

**TRUCKEE MEADOWS WATER AUTHORITY**  
**STANDING ADVISORY COMMITTEE**  
MINUTES  
October 1, 2024

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The Standing Advisory Committee (SAC) met at TMWA, 1355 Capital Blvd, Reno, NV. Chair Krmpotic called the meeting to order at 3:00 p.m.

1. ROLL CALL

**Primary Members and Voting Alternates Present:** Fred Arndt, Brian Bosma, Jordan Hastings, John Krmpotic, Justin McDougal, Neil McGuire, Ken McNeil, Chris Melton, \*Jonnie Pullman, Alex Talmant, and Jerry Wager.

**Alternates Present:** Ryan Greenhalgh and Kevin Ryan

**Primary Members and Alternates Absent:** Colin Hayes, Connor Naisbitt, and Dale Sanderson.

**Staff Present:** Matt Bowman, Sophie Cardinal, Robert Charpentier, Bill Hauck, Gina Martin, Dan Nubel, Danny Rotter, Shawn Stoddard, Sandra Tozi, Marci Westlake, John Zimmerman, and Legal Counsel Justina Caviglia (PBL).

*\*Member Pullman arrived at 3:10 p.m.*

2. PUBLIC COMMENT

There was no public comment.

3. APPROVAL OF THE AGENDA

**Upon motion duly made by Member Melton, and seconded by Member McGuire, and carried by unanimous consent of the members present, the Committee approved the agenda.**

4. APPROVAL OF THE MINUTES OF JUNE 4, 2024 MEETING

A correction was pointed out regarding agenda item #7 to Member Wager's question "if there had been a reduction in water use due to smart meters being installed," and not noted as an observation.

**Upon motion duly made by Member McGuire, and seconded by Member McNeil, and carried by unanimous consent of the members present, the Committee approved the minutes of June 4, 2024 as amended.**

5. PRESENTATION OF UNAUDITED FISCAL YEAR 2024 FINANCIAL RESULTS

Matt Bowman, Chief Financial Officer, presented the staff report highlighting that TMWA set a record for hydroelectric revenue of \$4.2 million, water sales ended the year 2% (\$2.7m) lower than budgeted, operating expenses were 3% (\$4.0m) under budget, chemical costs ended the year about \$2m lower than budgeted, and capital contributions were lower than budgeted, with significant grant funding received for the AMI project (\$9.4m) and \$30m for the American Flat project, to be split 30/70 with the City of Reno per the interlocal agreement.

Discussion followed regarding the American Flat project and if it included a development (no, it does not), and tank improvements, especially in relation to the Davis Fire (no tanks burned in the fire and no water quality issues resulted at the loss of the well house that did burn).

#### 6. PRESENTATION OF PRELIMINARY FUNDING PLAN FOR FISCAL YEARS 2025 THROUGH 2029, DISCUSSION AND POSSIBLE RECOMMENDATION TO THE BOARD

Mr. Bowman presented the preliminary funding plan for fiscal years 2025 through 2029, which includes 4.0% and 3.5% rate increases in May 2025 and 2026, respectively. TMWA met its required debt service coverage ratios with the use of \$0.5m of the rate stabilization fund and maintained the policy-required minimum cash balances.

Discussion followed regarding hydro sales and agreement with NV Energy (TMWA has a power purchase agreement with NV Energy, which is about to expire), TMWA's purchasing of property for building expansion is in the budget (yes, it is a line item in the capital improvement plan), and status of the rate study (the goal of the study is to ensure TMWA has revenue requirements and consider allocation of costs).

**Upon motion duly made by Member Pullman, and seconded by Member McGuire, and carried by unanimous consent of the members present, the Committee approved recommendation to the Board the preliminary funding plan for fiscal years 2025 through 2029.**

#### 7. WATER SUPPLY UPDATE

Bill Hauck, Water Supply Supervisor, informed the Committee that we had an above-average snowpack, filling TMWA's reservoirs, including Lake Tahoe, which filled for the first time since 2019, resulting in significant carryover storage, ensuring a good water supply for the upcoming year, despite a dry and hot summer, Lake Tahoe is only 1.6 feet below full capacity. The outlook is positive with a high probability of Lake Tahoe being significantly full next year and project normal river flows through 2025.

Members of the Committee inquired about the chart showing upstream storage for 2025 and how it was created (Mr. Hauck confirmed he performed the same analysis these charts), and Lake Tahoe's operation and maintenance costs to TMWA (there is no fiscal responsibility for the outlets at the Truckee River).

#### 8. INFORMATIONAL REPORT ON AMERICAN FLAT ADVANCED PURIFIED WATER DEMONSTRATION FACILITY

Danny Rotter, Assistant General Manager, and David Diegle, Engineering Manager, informed the Committee staff has made significant progress in public education and permitting processes, expect to start construction in late 2025 with completion target in 2027, and the project requires conditional use permits from the City of Reno and special use permits from Washoe County.

Staff addressed Committee Members questions about: water quality being injected into the aquifer (the injected water will meet all drinking water regulations and be monitored for constituents of concern), the project aims to evolve toward direct potable reuse, pending regulatory developments and public acceptance, the project is wintertime wastewater disposal, providing underground storage when potable reuse demand is low, and the project uses groundwater, so it does not impact downstream water rights, rather it creates new groundwater, storing it and then reusing it. Also, the need for improved wastewater disposal, especially highlighted by the issues at Swan Lake. The total project will cost approximately \$259 million.

9. PRESENTATION AND POSSIBLE RECOMMENDATION TO THE BOARD, OF APPLICATIONS TO FILL THE SENIOR CITIZEN ALTERNATE CUSTOMER CLASS VACANCY, AT-LARGE 1 AND 2 ALTERNATE CUSTOMER CLASS VACANCIES, AND RESIDENTIAL REPRESENTATIVE 1 AND 2 CUSTOMER CLASS ALTERNATE VACANCIES AND OTHER POSSIBLE VACANCIES FROM THE FOLLOWING POOL OF CANDIDATES LISTED IN ALPHABETICAL ORDER: PEGGY REW

Justina Caviglia, Legal Counsel, presented the staff report.

**Upon motion duly made by Member Pullman and seconded by Member McNeil, and carried by unanimous consent of the members present, the Committee approved the recommendation to the Board on appointing Peggy Rew to the Standing Advisory Committee to fill the At-Large 1 Alternate Customer Class vacancy.**

10. UPDATE ON STANDING ADVISORY COMMITTEE MEMBERSHIP

Ms. Caviglia presented the staff report.

11. PRESENTATION AND POSSIBLE APPROVAL OF 2025 MEETING SCHEDULE

Ms. Caviglia presented the proposed 2025 meeting schedule.

**Upon motion duly made by Member Wager and seconded by Member Arndt, and carried by unanimous consent of the members present, the Committee approved the 2025 meeting calendar.**

12. ELECTION OF CHAIR AND VICE CHAIR FOR 2025

Ms. Caviglia informed the Committee that its next meeting will be until February 2025, and need to have nominations for both chair and vice chair.

Discussion followed regarding the procedure for vice chair stepping into chair, however the committee has flexibility to nominate members as they see fit.

**Upon motion duly made by Member McGuire and seconded by Member Pullman, and carried by unanimous consent of the members present, the Committee approved the election of John Krmpotic as Chair for 2025.**

**Upon motion duly made by Member Melton and seconded by Member Krmpotic, and carried by unanimous consent of the members present, the Committee approved the election of Neil McGuire as Vice Chair for 2025.**

### 13. DISCUSSION AND POSSIBLE REQUESTS FOR AGENDA ITEMS FOR FUTURE MEETINGS

**Upon motion duly made by Member Melton and seconded by Member Wager, and carried by unanimous consent of the members present, the Committee approved the request for future agenda items.**

#### **Next meeting:**

1. Water supply update
2. Presentation on the Orr Ditch Hydro project
3. Annual Comprehensive Financial Report
4. Update on the cost-of-service study

### 14. STAFF ITEMS

There were no staff items.

### 15. COMMITTEE ITEMS

There were no committee items.

### 16. PUBLIC COMMENT

Carl Welch expressed concerns about the impact of the Davis Fire on water supply and infrastructure.

### 17. ADJOURNMENT

With no further items for discussion, Chair Krmpotic adjourned the meeting at 4:20 p.m.

Approved by the Standing Advisory Committee in session on February 4, 2025.

Sonia Folsom, Recording Clerk

***\*Member Pullman was present for agenda items 5 thru 17 only.***