



AGENDA
TRUCKEE MEADOWS WATER AUTHORITY
Board of Directors
Wednesday, February 19, 2025 at 10:00 a.m.
Sparks Council Chambers, 745 4th 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_RtYZbslqldTYlbUf_eHiyLK2VIw.GjiPvgdr9D35cFrr

Passcode: 771487

Or call:

Phone: (888) 788-0099

Webinar ID: 891 1051 2999

Board Members

Chair Naomi Duerr – City of Reno
Paul Anderson – City of Sparks
Kathleen Taylor – City of Reno
Dian VanderWell – City of Sparks

Vice Chair Clara Andriola – Washoe County
Alexis Hill – Washoe County
Miguel Martinez – 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) or by email sent to 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. To request to speak, please use the “raise hand” feature or, if on the phone, press *9 to “raise your hand” and *6 to unmute/mute your microphone.

¹ 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 January 15, 2025 meeting of the TMWA Board of Directors (**For Possible Action**)
7. Water Supply Update — Bill Hauck* (**5min**)
8. Discussion and possible action, and direction to staff regarding 2025 legislative activities, current bills, and TMWA recommended positions on legislative proposals — Dan Nubel and Leo Drozdoff (**For Possible Action**) (**10min**)
9. Discussion and action on selection of Eide Bailly as TMWA’s external auditor for fiscal years 2025, 2026, and 2027 — Sophie Cardinal (**For Possible Action**) (**5min**)
10. Presentation of Fiscal Year 2025 Q2 year-to-date financial results — Matt Bowman* (**10min**)
11. Presentation regarding TMWA public fire hydrant maintenance program — Dave Mothershead and Ryan Dixon* (**10min**)
12. PUBLIC HEARING ON RULE AMENDMENTS
 - A. Public comment — limited to no more than three minutes per speaker*
 - B. Rule Amendment, Second Hearing, Public Hearing: Discussion and possible action on Resolution No. 331: A resolution to adopt potential amendments to TMWA Rule 5 Water System Facilities, Rule 6 Service Meter Facilities, Rule 8 Dispute Resolution, and Rule 10 Special Conditions and Programs — Dan Nubel (**For Possible Action**) (**10min**)
 - C. Public comment — limited to no more than three minutes per speaker*

CLOSE PUBLIC HEARING

13. Discussion and action on nomination and appointments of Trustee(s) to the Western Regional Water Commission (WRWC) from the TMWA Board of Directors for the following positions for new two year terms from April 1, 2025 to March 31, 2027:
 - A) Pursuant to Sec.25(3)(a) of the WRWC Act from the following list of qualified persons: Kathleen Taylor.
 - B) Pursuant to Sec.25(3)(b) of the WRWC Act from the following list of qualified persons: Paul Anderson.
 - C) Pursuant to Sec.25(3)(c) of the WRWC Act from the following list of qualified persons: Alexis Hill.
 - D) Pursuant to Sec. 25(4) of the WRWC Act representing TMWA as successor to South Truckee Meadows General Improvement District from the following list of qualified persons: Brandi Anderson, Meghan Ebert, Devon Reese, Hillary Schieve, Michael Clark,

¹ 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.

Mariluz Garcia, Jeanne Herman, Donald Abbott, Charlene Bybee, Ed Lawson, and Joe Rodriguez.

— Sonia Folsom **(For Possible Action) (5min)**

14. General Manager's Report* **(5min)**
15. Public comment — limited to no more than three minutes per speaker*
16. Board comments and requests for future agenda items*
17. Adjournment **(For Possible Action)**

¹. 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.

TRUCKEE MEADOWS WATER AUTHORITY
DRAFT MINUTES OF THE JANUARY 15, 2025
MEETING OF THE BOARD OF DIRECTORS

The Board of Directors met on Wednesday, January 15, 2025 at Sparks Council Chambers. Chair Duerr called the meeting to order at 10:04 a.m.

1. ROLL CALL

Directors Present: Paul Anderson, Clara Andriola, Naomi Duerr, Miguel Martinez, and Kathleen Taylor.

Director Absent: Alexis Hill.

A quorum was present.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Director Taylor.

Chair Duerr welcomed newly appointed Board members, Miguel Martinez and Kathleen Taylor appointed by Reno City Council.

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

6. APPROVAL OF THE MINUTES OF THE DECEMBER 12, 2024 MEETING OF THE TMWA BOARD OF DIRECTORS

Upon motion by Director Andriola, second by Director Anderson, which motion duly carried three to two, with Directors Martinez and Taylor abstaining, the Board approved the December 12, 2024 minutes.

7. WATER SUPPLY UPDATE

Bill Hauck, TMWA Water Supply Supervisor, informed the Board that the Truckee River Basin snowpack remains at or near the 30-year median; Truckee River natural flow projection will be around 96% normal; upstream drought storage is in good condition; and the water supply outlook is positive, with sufficient river flows into 2025 and 2026 projected.

The Board inquired about atmospheric river events, lake elevation changes, and the significance of Floriston Rates for the local watershed. Bill emphasized that while winter's precipitation could still fluctuate, our reservoir storage and overall supply remain in good shape.

8. PRESENTATION REGARDING WATER SYSTEM PRESSURE STANDARDS AND TMWA'S SYSTEM

Danny Rotter, Assistant General Manager, and Will Raymond, Operations Director, provided an in-depth presentation on TMWA's water pressure zones. TMWA oversees 279 distinct pressure zones, managed via 118 pump stations, 97 storage tanks, 380 pressure-regulating stations, and approximately 100 wells. Mr. Rotter and Mr. Raymond explained how TMWA coordinates with local fire agencies to ensure fire flows remain stable during emergencies. In addition, since 2019, TMWA has budgeted for seasonal leases of generators and is looking to purchase them to permanently install them at key sites.

The Board thanked staff for their explanation and continuous efforts.

9. UPDATE ON 2024 INTERIM SESSION AND DISCUSSION AND ACTION ON ESTABLISHING A LEGISLATIVE SUBCOMMITTEE FOR THE 2025 LEGISLATIVE SESSION AND APPOINTMENT OF BOARD MEMBERS TO SUBCOMMITTEE

Dan Nubel, Staff Attorney, updated the Board on legislative activities ahead of the start of the 2025 Legislative Session.

Upon motion by Director Andriola, second by Director Taylor, which motion duly carried by unanimous consent of the Directors present, the Board approved the appointments of Naomi Duerr, Paul Anderson, and Alexis Hill as primary members, and Clara Andriola and Kathleen Taylor as alternates, to the legislative subcommittee.

10. PUBLIC HEARING ON RULE AMENDMENTS

A. PUBLIC COMMENT — LIMITED TO NO MORE THAN THREE MINUTES PER SPEAKER*

There was no public comment.

B. INTRODUCTION AND FIRST READING OF AMENDMENTS TO TMWA RULE 5 WATER SYSTEM FACILITIES, RULE 6 SERVICE METER FACILITIES, RULE 8 DISPUTE RESOLUTION, AND RULE 10 SPECIAL CONDITIONS AND PROGRAMS

Mr. Nubel presented the red-lined amendments to Rules 5, 6, 8 and 10.

C. PUBLIC COMMENT — LIMITED TO NO MORE THAN THREE MINUTES PER SPEAKER*

There was no public comment.

CLOSE PUBLIC HEARING

Upon motion by Director Anderson, second by Director Martinez, which motion duly carried by unanimous consent of the Directors present, the Board approved recommending to second reading of proposed amendments to TMWA Rule 5 Water System Facilities, Rule 6 Service Meter Facilities, Rule 8 Dispute Resolution, and Rule 10 Special Conditions and Programs.

11. PRESENTATION OF TRUCKEE RIVER FUND ACTIVITIES FOR CALENDAR YEAR 2024

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

Director Taylor inquired how recipients are notified of the grant cycle and what the match was for funding requests. Ms. Folsom replied that the program manager at the Northern Nevada Community Foundation has a list of recipients she emails at the beginning of each cycle and the match is 25%.

12. APPOINTMENT OF TRUSTEE TO THE WESTERN REGIONAL WATER COMMISSION (WRWC) PURSUANT TO SEC.25(3)(A) OF THE WRWC ACT REPRESENTING TMWA FROM THE FOLLOWING LIST OF QUALIFIED PERSONS TO FILL THE REMAINING TERM ENDING MARCH 31, 2025 VACATED BY MEMBER JENNY BREKHUS: KATHLEEN TAYLOR

Ms. Folsom presented the staff report.

Upon motion by Director Andriola, second by Director Martinez, which motion duly carried by unanimous consent of the Directors present, the Board approved the appointment of Kathleen Taylor to the Western Regional Water Commission to fill the remaining term ending Mar 31, 2025 vacated by Director Brekhus.

13. GENERAL MANAGER’S REPORT

John Zimmerman, General Manager, recognized staff and their swift deployment of portable generators and constant monitoring of the water system during emergencies, and consistent coordination with NV Energy and local fire departments in protecting public safety. Finally, all Board members will receive a copy of the book *Purified*, an overview of indirect and direct potable reuse projects across the country; insights that will be beneficial in regard to the American Flat project.

In addition, Mr. Zimmerman expressed his support for those water utilities involved with the LA fires and our thoughts and prayers to everyone affected by them.

Director Anderson inquired about TMWA’s aquifer recharge. Mr. Zimmerman replied that aquifer storage and recovery program is important for TMWA’s water supply. It is treated Truckee River water used to recharge the groundwater table so it can be relied on during peak demand and droughts.

14. PUBLIC COMMENT

There was no public comment.

15. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

Director Anderson requested an update on TMWA’s aquifer storage and recovery program.

Chair Duerr requested an analysis of TMWA’s water use and potentially prioritizing low-water users or penalizing high-water users and an update on the status of the private water system serving the River Oak community and their options for TMWA water service.

16. ADJOURNMENT

With no further discussion, Chair Duerr adjourned the meeting at 11:37 a.m.

Approved by the TMWA Board of Directors in session on _____.

Sonia Folsom, Board Clerk.

Water Supply Update

Board of Directors Meeting

February 19, 2025



**Truckee Meadows
Water Authority**

Quality. Delivered.

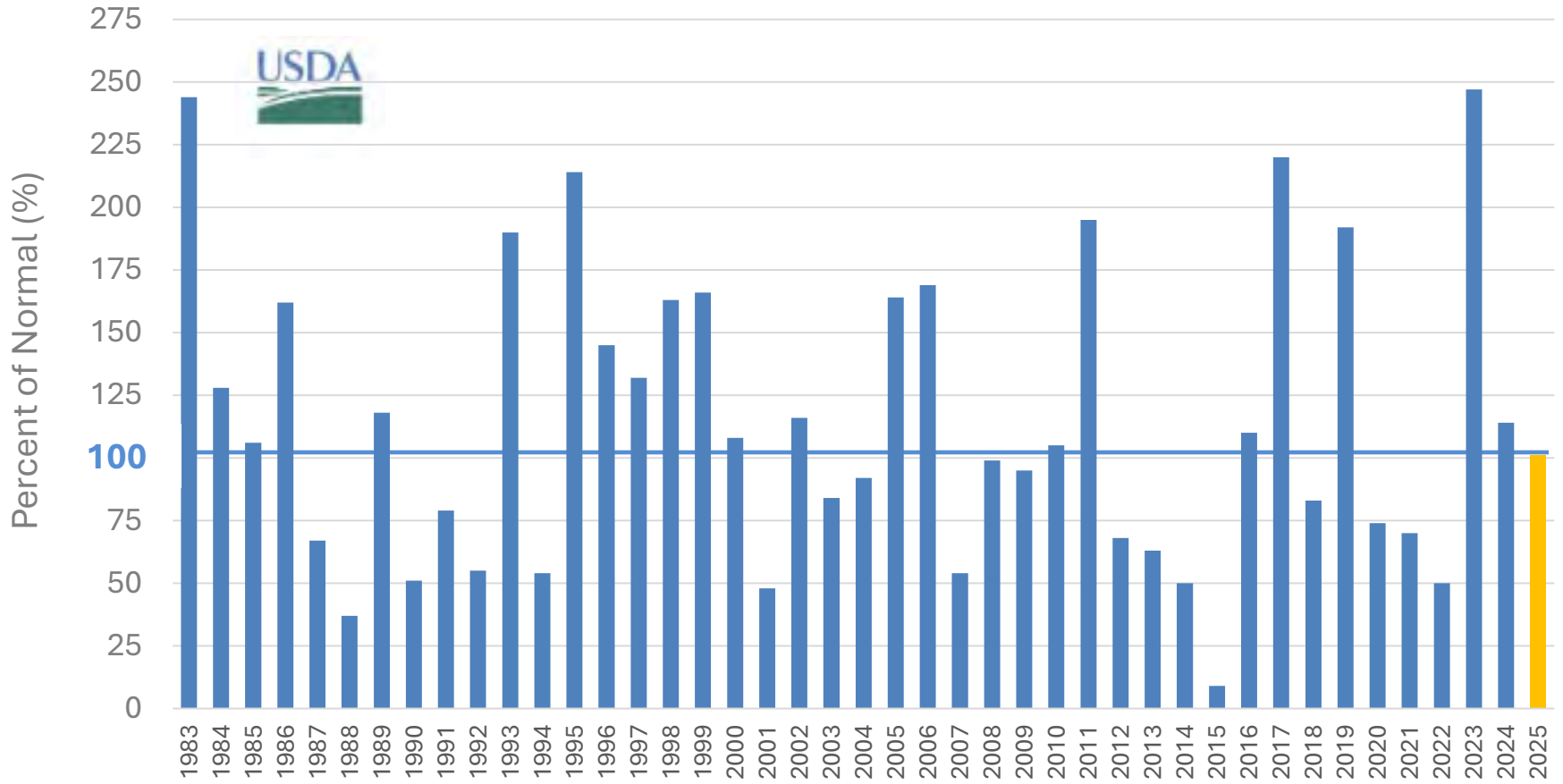


DANGER
DROWNING HAZARD
UNGUARDED & STRONG CURRENT
NO SWIMMING, TUBING
BOATING OR FISHING

Donner Lake PTZ

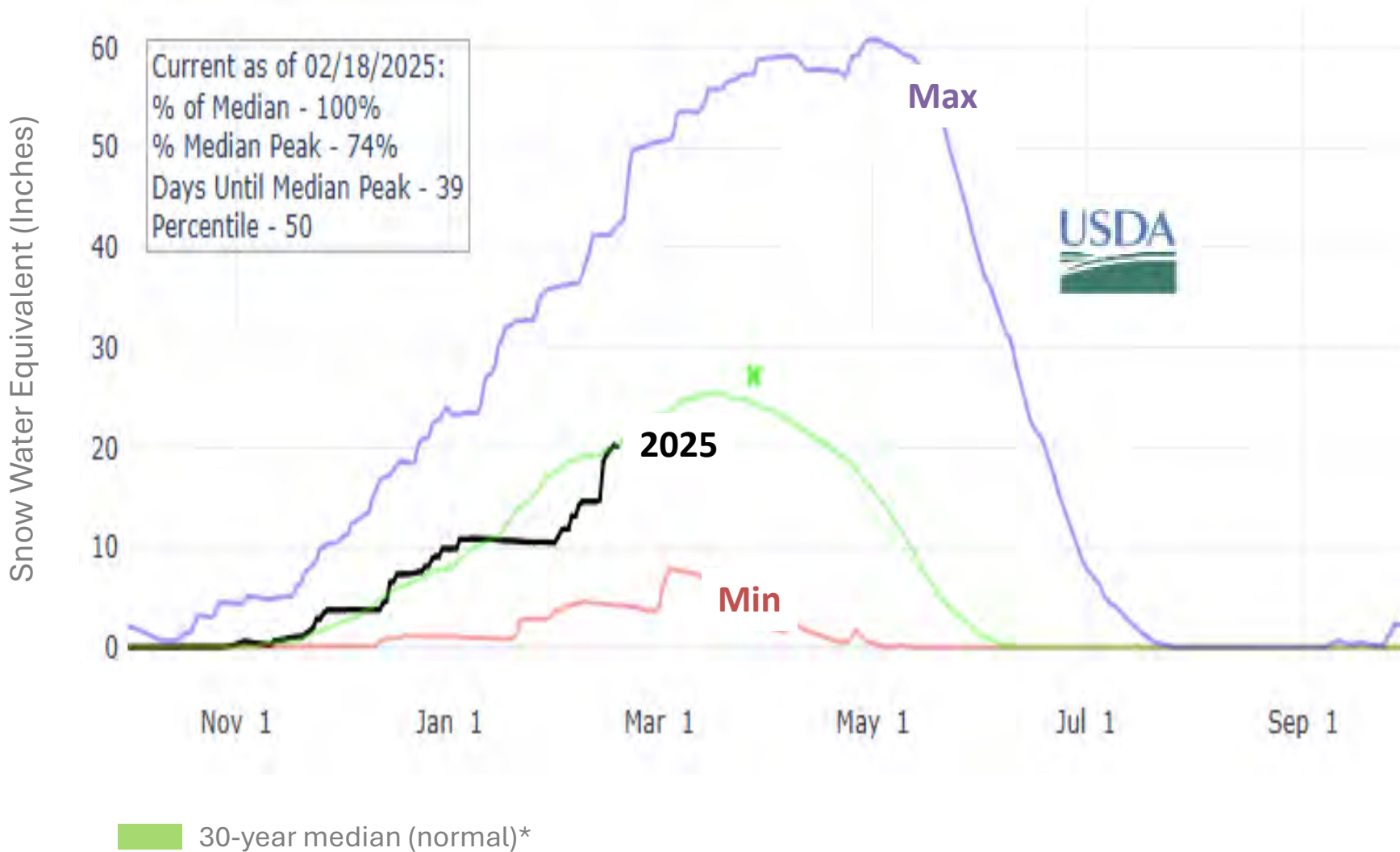
02/18/2025 12:3

April 01 Lake Tahoe Basin Snow Water Equivalent (NRCS)

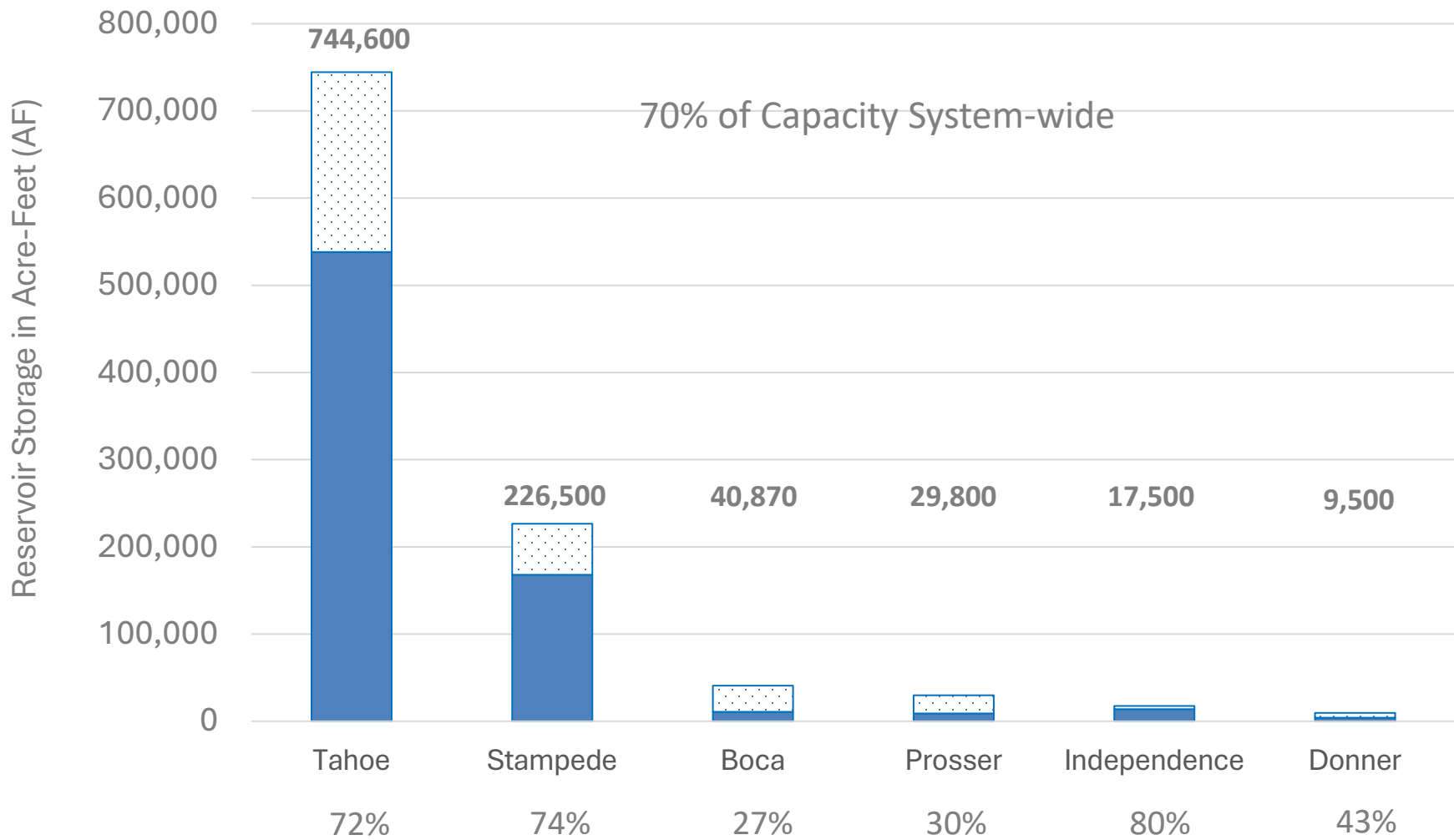


as of 02/18/2025*

Lake Tahoe Basin Snowpack Comparison (SWE)



Truckee River System Storage (Feb 18, 2025)



NRCS Projected Streamflow Forecast (as of 2/18/25)

- Lake Tahoe Gates Closed Rise (30-yr median GCR = 1.16’):

2.40’ (207% Avg.) 05% COE (Apr-High)

1.20’ (103% Avg.) 50% COE (Apr-High)

0.55’ (47% Avg.) 95% COE (Apr-High)

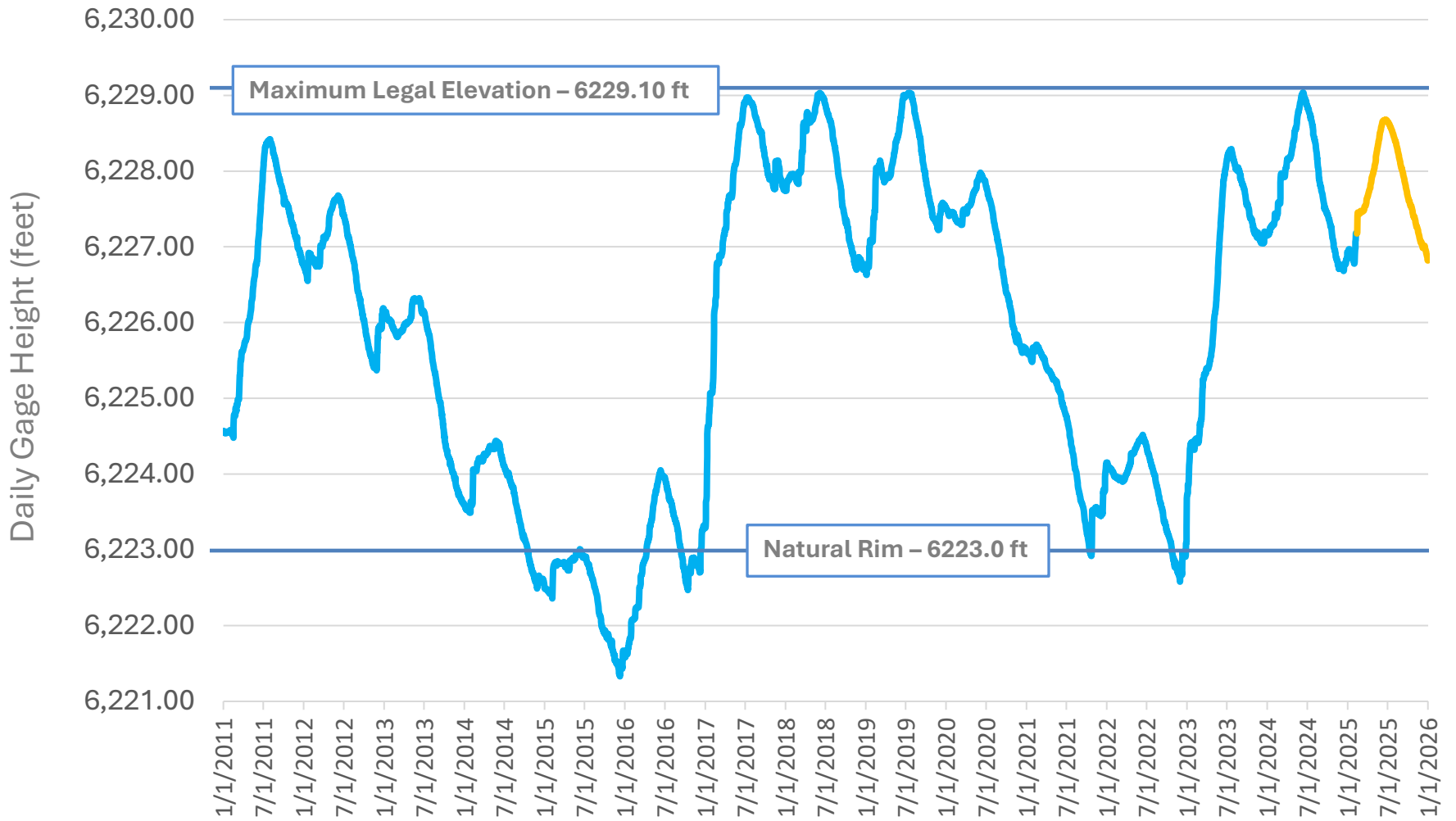
- Truckee River at Farad, CA (30-yr median A-J = 225 KAF):

370 KAF (164% Avg.) 05% COE (Apr-Jul)

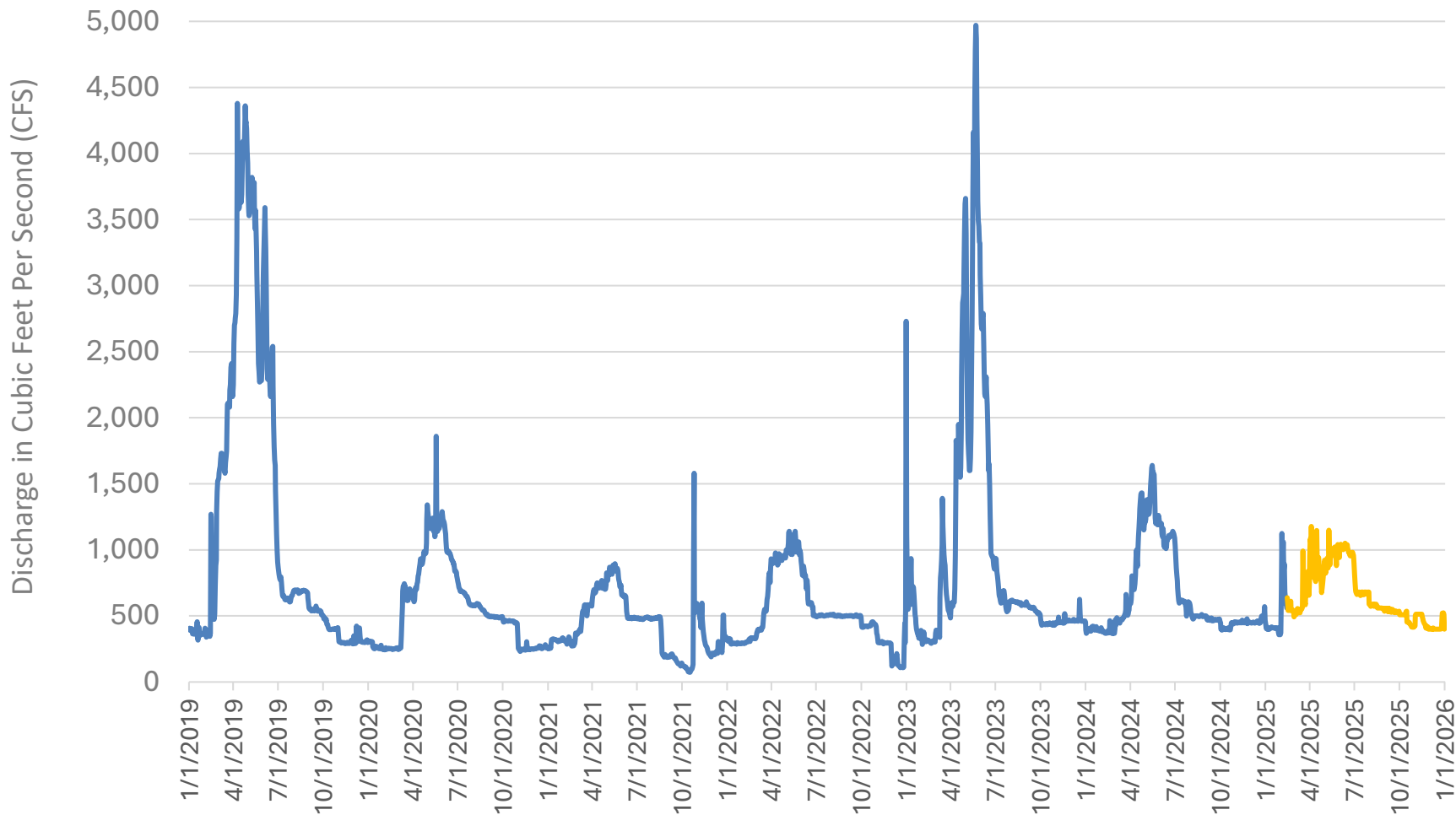
230 KAF (102% Avg.) 50% COE (Apr-Jul)

120 KAF (53% Avg.) 95% COE (Apr-Jul)

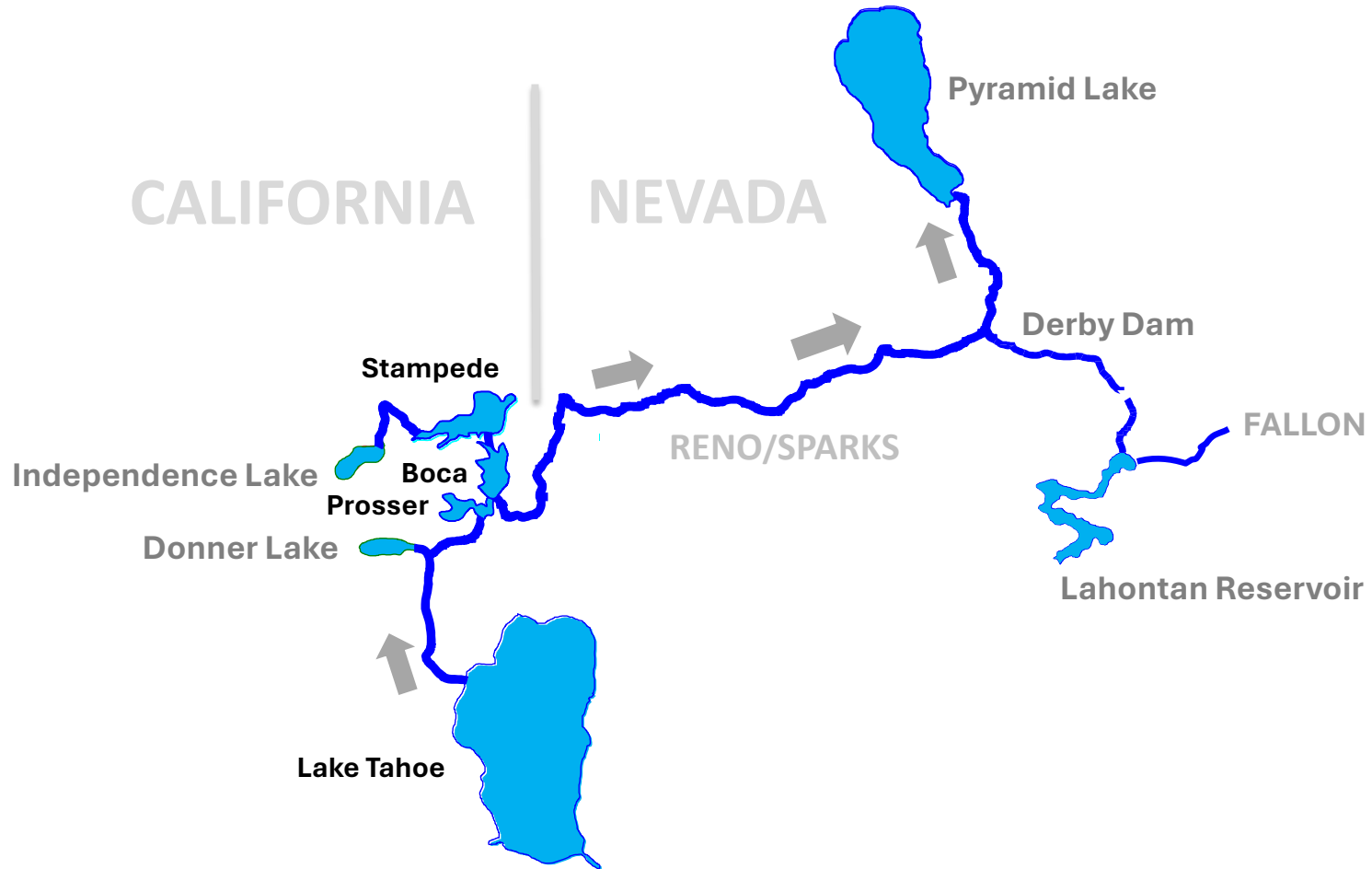
Lake Tahoe Elevation Actual and Projected (2011-2025)



Actual and Projected Truckee River Flow through 2025 @ CA/NV State Line



Truckee River System










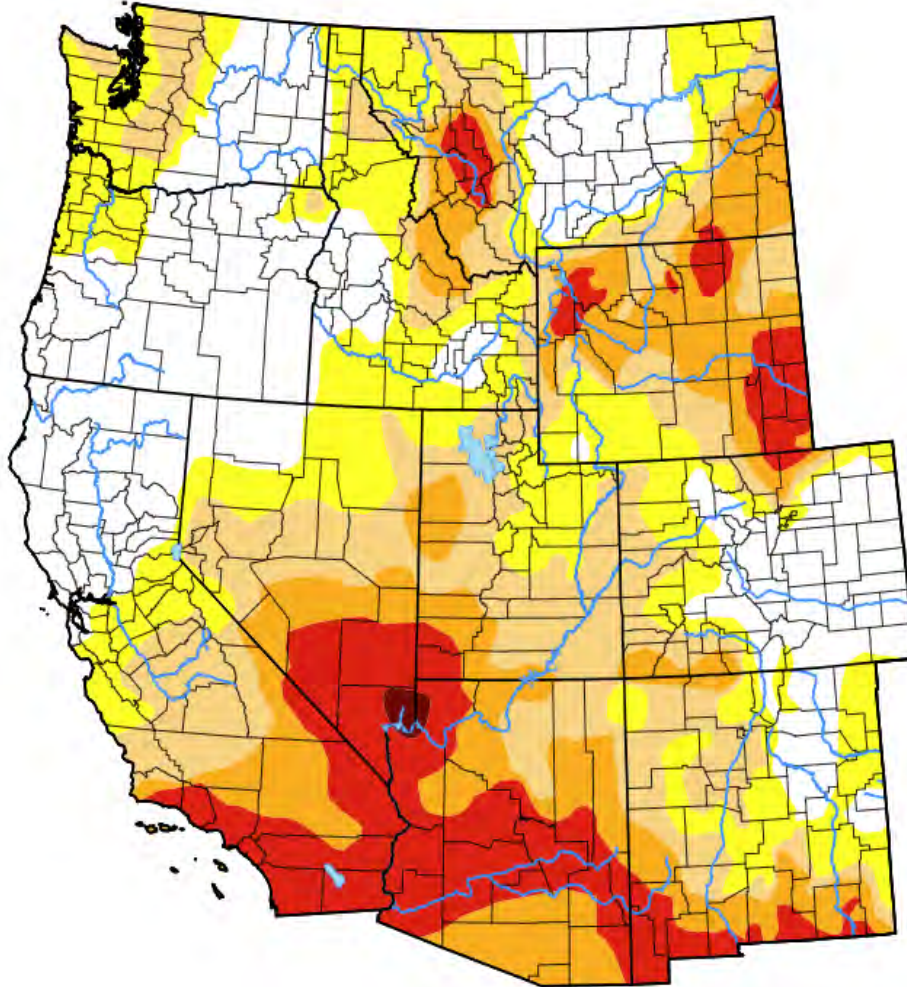
U.S. Drought Monitor

Map released: Thurs. February 13, 2025

Data valid: February 11, 2025 at 7 a.m. EST

Intensity

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



The U.S. Drought Monitor is produced through a partnership between the National Drought Mitigation Center at the University of Nebraska-Lincoln, the United States Department of Agriculture and the National Oceanic and Atmospheric Administration.

National Drought Mitigation Center
University of Nebraska-Lincoln

NOAA 10-day Precipitation Outlook

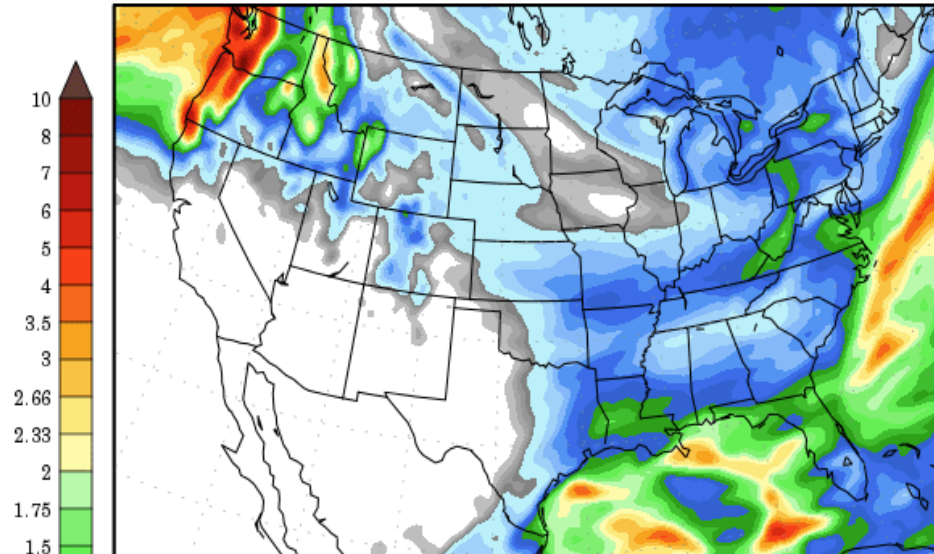


Precipitation (in)
during the period:

???, 18 FEB 2025 at 00Z

-to-

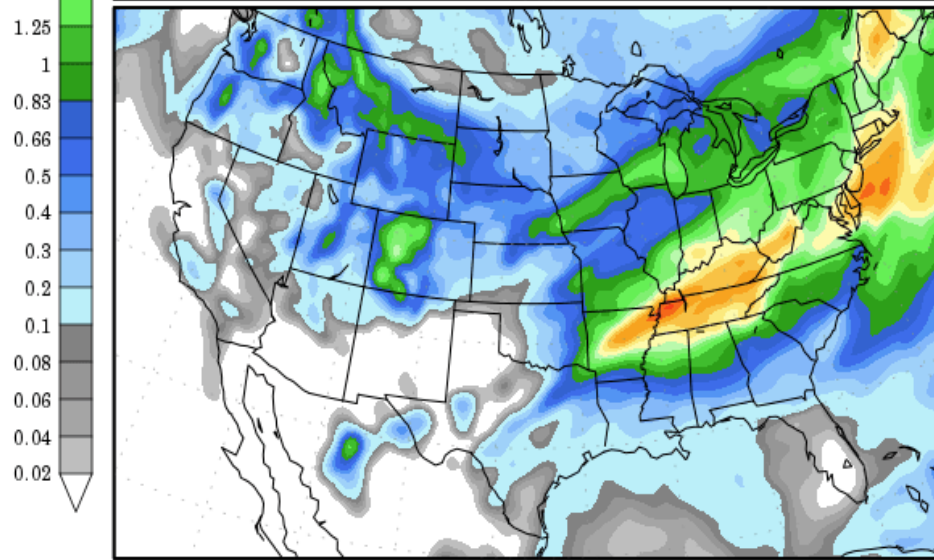
???, 26 FEB 2025 at 00Z



???, 26 FEB 2025 at 00Z

-to-

???, 06 MAR 2025 at 00Z





Thank you!
Questions?

Bill Hauck, Water Supply Supervisor
Email: bhauck@tmwa.com
O: (775) 834-8111 M: (775) 516-0601



STAFF REPORT

TO: Chair and Legislative Subcommittee Members
THRU: John R. Zimmerman, General Manager
FROM: Dan Nubel, Staff Attorney
DATE: February 10, 2025
SUBJECT: **Discussion and possible action and direction to staff regarding 2025 legislative activities, current bills, and TMWA recommend positions on legislative proposals**

SUMMARY

The Legislative session began on February 3rd. Staff and TMWA Government Affairs Consultant, Leo Drozdoff, have reviewed the bills that have been released to date and attached is a list of bills and staff’s recommended positions. On February 7, 2025, staff overviewed the attached list of bills with the Legislative Subcommittee.

At the Board meeting, TMWA staff and lobbyist will provide an update regarding the Session and a summary of the significant bills on which the Legislative Subcommittee recommends TMWA support or oppose.

Detailed below are key deadlines for this session.

Key 2025 Legislative Deadlines:

- February 3 Session Begins
- February 10 Legislators’ BDR Requests
- March 17 Legislators’ Bill Introductions
- March 24 Committees’ Bill Introductions
- April 11 Committee Passage (1st House)
- April 22 First House Passage
- May 16 Committee Passage (2nd House)
- May 23 Second House Passage
- June 2 Session Ends

RECOMMENDED MOTION

Staff recommends the Board act to support the positions in the attached bill list.

Recommended motion: I move to support the TMWA positions shown in the bill list, and specifically to support AB 104.

ASSEMBLY BILLS

Truckee Meadows Water Authority - Legislation Tracker					
Bill	Description	Sponsor(s)	Status	Tags	Notes
AB9	Revises provisions governing the temporary conversion of agricultural water. (BDR 48-391)	Committee on Natural Resources	Natural Resources	Water Rights	Monitor
AB33	Creates the Nevada Office of the Inspector General. (BDR 18-435)	Committee on Government Affairs	Government Affairs	Financial, Risk Management	Monitor
AB40	Revises various provisions relating to environmental hazards. (BDR 46-265)	Committee on Natural Resources	Natural Resources	Emergency Management, Natural Resources, Water Quality, NDEP	Monitor
AB43	Revises provisions relating to public works. (BDR 28-465)	Committee on Government Affairs	Government Affairs	Public Works	Monitor
AB44	Prohibits manipulating the price of an essential good or service in this State. (BDR 52-503)	Committee on Commerce and Labor	Commerce and Labor	Financial, Risk Management	Monitor
AB51	Revises provisions relating to public records. (BDR 19-430)	Committee on Government Affairs	Government Affairs	Open Meeting, Records	Monitor
AB57	Revises provisions relating to the Nevada Intrastate Mutual Aid System. (BDR 36-263)	Committee on Government Affairs	Government Affairs	Emergency Management, Natural Resources	Monitor
AB61	Authorizes the Regional Transportation Commission of Washoe County or any local government within Washoe County to establish a demonstration project for a certain toll road. (BDR 43-468)	Committee on Growth and Infrastructure	Growth and Infrastructure	Public Works	Monitor
AB64	Revises provisions relating to public meetings. (BDR 19-445)	Committee on Government Affairs	Government Affairs	Boards, Elections	Monitor
AB70	Revises provisions related to energy. (BDR 58-454)	Committee on Growth and Infrastructure	Revenue	Energy	Monitor
AB72	Revises provisions relating to notaries public and document preparation services. (BDR 19-485)	Committee on Government Affairs	Government Affairs	Open Meeting, Records	Monitor
AB80	Establishes provisions relating to soil health. (BDR 49-387)	Committee on Natural Resources	Natural Resources	Natural Resources	Monitor
AB92	Revises provisions relating to elections. (BDR 24-101)	Assemblymembers Dickman, Gray, DeLong and O'Neill; Senator Titus	Legislative Operations and Elections	Boards, Elections, Property	Monitor
AB94	Revises provisions relating to public works. (BDR 28-193)	O'Neill	Government Affairs	Public Works	Monitor
AB96	Revises provisions relating to master plans. (BDR 22-397)	Committee on Government Affairs	Government Affairs	Governance, Natural Resources	Monitor
AB104	Revises provisions relating to water. (BDR 48-383)	Committee on Natural Resources	Natural Resources	Water Quality, NDEP, Water Rights	Support
AB109	Revises provisions relating to water. (BDR 48-212)	La Rue Hatch	Natural Resources	Water Quality, NDEP, Water Rights	Monitor
AB120	Provides for the review of certain regulations by the Legislature. (BDR 18-882)	Kasama	Government Affairs	Governance	Monitor
AB128	Creates the Office of Public Records Ombudsman in the Executive Department of State Government. (BDR 19-400)	Committee on Government Affairs	Government Affairs	Open Meeting, Records	Monitor
AB132	Revises provisions relating to water. (BDR 48-586)	Yurek	Natural Resources	Water Rights	Monitor
AB133	Revises provisions governing public financial administration. (BDR 20-537)	Gurr	Government Affairs	Financial, Risk Management	Monitor
AB134	Establishes provisions relating to water conservation. (BDR 48-379)	Committee on Natural Resources	Natural Resources	Natural Resources	Monitor
AB154	Creates the Nevada Office of the Inspector General. (BDR 18-334)	Miller	Government Affairs	Financial, Risk Management	Monitor

SENATE BILLS

Bill	Description	Sponsor(s)	Status	Tags	Notes
SB2	Revises provisions relating to collective bargaining. (BDR 23-417)	Committee on Government Affairs	Government Affairs	HR	Monitor
SB3	Revises provisions relating to public contracts. (BDR 27-431)	Committee on Government Affairs	Government Affairs	Public Works	Monitor
SB6	Makes an appropriation to the Desert Research Institute of the Nevada System of Higher Education to support the Nevada State Cloud Seeding Program. (BDR S-389)	Committee on Natural Resources	Natural Resources	Natural Resources	Monitor
SB16	Revises provisions relating to contractors. (BDR 54-254)	Committee on Commerce and Labor	Commerce and Labor	Public Works	Monitor
SB19	Authorizes the Governor to enter into certain interstate fire compacts. (BDR 47-381)	Committee on Natural Resources	Natural Resources	Natural Resources	Monitor
SB21	Revises provisions relating to outdoor recreation. (BDR 35-266)	Committee on Natural Resources	Natural Resources	Natural Resources	Monitor
SB36	Establishes provisions relating to the conservation of groundwater. (BDR 48-384)	Committee on Natural Resources	Natural Resources	Natural Resources	Monitor
SB39	Revises provisions relating to emergency management. (BDR 36-269)	Committee on Government Affairs	Government Affairs	Emergency Management	Monitor
SB43	Revises provisions relating to environmental protection. (BDR 40-264)	Committee on Health and Human Services	Health and Human Services	Natural Resources	Monitor
SB48	Revises provisions relating to planning and zoning. (BDR 22-413)	Committee on Government Affairs	Government Affairs	Property	Monitor
SB61	Revises provisions relating to the powers and duties of certain cities relating to the annexation and detachment of territory. (BDR 21-467)	Committee on Government Affairs	Government Affairs	Public Works	Monitor
SB67	Revises provisions relating to certain actions and proceedings. (BDR 3-447)	Committee on Judiciary	Judiciary	Financial, Risk Management	Monitor
SB71	Revises provisions relating to purchasing. (BDR 27-366)	Committee on Government Affairs	Government Affairs	Public Works	Monitor
SB78	Revises provisions relating to boards, commissions, councils and similar bodies. (BDR 18-301)	Committee on Revenue and Economic Development	Government Affairs	Boards, Elections	Monitor
SB94	Exempts the State of Nevada from provisions of federal law relating to daylight saving time. (BDR 19-25)	Titus	Commerce and Labor	Governance	Monitor
SB132	Makes an appropriation to the Nevada Clean Energy Fund for securing and implementing grants for qualified clean energy projects. (BDR S-593)	Nguyen	Finance	Natural Resources	Monitor
SB301*	Revises provisions governing public works. (BDR 28-967)	Senators Lange, Doñate, Spearman, Daly, Flores, Harris, Neal, Nguyen, Ohrenschall, Pazina and Scheible	Special Orders of the Day	Public Works	Monitor



To: Board of Directors
 Thru: John R. Zimmerman, General Manager
 From: Sophie Cardinal, Financial Controller
 Date: January 27, 2025
 Subject: **Discussion and action on selection of Eide Bailly as TMWA’s external auditor for fiscal years 2025, 2026, and 2027**

Recommendation

TMWA staff recommends the Board appoint Eide Bailly LLP as TMWA’s external financial auditor for fiscal years ending June 30, 2025, 2026, and 2027. Following the appointment, TMWA staff will notify the Nevada Department of Taxation of this decision as required by NRS 354.

Background

Since TMWA’s inception, it has engaged Eide Bailly LLP (formerly Kafory, Armstrong, & Co) to perform TMWA’s annual financial statement audit. Eide Bailly has a strong understanding of TMWA’s financial processes and continues to perform the audit in a professional, efficient, and cost effective manner. Audit fees for the completed fiscal year 2024 audit totaled \$70,400. Eide Bailly has proposed the below audit fees for the next three fiscal year end audits.

▶▶▶ Audit and Tax Engagement Services and Fees

Professional Services	2025	2026	2027
Audit of financial statements for Truckee Meadows Water Authority	\$72,000	\$75,000	\$78,000

This fee structure represents a 2% increase from fiscal year ended June 30, 2024, and 4% increases per year thereafter. Should TMWA require a Single Audit (an audit over federal awards), there would be an additional cost for each Major Program. TMWA staff believes this is reasonable.

Recommended Motion

Move to select Eide Bailly as TMWA’s external auditor for fiscal years 2025, 2026, and 2027.



January 23, 2025

Matt Bowman
Chief Financial Officer
Truckee Meadows Water Authority
PO Box 30013
Reno, NV 89520-3013

Dear Mr. Bowman,

Thank you for the opportunity to propose on audit, tax and outsourced accounting services for Truckee Meadows Water Authority (TMWA), the Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust and the Truckee Meadows Water Authority OPEB Trust Fund (OPEB Trusts), collectively referred to as TMWA. We enjoy working with TMWA and value our working relationship. Based on our intimate understanding of your operations, industry experience and additional resources and services we can offer, we believe Eide Bailly remains the right firm for TMWA.

Government Industry Experience

The government industry represents one of Eide Bailly's largest niche areas — with more than 1,200 government clients firmwide. We provide audit, tax and outsourced services for a variety of water authorities, cities, counties, school districts, colleges and universities, fire relief agencies, housing authorities, state agencies and tribal entities. Through serving these clients and our historic knowledge of TMWA, our professionals have gained focused expertise in the government industry and will continue to provide you with insightful advice that aids in managing the finances of TMWA.

The firm has more than 300 full-time professionals who participate in our Government Industry Group. These professionals share information, learn from others and stay up to date on industry developments. To gain the greatest benefit, the knowledge is shared with professionals across the firm. We'll continue to proactively meet the needs of TMWA and can act as not only your auditors and service providers, but also as business advisors when new pronouncements, standards or laws become applicable. With the vast array of services we offer our government clients, our team has the experience and knowledge to address any of your concerns.

Our Experience with TMWA and the OPEB Trusts

We're well acquainted with your operations and staff. Based on our tenure, we have a historical perspective of the operating and control environment of TMWA and the OPEB Trusts, as well as the staffing and systems changes TMWA has endured and is pursuing. This perspective benefits TMWA because it means your auditors have a deep understanding of the risks surrounding TMWA and the opportunity to perform a thorough audit without a learning curve.

Audit and Tax Approach

Our staff is passionate about their work and your success. We'll continue to customize our approach to meet your needs. Prior to beginning the engagement each year, we'll meet with your management team to discuss:

- The engagement timeline and any changes from previous years.
- The approach and process for the audit and tax work.

What inspires you, inspires us. | eidebailly.com

- Additional considerations that may affect scope, schedules and workpapers to be prepared by your personnel.

During the course of our audit, tax and outsourced services, we'll hold periodic meetings with your management. This continuous interchange of information will keep you fully informed and provide us with timely information so we can best serve your organization. We'll work with your staff to deliver a quality product and limit any disruptions in your day-to-day activities.

Approach to OMS Services

Our professionals focus on building strong client relationships through ongoing communication and attentive service. Your service team will be comprised of professionals who have experience and specialized training in providing outsourced and managed services, including monthly accounting services and the preparation of federal Form 1099s, to clients of all shapes and sizes. Your engagement team will conduct a discovery meeting to thoroughly understand your needs and develop an engagement plan that addresses those needs, now and in the future. We will identify and/or review the tasks that you feel most burdened by and determine ways for you to manage your business more efficiently. If needed, deliverables are defined, and tasks are assigned along with agreed upon timelines. We understand you would like Eide Bailly to provide the following outsourced and managed services:

OMS Services — Accounting and Finance

- 1099 Preparation

Your Service Team

Tiffany Williamson will continue to lead the team and serve as Engagement Partner and **Chris McCarthy** will serve as the Audit Senior Manager for the TMWA audit and **Tehani Hunt** will serve as the Audit Senior Manager for the OPEB Trust audits. These professionals bring strong credentials and a desire to work with TMWA. If awarded this engagement, these individuals will serve as your primary contacts. We'll complement the project team with additional resources as necessary.

We realize other firms are knowledgeable as well; however, we believe what differentiates us is personal and attentive service from all members of our service team, including partners and senior-level staff. We'll get to know you and your staff and take the time to understand your specific challenges and opportunities. We deliver honest and insightful advice beyond what is normally experienced in the public accounting industry.

Timeliness

We will meet your deadlines. Our professionals are trained to anticipate, identify and respond to your needs in a timely manner. We'll work closely with your management team to customize our audit, tax and outsourced services to your needs. We believe in clear, up-front and open communication with no surprises.

Value for Fees

You can expect quality service at reasonable fees. Eide Bailly has established a reputation of providing quality work at a fair price. Our fees are based on the complexity of the issue and the experience level of the personnel necessary to address it. In the event you request additional services, Eide Bailly will obtain your agreement on fees before such work would begin. In other words, there will be no hidden fees.

We propose the following fee schedule based on our understanding of the scope of work and the level of involvement of TMWA’s staff:

▶▶▶ Audit and Tax Engagement Services and Fees

Professional Services	2025	2026	2027
Audit of financial statements for Truckee Meadows Water Authority	\$72,000	\$75,000	\$78,000
Single Audit for Truckee Meadows Water Authority*	\$10,500	\$11,000	\$11,500
Audit of Post-Retirement Medical Plan & Trust for Truckee Meadows Water Authority	\$19,800	\$20,500	\$21,300
Preparation of federal Form 990 and all applicable state filings	\$3,700	\$3,850	\$4,000
Audit of financial statements for Truckee Meadows Water Authority OPEB Trust	\$16,000	\$16,700	\$17,400
Technology Fee of 5%	\$6,100	\$6,353	\$6,610
Total Fees	\$128,100	\$133,403	\$138,810

*Should TMWA require a single audit with more than one major program, our fee would be an additional \$10,000 for each major program subject to audit.

▶▶▶ Payroll Services and Fees

Preparation of Form 1099(s)	2025	2026	2027
Base service fee (included one (1) form)	\$370	\$380	\$390
Additional fee per form (after initial form)	\$10/form	\$10/form	\$10/form

Out-of-Pocket Expenses

The professional fees listed above are inclusive of all out-of-pocket expenses, and you will not be billed for expenses such as travel time, mileage and meals. A 5% technology fee has been included in the fees above to support and enhance the quality work we provide by investing in technology.

Future Year Pricing Guarantees

Our fee increases for future years are consistent with inflationary increases in the industry. They are contingent upon no major changes to TMWA, and that significant accounting and auditing rule changes and procedures remain consistent with current requirements. Fees don’t include additional time that could be incurred due to changes to the scope of the engagement.

Billing Policy Regarding Inquiries and Special Requests

We’ve found that clients appreciate access to all of their service team members. We embrace this need and will ensure all our team members are available to service your questions and issues. This level of service is included in the scope of these engagements.



We Want to Continue to Work with You

We believe the qualifications of our firm merit serious consideration. You'll continue to be a highly valued client, and we'd be proud to continue to work with Truckee Meadows Water Authority and build upon the trusting relationship we have with your team. Please contact me if you would like to discuss any aspect of this proposal.

Sincerely,

A handwritten signature in black ink that reads "TWilliamson".

Tiffany Williamson, CPA

Partner

775.337.3961 | tawilliamson@eidebailly.com



TO: Board of Directors
THRU: John Zimmerman, General Manager
FROM: Matt Bowman, Chief Financial Officer
BY: Sandra Tozi, Principal Financial Analyst
DATE: February 7, 2025
SUBJECT: Presentation of fiscal year 2025 Q2 year-to-date financial results

Summary

Please refer to Attachments A-1 and A-2 for full Statements of Revenues, Expenses and Changes in Net Position for both actual to budget and year-over-year comparisons as discussed in the report below.

Budget to Actual

	Actual YTD 2025	Budget YTD 2025	Variance \$	Variance %
CHANGE IN NET POSITION	\$ 47,031,897	\$ 29,123,728	\$ 17,908,169	61 %

Change in net position was \$17.9m or 61% higher than budget through Q2 2025. This was driven by higher operating income due to lower operating expenses, higher investment earnings and higher capital contributions.

Year over Year

	Actual YTD 2025	Actual YTD 2024	Variance \$	Variance %
CHANGE IN NET POSITION	\$ 47,031,897	\$ 37,082,465	\$ 9,949,432	27 %

Change in net position was \$9.9m or 27% higher than the prior year. This was also caused by higher operating income due to lower operating expenses, higher investment earnings and higher capital contributions.

Revenue

Budget to Actual

	Actual YTD 2025	Budget YTD 2025	Variance \$	Variance %
OPERATING REVENUES				
Charges for Water Sales	74,280,231	74,870,380	(590,149)	(1)%
Hydroelectric Sales	2,049,074	1,297,469	751,605	58 %
Other Operating Sales	2,594,917	1,800,188	794,729	44 %
Total Operating Revenues	78,924,222	77,968,037	956,185	1 %

Operating revenue was \$1.0m or 1% higher than budget through Q2 2025. Water sales were within 1% of budget, hydroelectric revenue was 58% higher than budget and other operating sales were 44% higher than budget. Hydroelectric revenue exceeded budget due to strong river flows and less maintenance downtime than budgeted. Other operating sales were higher than budget due mostly to higher new business related inspection fees. The volume of these fees has increased in recent years.

Year over Year

	Actual YTD 2025	Actual YTD 2024	Variance \$	Variance %
OPERATING REVENUES				
Charges for Water Sales	74,280,231	65,942,274	8,337,957	13 %
Hydroelectric Sales	2,049,074	2,105,271	(56,197)	(3)%
Other Operating Sales	2,594,917	2,623,421	(28,504)	(1)%
Total Operating Revenues	78,924,222	70,670,966	8,253,256	12 %

Year over year, operating revenues were higher by \$8.3m or 12% due primarily to higher water sales. Water consumption was significantly lower in 2024 due to higher than normal precipitation and lower temperatures through the summer and into fall.

Operating Expenses

Budget to Actual

	Actual YTD 2025	Budget YTD 2025	Variance \$	Variance %
OPERATING EXPENSES				
Salaries and Wages	17,441,962	18,224,633	(782,671)	(4)%
Employee Benefits	7,382,017	8,763,545	(1,381,528)	(16)%
Services and Supplies	22,337,728	24,564,883	(2,227,155)	(9)%
Total Operating Expenses Before Depreciation	47,161,707	51,553,061	(4,391,354)	(9)%
Depreciation	18,072,209	17,795,282	276,927	2 %
Total Operating Expenses	65,233,916	69,348,343	(4,114,427)	(6)%

Total operating expenses were \$4.1m or 6% lower than budget through Q2 2025. Salaries and wages and employee benefits were lower due primarily due to position vacancies. Services and supplies were lower due to various expense categories. Two of the larger variances are electrical power costs, which were lower by approximately \$430,000 and facilities and site maintenance costs lower by approximately \$500,000 although much of which is timing related, meaning these costs will increase in the second half of the year.

Year over Year

	Actual YTD 2025	Actual YTD 2024	Variance \$	Variance %
OPERATING EXPENSES				
Salaries and Wages	17,441,962	15,140,153	2,301,809	15 %
Employee Benefits	7,382,017	6,575,265	806,752	12 %
Services and Supplies	22,337,728	20,980,150	1,357,578	6 %
Total Operating Expenses Before Depreciation	47,161,707	42,695,568	4,466,139	10 %
Depreciation	18,072,209	17,757,478	314,731	2 %
Total Operating Expenses	65,233,916	60,453,046	4,780,870	8 %

Year over year operating expenses were \$4.8m or 8% higher compared to the prior year. Salaries and wages and benefits are higher than prior year to due to Labor Market Index (LMI) increases, step increases, and additions to staff during the first half of FY 2025.

Non-Operating ExpensesBudget to Actual

	Actual YTD 2025	Budget YTD 2025	Variance \$	Variance %
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	3,118,588	2,668,922	449,666	17 %
Net Increase (Decrease) in FV of Investments	1,749,505	—	1,749,505	— %
Gain (Loss) on Disposal of Assets	(136,821)	(721,400)	584,579	(81)%
Amortization of Bond/note Issuance Costs	(250)	—	(250)	— %
Interest Expense	(4,453,802)	(4,439,158)	(14,644)	— %
Total Nonoperating Revenues (Expenses)	277,220	(2,491,636)	2,768,856	(111) %

Nonoperating revenues/expenses were \$2.8m or 111% better than budget through Q2 2025. There was a net increase in the fair value of investments as market interest rates continue to drop. This trend will continue if rates continue to fall in 2025.

Year over Year

	Actual YTD 2025	Actual YTD 2024	Variance \$	Variance %
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	3,118,588	(1,417,432)	4,536,020	(320)%
Net Increase (Decrease) in FV of Investments	1,749,505	6,713,533	(4,964,028)	(74)%
Gain (Loss) on Disposal of Assets	(136,821)	(38,154)	(98,667)	259 %
Amortization of Bond/note Issuance Costs	(250)	(72,000)	71,750	(100)%
Interest Expense	(4,453,802)	(5,548,208)	1,094,406	(20)%
Total Nonoperating Revenues (Expenses)	277,220	(362,261)	639,481	(177)%

Nonoperating expenses were lower than prior year by \$0.6m or 177%, due to the same reasons discussed above. Additionally, interest expense is lower than prior year following the cash optimization refinancing occurring in FY 2024.

Capital Contributions

Budget to Actual

	Actual YTD 2025	Budget YTD 2025	Variance \$	Variance %
CAPITAL CONTRIBUTIONS				
Grants	241,157	1,549,250	(1,308,093)	(84)%
Water Resource Sustainability Program	304,096	484,838	(180,742)	(37)%
Developer Infrastructure Contributions	9,536,983	7,409,590	2,127,393	29 %
Developer Will-serve Contributions (Net of Refunds)	10,632,287	2,616,000	8,016,287	306 %
Developer Capital Contributions - Other	4,265,379	—	4,265,379	— %
Developer Facility Charges (Net of Refunds)	6,466,347	8,053,070	(1,586,723)	(20)%
Contributions from Others	90,688	32,922	57,766	175 %
Contributions from Other Governments	1,527,434	2,850,000	(1,322,566)	(46)%
Net Capital Contributions	33,064,371	22,995,670	10,068,701	44 %

Capital contributions were \$10.1m or 44% higher than budget. The largest driver of this increase was the recognition of a \$9.0m credit to will serve revenue resulting from a resource exchange agreement with TRIGID and TRIC related to the effluent pipeline to TRIGID. TMWA received the cash in 2021, but held it on deposit until effluent was delivered via the pipeline, per the terms of the agreement. This occurred in the first quarter at which point \$9.0m was recognized as will serve revenue.

Year over Year

	Actual YTD 2025	Actual YTD 2024	Variance \$	Variance %
CAPITAL CONTRIBUTIONS				
Grants	241,157	7,043,553	(6,802,396)	(97)%
Water Resource Sustainability Program	304,096	486,816	(182,720)	(38)%
Developer Infrastructure Contributions	9,536,983	5,389,519	4,147,464	77 %
Developer Will-serve Contributions (Net of Refunds)	10,632,287	2,626,671	8,005,616	305 %
Developer Capital Contributions - Other	4,265,379	3,404,611	860,768	25 %
Developer Facility Charges (Net of Refunds)	6,466,347	6,452,103	14,244	— %
Contributions from Others	90,688	—	90,688	— %
Contributions from Other Governments	1,527,434	1,823,533	(296,099)	(16)%
Net Capital Contributions	33,064,371	27,226,806	5,837,565	21 %

Year over year, capital contributions are \$5.8m or 21% higher than the prior year primarily due to the resource exchange credit discussed above. Additionally, grant revenue is lower due to the recognition of ARPA related funding for TMWA's AMI project in the first half of the prior year.

Capital Spending

Cash spent on capital outlays and construction projects through Q2 2025 was approximately \$23.2m. Total budgeted capital spend for fiscal year 2025 is \$111.2m, which included \$8.0m and \$11.0m for the American Flat APW facility and Orr Ditch pump station and hydro facility, respectively. Spending on the top three projects during the first half of the fiscal year is listed below:

Orr Ditch Pump Station and Hydro Facility	\$ 4.4m
AMI Meter Replacements	\$ 3.1m
American Flat APW facility	\$ 2.3m

Cash Position

At December 31, 2024 total cash and investments was \$188.7m or \$0.9m higher than at the beginning of the fiscal year. Of the total cash and investments, \$132.8m was unrestricted to be used to meet upcoming and future operating and maintenance expenses, principal and interest payments and construction project payments. The remaining \$55.9m was restricted to pay for scheduled bond principal and interest payments as well as maintaining required reserves as stipulated in our bond covenants.

Truckee Meadows Water Authority

Comparative Statements of Revenues, Expenses and Changes in Net Position
For the second quarter ended December 31, 2024

	Actual YTD 2025	Budget YTD 2025	Variance \$	Variance %
OPERATING REVENUES				
Charges for Water Sales	\$ 74,280,231	\$ 74,870,380	\$ (590,149)	(1)%
Hydroelectric Sales	2,049,074	1,297,469	751,605	58 %
Other Operating Sales	2,594,917	1,800,188	794,729	44 %
Total Operating Revenues	78,924,222	77,968,037	956,185	1 %
OPERATING EXPENSES				
Salaries and Wages	17,441,962	18,224,633	(782,671)	(4)%
Employee Benefits	7,382,017	8,763,545	(1,381,528)	(16)%
Services and Supplies	22,337,728	24,564,883	(2,227,155)	(9)%
Total Operating Expenses Before Depreciation	47,161,707	51,553,061	(4,391,354)	(9)%
Depreciation	18,072,209	17,795,282	276,927	2 %
Total Operating Expenses	65,233,916	69,348,343	(4,114,427)	(6)%
OPERATING INCOME	13,690,306	8,619,694	5,070,612	59 %
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	3,118,588	2,668,922	449,666	17 %
Net Increase (Decrease) in FV of Investments	1,749,505	—	1,749,505	— %
Gain (Loss) on Disposal of Assets	(136,821)	(721,400)	584,579	(81)%
Amortization of Bond/note Issuance Costs	(250)	—	(250)	— %
Interest Expense	(4,453,802)	(4,439,158)	(14,644)	— %
Total Nonoperating Revenues (Expenses)	277,220	(2,491,636)	2,768,856	(111) %
Gain (Loss) Before Capital Contributions	13,967,526	6,128,058	7,839,468	128 %
CAPITAL CONTRIBUTIONS				
Grants	241,157	1,549,250	(1,308,093)	(84)%
Water Resource Sustainability Program	304,096	484,838	(180,742)	(37)%
Developer Infrastructure Contributions	9,536,983	7,409,590	2,127,393	29 %
Developer Will-serve Contributions (Net of Refunds)	10,632,287	2,616,000	8,016,287	306 %
Developer Capital Contributions - Other	4,265,379	—	4,265,379	— %
Developer Facility Charges (Net of Refunds)	6,466,347	8,053,070	(1,586,723)	(20)%
Contributions from Others	90,688	32,922	57,766	175 %
Contributions from Other Governments	1,527,434	2,850,000	(1,322,566)	(46)%
Net Capital Contributions	33,064,371	22,995,670	10,068,701	44 %
CHANGE IN NET POSITION	\$ 47,031,897	\$ 29,123,728	\$ 17,908,169	61 %

Truckee Meadows Water Authority

Comparative Statements of Revenues, Expenses and Changes in Net Position
For the second quarter ended December 31, 2024

	Actual YTD 2025	Actual YTD 2024	Variance \$	Variance %
OPERATING REVENUES				
Charges for Water Sales	\$ 74,280,231	\$ 65,942,274	\$ 8,337,957	13 %
Hydroelectric Sales	2,049,074	2,105,271	(56,197)	(3)%
Other Operating Sales	2,594,917	2,623,421	(28,504)	(1)%
Total Operating Revenues	78,924,222	70,670,966	8,253,256	12 %
OPERATING EXPENSES				
Salaries and Wages	17,441,962	15,140,153	2,301,809	15 %
Employee Benefits	7,382,017	6,575,265	806,752	12 %
Services and Supplies	22,337,728	20,980,150	1,357,578	6 %
Total Operating Expenses Before Depreciation	47,161,707	42,695,568	4,466,139	10 %
Depreciation	18,072,209	17,757,478	314,731	2 %
Total Operating Expenses	65,233,916	60,453,046	4,780,870	8 %
OPERATING INCOME	13,690,306	10,217,920	3,472,386	34 %
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	3,118,588	(1,417,432)	4,536,020	(320)%
Net Increase (Decrease) in FV of Investments	1,749,505	6,713,533	(4,964,028)	(74)%
Gain (Loss) on Disposal of Assets	(136,821)	(38,154)	(98,667)	259 %
Amortization of Bond/note Issuance Costs	(250)	(72,000)	71,750	(100)%
Interest Expense	(4,453,802)	(5,548,208)	1,094,406	(20)%
Total Nonoperating Revenues (Expenses)	277,220	(362,261)	639,481	(177)%
Gain (Loss) Before Capital Contributions	13,967,526	9,855,659	4,111,867	42 %
CAPITAL CONTRIBUTIONS				
Grants	241,157	7,043,553	(6,802,396)	(97)%
Water Resource Sustainability Program	304,096	486,816	(182,720)	(38)%
Developer Infrastructure Contributions	9,536,983	5,389,519	4,147,464	77 %
Developer Will-serve Contributions (Net of Refunds)	10,632,287	2,626,671	8,005,616	305 %
Developer Capital Contributions - Other	4,265,379	3,404,611	860,768	25 %
Developer Facility Charges (Net of Refunds)	6,466,347	6,452,103	14,244	— %
Contributions from Others	90,688	—	90,688	— %
Contributions from Other Governments	1,527,434	1,823,533	(296,099)	(16)%
Net Capital Contributions	33,064,371	27,226,806	5,837,565	21 %
CHANGE IN NET POSITION	\$ 47,031,897	\$ 37,082,465	\$ 9,949,432	27 %

TMWA Hydrant Maintenance

February 19, 2025



**Truckee Meadows
Water Authority**

Quality. Delivered.

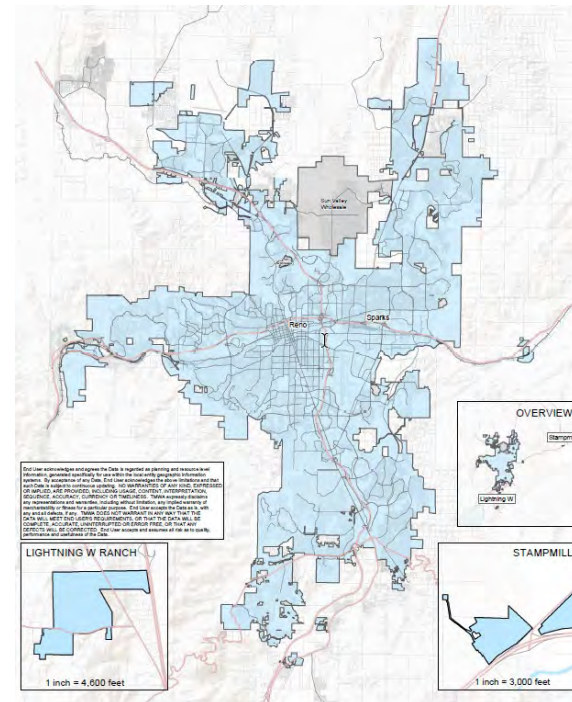
Hydrant Maintenance Overview

- TMWA System
- Hydrant Maintenance History
- Public vs. Private Hydrants
- Hydrant Maintenance and Replacement
- Hydrant Maintenance Steps
- Color Coding of Hydrant
- Hydrant Repair



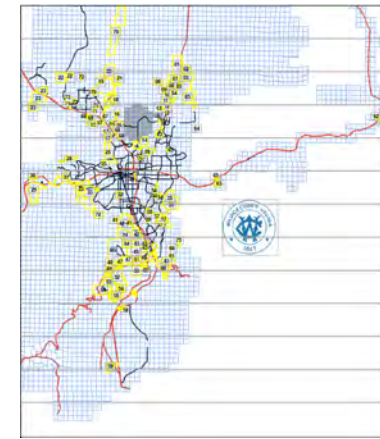
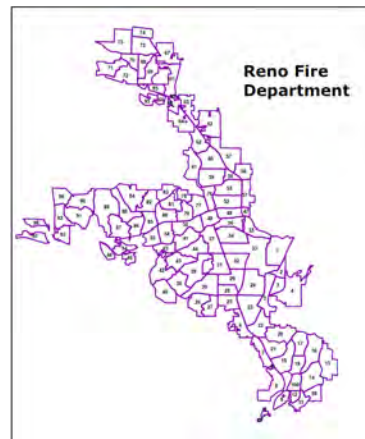
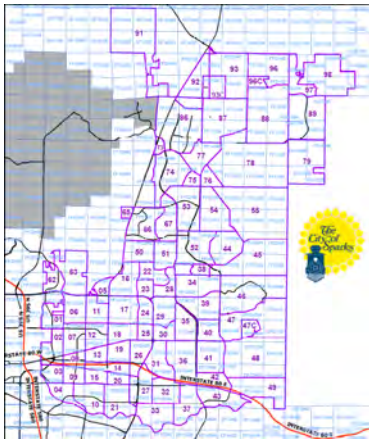
TMWA SYSTEM

- 5 treatment plants, 2 storage basins, 97 tanks (123 MG).
- 118 pump stations, 387 regulator stations.
- 2,129 miles of 4”- 42” main.
- 10,332 Public hydrants (Reno, Sparks, Washoe County).
- 39,525 system valves.



HYDRANT MAINTENANCE HISTORY

- TMWA began fire hydrant maintenance:
 - City of Sparks in August of 2007
 - City of Reno in September of 2016
 - Washoe County in November of 2023



PUBLIC VS PRIVATE HYDRANTS

- Public hydrants are adjacent to a public right of way and originates from a TMWA owned facility.
- Maintenance of public hydrants are performed by TMWA every 2 years per the maintenance agreement.
- Private hydrants are supplied by a private mains and are not in the public right of way.
- Private communities need to have their hydrants tested every 5 years per the National Fire Protection Association.

HYDRANT MAINTENANCE AND REPLACEMENT

- Since 2015 TMWA has replaced 101 hydrants and repaired 542 hydrants.
- TMWA's annual investment into the maintenance program for labor is approximately \$2,200,000.
- There are eight, two person crews and eight vehicles dedicated to the hydrant maintenance program.



HYDRANT MAINTENANCE STEPS



- Record obstructions that hinder access or obstruct hydrants from view (code violations are reported to the fire departments).
- Remove and clean all caps.
- Check oil levels and fill as needed.
- Flush drain outlet.
- Pressure test hydrant with system pressure.

HYDRANT MAINTENANCE PROCESS - CONTINUED

- Flush hydrant.
- Check hydrant valve for leakage.
- Exercise service valve.
- Check for proper hydrant drainage.
- Clean and/or paint hydrant as needed.
- Complete field inspection report.
- Note repairs needed.
- Tag hydrant if unusable with “Out of Service” hydrant ring. Notify proper agency.



HYDRANT MAINTENANCE VIDEO



COLOR CODING OF HYDRANTS

- Sparks Fire Department:
 - YELLOW = Public
 - RED = Private
 - White top = non-draining hydrant, needs to be pumped out after use to prevent freezing
- Reno Fire Department:
 - RED = Public/Private
 - White pumper nozzle = non-draining
- Washoe County:
 - RED = Public/Private
 - White pumper nozzle = non-draining

HYDRANT REPAIR

- Repairs and replacement of Hydrants or Hydrant Facilities are the sole responsibility of Reno Fire Department, Sparks Fire Department and Washoe County.
- The hydrant owner shall retain sole discretion over procuring contracts for other work and shall be responsible for prioritizing such other work.



Thank you!
Questions?

David Mothershead, Distribution Ops Supervisor
Email: dmothershead@tmwa.com
O: (775) 834-8145 M: (775) 531-6951



STAFF REPORT

TO: Board of Directors
THRU: John R. Zimmerman, General Manager
FROM: Dan Nubel, Staff Attorney
DATE: February 11, 2025
SUBJECT: **Rule Amendment, Second Hearing, Public Hearing: Discussion and possible action on Resolution No. 331: A resolution to adopt potential amendments to TMWA Rule 5 Water System Facilities, Rule 6 Service Meter Facilities, Rule 8 Dispute Resolution, and Rule 10 Special Conditions and Programs**

Summary

Staff submits for the Board’s consideration for second reading and adoption the attached redline of the Authority’s Water Rules (the “Rules”) 5, 6, 8, and 10. The Rules apply to water service supplied by TMWA to its customers and require approval by TMWA’s Board of Directors.

Background

These proposed changes to the Rules are intended to streamline and, in some cases, modernize the Rules to deal with new issues that have arisen since the Rules were first adopted. On June 20, 2024, Staff presented the Board with an informational update on the proposed rule changes. On October 29, 2024, Staff held a public workshop at its Corporate Office to allow members of the public an opportunity to dialogue with Staff about the proposed amendments. TMWA used a station-by-station model for the workshop that allowed members of the public to speak with subject matter experts for each proposed rule change. Three members of the public attended to learn about the changes. TMWA also established a web page to allow members of the public to submit public comment. At the January 15, 2025, meeting of the TMWA Board, the Board held a first reading of the proposed changes to the Rules and referred the rules to a second reading for adoption. As of the date of this Staff Report, TMWA has not received any written public comment regarding the proposed rule changes. A brief summary of the proposed rule changes is included below.

Rule 5

Rule 5 applies primarily to developers of land or builders of projects that require new or modified Water System Facilities. This Rule also specifies the application process and responsibilities of Applicants and TMWA for Water System Facilities and associated costs. Proposed changes to Rule 5 include:

- Clarification on when an application for service is considered canceled or rejected, as well as provisions for requesting time extensions.
- Additional details on requirements for applicants to install and construct certain water facilities.
- Revisions to provisions around oversizing of facilities and reimbursements to Applicants for oversizing costs.
- Changes to the requirements of Water Service Agreements, including automatic termination conditions, refunds/credits for terminated agreements, and assignment of agreements.

Rule 6

Rule 6 describes the application process, cost and installation responsibilities, and requirements for installing Service and Meter Facilities for a new or modified service. This Rule is primarily used by developers of land or builders of projects who must connect to TMWA's distribution Facilities in order to receive water service. Proposed changes to Rule 6 will include:

- Clarification that Fire Facilities are not part of TMWA's public water system and that TMWA is not responsible for the design, installation, and/or maintenance of Fire Facilities.
- Additionally notes that Applicant will be responsible for all engineering design and related cost, permitting and other regulatory compliance and associated fees for Fire Facilities.
- Other provisions related to Fire Facilities.
- Adds provision requiring that, for properties containing both domestic and irrigation meter services, the irrigation meter maintains the same billing status as the domestic meter.

Rule 8

Rule 8 describes the procedure for dispute resolution. Disputes under Rule 8 apply in the case of disputes regarding the application of any provision of the Rules. The proposed changes to Rule 8 will include:

- Clarification of several definitions, including what constitutes a "Day" under the Rule.
- Specifying that the Rule applies to a "final decision" by TMWA to be more consistent with the provisions of NRS 233B (Nevada's Administrative Procedure Act).
- Provides for a briefing schedule between the parties to a hearing that will include (1) an opening brief by Petitioner and (2) a response brief by TMWA. These briefs will be limited to twenty (20) pages in length.
- Requires the parties to identify witnesses and exchange evidence no later than five days prior to a hearing in front of the Hearing Officer.

Rule 10

Rule 10 sets forth Special Conditions and Programs that apply to water service or circumstances arising out of water service. This Rule includes provisions for the Mt. Rose-Galena Fan domestic well mitigation program. The proposed changes to Rule 10 will include:

- Additional terms relating to the calculation of reimbursement for deepening or drilling new wells.

Recommended Motion

Move to adopt the proposed Rule Amendments to Authority's Water Rules 5, 6, 8 and 10.

TRUCKEE MEADOWS WATER AUTHORITY
(TMWA)

RESOLUTION NO. 331

A RESOLUTION TO ADOPT AMENDMENTS TO RULE 5 WATER SYSTEM FACILITIES, RULE 6 SERVICE METER FACILITIES, RULE 8 DISPUTE RESOLUTION, AND RULE 10 SPECIAL CONDITIONS AND PROGRAMS

WHEREAS, upon its formation, the Truckee Meadows Water Authority (“the Authority”) adopted Rules of Service on March 28, 2001, and such Rules have been modified and revised subsequent to the formation of TMWA; and

WHEREAS, the Authority’s Board desires to amend the Authority’s Rule 5, 6, 8 and 10 to clarify the application of said Rules; and

WHEREAS, after conducting a review of its Rules, the Authority has revised and amended the Rules to streamline and modernize the Rules; and

WHEREAS, proper notice has been given and a public hearing conducted on the proposed changes; and

WHEREAS, the amendments to Rules set forth in Exhibit 1 attached hereto and incorporated herein are appropriate and justified.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Truckee Meadows Water Authority that the amendments to Rules 5, 6, 8 and 10 as set forth in Exhibit 1 is approved and adopted, effective the date of adoption of this resolution.

Upon motion of _____, seconded by _____, the foregoing Resolution was passed and adopted on February 19, 2025 by the following vote of the Board:

Ayes: _____

Nays: _____

Abstain: _____ Absent: _____

Approved: _____

Naomi Duerr, Chair

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

A. Applicability

1. This Rule defines the responsibilities of the Authority and of the Applicant for the cost and requirements for construction, extension and/or modification of Water System Facilities required to provide new Service or Modified Service to the Applicant's project(s) within the Authority's approved Service Area. No Service Property shall be eligible for water service, nor shall Authority have any obligation to provide water service to any Service Property, if the Service Property is located outside Authority's Service Area.
2. Annexation of Service Property. Authority shall have no obligation to annex or provide water service to any Service Property located outside Authority's Service Area. An Applicant seeking new Service to a Service Property located outside the Authority's Service Area shall submit an application for annexation to the Authority. The Authority may, in its sole discretion, deny the application or agree to annex the Service Property into the Authority's Service Area on such terms and conditions determined by Authority and set forth in an Annexation Agreement. An Applicant approved for new Service to a Service Property located outside the Authority's Service Area must satisfy both the terms and conditions of the Annexation Agreement and terms and conditions applicable to new Service set forth in Authority's Rules, including this Rule.
3. Definitions. Terms not defined in this section shall have the meaning set forth in Rule 1. As used in this Rule:
 - a. "Applicant" shall mean the legal owner of the Service Property to receive New or Modified Water Service which results in the need for addition to or modification of Water System Facilities.
 - b. "Applicant Installed Facilities" shall mean those Water System Facilities or portions of Water System Facilities required or approved by the Authority for installation by Applicants, and include Project Mains and associated Facilities, Meters or Services.
 - c. "Authority Installed Facilities" shall mean those Water System Facilities or portions of Water System Facilities installed and constructed by the Authority or its agent, and including, but not limited to, supply/treatment improvements, feeder mains, pressure regulating stations, system interties, new pump stations or rebuilds of pump stations, new standby power generators, storage facilities, and- retrofit additions.
 - d. "Business Services" shall mean the cost of services provided by the Authority for the benefit of the Applicant associated with providing new Service or Modified Service and may include, but are not limited to, system planning; engineering design; permitting; property, right-of-way, or easement acquisition; design review; material acquisition; bidding and contracting; construction; construction management; inspection; and administrative overheads and financing costs.
 - e. "Charge Area" shall mean the geographically defined boundaries where Area Facility Unit Costs have been established by the Authority.

Added: 03/23/01 Amended: 10/01/03; 03/01/05; 03/01/08; 05/21/09; 05/21/10; 06/19/13; 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

- f. "Deficit Demand" shall have the meaning ascribed to such term in Rule 7.
- g. "Effective Date of the Water Service Agreement" shall mean the earlier of (i) the date stated in a Water Service Agreement that it is to become effective or (ii) the date the Water Service Agreement is executed by both the Applicant and the Authority.
- h. "Facilities Application" shall mean the Applicant's request for Water System Facilities submitted on such form prepared by or revised by the Authority from time to time.
- i. "Feeder Mains" shall mean on-site or off-site mains and associated Facilities required to provide the requested service, which will also provide excess capacity to serve additional future Customers or redundant mains necessary to comply with local, State or Federal regulations.
- j. "Oversizing Costs" shall mean the difference between the cost of the Oversized Facilities and the cost of Water System Facilities necessary to serve Applicant's project, as estimated by the Authority. Authority's responsibility for Oversized Facilities costs shall not be allocated based on Applicant's percentage utilization of the water system facility's capacity.
- j. "Oversized Facilities" shall mean those portions of Water System Facilities required by Authority of greater capacity or size than would be necessary to provide the service requested by the Applicant.
- k. "Project Mains" shall mean on-site or off-site mains and associated Facilities required to provide the requested service that do not provide excess capacity to also serve additional future Customers. The capacity of a main and whether excess capacity is available is solely determined by the Authority.
- l. "Water Service Agreement" shall mean the agreement entered into between the Applicant and the Authority that defines the terms and conditions under which the Authority shall provide the requested water service.
- m. "Water System Facilities" shall mean all on-site and off-site improvements required to provide new Service or Modified Service to a Service Property or Applicant's project and as necessary to develop, treat, store, transport and distribute water to the Applicant's project, and any additional facilities specified or required by local, State, or Federal regulations, or stipulated in an Annexation Agreement, whether Applicant Installed Facilities or Authority Installed Facilities, and shall include, but not be limited to, supply/treatment facilities, water mains and associated facilities, storage tanks, pressure regulating stations, pump stations, standby power generators and any other ancillary equipment or controls necessary to integrate new water Facilities or to connect to, expand, relocate, remove, retire or alter existing water Facilities.

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

B. Responsibilities and Requirements for Installation of Water System Facilities

1. Application and Processing.
 - a. Applicant shall apply for new Service or Modified Service by submitting a complete Application with the Authority. An Application shall be deemed complete if the Authority determines it includes sufficient information to allow Authority to perform system planning and develop preliminary facility plans, prepare sketches, and estimates of Applicant's costs to be advanced to Authority for Authority's business services.
 - b. The Application must be accompanied by appropriate fees for business services as provided in Rate Schedule BSF. All Rate Schedule BSF fees paid at the time of Application are non-refundable, except as otherwise provided in Section B.6.c of this Rule 5.
 - c. The Authority shall determine, in its sole discretion, whether any changes to a project or Application after submission of a completed Application (changes may include but are not limited to type of development, number of units or parcels, change in size of units or parcels, change in grading, change in street layout, fire flow required, or estimated demand(s)) changes the estimated demands of the project or requires submission of a New Application.
 - d. An Application shall automatically be deemed canceled and rejected, and shall be null and void without further notice from the Authority:
 - i. on the date the Applicant notifies the Authority the project is canceled;
 - ii. on the date approval for the project by the applicable governing body expires or is terminated; or
 - iii. if a Water Service Agreement has not been executed by Applicant and Authority within twelve (12) months of the date the completed Application was first received by Authority.
 - e. The Authority, in its sole discretion, may approve an extension of time for a pending application beyond its scheduled cancellation date under the following conditions:
 - i. the Applicant requests the extension of time in writing no later than 30 days prior to the pending cancellation date;
 - ii. there are no changes planned, proposed, or subsequently made to the project; and
 - iii. the Water Service Agreement for the project is not subject to different terms, conditions, fees, and/or facility charges than those offered in a prior Water Service Agreement for the project.
 - f. An Applicant may resubmit a rejected or canceled Application to the Authority for reconsideration at any time; provided, however, the resubmission of a canceled

Added: 03/23/01 Amended: 10/01/03; 03/01/05; 03/01/08; 05/21/09; 05/21/10; 10/15/14; 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

- Application will be treated as a new Application and must comply with all conditions in these Rules applicable to a new Application, including payment of appropriate fees.
2. Applicant Installed Facilities.
 - a. Applicant will be responsible for all engineering design, permitting, property acquisition, right-of-way, material acquisition, bidding and contracting, and construction of Applicant Installed Facilities. Authority will, at Applicant's expense, perform planning, administer the Water Service Agreement described in Section B.6 of this Rule, review and approve designs of Applicant Installed Facilities, inspect and approve Applicant Installed Facilities during construction, and, to the extent necessary to acquire access rights for Applicant Installed Facilities, review and process right-of-way and property documents.
 - b. The Authority will, at its sole discretion, determine the feasibility of proposed or alternate routes for Facilities and for establishing capacity requirements.
 - c. Feeder Mains, Project Mains, storage facilities, and pressure regulating stations may be designated as Applicant Installed Facilities at the sole discretion of the Authority.
 - d. Applicant Installed Facilities work must be conducted in coordination with the Authority to permit the Authority to perform its related work efficiently with minimum delay.
 - e. Applicant must comply with the following conditions to install Applicant Installed Facilities.
 - (1) All design, plans, and specifications shall be prepared by the Applicant at the Applicant's expense and must be approved by the Authority before construction can commence. If the Authority, in its sole discretion, determines that engineering design is required for the water facilities, Applicant's designs shall be prepared by or under the direction of and wet-stamped by a Professional Engineer registered in the State of Nevada in accordance with Nevada Law, including NAC 625.611.
 - (2) All phases of the installation of Applicant Installed Facilities are subject to inspection and approval by the Authority, at Applicant's expense. Applicant shall require Applicant's contractor to conduct a pre-construction meeting to be attended, at a minimum, by the Applicant's design engineer, contractor's superintendent and Authority's inspector.
 - (3) The Applicant's contractor must hold a valid Contractor's License of a proper classification ("A" General Engineering, or subclassification "A-19" specialty contractor's license) issued by the State of Nevada Contractor's Board in accordance with NRS 624. The contractor must furnish sufficient experienced and qualified personnel and must demonstrate availability of adequate reliable equipment to handle and install Applicant Installed Facilities in a workmanlike

Added: 03/23/01 Amended: 10/01/03; 03/01/05; 03/01/08; 05/21/09; 05/21/10; 10/15/14; 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

manner in accordance with industry standards, TMWA standards and manufacturer's recommendations.

- (4) The Applicant and/or Applicant's contractor must comply with the Authority's Standards, and any additional specified construction standards and/or governmental requirements (i.e., OSHA, City, County, State, etc.) that may apply in all phases of the Applicant Installed Facilities installation. Applicant shall complete all work in accordance with the approved drawings as supplemented by standard details and notes, Authority's Standards, this Rule 5 and the terms and conditions of the Water Service Agreement.
- (5) The Applicant must provide all material in accordance with the Authority's Standards or specifications. All material provided will be subject to acceptance by the Authority, based on inspections by the Authority at Applicant's expense.
- (6) The Applicant and/or Applicant's contractor must guarantee all material and workmanship against defects for one (1) year following final acceptance of Applicant Installed Facilities by the Authority. This guarantee shall be made a part of the Water Service Agreement.
- (7) If Applicant's contractor, for any reason, ceases work on Applicant Installed Facilities prior to acceptance by Authority, the Applicant or Applicant's contractor must immediately notify the Authority of the work cessation and the reasons therefore, and must notify the Authority at least two (2) working Days prior to recommencing work, unless otherwise agreed to by the Authority. The Authority may require a pre-construction meeting per Section B.2.e.(2) of this Rule prior to the commencement of work.
- (8) Applicant must enter into a Water Service Agreement with the Authority as described in Section B.6 of this Rule.
- (9) The Applicant shall install all Oversized Facilities specified by the Authority subject to the reimbursement provisions of this Rule.
- (10) Applicant shall, at Applicant's sole cost and, in a manner as directed by Authority, remove and retire all existing active or inactive water facilities that serve, were capable of serving or did serve the Applicant's Service Property, including those facilities discovered during construction that were not shown on the approved drawings.
- (11) ~~The Applicant shall commence installation of Applicant Installed Facilities within the earlier of (i) 12 months after the effective date of Authority's approval of Applicant's water project plan executed Water Service Agreement; or (ii) the time schedule set forth in a Water Service Agreement.~~

Added: 03/23/01 Amended: 10/01/03; 03/01/05; 03/01/08; 05/21/09; 05/21/10; 10/15/14; 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

Applicant shall apply best commercial efforts to complete construction of the water facilities no later than 12 months from the commencement date, or in accordance with specific required completion dates as established by the Authority.

If Applicant does not complete construction within the time periods described above, Authority, at its sole discretion, may consider and may grant extensions in 1 year increments if Applicant submits a written request for an extension to the Authority at least 30 days prior to the potential expiration and termination of the Water Service Agreement and Applicant: (a) demonstrates work is being performed on the water project; (b) submits a schedule of work and periodic updates on the progress of the water project; (c) demonstrates good cause for such extension. Such request for extension must clearly describe project status and the reasons for delay.

- (~~11~~12) The delivery of water will not be provided to a Service Property or Applicant's project by the Authority until the necessary Water System Facilities are complete, tested, accepted and placed into service, and applicable Schedule WSF Charges shall be paid as determined by the Authority in Section B.4.
3. Authority Installed Facilities.
- a. Unless otherwise expressly noted in this Rule or specifically provided for in the Water Service Agreement, all Water System Facilities shall be deemed Authority Installed Facilities.
 - b. Applicants shall prepay to Authority the Authority's estimated cost of preparing final design documents for Authority Installed Facilities, including detailed plans, specifications and cost estimates as a condition of Authority beginning such services. In addition, Applicant shall comply with the following requirements for Authority Installed Facilities.
 - (1) Applicant shall provide the Authority with maps and drawings, in an electronic format and to suitable scale satisfactory to the Authority, showing final street and lot layouts and final grading plans indicating existing and final elevation contours of the area to be developed.
 - (2) Applicant shall provide Authority with a proposed construction schedule and service date. The Authority will develop a tentative project schedule in consultation with Applicant, accounting for anticipated permitting, land and/or right-of-way acquisition, material acquisition, design and construction time frames.
 - (3) Applicant shall furnish any required property ownership, property description, plot plan or record of survey information concerning the area to be served under the

Added: 03/23/01 Amended: 10/01/03; 03/01/05; 03/01/08; 05/21/09; 05/21/10; 10/15/14; 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

provisions of this Rule. Such information shall be furnished in a format acceptable to the Authority.

- (4) Applicant shall furnish any other relevant information that the Authority may require to complete Authority's design or construction of Authority Installed Facilities. If changes are made subsequent to the presentation of the information described in Section B.3.b and these changes require additional expense to the Authority in revising plans, specifications and cost estimates, this additional expense shall be advanced by the Applicant.
- c. Applicant shall submit an advance payment, equal to the Authority's estimated cost to provide the requested service, including permitting, land and right-of-way acquisition, material and equipment acquisition(s), bidding and contracting, construction, inspection and administration, thirty (30) Days prior to the start of construction of any Authority Installed Facilities. Scheduling of the construction start date is contingent upon Authority's receipt of Applicant advance payments and all project approvals, required easements and project permits.
- d. The Authority may require an acceptable bond, letter of credit or guarantee related to the required cash advance whenever installation of Authority Installed Facilities requires firm scheduling by the Authority more than thirty (30) Days prior to construction. Bonds, letters of credit or guarantees provided for this purpose will be replaced with cash thirty (30) Days prior to construction, except that Applicant will advance the cost, in cash for special materials not normally stocked by the Authority in the quantities needed, as a condition of Authority ordering such materials.
- e. In those instances where more than one Applicant is to be served jointly from the same extension or alteration, the total advance required from such Applicants shall be apportioned among the Applicants as provided in the Water Service Agreement. The total advance shall equal the Authority's total cost for providing service to all such Applicants.
4. Facilities and Cost Responsibilities.
- a. All Applicant Installed Facilities and Authority Installed Facilities shall be and remain the sole property of the Authority. Size, type, quality of material and location of Water System Facilities installed or constructed shall be selected by the Authority in accordance with the Authority's standards of service, engineering and construction practices and in compliance with local, State and Federal regulations. At its option, the Authority will retain ownership of existing Facilities that are removed in connection with new Facilities installation; otherwise, such removed facilities will become the property of the Applicant. No salvage value will be assigned or granted to the Applicant for existing facilities that are removed.
- b. The Authority is not responsible for damages, including consequential damages, delay or other inconveniences resulting from delays in design, planning, review, approval or

Added: 03/23/01 Amended: 10/01/03; 03/01/05; 03/01/08; 05/21/09; 05/21/10; 10/15/14; 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

construction of Water System Facilities caused by circumstances beyond the control of the Authority.

- c. Applicant cost responsibilities for Water System Facilities installed pursuant to this Rule shall include, but are not limited to, all regulatory, environmental and other permit fees, engineering, permitting, land acquisition(s), right-of-way, inspection, material, labor, transportation, cost for removal or retirement of existing Facilities, associated Authority overheads, financing charges and other charges which are related to the Facilities, including any modification or improvement of existing Facilities, or installation of temporary Facilities required to provide the requested service.
- d. Applicant shall be responsible for the actual cost of all Water System Facilities identified by the Authority, and/or required by local, State or Federal regulations, as required to provide the requested new Service or Modified Service, including, without limitation, costs for:
- (1) Project Mains. The Applicant is solely responsible for the cost of Project Mains as required by the Authority to provide the necessary capacity for the requested New or Modified Service. Applicant will be responsible for the cost of a Project Main of such capacity and along such a route as would be adequate to provide the required service, provide for the logical and orderly expansion of the water system to serve future customers, or meet requirements of applicable regulations, as determined by Authority.
 - (2) New Pump Station Facilities
 - (3) Service and Meter Facilities (per Rule 6).
 - (4) Supply and Treatment Facility Charge. Applicants shall be responsible for a Supply and Treatment Facility Charge, the amount of which will be based on the following calculation:

Supply and Treatment Facility Charge = Demand multiplied by Supply and Treatment Facility Unit Cost

Where:

Supply and Treatment Facility Charge = Applicant's share of costs to add new or modify existing supply and treatment facilities.

Demand = Excluding fire flow, Applicant's Maximum Day Demand plus any Deficit Demand at the Service Property in GPM as determined by the Authority.

Supply and Treatment Facility Unit Cost = unit cost in dollars per GPM of Maximum Day Demand, representing the cost to construct and finance supply/treatment improvements identified by the Authority as set forth in Rate Schedule WSF.

Added: 03/23/01 Amended: 10/01/03; 03/01/05; 03/01/08; 05/21/09; 05/21/10; 10/15/14; 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

(5) Storage Facilities. Where, as solely determined by the Authority, storage is required that benefits or serves primarily the Applicant's Project, the Applicant will be solely responsible for financing, constructing and dedicating to the Authority the storage facilities required to serve the Applicant's Project. The Authority, at its option, may require Applicant to oversize said storage facilities; in such case, Authority shall be responsible for Oversizing Costs as provided in Section B.5 of this Rule 5.

(i) If not required to construct and dedicate storage facilities, the Applicant shall pay the Authority a Storage Facility Charge, the amount of which will be based on the following calculation:

Storage Facility Charge = Demand multiplied by Storage Facility Unit Cost

Where:

Storage Facility Charge = Applicant's share of storage costs including operating, fire and emergency storage components.

Demand = Excluding fire flow, Applicant's Maximum Day Demand plus any Deficit Demand at the Service Property in GPM as determined by Authority.

Storage Facility Unit Cost = unit cost in dollars per GPM of Maximum Day Demand, representing the cost to construct and finance storage improvements identified by Authority as set forth in Rate Schedule WSF.

(6) Area Facility Charge. The Applicant is solely responsible for the cost of Feeder Mains and other area specific facilities required by the Authority to provide the necessary capacity for the requested New or Modified Service. The Authority, at its option, may require Applicant to oversize said Feeder Main or area specific facilities; in such case, Authority shall be responsible for Oversizing Costs as provided in Section B.5 of this Rule 5. Where a Service Property is not located within an established Charge Area or where the Area Facility Unit Cost for that Charge Area has not been established, applicable Area Facility Unit Costs shall be determined by Authority on a case by case basis and may include charges for on-site and off-site improvements, including Oversizing Costs, to integrate new Water System Facilities or to connect to, expand, relocate or alter existing water Facilities, determined by the Authority as necessary to facilitate annexation of the Service Property into the Authority's Service Area and/or development of the Charge Area or Charge Area Unit Cost to be established, as set forth in the Annexation Agreement or Water Service Agreement between Applicant and Authority.

Added: 03/23/01 Amended: 10/01/03; 03/01/05; 03/01/08; 05/21/09; 05/21/10; 10/15/14; 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

- (i) If Applicant's Project is determined to be located in a Charge Area as set forth in Rate Schedule WSF, the Applicant shall pay the Authority an Area Facility Charge, the amount of which will be based on the following calculation:

Area Facility Charge = Demand multiplied by the Area Facility Unit Cost

Where:

Area Facility Charge = Applicant's share of Feeder Main and area specific facility costs.

Demand = Excluding fire flow, Applicant's Maximum Day Demand plus any Deficit Demand at the Service Property in GPM as determined by Authority.

Area Facility Unit Cost = unit cost in dollars per GPM of Maximum Day Demand, representing the cost to construct and finance Feeder Main and area specific facility improvements for the appropriate Charge Area as identified by Authority as set forth in Rate Schedule WSF.

- (7) Pressure Regulator Stations and System Intertie Facilities. If applicable, these facilities may include Meter Facilities. Applicant is solely responsible for the actual cost of these Facilities as required to serve the Applicant's project. Capacity requirements are solely determined by the Authority.
- (8) Standby Power Generator Additions or Retrofits. Applicant is solely responsible for the actual cost of standby power generation additions or retrofits required to provide additional reliable, normal, or fire flow capacity, or provide alternative pumping capacity in compliance with local, State and Federal regulations.
- (9) Pump Station Additions or Rebuilds. Applicant is solely responsible for the actual cost of pump station additions or rebuilds required to provide additional reliable, normal, or fire flow capacity, or provide alternative pumping capacity or power sources in compliance with local, State and Federal regulations. Pump station additions or rebuilds and/or standby power installations are not eligible for reimbursement or participation payments from subsequent development.
- e. For projects with total costs as estimated by the Authority of twenty-five thousand dollars (\$25,000.00) or greater, the Applicant shall advance the estimated project costs and, following acceptance and completion of such projects by the Authority, Applicant payments will be adjusted to reflect the actual cost of the project and the Applicant will be billed or reimbursed as applicable. On projects with total estimated costs as estimated by the Authority less than twenty-five thousand dollars (\$25,000.00) the Applicant's cost responsibilities shall be the estimated cost of the project.

Added: 03/23/01 Amended: 10/01/03; 03/01/05; 03/01/08; 05/21/09; 05/21/10; 10/15/14; 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

- f. Participation Payments. An Applicant whose Project(s) require or will utilize a portion of previously constructed Oversized Facilities shall pay Authority a participation payment based on a proration of the Applicant's project(s)' demand relative to the total capacity of previously installed Oversized Facilities or other appropriate proration as determined by the Authority.
- g. Payment of Schedule WSF Charges. Applicant shall be required to pay Schedule WSF charges for all Project Demand and Deficit Demand as determined by the Authority required to provide new Service or Modified Service to the Applicant's project(s) within the Authority's approved Service Area. Schedule WSF Charges shall be paid at the time the Water Service Agreement is executed, except as provided in subsection (1) below:
- (1) Deferral of Payment of Schedule WSF Charges. An Applicant for a single family residential subdivision Project ~~or a New or Modified Service for a single family residence~~ may, at Applicant's election, defer payment of Schedule WSF Charges otherwise due pursuant to this Rule until a date no later than ten (10) days prior to the date a meter is to be installed for the corresponding service. Notwithstanding the foregoing, all Schedule WSF Charges applicable to the Project shall be due and paid as provided in the Water Service Agreement, but no later than two (2) years after the first Certificate of Occupancy is issued in the Project. If Applicant elects to defer Schedule WSF Charges under this subsection (1), Applicant will pay the Schedule WSF Charges in effect at the time of payment, together with all finance carrying and administration costs imposed by Authority in connection with such deferral. Applicant's Project shall not be eligible for water service, and Authority shall have no obligation to set water meters or provide water service to any portion of Applicant's Project until Schedule WSF Charges have been paid in accordance with this Rule. Schedule WSF Charges may not be deferred for any Project which includes commercial, condominium or multi-family/multi-unit dwelling uses.
- h. Demand and Deficit Demand Appurtenance. Upon payment of WSF charges paid by an Applicant, the corresponding Demand and Deficit Demand shall be appurtenant to the Service Property for which they were paid and are held for the benefit of the Service Property owner, except: (i) where forfeited as a result of removal or retirement of Service(s); (ii) with respect to refunds issued pursuant to Section B.6.d.(1); or (iii) with respect to credits issued pursuant to Section B.6.d.(2).
5. Oversizing Facilities and Oversizing Reimbursements
- a. The Authority may, at its option, require installation of Oversized Facilities, the cost of which Applicant shall be required to advance.
- b. The cost of pump station additions or rebuilds (to existing pump station facilities), standby power installations, pressure regulating stations, system interties, Project

Added: 03/23/01 Amended: 10/01/03; 03/01/05; 03/01/08; 05/21/09; 05/21/10; 10/15/14; 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

Mains and Feeder Mains sized to meet the requirements of the Applicant's project are not eligible for reimbursement or participation payments.

- c. Oversizing Reimbursements. Except as otherwise provided in an Annexation Agreement, an applicant is eligible for future reimbursement of Oversizing Costs subject to the following:

Added: 03/23/01 Amended: 10/01/03; 03/01/05; 03/01/08; 05/21/09; 05/21/10; 10/15/14; 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

- (1) For all Oversized Facilities other than new pump stations, the Authority shall reimburse the Applicant an amount equal to the Authority's estimate of Applicant's Oversizing Costs for Oversized Facilities upon completion of installation, and final inspection and acceptance by the Authority.
 - (2) Where Oversized Facilities are new pump stations and/or storage tank(s), Applicant may receive participation payments from future Applicants for the future Applicant's respective utilization of the oversized pump station(s) and/or storage tank(s) subject to the following conditions:
 - i. The Authority shall collect from future Applicants participation payments as set forth in Section B.5.c and remit such payments to Applicant who constructed the oversized pump station(s) and/or storage tank(s) within ninety (90) Days of Authority's receipt.
 - ii. The Applicant who constructed the oversized pump station(s) and/or storage tank(s) shall be entitled to any reimbursement only if participation payments are received by the Authority within five (5) years from the date of final completion ~~execution~~ of the ~~Water Service Agreement by the Applicant who constructed the~~ oversized pump station(s) and/or storage tank(s).
 - iii. The Applicant who constructed the pump station(s) and/or storage tank(s) shall become ineligible for reimbursement in the event a subsequent capacity improvement project requires a modification of or addition to such oversized pump station(s) and/or storage tank(s).
 - (3) Applicants shall not be entitled to any interest on reimbursement payments.
 - (4) In those cases where two or more Applicants make a joint advance or contribution on the same Oversized Facilities, the Authority shall distribute reimbursements to such Applicants in the same proportion as their advances or contributions bear to the joint total, unless otherwise directed by all parties.
 - (5) Reimbursable amounts hereunder may be accumulated by the Authority to a minimum of ~~ten~~ one thousand dollars (\$10,000.00) before payment.
6. Water Service Agreement
- a. All Applicants requesting service for a project under the provisions of this Rule shall be required to enter into a Water Service Agreement with the Authority. A proposed Water Service Agreement must be executed by Applicant within sixty (60) days after issuance by Authority, or such other time as set forth in the proposed Water Service Agreement. A proposed Water Service Agreement shall only be binding when executed by both Authority and Applicant, and all terms and conditions in a proposed

Added: 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

Water Service Agreement are subject to change until executed by Applicant and Authority.

- b. At the time the Water Service Agreement is executed, Applicant shall pay all applicable Schedule BSF charges not otherwise paid at the time of Application and shall pay all Schedule WSF charges, unless payment of Schedule WSF Charges is deferred pursuant to Section B.4.g(1).
- c. A Water Service Agreement shall automatically terminate and be null and void without further notice from the Authority (i) on the date and terms stated within the Water Service Agreement; (ii) on the date Applicant provides written notice to the Authority that Applicant's project is canceled; (iii) if Applicant does not commence construction on water facilities required by this Rule and/or the Water Service Agreement within 12 months of the ~~effective~~ date of approval of Applicant's water project ~~the Water Service Agreement or within such other deadline contained in the Water Service Agreement~~; or (iv) on the date approval for the project by the applicable governing body expires or is terminated. Upon the termination of a Water Service Agreement, the Application for the project for new Service or Modified Service shall automatically be deemed rejected or canceled.
- (1) Authority, at its sole discretion, may consider and may grant extensions in 1 year increments if Applicant has commenced water project construction and Applicant submits a written request for an extension to the Authority at least 60 days prior to the potential expiration and termination of the Water Service Agreement and Applicant: (a) demonstrates work is being performed on the water project; (b) submits a schedule of work and periodic updates on the progress of the water project and; (c) demonstrates good cause for such extension. Such request for extension must clearly describe project status and the reasons for delay.
- (2) If a rejected or canceled Application for the project is re-submitted, a new Water Service Agreement must be entered into by the Authority and Applicant for the project, which agreement may include different terms and conditions, including different fees and facility charges, than those set forth in the prior terminated Water Service Agreement.
- de. If a Water Service Agreement has been executed by Applicant and Authority, and Applicant has paid all required charges in accordance with Schedule WSF and the Water Service Agreement is subsequently terminated, the Applicant shall be entitled to a cash refund or a "capacity Credit", as set forth below:
- (1) If the total Schedule WSF charges paid by the Applicant pursuant to the terminated Water Service Agreement are \$50,000 or less and Applicant submits a written request for a refund to the Authority within 90 days after the execution of the Water Service Agreement, Authority will refund the Applicant or Applicant's designated successor or assign such Schedule WSF charges paid by the Applicant, without interest.

Added: 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

- (2) If the total Schedule WSF charges paid by the Applicant pursuant to the terminated Water Service Agreement are more than \$50,000, or the written request for a refund to the Authority is made more than 90 days after the execution of the Water Service Agreement, or the water service agreement automatically terminates per Section B.6.c, Authority shall issue a “capacity ~~cash~~credit- ~~credit~~” expressed in GPM to the owner of the Service Property or its designated successor or assign (the “Credit”), equal to the monetary value (not the capacity) of the Demand and Deficit Demand purchased by Applicant. Capacity Credits credits may be assigned or transferred to other parties only upon notification to and written approval from the Authority. Credits Capacity credits issued pursuant to this subsection can only be applied to other Water Service Agreement(s) for Application(s) for new Service and Modified Service within the same Charge Area as the Service Property for which the capacity- Credit credit was issued; provided, however, that capacity Credits related to Supply and Treatment Charges issued pursuant to this subsection for service properties in Charge Areas 0 through 12 can be applied to other Water Service Agreement(s) for Application(s) for new Service and Modified Service anywhere within Charge Areas 0 through 12. In no circumstance can any Credit issued by the Authority be converted to a cash refund. Written direction to the Authority by the Service Property owner, or its designated successor or assign, is required to apply capacity Credits to subsequent Water Service Agreement(s). If an Applicant owns Credits or capacity credits given under previous versions of this Rule within the Charge Area where their Project is located, the Applicant shall fully utilize any such credits before Authority will accept cash payment for WSF Charges.
- (3) If construction has not commenced on water facilities under the terminated Water Service Agreement, Authority will refund to an Applicant or Applicant’s designated successor or assign, all Schedule BSF charges paid by the Applicant pursuant to the terminated Water Service Agreement provided in no event shall Schedule BSF charges be refunded if the Authority has otherwise performed any services in connection with such fees.
- (4) Except as provided in this subsection B.6.ed, all Schedule BSF and Schedule WSF charges paid by an Applicant are non-refundable.
- e. Water Service Agreements, or any rights arising in connection therewith as provided in this Rule, may only be assigned by written notice of assignment provided to the Authority by the Applicant(s) executing the Water Service Agreement. For purposes of Applicant reimbursements for oversizing under this Rule, assignments shall not be effective until thirty (30) days after receipt by the Authority of the written notice of assignment. The Authority is not responsible for errors associated with making, or the inability to make, Applicant reimbursements under this Rule due to any dissolution of any joint venture, partnership, corporation or other entity, or where rights have not been properly assigned in accordance with this Rule.

Added: 01/01/15

Truckee Meadows Water Authority

RULE 5

WATER SYSTEM FACILITIES

- f. The Authority shall maintain detailed records of actual costs and provide all Applicants with an opportunity for review of such records, for a period of time in accordance with Authority's records retention schedules.

C. General Provisions

1. Construction Prior to Establishing Final Grade or Alignment. Where either final grade or the alignment of roads, streets and alleys, in the proximity of proposed facilities, have not been established, the Authority will require that the Applicant deposit cash or post an acceptable surety bond, in the amount of the Authority's estimated cost of relocation or reconstruction of the facilities thirty (30) Days prior to construction. Upon completion of any such relocation or reconstruction, the Applicant shall replace said surety bond with cash in the amount of the Authority's actual cost incurred in making the relocation or reconstruction.

Where the Applicant has deposited cash to cover such relocation or reconstruction, that deposit shall be adjusted by the Applicant or the Authority to reflect the Authority's actual cost incurred for the relocation or reconstruction. Applicant's responsibility for relocation expires at such time that final grade is established and it is demonstrated, to the satisfaction of the Authority, that the Authority's Water Facilities are installed in accordance with the Authority's Standards.

2. Easements and Right-of-Way. The Authority shall only construct or accept construction of Water System Facilities under this Rule that will be located in a public street, road or highway, which the Authority has the legal right to occupy. At its sole discretion, Authority may allow location of Water System Facilities on public lands and private property across which rights-of-way, easements and permits are satisfactory to the Authority have been provided by the Applicant. Easements on private lands less than 10 feet in width either side of the centerline of the Facilities, or easements located under structures or through parking areas will not be considered by the Authority. The Authority will not purchase rights-of-way for installation of Facilities under the provisions of this Rule.

Truckee Meadows Water Authority

RULE 6

SERVICE AND METER FACILITIES

A. Applicability

1. This Rule defines the Application process, cost and installation responsibilities, and requirements for Persons requesting new Service or Modified Service for Service and Meter Facilities.
 - a. The application or the depositing of any sum of money by the Applicant shall not require the Authority to deliver water until the expiration of such time as may be reasonably required by the Authority to determine if Applicant has complied with the provisions of these Rules and Rate Schedules and as may reasonably be required by the Authority to install the required Service Facilities.
 - b. Customers applying for delivery of water for new Service or Modified Service must do so in person at Authority's business office during normal Business Hours.
2. Definitions. Terms not defined in this Section shall have the meaning set forth in Rule 1. As used in this Rule:
 - a. "Applicant" shall mean the Person applying for new Service or Modified Service for Services and Meter Facilities.
 - b. "Applicant Installed Services" shall include, but not be limited to the following Service and Meter Facilities that are required or approved by the Authority for installation by Applicant:
 - (1) Service Tap
 - (2) Service Pipe
 - (3) Meter Facilities
 - (4) Meter
 - (5) Yard Pipe including its size and location on the Service Property
 - ~~(6)~~ Fire Facilities
 - ~~(7)~~ (6) Valves, Fittings, and other related facilities
 - ~~(8)~~ (7) Trench and backfill requirements
 - ~~(9)~~ (8) Removal and replacement of pavement
 - ~~(10)~~ (9) Private booster pumps

Added: 03/23/01 Amended: 10/01/03; 03/01/08; 05/21/09

Truckee Meadows Water Authority

RULE 6

SERVICE AND METER FACILITIES

- ~~(11)~~(10) Pressure regulating valves
- ~~(12)~~(11) Thermal expansion devices
- ~~(13)~~(12) Required permits
- ~~(14)~~(13) Backflow prevention assembly(ies)
- ~~(15)~~(14) Authority inspection.

For purposes of this Rule, the term "Applicant Installed Services" shall not include Fire Facilities.

B. Easements Access and Ownership of Facilities

1. Grant of Easement. The Authority may require an owner of a Service Property upon which new Service or Modified Service is requested to grant to the Authority, its successors and assigns an irrevocable easement upon and through said Service Property for installation, replacement, maintenance, operation and use of facilities required to provide delivery of water. Any such grant from the owner of the Service Property shall be deemed to be an easement running with the land, and shall bind his heirs and assigns. The grant shall be made in such form and on such terms as the Authority shall reasonably require and may be recorded by the Authority.
2. Right of Access. In addition to the grant of easement, the Authority will, at all reasonable times, have the right of access to Services and Meter Facilities for any purpose normally connected with the delivery of water and the exercise of the Authority's rights. Upon an Application and establishment of Service, an owner of a Service Property upon which Service is provided shall be deemed to grant to the Authority, its successors and assigns a right of access to the owner's Service Property for any purpose normally connected with the furnishing of Service, including without limitation for purposes of retrofitting or maintaining Service and Meter Facilities. Any termination of, or attempt to impede, Authority's right of access by Customer or the owner of the Service Property shall subject the Customer to Termination of Delivery of Water pursuant to Rule 3.
3. Access to Service and Meter Facilities. Only Authority employees or agents will be permitted to connect Service and Meter Facilities to or disconnect same from the Authority's Facilities.

Added:03/23/01 Amended: 10/01/03; 05/21/09

Truckee Meadows Water Authority

RULE 6

SERVICE AND METER FACILITIES

4. Ownership of Services and Facilities. All Services and Meter Facilities installed by an Applicant for the purpose of providing the delivery of water to a Customer are the property of the Authority ~~with the exception of Fire Facilities which are the property of the Customer~~. The Authority may repair or replace Services and Meter Facilities at any time and may remove them after delivery of water to Customer has been discontinued or terminated.
 - a. No charge whatsoever shall be made by Customer against the Authority for placing or maintaining Services and Meter Facilities upon the owner's Service Property.

C. Responsibilities of Applicant

1. Application and Processing. Applicant shall apply for new Service or Modified Service by filing an Application with the Authority. At the time of Application, the Applicant must pay appropriate fees for standard service options subject to Rate Schedule BSF. The Application shall be accompanied by sufficient information to allow the Authority to perform system planning, approve facility plans, and prepare estimates of any additional fees that the Applicant must advance to the Authority for the Authority's business services. The Authority shall not estimate the costs of Applicant Installed Services.
2. Applicant Installed Services
 - a. The Applicant will provide and install all facilities, at Applicant's expense, required to provide the requested Service.
 - b. Applicant will be responsible for, but not limited to, all engineering design and related cost, permitting and other regulatory compliance and associated fees, environmental requirements and fees, property acquisition, right-of-way, material acquisition, bidding and contracting, construction and associated overhead costs of Applicant Installed Services.
 - c. Authority will, at Applicant's expense, perform planning, review and approve designs of Applicant Installed Services, inspect and approve Applicant Installed Services during construction, and to the extent necessary to acquire access rights for Applicant Installed Services, review and process right-of-way and property documents.
 - d. Applicant Installed Services work must be conducted in coordination with the Authority.
 - e. Applicant and/or Applicant's contractor must comply with the following conditions to install Applicant Installed Services:

Truckee Meadows Water Authority

RULE 6

SERVICE AND METER FACILITIES

- (1) All design, plans, and specifications prepared by or for the Applicant will be at the Applicant's expense and will be approved by the Authority before construction can commence. If the Authority, in its sole discretion, determines that engineering design is required for a Service, Applicant's designs shall be prepared by or under the direction of and wet-stamped by a Professional Engineer registered in the State of Nevada in accordance with Nevada Law, including NAC 625.611.
- (2) All phases of the installation of Applicant Installed Services are subject to inspection and approval by the Authority at Applicant's expense.
- (3) The Applicant and/or Applicant's contractor must provide and install all material in accordance with the Authority's Standards or specifications. All material provided will be subject to acceptance by the Authority, based on inspections by the Authority at Applicant's expense.
- (4) The Applicant and/or Applicant's contractor must guarantee all material and workmanship against defects for one (1) year after the Service and/or Meter Facilities have been activated for billing purposes.
- (5) The Applicant shall commence installation of Applicant Installed Services in accordance with the Authority's Standards and shall apply best commercial efforts to complete the installation of the Applicant Installed Services in a timely manner.
- (6) Service Property owners and/or Customers are responsible for installation and maintenance of privately owned pressure regulators, pressure reducing valves, backflow prevention assembly(ies) or other devices as required. In accordance with the most current version of Authority Construction and Design Standards, Uniform Plumbing Code and Nevada Administrative Code (NAC), individual pressure reducing valves are required to be installed and maintained by the Service Property owner or Customer whenever Static Water Pressure exceeds 80 psi or when located within regulated or pumped pressure zones regardless of Static Water Pressure.

D. Responsibilities of the Authority

1. The Authority's responsibilities include the following:
 - a. Designate the location of the Service Connection and Meter.
 - b. Verify the size of Service and Meter Facilities to be installed, as specified by the Applicant's engineer, based upon procedures outlined in the most current edition of the Uniform Plumbing Code which has been adopted by the governmental entity having jurisdiction over the project.

Added:03/23/01 Amended: 10/01/03; 05/21/09

Truckee Meadows Water Authority

RULE 6

SERVICE AND METER FACILITIES

- c. Provide, install, and maintain required Meter(s).
- d. Maintain Service from main to discharge side of the Meter Facilities including the Meter.
- e. Inspection of all Applicant Installed Services and Meter Facilities.
- f. Specify level of backflow protection and location of backflow prevention assembly(ies) required based on information provided by the Applicant. ~~In the event that the Service and Meter Facilities are to a single-family Residential Service subject to the Authority's Standards, the Authority will maintain and inspect the required backflow protection on an annual basis and the Customer will be charged pursuant to Authority's Rate Schedule RMWS.~~

E. Fire Facilities

1. Fire Facilities are not considered part of the Authority's public water system and the Authority shall not be responsible for designing, installing, owning or maintaining Fire Facilities. Fire Facilities for Private Fire Protection Service shall be owned and maintained by the Owner of the Service Property and Fire Facilities for Public Fire Protection shall be owned and maintained by the fire agency having jurisdiction over fire service to the Service Property unless otherwise agreed by Authority, in its sole discretion.
2. Applicant will be responsible for, but not limited to, all engineering design and related cost, permitting and other regulatory compliance and associated fees, environmental requirements and fees, property acquisition, right-of-way, material acquisition, bidding and contracting, construction and associated overhead costs of Fire Facilities. Applicant shall provide designs and specifications of Fire Facilities to Authority with designs for the Applicant Installed Facilities for review and approval as to connection to Authority facilities, backflow assembly(ies) and conformance with applicable Authority Standards. Authority shall have no obligation nor responsibility to review or approve the adequacy of Fire Facilities nor shall Authority's provision of Fire Protection Service be deemed as a review or approval of the design of Fire Facilities under applicable local fire and/or building code. Authority's responsibility with respect to the installation of Fire Facilities shall be limited to verification of installation and testing of backflow prevention facilities.
3. The Applicant will provide and install all Fire Facilities, at Applicant's expense, required to provide the requested Fire Protection Service. The fire agency having jurisdiction over Fire Facilities shall be responsible for inspecting and approving Fire Facilities and securing such approvals shall be the responsibility of the Applicant.
4. Where applicable, type and quality of material shall be selected by the Authority and/or the fire agency having jurisdiction over the Fire Facilities to be installed.

Added:05/21/09 Amended:

Truckee Meadows Water Authority

RULE 6

SERVICE AND METER FACILITIES

5. The Applicant shall furnish the Authority with the required flow rate and duration of flow, location and orientation of Fire Facilities as determined by the fire agency having jurisdiction over the Applicant's project.
6. Authority will be responsible for inspecting and approving the initial installation of the backflow protection for compliance with Applicant's plans and Authority's Standards, and Applicant shall be responsible for all costs necessary to bring backflow protection devices into compliance with Authority's Standards including adding backflow protection devices to current Fire Facilities where applicable. Applicant shall be solely responsible for ensuring that, following installation of the required backflow protection assembly(ies), the Fire Facilities will operate in compliance with applicable building and fire code requirements of the fire agency having jurisdiction over fire service to Applicant's project.
7. Unless authorized by the Authority, Fire Facilities shall not be utilized for any purpose other than fire protection purposes.
8. All Fire Services with private booster pumps shall be designed and operated to minimize flow during fire system testing. If, in the sole discretion of Authority, test flows are deemed excessive, or wasteful, or detrimental to Authority's operations, the Applicant or subsequent Owner of the Service Property will be required to physically modify their Fire Facilities and/or testing procedures to eliminate excessive or wasteful flow. If modifications, in the sole discretion of Authority, do not sufficiently reduce excessive or wasteful flow, Applicant or subsequent Owner of the Service Property will be required to furnish and install, at Applicant's sole cost, a Meter and all flow through the Fire Service shall be billed by Authority. In addition, the Applicant or subsequent Owner of the Service Property may be required to dedicate sufficient water resources to support such excessive or wasteful flows. Applicant or subsequent Owner of the Service Property shall not make or allow any person to make any modifications to the Fire Facilities which compromise the fire requirements set forth by the fire agency having jurisdiction.

F. General Provisions

1. The Authority may require a separate Service and Meter Facility for each Service Classification and for each building on a Service Property where necessary for operation, maintenance or billing purposes of the Authority, including a Service Property created by subdividing the original Service Property subsequent to the initial delivery of water to the original Service Property. A suitable Meter shall be installed at each building and owners of Service Property with multiple occupancy units may request that separate Meters be installed for each unit. Such request shall be granted where feasible for the operating convenience of the Authority.
 - a. All Meters shall be sealed by the Authority at the time of installation and no seal shall be altered or broken by anyone other than the Authority's authorized employees.

Added:05/21/09 Amended:

Truckee Meadows Water Authority

RULE 6

SERVICE AND METER FACILITIES

Customer shall be held responsible for the breaking of seals, tampering or interfering with metering equipment along with any and all costs for repair or replacement of Authority's Facilities, including any liability pursuant to NRS 704.800 and 704.805.

~~2. The following conditions also apply for Public and Private Fire Protection Service:~~

~~a. Fire Facilities will be installed and/or altered to the requirements of the Authority and the Local Government having jurisdiction.~~

~~b. Maintenance of Fire Facilities for Private Fire Protection Service shall be the responsibility of the owner of the Service Property.~~

~~c. Where applicable, size, type, and type and quality of material shall be selected by the Authority and/or the Local Government having jurisdiction where the Fire Facilities are to be installed.~~

~~d. The Applicant shall furnish the Authority with the required flow rate and duration of flow, location and orientation of Fire Facilities as determined by the Local Government having jurisdiction over the Applicant's project.~~

~~e. Unless authorized by the Authority, Fire Facilities shall not be utilized for other than fire protection purposes.~~

~~g. If discovered, the Authority may, at Applicant's expense, without separation of the existing Fire Facilities, install a Meter of a type and design adequate to maintain proper fire flows and measure flows through the Service and bill this Service at the applicable Rate Schedule.~~

2. Water services capable of serving water to the property shall continue to be billed to the property with an active billing account regardless of water use. It is required that properties that contain both domestic and irrigation meter services, the irrigation meter must maintain the same billing status as the domestic meter.

32. Retirement of Service. The Applicant shall expose Authority's main and Service Tap in order to turn off the Service Tap valve, and sever and cap the Service Pipe as close to the Service Tap as possible in accordance with the most current version of Authority Construction and Design Standards unless otherwise approved by the Authority. The Applicant is responsible for the cost to retire the Service, which includes but is not limited to the following:

- a. Valves, fittings, and other related facilities
- b. Trench and backfill requirements

Added:05/21/09 Amended:

Truckee Meadows Water Authority

RULE 6

SERVICE AND METER FACILITIES

- c. Removal and replacement of pavement
- d. Required permits
- e. Authority inspection

Added:05/21/09 Amended:

Truckee Meadows Water Authority

Rule 8

DISPUTE RESOLUTION

A. Applicability

This Rule describes the procedure for dispute resolution by any Person.

1. Definitions. Terms not defined in this Section shall have the meaning set forth in Rule 1. As used in this Rule:
 - a. "Hearing Officer" shall mean the hearing officer appointed by the Authority to hear contested cases under these Rules.
 - b. "Petitioner" means a Person disputing ~~an action taken~~ a final decision by the Authority.
 - c. "Complaint" means a written complaint from a Person disputing ~~an Authority action~~ a final decision by the Authority.
 - d. "Day" or "Days" under this Rule counts every day, including intermediate Saturdays, Sundays, and legal holidays. If the last day of the period is a Saturday, Sunday, or legal holiday, the period continues to run until the end of the next day that is not a Saturday, Sunday, or legal holiday. The event that triggers the period of days is not included in the calculation of days.

B. Administrative Review

1. General. A Person ~~disputing may obtain administrative review of a final decision (not to include bill disputes, as described in Section E below) of an action taken by~~ the Authority pursuant to these Rules ~~may obtain administrative review of the matter~~ by filing a written Complaint with the Authority not later than ten (10) days after notice of the final decision as provided in this Rule. Upon the filing of the Complaint, the Petitioner shall be afforded an opportunity for hearing as provided herein.
2. Complaint. The Complaint shall contain: (a) a statement of the legal authority and jurisdiction under which the hearing is to be held; (b) a reference to the legal grounds that provide a basis for the appeal and a reference to each provision of law allegedly violated; and (c) A brief and concise statement of the facts which provide the basis for the appeal. a short and plain statement of the matters asserted.—The Complaint must be sent by certified mail to the Authority's General Manager.
3. Adjudication. Complaints shall be adjudicated by ~~the a~~ Hearing Officer, and either party may appeal a final decision of the Hearing Officer to the Board. In the event a conflict of interest requires the recusal of the Hearing Officer in a specific case, the ~~Board General Manager~~ shall appoint an alternate Hearing Officer to adjudicate that case. The cost of the Hearing Officer shall be shared equally between the Petitioner and the Authority.
4. Representation by Counsel. Any party ~~is entitled~~ may elect to be represented by ~~counsel~~ an attorney. An attorney who represents a party under this Rule must be an

Added: 10/01/03

Truckee Meadows Water Authority

Rule 8

DISPUTE RESOLUTION

active member of and in good standing with the State Bar of Nevada or associated with such a member.

5. Informal Disposition. The parties may stipulate to waive the formal procedures set forth in Section C of this Rule and to allow the Hearing Officer to dispose of the Complaint by stipulation or agreed settlement or other alternative dispute resolution procedures.

C. Complaints Before a Hearing Officer

1. Hearing. Upon the filing of the Complaint, the Hearing Officer will set the time for a hearing, which shall be no later than ~~thirty (30) fifteen (15)~~ Days following the Authority's receipt of the Complaint unless each party to the hearing agrees to waive its right to a hearing within thirty (30) days by notifying, in writing, the Hearing Officer. The Hearing Officer shall serve each party or its counsel of record ~~Notice of the place, date and hour of the hearing will be served on the Petitioner or its counsel of record~~ at least ten (10) Days before the date set for the hearing. If a party fails to appear at the time and place set for a hearing the Complaint may be dismissed with ~~or without~~ prejudice.
2. Briefs. The Petitioner and Authority shall submit briefs to the Hearing Officer. The Hearing Officer shall prescribe the period by which the briefs must be filed with the Hearing Officer and served on all parties. Except as otherwise provided by an order of the Hearing Officer, briefs filed pursuant to this subsection must conform to the following requirements: (a) Petitioner shall file an opening brief which does not exceed twenty (20) pages in length; (b) Authority shall file a response brief which does not exceed twenty (20) pages in length. The Hearing Officer may order additional briefing before or after a hearing in addition to any briefs pursuant to this subsection. Briefs pursuant to this subsection must be typewritten, in 12-point font, double-spaced (except for descriptions of real property or quotations of more than 50 words), and accompanied by a certificate or acknowledgement of service on all parties. A brief pursuant to this section may be served by US Mail, electronic mail or facsimile. The Authority and Petitioner shall submit briefs to the Hearing Office no later than three (3) Days before the hearing. Briefs shall contain a concise statement of the claimed facts supporting the party's claims and, at the request of the Hearing Officer, a statement of applicable Law.
- ~~2.3.~~ Identification of Witnesses and Exchange of Evidence. Except as otherwise ordered by the Hearing Officer, each party to a hearing before the Hearing Officer shall, not later than five (5) days before the hearing, provide to every other party: (a) Notice of the identify of each person who intends to offer direct oral testimony at the hearing; and (b) A copy of each exhibit which the party intends to offer as evidence in support of the party's position. If a party fails to provide notice of witnesses or evidence in compliance with this subsection the Hearing Officer may refuse to allow the witness to testify or refuse to admit the exhibit into evidence.
- ~~3.~~~~4.~~ Transcriptions. Oral proceedings, or any part thereof, may be transcribed by a court reporter at the expense of the requesting party.
- ~~4.~~ _____

Truckee Meadows Water Authority

Rule 8

DISPUTE RESOLUTION

5. Communications. All pleadings, including, but not limited to, complaints, petitions, answers, briefs, motions, affidavits and applications, should be addressed to the Hearing Officer, and not to individual members of the Board or its staff. Informal communications may be made with individual members of the staff.

4.6. Consolidation of Proceedings. The Hearing Officer may consolidate the hearings for two or more complaints if it appears that the facts and issues are substantially similar and the rights of the parties will not be prejudiced by the consolidation.

5.7. Evidence. The provisions of NRS 233B.123 regarding admissible evidence are adopted by reference as applicable to hearings before the Hearing Officer. Evidence may be received in any manner ordered by the Hearing ~~offer~~ Officer, but will ordinarily be received from the parties in the following order:

- a. Brief orientation by Authority staff;
- b. The Petitioner;
- c. The Authority ~~staff~~;
- d. Rebuttal by Petitioner.

6.8. Burden of Proof. The Petitioner shall bear the burden of proof in any hearing. The Hearing Officer shall comply with the standards for review set forth in subsection 3 of NRS 233B.135.

7.9. Final Decision. After the hearing, the Hearing Officer shall prepare a written findings of fact, conclusions of Law law as applicable, and a final decision on the issues presented in the hearing. Findings of fact and decisions must be based upon a preponderance of the evidence. Findings of fact must be accompanied by a concise and explicit statement of the underlying facts supporting the findings. Findings of fact must be based exclusively on substantial evidence and on matters officially noticed. The Hearing Officer shall serve a copy of the findings of fact, conclusions of Law law as applicable and decision upon all the parties of record within fifteen (15) Days after the date of the hearing. The decision of the Hearing Officer becomes final fifteen (15) Days after service upon the Petitioner of its written order.

D. Appeal to Board

1. Notice of Appeal. Either Petitioner or the Authority may appeal the final decision of a Hearing Officer to the Board by filing a notice of appeal with the Authority sent by certified mail to the Authority's ~~g~~ General ~~m~~ Manager within ten (10) Days after service of the final decision of the Hearing Officer. The Board will serve N notice of the place, date and time of the hearing before the Board on the parties or their counsel of record will be served on the Petitioner or its counsel for record at least ~~fifteen~~ thirty (15/30) Days before the date set for the hearing.

Truckee Meadows Water Authority

Rule 8

DISPUTE RESOLUTION

2. Briefs. The Petitioner and Authority shall submit briefs to the Board. The Board's Counsel shall prescribe the period by which the briefs must be filed with the Board and served on all parties. Except as otherwise provided by an order of the Board, briefs filed pursuant to this subsection must conform to the following requirements: (a) Petitioner shall file an opening brief which does not exceed twenty (20) pages in length; (b) Authority shall file a response brief which does not exceed twenty (20) pages in length. The Board may order briefs to be filed before or after a hearing in addition to any briefs pursuant to this subsection. Briefs pursuant to this subsection must be typewritten, in 12-point font, double-spaced (except for descriptions of real property or quotations of more than 50 words), and accompanied by a certificate or acknowledgement of service on all parties. A brief pursuant to this section may be served by US Mail, electronic mail or facsimile. ~~The Authority and Petitioner shall submit briefs to the Board no later than ten (10) Days before the hearing. Briefs shall contain a concise statement of the claimed facts supporting the party's claims and, at the request of the Board, a statement of applicable Law supported by a memorandum of points and authorities.~~

3. Procedures and Standard of Review. The provisions of NRS 233B.135 are adopted by referenced and incorporated herein as governing the procedures, burdens of proof and standard of review for appeals before the Board. The Board shall rely upon the record of the proceeding in front of the Hearing Officer and shall not allow additional new evidence to be submitted.

4. Decision. The decision of the Board shall be deemed the final decision of the Authority for purposes of judicial review. The Board shall prepare findings of fact, conclusions of Law and a final decision on the issues presented in the hearing. Findings of facts and decisions must be based upon a preponderance of the evidence. Findings of fact must be accompanied by a concise and explicit statement of the underlying facts supporting the findings. The Board must notify the parties either personally or by certified mail of any decision or order. ~~A copy of the findings of fact, conclusions of Law and decision shall be served upon all the parties of record within thirty (30) Days after the date of the hearing.~~

E. Bill Disputes

1. If a Customer disputes any Authority bill for the delivery of water, the Authority shall promptly investigate the matter and report its determination which may include a proposed resolution to the Customer. The Customer may request the report to be made in writing.

4. 2. If the Authority and Customer are unable to agree on a resolution of the bill dispute, the Customer shall have a right to request and receive a decision by the Board. The decision of the Board regarding a bill dispute shall be deemed the final decision of the Authority.

Truckee Meadows Water Authority

Rule 10

SPECIAL CONDITIONS AND PROGRAMS

ARTICLE I. MT. ROSE-GALENA FAN DOMESTIC WELL MITIGATION PROGRAM

A. Applicability

Pursuant to the Interlocal Agreement Governing the Merger of the Washoe County Department of Water Resources Water Utility into the Truckee Meadows Water Authority approved January 29, 2010, the Authority and the Washoe County Board of County Commissioners agreed to the terms and conditions to merge the Washoe County Community Services Department Water Utility into the Authority (the "Merger"). Prior to the Merger, Washoe County was charged with administering, operating and maintaining municipal water systems near development served by domestic wells, and worked to address a range of groundwater management issues, especially those related to concerns raised by domestic well owners about the impacts of municipal pumping on groundwater levels and domestic well failures. Specific efforts by Washoe County included the adoption of the Mt. Rose-Galena Fan Domestic Well Mitigation Program.

The Mt. Rose-Galena Fan Domestic Well Mitigation Program ("Mitigation Program") established in this Rule is created by the Authority consistent with and to continue the efforts of Washoe County to address the management and protection of the shared groundwater resources in the Mt. Rose-Galena Fan area, which include but are not limited to conjunctive use of surface and groundwater resources, reducing long-term-average-annual pumping in the Mt. Rose-Galena Fan area, and limiting municipal groundwater pumping as permitted by the Nevada State Engineer. This Rule applies to and sets forth the responsibilities and requirements of a Person applying for eligibility to receive mitigation in the Mitigation Program. This Rule shall be effective upon the successful closing and consummation of the merger of the Washoe County Community Services Department Water Utility into TMWA as contemplated by that certain Interlocal Agreement Governing the Merger of the Washoe County Department of Water Resources Water Utility into the Truckee Meadows Water Authority approved January 29, 2010, and any amendments thereto.

B. Definitions

1. Terms not defined in this Section shall have the meaning set forth in Rule 1.
2. As used in this Rule:
 - a. "Eligible Property" shall mean a Service Property which (a) is located within the Program Area Boundary shown on the Program Area Boundary Map; (b) is being served by or was served by a domestic well that existed prior to July 1, 2011; (c) has experienced an Unreasonable Adverse Effect; (d) has not previously received mitigation from Washoe County, STMGID or Authority under a domestic well mitigation program; and (e) at the time of application to the Mitigation Program :

Truckee Meadows Water Authority

Rule 10

SPECIAL CONDITIONS AND PROGRAMS

- i. The Authority determines water service from the Authority is not reasonably available; or
 - ii. The Authority determines connection into Authority's water system is reasonably available to permit conversion from a domestic well; or
 - iii. The Service Property (a) is connected to the Authority water system but received service from a domestic well prior to the time of application to the Mitigation Program, or is receiving service from a domestic well at the time of application to the Mitigation Program; and (b) the owner voluntarily deepened the domestic well prior to July 1, 2011 in response to an Unreasonable Adverse Effect caused by municipal pumping by Washoe County or South Truckee Meadows General Improvement District.
- b. "Eligible Property Owner" shall mean the owner of record of an Eligible Property.
- c. "Mitigation Program" shall mean the Mt. Rose-Galena Fan Domestic Well Mitigation Program established in this Rule.
- d. "Program Applicant" shall mean an applicant seeking mitigation in the Mitigation Program.
- e. "Program Area Boundary" shall mean the area shown in the Mitigation Program Area Boundary Map set forth in this Rule.
- f. "Unreasonable Adverse Effect" shall mean, for purposes of determining eligibility in the Mitigation Program, adverse impact on a domestic well related to or caused by municipal pumping by the Authority of former Washoe County or former South Truckee Meadows General Improvement District groundwater facilities which shall be deemed to have occurred when all of the following circumstances exist:
- i. The impacted domestic well draws from the same source aquifer as the Authority municipal well(s) alleged to be causing the unreasonable adverse effect; and
 - ii. Objective evidence exists that clearly connects Authority's municipal pumping to the impairment of the affected domestic well's ability to provide a sustainable source of potable water for the property; and
 - iii. The impacted domestic well is experiencing an actual or imminent adverse effect resulting from the reduction of ground water supply to the well which leads to the actual inability of the well to produce an adequate supply of water for domestic use. Authority, in its discretion, may require verification that such a circumstance exists through water level measurements or other means as determined by the Authority; and
 - iv. The protectable interest in the impacted domestic well is limited to the draught allowed under NRS 534.180(1).

Truckee Meadows Water Authority

Rule 10

SPECIAL CONDITIONS AND PROGRAMS

For purposes of the Program Area Boundary only and to facilitate continuity with Washoe County's mitigation program, the priority date of the impacted domestic well as defined by NRS 534.080(4) shall not be a factor in evaluating unreasonable adverse effect.

C. Establishment of Mt. Rose-Galena Fan Domestic Well Mitigation Program

1. Prior to Authority's acquisition of Washoe County municipal well facilities, Washoe County adopted by ordinance the Mt. Rose-Galena Fan Domestic Well Mitigation Program to establish a program to mitigate what the County deemed to be unreasonable adverse effects on domestic wells related to or caused by municipal pumping by Washoe County groundwater facilities. Pursuant to the Merger, the Authority acquired certain water system facilities of Washoe County, including municipal wells. The Authority hereby establishes a program to address claims for domestic well mitigation in the Program Area Boundary arising in connection with Authority's operation of former Washoe County and South Truckee Meadows General Improvement District municipal wells.
2. Nothing in this Rule prevents Authority from seeking additional or alternate funding mechanisms for groundwater protection and mitigation of water quality and supply issues, including but not limited to legislative authorization for the establishment of a groundwater management program similar to the Las Vegas Valley Groundwater Management Program.

D. Mitigation Application Process.

1. Application. A Program Applicant must satisfactorily complete and submit the applicable mitigation request form to the Authority before being considered eligible to receive mitigation in the Mitigation Program.
2. Program Forms. The Authority shall prescribe and make available Mitigation Program forms to Program Applicants.
3. Priority. A request for mitigation in the Mitigation Program will be processed on a first-come, first-serve basis as of the date a completed and submitted mitigation request form is received by the Authority, with priority determined as of the date of the application's postmark, receipt date of facsimile or electronic mail transmission, or hand delivery date stamp received.
4. Submission of Mitigation Request Not a Final Determination of Mitigation Granted. Receipt and acceptance of a Mitigation Program form indicates only a determination that the request has been satisfactorily completed, but does not constitute or imply a commitment of the Authority to provide mitigation, and shall not be construed as such until issuance of a final written determination.

Truckee Meadows Water Authority

Rule 10

SPECIAL CONDITIONS AND PROGRAMS

5. Denials. Letters of denial will be issued to Program Applicants whose individual circumstances do not satisfy the requirements of the Mitigation Program and such denials shall state the reason for the denial of mitigation in the Mitigation Program.
6. Per Property Limitation. Each Service Property eligible for mitigation in the Mitigation Program shall be limited to receiving mitigation in the amount and manner as outlined in this Rule for a maximum of one domestic well per Service Property.
7. Application Is Not Guarantee. Consideration of a Program Applicant's request for mitigation shall not be construed to require or obligate the Authority to provide mitigation pursuant to the Mitigation Program or to provide any other relief, equitable or legal.
8. Appeal to State Engineer. A property owner who is dissatisfied by the mitigation offered by the Authority may submit a claim to the State Engineer.

E. Types of Mitigation Available

1. Reimbursement for Deepening or Drilling a New Well. Where the Authority determines that connection into the Authority water system is not reasonably available for an Eligible Property Owner, mitigation shall be provided to such Eligible Property Owner in the form of reimbursement for certain costs to deepen the domestic well or drill a new well as described in this Rule.
 - a. Well Deepening. Mitigation for well deepening shall be in the form of a one-time compensation for deepening a domestic well up to 150 feet. The amount of well deepening reimbursement available to such Eligible Property Owner shall be established by the Authority's General Manager. The amount available for reimbursement will be based on the following calculation:

Not less than once every five (5) years, the General Manager shall solicit quotes from at least three (3) licensed well drillers in Northern Nevada to deepen a domestic well, such costs to include mobilization and demobilization, set-up, drilling, permitting, site rehabilitation, and necessary materials and materials disposal but to exclude domestic well components such as, but not limited to, pumps, motors, wire, pipe adapters, valves, clamps, couplings, spacers, gauges, wrap, pressure tanks, switches, and pitless adapters. The amount of well deepening reimbursement available shall be the average of the construction costs quotes obtained, stated in dollars per foot, for the next full calendar year, ending December 31st. In subsequent years, before new quotes are established, the cost per foot will be updated using the Construction Cost Index for the West Coast upon receipt of an accepted application for mitigation.
 - b. New Well Drilling. Where a well cannot be deepened due to physical constraints of the existing well and the drilling of a new well is required, which the Authority may require confirmation of in its discretion, mitigation shall be

Truckee Meadows Water Authority

Rule 10

SPECIAL CONDITIONS AND PROGRAMS

in the form of a one-time compensation for drilling the new well to the depth of the original well plus up to 150 feet deeper than the original well. Prior to drilling the new well, the Eligible Property Owner must receive written notice to proceed from the Authority. The amount of reimbursement shall be the actual construction costs verified by receipts prepared by the well driller of record, excluding domestic well components such as, but not limited to, pumps, motors, wire, pipe adapters, valves, clamps, couplings, spacers, gauges, wrap, pressure tanks, switches, and pitless adapters, stated in dollars per foot. When the physical constraints of the well that prevent redrilling cannot be verified by the Authority or ~~W~~when receipts cannot be verified, the mitigation shall only be for 150 feet at the per foot allowance calculated in Section E.1.a.

- c. Program Applicants shall be solely responsible for covering any and all other on-site costs associated with well deepening or drilling a new well, including the restoration of any landscaping, irrigation or hardscaping as well as any necessary appurtenances associated with the new or deepened well. Where the drilling of a new well is required, Program Applicants shall be responsible for all costs of abandoning the original well.
2. Waiver of Charges For Connection to System. Mitigation shall be provided to an owner of an Eligible Property that is required to abandon the domestic well in accordance with applicable law and connect into the Authority water system where connection into the Authority water system is determined to be reasonably available by the Authority. Mitigation for Eligible Property owners that connect into the Authority water system and abandon their domestic well shall be a waiver of Schedule WSF charges, a waiver of Schedule BSF charges, and reimbursement for the actual cost as verified by receipts prepared by the contractor for installation of the Service and Meter Facilities if required to provide the delivery of water to the Eligible Property.
 - a. Water and Sanitary Sewer Financial Assistance Program. Property owners converting from domestic wells to the Authority water system may be eligible to apply for financing to cover their on-site costs through the Water and Sanitary Sewer Financial Assistance Program administered by Washoe County.
3. Mitigation For Prior Well Deepening or Prior Connection to Water System. Mitigation shall be provided to an Eligible Property which in response to an Unreasonable Adverse Effect caused by municipal pumping by Washoe County or South Truckee Meadows General Improvement District either (a) connected to the Authority water system but received service from a domestic well prior to July 1, 2011, or (b) is receiving service from a domestic well that the owner voluntarily deepened prior to July 1, 2011. Mitigation shall be provided in the form of reimbursement for verifiable costs comparable to the reimbursable costs identified in this Section E actually incurred by the Eligible Property owner prior to July 1, 2011.

Truckee Meadows Water Authority

Rule 10

SPECIAL CONDITIONS AND PROGRAMS

4. Mitigation for Other Circumstances. An Owner of an Eligible Property located within the Program Area Boundary whose Service Property does not otherwise qualify for the types of mitigation set forth in this Rule may request review of an individual mitigation claim by the Authority. The Authority shall evaluate and consider the individual claim in a manner consistent with Mitigation Program criteria to ensure consistent and equal treatment for all similarly situated property owners. The Authority may consider the following additional factors to determine if an owner of a service property may otherwise be eligible for participation in the Mitigation Program:
- a. The impacts on groundwater levels resulting from natural variability of annual precipitation, including multi-year droughts;
 - b. The impact on well performance arising from the well's original construction, including the degree to which the well's failure can be attributed to sub-standard construction methods and/or not initially drilling the well deep enough to provide an adequate and reliable supply under conditions that could reasonably be anticipated, including the local concentration of other domestic wells.

The Authority may require the requesting property owner to provide additional data and documentation to properly evaluate and determine a property owner's individual circumstances and mitigation claim.

5. Owner Responsible for All Other Fees Required for Connection. Authority shall only be responsible for providing mitigation in accordance with this Rule. Property owners shall be solely responsible for all other costs arising from well deepening or connection into the Authority system, including without limitation, landscaping, hardscaping, on-site costs related to the well deepening or conversion from a domestic well to the municipal water system, trenching and installation of private water service facilities, modifying residential plumbing, removing and disposing of any pressure tanks or other facilities related to the domestic well, abandoning the domestic well, obtaining any required permits or inspections, appurtenant facilities such as pumps, motors, wire, pipe adapters, valves, clamps, couplings, spacers, gauges, wrap, pressure tanks, switches, and adapters, and any other related fees or expenses. Owners connecting into the Authority water system shall be required to satisfy all requirements under Authority rules of service to be eligible to receive water service.
6. Mitigation Award Limitations. An Eligible Property may receive mitigation under only one of the provisions in Sections E.1 through E.4 of this Rule. Any mitigation award in a single claim amount that exceeds \$25,000 shall require approval of the Authority's Board of Directors.

F. Recordation of Mitigation Award.

1. Upon the Authority's determination that a property is eligible to receive a mitigation award, the property owner must execute and the Authority shall record in the Office of the County Recorder, Official Records, a document identifying the property or properties

Truckee Meadows Water Authority**Rule 10****SPECIAL CONDITIONS AND PROGRAMS**

entitled to such mitigation award. The right to mitigation award shall run with the property until such time as the owner of the property then holding legal title exercises the right to receive the mitigation award under this Rule, at which time the Authority or its successor shall be forever discharged from any and all claims, demands and costs associated with any Unreasonable Adverse Effect.

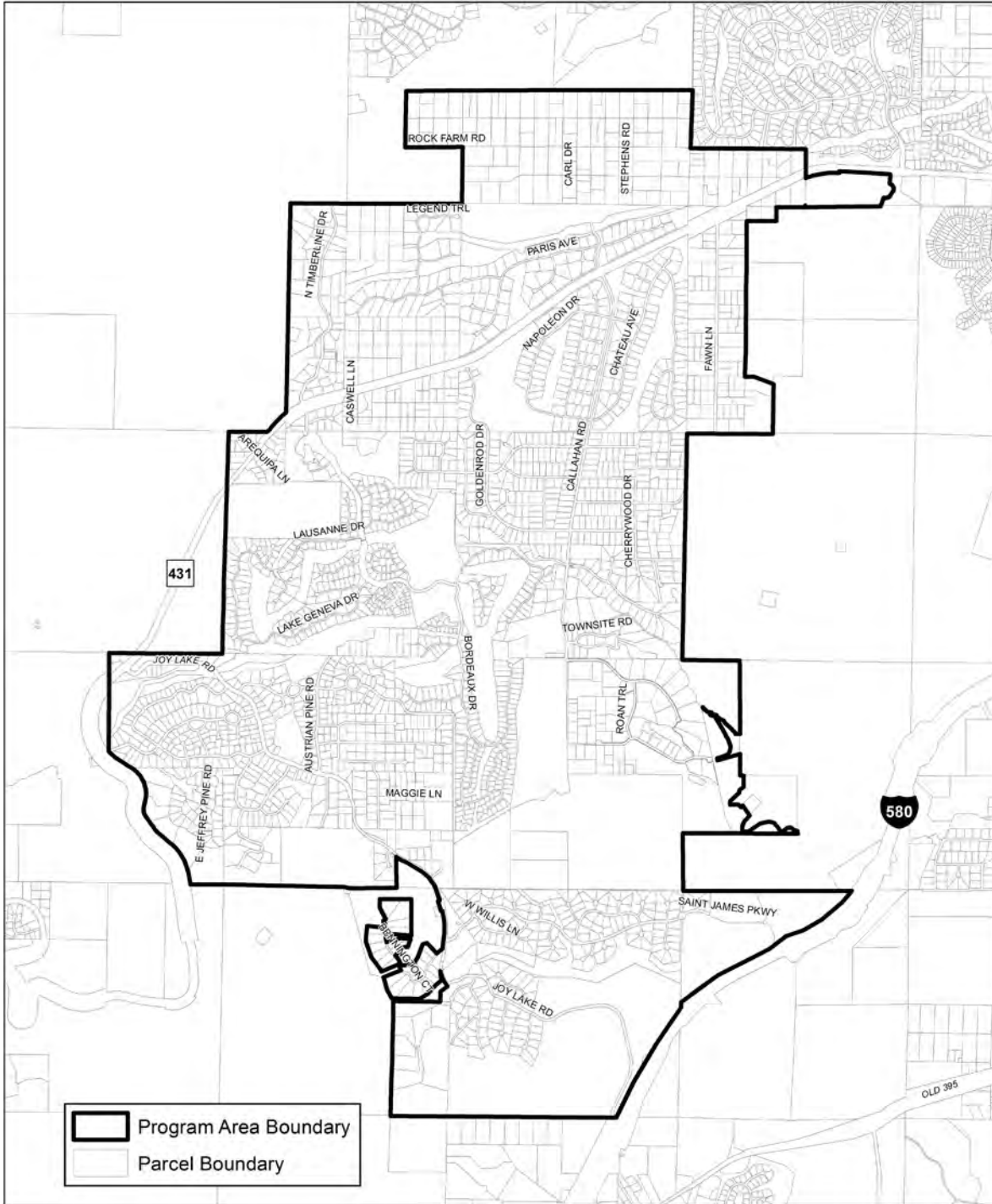
2. Before issuance of mitigation award under this Mitigation Program, the property owner must execute, and the Authority shall record in the Office of the County Recorder, Official Records, a document evidencing the property owner's release and discharge of any potential claims against the Authority related to an Unreasonable Adverse Effect on a domestic well and a notice of full satisfaction of any mitigation award determined by the Authority. Once the release and notice of satisfaction have been recorded, the Authority shall issue the mitigation award to the property owner for well deepening, new well drilling, or connecting to the Authority water system.

Truckee Meadows Water Authority

RULE 10

SPECIAL CONDITIONS AND PROGRAMS

Mt. Rose-Galena Fan Domestic Well Mitigation Program Area Boundary Map



Added: 1/1/15



STAFF REPORT

TO: Board of Directors
THRU: John R. Zimmerman, General Manager
FROM: Sonia Folsom, Executive Assistant
DATE: February 10, 2025
SUBJECT: **Discussion and action on nomination and appointments of Trustee(s) to the Western Regional Water Commission (WRWC) from the TMWA Board of Directors for the following positions for new two year terms from April 1, 2025 to March 31, 2027:**

A) Pursuant to Sec.25(3)(a) of the WRWC Act from the following list of qualified persons: Kathleen Taylor.

B) Pursuant to Sec.25(3)(b) of the WRWC Act from the following list of qualified persons: Paul Anderson.

C) Pursuant to Sec.25(3)(c) of the WRWC Act from the following list of qualified persons: Alexis Hill.

D) Pursuant to Sec. 25(4) of the WRWC Act representing TMWA as successor to South Truckee Meadows General Improvement District from the following list of qualified persons: Brandi Anderson, Meghan Ebert, Devon Reese, Hillary Schieve, Michael Clark, Mariluz Garcia, Jeanne Herman, Donald Abbott, Charlene Bybee, Ed Lawson, and Joe Rodriguez.

RECOMMENDATION

It is recommended that the TMWA Board appoint four members to the Western Regional Water Commission to serve a two-year term commencing April 1, 2025 to include:

1. One TMWA Board member who is a member of the Reno City Council
2. One TMWA Board member who is a member of the Sparks City Council
3. One TMWA Board member who is a member of the Washoe County Board of County Commissioners
4. One member designated by the TMWA Board as South Truckee Meadows General Improvement District (STMGID) successor

DISCUSSION

During the 2007 legislative session, SB487 was enacted to create the Western Regional Water Commission (effective date April 1, 2008), a governing board to oversee water resources planning and management in Washoe County. The Western Regional Water Commission Act, Chapter 531, Statutes of Nevada, Section 25, provides for appointments to the Board of Trustees as follows:

Sec. 25. 1. The Regional Water Commission must be directed and governed by a Board of Trustees composed of the following nine members appointed pursuant to this section:

- (a) Two members of the City Council of the City of Reno;
- (b) Two members of the City Council of the City of Sparks;
- (c) Two members of the Board of County Commissioners of Washoe County;
- (d) One member representing the Truckee Meadows Water Reclamation Facility or its successor;
- (e) One member designated by the Board of Trustees of the South Truckee Meadows General Improvement District or its successor; and
- (f) One member of the Board of Trustees of the Sun Valley General Improvement District or its successor.

2. The City Council of the City of Reno, the City Council of the City of Sparks and the Board of County Commissioners of Washoe County shall each appoint one trustee from their membership for an initial term of 2 years.

3. The Board of Directors of the Truckee Meadows Water Authority or its successor shall appoint from its membership, for initial terms of 3 years:

- (a) One trustee who is a member of the City Council of the City of Reno;
- (b) One trustee who is a member of the City Council of the City of Sparks; and
- (c) One trustee who is a member of the Board of County Commissioners of Washoe County.

➔ The trustees appointed pursuant to this subsection must be different persons than those appointed pursuant to subsection 2.

4. The Board of Trustees of the Sun Valley General Improvement District or its successor and the Board of Trustees of the South Truckee Meadows General Improvement District or its successor shall each appoint one trustee for an initial term of 3 years.

5. The owners of the Truckee Meadows Water Reclamation Facility or its successor shall jointly appoint one trustee for an initial term of 2 years.

6. After the initial terms, each trustee who is appointed to the Board serves for a term of 2 years. A trustee may be reappointed.

7. All trustees must be elected officials. No trustee may serve beyond his term of office.

8. The position of a trustee must be considered vacated upon his loss of any of the qualifications required for his appointment, and in such event, the appointing authority shall appoint a successor to fill the remainder of the unexpired term.

The current appointees to the Western Regional Water Commission Board are as follows:

Appointing Body	Trustee
City of Reno	Councilmember Naomi Duerr
City of Sparks	Councilmember Dian VanderWell
Washoe County	Commissioner Clara Andriola
TMWA (Section 3 - from TMWA Board):	Councilmember Paul Anderson (Sparks)
	Councilmember Kathleen Taylor (Reno)
	Commissioner Alexis Hill (Washoe County)
Truckee Meadows Water Reclamation Facility	Councilmember Miguel Martinez (Reno)
Sun Valley General Improvement District	SVGID Trustee Susan Severt
TMWA (Section 4 – as successor to STMGID)	Mariluz Garcia (Washoe County)



STAFF REPORT

TO: Board of Directors
FROM: John R. Zimmerman, General Manager
DATE: February 10, 2025
SUBJECT: **General Manager's Report**

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*).

We received two “Comments to the Board.” One customer wanted TMWA to take responsibility for damage to their property caused by the Callahan Fire (staff sent them a claim form) and the second customer complained about the strong chlorine taste and smell of the water (staff explained TMWA is required by law to use chlorine to disinfect the water).

Since TMWA’s last board meeting, TMWA has issued one emergency procurement under NRS 332.112. This emergency procurement totaled \$5,286.40 and was in response to an accident on W. 7th St. to cleanup and fencing necessary to secure swimming pool and dogs to minimize hazards.

Finally, listed below are news clippings from January 7, 2025 through February 11, 2025:

- 01/08/25 KTVN [Your 2 Cents Re: Taste of Our Water](#)
- 01/08/25 KOLOTV [Managing Fire Resources in Washoe County](#)
- 01/07/25 CBS5 [Cloud seeding might not be as effective as once believed, report reveals](#)
- 01/07/25 LV Sun [Federal money coming to Nevada for water infrastructure](#)
- 01/13/25 Sierra Sun [Truckee Rivershed Water Council completed \\$8 million worth of restoration in 2024](#)
- 01/09/25 WaterWorld [Key takeaways from U.S. EPA's Potable Reuse and PFAS Q&A document](#)
- 01/09/25 Sierra Nevada Ally [Two key climate agencies could look different](#)
- 01/13/25 KRNV [Heat Mapping Project Reveals Urban Heat Islands in Reno-Sparks](#)
- KTVN: [TMWA warns residents of salespeople asking to test water; NOT utility employees | Local News](#)
- 01/22/25 KTVN [Your 2 Cents on Fire Hydrant Inspection](#)
- 01/25/25 DWR.gov [DWR Submits Petition to Extend Water Rights Permit](#)
- 1/23/25 KUNR [Over \\$3 million in Bipartisan Infrastructure Law funds to protect Lake Tahoe Basin](#)

- 01/26/25 RGJ Opinion Column by Mayor Schieve: [Fire Response in Northern Nevada Requires Regional Collaboration](#)
- 01/30/25 RGJ [Lake Tahoe's Water Levels Above Average, But Sierra's Snowpack Lags Behind](#)
- 01/30/25 FoxReno [Washoe County hosts community meeting on remapping of Swan Lake floodplain](#)
- 02/06/25 KOLOTV [Reno, Sparks and Washoe County officials agree to discuss forming a regional fire operations](#)
- 02/09/25 Reno News&Review [Resource experts propose a statewide water-rights buyback program](#)



STAFF REPORT

TO: Board of Directors
THRU: John R. Zimmerman, General Manager
FROM: Bill Hauck, Water Supply Supervisor
DATE: February 12, 2025
SUBJECT: February 2025 Water Operations Report

SUMMARY

- Snowpack is below normal for this time of year in the Lake Tahoe Basin (~80% median).
- Truckee River reservoir storage is good and is 67% of maximum capacity system wide.
- This ensures normal Truckee River flows through 2025 and well into 2026.
- TMWA’s privately owned storage (POSW) and TROA storage are also in good shape.
- Overall, the water supply outlook for our region is very good.
- Hydroelectric generation for the month of January was \$300,937 (4,009 MWh)
- TMWA’s customer demands are still at typical wintertime levels.
- Recharge is occurring at a rate of about 0.6 million gallons per day (MGD).

(A) Water Supply

- **River Flows** - Truckee River flow at the CA/NV state line was four hundred eighty (480) cubic feet per second (CFS) this morning. This is above the 116-year median of 406 CFS for this day in history due to runoff from recent winter storms.
- **Reservoir Storage** - Overall, Truckee River reservoir storage is ~67% of capacity. The elevation of Lake Tahoe is currently 6227.17 feet which is 1.93’ below the maximum legal elevation of 6229.10.’ Storage values for each reservoir as of February 12th are as follows:

Reservoir	Current Storage (Acre-Feet)	% Capacity (Percent)
Tahoe	507,544	68%
Boca	9,533	23%
Stampede	166,641	74%
Prosser	9,682	32%
Donner	4,411	46%
Independence	13,810	79%

In addition to the 18,221 acre-feet of storage between Donner and Independence reservoirs, TMWA also has 13,495 acre-feet of water stored in Stampede and Boca reservoirs under the terms of TROA. TMWA's total combined upstream reservoir storage as of this writing is approximately 31,716 acre-feet.

- **Snowpack** - January was an exceptionally dry month for the Sierra Nevada, and water content levels of the snowpack were down to 60% of median by the first of February. The situation has turned around since then with one storm after another. Snowpack in the Lake Tahoe Basin snowpack is now close to 80% of median with another major storm on the way over the next couple of days. While this is still below normal for this time of year, conditions are not too far from what is considered normal for this time of the year and there is still plenty of time to end the season on a positive note. The snowpack building season is not over yet and only time will tell how this year ends up.
- **Outlook** - Two of the three prime snowpack producing months are now behind us. Snowpack is below average (~80% median for this time of year), but nothing that two or three good storms could not pull us back the other way. Overall, the region is still in good shape from a water supply perspective. Upstream reservoir storage is on solid footing, and the latest projections for streamflow runoff this spring are normal. This means chances are good that most of the reservoirs will be 80-90% of capacity or even completely full by the start of summer, which is good. Of course, weather patterns over the next couple of months will have the final say in the matter, but the fact remains that our region is in decent shape once again as normal Truckee River flows are projected for the remainder of 2025 and well into 2026, regardless of the final outcome of this winter.

(B) Water Production

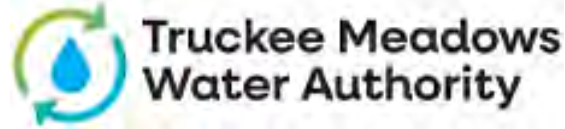
- **Demand** - Customer demand is still at typical wintertime levels, averaging about forty (40) MGD through the first full week of February. Surface water made up about 80% of our overall supply, and groundwater pumping the other 20%. Recharge continues to occur at a rate of about 0.6 MGD.

(C) Hydro Production

Generation - The median Truckee River flow at Farad (CA/NV state line) for the month of January was 400 CFS. The Fleish and Washoe power plants were on-line and 100% available, while the Verdi plant which was off-line for scheduled plant maintenance was 71% available.

Statistics and generation for the month of January are as follows:

Plant	Generation Days	% Availability	Generation (Megawatt Hours)	Revenue (Dollars)	Revenue (Dollars/Day)
Fleish	31	100%	1,816	\$133,893	\$4,319
Verdi	22	71%	1,021	\$78,596	\$2,535
Washoe	31	100%	1,172	\$88,448	\$2,853
Totals	84	-	4,009	\$300,937	\$9,708



STAFF REPORT

TO: Board of Directors
THRU: John R. Zimmerman, General Manager
FROM: Eddy Quaglieri, Resource Services Manager
DATE: February 6, 2025
SUBJECT: **Water Resources and Annexation Activity Report**

RULE 7

Rule 7 water resource purchases and will-serve commitment sales against purchased water resources through this reporting period:

Beginning Balance		3,136.74 AF
Purchases of water rights	15.61 AF	
Refunds	0.00 AF	
Sales	-40.76 AF	
Adjustments	0.00 AF	
Ending Balance		3,111.59 AF

Price per acre foot at report date: \$8,100

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		7,352.69 AF
Committed water rights	1.39 AF	
Ending Balance		7,351.30 AF

Price per acre foot at report date: \$47,218 (SFR and MFR); \$40,960 (for all other services)¹

¹ 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 0.00 acres (Exhibit A) 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: February 19, 2025
SUBJECT: **January Customer Service Report**

The following is a summary of Customer Service activity for January 2025

Ombudsman Report – Kim Mazer

- Customer looking for help for a friend with dementia who is overdue on their bill. When I called the customer back, she had already talked to the Customer Service Manager and was thrilled with the help provided.

Communications – Public Outreach – January

- Will Raymond, Eric Mothershead and Darrin Garland met with Reno Fire Department to discuss Water Treatment/Distribution System and 11 attended.
- David Diegle, Lydia Teel, Greg Pohll, Nick White, Robert Charpentier and Danny Rotter had a meeting for Infrastructure SUP related to APWF at the Stead Airport and 23 people attended.

Conservation (2025 Calendar year)

- 211 Water Usage Reviews
- 117 Water Watcher Contacts

Customer Calls – January

- 6,783 phone calls handled.
- Average handling time 4 minutes 46 seconds per call.
- Average speed of answer :17 seconds per call.

Billing – January

- 139,944 bills issued.
- 68,890 customers (49%) have signed up for paperless billing to date, which equates to an annual savings of \$537,342.00.

Remittance – January

- 14,961 Mailed-in payments.
- 22,020 Electronic payments.
- 57,023 Payments via AutoPay (EFT)

- 17,600 One-time bank account payments.
- 1,041 Pay by Text
- 4,618 IVR Payments.
- 826 Reno office Payments.
- 54 Kiosk Payments.

Collections – January

- 15,562 accounts received a late charge.
- 2,872 Mailed delinquent notices, 0.04% of accounts.
- 831 accounts eligible for disconnect.
- 696 accounts were disconnected. (Including accounts that had been disconnected-for-non-payment that presented NSF checks for their reconnection)
- 0.20% write-off to revenue.

Meter Statistics – Fiscal Year to Date

- 2,697 Meter exchanges completed.
- 966 New business meter sets completed.

Service Line Warranties of America Statistics

- 11,800 Policies
- 9,365 Customers
- 374 Jobs Completed
- \$685,431 Customer Savings