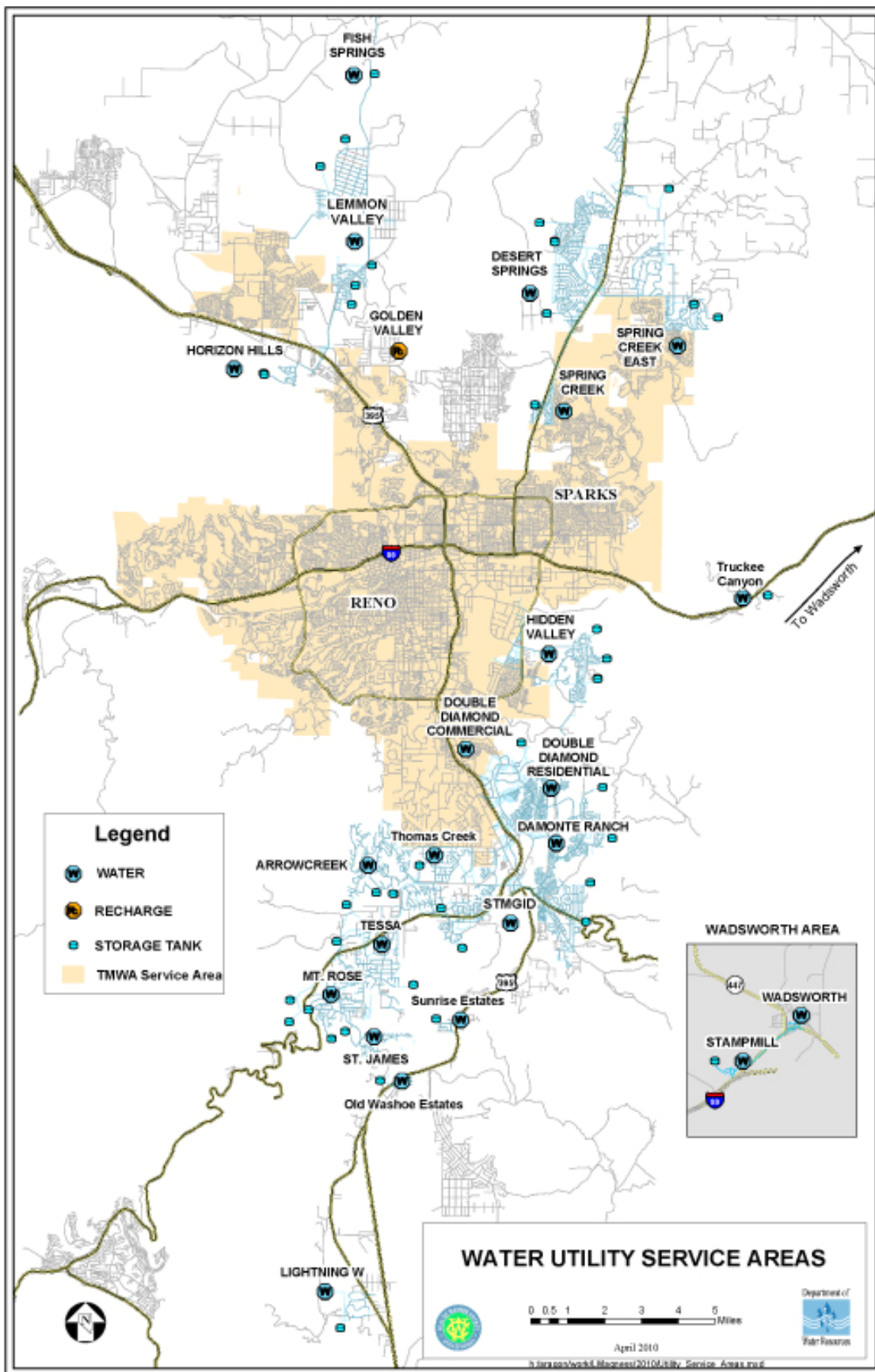




# Truckee Meadows Water Authority and Washoe County Department of Water Resources



# HISTORY

The 2007 Western Regional Water Commission Act, passed by the Nevada State Legislature, requires that Truckee Meadows water management agencies to evaluate the possibility of consolidating public water providers in Washoe County and include the results of this evaluation in the 2011 update of the Regional Water Management Plan.

In September of 2008, the Western Regional Water Commission (WRWC) directed staff, as a first step, to initiate an evaluation of the financial feasibility of possible integration of TMWA and DWR.

The results of this analysis were reported to the WRWC in December 2008. The analysis indicated that a phased implementation of some form of integration would be possible and suggested that the initial phases focus on joint operations and management. Transitioning to a full merger would be possible once certain County debt obligations were addressed. The analysis concluded that it is financially feasible over a few years to achieve cost reductions, estimated at \$2 to \$3 million, needed to maintain the financial stability of both organizations as they work towards full integration.

Between December 2008 and August 2009, staff from TMWA and DWR met to evaluate potential opportunities for reducing or avoiding future costs through conjunctive use of water resources, through integrated system planning and engineering, and through combined operations. Additional, more detailed, financial analyses were also conducted during this phase and staff reported results to the WRWC as they became available.

The WRWC met on August 14, 2009 to review the next steps in a possible consolidation of DWR with TMWA. WRWC members voted to recommend to the TMWA Board and the Washoe County Board of Commissioners (BCC) that they proceed with the consolidation of DWR's water utility function with TMWA. To guide this process, the WRWC recommended that an Interlocal Agreement (ILA) between Washoe County and TMWA be developed. The WRWC recommendation specifically excluded the Sun Valley General Improvement District or the South Truckee Meadows General Improvement District in the proposed consolidation. The proposed integration is not anticipated to impact private well owners.

The TMWA Board of Directors and the BCC held a joint meeting on September 8, 2009, at which the two boards voted unanimously to accept the WRWC's recommendation. At an additional joint meeting of the TMWA Board and the BCC on October 27, 2009 a detailed outline of a proposed Interlocal Agreement (ILA) was presented that would govern the phased consolidation of the DWR Water Utility into TMWA. The boards accepted the outline and directed TMWA and DWR's staffs to move forward with the completion of the ILA. In addition, the boards accepted the WRWC's recommendation for changes to the Cooperative Agreement, executed by Reno, Sparks and Washoe County in 2000 to establish TMWA's Board of Directors, to change the rotating "at-large" member seat on the TMWA board to a second County Commissioner seat.

On December 10, 2009, the TMWA Board of Directors and the BCC met in a third joint meeting and unanimously approved the Interlocal Agreement. The ILA will govern and provide a framework for the merger process and allow the entities to develop and implement a plan to provide the most efficient operation of the combined water systems. A final closing date has not been determined and will depend on when market conditions are right for debt restructuring. With the ILA providing the framework for the merger process, the transition will continue through most of 2010, addressing due diligence and risk allocation issues.

# WATER QUALITY

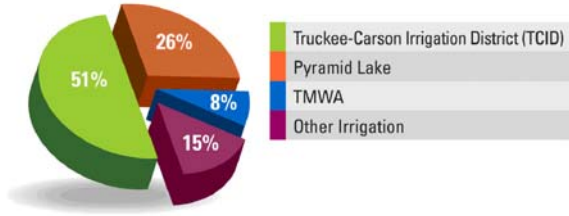
**The Truckee Meadows Water Authority and Washoe County Department of Water Resources provides water that is significantly better than EPA and State of Nevada drinking water quality standards and regulations.**

For the ninth year since TMWA's inception in 2001, TMWA's system is in complete compliance with all EPA and State of Nevada drinking water quality standards and regulations. In most cases, TMWA provides water that is significantly better than those standards require. TMWA is also committed to ensuring the reliable delivery of high-quality water by continually improving its water distribution system. Over the last 9 years, TMWA has spent more than \$150 million rehabilitating the water system's infrastructure, including underground water mains, water tanks, pump stations, wells and treatment facilities.

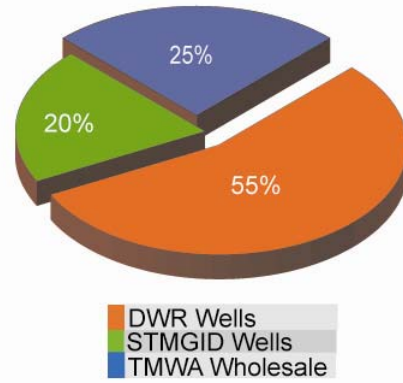
Providing customers with safe, high quality drinking water is the main priority of DWR. The drinking water provided by DWR is safe and meets or is better than all state and federal drinking water quality standards. DWR's Water Quality staff continuously monitors the water supply, conducting over 3,000 laboratory tests each year from water taken from over 50 sample points.

# WATER SUPPLY

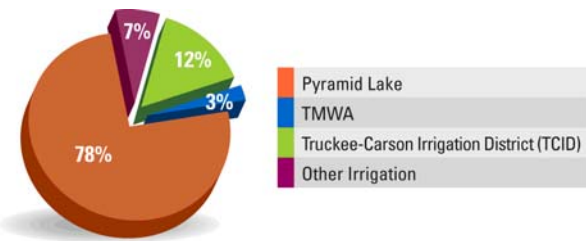
TMWA uses only eight percent of the Truckee River in a drought year.



DWR utilizes approximately 12,400 acre feet per year from the following water resources:



Even a smaller percentage of water is used by TMWA in a non-drought year.



## CUSTOMER SERVICE

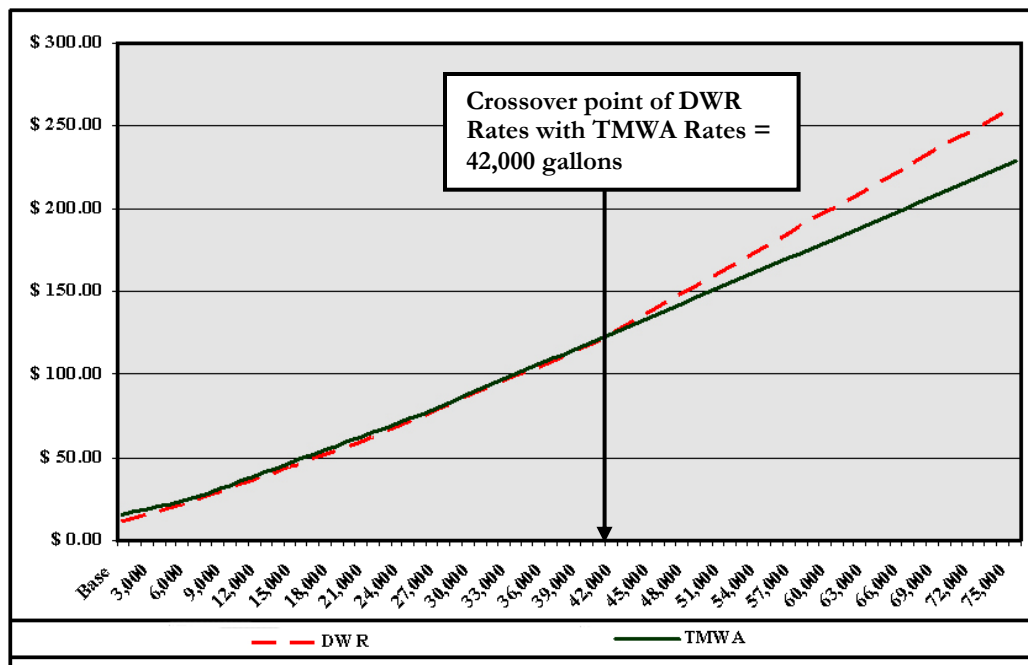
DWR and TWMA staffs are working diligently towards a seamless transition. Staff members are reviewing TMWA's Rules and the County's Ordinances to identify polices that would need to be revised to ensure an alignment of Washoe County Ordinances and TMWA Rules.

## INTEGRATED WATER RESOURCES PLANNING

Integration will provide an opportunity to improve water resources planning at the regional level. This approach facilitates the search for comprehensive and integrated solutions to achieve objectives identified by all concerned stakeholders. Integration is not anticipated to impact private well owners.

## WATER RATES

The cost of service is comparative; the crossover point of DWR rates with TMWA rates is 42,000 gallons of consumption.





## MISSION

- We will always provide high-quality water at a reasonable value.
- We pledge to operate in a cost-efficient, safe and secure manner.
- We will provide open communication and education on all aspects of our region's precious resources.
- We anticipate and plan for future customer needs through cooperative relationships within the community and with all stakeholders.

## BUSINESS OBJECTIVES

In an effort to meet the TMWA Mission, we will:

- Provide a consistently high-quality of service 24 hours a day, every day of the year.
- Deliver the best valued product by allocating capital and operating expenses in the least cost fashion in order to deliver high quality water at reasonable prices.
- Plan for, develop and implement systems and solutions that increase efficiency, productivity, security and safety, in a cost-effective manner.
- Provide working environments that ensure the safe and secure operation of the utility.
- Empower our employees with the necessary skills, education and tools to achieve best operation, management and maintenance practices.
- Plan for, develop and implement effective communications systems that enable TMWA staff to properly communicate with each other, with our stakeholders, and with the public during both normal and emergency operations.
- Plan for the future by securing future water supplies and facilities for the community in order that the demands of growth, system maintenance, and regulatory compliance will be met in a timely and cost-effective manner.
- Plan for and practice emergency and business continuity procedures to ensure the continued delivery of the highest quality of water possible during emergencies and/or disaster situations.



## MISSION

The mission of the Department of Water Resources is to provide adequate, high quality, and reliable services and products to the water, wastewater, and reclaimed water utility customers; to be effective stewards of water resources for which it has responsibility, and to actively engage with community interests and other water resources management agencies in the region to create cost-effective and sustainable plans to meet the regions' water resources needs and resource management challenges in the future.

## VISION

The vision of the Department of Water Resources is to provide quality product and service to our community through teamwork, accountability, and professionalism.

## FOR MORE INFORMATION

To follow along or participate through available opportunities for public comment and other forms of engagement, citizens may monitor posted agendas for items related to this topic at the following links:

Truckee Meadows Water Authority: [www.tmh2o.com](http://www.tmh2o.com)

Washoe County Board of Commissioners: [www.washoecounty.us/bcc](http://www.washoecounty.us/bcc)