

TRUCKEE MEADOWS WATER AUTHORITY
DRAFT MINUTES OF THE JUNE 20, 2007
MEETING OF THE BOARD OF DIRECTORS

The Board of Directors met at the Sparks Council Chambers, Legislative Building, 745 Fourth Street, Sparks, Nevada. Chairman Mike Carrigan called the meeting to order at 8:35 a.m.

1. ROLL CALL

Members Present: Chairman Mike Carrigan, Vice Chairman Dave Aiazzi; Members Bob Larkin, Geno Martini, and Ron Smith.

2. PLEDGE OF ALLEGIANCE

Led by Member Larkin.

3. PUBLIC COMMENT

There was no public comment.

4. APPROVAL OF THE AGENDA

**Upon motion by Member Martini, second by Member Larkin,
which motion duly carried by unanimous consent of the
members present, the Board approved the agenda of June 20,
2007.**

5. APPROVAL OF THE MINUTES FROM THE MAY 17, 2007 BOARD MEETING

**Upon motion by Member Aiazzi, second by Member Martini,
which motion duly carried by a vote of 4 to 0, with Chairman
Carrigan abstaining, the Board approved the minutes from
April 18, 2007.**

6. PRESENTATION OF THE 2007 WATER QUALITY REPORT

Paul Miller presented the 2007 Water Quality Report that was distributed to TMWA customers in the June billing cycle. Much of the language and content in the report is required by the Environmental Protection Agency. The essence of the report was that TMWA takes pride in delivering high-quality water that is safe and clean. TMWA delivers water to its customers which meets all county, state and federal drinking water requirements and tastes good.

7. UPDATE ON LEGISLATIVE BILLS ENACTED DURING THE 2007 LEGISLATIVE SESSION

Terri Thomas presented the detailed memorandum prepared by Steve Walker, TMWA Lobbyist, regarding the various water bills that were of interest to TMWA during the 2007 legislative session. Member Larkin asked about SB 267. Ms. Thomas said it was her understanding that all water issues that would have been undertaken by the newly created legislative committee would be undertaken by the Public Lands Committee. Mike Pagni, TMWA Counsel/Lobbyist, clarified that SB 487 does create an Interim Legislative Committee which will have oversight over the new Commission and is specifically charged with analyzing potential consolidation of the purveyors. It should consist of 6 Nevada legislators who represent constituents from Washoe County and will continue until July 2013.

Mr. Pagni presented the various aspects of the final version of SB 487 which will create the Western Regional Water Commission (WRWC). This bill had been revised significantly since last presented to the Board. The WRWC will not be responsible for developing or acquiring new water resources nor will it be responsible to provide wholesale service to water purveyors. Its primary functions will be conjunctive use management and regional resource coordination among the water purveyors. It will also establish service territories for the water purveyors. Underneath the WRWC will be a technical advisory board to be known as the Northern Nevada Water Planning Commission (NNWPC) which is in essence the current Regional Water Planning Commission. The NNWPC will no longer report to the Washoe County Board of County Commissioners; however, it will continue to perform the same functions as it does today. The effective date for this bill is April 1, 2008. In the meantime, SB 487 leaves the option open for the water purveyors and local government entities to craft a Joint Powers Agreement to create this entity; otherwise, the WRWC will be created automatically by operational law on April 1, 2008.

The WRWC Board composition consists of nine elected officials, two each from Reno, Sparks, and Washoe County; one each from South Truckee Meadows General Improvement District (STMGID), Sun Valley General Improvement District (SVGID) and Truckee Meadows Water Reclamation Facility (TMWRF). One each of the city and county officials must also be a member of the TMWA Board.

Member Larkin expressed his opinion that it is important for the governing body that the Mayors of Reno and Sparks and the Chairman of the Washoe County Board of County Commissioners sit on the new Commission.

The current Regional Water Management Fee of 1.5% that is on all water bills will now be collected by the WRWC to fund its planning functions and activities.

The Board thanked Steve Walker and Mike Pagni for their efforts during the legislative session. The Board then asked about the next steps to be taken. Mr. Pagni stated that as staff had just received the bill, they needed to thoroughly analyze the issues before proceeding. Lori Williams had met with Rosemary Menard, Director of Washoe County Department of Water Resources, on this topic and felt that SB 487 represents an opportunity for all the water purveyors to continue the work began earlier this spring and it was her goal to bring the Board a collaborative approach on water management issues.

In answer to Vice Chairman Aiazzi's question as to whether there is anything to prohibit starting preparation and plans prior to April 1, 2008, Mr. Pagni responded that meetings could be held at any time after July 1, 2007.

Member Larkin wanted a combined staff report from STMGID, SVGID, Washoe County and TMWA with recommendations for moving forward and staff's perspective on an organizational structure at the next TMWA Board meeting.

8. REQUEST FOR APPROVAL OF APPOINTMENTS TO THE REGIONAL WATER PLANNING COMMISSION AND REQUEST FOR BOARD TO GRANT APPROVAL TO THE GENERAL MANAGER TO MAKE THESE APPOINTMENTS IN THE FUTURE.

Upon motion by Vice Chairman Aiazzi, second by Member Larkin, which motion duly carried by unanimous consent of the members present, the Board approved the appointments of John Erwin and Ron Penrose to the Regional Water Planning Commission. The process for appointments will remain unchanged and all appointments of this nature will continue to be brought before the Board for approval.

9. UPDATE ON WATER RESOURCE PLANNING ACTIVITIES AND BOARD ACCEPTANCE OF THE CONTINUED USE OF THE 2025 WATER RESOURCE PLAN.

John Erwin and Shawn Stoddard reported the results of the analyses undertaken to review TMWA water resource plan, its assumptions, and effects, if any, of changes in growth over the past three years. Staff tested the methodologies and conclusions in the 2025 Water Resource Plan and found the plan still provides a reasonable approach for planning for TMWA's service area (both retail and wholesale areas) indicating sufficient water resources are available through 2030. Updating or verification of the Resource Plan is the first step in the annual planning process so that an update of the Facility Plan can proceed. With the information in these two plans, the Funding Plan is then updated.

John Erwin reported that after much research, the best thing would be to continue with the status quo; not much had changed since the last revision of the WRP. Ms. Williams said that the next steps in the planning process are to look at the Facility Plan and then the Funding Plan.

Upon motion by Vice Chairman Martini, second by Member Smith, which motion duly carried by unanimous consent of the members present, the Board accepted the report and approved continued use of the 2025 Water Resource Plan.

10. REQUEST FOR BOARD RATIFICATION OF SHORT-TERM DISABILITY POLICY AND ELIGIBILITY REQUIREMENTS AND REQUEST FOR GENERAL MANAGER AUTHORIZATION TO MAKE MINOR CHANGES TO EMPLOYEE BENEFITS PLANS REQUIRING LESS THAN \$25,000 IN ANNUAL NET COSTS TO TMWA.

Ms. Williams stated that this was an administrative change to clarify wording of the Short Term Disability Policy and has minimal economical impact to TMWA. Language from the Family Medical Leave Act has been incorporated into the Short-Term Disability Plan that was transferred from Sierra Pacific Power Company. She also requested that the General Manager be authorized to make administrative or other minor changes going forward as long as the changes amount to no more than \$25,000 in annual net costs to TMWA.

Upon motion by Vice Chairman Aiazzi, second by Member Martini, which motion duly carried by unanimous consent of the members present, the Board accepted the changes and granted the General Manager authorization to make minor changes to employee benefits plans requiring less than \$25,000 in annual net costs to TMWA.

11. GENERAL MANAGER'S REPORT

Ms. Williams reported that TMWA's revenues are up this year because of the unusually warm spring, which has resulted in increased irrigation. Comparing the April and May period from last year to this year, revenues are up \$1.5 million.

12. PUBLIC COMMENT

There was no comment.

13. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

There were no Board comments.

14. ADJOURNMENT

With no further business to discuss, the board meeting was adjourned at 9:05 a.m.

Approved by the TMWA Board of Directors in session on _____.

Respectfully submitted

DRAFT