

TRUCKEE MEADOWS WATER AUTHORITY
DRAFT MINUTES OF THE JUNE 20, 2012
MEETING OF THE BOARD OF DIRECTORS

The Board of Directors met on Wednesday, June 20, 2012, at Sparks Council Chambers, Legislative Building, 745 Fourth Street, Sparks, Nevada. Vice Chairman Aiazzi called the meeting to order at 10:05 a.m.

1. ROLL CALL

Members Present: Dave Aiazzi, Bob Cashell*, Mike Cate, Kitty Jung, Bob Larkin, and Geno Martini. Members Absent: Mike Carrigan. A quorum was present.

2. PLEDGE OF ALLEGIANCE

Led by Mike Cate.

3. PUBLIC COMMENT

There was no public comment.

4. APPROVAL OF THE AGENDA

Vice Chairman Aiazzi noted that staff had requested a closed door labor-relations session before agenda item 9.

Upon motion by Member Martini, second by Member Larkin, which motion duly carried by unanimous consent of the members present, the Board approved the corrected agenda.

5. APPROVAL OF THE MAY 17, 2011 MINUTES

Upon motion by Member Martini, second by Member Cate, which motion duly carried by unanimous consent of the members present, the Board approved the May 17, 2012 minutes.

6. DISCUSSION AND ACTION ON NOMINATION OF CHAIRMAN AND VICE CHAIRMAN AND REQUEST FOR BOARD ADOPTION OF RESOLUTION NO. 187 APPOINTING A CHAIRMAN AND VICE CHAIRMAN FOR FISCAL YEAR 2013

There was no discussion on this item.

Upon motion by Member Martini, second by Member Larkin, which motion duly carried by unanimous consent of the

members present, the Board adopted Resolution No. 187 appointing Mike Carrigan as Chair and Mike Cate as Vice Chair for Fiscal Year 2012-13. The term begins on July 1, 2012.

7. DISCUSSION AND ACTION ON POSSIBLE APPROVAL OF A SECOND AMENDMENT TO THE INTERLOCAL AGREEMENT AMONG THE WESTERN REGIONAL WATER COMMISSION (WRWC), TRUCKEE MEADOWS WATER AUTHORITY (TMWA) AND WASHOE COUNTY (THE COUNTY) FOR REIMBURSEMENT OF CERTAIN EXPENSES, NOT TO EXCEED \$300,000, INCURRED IN EVALUATING AND IMPLEMENTING RECOMMENDATIONS REGARDING INTEGRATION/CONSOLIDATION OF THE COUNTY'S DEPARTMENT OF WATER RESOURCES AND TMWA; AND, IF APPROVED, AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE SECOND AMENDMENT

There was no discussion on this item.

Upon motion by Member Larkin, second by Member Martini, which motion duly carried by unanimous consent of the members present, the Board approved the second amendment to the interlocal agreement among the Western Regional Water Commission, Truckee Meadows Water Authority (TMWA) and Washoe County for reimbursement of certain expenses, not to exceed \$300,00 incurred in evaluating and implementing recommendations regarding integration/consolidation of the County's Department of Water Resources and TMWA and authorized the General Manager to execute the second amendment.

8. DISCUSSION AND ACTION ON REQUEST FOR BOARD APPROVAL OF AN AMENDED AND RESTATED INTERLOCAL AGREEMENT FOR ADMINISTRATIVE SERVICES BETWEEN THE CITY OF RENO AND TRUCKEE MEADOWS WATER AUTHORITY

There was no discussion on this item.

Upon motion by Member Martini, second by Member Larkin, which motion duly carried by unanimous consent of the members present, the Board approved the Amended and Restated Interlocal Agreement for Administrative Services between the City of Reno and Truckee Meadows Water Authority.

Chairman Aiuzzi recessed the Board for a closed door labor-relations session on this item at 10:08 a.m.

Member Cashell arrived at 10:31a.m.

Chairman Aiazzi called the meeting back to order at 10:34 a.m.

9. DISCUSSION AND ACTION ON APPROVAL OF COLLECTIVE BARGAINING AGREEMENT BETWEEN TMWA AND THE IBEW LOCAL 1245 FOR THE TERM COMMENCING JULY 1, 2012

Andy Gebhardt, TMWA Supervisor of Customer Services, introduced the item stating that negotiations have been ongoing for about 14 months using an Interest-Based Bargaining, or Mutual Gains, approach. Mr. Gebhardt stated that the IBEW 1245 had approved terms of a proposed contract which was being presented to the Board for consideration. He highlighted the following terms of the proposed contract: It is a three-year contract, which provides for a 2.5 percent wage increase the first year, a 2 percent wage increase the second year and a zero percent wage increase the third year. In the third year, a one-time contribution of 42 vacation hours will be given to the employees on July 1, 2014. Mr. Gebhardt stated that a number of concessions were negotiated for the benefit of TMWA, including decreasing the starting salary of a helper position (it is anticipated that a number of helpers will be hired over the course of this contract) by more than 8 percent. Another negotiated concession was that all new hire IBEW 1245 members will cost-share in any Public Employees Retirement System (PERS) increases. He said that staff feels the proposed contract it is a fair and equitable agreement that will provide labor stability for TMWA during the next three years.

Vice Chairman Aiazzi asked for the financial or fiscal impacts of this contract in order to satisfy legal requirements. Mr. Tissier replied that the fiscal impact during the first year would be approximately \$170,000 and the second year would be approximately \$140,000 with respect to the contract. TMWA's total cost of service to operate the utility is \$81 million annually.

Upon motion by Member Jung, second by Member Cashell, which motion duly carried by a vote of five to one with Member Martini voting No, the Board approved the three-year contract between TMWA and the IBEW Local 1245 for the term commencing July 1, 2012.

10. GENERAL MANAGER'S REPORT

Mark Foree announced the following awards:

TMWA has been awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) of the United States and Canada for the ninth consecutive year. The group also presented an Award of Financial Reporting Achievement to Chief Financial Officer Jeff Tissier, for his work. This is also Jeff's ninth time receiving the individual award. Mr. Foree congratulated Mr. Tissier and the finance team.

TMWA recently received the Wendell LaDue Utility Safety Award from the American Water Works Association (AWWA). The award is based on the utilities' safety record for the past five

years and safety and health program best practices. One national award is given annually in each of four classes based on the size of the utility. This year TMWA won the award for the size three category, which is 100 to 500 employees. Mr. Foree congratulated Chet Malewski, TMWA's Safety Administrator, and the entire TMWA team for the award.

11. PUBLIC COMMENT

There was no public comment.

12. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

There were no Board comments.

13. ADJOURNMENT

With no further discussion, Chairman Carrigan adjourned the meeting at 10:38 a.m.

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

Respectfully submitted,

Corinne Cassell, Recording Secretary