



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

**Wednesday, March 20, 2024 at 10:00 a.m.**  
**Sparks Council Chambers, 745 4<sup>th</sup> Street, Sparks, NV**  
**MEETING VIA TELECONFERENCE & IN-PERSON**

MEMBERS OF THE PUBLIC MAY ATTEND VIA THE WEB LINK, OR  
TELEPHONICALLY BY CALLING THE NUMBER, LISTED BELOW.

**(be sure to keep your phones or microphones on mute, and do not place the call on hold)**

**Please click the link below to join the webinar:**

[https://tmwa.zoom.us/j/89110512999?pwd=9d\\_RtYZbsIqIdTYIbUf\\_eHivLK2VIw.GjiPvgdr9D35cFrr](https://tmwa.zoom.us/j/89110512999?pwd=9d_RtYZbsIqIdTYIbUf_eHivLK2VIw.GjiPvgdr9D35cFrr)

**Passcode: 771487**

**Or call:**

**Phone: (888) 788-0099**

**Webinar ID: 891 1051 2999**

**Board Members**

Chair Kristopher Dahir – City of Sparks	Vice Chair Naomi Duerr – City of Reno
Paul Anderson – City of Sparks	Alexis Hill – Washoe County
Jenny Brekhus – City of Reno	Clara Andriola – Washoe County
Devon Reese – City of Reno	

**NOTES:**

1. The announcement of this meeting has been posted at the following locations: Truckee Meadows Water Authority (1355 Capital Blvd., Reno), at <http://www.tmwa.com>, and State of Nevada Public Notice Website, <https://notice.nv.gov/>.
2. TMWA meetings are streamed online at <https://www.youtube.com/@tmwaboardmeetings6598>.
3. In accordance with NRS 241.020, this agenda closes three working days prior to the meeting. We are pleased to make reasonable accommodations for persons who are disabled and wish to attend meetings. If you require special arrangements for the meeting, please call (775) 834-8002 at least 24 hours before the meeting date.
4. Staff reports and supporting material for the meeting are available at TMWA and on the TMWA website at <http://www.tmwa.com/meeting/>. Supporting material is made available to the general public in accordance with NRS 241.020(6).
5. 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.
6. Asterisks (\*) denote non-action items.
7. Public comment during the meeting is limited to three minutes and is allowed during the two public comment periods rather than each action item. The public may sign-up to speak during the public comment period or on a specific agenda item by completing a “Request to Speak” card and submitting it to the clerk. In addition to the public comment periods, the Chair has the discretion to allow public comment on any individual agenda item, including any item on which action is to be taken.
8. Written 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.
9. In the event the Chair and Vice-Chair are absent, the remaining Board members may elect a temporary presiding officer to preside over the meeting until the Chair or Vice-Chair are present (**Standing Item of Possible Action**).
10. 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.
11. The Board may attend and participate in the meeting by means of remote technology system. Members of the public wishing to attend and/or participate by providing public comment may do so either in person at the physical location of the meeting listed above or virtually. To attend this meeting virtually, please log into the meeting using the link and/or phone number noted above.

<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 February 21, 2024 meeting of the TMWA Board of Directors **(For Possible Action) (5min)**
- \*Attorney-client conference (Board will receive information in closed session) — Justina Caviglia\*
7. Water Supply Update — Bill Hauck\* **(5min)**
  8. Informational report on American Flat Advanced Purified Water Demonstration Facility — Danny Rotter, Angel Lacroix, and Lydia Teel\* **(15min)**
  9. Discussion and possible action on the TMWA Tentative Budget for the Fiscal Year ending June 30, 2025 and Draft Capital Improvement Plan for Fiscal Years 2025 through 2029 — Matt Bowman and David Diegle **(For Possible Action) (15min)**
  10. Discussion and action, and possible authorization for General Manager to sign the Interlocal Agreement between TMWA and the City of Reno for cost-share of wastewater sampling from the Reno Stead Water Reclamation Facility — Lydia Teel and Dan Nubel **(For Possible Action) (5min)**
  11. General Manager's Report\* **(5min)**
  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 FEBRUARY 21, 2024  
MEETING OF THE BOARD OF DIRECTORS

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The Board of Directors met on Wednesday, February 21, 2024 at Sparks Council Chambers. Chair Dahir called the meeting to order at 10:00 a.m.

1. ROLL CALL

**Directors Present:** \*Paul Anderson, Clara Andriola, Jenny Brekhus, Kristopher Dahir, Naomi Duerr, \*\*Alexis Hill, and Devon Reese.

*\*Director Anderson attended virtually via Zoom and left the meeting at 10:57 a.m.*

*\*\*Director Hill arrived at 10:07 a.m.*

A quorum was present.

2. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Director Reese.

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

6. APPROVAL OF THE MINUTES OF THE JANUARY 18, 2024 MEETING

**Upon motion by Director Duerr, second by Director Reese, which motion duly carried by unanimous consent of the Directors present, the Board approved the January 18, 2024 minutes.**

7. WATER SUPPLY UPDATE

Bill Hauck, TMWA Water Supply Supervisor, reported that last year's snowpack ended the 3-year drought on the Truckee System; all reservoirs in the Truckee River system filled and spilled (Lake Tahoe filled about 90% capacity); an average winter this year means Lake Tahoe will fill again this summer (and latest projections show it will rise to within 1/2 foot from full by July); the snowpack season started out slowly, but recent storms have improved the conditions and runoff forecast; projected normal river flows through this year and into 2025; and the region is still well positioned from a water supply perspective.

8. PRESENTATION OF TRUCKEE RIVER FUND ACTIVITIES FOR CALENDAR YEAR 2023

Sonia Folsom, TMWA Executive Assistant, and Kara Steeland, TMWA Senior Hydrologist and Watershed Coordinator, presented the staff report.

Director Duerr expressed her gratitude for the success and increase of the Portland Loo installations along the Truckee River thus far.

Director Reese inquired when the next round of proposals would be presented to the Board. Ms. Folsom replied in March.

9. PRESENTATION OF FISCAL YEAR 2024 Q2 YEAR TO DATE FINANCIAL RESULTS

Matt Bowman, TMWA Chief Financial Officer, presented TMWA's financials.

10. PUBLIC HEARING ON RATE AND RULE AMENDMENTS

A. RATE AMENDMENT, SECOND HEARING, PUBLIC HEARING: DISCUSSION AND POSSIBLE ACTION ON RESOLUTION NO. 323: A RESOLUTION TO ADOPT POTENTIAL WATER RATE ADJUSTMENTS, INCLUDING POSSIBLE MULTI-YEAR ADJUSTMENTS, WITH PROPOSED INITIAL IMPLEMENTATION FOR THE FIRST BILLING CYCLE IN JUNE 2024

Mr. Bowman presented the proposed rate adjustments, of 4.5%, 4% and 3.5% over the next three years, followed by proposed annual increases, maximum of 4.5% and minimum of 1%, tied to the Consumer Price Index for All Urban Consumers (CPI-U) for the western region, and recommended the Board adopt Resolution No. 323 effective the first billing cycle for June 2024. Mr. Bowman further clarified that staff will present future proposed rate increase to the Board for final approval prior to implementation.

OPEN PUBLIC HEARING

Chair Dahir opened the public hearing. There was no public comment.

## CLOSE PUBLIC HEARING

Chair Dahir closed the public hearing.

Members of the Board appreciated staff's due diligence and extensive public outreach to explain the proposed increases needed due to the cost of inflation.

Director Brekhus agreed with the proposed rates, but opposed the minimum and maximum CPI-U increases even though it would go before the Board for final approval and implementation.

**Upon motion by Director Duerr, second by Director Hill, which motion duly carried six to one with Director Brekhus dissenting, the Board adopted Resolution No. 323: A resolution to adopt potential water rate adjustments, including possible multi-year adjustments, with proposed initial implementation for the first billing cycle in June 2024.**

### 11. REQUEST FOR BOARD ADOPTION OF UPDATED ADMINISTRATIVE INSTRUCTIONS A-11 LEAVE POLICY AND A-12 FAMILY AND MEDICAL LEAVE POLICY

Jessica Atkinson, TMWA Director of Human Resources, presented the staff report and updated administrative instructions.

Director Andriola thanked staff for addressing her questions from December's meeting.

Director Brekhus appreciated staff including the leave for victims of domestic abuse.

**Upon motion by Director Reese, second by Director Hill, which motion duly carried by unanimous consent of the Directors present, the Board adopted the updated Administrative Instructions A-11 Leave Policy and A-12 Family and Medical Leave Policy and approved adoption of conforming changes throughout TMWA's Administrative Policies.**

### 12. OVERVIEW OF TMWA'S STANDING ADVISORY COMMITTEE

Andy Gebhardt, TMWA Director of Distribution, presented the staff report.

### 13. DISCUSSION AND ACTION CONFIRMING GENERAL MANAGER'S APPOINTMENT OF KELLY MCGLYNN AS A TRUSTEE TO FILL THE REMAINING TERM OF JUAN ESPARZA TO THE §501-C-9 POST-RETIREMENT MEDICAL PLAN & TRUST ENDING ON DECEMBER 31, 2024

Ms. Atkinson presented the staff report.

**Upon motion by Director Reese, second by Director Hill, which motion duly carried by unanimous consent of the Directors present, the Board confirmed General Manager's Appointment of Kelly McGlynn as a trustee to fill the remaining term of Juan Esparza to the §501-c-9 Post-Retirement Medical Plan & Trust ending on December 31, 2024.**

**14. GENERAL MANAGER'S REPORT**

John Zimmerman, TMWA General Manager, reported that TMWA is now at a savings of over \$400,000 annually on the paperless billing effort, which Marci Westlake and Matt Bowman spearheaded, staff has received quite a few compliments on the PAFR so thanks to Robert Charpentier and the communications and finance teams, and are scheduling Board Member tours of Chalk Bluff Water Treatment Plant. Mr. Zimmerman also thanked Mayors Schieve and Lawson regarding the low-income household water assistance program and agreeing to put their names on a letter of support to Congress.

**15. PUBLIC COMMENT**

There was no public comment.

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

Chair Dahir requested an update on the American Flat project at a future meeting.

**17. ADJOURNMENT**

With no further discussion, Chair Dahir adjourned the meeting at 11:01 a.m.

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

Sonia Folsom, Board Clerk.

***\*Director Anderson was present for agenda items one through 12 only.***

***\*\*Director Hill was present for agenda items seven through 17 only.***

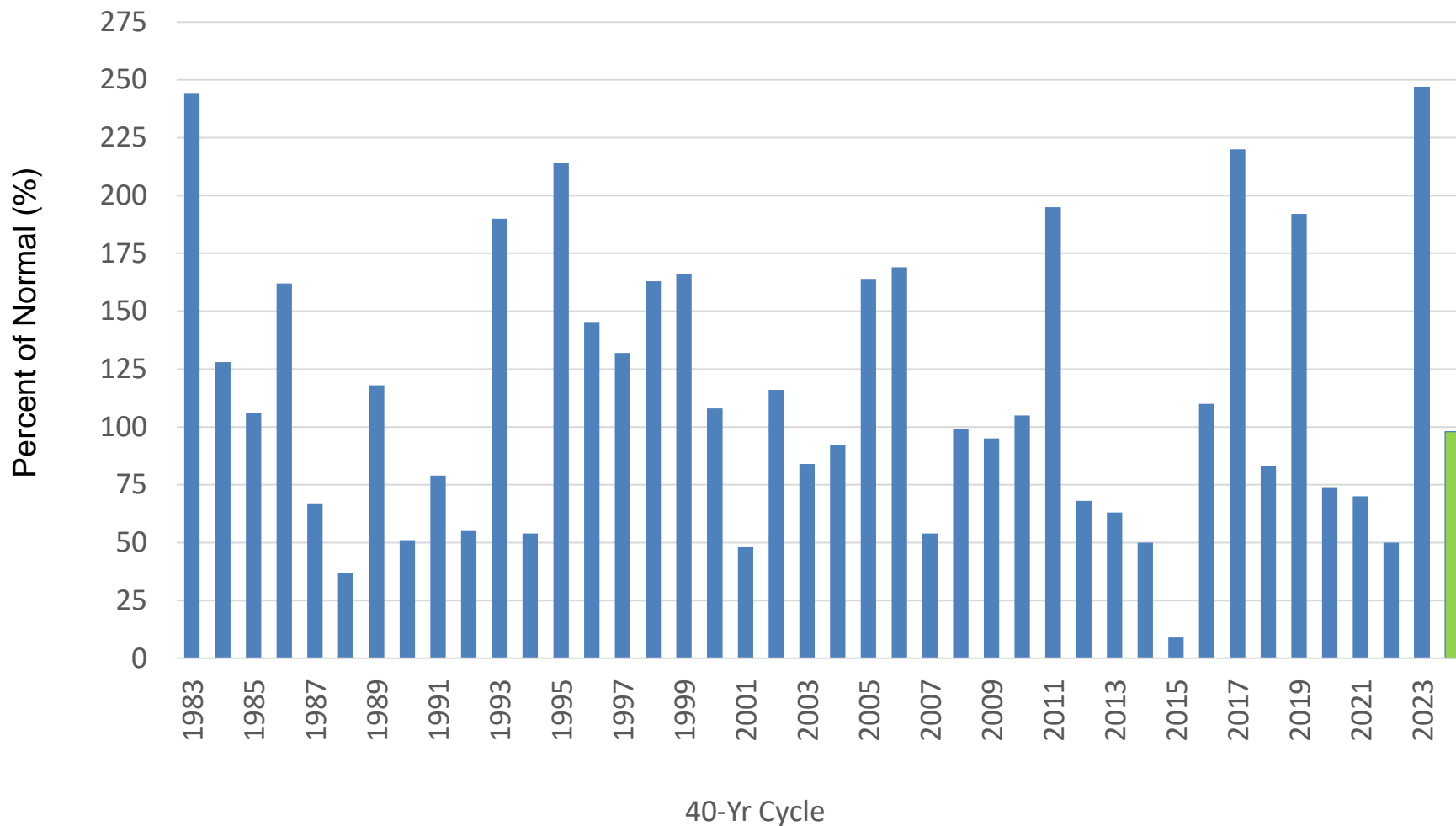


# Water Supply Update

Board of Directors Meeting

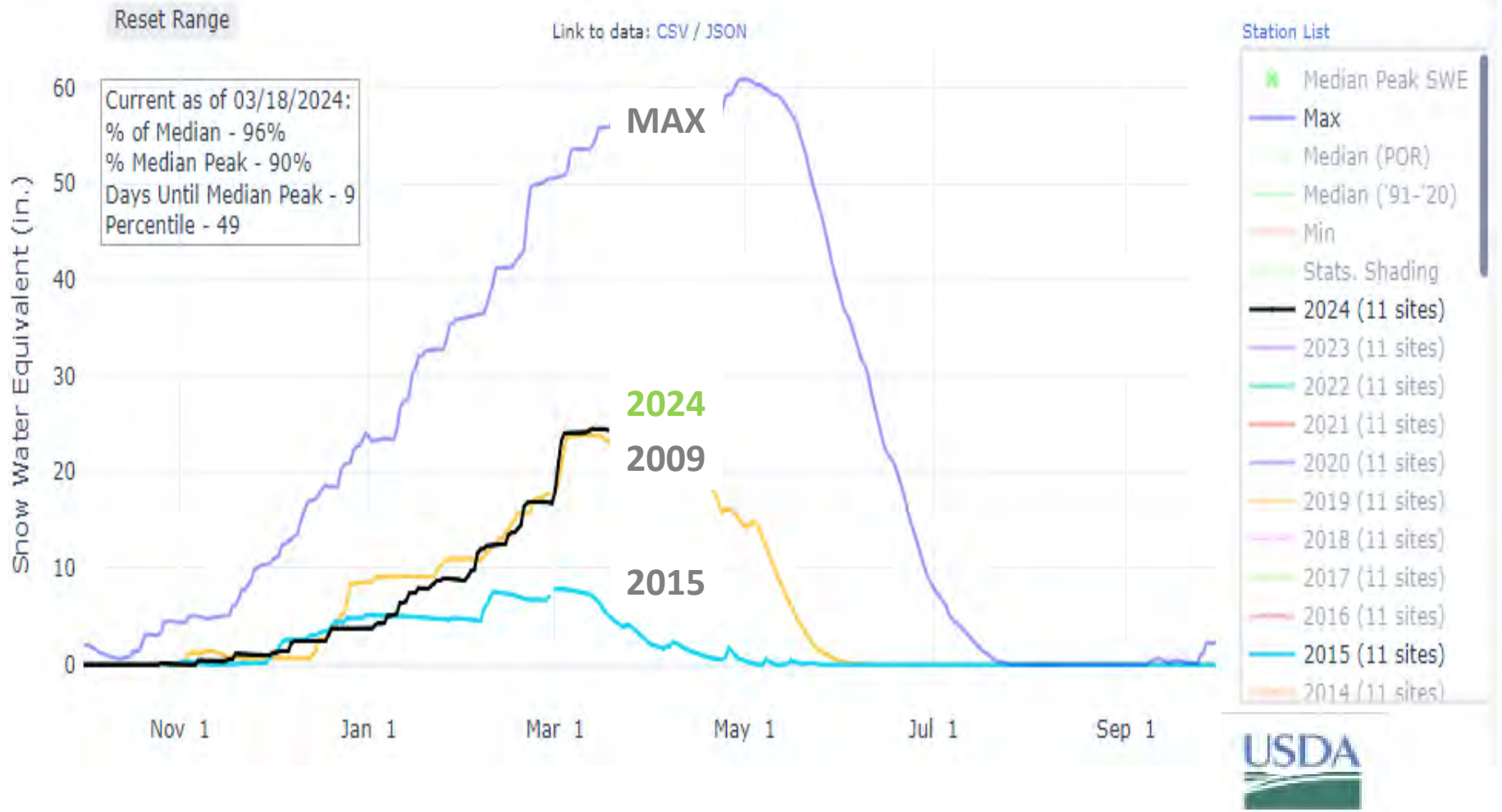
March 20, 2024

# April 1 Lake Tahoe Basin Snowpack (as of March 18, 2024)

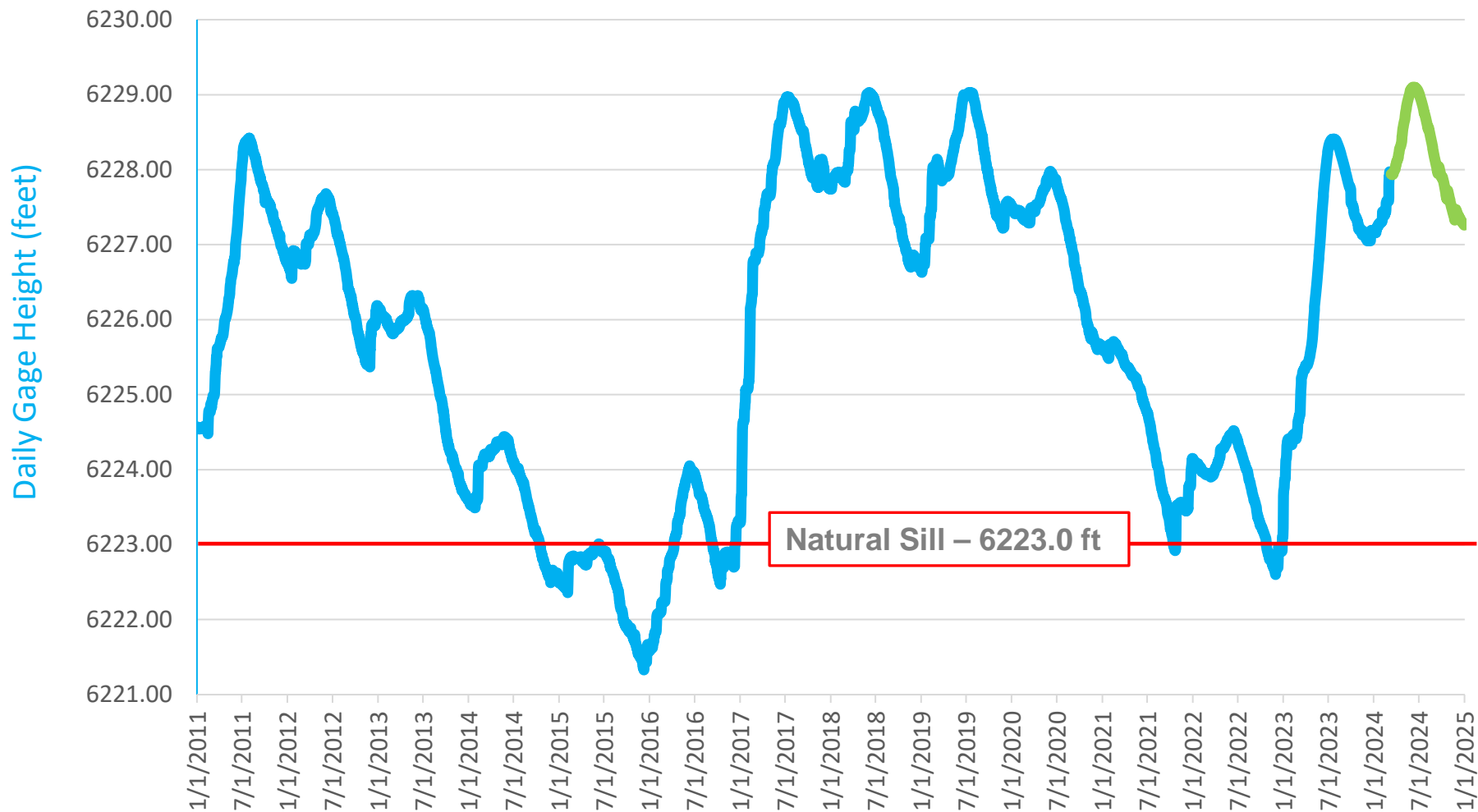




# Lake Tahoe Basin Snowpack Comparison (NRCS)



# Lake Tahoe Elevation Actual and Projected (2011-2024)



# U.S. Drought Monitor

## West

[Home](#) / [West](#)

Map released: Thurs. March 14, 2024

Data valid: March 12, 2024 at 8 a.m. EDT

### Intensity

- None
- D0 (Abnormally Dry)
- D1 (Moderate Drought)
- D2 (Severe Drought)
- D3 (Extreme Drought)
- D4 (Exceptional Drought)
- No Data

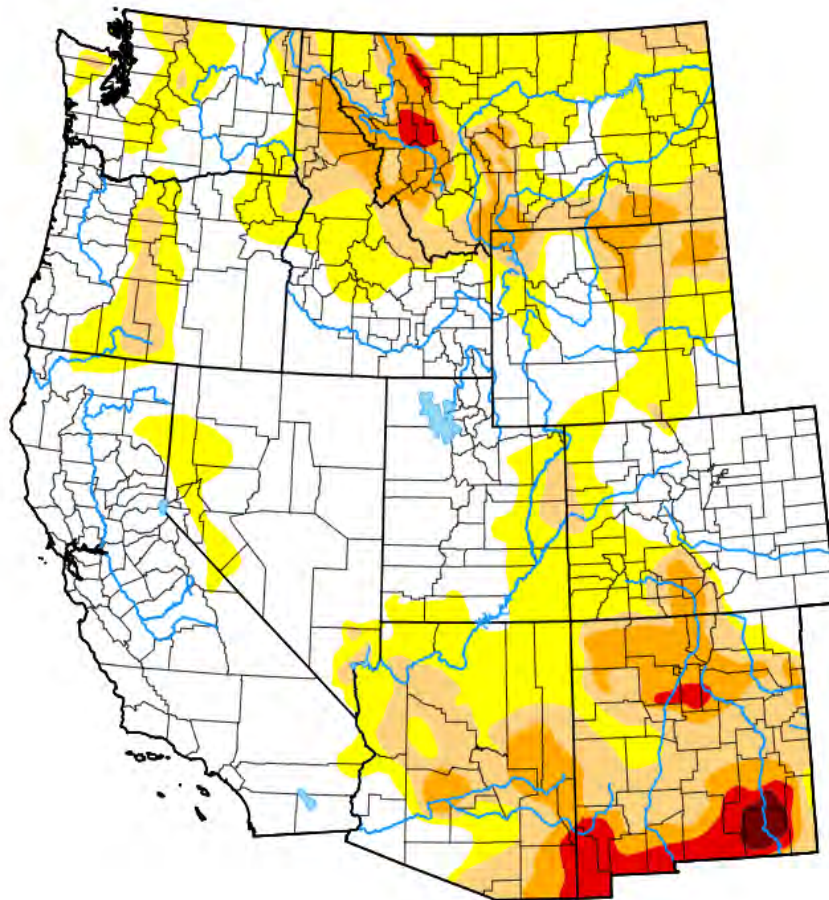
### Authors

United States and Puerto Rico Author(s):

[Curtis Riganti](#), National Drought Mitigation Center

Pacific Islands and Virgin Islands Author(s):

[Denise Gutzmer](#), National Drought Mitigation Center



# Key Points

- There is no drought in the Sierra Nevada Range
- A significant winter storm at the end of February through the first few days of March helped to boost Lake Tahoe Basin snowpack levels from ~77% to >100% of *normal (very similar to 2009)*
- The stream flow runoff forecast is noticeably improved as a result
- All reservoirs on the Truckee River system including Lake Tahoe are now projected to fill by early June
- Normal Truckee River flows are projected through at least 2025 and into 2026
- The region is *extremely well positioned* from a water supply perspective for at least the next two to three years, and it will be normal operations for TMWA once again this year

# Thank you!

Questions?

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



## ADVANCED PURIFIED WATER FACILITY (APWF) - INFORMATIONAL UPDATE



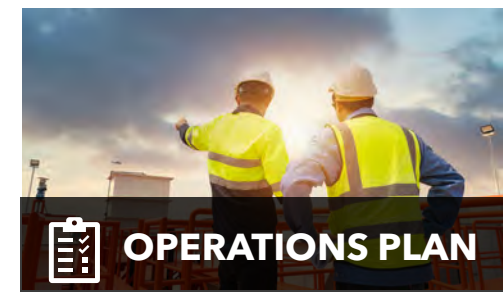
**DESIGN STATUS**



**PERMIT ACTIVITIES**



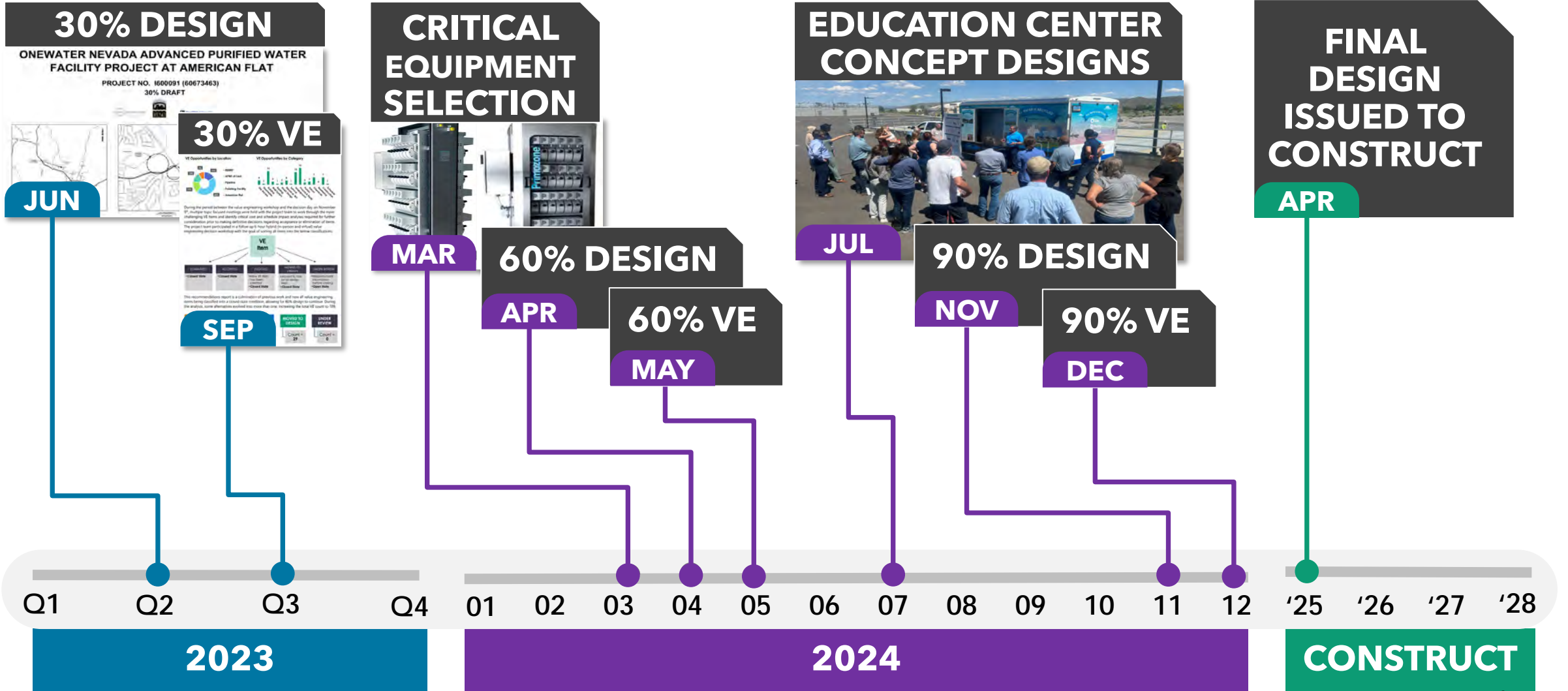
**CONSTRUCTION**



**OPERATIONS PLAN**



# DESIGN STATUS



# PERMIT ACTIVITIES



## COMMUNITY MEETINGS

**AUG - NOV**

**COMMUNITY NOTIFICATIONS  
NORTH VALLEYS / WARD 4 AREA**  
 12,427 postcards mailed  
 29,351 emails sent  
 published in Sunday edition of RGJ

- 🔹 **AUG 29 - Public Meeting 1**
- 🔹 **OCT 05 - Public Meeting 2**
- 🔹 **OCT 16 - North Valleys Library**
- 🔹 **NOV 16 - A+ Permit Meeting**
- 🔹 **NOV 28 - Architectural Design**

## NDEP COORDINATION MEETINGS

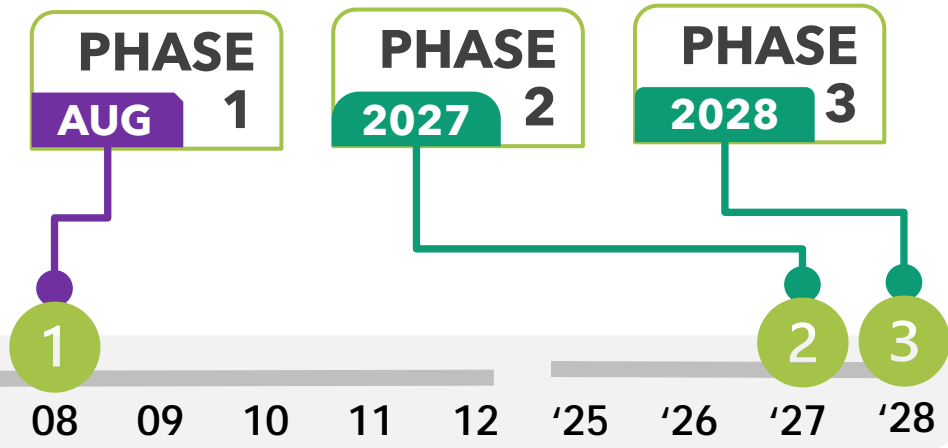
**APR - DEC**

- 🔹 **APR 21 - Status Review**
- 🔹 **NOV 13 - 30% Design**
- 🔹 **NOV 29 - Permitting**
- 🔹 **DEC 14 - Operations**

## COR CUP & WC SUP PERMIT APPLICATIONS & MEETINGS

**JUL - AUG**

### PHASED NDEP PERMIT PROCESS



01 02 03 04 05 06 07 08 09 10 11 12 '25 '26 '27 '28

**2023**

**2024**

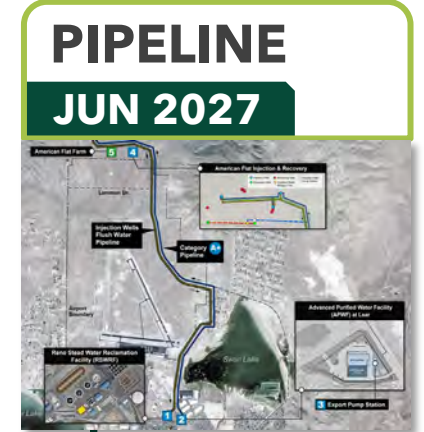
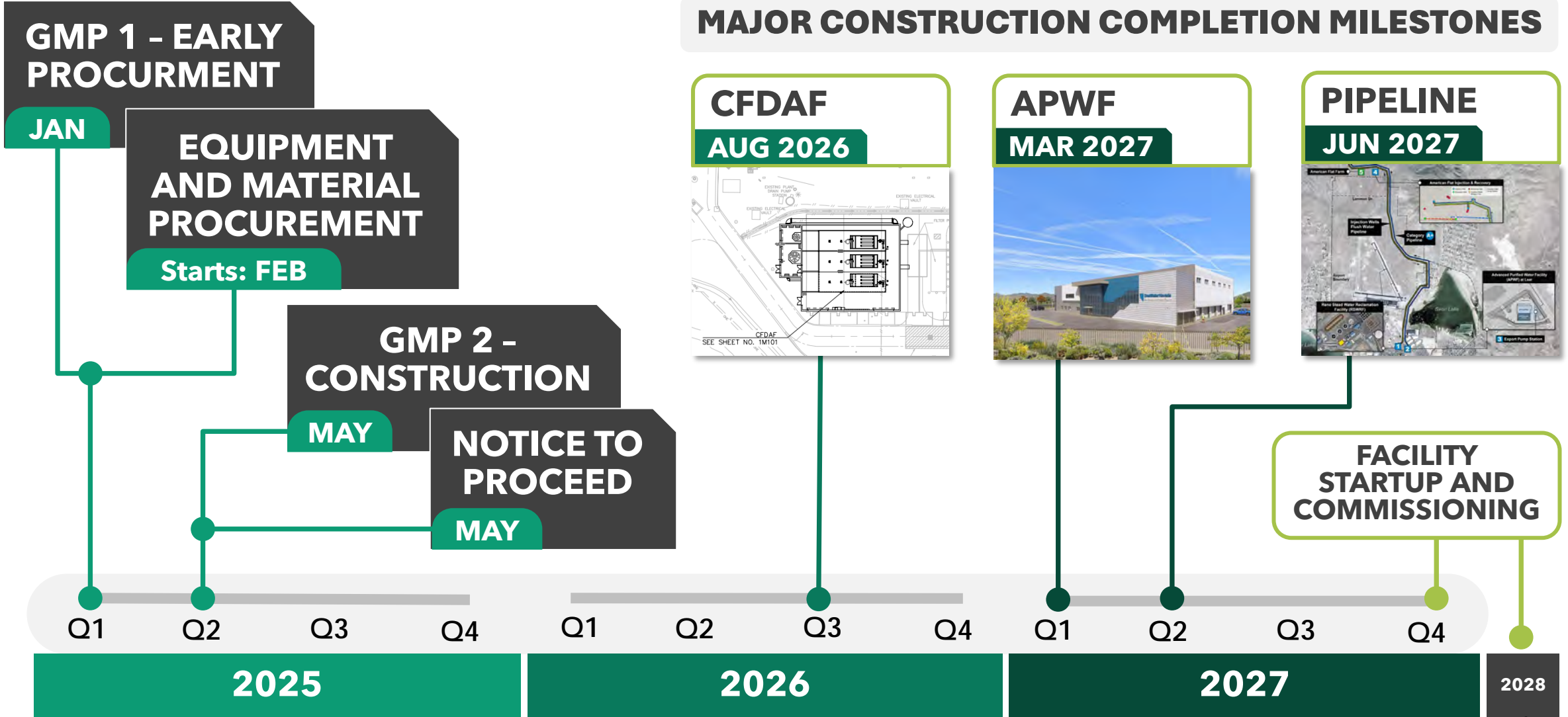
**CONSTRUCT**



# CONSTRUCTION



## MAJOR CONSTRUCTION COMPLETION MILESTONES



**GMP** = Guaranteed Maximum Price

**CFDAF** = Coagulation/Flocculation/Dissolved Air Flotation

# OPERATIONS PLAN



**COR / TMWA O&M  
PLAN FRAMEWORK**



**30% PROCESS  
WORKSHOP**



**60% PROCESS  
WORKSHOP**

**O&M PLAN  
FINAL DRAFT**

**90% PROCESS  
WORKSHOP**

**ENHANCED SOURCE  
CONTROL STUDY**



**O&M PLAN  
LEGAL REVIEW**

**Starts: MAR**

2023

JAN

FEB

JUN

NOV

DEC

01

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12

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2023

2024

CONSTRUCT

# ADVANCED PURIFIED WATER FACILITY (APWF) Informational Update – March 20, 2024

# Thanks!





## STAFF REPORT

**TO:** TMWA Board of Directors  
**THRU:** John R. Zimmerman, General Manager  
**FROM:** Matt Bowman, Chief Financial Officer  
 David Diegle, Engineering Manager  
**DATE:** March 12, 2024  
**SUBJECT:** Discussion and possible action on the TMWA Tentative Budget for the Fiscal Year ending June 30, 2025 and Draft Capital Improvement Plan for Fiscal Years 2025 through 2029

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### **Recommendation**

Staff recommends the TMWA Board and customer Standing Advisory Committee (SAC) review the tentative budget report for the fiscal year ending June 30, 2025 and preliminary Five-Year Capital Improvement Plan 2025-2029 (CIP). This allows the Board and SAC to provide input and direction to TMWA management in advance of the public hearing on the budget and CIP at the May 2024 Board meeting. The tentative budget will be filed with the Nevada Department of Taxation by April 15, 2024 in compliance with statutory requirements.

### **Schedule of Revenues, Expenses and Changes in Net Position- See Attachment A**

#### ***Operating Revenues***

Water demands have been projected based on historical average water usage per service type and by service size. This methodology projects water sales revenue at \$123.7 million for FY 2025. This is an increase from the FY 2024 budget of \$7.1 million or 6%. The FY 2025 water sales includes the Board approved 4.5% rate increase in June 2024. The increase scheduled for June 2024 was presented to the Board along with the five-year funding plan at the September 2023 Board meeting. The FY 2025 budget anticipates an increase in service connections of approximately 1.3%.

Hydroelectric revenues are expected to be \$3.0 million in FY 2025. This is a decrease from the FY 2024 budget of approximately \$0.4 million or 12%. Based on the current snowpack we expect normal river flows during the year, allowing for continuous hydroelectric power generation. The decrease in revenues from prior year are due to periods of downtime planned during the year for maintenance on and improvements to the facilities.

Other operating revenues are estimated at \$3.6 million. This line item primarily consists of new business inspection services, late payment fees, turn-on and turn-off fees, construction water sales, and cell phone tower lease revenues. Depending on the pace of residential/commercial

construction there could be higher or lower construction water and inspection fees than projected. The FY 2025 budget is approximately \$0.3 million higher than FY 2024 due to an Interlocal Agreement with City of Reno for return flow management (agreement signed in FY 2022) and higher projected construction water sales.

### ***Operating Expenses***

Total operating expenses are expected to increase by \$7.6 million or 6% from the FY 2024 budget. This change consists of an increase of \$7.4 million in operating expenses before depreciation, and a \$0.2 million increase in depreciation. Comprising the change from the FY 2024 budget in operating expenses before depreciation, is an increase in salaries and wages of \$3.4 million (11%), employee benefits of \$1.9 million (14%), and services and supplies of \$2.1 million (5%).

Salaries and wages expense is expected to increase by \$3.4 million or 11% from the FY24 budget. Total headcount is budgeted to increase to 291 employees. TMWA leaders are challenged to operate their departments in the most efficient way possible, with minimum headcount. Staff additions are only made when necessary. There are five positions added to the Operations Maintenance department which will provide an advanced and aggressive approach to preventative maintenance of TMWA's assets. An additional six positions will be added to the Distribution and Administrative Departments to continue to advance TMWA's ability to provide customers with quality water by improving efficiencies and ensuring excellent service.

Employee benefits are expected to increase by \$1.9 million or 14% from the FY 2024 budget. This increase in employee benefits is slightly more than the increase in salaries and wages due to the increase in PERS contribution rate which was effective in FY 2024.

Services and supplies are increasing by approximately \$2.1 million or 5% from the FY 2024 budget. Most of this increase is due to an increase in electric power costs of \$1.3m. Although rates have decreased recently, over the last 24 months, TMWA's cost per KWh has increased by approximately 30%. In fiscal year 2024, NV Energy has advised the Base Tariff Energy Rate (BTER) and Deferred Energy Accounting Adjustment (DEAA) rates will decrease as a result of lower fuel and energy costs. However, this will be offset by a 9% increase in NV Energy's general rates. Other services and supplies costs are expected to increase as a result of inflation. A summary of costs by expense item is included at ***Attachment C***, where the most notable changes are discussed.

### ***Nonoperating Revenues and Expenses***

Investment income is expected to increase by \$0.3 million due to higher returns following continued increases in interest rates.

Interest expense is expected to decrease by \$2.1 million in FY 2025 due to principal reductions in debt. During FY 2024 TMWA will have reduced outstanding debt principal by \$25.5 million, of which \$17.2 million was through scheduled principal payments and \$8.3 million was through the cash optimization refinancing completed in January 2024. In FY 2025, as shown in ***Attachment B***, we expect to pay down \$18.0 million of total debt. TMWA's total debt outstanding as of June 30, 2025 is expected to be \$278.5 million, excluding bond issue premiums.

### ***Capital Contributions***

Grant revenue of \$3.1 million consists of two grants from the EPA, one from FEMA and one from Department of the Treasury projects. One of the EPA grants is \$0.5 million proceeds related to the Spanish Springs Nitrate Facility (total grant is \$3.0 million) and the other is \$0.9 million for the American Flat Advanced Purified Water (APW) Facility (total grant is \$1.4 million, TMWA's portion is 30%, per ILA with City of Reno). The FEMA grant is \$0.08 million for Cybersecurity program for the Field Site Network Resiliency and Monitoring project. The Department of the Treasury grant is \$1.6 million for COVID-19 Recovery Funds for the Advanced Meter Infrastructure Project.

Cash related developer contributions are expected to decrease from the FY 2024 budget by \$0.9 million or 4.0%. These projections assume a stabilization of construction in TMWA's service territory. However, the pace of development is difficult to predict and is contingent on external factors such as the broader economy, including interest rates, cost of construction, etc.

Contributions from other governments includes City of Reno's contributions towards the expected construction of the American Flat APW facility. These contributions may vary depending on timing and progress of construction in FY 2025. The related capital assets are included in TMWA's 2025-2029 Capital Improvement Plan.

### **Cash Position and Coverage Ratios**

TMWA expects to begin FY 2025 with approximately \$204.3 million in total cash and investments and end the fiscal year with \$182.0 million, for an estimated cash decrease of \$22.3 million. These projections can be found in *Attachment B*.

To begin FY 2025, TMWA's Rate Stabilization Reserve will be \$7.3 million which is partially funded at 3% of three years' expected revenue. TMWA's financial goals adopted in August 2003 established a senior lien debt coverage goal of approximately 1.50x (excluding developer fees). As presented in the latest funding plan, the reserve is partially funded because approximately \$3.7 million of Rate Stabilization Reserve will be used in FY 2024 to maintain debt service coverage of 1.50x as required by TMWA's financial policy.

TMWA's senior lien debt coverage ratio, excluding system development charges, is estimated to be 1.40x by the end of FY 2025. TMWA's senior lien bond covenants require a minimum coverage ratio of 1.25x. As part of the funding plan, TMWA planned for use of the Rate Stabilization Fund to meet the financial goal of 1.5x coverage.

TMWA has maintained its credit ratings from Standard and Poor's of AA+, outlook Stable, Moody's Aa2, outlook Stable, and Fitch AAA, outlook Positive.

### **Draft Capital Improvement Plan for Fiscal Years 2025-2029**

TMWA plans to spend \$625.0 million over the next five years on a variety of construction projects and capital outlays of which \$105.7 million is planned in fiscal year 2025 and \$171.5 million in fiscal year 2026. Rate funded capital spending is within 2% of the amount presented in the most recent funding plan.

Of the total \$105.7 million in capital spending in fiscal year 2025, Raw Water accounts for \$10.1 million (9.6%) with \$8.0 million for the American Flat APW facility. In accordance with an Interlocal Agreement with City of Reno (approved by the TMWA board in December 2021), it is expected that the project will move forward in which City of Reno will be contributing 70% of the total project costs. The full cost of the project is included in TMWA's CIP as TMWA will ultimately own most of the assets. Treatment Plant Improvements account for \$16.7 million (15.8%) with \$11.0 million comprising the construction phase of the Orr Ditch Pump Station Rehab and Hydroelectric facility.

Pressure Improvements account for \$22.5 million (21.3%) with \$3.7 million and \$3.0 million comprising of Santerra Quilici 1 Booster Pump Station and 7<sup>th</sup> Street High & Low Booster Pump Station Replacement, respectively.

Water Main Distribution System Improvements are \$18.6 million (17.6%), comprising several distribution system improvements, including Yori & E. University Main replacements totaling \$2.2 million to replace approximately 5,000 linear feet of water main; West 4<sup>th</sup> Street Main Replacement totaling \$2.1 million to replace approximately 3,400 linear feet of water main and South Virginia Rapid Transit Main Replacement totaling \$2.0 million to replace approximately 2,200 linear feet of water main.

Potable Water Storage Improvements are \$17.5 million (16.5%) with \$10.1 million for storage tank recoats.

Customer Service Outlays account for \$3.2 million (3.0%) with \$2.7 million for the installation of Automated Meter Infrastructure.

Administrative Outlays account for \$4.4 million (4.1%) with \$1.5 million for new crew trucks and vehicles.

Increases in this year's CIP from prior year are driven primarily by increased spending on main replacements, storage tank improvements and increased costs for the Orr Ditch booster pump station.

### **Recommended Motion**

Move to approve the Tentative Budget for the fiscal year ending June 30, 2025, and Draft Capital Improvement Plan for fiscal years 2025 through 2029.

**TRUCKEE MEADOWS WATER AUTHORITY**  
Comparative Statements of Revenues, Expenses and Changes in Net Position  
**Tentative Budget**

	<b>Tent. Budget FY 2025</b>	<b>Final Budget FY 2024</b>	<b>Variance \$</b>	<b>Variance %</b>
<b>OPERATING REVENUES</b>				
Charges for Water Sales	\$ 123,715,379	\$ 116,653,419	\$ 7,061,960	6%
Hydroelectric Sales	2,963,889	3,355,681	(391,792)	-12%
Other Operating Sales	3,600,377	3,322,025	278,352	8%
Total Operating Revenues	130,279,645	123,331,125	6,948,520	6%
<b>OPERATING EXPENSES</b>				
Salaries and Wages	35,083,573	31,654,292	3,429,282	11%
Employee Benefits	15,835,901	13,865,891	1,970,010	14%
Services and Supplies	46,074,717	44,029,570	2,045,147	5%
Total Operating Expenses Before Depreciation	96,994,191	89,549,753	7,444,438	8%
Depreciation	35,590,563	35,460,610	129,953	0%
Total Operating Expenses	132,584,754	125,010,363	7,574,391	6%
<b>OPERATING INCOME</b>	<b>(2,305,110)</b>	<b>(1,679,238)</b>	<b>(625,872)</b>	<b>37%</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment Earnings	5,103,838	4,870,030	233,808	5%
Loss on Disposal of Assets	(1,442,800)	(1,643,000)	200,200	-12%
Interest Expense	(8,878,315)	(11,028,721)	2,150,406	-19%
Total Nonoperating Revenues (Expenses)	(5,217,277)	(7,801,691)	2,584,414	-33%
Gain (Loss) Before Capital Contributions	(7,522,386)	(9,480,929)	1,958,543	-21%
<b>CAPITAL CONTRIBUTIONS</b>				
Grants	3,098,500	2,687,700	410,800	15%
Water Resource Sustainability Program	969,677	1,128,328	(158,651)	-14%
Developer Infrastructure Contributions	14,819,179	15,344,792	(525,613)	-3%
Developer Will-serve Contributions (Net of Refunds)	5,232,000	5,214,000	18,000	0%
Developer Capital Contributions - Other	-	-	-	0%
Developer Facility Charges (Net of Refunds)	16,106,141	16,852,540	(746,399)	-4%
Contributions from Others	65,845	-	65,845	0%
Contributions from Other Governments	5,700,000	14,100,000	(8,400,000)	-60%
Net Capital Contributions	45,991,341	55,327,360	(9,336,019)	-17%
<b>CHANGE IN NET POSITION</b>	<b>38,468,955</b>	<b>45,846,431</b>	<b>(7,377,476)</b>	<b>-16%</b>



**TRUCKEE MEADOWS WATER AUTHORITY**

Statements of Cash Flows

**Tentative Budget**

	Tent. Budget FY 2025	Final Budget FY 2024	Variance \$	Variance %
<b>OPERATING ACTIVITIES</b>				
Cash Received From Customers	\$ 130,279,645	\$ 123,331,125	\$ 6,948,520	6%
Cash Paid to Employees	(50,919,474)	(45,520,183)	(5,399,291)	12%
Cash Paid to Suppliers	(46,074,717)	(44,029,570)	(2,045,147)	5%
Net Cash From Operating Activities	33,285,454	33,781,372	(495,918)	-1%
<b>CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition & Construction of Capital Assets	(61,074,000)	(69,634,000)	8,560,000	-12%
Interest Paid on Financing	(13,830,452)	(15,149,934)	1,319,482	-9%
Principal Paid on Financing	(17,958,730)	(17,200,578)	(758,152)	4%
Grants	4,067,300	3,002,600	1,064,700	35%
Contributions for Water Resource Sustainability Program	969,677	1,128,328	(158,651)	-14%
Contributions From Developers-Will-Serve Letters	5,232,000	5,214,000	18,000	0%
Contributions from Developers - Facility Charges	16,106,141	16,852,540	(746,399)	-4%
Contributions from Others	65,845	-	65,845	0%
Contributions from Other Governments	5,700,000	14,100,000	(8,400,000)	-60%
Net Cash Used For Capital & Relating Financing Activities	(60,722,220)	(61,687,044)	964,824	-2%
<b>INVESTING ACTIVITIES</b>				
Interest Received	5,103,838	4,870,030	233,808	5%
Net Cash From Investing Activities	5,103,838	4,870,030	233,808	5%
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(22,332,928)	(23,035,642)	702,714	-3%
<b>CASH AND CASH EQUIVALENTS, BEGINNING PERIOD</b>	204,292,100	219,800,000	(15,507,900)	-7%
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	\$ 181,959,172	\$ 196,764,358	\$ (14,805,186)	-8%

**TRUCKEE MEADOWS WATER AUTHORITY**  
FY25 vs FY24 Budget ~ Changes by Expense Element

Expense Element	FY25	FY24	Variance \$	Variance %	
Contracted Services	\$ 10,693,160	\$ 9,110,750	\$ 1,582,410	17%	A
Electric Power	9,898,830	8,594,900	1,303,930	15%	B
Supplies/Equipment Rental	5,650,690	5,088,400	562,290	11%	C
Resource Fees	1,291,500	1,049,000	242,500	23%	D
Insurance/Claims	1,891,851	1,655,372	236,479	14%	E
Land/Leases/Permitting	1,117,883	1,034,700	83,183	8%	
Postage/Printing	889,075	841,251	47,824	6%	
Professional Services	3,695,800	3,652,530	43,270	1%	
Employee Related/Training	797,700	776,710	20,990	3%	
Hardware/Software	2,986,705	2,966,573	20,132	1%	
Miscellaneous Expenses	23,700	6,500	17,200	265%	
Bank/Investment Fees	29,000	29,000	-	0%	
Street Repairs	315,000	350,000	(35,000)	-10%	
Internet/Other Utility	922,630	967,500	(44,870)	-5%	
Property Taxes	752,500	802,500	(50,000)	-6%	
Overhead Allocations	(762,305)	(692,985)	(69,320)	10%	
Agency Reimbursements	(407,500)	(261,419)	(146,081)	56%	
Sponsorships/Community	980,500	1,261,300	(280,800)	-22%	
Project Related	1,231,000	1,875,000	(644,000)	-34%	
Chemicals	4,076,998	4,921,988	(844,990)	-17%	
<b>Total</b>	<b>\$ 46,074,717</b>	<b>\$ 44,029,570</b>	<b>\$ 2,045,147</b>	<b>5%</b>	
	\$ -	\$ -			

**Notes:**

**A** - The increase in budget noted here is due to several factors. Primarily, service costs have increased due to price increases across nearly all departments. Additionally, TMWA plans to increase the rate of preventative maintenance across most categories of assets which will increase the volume of contracted services related to equipment repair.

**B** - The increase in electric power is due to increased rates over the last 12-24 months. Although rates have decreased recently, over the last 24 months, TMWA's cost per KWh has increased by approximately 30%. In fiscal year 2024, NV Energy has advised the BTER and DEAA rates will decrease as a result of lower fuel and energy costs. However, this will be offset by a 9% increase in NV Energy's general rates.

**C** - Supplies and equipment rental costs are increased due to TMWA's plans to increase the rate of preventative maintenance along with continued inflationary price increases.

**D** - Resource fees are increased due to higher TROA administration expenses and USGS Joint Funding Agreement expenses related to flow monitoring and data collection sites. TMWA plans to add two sites in FY 2025.

**E** - Increase in this line item is mostly due to an increase in property insurance premiums. Over the last five years, the property insurance market has experienced significant losses which has driven premiums up across the country.

Truckee Meadows Water Authority									
Five Year Capital Improvement Plan									
Fiscal Year 2025-2029									
				FY	FY	FY	FY	FY	Five Year
<b>TMWA 5 Year Draft Capital Plan Summary</b>				<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>CIP Total</b>
<b>Line</b>	<b>Priority</b>	<b>Funding Source</b>	<b>Raw Water Supply Improvements</b>						
1	3	Customer Rates	Highland Canal-Upgrades-Downstream	225	225	225	225	225	1,125
2	1	Customer Rates	Highland Canal-Upgrades-Diversion to Chalk Bluff	1,200	3,400	3,100	1,100	100	8,900
3	3	Customer Rates	TROA Drought Storage / Implementation	100	100	100	100	100	500
4	2	Customer Rates	Donner Lake Outlet Improvements Phase 2	-	300	-	-	-	300
5	1	Developer Fees / Sustainability Fees / Grants/ Reimbursements	Advanced Purified Water Facility at American Flat	8,000	82,000	85,000	37,000	-	212,000
6	1	Customer Rates	South Truckee Meadows Recharge Valve	250	-	-	-	-	250
7	3	Customer Rates	Washoe Lake System Improvements	250	250	250	250	250	1,250
8	1	Customer Rates	Independence Lake Communication Improvements	100	-	-	-	-	100
9			<b>Total Raw Water</b>	<b>10,125</b>	<b>86,275</b>	<b>88,675</b>	<b>38,675</b>	<b>675</b>	<b>224,425</b>
10			<b>Ground Water Supply Improvements</b>						
11	2	Customer Rates	Well Rehabilitation Improvements	200	200	200	200	200	1,000
12	2	Developer Fees	Double Diamond #5 and Equipping	-	-	-	-	80	80
13	2	Developer Fees	Callamont Well South Equipping	-	-	-	100	1,900	2,000
14	2	Customer Rates	Air Guard Well Replacement Equipping	-	-	-	-	2,000	2,000
15	2	Customer Rates	Lemmon Valley Well #8 Replacement	-	800	2,500	-	-	3,300
16	2	Customer Rates	Well Fix & Finish	350	350	350	350	350	1,750
17	1	Customer Rates	Brush Well Replacement	1,200	-	-	-	-	1,200
18	2	Customer Rates	Spring Creek 8 Well Equipping	-	-	-	1,000	1,000	2,000
19	2	Customer Rates / Sustainability Fees	Well Head TTHM Mitigation	500	-	500	-	500	1,500
20	2	Developer Fees	Callamont Well North Equipping	-	-	100	1,900	-	2,000
21	1	Developer Fees	Spring Creek Well #10 - Donovan	1,500	1,000	-	-	-	2,500
22	1	Customer Rates	Fish Springs Ranch TDS Monitoring Wells	250	-	-	-	-	250
23	2	Customer Rates/Reimbursements	Fish Springs Ranch Geophysics/Drilling Project	300	-	-	-	-	300
24	1	Customer Rates	Spring Creek Well 9 (Spring Creek 4 Replacement)	1,700	1,500	1,000	-	-	4,200
25	1	Customer Rates	STMGID Well #1 Re-Drill and Equipping	1,200	500	1,500	500	-	3,700
26	1	Customer Rates	Boomtown 13 Well	-	500	-	2,000	-	2,500
27	1	Customer Rates	Spring Creek 2 Re-drill	-	-	800	-	2,000	2,800
28	1	Customer Rates	Lightning W2 Re-drill	-	-	800	-	2,000	2,800
29	1	Customer Rates	Desert Springs 5 Production Well	-	-	-	800	-	800
30	1	Customer Rates	Desert Springs 6 Exploration Well and Testing	-	-	-	350	750	1,100
31			<b>Total Ground Water</b>	<b>7,200</b>	<b>4,850</b>	<b>7,750</b>	<b>7,200</b>	<b>10,780</b>	<b>37,780</b>
32			<b>Treatment Plant Improvements</b>						
33	1	Customer Rates	Chalk Bluff Treatment Plant Improvements	360	350	525	425	425	2,085
34	2	Customer Rates	Chalk Bluff Sedimentation Rehab	-	-	700	-	-	700
35	1	Customer Rates	Chalk Bluff Clearwell 1 Rehab	300	-	-	-	-	300
36	1	Customer Rates	Chalk Bluff Clearwell 2 Rehab	200	1,500	-	-	-	1,700
37	1	Customer Rates	Chalk Bluff HVAC Improvements	75	1,000	-	-	-	1,075
38	1	Customer Rates	Chalk Bluff 25K Power Reliability and Safety Improvements	100	650	-	-	-	750
39	2	Customer Rates	Chalk Bluff Soda Ash Reliability Upgrade	50	-	350	-	-	400
40	1	Customer Rates	Glendale Treatment Plant Improvements	375	325	405	360	455	1,920
41	1	Customer Rates	Glendale HVAC Improvements	250	-	-	-	-	250
42	2	Customer Rates	Mt Rose Treatment Plant Efficiency Improvements	450	-	-	-	-	450
43	1	Customer Rates	Chalk Bluff Filter Underdrains	1,200	-	-	-	-	1,200
44	2	Customer Rates	Glendale Filter Underdrains	-	500	3,500	-	-	4,000
45	1	Customer Rates	Orr Ditch Pump Station Rehab and Hydro Facility	11,000	-	-	-	-	11,000
46	1	Customer Rates	Truckee Canyon Water Treatment Improvements	100	20	10	20	10	160
47	1	Customer Rates	Lightning W Treatment Improvements	20	150	10	10	10	200
48	1	Customer Rates	SCADA Rehab / Plant Operating Software	1,000	1,000	750	750	750	4,250
49	2	Customer Rates	Longley Water Treatment Plant Retrofit	-	250	500	3,500	1,500	5,750
50	2	Customer Rates/Grants	Spanish Springs Nitrate Treatment Facility	500	500	15,000	14,000	5,000	35,000
51	2	Customer Rates	Glendale Sand Yard Improvements	430	-	-	-	-	430
52	1	Customer Rates	Chalk Bluff Effluent Reservoir Outlet Repairs	100	700	-	-	-	800
53	1	Customer Rates	Chalk Bluff Screening Facility Rehab and Upgrades	200	1,000	-	-	-	1,200
54	1	Customer Rates	Chalk Bluff Electrical System Upgrades	-	-	250	-	-	250
55			<b>Total Treatment Plant Improvements</b>	<b>16,710</b>	<b>7,945</b>	<b>22,000</b>	<b>19,065</b>	<b>8,150</b>	<b>73,870</b>

TMWA 5 Year Draft Capital Plan Summary				FY	FY	FY	FY	FY	Five Year
				2025	2026	2027	2028	2029	CIP Total
56			<b>Pressure Improvements</b>						
57	1	Customer Rates	Pressure Regulators Rehabilitation	2,000	1,200	750	750	750	5,450
58	2	Customer Rates	Land Acquisitions	150	150	150	250	250	950
59	2	Customer Rates	Desert Fox Standby Generator	-	-	150	-	-	150
60	2	Developer Fees	Longley Booster Pump Station / Double R Capacity Increase	-	250	1,500	-	-	1,750
61	3	Customer Rates	Pump Station Oversizing	250	250	250	250	250	1,250
62	3	Customer Rates	Pump Station Rebuilds, Rehabilitations	150	150	150	250	250	950
63	2	Customer Rates / Developer Fees	Sullivan #2 Booster Pump Station Replacement	-	-	250	2,750	-	3,000
64	3	Customer Rates	Mount Rose Well #3 Pump Station Improvements	-	-	-	250	800	1,050
65	3	Customer Rates	Standby Generator Improvements	100	100	100	150	150	600
66	1	Customer Rates	PSOM Standby Generator Additions	1,100	2,100	1,000	-	-	4,200
67	1	Customer Rates	Idlewild Booster Pump Station Improvements	-	-	400	1,200	1,800	3,400
68	2	Developer Fees	Raleigh to Fish Springs Booster Pump Station	-	-	-	300	2,750	3,050
69	2	Customer Rates / Developer Fees	South-West Pump Zone Consolidation Phase 1	400	-	-	330	3,660	4,390
70	2	Developer Fees	STMGID Tank #4 Booster Pump Station / Transmission Line	-	250	100	250	100	700
71	2	Developer Fees	Wildwood 2 Pressure Regulating Station SCADA Control	-	100	-	-	-	100
72	2	Customer Rates / Developer Fees	South-West Pump Zone Consolidation Phase 2	-	-	-	50	990	1,040
73	2	Customer Rates	Sierra Summit-Kohl's Zone Consolidation	-	-	400	400	-	800
74	2	Customer Rates	Wild Mustang Regulated Pressure Zone	-	-	50	400	-	450
75	2	Customer Rates	Thomas Creek #4 PRS	-	300	-	-	-	300
76	2	Customer Rates	Kings Row 2 Booster Pump Station	-	-	200	500	2,300	3,000
77	2	Developer Fees	Spring Creek Tanks #3&4 Booster Pump Station Modifications	-	300	1,000	-	-	1,300
78	1	Developer Fees	Lazy 5 Low Head Pump Station & Mains	2,500	500	-	-	-	3,000
79	1	Customer Rates	South Hills BPS Replacement	70	2,750	1,500	-	-	4,320
80	2	Customer Rates	Sierra Highlands PRS	-	250	-	-	-	250
81	1	Customer Rates	7th Street High & Low BPS Replacement	3,000	-	-	-	-	3,000
82	1	Customer Rates	STMGID NAC Deficiencies - Upper Toll	-	-	600	2,500	-	3,100
83	1	Reimbursements	Verdi 1 BPS	2,500	500	-	-	-	3,000
84	1	Reimbursements	Santerra Quilici 1 BPS	3,700	-	-	-	-	3,700
85	1	Reimbursements	Santerra Quilici 2 BPS	-	-	200	3,000	-	3,200
86	1	Reimbursements	Silver Hills BPS	-	3,000	-	-	-	3,000
87	1	Reimbursements	Ascente BPS	2,500	-	-	-	-	2,500
88	1	Reimbursements	Talus Valley Booster Pump Station	2,900	800	-	-	-	3,700
89	2	Customer Rates	Tappan 2 PRS	-	300	-	-	-	300
90	1	Customer Rates	Caughlin Train A Improvements	1,000	-	-	-	-	1,000
91	1	Reimbursements	Idlewild Irrigation Pump Station Improvements and Repair	170	200	-	-	-	370
92	2	Customer Rates	Off River Supply Redundancy Improvements STM and NVS	-	500	-	1,000	-	1,500
93			<b>Total Pressure Improvements</b>	<b>22,490</b>	<b>13,950</b>	<b>8,750</b>	<b>14,580</b>	<b>14,050</b>	<b>73,820</b>
94			<b>Water Main-Distribution-Service Line Improvements</b>						
95	1	Customer Rates	Street & Highway Main Replacements	4,000	5,000	5,000	5,000	5,000	24,000
96	1	Customer Rates	Golden Parkway Main & Check Valve Tie	40	150	-	-	-	190
97	1	Customer Rates	Yori & E. University Main Replacement	2,200	-	-	-	-	2,200
98	1	Customer Rates	Kate Smith Water Main Replacement PH 1-3	1,900	2,800	200	-	-	4,900
99	1	Customer Rates	Kate Smith Sparks Feeder Main-36"	100	3,800	-	-	-	3,900
100	1	Customer Rates	Thomas Jefferson Area Main Replacements	1,800	2,000	-	-	-	3,800
101	1	Customer Rates	S. Virginia Rapid Transit Main Replacement	2,000	-	-	-	-	2,000
102	2	Developer Fees	North-East Sparks Tank Feeder Main Relocation	-	975	-	-	-	975
103	2	Developer Fees	Trademark 14" Main Tie	-	470	-	-	-	470
104	2	Customer Rates	Mount Rose Tank 1 Fire Flow Improvements	-	400	570	-	-	970
105	2	Customer Rates / Developer Fees	Stead Golf Course Main Replacement	-	-	200	2,400	-	2,600
106	1	Developer Fees	North-East Sparks Feeder Main Ph. 8	10	50	2,050	-	-	2,110
107	2	Developer Fees	Goldenrod Main	1,800	-	-	-	-	1,800
108	1	Developer Fees	Boomtown Water System Improvements	1,500	1,500	-	-	-	3,000
109	2	Customer Rates / Developer Fees	Sullivan #1 Main Tie & PRS	-	-	100	650	-	750
110	2	Customer Rates	Montreux High Pressure ACP Replacement	100	1,000	1,200	-	-	2,300
111	2	Customer Rates	2nd Galena Creek Main Crossing	-	40	560	-	-	600
112	2	Customer Rates	Off-River Supply Improvements - South Truckee Meadows	-	-	50	1,050	-	1,100
113	2	Customer Rates	Off-River Supply Improvements - North Virginia-Stead Pump Station	-	400	-	-	-	400
114	2	Customer Rates	Somerset #6 Main Tie & PRS	280	-	-	-	-	280
115	1	Customer Rates	2025 Fire Flow Improvements - Gravity <1,000 GPM	-	-	550	-	-	550
116	1	Customer Rates	2025 Fire Flow Improvements - North Valleys <1,000 GPM	-	-	950	-	-	950
117	2	Developer Fees	Deluchi to Airway Main Tie	-	-	450	-	-	450
118	1	Developer Fees	South-East Sparks Feeder Main Phase 1	-	-	-	50	4,450	4,500
119	1	Developer Fees	South Truckee Meadows Capacity Improvements	800	-	-	-	-	800
120	1	Customer Rates	West 4th Street Main Replacement	2,100	-	-	-	-	2,100

TMWA 5 Year Draft Capital Plan Summary				FY	FY	FY	FY	FY	Five Year
				2025	2026	2027	2028	2029	CIP Total
121	1	Customer Rates	Mill St CP Improvements	-	300	-	-	-	300
122			<b>Total Water Main-Distribution-Service Line Improvements</b>	<b>18,630</b>	<b>18,885</b>	<b>11,880</b>	<b>9,150</b>	<b>9,450</b>	<b>67,995</b>
123			<b>Potable Water Storage Improvements</b>						
124	1	Customer Rates / Developer Fees	Sun Valley #2 Tank	420	2,980	-	-	-	3,400
125	2	Developer Fees	Fish Springs Terminal Tank #2	-	-	-	40	2,160	2,200
126	1	Customer Rates	Storage Tank Rehabilitation and Improvements	10,100	4,500	5,000	5,000	5,000	29,600
127	1	Customer Rates / Developer Fees	Boomtown System Improvements Ph 4 - Boomtown Tank	1,000	-	-	-	-	1,000
128	1	Customer Rates	Caughlin 2 Tanks	500	1,000	1,500	-	-	3,000
129	2	Customer Rates / Developer Fees	Highland Reservoir Tank	-	2,000	5,000	-	-	7,000
130	1	Customer Rates / Developer Fees	STMGID Tank East Zone 11 Tank	-	175	2,900	-	-	3,075
131	1	Customer Rates / Reimbursements / Developer Fees	US 40 Tank & Feeder Main	3,500	1,000	-	-	-	4,500
132	2	Customer Rates / Developer Fees	Spanish Springs Altitude Valves (SC6 & DS3)	-	-	300	-	-	300
133	2	Customer Rates	Hidden Valley Tank Altitude Valve	-	-	350	-	-	350
134	1	Customer Rates	Lemmon Valley Tank #1 Replacement and Patrician PRS	1,500	-	-	-	-	1,500
135	1	Customer Rates	Hidden Valley Tank #4 Outage Improvements	250	1,500	-	-	-	1,750
136	2	Customer Rates	Hunter Creek Reservoir Rehab	75	-	100	3,000	1,500	4,675
137	1	Customer Rates	Terminal Tank CO2 Delivery Road Improvements	100	-	-	-	-	100
138	2	Customer Rates	STMGID 6 New Tank	20	-	-	400	-	420
139	2	Customer Rates	Rattle Snake Tank Replacement	-	-	500	3,000	3,000	6,500
140	2	Customer Rates	Pyramid Tank Cathodic Protection Investigation	-	15	-	100	-	115
141	3	Customer Rates	Double Diamond Tank Overflow and Drain Improvements	-	-	100	-	-	100
142			<b>Total Potable Water Storage Improvements</b>	<b>17,465</b>	<b>13,170</b>	<b>15,750</b>	<b>11,540</b>	<b>11,660</b>	<b>69,585</b>
143			<b>Hydroelectric Improvements</b>						
144	2	Hydroelectric	Forebay, Diversion, and Canal Improvements	100	105	110	115	120	550
145	3	Hydroelectric	Flume Rehabilitation	150	160	165	175	180	830
146	3	Hydroelectric	Fleish Plant Improvements	-	600	10,000	-	-	10,600
147	1	Hydroelectric	Verdi Sandgate Improvements	500	-	-	-	-	500
148	1	Hydroelectric	Verdi Bypass Valve Improvements	850	-	-	-	-	850
149	2	Hydroelectric	Washoe Plant Improvements	400	11,000	-	-	-	11,400
150			<b>Total Hydroelectric Improvements</b>	<b>2,000</b>	<b>11,865</b>	<b>10,275</b>	<b>290</b>	<b>300</b>	<b>24,730</b>
151			<b>Customer Service Outlays</b>						
152	3	Customer Rates	Meter Reading Equipment	75	-	-	-	-	75
153	2	Developer Fees	New Business Meters	100	100	100	100	100	500
154	1	Customer Rates	Mueller Pit Replacements former Washoe County	125	125	125	125	125	625
155	2	Customer Rates	Galvanized / Poly Service Line Replacements	250	250	250	250	250	1,250
156	1	Customer Rates	Automated Meter Infrastructure (AMI)	2,650	2,650	2,650	2,650	2,650	13,250
157			<b>Total Customer Service Outlays</b>	<b>3,200</b>	<b>3,125</b>	<b>3,125</b>	<b>3,125</b>	<b>3,125</b>	<b>15,700</b>
158			<b>Administrative Outlays</b>						
159	2	Customer Rates	GIS / GPS System Mapping Equipment	20	20	20	20	20	100
160	2	Customer Rates	IT Server Hardware and Equipment	10	20	20	-	-	50
161	2	Customer Rates	IT Network Security Upgrades	10	10	10	-	-	30
162	2	Customer Rates	IT Physical Access Security Upgrades	15	10	10	-	-	35
163	1	Customer Rates	IT Palo Alto Firewall	53	-	-	-	-	53
164	2	Customer Rates	Printer / Scanner Replacement	10	10	10	-	-	30
165	2	Customer Rates	Crew Trucks / Vehicles	1,500	1,500	1,500	1,500	1,000	7,000
166	1	Customer Rates	Replacement HCM System	1,000	-	-	-	-	1,000
167	1	Customer Rates	Corporate Office Expansion	500	3500	1,000	-	-	5,000
168	1	Customer Rates	Glendale Office Expansion	500	2,000	-	-	-	2,500
169	1	Customer Rates	Corporate HVAC Improvements	100	-	-	-	-	100
170	1	Customer Rates	Emergency Management Projects	150	150	150	150	150	750
171	2	Customer Rates	Emergency Operations Annex Design / Construction	-	250	250	200	200	900
172	1	Customer Rates	Physical Site Security Improvements	500	500	350	350	350	2,050
173			<b>Total Administrative Outlays</b>	<b>4,368</b>	<b>7,970</b>	<b>3,320</b>	<b>2,220</b>	<b>1,720</b>	<b>19,598</b>
174			<b>Total Capital Spending Outlays</b>	<b>102,188</b>	<b>168,035</b>	<b>171,525</b>	<b>105,845</b>	<b>59,910</b>	<b>607,503</b>
175			<b>Special Projects Funded by Development</b>						
176	3	Developer Fees	Water Right Purchases	3,500	3,500	3,500	3,500	3,500	17,500

TMWA 5 Year Draft Capital Plan Summary				FY	FY	FY	FY	FY	Five Year
				2025	2026	2027	2028	2029	CIP Total
177			<b>Total Special Projects Funded by Development</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>3,500</b>	<b>17,500</b>
178			<b>Total Including Projects Funded By Development</b>	<b>105,688</b>	<b>171,535</b>	<b>175,025</b>	<b>109,345</b>	<b>63,410</b>	<b>625,003</b>
				<b>FY</b>	<b>FY</b>	<b>FY</b>	<b>FY</b>	<b>FY</b>	<b>Five Year</b>
			<b>Summary of Funding Sources</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>CIP Total</b>
			<b>Customer Rates</b>	65,995	61,567	63,451	61,856	46,704	299,573
			<b>Hydroelectric</b>	2,000	11,865	10,275	290	300	24,730
			<b>Developer Fees</b>	14,353	27,491	31,189	14,747	16,156	103,936
			<b>Reimbursements</b>	16,460	62,240	59,700	28,900	-	167,300
			<b>Sustainability</b>	880	7,872	8,410	3,552	250	20,964
			<b>Grants</b>	6,000	500	2,000	-	-	8,500
			<b>Total</b>	<b>105,688</b>	<b>171,535</b>	<b>175,025</b>	<b>109,345</b>	<b>63,410</b>	<b>625,003</b>

# TMWA Fiscal Year 2025 (Tentative) Budget

FY 25 Operating Budget and FY 25-29 CIP

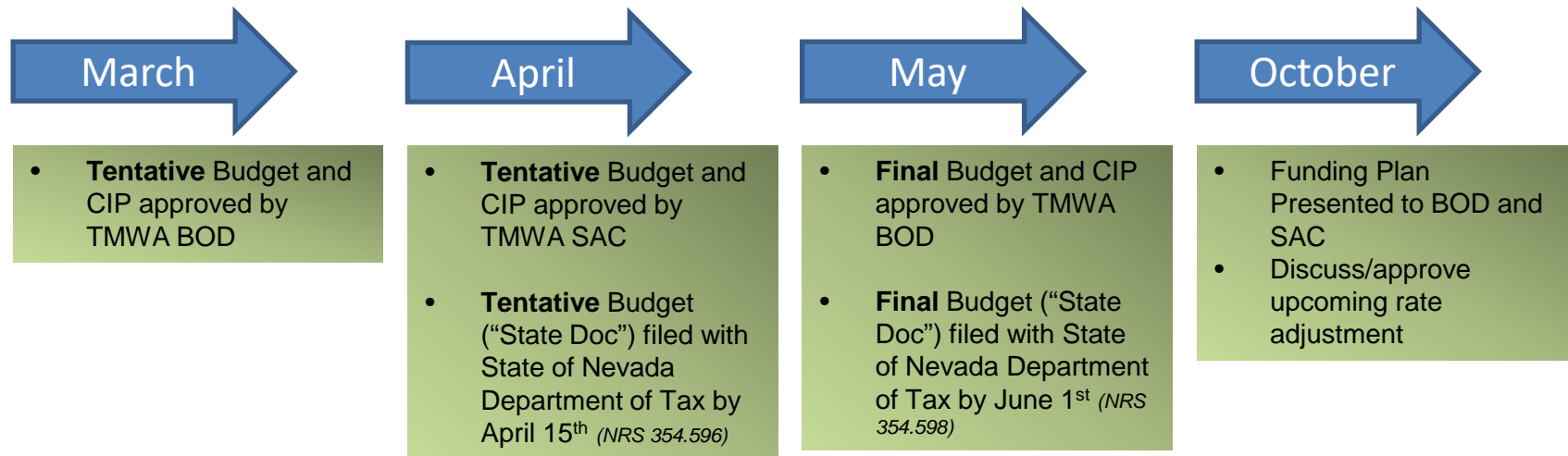
*Presentation by Truckee Meadows Water Authority  
March 20, 2025*



# Truckee Meadows Water Authority (TMWA)

FY 2025 (Tentative) Budget *(amounts in millions)*

## Fiscal Planning Timeline





# Truckee Meadows Water Authority (TMWA)

## FY 2025 (Tentative) Operating Budget *(amounts in millions)*

### Summary – Year over Year Budgets

	FY 2025	FY 2024	Change \$	Change %
Operating Revenue	130.3	123.3	7.0	5.7%
Operating Expense	132.6	125.0	7.6	6.1%
Operating Income	(2.3)	(1.7)	(0.6)	35.3%
Nonoperating Revenues (Expenses)	(5.2)	(7.8)	2.6	-33.3%
Capital Contributions	46.0	55.3	(9.3)	-16.8%
Change in Net Position	38.5	45.8	(7.3)	-15.9%
Net Change in Cash	(22.3)	(23.0)	0.7	-3.0%

- Change in Operating Income year over year is consistent with prior year due to stabilizing inflation, cost reductions and increased revenue.
- Capital contributions are less primarily due to a projected lower rate of spend on the American Flat APW Facility.

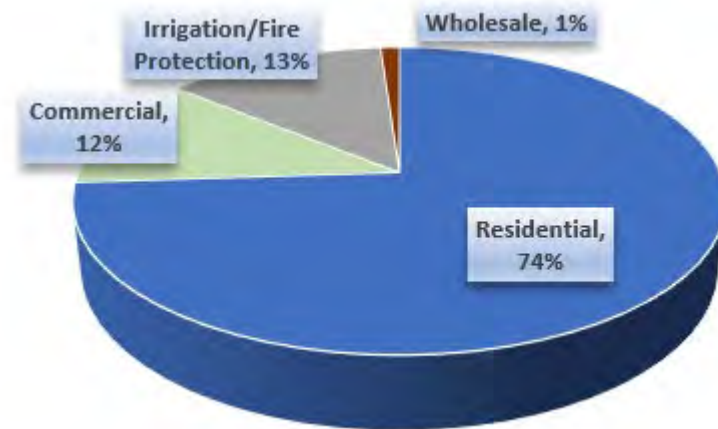
# Truckee Meadows Water Authority (TMWA)

## FY 2025 (Tentative) Operating Budget *(amounts in millions)*

### Operating Revenue

	FY 2025	FY 2024	Change \$	Change %
Charges for Water Sales	123.7	116.7	7.0	6.0%
Hydroelectric Sales	3.0	3.3	(0.3)	-9.1%
Other Operating Sales	3.6	3.3	0.3	9.1%
<b>Total Operating Revenue</b>	<b>130.3</b>	<b>123.3</b>	<b>7.0</b>	<b>5.7%</b>

- Water sales model assumptions
  - Rate increases of 4.5% in June 2024 and 4.0% in June 2025
  - Average weather year with all history/data available
  - Growth of ~1.5%



# Truckee Meadows Water Authority (TMWA)

## FY 2025 (Tentative) Operating Budget *(amounts in millions)*

### Operating Expenses

	FY 2025	FY 2024	Change \$	Change %
Salaries and Wages	35.1	31.7	3.4	10.7%
Employee Benefits	15.8	13.9	1.9	13.7%
Services and Supplies	46.1	44.0	2.1	4.8%
Operating Expenses Before Depreciation	97.0	89.6	7.4	8.3%
Depreciation	35.6	35.4	0.2	0.6%
Total Operating Expenses	132.6	125.0	7.6	6.1%

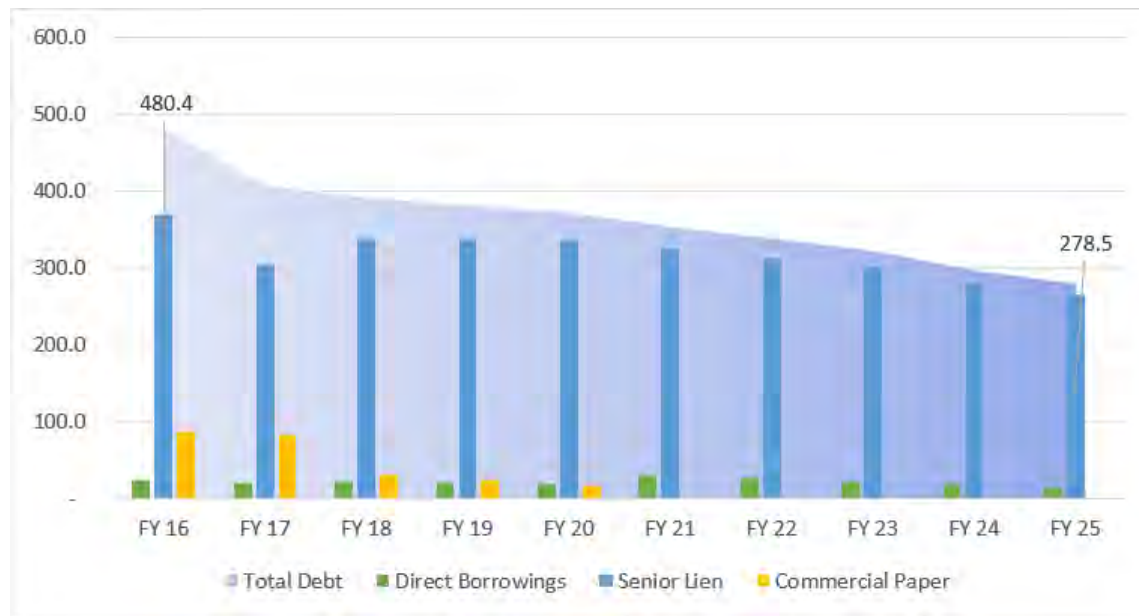
- Headcount additions include 11 employees
  - 5 employees added for advanced preventative maintenance of TMWA's assets.
  - 6 employees added across distribution and administrative departments.
  - 2 additions have been postponed, these may be brought forward if budget allows in FY 2025
- Expecting continued price increases during FY 2025. Notable items include:
  - Generally, price increases across the board
    - Supplies, electric power, contracts, etc.
  - Increased spending on preventative maintenance.
  - Approximately \$0.7m cut following first draft

# Truckee Meadows Water Authority (TMWA)

## FY 2025 (Tentative) Operating Budget *(amounts in millions)*

### Nonoperating Revenues and Expenses

	FY 2025	FY 2024	Change \$	Change %
Investment Earnings	5.1	4.8	0.3	6.2%
Loss on Disposal of Assets	(1.4)	(1.6)	0.2	-12.5%
Interest Expense	(8.9)	(11.0)	2.1	-19.1%
<b>Nonoperating Expenses</b>	<b>(5.2)</b>	<b>(7.8)</b>	<b>2.6</b>	<b>-33.3%</b>

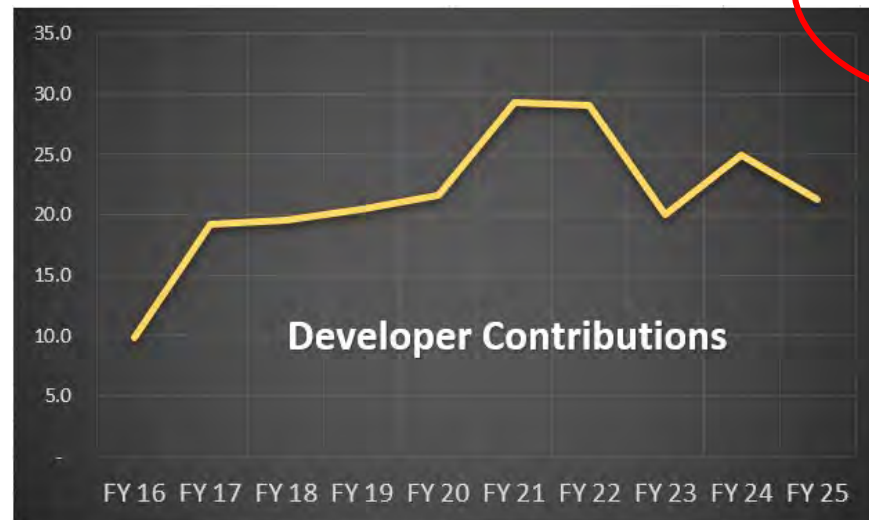


# Truckee Meadows Water Authority (TMWA)

## FY 2025 (Tentative) Operating Budget *(amounts in millions)*

### Capital Contributions

	FY 2025	FY 2024	Change \$	Change %
Grants	3.1	2.7	0.4	14.8%
Water Resource Sustainability Program	1.0	1.1	(0.1)	-9.1%
Developer Infrastructure Contributions	14.8	15.3	(0.5)	-3.3%
Developer Will-serve Contributions	5.2	5.2	-	0.0%
Developer Facility Charges	16.1	16.9	(0.8)	-4.7%
Contributions from Other Governments	5.7	14.1	(8.4)	-59.6%
<b>Total Capital Contributions</b>	<b>45.9</b>	<b>55.3</b>	<b>(9.4)</b>	<b>-17.0%</b>

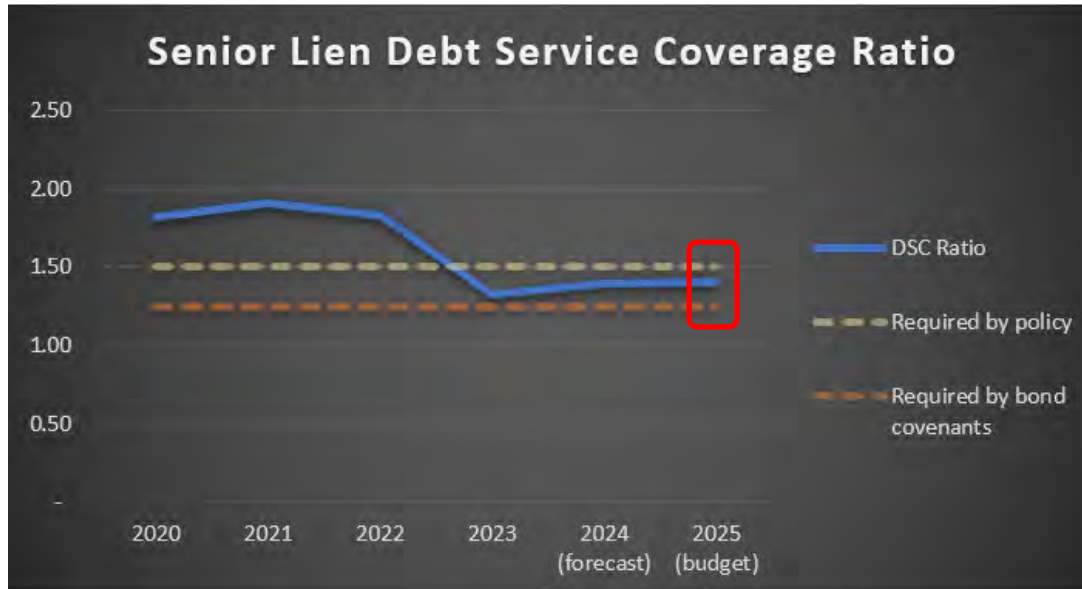


*Includes contribution from City of Reno for 70% of construction costs for APW Facility at American Flat expected during FY 25.*

# Truckee Meadows Water Authority (TMWA)

## FY 2025 (Tentative) Operating Budget *(amounts in millions)*

### Debt Service Coverage Ratio



#### Calculation of DSC Ratio

(+) Operating Revenues

(-) Operating Expenses

(=) Net Revenues

(/) Sr. Lien Debt Service

(=) Sr. Lien DSC Ratio

Senior Lien DSC Ratio FY 2025 Budget = 1.40x

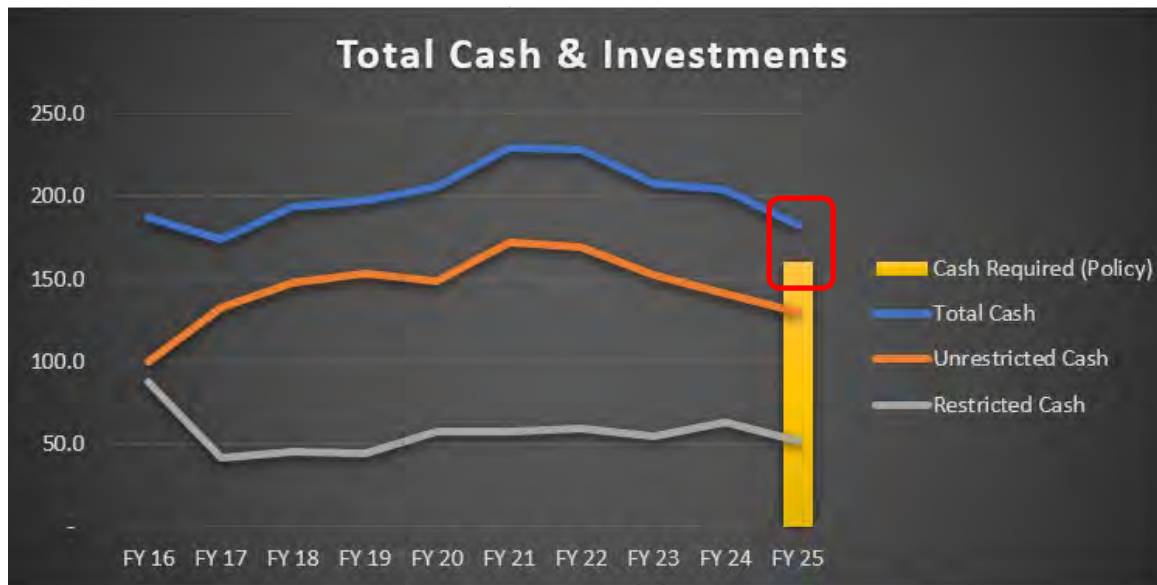
- Consistent with recent funding plan projections
- Risks
  - Continued rising inflation
  - Lower than budgeted water sales
- Upside
  - Higher than budgeted water sales

# Truckee Meadows Water Authority (TMWA)

## FY 2025 (Tentative) Operating Budget *(amounts in millions)*

### Cash Flows

	FY 2025	FY 2024	Change \$	Change %
Cash Flow from Operations	33.3	33.8	(0.5)	-1.5%
Cash Flow from Capital and Financing	(60.7)	(61.7)	1.0	-1.6%
Cash Flow from Investing	5.1	4.9	0.2	4.1%
<b>Net Change in Cash</b>	<b>(22.3)</b>	<b>(23.0)</b>	<b>0.7</b>	<b>-3.0%</b>



Cash balance at FYE 2025 projected to be \$182.0m; total cash required by policy\* is \$161.2m

\*Restricted cash + Rate Stabilization Fund + Unrestricted Reserve = Total cash required by policy

# Truckee Meadows Water Authority (TMWA)

## Capital Improvement Plan FY 2025 – 2029 (tentative) *(amounts in millions)*

Summary of Funding Sources	2025	2026	2027	2028	2029	CIP Total	CIP %	PY CIP	CIP %	Change \$	Change %
Customer Rates	66.0	61.6	63.5	61.9	46.7	299.6	47.9%	233.2	52%	66.33	28%
Hydroelectric	2.0	11.9	10.3	0.3	0.3	24.7	4.0%	17.7	4%	7.03	40%
Developer Fees	14.4	27.5	31.2	14.7	16.2	103.9	16.6%	76.2	17%	27.72	36%
Reimbursements	16.5	62.2	59.7	28.9	-	167.3	26.8%	89.3	20%	78.03	87%
Water Meter Retrofit/Developer Fees	-	-	-	-	-	-	0.0%	5.2	1%	(5.21)	-100%
Sustainability	0.9	7.9	8.4	3.6	0.3	21.0	3.4%	11.0	2%	10.00	91%
Farad Insurance Settlement (Orr Ditch Hydro)	-	-	-	-	-	-	0.0%	7.0	2%	(7.01)	-100%
Grants	6.0	0.5	2.0	-	-	8.5	1.4%	6.0	1%	2.50	42%
<b>Total</b>	<b>105.7</b>	<b>171.5</b>	<b>175.0</b>	<b>109.3</b>	<b>63.4</b>	<b>625.0</b>	<b>100.0%</b>	<b>445.6</b>	<b>100%</b>	<b>179.4</b>	<b>40.3%</b>

### Customer Rates

- Tank Rehabilitation and Improvements - \$29.6m
- Treatment Plant Rehabilitations - \$16.6m
- Pressure Regulators Rehabilitation - \$5.5m
- South Hills Booster Pump Station - \$4.3m
- 7th Street High & Low Booster Pump Station Replacement - \$3.0m

### Developer Fees

- Water Right Purchases \$17.5m
- Highland Reservoir Tank (mixed funding) - \$7.0m
- South-East Sparks Feeder Main Phase 1 - \$4.5m
- Boomtown Water System Improvements - \$3.0m
- Lazy 5 Low Head Pump Station and Main - \$3.0m
- Spring Creek Well #10 - \$2.2m

### Reimbursements

- APWF at American Flat - \$8.0m in 2025, \$212.0m total\*
- Santerra Quilici 1 Booster Pump Station - \$3.7m
- Talus Valley Booster Pump Station - \$3.7m
- Santerra Quilici 2 Booster Pump Station - \$3.2m
- Silver Hills Booster Pump Station - \$3.0m
- Verdi 1 Booster Pump Station - \$3.0m
- Ascente Booster Pump Station - \$2.5m

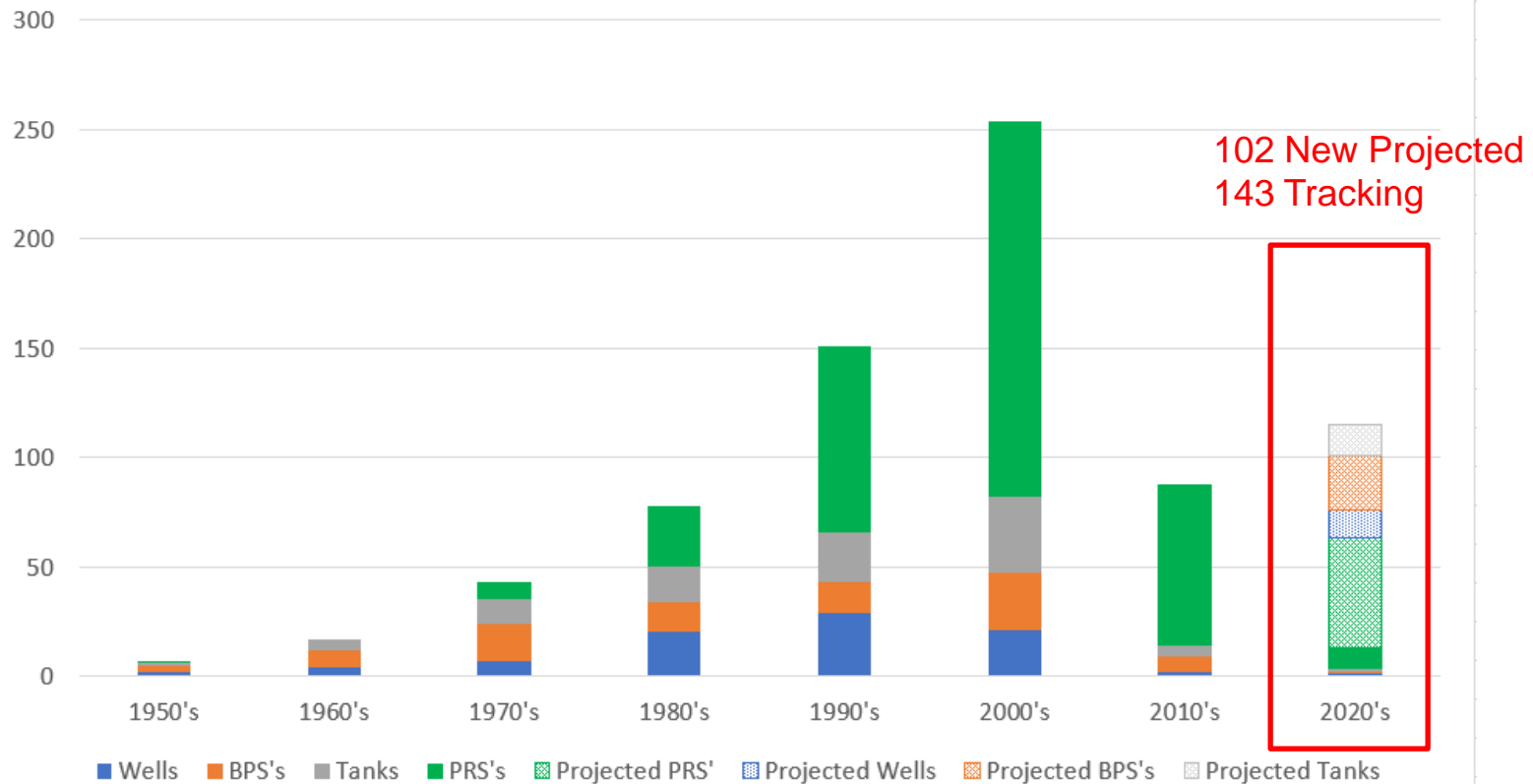
\*Project is funded through an ILA with City of Reno. TMWA's portion is 30% - of that, 95% is Developer Fee Funded and 5% is Grant Funded.



# Truckee Meadows Water Authority (TMWA)

Capital Improvement Plan FY 2025 – 2029 (tentative) *(amounts in millions)*







Tanks / Wells / BPS's By Decade



# Truckee Meadows Water Authority (TMWA)

FY 2025 (Tentative) Budget *(amounts in millions)*

## Summary/Take-aways

- Water Sales 
  - 1.5% increased services
  - 4.5% rate increase
- Operating Expenses 
  - Increase to employee headcount
  - Step increases
  - Inflationary price impacts
- Nonoperating Expenses 
  - Lower interest expense following cash optimization refunding in 2024
  - Higher investment income
- Capital Contributions 
- Net Change in Cash 
  - Consistent with prior year, capital spending will likely be less.
- 5 Year Capital Spending 
  - American Flat APW Facility

**Thank you!**  
Questions?



## STAFF REPORT

**TO:** Board of Directors  
**THRU:** John R. Zimmerman, General Manager  
**FROM:** Dr. Lydia Teel, Emerging Resources Program Administrator  
Dan Nubel, Staff Attorney  
**DATE:** March 20, 2024  
**SUBJECT:** **Discussion and action, and possible authorization for General Manager to sign the Interlocal Agreement between TMWA and the City of Reno for cost-share of wastewater sampling from the Reno Stead Water Reclamation Facility**

---

### SUMMARY

TMWA and the City of Reno (the “City”) seek to equally share the cost of certain water quality instrumentation and laboratory testing performed on wastewater samples collected by the University of Nevada, Reno, from the Reno Stead Water Reclamation Facility (“RSWRF”). This project will mutually benefit the parties by providing additional information regarding source control at the RSWRF. This information will be useful to TMWA because it will capture two years of water quality data of the source water for the American Flat Advanced Purified Water (APW) Facility. This data will provide valuable information for future operations of that Facility. Additionally, assessment of the wastewater source is a required component of receiving a Category A+ permit per NAC 445A.27616.

Under this Agreement (attached), TMWA and the City agree to each pay fifty percent (50%) for the cost of the project. The total cost of the project is not to exceed \$400,000.00. TMWA will be responsible for acquiring any necessary water quality instrumentation and contracting with commercial laboratories to perform the testing. TMWA will then invoice the City as costs accrue for its share of the costs. The work product from this project will consist of lab reports, which will be provided to both the City and TMWA.

### POSSIBLE MOTION

Motion to approve the Interlocal Agreement described in the staff report and authorize the General Manager to sign the contract.

**INTERLOCAL AGREEMENT BETWEEN  
TRUCKEE MEADOWS WATER AUTHORITY AND THE CITY OF RENO**

This Interlocal Agreement (“Agreement”) is made and entered into this day of \_\_\_\_\_, 2024, by and between the Truckee Meadows Water Authority, a joint powers authority under the laws of the State of Nevada (“TMWA”) and the City of Reno, a municipal corporation (“City” and, collectively with TMWA, the “Parties”).

**RECITALS**

**WHEREAS**, NRS 277.180 provides that any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any public agency, entering into the contract, is authorized to perform;

**WHEREAS**, the City and TMWA seek to equally share the cost of certain water quality instrumentation and laboratory testing performed on wastewater samples collected by the University of Nevada, Reno, from the Reno Stead Water Reclamation Facility (the “RSWRF”) for purposes of source control (the “Project”); and

**WHEREAS**, the Project will mutually benefit the Parties by providing additional information regarding source control at the RSWRF;

**NOW, THEREFORE**, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, TMWA and the City agree as follows:

**AGREEMENT**

1. **Parties.** This Agreement is made and entered into between TMWA and the City.
2. **Schedule of Performance.** For the mutual benefit of the Parties, the Project will consist of the purchase of water quality instrumentation and performance of laboratory testing of wastewater samples collected by the University of Nevada, Reno from the RSWRF. This testing is anticipated to provide additional information to the Parties regarding source control at the RSWRF and reduce costs by avoiding purchasing duplicative equipment. Additional information about the Project is included within the Scope of Work attached to this

Agreement as Exhibit "A" and incorporated herein by reference. TMWA will be contracting with any necessary laboratories and/or other contractors, as well as purchasing any equipment required to complete the Project.

3. Cost Share. TMWA and the City both agree to pay fifty percent (50%) each, respectively, for the cost of the Project. The total cost of this Project is not to exceed \$400,000.00.. As costs accrue through the Project, and in no event less than once per quarter, TMWA will invoice the City for its share of those costs. The City agrees to pay these invoices within thirty (30) days of receipt.
4. Work Product. The Work Product from this Project will consist of lab reports, which will be provided to both Parties. Upon completion of the Project, any work generated will be owned by and may be used by either Party.
5. Termination. The Agreement shall automatically terminate upon completion of the Project and the fulfillment of all payment obligations under the Agreement. Additionally, either Party may terminate this Agreement at any time with or without cause upon ninety (90) day advanced written notice to the other Party. However, if TMWA is legally obligated to pay for Project work through a binding contract, the City will pay its fifty percent (50%) share of any binding Project work incurred prior to the termination of this Agreement.
6. Indemnification. Subject to the limitation of chapter 41 of Nevada Revised Statutes, each Party agrees to indemnify, defend and to hold the other Party harmless from and against any liability, including but not limited to, property damage, personal injury or death, proximately caused by the negligent acts or omissions of its officers, agents and employees arising out of the performance of this Agreement.
7. Governing Law. This Agreement shall be interpreted in accordance with the laws of the State of Nevada, County of Washoe. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in the state court situated in Washoe County, Nevada. If either Party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover all reasonable fees and costs incurred, including reasonable attorneys' fees, as determined by the court.
8. Entire Agreement. This Agreement represents the entire understanding of the Parties as to the matters contained herein and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. Since the Parties or their agents have participated fully in preparation of this Agreement, the language of this

Agreement shall be constructed simply, according to its fair meaning, and not strictly for or against any Party. The captions of the various paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

9. Authorization. Each Party represents that all required authorizations have been obtained to execute this Agreement and the compliance with each and every term hereof. Each person signing this Agreement warrants and represents to the other Party that they have actual authority to execute this Agreement on behalf of the Party for whom they sign.
10. Notices. All communications/notices required pursuant to the Agreement shall be given in person or by registered or certified mail, postage prepaid, to the other parties, as follows:

For the City of Reno:

Trina Magoon  
Director of Utility Services  
City of Reno  
PO Box 1900  
Reno, NV 89505

For TMWA:

John Zimmerman  
General Manager  
Truckee Meadows Water Authority  
PO Box 30013  
Reno, NV 89520-3013

11. Miscellaneous. Each Party will cooperate with the other Party to this Agreement and their agents in carrying out their respective responsibilities under this Agreement. Each Party will assist the other Party in communicating with the public regarding the provisions of this Agreement. This Agreement may be amended in writing by mutual consent of the Parties. This Agreement shall not be construed to provide any third-person or entity not a party to this Agreement with any benefits or cause of action arising from the performance of this Agreement.

**SIGNATURES**

CITY OF RENO

ATTEST:

By: \_\_\_\_\_  
Hillary L. Schieve, Mayor

\_\_\_\_\_  
Mikki Huntsman, Reno City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Susan Ball Rothe, Deputy City Attorney

TRUCKEE MEADOWS WATER AUTHORITY

APPROVED AS TO FORM:

\_\_\_\_\_  
John Zimmerman, General Manager

\_\_\_\_\_  
Daniel Nubel, Staff Attorney

STATE OF NEVADA        )

COUNTY OF WASHOE     )

This instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by John Zimmerman, General Manager of the TRUCKEE MEADOWS WATER AUTHORITY, on behalf of said Joint Powers Authority therein named.

\_\_\_\_\_  
Notary Public



## Exhibit A

### **Project Description and Scope**

#### Description

This Project Description addresses the sampling and monitoring activities related to the Reno-Stead Water Reclamation Facility (RSWRF) Sampling Plan for Enhanced Source Control. The RSWRF and its collection system data will be utilized to produce key documents including pollutant prioritization, industrial user characterizations, and enhanced source control mitigation and management strategies.

#### Background

The University of Nevada, Reno's Nevada Water Innovation Institute (NWII) is performing the Enhanced Source Control Project for RSWRF under Western Regional Water Commission (WRWC) funding. NWII's tasks under that contract are to:

- Develop detailed sampling schedules
- Carry out field sampling and monitoring activities
- Perform microbial analysis at UNR's laboratory
- Establish a data management plan
- Prepare final enhanced source control assessment documentation for integration into the final Advanced Purified Water Facility Project Permit Engineering Report and draft A+ permit application

#### Scope

The scope of work for this part of the project, and proposed interlocal agreement between the City of Reno (the "City") and Truckee Meadows Water Authority ("TMWA"), at a 50% cost share each, includes:

- Laboratory testing and analysis on wastewater samples collected at the RSWRF (which are not covered under the WRWC contract with NWII) .
- Water quality sensor and instrumentation purchase and installation for continuous data collection in RSWRF tertiary effluent

Commercial laboratories will contract directly with TMWA. TMWA will manage bottle orders, sample shipments, data receiving and invoicing.



## STAFF REPORT

**TO:** Board of Directors  
**FROM:** John R. Zimmerman, General Manager  
**DATE:** March 11, 2024  
**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*).

Also, listed below are news clippings from February 13, 2024 through March 12, 2024:

- 02/09/24 [PowerPoint Presentation](#) (on the Nevada Center for Water Resiliency at a Water Reuse Conference) WaterReuse
- 02/16/24 [About Dam Time: 100 +Years of the Tahoe Dam](#) Sierra Sun
- 02/19/24 [What is the Difference btw Recycled, Reclaimed, Potable and Non-Potable Water?](#) Turlock Journal
- 02/22/24 [TMWA Board Votes to Increase Water Rates](#) KOLO TV
- 02/22/24 [NOAA-Funded Research Explores New Drought Prediction Models](#) Water World
- 02/22/24 [The Future of California's Drinking Water Will Lean on Recycling](#) Spectrum1
- 02/23/24 [TMWA Approves Gradual Water Rate Hike for Next Three Years](#) KRNV and Fox11
- 02/27/24 [Nevada's Water Innovation: Sustainable Practices for the Desert](#) Newsbreak/Blogger
- 03/02/24 [Climate change, cost and competition for water drive settlement over tribal rights to Colorado River](#) AP News
- 03/04/24 [Impacts of court groundwater decision still a long way off, top regulator says](#) Nevada Current
- 03/04/24 [Sierra Snowpack Jumps 30 Percent After Massive Weekend Storm](#) Nevada Independent
- 03/04/24 [Here's Where Sierra Reservoirs Stand After the Weekend's Storm](#) RGJ
- 03/05/24 [Snowpack Significantly Increases Water Supply](#) KTVN
- 03/05/24 [March Snow Survey Shows Improvement for Sierra Snowpack](#) CDWR
- 03/06/24 [Lower Colorado River States Submit Competing Conservation Plan](#) The Hill
- 03/06/24 [UNR Report: How Climate Change Hurts Northern Nevada](#) KOLO TV
- 03/07/24 [Improvement in Reno's Drought Outlook](#) Drought.gov
- 03/07/24 [Sierra Snowpack Turns Around After Blizzard](#) Newsweek
- 03/07/24 [Winter Storms Help Snow Drought Across Parts of the West](#) The Hill
- 03/10/24 [NC Beer Made with Recycled Waste Water](#) WRAL



## STAFF REPORT

**TO:** Board of Directors  
**THRU:** John R. Zimmerman, General Manager  
**FROM:** Bill Hauck, Water Supply Supervisor  
**DATE:** March 11, 2024  
**SUBJECT:** **March 2024 Water Operations Report**

---

### SUMMARY

- A massive winter storm system rolled through the Sierra Nevada over the last day of February into first few days of March boosting snowpack to normal or better levels.
- As a result, normal Truckee River flows can be expected for the foreseeable future due to the significant amount of upstream reservoir storage already in place, and the improved projections for runoff this spring.
- This means normal water supply operations for TMWA for at least the next 2-3 years.
- Lake Tahoe is currently 81% full.
- Total combined Truckee River reservoir storage is currently 78% of capacity.
- Hydroelectric generation for February 2024 was \$292,074 (@ 3,851 MWh).

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

- **River Flows** - Truckee River discharge at the CA/NV state line was about 465 cubic feet per second (CFS) this morning. This is about 90% of normal due to TROA operations as the 115-year median daily discharge for this day at Farad is 513 CFS.
- **Reservoir Storage** - Overall Truckee River reservoir storage is ~78% of capacity. The elevation of Lake Tahoe is 6227.94 feet (~1.16' from full). Storage values for each reservoir as of March 11<sup>th</sup> are as follows:

<b>Reservoir</b>	<b>Current Storage (Acre-Feet)</b>	<b>% Capacity (Percent)</b>
Tahoe	601,900	81%
Boca	5,874	14%
Stampede	198,574	88%
Prosser	6,960	23%
Donner	3,712	39%
Independence	14,708	84%

In addition to the 18,418 acre-feet of storage between Donner and Independence reservoirs, TMWA also has about 12,382 acre-feet of water stored between Stampede and Boca reservoirs under the terms of TROA. TMWA’s total combined upstream reservoir storage as of this writing is approximately 30,800 acre-feet.

- **Outlook** - A significant winter storm over the first several days of March boosted Sierra snowpack levels to just about normal for this time of year. The water content of the snowpack in the Lake Tahoe Basin rose from 73% of normal to ~100% of normal over the span of just three days (Feb 29<sup>th</sup> - March 3<sup>rd</sup>). Many upper elevation sites within the watershed received 10 or more inches of precipitation, and even the lower elevation sites saw 5-6 inches or more of precipitation. As such, the regional water supply outlook has gone from extremely good to excellent as all upstream reservoirs on the Truckee River system are projected to fill by this summer (including Lake Tahoe). This means that normal Truckee River flows can be expected for the next 2-3 years, through at least 2025. The state of the region’s water supply could not be better than it is right now.

**(B) Water Production**

- **Demand** - TMWA customer consumption has been averaging about thirty-eight (38) million gallons per day (MGD). Surface water made up 93% of the supply, and groundwater pumping the other 7% last week. About 4 MGD is being recharged back into the aquifer.

**(C) Hydro Production**

**Generation** - The average flow in the Truckee River at Farad (CA/NV state line) during the month of February was 389 CFS. The Fleish hydroelectric plant was on-line all month and 100% available. Both Verdi and Washoe power plants were 97% available.

Statistics and generation for the month are as follows:

<b>Plant</b>	<b>Generation Days</b>	<b>% Availability</b>	<b>Generation (Megawatt Hours)</b>	<b>Revenue (Dollars)</b>	<b>Revenue (Dollars/Day)</b>
Fleish	29	100%	1,736	\$130,130	\$4,487
Verdi	29	97%	1,292	\$ 98,501	\$3,397
Washoe	29	97%	823	\$ 63,443	\$2,188
<b>Totals</b>	<b>87</b>	<b>-</b>	<b>3,851</b>	<b>\$292,074</b>	<b>\$10,154</b>



## STAFF REPORT

**TO:** Chairman and Board Members  
**THRU:** John R. Zimmerman, General Manager  
**FROM:** Eddy Quaglieri, Water Rights Manager  
**DATE:** March 6, 2024  
**SUBJECT:** **Water Resources and Annexation Activity Report**

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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		3,210.67AF
Purchases of water rights	159.99 AF	
Refunds	0.00 AF	
Sales	-0.87 AF	
Adjustments	0.00 AF	
Ending Balance		3,369.79 AF

Price per acre foot at report date: \$7,900

### 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		7,354.34 AF
Committed water rights	- AF	
Ending Balance		7,354.34 AF

Price per acre foot at report date: \$45,753.75 (SFR and MFR); \$39,690 (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, there have been 0 acres annexed into TMWA's service area.

**INTERRUPTIBLE LARGE VOLUME NON-POTABLE SERVICE**

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



## **STAFF REPORT**

**TO:** Board of Directors  
**THRU:** John R. Zimmerman, General Manager  
**FROM:** Marci Westlake, Manager Customer Service  
**DATE:** March 20, 2024  
**SUBJECT:** **February Customer Service Report**

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The following is a summary of Customer Service activity for February 2024

### **Ombudsman Report – Kim Mazeris**

- Customer left a voicemail stating that she did not understand her bill, customer service manager called customer to discuss the bill and they determined that she had overpaid in January which left a credit on the February bill.

### **Communications – Public Outreach – February**

- Will Raymond had a tour for Chalk Bluff and TMWA operations for the Society of Women Engineers and 13 people attended.
- Will Raymond had a tour for Chalk Bluff and TMWA operations for UNR/Osher Lifelong Learning and 25 people attended.
- Will Raymond had a tour for Chalk Bluff and TMWA operations for the Sierra Club and 20 people attended.
- Lydia Teel and Robert Charpentier had a presentation for TMWA and American Flat APWF and 17 people attended.

### **Conservation (2024 Calendar year)**

- 79 Water Usage Reviews
- 38 Water Watcher Contacts

### **Customer Calls – February**

- 5,367 phone calls handled.
- Average handling time 4 minutes 48 seconds per call.
- Average speed of answer :14 seconds per call.

**Billing – February**

- 137,403 bills issued.
- 58,260 customers (42%) have signed up for paperless billing to date, which equates to an annual savings of \$ 419,472.00.

**Remittance – February**

- 14,861 Mailed-in payments
- 21,388 Electronic payments
- 51,526 Payments via AutoPay (EFT)
- 15,053 One-time bank account payments
- 96 Store payments
- 769 Pay by Text
- 3,902 IVR Payments
- 670 Reno office Payments
- 18 Kiosk Payments

**Collections – February**

- 14,284 accounts received a late charge.
- 2,236 Mailed delinquent notices, 0.01% of accounts.
- 548 accounts eligible for disconnect.
- 465 accounts were disconnected. (Including accounts that had been disconnected-for-non-payment that presented NSF checks for their reconnection)
- 0.23% write-off to revenue.

**Meter Statistics – Fiscal Year to Date**

- 4,261 Meter exchanges completed.
- 1,144 New business meter sets completed.