	1,287.00	per GPM
7	Verdi	0.00	0.00	per GPM
8	Sierra-North Virginia Pump System	<del>1,658.00</del>	1,287.00	per GPM
9	Lakeridge-Plumas Pump System	<del>1,658.00</del>	1,287.00	per GPM
10	Stead–Silver Lake-Lemmon Valley	0.00	0.00	per GPM
11	<del>South</del> east Truckee Meadows	0.00	0.00	per GPM
12	Spanish Springs	0.00	0.00	per GPM
13A	Heppner	0.00	0.00	per GPM
14	<del>STMGID West/Thomas Creek</del>	<del>815.00</del>		
15	Arrowcreek/Mt. Rose	0.00	0.00	per GPM
	Satellite Systems	0.00	0.00	per GPM

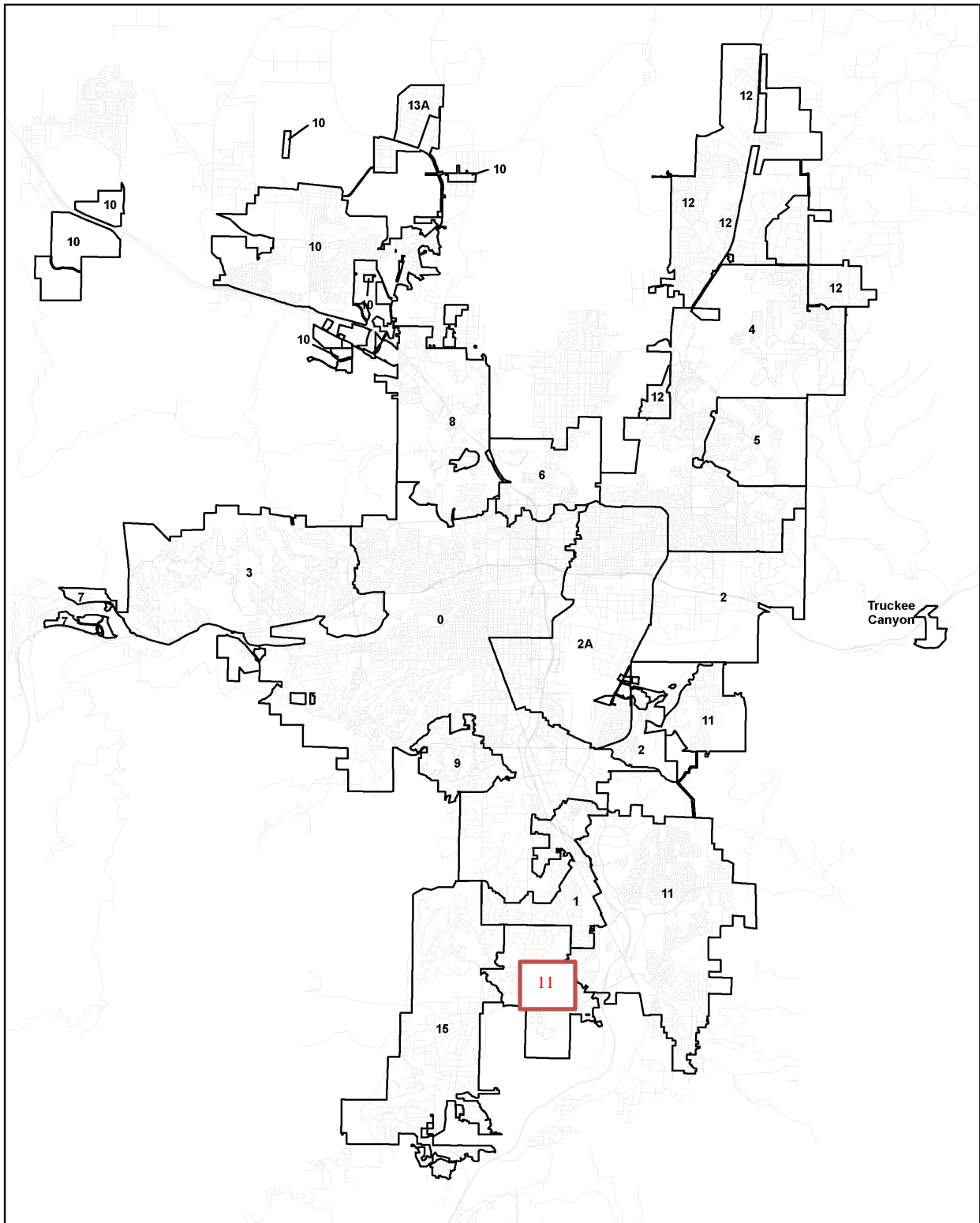
NOTE: The following map depicts only approximate boundaries of the Charge Areas because the Authority’s distribution system undergoes frequent modification, Charge Area boundaries are subject to frequent adjustment and the exact boundaries of the Charge Areas shall be maintained by and may be adjusted from time to time by the General Manager of the Authority. The Authority attempts to keep a current map posted on its website, at [www.tmwa.com](http://www.tmwa.com); however, this map may not show sufficient detail to depict Charge Areas precisely. Pursuant to Rule 5 the Authority will determine the Charge Area and associated Area Facility charges to serve the Applicant’s Service Property(ies) at the time of application based on the most current Charge Area boundary information maintained by the General Manager of the Authority.



# Truckee Meadows Water Authority

## RATE SCHEDULES

### WSF – WATER SYSTEM FACILITY CHARGES



Added: 01/01/15; 05/21/15; 06/16/16, 10/01/19 **REVISE MAP – CONSOLIDATE AREAS 11 & 14**



## STAFF REPORT

**TO:** Board of Directors  
**THRU:** Mark Foree, General Manager  
**FROM:** Jessica Atkinson, Human Resources Manager  
**DATE:** January 10, 2022  
**SUBJECT:** Discussion and action, and possible direction to staff regarding the General Manager recruitment selection process

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### Recommendation

Staff is looking for the Board to:

1. Provide direction to staff on a recruitment strategy with the recommendation being to start with an internal recruitment and pursue using an executive search firm if no suitable internal candidates are identified and selected.
2. Accept draft General Manager position description to be used for the purpose of advertising.
3. Accept proposed process for recruitment strategy and approximate timelines for staff to use as a guide during this process.

### Background

During the August 2021 Board Meeting, Staff presented TMWA's succession plan and steps taken over the last couple years to prepare TMWA for the upcoming retirements of three senior leaders (General Manager, Director of Engineering and Director of Distribution & Hydro Generation).

As part of the succession initiative, staff identified interested and qualified internal candidates for each of these leadership positions and have already initiated the steps necessary to fill the Director of Distribution & Hydro Generation position.

The process for filling the General Manager vacancy is different than other TMWA positions because the TMWA General Manager is appointed by and reports directly to an elected body; therefore, the hiring decision for the General Manager position must be conducted in an open and public meeting.

General Manager, Mark Foree's retirement is to be effective in or about October of 2022. To ensure a smooth transition with timelines sufficient to recruit, hire, train and meet the requirements under Nevada's open meeting law, staff is looking for direction from the board related to recruitment strategy and recommends consideration of the following options:


1. **Look internally**-This recruitment strategy is the most efficient from a cost and time perspective and can be accomplished within approximately three (3) months (see approximate timelines). Staff has been working on a succession plan over the course of several years to identify and prepare for transition at this level. Benefits of promoting from within includes selecting a candidate with a working knowledge of TMWA culture and processes, a candidate already woven into the community with an understanding of regional issues and the ability to have seen the candidate's skills set, work ethic in action.
2. **HR Staff to conduct a recruitment (external/internal)** –This recruitment strategy requires a modest amount of time and cost and may be accomplished within approximately four (4) to five (5) months (see approximate timelines). Some challenges to a TMWA lead external/internal search is that we don't have staff experienced and dedicated to conducting an executive level search outside of this region and may not reach quality of candidates outside the region.
3. **Use an executive search firm**-This strategy has the most significant time and cost impacts and would require the longest lead time, potentially up to 6 months (see approximate timelines). Benefits of using an executive search firm can be realized in their search services and ability to approach qualified candidates. However, there is no guarantee of finding a suitable candidate especially when finding candidates willing to make their candidacy known and participate in the open and public process required under Nevada's open meeting law.

While there is no one-size-fits all approach when it comes to deciding where or how to find General Manager candidates, staff recommends first conducting an internal recruitment and if no suitable internal candidates are identified and or selected, move forward with an executive search firm lead recruitment.

Regardless of which recruitment strategy the Board directs staff to pursue, staff requests the Board accept with or without modification the DRAFT General Manager position description to be used for recruitment purposes to aid in communicating the purpose, duties, requirements, and experience necessary for the position. Additionally, staff requests the Board accept the attachment titled, "Proposed Activities by Recruitment Strategy and Approximate Timelines" to serve as a guide ensuring critical activities occur in an expected timeframe and will keep the Board informed of any changes that would impact timelines by greater than 30-days.

### **Attachments**

1. DRAFT General Manager Position Description
2. Proposed Activities by Recruitment Strategy and Approximate Timelines

	<b>Position Description</b>
<b>Position Title:</b> General Manager	<b>Job Class:</b> MPAT Regular
<b>Department:</b> Administration	<b>FLSA Status:</b> Exempt
<b>Reports To:</b> TMWA Board of Directors	<b>Grade/Level:</b> F101
<b>Positions Supervised:</b> Assistant General Manager, Chief Financial Officer, Director of Distribution, Director of Natural Resources, Director of Engineering, Director of Operations and Water Quality, HR Manager, Executive Administrative Assistant	
<i>Printed copies are for reference only. Please refer to the electronic copy for the latest version.</i>	

### **Position Summary**

Under policy direction of the Board, the General Manager is responsible for the leadership and management of Truckee Meadows Water Authority (TMWA). Develops, implements, and executes short- and long-term plans, policies, budgets and strategies consistent with TMWA's vision, *to enhance the quality of life in the Truckee Meadows by delivering exceptional, customer-focused water services.*

The General Manager develops policy recommendations for Board of Directors' action; and provides highly responsible and complex administrative support to the Board of Directors.

The General Manager is accountable to the Board of Directors for the administration of all TMWA services and activities to ensure delivery of high-quality water in a cost-effective manner and managing water resources and planning facilities to meet the community's water needs.

Receives policy direction from the Board of Directors.

### **Essential Duties and Responsibilities**

*We believe that each employee makes a significant contribution to our success. That contribution should not be limited by the assigned responsibilities. Therefore, this job description is designed to outline primary duties, qualifications, and job scope, but not limit the incumbent nor TMWA to adjust the work identified. It is our expectation that each employee will offer his/her services wherever and whenever necessary to ensure the success of our endeavors.*

#### **Examples of Duties:**

- Act as an agent for the Board of Directors in the administration of TMWA's operations and services.
- Prepare and present policy recommendations and advise the board on matters of policy and administration of TMWA.
- Provide highly responsible staff support to the Board of Directors; develop agendas for Board meetings; prepare Staff reports to the Board of Directors; maintain frequent communications with Board members
- Plan, organize, control, integrate and evaluate the work of all TMWA divisions to ensure that operations and services comply with the policies and strategic direction set by the Board and with all applicable laws and regulations.
- Direct, oversee and participate in the development of TMWA's strategic goals, assign work activities, projects, and programs to appropriate department heads, monitor workflow; review and evaluate operational and service methods and procedures.
- Establish broad departmental policies and direct and coordinate the activities of the organization in carrying out those policies.
- Direct near-term and long-range studies related to financial planning, water rates, water supply, capital improvements and facilities to assure financial, operational and resource availability and stability of TMWA.

- Supervise and direct preparation of the annual budget; direct, review and evaluate annual budget requests of all departments and direct the preparation of budget recommendations to the Board of Directors.
- Direct continuous review of TMWA expenditures throughout the fiscal year to ensure proper expenditures of authorized funds.
- Recommend a long-range plan of capital improvements, including provision of pertinent financial data and financing recommendations.
- Provide an in-depth analysis and review of all TMWA programs on a regular basis in such a manner that the Board may make policy decisions, and develop ways of achieving efficiency in all TMWA operations.
- Develop, implement, and maintain an adequate system of checks and controls to safeguard TMWA money and property.
- Perform investigations, studies or surveys as the Board may designate or that he/she may deem necessary; research and prepare technical and administrative reports and studies; prepare written correspondence as necessary.
- Coordinate TMWA activities with outside agencies and organizations; provide staff assistance to the Board of Directors; prepare and present staff reports and other necessary correspondence.
- Select, train, motivate and evaluate the executive management team; provide or coordinate management staff development; work with employees to correct deficiencies; implement discipline and termination procedures.
- Represent TMWA to outside groups and organizations; participate in outside community and professional groups committees.
- Respond to and resolve difficult citizen requests and complaints; research situations and prepare response and action plan for resolution.
- Build and maintain positive working relationships with co-workers, other TMWA employees and the public using principles of good customer service.
- Perform related duties as assigned by the Board of Directors.

### **Knowledge, Skills & Abilities**

#### **Knowledge of:**

- Principles and practices of local government administration and operations especially those of a water utility operation;
- Principles and practices of effective communication
- Principles and practices of policy development and implementation;
- Pertinent local, state and Federal laws, rules, and statutes;
- Principles and practices of leadership motivation, team building and conflict resolution;
- Organizational and management practices as applied to the analysis and evaluation of utility programs, policies and operational needs;
- Principles of water utility organization, administration, executive team management, and utility financing;
- Principles and practices of government budget preparation and administration especially characteristic of utility operations;
- Principles of management supervision, training and performance evaluation;  
principles of labor relations;

**Skilled in/Ability to:**

- Communicate clearly and concisely, both orally and in writing; model and encourage open, honest, and direct communications both internal and external to department;
- Plan, assign, direct and control a variety of functional areas with overlapping work;
- Select, motivate, and evaluate staff and provide for their training and development; prepare, administer, and monitor organization wide budget;
- Analyze complex operational and administrative problems, evaluate alternatives, and recommend or implement effective courses of action; develop and implement goals, objectives, policies, procedures, work standards and management controls;
- Exercise sound independent judgement within general policy guidelines;
- Establish and maintain effective working relationships with managers, staff, contractors, consultants, vendors, and others encountered in the course of work;
- Use tact, discretion, and diplomacy in dealing with sensitive situations and concerned people and customers both internal and external;
- Collaborate and cooperate with other departments on companywide projects and initiatives;
- Understand, interpret, explain, and adhere to federal, state, and local laws, regulations, and codes and TMWA policies, procedures, and rules;
- Encourage an organizational culture of inclusion and empower staff at all levels to take a solutions-focused approach to resolve problems and implement appropriate conflict management strategies;
- Prepare clear and concise reports, correspondence, and other written materials; contribute effectively to the accomplishment of organizational goals, objectives, and activities.

**Education & Experience Requirements**

Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications is:

**Education:** Equivalent to a bachelor's degree from an accredited college or university with major course work in public or business administration, engineering, political science, or related field.

**Experience:** Ten (10) years of increasingly responsible experience in management and administration (preferably with a water district or utility) managing, preparing, and coordinating a variety of programs in engineering, natural resources, administration, finance, water law, distribution and or operations; five years of which must be in an administrative and management capacity

**Desirable:** Related Master's degree or advanced degree desirable.

**Certifications & Licensure Requirements**

A valid Nevada (or California – depending on state of residency) Driver License at time of hire and continuing thereafter and ability to maintain insurability under TMWA's vehicle insurance policy.

Employment is contingent upon successful completing a background investigation during hire and periodically thereafter during employment.

This position is considered a safety sensitive position and employment is contingent upon the results of drug and/or alcohol testing which includes screening for marijuana. The presence of marijuana or other screened for substances on any employment related substance test may result in a refusal to hire or termination of employment.

## ***Physical and Mental Demands, Work Environment***

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*The physical and mental demands described here are representative of those that must be met by the employee to successfully perform the essential functions of this position. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.*

### **Physical Demands**

This position requires in-person reporting and incumbents must possess mobility to work in a standard office setting and use standard office equipment, including a computer; to operate a motor vehicle and visit various TMWA work and meeting sites; vision to read printed materials and a computer screen; and hearing and speech to communicate in person and over the telephone. This is primarily a sedentary office classification although standing in work areas and walking between work areas may be required. Finger dexterity is needed to access, enter, and retrieve data using a computer keyboard or calculator and to operate standard office equipment. May occasionally bend, stoop, kneel, reach, push, and pull drawers open and closed to retrieve and file information. Employees must possess the ability to lift, carry, push, and pull materials and objects up to 25 pounds.

When working in the field, must possess strength, stamina, and mobility to sit, stand, and walk on level, uneven, or slippery surfaces; and reach, twist, turn, kneel, bend, stoop, squat, and crouch to inspect TMWA facilities and projects.

### **Mental Demands**

While performing the duties of this class, an employee is regularly required to use written and oral communication skills; read and interpret data, information, and documents; analyze and solve problems; use math and mathematical reasoning; observe and interpret situations; deal with changing, intensive deadlines, and interact with officials and the public.

### **Work Environment**

The employee normally works under typical office conditions. The employee is frequently exposed to outside weather conditions and wet and/or humid conditions. The noise level is normally quiet. Incumbents are required to ensure reliable 24/7 operations, including on-call coverage and response to emergencies.



Proposed Activities by Recruitment Strategy and Approximate Timelines			
Activity	Internal Recruitment	HR Staff to Conduct Recruitment (external/internal)	Executive Search Firm
<b>Preliminary Activities:</b>			
Provide direction to staff on recruitment strategy	1/19/22	1/19/22	1/19/22
Board approval for General Manager description	1/19/22	1/19/22	1/19/22
Identify Board members who will direct staff in negotiating terms of employment contract	3/16/22	3/16/22	3/16/22
<b>Post and Recruit</b>			
TMWA to select search firm and authorize expenses	N/A	N/A	2/17/22 - 03/16/22
Post position/place advertisements	02/01/22 - 02/08/22	02/01/22 - 03/01/22	
Staff reviews applications and materials received	02/15/22 - 02/28/22	03/01/22 - 03/15/22	
Staff identifies qualified interview pool	02/15/22 - 02/28/22	03/15/22 - 03/31/21	
<b>Interview and Selection</b>			12 - 16 Week Process
Prepare for interviews	03/01/22 - 03/08/22	04/01/22 - 04/08/22	
Schedule and facilitate (travel arrangements) interviews with the TMWA Board	03/01/22 - 03/08/22	04/01/22 - 04/08/22	
Candidate interviews with the Board	3/16/22	4/20/22	
Board to identify candidate for the purpose of extending conditional offer(s)			
Extend conditional offer of employment	03/16/22 - 03/31/22	04/20/22 - 04/30/22	
Negotiate contractual terms	03/16/22 - 03/31/22	04/20/22 - 04/30/22	
Conduct reference and background checks	N/A	04/30/22 - 05/10/22	
Submit contract to TMWA board for approval in open session	4/20/22	5/18/22	
<b>Onboarding</b>			
Time to provide notice	04/20/22 - 04/30/22	05/18/22 - 06/17/22	
Time to relocate	N/A	06/18/22 - 06/30/22	
<b>Approximate start date:</b>	<b>5/2/22</b>	<b>6/21/22 - 7/1/22</b>	<b>July - August</b>
<b>Months of overlap with current GM:</b>	<b>5 Months</b>	<b>4.5 to 5 Months</b>	<b>2 to 3 Months</b>





## STAFF REPORT

**TO:** Board of Directors  
**FROM:** Mark Foree, General Manager  
**DATE:** January 11, 2022  
**SUBJECT:** General Manager's Report

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

Included in your agenda packet are press clippings from December 2, 2021 through January 11, 2022. Additionally, the Nevada Supreme Court Commission to Study the Adjudication of Water Law Cases is holding a public meeting on January 21, 2022. Staff will update the TMWA Legislative Subcommittee prior to the Commission meeting.



## STAFF REPORT

**TO:** Board of Directors  
**THRU:** Mark Foree, General Manager  
**FROM:** Scott Estes, Director of Engineering  
**BY:** Bill Hauck, Water Supply Supervisor  
**DATE:** January 12, 2022  
**SUBJECT:** January 2022 Operations Report

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### SUMMARY

- Truckee River flows picked up in mid and again in late December as a result of a two strong winter precipitation events which added more than 6/10<sup>th</sup> of a foot of storage to Lake Tahoe
- Lake Tahoe storage is now at 18% of capacity and is 1.09' above the rim
- Combined total upstream reservoir storage is about 26% of maximum capacity
- Customer demand averaged 38 million gallons per day (MGD) over the first week of January
- Hydroelectric powerplants were able to come back on-line in late December with the higher river flows
- Hydroelectric revenue for December 2021 was \$43,234

### **(A) Water Supply**

- **River Flows** - Truckee River flow at the CA/NV state line was approximately 300 cubic feet per second (CFS) this morning. This is below normal as the 113-year average flow for this day at Farad is 553 CFS.
- **Snowpack** - Lake Tahoe Basin snowpack is in great shape at 172% of normal, and 189% of normal in the Truckee River Basin. We started the month well over 200% of normal in both basins, but with each passing day it doesn't snow these numbers continue to slip a little bit more. Normal or better than average snowfall for the remainder of the season will vastly improve the water supply outlook and help to refill many of the upstream reservoirs in the spring.
- **Outlook** - Early projections for streamflow runoff this spring are very promising and are pointing towards a significant recovery for upstream reservoirs and the potential for normal river flows from April through the end of the year.

- **Reservoir Storage** - Overall Truckee River reservoir storage is ~26% of capacity. The elevation of Lake Tahoe is 6224.09 feet. Storage values for each reservoir as of January 12<sup>th</sup> are as follows:

<b>Reservoir</b>	<b>Current Storage (Acre-Feet)</b>	<b>% of Capacity (Percent)</b>
Tahoe	132,400	18%
Boca	26,309	64%
Stampede	91,310	40%
Prosser	7,935	27%
Donner	3,413	36%
Independence	13,963	80%

In addition to approximately 17,042 acre-feet of storage in Donner and Independence reservoirs, TMWA has about 31,545 acre-feet of water stored between Lake Tahoe, Boca and Stampede reservoirs under the terms of TROA. TMWA's total combined upstream reservoir storage is approximately 48,587 acre-feet (as of January 12th).

#### **(B) Water Production**

- **Demand** - TMWA's customer demand averaged 38 MGD over the first full week of January. Overall, surface water made up ~92% of our supply and groundwater the other 8%. Approximately 3 MGD is currently being recharged.

#### **(C) Hydro Production**

**Generation** - Truckee River flows at Farad (CA/NV state line) for the month of December averaged 286 CFS. After river flows picked up again later in the month, the Fleish and Washoe plants were able to come back on-line and take advantage of the extra water in the river. The Washoe plant was put back into service on December 24th and the Fleish plant on December 25th.

Statistics for the month are as follows:

<b>Hydro Plant</b>	<b>Days On-Line</b>	<b>Generation (Megawatt hours)</b>	<b>Revenue (Dollars)</b>	<b>Revenue (Dollars/Day)</b>
Fleish	7	403	\$ 30,098	\$ 4,300
Verdi	0	0	\$ 0	\$ 0
Washoe	8	176	\$ 13,136	\$ 1,642
<b>Totals</b>	<b>15</b>	<b>579</b>	<b>\$ 43,234</b>	<b>\$</b>



## STAFF REPORT

**TO:** Chairman and Board Members  
**THRU:** Mark Foree, General Manager  
**FROM:** Stefanie Morris, Manager, Water Resources  
**DATE:** January 10, 2022  
**SUBJECT:** Report Water Resources and Annexation Activity

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### RULE 7

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

Beginning Balance		3,289.06 AF
Purchases of water rights	11.33 AF	
Refunds	0.00 AF	
Sales	– 61.17 AF	
Adjustments	45.00 AF	
Ending Balance		3,284.22 AF

Price per acre foot at report date: \$7,700

### FISH SPRINGS RANCH, LLC GROUNDWATER RESOURCES

Through the merger of Washoe County's water utility, TMWA assumed a Water Banking and Trust Agreement with Fish Springs Ranch, LLC, a subsidiary of Vidler. Under the Agreement, TMWA holds record title to the groundwater rights for the benefit of Fish Springs. Fish Springs may sell and assign its interest in these groundwater rights to third parties for dedication to TMWA for a will-serve commitment in Areas where TMWA can deliver groundwater from the Fish Springs groundwater basin. Currently, TMWA can deliver Fish Springs groundwater to Area 10 only (Stead-Silver Lake-Lemmon Valley). The following is a summary of Fish Springs' resources.

Beginning Balance		7,629.07 AF
Committed water rights	– 0.91 AF	
Ending Balance		7,628.16 AF

Price per acre foot at report date: \$43,575 (for SFR and MFR); \$37,800 (for all other services)<sup>1</sup>

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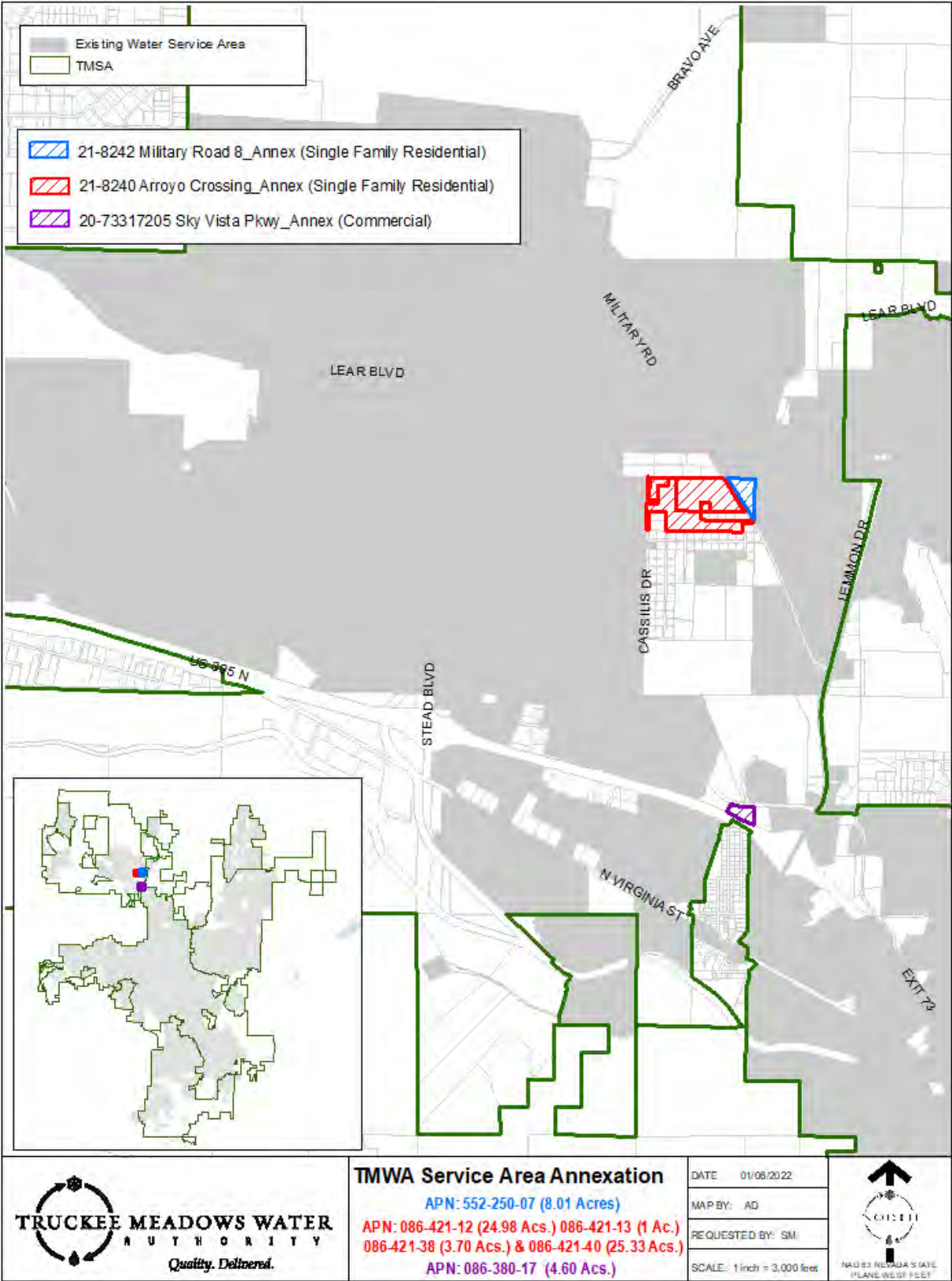
<sup>1</sup> Price reflects avoided cost of Truckee River water right related fees and TMWA Supply & Treatment WSF charge.

**WATER SERVICE AREA ANNEXATIONS**

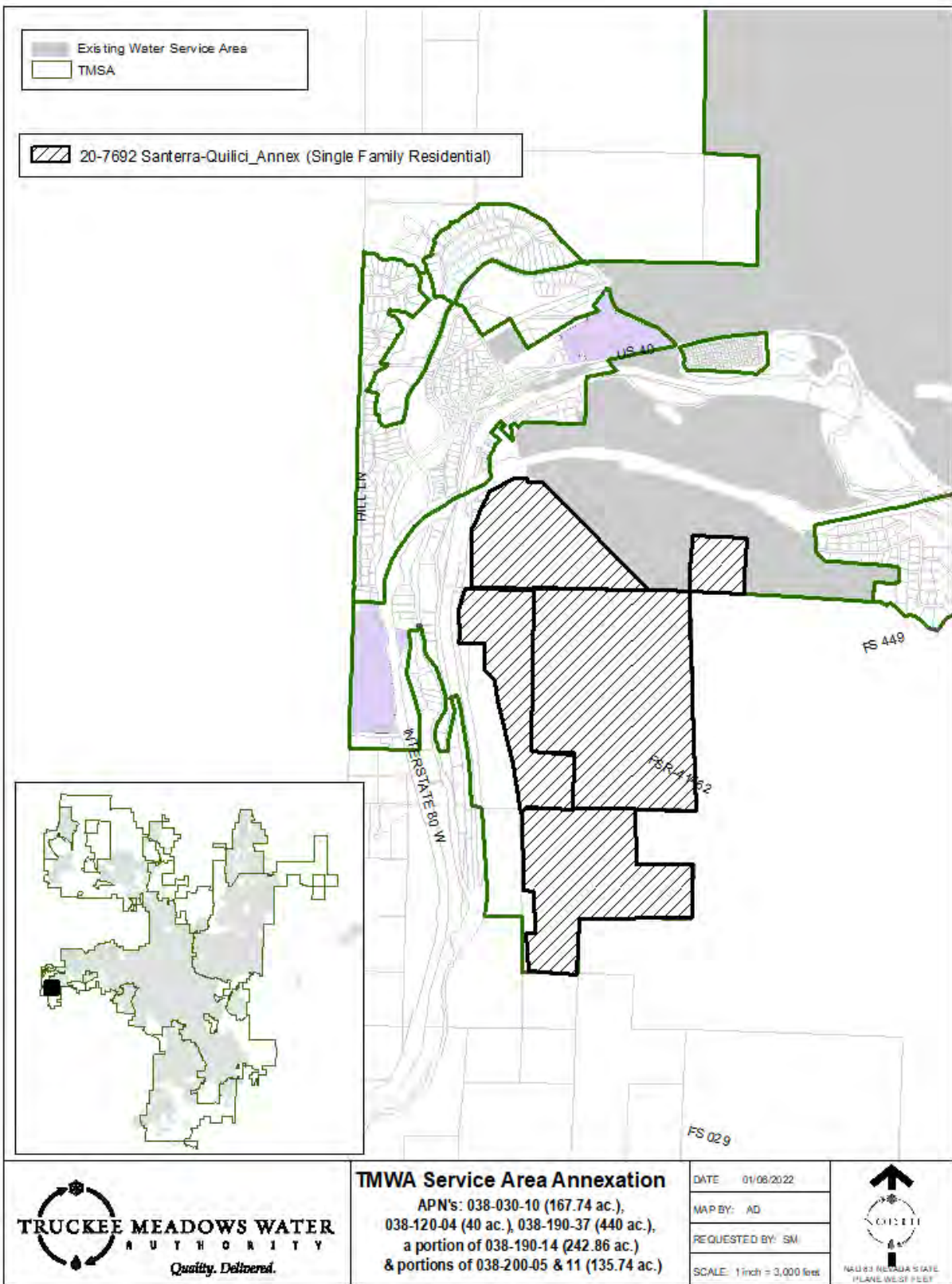
Since the date of the last report, 1,093.96 acres have been annexed into TMWA's service area. (See attachments.)

**INTERRUPTIBLE LARGE VOLUME NON-POTABLE SERVICE**

No new ILVNPS customers have been added during this reporting period.









## **STAFF REPORT**

**TO:** Board of Directors  
**THRU:** Mark Foree, General Manager  
**FROM:** Marci Westlake, Manager Customer Service  
**DATE:** January 19, 2022  
**SUBJECT:** **December Customer Service Report**

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The following is a summary of Customer Service activity for December 2021.

### **Ombudsman**

- No calls for December

### **Communications**

- Nothing for December.

### **Conservation (2021 Calendar year)**

- 7,180 Water Watcher Contacts
- 1,581 Water Usage Reviews

### **Customer Calls –December**

- 7,088 phone calls handled
- Average handling time 4 minutes, 28 seconds per call.
- Average speed of answer – .22 seconds per call.

### **Billing – December**

- 133,539 bills issued.
- N/A (0.00%) corrected bills.
- 12,940 customers (10%) have signed up for paperless billing to date.

**Remittance – December**

- 18,125 Mailed-in payments
- 25,434 Electronic payments
- 45,606 Payments via AutoPay (EFT)
- 19,368 One-time bank account payments
- 130 Store payments
- 319 Pay by Text
- 4,644 IVR Payments
- 854 Reno office Payments

**Collections – December**

- 21,356 accounts received a late charge
- 3,082 Mailed delinquent notices, 0.02% of accounts
- 595 accounts eligible for disconnect
- 480 accounts were disconnected (including accounts that had been disconnected-for-non-payment that presented NSF checks for their reconnection)
- 0.36 % write-off to revenue

**Meter Statistics – Fiscal Year to Date**

- 0 Meter retrofits completed
- 3,888 Meter exchanges completed
- 1,049 New business meter sets completed
- 126,047 Meters currently installed