

TRUCKEE MEADOWS WATER AUTHORITY
MINUTES OF THE OCTOBER 18, 2023
MEETING OF THE BOARD OF DIRECTORS

The Board of Directors met on Wednesday, October 18, 2023 at Truckee Meadows Water Authority's Independence Meeting Room. Chair Dahir called the meeting to order at 10:14 a.m.

1. ROLL CALL

Directors Present: Paul Anderson, Jenny Brekhus, Kristopher Dahir, Alexis Hill, Devon Reese and Alternate Charlene Bybee.

Directors Absent: Clara Andriola and Naomi Duerr.

A quorum was present.

Chair Dahir held a moment of silence for Roark Ludwig, TMWA Senior Programmer, who passed away this last Friday due to a prolonged illness.

2. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Alternate Bybee.

3. PUBLIC COMMENT

There was no public comment.

4. POSSIBLE BOARD COMMENTS OR ACKNOWLEDGEMENTS

There were no board comments or acknowledgements.

5. APPROVAL OF THE AGENDA

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

6. APPROVAL OF THE MINUTES OF THE SEPTEMBER 20, 2023 MEETING

Upon motion by Director Reese, second by Director Hill, which motion duly carried by unanimous consent of the Directors present, the Board approved the September 20, 2023 minutes.

7. DISCUSSION AND ACTION REGARDING GENERAL MANAGER PERFORMANCE REVIEW FOR CONTRACT YEAR 2022-2023

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

Director Brekhus apologized for her delay in submitting her evaluation. She stated that she supports John Zimmerman, TMWA General Manager, and noted that he has exceeded her expectations.

Members of the Board all agreed it has been a pleasure to work with Mr. Zimmerman and see his support of staff as well as working with the individual Board Members in meeting their expectations; continue to push for diversity in hiring of new employees and leadership; and the recognition to recruit and retain top talent and acknowledge employees deserve compensation.

Upon motion by Director Reese, second by Director Hill, which motion duly carried by unanimous consent of the Directors present, the Board accepted the general manager performance review for contract year 2022-2023.

8. WATER SUPPLY UPDATE

Bill Hauck, TMWA Water Supply Supervisor, informed the Board that the snowpack measured on April 1, 2023 in the Lake Tahoe Basin was the largest recorded, officially ending the drought in the Truckee system; record streamflow runoff, Lake Tahoe reached 87% capacity; Lake Tahoe physically rose about 5.8 feet from a low on December 1, 2022; almost 38,000 acre feet of upstream storage carried over; and normal river flows are projected through to the end of 2024.

9. REQUIRED COMMUNICATION FROM EIDE BAILLY IN REGARDS TO TMWA'S ANNUAL FINANCIAL AUDIT

Sophia Cardinal, TMWA Financial Controller, presented the staff report.

10. PRESENTATION OF TMWA'S FISCAL YEAR 2023 CUSTOMER SATISFACTION STUDY

Robert Charpentier, TMWA Communication Specialist, presented the FY2024 customer satisfaction study results.

Director Brekhus inquired if tenants received the survey whose names are not on the bill. Mr. Charpentier replied no, but can look into alternative ways to reach that customer group.

Director Hill agreed with Director Brekhus in asking renters their opinions and requested to see the survey responses.

Chair Dahir called for a recess at 10:59 a.m.

Chair Dahir reconvened the meeting at 11:07 a.m.

11. DISCUSSION AND POSSIBLE APPROVAL OF THE 2040 WATER FACILITY PLAN (WFP) AND DIRECTION TO STAFF ON UPDATING THE WATER SYSTEM FACILITY FEES

Danny Rotter, TMWA Director of Engineering, and David Kershaw, TMWA Engineering Manager, presented the 2040 WFP for Board approval. Mr. Rotter added that staff will return with proposed updated Water System Facility (WSF) fees in spring 2024, which is mainly driven by increased construction costs, and to be implemented July 1, 2024; WSF fees are paid by development.

Discussion followed regarding outlying areas (such as Verdi) being included in the new WFP, consideration of ongoing maintenance, Vidler pipeline as a potential asset, gauging community feedback and satellite systems. Mr. Rotter replied that outlying areas are included in the updated WFP, maintenance of infrastructure can be found in the Asset Management Section in the WFP, and there will be an open house and presentations to local entities before bringing it to the Board for its first reading in March. Mr. Kershaw added that Vidler is not a stranded asset.

Upon motion by Director Reese, second by Director Hill, which motion duly carried by unanimous consent of the Directors present, the Board approved the 2020-2024 Water System Facility Plan update dated October 2023.

12. PRESENTATION OF TMWA GOALS AND OBJECTIVES RESULTS FOR FISCAL YEAR 2023

Sonia Folsom, TWMA Executive Assistant, presented on the FY2023 TMWA Goals and Objectives results.

Lauren Jones, TMWA Hydrologist, presented on TMWA's Aquifer Storage & Recover (ASR) program.

John Enloe, TMWA Director of Natural Resources, informed the Board that staff paused on the Palomino Valley program (Objective #5), in order to satisfy questions and concerns by the Pyramid Lake Paiute Tribe (the "Tribe"), the State Engineer's Office and the Federal Water Master. Since an agreement has been reach with the Tribe about return flow that the Federal Water Master.

Director Brekhus asked if treated effluent water is being injected in Palomino Valley and if PFAS regulations will be in place at that time. Mr. Enloe replied no, TMWA water will be used to recharge, but there will be two pipes, potable and treated effluent for irrigation, TMWA and purple pipe, respectively, and TMWA water is in compliance with regards to PFAS, which is what would be used to inject in Palomino Valley, but have to watch that it is not irrigated too much to keep an eye on the nitrate levels.

Mr. Hauck informed the Board staff will begin drafting the 2025-2045 Water Resource Plan within the year and climate change scenarios have not changed much since the last plan, but staff will look at historical data going back 1,000 years to help with projections.

Mr. Rotter stated that American Flat project final design hand off to City of Reno in May, not April, 2023 and the updated cost for the project (\$220m) and completion date (fall 2027). Mr. Enloe informed the Board there has only been positive feedback at the open houses and there is a final one on November 16 that is required by Nevada Department of Environmental Protection (NDEP) for permitting compliance to gain public feedback.

Chair Dahir recessed for lunch at 12:02 p.m.

Chair Dahir reconvened the meeting at 12:30 p.m.

13. DISCUSSION AND ACTION, AND POSSIBLE DIRECTION TO STAFF ON THE PROPOSED TMWA GOALS AND OBJECTIVES FOR FISCAL YEAR 2024

Mr. Rotter stated that TMWA measures its maintenance and efficiency goals against the American Water Works Association (AWWA) Benchmarking Survey results; of all the water utilities that participate, 35 are similar to TMWA and TMWA continues to surpass the 75th percentile benchmark. Per the discussion regarding the operations prevention Will Raymond, TMWA Director of Operations, noted that everything Engineering builds, Operations have to maintain and proposed to add a new preventative maintenance goal of 20% that would ensure a more robust process.

Director Hill inquired why the goal Natural Resources Department Goal #1, regarding presentations and outreach, had a low target of five and suggested it be increased.

Upon motion by Director Hill, second by Director Reese, which motion duly carried by unanimous consent of the Directors present, the Board approved the proposed FY2024 TMWA Goals and Objectives with the addition of the new Operations Department Goal of increasing preventative maintenance to 20% and increasing Natural Resources Department Goal #1 to 10 presentations.

14. DISCUSSION AND POSSIBLE ACTION REGARDING NEED AND STRATEGY FOR ADDITIONAL STAFF FACILITIES

Mr. Rotter and Levi Kleiber, TMWA Business & Information System Manager, presented the history of building expansions and updates (including adding single person meeting pods) since TMWA's inception and the proposed projects (about \$9m) over the next five years to address and meet the limits at all TMWA facilities, Corporate Office, Glendal and Chalk Bluff Water Treatment Plants. Staff has considered options to expand corporate, but parking is limited. Also, there was an opportunity to purchase the vacant lot north-east of TMWA's office, but the owner wanted to move quickly, and staff was bound by policy requiring to bring anything over \$25,000 back to them for approval before moving forward.

Director Hill noted that an option could be to add a board room similar to what Reno-Tahoe Commission did when they moved to their new space.

Director Brekhus inquired if the \$9m was being supplemented with the rate increase. Mr. Rotter replied yes, it is in the Capital Improvement Plan (CIP).

At this time the Board discussed options to address the facilities issues and suggested that the piecemeal approach is no longer sustainable and to consider a larger facility, and recommended that staff incorporate building expansion or land acquisition in the FY25 tentative budget and CIP giving staff authority to move forward; but if another opportunity arises in the meantime to call a special meeting.

No action taken.

15. GENERAL MANAGER'S REPORT

Mr. Zimmerman thanked Chair Dahir for the moment of silence in honor of Mr. Ludwig and noted that our call center representatives at Faneuil go above and beyond at times with sending cards of support to customers who have experienced difficulties.

16. PUBLIC COMMENT

There was no public comment.

17. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

There were no Board comments.

18. ADJOURNMENT

With no further discussion, Chair Dahir adjourned the meeting at 1:29 p.m.

Approved by the TMWA Board of Directors in session on Thursday, December 14, 2023.

Sonia Folsom, Board Clerk.