

TRUCKEE MEADOWS WATER AUTHORITY
MINUTES OF THE JULY 15, 2009
MEETING OF THE BOARD OF DIRECTORS

The Board of Directors met on Wednesday July 15, 2009 at Sparks Council Chambers, Legislative Building, 745 Fourth St., Sparks, Nevada. Chairman Carrigan called the meeting to order at 8:03 a.m.

1. ROLL CALL

Members Present: Mike Carrigan, Bob Cashell, Mike Cate, Geno Martini and Tom Young.

Members Absent: Dave Aiazzi and Bob Larkin.

2. PLEDGE OF ALLEGIANCE

Led by Member Martini

3. PUBLIC COMMENT

David Keller, a resident from Yorkshire Manor I, expressed his concern and opposition to the May 21, 2009 Board decision to continue to charge the individual homeowners in Yorkshire Manor I at the current flat rate unless an intermediary agent was created that TMWA could bill based on metered consumption. He suggested TMWA reprogram its billing system to allow residents of Yorkshire Manor I to be charged by evenly splitting the consumption cost of the four unit meter already installed to the four individual homeowners served through the meter.

Chairman Carrigan asked if Mr. Keller had attended the May 21, 2009 Board meeting, to which Mr. Keller acknowledged he had not. Chairman Carrigan explained that the Board's decision gave everyone present at that meeting from both Yorkshire Manor I and Yorkshire Manor II what they requested — Yorkshire Manor II to be billed on the meter rate and Yorkshire Manor I to continue to be billed at the flat rate. Chairman Carrigan said staff would look into the suggestions made by Mr. Keller in his remarks.

4. APPROVAL OF THE AGENDA

Chairman Carrigan reported that item 7 was pulled from the agenda to be rescheduled at a future meeting.

**Upon motion by Member Martini, second by Member Cashell,
which motion duly carried by unanimous consent of the
members present, the Board approved the agenda as amended.**

5. APPROVAL OF THE MAY 21, 2009 MINUTES

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

members present, the Board approved the May 21, 2009 minutes.

6. REQUEST FOR ADOPTION OF RESOLUTION NO. 147 — A RESOLUTION TO APPOINT A CHAIRMAN AND VICE CHAIRMAN FOR THE FY 2010

Upon motion by Member Martini, second by Member Young, which motion duly carried by unanimous consent of the members present, the Board adopted Resolution No. 147 and appointed Mike Carrigan as Chairman and Dave Aiazzi as Vice Chairman for Fiscal Year 2010

7. PRESENTATION OF THE WASHOE COUNTY SCHOOL DISTRICT POSTER ART CONTEST WINNERS (*This item was pulled from the agenda.*)

8. PRESENTATION OF THE SECOND PHASE WATER SUPPLY GRAPHIC ON www.tmh2o.com

Marlene Olsen, Olsen and Associates, and Milan Sperka, Mesh Creative, showed the new ***Truckee River Flows & Storage*** application accessed from the front page of www.tmh2o.com under the “Your Water” drop down menu. The graphic was developed at the urging of the Board to show real-time river flows, as well as information on all reservoirs used by TMWA. This educational site allows users to compare historic river flows and reservoir storage levels at five points in time, including the 1987 to 1994 drought and 1997 flood. Plus, users can learn interesting facts about the five storage reservoirs used by TMWA. This interactive Web resource will provide the community with a complete picture of TMWA’s water supply. The animation also links to the Lake Tahoe Storage graphic. Ms. Olsen thanked Bill Hauck, TMWA Senior Water Supply Coordinator, for all of the expert advice and assistance he offered to the project team.

9. REQUEST FOR ADOPTION OF RESOLUTION NO. 148 — A RESOLUTION TO ISSUE A WATER REVENUE BOND SERIES 2009 A, TO PARTIALLY FUND THE MOGUL BYPASS PROJECT

Jeff Tissier introduced Jennifer Stern, Swendseid & Stern, TMWA Bond Counsel, and reported that TMWA was eligible for a loan of up to \$3 million, of which \$2 million could be accessed immediately, for the Mogul Bypass Project. TMWA will in turn issue a Water Revenue Bond, Series 2009A in the maximum principal amount of \$3 million to the State of Nevada. The loan is provided through the Drinking Water State Revolving Loan Program at a 0% interest rate as a result of the American Recovery and Reinvestment Act (ARRA) stimulus funding provided by the federal government. The scope of the Mogul Bypass Project involves replacing antiquated and seismically inadequate raw water conveyance structures around the Mogul residential area in west Reno. This project will reduce power costs to TMWA by about \$400,000 annually and will also reduce raw water seepage losses along the unlined ditches and flume structures. Mark Foree added that these benefits were the primary reasons TMWA qualified for this loan funded by stimulus money for green projects.

Upon motion by Member Cashell, second by Member Martini, which duly carried by unanimous consent of the members present, the Board adopted Resolution #148 and approved issuance of a Water Revenue Bond Series 2009 A, to partially fund the Mogul Bypass Project.

10. REPORT ON THE TRUCKEE RIVER FUND, DISCUSSION OF PROPOSED PROJECTS AND REQUEST FOR ADOPTION OF RESOLUTION NO. 149 — A RESOLUTION TO APPROVE FUNDING FOR PROJECTS RECOMMENDED BY THE TRUCKEE RIVER FUND ADVISORY COMMITTEE AND AN AUTHORIZATION FOR THE COMMUNITY FOUNDATION TO FUND SUCH PROJECTS FROM FUND PROCEEDS

Mark Foree reported that the Truckee River Fund Advisors recommended funding of \$10,000 for a five-year Weed Control and Restoration Plan for the Truckee River: Verdi through Sparks. This project meets the requirement of being of benefit to TMWA and its customers by controlling the spread of invasive weed species which can adversely impact the stability of riverbanks along the Truckee River. Maintaining the native riparian habitat along the river is vital to reducing erosion and adverse sediment loading to the river. The Nevada Land Conservancy provided a \$2,500 match for in-kind labor.

Upon motion by Member Cashell, second by Member Young, which motion duly carried by unanimous consent of the members present, the Board adopted Resolution #149 and approved funding for the project recommend by the Truckee River Fund Advisory Committee and authorized the Community Foundation to fund the project from Fund proceeds.

11. REQUEST FOR APPROVAL OF AGREEMENT WITH THE CITY OF SPARKS TO RENEW AND AMEND THE GRANT OF RIGHTS OF WAY AGREEMENT FIRST ENTERED INTO IN APRIL OF 2004, SUBJECT TO APPROVAL BY THE CITY OF SPARKS. THE RENEWAL AGREEMENT WILL EXTEND THE TERM FOR AN ADDITIONAL TEN YEARS AND PROVIDES FOR RECORDING OF SPECIFIC EASEMENTS.

Scott Estes, Engineering Manager, reported the original agreement, executed in 2004, had expired and needed to be renewed. In addition, there were a grant of rights of way document and some exhibits to be appended to the agreement. The renewal agreement extends the term of the agreement for an additional ten years and provides for recording of specific easements. Upon approval by the TMWA Board, the renewal agreement will be given to the Sparks City Council for their approval. Sylvia Harrison, Legal Counsel, advised the Board that some minor changes to the agreement could be made by the Sparks City Council and requested the Board authorize the General Manager to review and approve any changes and then sign the agreement.

Upon motion by Member Cashell, second by Member Martini,

which motion duly carried by unanimous consent of the members present, the Board approved the renewal of the agreement with the City of Sparks to renew and amend the grant of rights of way agreement first entered into in April, 2004, for ten years subject to approval by the City of Sparks; and authorized the General Manager to make any necessary minor changes and sign the agreement.

12. INTEGRATION EVALUATION STATUS UPDATE INCLUDING REPORTS FROM OPERATIONS TEAM AND WATER RESOURCES TEAM

Mark Foree presented the staff report which had been given to the Western Regional Water Commission (WRWC) on July 10, 2009. The report included a copy of the preliminary Phase I assessment reports from the Operations and the Water Resources Teams. Mr. Foree thanked the interagency teams which worked on these reports, stating they worked extremely well together and produced reports containing valuable information. He conveyed the WRWC had accepted the reports along with staff's recommendation regarding the process and schedule for the next steps. The WRWC made a motion to involve the unions at this time and a meeting has been set for this afternoon (July 15) with the representative from IBEW 1245 representing TMWA and the Washoe County Employee Association (WCEA) representing the Department of Water Resources. The WRWC created an evaluation subcommittee comprised WRWC Members Mike Carrigan, Dave Aiuzzi, Bob Larkin and Steve Cohen to help guide the process. The first meeting of that subcommittee will be held on Thursday, July 23. Then the WRWC will meet on August 14 at a workshop to discuss recommendations on how to proceed with the integration project. There were no questions from the Board.

Upon motion by Member Young, second by Member Cashell, which motion duly carried by unanimous consent of the members present, the Board accepted the update.

13. GENERAL MANAGER'S REPORT

Mark Foree reported that the PUCN approved TMWA's acquisition of Panther Valley system on June 10 and ownership was transferred to TMWA on June 19, 2009.

Mr. Foree reported there was a cover story in AWWA's *Opflow* Magazine which highlighted TMWA's skilled staff and their response during and after the Mogul earthquake in April 2008 to keep water flowing to TMWA customers. This magazine gives TMWA national recognition for an extremely complicated and well done job.

Mr. Foree congratulated Jeff Tissier for receiving the Financial Reporting Achievement Award for his work in preparing the Comprehensive Annual Financial Report (CAFR). This is the sixth time Mr. Tissier has received the award. The CAFR also won a Certificate of Excellence in Financial Reporting for the sixth time.

Mr. Foree invited the Board to a get-together on August 14 at 4 p.m. honoring the Standing

Advisory Committee and the Truckee River Fund Advisory Committee for their continued efforts on TMWA's behalf and to the TMWA employees' picnic on August 15 at 11 a.m. Both gatherings will be held at the Verdi Hydroelectric facility.

14. PUBLIC COMMENT

There was no public comment.

15. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

16. ADJOURNMENT

With no further business to discuss, Chairman Carrigan adjourned the meeting at 8:31 a.m.

Approved by the TMWA Board of Directors in session on August 19, 2009.

Respectfully submitted,

Corinne Cassell, Recording Secretary