

Exhibit C

TMWA PROPOSED MODEL SCR 26 WASHOE SUBCOMMITTEE

January 19, 2006

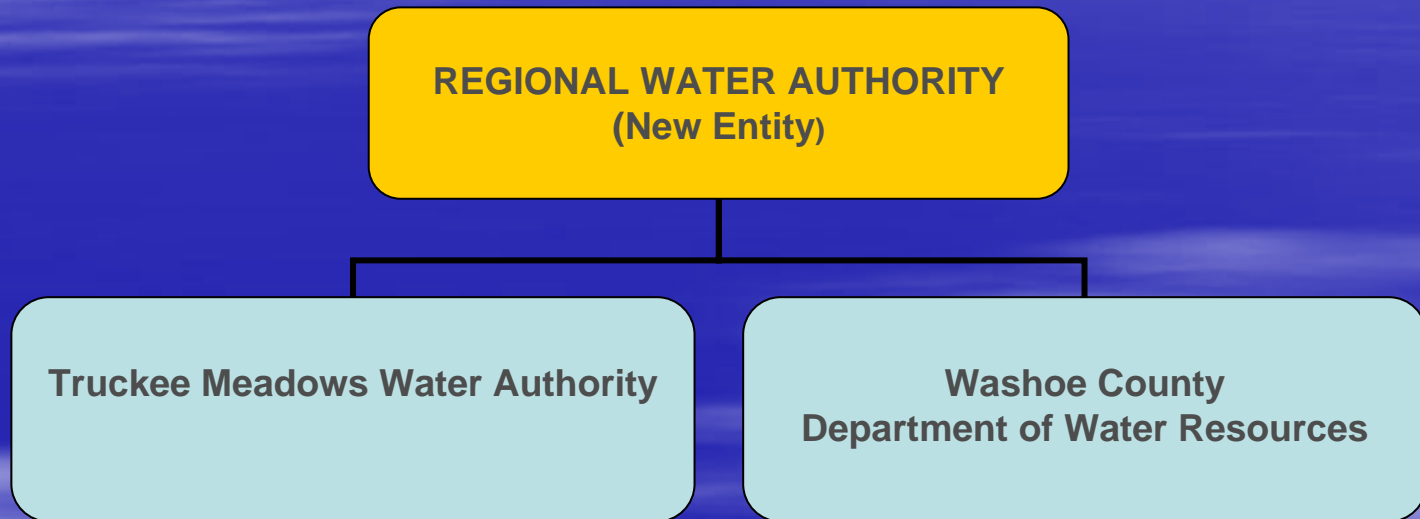
EXHIBIT C Washoe

Document consists of 9 slides

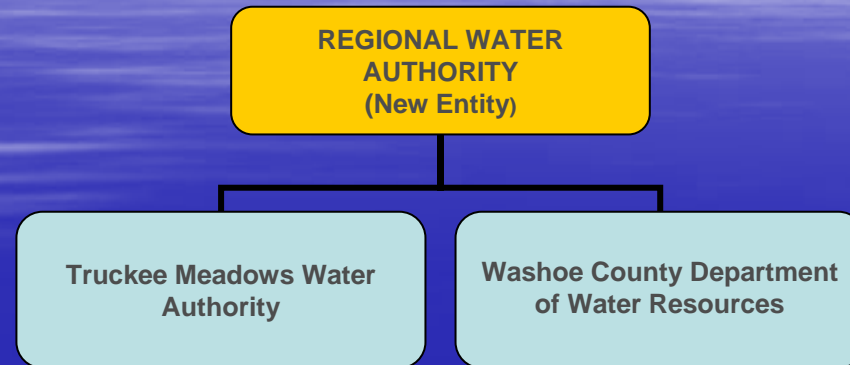
- ☒ Entire document provided.
- ☐ Due to size limitations, pages _____ provided.

A copy of the complete document is available through the Research Library
(775/684-6827 or e-mail library@lcb.state.nv.us). Meeting Date: January 19, 2006

TMWA PROPOSED MODEL



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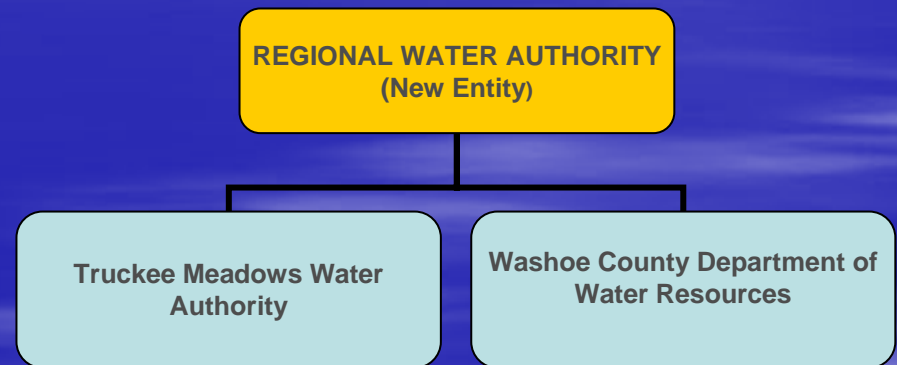
- **Who:** This model contemplates the creation of a new joint powers authority (“New Authority”) through cooperative agreement between TMWA and Washoe County.
- **What:** The New Authority would act as the single regional public agency responsible for water acquisition, development and resource management functions, and would oversee these functions for TMWA and Washoe County. The New Authority would also evaluate potential consolidation of TMWA and Washoe County distribution systems, but these entities would continue to operate their respective distribution systems in the interim.
- **Where:** Details on the planning area remain open, but it generally contemplates all Washoe County other than Incline Village GID (the “Planning Area”).
- **Governance:** Details on membership and governance remain open for discussion, although discussions at this stage focus on a board of elected officials which takes recommendations from a group of technical advisors.

TMWA PROPOSED MODEL

GOVERNANCE

Composition of Board is still being discussed, but concepts have included members from each of Reno, Sparks and Washoe County.

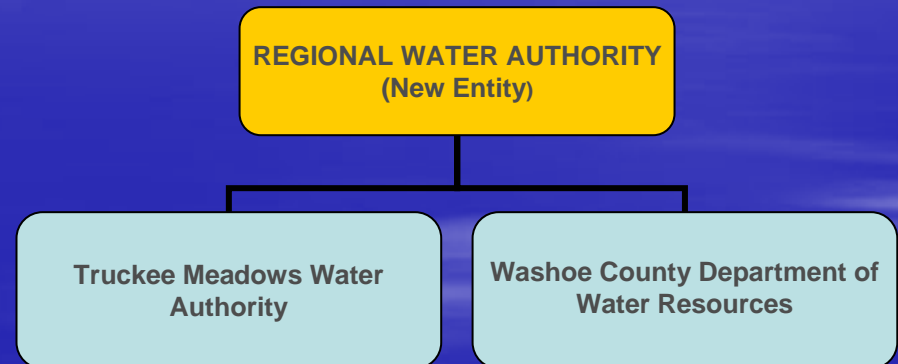
Anticipated that group of technical professionals will make recommendations to Board on acquisition, development and management issues



TMWA PROPOSED MODEL

ACQUISITION AND DEVELOPMENT OF NEW WATER RESOURCES

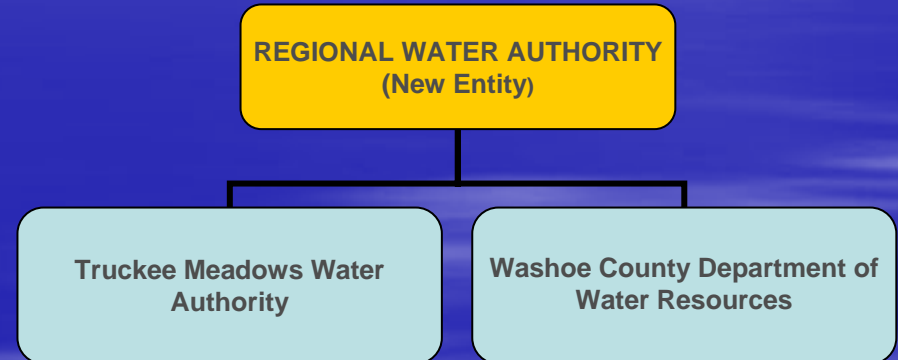
- New Authority would be the sole public agency responsible for, and with jurisdiction to, acquire and appropriate new water resources in and for the Planning Area, including surface water and groundwater. Would include both the water rights, and the new regional facilities required to transmit such water to purveyors (ex/ both Vidler water rights and pipeline to bring water to region). *Similar to SNWA.*
- New Authority would be sole public agency responsible for and with jurisdiction to develop, acquire and manage water importation projects. *Similar to SNWA.*
- New Authority would be sole public agency responsible for and with jurisdiction to acquire, develop and construct new transmission and treatment facilities of regional significance. *Similar to some functions provided by SNWA.*
- Will issue will-serves and lease water rights to purveyors for new projects. Provides the “one stop shop” developers desire. *Similar to SNWA.*
- All purveyors other than WCR and TMWA would be allowed to keep resources they own at this time, including water rights, resources, plants, wells, facilities and customers.



TMWA PROPOSED MODEL

REGIONAL RESOURCE MANAGEMENT AND CONSERVATION

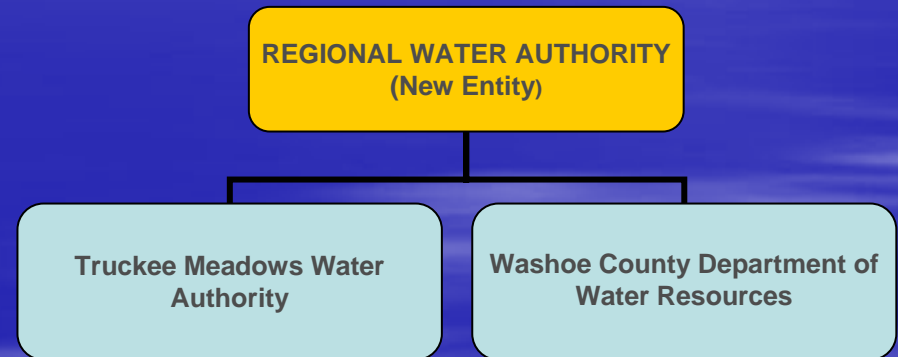
- New Authority responsible for regional water planning. Will assume responsibility of Regional Water Planning Commission ("RWPC"), but would retain RWPC members or other group of technical advisors as committee to provide planning, acquisition, and management recommendations to the Board.
- New Authority responsible for development and constructing new transmission and treatment facilities of regional significance.
- New Authority will have conformance review responsibility for expansions of existing treatment facilities. Similar to current role of RWPC but with ability to implement and enforce.
- New Authority responsible for managing and implementing conjunctive use among purveyors to insure most efficient and economic use of existing resources. Details remain open.
- Amend Chapter 540A and terminate 1996 Service Territory Agreement between TMWA and WCR for all new services. Existing customers will remain with their respective purveyors at this time (See *consolidation, below*).



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REGIONAL RESOURCE MANAGEMENT AND CONSERVATION (Cont)

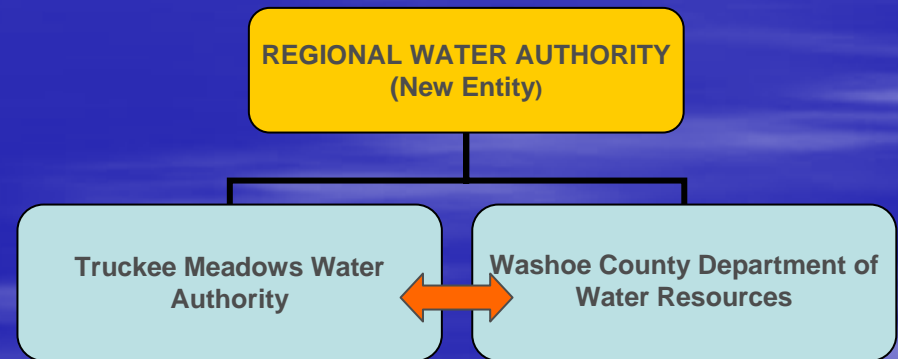
- Sole agency responsible for managing and obtaining drought storage and implementing TROA, through TMWA (TMWA would remain in existence for purposes of finalizing TROA negotiations, and to extent necessary, TROA implementation). Sole agency responsible for negotiations with Tribe and TCID on regional water issues.
- New Authority responsible for establishing base line conservation programs and ordinances. Jurisdictions remain free to impose more restrictive conservation elements. *Similar to SNWA.*
- New Authority responsible for designating and planning new developments for reclaimed water use and encouraging/requiring reclaimed water use.
- Purveyors (other than TMWA and WCR) will continue to deliver water to their customers and will continue to own and operate their respective distribution systems.
- New Authority would implement consistent regional resource dedication policies.
- Would require legislation to create funding mechanism to support acquisition and development efforts. Details of funding to be determined



TMWA PROPOSED MODEL

CONSOLIDATION OF TMWA AND WASHOE COUNTY DISTRIBUTION SYSTEMS

- TMWA and WCR would dedicate all water resources and treatment facilities to New Authority, to the extent permitted by existing bonding limitations.
- TMWA and WCR will continue to operate their respective distribution systems to the extent required by bonding limitations on interim basis as consolidation of systems is evaluated by New Authority. If consolidation feasible, distribution systems will be merged into New Authority, and TMWA and WCR would be dissolved (timing of TMWA dissolution also dependent on TROA). If consolidation is not feasible, WCR and TMWA will continue to operate distribution systems, subject to oversight by the New Authority.
- All new customers for service in either TMWA or WCR service territories, and all wholesale customers would apply to New Authority for water service. New Authority would contract with TMWA or WCR to provide water service on interim basis while consolidation of distribution systems explored or to the extent the New Authority not capable of providing itself



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NEXT STEPS:

- Input from SCR 26 Subcommittee
- Continue stakeholder meetings with County, Reno, Sparks and other interested parties to explore model further
- Return to SCR 26 Subcommittee with legislative recommendations to implement