

TRUCKEE MEADOWS WATER AUTHORITY
MINUTES OF THE DECEMBER 8, 2022
MEETING OF THE BOARD OF DIRECTORS

The Board of Directors met on Thursday, December 8, 2022, at Sparks Council Chambers. Vice Chair Dahir called the meeting to order at 10:02 a.m.

1. ROLL CALL

Directors Present: Paul Anderson, Jenny Brekhus, Kristopher Dahir, *Naomi Duerr, and Alexis Hill.

Directors Absent: Vaughn Hartung and Devon Reese.

A quorum was present.

****Director Duerr arrived at 10:17 a.m. and attended virtually via Zoom.***

2. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Vice Chair Dahir.

3. PUBLIC COMMENT

There was no public comment.

4. POSSIBLE BOARD COMMENTS OR ACKNOWLEDGEMENTS

Vice Chair Dahir noted Chair Hartung had a conflict with another local agency meeting due to TMWA's Board meeting date change, Director Duerr will be joining via Zoom today, and City of Reno has appointed a new Director, Devon Reese, and alternate, Meghan Ebert.

5. APPROVAL OF THE AGENDA

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

6. APPROVAL OF THE MINUTES OF THE OCTOBER 19, 2022 MEETING

Upon motion by Director Hill, second by Director Brekhus, which motion duly carried by unanimous consent of the Directors present, the Board approved the October 19, 2022 minutes.

7. DISCUSSION AND ACTION CONFIRMING GENERAL MANAGER'S APPOINTMENT OF FOUR TRUSTEES TO THE §115 POST-RETIREMENT MEDICAL PLAN & TRUST FOR A TWO-YEAR TERM FROM JANUARY 1, 2023 THROUGH DECEMBER 31, 2024

Jessica Atkinson, TMWA Director of Human Resources, presented the staff report.

Upon motion by Director Hill, second by Director Anderson, which motion duly carried by unanimous consent of the Directors present, the Board approved the General Manager's appointment of Matt Bowman, Sandra Tozi, Charles Atkinson, and Randy VanHoozer to the §115 Post-Retirement Medical Plan & Trust for a two-year term from January 1, 2023 through December 31, 2024.

8. DISCUSSION AND ACTION CONFIRMING GENERAL MANAGER'S APPOINTMENT OF FOUR TRUSTEES TO THE §501-C-9 POST-RETIREMENT MEDICAL PLAN & TRUST FOR A TWO-YEAR TERM FROM JANUARY 1, 2023 THROUGH DECEMBER 31, 2024

Ms. Atkinson presented the staff report.

Upon motion by Director Brekhus, second by Director Anderson, which motion duly carried by unanimous consent of the Directors present, the Board approved the General Manager's appointment of Matt Bowman, Juan Esparza, Steven Enos, and Drew Merrigan to the §501-c-9 Post-Retirement Medical Plan & Trust for a two-year term from January 1, 2023 through December 31, 2024.

9. PRESENTATION OF FINANCIAL PERFORMANCE FOR FIRST QUARTER FISCAL YEAR 2023

Matt Bowman, TMWA Chief Financial Officer, presented the staff report. Mr. Bowman informed the Board the Annual Comprehensive Financial Report (ACFR) for FY2023 is normally presented at this meeting so it could be filed by December 31st. However, TMWA was informed by the auditor of an issue under GASB Statement 9 relating to how cash and cash equivalents were classified in the Statement of Cash Flows, even though it was consistent with past financial statements. Mr. Bowman added that an extension was filed, and the audit will be presented at the January board meeting and the auditor, Eide Bailly, will be present to answer questions.

There was discussion regarding how TMWA had been showing cash and cash equivalents in the same manner for several years without issue. Mr. Bowman replied that Eide Bailly will provide additional information when the ACFR is presented in January.

Director Brekhus inquired if the \$3 million grant for American Flat was approved by the Board, if the Lakeside Drive main replacement project being over budget by \$600k is related to the City of Reno Watt Street project, and if TMWA has any connection with power utilities in California. Mr. Bowman replied TMWA does not pay any utilities in California, and he will look into the Lakeside Drive project, and

Stefanie Morris, TMWA Director of Legal & Regulatory Affairs, added the American Flat grant was not an application but rather federally earmarked for the project.

Vice Chair Dahir opened agenda items #10 and #11 together.

10. DISCUSSION AND POSSIBLE ACTION TO WITHDRAW RESOLUTION NO. 312 AND REMOVE PROPERTY LOCATED AT 9675 WESTERN SKIES DRIVE APN: 140-051-23 FROM TMWA'S SURPLUS PROPERTY BID PROCESS

11. DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE THE GENERAL MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH THE REGIONAL TRANSPORTATION COMMISSION FOR THE SALE AND/OR EXCHANGE OF PROPERTY LOCATED AT 9675 WESTERN SKIES DRIVE (APN: 140-051-23)

Heather Edmunson, TMWA Lands Administrator, reported that as a result of Board direction in October, Reno Transportation Commission (RTC) reached out to staff regarding the excess property located at 9675 Western Skies Drive. RTC is interested in purchasing the property or entering into a property exchange with TMWA. As such, staff would like to withdraw Resolution No. 312 from the bidding process. Ms. Morris noted now that Resolution No. 312 is no longer part of the surplus property bid process, she requested the Board approve staff recommendation to authorize the General Manager to negotiate the sale or exchange of 9675 Western Skies Drive APN: 140-051-23; RTC has property that would be ideal for a new tank site and other water infrastructure.

Upon motion by Director Duerr, second by Director Hill, which motion duly carried by unanimous consent of the Directors present, the Board approved to withdraw Resolution No. 312 and remove property located at 9675 Western Skies Drive APN: 140-051-23 from TMWA's surplus property bid process.

Upon motion by Director Duerr, second by Director Hill, which motion duly carried by unanimous consent of the Directors present, the Board approved to authorize the General Manager to negotiate and execute an agreement with the Regional Transportation Commission for the sale and/or exchange of property located at 9675 Western Skies Drive (APN: 140-051-23).

12. UPDATE REGARDING A MEMORANDUM OF UNDERSTANDING (MOU) FOR THE MIDDLE TRUCKEE RIVER WATERSHED FOREST PARTNERSHIP

Kara Steeland, TMWA Hydrologist, reported that TMWA staff has been working on a partnership with agencies to improve fire resiliency, water quality, and forest health. The partnership was formalized in October when TMWA signed the MOU with the United States Forest Service, The Nature Conservancy (TNC), Truckee River Watershed Council (TRWC), and the National Forest Foundation (NFF). This agreement enters TMWA into a formal partnership to improve forest health, which will help protect the region from wildfire impacts in the Middle Truckee River Watershed. Ms. Steeland added the main goal is to develop a 10 Year Vegetation Management Strategy and the draft plan should be ready in early 2023. The MOU does not financially bind any signatory.

Ms. Morris thanked John Zimmerman, TMWA General Manager, and John Enloe, TMWA Director of Natural Resources, for allowing staff to work on this partnership which has been well received. She added staff has conducted several media requests to provide information on this program, which is modelled after Denver Water. Currently, the MOU partnership has applied for approximately \$20 million in grant funding for planning through the California Wildlife Conservation Board.

Vice Chair Dahir noted that Senator Catherine Cortez-Masto has been talking about this and he is interested in pursuing a Nevada funding match.

Director Anderson asked where the other stakeholders stand. Ms. Morris replied all partners have signed the MOU and are jointly seeking funds for projects that have completed planning; one of which is the Lady Bug project presented to the Board at the March meeting.

Director Brekhus expressed appreciation and forward thinking of staff, and asked if they thought there would be any problems with controlled burns. Ms. Steeland replied TMWA is not an implementing partner, rather it will be USFS, TNC, NFF, and TRWC that are likely to complete the work through their existing agreements with USFS; TMWA will be part of the planning and look for funding opportunities, and typically the National Forest Service closes out a project with a prescribed burn. Ms. Morris added it is part of the process, as it is very difficult to get all the material and cuttings out of the forest.

13. PRESENTATION OF TRUCKEE RIVER FUND ACTIVITIES FOR CALENDAR YEAR 2022

Sonia Folsom, TMWA Executive Assistant, and Ms. Steeland presented the staff report.

Director Hill requested staff to reach out to the Pyramid Lake Paiute Tribe (the PLPT) to see what (financially) can be done to address the issue of the encampments just east of TMWA's service territory and Washoe County as it relates to water quality heading into Pyramid Lake. Ms. Folsom replied yes, they can reach out, and Ms. Steeland added there is funding from the state that can assist the PLPT.

Vice Chair Dahir agreed and requested staff inform the Board if they can assist in communicating funding opportunities.

14. 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, 2022, SUCH APPOINTMENTS TO BE MADE FOR NEW TERMS FROM JANUARY 1, 2023 TO DECEMBER 31, 2024 FROM THE FOLLOWING LIST OF CANDIDATES: (1) FRED ARNDT, PRIMARY REPRESENTATIVE, RESIDENTIAL 2 CUSTOMER; (2) KEN BECKER, ALTERNATE REPRESENTATIVE, AT-LARGE 2 CUSTOMER; (3) ROBERT CHAMBERS, PRIMARY REPRESENTATIVE, SENIOR CITIZEN CUSTOMER; (4) JORDAN HASTINGS, PRIMARY REPRESENTATIVE, AT-LARGE 2 CUSTOMER; (5) KARL KATT, ALTERNATE REPRESENTATIVE, IRRIGATION CUSTOMER; (6) NEIL MCGUIRE, PRIMARY REPRESENTATIVE,

IRRIGATION CUSTOMER; (7) KEN MCNEIL, PRIMARY REPRESENTATIVE, AT-LARGE 1 CUSTOMER; (8) DALE SANDERSON, PRIMARY REPRESENTATIVE, RESIDENTIAL 1 CUSTOMER; AND (9) JERRY WAGER, PRIMARY REPRESENTATIVE, RESIDENTIAL 3 CUSTOMER

Ms. Folsom presented the staff report.

The Board discussed and requested to be informed of any vacancies on the Standing Advisory Committee, a list of those interested in serving, and an email with the vacancies listed.

Upon motion by Director Brekhus, second by Director Duerr, which motion duly carried by unanimous consent of the Directors present, the Board approved the appointments of: (1) Fred Arndt, primary representative, residential 2 customer; (2) Ken Becker, alternate representative, at-large 2 customer; (3) Robert Chambers, primary representative, senior citizen customer; (4) Jordan Hastings, primary representative, at-large 2 customer; (5) Karl Katt, alternate representative, irrigation customer; (6) Neil McGuire, primary representative, irrigation customer; (7) Ken McNeil, primary representative, at-large 1 customer; (8) Dale Sanderson, primary representative, residential 1 customer; and (9) Jerry Wager, primary representative, residential 3 customer to the Standing Advisory Committee for new terms from January 1, 2023 to December 31, 2024.

15. DISCUSSION AND ACTION ON SCHEDULING REGULAR BOARD MEETING DATES AND TIMES FOR THE CALENDAR YEAR 2023

Ms. Folsom presented the proposed 2023 Board meeting dates.

Upon motion by Director Hill, second by Director Brekhus, which motion duly carried by unanimous consent of the Directors present, the Board approved the Board meeting dates and times for the Calendar Year 2023.

16. GENERAL MANAGER'S REPORT

Mr. Zimmerman stated that 2023 water year has begun on a positive note with snowpacks at about 190% of normal, Lake Tahoe is still near its natural rim, and Bill Hauck, TMWA Water Supply Supervisor, will provide his monthly water supply updates to the Board beginning in January.

17. PUBLIC COMMENT

There was no public comment.

18. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

Director Hill thanked staff for sending a portion of the unused privately stored water down the Truckee River to the PLPT and would like to know about the history (via email) of when and why it is decided. She

would also like to know more about TMWA's surplus property resolution, and have it brought back to the Board to discuss if it is a good fit for affordable housing and if it is a possibility in the future.

19. ADJOURNMENT

With no further discussion, Vice Chair Dahir adjourned the meeting at 10:58 a.m.

Approved by the TMWA Board of Directors in session on January 18, 2023.

Sonia Folsom, Board Clerk.

****Director Duerr was present for agenda items #9 thru 19 only.***