

TRUCKEE MEADOWS WATER AUTHORITY
MINUTES OF THE APRIL 20, 2022
MEETING OF THE BOARD OF DIRECTORS

The Board of Directors met on Wednesday, April 20, 2022, at Sparks Council Chambers. Chair Hartung called the meeting to order at 10:00 a.m.

1. ROLL CALL

Directors Present: Paul Anderson, Kristopher Dahir, Naomi Duerr, Vaughn Hartung, *Alexis Hill, and **Neoma Jardon.

Director Absent: Jenny Brekhus

A quorum was present.

****Director Hill attended virtually between 11:04 a.m. thru 11:16 a.m. and 12:30 p.m. thru 12:45 p.m.***

*****Director Jardon attended virtually between 11:32 a.m. thru 11:50 a.m.***

2. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Director Jardon.

3. PUBLIC COMMENT

There was no public comment.

4. POSSIBLE BOARD COMMENTS OR ACKNOWLEDGEMENTS

There were no Board comments.

5. APPROVAL OF THE AGENDA

Upon motion by Director Dahir, second by Director Duerr, which motion duly carried by unanimous consent of the Directors present, the Board approved the agenda.

6. APPROVAL OF THE MINUTES OF THE MARCH 16, 2022 MEETING

Upon motion by Director Jardon, second by Director Hill, which motion duly carried by unanimous consent of the Directors present, the Board approved the March 16, 2022 minutes.

*ATTORNEY-CLIENT CONFERENCE (BOARD WILL RECEIVE INFORMATION IN CLOSED SESSION)

Chair Hartung recessed at 10:04 a.m.

Chair Hartung reconvened the meeting at 11:04 a.m.

7. PRESENTATION OF RESULTS OF THE ANONYMOUS SURVEY ASKING ALL EMPLOYEES TO IDENTIFY THE KEY ATTRIBUTES AND/OR EXPERIENCE THEY WOULD LIKE TO SEE THEIR NEXT GENERAL MANAGER POSSESS

Jessica Atkinson, TMWA Human Resources Manager, presented the staff report and the open-ended survey went live on March 22 and ended on Apr 6.

The Board appreciated Ms. Atkinson's efforts and were impressed by the number of responses (81 out of 230 employees, about 30%) and personal comments (especially about preserving the TMWA culture) provided by employees, which were mostly positive (considering there has been a decline in overall satisfaction in the workplace the last two years) and will be utilized in the search process, the qualifications (leadership, interpersonal skills, strategy, team building, etc.) staff is looking for in a leader are realistic for new management, and for staff to understand the Board is paying attention to their comments.

8. DISCUSSION AND POSSIBLE DIRECTION FROM THE BOARD REGARDING EMPLOYEE CLIMATE SURVEY

Ms. Atkinson presented the staff report.

After a lengthy discussion whereby the Board thanked staff, addressed their concerns and questions, the Board determined the best course of action, and decided to wait until after the new general manager is selected prior to conducting the climate study.

Upon motion by Director Hill, second by Director Duerr, which motion duly carried by unanimous consent of the Directors present, the Board approved conducting an employee climate study after the new general manager is hired.

9. UPDATE ON GENERAL MANAGER RECRUITMENT AND DIRECTION TO STAFF REGARDING GENERAL MANAGER INTERVIEW PROCESS AND DATE

Ms. Atkinson reported that staff has engaged with a third party vendor to conduct the background checks, one candidate withdrew their application due to accepting another position and a second had expressed concerns due to the discussion that transpired at the March Board meeting and ultimately withdrew their application. This leaves three candidates, two in northern Nevada and one from the east coast.

Director Hill said the presentation was great and is interested in the interview guide and questions, and inquired whether the Board needed to submit questions they wish to ask. Ms. Atkinson said no, so long as they fall in line with the guidelines and are asked of each candidate.

The Board discussed when to hold the general manager interviews and determined the best date to be the normal Board meeting on June 15th. Additionally, the Board agreed to extend the duration for that meeting .

Upon motion by Director Dahir, second by Director Hill, which motion duly carried by unanimous consent of the Directors present, the Board approved the general manager interview process and June 15, 2022 as the interview date.

10. DISCUSSION AND POSSIBLE ACTION ON ADOPTION OF RESOLUTION NO. 303: A RESOLUTION OF THE TRUCKEE MEADOWS WATER AUTHORITY APPROVING THE U.S. DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION WATERSMART: TITLE XVI WATER RECLAMATION AND REUSE PROJECTS UNDER THE WIIN ACT GRANT APPLICATION IN FY 2022

Stefanie Morris, TMWA Water Resources Manager, presented the staff report.

Members of the Board thanked staff for moving forward with applying for grant opportunities, inquired if there is flexibility in the amount requested (no, the Board committed to \$103M), and commented that the project is cutting edge and the first in the region.

Upon motion by Director Hill, second by Director Duerr, which motion duly carried by unanimous consent of the Directors present, the Board adoption Resolution No. 303: A resolution of the Truckee Meadows Water Authority approving the U.S. Department of the Interior Bureau of Reclamation WaterSmart: Title XVI Water Reclamation and Reuse Projects under the WIIN Act grant application in FY 2022.

11. RECOGNITION OF TMWA FOR RECEIVING THE AMERICAN WATER WORKS ASSOCIATION (AWWA): EXEMPLARY SOURCE WATER PROTECTION AWARD

Kara Steeland, TMWA Hydrologist, and Christian Kropf, TMWA Senior Hydrogeologist, reported that AWWA is awarding TMWA its Exemplary Source Water Protection Award for TMWA's Source Water Protection Program, which would not have been possible without regional and state collaboration.

Chair Hartung congratulated staff.

Chair Hartung opened agenda items 12 and 13 simultaneously.

12. WATER SUPPLY UPDATE

Bill Hauck, TMWA Water Supply Supervisor, presented the water supply update: Lake Tahoe is approximately one foot above the rim; January-March 2022 ended up being the driest 3-month period

on record; snowpack in the Truckee Basin is currently about 53% of normal; latest model runs are projecting normal Truckee River flows through September and possibly into October (beyond TMWA's peak demand season); TMWA's drought storage is 57k acre feet (AF) and project it to be about 67k AF at its peak; and no drought storage will be required to meet customer demands.

Director Duerr inquired about storage in Stampede Reservoir, stated she has received significantly more questions related to water than in the past few years, and asked if staff has different messaging this year. Mr. Hauck replied Lake Tahoe will go below the rim and staff is moving water into Stampede prior to that happening; TMWA manages its water independently but does coordinate with other parties. He added the messaging will be addressed in the communication plan.

13. PRESENTATION ON PROPOSED CONSERVATION, COMMUNICATIONS AND OUTREACH PLAN FOR 2022, DISCUSSION AND POSSIBLE DIRECTION TO STAFF

Andy Gebhardt, TMWA Director of Distribution, Maintenance & Generation, presented the 2022 Communications and Outreach Plan ("Plan") and acknowledged the communication team and Cammy LoRe, GoodStanding, for the report. The focus of the Plan is to inform our customers, despite the news reporting the worst drought on record, TMWA's water supply is in good condition, ramp up messaging this year even though we are in a better position with our drought storage (Mr. Hauck will be presenting to the media and stakeholders on Apr 22), and anticipate normal conservation measures this year.

The Board thanked staff for their efforts on the Plan and had a lengthy discussion regarding utilizing the weatherman to provide water supply updates, much like the air quality updates, to keep the conservation messaging at the forefront, TMWA's water supply will not exceed demands (WC-3 concept), approved the Conservation Hero campaign.

Upon motion by Director Duerr, second by Director Anderson, which motion duly carried by unanimous consent of the Directors present, the Board accepted the proposed Conservation, Communications and Outreach Plan for 2022.

14. INFORMATIONAL REPORT REGARDING FISH SPRINGS RANCH AGREEMENTS AND STATUS

John Zimmerman, TMWA Assistant General Manager, presented the staff report and updated the Board regarding Vidler Water Resources Inc. ownership of Vidler Water Co. which holds Fish Springs Ranch LLC. Fish Springs Ranch LLC owns the groundwater rights associated with TMWA's Fish Springs importation project, which are subject to the water banking and infrastructure agreements. The parent company has entered into a purchase agreement with D.R. Horton. Mr. Zimmerman added that Fish Springs Ranch, LLC has notified TMWA that it will continue to sell the beneficial interest in the water rights to developers for will-serve commitments and would proceed as they have in the past.

Chair Hartung confirmed DR Horton is a homebuilder and asked whether it was a conflict of interest for it to own and control water rights other homebuilders want to purchase. Mr. Zimmerman replied the Fish Springs Ranch, LLC is subject to the water banking agreement and infrastructure agreement that

relates to capacity and reiterated that Fish Springs Ranch, LLC said that it will continue to sell water rights and capacity in the Fish Springs pipeline and provide water without preferential treatment to DR Horton.

Vice Chair asked if it is our responsibility to ensure this remains true and inquired if any regulations were in place. Mr. Zimmerman replied no, there are no regulations in place, but water rights must be dedicated pursuant to TMWA Rules and banking agreement; staff can update the Board if they hear otherwise but will monitor it since TMWA owns the infrastructure. Mr. Zimmerman added both agreements require Fish Springs Ranch LLC to make the water rights available in TMWA's service area.

Director Duerr said she would like to speak with Mr. Foree to get more information after the meeting.

15. GENERAL MANAGER'S REPORT

Mr. Foree added to Mr. Hauck's prediction, by the time he retires, there will be a small amount of water above the rim in Lake Tahoe with the most amount of upstream storage 67,000 AF in TMWA history.

16. PUBLIC COMMENT

There was no public comment.

17. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

Vice Chair Dahir requested Chair Hartung to take care of his landscaping.

18. ADJOURNMENT

With no further discussion, Chair Hartung adjourned the meeting at 12:54 p.m.

Approved by the TMWA Board of Directors in session on May 19, 2022.

Sonia Folsom, Board Clerk.

*****Director Jardon was present for agenda items 1 thru 8 only.***