



STAFF REPORT

TO: Chairman and Board Members
FROM: Mark Foree, General Manager
DATE: September 4, 2016
SUBJECT: *(Continued from prior meeting)* Discussion and action on request for Board input and acceptance of General Manager performance objectives for contract year 2016/2017

RECOMMENDATION

The TMWA Board review the objectives proposed herein, provide input to the proposed objectives and approve the objectives as amended by the Board discussion.

DISCUSSION

As in the past the Board has requested an opportunity to discuss and approve specific objectives and criteria that the General Manager would be working to accomplish during the current fiscal year. These objectives and criteria would be used to evaluate the performance of the General Manager at the end of the contract year. Below are suggestions for the Board's discussion and input:

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).
- B) Develop proactive communications plans to address upcoming issues (e.g., topics affecting water supply, drought planning, utility integration/consolidation 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.
- 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.

- 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.
- 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.

Specific Objectives

- 1) With the current contract expiring on June 30, 2017, negotiate multi-year contract with the International Brotherhood of Electrical Workers (IBEW) Local 1245, and present to the Board with goal of completing contract and gaining approvals on or before May, 2017.
- 2) Develop/refine Drought Response Plan (if required) per the approved 2016-2035 Water Resource Plan guidelines and develop customer conservation communications plan for the 2017 irrigation season, including water supply planning, and detailed public/customer communications/outreach plan - present to the SAC for their recommendation and Board for approval no later than the April Board Meeting.
- 3) Work with city and county staff in the regional effluent planning effort including investigating and analyzing 1) delivering effluent to the Tahoe Reno Industrial Center, 2) infiltrating or injecting highly treated wastewater into the ground for later use, 3) constructing a effluent pipeline connection between TMWRF and STMWRF, etc.
- 4) Analyze water supply options related to fringe area development where private systems exist and analyze possible acquisition of private systems and/or providing wholesale water to private systems, make recommendations to Board and follow Board direction regarding same.
- 5) Monitor and participate in Legislative activities during the 2017 legislative session, prepare and deliver presentations to 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.
- 6) Continue to monitor federal legislation for opportunities to obtain funding for a variety of TMWA projects.
- 7) Assist the Washoe County Water Conservation District regarding cost reimbursement issues related to the Boca Dam Seismic Improvements proposed by the U.S. Bureau of Reclamation including working with Senator Reid's office related to possible mitigation of reimbursable costs.

- 8) 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 2007 bonds, to achieve cost savings in compliance with TMWA's Debt Management Policy if market conditions present.
- 9) 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.
- 10) 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.
- 11) Carefully analyze opportunities to acquire water rights and resources in the market in consideration of current inventory and financial constraints. Insure adequate resources are available through TMWA Rule 7.
- 12) Provide staff support to the SAC, Truckee Meadows Community Forestry Coalition and the Truckee River Fund (TRF) Advisors and ensure communications regarding TRF projects.
- 13) Manage and direct activities relative to legal issues, keeping the Board informed on all such matters.
- 14) 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.
- 11) 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.
- 12) Continue work to develop a Workforce Strategic Plan to include employee retention and recruitment strategies as well as succession planning strategies focused on replacing key team members who will be retiring in the next several years.
- 13) Develop/refine strategies to optimize conjunctive use of surface water and groundwater resources; further develop/refine drought supply operational strategies; and implement plans.
- 15) Continue to develop, refine and implement strategies to mitigate pre-merger groundwater conditions on the Mt. Rose fan.
- 16) Work collaboratively with the City of Reno, the City of Sparks, Washoe County and other agencies in regard to regional water issues, regional economic development initiatives, etc.