

TRUCKEE MEADOWS WATER AUTHORITY  
MINUTES OF THE JANUARY 15, 2014  
MEETING OF THE BOARD OF DIRECTORS

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The Board of Directors met on Wednesday January 15, 2014, at Sparks Council Chambers, 745 Fourth Street, Sparks, Nevada. Chairman Carrigan called the meeting to order at 10:03 a.m.

1. ROLL CALL

Members Present: Mike Carrigan, Mike Cate, Vaughn Hartung, Neoma Jardon, and Kitty Jung.  
Members Absent: Sharon Zadra. A quorum was present.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Member Hartung.

3. PUBLIC COMMENT

There was no public comment.

4. APPROVAL OF THE AGENDA

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

5. APPROVAL OF THE DECEMBER 11, 2013 MINUTES

**Upon motion by Member Martini, second by Member Jardon, which motion duly carried by unanimous consent of the members present, the Board approved the December 11, 2013 minutes.**

6. REQUEST FOR BOARD APPROVAL OF CUSTOMER INFORMATION SYSTEM CONTRACT TERMS AND AUTHORIZATION FOR THE GENERAL MANAGER TO NEGOTIATE AND EXECUTE A FINAL CONTRACT AND/OR EXTEND THE MEMORANDUM OF UNDERSTANDING WITH VERTEX BUSINESS SOLUTIONS.

Andy Gebhardt, TMWA Customer Services Manager, presented this item. He stated that the contract with Vertex Business Services would expire in 2016, and that this report was the culmination of research which had been done to evaluate the current services provided and explore other options as well. The result of the evaluation was a determination that TMWA is very satisfied with the service provided by Vertex, which is reflected in the excellent customer satisfaction ratings that TWMA received this year and in the past years. They are very familiar with TMWA's processes and do an excellent job executing them. Staff recommendation is to extend the contract.

Member Jung also commented that she was pleased to see that Vertex has also agreed, should the contract be renewed, to add additional call agents from Northern Nevada. Mr. Gebhardt added that several local agents were hired a few months ago and have been working for us already.

**Upon motion by Member Jardon, second by Member Jung, which motion duly carried by unanimous consent of the members present, the Board approved the Customer Information System contract terms and authorized the General Manager to negotiate and execute a final contract with Vertex Business Solutions.**

**7. REQUEST FOR BOARD APPROVAL OF AN INTERLOCAL AGREEMENT BETWEEN TMWA AND THE REGIONAL PLANNING GOVERNING BOARD FOR FLEXIBLE SPENDING ACCOUNT (FSA) ADMINISTRATION.**

Jessica Wiley, TMWA Human Resources Administrator, referred to the staff report dated January 7, 2014. She explained that a change to the City of Reno payroll processes resulted in that organization not being able to continue to manage our FSA administration. TMWA subsequently contracted with CDS, the company that had formerly administered the program, for the same terms as had been provided by the City of Reno. During this process, the Regional Planning staff approached TMWA to see if it would be possible to join TWMA's FSA program due to the fact that they did not have enough members to qualify for benefits at a low fee schedule.

Member Jardon inquired as to the number of members the RRGB had. Ms. Wiley responded that they had 4 members that currently utilize Flexible Spending Accounts, and TMWA had 60. The difference in the fee schedule was that the RRGB would have had to pay \$3,200 to join individually, but only \$264 to join under our plan. Member Vaughn asked if there would be any associated cost or significant labor involved by TMWA to facilitate the addition of the new members. Ms. Wiley said that set up was minimal and no significant labor would be needed.

Chairman Carrigan also noted that since the RRGB is funded by the same governing bodies that own TMWA, the cities and counties will save money which in turn benefits everyone.

**Upon motion by Member Hartung, second by Member Jardon, which motion duly carried by unanimous consent of the members present, the Board approved the Interlocal agreement between TWMA and the Regional Planning Governing Board for Flexible Spending Account administration.**

8. STATUS UPDATE REGARDING TMWA'S REQUEST FOR QUALIFICATION FROM ENERGY PROVIDERS TO MEET TMWA'S ELECTRIC NEEDS.

Scott Estes, TWMA Director of Engineering, presented this verbal update to the Board. He stated that to date, three proposals had been received by providers. Based on a brief look at each proposal, significant savings seem possible but the proposals are fairly complicated and will require an in-depth review before any recommendations can be made. Staff plans to bring a more extensive written report and recommendation to the Board at a future meeting.

Mr. Foree elaborated that this is indeed a complex process and one that requires thorough review to make sure that all potential risks are identified and mitigated.

Member Jardon asked what companies had provided proposals. Mr. Estes responded that they were Shell Energy, Constellation and one whose name he could not recall.

Member Hartung asked if NV Energy had responded in the negotiation. Mr. Estes said that they had not sent an actual proposal but had sent a letter offering a few options such as developing a new tariff that could better fit TMWA's Time-of-Use pumping protocol.

9. GENERAL MANAGER'S REPORT

Mr. Foree reported that there have been a lot of water supply questions and concerns in the past month. To respond to these questions, staff has been answering a lot of media requests and doing interviews. The watershed has had two years of well below average snow pack, and the start of this year has also been very disappointing, which is of concern. He explained that TMWA has a 9-year drought plan, with water supplies to back up that plan. The 9-year plan is based on the longest drought recorded, which was 8 years, and adding one year to that. Water supplies for drought include upstream storage in Independence Lake, Donner Lake and the Boca and Stampede Reservoirs. Additionally TMWA has the ability to pump more groundwater than normal during a time of drought; and this available groundwater has been increased via our recharge program – the injection of treated surface water into the groundwater aquifer – for the past 15 years. He also noted that the last time drought storage had to be utilized was 20 years ago at the very end of the last drought. He concluded that it was still early enough in the year to have changes in the weather and that he had not given up hope yet of seeing more precipitation. Regardless of how the snow year progresses, he reassured the Board that TWMA has a very solid drought plan in place and the water reserves to ensure its successful implementation.

He also updated the Board on the progress of the merger between Washoe County Department of Water Resources (DWR) and TMWA. Staff is currently in the process of setting up a joint meeting for the end of February or early March where the main topics would be the presentation of an updated merger financial analysis and an implementation plan and schedule. Completion

date for the merger is still the end of the calendar year 2014.

Member Hartung asked if it might be a good idea to have the drought information available in a discussion point format. Mr. Foree said that TMWA has several different PowerPoint presentations which they had been using and that he would forward them to the Board.

10. PUBLIC COMMENT

There was no public comment.

11. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

There were no Board comments.

12. ADJOURNMENT

With no further discussion, Chairman Carrigan adjourned the meeting at 10:19 a.m.

Approved by the TMWA Board of Directors in session on March 19, 2014.

Respectfully submitted,

Cara Rives, Recording Secretary