

**TRUCKEE MEADOWS WATER AUTHORITY
STANDING ADVISORY COMMITTEE**

MINUTES

February 4, 2025

The Standing Advisory Committee (SAC) met at TMWA, 1355 Capital Blvd, Reno, NV. Chair Krmptic called the meeting to order at 3:04 p.m.

1. ROLL CALL

Primary Members and Voting Alternates Present: Fred Arndt, Jordan Hastings, John Krmptic, Justin McDougal, Neil McGuire, Chris Melton, Connor Naisbitt, Jonnie Pullman, Kevin Ryan, Dale Sanderson and Alex Talmant.

Primary Members and Alternates Absent: Brian Bosma, Ryan Greenhalgh, Colin Hayes, Ken McNeil, and Jerry Wager.

Staff Present: Jason Barnes, Matt Bowman, Sophie Cardinal, Robert Charpentier, Andy Gebhardt, Bill Hauck, Dan Nubel, Eddy Quaglieri, Danny Rotter, Shawn Stoddard, Sandra Tozi, Marci Westlake, John Zimmerman, and Legal Counsel Justina Caviglia (PBL).

2. PUBLIC COMMENT

There was no public comment.

3. APPROVAL OF THE AGENDA

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

4. APPROVAL OF THE MINUTES OF OCTOBER 1, 2024 MEETING

Upon motion duly made by Member Melton, and seconded by Member Pullman, and carried by unanimous consent of the members present, the Committee approved the minutes of October 1, 2024.

5. WATER SUPPLY UPDATE

Bill Hauck, Water Supply Supervisor, informed the Committee that the Lake Tahoe Basin snowpack is at 63% of median, Lake Tahoe is above the natural rim and normal river flows are expected through 2025.

6. PRESENTATION ON THE ORR DITCH HYDRO PROJECT

Jason Barnes, Generation and Facilities Manager, provided an update on the Orr Ditch Hydro project which will be completed by fall 2025.

The Committee inquired what the return on investment is (about 10 years), the reason for the project (to power our treatment plant directly), and what water rights will be used to ensure downstream water rights holders are not impacted (non-consumptive Farad water rights).

7. PRESENTATION ON TMWA'S FISCAL YEAR 2024 ANNUAL COMPREHENSIVE FINANCIAL REPORT

Sophie Cardinal, Finance Controller, presented the report. Ms. Cardinal informed the Committee TMWA received an unqualified (clean) audit opinion, indicating a fair presentation of financial statements, despite receiving two error corrections related to updates in standards, and a single audit was performed, confirming compliance with federal grant requirements. Ms. Cardinal added that TMWA's net position was \$936.6m, an increase of \$46.1m from the prior year, cash on hand totaled \$20.2m, debt service coverage ratio was 1.42, indicating strong financial health, and operating expenses were \$121.0m, staying within the approved budget of \$125.0m.

8. UPDATE ON THE COST-OF-SERVICE STUDY

Matt Bowman, Chief Financial Officer, introduced Catherine Hansford, Hansford Economic Consulting, who is supporting staff on the Cost of Service Study.

Member Pullman asked if staff had found any anomalies to merge the different rates and expressed concern about fires. Mr. Bowman replied the study is preliminary and they have not found any anomalies, and TMWA's system is equipped to fight urban, not wild, fires.

9. DISCUSSION AND POSSIBLE REQUESTS FOR AGENDA ITEMS FOR FUTURE MEETINGS

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

Next meeting:

1. Water supply update
2. Presentation on FY2025 Q2 Financials.
3. Tentative FY2026 Budget and Fy 2026-2030 CIP
4. Presentation on TMWA's Hydrant Maintenance Program

10. STAFF ITEMS

John Zimmerman, General Manager, stated that there was a joint meeting between Cities of Reno and Sparks and Washoe County regarding the California wildfires. TMWA staff has worked, and continues to work, with all three agencies and NV Energy.

11. COMMITTEE ITEMS

Member McGuire mentioned that he advised his friends in California, who work in the utilities, the need to communicate (much as TMWA does) with each other before a crisis.

12. PUBLIC COMMENT

There was no public comment.

13. ADJOURNMENT

With no further items for discussion, Chair Krmpotic adjourned the meeting at 4:19 p.m.

Approved by the Standing Advisory Committee in session on Tuesday, April 1, 2025.

Sonia Folsom, Recording Clerk