



**AGENDA**  
**TRUCKEE MEADOWS WATER AUTHORITY**  
**Board of Directors**  
**Wednesday, April 16, 2025 at 10:00 a.m.**  
**Sparks Council Chambers, 745 4<sup>th</sup> Street, Sparks, NV**  
**MEETING VIA TELECONFERENCE & IN-PERSON**

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

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

Please click the link below to join the webinar:

[https://tmwa.zoom.us/j/89110512999?pwd=9d\\_RtYZbslqldTYlbUf\\_eHlyLK2VIw.GjiPvgdr9D35cFrr](https://tmwa.zoom.us/j/89110512999?pwd=9d_RtYZbslqldTYlbUf_eHlyLK2VIw.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/@tmwaboarboardmeetings6598>.
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. 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, and 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.
8. Written public comment may be provided by submitting written comments online on TMWA's Public Comment Form ([tmwa.com/PublicComment](http://tmwa.com/PublicComment)) or by email sent to [boardclerk@tmwa.com](mailto:boardclerk@tmwa.com) prior to the Board opening the public comment period during the meeting. In addition, public comments may be provided by leaving a voicemail at (775)834-0255 prior to 4:00 p.m. the day before the scheduled meeting. Voicemail messages received will be noted during the meeting and summarized for entry into the record.
9. In the event the Chair and Vice-Chair are absent, the remaining Board members may elect a temporary presiding officer to preside over the meeting until the Chair or Vice-Chair are present (**Standing Item of Possible Action**).
10. Notice of possible quorum of Western Regional Water Commission: Because several members of the Truckee Meadows Water Authority Board of Directors are also Trustees of the Western Regional Water Commission, it is possible that a quorum of the Western Regional Water Commission may be present, however, such members will not deliberate or take action at this meeting in their capacity as Trustees of the Western Regional Water Commission.
11. The Board may attend and participate in the meeting by means of remote technology system. Members of the public wishing to attend and/or participate by providing public comment may do so either in person at the physical location of the meeting listed above or virtually. To attend this meeting virtually, please log into the meeting using the link and/or phone number noted above. 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.

<sup>1</sup> The Board may adjourn from the public meeting at any time during the agenda to receive information and conduct labor-oriented discussions in accordance with NRS 288.220 or receive information from legal counsel regarding potential or existing litigation and to deliberate toward a decision on such matters related to litigation or potential litigation.

1. Roll call\*
2. Pledge of Allegiance\*
3. Public comment — limited to no more than three minutes per speaker\*
4. Possible Board comments or acknowledgements\*
5. Approval of the agenda (**For Possible Action**)
6. Approval of the minutes of the March 19, 2025 meeting of the TMWA Board of Directors (**For Possible Action**)
7. Presentation on Desert Research Institute's Programs and Research — Dr. Kumud Acharya and Kristin McMillan Porter\* (**10min**)
8. Water Supply Update — Kara Steeland\* (**5min**)
9. Discussion and possible action, and direction to staff regarding the request for approval of revisions to the Post-Retirement Medical and life Insurance Plan & Trust (§501-c-9) Plan Document — Jessica Atkinson (**For Possible Action**) (**5min**)
10. Discussion and possible action, and direction to staff regarding TMWA's Draft 2025-2045 Water Resource Plan — Kara Steeland (**For Possible Action**) (**15min**)
11. Presentation on proposed Conservation, Communications and Outreach Plan for 2025, discussion and possible direction to staff — Robert Charpentier and Cammy Elquist LoRe (**For Possible Action**) (**10min**)
12. 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**)
13. General Manager's Report\* (**5min**)
14. Public comment — limited to no more than three minutes per speaker\*
15. Board comments and requests for future agenda items\*
16. Adjournment\*

<sup>1</sup>. The Board may adjourn from the public meeting at any time during the agenda to receive information and conduct labor-oriented discussions in accordance with NRS 288.220 or receive information from legal counsel regarding potential or existing litigation and to deliberate toward a decision on such matters related to litigation or potential litigation.

TRUCKEE MEADOWS WATER AUTHORITY  
**DRAFT** MINUTES OF THE MARCH 19, 2025  
MEETING OF THE BOARD OF DIRECTORS

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The Board of Directors met on Wednesday, March 19, 2025 at Sparks Council Chambers. Chair Duerr called the meeting to order at 10:00 a.m.

**1. ROLL CALL**

**Directors Present:** Naomi Duerr, \*Alexis Hill, Kathleen Taylor, and Dian VanderWell.

**Director Absent:** Paul Anderson, Clara Andriola, and Miguel Martinez.

A quorum was present.

*\*Director Hill left the meeting at 12:03 p.m.*

**2. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Director Taylor.

**3. PUBLIC COMMENT**

There was no public comment.

**4. POSSIBLE BOARD COMMENTS OR ACKNOWLEDGEMENTS**

Chair Duerr noted the reason for Directors Anderson, Andriola and Martinez's absence is due to their attendance at the WateReuse Symposium this week.

**5. APPROVAL OF THE AGENDA**

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

**6. APPROVAL OF THE MINUTES OF THE FEBRUARY 19, 2025 MEETING OF THE TMWA BOARD OF DIRECTORS**

**Upon motion by Director VanderWell, second by Director Hill, which motion duly carried by unanimous consent of the Directors present, the Board approved the February 19, 2025 minutes.**

## 7. WATER SUPPLY UPDATE

Bill Hauck, TMWA Water Supply Supervisor, informed the Board that as of Monday Lake Tahoe Basin snowpack was at 88% of normal and the water content is about 94% of median, which is much closer to average and have improved since Monday. Mr. Hauck added that the overall reservoir storage is about 71% of capacity, Lake Tahoe is about 1.5 feet from full, and project an above average runoff year.

## 8. PRESENTATION ON TMWA'S AQUIFER STORAGE AND RECOVERY PROGRAM

Kara Steeland, Senior Hydrologist & Watershed Coordinator, introduced TMWA's aquifer storage and recovery (ASR) program as a water management strategy where treated surface water is injected into aquifers throughout the system, helps maintain and improve groundwater levels and bank water for future use. Ms. Steeland informed the Board that staff will be presenting on the draft 2025-2045 Water Resource Plan at the April Board meeting; included in the update is an analysis of how increased ASR will help enhance system resiliency to drought and climate change.

Lauren Jones, Senior Hydrogeologist, discussed TMWA's ASR program, which involves the direct injection of treated surface water into production wells during fall and winter. Since 1993, TMWA has injected over 42,000 acre-feet of water, leading to improved water table levels. TMWA's strategy focuses on maximizing resources through conjunctive use, prioritizing surface water to meet customer demands and allowing wells to rest and recharge naturally. Additionally, artificial recharge is used for drought supply and resiliency, considering both seasonal and long-term storage. This approach helps maintain and improve groundwater levels where needed.

Chair Duerr asked if 5,500 AF per year was a total or per well. Ms. Jones replied it is the total for all wells.

Director Taylor inquired what a domestic well is and good neighbor efforts. Ms. Jones replied that a domestic well is owned by a homeowner not connected to TMWA's system, and TMWA has injection wells somewhat close to domestic wells and may choose to inject in that area that might benefit domestic well owners' water levels and that is being a good partner with domestic neighbors.

## 9. DISCUSSION AND POSSIBLE ACTION ON THE TMWA TENTATIVE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2026 AND DRAFT CAPITAL IMPROVEMENT PLAN (CIP) FOR FISCAL YEARS 2026 THROUGH 2030

Matt Bowman, Chief Financial Officer, provided an overview of TMWA's tentative FY 2026 budget, the budgeting process for the annual budget and five-year funding plan which is presented to the Board at the October Board meeting. Mr. Bowman thanked TMWA staff for their due diligence and hard work to trim down expenses and see what can be deferred, without sacrificing service to customers.

David Diegle, Engineering Manager, presented on the draft FY 2026-2030 CIP.

Director Hill thanked staff for presenting the tentative budget in a timely manner and asked the Board to consider looking at a potential Portland Loo at Mayberry Park as it is difficult to get this accomplished at Washoe County with grant funding available; as well as considering one in each jurisdiction over the next four years.

**Upon motion by Director Hill, second by Director VanderWell, which motion duly carried by unanimous consent of the Directors present, the Board approved the tentative budget for the fiscal year ending June 30, 2026 and draft capital improvement plan for fiscal years 2026 through 2030, and staff research the feasibility of partially funding a Portland Loo at Mayberry Park.**

**10. DISCUSSION AND POSSIBLE ACTION, AND DIRECTION TO STAFF REGARDING 2025 LEGISLATIVE ACTIVITIES, CURRENT BILLS, AND TMWA RECOMMENDED POSITIONS ON LEGISLATIVE PROPOSALS**

Dan Nubel, Staff Attorney, and Leo Drozdoff, Government Affairs Consultant, presented the staff report and bill list to the Board and recommended to oppose SB276.

**Upon motion by Director Taylor, second by Director Hill, which motion duly carried by unanimous consent of the Directors present, the Board approved staff recommendation to support TMWA positions shown in the bill list, and specifically to oppose SB276.**

**11. UPDATE ON GOLD RANCH FIRE RESTORATION**

Ms. Steeland presented on the Gold Ranch Fire restoration project.

Director Hill was amazed at the collaboration and all the people that contributed.

**12. DISCUSSION AND POSSIBLE ACTION ON ADOPTION OF RESOLUTION NO. 333: A RESOLUTION TO APPROVE FUNDING FOR ONE OR MORE OF THE PROJECTS RECOMMENDED BY THE TRUCKEE RIVER FUND ADVISORY COMMITTEE AND AN AUTHORIZATION FOR THE COMMUNITY FOUNDATION OF NORTHERN NEVADA TO FUND SUCH PROJECTS FROM FUND PROCEEDS (RESOLUTION MAY REFLECT ACTION TAKEN IN ONE OR MORE VOTES ON RECOMMENDED PROJECTS)THERE WAS NO PUBLIC COMMENT.**

Sonia Folsom, Executive Assistant, and Ms. Steeland presented the staff report.

**Upon motion by Director Hill, second by Director VanderWell, which motion duly carried by unanimous consent of the Directors present, the Board adopted Resolution No. 333: A resolution to approve funding for one or more of the projects recommended by the Truckee River Fund Advisory Committee and an authorization for the Community Foundation of Northern Nevada to fund such projects from Fund proceeds.**

### 13. GENERAL MANAGER'S REPORT

Mr. Zimmerman informed the Board that crews went above and beyond while doing some maintenance in front of a customer's home on trash day. The customer was recovering from surgery and staff moved the trash bins so it could be collected and returned to the customer's garage. Mr. Zimmerman thanked: Rick Pickworth, Aaron Gutierrez, Mike Stumbaugh and Caden Carpinella.

Mr. Zimmerman also informed the board that he, Danny Rotter, Assistant General Manager, and Will Raymond, Operations Director, along with a few other staff, will be presenting to the Reno City Council on April 23, at the request of Mayor Hillary Schieve, on fire preparedness and emergency management.

Lastly, Mr. Zimmerman reminded the Board that the October strategic planning meeting is scheduled for four hours, but there is another conflict with the Nevada Housing Coalition meeting held in Las Vegas on October 15 and 16, and recommended polling the Board on seeing if another date works.

### 14. PUBLIC COMMENT

There was no public comment.

### 15. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

There were no board comments.

### 16. ADJOURNMENT

With no further discussion, Chair Duerr adjourned the meeting at 12:04 p.m.

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

Sonia Folsom, Board Clerk.

***\*Director Hill was present for agenda items 1 thru 13.***





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NEVADA SYSTEM OF  
HIGHER EDUCATION

NEVADA BOARD OF REGENTS

NSHE CHANCELLOR

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UNIVERSITIES



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RESEARCH INSTITUTE

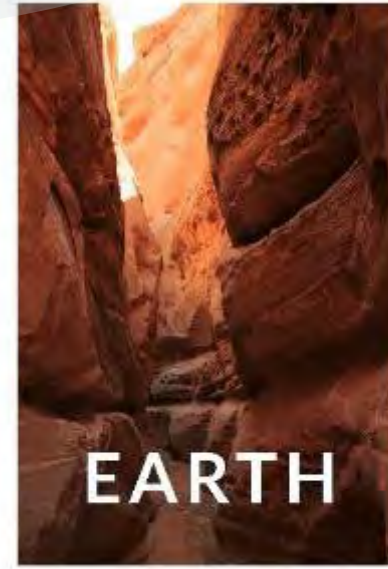
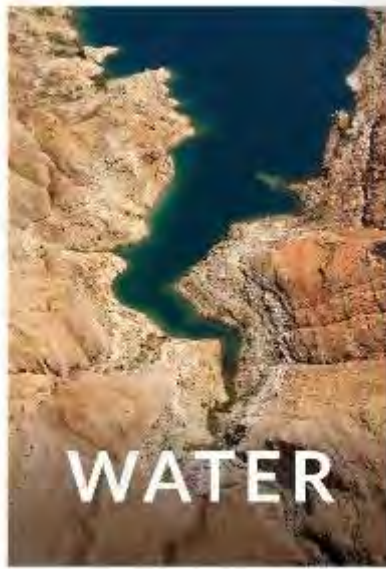






## WHO WE ARE

- 1 of 8 institutions within the Nevada System of Higher Education
- 2 main campuses in Las Vegas and Reno
- Over 60 years of environmental research and discovery
- More than 600 scientists, engineers, students, and support staff
- ~140 PhDs in more than 40 disciplines
- \$52M in sponsored research grants and contracts annually



Researching the human impact on the environment  
and the environment's impact on humans.



**KRISTIN  
MCMILLAN  
PORTER**

Chair, DRI Foundation  
and Senior Advisor,  
Porter Group

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# The 2024 AWE+Summit

Las Vegas, Nevada





A  Global Initiative

ADAPTABLE WORLD ENVIRONMENT





PROVIDING  
IMPACTFUL  
DATA FOR

# LOCAL & REGIONAL DECISION-MAKING

04-16-25 BOARD Agenda Item 7

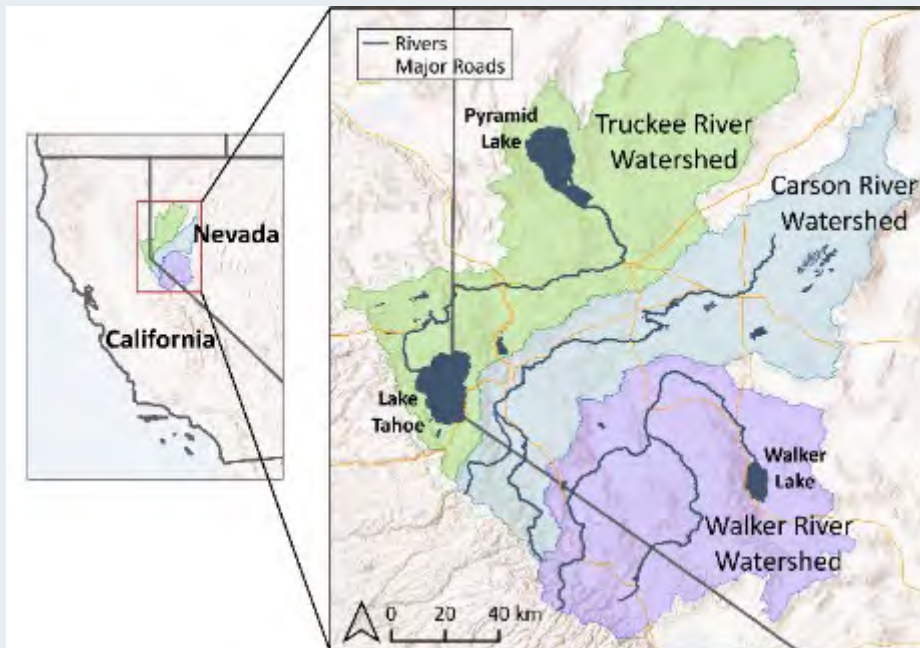


# DROUGHT MONITOR

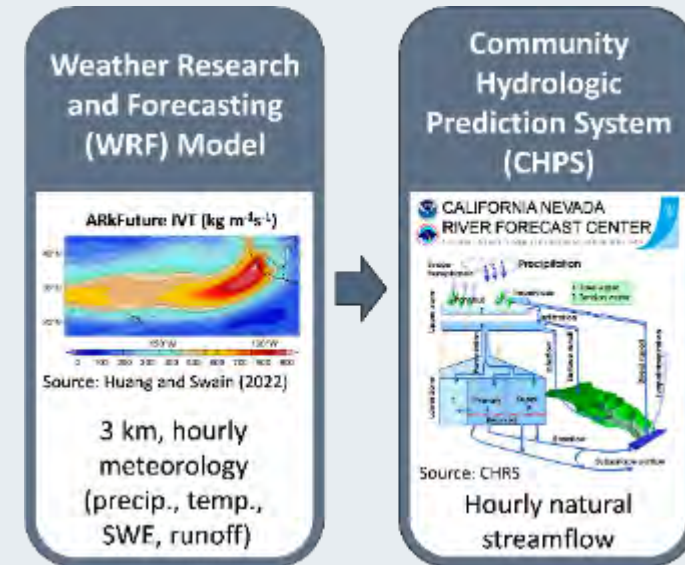


# ARKSTORM2.0 @ SIERRA FRONT

## ENGAGING EMERGENCY PLANNERS TO ANTICIPATE IMPACTS OF EXTREME STORMS

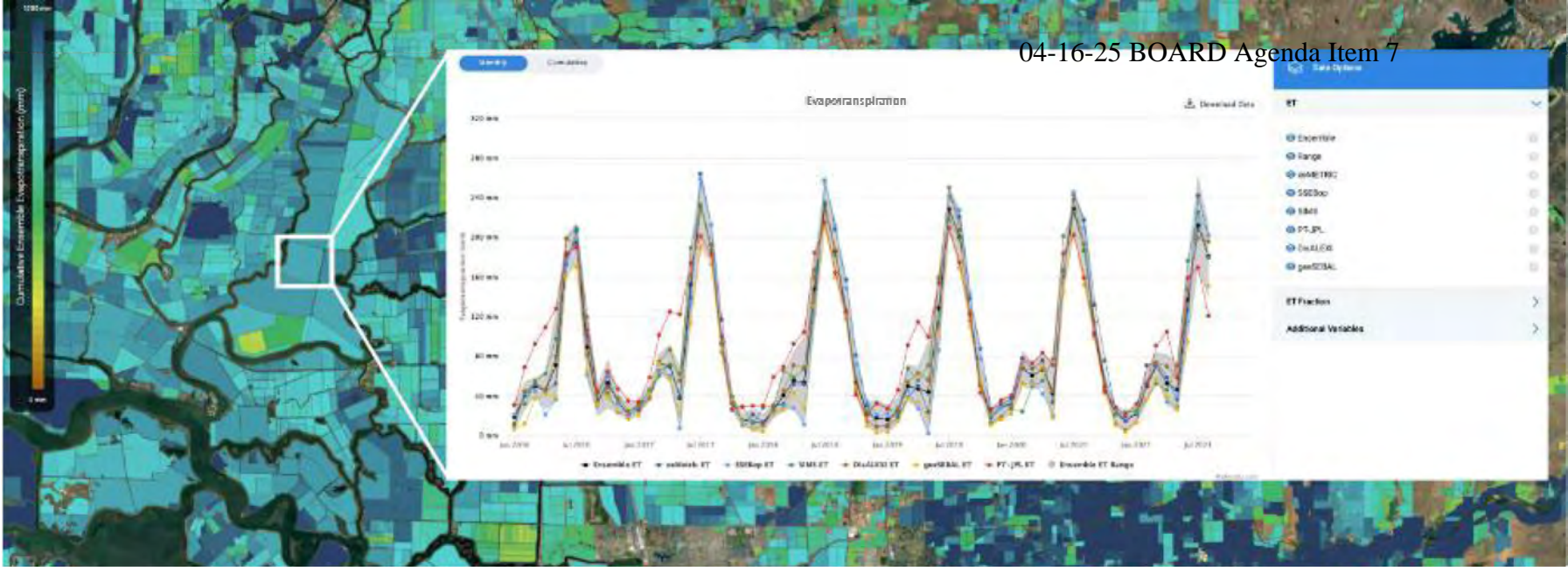
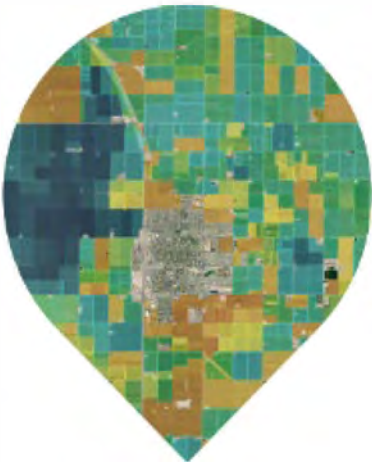


- Sierra Front watersheds
- Truckee, Carson, Walker



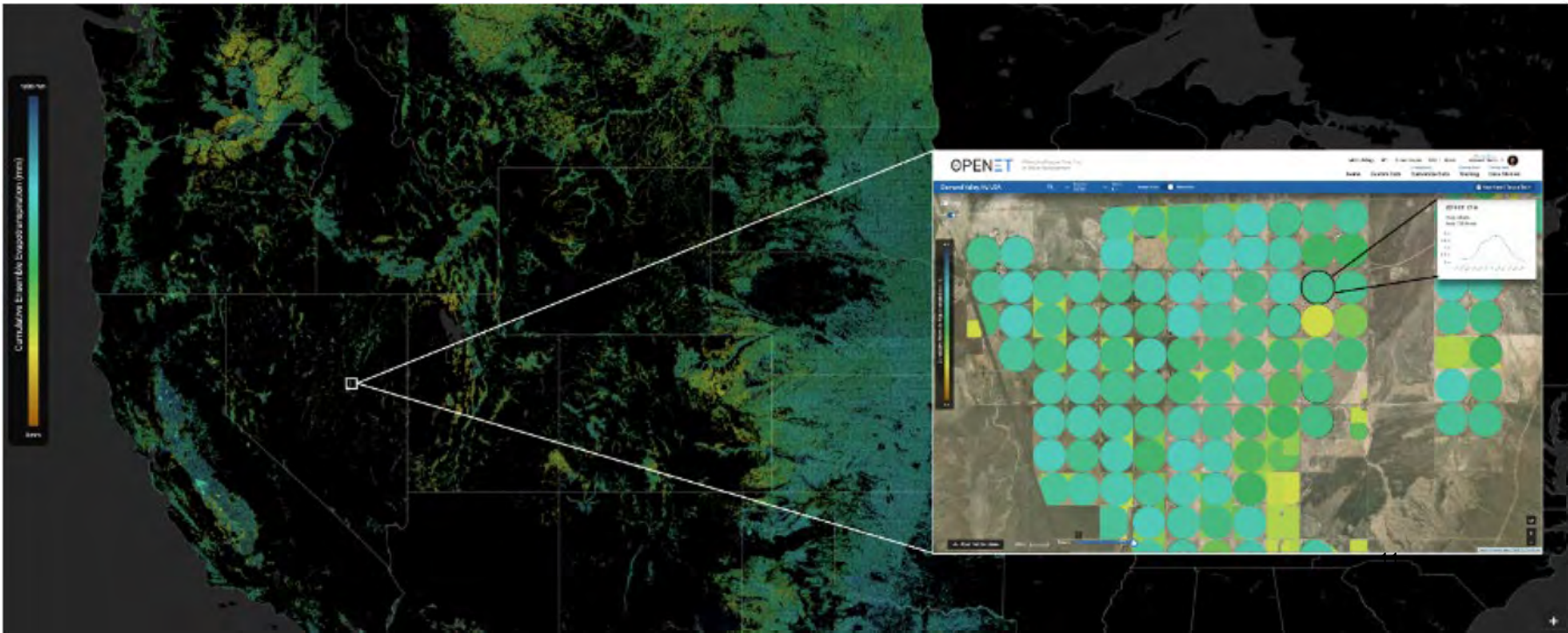
Visualized in a map App to support  
ER planning and exercises





# OPENET

FILLING THE BIGGEST DATA GAP IN WATER MANAGEMENT

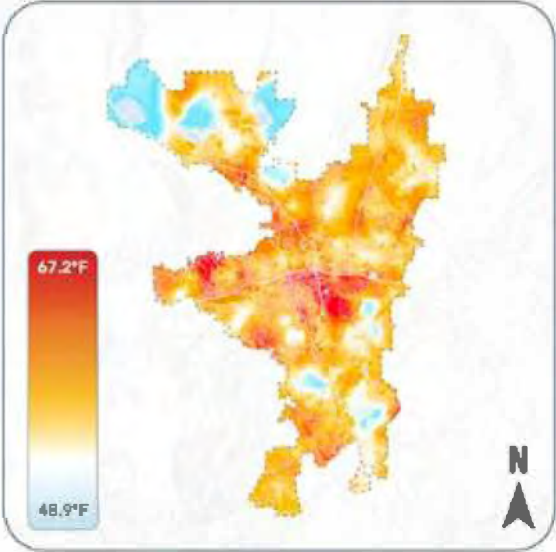




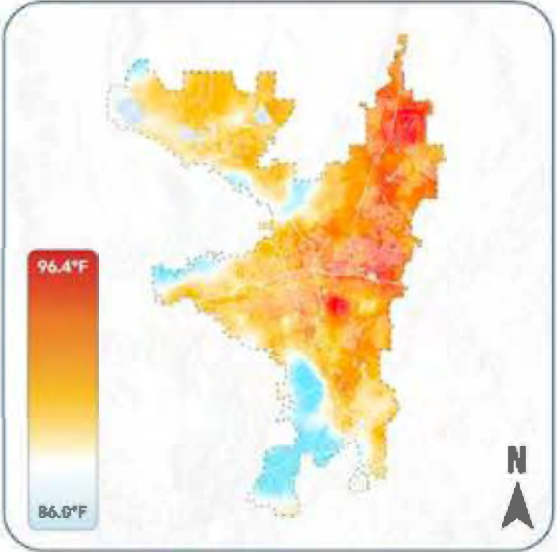


# MICRO PLASTICS

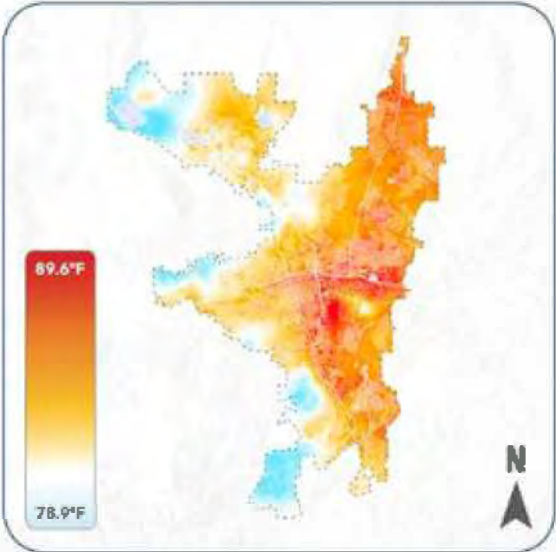
Morning Area-Wide Model (6 - 7 am)



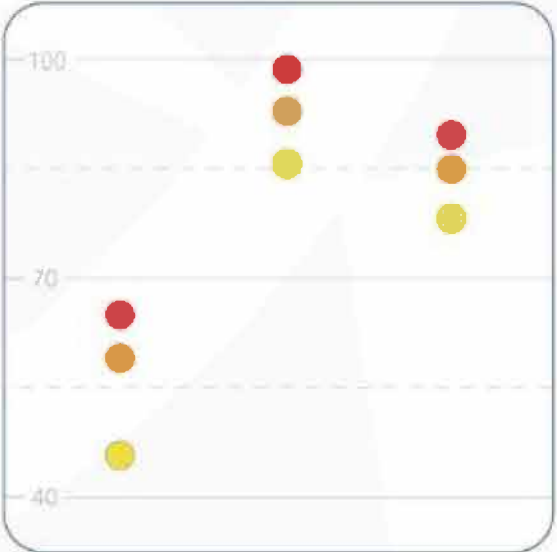
Afternoon Area-Wide Model (3 - 4 pm)



Evening Area-Wide Model (7 - 8 pm)



Traverse Points (°F)



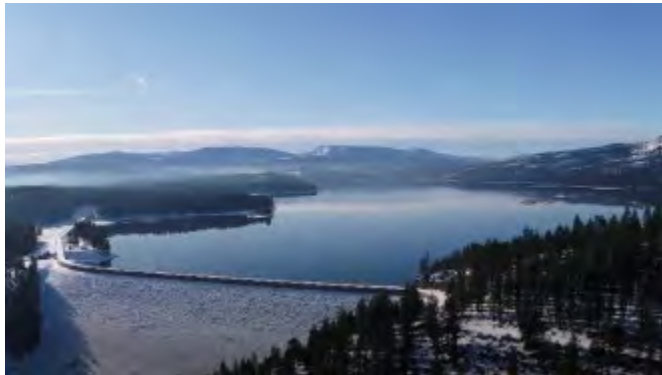


# CHARACTERIZING WATERSHED RESPONSES TO WINTER PRECIPITATION:

04-16-25 BOARD Agenda Item 7

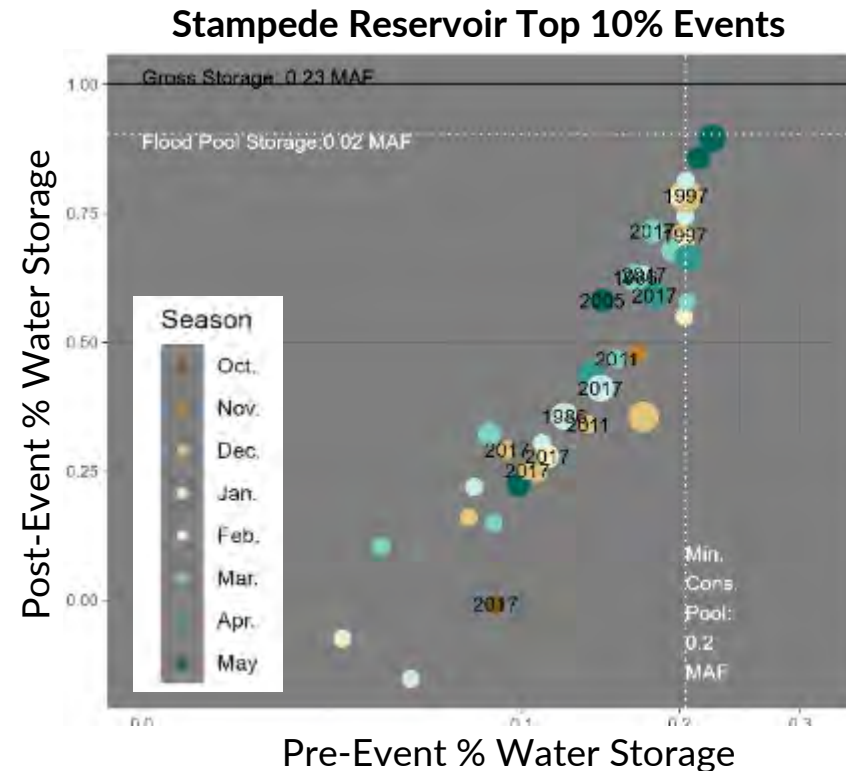
## *Analyses to support Forecast Informed Reservoir Operations (FIRO) planning*

**WHAT?** Use of weather and water forecasts can improve ability to balance reservoir water supply and flood risk objectives, but utility depends on watershed hydrology and operational constraints (e.g., safe storage and release capacities).

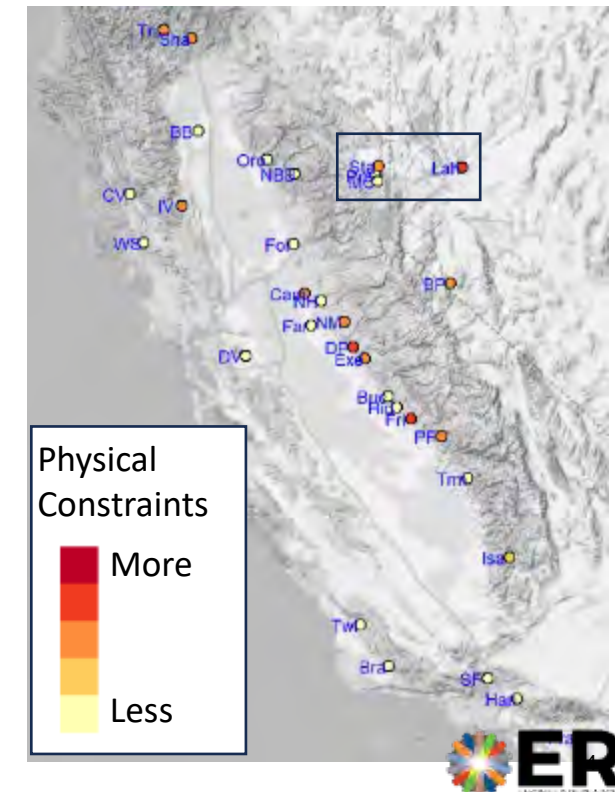


Stampede Reservoir  
Photo Credit: Jeff Deitch, Sky Vision

**HOW?** Assess historical inflows relative to physical operational constraints of 32 reservoirs across CA/NV during largest winter storm events on record.



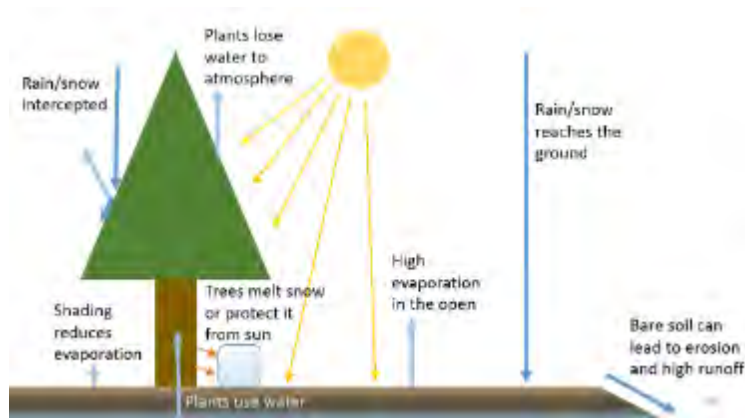
**WHY?** Relations among inflow, storage, and release volumes indicate physical constraints that will require more forecast lead time to safely balance objectives using FIRO.



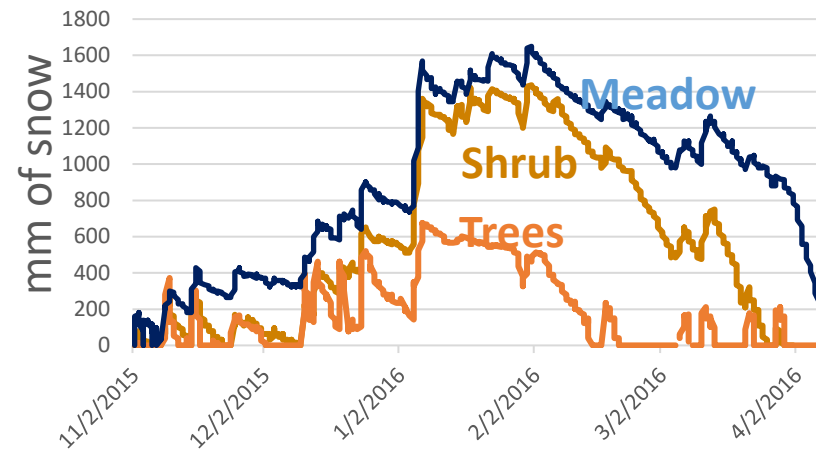


# HOW CAN WILDFIRE AND HYDROLOGY INTERACT TO INCREASE FOREST RESILIENCE?

**WHAT?** It is difficult to predict how the water balance will change following wildfire, especially if landscape changes vary spatially.



**HOW?** Field data, remote sensing, and models reveal complex interactions between plants, fire, and water (snow, soil moisture, streamflow, etc.).



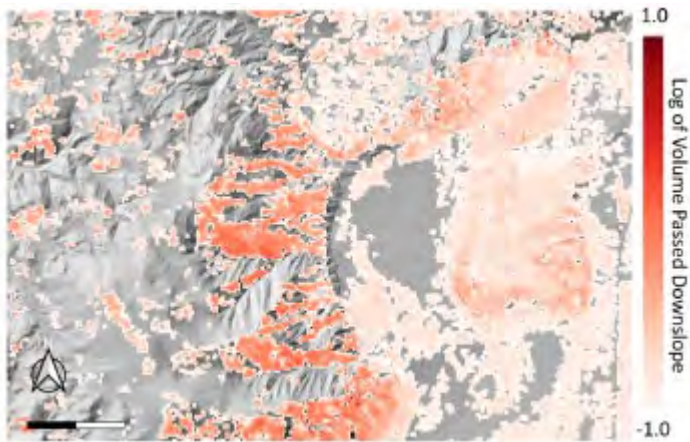
**WHY?** Helps managers predict how wildfires will impact forest and water resources, identifying where/when wildfire could be useful rather than harmful.



**SPECIAL/UNIQUE:** Most post-wildfire studies focus on large, catastrophic fires. This work explores how landscapes evolve with occasional fires to resist drought and megafire.

# EROSION POTENTIAL INDEX

**WHAT?** Mapping where sediment is available to be mobilized in post-fire settings.



**HOW?** Theory, vegetation mapping, and simple geometric analyses of valleys highlight where sediment is tenuously stored and available for transport.



DiBiase and Lamb, 2013

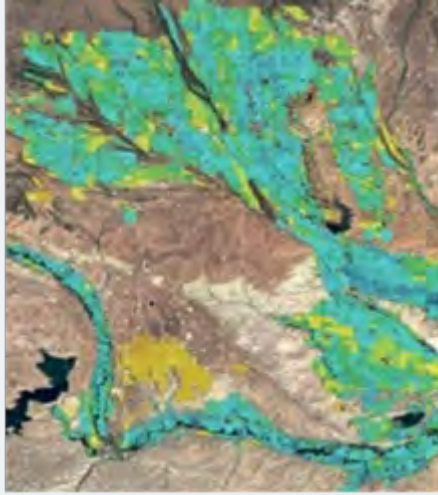
**WHY?** A major challenge to predicting debris flow volumes and runout distances is uncertainty in the available sediment for mobilization. This will improve estimates of risk to areas downstream of burn areas.



Kean et al., 2019

**SPECIAL/UNIQUE:** Most models for post-fire debris flow risk involve landscape attributes that include land-surface slope, contributing flow area, and geology. This is effectively a new metric for evaluating risk that is based on watershed shape, vegetation, and uphill configuration of slopes that affect how much sediment reaches a channel and can be mobilized by debris flows.





# NSF REGIONAL INNOVATION ENGINES AWARD

- Southwest Sustainability Innovation Engine (SWSIE)
- Innovation and Technology to keep the Southwestern Region thriving
- AZ, NV, UT – \$15M → \$160M
- Economic ecosystem with startups, multinationals, NGO's, communities and educational institutions
- Workforce development starting with K-12 STEM Education through certificate programs and Ph.D. training



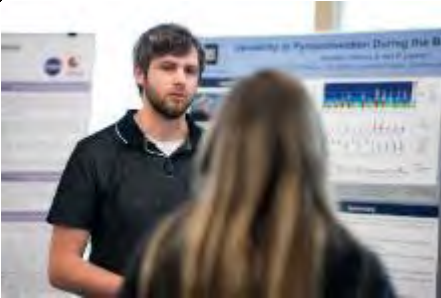
**[swsie.asu.edu](http://swsie.asu.edu)**

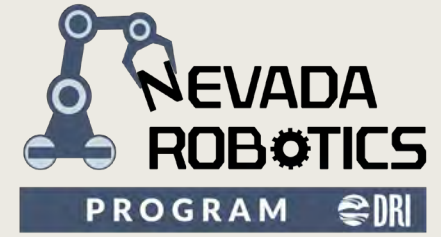
# ECONOMIC IMPACT & RETURN ON STATE INVESTMENT





# SUPPORTING STUDENTS





- PreK-12 STEM & Robotics Education
- Educator Professional Development
- Technology & STEM Kit Lending Libraries for Educators
- Workforce Development
- Community Outreach





# Thank you



Researching the human impact on the environment  
and the environment's impact on humans.

# Water Supply Update

**Board of Directors**

April 16, 2025

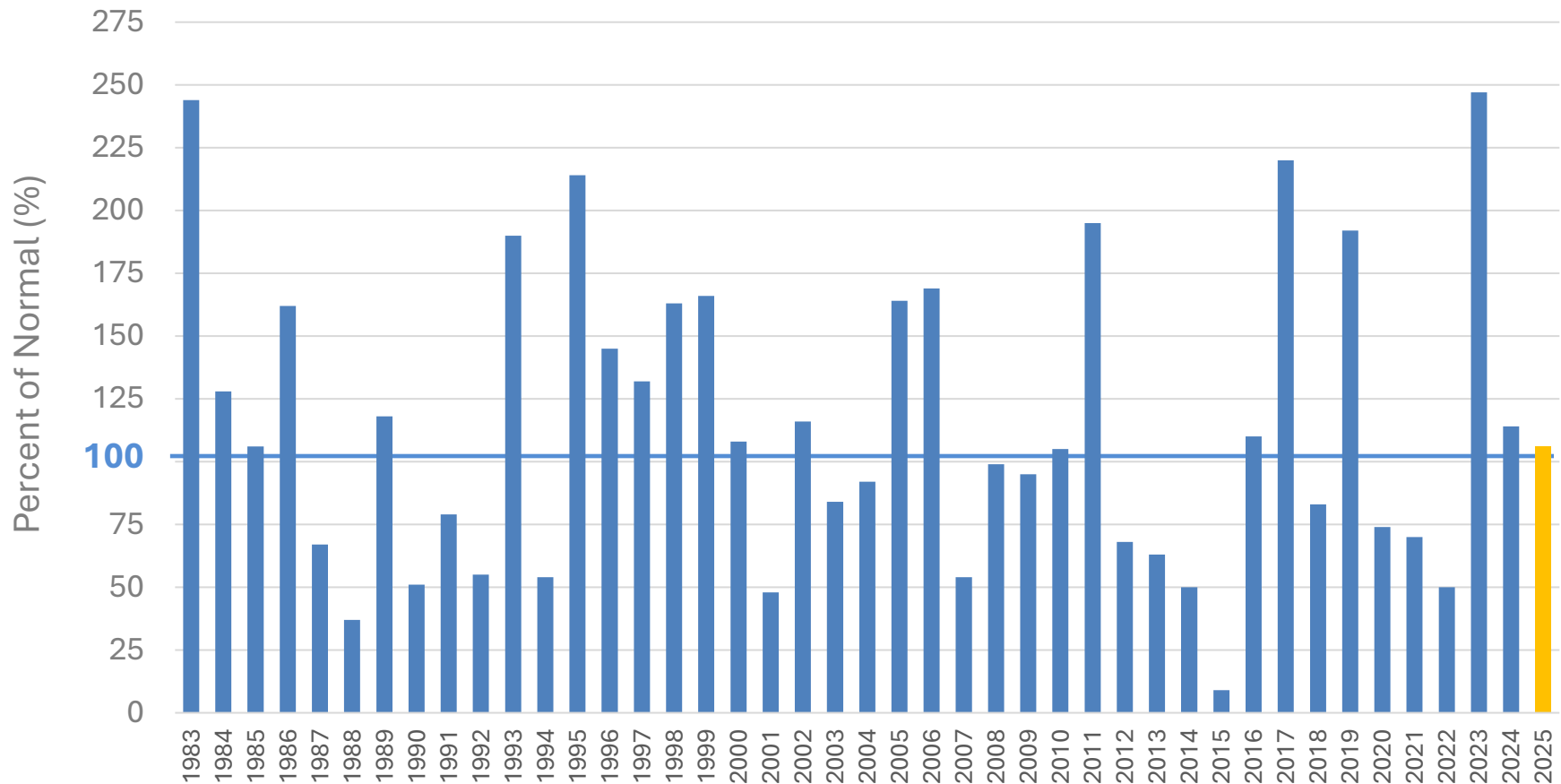


**Truckee Meadows  
Water Authority**

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# April 01 Lake Tahoe Basin Snow Water Equivalent (NRCS)

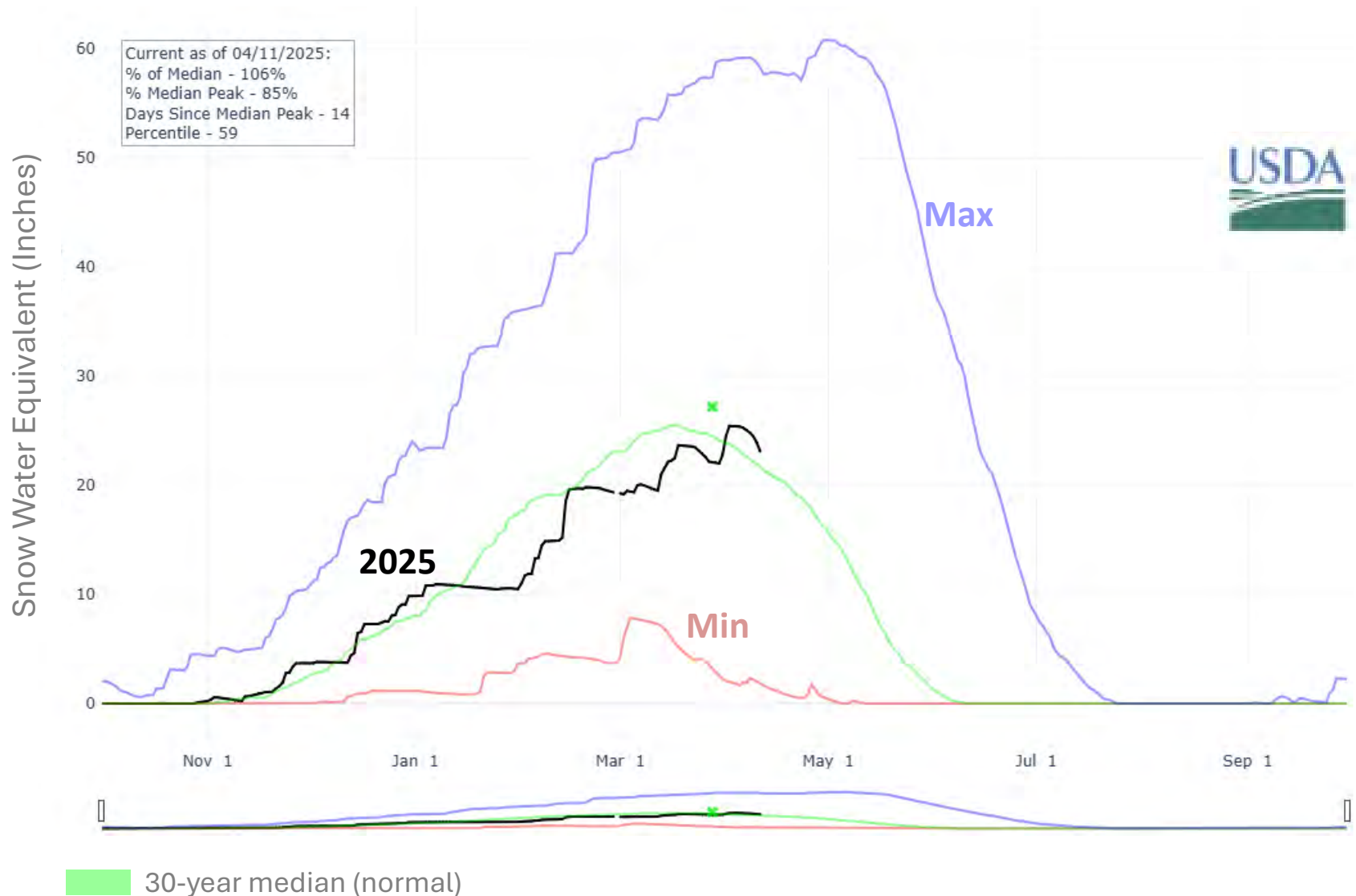


as of March 31, 2025





# Lake Tahoe Basin Snowpack Comparison (SWE)



# NRCS Projected Streamflow Forecast (as of 4/1/25)

- Lake Tahoe Gates Closed Rise (30-yr median GCR = 1.14’):

1.60’ (140% Avg.) 5% COE (Apr-High)

1.11’ (97% Avg.) 50% COE (Apr-High)

0.73’ (64% Avg.) 95% COE (Apr-High)

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

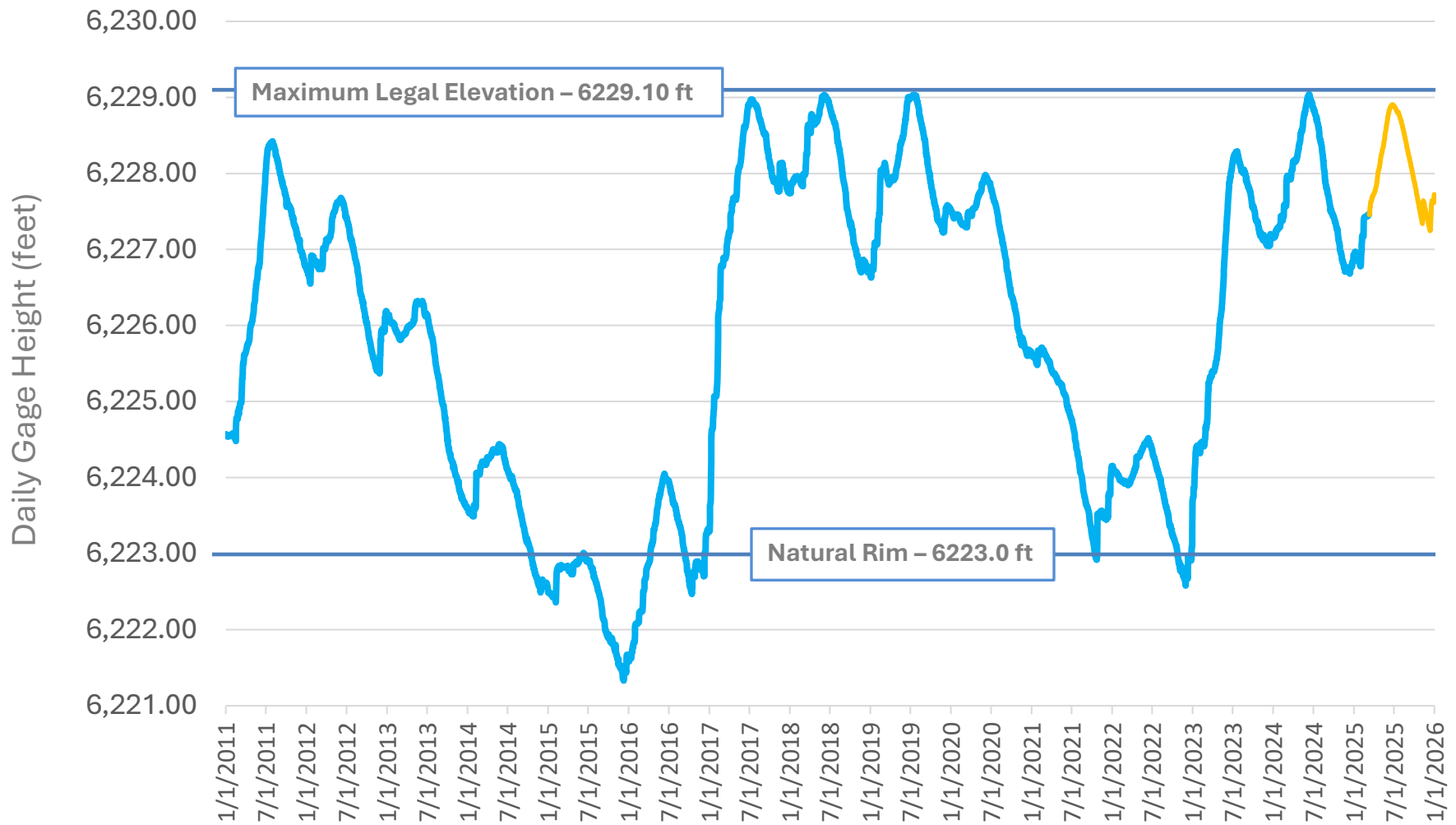
265 KAF (117% Avg.) 5% COE (Apr-Jul)

225 KAF (100% Avg.) 50% COE (Apr-Jul)

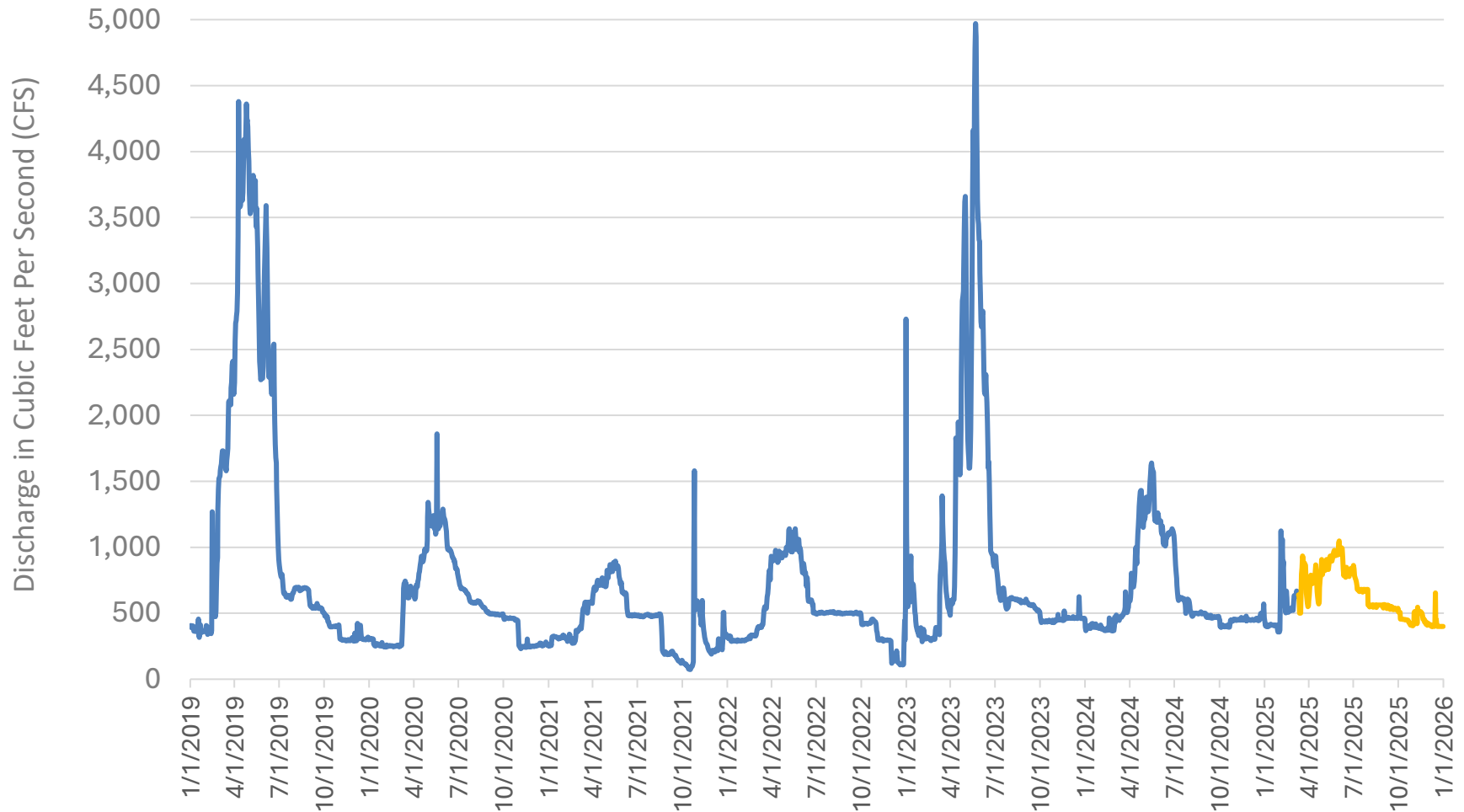
175 KAF (77% Avg.) 95% COE (Apr-Jul)



# Lake Tahoe Elevation Actual and Projected (2011-2025)

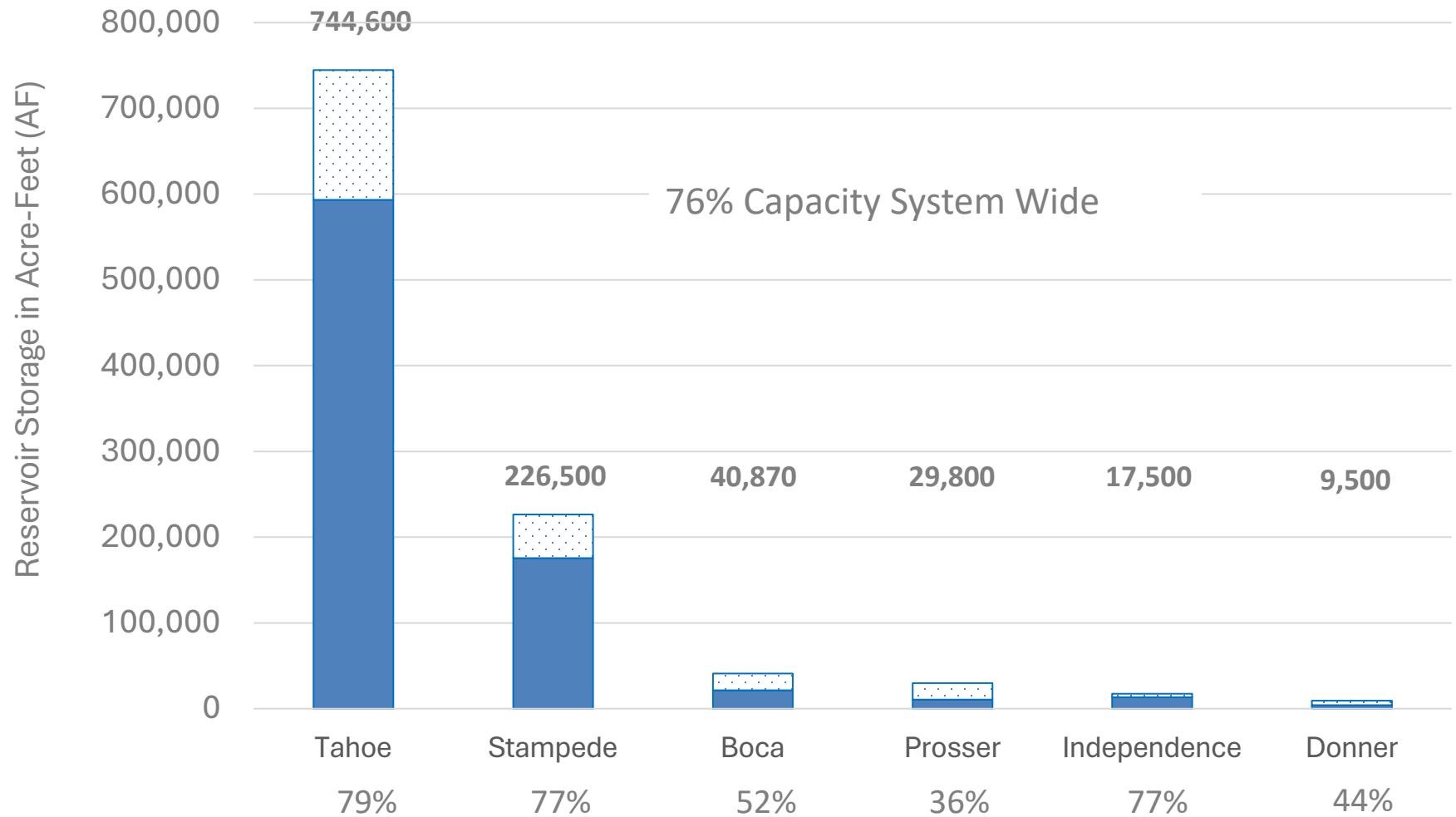


# Actual and Projected Truckee River Flow through 2025 @ CA/NV State Line





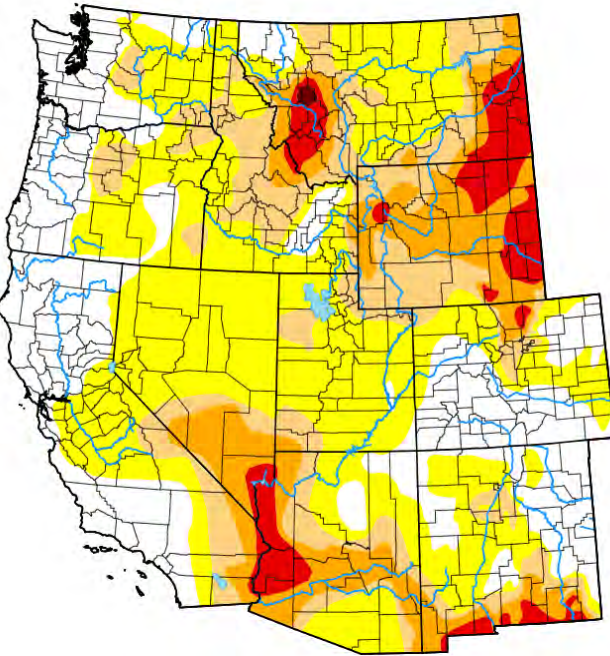
# Truckee River System Storage (Apr. 11, 2025)



# U.S. Drought Monitor

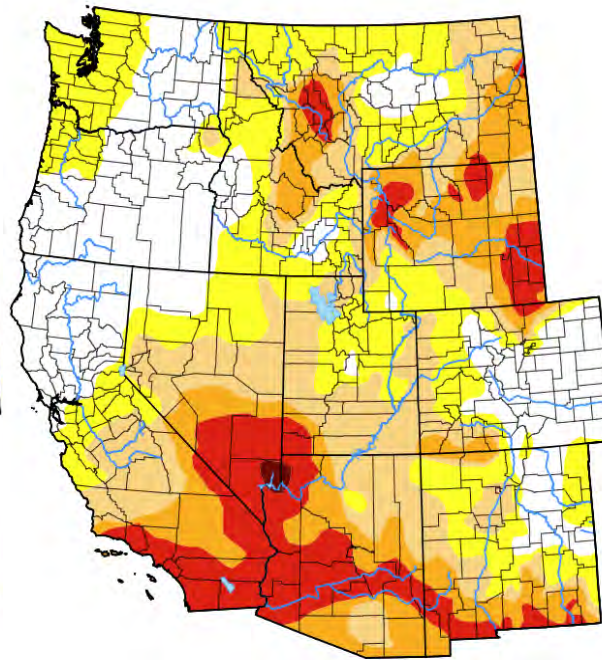
**Map released: Weds. November 27, 2024**

Data valid: November 26, 2024 at 7 a.m. EST



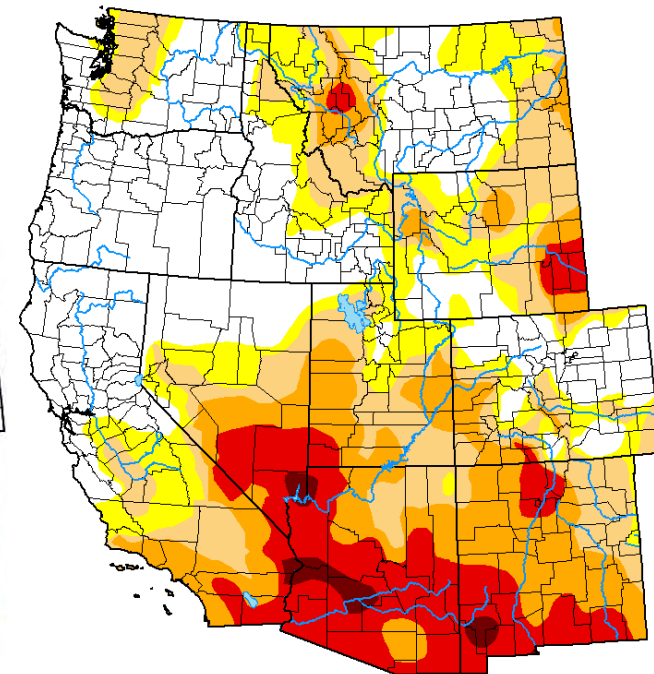
**Map released: Thurs. February 6, 2025**

Data valid: February 4, 2025 at 7 a.m. EST



**Map released: Thurs. April 10, 2025**

Data valid: April 8, 2025 at 8 a.m. EDT



## Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>







**Thank you!**  
Questions?



## STAFF REPORT

**TO:** Board of Directors  
**THRU:** John Zimmerman, General Manager  
**FROM:** Jessica Atkinson, Human Resources Director  
**DATE:** April 16, 2025  
**SUBJECT:** Discussion and action, and direction to staff regarding the request for approval of revisions to the Post-Retirement Medical and Life Insurance Plan & Trust (§501-c-9) Plan Document

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### **Recommendation**

Staff recommends that the Board of Directors approve the revisions to the §501-c-9 Plan Document.

### **Summary**

- TMWA's §501-c-9 plan document has been revised by legal counsel to clear up ambiguities, to clarify areas related to statutory requirements and to incorporate gender neutral terms.
- Revisions are primarily administrative in nature and do not increase TMWA's financial obligations for post-retirement benefits.

### **Background**

Pursuant to the Asset Purchase Agreement between TMWA and Sierra Pacific Resources (now NV Energy), TMWA was to assume certain employee benefits. One of those benefits was to continue to provide certain post-retirement health care benefits to TMWA employees. In separate board actions taken in 2001, the Board approved certain post-retirement health care benefits as contained in the labor agreement between TMWA and IBEW Local Union #1245 and approved certain post-retirement health care benefits as part of the compensation package for Management, Professional, Administrative, and Technical (MPAT) employees (Board Resolution No. 6).

In response to these agreements and resolutions, TMWA created a Trust to provide for a funding mechanism for these benefits (Resolution 59). TMWA and NV Energy funded this trust in May 2009 based upon actuarial studies. Since 2009 TMWA has continued to fund this trust based upon actuarial studies.

**Discussion**

After carefully reviewing the latest revision of VEBA plan document, which was approved by the TMWA Board in September of 2017, a number of clarifications and refinements were deemed necessary. These changes include adding a definition for “TMWA Health Plan Eligible Retiree,” inserting references to TMWA Health Plan Eligible Retiree to clarify provisions under Nevada Revised Statutes (NRS)287.023 and TMWA’s Health Plan, which require a retiree to be receiving a NV PERS benefit to continue on health plans offered by TMWA, and to incorporate gender neutral terms. TMWA’s Staff Attorney and attorney for the trust worked with trustees to draft and approve all revisions. In January of 2025, the Post-Retirement Medical Plan and Trust Board of Trustees approved redline revisions to the Trust document (Attachment 1). The revisions are primarily administrative in nature and do not increase TMWA’s financial obligations for post-retirement benefits.

**Attachments**

1. Truckee Meadows Water Authority Post-Retirement Medical and Life Insurance Plan & Trust (redline version)
2. Truckee Meadows Water Authority Post-Retirement Medical and Life Insurance Plan & Trust (final version)



**TRUCKEE MEADOWS WATER AUTHORITY  
POST-RETIREMENT MEDICAL AND LIFE INSURANCE PLAN & TRUST  
(AS AMENDED AND RESTATED ON SEPTEMBER 20, 2017APRIL 16, 2025)**

**ARTICLE 1. INTRODUCTION**

1.1 Purpose of Plan.

The Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust was originally established effective January 1, 2006. The Plan was subsequently amended and restated in its entirety on January 21, 2009, ~~and~~ August 23, 2011, and September 20, 2017. -The Plan is now being amended and restated to make certain changes to clarify the terms of the Plan and comply with applicable law. The purpose of this Plan is to provide Participants and their Dependents with benefits to assist with the payment of premiums for post-retirement health coverage and post-retirement group life insurance coverage. The Plan, as amended and restated, hereafter reads as follows.

1.2 Plan Status.

The benefits offered under this Plan are intended to qualify as (i) accident and health plan benefits under Code Sections 105 and 106 and the corresponding Treasury Regulations, and (ii) group term life insurance benefits under Code Section 79 and the corresponding Treasury Regulations. The benefits provided under this Plan are funded through the Plan which qualifies as a voluntary employees' beneficiary association under Code Section 501(c)(9). Pursuant to a determination letter from the Internal Revenue Service dated May 25, 2007, the Plan is exempt from Federal income tax under Code Section 501(c)(9). The Plan may be amended or terminated as provided in Article 9.1. Unless the context indicates otherwise, capitalized terms used in this Plan are to have the meanings set forth in Article 2.

**ARTICLE 2. DEFINITIONS**

2.1 Code.

"Code" means the Internal Revenue Code of 1986, as amended. Reference to any Section or Subsection of the Code includes reference to any comparable or succeeding provisions of any legislation that amends, supplements or replaces such Section or Subsection.

## 2.2 CBA.

“CBA” means a collective bargaining agreement entered into between TMWA and IBEW from time to time, together with any amendments thereto, which among other things, establishes the amount of the Post-Retirement Benefits for those employees of TMWA who are covered by the CBA.

## 2.3 Dependent.

"Dependent" shall have the same meaning as set forth in the Health Plans and/or the Group Life Insurance Plans, such as a spouse or child of the Participant; provided, however, that any such Dependent must also qualify as a dependent of the Participant under the applicable provisions of Code Section 152 and the corresponding Treasury Regulations.

## 2.4 Eligible Retiree.

"Eligible Retiree" means any MPAT Employee or IBEW 1245 Employee who has separated from service from TMWA after attaining age 55 and has completed at least ten (10) Years of Service as defined in Section 2.18; provided, however, the term “Eligible Retiree” shall not include any retiree or former employee of TMWA that is entitled to receive benefits under “The Truckee Meadows Water Authority OPEB Trust Fund,” a separate plan that is currently maintained by TMWA.

2.4 (a) “TMWA Health Plan Eligible Retiree” means an Eligible Retiree that receives monthly retirement payments under the Public Employees Retirement System (“PERS”) of Nevada, meets the eligibility requirements of the “Health Plan(s)”, and is eligible under applicable law.

## 2.5 Health Plans and Group Life Insurance Plans.

“Health Plan(s)” means (i) the group policies and/or plans that may be offered by TMWA from time to time that provide medical, dental, and/or vision coverage to Participants and/or their Dependents, (ii) individual policies or plans that are procured by a Participant that provide medical, dental, and/or vision coverage to Participants and/or their Dependents, (iii) Medicare Plans Part B and Part D, Medicare Supplemental Plans, and Medicare Advantage Plans that provide medical, dental, and/or vision coverage for Participants and/or their Dependents, together

with any current and future plans available to individuals eligible for Medicare coverage that are approved and authorized by the United States Department of Health and Human Services or its successor, and (iv) the group policies or plans offered by an employer of a Participant or an employer of a spouse of a Participant (other than TMWA) that provide medical, dental, and/or vision coverage to Participants and/or their Dependents.

“Group Life Insurance Plan(s)” means the group policies and/or plans that may be offered by TMWA, from time to time, that provide group life insurance coverage to the Participants and/or their Dependents.

Notwithstanding anything contained in this Section 2.5 to the contrary, the terms “Health Plan(s)” and “Group Life Insurance Plans(s)” shall not include a policy or plan offered by the employer of a Participant or an employer of a Participant’s spouse to the extent that the premiums are paid by the employer on a “pre-tax” basis, including, without limitation, a policy or plan offered by an employer under a Code Section 125 plan (commonly referred to as a “Cafeteria Plan”).

#### 2.6 Highly Compensated Employee.

"Highly Compensated Employee" means, for purposes of determining discrimination, a Participant who is described in the applicable provisions of Code Sections 414(q) and 105(h) and the corresponding Treasury Regulations thereto.

#### 2.7 IBEW.

"IBEW" means the Local Union 1245 of the International Brotherhood of Electrical Workers.

#### 2.8 IBEW 1245 Employees.

"IBEW 1245 Employees" mean all of the following classes of employees:

(a) "IBEW Transfer Employees" mean each former employee of Sierra who transferred to TMWA from Sierra on June 11, 2001, who is covered by the “Agreement Concerning Compliance with Letter of Understanding” between TMWA and Local Union 1245 of the International Brotherhood of Electrical Workers, together with the attachments thereto. A true and correct copy of the above referenced Agreement Concerning Compliance with Letter of Understanding, together with the attachments thereto, is attached to this Plan as Appendix “A;”



(b) "IBEW Transfer Employees Receiving Sierra Plan Benefits" mean each former employee of Sierra who transferred to TMWA from Sierra on June 11, 2001, who is covered by the "Agreement Concerning Compliance with Letter of Understanding" between TMWA and Local Union 1245 of the International Brotherhood of Electrical Workers, who elected to retire under the Sierra Plan;

(c) "Other IBEW Employees" mean each employee of TMWA, other than those described in clauses (a) and (b) above, who was hired by TMWA and is covered by a CBA that provides for Post-Retirement Benefits under this Plan.

## 2.9 MPAT Employees.

"MPAT Employees" mean all of the following classes of employees:

(a) "MPAT Transfer Employees" mean each former management, professional, administrative and technical employee of Sierra who was hired by TMWA pursuant to the Purchase Agreement between TMWA and Sierra (the "Purchase Agreement") and transferred to TMWA from Sierra on June 11, 2001. MPAT Transfer Employees shall also include the three MPAT Employees listed on Appendix "B" attached hereto who did not transfer to TMWA from Sierra on June 11, 2001, but who received offers of employment from TMWA entitling them to receive credit for their Years of Service accrued under the Sierra Plan for all relevant purposes under this Plan;

(b) "MPAT Transfer Employees Receiving Sierra Plan Benefits" mean each former management, professional, administrative and technical employee of Sierra who was hired by TMWA pursuant to the Purchase Agreement, transferred to TMWA from Sierra on June 11, 2001, and who elected to retire under the Sierra Plan;

(c) "Other MPAT Employees" mean each (i) regular (non-temporary) management, professional, administrative and technical employee of TMWA who is not listed in clauses (a) or (b) of this Section 2.9, other than an employee who is entitled to receive benefits under "The Truckee Meadows Water Authority OPEB Trust Fund."

## 2.10 NRS and NAC.

"NRS" means the Nevada Revised Statutes, as amended from time to time, and "NAC"

means the Nevada Administrative Code, as amended from time to time.

2.11 Participant.

"Participant" means an Eligible Retiree who has elected to participate in the Plan pursuant to Section 3.1.

2.12 Permanent Waiver.

"Permanent Waiver" means the execution by a Participant or Eligible Retiree of a written instrument, in a form approved by the Trustees, delivered to the Trustees, whereby a Participant or Eligible Retiree elects to waive ~~his or her~~their right to receive Post-Retirement Benefits under the terms of this Plan. If a Participant or Eligible Retiree executes and delivers a Permanent Waiver to the Trustees, such waiver shall be irrevocable, and the Participant or Eligible Retiree shall be precluded from participating in this Plan as of the effective date of the Permanent Waiver and such waiver shall apply to all future Plan Years following the effective date of the Permanent Waiver.

2.13 Plan.

"Plan" means the Truckee Meadows Water Authority Post-Retirement Medical and Life Insurance Plan & Trust, which is set forth in this document.

2.14 Plan Year.

"Plan Year" means the calendar year.

2.15 Post-Retirement Benefits.

"Post-Retirement Benefits" mean and are limited to the premiums required to be paid by this Plan, either directly to a Health Plan and/or Group Life Insurance Plan, or by reimbursement to the Participant for coverage of a Participant and/or ~~his or her~~their Dependents under (i) a Health Plan and/or (ii) Group Life Insurance Plan. The actual amount of Post-Retirement Benefits payable by this Plan on behalf of a particular Participant and ~~his or her~~their Dependents are described in further detail in Sections 4.1.1 through 4.1.5 and Article 5. Post-Retirement Benefits are not to include (i) the reimbursement of any co-payments, deductibles, out of pocket, or other similar charges incurred by a Participant and/or ~~his or her~~their Dependents under a Health Plan, (ii) any premiums paid by a Participant and/or ~~his or her~~their Dependents for coverage under a

Health Plan that are reimbursed to the Participant or the Dependents by a person or entity other than this Plan, or (iii) any premiums paid by a Participant and/or ~~his or her~~their Dependents under a Health Plan that are not treated as qualified medical expenses under Code Section 213.

2.16 Purchase Agreement.

"Purchase Agreement" means the "Asset Purchase Agreement between Sierra Pacific Power Company, as Seller, and TMWA, as Purchaser."

2.17 Retirement Date.

"Retirement Date" means the date elected by an Eligible Employee, on or after ~~his or her~~their retirement date from TMWA, to participate in the Plan in accordance with the procedures established by the Trustees from time to time.

2.18 Service or Years of Service.

"Service" or "Years of Service" means:

- (a) "For IBEW Transfer Employees and MPAT Transfer Employees."

"Service" or "Years of Service" include all years of service earned and accumulated by a Participant during the time ~~he or she was~~they were an employee of TMWA and all years of service earned and accumulated by a Participant under the Sierra Plan in accordance with the terms of the Sierra Plan.

(b) "For IBEW Transfer Employees Receiving Sierra Plan Benefits," "Other IBEW Employees," "MPAT Transfer Employees Receiving Sierra Plan Benefits" and "Other MPAT Employees." "Service" or "Years of Service" include all years of service earned and accumulated by a Participant during the time her or she was an employee of TMWA.

(c) "For MPAT and IBEW Employees hired by TMWA." ~~—"Service or Years of Service"~~ include all years of service earned and accumulated by a Participant during the time that ~~they~~he or she ~~were~~was an employee of TMWA.

For purposes of clauses (a), (b), and (c) above, a "Year of Service" will be earned and accumulated by a Participant, classified by TMWA as a regular (non-temporary and non-"provisional") full or part-time employee, who works continuously without a break in service.



However, if a Participant was classified as a “provisional” employee of TMWA and subsequently became classified as a regular employee of TMWA, then for purposes of this Section the Participant is to be classified as a regular employee of TMWA retroactively to the date that ~~he or she was~~ they were classified as a “provisional” employee of TMWA. The Years of Service will be calculated at the time of separation from service from TMWA retroactively for all periods of continuous regular employment. No period where an employee is classified by TMWA as a temporary non-benefited employee will qualify towards periods of Years of Service. Years of Service shall be recognized only for periods of paid employment. Therefore, the only periods of unpaid leave of absence that shall be credited towards Years of Service are those required by current or future State and Federal laws, such as The Uniformed Services Employment and Reemployment Rights Act (USERRA). Furthermore, breaks in service shall not be included in Years of Service; however, Years of Service earned prior to a break in service shall be aggregated with Years of Service worked after the break in service. All references in this paragraph to a “provisional” employee of TMWA means an IBEW 1245 Employee whose employment, at the time of hire, was intended to last more than six (6) months, but less than two (2) calendar years, and whose work or duties are linked to specific projects, or are in anticipation of future events, with a specific date at which the position will be eliminated.

2.19 Adjusted PRMPT Years of Service~~7~~.

“Adjusted PRMPT Years of Service” shall be calculated by adding each “Year of Service.” Years of Service will then be prorated for periods in which a Participant worked less than full time (as defined by the CBA or TMWA policy). Refer to Section 4.1.7 for further information.

2.20 Sierra.

"Sierra" means the Sierra Pacific Power Company, now known as NV Energy.

2.21 Sierra Plan.

"Sierra Plan" means the Sierra Pacific Resources Post-Retirement Medical Plan.

2.22 Trust.

"Trust" means the Trust established and set forth in this document.

2.23 Trustees and Trustee.

"Trustees" mean the trustees appointed pursuant to Article 8 whose duties include the administration of the Plan and Trust, and "Trustee" means any one (1) of the Trustees.

2.24 TMWA.

"TMWA" means the Truckee Meadows Water Authority, a local government agency within the meaning of NRS 354.474.

**ARTICLE 3. ELIGIBILITY AND PARTICIPATION**

3.1 Eligibility and Commencement of Coverage.

Each Eligible Retiree shall be eligible to become a Participant in the Plan upon the later of (i) the date the Eligible Retiree separates from service from TMWA, or (ii) the date the Eligible Retiree applies for Post-Retirement Benefits under this Plan, either individually or together with ~~his or her~~their Dependents, in the time and manner specified by the Trustees. Notwithstanding the preceding sentence, if an Eligible Retiree either retired from Sierra or terminated employment from Sierra prior to being hired by TMWA (e.g., the Eligible Retiree did not transfer employment from Sierra to TMWA pursuant to the Purchase Agreement) and elected to receive post-retirement health benefits from the Sierra Plan, the Eligible Retiree will not be eligible to become a Participant unless at the time of separation from service from TMWA, the Eligible Retiree (i) earned ten years of service as an employee with TMWA; (ii) attained age 55; and (iii) applies for Post-Retirement Benefits under this Plan in the time and manner specified by the Trustees. If an Eligible Retiree defers, but does not permanently waive coverage under this Plan at the time of separation of service from TMWA, the Eligible Retiree may apply for benefits under this Plan (i) during any subsequent open enrollment period under a Health Plan, or (ii) following an event defined in a Health Plan that allows an Eligible Retiree to elect coverage under the Health Plan at a time other than during the open enrollment period.

3.2 Termination of Participation.

A Participant shall cease to be eligible to participate in this Plan on the occurrence of earliest of the following events: (i) the date of the Participant's death; (ii) the date the Participant's Post-Retirement Benefits are cancelled due to the execution of a Permanent Waiver by the

Participant; (iii) the date the Participant fails to pay ~~his or her~~their share of the premiums for coverage under a Health Plan and/or Group Life Insurance Plan in accordance with the policies established by the Trustees from time to time; (iv) the date that a Participant is no longer covered under a Health Plan and a Group Life Insurance Plan, or (iv) the date this Plan is terminated. If a Participant's participation in the Plan is terminated by reason of failing to pay ~~his or her~~their share of premiums, the Participant may reenroll in the Plan during any subsequent open enrollment period, but only if the Participant has remitted to the Plan all delinquent premiums prior to the first day of the commencement of coverage.

#### **ARTICLE 4. POST-RETIREMENT BENEFITS**

##### **4.1 Post-Retirement Benefits Pertaining to Health Plans-In General.**

If permitted by this Plan and the terms of the applicable Health Plan, a Participant may elect coverage under a particular Health Plan, and a Participant may enroll ~~his or her~~their Dependents in such Health Plan. Post-Retirement Benefits earned by a Participant under this Plan shall be used to either reimburse the Participant or pay directly to the Health Plan the Plan's share of the total premiums assessed for such coverage under the Health Plan, as specified by the terms of this Plan (See Sections 4.1.1 through 4.1.4 for the calculation of the amount of the Post-Retirement Benefits to which a Participant and ~~his or her~~their Dependents are entitled to receive for coverage under a Health Plan). Those portions of the premiums that are not required to be paid by this Plan shall be the sole responsibility of, and paid by, the Participant. A Participant who does not pay ~~his or her~~their portion of the premiums for coverage under a Health Plan in the time and manner specified by the Trustees shall forfeit all rights to ~~his or her~~their coverage under the Health Plan. The Trustees shall from time to time adopt policies pertaining to the timing and the manner in which Participants and their Dependents are to pay their share of the health coverage premiums for the coverage elected. If the Trustees adopt a policy in which all premiums for coverage under a Health Plan are to be paid by

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the Plan, the Participant and Dependents of a Participant shall -reimburse the Plan for their share of the total premiums that are required to be paid by them, and the Plan's policies and procedures shall specify the due dates in which the Participant and the Participant's Dependents are required to remit their share of such premiums to the Plan. Copies of the policies and procedures adopted by the Trustees from time to time are to be provided to each Participant and each Dependent of a Participant.

4.1.1 Transfer of Employees between IBEW and MPAT.

If during the time a Participant was employed by TMWA and/or Sierra, ~~he or she~~they transferred from employment as an IBEW 1245 Employee to employment as an MPAT Employee (or vice versa), the Participant's Post-Retirement Benefits under this Plan at ~~his or her~~their Retirement Date shall be calculated as if Participant was employed in ~~his or her~~their most recent employment classification for ~~his or her~~their entire period of service with TMWA and/or Sierra. Notwithstanding the above, if the Participant was an IBEW Transferred Employee or an MPAT Transferred Employee, such Participant shall continue to be treated as either an IBEW Transfer Employee or an MPAT Transferred Employee at ~~his or her~~their Retirement Date for purposes of calculating ~~his or her~~their Years of Service under Section 2.18, and if applicable Section 2.19.

4.1.2 Specific Post Retirement Benefits for Health Plan Coverage for MPAT Employees.

A Participant who is a TMWA Health Plan Eligible Retiree and ~~he or she~~they was an MPAT Employee at ~~his or her~~their Retirement Date, may elect coverage under the Health Plans that are made available to TMWA's active employees who are entitled to receive health and life benefits (hereafter referred to as "Benefited Employees"), or alternatively, elect coverage under other Health Plans described in Section 2.5. A Participant who is an MPAT Employee shall receive Post-Retirement Benefits based upon an annual credit that is to be applied towards the total annual premiums charged for ~~his or her~~their chosen Health Plan coverage which is to be based upon the Participant's Years of Service as described below. The annual credit shall be calculated as follows:

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**Participant's Age  
(Each Month) on  
Birthday during the  
Relevant Plan Year  
for the Applicable  
Monthly Request  
for Coverage**

**Annual  
Credit  
Calculation**

Age 55 through 64

\$235 x “Adjusted PRMPT Years of Service”  
(up to 30 years)

Age 65 and above

\$105 x “Adjusted PRMPT Years of Service”  
(up to 35 years)

The total annual credit shall be reduced by 5% for each full year (with proration for fractional months) that the Participant is under age 62 as of the date ~~he or she~~they requests coverage under this Plan. (the “Penalized Benefit”). If a Participant receives a Penalized Benefit at the time of ~~his or her~~their initial participation in the Plan, then such Penalized Benefit is to continue in effect permanently, regardless of whether coverage is continuous. The annual credit shall be provided in the time and manner specified by the Trustees. In order to be eligible- to participate in a Health Plan offered by TMWA, when a Participant described in this Section attains age 65 or older during the relevant Plan Year they ~~he or she~~ must enroll in and pay the total cost of Medicare Part "B" or Medicare Part "C" coverage. Unless the Plan pays the Participant’s share of premiums directly to the Health Plan which the Participant elects coverage under, the Participant shall pay ~~his or her~~their share of such premiums to the Health Plan and shall be reimbursed by the Plan to the maximum amount specified above. See Section 4.1.6 for reimbursement procedures.

Example of Calculation of Annual Credit:

Assume a MPAT Employee retires at age 55 with 15 “Adjusted PRMPT Years of Service.” ~~His or her~~their annual Post-Retirement Benefits that may be used towards ~~his or her~~their coverage under a Health Plan would be as follows:

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Before Age 65:

Step 1: Calculate maximum annual benefit.  $\$235 \times 15$  "Adjusted PRMPT Years of Service" = \$3,525.

Step 2: Calculate the reduction percentage.  $5\% \times 7$  (years between age 62 and age 55) = 35%

Step 3: Calculate the reduction amount.  $\$3,525 \times 35\% = \$1,233.75$

Step 4: Reduce the maximum benefit by the reduction amount to obtain the annual credit.  $\$3,525$  (step 1) -  $\$1,233.75$  (step 3) =  $\$2,291.25$  annual credit.

After the Participant reaches age 65, repeat the steps above by substituting \$105 for \$235 in step 1. Result =  $\$1,575$  (step 1) -  $\$551.25$  (step 3) =  $\$1,023.75$  annual credit.

4.1.3 Specific Post-Retirement Benefits for Health Plan Coverage for all IBEW 1245 Employees hired on or after January 1, 1998 and for "IBEW Transfer Employees Receiving Sierra Plan Benefits" hired before January 1, 1998.

~~AI~~ IBEW 1245 Employees hired on or after January 1, 1998, and "IBEW Transfer Employees Receiving Sierra Plan Benefits" hired before January 1, 1998, are entitled to receive Post-Retirement Benefits for coverage under the Health Plans made available to Benefited Employees of TMWA if they are a TMWA Health Plan Eligible Retiree or other Health Plans described in Section 2.5. -For those Participants described in this Section, they ~~he or she~~ will receive Post-Retirement Benefits in an amount equal to the following lifetime lump-sum credit which will be applied toward the annual premiums charged for ~~his or her~~ their coverage under a Health Plan: \$1,250 for each "Adjusted PRMPT Year of Service." The Plan shall use the amount of the above referenced lifetime lump-sum credit to pay the entire premiums for the coverage elected under a Health Plan for the Participant and ~~his or her~~ their Dependents until the lifetime lump-sum credit is exhausted. At that point, the Participant may elect to continue coverage under the Health Plan and this Plan; provided, however, that the Participant is to be responsible for the total premiums for ~~his or her~~ their coverage under the Health Plan at the rates and terms established under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (hereafter, referred to as "COBRA"). Unless otherwise specified by the Trustees, the Plan may pay the entire premiums for a Participant's chosen coverage under a Health

Plan, provided that the Participant shall reimburse the Plan for the Participant's share of such premiums in accordance with the policies and procedures adopted from time to time by the Trustees.

4.1.4 Specific Post-Retirement Benefits for Health Plan Coverage for IBEW Transfer Employees Hired by Sierra before January 1, 1998.

(a) At Least Age 55 and Under Age 65.

A Participant who was an IBEW Transfer Employee, was hired by Sierra before January 1, 1998 and is at least age 55 and under age 65 on ~~his or her~~their Retirement Date, is entitled to receive Post-Retirement Benefits only for coverage under a Health Plan that is offered by TMWA to its Benefited Employees until the Plan Year in which the Participant attains age 65 if they are a TMWA Health Plan Eligible Retiree. During the Plan Year in which the Participant attains age 65 and later Plan Years, the Participant is eligible to receive Post-Retirement Benefits for coverage under Health Plans offered by TMWA to its Benefited Employees, a Medicare Supplement Plan or a Medicare Risk Contract. However, during the Plan Year in which the Participant attains age 65 and later Plan Years, the Participant must enroll in and pay the total cost of Medicare Part "B" or Medicare Part "C" coverage, in accordance with Medicare enrollment criteria, in order to be eligible for the Post-Retirement Benefits under this Section. For those Participants described in this Section, they are entitled to receive Post-Retirement Benefits equal to an annual credit (as described below) which is to be used toward the annual premiums charged for the Participant's coverage chosen under a particular Health Plan (including the coverage for ~~his or her~~their Dependents). The annual credit referenced herein is to be determined as follows:

- (1) 80% of the total annual premium for coverage under a Health Plan, less
- (2) 4% of the total annual premium for such coverage, multiplied by the difference between:
  - (A) 20, minus
  - (B) the Participant's number of Years of Service (not to exceed 20).

Unless otherwise specified by the Trustees, the Plan may pay the entire annual premium charged for a Participant's coverage under a Health Plan, provided that the Participant must

reimburse the Plan for the Participant's share of such premiums (i.e., those premiums in excess of the annual credit available to the Participant) in accordance with the policies and procedures adopted from time to time by the Trustees. In this regard, each Participant shall be responsible for reimbursing the Plan for the difference between (i) the amount determined under 4.1.4(a)(1) and 4.1.4(a)(2), and (ii) 100% of the total premium charged for coverage chosen by the Participant under a Health Plan.

(b) Age 65 and over.

A Participant who was an IBEW Transfer Employee, was hired by Sierra before January 1, 1998, and is age 65 or over on his Retirement Date is eligible to receive Post-Retirement Benefits for coverage under Health Plans offered by TMWA to its Benefited Employees if they are a TMWA Health Plan Eligible Retiree, a Medicare Supplement Plan, or a Medicare Risk Contract. For those Participants described in this Section, they will receive Post-Retirement Benefits equal to an annual credit that shall be applied toward the annual premiums charged for the coverage elected under the Health Plan (including the premiums for coverage elected for ~~his or her~~their Dependents). The annual credit referenced in the preceding sentence is to be determined as follows:

- (1) 85% of the total annual premiums for coverage under a Health Plan, less
- (2) 4% of the total annual premium for such coverage, multiplied by the difference between:
  - (A) 20, minus
  - (B) the Participant's number of Years of Service (not to exceed 20).

The 85% in clause (1) above shall be 100% for a Participant who elects to participate in a Medicare Risk Contract. In order to be eligible for the benefits under this Section, the Participant must enroll in and pay the entire cost of Medicare Part "B" or Medicare Part "C" coverage. Unless otherwise specified by the Trustees, the Plan may pay the entire annual premium charged for a Participant's coverage under a Health Plan, provided that the Participant must reimburse the Plan for the Participant's share of such premiums (i.e., those premiums in excess of the annual credit available to the Participant) in accordance with the policies and procedures adopted from time to



time by the Trustees. In this regard, each Participant described in this Section shall be responsible for reimbursing the Plan for the difference between (i) the amount determined under 4.1.4(b)(1) and 4.1.4(b)(2), and (ii) 100% of the total premium charged for coverage chosen by the Participant under a Health Plan.

#### 4.1.5 Surviving Spouse's Death Benefits.

The surviving spouse of a deceased Participant who was covered by a Health Plan on the Participant's date of death, may continue receiving coverage under the Health Plan for three years after the death of the Participant, if permitted by the Health Plan and applicable law. Such coverage is to begin on the first day of the month following the month of the Participant's death. The Plan will pay a portion of the premiums for coverage under the Health Plan for the first year after the Participant's death by computing Post-Retirement Benefits under this Plan as if the surviving spouse was the Participant. All terms applicable to the Participant in the year of ~~his or her~~their death shall apply to the surviving spouse during the first year following the Participant's death. For the final two years of the three year period following the death of a Participant, the surviving spouse shall be eligible for coverage under Health Plans that the Participant was eligible to participate in under the terms of this Plan. If during the final two years of the three year period following the death of a Participant, the surviving spouse elects to continue to receive coverage under a Health Plan, then the surviving spouse will be obligated to pay for the total premiums for such coverage at the rate established for COBRA coverage by the Health Plan that provides coverage to the surviving spouse and eligible Dependents.

#### 4.1.6 Procedures for Payment of Benefits.

In the event that a Participant and/or ~~his or her~~their Dependents is entitled to receive Post-Retirement Benefits under the terms of the Plan for coverage under a Health Plan, in order to receive such benefits from the Plan, the Participant and/or ~~his or her~~their Dependents must submit proof

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of coverage under a Health Plan and proof of the payment of premiums in the time and manner specified by the Trustees. Participants who are age 65 or older during the relevant Plan Year must also submit proof of enrollment in and proof of payment of premiums for Medicare Part "B" or Medicare Part "C" coverage. Post-Retirement Benefits shall be made in a time and manner specified by the Trustees upon receipt of proof of coverage and payment of premiums. However, if a Participant who receives an annual credit towards the payment of premiums for a particular Plan Year fails to request reimbursement for the premiums incurred in such Plan Year on a timely manner as determined by the Trustees, then the Participant will forfeit any unused credits for that particular Plan Year and such credits will not carry forward to future Plan Years.

#### 4.1.7 Reduction in Annual and Lump Sum Credits.

Notwithstanding anything contained in this Plan to the contrary, the annual and lifetime lump sum credits available to Participants shall be computed as indicated under the applicable Sections of this Article 4.

The credits (\$235, \$105 or \$1,250) shall be multiplied by the Adjusted PRMPT Years of Service. The Adjusted PRMPT Years of Service shall be calculated by adding each Year of Service. Years of Service will be prorated for periods in which an employee worked less than full time (as defined by the Collective Bargaining Agreement or TMWA policy).

#### Examples of the Reduced Credits are below:

Example #1: Assume that at the time an employee separates from TMWA service at the age of 65, ~~they~~~~he or she~~ has attained 10 Years of Service as an MPAT employee, meets all other requirements to participate in this Plan, and elects to participate in the Plan. Assume further, that during the initial five years of ~~his or her~~their 10 Years of Service the employee worked full time while during the last five years of employment ~~he or she~~ they worked part time. Under these facts, such employee would be eligible to receive Post-Retirement Benefits equal to an annual credit of  $\$105 \times 7.5 \text{ Adjusted PRMPT Years of Service [5 years of full time service plus five years at part time (50\%)]} = \$787.50 \text{ Annual Credit}$

Example #2: Assume that at the time an employee separates from TMWA service at the age of 59, ~~he or she~~they ~~have~~has attained 18 Years of Service as a post January 1998 IBEW employee, meets all other requirements to participate in this Plan, and elects to participate in the Plan. Assume further, that during the initial eight years of ~~his or her~~their 18 Years of Service the employee worked part time while during the last 10 years of employment ~~he or she~~they worked full time. Such employee would be eligible to receive Post-Retirement Benefits equal to a lifetime lump sum credit of  $\$1,250 \times 14$  Adjusted PRMPT Years of Service [8 years of part time service (50%) plus 10 years of full time service] = \$17,500 Lifetime Lump sum Credit.

Example #3: Assume that at the time an employee separates from TMWA service at the age of 65, ~~he or she~~they ~~have~~has attained 10 Years of Service as an MPAT employee, meets all other requirements to participate in this Plan, and elects to participate in the Plan. Assume further, that during the initial five years of ~~his or her~~their 10 Years of Service the employee worked full time while during the last five years of employment ~~he or she~~they worked three-quarters time (75%). Such employee would be eligible to receive Post-Retirement Benefits- equal to an annual credit of  $\$105 \times 8.75$  Adjusted PRMPT Years of Service [5 years of full time service plus five years at three-quarters (75%)] = \$918.75 Annual Credit.

#### 4.2 Post-Retirement Benefits for Group Life Insurance Plan Coverage.

A Participant, who is covered under the CBA shall be eligible to elect coverage for the Participant and/or the Participant's Dependents under the Group Life Insurance Plans maintained by TMWA for its Benefited Employees in accordance with the terms and conditions of the CBA and the Group Life Insurance Plans, as amended from time to time. A Participant, who is not covered by a CBA, shall be eligible to elect coverage for the Participant and/or the Participant's Dependents under the Group Life Insurance Plans maintained by TMWA for its Benefited Employees in accordance with the terms and conditions of the Group Life Insurance Plans and the policies and resolutions adopted by TMWA from time to time. If a Participant elects coverage under a Group Life Insurance Plan, then this Plan shall pay Post-Retirement Benefits towards the premium cost of such coverage in those amounts set forth in the CBA (for Participants covered by the CBA) or TMWA's policies and resolutions (for Participants not covered by a

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CBA). The amount of coverage that a Participant may currently elect under a Group Life Insurance Plan is set forth in Appendix “C” attached to this Plan. Those portions of premiums for coverage under a Group Life Insurance Plan that are not paid by this Plan shall be paid by the Participant. A Participant who does not pay ~~his or her~~their share of the premiums or costs for coverage under a Group Life Insurance Plan in the time and manner specified by the Trustees shall forfeit all rights to the life insurance coverage elected by the Participant. The Trustees shall from time to time adopt policies pertaining to the timing and the manner in which Participants and Dependents of Participants are to pay their share of the premiums for coverage under a Group Life Insurance Plan. To the extent that the Trustees require the Participants and/or their Dependents to pay their share of the premiums for coverage elected under a Group Life Insurance Plan, then such policies and procedures shall specify the due dates in which the Participant and/or Dependents are required pay their share of such life insurance premiums to the Plan. Copies of the policies and procedures adopted by the Trustees from time to time are to be provided to each Participant and each Dependent of a Participant.

#### **ARTICLE 5. COBRA CONTINUATION OF COVERAGE**

To the extent required by COBRA, a Participant and ~~his or her~~their Dependents, as applicable, whose coverage terminates under this Plan and/or a Health Plan because of a qualifying event described in COBRA (and such person is a qualified beneficiary as defined under COBRA), then such person shall be given the opportunity to continue on a self-pay basis the same coverage that ~~he or she~~they had under this Plan and the Health Plan on the day before the qualifying event for the periods prescribed by COBRA. Such continuation coverage shall be subject to all conditions and limitations under COBRA. Notwithstanding anything contained in this Article to the contrary, if this Plan, the CBA covering a Participant, or the policies and resolutions adopted by TMWA, provide for benefits in excess of those offered under COBRA, then the provisions of this Plan, the CBA, or TMWA’s policies and resolutions shall govern. Premiums for COBRA coverage, not otherwise required to be paid by this Plan shall be paid to the Plan and/or the Health Plan by the individual entitled to receive COBRA continuation coverage in accordance with the policies and procedures adopted by the Trustees of the Plan from time to time.

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## **ARTICLE 6. HIPAA COMPLIANCE**

### **6.1 General.**

Members of TMWA's workforce or the Trustees may, from time to time, have access to protected health information ("PHI") of Plan Participants for administrative functions of the Plan. The Health Insurance Portability and Accountability Act of 1996, ("HIPAA"), and the regulations issued thereunder at 45 C.F.R. Parts 160 and 164 (the "HIPAA Regulations"), as amended from time to time, impose privacy obligations on the Plan and restrict the disclosure of PHI. TMWA and the Trustees shall have access to PHI from the Plan only as permitted under this Article 6 or as otherwise required or permitted by HIPAA or other applicable law. All capitalized terms within this Article 6 not otherwise defined in the Plan shall have the meaning provided under HIPAA.

### **6.2 Definition of PHI.**

Protected health information or PHI means information that is created or received by the Plan and relates to the past, present, or future physical or mental health or condition of a Participant; the provision of health care to a Participant; or the past, present, or future payment for the provision of health care to a Participant; and that identifies the Participant or for which there is a reasonable basis to believe the information can be used to identify the Participant. Protected health information includes information of persons living or deceased.

### **6.3 Uses and Disclosures of PHI.**

The Plan may disclose a Plan Participant's PHI to TMWA or the Trustees (or to TMWA or the Trustees' agent) to the fullest extent permitted by the HIPAA Regulations (but not in a manner inconsistent with 45 C.F.R. § 164.504(f)), including but not limited to:

#### **(a) Enrollment-Disenrollment Information.**

The Plan may disclose to TMWA or the Trustees information on whether the individual is participating in the Plan, or is enrolled in or has disenrolled in the Plan.

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(b) Summary Health Information.

The Plan may disclose Summary Health Information to TMWA or the Trustees, provided TMWA or the Trustees requests the Summary Health Information for the purpose of (a) obtaining premium bids from health plans for providing health insurance coverage under the Plan; or (b) modifying, amending, or terminating the Plan. "Summary Health Information" means: information that (a) summarizes the claims history, claims expenses or type of claims experienced by individuals for whom a plan sponsor had provided health benefits under the Plan; and (b) from which the information described at 45 C.F.R. § 164.514(b)(2)(i) has been deleted, except that the geographic information described in 45 C.F.R. § 164.514(b)(2)(i)(B) need only be aggregated to the level of three digits of a zip code.

(c) Plan Administrative Purpose

The Plan may disclose PHI to TMWA or the Trustees, provided TMWA or the Trustees use or disclose such PHI only for Plan administration purposes. "Plan administration purposes" means administration functions performed by TMWA or the Trustees on behalf of the Plan; such as quality assurance, claims processing, auditing, and monitoring. Plan administration functions do not include functions performed by TMWA or the Trustees in connection with any other benefit or benefit plan of TMWA or the Trustees, and do not include any employment-related functions. Notwithstanding the provisions of this Plan to the contrary, in no event shall TMWA or Trustees be permitted to use or disclose PHI in a manner that is inconsistent with 45 CFR § 164.504(f).

6.4 Restriction on Plan Disclosure to TMWA.

Neither the Plan nor any of its business associates will disclose PHI to TMWA or the Trustees except upon the Plan's receipt of TMWA's certification that the Plan has been amended to incorporate the provisions under Section 6.5, except as otherwise permitted or required by law. Execution of the Plan document by TMWA will serve as the required certification.

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6.5 Privacy Agreements of TMWA/Trustees.

As a condition for obtaining PHI from the Plan and its business associates, TMWA or the Trustees agree it will:

(a) Not use or further disclose such PHI other than as permitted by this Section, as permitted by 45 C.F.R. § 164.508, 45 C.F.R. § 164.512, and other Sections of the HIPAA Regulations, or as required by law;

(b) Ensure that any of its agents, including a subcontractor, to whom it provides PHI received from the Plan agree to the same restrictions and conditions that apply to TMWA or the Trustees with respect to such information;

(c) Not use or disclose the PHI for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of TMWA;

(d) Report to the Plan any use or disclosure of the PHI that is inconsistent with permitted disclosures that TMWA or the Trustees becomes aware;

(e) Make the PHI of a particular Participant available for purposes of the Participant's requests for inspection, copying, and amendment, and carry out such requests in accordance with HIPAA Regulation 45 C.F.R. §§ 164.524 and 164.526;

(f) Make the PHI of a particular Participant available for purposes of a required accounting of disclosures by TMWA or the Trustees pursuant to the Participant's request for such an accounting in accordance with HIPAA Regulation 45 C.F.R. § 164.528;

(g) Make TMWA's and Trustees' internal practices, books, and records relating to the use and disclosure of PHI received from the Plan available to the Secretary of the U.S. Department of Health and Human Services for purposes of determining compliance by the Plan with HIPAA;

(h) If feasible, return or destroy all PHI received from the Plan that TMWA or

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the Trustees still maintain in any form and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, TMWA or the Trustees agree to limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and

(i) Ensure that there is adequate separation between the Plan and TMWA or the Trustees by implementing the terms of Section 6.6.

TMWA and Trustees further agree that if they create, receive, maintain, or transmit any electronic PHI (other than enrollment/disenrollment information and Summary Health Information, which are not subject to these restrictions) on behalf of the Plan, they will implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the electronic PHI, and they will ensure that any agents (including subcontractors) to whom they provide such electronic PHI agree to implement reasonable and appropriate security measures to protect the information. TMWA and Trustees will report to the General Manager of TMWA -any security incident of which they become aware.

#### 6.6 Separation between Plan and TMWA or the Trustees.

##### 6.6.1 Employees with Access to PHI.

The following employees or other individuals under the control of TMWA or the Trustees are the only individuals that may access PHI received from the Plan: chief financial officer, general manager, IBEW business representatives, Trustees, human resources representatives, accounting staff, payroll staff, and information systems staff.

##### 6.6.2 Use Limited to Plan Administration.

The access to and use of PHI by the individuals described in Section 6.6.1, is limited to Plan Administration functions as defined in HIPAA Regulation 45 C.F.R. § 164.504(a) that are performed by TMWA or the Trustees for the Plan.

##### 6.6.3 Mechanism for Resolving Noncompliance.

If TMWA or the Trustees, or person(s) responsible for monitoring compliance, determines that any person described in Section 6.6.1 has violated any of the restrictions of this Section, then such individual shall be disciplined in accordance with the policies of TMWA or the

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Trustees established for purposes of privacy compliance, up to and including permanent dismissal from the Board of Trustees. TMWA or the Trustees shall arrange to maintain records of such violations along with the persons involved, as well as disciplinary and corrective measures taken with respect to each incident.

## **ARTICLE 7. ADMINISTRATION OF PLAN**

### **7.1 Administration.**

The Trustees shall administer the Plan subject to applicable requirements of law, including without limitation, the provisions contained in NRS 287.015 and 287.017 and the corresponding administrative Regulations of the NAC adopted from time to time. For this purpose, the Trustees' power and sole discretion shall include, but shall not be limited to, the following authority, in addition to all other powers provided by this Plan:

- (a) To make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan;
  - (b) To interpret the Plan in good faith with such interpretation to be final and conclusive on all persons claiming benefits under the Plan;
  - (c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan;
  - (d) To appoint such attorneys, actuaries, accountants, consultants and other persons as may be required to assist in administering the Plan;
  - (e) To allocate and delegate its responsibilities under the Plan and to designate other persons to carry out any of its responsibilities under the Plan;
  - (f) To approve the amount of Post-Retirement Benefits that shall be payable to any Participant in accordance with the provisions of the Plan; to inform the Participant of the amount of such Post-Retirement Benefits; and to provide a full and fair review to any Participant whose claim for Post-Retirement Benefits has been denied in whole or in part; and
  - (g) To hold meetings in compliance with Chapter 241 of NRS.
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## 7.2 Indemnification.

To the extent permitted by applicable law, TMWA shall indemnify the Trustees and each other person acting in connection with the administration of the Plan, individually against any and all claims, losses, damages and expenses, including legal fees and amounts paid in settlement with TMWA's approval, resulting from any action or failure to act in connection with the administration of the Plan if such action or inaction is not covered by the statutory immunity given to public employees under Chapter 41 of the NRS, except when the same is determined to be attributable to the gross negligence or willful misconduct of such person.

## **ARTICLE 8. TRUST PROVISIONS**

### 8.1 Appointment, Qualification and Terms of Trustees.

The Trust shall be administered by the Trustees. TMWA and the Trustees will comply with the provisions of NRS 287.015 and 287.017, together with the corresponding provisions of the NAC, concerning the selection of the Trustees and the administration of the Plan. TMWA shall appoint four individuals who shall serve as Trustees: (i) two members of TMWA management, one whom shall be the Chief Financial Officer and the other appointed at the discretion of TMWA's General Manager, and (ii) two IBEW representatives. The two Trustees who are appointed from IBEW are to be appointed by TMWA at the direction of IBEW Local 1245. At all times, equal numbers of TMWA management and IBEW representatives shall serve as Trustees of the Plan. In appointing the Trustees, TMWA shall insure that the Trustees satisfy the requirements of NRS 287.017 and the corresponding provisions of the NAC. Notwithstanding anything contained in this Plan to the contrary, no person is to serve as a Trustee if the person has a substantial financial interest in the ownership or negotiation of the securities or other financial instruments in which the assets of the trust are invested, or if the person is a member of the governing body of TMWA. The term of each person serving as a Trustee shall be for a period of two years. However, a person who has served as a Trustee for a term of two years may be reappointed to serve additional two year terms.

### 8.2 Meetings of the Trustees.

The Trustees shall meet quarterly or at the call of the Chairperson of the Board of the

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Trustees when business is presented. The Trustees shall not take action without a quorum. In order to have a quorum, at least three of the four members of the Board of Trustees must be present. The Trustees may take action by a majority decision of the quorum. The Trustees shall appoint a Chairperson and a Vice Chairperson to serve two-year terms. One of these positions shall be held by a member of TMWA management and the other shall be held by an IBEW representative. The Trustees intend for the Chairperson position to rotate between the two groups every two years so that if a member of TMWA management was the Chairperson during one term, an IBEW representative will be the Chairperson during the next term. However, if the group that is entitled to select a Chairperson for the next term chooses to relinquish this right, then the Trustees may appoint the same Chairperson to retain ~~his or her~~their position for the next term, or alternatively select a Chairperson who is recommended by the group that has selected the current Chairperson. The Trustees shall negotiate in good faith to reach a majority decision on matters that comes to a vote before the Trustees. If the Trustees are unable to reach a majority decision on an issue, the following rules apply:

(a) Within ten (10) calendar days, the Trustees will agree upon a neutral arbitrator to resolve the dispute. The Trustees shall choose an arbitrator by majority decision and consent to an arbitrator shall not be unreasonably withheld. If the Trustees cannot choose an arbitrator by majority decision with a reasonable period of time, the Trustees shall retain the American Arbitration Association to appoint an arbitrator;

(b) If all of the Trustees agree, the dispute may be submitted to a Board of Arbitration. The Board of Arbitration shall consist of the neutral arbitrator, one Trustee who is a member of TMWA management (appointed by the General Manager of TMWA) and one Trustee who is a representative of IBEW (appointed by IBEW). The decision of the Board of Arbitration is final and binding;

(c) If all of the Trustees do not agree to submit the dispute to a Board of Arbitration, the neutral arbitrator shall make final and binding decision regarding the resolution of the dispute;

(d) A statement of the matter in dispute shall be presented in writing to the Board of Arbitration or neutral arbitrator. If the Trustees cannot agree upon a joint statement of the matter in dispute, each group of Trustees shall prepare its own statement of the matter in dispute within (5) days after it is determined that the Trustees cannot agree upon a joint statement of the matter in dispute.

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(e) The Board of Arbitration and neutral arbitrator are bound by the provisions of this Plan and Trust, any applicable collective bargaining agreement and applicable law in making a decision on the matter in dispute.

(f) The decision of the Board of Arbitration or neutral arbitrator shall be rendered in writing within ten (10) days after submission of the dispute for decision. The ten (10) day period may be extended by agreement of all of the Trustees. All other matters of procedure shall be decided by the neutral arbitrator. If the Board of Arbitration or the neutral arbitrator does not render a written decision within ten (10) days or the additional time granted by the Trustees, any Trustee may submit the dispute to a court of competent jurisdiction for decision.

(g) The costs and attorneys' fees incurred in connection with the foregoing shall be paid out of the Trust Fund, including reasonable compensation for the neutral arbitrator.

### 8.3 Assets Held by Trustees; Contributions.

#### (a) Receipt of Contributions.

The Trustees shall receive and deposit in the Trust any contributions paid to the Trustees in cash or such property that the Trustees deem is acceptable. The Trustees may appoint a custodian to receive and deposit contributions in the Trust on behalf of the Trustees. All assets held by the Trust and the earnings and income thereon shall be invested, reinvested and applied as provided in this Article 8 and the remainder of the Plan. All monies and other property held in the Trust are referred to as the "Trust Fund."

#### (b) Initial Funding.

A cash contribution was initially made to the Trust by TMWA. Additionally, Sierra (now known as NV Energy) transferred funds from a voluntary employee benefit association sponsored by Sierra that represents funds accumulated to pay Post-Retirement Benefits for the IBEW 1245 Employees during their employment with Sierra.

#### (c) Plan Contributions.

Subject to Section 8.6 (a), TMWA shall annually contribute to the Trust an amount which TMWA determines is necessary to fund the benefits due under this Plan pursuant to a qualified actuarial analysis performed in accordance with NRS 287.015 and 287.017 and generally

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accepted accounting principles. All contributions made to the Trust Fund are to be irrevocable.

(d) Source of Funds.

Any contributions by TMWA shall be made out of its general assets.

8.4 Payment from Trust Fund.

The Trustees shall pay Post-Retirement Benefits and administrative expenses from the Trust Fund as provided under the terms of the Plan.

8.5 Exclusive Benefit of Participants.

The Trustees shall hold, invest, reinvest, manage and administer the Trust Fund solely in the interest of Eligible Retirees, Participants and covered Dependents and for the exclusive purpose of providing Post-Retirement Benefits to Participants and covered Dependents in accordance with the Plan and defraying the reasonable expenses of administering the Plan and Trust. At no time shall any part of the Trust Fund revert to or be recoverable by TMWA, nor be used for or diverted to purposes other than the exclusive purpose of providing Post-Retirement Benefits to Participants and their covered Dependents and defraying the reasonable expenses of administering the Plan and Trust, and neither the Trust Fund nor the earning thereon shall inure to or for the benefit of any member of the Board of Trustees, except that a member of the Board of Trustees may be a beneficiary of the Trust Fund through participation in the Plan. The Trust Fund shall not be subject to the claims of any creditors of (i) TMWA, (ii) a Health Plan or Group Life Insurance Plan, or the administrators of such Plans, that provide coverage to Participants and their Dependents under this Plan, or (iii) the Participants and covered Dependents.

8.6 Investments.

(a) Funding Policy.

The Trustees shall, pursuant to the Plan, establish and carry out a funding and investment policy consistent with the purposes of the Plan and the requirements of applicable law.

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As part of the funding policy, the Trustees shall exercise its investment discretion so as to provide sufficient cash assets in an amount determined by the Trustees to be necessary to meet the liquidity requirements for the administration of the Plan and the payment of Post-Retirement Benefits. The funding policy may be amended pursuant to the discretion of the Trustees. If the Trustees elect to deposit a portion or all of the assets of the Trust Fund with the Retirement Benefits Investment Fund established pursuant to NRS 355.220, the funding and investment policy adopted by the Trustees with respect to these assets may be the same policy as that of the Retirement Benefits Investment Board of the Public Employees' Retirement System of Nevada.

(b) Investment by the Trustees.

The Trustees' discretion in investing and reinvesting the principal and income of the Trust Fund shall be subject to the funding and investment policy adopted by the Trustees in writing. The Trustees shall have the duty to act strictly in accordance with such funding and investment policy as amended. The Trustees may invest all or any portion of the Trust Fund in those investments authorized under NRS 287.017, including without limitation, the Retirement Benefits Investment Fund established pursuant to NRS 355.220 and any investment authorized under NRS 287.017(g)(2) or NRS 287.017(g)(3). If the Trust invests in any assets that are not permitted under applicable law, the assets shall be disposed of as promptly as is prudent under the circumstances.

8.7 Trustees' Responsibilities.

The responsibilities of the Trustees shall be:

- (a) To hold, invest and reinvest the assets in the Trust Fund, subject to the terms and conditions of the Plan and the funding policy;
- (b) To revalue the assets held in the Trust Fund at fair market value annually and more often as necessary,
- (c) To report the value of the Trust Fund as of each Plan Year to TMWA; and
- (d) To pay monies from the Trust Fund in accordance with the provisions in this Plan and at the discretion of the Trustees.

8.8 Administration of the Trust Fund.

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The Trustees shall have discretion in the administration of the assets held in the Trust Fund. This discretion includes the power of the Trustees to liquidate assets held in the Trust Fund to enable the Trustees to pay Post-Retirement Benefits in accordance with the terms of the Plan and to collect administrative fees from the assets held in the Trust Fund in accordance with Section 8.11.

8.9 Powers of the Trustees.

Unless applicable law provides otherwise, the Trustees are expressly authorized, in carrying out its duties under this Plan, to:

(a) Purchase, or subscribe for, any securities or other property and to retain the same in the Trust;

(b) Sell, alter, improve, lease or otherwise dispose of any asset of the Trust Fund;

(c) Vote upon any stocks, bonds, or other securities; give general or special proxies or powers of attorney with or without power of substitution; exercise any conversion privileges, subscription rights, or other options, and to make any payments incidental thereto; oppose, consent to, or otherwise participate in, corporate reorganizations or other changes affecting corporate securities, delegate discretionary powers, pay any assessments or charges in connections therewith, and generally exercise any of the powers of an owner with respect to stock, bonds, securities or other property held as part of the Trust Fund;

(d) Cause any securities or other property held as part of the Trust Fund to be registered in the Trustees' own name or in the name of one or more of the Trustees' nominees, and to hold any investments in bearer form, but the books and records of the Trustees shall at all times show that all such investments are part of the Trust Fund;

(e) Accept and retain for such time as the Trustees may deem advisable any securities or other property received or acquired by them as Trustees hereunder, whether or not such securities or other property would normally be purchased as investments hereunder;

(f) Make, execute, acknowledge and deliver documents of transfer and conveyance and other instruments that may be necessary or appropriate to carry out the powers granted in this Section;

(g) Invest funds of the Trust Fund in overnight deposits or savings accounts bearing a reasonable rate of interest in a bank selected by the Trustees;

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(h) Invest in Treasury Bills and other forms of United States government obligations;

(i) Except as expressly authorized herein, the Trustees are prohibited from selling or purchasing stock options. The Trustees are expressly authorized to write and sell call options under which the holder of the option has the right to purchase shares of stock held by the Trustees as part of the assets of this Trust, if such options are traded on and sold through a national securities exchange registered under the Securities Exchange Act of 1934, as amended, which exchange has been authorized to provide a market for option contracts pursuant to rules promulgated under such Act so long as the Trustees hold sufficient stock in the assets of this Trust to meet the obligations under such option if exercised. In addition, the Trustees are expressly authorized to purchase and acquire call options for the purchase of shares of stock covered by such options if the options are traded on and purchased through a national securities exchange as described in the immediately preceding sentence, and so long as any such option is purchased solely in a closing purchase transaction, meaning the purchase of an exchange traded call option the effect of which is to reduce or eliminate the obligations of the Trustees with respect to a stock option contract or contracts which it has previously written and sold in a transaction authorized under the immediately preceding sentence;

(j) Deposit monies in federally insured savings accounts or certificates of deposit in banks or savings and loan associations;

(k) Deposit stocks or other securities held in the Trust Fund in any voting trust, with any protective or like committee, or with a trustee or depositories designated by any protective or like committee;

(l) Retain part interests in real property or in mortgages on real property, wherever situated, with the right to transfer title in their name as Trustee or in the name of a nominee, either alone or jointly with the holder or holders of other part interests in the property or their nominees;

(m) Delegate the management and operation of any part interest in any real property or mortgage to a manager or the holders of a majority interest in such real property or mortgage on such real property;

(n) Sell real property or sell any mortgages on real property that it may retain in the

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Trust Fund;

(o) Carry out the decisions of a manager or holder(s) of a majority interest in real property with respect to the sale or mortgage of such real property or otherwise;

(p) Settle, compromise or submit to arbitration any claims, debts or damages due or owing to or from the Trust or the Trust Fund;

(q) Commence or defend legal proceedings for or against the Trust;

(r) Retain cash temporarily awaiting the payment of benefits or expenses, without liability for interest on the amount retained;

(s) Establish custodial arrangements as deemed necessary;

(t) Delegate all or some of these powers to an Investment Manager if (i) the Investment Manager is qualified as an investment manager under applicable law, and (ii) the Investment Manager acknowledges in writing that it is acting as a fiduciary with respect to the Plan and Trust, or to the Retirement Benefits Investment Fund of the Public Employees' Retirement System of Nevada by contract with the Retirement Benefits Investment Board.

(u) Employ suitable agents and counsel;

(v) Generally exercise any of the powers of an owner with respect to stock, other securities or property comprising the Trust Fund;

(w) Notwithstanding the above, the Trustees may not change the benefits provided to Participants and Dependents under the terms of the Plan, unless (1) the benefits of Participants and Dependents covered by a CBA are amended by the CBA, or (2) the benefits of Participants and Dependents not covered by a CBA are amended pursuant to the policies and resolutions of TMWA ; and

(x) Take all actions that the Trustees deem necessary to administer the Trust Fund and carry out the purposes of this Plan.

#### 8.10 Administrative Expenses.

All costs and expenses incurred in connection with administration of the Plan and Trust that may properly be paid by the Trust shall be paid by the Trust.

#### 8.11 Trustee Compensation.

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The Trustees shall not receive any compensation for the performance of their duties under this Plan.

#### 8.12 Records, Reports and Budgets.

The Trustees shall keep, or hire a third party to keep, accurate and detailed accounts with respect to the Trust Fund, covering all investments, receipts, disbursements and other transactions under this Trust. The Trust Fund is to be administered in accordance with generally accepted accounting principles and actuarial studies applicable to the future provision of Post-Retirement Benefits to the Eligible Retirees, Participants and Dependents of Participants. All accounts, books and records shall be open to inspection by any person designated by TMWA at all reasonable times. Within 120 days following the close of each Plan Year (and at other dates requested by TMWA), the Trustees, or third party if directed by the Trustees, shall file with TMWA a written report setting forth all investments, receipts, disbursements and other transactions involving the Trust Fund during the Plan Year or the part thereof for which the report is filed. The report shall contain a description of all securities sold, the net proceeds of sale (excluding accrued interest paid or received), and showing the securities and investments held at the end of such period and the cost of each item as carried on the books of the Trust. The Trustees, or third party if directed by the Trustees, also shall render such additional statements or reports to TMWA as TMWA may reasonably request. If the Trustees have elected to invest Trust assets in the Retirement Benefits Investment Fund of the Public Employees' Retirement System of Nevada, investment reporting requirements shall coincide with the reporting periods of the Public Employees' Retirement System of Nevada.

The Trustees shall annually submit a tentative budget to the governing board of TMWA for its consideration, approval and inclusion in the tentative and final budgets of TMWA. The tentative budget submitted by the Trustees to the governing board of TMWA must incorporate the amount of contributions that TMWA expects to make to the Trust Fund. The governing board of TMWA may modify the tentative budget submitted by the Trustees at its discretion. The Trustees shall cause the Trust Fund to be audited annually. The governing board of TMWA shall incorporate the results of the audit into the annual audit report of TMWA.

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#### 8.13 Removal and Resignation of Trustees.

Any or both of the two Trustees representing TMWA management may be removed by written notice from TMWA, except that the Chief Financial Officer must remain as a Trustee. Removal shall be effective 60 days after the individual Trustee receives such notice or certified copies of the resolutions, as appropriate. The Trustee may resign upon 60 days written notice to TMWA. Upon the removal or resignation of a Trustee, TMWA shall appoint a successor trustee or trustees. Each successor trustee shall agree in writing to be bound by this Trust Agreement as amended.

Any or both of the two Trustees representing the IBEW may be removed by written notice from TMWA, but only if the officers of IBEW have directed TMWA to remove one or both of the two Trustees representing the IBEW. Removal shall be effective 60 days after the individual Trustee receives such notice. The Trustee may resign upon 60 days written notice to IBEW. Upon the removal or resignation of a Trustee, TMWA, at the direction of the IBEW officers, shall appoint a successor trustee or trustees. Each successor trustee shall agree in writing to be bound by this Trust Agreement as amended.

Notwithstanding the above, TMWA shall immediately remove any Trustee who has breached ~~his or her~~their fiduciary duty to the Plan or Trust, effective upon notification to the Trustee. TMWA shall appoint a new Trustee as soon as administratively possible, in accordance with the procedure for appointing Trustees set forth in Section 8.1.

#### 8.14 Actions by TMWA.

Any action taken by TMWA may be evidenced by a written instrument signed by an authorized agent of TMWA or the Trustees. TMWA shall furnish the Trustees with instructions as to the agents who are authorized to sign such written instruments.

#### 8.15 Acceptance by Trustees.

Upon execution of this Plan, the Trustees hereby accept being named as Trustees under the terms of this Trust Agreement and agree to hold all property constituting the Trust Fund subject to all of the terms and conditions contained herein.

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8.16 Source of Funds.

The Trust shall constitute the primary source of funds that may be used to pay the Post-Retirement Benefits awarded under the Plan. Except as otherwise required by applicable law, TMWA shall not be liable in any way or in any manner for any such benefits or payments beyond those monies held by the Trust.

8.17 Trust Exemption.

The Trust has been issued a determination letter by the Internal Revenue Service, effective May 25, 2007, treating it as exempt from federal income taxes under Section 501(c)(9) of the Code.

8.18 Standards of Interpretation.

This Plan and Trust are designed and intended to comply with applicable law. The Trustees are vested with the power to interpret the Plan and Trust, and their interpretation, if not in conflict with plain meaning of the Plan and Trust or any applicable law or government regulation, shall be final and conclusive. The Trustees, and any entity or person approved by the Trustees, shall have the full discretionary authority to determine eligibility for Post-Retirement Benefits awarded under the Plan and to construe the terms of the Plan and Trust.

8.19 Certain Prohibitions pertaining to the Trust.

Notwithstanding anything contained in this Plan to the contrary, the Trustees are precluded from exercising the following powers:

- (a) The power to borrow money;
- (b) The power to finance any debt of TMWA or any other local government and the power to loan funds to TMWA or to funds maintained by TMWA.

**ARTICLE 9. AMENDMENT AND TERMINATION OF PLAN**

9.1 Amendment and Termination.

TMWA and the Trustees reserve the right to amend the Plan and associated Trust to (i) comply with the requirements of Code Section 501(c)(9) or other provisions of the Code that are applicable to the Plan and Trust, or to conform the Plan and Trust with any other laws applicable

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to the Plan and Trust, (ii) conform the Plan and Trust with any amendments, changes, or modifications to the Post-Retirement Benefits for IBEW 1245 Employees that are approved under a CBA between TMWA and IBEW, and (iii) conform the Plan and Trust with any amendments, changes, or modifications to the Post-Retirement Benefits for MPAT Employees that are approved under a policy or resolution of the governing board of TMWA. TMWA and the Trustees also reserve the right to terminate the Plan and Trust by a duly adopted resolution of the governing board of TMWA, and upon termination of the Plan, the Trustees shall apply all the assets remaining in the Trust in a uniform and non-discriminatory manner toward the provision of benefits for Participants in accordance with applicable law. Notwithstanding anything contained in the Plan to the contrary, TMWA and the Trustees are precluded from amending, modifying or terminating the Plan in any form or manner that would allow the assets of the Plan to inure to or revert to TMWA, or which would violate any law applicable to the Plan.

#### **ARTICLE 10. MISCELLANEOUS PROVISIONS**

##### **10.1 Non-Discrimination.**

TMWA intends that this Plan will not discriminate in favor of Highly Compensated Employees and/or Key Employees as required by Code Sections 505(b), 105(h), and 79(d), in both coverage and benefits provided.

##### **10.2 Right to Payment.**

The Post-Retirement Benefits paid to Participants and Dependents under Article 4 shall be paid out of the Trust pursuant to the terms of this Plan. Except for the right of Participants and covered Dependents to receive Post-Retirement Benefits under this Plan, no employee of TMWA or any other person shall have any right, title or interest in or to the assets of the Trust, or in or to any contributions made by TMWA to the Trust, such contributions being made to and held in the Trust for the exclusive purpose of providing Post-Retirement Benefits under the Plan and defraying administrative expenses under the Plan.

##### **10.3 Information to Be Furnished.**

Participants and Dependents shall provide the Trustees with information and evidence and

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shall sign documents as may reasonably be requested for the purpose of administration of the Plan.

#### 10.4 Limitation of Rights.

Neither the establishment of the Plan, any amendment thereof, nor the payment of any benefits, shall be construed as giving to any Eligible Retiree, Participant, Dependent or other person any legal or equitable right against the Trustees or TMWA, except as provided herein.

#### 10.5 Prohibition of Discrimination.

Any discretionary acts to be taken under the terms and provisions of this Plan by the Trustees shall be uniform in their nature and in their application to all those similarly situated, and no discretionary acts shall be taken that would be discriminatory under the provisions of the Code relating to accident and health plans and/or group life insurance plans. In applying the discrimination provisions of Code Sections 105(h), Code Section 79(d), and the corresponding Treasury Regulations thereto, to the extent permitted by applicable law, the Post-Retirement Benefits described herein for the benefit of the MPAT Employees and the IBEW 1245 Employees are to be treated as a separate plans.

#### 10.6 No Contract of Employment.

This Plan shall not be deemed to be a contract between TMWA and any employee or former employee of TMWA, or other individual, or to be a consideration or an inducement for the employment of any employee or former employee of TMWA or other individual. Nothing contained in this Plan shall give any employee or former employee of TMWA or other individual the right to be retained in the service of TMWA.

#### 10.7 Incapacity.

If, in the opinion of the Trustees, any Participant or Dependent becomes unable to handle properly any amounts payable to such person under the Plan, the Trustees may make any arrangement for payment on such person's behalf that it determines will be beneficial to such person, including payment to such person's guardian, conservator, spouse or other dependent.

#### 10.8 Governing Law.

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This Plan shall be construed, administered and enforced according to the laws of Nevada and all applicable federal laws. TMWA and the Trustees recognize that this Plan shall be subject to amendments of such laws and regulations, to new legislation, or to new interpretations of existing laws or regulations. Any provision of law that invalidates or is otherwise inconsistent with the terms of this Plan or would cause the Plan to be in violation of law shall be deemed to have superseded the terms of this Plan; provided, however, that TMWA and the Trustees shall exercise their best efforts to accommodate the terms and intent of this Plan to the greatest extent possible consistent with the intent of Plan.

#### 10.9 Coverage Options

The terms of the Health Plans and Group Life Insurance Plans chosen by the Participant shall govern the Participant's coverage and receipt of benefits under those plans. Should any term of this Plan conflict with any term of the Health Plans and/or Group Life Insurance Plans which provide coverage to the Participants and their covered Dependents, the terms of the Health Plans and Group Life Insurance Plans shall govern, except that such terms shall not apply to expand or reduce the amount of any Post-Retirement Benefits offered or provided under this Plan.

#### 10.10 Costs

The costs of administering the Plan shall be paid by the Trust Fund to the extent permitted by law. Any remaining administration costs, if any, shall be paid by TMWA.

#### 10.11 Tax Effects

Neither TMWA nor the Trustees makes any warranty or other representation as to whether any Post-Retirement Benefits paid to or on behalf of any Participant will be treated as excludable from gross income for state or federal income tax purposes.

(Dates and Signatures to Follow)

Dated this \_\_\_\_ day of \_\_\_\_\_, ~~2017~~2023.



Board of Trustees

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Accepted and Approved By:  
Truckee Meadows Water Authority

By: \_\_\_\_\_  
Its: Chairman, Board of Directors

**TRUCKEE MEADOWS WATER AUTHORITY  
POST-RETIREMENT MEDICAL AND LIFE INSURANCE PLAN & TRUST  
(AS AMENDED AND RESTATED ON APRIL 16, 2025)**

**ARTICLE 1. INTRODUCTION**

1.1 Purpose of Plan.

The Truckee Meadows Water Authority Post-Retirement Medical Plan & Trust was originally established effective January 1, 2006. The Plan was subsequently amended and restated in its entirety on January 21, 2009, August 23, 2011, and September 20, 2017. The Plan is now being amended and restated to make certain changes to clarify the terms of the Plan and comply with applicable law. The purpose of this Plan is to provide Participants and their Dependents with benefits to assist with the payment of premiums for post-retirement health coverage and post-retirement group life insurance coverage. The Plan, as amended and restated, hereafter reads as follows.

1.2 Plan Status.

The benefits offered under this Plan are intended to qualify as (i) accident and health plan benefits under Code Sections 105 and 106 and the corresponding Treasury Regulations, and (ii) group term life insurance benefits under Code Section 79 and the corresponding Treasury Regulations. The benefits provided under this Plan are funded through the Plan which qualifies as a voluntary employees' beneficiary association under Code Section 501(c)(9). Pursuant to a determination letter from the Internal Revenue Service dated May 25, 2007, the Plan is exempt from Federal income tax under Code Section 501(c)(9). The Plan may be amended or terminated as provided in Article 9.1. Unless the context indicates otherwise, capitalized terms used in this Plan are to have the meanings set forth in Article 2.

**ARTICLE 2. DEFINITIONS**

2.1 Code.

"Code" means the Internal Revenue Code of 1986, as amended. Reference to any Section or Subsection of the Code includes reference to any comparable or succeeding provisions of any legislation that amends, supplements or replaces such Section or Subsection.

## 2.2 CBA.

“CBA” means a collective bargaining agreement entered into between TMWA and IBEW from time to time, together with any amendments thereto, which among other things, establishes the amount of the Post-Retirement Benefits for those employees of TMWA who are covered by the CBA.

## 2.3 Dependent.

"Dependent" shall have the same meaning as set forth in the Health Plans and/or the Group Life Insurance Plans, such as a spouse or child of the Participant; provided, however, that any such Dependent must also qualify as a dependent of the Participant under the applicable provisions of Code Section 152 and the corresponding Treasury Regulations.

## 2.4 Eligible Retiree.

"Eligible Retiree" means any MPAT Employee or IBEW 1245 Employee who has separated from service from TMWA after attaining age 55 and has completed at least ten (10) Years of Service as defined in Section 2.18; provided, however, the term “Eligible Retiree” shall not include any retiree or former employee of TMWA that is entitled to receive benefits under “The Truckee Meadows Water Authority OPEB Trust Fund,” a separate plan that is currently maintained by TMWA.

2.4 (a) “TMWA Health Plan Eligible Retiree” means an Eligible Retiree that receives monthly retirement payments under the Public Employees Retirement System (“PERS”) of Nevada, meets the eligibility requirements of the “Health Plan(s)”, and is eligible under applicable law.

## 2.5 Health Plans and Group Life Insurance Plans.

“Health Plan(s)” means (i) the group policies and/or plans that may be offered by TMWA from time to time that provide medical, dental, and/or vision coverage to Participants and/or their Dependents, (ii) individual policies or plans that are procured by a Participant that provide medical, dental, and/or vision coverage to Participants and/or their Dependents, (iii) Medicare Plans Part B and Part D, Medicare Supplemental Plans, and Medicare Advantage Plans that provide medical, dental, and/or vision coverage for Participants and/or their Dependents, together

with any current and future plans available to individuals eligible for Medicare coverage that are approved and authorized by the United States Department of Health and Human Services or its successor, and (iv) the group policies or plans offered by an employer of a Participant or an employer of a spouse of a Participant (other than TMWA) that provide medical, dental, and/or vision coverage to Participants and/or their Dependents.

“Group Life Insurance Plan(s)” means the group policies and/or plans that may be offered by TMWA, from time to time, that provide group life insurance coverage to the Participants and/or their Dependents.

Notwithstanding anything contained in this Section 2.5 to the contrary, the terms “Health Plan(s)” and “Group Life Insurance Plans(s)” shall not include a policy or plan offered by the employer of a Participant or an employer of a Participant’s spouse to the extent that the premiums are paid by the employer on a “pre-tax” basis, including, without limitation, a policy or plan offered by an employer under a Code Section 125 plan (commonly referred to as a “Cafeteria Plan”).

#### 2.6 Highly Compensated Employee.

"Highly Compensated Employee" means, for purposes of determining discrimination, a Participant who is described in the applicable provisions of Code Sections 414(q) and 105(h) and the corresponding Treasury Regulations thereto.

#### 2.7 IBEW.

"IBEW" means the Local Union 1245 of the International Brotherhood of Electrical Workers.

#### 2.8 IBEW 1245 Employees.

"IBEW 1245 Employees" mean all of the following classes of employees:

(a) "IBEW Transfer Employees" mean each former employee of Sierra who transferred to TMWA from Sierra on June 11, 2001, who is covered by the “Agreement Concerning Compliance with Letter of Understanding” between TMWA and Local Union 1245 of the International Brotherhood of Electrical Workers, together with the attachments thereto. A true and correct copy of the above referenced Agreement Concerning Compliance with Letter of Understanding, together with the attachments thereto, is attached to this Plan as Appendix “A;”



(b) "IBEW Transfer Employees Receiving Sierra Plan Benefits" mean each former employee of Sierra who transferred to TMWA from Sierra on June 11, 2001, who is covered by the "Agreement Concerning Compliance with Letter of Understanding" between TMWA and Local Union 1245 of the International Brotherhood of Electrical Workers, who elected to retire under the Sierra Plan;

(c) "Other IBEW Employees" mean each employee of TMWA, other than those described in clauses (a) and (b) above, who was hired by TMWA and is covered by a CBA that provides for Post-Retirement Benefits under this Plan.

## 2.9 MPAT Employees.

"MPAT Employees" mean all of the following classes of employees:

(a) "MPAT Transfer Employees" mean each former management, professional, administrative and technical employee of Sierra who was hired by TMWA pursuant to the Purchase Agreement between TMWA and Sierra (the "Purchase Agreement") and transferred to TMWA from Sierra on June 11, 2001. MPAT Transfer Employees shall also include the three MPAT Employees listed on Appendix "B" attached hereto who did not transfer to TMWA from Sierra on June 11, 2001, but who received offers of employment from TMWA entitling them to receive credit for their Years of Service accrued under the Sierra Plan for all relevant purposes under this Plan;

(b) "MPAT Transfer Employees Receiving Sierra Plan Benefits" mean each former management, professional, administrative and technical employee of Sierra who was hired by TMWA pursuant to the Purchase Agreement, transferred to TMWA from Sierra on June 11, 2001, and who elected to retire under the Sierra Plan;

(c) "Other MPAT Employees" mean each (i) regular (non-temporary) management, professional, administrative and technical employee of TMWA who is not listed in clauses (a) or (b) of this Section 2.9, other than an employee who is entitled to receive benefits under "The Truckee Meadows Water Authority OPEB Trust Fund."

## 2.10 NRS and NAC.

"NRS" means the Nevada Revised Statutes, as amended from time to time, and "NAC"

means the Nevada Administrative Code, as amended from time to time.

2.11 Participant.

"Participant" means an Eligible Retiree who has elected to participate in the Plan pursuant to Section 3.1.

2.12 Permanent Waiver.

"Permanent Waiver" means the execution by a Participant or Eligible Retiree of a written instrument, in a form approved by the Trustees, delivered to the Trustees, whereby a Participant or Eligible Retiree elects to waive their right to receive Post-Retirement Benefits under the terms of this Plan. If a Participant or Eligible Retiree executes and delivers a Permanent Waiver to the Trustees, such waiver shall be irrevocable, and the Participant or Eligible Retiree shall be precluded from participating in this Plan as of the effective date of the Permanent Waiver and such waiver shall apply to all future Plan Years following the effective date of the Permanent Waiver.

2.13 Plan.

"Plan" means the Truckee Meadows Water Authority Post-Retirement Medical and Life Insurance Plan & Trust, which is set forth in this document.

2.14 Plan Year.

"Plan Year" means the calendar year.

2.15 Post-Retirement Benefits.

"Post-Retirement Benefits" mean and are limited to the premiums required to be paid by this Plan, either directly to a Health Plan and/or Group Life Insurance Plan, or by reimbursement to the Participant for coverage of a Participant and/or their Dependents under (i) a Health Plan and/or (ii) Group Life Insurance Plan. The actual amount of Post-Retirement Benefits payable by this Plan on behalf of a particular Participant and their Dependents are described in further detail in Sections 4.1.1 through 4.1.5 and Article 5. Post-Retirement Benefits are not to include (i) the reimbursement of any co-payments, deductibles, out of pocket, or other similar charges incurred by a Participant and/or their Dependents under a Health Plan, (ii) any premiums paid by a Participant and/or their Dependents for coverage under a Health Plan that are reimbursed to the

Participant or the Dependents by a person or entity other than this Plan, or (iii) any premiums paid by a Participant and/or their Dependents under a Health Plan that are not treated as qualified medical expenses under Code Section 213.

2.16 Purchase Agreement.

"Purchase Agreement" means the "Asset Purchase Agreement between Sierra Pacific Power Company, as Seller, and TMWA, as Purchaser."

2.17 Retirement Date.

"Retirement Date" means the date elected by an Eligible Employee, on or after their retirement date from TMWA, to participate in the Plan in accordance with the procedures established by the Trustees from time to time.

2.18 Service or Years of Service.

"Service" or "Years of Service" means:

- (a) "For IBEW Transfer Employees and MPAT Transfer Employees."

"Service" or "Years of Service" include all years of service earned and accumulated by a Participant during the time they were an employee of TMWA and all years of service earned and accumulated by a Participant under the Sierra Plan in accordance with the terms of the Sierra Plan.

- (b) "For IBEW Transfer Employees Receiving Sierra Plan Benefits," "Other IBEW Employees," "MPAT Transfer Employees Receiving Sierra Plan Benefits" and "Other MPAT Employees." "Service" or "Years of Service" include all years of service earned and accumulated by a Participant during the time her or she was an employee of TMWA.

- (c) "For MPAT and IBEW Employees hired by TMWA." "Service or Years of Service" include all years of service earned and accumulated by a Participant during the time that they were an employee of TMWA.

For purposes of clauses (a), (b), and (c) above, a "Year of Service" will be earned and accumulated by a Participant, classified by TMWA as a regular (non-temporary and non-"provisional") full or part-time employee, who works continuously without a break in service. However, if a Participant was classified as a "provisional" employee of TMWA and subsequently

became classified as a regular employee of TMWA, then for purposes of this Section the Participant is to be classified as a regular employee of TMWA retroactively to the date that they were classified as a “provisional” employee of TMWA. The Years of Service will be calculated at the time of separation from service from TMWA retroactively for all periods of continuous regular employment. No period where an employee is classified by TMWA as a temporary non-benefited employee will qualify towards periods of Years of Service. Years of Service shall be recognized only for periods of paid employment. Therefore, the only periods of unpaid leave of absence that shall be credited towards Years of Service are those required by current or future State and Federal laws, such as The Uniformed Services Employment and Reemployment Rights Act (USERRA). Furthermore, breaks in service shall not be included in Years of Service; however, Years of Service earned prior to a break in service shall be aggregated with Years of Service worked after the break in service. All references in this paragraph to a “provisional” employee of TMWA means an IBEW 1245 Employee whose employment, at the time of hire, was intended to last more than six (6) months, but less than two (2) calendar years, and whose work or duties are linked to specific projects, or are in anticipation of future events, with a specific date at which the position will be eliminated.

2.19 Adjusted PRMPT Years of Service.

“Adjusted PRMPT Years of Service” shall be calculated by adding each “Year of Service.” Years of Service will then be prorated for periods in which a Participant worked less than full time (as defined by the CBA or TMWA policy). Refer to Section 4.1.7 for further information.

2.20 Sierra.

"Sierra" means the Sierra Pacific Power Company, now known as NV Energy.

2.21 Sierra Plan.

"Sierra Plan" means the Sierra Pacific Resources Post-Retirement Medical Plan.

2.22 Trust.

"Trust" means the Trust established and set forth in this document.

2.23 Trustees and Trustee.

"Trustees" mean the trustees appointed pursuant to Article 8 whose duties include the

administration of the Plan and Trust, and "Trustee" means any one (1) of the Trustees.

#### 2.24 TMWA.

"TMWA" means the Truckee Meadows Water Authority, a local government agency within the meaning of NRS 354.474.

### **ARTICLE 3. ELIGIBILITY AND PARTICIPATION**

#### 3.1 Eligibility and Commencement of Coverage.

Each Eligible Retiree shall be eligible to become a Participant in the Plan upon the later of (i) the date the Eligible Retiree separates from service from TMWA, or (ii) the date the Eligible Retiree applies for Post-Retirement Benefits under this Plan, either individually or together with their Dependents, in the time and manner specified by the Trustees. Notwithstanding the preceding sentence, if an Eligible Retiree either retired from Sierra or terminated employment from Sierra prior to being hired by TMWA (e.g., the Eligible Retiree did not transfer employment from Sierra to TMWA pursuant to the Purchase Agreement) and elected to receive post-retirement health benefits from the Sierra Plan, the Eligible Retiree will not be eligible to become a Participant unless at the time of separation from service from TMWA, the Eligible Retiree (i) earned ten years of service as an employee with TMWA; (ii) attained age 55; and (iii) applies for Post-Retirement Benefits under this Plan in the time and manner specified by the Trustees. If an Eligible Retiree defers, but does not permanently waive coverage under this Plan at the time of separation of service from TMWA, the Eligible Retiree may apply for benefits under this Plan (i) during any subsequent open enrollment period under a Health Plan, or (ii) following an event defined in a Health Plan that allows an Eligible Retiree to elect coverage under the Health Plan at a time other than during the open enrollment period.

#### 3.2 Termination of Participation.

A Participant shall cease to be eligible to participate in this Plan on the occurrence of earliest of the following events: (i) the date of the Participant's death; (ii) the date the Participant's Post-Retirement Benefits are cancelled due to the execution of a Permanent Waiver by the Participant; (iii) the date the Participant fails to pay their share of the premiums for coverage under a Health Plan and/or Group Life Insurance Plan in accordance with the policies established by the



Trustees from time to time; (iv) the date that a Participant is no longer covered under a Health Plan and a Group Life Insurance Plan, or (iv) the date this Plan is terminated. If a Participant's participation in the Plan is terminated by reason of failing to pay their share of premiums, the Participant may reenroll in the Plan during any subsequent open enrollment period, but only if the Participant has remitted to the Plan all delinquent premiums prior to the first day of the commencement of coverage.

#### **ARTICLE 4. POST-RETIREMENT BENEFITS**

##### **4.1 Post-Retirement Benefits Pertaining to Health Plans-In General.**

If permitted by this Plan and the terms of the applicable Health Plan, a Participant may elect coverage under a particular Health Plan, and a Participant may enroll their Dependents in such Health Plan. Post-Retirement Benefits earned by a Participant under this Plan shall be used to either reimburse the Participant or pay directly to the Health Plan the Plan's share of the total premiums assessed for such coverage under the Health Plan, as specified by the terms of this Plan (See Sections 4.1.1 through 4.1.4 for the calculation of the amount of the Post-Retirement Benefits to which a Participant and their Dependents are entitled to receive for coverage under a Health Plan). Those portions of the premiums that are not required to be paid by this Plan shall be the sole responsibility of, and paid by, the Participant. A Participant who does not pay their portion of the premiums for coverage under a Health Plan in the time and manner specified by the Trustees shall forfeit all rights to their coverage under the Health Plan. The Trustees shall from time to time adopt policies pertaining to the timing and the manner in which Participants and their Dependents are to pay their share of the health coverage premiums for the coverage elected. If the Trustees adopt a policy in which all premiums for coverage under a Health Plan are to be paid by the Plan, the Participant and Dependents of a Participant shall reimburse the Plan for their share of the total premiums that are required to be paid by them, and the Plan's policies and procedures shall specify the due dates in which the Participant and the Participant's Dependents are required to remit their share of such premiums to the Plan. Copies of the policies and procedures adopted by the Trustees from time to time are to be provided to each Participant and each Dependent of a Participant.

##### **4.1.1 Transfer of Employees between IBEW and MPAT.**

If during the time a Participant was employed by TMWA and/or Sierra, they transferred from employment as an IBEW 1245 Employee to employment as an MPAT Employee (or vice versa), the Participant's Post-Retirement Benefits under this Plan at their Retirement Date shall be calculated as if Participant was employed in their most recent employment classification for their entire period of service with TMWA and/or Sierra. Notwithstanding the above, if the Participant was an IBEW Transferred Employee or an MPAT Transferred Employee, such Participant shall continue to be treated as either an IBEW Transfer Employee or an MPAT Transferred Employee at their Retirement Date for purposes of calculating their Years of Service under Section 2.18, and if applicable Section 2.19.

4.1.2 Specific Post Retirement Benefits for Health Plan Coverage for MPAT Employees.

A Participant who is a TMWA Health Plan Eligible Retiree and was an MPAT Employee at their Retirement Date may elect coverage under the Health Plans that are made available to TMWA's active employees who are entitled to receive health and life benefits (hereafter referred to as "Benefited Employees"), or alternatively, elect coverage under other Health Plans described in Section 2.5. A Participant who is an MPAT Employee shall receive Post-Retirement Benefits based upon an annual credit that is to be applied towards the total annual premiums charged for their chosen Health Plan coverage which is to be based upon the Participant's Years of Service as described below. The annual credit shall be calculated as follows:

**Participant's Age  
(Each Month) on  
Birthday during the  
Relevant Plan Year  
for the Applicable  
Monthly Request  
for Coverage**

**Annual  
Credit  
Calculation**

Age 55 through 64

\$235 x "Adjusted PRMPT Years of Service"  
(up to 30 years)

Age 65 and above

\$105 x "Adjusted PRMPT Years of Service"  
(up to 35 years)

The total annual credit shall be reduced by 5% for each full year (with proration for fractional months) that the Participant is under age 62 as of the date they request coverage under this Plan. (the “Penalized Benefit”). If a Participant receives a Penalized Benefit at the time of their initial participation in the Plan, then such Penalized Benefit is to continue in effect permanently, regardless of whether coverage is continuous. The annual credit shall be provided in the time and manner specified by the Trustees. In order to be eligible to participate in a Health Plan offered by TMWA, when a Participant described in this Section attains age 65 or older during the relevant Plan Year they must enroll in and pay the total cost of Medicare Part "B" or Medicare Part "C" coverage. Unless the Plan pays the Participant's share of premiums directly to the Health Plan which the Participant elects coverage under, the Participant shall pay their share of such premiums to the Health Plan and shall be reimbursed by the Plan to the maximum amount specified above. See Section 4.1.6 for reimbursement procedures.

Example of Calculation of Annual Credit:

Assume a MPAT Employee retires at age 55 with 15 “Adjusted PRMPT Years of Service.” their annual Post-Retirement Benefits that may be used towards their coverage under a Health Plan would be as follows:

Before Age 65:

Step 1: Calculate maximum annual benefit.  $\$235 \times 15$  “Adjusted PRMPT Years of Service” = \$3,525.

Step 2: Calculate the reduction percentage.  $5\% \times 7$  (years between age 62 and age 55) = 35%

Step 3: Calculate the reduction amount.  $\$3,525 \times 35\% = \$1,233.75$

Step 4: Reduce the maximum benefit by the reduction amount to obtain the annual credit.  $\$3,525 - \$1,233.75$  (step 3) = \$2,291.25 annual credit.

After the Participant reaches age 65, repeat the steps above by substituting \$105 for \$235 in step 1. Result =  $\$1,575 - \$551.25$  (step 3) = \$1,023.75 annual credit.

4.1.3 Specific Post-Retirement Benefits for Health Plan Coverage for all IBEW 1245 Employees hired on or after January 1, 1998 and for “IBEW Transfer Employees Receiving Sierra Plan Benefits” hired before January 1, 1998.

IBEW 1245 Employees hired on or after January 1, 1998, and “IBEW Transfer Employees Receiving Sierra Plan Benefits” hired before January 1, 1998, are entitled to receive Post-Retirement Benefits for coverage under the Health Plans made available to Benefited Employees of TMWA if they are a TMWA Health Plan Eligible Retiree or other Health Plans described in Section 2.5. For those Participants described in this Section, they will receive Post-Retirement Benefits in an amount equal to the following lifetime lump-sum credit which will be applied toward the annual premiums charged for their coverage under a Health Plan: \$1,250 for each “Adjusted PRMPT Year of Service.” The Plan shall use the amount of the above referenced lifetime lump-sum credit to pay the entire premiums for the coverage elected under a Health Plan for the Participant and their Dependents until the lifetime lump-sum credit is exhausted. At that point, the Participant may elect to continue coverage under the Health Plan and this Plan; provided, however, that the Participant is to be responsible for the total premiums for their coverage under the Health Plan at the rates and terms established under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (hereafter, referred to as “COBRA”). Unless otherwise specified by the Trustees, the Plan may pay the entire premiums for a Participant’s chosen coverage under a Health

Plan, provided that the Participant shall reimburse the Plan for the Participant’s share of such premiums in accordance with the policies and procedures adopted from time to time by the Trustees.

4.1.4 Specific Post-Retirement Benefits for Health Plan Coverage for IBEW Transfer Employees Hired by Sierra before January 1, 1998.

(a) At Least Age 55 and Under Age 65.

A Participant who was an IBEW Transfer Employee, was hired by Sierra before January 1, 1998 and is at least age 55 and under age 65 on their Retirement Date, is entitled to receive Post-Retirement Benefits only for coverage under a Health Plan that is offered by TMWA to its Benefited Employees until the Plan Year in which the Participant attains age 65 if they are a

TMWA Health Plan Eligible Retiree. During the Plan Year in which the Participant attains age 65 and later Plan Years, the Participant is eligible to receive Post-Retirement Benefits for coverage under Health Plans offered by TMWA to its Benefited Employees, a Medicare Supplement Plan or a Medicare Risk Contract. However, during the Plan Year in which the Participant attains age 65 and later Plan Years, the Participant must enroll in and pay the total cost of Medicare Part "B" or Medicare Part "C" coverage, in accordance with Medicare enrollment criteria, in order to be eligible for the Post-Retirement Benefits under this Section. For those Participants described in this Section, they are entitled to receive Post-Retirement Benefits equal to an annual credit (as described below) which is to be used toward the annual premiums charged for the Participant's coverage chosen under a particular Health Plan (including the coverage for their Dependents). The annual credit referenced herein is to be determined as follows:

- (1) 80% of the total annual premium for coverage under a Health Plan, less
- (2) 4% of the total annual premium for such coverage, multiplied by the difference between:
  - (A) 20, minus
  - (B) the Participant's number of Years of Service (not to exceed 20).

Unless otherwise specified by the Trustees, the Plan may pay the entire annual premium charged for a Participant's coverage under a Health Plan, provided that the Participant must reimburse the Plan for the Participant's share of such premiums (i.e., those premiums in excess of the annual credit available to the Participant) in accordance with the policies and procedures adopted from time to time by the Trustees. In this regard, each Participant shall be responsible for reimbursing the Plan for the difference between (i) the amount determined under 4.1.4(a)(1) and 4.1.4(a)(2), and (ii) 100% of the total premium charged for coverage chosen by the Participant under a Health Plan.

- (b) Age 65 and over.

A Participant who was an IBEW Transfer Employee, was hired by Sierra before January 1, 1998, and is age 65 or over on his Retirement Date is eligible to receive Post-Retirement Benefits for coverage under Health Plans offered by TMWA to its Benefited Employees if they are a TMWA



Health Plan Eligible Retiree, a Medicare Supplement Plan, or a Medicare Risk Contract. For those Participants described in this Section, they will receive Post-Retirement Benefits equal to an annual credit that shall be applied toward the annual premiums charged for the coverage elected under the Health Plan (including the premiums for coverage elected for their Dependents). The annual credit referenced in the preceding sentence is to be determined as follows:

- (1) 85% of the total annual premiums for coverage under a Health Plan, less
- (2) 4% of the total annual premium for such coverage, multiplied by the difference between:
  - (A) 20, minus
  - (B) the Participant's number of Years of Service (not to exceed 20).

The 85% in clause (1) above shall be 100% for a Participant who elects to participate in a Medicare Risk Contract. In order to be eligible for the benefits under this Section, the Participant must enroll in and pay the entire cost of Medicare Part "B" or Medicare Part "C" coverage. Unless otherwise specified by the Trustees, the Plan may pay the entire annual premium charged for a Participant's coverage under a Health Plan, provided that the Participant must reimburse the Plan for the Participant's share of such premiums (i.e., those premiums in excess of the annual credit available to the Participant) in accordance with the policies and procedures adopted from time to time by the Trustees. In this regard, each Participant described in this Section shall be responsible for reimbursing the Plan for the difference between (i) the amount determined under 4.1.4(b)(1) and 4.1.4(b)(2), and (ii) 100% of the total premium charged for coverage chosen by the Participant under a Health Plan.

#### 4.1.5 Surviving Spouse's Death Benefits.

The surviving spouse of a deceased Participant who was covered by a Health Plan on the Participant's date of death, may continue receiving coverage under the Health Plan for three years after the death of the Participant, if permitted by the Health Plan and applicable law. Such coverage is to begin on the first day of the month following the month of the Participant's death. The Plan will pay a portion of the premiums for coverage under the Health Plan for the first year after the

Participant's death by computing Post-Retirement Benefits under this Plan as if the surviving spouse was the Participant. All terms applicable to the Participant in the year of their death shall apply to the surviving spouse during the first year following the Participant's death. For the final two years of the three year period following the death of a Participant, the surviving spouse shall be eligible for coverage under Health Plans that the Participant was eligible to participate in under the terms of this Plan. If during the final two years of the three year period following the death of a Participant, the surviving spouse elects to continue to receive coverage under a Health Plan, then the surviving spouse will be obligated to pay for the total premiums for such coverage at the rate established for COBRA coverage by the Health Plan that provides coverage to the surviving spouse and eligible Dependents.

#### 4.1.6 Procedures for Payment of Benefits.

In the event that a Participant and/or their Dependents is entitled to receive Post-Retirement Benefits under the terms of the Plan for coverage under a Health Plan, in order to receive such benefits from the Plan, the Participant and/or their Dependents must submit proof of coverage under a Health Plan and proof of the payment of premiums in the time and manner specified by the Trustees. Participants who are age 65 or older during the relevant Plan Year must also submit proof of enrollment in and proof of payment of premiums for Medicare Part "B" or Medicare Part "C" coverage. Post-Retirement Benefits shall be made in a time and manner specified by the Trustees upon receipt of proof of coverage and payment of premiums. However, if a Participant who receives an annual credit towards the payment of premiums for a particular Plan Year fails to request reimbursement for the premiums incurred in such Plan Year on a timely manner as determined by the Trustees, then the Participant will forfeit any unused credits for that particular Plan Year and such credits will not carry forward to future Plan Years.

#### 4.1.7 Reduction in Annual and Lump Sum Credits.

Notwithstanding anything contained in this Plan to the contrary, the annual and lifetime lump sum credits available to Participants shall be computed as indicated under the applicable Sections of this Article 4.

The credits (\$235, \$105 or \$1,250) shall be multiplied by the Adjusted PRMPT Years of Service. The Adjusted PRMPT Years of Service shall be calculated by adding each Year of Service. Years of Service will be prorated for periods in which an employee worked less than full time (as defined by the Collective Bargaining Agreement or TMWA policy).

Examples of the Reduced Credits are below:

Example #1: Assume that at the time an employee separates from TMWA service at the age of 65, they have attained 10 Years of Service as an MPAT employee, meets all other requirements to participate in this Plan, and elects to participate in the Plan. Assume further, that during the initial five years of their 10 Years of Service the employee worked full time while during the last five years of employment they worked part time. Under these facts, such employee would be eligible to receive Post-Retirement Benefits equal to an annual credit of  $\$105 \times 7.5$  Adjusted PRMPT Years of Service [5 years of full time service plus five years at part time (50%)] = \$787.50 Annual Credit

Example #2: Assume that at the time an employee separates from TMWA service at the age of 59, they have attained 18 Years of Service as a post January 1998 IBEW employee, meets all other requirements to participate in this Plan, and elects to participate in the Plan. Assume further, that during the initial eight years of their 18 Years of Service the employee worked part time while during the last 10 years of employment they worked full time. Such employee would be eligible to receive Post-Retirement Benefits equal to a lifetime lump sum credit of  $\$1,250 \times 14$  Adjusted PRMPT Years of Service [8 years of part time service (50%) plus 10 years of full time service] = \$17,500 Lifetime Lump sum Credit.

Example #3: Assume that at the time an employee separates from TMWA service at the age of 65, they have attained 10 Years of Service as an MPAT employee, meets all other requirements to participate in this Plan, and elects to participate in the Plan. Assume further, that during the initial five years of their 10 Years of Service the employee worked full time while during the last five years of employment they worked three-quarters time (75%). Such employee would be eligible to receive Post-Retirement Benefits equal to an annual credit of  $\$105 \times 8.75$

Adjusted PRMPT Years of Service [5 years of full time service plus five years at three-quarters (75%)] = \$918.75 Annual Credit.

4.2 Post-Retirement Benefits for Group Life Insurance Plan Coverage.

A Participant, who is covered under the CBA shall be eligible to elect coverage for the Participant and/or the Participant's Dependents under the Group Life Insurance Plans maintained by TMWA for its Benefited Employees in accordance with the terms and conditions of the CBA and the Group Life Insurance Plans, as amended from time to time. A Participant, who is not covered by a CBA, shall be eligible to elect coverage for the Participant and/or the Participant's Dependents under the Group Life Insurance Plans maintained by TMWA for its Benefited Employees in accordance with the terms and conditions of the Group Life Insurance Plans and the policies and resolutions adopted by TMWA from time to time. If a Participant elects coverage under a Group Life Insurance Plan, then this Plan shall pay Post-Retirement Benefits towards the premium cost of such coverage in those amounts set forth in the CBA (for Participants covered by the CBA) or TMWA's policies and resolutions (for Participants not covered by a CBA). The amount of coverage that a Participant may currently elect under a Group Life Insurance Plan is set forth in Appendix "C" attached to this Plan. Those portions of premiums for coverage under a Group Life Insurance Plan that are not paid by this Plan shall be paid by the Participant. A Participant who does not pay their share of the premiums or costs for coverage under a Group Life Insurance Plan in the time and manner specified by the Trustees shall forfeit all rights to the life insurance coverage elected by the Participant. The Trustees shall from time to time adopt policies pertaining to the timing and the manner in which Participants and Dependents of Participants are to pay their share of the premiums for coverage under a Group Life Insurance Plan. To the extent that the Trustees require the Participants and/or their Dependents to pay their share of the premiums for coverage elected under a Group Life Insurance Plan, then such policies and procedures shall specify the due dates in which the Participant and/or Dependents are required pay their share of such life insurance premiums to the Plan. Copies of the policies and procedures adopted by the Trustees from time to time are to be provided to each Participant and each Dependent of a Participant.

**ARTICLE 5. COBRA CONTINUATION OF COVERAGE**

To the extent required by COBRA, a Participant and their Dependents, as applicable,

whose coverage terminates under this Plan and/or a Health Plan because of a qualifying event described in COBRA (and such person is a qualified beneficiary as defined under COBRA), then such person shall be given the opportunity to continue on a self-pay basis the same coverage that they had under this Plan and the Health Plan on the day before the qualifying event for the periods prescribed by COBRA. Such continuation coverage shall be subject to all conditions and limitations under COBRA. Notwithstanding anything contained in this Article to the contrary, if this Plan, the CBA covering a Participant, or the policies and resolutions adopted by TMWA, provide for benefits in excess of those offered under COBRA, then the provisions of this Plan, the CBA, or TMWA's policies and resolutions shall govern. Premiums for COBRA coverage, not otherwise required to be paid by this Plan shall be paid to the Plan and/or the Health Plan by the individual entitled to receive COBRA continuation coverage in accordance with the policies and procedures adopted by the Trustees of the Plan from time to time.

#### **ARTICLE 6. HIPAA COMPLIANCE**

##### **6.1 General.**

Members of TMWA's workforce or the Trustees may, from time to time, have access to protected health information ("PHI") of Plan Participants for administrative functions of the Plan. The Health Insurance Portability and Accountability Act of 1996, ("HIPAA"), and the regulations issued thereunder at 45 C.F.R. Parts 160 and 164 (the "HIPAA Regulations"), as amended from time to time, impose privacy obligations on the Plan and restrict the disclosure of PHI. TMWA and the Trustees shall have access to PHI from the Plan only as permitted under this Article 6 or as otherwise required or permitted by HIPAA or other applicable law. All capitalized terms within this Article 6 not otherwise defined in the Plan shall have the meaning provided under HIPAA.

##### **6.2 Definition of PHI.**

Protected health information or PHI means information that is created or received by the Plan and relates to the past, present, or future physical or mental health or condition of a Participant; the provision of health care to a Participant; or the past, present, or future payment for the provision of health care to a Participant; and that identifies the Participant or for which there is a reasonable basis to believe the information can be used to identify the Participant. Protected health information includes information of persons living or deceased.



### 6.3 Uses and Disclosures of PHI.

The Plan may disclose a Plan Participant's PHI to TMWA or the Trustees (or to TMWA or the Trustees' agent) to the fullest extent permitted by the HIPAA Regulations (but not in a manner inconsistent with 45 C.F.R. § 164.504(f)), including but not limited to:

#### (a) Enrollment-Disenrollment Information.

The Plan may disclose to TMWA or the Trustees information on whether the individual is participating in the Plan, or is enrolled in or has disenrolled in the Plan.

#### (b) Summary Health Information.

The Plan may disclose Summary Health Information to TMWA or the Trustees, provided TMWA or the Trustees requests the Summary Health Information for the purpose of (a) obtaining premium bids from health plans for providing health insurance coverage under the Plan; or (b) modifying, amending, or terminating the Plan. "Summary Health Information" means: information that (a) summarizes the claims history, claims expenses or type of claims experienced by individuals for whom a plan sponsor had provided health benefits under the Plan; and (b) from which the information described at 45 C.F.R. § 164.514(b)(2)(i) has been deleted, except that the geographic information described in 45 C.F.R. § 164.514(b)(2)(i)(B) need only be aggregated to the level of three digits of a zip code.

#### (c) Plan Administrative Purpose

The Plan may disclose PHI to TMWA or the Trustees, provided TMWA or the Trustees use or disclose such PHI only for Plan administration purposes. "Plan administration purposes" means administration functions performed by TMWA or the Trustees on behalf of the Plan; such as quality assurance, claims processing, auditing, and monitoring. Plan administration functions do not include functions performed by TMWA or the Trustees in connection with any other benefit or benefit plan of TMWA or the Trustees, and do not include any employment-related functions. Notwithstanding the provisions of this Plan to the contrary, in no event shall TMWA or Trustees be permitted to use or disclose PHI in a manner that is inconsistent with 45 CFR § 164.504(f).

### 6.4 Restriction on Plan Disclosure to TMWA.

Neither the Plan nor any of its business associates will disclose PHI to TMWA or the Trustees except upon the Plan's receipt of TMWA's certification that the Plan has been amended to incorporate the provisions under Section 6.5, except as otherwise permitted or required by law. Execution of the Plan document by TMWA will serve as the required certification.

#### 6.5 Privacy Agreements of TMWA/Trustees.

As a condition for obtaining PHI from the Plan and its business associates, TMWA or the Trustees agree it will:

- (a) Not use or further disclose such PHI other than as permitted by this Section, as permitted by 45 C.F.R. § 164.508, 45 C.F.R. § 164.512, and other Sections of the HIPAA Regulations, or as required by law;
- (b) Ensure that any of its agents, including a subcontractor, to whom it provides PHI received from the Plan agree to the same restrictions and conditions that apply to TMWA or the Trustees with respect to such information;
- (c) Not use or disclose the PHI for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of TMWA;
- (d) Report to the Plan any use or disclosure of the PHI that is inconsistent with permitted disclosures that TMWA or the Trustees becomes aware;
- (e) Make the PHI of a particular Participant available for purposes of the Participant's requests for inspection, copying, and amendment, and carry out such requests in accordance with HIPAA Regulation 45 C.F.R. §§ 164.524 and 164.526;
- (f) Make the PHI of a particular Participant available for purposes of a required accounting of disclosures by TMWA or the Trustees pursuant to the Participant's request for such an accounting in accordance with HIPAA Regulation 45 C.F.R. § 164.528;
- (g) Make TMWA's and Trustees' internal practices, books, and records relating to the use and disclosure of PHI received from the Plan available to the Secretary of the U.S. Department of Health and Human Services for purposes of determining compliance by the Plan with HIPAA;

(h) If feasible, return or destroy all PHI received from the Plan that TMWA or the Trustees still maintain in any form and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, TMWA or the Trustees agree to limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and

(i) Ensure that there is adequate separation between the Plan and TMWA or the Trustees by implementing the terms of Section 6.6.

TMWA and Trustees further agree that if they create, receive, maintain, or transmit any electronic PHI (other than enrollment/disenrollment information and Summary Health Information, which are not subject to these restrictions) on behalf of the Plan, they will implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the electronic PHI, and they will ensure that any agents (including subcontractors) to whom they provide such electronic PHI agree to implement reasonable and appropriate security measures to protect the information. TMWA and Trustees will report to the General Manager of TMWA any security incident of which they become aware.

#### 6.6 Separation between Plan and TMWA or the Trustees.

##### 6.6.1 Employees with Access to PHI.

The following employees or other individuals under the control of TMWA or the Trustees are the only individuals that may access PHI received from the Plan: chief financial officer, general manager, IBEW business representatives, Trustees, human resources representatives, accounting staff, payroll staff, and information systems staff.

##### 6.6.2 Use Limited to Plan Administration.

The access to and use of PHI by the individuals described in Section 6.6.1, is limited to Plan Administration functions as defined in HIPAA Regulation 45 C.F.R. § 164.504(a) that are performed by TMWA or the Trustees for the Plan.

##### 6.6.3 Mechanism for Resolving Noncompliance.

If TMWA or the Trustees, or person(s) responsible for monitoring compliance, determines that any person described in Section 6.6.1 has violated any of the restrictions of this Section, then such individual shall be disciplined in accordance with the policies of TMWA or the

Trustees established for purposes of privacy compliance, up to and including permanent dismissal from the Board of Trustees. TMWA or the Trustees shall arrange to maintain records of such violations along with the persons involved, as well as disciplinary and corrective measures taken with respect to each incident.

## **ARTICLE 7. ADMINISTRATION OF PLAN**

### **7.1 Administration.**

The Trustees shall administer the Plan subject to applicable requirements of law, including without limitation, the provisions contained in NRS 287.015 and 287.017 and the corresponding administrative Regulations of the NAC adopted from time to time. For this purpose, the Trustees' power and sole discretion shall include, but shall not be limited to, the following authority, in addition to all other powers provided by this Plan:

- (a) To make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan;
- (b) To interpret the Plan in good faith with such interpretation to be final and conclusive on all persons claiming benefits under the Plan;
- (c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan;
- (d) To appoint such attorneys, actuaries, accountants, consultants and other persons as may be required to assist in administering the Plan;
- (e) To allocate and delegate its responsibilities under the Plan and to designate other persons to carry out any of its responsibilities under the Plan;
- (f) To approve the amount of Post-Retirement Benefits that shall be payable to any Participant in accordance with the provisions of the Plan; to inform the Participant of the amount of such Post-Retirement Benefits; and to provide a full and fair review to any Participant whose claim for Post-Retirement Benefits has been denied in whole or in part; and
- (g) To hold meetings in compliance with Chapter 241 of NRS.

### **7.2 Indemnification.**

To the extent permitted by applicable law, TMWA shall indemnify the Trustees and each other person acting in connection with the administration of the Plan, individually against any and all claims, losses, damages and expenses, including legal fees and amounts paid in settlement with TMWA's approval, resulting from any action or failure to act in connection with the administration of the Plan if such action or inaction is not covered by the statutory immunity given to public employees under Chapter 41 of the NRS, except when the same is determined to be attributable to the gross negligence or willful misconduct of such person.

## **ARTICLE 8. TRUST PROVISIONS**

### **8.1 Appointment, Qualification and Terms of Trustees.**

The Trust shall be administered by the Trustees. TMWA and the Trustees will comply with the provisions of NRS 287.015 and 287.017, together with the corresponding provisions of the NAC, concerning the selection of the Trustees and the administration of the Plan. TMWA shall appoint four individuals who shall serve as Trustees: (i) two members of TMWA management, one whom shall be the Chief Financial Officer and the other appointed at the discretion of TMWA's General Manager, and (ii) two IBEW representatives. The two Trustees who are appointed from IBEW are to be appointed by TMWA at the direction of IBEW Local 1245. At all times, equal numbers of TMWA management and IBEW representatives shall serve as Trustees of the Plan. In appointing the Trustees, TMWA shall insure that the Trustees satisfy the requirements of NRS 287.017 and the corresponding provisions of the NAC. Notwithstanding anything contained in this Plan to the contrary, no person is to serve as a Trustee if the person has a substantial financial interest in the ownership or negotiation of the securities or other financial instruments in which the assets of the trust are invested, or if the person is a member of the governing body of TMWA. The term of each person serving as a Trustee shall be for a period of two years. However, a person who has served as a Trustee for a term of two years may be reappointed to serve additional two year terms.

### **8.2 Meetings of the Trustees.**

The Trustees shall meet quarterly or at the call of the Chairperson of the Board of the Trustees when business is presented. The Trustees shall not take action without a quorum. In order to have a quorum, at least three of the four members of the Board of Trustees must be present. The



Trustees may take action by a majority decision of the quorum. The Trustees shall appoint a Chairperson and a Vice Chairperson to serve two-year terms. One of these positions shall be held by a member of TMWA management and the other shall be held by an IBEW representative. The Trustees intend for the Chairperson position to rotate between the two groups every two years so that if a member of TMWA management was the Chairperson during one term, an IBEW representative will be the Chairperson during the next term. However, if the group that is entitled to select a Chairperson for the next term chooses to relinquish this right, then the Trustees may appoint the same Chairperson to retain their position for the next term, or alternatively select a Chairperson who is recommended by the group that has selected the current Chairperson. The Trustees shall negotiate in good faith to reach a majority decision on matters that comes to a vote before the Trustees. If the Trustees are unable to reach a majority decision on an issue, the following rules apply:

(a) Within ten (10) calendar days, the Trustees will agree upon a neutral arbitrator to resolve the dispute. The Trustees shall choose an arbitrator by majority decision and consent to an arbitrator shall not be unreasonably withheld. If the Trustees cannot choose an arbitrator by majority decision with a reasonable period of time, the Trustees shall retain the American Arbitration Association to appoint an arbitrator;

(b) If all of the Trustees agree, the dispute may be submitted to a Board of Arbitration. The Board of Arbitration shall consist of the neutral arbitrator, one Trustee who is a member of TMWA management (appointed by the General Manager of TMWA) and one Trustee who is a representative of IBEW (appointed by IBEW). The decision of the Board of Arbitration is final and binding;

(c) If all of the Trustees do not agree to submit the dispute to a Board of Arbitration, the neutral arbitrator shall make final and binding decision regarding the resolution of the dispute;

(d) A statement of the matter in dispute shall be presented in writing to the Board of Arbitration or neutral arbitrator. If the Trustees cannot agree upon a joint statement of the matter in dispute, each group of Trustees shall prepare its own statement of the matter in dispute within (5) days after it is determined that the Trustees cannot agree upon a joint statement of the matter in dispute.

(e) The Board of Arbitration and neutral arbitrator are bound by the provisions of this Plan and Trust, any applicable collective bargaining agreement and applicable law in making a decision on the matter in dispute.

(f) The decision of the Board of Arbitration or neutral arbitrator shall be rendered in writing within ten (10) days after submission of the dispute for decision. The ten (10) day period may be extended by agreement of all of the Trustees. All other matters of procedure shall be decided by the neutral arbitrator. If the Board of Arbitration or the neutral arbitrator does not render a written decision within ten (10) days or the additional time granted by the Trustees, any Trustee may submit the dispute to a court of competent jurisdiction for decision.

(g) The costs and attorneys' fees incurred in connection with the foregoing shall be paid out of the Trust Fund, including reasonable compensation for the neutral arbitrator.

### 8.3 Assets Held by Trustees; Contributions.

#### (a) Receipt of Contributions.

The Trustees shall receive and deposit in the Trust any contributions paid to the Trustees in cash or such property that the Trustees deem is acceptable. The Trustees may appoint a custodian to receive and deposit contributions in the Trust on behalf of the Trustees. All assets held by the Trust and the earnings and income thereon shall be invested, reinvested and applied as provided in this Article 8 and the remainder of the Plan. All monies and other property held in the Trust are referred to as the "Trust Fund."

#### (b) Initial Funding.

A cash contribution was initially made to the Trust by TMWA. Additionally, Sierra (now known as NV Energy) transferred funds from a voluntary employee benefit association sponsored by Sierra that represents funds accumulated to pay Post-Retirement Benefits for the IBEW 1245 Employees during their employment with Sierra.

#### (c) Plan Contributions.

Subject to Section 8.6 (a), TMWA shall annually contribute to the Trust an amount which TMWA determines is necessary to fund the benefits due under this Plan pursuant to a qualified actuarial analysis performed in accordance with NRS 287.015 and 287.017 and generally accepted accounting principles. All contributions made to the Trust Fund are to be irrevocable.

#### (d) Source of Funds.

Any contributions by TMWA shall be made out of its general assets.

8.4 Payment from Trust Fund.

The Trustees shall pay Post-Retirement Benefits and administrative expenses from the Trust Fund as provided under the terms of the Plan.

8.5 Exclusive Benefit of Participants.

The Trustees shall hold, invest, reinvest, manage and administer the Trust Fund solely in the interest of Eligible Retirees, Participants and covered Dependents and for the exclusive purpose of providing Post-Retirement Benefits to Participants and covered Dependents in accordance with the Plan and defraying the reasonable expenses of administering the Plan and Trust. At no time shall any part of the Trust Fund revert to or be recoverable by TMWA, nor be used for or diverted to purposes other than the exclusive purpose of providing Post-Retirement Benefits to Participants and their covered Dependents and defraying the reasonable expenses of administering the Plan and Trust, and neither the Trust Fund nor the earning thereon shall inure to or for the benefit of any member of the Board of Trustees, except that a member of the Board of Trustees may be a beneficiary of the Trust Fund through participation in the Plan. The Trust Fund shall not be subject to the claims of any creditors of (i) TMWA, (ii) a Health Plan or Group Life Insurance Plan, or the administrators of such Plans, that provide coverage to Participants and their Dependents under this Plan, or (iii) the Participants and covered Dependents.

8.6 Investments.

(a) Funding Policy.

The Trustees shall, pursuant to the Plan, establish and carry out a funding and investment policy consistent with the purposes of the Plan and the requirements of applicable law. As part of the funding policy, the Trustees shall exercise its investment discretion so as to provide sufficient cash assets in an amount determined by the Trustees to be necessary to meet the liquidity requirements for the administration of the Plan and the payment of Post-Retirement Benefits. The funding policy may be amended pursuant to the discretion of the Trustees. If the Trustees elect to deposit a portion or all of the assets of the Trust Fund with the Retirement Benefits Investment Fund established pursuant to NRS 355.220, the funding and investment policy adopted by the Trustees with respect to these assets may be the same policy as that of the Retirement Benefits

Investment Board of the Public Employees' Retirement System of Nevada.

(b) Investment by the Trustees.

The Trustees' discretion in investing and reinvesting the principal and income of the Trust Fund shall be subject to the funding and investment policy adopted by the Trustees in writing. The Trustees shall have the duty to act strictly in accordance with such funding and investment policy as amended. The Trustees may invest all or any portion of the Trust Fund in those investments authorized under NRS 287.017, including without limitation, the Retirement Benefits Investment Fund established pursuant to NRS 355.220 and any investment authorized under NRS 287.017(g)(2) or NRS 287.017(g)(3). If the Trust invests in any assets that are not permitted under applicable law, the assets shall be disposed of as promptly as is prudent under the circumstances.

8.7 Trustees' Responsibilities.

The responsibilities of the Trustees shall be:

- (a) To hold, invest and reinvest the assets in the Trust Fund, subject to the terms and conditions of the Plan and the funding policy;
- (b) To revalue the assets held in the Trust Fund at fair market value annually and more often as necessary,
- (c) To report the value of the Trust Fund as of each Plan Year to TMWA; and
- (d) To pay monies from the Trust Fund in accordance with the provisions in this Plan and at the discretion of the Trustees.

8.8 Administration of the Trust Fund.

The Trustees shall have discretion in the administration of the assets held in the Trust Fund. This discretion includes the power of the Trustees to liquidate assets held in the Trust Fund to enable the Trustees to pay Post-Retirement Benefits in accordance with the terms of the Plan and to collect administrative fees from the assets held in the Trust Fund in accordance with Section 8.11.

8.9 Powers of the Trustees.

Unless applicable law provides otherwise, the Trustees are expressly authorized, in carrying out its duties under this Plan, to:

- (a) Purchase, or subscribe for, any securities or other property and to retain the same in the Trust;
- (b) Sell, alter, improve, lease or otherwise dispose of any asset of the Trust Fund;

(c) Vote upon any stocks, bonds, or other securities; give general or special proxies or powers of attorney with or without power of substitution; exercise any conversion privileges, subscription rights, or other options, and to make any payments incidental thereto; oppose, consent to, or otherwise participate in, corporate reorganizations or other changes affecting corporate securities, delegate discretionary powers, pay any assessments or charges in connections therewith, and generally exercise any of the powers of an owner with respect to stock, bonds, securities or other property held as part of the Trust Fund;

(d) Cause any securities or other property held as part of the Trust Fund to be registered in the Trustees' own name or in the name of one or more of the Trustees' nominees, and to hold any investments in bearer form, but the books and records of the Trustees shall at all times show that all such investments are part of the Trust Fund;

(e) Accept and retain for such time as the Trustees may deem advisable any securities or other property received or acquired by them as Trustees hereunder, whether or not such securities or other property would normally be purchased as investments hereunder;

(f) Make, execute, acknowledge and deliver documents of transfer and conveyance and other instruments that may be necessary or appropriate to carry out the powers granted in this Section;

(g) Invest funds of the Trust Fund in overnight deposits or savings accounts bearing a reasonable rate of interest in a bank selected by the Trustees;

(h) Invest in Treasury Bills and other forms of United States government obligations;

(i) Except as expressly authorized herein, the Trustees are prohibited from selling or purchasing stock options. The Trustees are expressly authorized to write and sell call options under which the holder of the option has the right to purchase shares of stock held by the Trustees as part of the assets of this Trust, if such options are traded on and sold through a national securities exchange registered under the Securities Exchange Act of 1934, as amended, which exchange has been authorized to provide a market for option contracts pursuant to rules promulgated under such Act so long as the Trustees hold sufficient stock in the assets of this Trust to meet the obligations under such option if exercised. In addition, the Trustees are expressly authorized to purchase and acquire call options for the purchase of shares of stock covered by such options if the options are traded on and purchased through a national securities exchange as described in the immediately preceding sentence, and so long as any such option is purchased solely in a closing purchase transaction, meaning the purchase of an exchange



traded call option the effect of which is to reduce or eliminate the obligations of the Trustees with respect to a stock option contract or contracts which it has previously written and sold in a transaction authorized under the immediately preceding sentence;

(j) Deposit monies in federally insured savings accounts or certificates of deposit in banks or savings and loan associations;

(k) Deposit stocks or other securities held in the Trust Fund in any voting trust, with any protective or like committee, or with a trustee or depositories designated by any protective or like committee;

(l) Retain part interests in real property or in mortgages on real property, wherever situated, with the right to transfer title in their name as Trustee or in the name of a nominee, either alone or jointly with the holder or holders of other part interests in the property or their nominees;

(m) Delegate the management and operation of any part interest in any real property or mortgage to a manager or the holders of a majority interest in such real property or mortgage on such real property;

(n) Sell real property or sell any mortgages on real property that it may retain in the Trust Fund;

(o) Carry out the decisions of a manager or holder(s) of a majority interest in real property with respect to the sale or mortgage of such real property or otherwise;

(p) Settle, compromise or submit to arbitration any claims, debts or damages due or owing to or from the Trust or the Trust Fund;

(q) Commence or defend legal proceedings for or against the Trust;

(r) Retain cash temporarily awaiting the payment of benefits or expenses, without liability for interest on the amount retained;

(s) Establish custodial arrangements as deemed necessary;

(t) Delegate all or some of these powers to an Investment Manager if (i) the Investment Manager is qualified as an investment manager under applicable law, and (ii) the Investment

Manager acknowledges in writing that it is acting as a fiduciary with respect to the Plan and Trust, or to the Retirement Benefits Investment Fund of the Public Employees' Retirement System of Nevada by contract with the Retirement Benefits Investment Board.

- (u) Employ suitable agents and counsel;
- (v) Generally exercise any of the powers of an owner with respect to stock, other securities or property comprising the Trust Fund;
- (w) Notwithstanding the above, the Trustees may not change the benefits provided to Participants and Dependents under the terms of the Plan, unless (1) the benefits of Participants and Dependents covered by a CBA are amended by the CBA, or (2) the benefits of Participants and Dependents not covered by a CBA are amended pursuant to the policies and resolutions of TMWA ; and
- (x) Take all actions that the Trustees deem necessary to administer the Trust Fund and carry out the purposes of this Plan.

#### 8.10 Administrative Expenses.

All costs and expenses incurred in connection with administration of the Plan and Trust that may properly be paid by the Trust shall be paid by the Trust.

#### 8.11 Trustee Compensation.

The Trustees shall not receive any compensation for the performance of their duties under this Plan.

#### 8.12 Records, Reports and Budgets.

The Trustees shall keep, or hire a third party to keep, accurate and detailed accounts with respect to the Trust Fund, covering all investments, receipts, disbursements and other transactions under this Trust. The Trust Fund is to be administered in accordance with generally accepted accounting principles and actuarial studies applicable to the future provision of Post-Retirement Benefits to the Eligible Retirees, Participants and Dependents of Participants. All accounts, books and records shall be open to inspection by any person designated by TMWA at all reasonable times. Within 120 days following the close of each Plan Year (and at other dates requested by TMWA), the Trustees, or third party if directed by the Trustees, shall file with TMWA a written report setting forth all investments, receipts, disbursements and other transactions involving the

Trust Fund during the Plan Year or the part thereof for which the report is filed. The report shall contain a description of all securities sold, the net proceeds of sale (excluding accrued interest paid or received), and showing the securities and investments held at the end of such period and the cost of each item as carried on the books of the Trust. The Trustees, or third party if directed by the Trustees, also shall render such additional statements or reports to TMWA as TMWA may reasonably request. If the Trustees have elected to invest Trust assets in the Retirement Benefits Investment Fund of the Public Employees' Retirement System of Nevada, investment reporting requirements shall coincide with the reporting periods of the Public Employees' Retirement System of Nevada.

The Trustees shall annually submit a tentative budget to the governing board of TMWA for its consideration, approval and inclusion in the tentative and final budgets of TMWA. The tentative budget submitted by the Trustees to the governing board of TMWA must incorporate the amount of contributions that TMWA expects to make to the Trust Fund. The governing board of TMWA may modify the tentative budget submitted by the Trustees at its discretion. The Trustees shall cause the Trust Fund to be audited annually. The governing board of TMWA shall incorporate the results of the audit into the annual audit report of TMWA.

#### 8.13 Removal and Resignation of Trustees.

Any or both of the two Trustees representing TMWA management may be removed by written notice from TMWA, except that the Chief Financial Officer must remain as a Trustee. Removal shall be effective 60 days after the individual Trustee receives such notice or certified copies of the resolutions, as appropriate. The Trustee may resign upon 60 days written notice to TMWA. Upon the removal or resignation of a Trustee, TMWA shall appoint a successor trustee or trustees. Each successor trustee shall agree in writing to be bound by this Trust Agreement as amended.

Any or both of the two Trustees representing the IBEW may be removed by written notice from TMWA, but only if the officers of IBEW have directed TMWA to remove one or both of the two Trustees representing the IBEW. Removal shall be effective 60 days after the individual Trustee receives such notice. The Trustee may resign upon 60 days written notice to IBEW. Upon the removal or resignation of a Trustee, TMWA, at the direction of the IBEW officers, shall appoint

a successor trustee or trustees. Each successor trustee shall agree in writing to be bound by this Trust Agreement as amended.

Notwithstanding the above, TMWA shall immediately remove any Trustee who has breached their fiduciary duty to the Plan or Trust, effective upon notification to the Trustee. TMWA shall appoint a new Trustee as soon as administratively possible, in accordance with the procedure for appointing Trustees set forth in Section 8.1.

#### 8.14 Actions by TMWA.

Any action taken by TMWA may be evidenced by a written instrument signed by an authorized agent of TMWA or the Trustees. TMWA shall furnish the Trustees with instructions as to the agents who are authorized to sign such written instruments.

#### 8.15 Acceptance by Trustees.

Upon execution of this Plan, the Trustees hereby accept being named as Trustees under the terms of this Trust Agreement and agree to hold all property constituting the Trust Fund subject to all of the terms and conditions contained herein.

#### 8.16 Source of Funds.

The Trust shall constitute the primary source of funds that may be used to pay the Post-Retirement Benefits awarded under the Plan. Except as otherwise required by applicable law, TMWA shall not be liable in any way or in any manner for any such benefits or payments beyond those monies held by the Trust.

#### 8.17 Trust Exemption.

The Trust has been issued a determination letter by the Internal Revenue Service, effective May 25, 2007, treating it as exempt from federal income taxes under Section 501(c)(9) of the Code.

#### 8.18 Standards of Interpretation.

This Plan and Trust are designed and intended to comply with applicable law. The Trustees are vested with the power to interpret the Plan and Trust, and their interpretation, if not in conflict with plain meaning of the Plan and Trust or any applicable law or government regulation, shall be final and conclusive. The Trustees, and any entity or person approved by the Trustees, shall have

the full discretionary authority to determine eligibility for Post-Retirement Benefits awarded under the Plan and to construe the terms of the Plan and Trust.

8.19 Certain Prohibitions pertaining to the Trust.

Notwithstanding anything contained in this Plan to the contrary, the Trustees are precluded from exercising the following powers:

(a) The power to borrow money;

(b) The power to finance any debt of TMWA or any other local government and the power to loan funds to TMWA or to funds maintained by TMWA.

**ARTICLE 9. AMENDMENT AND TERMINATION OF PLAN**

9.1 Amendment and Termination.

TMWA and the Trustees reserve the right to amend the Plan and associated Trust to (i) comply with the requirements of Code Section 501(c)(9) or other provisions of the Code that are applicable to the Plan and Trust, or to conform the Plan and Trust with any other laws applicable to the Plan and Trust, (ii) conform the Plan and Trust with any amendments, changes, or modifications to the Post-Retirement Benefits for IBEW 1245 Employees that are approved under a CBA between TMWA and IBEW, and (iii) conform the Plan and Trust with any amendments, changes, or modifications to the Post-Retirement Benefits for MPAT Employees that are approved under a policy or resolution of the governing board of TMWA. TMWA and the Trustees also reserve the right to terminate the Plan and Trust by a duly adopted resolution of the governing board of TMWA, and upon termination of the Plan, the Trustees shall apply all the assets remaining in the Trust in a uniform and non-discriminatory manner toward the provision of benefits for Participants in accordance with applicable law. Notwithstanding anything contained in the Plan to the contrary, TMWA and the Trustees are precluded from amending, modifying or terminating the Plan in any form or manner that would allow the assets of the Plan to inure to or revert to TMWA, or which would violate any law applicable to the Plan.

**ARTICLE 10. MISCELLANEOUS PROVISIONS**

10.1 Non-Discrimination.

TMWA intends that this Plan will not discriminate in favor of Highly Compensated Employees and/or Key Employees as required by Code Sections 505(b), 105(h), and 79(d), in both coverage and benefits provided.

#### 10.2 Right to Payment.

The Post-Retirement Benefits paid to Participants and Dependents under Article 4 shall be paid out of the Trust pursuant to the terms of this Plan. Except for the right of Participants and covered Dependents to receive Post-Retirement Benefits under this Plan, no employee of TMWA or any other person shall have any right, title or interest in or to the assets of the Trust, or in or to any contributions made by TMWA to the Trust, such contributions being made to and held in the Trust for the exclusive purpose of providing Post-Retirement Benefits under the Plan and defraying administrative expenses under the Plan.

#### 10.3 Information to Be Furnished.

Participants and Dependents shall provide the Trustees with information and evidence and shall sign documents as may reasonably be requested for the purpose of administration of the Plan.

#### 10.4 Limitation of Rights.

Neither the establishment of the Plan, any amendment thereof, nor the payment of any benefits, shall be construed as giving to any Eligible Retiree, Participant, Dependent or other person any legal or equitable right against the Trustees or TMWA, except as provided herein.

#### 10.5 Prohibition of Discrimination.

Any discretionary acts to be taken under the terms and provisions of this Plan by the Trustees shall be uniform in their nature and in their application to all those similarly situated, and no discretionary acts shall be taken that would be discriminatory under the provisions of the Code relating to accident and health plans and/or group life insurance plans. In applying the discrimination provisions of Code Sections 105(h), Code Section 79(d), and the corresponding Treasury Regulations thereto, to the extent permitted by applicable law, the Post-Retirement Benefits described herein for the benefit of the MPAT Employees and the IBEW 1245 Employees are to be treated as a separate plans.



#### 10.6 No Contract of Employment.

This Plan shall not be deemed to be a contract between TMWA and any employee or former employee of TMWA, or other individual, or to be a consideration or an inducement for the employment of any employee or former employee of TMWA or other individual. Nothing contained in this Plan shall give any employee or former employee of TMWA or other individual the right to be retained in the service of TMWA.

#### 10.7 Incapacity.

If, in the opinion of the Trustees, any Participant or Dependent becomes unable to handle properly any amounts payable to such person under the Plan, the Trustees may make any arrangement for payment on such person's behalf that it determines will be beneficial to such person, including payment to such person's guardian, conservator, spouse or other dependent.

#### 10.8 Governing Law.

This Plan shall be construed, administered and enforced according to the laws of Nevada and all applicable federal laws. TMWA and the Trustees recognize that this Plan shall be subject to amendments of such laws and regulations, to new legislation, or to new interpretations of existing laws or regulations. Any provision of law that invalidates or is otherwise inconsistent with the terms of this Plan or would cause the Plan to be in violation of law shall be deemed to have superseded the terms of this Plan; provided, however, that TMWA and the Trustees shall exercise their best efforts to accommodate the terms and intent of this Plan to the greatest extent possible consistent with the intent of Plan.

#### 10.9 Coverage Options

The terms of the Health Plans and Group Life Insurance Plans chosen by the Participant shall govern the Participant's coverage and receipt of benefits under those plans. Should any term of this Plan conflict with any term of the Health Plans and/or Group Life Insurance Plans which provide coverage to the Participants and their covered Dependents, the terms of the Health Plans and Group Life Insurance Plans shall govern, except that such terms shall not apply to expand or reduce the amount of any Post-Retirement Benefits offered or provided under this Plan.

#### 10.10 Costs

The costs of administering the Plan shall be paid by the Trust Fund to the extent permitted by law. Any remaining administration costs, if any, shall be paid by TMWA.

#### 10.11 Tax Effects

Neither TMWA nor the Trustees makes any warranty or other representation as to whether any Post-Retirement Benefits paid to or on behalf of any Participant will be treated as excludable from gross income for state or federal income tax purposes.

(Dates and Signatures to Follow)

Dated this \_\_\_\_ day of \_\_\_\_\_, 2023.

Board of Trustees

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Accepted and Approved By:

Truckee Meadows Water Authority

By: \_\_\_\_\_

Its: Chairman, Board of Directors



## **STAFF REPORT**

**TO:** Board of Directors  
**THRU:** John R. Zimmerman, General Manager  
**FROM:** Kara Steeland, Senior Hydrologist and Watershed Coordinator  
**DATE:** April 9, 2025  
**SUBJECT:** Discussion and possible action, and direction to staff regarding TMWA's Draft 2025-2045 Water Resource Plan

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### **Recommendation**

Staff recommends the Board review the draft version of TMWA's 2025-2045 Water Resource Plan (WRP) and provide comments to staff by July 1, 2025. Staff also recommends the Board adopt the attached public outreach schedule for the draft WRP.

### **Possible Motion**

Move to adopt the public outreach schedule for the draft WRP as set forth in the staff report.

### **Attachments**

Attachment A: TMWA's 2025-2045 Water Resource Plan Draft

Attachment B: 2025-2045 Water Resource Plan – Public Outreach Schedule



## 2025-2045 Water Resource Plan – Public Outreach Schedule

DATE/TIME	ENTITY
<b>MAY</b>	
May 7 <sup>th</sup> @ 1:30 pm	Northern Nevada Water Planning Commission (NNWPC)
May 10 <sup>th</sup> @ 11:00am	TMWA's Smart About Water Day
<b>JUNE</b>	
June 3 <sup>rd</sup> @ 3:00 pm	TMWA Standing Advisory Committee
June 4 <sup>th</sup> @ 5:30-6:30pm	TMWA Public Webinar
June 11 <sup>th</sup> @ 5:30-6:30pm	Sparks Library – TMWA Public Open House
June 16 <sup>th</sup> @ 5:30-6:30pm	South Valleys Library – TMWA Public Open House
<b>SEPTEMBER</b>	
September 16 <sup>th</sup> @ 10am	TMWA Board of Directors – Final Draft WRP presented
<b>OCTOBER</b>	
October 15 <sup>th</sup> @ 10am	TMWA Board of Directors – Final WRP presented

# Draft 2025-2045 Water Resource Plan

*April 16, 2025*

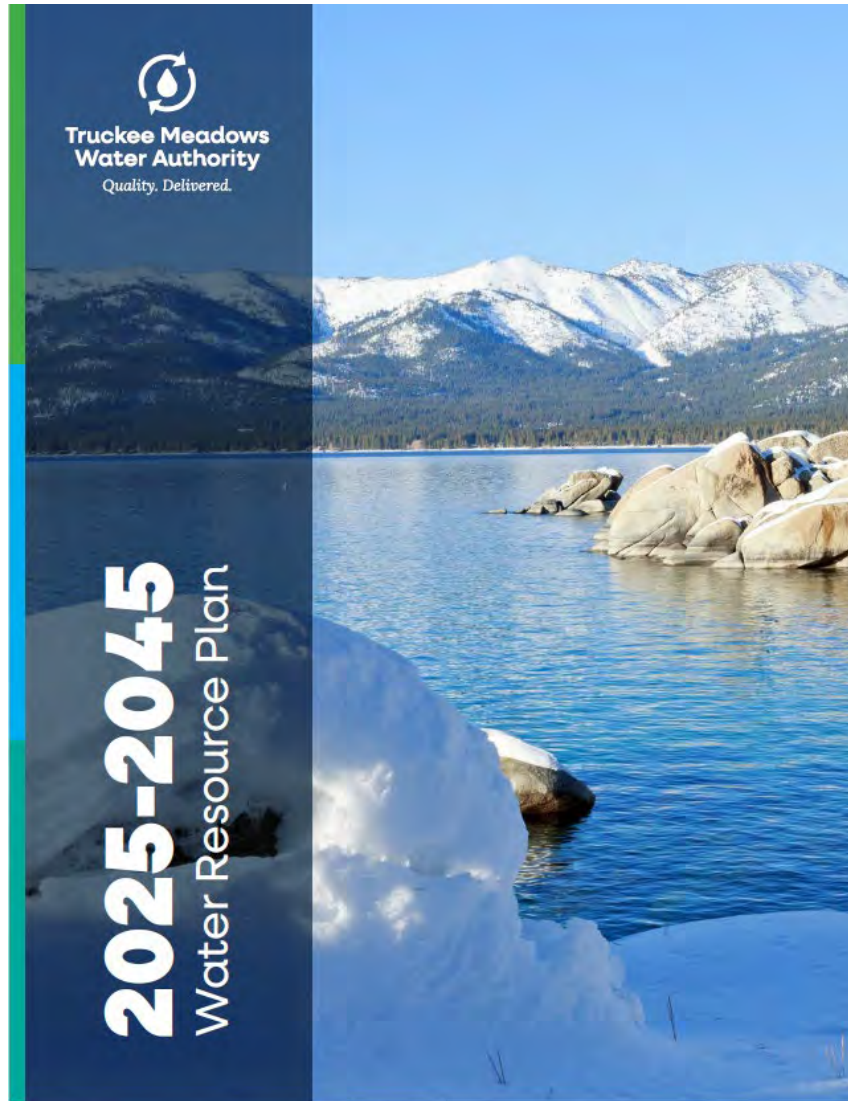


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Water Authority**

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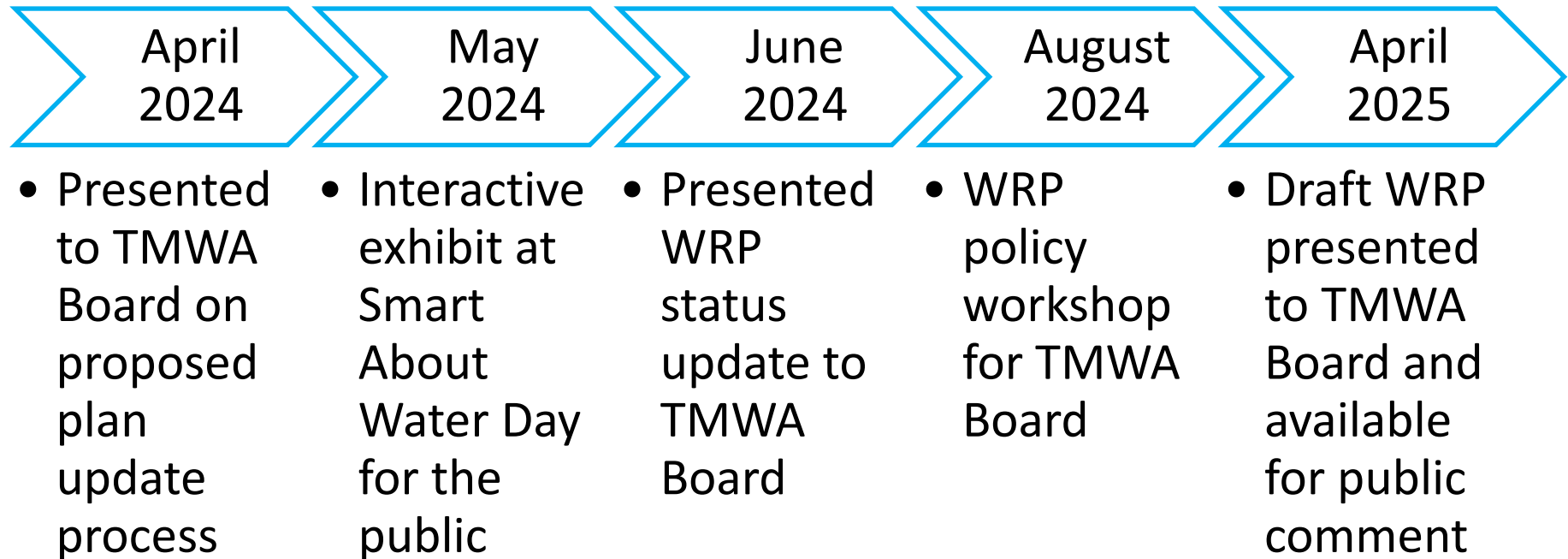


# OVERVIEW



- The 2025-2045 WRP is the fifth version of the plan since TMWA's inception
- Similar in format and depth of information to the 2020-2040 WRP
- Developing a shorter, standalone version (like the Popular Annual Financial Report)
  - Will also be optimized for online viewing

# PLAN DEVELOPMENT TIMELINE



# PLAN OUTLINE

- Chapter 1: Plan Introduction
- Chapter 2: Current Water Resources
- Chapter 3: Current and Future Planning Environment
- Chapter 4: Conservation Strategies
- Chapter 5: Future Water Resources
- Chapter 6: Protecting the Watershed and Environment
- Chapter 7: Recommended Actions

# CHAPTER 1: PLAN INTRODUCTION

- Provides an overview of some of the key topics addressed throughout the plan:
  - 10 years of TROA implementation
  - New service territory and regional growth
  - Droughts and climate planning
  - Groundwater management
  - Future water resources and technological advances
  - Source water protection
- New “Regional Challenges” section outlines TMWA strategies to respond to:
  - Population Growth
  - Climate Variability
  - New Regulations

# CHAPTER 1



## Goals

- ✓ Ensure TMWA has adequate water resources to meet the community's needs over the next 20 years and beyond.
- ✓ Evaluate and implement innovative solutions to best manage water resources in the region.
- ✓ Maintain community confidence in TMWA's planning process.
- ✓ Recommend management strategies and policies to guide TMWA over the next five years.



## Objectives

- ✓ Provide an overview of TMWA's current water resources and available water rights.
- ✓ Analyze alternative supply and demand scenarios to determine the resiliency of TMWA's resources.
- ✓ Assess potential impacts of climate change on regional water resources.
- ✓ Evaluate TMWA's current water management and conservation strategies and implement changes as future conditions warrant.
- ✓ Identify future water resource opportunities and water management strategies.
- ✓ Provide opportunities for input from the public and TMWA's Board throughout the planning process.

# CHAPTER 2: CURRENT WATER RESOURCES

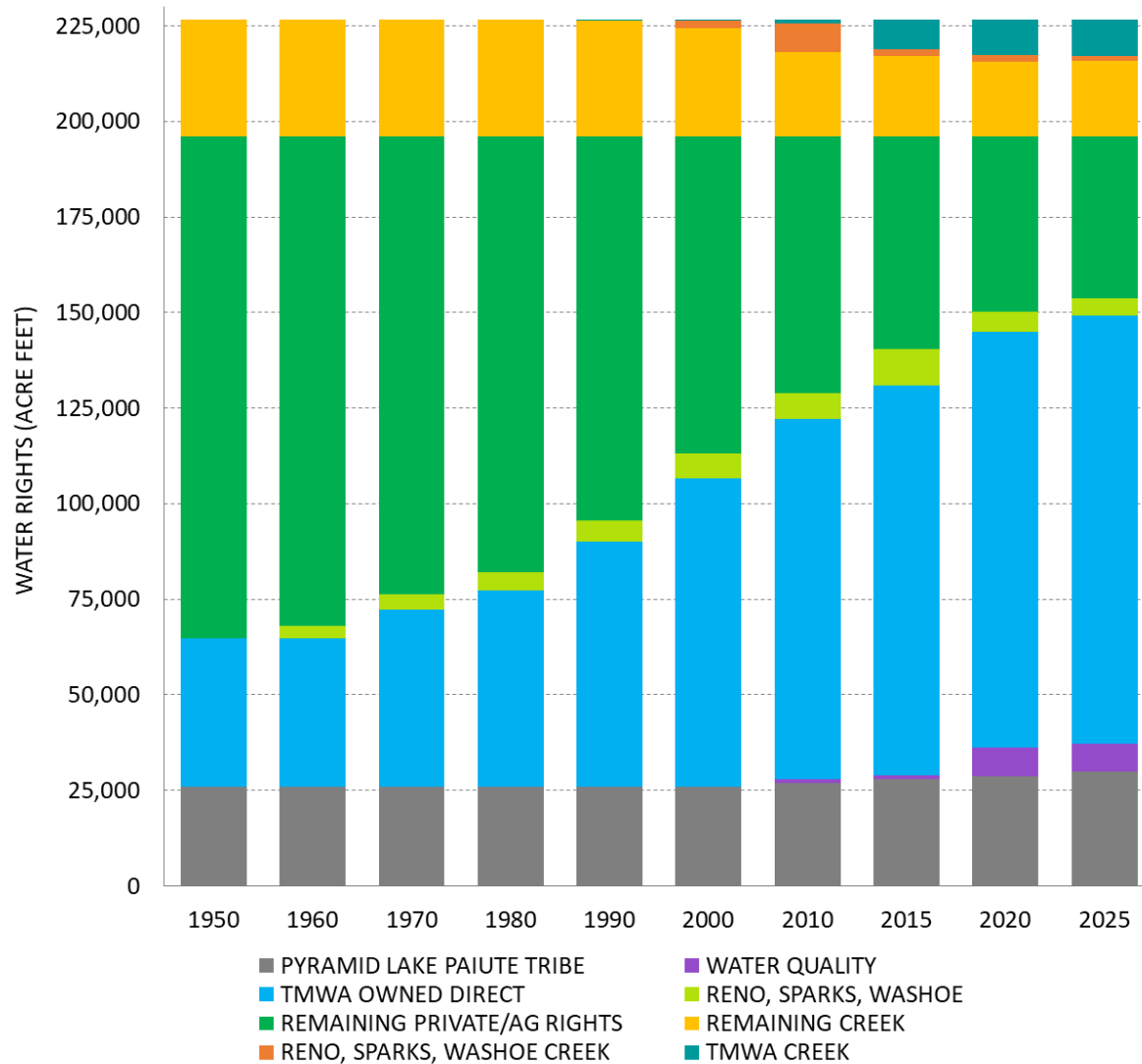
- Details TMWA's current surface and groundwater resources, conjunctive use management of resources, and water rights
  - Truckee River operations
  - Groundwater management
    - Production wells
    - Aquifer storage and recovery (ASR) program
    - Groundwater quality
  - Advanced Purified Water
  - Water rights
    - TMWA's existing water rights
    - Available Truckee River water rights
    - Return flow management



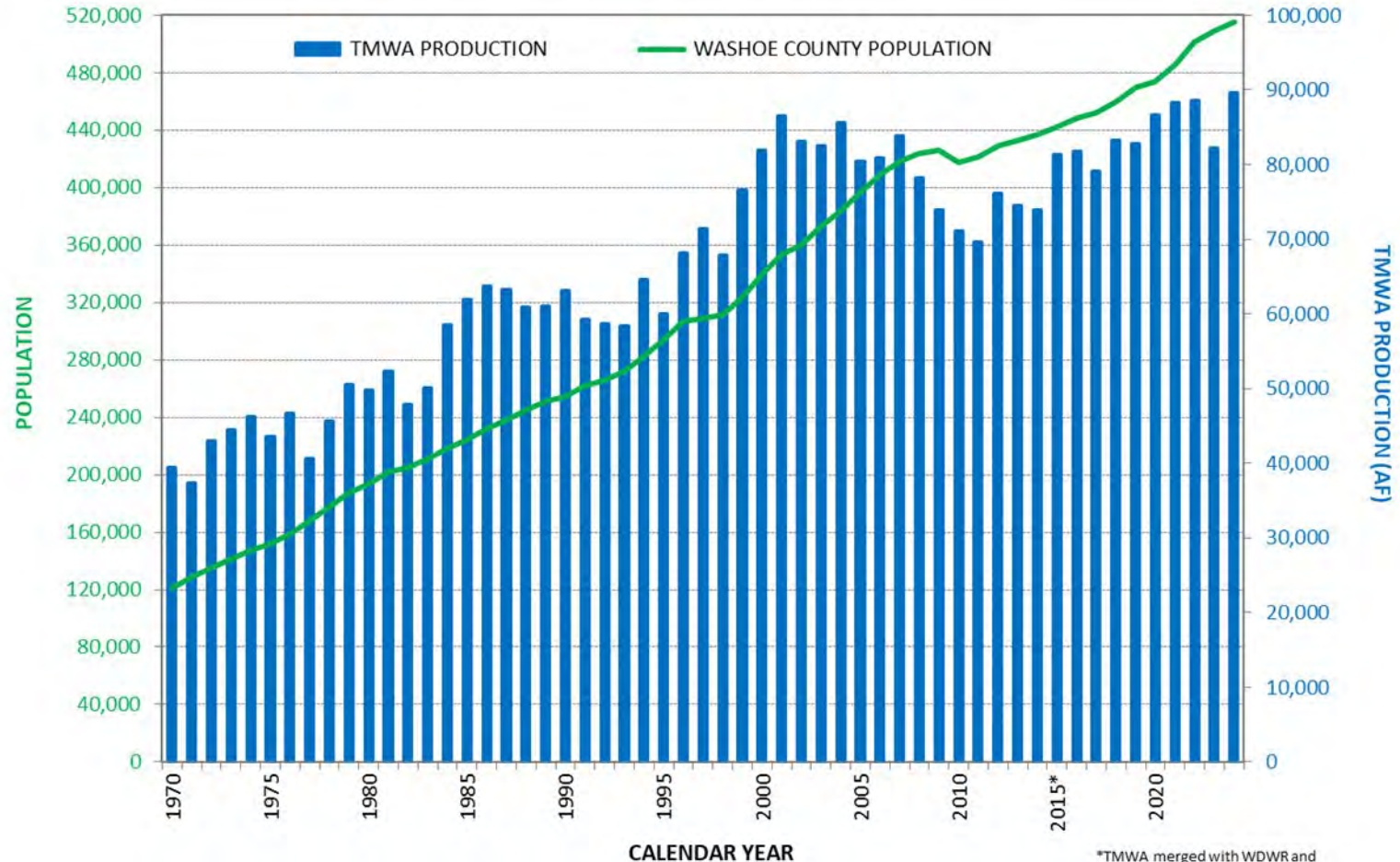
# TMWA WATER RIGHTS

TMWA WATER RIGHTS	ACRE FEET
Surface Water–Original M&I decreed rights	38,806
Surface Water–POSW	27,000
Surface Water–Converted decreed ag. rights	82,396
<b>Total Surface Water Resources</b>	<b>148,202</b>
Groundwater Rights By Basin	
Tracy	524
Spanish Springs	3,708
Truckee Meadows	23,845
Pleasant Valley	3,860
Washoe Valley	219
Truckee Canyon–Verdi	337
West Lemmon Valley	944
East Lemmon Valley	1,570
Honey Lake Valley–Fish Springs Ranch	8,000
<b>Total Groundwater Resources</b>	<b>43,007</b>
<b>TOTAL WATER RESOURCES</b>	<b>191,209</b>

# WATER RIGHTS CONVERSION



# WASHOE COUNTY POPULATION & TMWA WATER PRODUCTION

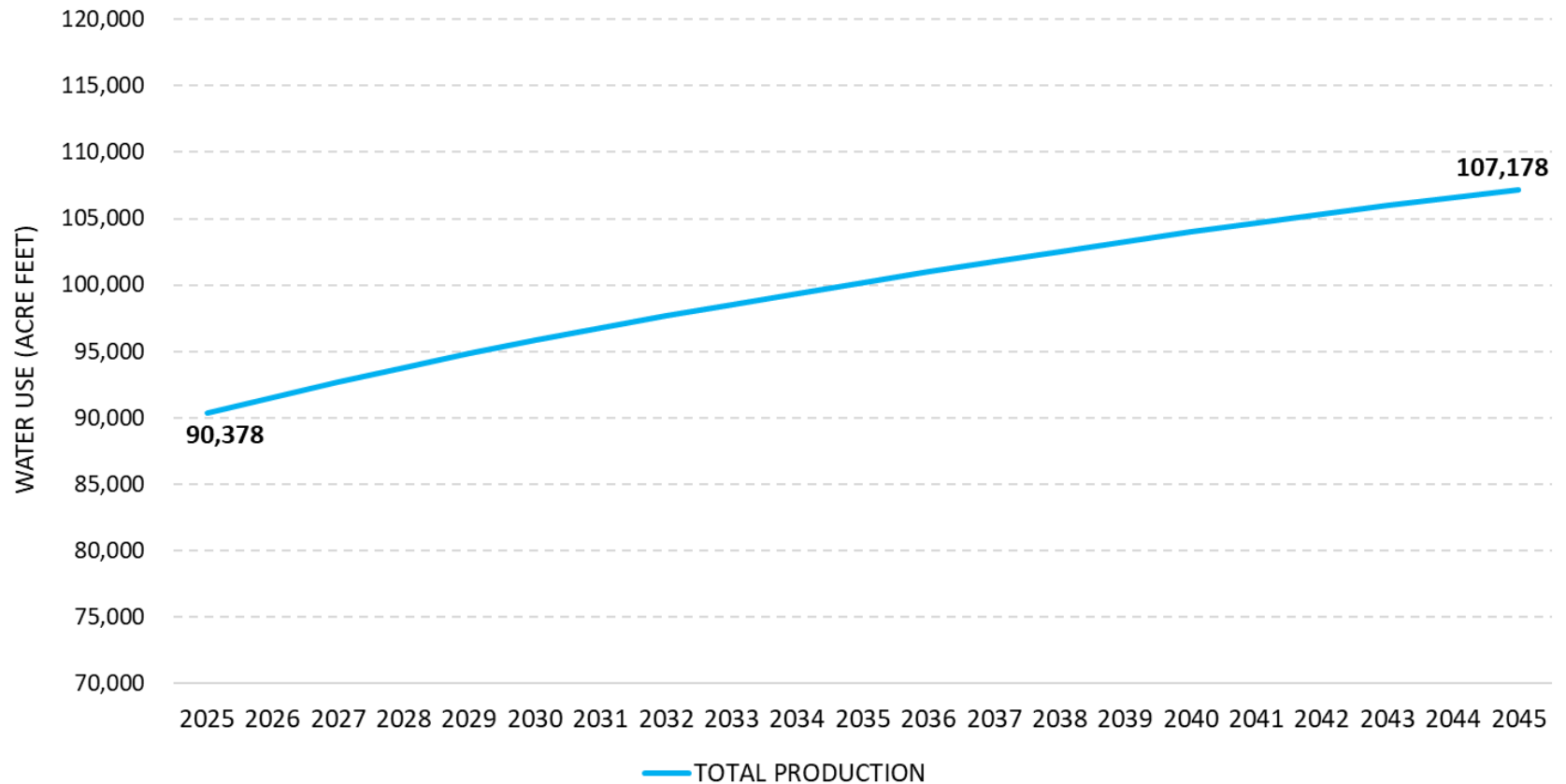


\*TMWA merged with WDWR and  
STMGID, leading to an increase in service  
connections

# CHAPTER 3: CURRENT AND FUTURE PLANNING CONDITIONS

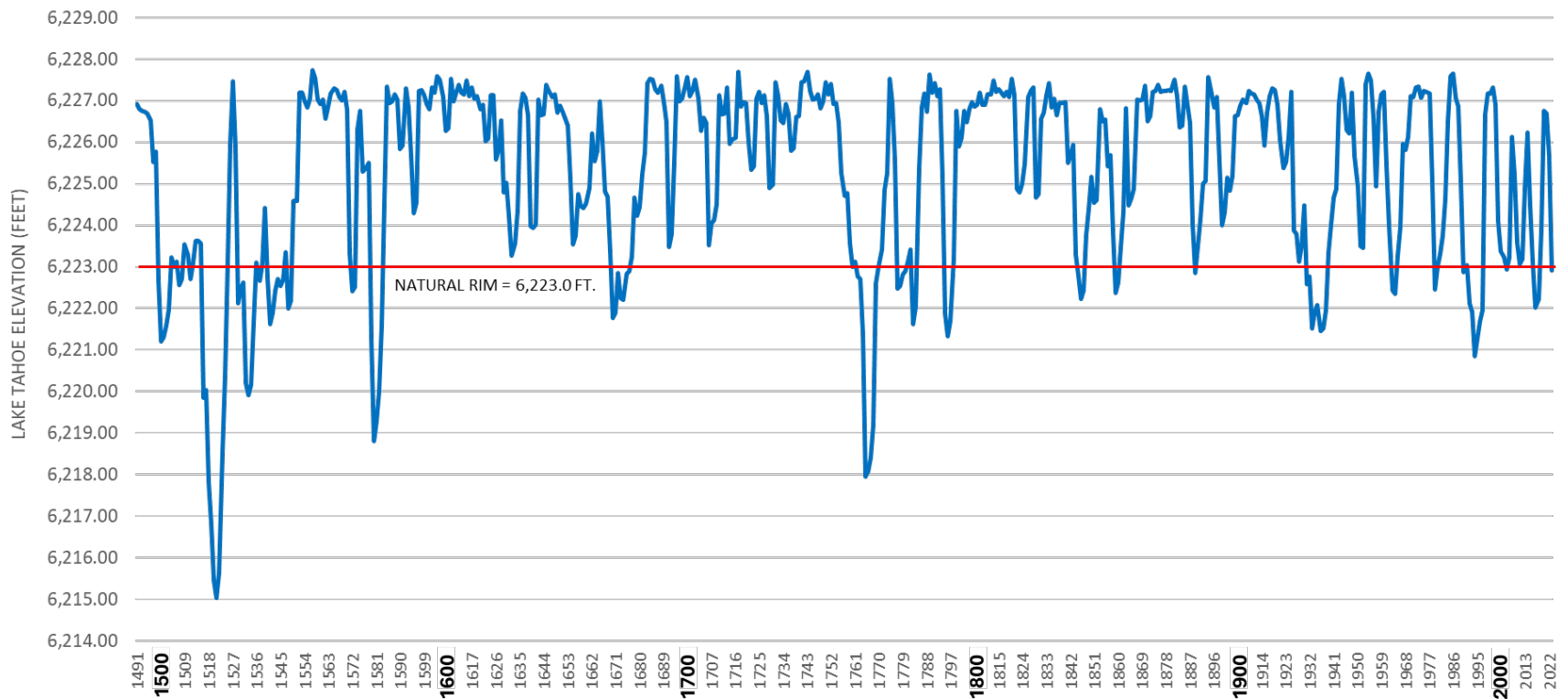
- 20-year demand projection
- Paleohydrologic conditions of Truckee River over past 500 years using tree ring data
- Updated climate modeling assessing how expanded aquifer storage and recovery (ASR) could increase system resiliency

# 20-YEAR WATER DEMAND PROJECTION



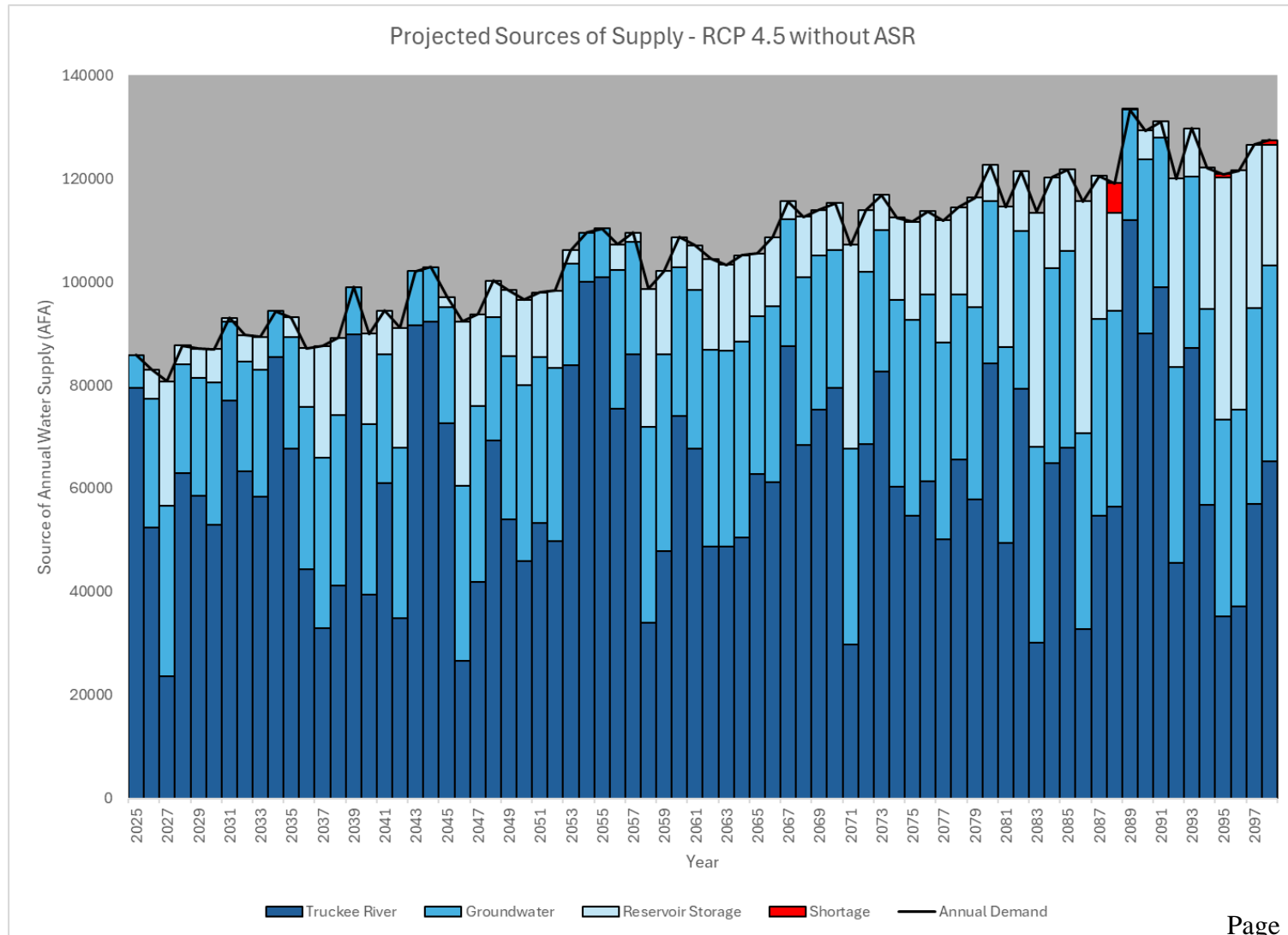
# PALEOHYDROLOGIC MODELING

## LAKE TAHOE ELEVATION (1491-2019)

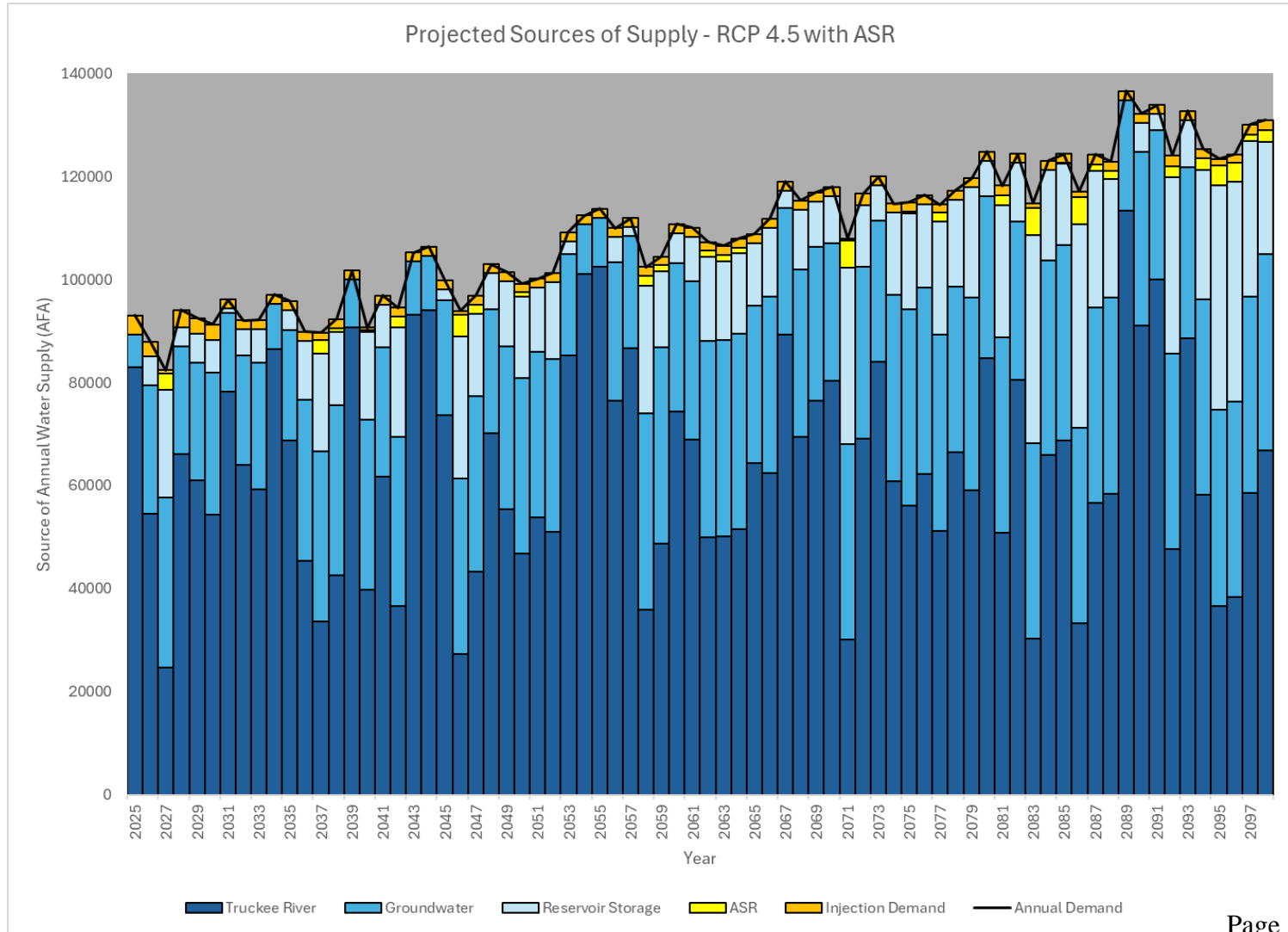




# CLIMATE MODELING



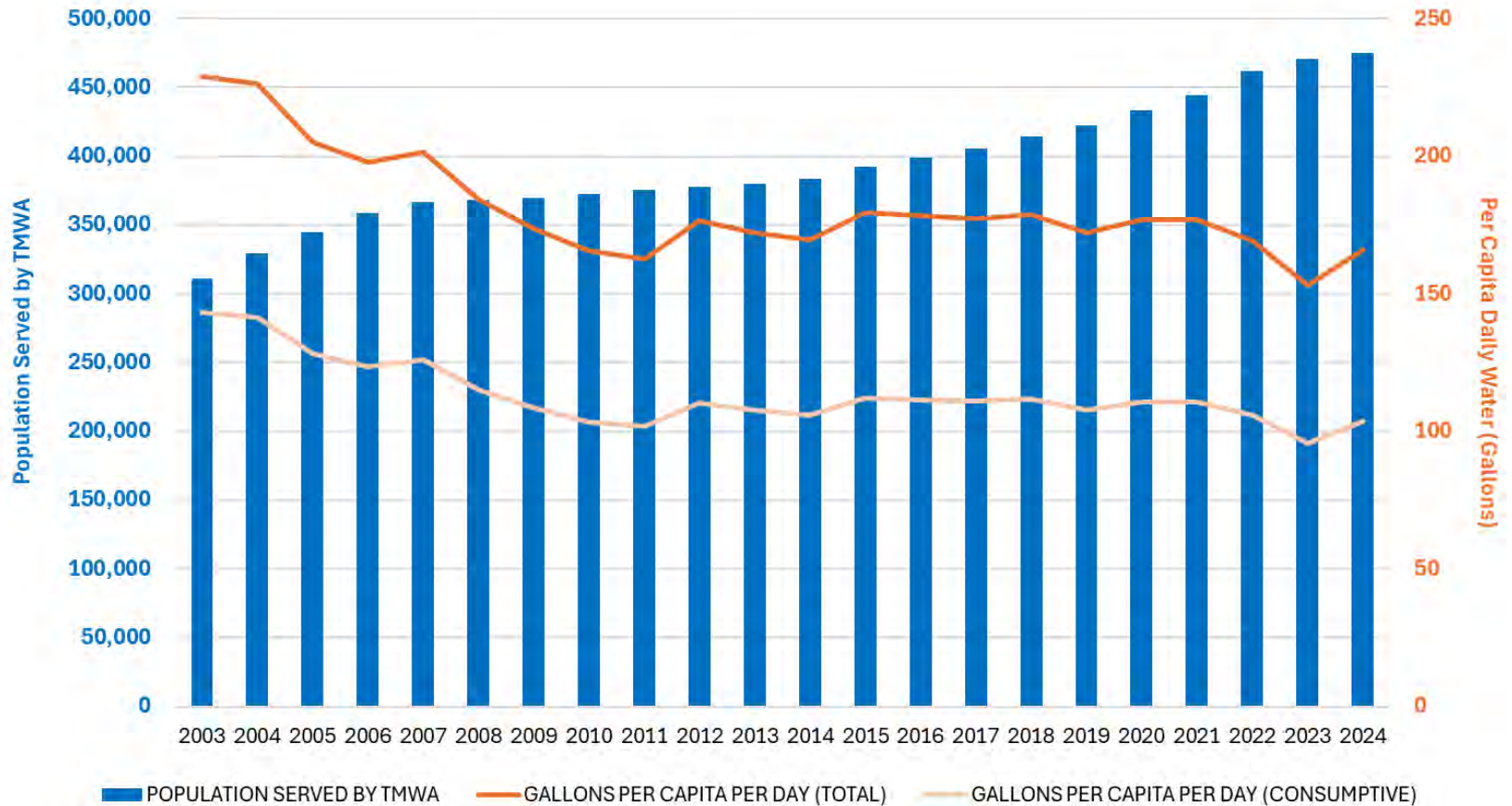
# CLIMATE MODELING



# CHAPTER 4: CONSERVATION STRATEGIES

- Serves as TMWA's Water Conservation Plan in accordance with NRS 540.141
- Provides overview of TMWA's strategies to manage water loss and water demand
- Includes TMWA's Drought Contingency Plan to address varying levels of drought conditions

# PER CAPITA WATER DEMAND



# CHAPTER 5: FUTURE WATER RESOURCES

- Describes future water resource projects with benefit and challenge tables for each potential resource. Future resource projects detailed in the chapter include the following:
  - Additional Groundwater Capacity Projects
  - Creek Water Resources
  - Marlette Lake Water System – Wholesale Service
  - Reclaimed Water
  - Advanced Purified Water
  - Water Banking Projects
  - Other Conceptual Resources

# CHAPTER 6: PROTECTING THE WATERSHED AND ENVIRONMENT

- Describes TMWA's partnerships to protect and improve the region's sources of supply
  - Truckee River Fund
  - Middle Truckee River Watershed Forest Partnership
  - One Truckee River Partnership Council
  - Donner Interagency Partnership for Stewardship
  - Washoe County Integrated Source Water Protection Plan
- Provides an overview of TMWA's hydroelectric plants and renewable energy generation



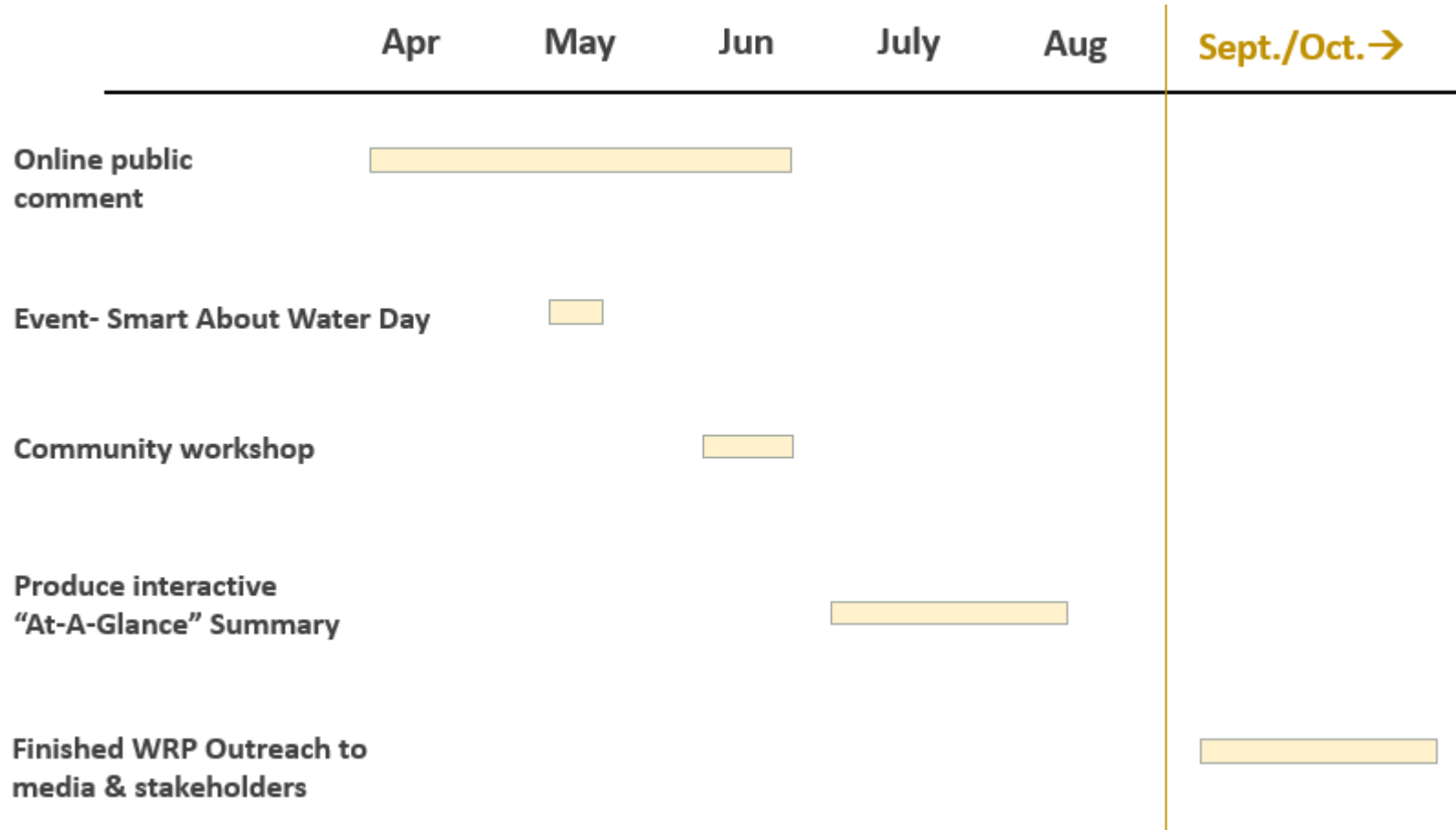
# CHAPTER 7: RECOMMENDED ACTIONS

- Recommended Actions are divided into three categories:
  1. Water Resource Planning
  2. Management of Current Water Resources
  3. Future Demand and Resources
- All Recommended Actions from the 2020-2040 WRP have been included in this plan and updated

# CHAPTER 7: RECOMMENDED ACTIONS

- Based on Board WRP Policy workshop in August 2024, 2 new Recommended Actions have been incorporated into the 2045WRP
  - Recommendation 1.3 – TMWA Regional Influence
  - Recommendation 1.5 – Wastewater Utility Consolidation
- Both actions recognize the importance of TMWA's involvement in the regional water issues and recommend that TMWA has continued involvement

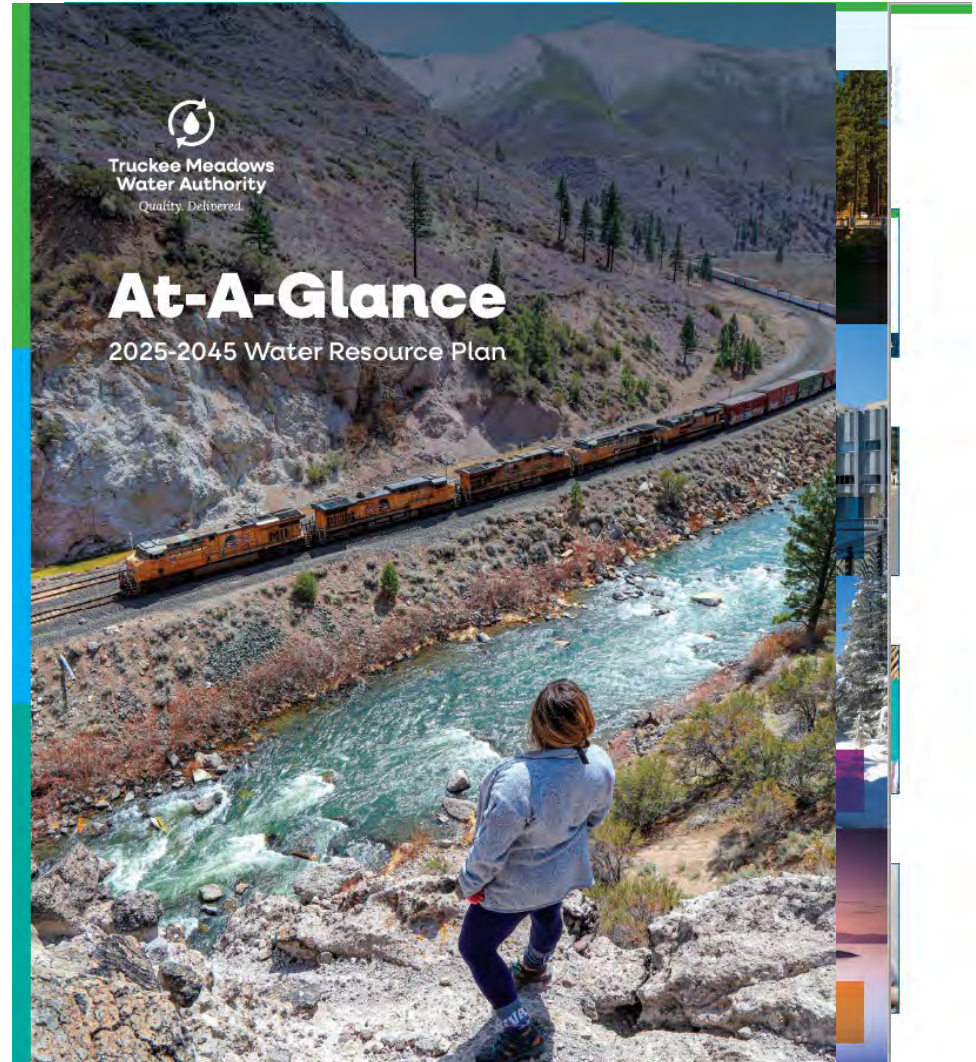
# PUBLIC OUTREACH SCHEDULE



WRP will be available for public review on <https://tmwa.com/wrp>

# “AT-A-GLANCE” VERSION

- Will be developed after the public comment period ends at the end of June to incorporate key feedback from TMWA Board and public
- The images provides a general sense of what the formatting will look like





# 2025 Communication & Outreach Update



**Truckee Meadows  
Water Authority**

*Quality. Delivered.*



# Standing responsibility: Communication to support a customer-driven mission

Enhance the quality of life in the Truckee Meadows by delivering exceptional, customer-focused water services.



## Conservation

**Objective:** Ensure customer water usage is responsible and meets TMWA's requirements and obligations.

**Outcome:** Customer behavior and required compliance



## Water Leadership

**Objective:** Promote TMWA's role as a regional steward for comprehensive water resource management.

**Outcome:** Water resource literacy



## Water Quality

**Objective:** Establish trust regarding the standards and rigor applied to produce high-quality drinking water.

**Outcome:** Consumer confidence



## Customer Experience

### Objective:

Engage, educate and support experiences to earn high satisfaction.

### Outcome:

Transactional ease and trust



## Standing annual responsibilities: Core tactics and timing

Timing	Outreach Activity	Communication Pillars		
		Water Quality	Conservation	Water Leadership
April	Workshops: Irrigation System Start-Up		√	
April	Water Supply Outlook Presentation		√	
April- Sept	Social Rotations: Landscaping Guide, Turf Alternatives		√	
May	Event (in-person): Smart About Water Day	√	√	√
May	Social Rotations: Drinking Water Week & Drip System Workshops		√	
May	Tour: Tahoe to Tap	√		√
May	Campaign: Assigned Day Watering		√	
May	Workshops: Drip System Maintenance		√	
June-Sep	Social Rotations: Assigned-Day Watering		√	
June	Workshops: Irrigation basics		√	
July	Campaign: Water quality report & neighborhood Look-up	√		
August	Campaign: Water Resource Plan		√	√
September	Tours: Water treatment plant tours	√		
October	Workshops: Winterization		√	

# 2025 Outlook: Identifying opportunities to support the customer journey

Informed by customer feedback, with context to TMWA's relevant services and projects

## Customer Lifecycle Pathways

Onboarded	Aware	Engaged	Supportive	Advocate
Campaigns to gauge customer awareness levels >2 months	Launch localized water system educational curriculum with DRI.	Promote Smart Meters and AMI leak detection	Assist COR, COS and WC with potable recycled water education for staff	Position the work of Middle Truckee River Watershed Forest Partnership to the public and key stakeholders.
	Educate & promote TMWA's 2025-2045 Water Resource Plan	Public engagement for A+ Potable Water in concert with the American Flat Purification Facility plan.	HR collateral & asset development in support of Employee Lifecycle focus areas.	

# Spotlight: Advancing Potable Water Recycling

Continued outreach towards 2026 groundbreaking event

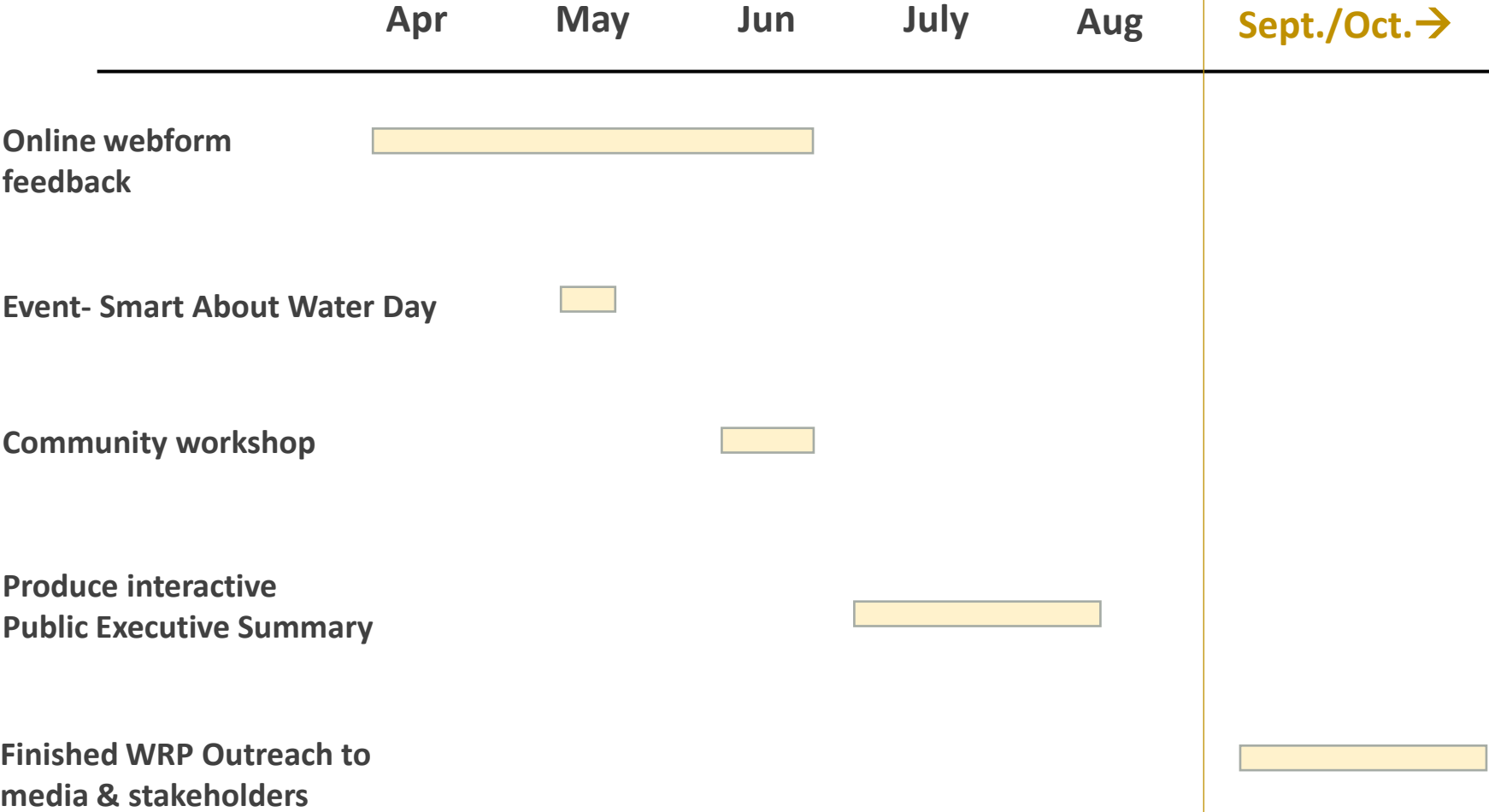
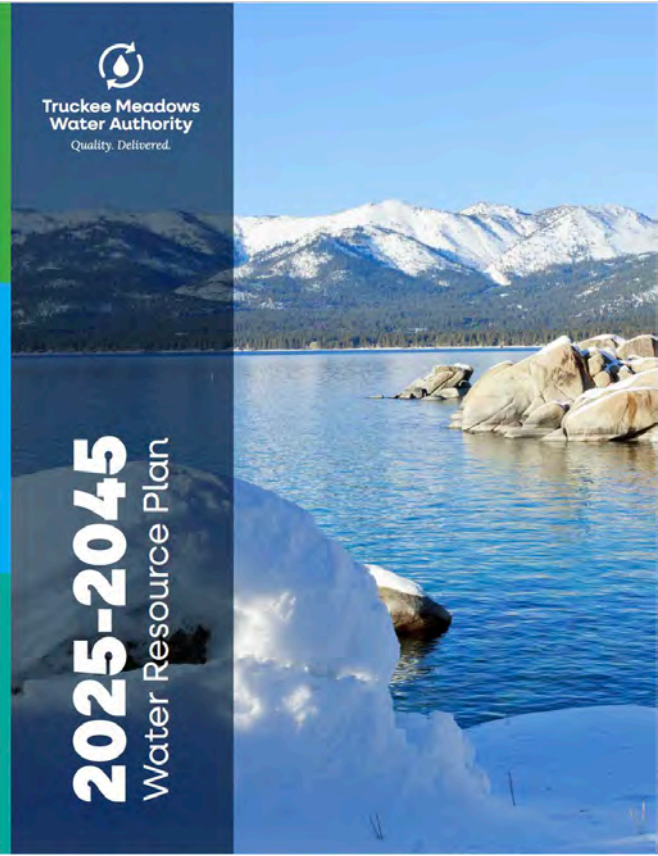


	Q2	Q3	Q4	Q1 2026	Q2 2026
Core Stakeholders Engagement	Reuse facility tours for newly elected officials, NDEP and staff	Presentations to management / staff at City of Reno, City of Sparks And Washoe County	Neighborhood webinars: APWF Facility Update  1 on 1s with interested parties	Ground-breaking Event	Reuse facility tours for newly elected officials and staff
Public Outreach	Smart About Water Day	Summer/Fall Event Tour: OneWater Nevada Trailer	Customer webinars: Potable Water Recycling Update  Speaker’s Bureau for civic orgs	Long form media pitch	
Asset Development	Education Center Design Development	Educational Videos: Resiliency, Safety and Practicality			

# Spotlight: 2025-2045 Water Resource Plan

Broadly socialize salient WRP topics to our customers and the community.

Projected approval  
Sept – Oct



# Spotlight: Supporting Employee Lifecycle Development

Materials production integrated with new Human Resources system rollout



Hire

Brand  
Positioning

Career  
Spotlights

Recruitment  
Materials

Inspire

Onboarding  
Videos and Materials

Departmental  
Training Templates

Promoting  
Mixers

Admire

Milestone  
Recognition

Achievement  
Recognition

Project  
Spotlights

Retire

Testimonial  
Videos

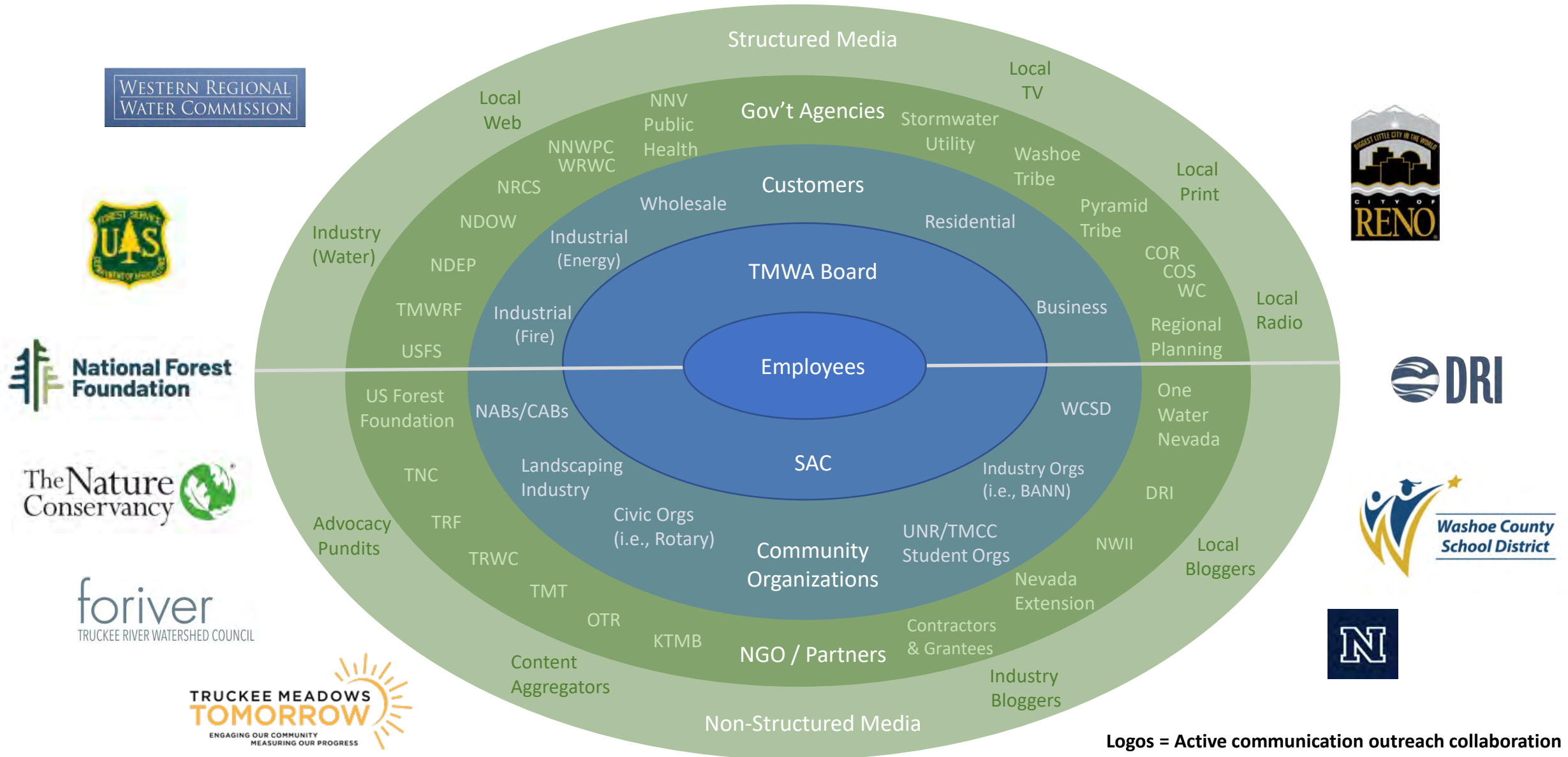
Water Career Tips  
Videos

Guest for Roundtables:  
Lessons Learned



## 2025 TMWA's Stakeholder Map

Groups that are impacted by, or have an impact on, TMWA's operation, projects or efforts.





# Water Leadership: Stakeholder group messaging cross-over

Stakeholder groups with active water resource related projects will be important partners in the coming year.





## STAFF REPORT

**TO:** Board of Directors  
**THRU:** John R. Zimmerman, General Manager  
**FROM:** Dan Nubel, Staff Attorney  
**DATE:** April 16, 2025  
**SUBJECT:** Discussion and possible action and direction to staff regarding 2025 legislative activities, current bills, and TMWA recommend positions on legislative proposals

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### 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. Staff is currently tracking 103 bills. On April 4, 2025, staff overviewed the attached list of bills with the Legislative Subcommittee. At the Board meeting, TMWA staff and its Government Affairs Consultant will provide an update regarding the Session and, when applicable, a summary of any significant bills on which the Legislative Subcommittee recommends TMWA support or oppose.

At the Board's February 19, 2025 meeting, the Board passed a motion to express support for AB104 of the 2025 Legislative Session. On March 31, 2025, the Assembly Committee on Natural Resources passed the bill with amendments (unrelated to TMWA).

At the Board's March 19, 2025 meeting, the Board passed a motion to express opposition to SB276 of the 2025 Legislative Session. On April 8, 2025, the Senate Committee on Natural Resource passed the bill with amendments.

Additionally, TMWA submitted a letter in opposition to AB419, which seeks to overhaul the processes of the State Engineer's Office. The Assembly Committee on Natural Resources held a hearing for AB419 on April 9, 2025.

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 (1 <sup>st</sup> House)
April 22	First House Passage
May 16	Committee Passage (2 <sup>nd</sup> House)
May 23	Second House Passage
June 2	Session Ends

## ASSEMBLY BILLS

TMWA Legislative Bill Report							
Bill	Description	Sponsor(s)	Status	Past Meetings	Past Action	Future Meetings	Position
<a href="#">AB9</a>	Revises provisions governing the temporary conversion of agricultural water. (BDR 48-391)	Committee on Natural Resources	Second Reading	Assembly Committee on Natural Resources 3/24/2025 4:00 PM	Amend, and do pass as amended		Monitor
<a href="#">AB10</a>	Revises provisions relating to local improvement projects. (BDR 22-407)	Committee on Government Affairs	Second Reading	Assembly Committee on Government Affairs 4/8/2025 9:00 AM	Do pass		Monitor
<a href="#">AB26</a>	Revises provisions relating to dams. (BDR 48-261)	Committee on Natural Resources	General File	Assembly Committee on Natural Resources 3/26/2025 4:00 PM	Amend, and do pass as amended		Monitor
<a href="#">AB40</a>	Revises various provisions relating to environmental hazards. (BDR 46-265)	Committee on Natural Resources	Natural Resources	Assembly Committee on Natural Resources 3/24/2025 4:00 PM	Amend, and do pass as amended		Monitor
<a href="#">AB43</a>	Revises provisions relating to public works. (BDR 28-465)	Committee on Government Affairs	Government Affairs	Assembly Committee on Government Affairs 3/21/2025 8:00 AM	Amend, and do pass as amended		Monitor
<a href="#">AB44</a>	Prohibits manipulating the price of an essential good or service in this State. (BDR 52-503)	Committee on Commerce and Labor	Commerce and Labor	Assembly Committee on Commerce and Labor 4/4/2025 11:30 AM	Amend, and do pass as amended		Monitor
<a href="#">AB51</a>	Revises provisions relating to public records. (BDR 19-430)	Committee on Government Affairs	Government Affairs	Senate Committee on Legislative Operations and Elections 2/6/2025 3:15 PM	Mentioned No Jurisdiction		Monitor
<a href="#">AB57</a>	Revises provisions relating to the Nevada Intrastate Mutual Aid System. (BDR 36-263)	Committee on Government Affairs	Second Reading	Assembly Committee on Government Affairs 4/8/2025 9:00 AM	Do pass		Monitor
<a href="#">AB64</a>	Revises provisions relating to public meetings. (BDR 19-445)	Committee on Government Affairs	Government Affairs	Assembly Committee on Government Affairs 4/8/2025 9:00 AM	Amend, and do pass as amended		Monitor
<a href="#">AB85</a>	Authorizes the management of designated invertebrates. (BDR 45-229)	Watts	Natural Resources	Assembly Committee on Natural Resources 4/9/2025 4:00 PM	Amend, and do pass as amended		Monitor
<a href="#">AB94</a>	Revises provisions relating to public works. (BDR 28-193)	O'Neill	Government Affairs				Monitor
<a href="#">AB96</a>	Revises provisions relating to master plans. (BDR 22-397)	Committee on Government Affairs	Second Reading	Assembly Committee on Government Affairs 3/21/2025 8:00 AM	Amend, and do pass as amended		Monitor
<a href="#">AB104</a>	Revises provisions relating to water. (BDR 48-383)	Committee on Natural Resources	Natural Resources	Assembly Committee on Natural Resources 3/31/2025 4:00 PM	Amend, and do pass as amended		Support
<a href="#">AB109</a>	Revises provisions relating to water. (BDR 48-212)	La Rue Hatch	Natural Resources				Monitor
<a href="#">AB120</a>	Provides for the review of certain regulations by the Legislature. (BDR 18-882)	Kasama	Government Affairs	Assembly Committee on Revenue 2/27/2025 4:00 PM	Mentioned no jurisdiction		Monitor
<a href="#">AB128</a>	Creates the Office of Public Records Ombudsman in the Executive Department of State Government. (BDR 19-400)	Committee on Government Affairs	Government Affairs	Assembly Committee on Government Affairs 4/9/2025 9:00 AM	Amend, and do pass as amended		Monitor

## ASSEMBLY BILLS

TMWA Legislative Bill Report							
Bill	Description	Sponsor(s)	Status	Past Meetings	Past Action	Future Meetings	Position
<a href="#">AB132</a>	Revises provisions relating to water. (BDR 48-586)	Yurek	General File	Assembly Committee on Natural Resources 3/26/2025 4:00 PM	Do pass		Monitor
<a href="#">AB134</a>	Establishes provisions relating to water conservation. (BDR 48-379)	Committee on Natural Resources	Natural Resources				Monitor
<a href="#">AB152</a>	Revises provisions relating to public records. (BDR 19-209)	Gray	Government Affairs	Assembly Committee on Government Affairs 3/18/2025 8:00 AM	Heard		Monitor
<a href="#">AB180</a>	Revises provisions relating to local governments. (BDR 20-649)	D'Silva	Government Affairs	Assembly Committee on Government Affairs 4/8/2025 9:00 AM	Not considered		Monitor
<a href="#">AB188</a>	Revises provisions relating to the Public Employees' Benefits Program. (BDR 23-673)	Carter	Ways and Means				Monitor
<a href="#">AB190</a>	Revises provisions relating to water. (BDR 48-886)	Gurr	Natural Resources				Monitor
<a href="#">AB191</a>	Revises provisions relating to collective bargaining. (BDR 23-889)	Anderson	Second Reading	Senate Committee on Government Affairs 4/2/2025 3:30 PM	Mentioned No Jurisdiction		Monitor
<a href="#">AB192</a>	Makes various changes relating to real property. (BDR 10-971)	Backus	Judiciary	Assembly Committee on Judiciary 4/3/2025 8:00 AM	Amend, and do pass as amended		Monitor
<a href="#">AB197</a>	Enacts provisions strengthening certain protections for certain activities under the First Amendment. (BDR 19-136)	Backus	Judiciary	Assembly Committee on Judiciary 4/7/2025 9:00 AM	Amend, and do pass as amended		Monitor
<a href="#">AB200</a>	Revises provisions relating to industrial insurance. (BDR 53-862)	Karris	Commerce and Labor	Assembly Committee on Commerce and Labor 4/2/2025 11:30 AM	Heard		Monitor
<a href="#">AB208</a>	Restricts the use of certain products by governmental entities and government-funded entities. (BDR 19-737)	Yeager	Government Affairs	Assembly Committee on Government Affairs 3/31/2025 8:30 AM	Amend, and do pass as amended		Monitor
<a href="#">AB213</a>	Revises provisions governing public works projects. (BDR 28-816)	Monroe-Moreno	Government Affairs	Assembly Committee on Government Affairs 4/10/2025 9:00 AM	Amend, and do pass as amended		Monitor
<a href="#">AB222</a>	Revises provisions relating to public works. (BDR 28-675)	Jackson	Government Affairs	Assembly Committee on Government Affairs 3/21/2025 8:00 AM	Heard		Monitor
<a href="#">AB247</a>	Revises provisions relating to persons with disabilities. (BDR 19-574)	Brown-May	Government Affairs	Assembly Committee on Government Affairs 4/3/2025 8:30 AM	Amend, and do pass as amended		Monitor
<a href="#">AB250</a>	Revises provisions relating to certain debt. (BDR 52-599)	Goulding, Anderson, Flanagan, Hunt, La Rue Hatch and Nguyen	Commerce and Labor	Assembly Committee on Commerce and Labor 3/17/2025 1:30 PM	Heard		Monitor
<a href="#">AB265</a>	Revises provisions relating to water. (BDR 48-887)	Gurr, DeLong and Kasama	Natural Resources				Monitor
<a href="#">AB270</a>	Revises provisions relating to professional engineers and land surveyors. (BDR 54-773)	Hafen, Backus and Marzola	Commerce and Labor	Assembly Committee on Commerce and Labor 3/19/2025 1:30 PM	Amend, and do pass as amended		Monitor

## ASSEMBLY BILLS

TMWA Legislative Bill Report							
Bill	Description	Sponsor(s)	Status	Past Meetings	Past Action	Future Meetings	Position
<a href="#">AB312</a>	Revises provisions governing the sale of real property. (BDR 10-1005)	DeLong	Judiciary	Assembly Committee on Judiciary 3/13/2025 8:00 AM	Not heard		Monitor
<a href="#">AB325</a>	Revises provisions relating to artificial intelligence. (BDR 36-393)	Committee on Government Affairs	Government Affairs	Assembly Committee on Government Affairs 4/8/2025 9:00 AM	Amend, and do pass as amended		Monitor
<a href="#">AB349</a>	Makes revisions relating to health care. (BDR 23-343)	Orentlicher	Health and Human Services	Assembly Committee on Health and Human Services 3/12/2025 1:30 PM	Heard		Monitor
<a href="#">AB363</a>	Revises provisions relating to groundwater boards. (BDR 48-385)	Committee on Natural Resources	Natural Resources	Assembly Committee on Natural Resources 4/9/2025 4:00 PM	Amend, and do pass as amended		Monitor
<a href="#">AB385</a>	Revises provisions relating to governmental administration. (BDR 22-851)	Cole	Government Affairs				Monitor
<a href="#">AB388</a>	Revises provisions relating to employment. (BDR 23-1027)	Assemblymembers La Rue Hatch, González, Anderson, Roth, Miller, Flanagan, Goulding, Hunt, Jackson, Karris, Moore, Orentlicher and Watts; Senator Flores	Commerce and Labor	Assembly Committee on Commerce and Labor 4/2/2025 11:30 AM	Heard		Monitor
<a href="#">AB414</a>	Revises provisions relating to occupational safety and health. (BDR 53-666)	Assemblymembers Moore, Carter, D'Silva and Karris; Senators Flores, Scheible and Doñate	Commerce and Labor	Assembly Committee on Commerce and Labor 4/7/2025 1:30 PM	Heard		Monitor
<a href="#">AB419</a>	Revises provisions relating to applications concerning water. (BDR 48-736)	DeLong, Cole, Gurr, Dickman and O'Neill	Natural Resources	Assembly Committee on Natural Resources 4/9/2025 4:00 PM	Heard		Oppose
<a href="#">AB432</a>	Revises provisions relating to governmental administration. (BDR 19-551)	Yurek	Government Affairs	Assembly Committee on Government Affairs 4/10/2025 9:00 AM	Amend, and do pass as amended		Monitor
<a href="#">AB434</a>	Prohibits certain employment practices. (BDR 53-188)	Anderson	Commerce and Labor	Assembly Committee on Commerce and Labor 3/28/2025 12:00 PM	Heard		Monitor
<a href="#">AB485</a>	Revises provisions relating to water. (BDR 48-386)	Committee on Natural Resources	Natural Resources	Assembly Committee on Natural Resources 3/19/2025 4:00 PM	Discussed as BDR		Monitor
<a href="#">AB502</a>	Revises provisions relating to public works. (BDR 28-401)	Committee on Government Affairs	Government Affairs	Assembly Committee on Government Affairs 4/10/2025 9:00 AM	Amend, and do pass as amended		Monitor
<a href="#">AB540</a>	Revises provisions relating to governmental administration. (BDR 25-1036)	Committee on Government Affairs	Commerce and Labor	Assembly Committee on Commerce and Labor 4/2/2025 5:00 PM	Heard		Monitor
<a href="#">AB305*</a>	Revises provisions governing public works. (BDR 28-112)	Assemblymembers Monroe-Moreno, Considine and Thomas	Vetoed				Monitor
<a href="#">AB498*</a>	Revises provisions relating to public employees' retirement. (BDR 23-1200)	Committee on	Vetoed				Monitor



## SENATE BILLS

TMWA Legislative Bill Report							
Bill	Description	Sponsor(s)	Status	Past Meetings	Past Action	Future Meetings	Position
<a href="#">SB2</a>	Revises provisions relating to collective bargaining. (BDR 23-417)	Committee on Government Affairs	Government Affairs				Monitor
<a href="#">SB3</a>	Revises provisions relating to public contracts. (BDR 27-431)	Committee on Government Affairs	Government Affairs				Monitor
<a href="#">SB6</a>	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	Finance	Senate Committee on Natural Resources 4/1/2025 3:30 PM	Do pass		Monitor
<a href="#">SB31</a>	Revises provisions relating to the adjudication of vested water rights. (BDR 48-260)	Committee on Natural Resources	Second Reading File	Senate Committee on Natural Resources 4/8/2025 3:30 PM	Do pass		Monitor
<a href="#">SB36</a>	Establishes provisions relating to the conservation of groundwater. (BDR 48-384)	Committee on Natural Resources	Natural Resources	Senate Committee on Natural Resources 4/1/2025 3:30 PM	Amend, and do pass as amended		Monitor
<a href="#">SB39</a>	Revises provisions relating to emergency management. (BDR 36-269)	Committee on Government Affairs	Government Affairs	Senate Committee on Finance and Assembly Committee on Ways and Means, Subcommittees on Public Safety, Natural Resources, and Transportation 3/27/2025 8:00 AM	Mentioned No Jurisdiction		Monitor
<a href="#">SB43</a>	Revises provisions relating to environmental protection. (BDR 40-264)	Committee on Health and Human Services	Health and Human Services	Senate Committee on Health and Human Services 3/27/2025 3:30 PM	Amend, and do pass as amended		Monitor
<a href="#">SB48</a>	Revises provisions relating to planning and zoning. (BDR 22-413)	Committee on Government Affairs	Government Affairs	Senate Committee on Government Affairs 4/9/2025 3:30 PM	Heard, No Action		Monitor
<a href="#">SB61</a>	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				Monitor
<a href="#">SB71</a>	Revises provisions relating to purchasing. (BDR 27-366)	Committee on Government Affairs	Government Affairs	Senate Committee on Government Affairs 3/5/2025 3:30 PM	Heard, No Action		Monitor
<a href="#">SB78</a>	Revises provisions relating to boards, commissions, councils and similar bodies. (BDR 18-301)	Committee on Revenue and Economic Development	Government Affairs	Senate Committee on Finance and Assembly Committee on Ways and Means, Subcommittees on K-12/Higher Education/CIP 4/9/2025 8:00 AM	Mentioned No Jurisdiction		Monitor
<a href="#">SB83</a>	Requires the issuance of bonds for environmental improvement projects in the Lake Tahoe Basin. (BDR S-376)	Committee on Natural Resources	Natural Resources	Senate Committee on Natural Resources 4/8/2025 3:30 PM	Amend, and do pass as amended		Monitor
<a href="#">SB94</a>	Exempts the State of Nevada from provisions of federal law relating to daylight saving time. (BDR 19-25)	Titus	Commerce and Labor				Monitor

## SENATE BILLS

TMWA Legislative Bill Report							
Bill	Description	Sponsor(s)	Status	Past Meetings	Past Action	Future Meetings	Position
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				Monitor
SB160	Revises provisions relating to the Nevada Equal Rights Commission. (BDR 18-82)	Neal	Government Affairs	Senate Committee on Government Affairs 3/28/2025 Upon Call of Chair	Heard, No Action		Monitor
SB173	Establishes provisions relating to the environment. (BDR 52-585)	Neal	Commerce and Labor	Senate Committee on Commerce and Labor 4/10/2025 8:30 AM	Amend, and do pass as amended		Monitor
SB179	Revises provisions relating to discrimination. (BDR 18-35)	Ohrenschall, Buck, Stone, Krasner, Cannizzaro, Pazina and Rogich	Government Affairs	Senate Committee on Government Affairs 3/3/2025 3:30 PM	Heard, No Action		Monitor
SB214	Revises provisions relating to excavations. (BDR 40-749)	Hansen	Health and Human Services	Senate Committee on Health and Human Services 3/13/2025 3:30 PM	Heard, No Action		Monitor
SB258	Revises provisions relating to industrial insurance. (BDR 53-594)	Senators Nguyen, Cannizzaro, Stone, Titus, Buck, Cruz-Crawford, Daly, Doñate, Dondero Loop, Ellison, Krasner, Lange, Ohrenschall, Pazina, Rogich, Scheible, Steinbeck and Taylor; Assemblymembers Nguyen, Yurek, Hafen, Marzola, Torres-Fossett, Anderson, Carter, Cole, Dalia, Edgeworth, González, Gray, Gurr, Hardy, Jackson, Jauregui, Karris, Kasama, Koenig, Monroe-Moreno, Moore, O'Neill, Orentlicher, Roth, Watts and Yeager	Judiciary	Senate Committee on Judiciary 4/3/2025 Upon Call of Chair	Amend, and do pass as amended		Monitor
SB260	Revises provisions relating to air quality. (BDR 53-961)	Senators Flores, Doñate and Scheible; Assemblymembers Moore, González and D'Silva	Commerce and Labor	Senate Committee on Commerce and Labor 4/10/2025 8:30 AM	Amend, and do pass as amended		Monitor
SB265	Revises provisions relating to governmental administration. (BDR 19-918)	Senator Rogich; Assemblymembers Nguyen and Edgeworth	Government Affairs				Monitor
SB270	Revises provisions relating to governmental administration. (BDR 28-778)	Nguyen	Government Affairs				Monitor
SB276	Revises provisions relating to water. (BDR 40-750)	Senators Hansen, Flores, Buck, Krasner, Stone, Doñate, Ellison, Ohrenschall, Pazina, Scheible, Steinbeck and Taylor; Assemblymembers Watts, O'Neill, Anderson, Karris and La Rue Hatch	Natural Resources	Senate Committee on Natural Resources 4/8/2025 3:30 PM	Amend, and do pass as amended		Support

## SENATE BILLS

TMWA Legislative Bill Report							
Bill	Description	Sponsor(s)	Status	Past Meetings	Past Action	Future Meetings	Position
<a href="#">SB286</a>	Establishes provisions relating to tribal communication, cooperation and consultation when engaged in certain planning processes. (BDR 26-392)	Committee on Natural Resources	Finance	Senate Committee on Natural Resources 4/1/2025 3:30 PM	Do pass		Monitor
<a href="#">SB287</a>	Revises provisions relating to public works. (BDR 28-949)	Committee on Commerce and Labor	Government Affairs	Senate Committee on Government Affairs 4/7/2025 Upon Call of Chair	Heard, No Action		Monitor
<a href="#">SB291</a>	Revises provisions relating to personal information. (BDR 52-39)	Doñate, Flores and Taylor	Commerce and Labor	Senate Committee on Commerce and Labor 4/7/2025 8:00 AM	Amend, and do pass as amended		Monitor
<a href="#">SB296</a>	Revises provisions relating to governmental administration. (BDR 19-944)	Ohrenschall	Government Affairs	Senate Committee on Government Affairs 3/24/2025 3:30 PM	Heard, No Action		Monitor
<a href="#">SB298</a>	Revises provisions relating to public employment. (BDR 23-1031)	Committee on Government Affairs	Government Affairs	Senate Committee on Government Affairs 3/19/2025 3:30 PM	Heard, No Action		Monitor
<a href="#">SB307</a>	Revises provisions relating to the Office of Minority Health and Equity of the Department of Health and Human Services. (BDR 18-510)	Committee on Commerce and Labor	Health and Human Services				Monitor
<a href="#">SB310</a>	Revises provisions relating to public monuments. (BDR 35-1013)	Ellison	Natural Resources				Monitor
<a href="#">SB317</a>	Revises provisions relating to industrial insurance. (BDR 53-625)	Daly	Commerce and Labor	Senate Committee on Commerce and Labor 4/10/2025 8:30 AM	Amend, and do pass as amended		Monitor
<a href="#">SB324</a>	Establishes prohibitions relating to the sale of water in certain disposable plastic bottles in communities abutting the Lake Tahoe Watershed. (BDR 40-216)	Scheible and Nguyen	Natural Resources	Senate Committee on Natural Resources 4/1/2025 3:30 PM	Heard, No Action	Senate Committee on Natural Resources - Work Session Item 4/10/2025 3:30 PM	Monitor
<a href="#">SB340</a>	Revises provisions relating to governmental administration. (BDR 18-1008)	Daly	Government Affairs	Senate Committee on Government Affairs 3/26/2025 3:30 PM	Heard, No Action		Monitor
<a href="#">SB342</a>	Revises provisions relating to water. (BDR 48-940)	Ohrenschall	Natural Resources	Senate Committee on Natural Resources 4/3/2025 3:30 PM	Heard, No Action		Monitor

SENATE BILLS

TMWA Legislative Bill Report							
Bill	Description	Sponsor(s)	Status	Past Meetings	Past Action	Future Meetings	Position
SB358	Requires certain units of government of this State to accept certain forms of payment. (BDR 19-759)	Taylor	Government Affairs				Monitor
SB365	Prohibits an attorney from contracting for or collecting certain fees. (BDR 1-1016)	Hansen and Titus	Judiciary				Monitor
SB373	Establishes requirements relating to regional business licenses. (BDR 20-1073)	Steinbeck	Government Affairs	Senate Committee on Government Affairs 4/9/2025 3:30 PM	Heard, No Action		Monitor
SB410	Revises provisions relating to public employees. (BDR 23-562)	Committee on Health and Human Services	Health and Human Services	Senate Committee on Health and Human Services 4/8/2025 3:30 PM	Heard, No Action		Monitor
SB447	Revises provisions relating to public works. (BDR 28-968)	Committee on Government Affairs	Government Affairs	Senate Committee on Government Affairs 4/7/2025 Upon Call of Chair	Heard, No Action		Monitor
SB76*	Establishes provisions governing certain products that contain intentionally added perfluoroalkyl and polyfluoroalkyl substances. (BDR 52-291)	Senator Neal	Special Orders of the Day				Monitor
SB88*	Requires the Joint Interim Committee on Natural Resources to conduct an interim study of certain state agencies. (BDR S-345)	Committee on	Special Orders of the Day				Monitor
SB272*	Revises provisions relating to governmental administration. (BDR 27-876)	Senators Spearman, Doñate, Daly, Dondero Loop, Harris, Lange, Nguyen and Pazina	Special Orders of the Day				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				Monitor



## STAFF REPORT

**TO:** Board of Directors  
**FROM:** John R. Zimmerman, General Manager  
**DATE:** April 7, 2025  
**SUBJECT:** General Manager's Report

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Attached please find the written reports from the Management team including the Operations Report (*Attachment A*), the Water Resource and the Annexation Activity Report (*Attachment B*), and the Customer Services Report (*Attachment C*).

Also, we received a very positive feedback from a customer to Dawn and her team, TMWA's customer service representatives, for their kindness and support during a very difficult time.

Finally, listed below are news clippings from March 12, 2025 through April 7, 2025:

- 03/10/25 KTVN [Renderings released for mixed-use development for old Harrah's site](#)
- 03/12/25 AWWA [Utah to Be the First State to Ban Fluoride in Drinking Water](#)
- 03/13/25 MSN [TRFMA Holds Community Meeting on the Truckee River Regarding flood Mitigation](#)
- 03/13/25 NV Independent [Surprised It Hasn't Burned. One of Tahoe's Oldest Forest Stands Is at Risk](#)
- 03/12/25 Tahoe Daily Tribune [Federal Ruling on Clean Water Quality Act Won't Change STPUD Practices](#)
- 03/12/25 KRNK [Truckee River flood project aims to protect community from \\$2 billion damage risk](#)
- 03/17/25 Water Reuse Assoc. [Water Reuse Awards Recognizes Leaders in the Industry](#) (TMWA's John Enloe recognized with the President's Award for Lifetime Achievement)
- 03/18/25 Washoe Life [Top headlines from the Board of County Commissioners meeting](#)
- 03/20/25 UNR Nevada Today [NSF-funded mobile energy-water reuse system to support rural communities](#)
- 3/14/25 KUNR [The Kids' Shelf—Water—Discovering the Precious Resource All Around Us](#)
- 03/31/25 KOLOTV [Spring Storms Continue to Add to Sierra Snowpack](#)
- 03/31/25 KRNK [Tribe Demands Answers After the 25m Gallons of Raw Sewage Spill Goes Unnoticed in Truckee River](#)
- 04/03/25 KTVN [Truckee Meadows water supply looks promising ahead of the summer](#)
- 04/03/25 KRNK [Tahoe Basin snowpack above average, drought-free outlook for region](#)
- 04/03/25 [Local Nevada water recycling is leagues ahead of other states: study shows](#)
- 04/08/25 KOLOTV [Tahoe Basin snowpack now at 111%](#)



## STAFF REPORT

**TO:** Board of Directors  
**THRU:** John R. Zimmerman, General Manager  
**FROM:** Kara Steeland, Sr. Hydrologist & Watershed Coordinator  
**DATE:** April 9, 2025  
**SUBJECT:** April 2025 Water Operations Report

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### Summary

- Snowpack is above average for this time of year in the Lake Tahoe Basin (111% median).
- The water supply outlook for the region is excellent.
- Truckee River reservoir storage is good at 76% of maximum capacity system wide.
- There will be normal Truckee River flows through 2025 and into 2026.
- Hydroelectric generation for the month of March was \$363,220 (4,688 MWh)
- TMWA's customer demands are starting to increase with spring weather.
- Recharge is occurring at a rate of about 5 million gallons per day (MGD).

### Water Supply

**Reservoir Storage** - Overall, Truckee River reservoir storage is 76% of capacity. The elevation of Lake Tahoe is currently 6,227.85 feet which is 1.25 feet below the maximum legal elevation of 6,229.10 feet. Storage values for each reservoir as of April 9, 2025 are as follows:

Reservoir	Current Storage (Acre-Feet)	% Capacity
Tahoe	589,642	79%
Boca	20,154	49%
Stampede	173,926	76%
Prosser	9,365	31%
Donner	3,937	41%
Independence	13,464	77%

In addition to the 17,401 acre-feet of storage between Donner and Independence Reservoirs, TMWA also has 15,305 acre-feet of water stored in Stampede and Boca Reservoirs under the terms of TROA. TMWA's total combined upstream reservoir storage as of April 9, 2025 approximately 32,706 acre-feet.

**Outlook** - The primary snowpack building season ended April 1. The water content in the snowpack is 111% of median in the Lake Tahoe Basin. With the third above average year in a



row, the region is in excellent shape from a water supply perspective. Upstream reservoir storage will likely be full by the start of summer. Normal Truckee River flows are projected for the remainder of 2025 and well into 2026.

### **Water Production**

**Demand** - Customer demand is starting to increase with spring weather, averaging about 50 MGD through the first full week of April. Surface water made up about 85% of overall supply, and groundwater pumping the other 15%. Recharge continues to occur at a rate of about 5 MGD.

### **Hydroelectric Production**

**Generation** - The median Truckee River flow at Farad (CA/NV state line) for the month of March was 577 cubic feet per second. All three of TMWA's hydropower plants were online and 100% available during the month.

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

<b>Plant</b>	<b>Generation Days</b>	<b>% Availability</b>	<b>Generation (Megawatt Hours)</b>	<b>Revenue (Dollars)</b>	<b>Revenue (Dollars/Day)</b>
Fleish	31	100%	1,853	\$144,016	\$4,645
Verdi	31	100%	1,700	\$130,864	\$4,221
Washoe	31	100%	1,135	\$88,340	\$2,849
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>4,688</b>	<b>\$363,220</b>	<b>\$11,715</b>



## STAFF REPORT

**TO:** Chair and Board Members  
**THRU:** John R. Zimmerman, General Manager  
**FROM:** Eddy Quaglieri, Natural Resources Manager  
**DATE:** April 3, 2025  
**SUBJECT:** Water Resources and Annexation Activity Report

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### RULE 7

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

Beginning Balance		3,109.92 AF
Purchases of water rights	60.32 AF	
Refunds	0.00 AF	
Sales	-5.90 AF	
Adjustments	0.00 AF	
Ending Balance		3,164.34 AF

Price per acre foot at report date: \$8,200

### 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		7,351.30 AF
Committed water rights	3.90 AF	
Ending Balance		7,347.40 AF

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

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<sup>1</sup> Price reflects avoided cost of Truckee River water right related fees and TMWA Supply & Treatment WSF charge.

**WATER SERVICE AREA ANNEXATIONS**

Since the date of the last report, there have been 0 acres annexed into TMWA's service area.

**INTERRUPTIBLE LARGE VOLUME NON-POTABLE SERVICE**

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



## STAFF REPORT

**TO:** Board of Directors  
**THRU:** John R. Zimmerman, General Manager  
**FROM:** Marci Westlake, Manager Customer Service  
**DATE:** April 16, 2025  
**SUBJECT:** **March Customer Service Report**

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

### **Ombudsman Report – Kim Mazeres**

- The customer was afraid she was going to be shut off. She was confused as to when she needed to pay. Spoke to Customer Service Manager. She protected the account so the customer can pay the last two months' bills by the current bill's due date of 3/19.
- Customer paid the overdue bill, but the water has not yet been turned on a week later. The water was unpaid long enough for the account to go into a vacant status. At that time, the landlord requested the water be put into his name and remain turned off. Referred the customer to the Senior Customer Service Representative, if he has further questions.

### **Communications – Public Outreach – March**

- Kara Steeland and Sonia Folsom attended the Nevada Fire Adapted Summit. They had information about the Middle Truckee River Watershed Forest Partnership and 40 people visited the table.
- Danny Rotter and David Kershaw presented to the Builders Association of Northern Nevada with an update on TMWA New Business and 30 people attended.
- Board orientation on 3/21 & 3/27 for TMWA Treatment and Distribution System.

### **Conservation (2025 Calendar year)**

- 528 Water Usage Reviews
- 311 Water Watcher Contacts

### **Customer Calls – March**

- 6,842 phone calls handled.
- Average handling time is 4 minutes 27 seconds per call.
- Average speed of answer :16 seconds per call.

**Billing – March**

- 138,961 bills issued.
- 68,988 customers (49%) have signed up for paperless billing to date, which equates to an annual savings of \$538,106.40.

**Remittance – March**

- 12,788 Mailed-in payments.
- 21,622 Electronic payments.
- 63,153 Payments via AutoPay (EFT)
- 17,797 One-time bank account payments.
- 883 Pay by Text
- 4,650 IVR Payments.
- 812 Reno office Payments.
- 49 Kiosk Payments.

**Collections – March**

- 13,906 accounts received a late charge.
- 2,801 Mailed delinquent notices, 0.02% of accounts.
- 812 accounts eligible for disconnect.
- 701 accounts were disconnected. (Including accounts that had been disconnected-for-non-payment that presented NSF checks for their reconnection)
- 0.25% write-off to revenue.

**Meter Statistics – Fiscal Year to Date**

- 3,250 Meter exchanges completed.
- 1,206 New business meter sets completed.

**Service Line Warranties of America Statistics**

- 11,949 Policies
- 9,293 Customers
- 418 Jobs Completed
- \$730,616.40 Customer Savings