



## STAFF REPORT

**TO:** Chairman and Board Members  
**FROM:** Mark Foree, General Manager  
**DATE:** September 4, 2016  
**SUBJECT:** Discussion and action regarding General Manager performance review for contract year 2015/2016 and discussion and action on possible lump sum award and/or other compensation adjustment

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### RECOMMENDATION

The TMWA Board review the General Manager's performance results for the past contract year and consider a possible compensation adjustment which could include an adjustment to annual salary and/or lump sum award.

### DISCUSSION

In October 2015, the Board adopted the specific objectives that the General Manager would be working to accomplish during the contract year and that the Board would use to evaluate the performance of the General Manager.

The General Manager's evaluation report of accomplishments related to the goals set by the Board last year is shown in **Attachment 1**.

The results of the GM evaluation form filled out by 1) Board members and 2) Division/Department Heads (direct reports to GM) is shown in **Attachment 2**.

The Board had requested salary adjustment information for the last several years for other local agency heads, and the information that was received from local agencies is shown in **Attachment 3**. Below are the last 5 years of information related to TMWA's GM:

<u>Year</u>	<u>Salary Increase</u>	<u>Lump Sum Award</u>
2011	0	0
2012	5%	0
2013	3.73%	0
2014	2%	\$5,000
2015	2.1%	0

As discussed at the August Board meeting, TMWA is having a compensation survey completed by a compensation consultant. A memo from that consultant related to the TMWA GM's compensation compared to other western water utility general managers is shown in **Attachment 4**.

The TMWA GM's current annual salary is \$186,989 which is well below the average or median salary of other western water utility general managers. The TMWA GM's employment agreement (**Attachment 5**) limits the annual compensation adjustment (base salary adjustment plus any lump sum award) to 10% of the current annual salary.



## STAFF REPORT

**TO:** Chairman and Board Members  
**FROM:** Mark Foree, General Manager  
**DATE:** August 22, 2016  
**SUBJECT:** General Manager's report related to performance on goals adopted by the Board for Contract Year 2015/2016

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### RECOMMENDATION

The TMWA Board review the General Manager's performance results for the past contract year.

### DISCUSSION

In October 2015, the Board adopted the following specific objectives that the General Manager would be working to accomplish during the contract year and that the Board would use to evaluate the performance of the General Manager. The following is a brief summary of results (shown in italics).

#### General Objectives

- A) Direct the preparation of and propose financial plans, investment strategies, funding plans and adjustments to rates and charges that will continue to keep TMWA in long term financial stability; including preparation of budgets and financial reporting that comply with Nevada Revised Statutes and the Securities and Exchange Commission (SEC).

*Fiscal budgets including the Capital Improvement Plan were prepared and presented to the Board for preliminary and final approval. A 5-year financial forecast for the utility was also completed for credit rating agencies prior to bond refinancing of TMWA 2006 bonds – refinancing of these bonds was very successful. Regular updates regarding financial picture and investments were presented. The Board was updated with plans to further restructure debt in 2017 with the refinancing of TMWA's 2007 bonds which could provide a significant financial benefit for TMWA and its customers in years to come.*

- B) Develop proactive communications plans to address upcoming issues (e.g., topics affecting water supply, drought planning, utility integration/consolidation, flat-rate conversion to metered rate and rate changes) and to keep all stakeholders including the Board, the employees, and the customers informed through a variety of mediums. Respond to media inquiries and provide informational interviews.

*Communications were delivered through multiple media including newsprint, a myriad of broadcast interviews, various presentations before local groups, bill print messages, bill inserts, TMWA's e-newsletter, workshops and special events booths. Focus this year was on TMWA's use of drought reserves and additional conservation request for customers to reduce their water use by at least 10%, responsible water use, water supply and drought planning, water quality, TMWA's 2016-2035 WRP (including 5 public open houses) and the implementation of TROA. There were also communications around TMWA's improvement plans to reduce groundwater pumping on the Galena/Mt. Rose fan (including a public open house). Proposed modifications to TMWA Rules of Service and Facility Charges were noticed and workshops conducted as well as presentations to the Builders Association of Northern Nevada.*

- C) Create a community presence for TMWA through participation in community committees, boards, and networking organizations and by providing presentations and information to these groups; offer Truckee River, Chalk Bluff Plant and/or other informational Tours to the community.

*TMWA staff participates in a multitude of organizations including Rotary, The Chamber, EDAWN, WIN and participated in multiple community events including farmers markets, forums, River days, etc. Presentations to organizations like Rotary, the Builders Association of Northern Nevada, and HOA's have touched on many topics including water supply, drought planning, the 2016-2035 WRP, TROA implementation and more. Several public tours were given this year including numerous tours of the Chalk Bluff plant and the Verdi Hydroelectric power plant. TMWA has again partnered with the Desert Research Institute to further the cloud seeding efforts of DRI in the Tahoe and Truckee basins which has an immediate benefit to TMWA and the Reno-Sparks community. TMWA directly funds this program in conjunction with funding from the WRWC.*

- D) Continue to create a highly productive work environment and a highly motivated employee team by developing, training, retaining and recruiting the highest quality employees.

*TMWA again achieved favorable rating of over 90% in our annual third party administered Customer Satisfaction Survey – this outstanding result is a tribute to TMWA's talented and highly motivated employees. TMWA continues to maintain high certification levels for staff, and provides both internal and external training opportunities. Management staff participated in emergency response training exercises and was given refresher media training this year.*

- E) Strive for continuous improvements in processes and operations targeting initiatives that will enhance revenues and/or reduce operating costs thus keeping customer rates as low as possible.

*TMWA underspent its O & M Budget by \$4.3 million or 8.2% and underspent its Capital Budget by \$20.7 million or 29% (several reasons for this including large projects coming in substantially below estimates and deferral of a few other large projects). Recent improvements expanding the use of surface water and other energy management initiatives continue to result in outstanding energy savings. In the last 7 years TMWA's annual electric bill has gone from \$7.2 million to \$4.7 million even with the consolidated utility - a savings of \$2.5 million or 35%. Hydro generation produced \$1.2 million in revenue – down compared to recent years due to lack of available river flows due to drought conditions. Completed a very successful bond refinancing of TMWA's 2006 bonds replacing \$148 million outstanding in Series 2006 Refunding Bonds with \$124.8 million in Series 2016 Refunding Bonds and eliminating \$22.8 million in outstanding principal and achieving \$15 million in net present value savings. The refinancing also deferred \$39.1 million in principal payments in fiscal years 2017-2019 to fiscal years 2035-2037 which provides TMWA with important financial flexibility going forward.*

### Specific Objectives

- 1) Complete 2016-2035 Water Resource Plan (WRP) draft, present to Standing Advisory Committee (SAC), Board of Directors and public at several workshops/public meetings; and based on comments/input received, present final draft to the SAC for their recommendation and to the Board of Directors for approval/adoption; forward adopted plan to the Western Regional Water Commission (WRWC) for incorporation into the Regional Water Management Plan.

*This was all completed within FY2016. The draft 2016-2035 WRP was completed and first presented to the SAC and Board in October and at several subsequent SAC and Board meetings. In addition, five public open houses were held and well attended by the public and comments were received and provided to the Board. After modification from SAC, Board and public comments, the final draft of the 2016-2035 WRP was recommended for approval by the SAC and approved by the Board in March.*

- 2) Develop/refine Drought Response Plan for post-TROA implementation conditions, including water supply planning for the 2016 irrigation season, and detailed public/customer communications/outreach plan and present to the SAC for their recommendation and Board for approval no later than the end of March.

*A drought response/communication plan was completed and presented to the SAC and to the Board in April and was approved by the Board. This plan followed the recently approved 2016-2035 WRP. With an average water year, the forecast was for Floriston Rates to last through September, and per the WRP, TMWA's water supply would not be impacted and therefore we did not require **additional or extra** conservation efforts from*

*our customers. Advertising and messaging focused on continued responsible water use. The campaign was well received by our customers.*

- 3) Participate in the Governor's Drought Forum meetings, provide data and presentations as requested, keep the Board of Directors advised regarding same.

*TMWA staff made presentations at Drought Forum meetings and Mark Foree and Andy Gebhardt spoke at the 3 day Governor's Drought Summit in September in Carson City. The Drought Summit was very well attended and TMWA's presentations were well received.*

- 4) Look for opportunities to enhance TMWA's water supply and drought supply and submit recommendations to Board of Directors and follow Board direction regarding same.

*Staff developed a plan and in August the Board approved an agreement for TMWA to sell 2,750 AF of surplus water rights to the Pyramid Lake Paiute Tribe to facilitate the implementation of TROA and complete the cities and county's obligation to provide 6,700 AF of Truckee River water rights for water quality purposes. As a result of this agreement TROA was implemented on December 1. TROA is truly a game changer for water supply and drought supply for this community as it greatly increases our upstream drought supply (triples our pre-TROA reserves over time). Staff also negotiated an agreement to purchase the Truckee Carson Irrigation District's (TCID) half of the Donner Lake water right and facilities for \$17.445 million and the Board approved that agreement in December. This further enhances TMWA's upstream drought supply providing a huge benefit to our community. The agreement also resulted in TCID and other parties dropping all legal challenges to TROA and all of those challenges have been dismissed by the courts.*

- 5) Monitor and participate in any Legislative activities during the interim period, prepare and deliver presentations to Interim Legislative Committees as requested, keep the Board updated and informed regarding legislative matters, and pursue Board direction regarding Legislative issues. Facilitate open communications between legislators and the TMWA Board.

*TMWA made a presentation to the Public Lands Committee during the interim period which was well received by the Committee.*

- 6) Continue to monitor federal legislation for opportunities to obtain funding for a variety of TMWA projects, including TROA.

*Staff worked with Senator Reid's office to continue grant money for TROA implementation (to be shared by 4 other TROA parties) with approximately \$216,000 going to TMWA this past fiscal year to reimburse costs related to TROA.*

*A \$7,000,000 federal grant was provided to a third party to acquire water rights toward the cities and county's obligation to provide 6,700 AF of Truckee River water rights for water quality purposed for the Pyramid Lake Paiute Tribe (PLPT). TMWA staff worked on an agreement between TMWA, the third party grant recipient and the PLPT for*

*TMWA's sale of approximately 2,750 AF of water rights to the PLPT for this purpose, paving the way to TROA implementation.*

*TMWA staff applied for and received a \$109,000 grant from the Bureau of Reclamation (BOR) to develop a Dynamic Drought Contingency Decision Support System that Accounts for Climate Change and Institutional Constraints. \$8,300 in grant fund was received in the fiscal year with the remainder to come in the next two years.*

*TMWA staff applied for and received another \$300,000 grant from the BOR for a Municipal Well Aquifer Storage and Recovery Retrofit Project for Drought Resiliency which will be received as the project progresses in the next few fiscal years.*

- 7) Manage financing and funding options to maximize benefits to TMWA customers through investment income strategies and short-term commercial paper programs. Evaluate market conditions for opportunities for bond refinancing(s) focused on refinancing of TMWA's 2006 bonds, to achieve cost savings in compliance with TMWA's Debt Management Policy if market conditions present.

*Completed a very successful bond refinancing of TMWA's 2006 bonds replacing \$148 million outstanding in Series 2006 Refunding Bonds with \$124.8 million in Series 2016 Refunding Bonds and eliminating \$22.8 million in outstanding principal and achieving \$15 million in net present value savings, or 10.2% (versus a minimum of 3% per TMWA's Debt Management Policy). The refinancing also deferred \$39.1 million in principal payments in fiscal years 2017-2019 to fiscal years 2035-2037 which provides TMWA with important financial flexibility going forward.*

*Prior to refinancing, we provided extensive data and made presentations to two credit rating agencies which resulted in 1) maintaining TMWA's current AA credit rating from Moody's and 2) a credit upgrade to AA from S & P.*

- 8) Update the 5-year Funding Plan and propose Board actions based on the results of the planning cycle updates. Implement Board directions with regard to funding plan outcomes.

*This was done prior to rating agency presentations and bond sale to refinance TMWA's 2006 bonds as described above.*

- 9) Analyze TMWA's financial position in regard to any necessary rate adjustments or water facility charge adjustments, report results of analysis to the SAC and Board of Directors and follow Board direction regarding same.

*Staff analyzed and did not recommend going forward with any rate adjustment during the fiscal year. Staff recommended getting through the summer to see how much water demand returned after two summers of decreasing demand due to expanded conservation because of the drought, as well as experience of one irrigation season post flat-rate conversion. Some changes were proposed for facility charges paid by new development in the Area 10 charge area and after a workshop and public hearing, those were approved by the Board in June with no public comment.*

- 10) Carefully analyze opportunities to acquire water rights and resources in the market in consideration of current inventory and financial constraints. Ensure adequate resources are available through TMWA Rule 7.

*By far the most significant undertaking this year was TMWA's acquisition of TCID's half of the Donner Lake water right (4,750 AF) and facilities for \$17.445 million. This further enhances TMWA's upstream drought supply providing a huge benefit to our community. The purchase also resulted in TCID and other parties dropping all legal challenges to TROA and the Donner Lake litigation and all TROA challenges have been dismissed by the courts.*

- 11) Provide staff support to the SAC, Truckee Meadows Community Forestry Coalition and the Truckee River Fund (TRF) Advisors and ensure communications regarding TRF projects.

*This was done.*

- 12) Manage and direct activities relative to legal issues, keeping the Board informed on all such matters.

*This was done.*

- 13) Update TMWA Administrative Instructions as required to ensure they are compliant with applicable laws and current practices. Deliver updates to the Board and employees, and implement the changes.

*None were required this year.*

- 14) Minimize cost impacts to customers by maximizing investment and hydroelectric income, pursuing revenue enhancement and collection opportunities, pursuing process improvements and projects that drive savings in TMWA expenses, and actively pursuing grant/low-interest loan funding for projects.

*TMWA staff applied for and received a low interest loan (2.62% for 20 year term) from the DWSRF for up to \$15 million for the North Valleys Integration Project. TMWA earned \$1.2 million in hydro revenue by maximizing hydro production even in light of very low river flows much of the year. TMWA staff applied for and was awarded two BOR grants related to drought contingency and resiliency totaling approximately \$400,000. Recent improvements expanding the use of surface water and other energy management initiatives continue to result in outstanding energy savings. In the last 7 years TMWA's annual electric bill has gone from \$7.2 million to \$4.7 million even with the consolidated utility - a savings of \$2.5 million or 35%.*

- 15) Continue work to develop a Workforce Strategic Plan to include employee retention and recruitment strategies as well as succession planning strategies focused on replacing senior management team members who have announced approximate retirement dates.

*Replacements for three retiring executives were recruited, hired (or promoted) and trained well in advance of the executives' departure. This allowed ample time for training and learning the job for at least 6 months while the executives were still here. This made for a smooth transition – thanks to John, Jeff and Kim for giving me a year's notice – that was very much appreciated and it really worked out well.*

- 16) Develop/refine strategies to optimize conjunctive use of surface water and groundwater resources for the consolidated water utility; further develop/refine drought supply operational strategies; and implement plans.

*TMWA staff continued to expand use of treated surface water in the off-peak season and greatly reduced groundwater pumping in the former Washoe County and SGMGID systems. We also recharged 2,841 AF of treated surface water into the groundwater aquifer. Staff is also in the process of getting approximately 20 more wells permitted for recharge in the former Washoe County and STMGID systems.*

- 17) Continue to develop, refine and implement strategies to mitigate pre-merger groundwater conditions on the Mt. Rose fan.

*With the completion of the Zolezzi Improvements which convey surface water into the Arrow Creek system (former Washoe County groundwater only supply), we were able to operate that new system throughout the entire summer and greatly reduce groundwater pumping on the Mt. Rose/Galena Fan even during the peak use season!*

*TMWA staff secured a site for the Mt. Rose (Whites and Thomas Creeks) Water Treatment Plant which was approved by the Board and got the Special Use Permit for the plant. This was done in conjunction with an extensive public outreach plan including direct mailings and a public open house which was very well received by the public.*

- 18) Work with the TROA signatory parties and other agencies toward the successful implementation of TROA.

*This was done as described above and TROA was implemented on December 1.*

- 19) Work collaboratively with the City of Reno, the City of Sparks, Washoe Country and other agencies in regard to regional water issues, regional economic development initiatives, etc.

*TMWA staff worked with all of the agencies in regard to getting TROA implemented.*

*TMWA staff also worked extensively with all of the agencies on a Regional Effluent Management Team that works together to enhance and optimize Effluent Reuse in the region. This included working with NDEP on developing regulations that could expand the current use of reclaim to include indirect potable reuse by groundwater infiltration/injection.*

*TMWA staff has also led an effort (with Reno and Sparks staff and DRI) to analyze the water resource constraints of possibly providing effluent to the Tahoe Reno Industrial Center, and develop possible strategies to overcome those constraints.*

- 20) Develop a Strategic Plan with the Board with assistance from a Strategic Planning consultant and complete for Board adoption by June 30, 2016.

*With the assistance of On Strategy (consultant) and their interviews with Board members and management staff, topics for a Strategic Planning meeting were identified which focused on current TMWA policies, review of those policies and determination of whether or not new policies should be considered/implemented. The meeting was held on February 5 and it was very productive. Although we did not complete discussion and review of all of the topics and policy issues, many were discussed and concluded. Rather than scheduling another special meeting, the Board elected to review policies or topics that weren't concluded in regularly scheduled meetings going forward. This was done and to date the Board has reviewed, discussed and considered most of the remaining topics originally put forth by On Strategy.*

*I will look to the Board for further direction regarding Strategic Planning going forward.*



## General Manager Performance Evaluation

### Introduction

The General Manager's performance evaluation consists of an annual appraisal by the Board of Directors, as provided for in the General Manager's employment agreement.

The purpose of the evaluation process is to maintain a strong Board/Manager team by ensuring open and productive communication on an annual basis. During this formal review process, there is an opportunity to identify areas of satisfaction and areas for growth or needing change as identified by the Board.

The evaluation will be completed by each member of the Board.

The Executive Team and Department Heads reporting to the General Manager have been invited to participate in this performance review process.

The Human Resources Manager is the facilitator for this process, and will gather input from the confidential survey completed by each of the above-referenced individuals. A staff report with the survey results will be presented at a Board Meeting for the Board's review and discussion.

#### **Rating Criteria:**

For each performance criteria, please use the following rating scale:

E – Exceeds your expectations

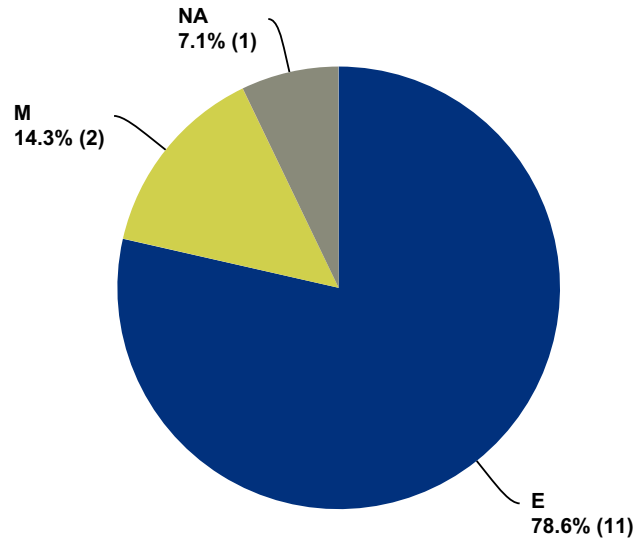
M – Meets your expectations

AG – Areas for growth

NA – Not applicable

**Q1 Ability to relate well to others and to make people feel at ease, even in difficult situations.**

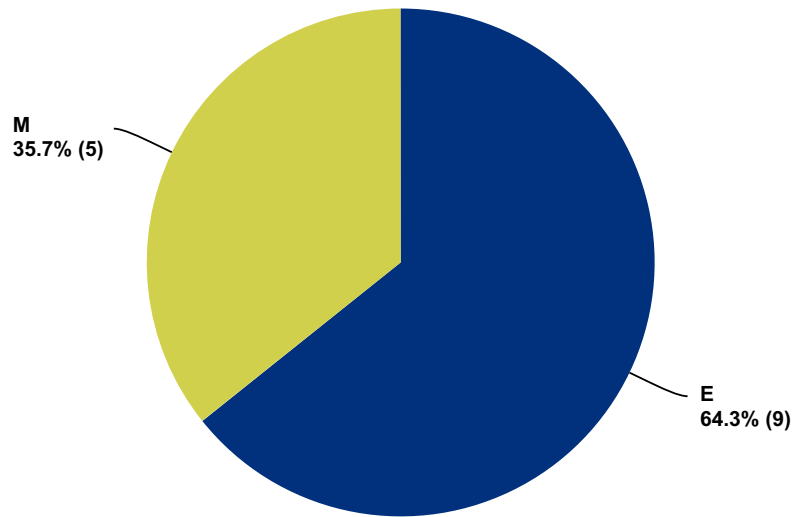
Answered: 14 Skipped: 0



Answer Choices	Responses
E	78.6% 11
M	14.3% 2
AG	0.0% 0
NA	7.1% 1
<b>Total</b>	<b>14</b>

**Q2 Ability to gain the trust and confidence of the public; fosters contact and cooperation among citizens, community organizations and other government agencies.**

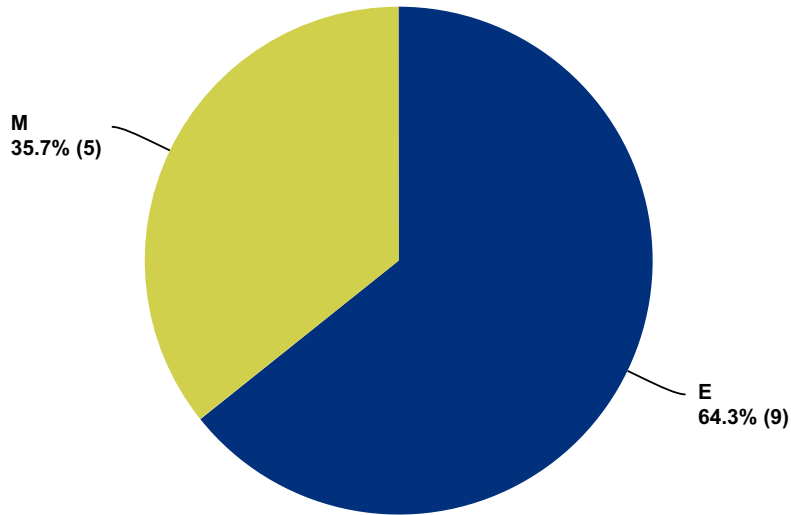
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	64.3%	9
M	35.7%	5
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

### Q3 Fosters cooperative communication and positive working relationships with the Board.

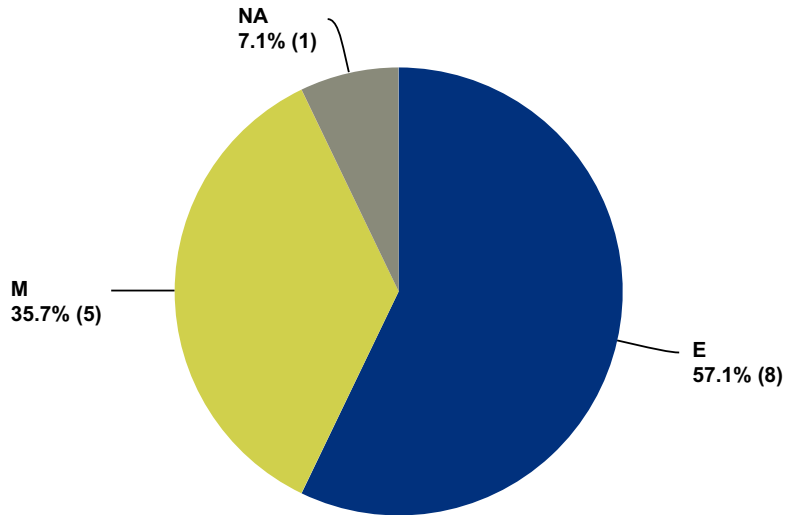
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	64.3%	9
M	35.7%	5
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

**Q4 Skilled in negotiation techniques in a variety of scenarios – employee, Board, public, interagency, outside entities.**

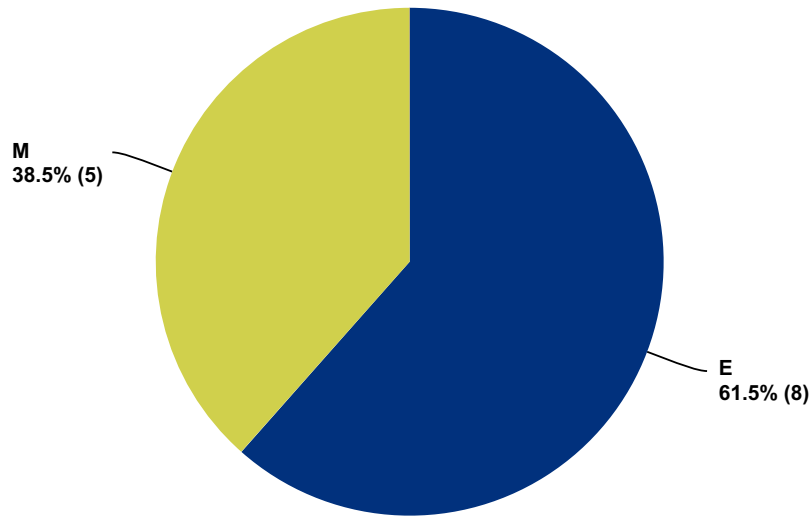
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	57.1%	8
M	35.7%	5
AG	0.0%	0
NA	7.1%	1
<b>Total</b>		<b>14</b>

### Q5 Demonstrates sensitivity to individuals and groups, as appropriate.

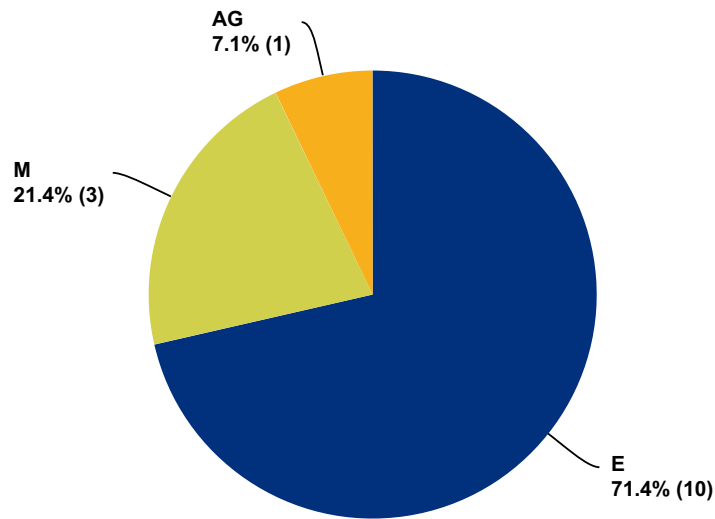
Answered: 13 Skipped: 1



Answer Choices	Responses	
E	61.5%	8
M	38.5%	5
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>13</b>

### Q6 Is forthright and honest in all relationships.

Answered: 14 Skipped: 0



Answer Choices	Responses	
E	71.4%	10
M	21.4%	3
AG	7.1%	1
NA	0.0%	0
<b>Total</b>		<b>14</b>

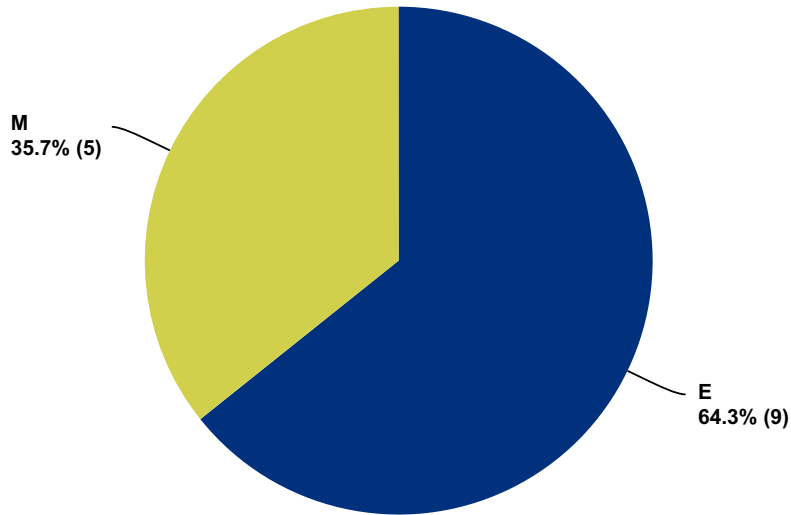
**Q7 Do you have any other comments, questions, or concerns?**

Answered: 5 Skipped: 9

#	Responses	Date
1	Great organizational leadership and fiscal responsibility. Would like to see more involvement at development review hearings & more outreach on water storage increase as part of TROA	9/7/2016 9:34 AM
2	Skilled leader especially during challenging periods	9/6/2016 8:47 AM
3	I could not be more pleased with Mr. Foree's performance as the GM of TMWA	9/2/2016 9:25 AM
4	I am one of the recently retired executives. Thus, I have no reason not to be extremely candid in my comments regarding Mark's performance. I found him to be a great leader -- he did not micromanage, and yet ensured all of the initiatives undertaken were satisfactorily completed. He listens. He asks for advice and feedback. He works towards group consensus, but is not afraid to make the final decision based on the group's input if there is not group agreement. He ensures the most important projects are moving forward and does not get bogged down in the details - - rather letting his staff do their jobs and work on the completion of initiatives. My fifteen years at TMWA were a joy, in no small part due to Mark's leadership.	8/30/2016 6:55 PM
5	Mark is a very good leader. Self starter. Able to complete tasks in a timely fashion. Great management skills.	8/30/2016 10:48 AM

### Q8 Supports and manages in accordance with identified TMWA values and Board priorities.

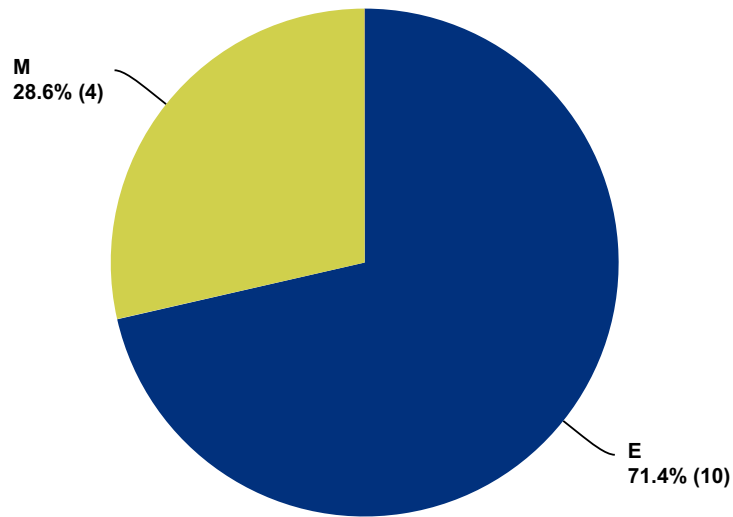
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	64.3%	9
M	35.7%	5
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

**Q9 Uses sound judgment in decision making; seeks out all relevant and necessary data, makes decisions in a timely manner.**

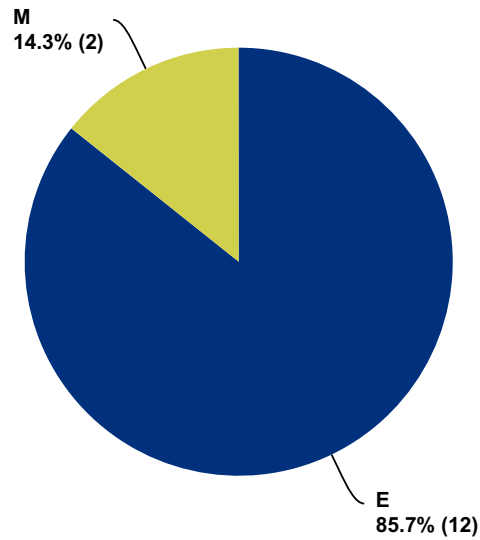
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	71.4%	10
M	28.6%	4
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

### Q10 Directs utilization of TMWA resources effectively.

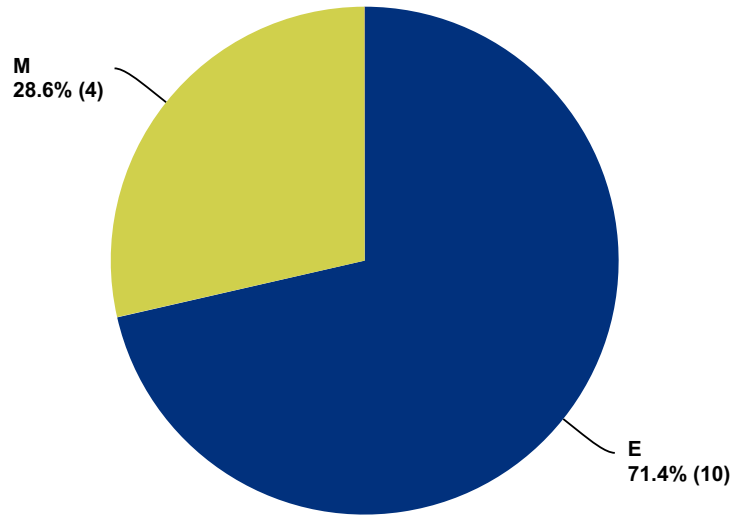
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	85.7%	12
M	14.3%	2
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

**Q11 Crises and/or emergencies are handled in an effective, efficient, and professional manner.**

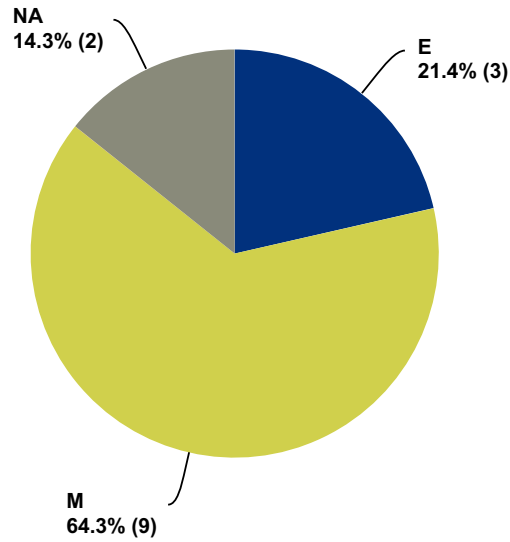
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	71.4%	10
M	28.6%	4
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

**Q12 Stays current on management practices and techniques and seeks to increase his/her value to TMWA.**

Answered: 14 Skipped: 0



Answer Choices	Responses	
E	21.4%	3
M	64.3%	9
AG	0.0%	0
NA	14.3%	2
<b>Total</b>		<b>14</b>

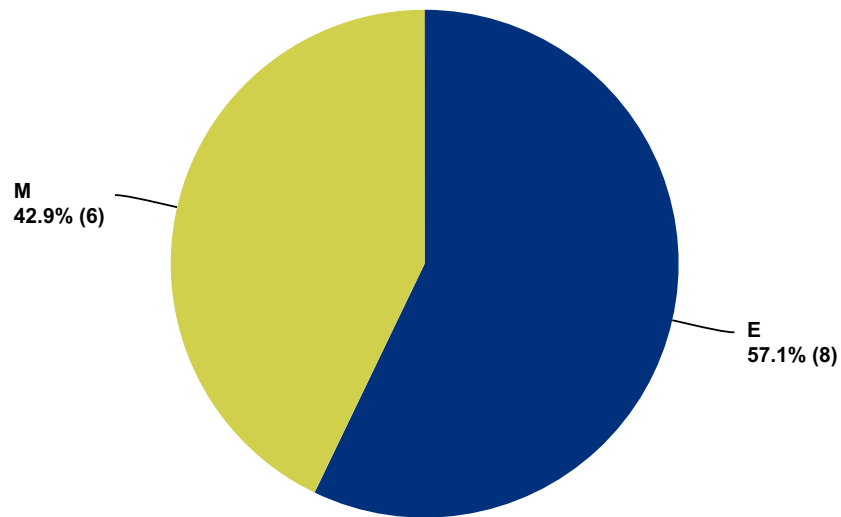
**Q13 Do you have any other comments, questions, or concerns?**

Answered: 3 Skipped: 11

#	Responses	Date
1	Seeks out all relevant information prior to making critical decisions.	9/6/2016 8:49 AM
2	TMWA is a well run and efficient organization due in large part to the leadership culture that Mark encourages.	9/1/2016 3:52 PM
3	No	8/30/2016 10:44 AM

### Q14 Participates with Board and Staff in strategic planning.

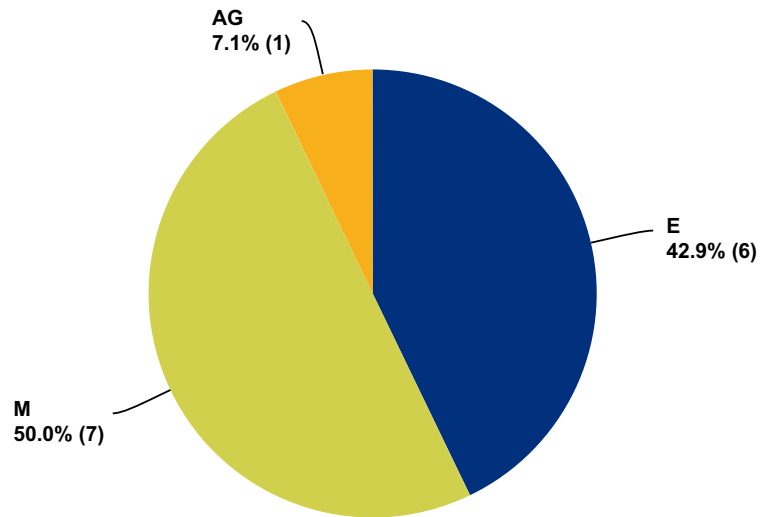
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	57.1%	8
M	42.9%	6
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

**Q15 Links goals to Board priorities; sets objectives for performance and manages toward those objectives.**

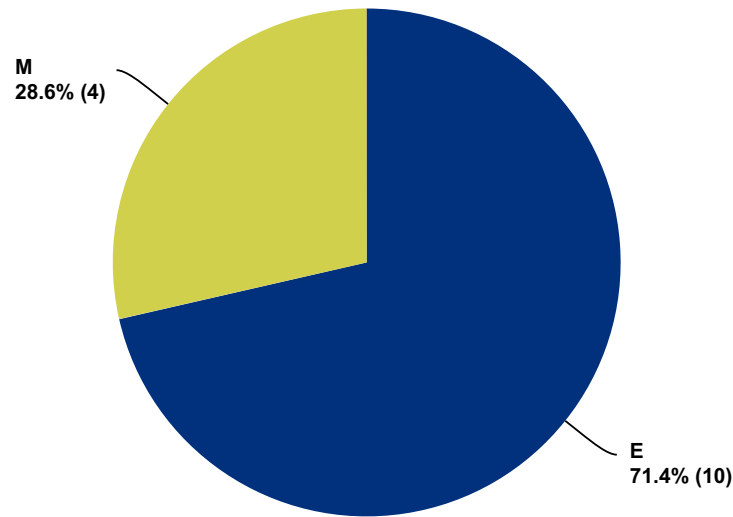
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	42.9%	6
M	50.0%	7
AG	7.1%	1
NA	0.0%	0
<b>Total</b>		<b>14</b>

**Q16 Receptive to new ideas, suggestions and approaches to make our community a better place. Exhibits a short-term and long-term forward-thinking approach to the State of TMWA.**

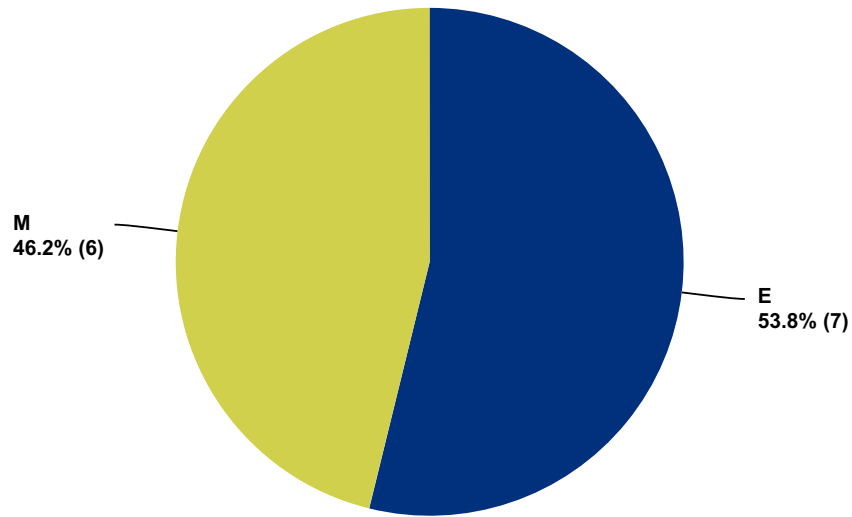
Answered: 14 Skipped: 0



Answer Choices	Responses	Count
E	71.4%	10
M	28.6%	4
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

**Q17 Receptive to a changing environment.**

Answered: 13 Skipped: 1



Answer Choices	Responses	
E	53.8%	7
M	46.2%	6
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>13</b>

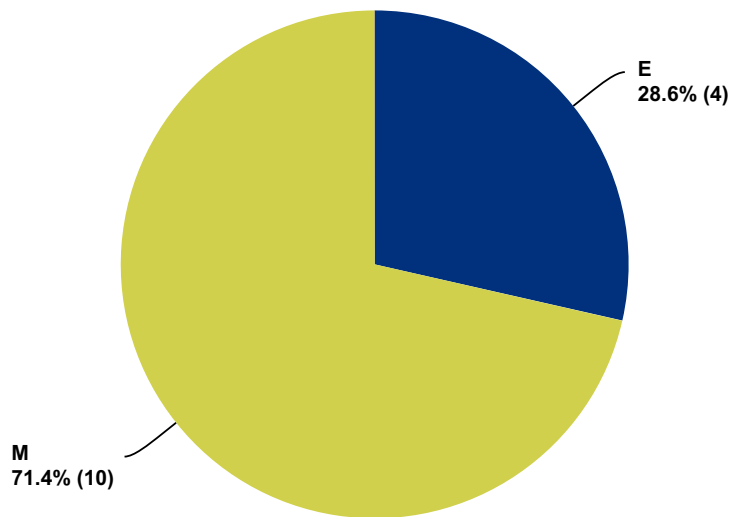
**Q18 Do you have any other comments, questions, or concerns?**

Answered: 3 Skipped: 11

#	Responses	Date
1	With consideration given to the water utility merger implementation of TROA, integration of Fish Springs Ranch, and acquisition of Donner Lake assets from TCID is reflective of deep strategic thinking while keeping the TMWA Board informed on these developments.	9/6/2016 8:53 AM
2	Mark fosters a collaborative, team environment which encourages new ideas and approaches.	9/1/2016 3:54 PM
3	No	8/30/2016 10:44 AM

**Q19 Verbal Communication Skills – Good command of oral expression; expresses ideas clearly and concisely; easily comprehends ideas expressed by others; ability to explain and understand difficult and complex subjects.**

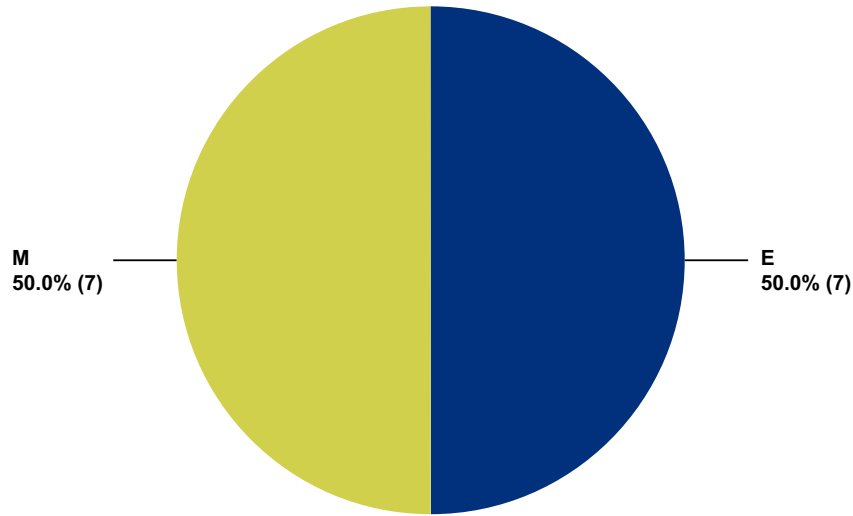
Answered: 14 Skipped: 0



Answer Choices	Responses	Count
E	28.6%	4
M	71.4%	10
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

**Q20 Written Communications Skills – Good command of written expression; expresses ideas clearly and concisely; easily comprehends ideas expressed by others; ability to explain and understand difficult and complex subjects through written media.**

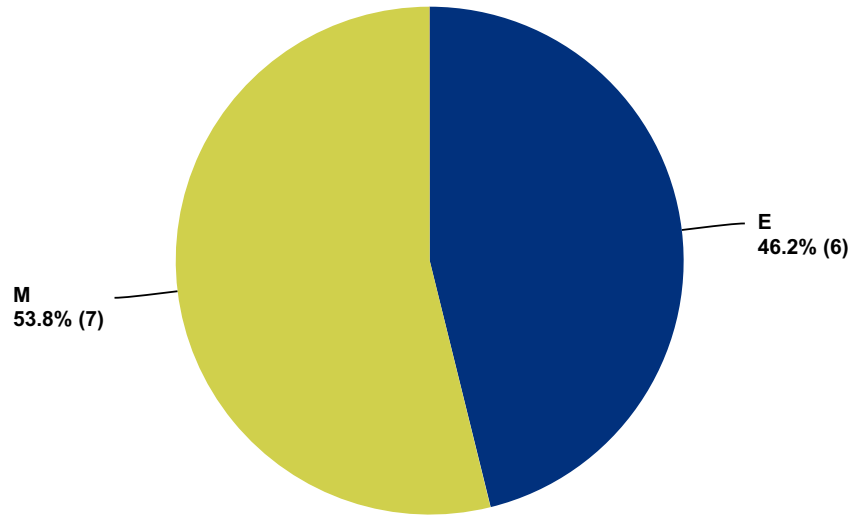
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	50.0%	7
M	50.0%	7
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

**Q21 Presentation Skills – Ability to present effective, quality presentations in public settings appealing to a variety of audiences.**

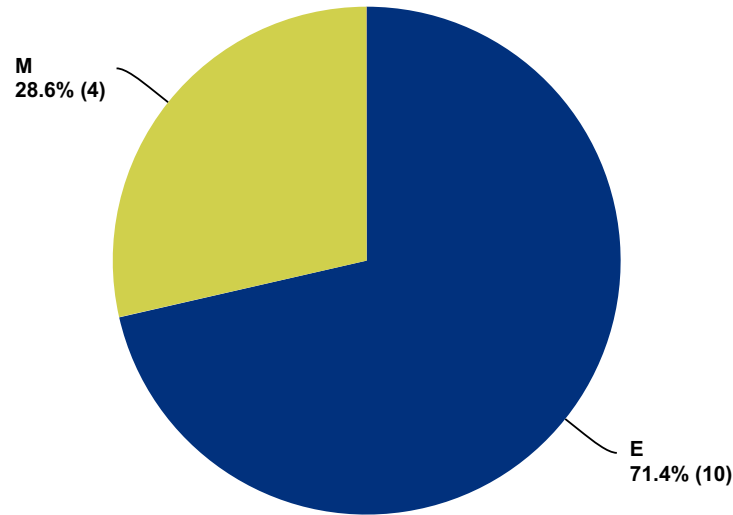
Answered: 13 Skipped: 1



Answer Choices	Responses	
E	46.2%	6
M	53.8%	7
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>13</b>

**Q22 Ability to utilize appropriate media for communication – TV, radio, newspaper, group interaction, individual meetings.**

Answered: 14 Skipped: 0



Answer Choices	Responses	
E	71.4%	10
M	28.6%	4
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

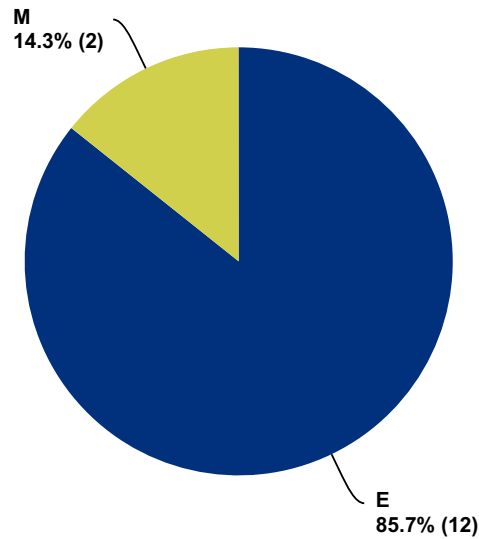
**Q23 Do you have any other comments, questions, or concerns?**

Answered: 2 Skipped: 12

#	Responses	Date
1	None	9/6/2016 8:54 AM
2	No	8/30/2016 10:44 AM

**Q24 Knowledgeable, effective and efficient use of authority granted to the General Manager by the Cooperative Agreement, by Board Resolution, and by the TMWA Board and respectful of the delegation of powers described in Board Resolutions.**

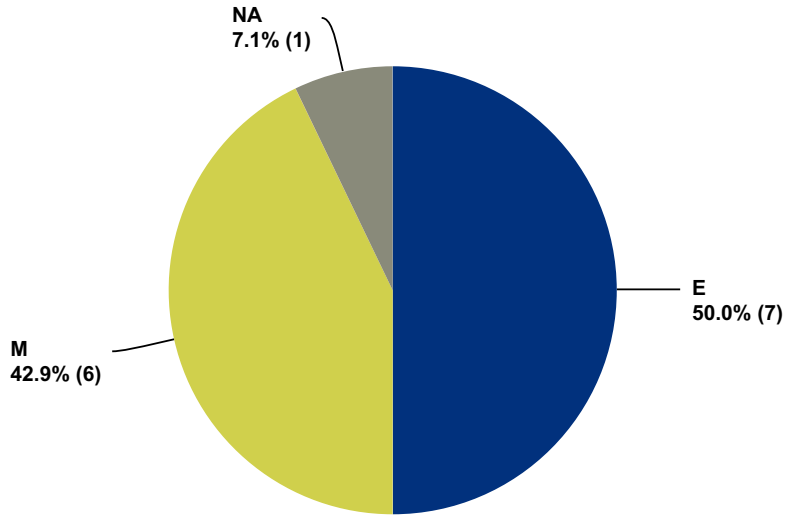
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	85.7%	12
M	14.3%	2
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

**Q25 Setting the Agenda for the TMWA Board Meetings: presenting issues for consideration by the Board in a timely manner; creating logical sequence for items to be considered.**

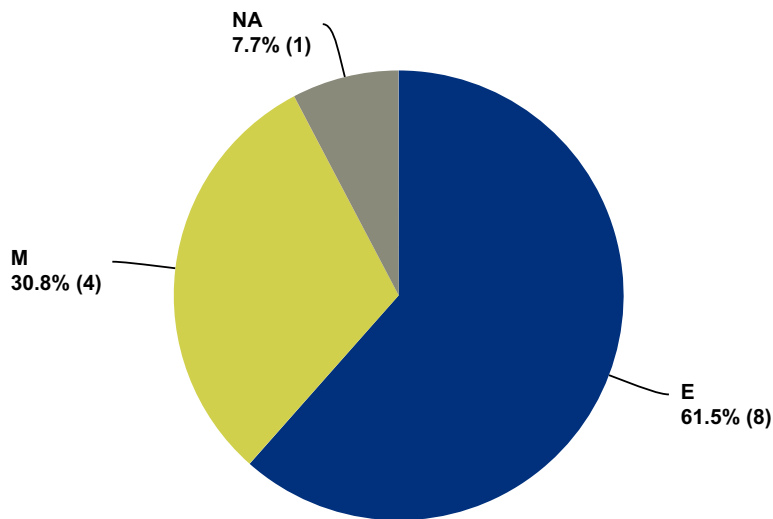
Answered: 14 Skipped: 0



Answer Choices	Responses
E	50.0% 7
M	42.9% 6
AG	0.0% 0
NA	7.1% 1
<b>Total</b>	<b>14</b>

**Q26 Preparation of Materials for Board Meeting: Materials explanatory to the Board, with the pertinent facts and analysis for the Board to make informed decisions; materials available for the general public to review and understand.**

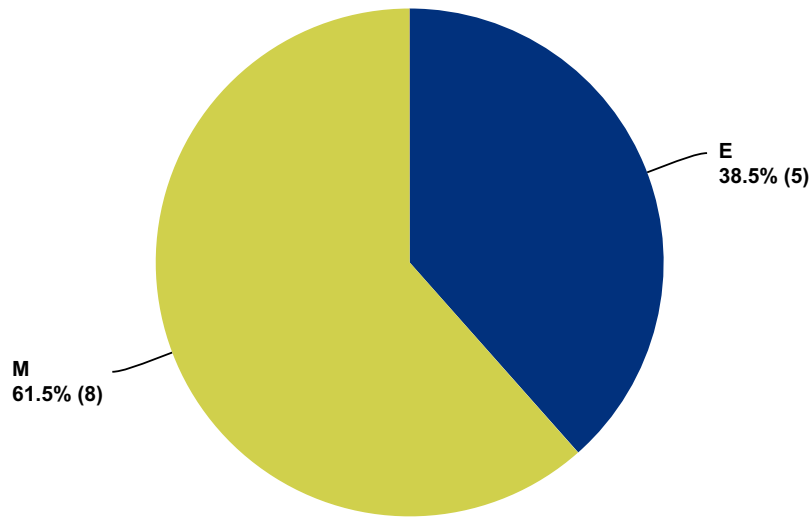
Answered: 13 Skipped: 1



Answer Choices	Responses	
E	61.5%	8
M	30.8%	4
AG	0.0%	0
NA	7.7%	1
<b>Total</b>		<b>13</b>

**Q27 Conduct of TMWA Board Meetings:  
Initiates responses to issues and concerns  
that the Board and/or public poses;  
contributes positively to Board  
deliberations.**

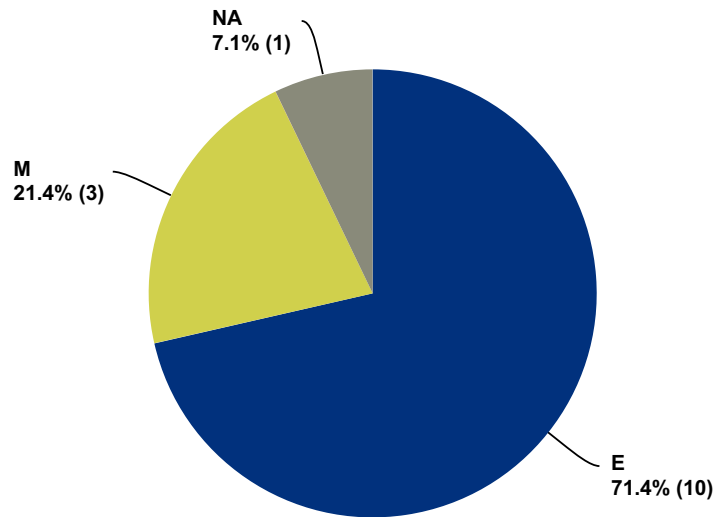
Answered: 13 Skipped: 1



Answer Choices	Responses	
E	38.5%	5
M	61.5%	8
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>13</b>

**Q28 Ability to delegate authority, granting proper authority at the proper times; sound judgment in the evaluation of when delegation is appropriate.**

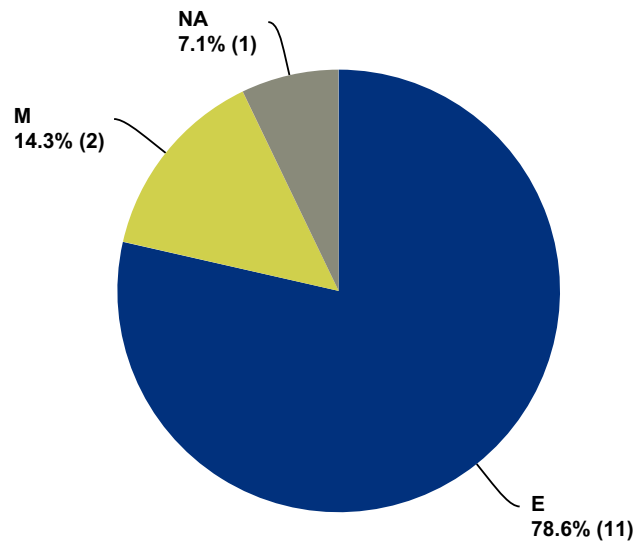
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	71.4%	10
M	21.4%	3
AG	0.0%	0
NA	7.1%	1
<b>Total</b>		<b>14</b>

**Q29 Utilizes a positive approach to direct work efforts of staff.**

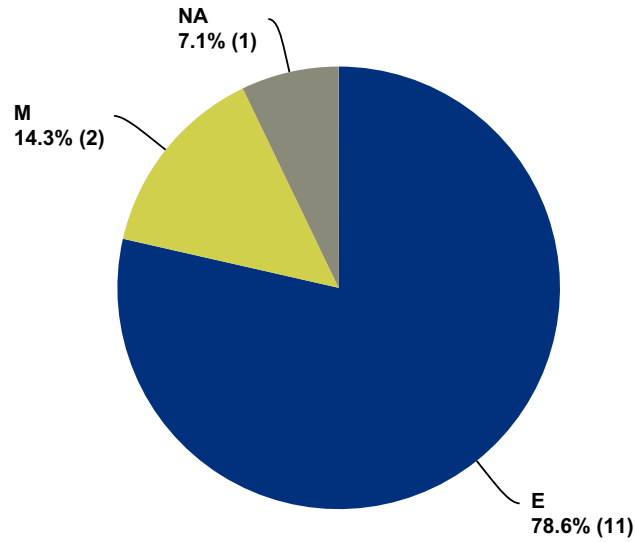
Answered: 14 Skipped: 0



Answer Choices	Responses	
E	78.6%	11
M	14.3%	2
AG	0.0%	0
NA	7.1%	1
<b>Total</b>		<b>14</b>

**Q30 Encourages and rewards initiative and promotes effective Human Resources programs and values.**

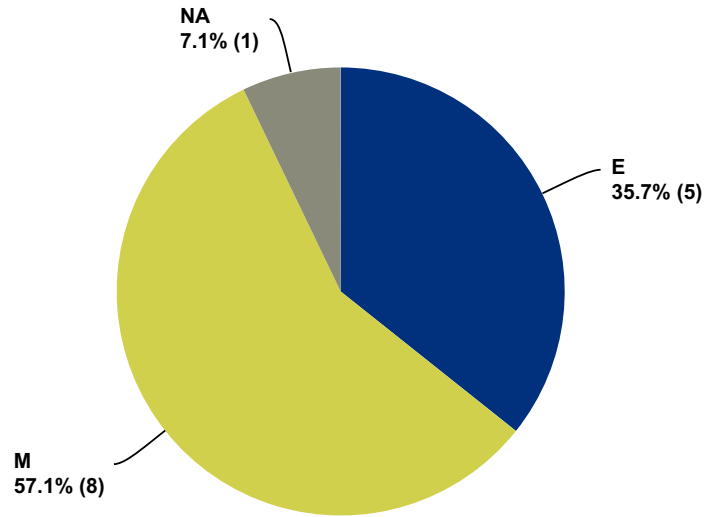
Answered: 14 Skipped: 0



Answer Choices	Responses
E	78.6% 11
M	14.3% 2
AG	0.0% 0
NA	7.1% 1
<b>Total</b>	<b>14</b>

**Q31 Utilizes effective project management techniques. Completes projects agreed upon with Board within given time frame.**

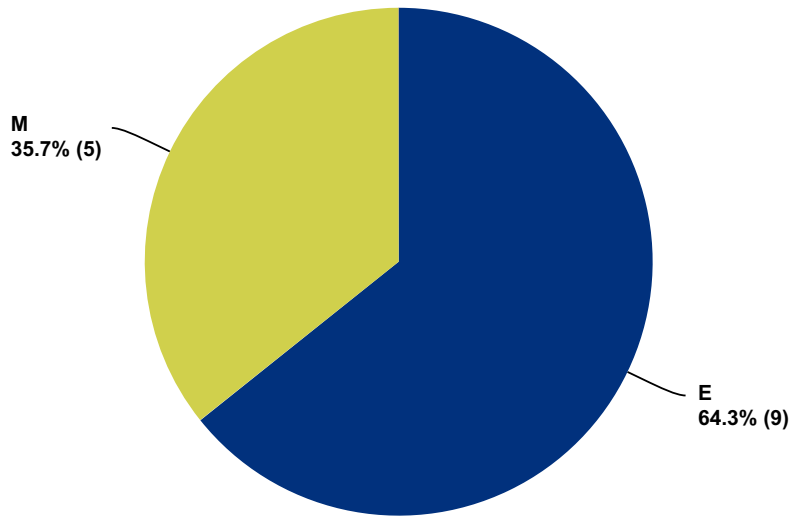
Answered: 14 Skipped: 0



Answer Choices	Responses
E	35.7% 5
M	57.1% 8
AG	0.0% 0
NA	7.1% 1
<b>Total</b>	<b>14</b>

### Q32 Promotes cohesive teamwork with the Senior Management Team.

Answered: 14 Skipped: 0



Answer Choices	Responses	
E	64.3%	9
M	35.7%	5
AG	0.0%	0
NA	0.0%	0
<b>Total</b>		<b>14</b>

**Q33 Do you have any other comments, questions, or concerns?**

Answered: 3 Skipped: 11

#	Responses	Date
1	Maintains strong relationship with management team which is reflected by the organizations overall performance.	9/6/2016 8:56 AM
2	TMWA culture promotes cohesive teamwork with the entire Management Team, Mark provides staff the latitude and responsibility to perform their jobs in a professional manner. He stays informed of the important details, but does not micro manage.	9/1/2016 4:01 PM
3	No	8/30/2016 10:44 AM

### Q34 What you are most pleased with in the General Manager's performance?

Answered: 14 Skipped: 0

#	Responses	Date
1	I think that his calm demeanor is a good leadership quality and that he emphasizes data driven decision making.	9/13/2016 8:49 AM
2	Provides direction and allows staff to determine the means and methods without micro managing.	9/12/2016 6:58 AM
3	Has a great staff and effectively manages the entire organization.	9/8/2016 6:39 AM
4	Logical thinker; cool, calm and collected demeanor and attitude; thinks things through as a team; acts appropriately.	9/7/2016 1:56 PM
5	See previous comments	9/7/2016 9:39 AM
6	I like that he has an open door policy and is always willing to listen. He really strives for a positive work environment and leads by example in that regard.	9/6/2016 1:49 PM
7	He has an amazing understanding of all aspects of the business, from customer service, to finance, to operations.	9/6/2016 12:29 PM
8	Steady and contemplative approach to many challenges facing TMWA. Makes sound and well informed decisions.	9/6/2016 9:02 AM
9	TMWA has the highest approval rating of any agency in the region. I believe this is a direct result of Mr. Foree's leadership in the organization.	9/2/2016 9:29 AM
10	Mark instills a culture of teamwork and excellence, and a "business" approach (compared to bureaucratic) towards customer service, level of service and cost efficiency.	9/1/2016 4:17 PM
11	Mark knows how to get the best out of his staff -- from his direct reports all the way to temporary employees. He is recognized by field employees and employees who do not work in the main office for his willingness to meet them at their workplaces; this includes donning a hardhat at a jobsite, showing up at a 4 am shift change at the water treatment plant, and stopping on the weekend to visit with hydroelectric plant employees. Mark also focuses on the most important areas for TMWA's success and doesn't let himself get dragged into minute details -- letting his senior managers do their jobs and ensure their areas are running smoothly.	8/30/2016 7:12 PM
12	Overall knowledge of the company. Very good leader. Works well with staff and board.	8/30/2016 10:44 AM
13	Listens to staff. Seeks staff input on more difficult issues. Lets management team do what they are hired to do.	8/30/2016 9:35 AM
14	Mark places a lot of trust in his staff and he provides support when appropriate or necessary.	8/29/2016 2:40 PM

**Q35 What areas for growth would you like to see? Please provide specific suggestions on how the General Manager may improve the areas for growth?**

Answered: 9 Skipped: 5

#	Responses	Date
1	I would like the GM to become more familiar with the regional plan and jurisdictional master plans to better link up TMWA operations as an implementing agent of these policy documents.	9/13/2016 8:49 AM
2	None at this time.	9/12/2016 6:58 AM
3	TMWA employees enjoy talking/meeting with Mark - and like to discuss what they're doing with him - so Schedule/make additional time (when possible) to interact with all 200+ TMWA employees.	9/7/2016 1:56 PM
4	See previous comments	9/7/2016 9:39 AM
5	Continue to move TMWA into the realm of the regional water purveyor and water resource manager. Assist in dissolving the Western Regional Water Commission and redirect efforts of the Northern Nevada Planning Commission TO CONCENTRATE FRAGMENTED WATER RESOURCE MANAGEMENT AND PLANNING. Move the Washoe County Remediation District under TMWA.	9/6/2016 9:02 AM
6	The last few years have been hugely successful for TMWA and the community as a whole, with the mergers, TROA implementation, Donner Lake acquisition, etc. What's next?! Let's identify the next high priorities and take them on!	9/1/2016 4:17 PM
7	Mark is aware that public presentations are an area that require an extra effort from him. He does a very good job practicing for important presentations, and I am sure he will continue to do so going forward. With every presentation, he gets more comfortable. Even though the audience may not notice that Mark does not enjoy this activity, he can continue to gain confidence by maintaining focus on this area. I would also like to see Mark work with the Board on a multi-year rate adjustment -- perhaps even an annual increase based on CPI that could be cancelled for a given year at the discretion of the Board. This type of adjustment would save hundreds of hours of staff time in preparing detailed studies and communicating and holding multiple public meetings every time a rate increase is proposed, as this would only need to take place when this proposal is first reviewed and periodically thereafter. It would also ensure financial stability as the Board and staff move forward with the next bond refinancing.	8/30/2016 7:12 PM
8	None	8/30/2016 10:44 AM
9	No suggestions at this time.	8/29/2016 2:40 PM

### Q36 Comments related to General Manager's accomplishments for FY2016:

Answered: 9 Skipped: 5

#	Responses	Date
1	He has completely or is currently working on his goals for the previous year.	9/8/2016 6:40 AM
2	Organization is on a good track. Keep it rolling that way.	9/7/2016 1:56 PM
3	It really was a banner years for TMWA with the TROA implementation, debt refinancing, and Donnor Lake purchase. Mark's guidance was essential to these achievements.	9/6/2016 12:31 PM
4	Excellent job leading TMWA through a transformative and very successful year.	9/6/2016 9:03 AM
5	Impressive! TMWA's accomplishments speak for themselves.	9/1/2016 4:18 PM
6	I thought Mark did a great job accomplishing a multitude of goals in FY16, especially considering that 3 of us senior leaders retired within a month of each other this past summer. In addition to ensuring all initiatives moved forward, he presided over a very smooth transition for all affected areas.	8/30/2016 7:14 PM
7	Good	8/30/2016 10:44 AM
8	TROA implementation; purchase of Donner Lake; transition of management team due to senior leadership retirements.	8/30/2016 9:37 AM
9	An impressive list of accomplishments that serves as a testament to Mark's leadership capabilities and the skills/expertise of the entire leadership team.	8/29/2016 2:47 PM

**Q37 Board Member suggested General Manager goals for FY2017:**

Answered: 4 Skipped: 10

#	Responses	Date
1	Outreach on water storage/availability as it relates to growth.	9/7/2016 9:40 AM
2	N/A for this review	9/6/2016 9:03 AM
3	Keep good control of water rates and customer service.	8/30/2016 10:44 AM
4	Monitor 2017 legislative session.	8/30/2016 9:37 AM



## STAFF REPORT

**TO:** Board of Directors  
**FROM:** Mark Foree, General Manager  
**DATE:** September 12, 2016  
**SUBJECT:** **Board requested salary adjustment data for other local agency managers, executive directors or CEOs**

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At the August TMWA Board meeting the Board requested salary adjustment data from other local agencies for their manager/executive director/CEO for the last 5-years.

Letters requesting the information were emailed to: Truckee Meadows Flood Management Authority, Reno-Sparks Convention and Visitor Authority, City of Sparks, Regional Transportation Commission (RTC), Reno-Tahoe Airport Authority, Truckee Meadows Regional Planning Agency, Washoe County, City of Reno. Of the eight letters sent, four responses were received and those responses are attached.

Friday, August 19, 2016

<Local Agency Name>

**Subject:** Executive Director and (city or county) Manager compensation data requested

Dear Mr./Ms.,

The Board of Directors of the Truckee Meadows Water Authority (TMWA) has requested compensation data from your agency for local Executive Directors and City/County Managers as follows:

- Salary adjustments (percent increase in salary) for each of the last 5 years
- Lump sum awards, if any, for each of the last 5 years
- Current salary of Executive Director or City/County Manager

Please provide this information to the address listed below by September 2, 2016.

Rosalinda Rodriguez  
Human Resources Department  
Truckee Meadows Water Authority  
1355 Capital Blvd.  
Reno, NV 89502

Or email to [rrodriguez@tmwa.com](mailto:rrodriguez@tmwa.com)

Phone: 775-834-8294

The TMWA Board appreciates your assistance in this matter.

Sincerely,

Geno Martini  
Sparks Mayor and TMWA Chairman  
Friday, August 19, 2016

City of Sparks: Steve Driscoll, City Manager

CEO Salary Survey - As of May 4, 2016, 2015; Values As of July of 2016 used where known (i.e. for Carson City)

	City of Sparks	Washoe County	Reno	Carson City	TMWA	RTC
<b>Base Salary</b>	\$ 197,600	\$ 216,861	\$ 195,770	\$ 174,274	\$ 177,590	\$ 208,853
<b>PERS</b>	\$ 57,231	\$ 61,547	\$ 55,912	\$ 48,787	\$ 51,277	\$ 58,479
<b>Car Allowance</b>	\$ 7,281	\$ 7,200	\$ 6,000	\$ 3,900	\$ 9,000	\$ 6,000
<b>Cell Phone/PDA Allowance</b>	\$ 900	\$ 900	\$ 960	\$ 960	\$ 1,800	\$ 1,200
<b>Agency Paid Deferred Compensation</b>	\$ 11,500	\$ -	\$ 9,527	\$ -	\$ 12,718	\$ 10,000
<b>Bonus/Longevity</b>	\$ 6,798	\$ 2,950	\$ 3,915	\$ -	\$ -	\$ -
<b>Health Insurance</b>	\$ 25,459	\$ 19,489	\$ 20,415	\$ 13,924	\$ 13,017	\$ 17,210
<b>Total:</b>	\$ 306,769	\$ 308,947	\$ 292,498	\$ 241,845	\$ 265,402	\$ 301,741
<b>Percentage of Healthcare Premiums Paid By Agency</b>	100%	50% Dependent	100%	50% Dependent	55% Dependent	50% Dependent

Sparks Total Comp                   \$   **306,769**  
Average Total Comp for Agencies   \$   **282,087**  
  **9%**

- \* All Health Insurance Premiums are the Employer Contribution for the Employee Family on a PPO Plan
- \* Some contracts may include a health physical; however no dollar value is specified and the rates vary significantly, so this is not used
- \*\* Reno has a bonus of up to 2% per year which is listed, but it can vary depending upon what is granted by Council.
- \*\*\* Douglas County is between County Managers and will negotiate a contract once a new candidate is made an offer of employment. Therefore, they are not included in this year's survey.

**JOHN SLAUGHTER - WASHOE COUNTY MANAGER**  
**SALARY and BENEFITS HISTORY**  
**(11/12/13 - Present)**

Effective Date From	Effective Date To	Hr. Rate	Annual Salary	% Increase	% Decrease	Range	Miscellaneous Notes
7/27/2015	Present	\$104.26	\$216,860.80		1.125%	M105	1.125% PERS Contribution Rate Adjustment Change from 25.75% to 28.00% for PERS Regular Members
7/1/2015	7/26/2015	\$105.45	\$219,336.00	3.00%		M105	3% COLA per the BCC on 08/11/15; Agenda Item #13
1/1/2015	6/30/2015	\$102.38	\$212,950.40	1.00%		M105	1% COLA per the BCC on 06/17/14; Agenda Item #10.I.4
10/28/2014	12/31/2014	\$101.37	\$210,849.60	5.00%		M105	5% Merit Increase per the BCC on 10/28/14; Agenda Item #34
7/1/2014	10/27/2014	\$96.54	\$200,803.20	1.50%		M105	1.5% COLA per the BCC on 06/17/14; Agenda Item #10.I.4
1/1/2014	6/30/2014	\$95.11	\$197,828.80	1.00%		M105	1% COLA per the BCC on 09/24/13; Agenda Item #18
11/12/2013	12/31/2013	\$94.17	\$195,873.60			M105	County Manager per BCC on 11/12/13; Agenda Item #33 (Employment Agreement 11/12/13 - 06/30/15)

Year	Term of Employment Agreement
2015	10/28/14 - 10/28/18
2014	10/28/14 - 10/28/18
2013	11/12/13 - 06/30/15

**Bonus**

Yearly \$ Amount	Miscellaneous Notes
2015 = \$9,000	May provide lump-sum bonus; Employment Agreement (10/28/14 - 10/28/18 - Section 4Bc) - \$9,000 on 12/13/15
2014 = \$0	May provide lump-sum bonus; Employment Agreement (10/28/14 - 10/28/18 - Section 4Bc)
2013 = \$0	May provide lump-sum bonus; Employment Agreement (11/12/13 - 06/30/15 - Section 4Bc)

**Car Allowance**

Yearly \$ Amount	Miscellaneous Notes
2016 = \$4,800 *	* As of Pay Period #17/16 (9 months x \$600 = \$5,400)
2015 = \$7,200	\$600 month Car Allowance (Employment Agreement 10/28/14 - 10/28/18)
2014 = \$7,200	\$600 month Car Allowance (Employment Agreement 10/28/14 - 10/28/18)
2013 = \$600	\$600 month Car Allowance approved by BCC on 11/12/13 (Employment Agreement 11/12/13 - 06/30/15)

**Cell Phone Allowance**

Yearly \$ Amount	Miscellaneous Notes
2016 = \$0	Employer provides cellular phone and monthly cellular plan w/ phone, text, and data capability
2015 = \$0	Employer provides cellular phone and monthly cellular plan w/ phone, text, and data capability
2014 = \$0	Employer provides cellular phone and monthly cellular plan w/ phone, text, and data capability
2013 = \$0	Employer provides cellular phone and monthly cellular plan w/ phone, text, and data capability

**Longevity**

Yearly \$ Amount	Miscellaneous Notes
2016 = \$2,950	\$1,450 Semi-Annual Installment on 06/01/16 & \$1,500 on 12/01/16 for a total of \$2,950
2015 = \$2,850	\$1,400 Semi-Annual Installment on 06/01/15 & \$1,450 on 12/01/15 for a total of \$2,850
2014 = \$2,750	\$1,350 Semi-Annual Installment on 06/01/14 & \$1,400 on 12/01/14 for a total of \$2,750
2013 = \$2,650	\$1,300 Semi-Annual Installment on 06/01/13 & \$1,350 on 12/01/13 for a total of \$2,650



# TRUCKEE RIVER FLOOD MANAGEMENT AUTHORITY

August 22, 2016

**Directors**

Ron Smith, Chair  
Vaughn Hartung, Vice Chair  
David Bobzien  
Bob Lucey  
Geno Martini  
Paul McKenzie

**Executive Director**

Jay Aldean, P.E.

**General Counsel**

Michael Wolz

Ms. Rosalinda Rodriguez  
Human Resources Department  
Truckee Meadows Water Authority  
1355 Capital Blvd.  
Reno, NV 89502

Re: Executive Director Compensation Data

Dear Ms. Rodriguez,

As the Human Resources Representative for TRFMA, I am happy to comply with the TMWA Board of Directors' request for compensation data regarding our Executive Director. Please note that although data was requested for the last five years, our Executive Director has only been in place for a little over four years so our response is for that time period.

1. Jay Aldean was hired as Executive Director of TRFMA on May 22, 2012 at a negotiated salary of \$147,992. Mr. Aldean's salary adjustments coincide with those of Washoe County's Management/Classified employees and have been as follows:
  - a. 1% increase in July 2013
  - b. 1% increase in January 2014
  - c. 1.5% increase in July 2014
  - d. 1% increase in January 2015
  - e. 3% increase on July 1, 2015
  - f. 1.12% decrease on July 27, 2015 to cover one half of the PERS contribution increase paid by Washoe County
2. There have been no lump sum awards to Mr. Aldean.
3. Current salary for Mr. Aldean is \$157,622 annually plus a cell phone allowance of \$100 per month.

Please let me know if I can be of any other assistance.

Sincerely,

A handwritten signature in blue ink that reads "Laura J. Bayer".

Laura J. Bayer  
Administrative Assistant II

/ljb

Reno-Sparks Convention and Visitor Authority  
Executive Director Salary

Here is the information you requested, but please let me know if you need further clarification.

Interim CEO 2/2011-1/2012 \$193,200

President CEO starting salary at 1/2012 \$225,000

President CEO 2% increase 7/1/2013 salary \$229,500

President CEO 2% increase 7/1/2014 salary \$234,083

President CEO \$20,000 bonus 3/2013

President CEO \$11,250 bonus 9/2013

President CEO \$36,720 bonus 10/2014

President CEO \$9,363 bonus 10/2015

Current Interim Managing Director \$147,867



Arthur J. Gallagher & Co.

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August 24, 2016

Jessica Atkinson, HR Manager  
Truckee Meadows Water Authority  
P.O. Box 30013  
Reno, NV 89520

Dear Ms. Atkinson:

As requested, we have completed a supplemental compensation analysis for the position of General Manager to determine competitive compensation levels based on TMWA's defined labor market.

This analysis utilizes the same methodology and data sources as TMWA's 2016 compensation analysis (currently in progress). Specifically, all salary comparisons have been adjusted to reflect the Reno, NV labor market using geographic cost of labor differentials obtained from the Economic Research Institute (ERI), and all salary comparisons have been made against the market 60<sup>th</sup> percentile. In addition, the summary salary range reflects the actual achievable salary in the labor market, and does not reflect any supplemental performance-based compensation programs.

This letter outlines our findings and considerations for the competitive market analysis. A detailed market pricing worksheet containing all market compensation data is provided as an attachment to this memo.

We appreciate having the opportunity to assist you with this analysis. Should you have any questions of need additional information, please call me at 612-501-1122.

Sincerely,

A handwritten signature in black ink, appearing to read "Devin Grdinic", with a horizontal line underneath.

Devin Grdinic, M.A., CCP

Cc: Bruce Lawson  
Managing Director

Gallagher Benefit Services, Inc.  
P.O. Box 32985  
Phoenix, AZ 85064-2985

p 602.840.1070  
f 602.840.1071  
ajg.com

## **FINDINGS & CONSIDERATIONS**

Following is a summary of the competitive market data for the position of General Manager at the market 60<sup>th</sup> percentile:

### **Competitive Salary Range (60<sup>th</sup> percentile)**

Minimum:	\$200,221
Midpoint:	\$214,155
Maximum:	\$220,630

The market data indicates a maximum achievable base salary for the position of \$220,630, which includes geographic adjustments for the Reno market. Depending on prevailing market conditions, job performance, and similar incumbent-specific factors, compensation for individuals performing similar work would normally fall between the range presented above.

It is important to note that the effective salary range for the General Manager role is narrower than what is typically found for other roles. This is due to many organizations using a negotiated salary rate that does not depend on a formal salary range.

Part No	Participant Name	Bench No	Benchmark Title	Job Match	RAW MARKET DATA			ADJUSTED MARKET DATA (TBD)			
					Minimum	Midpoint	Maximum	Geo Diff	Minimum	Midpoint	Maximum
1	Alameda County Water District	61	General Manager	General Manager	\$234,632	\$259,918	\$285,203	0.841	\$197,404	\$218,677	\$239,951
2	City of Anaheim	61	General Manager	Utilities General Manager	\$199,457	\$264,281	\$329,105	0.913	\$182,137	\$241,333	\$300,528
3	City of Chandler	61	General Manager	No Match	-	-	-	1.049	-	-	-
5	City of Henderson	61	General Manager	No Match	-	-	-	0.986	-	-	-
6	City of Mesa	61	General Manager	No Match	-	-	-	1.051	-	-	-
7	City of Reno	61	General Manager	No Match	-	-	-	1.000	-	-	-
8	City of Sacramento Main	61	General Manager	Director of Utilities	\$146,634	\$183,293	\$219,951	0.947	\$138,887	\$173,609	\$208,330
9	City of Scottsdale	61	General Manager	No Match	-	-	-	1.051	-	-	-
10	City of Sparks	61	General Manager	No Match	-	-	-	1.002	-	-	-
11	Contra Costa Water District	61	General Manager	General Manager (Flat Rate)	\$268,715	\$268,715	\$268,715	0.840	\$225,766	\$225,766	\$225,766
13	Helix Water District – San Diego	61	General Manager	General Manager (Flat Rate)	\$200,000	\$200,000	\$200,000	0.947	\$189,433	\$189,433	\$189,433
14	Las Vegas Valley Water Dist.	61	General Manager	General Manager (Flat Rate)	\$169,275	\$214,516	\$259,756	0.989	\$167,385	\$212,120	\$256,855
15	Marin Municipal Water District	61	General Manager	General Manager (Flat Rate)	\$241,140	\$241,140	\$241,140	0.797	\$192,189	\$192,189	\$192,189
16	NV Energy	61	General Manager	No Match	-	-	-	1.000	-	-	-
18	Regional Transportation Commis	61	General Manager	Executive Director	\$217,207	\$217,207	\$217,207	1.000	\$217,207	\$217,207	\$217,207
23	Sweetwater Authority	61	General Manager	General Manager (Flat Rate)	\$218,388	\$218,388	\$218,388	0.936	\$204,448	\$204,448	\$204,448
25	Washoe County	61	General Manager	No Match	-	-	-	1.000	-	-	-
26	Eastbay Mud	61	General Manager	General Manager (Old Flat Rate)	\$251,346	\$251,346	\$251,346	0.841	\$211,466	\$211,466	\$211,466
100	TMWA	61	General Manager	General Manager	\$146,830	\$168,855	\$190,879	1.000	\$146,830	\$168,855	\$190,879
<b>AVERAGE</b>					<b>\$214,679</b>	<b>\$231,880</b>	<b>\$249,081</b>		<b>\$192,632</b>	<b>\$208,625</b>	<b>\$224,617</b>
<b>50TH PERCENTILE (MEDIAN)</b>					<b>\$217,798</b>	<b>\$229,764</b>	<b>\$246,243</b>		<b>\$194,796</b>	<b>\$211,793</b>	<b>\$214,336</b>
<b>60TH PERCENTILE</b>					<b>\$224,886</b>	<b>\$245,222</b>	<b>\$254,710</b>		<b>\$200,221</b>	<b>\$214,155</b>	<b>\$220,630</b>
<b>75TH PERCENTILE</b>					<b>\$239,513</b>	<b>\$257,775</b>	<b>\$266,475</b>		<b>\$209,711</b>	<b>\$218,310</b>	<b>\$236,404</b>

## AMENDED AND RESTATED EMPLOYMENT AGREEMENT

### 1. PARTIES AND RECITALS

This Amended and Restated Employment Agreement ("Agreement") is entered into on October 15, 2014 ("Effective Date") by and between the Truckee Meadows Water Authority, by and through its duly constituted Board of Directors ("TMWA"), a political subdivision of the State of Nevada and a public entity organized pursuant to NRS 277.110, et. seq., and Mark Foree ("Foree"), collectively the "Parties", and amends and supersedes the Employment Agreement entered between the Parties dated October 17, 2012.

- 1.1 TMWA was formed to exercise powers, privileges and authorities to develop and maintain supplies of water for the benefit of the Truckee Meadows community;
- 1.2 TMWA desires to retain the services of Foree as General Manager;
- 1.3 Foree desires employment as General Manager of TMWA; and
- 1.4 The parties desire to enter into an agreement reflecting the terms and conditions under which Foree will be employed by TMWA as its General Manager.

NOW, THEREFORE, in consideration of their mutual covenants contained herein, TMWA and Foree agree as follows:

### 2. EMPLOYMENT

TMWA hereby employs Foree and Foree agrees to serve as the General Manager of TMWA to perform the functions and duties specified in Section 3 for the term specified in Section 5.

### 3. DUTIES/ESSENTIAL JOB FUNCTIONS

3.1 Foree agrees that during the Term of Employment (as defined in Section 5.1) he will hold the office of General Manager of TMWA reporting to TMWA's Board of Directors (the "Board"). Foree agrees to perform faithfully and to the best of his ability such duties and assignments relating to the business of TMWA as the Board of Directors of TMWA shall direct.

3.2 During the Term of Employment Foree shall, except during customary vacation periods and periods of illness, devote his business time and attention to the performance of his duties hereunder and to the business and affairs of TMWA and to promoting the best interests of TMWA. Foree shall not, either during or outside of normal business hours, engage in any activity inimical to the best interests of TMWA. Foree acknowledges that he has ownership interest in a water company in Winnemucca, Nevada, for which he provides occasional services for compensation. Foree agrees to ensure that his ownership and any activities undertaken by Foree in connection with said company shall not interfere with his ability to devote his full time

and attention to the business and affairs of TMWA. Except for said services, Foree shall not serve as a consultant to other public or private utilities. Notwithstanding the foregoing, Foree may engage in charitable or civic pursuits provided that such service or pursuits do not interfere with Foree's obligations under the Agreement.

#### 4. SALARY

TMWA agrees to pay Foree for his services an annual base salary of One Hundred Eighty Three Thousand Three Hundred Four and 12/100 Dollars (\$183,304.12) ("Base Salary"). Foree will have an opportunity to earn a Base Salary increase and a lump sum award based upon Foree's specific job performance in meeting the mutually agreed upon goals for the previous year. The Board and Foree will meet by December 1, 2014 to set initial performance goals for the 2014-15 fiscal year. The Board shall evaluate Foree's performance and in its sole discretion may determine a performance lump sum award or any salary adjustment in accordance with Section 6 of this Agreement. This adjustment may be made either to the Base Salary or in the form of a lump sum award or as a combination of the two at the sole discretion of TMWA. The total award (addition to Base Salary plus lump sum award) may be up to 10% of Base Salary. Any portion of a salary adjustment granted as a lump sum award shall not become part of Foree's Base Salary for future years.

#### 5. TERM AND TERMINATION

**5.1 Term.** The term of this Agreement ("Term of Employment") is four (4) years beginning on the Effective Date of this Agreement; subject, however, to prior termination as provided herein.

**5.2 Events of Termination.** The Term of Employment, Foree's Base Salary, and any and all other rights of Foree under this Agreement or otherwise as an employee of TMWA may terminate (except as otherwise provided in this Section):

- (a) Upon the death of Foree;
- (b) Upon the disability of Foree (as defined in Section 5.3) immediately upon written notice from either party to the other;
- (c) For Cause (as defined in Section 5.4) immediately upon notice from TMWA to Foree, or at such later time as such notice may specify;
- (d) Upon Foree's 60 days written notice unless the parties subsequently agree to a different notice period; or
- (e) Upon termination by TMWA for any reason other than "For Cause" as defined in Section 5.4.

**5.3 Definition of Disability.** For purposes of Section 5.2, Foree will be deemed to have a "disability" if, for physical or mental reasons, Foree is unable to perform the essential

functions of Foree's duties under this Agreement for a period of ninety (90) days. The disability of Foree will be determined by a medical doctor selected by written agreement of TMWA and Foree upon the request of either party by notice to the other. If TMWA and Foree cannot agree on the selection of a medical doctor, each of them will select a medical doctor and the two medical doctors will select a third medical doctor who will determine whether Foree has a disability. The determination of the medical doctor selected under this Section 5.3 will be binding on both parties. Foree must submit to a reasonable number of examinations by the medical doctor making the determination of disability under this Section 5.3, and Foree hereby authorizes the disclosure and release to TMWA of such determination and all supporting medical records. If Foree is not legally competent, Foree's legal guardian or duly authorized attorney-in-fact will act in Foree's stead, under this Section 5.3, for the purposes of submitting Foree to the examinations, and providing the authorization of disclosure, required under this Section 5.3.

**5.4 Definition of "For Cause".** For purposes of Section 5.2, the phrase "For Cause" means: (a) Foree's breach of this Agreement; (b) Foree's failure to adhere to any written policy of TMWA if Foree has been given a reasonable opportunity to comply with such policy or cure his failure to comply; (c) the appropriation or attempted appropriation of a material business opportunity of TMWA, including attempting to secure or securing any personal profit in connection with any transaction entered into on behalf of TMWA; (d) the misappropriation or attempted misappropriation of any of TMWA's funds or property; or (e) the conviction of, the indictment for or its procedural equivalent, or the entering of a guilty plea or plea of no contest with respect to, a felony, the equivalent thereof, or any other crime with respect to which imprisonment is a possible punishment.

**5.5 Termination Pay.** Effective upon the termination of this Agreement, TMWA will be obligated to pay Foree (or, in the event of his death, his designated beneficiary as defined below) only such compensation as is provided in this Section 5.5, and in lieu of all other amounts and in settlement and complete release of all claims Foree may have against TMWA. For purposes of this Section 5.5, Foree's designated beneficiary will be such individual beneficiary or trust, located at such address, as Foree may designate by notice to TMWA from time to time or, if Foree fails to give notice to TMWA of such a beneficiary, Foree's estate. Notwithstanding the preceding sentence, TMWA will have no duty, in any circumstances, to attempt to open an estate on behalf of Foree, but will act reasonably in ascertaining the whereabouts of Foree's beneficiaries and seeing to it that such beneficiaries are properly paid.

(a) If this Agreement is terminated by either party as a result of Foree's death or disability as determined under Section 5.3, TMWA shall pay Foree his Base Salary accrued through the date of termination plus any accrued unused banked vacation and PTO as set forth in section 8 below.

(b) If this Agreement is terminated by TMWA "For Cause" pursuant to Section 5.2(c) or by Foree pursuant to Section 5.2(d), TMWA shall pay Foree his Base Salary accrued through the date of termination, but not any accrued unused banked vacation and PTO.

(c) If TMWA terminates this Agreement for any reason other than “For Cause” pursuant to Section 5.2(e), TMWA agrees to pay Foree severance pay equal to Forees’ six-month Base Salary.

**5.6 Renewal of Agreement.** In the event TMWA elects not to renew or extend this Agreement or offer some other mutually agreeable contract, TMWA will give Foree six months written notice of its intent not to renew the Agreement. Failure to give such notice on the part of TMWA shall be treated as a termination and Foree will receive severance pay as set forth in Section 5.5(c) above.

## **6. PERFORMANCE EVALUATION**

TMWA's Board of Directors will review and evaluate Foree’s performance at least once annually on or within four months of the end of the fiscal year. Foree’s annual salary review and any adjustment to compensation will coincide with the annual performance evaluation timeframes established for all TMWA employees.

## **7. RETIREMENT**

**7.1** Subject to applicable laws, TMWA will contribute an amount equal to 6% of Foree’s base salary to a deferred compensation plan on Foree’s behalf.

**7.2** TMWA agrees that Foree will be a member of the Nevada Public Employees Retirement System at TMWA's expense.

## **8. PAID TIME OFF**

**8.1** Foree will be granted 40 days of compensated paid time off (“PTO”) each year for personal use, including vacation and illness. Unused PTO may be taken as pay, at any time, or carried over to the next calendar year as set forth in Section 8.2.

**8.2** Accrued but unused PTO will be carried over from year to year. A maximum of 320 PTO hours can be carried over each calendar year. Upon termination of Foree’s employment, Foree will be entitled to full compensation for his accrued, unused PTO, up to a maximum of 320 hours.

**8.3** Banked vacation which Foree accrued as of July 1, 2009 will remain in the banked vacation account until used. Such banked vacation time may also be cashed out as pay at any time and upon Foree’s employment termination, except for termination “For Cause” pursuant to Section 5.4.

## **9. DUES, SUBSCRIPTIONS AND PROFESSIONAL DEVELOPMENT**

**9.1** TMWA agrees to pay the professional dues, certifications and subscriptions of Foree necessary for his continuation and participation in national, regional, state and local

associations and organizations necessary and desirable for his continued professional participation, growth and advancement, and for the good of TMWA.

**9.2** TMWA agrees to pay the travel and subsistence expenses of Foree for professional and official travel and meetings adequate to continue the professional development of Foree as the chief executive of a water utility and to adequately pursue necessary official functions for TMWA. Such travel and subsistence expenses must be approved by TMWA's Chief Financial Officer and submitted to the Chair of the TMWA Board for review. TMWA will also pay for Foree's attendance at conferences, seminars and short courses which are deemed to be of value to TMWA.

## **10. EXPENSES, ALLOWANCES AND OTHER BENEFITS**

**10.1** Foree will be paid a fixed sum of \$750 per month for the use of his personal vehicle for TMWA business, with future increases to be determined by TMWA as a part of the budget cycle.

**10.2** TMWA agrees to pay Foree a fixed sum of \$150 per month as a cell phone/personal digital assistance (PDA) allowance.

**10.3** TMWA will pay all costs of any fidelity or other bonds required of Foree by virtue of his employment with TMWA.

**10.4** Foree will be provided all other benefits given to management employees, such as observed paid holidays, group health coverage (medical, dental, vision), short and long term disability.

## **11. TEAM BUILDING, GOALS AND RETREATS**

TMWA agrees that annually TMWA's Board of Directors will schedule and participate in the following:

- (a) A goals-setting session to develop objectives for TMWA; and
- (b) A session to develop specific criteria to serve as the basis for Foree's pay-for-performance clause set forth in Section 6 of this agreement. This session will be held within four months of the end of each fiscal year of the Term of Employment.

## **12. MISCELLANEOUS**

**12.1** The captions in this agreement are not part of the provisions hereof, are merely for the purpose of reference and shall have no force or effect for any purpose whatsoever, including the construction of the provisions of this Agreement, and if any caption is inconsistent with any provisions of this Agreement, such provisions shall govern. The Recitals are part of this Agreement.

**12.2** This Agreement is made in, and shall be governed by and construed in accordance with the internal laws of the State of Nevada.

**12.3** This Agreement contains a complete statement of all of the arrangements between the parties with respect to the subject matter hereof. There are no representations, agreements, arrangements or understandings, oral or written between the parties relating to the subject matter of this Agreement, which are not fully expressed in this Agreement.

**12.4** This Agreement may not be waived, changed, modified or discharged orally, but only by an agreement in writing signed by the party against whom any waiver, change, modification or discharge is sought.

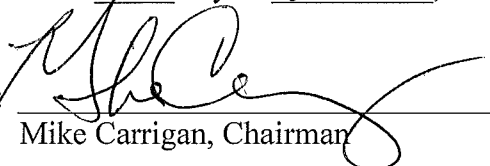
**12.5** All notices given hereunder shall be in writing and shall be sent by registered or certified mail, return receipt requested as such other address as TMWA and Foree designate. Each such notice shall be deemed to be given on the date received at the address of the addressee.

**12.6** If litigation over this Agreement is initiated in any court, the Parties agree the proper venue is Washoe County, Nevada. Foree irrevocably (i) waives and agrees not to assert in any such action, suit or other proceeding that he is not personally subject to the jurisdiction of such courts, that the action, suit or other proceeding is brought in an inconvenient forum or that the venue of the action, suit or other proceeding is improper, (ii) waives personal service of any summons, complaint or other process and (iii) agrees that the service thereof may be made by certified or registered mail directed to Foree at his address for purposes of notices hereunder. Should Foree fail to appear or answer within the time prescribed by law, he shall be deemed in default and judgment may be entered by TMWA against him for the amount or other relief as demanded in any summons, complaint or other process so served.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first hereinabove written.

**TMWA**

Dated this 17 day of OCT., 2014

By:   
Mike Carrigan, Chairman

**GENERAL MANAGER**

Dated this 15<sup>th</sup> day of OCT., 2014

By:   
Mark W. Foree