

TRUCKEE MEADOWS WATER AUTHORITY  
**DRAFT** MINUTES OF THE AUGUST 17, 2016  
MEETING OF THE BOARD OF DIRECTORS

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The Board of Directors met on Wednesday, August 17, 2016, at Sparks Council Chambers, 745 4<sup>th</sup> Street, Sparks, Nevada. Chair Martini called the meeting to order at 10:05 a.m.

1. ROLL CALL

**Members Present:** Jenny Brekhus, Naomi Duerr, Vaughn Hartung, Neoma Jardon, Jeanne Herman, and Geno Martini.

**Member Absent:** Ron Smith

A quorum was present.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Member Brekhus.

3. PUBLIC COMMENT

There was no public comment.

4. APPROVAL OF THE AGENDA

**Upon motion by Member Jardon, second by Member Duerr, which motion duly carried by unanimous consent of the members present, the Board approved the agenda.**

5. APPROVAL OF THE MINUTES OF THE JUNE 15, 2016 MINUTES

**Upon motion by Member Hartung, second by Member Duerr, which motion duly carried by unanimous consent of the members present, the Board approved the June 15, 2016 minutes.**

6. PRESENTATION ON WATER QUALITY

Paul Miller, TMWA Water Operations and Quality Manager, presented on the processes and procedures TMWA implements and follows with regards to maintaining a high standard in water quality.

Discussion followed regarding safe levels of copper (action level of 1.3 mg/L) and lead (action level of 0.015 mg/L) in water and all of the samples taken from TMWA customers were well below the action levels; the different results between 2014 and 2016 are due to different sample groups and the outliers are well below the action level or are non-detectable; adhering to the Environmental Protection Agency (EPA) standards for nitrate levels (10 parts per million); monitoring water quality of the wells; and Nevada Division of Environmental Protection has enacted the well-head protection and source water protection programs.

#### 7. UPDATE ON WATER SUPPLY

Bill Hauck, TMWA Senior Hydrologist, reported that this year's normal winter was a break from the driest four-year stretch on record, but we are still in a severe drought according to the drought monitor. Mr. Hauck noted the lack of precipitation since May, water supply projections provided at the beginning of the irrigation season have changed and river flows will now fall around the first week of September; a good thing because river flows will have supported the community through its peak demand season. Lake Tahoe is about four inches above the rim, but will soon be below the rim. Approximately 2,500 acre feet (AF) of drought reserves will be released to meet customer demands and keep the water treatment plants on-line; this is a quarter of what was used last year and less than 1/10 of the current upstream storage. Still, under the Truckee River Operating Agreement (TROA), we have about 37,000 AF stored in Donner Lake, Independence, Boca and Stampede reservoirs.

At this point there was discussion regarding the sequence of releasing water from upstream storage (yes, there is an order and storage from Donner Lake will be released first); if there are consequences of not requesting additional conservation this year (no, because under TROA, we have been storing as much as is allowed; the possibility of storing additional reserves underground (TMWA has injected about 2,500 AF in our aquifer storage and recovery (ASR) program this year and the program is being expanded to wells in the former County and South Truckee Meadows General Improvement District (STMGID) areas, but we have to go through a permitting process with the Nevada Department of Environmental Protection (NDEP)); the availability of water storage to meet growth projections has remained unchanged (the projections conducted for the 2016-2035 Water Resource Plan are still valid); drought; and if the yield for similar snowpack years are the same (there is a good correlation between snowpack and runoff, but the yield may be different year-by-year depending on temperatures and the amount of precipitation.)

#### 8. DISCUSSION AND POSSIBLE DIRECTION TO STAFF REGARDING MEMBERSHIP MAKEUP AND THE RECRUITMENT PROCESS FOR THE STANDING ADVISORY COMMITTEE

Sonia Folsom, TMWA SAC Liaison, presented on the staff report regarding the TWMA Standing Advisory Committee (SAC) membership makeup and recruitment process.

Member Brekhus confirmed the number of SAC members, whether or not they have term limits and if the members are still able to represent the customer class. Ms. Folsom replied there are eight primary

representatives, six alternates and four appointments to be made, the SAC members currently do not have term limits and yes, the members verify if they can represent their customer class.

Member Brekhus expressed her concern with membership groups, such as the Builders Association of Northern Nevada (BANN) and the Reno-Sparks Chamber, having appointments to public boards. She expressed her desire to see the appointments be made by the cities of Reno and Sparks, and Washoe County after these members term out; in order to have a broader representation, particularly with the Sun Valley General Improvement District (SVGID) and Irrigation customer classes.

Chair Martini asked to continue this agenda item to the next meeting to discuss by-laws and to make changes. Mark Foree, TMWA General Manager, replied the information is available today to discuss. Michael Pagni, TMWA General Counsel, added the by-laws are before the Board today and the Board could give direction if they desired.

Chair Martini stated he would like to bring it back, but he does not have any comments or changes, however Member Brekhus may have suggested changes.

Member Duerr concurred with Member Brekhus; there are many groups and associations that need representation, she would like to see a rotating representation appointed by the three entities.

*Public Comment*

Neil McGuire, TMWA SAC Chair, commented on his appreciation of their input and guidance over the years. Mr. McGuire pointed out SAC members review questions and direction from the TMWA Board and consider their recommendation. The SAC reviews how they conduct themselves and the fairness of the committee itself. A major benefit to the SAC is that it is not a political group, which is the make-up of the Board. He mentioned he has been with the committee since its inception, starting with Rate-Making Review Committee (RMRC) and members to the SAC are bankers, business owners/individuals, accountants, etc. forming a great committee and invited the TMWA Board to attend one of the SAC meetings. The SAC receives very good input from BANN, but everyone brings their opinions to discuss, and vote on, at the meetings.

Member Brekhus remarked on the organization of the class structure and inquired about the Irrigation class. Mr. McGuire replied, as the owner of a landscaping business, he represents his customers and the Board, at the time of SAC inception, decided it would be useful to have an irrigation class represented.

**Upon motion by Member Duerr, second by Member Brekhus, which motion duly carried by unanimous consent of the members present, the Board approved continuing this agenda item to the next meeting to discuss the TMWA Standing Advisory Committee by-laws.**

9. DISCUSSION AND POSSIBLE DIRECTION FROM BOARD REGARDING THE GENERAL MANAGER'S PERFORMANCE EVALUATION PROCESS

Mr. Foree reported on the general manager's performance evaluation process for their consideration. The proposed form is intended to be used by the General Manager's direct reports and Board members to

provide a 360° evaluation — the results of which will then be provided to the Board for use in their review. This will be accompanied by a report from the General Manager, outlining results in reaching performance goals the Board established for the general manager last year and include 3-5 years of salary data.

Member Brekhus asked to have comparative salary data for executive directors or managers from local agencies such as: the Regional Transportation Commission (RTC), Reno-Tahoe Airport Authority, Truckee Meadows Regional Planning Authority, Truckee Meadows Flood Management Authority and Cities of Reno and Sparks and Washoe County.

Member Jardon noted the template is easy to follow and allows for the Board to verbalize their thoughts and feedback. She agreed with Member Brekhus on the salary range, bonuses and percentage increases over the 5-years. Mr. Foree replied we will try to get the information prior to the meeting for review.

Member Hartung agreed with Member Jardon, but does not find a correlation between organizations. He noted there are different skill-sets and job descriptions between the agencies. However, he understands the need to see percentage increases, but noted it's more important to see how the organization is managed and how Mr. Foree is interacting with employees and customers; TMWA's approval ratings are an example.

Mr. Foree added TMWA is completing a salary survey performed by a consultant that does include water agencies in the western region, and RTC, which was fairly similar to TMWA, and will have it available at the time of evaluation.

Member Duerr remarked that the Regional Planning Governing Board had a very high return rate, which their attorney summarized; to perhaps include areas for growth; and asked to have any action on a salary or bonus increase properly agendized.

Chair Martini stated he approves and appreciates the ease of the form.

Mr. Foree clarified whether it was okay for the Human Resources department to summarize the findings or should the general counsel summarize. The Board agreed Human Resources was to summarize, and counsel as back-up to review the findings.

Member Hartung requested to receive the form in a digital format, and Mr. Foree agreed to do so.

**Upon motion by Member Duerr, second by Member Hartung, which motion duly carried by unanimous consent of the members present, the Board approved the General Manager's performance evaluation form and process.**

## 10. GENERAL MANAGER'S REPORT

Mr. Foree noted there was a letter to the Board submission regarding a customer complaint, provided to them today.

## 11. PUBLIC COMMENT

Mr. McGuire suggested to the Board to consider a collaborative workshop with the TMWA Board and the SAC.

Chair Martini recommended to Mr. McGuire that he attend the next meeting if he wanted to provide input.

12. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

Member Brekhus requested to have financial updates on water sales, conservation, and debt repayment schedules in connection with the water update, as well as updates on large projects identified in the 2017-2021 Capital Improvement Plan (CIP). Mr. Foree replied financial updates are presented quarterly and will be presented at the next meeting, but billable sales versus budget can be reported each month along with the water supply update and updates on CIP projects can be included in the General Managers Operations report.

Member Hartung noted he would like to see the presentation from the Regional Effluent Management Team. Mr. Foree replied it can be put on the next agenda.

Member Duerr inquired about the customer Submission to the Board, if after evaluating the situation, to update the Board if any changes are made to customer service procedures.

13. ADJOURNMENT

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

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

Sonia Folsom, Recording Secretary