

OPERATING & CAPITAL BUDGET 2025

Fiscal year ending June 30, 2025



On the cover:

The biggest use of our community's water supply is outdoor landscape watering, and with Lake Mead's level down more than 150 feet since January 2000, conservation is more important than ever. To encourage homeowners to convert their thirsty grass landscapes to one that is water efficient, the SNWA temporarily increased the Water Smart Landscapes Rebate from \$3 to \$5 per square foot of grass upgraded to water-efficient landscaping. The increased rebate is for homeowners only and all projects must be completed in 2024. A portion of the funds are from state and federal grants. Funding also provided by SNWA. Learn more at snwa.com.

Southern Nevada Water Authority

Operating & Capital Budget Fiscal Year Ending June 30, 2025



Board of Directors

**Marilyn K. Kirkpatrick, Chair, Clark County Commissioner
(representing Las Vegas Valley Water District)
Dan Stewart, Vice Chair, City of Henderson Councilman
Steve Walton, City of Boulder City Councilman
Scott Black, City of North Las Vegas Councilman
Olivia Diaz, City of Las Vegas Councilwoman
James B. Gibson, Clark County Commissioner
(representing Big Bend Water District)
Justin Jones, Clark County Commissioner
(representing Clark County Water Reclamation District)**

**John J. Entsminger
General Manager**

**E. Kevin Bethel
Chief Financial Officer**

**Mariliese S. Horsewood
Director of Finance/Controller**

**Prepared by the Finance Department
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Note of Appreciation

Finance leadership would like to express their special thanks and appreciation to the Finance department staff, and staff members of other departments for their dedicated contributions in the preparation of the 2024-25 budget document.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the **Southern Nevada Water Authority (SNWA) for its annual budget for the fiscal year beginning July 1, 2023.**

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. The SNWA believes our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Southern Nevada Water Authority
Nevada**

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morill

Executive Director

Southern Nevada Water Authority
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SECTION 1

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SOUTHERN NEVADA WATER AUTHORITY

GENERAL MANAGER’S INFORMATION REPORT

DATE: April 22, 2024

No. 46

SUBJECT: SOUTHERN NEVADA WATER AUTHORITY
PROPOSED OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2024-25

The Tentative Operating and Capital Budget of the Southern Nevada Water Authority (SNWA) for fiscal year 2024-25 was submitted by April 15, 2024, to the State of Nevada Department of Taxation in accordance with NRS 354.596.

Executive Summary

Water Year 2023 marked one of the wettest years in the recent history of the Colorado River Basin. Above-average snowpack and run-off into the basin gave reservoir water levels a temporary boost and a welcome reprieve from several years of poor hydrology. On January 1, 2024, Lake Mead’s water level was 1,068 feet—a 24-foot increase from just one year prior. Despite the brief respite in declining reservoir conditions, a supply and demand imbalance along the Colorado River remains, and will require continued actions by all water users to preserve system operations.

In Southern Nevada, local operational and conservation efforts continue, with the goal of reducing demands and improving efficiency. The success of these efforts will continue to require sustained, community-wide buy-in and support. The fiscal year 2024-25 tentative budget reflects these initiatives.

SNWA Board of Directors

The SNWA Board of Directors re-appointed Marilyn Kirkpatrick as Chair and James Gibson as Vice Chair for calendar year 2024. There were no changes among the members of the board.

Drought and Water Resources

More than two decades of sustained drought and changing climate conditions continue to take their toll on the Colorado River. As of late 2023, the combined storage in Lake Powell and Lake Mead was just 36 percent of capacity, and further declines are expected as a permanent shift to a drier future is projected.

SNWA continues to implement actions set forth in previous agreements with other Colorado River water users, including the Drought Contingency Plan, water banking agreements, the Conservation Memorandum of Understanding, the 2007 Interim Guidelines, Minute 323 with Mexico and others. These collaborative efforts have reduced Lake Mead’s water level decline by approximately 91 feet. However, with such uncertainty moving forward, significant and sustained efforts at the local, regional, and federal levels remain vital to ensuring that Lake Mead water levels do not drop to critical elevations.

Water Resource Plan

In January 2024, the SNWA Board of Directors adopted an updated Water Resource Plan, which provides a comprehensive overview of available water resources to meet regional water demands over

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a 50-year planning horizon and considers factors that could influence long-term water demands and future resource availability. The 2024 Plan reflects SNWA's conservation goal of 86 gallons per capita per day (GPCD) and highlights strategies the SNWA has implemented or is pursuing to reduce demands and improve efficiency. Achieving the conservation goal will require committed support from the SNWA member agencies, local jurisdictions, and the public at large, particularly with upward pressures from climate change and the age of the water system.

Tier 1 Shortage. Due to improved Colorado River conditions boosting reservoir levels in 2023, the U.S. Bureau of Reclamation's (BOR) 2023 August 24-month study forecasted a Lake Mead elevation between 1,050 feet and 1,075 feet on January 1, 2024. This projection triggered a Tier 1 shortage for the Lower Basin, meaning that Nevada would be required to use 21,000 acre-feet less than its allotted 300,000 acre-feet in 2024.

In 2023, Southern Nevada used 187,000 acre-feet of Colorado River water, well below any Colorado River water supply reduction under existing rules. However, it should be noted that future Colorado River water use reductions associated with achieving the appropriate protection volume have yet to be defined and could result in significant additional limitations on local Colorado River water supplies.

System Conservation Milestone. Cumulatively, Nevada, Arizona and California had voluntarily conserved more than 1 million acre-feet of water by the end of 2023. This water, which was held in Lake Mead for the benefit of the entire river system, is over and above the shortage reductions agreed to in the 2007 Interim Surplus Guidelines and 2019 Drought Contingency Plan.

Post-2026 Negotiations. The *2007 Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead* are set to expire at the end of 2026. As that date approaches, SNWA is actively engaged in discussions with the other basin states and federal government to develop operating guidelines that would be implemented beginning in 2027. Generally, the states are contemplating additional conservation measures to reduce water use, as well as strategies to protect the stability and sustainability of the Colorado River system. While it is currently unclear which specific actions may be taken, they are sure to impact Lower Basin water supplies, including Nevada's.

Emergency Actions and Supplemental Environmental Impact Statement. Calendar years 2020-2022 were three of the driest consecutive years in the recorded history of the Colorado River. In response, the federal government called upon the Basin States to develop a plan to reduce water use. The Lower Basin States answered with a letter in May 2023, outlining a plan by Nevada, Arizona and California to conserve 3 million acre-feet of water through 2026. If implemented, the plan would protect against critical reservoir elevations at Lakes Powell and Mead and allow the states to focus on permanent solutions as part of post-2026 negotiations. The proposal was largely selected as the Preferred Alternative in the Department of the Interior's Final SEIS issued March 5, 2024. A Record of Decision implementing the Preferred Alternative is anticipated. The SEIS final to be released in 2024. In addition to the SEIS for near-term operations, the federal government is concurrently undergoing a separate draft SEIS process for post-2026 operations on the river, when other management provisions expire.

Conservation

Because nearly 60 percent of all water delivered by SNWA is used consumptively—primarily for landscape irrigation and cooling—reducing consumptive water use continues to be a primary focus

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area for future conservation gains. To that end, SNWA staff has been dedicated to identifying the various forms of consumptive water use throughout the valley and has implemented programs to either dramatically reduce or eliminate the water footprint of each. SNWA continues to increase its conservation efforts through its public outreach, customer education, and implementation of additional standards and policies. Continuing to reduce consumptive water use will require support from all sectors of the community; however, doing so will ensure that Southern Nevada reaches its conservation goal of 86 GPCD by 2035 and has sufficient water resources to meet future demands.

Assembly Bill 220

Towards fiscal year ended June 2023, Governor Joe Lombardo signed Assembly Bill 220, a new water law that helps reduce Southern Nevada's water use should drought conditions worsen. This bill gives the SNWA the authority to limit water use at single family homes to half an acre-foot per year during certain federal shortage conditions. The restrictions would go into effect only if the federal government reduces Nevada's Colorado River allocation to 270,000 acre-feet or less and the SNWA Board of Directors votes to impose the restrictions. The new law also requires the SNWA Board to establish a waiver process for the water-use restrictions.

Water Smart Landscapes Rebate Program

Participation in the Water Smart Landscapes Program continues to produce successful results. In 2023, Southern Nevada residents and businesses converted 5.6 million square feet of turf, which will yield an estimated water savings of 315 million gallons every year. Notable program participants in 2023 included the Tuscano Condos converting 51,000 square feet of turf and the Cabana Club Apartments converting nearly 169,000 square feet of turf.

Despite the program's success, conversion costs remain a barrier for many residents to participate. In September 2023, SNWA was awarded \$24 million from the State of Nevada through its Water Conservation and Infrastructure Initiative to temporarily increase the rebate for single-family residential property owners from \$3.00 per square foot to \$5.00 per square foot for the first 10,000 square feet and from \$1.50 to \$3.50 for each square foot thereafter. This temporary increase will help homeowners recover more of their conversion expenses, increase program participation, and continue the replacement of water-intensive grass with water-efficient landscaping throughout the community.

Tree Enhancement Program

The Water Smart Landscapes program requires conversions to sustain at least 50 percent living canopy coverage. This requirement helps to maintain the vibrancy of community landscapes and reduce the area of surfaces exposed to solar radiation, which contributes to urban heat island effects. Trees also require much less water than turf and offer other significant benefits to the community. Given the benefits that trees provide to the community, SNWA implemented a Tree Enhancement Program in July 2023 to incentivize participants to increase tree canopy coverage and further reduce the amount of exposed surface area in landscape conversions. The incentive is applied to Water Smart Landscape program enrollments and provides a rebate of \$100 per tree for all new trees that meet program requirements, up to 100,000 total trees or an amount not to exceed \$10 million.

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Water Efficient Technologies Program

The Water Efficient Technologies (WET) Program also experienced success in 2023, with 46 projects completed for an estimated water savings of 125.7 million gallons. Notable projects included cool to warm season grass conversions at several Henderson parks and two Henderson golf courses. The City of Henderson also converted some of its fire stations and maintenance facilities from wet to dry cooling systems.

The City of North Las Vegas has also been an active participant in the WET Program, having converted more than 2 million square feet of turf at its parks for an annual savings of 177 million gallons of water. In September 2023, the SNWA entered an interlocal agreement with North Las Vegas to convert 2.4 million square feet of cool-season to warm-season turf at 18 parks within its jurisdiction. Once complete, the water savings are projected to be more than 50 million gallons annually.

In July 2023, the SNWA Board of Directors approved increases to the incentives issued for WET Program projects associated with evaporative cooling conversions. The changes included an increase from \$45 to \$70 per 1,000 gallons of water saved annually, ratifying the rebate incentive for wet-to-dry cooling from \$950 to \$1,500 per ton converted, and removing the \$500,000 annual cap for all evaporative cooling projects that fall under the WET program. In March 2024, the SNWA Board went on to further incentivize wet-to-damp conversions and establishing a rebate for those, which included an incentive amount received from Clark County Recovery Funds. These increases will enable SNWA to better incentivize large-scale evaporative cooling conversions, potentially resulting in significant consumptive water use reductions. Per existing policy, issuance of such incentives is subject to budget availability.

Special Event Partnerships

Over the past year, SNWA and LVVWD had the opportunity to work with multi-jurisdictional partners to ensure that large-scale special events have clean, reliable water supply. One such event provided an opportunity to break ground on a new application of water conservation technology.

Together, SNWA, MGM Resorts International and WaterStart developed a method to use Atmospheric Water Generators (AWG) to offset the estimated 80,000 to 100,000 gallons of water that would be required to clean an outdoor car race track during the event. AWGs are a proven technology that produce water from surrounding air, typically used in parts of the world where running water is inaccessible. The program partners were able to fabricate a customized method of connecting an AWG to MGM's evaporative coolers, capture their vapor exhaust, and turn the humid air into "new" usable, even drinkable, water, which was then used to clean the track.

Although operating conditions for AWG technology are typically less than optimal in the dry Southern Nevada desert, evaporative cooling tower exhaust is typically 99 percent humidity, making it an ideal source of saturated air. This project both produced the required volume of water for race operations and presented an opportunity to evaluate the effectiveness of coupling AWG technology with cooling tower exhaust systems for broader application.

Clark County School District Playing Field Conversions

In January 2024, SNWA entered into two separate agreements with the Clark County School District. One agreement was for the SNWA to rebate turf conversion on baseball, softball and soccer fields at 46

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local schools. These proposed conversions are estimated to reduce water use by more than 650 million gallons, or about 2,000 acre-feet each year. The estimated rebate through the WET Program is approximately \$23.5 million the school district will have five years to complete the conversions.

The other school district agreement was for SNWA to rebate the conversion of approximately 6.1 million square feet of irrigated turf at 97 schools to water-efficient landscaping through the Water Smart Landscapes Program. The program is projected to save about 1,000 acre-feet of water each year, with the school district receiving a rebate of approximately \$11.7 million.

Septic Conversion Program

Nearly 8,000 Southern Nevada properties receive Colorado River water through a municipal water connection but discharge their wastewater into an onsite septic tank, preventing it from being returned to Lake Mead via the sanitary sewer and being reused. In addition to water resource implications, septic systems also pose threats to the groundwater aquifer by increasing nitrate levels.

Partially Funded Conversion Program. In September 2023, SNWA launched a Septic Conversion Program that incentivizes current septic users to connect to municipal sewer to increase return flow credits and protect groundwater aquifers in the Las Vegas Valley. The program provides an 85 percent reimbursement to residential and commercial septic users who connect to sewer, with a maximum reimbursement amount of \$40,000. Current well users are also eligible to participate in the program. As of January 2024, the program had received 115 applications, completed six conversions, and reimbursed \$178,331.

Fully Funded Conversion Program. SNWA will also implement a fully funded conversion program in Summer 2024, in partnership with the Southern Nevada Health District (SNHD). The program has identified municipal water users currently discharging into septic systems in areas experiencing elevated levels of nitrates and other known groundwater quality issues. These properties are prioritized based on their proximity to existing sewer mains, the availability of gravity flow, and cost effectiveness of a potential conversion. Selected properties will then be converted by an SNWA-managed contractor at no cost to the property owner. Funding for the project includes an \$11 million portfolio of grant funding from the Environmental Protection Agency, Bureau of Reclamation, and Nevada Department of Conservation and Natural Resources, in addition to revenue from an SNHD-administered Voluntary Septic Fee authorized in Assembly Bill 220. A property is required to pay the SNHD fee to be eligible for conversion assistance under this program.

Key Focus Areas. The following conservation measures—explained in detail in last year's budget—have been identified and implemented by SNWA and its member agencies to target consumptive use over the past three years, and have resulted in a dramatic reduction of community water use:

- Prohibit new golf course development
- Convert cool season turf
- Reduce golf course water budgets
- Large water user policy
- Nonfunctional turf removal
- Pool development standards
- Enhance leak resolution
- Implement park efficiency improvements
- Implement cooling efficiency standards
- Enhance watering compliance
- Prioritize asset management investments
- Limit new turf installations
- Implement pricing changes
- Septic conversion

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Results

Due to these initiatives, Southern Nevada's total Colorado River water usage for 2023 was 187,000 acre-feet—the community's lowest amount of annual water usage since 1992. That equates to a 33 percent decrease in community water use, despite the addition of nearly 1.5 million new residents.

Major Construction and Capital Plan (MCCP)

The Major Construction and Capital Plan (MCCP) is the SNWA's vehicle for identifying and authorizing capital initiatives, including water resource acquisition; system expansion; and construction, repair, and replacement of water facilities. Projects outlined in the MCCP are funded by the SNWA's bond proceeds and revenue generated by the SNWA's water bill charges, connection charges, sales tax proceeds and Southern Nevada Public Land Management Act funds, when available. Major facility-related projects currently in progress are described below.

Horizon Lateral

The Horizon Lateral, the largest project in the MCCP, will offer needed redundancy for a large portion of SNWA customers and the capacity to meet new demands in the southern portion of the water system. It is estimated that the phased Horizon Lateral will cost approximately \$2.4 billion to construct, with Phase 1 completion projected in 2030. Following the completion of predesign, the design phase for the Phase 1 projects kicked off in early 2024.

Garnet Valley Water System

The Apex Industrial Park is located in Garnet Valley in North Las Vegas and is one of Southern Nevada's largest industrial parks. The 16-parcel area spans more than 11,000 acres and is attracting technology- and manufacturing-based businesses. Once complete, the Garnet Valley Water System will have the capacity to supply 20 million gallons of water per day to support the water needs of the Apex Industrial Park.

Two major components of the project, the SNWA's 20 million gallon per day (MGD) pumping station and the City of North Las Vegas' 5 MGD reservoir, are each at 60 percent design completion and scheduled for construction in 2025. Transmission pipelines to and from the new SNWA pump station and City of North Las Vegas reservoir sites are moving to 90 percent design completion and are estimated to begin construction in 2025. In February 2024, SNWA leadership joined North Las Vegas at a media event to kick off construction of the water distribution system.

Scheduled for completion in 2028, the Garnet Valley Water System is projected to cost approximately \$406 million.

Garnet Valley Wastewater System

Construction of the Garnet Valley Wastewater System will help ensure the sustainable development of resources and reduce water demand impacts on the Colorado River. The project will maximize the community's water resources by developing the infrastructure required to capture indoor wastewater from the Garnet Valley area and return it to Lake Mead in accordance with the SNWA's out-of-valley water use policy.

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The wastewater system is comprised of three major components. The out-of-valley system, which is currently at 60 percent design completion, is estimated to begin construction in 2025. The other components are the two phases of the in-valley wastewater collection systems, known as Las Vegas Boulevard Interceptor Phase 1A and Phase 1B. Phase 1A is currently out to bid and will be awarded in March 2024. Phase 1B is currently holding at 100 percent design completion. Bidding activities will commence once a Bureau of Land Management grant is obtained. The project is expected to begin construction in early 2025.

The entire project, scheduled for completion early 2028, is estimated to cost \$505 million.

Large Scale Solar Photovoltaic (PV) Project

The SNWA has entered into a 25-year, fixed-rate Power Purchase Agreement (PPA) with ibV Energy Partners, who will build, operate, and maintain a large-scale solar PV facility near Boulder City, Nevada. The PPA allows the SNWA to purchase power below current market cost, saving money when the facility becomes operational in 2025 and throughout the span of the agreement. In addition to the PPA, the project consists of a 10-mile expansion to the SNWA's existing power transmission system, a single-circuit 230 kV power line, 230 kV Switchyard, and other infrastructure to support energy transmission.

This project ensures a clean, cost-effective renewable energy source for the next 25 years and is essential for meeting the Nevada Renewable Portfolio Standard of 50 percent by 2030. Construction is estimated to commence in 2024, with commercial operations beginning in 2025. The estimated capital cost of this project is \$20 million.

Ozone Equipment Upgrades

Existing Ozone equipment at the Alfred Merritt Smith and River Mountains water treatment facilities is 20 years old and nearing the end of its useful life. This project will implement ozone system improvements to SNWA's two water treatment facilities to provide a safe and reliable 20+ year service life, operational flexibility through standardization of equipment and redundancy, retaining ability to expand, and enhanced disinfection resiliency to changing source water and regulatory conditions. The overall cost for this project is \$85 million and construction is scheduled for 2024.

Stage 2 Reliability Upgrades Project

This project consists of a new 90 MGD Monthill Pumping Station co-located on the south side of the LVVWD Campbell Reservoir, and a pipeline to ultimately connect the Whitney Lateral with the Pittman Lateral. This pumping station and interconnection will provide reliability and redundancy in the event that the Hacienda Pumping Station needs to be taken offline because of failure or scheduled maintenance. The estimated cost of this project is \$261 million and is on schedule to meet design completion in 2025.

Awards and Recognition

Water Resources Utility of the Future Today

In October 2023, SNWA was recognized as a "Water Resources Utility of the Future Today," in the area of community partnering and engagement for implementing innovative and forward-thinking practices that provide sustainable, efficient, and value-added services to the community. This recognition was

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received by the Water Environment Foundation, the National Association of Clean Water Agencies, the Water Research Foundation, The U.S. Water Alliance, and WateReuse.

Financial Considerations/Capital Funding

The SNWA maintains a diversified funding approach, which includes Wholesale Delivery Charges, Connection Charges, grant funding and Sales Tax Proceeds. Prudent management of these revenue sources, coupled with consistent long-term financial planning, has resulted in financial stability for the organization.

Grant Funding

SNWA is sensitive to the financial impacts that projects and initiatives can have on customers and stakeholders. To help mitigate these costs, staff consistently monitors state and federal grant funding opportunities, as well as Nevada State Revolving Fund (SRF) money that may be available to support asset management projects. Over the past fiscal year, SNWA has applied for and received the following grant funding to support various projects and initiatives:

- Nevada Department of Conservation and Natural Resources
 - \$24 million to provide an additional \$2 “topper” for the Water Smart Landscapes program for residential turf conversions.
 - \$5 million to support the Fully Funded Septic Conversion Program.
 - \$3 million to support the retirement of groundwater rights in the Lower White River Flow System in order to protect both the Moapa Valley Water District’s ability to provide water to its community and the Moapa dace and other riparian species that have been negatively impacted by over-pumping in the region.
- Environmental Protection Agency
 - \$3 million to support the Fully Funded Septic Conversion Program.
- U.S. Bureau of Reclamation
 - \$20 million WaterSMART Aquatic Ecosystem Restoration Projects grant, with a \$15 million cost share, to complete an erosion control structure known as Weir 5 at the Las Vegas Wash.
 - \$1.7 million to support the Fully Funded Septic Conversion Program.
 - \$1 million WaterSMART Water Recycling and Desalination Planning grant with a \$1.2 million cost share, for the research, planning, and feasibility study related to recycling Boulder City’s wastewater.
 - \$743,329 WaterSMART Environmental Water Resource Projects grant, with a \$247,776 cost share, for Muddy River Corridor Improvements at Warm Springs Natural Area.
- Nevada Department of Wildlife
 - \$3.1 million in American Rescue Plan funding for completion phase construction of a new water pipeline to the Lake Mead Fish Hatchery.
- Bureau of Land Management – Round 19 funding
 - \$1.4 million for land acquisition and construction at Warm Springs Natural Area with cost share of \$29,557.
- NFL Green
 - \$5,000 for SNWA to assist with plant materials for the fall 2024 Warm Springs Natural Area Green Up.
- Nevada Division of Outdoor Recreation

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- \$5,000 grant for SNWA to assist with transportation and supply costs for the World Wetlands Day 2024 event.

Reserve Policy

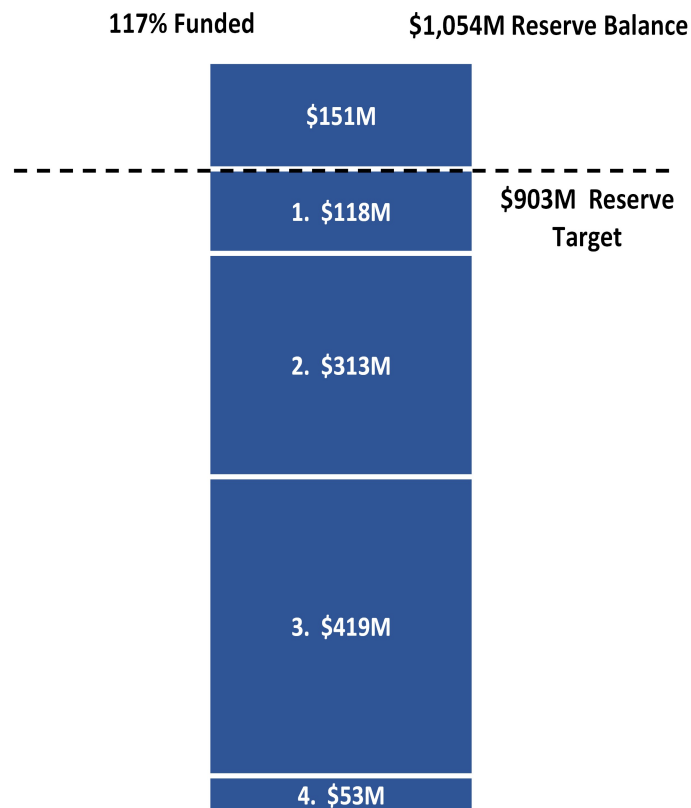
A responsible reserve policy helps ensure the SNWA can withstand potential unanticipated expenditures and maintain positive credit ratings.

The SNWA's reserve policy includes the following components (corresponding to the numbered dollar amounts in the chart below):

1. Adequate reserves to fund 180 days of operating and maintenance expenses
2. Adequate reserves to fund one year of the maximum annual debt service
3. Adequate reserves to fund a one-year average of future capital needs
4. Adequate reserves to fund one percent of assets subject to depreciation

During the past fiscal year, as the following chart indicates, the SNWA met and exceeded its established unrestricted reserve target balance, representing an important benchmark in the organization's financial health.

2022-23 Unrestricted Reserves



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Financial Summary

The following tables and descriptions contain a summary of operating and capital sources and uses of funds for the SNWA's fiscal years 2022-23, 2023-24 and 2024-25.

Operating Budget Summary

	Actual		Budget		Budget		Budget-to-Budget Variance	
	2022-23		2023-24		2024-25		\$	%
SOURCES								
Wholesale delivery charge	\$	154,732,456	\$	168,440,978	\$	165,707,057	\$ (2,733,921)	(2)%
Infrastructure charge		199,087,470		207,488,744		223,100,301	15,611,557	8 %
Commodity charge		76,408,093		85,898,156		83,593,821	(2,304,335)	(3)%
Connection charge		106,522,272		64,538,794		71,106,640	6,567,846	10 %
Reliability surcharge		6,461,105		6,655,433		6,852,894	197,461	3 %
Sales tax		95,233,667		98,922,517		103,629,368	4,706,851	5 %
Investment income		8,032,748		10,723,648		12,325,244	1,601,596	15 %
Other sources		11,022,369		9,029,764		8,978,774	(50,990)	(1)%
SNWA Sources		657,500,180		651,698,033		675,294,099	23,596,066	4 %
USES								
Water resource investments		7,606,218		34,394,000		31,823,968	(2,570,032)	(7)%
Energy		62,523,343		59,604,253		53,793,950	(5,810,303)	(10)%
Salaries and benefits		94,655,314		101,424,569		109,213,561	7,788,992	8 %
Operating expenses		67,123,334		109,855,219		101,923,173	(7,932,046)	(7)%
Debt service		312,899,101		307,286,471		310,766,636	3,480,165	(2)%
Other uses		—		9,770,223		9,441,922	(328,301)	(3)%
Transfers to reserves		112,692,870		29,363,298		58,330,888	28,967,590	99 %
SNWA Uses	\$	657,500,180	\$	651,698,033	\$	675,294,099	\$ 23,596,066	4 %

Operating Sources

The fiscal year 2024-25 tentative budget's operating sources of funds are projected to be \$675.3 million, or a four percent increase as compared to the 2023-24 Adopted Budget Plan. The increase as compared to the 2023-24 Adopted Budget Plan is primarily attributable to increases in connection and infrastructure charge, both driven by growth in services.

The Wholesale Delivery Charge is budgeted to decrease \$2.7 million, or two percent, as compared to the 2023-24 Adopted Budget Plan, despite a 3.7 percent rate increase, due to forecasted volume decreases. The increase in the Infrastructure Charge is primarily due to the IRPAC 2020 recommended, and subsequently Board adopted, rate adjustments. With the Infrastructure Charge being the largest revenue component, the SNWA's sources of funds have experienced increased stability over the past number of years. The Connection Charge is budgeted to increase by \$6.6 million compared to the 2023-24 Adopted Budget Plan.

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Operating Uses

The fiscal year 2024-25 tentative budget's operating uses of funds are projected to be \$675.3 million, a four percent increase compared to the 2023-24 Adopted Budget Plan.

Water resource investments are budgeted to decrease \$2.6 million, due to conservation and water resource initiatives. Energy costs are projected to decrease by \$5.8 million, or 10 percent. Salaries and benefits are anticipated to increase by \$7.8 million, or 8 percent.

Non-payroll operating expenses are projected to decrease by \$7.9 million, or seven percent. Debt service is anticipated to increase by \$3.5 million, compared to 2023-24, largely due to a projected \$472.1 million debt issuance. Transfers to reserves are expected with operating sources for fiscal year 2024-25 exceeding operating uses.

Capital Budget Summary

	Actual		Budget		Budget		Budget-to-Budget Variance	
	2022-23		2023-24		2024-25		\$	%
SOURCES								
Grant funds	\$	2,995,079	\$	43,711,041	\$	44,644,445	\$ 933,404	2 %
Debt issuance proceeds		—		270,932,815		472,100,000	201,167,185	74 %
Transfers from reserves		108,389,220		64,716,521		—	(64,716,521)	(100)%
Total Sources		115,667,278		379,360,378		516,744,445	137,384,067	36 %
USES								
Capital expenditures		115,667,278		379,360,378		415,750,828	36,390,450	10 %
Transfers to reserves		—		—		100,993,617	100,993,617	— %
Total Uses	\$	115,667,278	\$	379,360,378	\$	516,744,445	\$ 137,384,067	36 %

Capital Sources

The fiscal year 2024-25 tentative budget's capital sources of funds are projected to be \$516.7 million, or a 36 percent increase as compared to the 2023-24 Adopted Budget Plan. The increase as compared to the 2023-24 Adopted Budget Plan is primarily attributable to a higher projected debt issuance in fiscal year 2024-25.

Capital Uses

The fiscal year 2024-25 tentative budget's capital uses of funds are projected to be \$516.7 million, a 36 percent increase compared to the 2023-24 Adopted Budget Plan. This increase in capital expenditures aligns with the SNWA's MCCP.

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Summary

Overall, the SNWA's fiscal year 2024-25 Operating and Capital Budget Plan presents a stable outlook as the SNWA continues to navigate the impacts of ongoing drought and climate change, with operating revenues matching operating expenses and an assortment of revenues, reserves, and debt proceeds funding capital expenditures.

Approval

The public hearing on the SNWA's 2024-25 Tentative Budget, and adoption of the 2024-25 Final Budget, is scheduled for 9:00 a.m., Thursday, May 30, 2024.


John J. Entsminger, General Manager

SECTION 2

INTRODUCTION AND STRATEGIC PLAN

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Introduction

Purposes and Powers

The Southern Nevada Water Authority (SNWA) is a political subdivision of the State of Nevada created on July 25, 1991, pursuant to Nevada Revised Statutes Chapter 277.080 to 277.180, inclusive, by a cooperative agreement among the Big Bend Water District, the City of Boulder City, the City of Henderson, the City of Las Vegas, the City of North Las Vegas, the Clark County Water Reclamation District, and the Las Vegas Valley Water District (LVVWD).

The SNWA was created to secure additional supplies of water for Southern Nevada and to effectively manage existing supplies of water through the cooperative action of its member agencies. Because the SNWA is governed equally by a seven-member Board of Directors (SNWA Board) composed of one director from each member agency, and the SNWA operations are autonomous from its member agencies, its financial statements are not included in the financial statements of another entity.

The SNWA Board appoints a General Manager (GM). In January 1993, the LVVWD's GM was also appointed GM of the SNWA, and the LVVWD was named Operating Agent for the SNWA. The GM has three Deputy General Managers (DGM's), a Chief Financial Officer (CFO) and General Counsel overseeing the operations of the LVVWD and the SNWA.

Since October 1993, the LVVWD has been paying many expenses on behalf of the SNWA. The SNWA reimburses the LVVWD for those expenses, including the cost of the LVVWD employees allocated to the SNWA. The SNWA has no employees of its own.

The Board of the SNWA has the power to periodically assess the member agencies directly for operating and capital budgets and for the satisfaction of any liabilities imposed against the SNWA. Each member made an initial contribution to the SNWA for operating and administrative expenses in the amount of \$15,000. Assessments for additional funds needed by the SNWA, in accordance with operating and capital budgets, have been apportioned to member agencies based on the water deliveries to those agencies. Funding received by the SNWA from its member agencies for operations is recorded as operating revenue, while funding received for capital purchases is recorded as capital contributions. Member agencies who are not water purveyors, i.e., the City of Las Vegas and the Clark County Water Reclamation District, each contributes towards the SNWA operations for the fiscal year 2024-25.

Transfer Act

Pursuant to the Transfer Act, Assembly Bill No. 542, approved June 28, 1995 by the Nevada Legislature, the assets of the Southern Nevada Water System (SNWS), as well as responsibility for operations of the system, were transferred from the Colorado River Commission (CRC) to the SNWA effective January 1, 1996. Along with the assets, the CRC transferred all books and records in its possession relating to the project and its facilities. In addition to the assets, all liabilities of the CRC related to the SNWS were to be transferred to the SNWA.

The transfer was a non-cash transaction. In order to affect the transfer, CRC prepared from its SNWS accounting records an unaudited trial balance as of January 1, 1996, which was given to the SNWA. To record the transfer, the SNWA posted the entire CRC trial balance to its General Ledger as of January 1,

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1996. The accuracy of that trial balance was verified by the June 30, 1996, audits of both the SNWA and CRC. The CRC detail property listing was posted to the SNWA Property Ledger.

Intergovernmental Relationships

In addition to its members, the SNWA also works with other agencies of state and federal government. The following outlines some of those intergovernmental relationships.

Major Water Purveyors. The SNWA diverts Colorado River water from Lake Mead, treats it to federal Clean Drinking Water Act standards, and delivers treated water to the facilities of water purveyors in the Las Vegas Valley and Boulder City. The major water purveyors and their percentage of total SNWA water deliveries are as follows: Boulder City (2 percent), Henderson (19.25 percent), North Las Vegas (13.40 percent), the LVVWD (65.29 percent) and others (0.2 percent).

Wastewater Treatment Agencies. Wastewater treatment agencies in the SNWA service area are the Cities of Las Vegas, Henderson, North Las Vegas and Boulder City, and the Clark County Water Reclamation District.

Colorado River Commission. The CRC is an agency of the State of Nevada created in 1935 to acquire and hold in trust Nevada's right to water and power resources from Colorado River water apportioned among the seven Colorado River Basin states and Mexico. The seven member CRC Board is made up of four members appointed by the Governor (including the Chairperson) and three SNWA Board members.

U.S. Bureau of Reclamation (Bureau). The Bureau is a division of the U.S. Department of the Interior. It is charged with the responsibility of managing the Colorado River for the benefit of the users with rights to Colorado River water. Any changes to laws governing the Colorado River benefiting Nevada will require the cooperation and approval of the federal government via the Bureau and all seven of the Colorado River Basin states.

Southern Nevada Water System. The SNWS is the regional water system diverting raw Colorado River water from Lake Mead, treats it to federal Clean Drinking Water Act standards, pumps it through the River Mountains, and delivers potable water to the facilities of the water purveyors in the Las Vegas Valley and Boulder City. The SNWS was built in two stages (1971-first stage, and 1983-second stage) by the federal government acting through the Bureau, and the State of Nevada acting through its CRC. The Bureau built the transmission facilities, which are referred to as the Robert B. Griffith Water Project. The CRC built the treatment facility, which is known as the Alfred Merritt Smith Water Treatment Facility. The SNWS was owned by CRC and operated under contract by the LVVWD. On January 1, 1996 the assets and liabilities of the SNWS as well as responsibility for operations were transferred from CRC to the SNWA. The LVVWD continues to operate the SNWS under contract with the SNWA. The projects in the SNWA's Major Construction and Capital Plan (MCCP) are expansions or improvements of the SNWS.

Robert B. Griffith Water Project Title Transfer. The SNWS was built in two stages by the State of Nevada acting through the CRC and the Bureau. CRC funded its portion by issuing State of Nevada general obligation bonds. The Bureau funded its portion from federal budget appropriations. After completion of each phase, the Bureau determined total reimbursable costs for constructing its portion of the SNWS and the CRC entered a water delivery and repayment contract with the Bureau to repay those costs plus interest. The terms of the repayment contract required 50 annual payments at 3.25

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percent interest. According to the terms of the repayment contract, the federal government would retain title to the facilities it built, even after the repayment contract was fully paid.

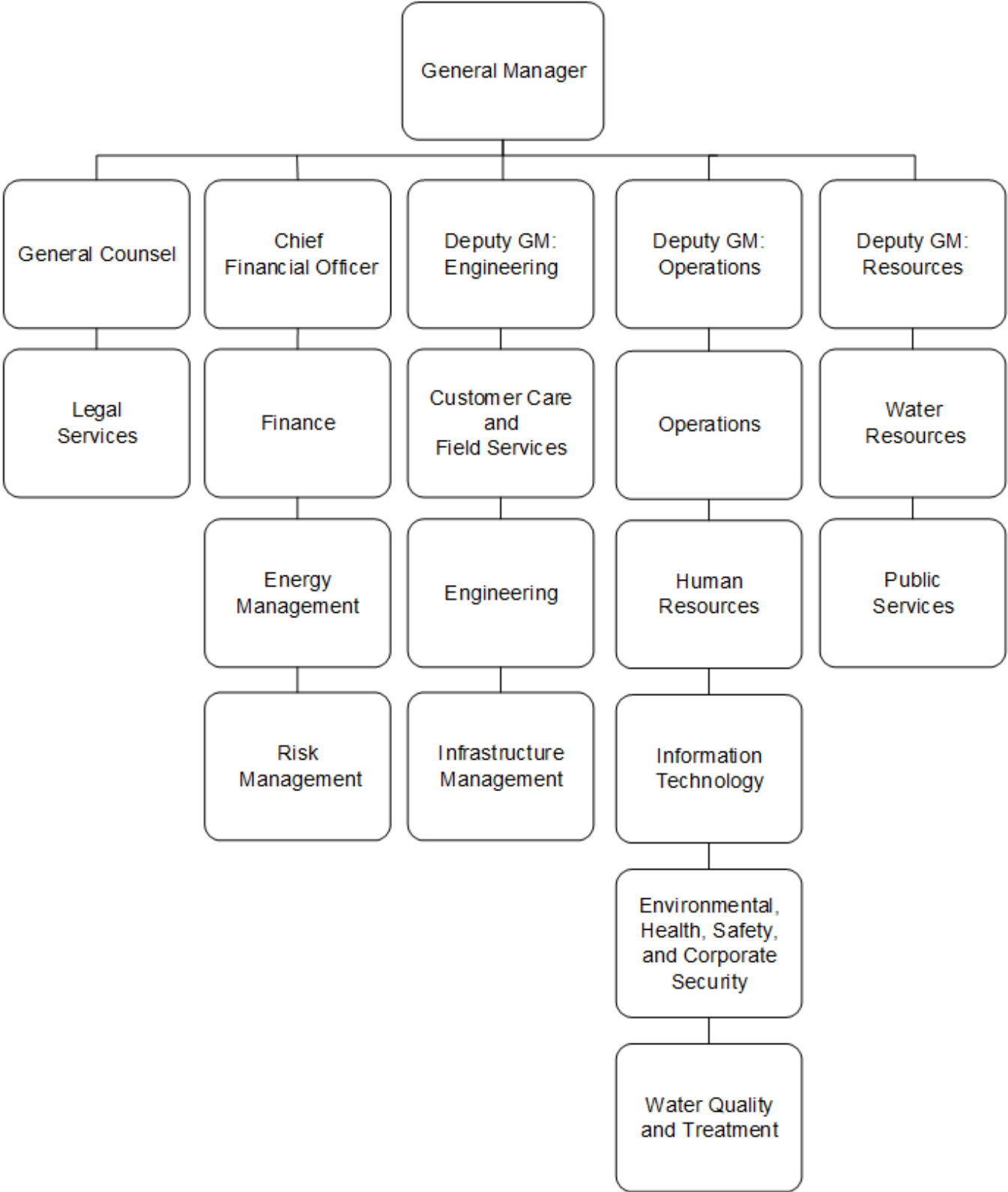
The role of the federal government in financing improvements of the SNWS has been declining. When the first phase of the SNWS was completed in 1971 at a total cost of \$62 million, 85 percent of that cost was provided by the federal government. After completion of the second phase in 1983, the ratio provided by the federal government had dropped to 71 percent. In 1995 the SNWA began work on its \$2.1 billion Capital Improvement Plan to expand and improve the SNWS. Because the Bureau was, and always would be, the owner of the facilities built with federal funding, the SNWA would always be required to obtain Bureau approval to maintain, modify, or improve the federal facilities which are an integral, but increasingly smaller, part of the total system.

In July 2000, the U.S. Congress passed, and President Clinton signed into law, the Griffith Project Prepayment and Conveyance Act (Public Law 106-249), which directed the Secretary of the Interior to transfer title to the Robert E. Griffith Project to the SNWA, subject to prepayment of the Project's federal repayment obligation. According to guidelines published by the Office of Management and Budget, the price of the title transfer was set at \$121.2 million, plus accrued interest, less any principal payments made after September 30, 1999.

Organizational Structure

The LVVWD operates the SNWA under contract; however, the two entities are legally separate. The LVVWD pays substantially all expenses on behalf of the SNWA, including the cost of employees allocated to the SNWA and is reimbursed monthly for these costs. SNWA has no employees of its own. The organizational chart shows the SNWA organization and how the different departments are arranged. For a further breakdown per department, please see Section 5, Department Budgets.

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Financial Structure and Controls

Proprietary Fund Type - Enterprise Fund. The SNWA's operations are accounted for as a single Enterprise Fund. A fund is a fiscal and accounting entity with a set of self-balancing accounts comprising its assets, liabilities, fund equity, revenues, and expenses. Enterprise Fund operations are presented using the full accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when payments for such revenues or expenditures are actually made. In this regard, the SNWA operations are accounted for in a manner similar to a private business enterprise, where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis are financed or recovered primarily through user charges, and its financial measurement focus is on determination of net income, financial position, and cash flows.

Capital and Debt Service Accounting. Capital and Debt Service finances are accounted for separately within the overall structure of the enterprise fund. Bond issuance resolutions require that the balance of bond proceeds be maintained in restricted acquisition and construction accounts until they are expended. Assets restricted for specific purposes (e.g. additions to plant or repayment of bonds) and liabilities payable from such assets are accounted for separately until disposition. Earnings on these assets are also considered restricted.

Long-Range Operating Financial Plan. The SNWA recognizes long-range financial planning is critical to accomplish its mission. In order to anticipate potential future financial challenges so corrective action can be taken to maintain financial stability, the SNWA develops short-term and long-term financial forecasts to assess its overall fiscal health. These important components provide insight into future financial capacity which enable the formulation of strategies to achieve long-term sustainability in light of service objectives and financial challenges in these uncertain times.

Projecting long-term financing and operations is often tenuous despite its importance in setting the course of the overall direction of financial, operational, and capital resource allocation priorities of the organization. Major strategic policy guidelines emphasized are long-term water supply needs and infrastructure replacement goals, as well as improved resilience during unforeseen events. Careful consideration is taken to formulate long-range financial plans with increased focus on the economic environment, capital projects, and asset management. However, the SNWA believes it is best to emphasize the short-term forecast information in the annual budget document. Prudent management of sources and uses of funds, coupled with consistent long-term financial planning, results in financial stability for the organization.

Internal Controls. In developing and evaluating the SNWA's accounting system, consideration is given to the adequacy of internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition; and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. The SNWA's internal accounting controls safeguard assets and provide reasonable assurance of proper recording of financial transactions. On an ongoing basis, the SNWA evaluates its internal controls and implements changes in response to dynamic operations.

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Debt Administration. It is the general intent of the SNWA that rates and charges are adequate to provide for all costs, and reliance on property taxes is to be avoided. Ad valorem taxes have never been needed to support the SNWA's operations or debt service. For a full discussion of debt objectives and guidelines see section 7, Debt Management Policy.

The State of Nevada operates a Municipal Bond Bank Program, which is designed to assist municipalities in undertaking local projects for the protection and preservation of the property and natural resources of the state. In May 1997, the SNWA was authorized to sell bonds directly to the state bond bank. Additionally, the SNWA issues bonds through the Clark County bond bank and through the LVVWD. As a result of legislation approved by the 1999 Legislature, Clark County established a bond bank to assist municipalities within Clark County. The LVVWD issues short-term or variable rate debt for the SNWA in addition to standard debt issues.

As of July 1, 2024, the SNWA will have \$1.9 billion in outstanding debt, excluding unamortized premiums and discounts. All debt is backed by a pledge of the SNWA's revenues. All applicable bond covenants such as ratios of net income to debt service, sinking funds, and insurance coverage have been met or exceeded.

Cash Management. Funds not immediately required for paying operating or capital expenditures are invested in U.S. Government and agency securities and other money market instruments. Nothing in the Cooperative Agreement creating the SNWA or the Facilities and Operations Agreement governing the SNWA's relationship with its purveyor members dictates permitted investments. Also, there is no applicable Nevada law. However, the SNWA chooses to comply with Nevada Revised Statutes (NRS) 355.170, which governs permitted investments for counties, cities, and school districts in Nevada. NRS 355.170 limits investments to obligations of the federal government and its agencies, commercial bank certificates of deposit, obligations of state and local governments rated A or above, bankers' acceptances, repurchase agreements, and money market mutual funds. All investments are held by a commercial bank's trust department in the name of the SNWA and are insured or collateralized with securities held by a third party in the name of the SNWA.

Risk Management. The SNWA employs a multifaceted approach to risk management, which includes the transfer, elimination, avoidance, reduction and/or assumption of risk of loss. The SNWA also purchases risk insurance (including terrorism insurance) from the commercial insurance market on real and personal property, including earthquake and flood, with common policy restrictions, covering direct physical loss of or damage to buildings, fixtures, equipment, boilers, machinery and supplies. The blanket limit of liability under the property insurance program (including industrial equipment) is \$500 million per occurrence with a deductible of \$1 million per occurrence. The program also includes earthquake coverage (\$100 million limit) and flood coverage (\$50 million limit) each having a \$100,000 deductible. This program also provides terrorism insurance for all locations with a blanket limit of \$250 million for all terrorist acts with a deductible of \$10,000. The SNWA self-insures the first \$1 million for its automobile and general liability exposure and purchases \$20 million over the \$1 million self-insured retention.

The SNWA maintains cyber insurance coverage of \$5 million with a \$250,000 retention. The cyber insurance policy provides liability coverage for damages the LVVWD or SNWA is legally obligated to pay resulting from incidents covered under the policy. In addition, the cyber insurance policy provides business income and extra expense insurance for covered cyber incidents.

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In addition, the SNWA purchases employee fidelity insurance in the amount of \$3 million and other miscellaneous coverage. It also self-insures its workers' compensation exposure for \$750,000 per claim and purchases excess workers' compensation insurance with statutory limits.

In contracts, the SNWA obtains indemnification and hold-harmless agreements. These agreements usually require that contractors name the SNWA as an additional insured under the indemnitor's insurance coverage.

In 2021, the SNWA's operating agency (LVVWD) formed the LVVWD CI (the "Captive"), a wholly owned subsidiary of the LVVWD, domiciled in the state of Nevada. The LVVWD is the sole member of this captive insurance company. The Captive is a registered limited liability company formed to advance long-term risk management program strategies through the use of a formalized self-insurance program that can access the reinsurance markets. The Captive provides retention for worker's compensation, general/auto liability, public officials liability, cyber liability, employment practices, and property.

Capital Project Structure and Controls

Identification of Capital Project Need. Capital projects for the SNWA are proposed in response to identified needs for improvements to the facilities providing for delivery of community water supplies to the members of the SNWA. These improvements may be either 1) new facilities to expand or enhance capabilities or 2) repair, upgrade or replace existing facilities no longer functioning as required.

Identification of proposed new facilities to meet expanding water delivery requirements is accomplished through a process involving continuing assessment of current and projected future community water demands. The SNWA works with its purveyor members to establish both short-range and long-range projections of future water demands. These water demands are compared to the capacities of the existing SNWA water facilities. Where facility capacities are insufficient to meet projected demands, the SNWA undertakes efforts to plan potential new facilities to address the projected shortfall. New facilities may also be proposed to enhance the reliability of the water delivery facilities, or to enhance the quality of the water provided to the community.

Identification of existing facilities requiring repair, upgrade or replacement comes about through continuous monitoring and assessment of facility performance. To the extent possible, major repair, upgrade or replacement projects are identified in time to allow for planning and scheduling of the projects to minimize costs and interruptions to operations of other facilities.

The SNWA meets periodically with its purveyor members to discuss water demand projections, compare those projections to existing system capacities, review operational issues, define an annual operating plan, discuss progress on approved capital projects under design and construction, and consider proposals for new capital projects. Proposals for new capital projects are presented to the Southern Nevada Water System Work Group (Work Group), a formal advisory committee composed of representatives of the SNWA and the SNWA Purveyor Members. Upon endorsement by the Work Group, new projects are incorporated into amendments to the SNWA's capital plans and are presented to the SNWA Board for approval. If the amended capital plan requires an increase in the total cost of the plan, then the amended capital plan must also be approved by the governing body of each Purveyor Member.

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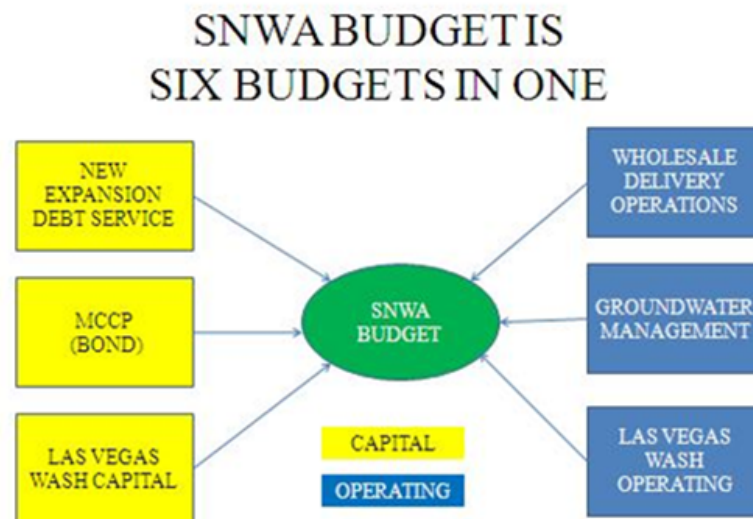
Execution of Capital Plan. After approval of the capital plan by the SNWA Board, the Engineering department assembles a staging plan for each project and develops specifications to be used as criteria during the competitive bidding process. Major construction portions are then let to an open competitive bidding process. All bids are reviewed, and the lowest qualifying bid is presented to the SNWA Board for their approval. At the approval date, the Finance department (Finance) and the Engineering department encumber the total amount of the contract. Change orders are submitted to the SNWA Board as needed with full explanations as to why the change is necessary.

The Engineering department issues capital plans, which include a list of capital projects and their projected costs. The Finance department tracks expenditures and encumbrances for capital projects and plans future debt service issues on these calculations. Upon capital project completion, the Engineering department presents a summary of the project and then the Finance department moves the completed project from construction work in progress to property, plant and equipment. Details of the current capital budget can be viewed in Section 6 of this 2024-25 Budget Plan document.

Budget Controls and Process

Basis of Accounting

The SNWA's audited Annual Comprehensive Financial Report is presented on the full accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period incurred, regardless of when payments are actually made. In addition, the budget is broken into sub funds of the single proprietary fund, which shows beginning balance, sources of funds, uses of funds, and ending balance. The SNWA is an enterprise fund; the sub funds are an internal cost control aiding management in ensuring revenues and expenses for major projects are properly matched. The SNWA maintains six separate sub-funds. Three sub-funds track the financial activity of SNWA's capital programs while the other three sub-funds track day-to-day operations.



Sub-fund balances are reconciled to the audited Annual Comprehensive Financial Report. For budget preparation and presentation, the Las Vegas Wash Capital and Las Vegas Wash Operating sub funds are combined into one sub fund for simplification purposes.

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Budgetary Controls

By State statutes, the SNWA's budget is approved annually, following a public hearing by the SNWA Board, and a copy is submitted to the State Department of Taxation. Budgetary controls are established at the levels of total estimated operating and non-operating expenses. A utility, or other enterprise, is a self-supporting operation of a commercial nature, and the demand for service largely determines the appropriate level of revenues and expenditures. Depending upon the timing and level of the demand for services, expenditures will vary.

The SNWA is encouraged, but is not required by law, to adopt a balanced budget. A balanced budget is defined as a budget where sources of funds are equal to, or exceed, uses of funds. Throughout the budget process, the SNWA examines projected financial needs and determines whether or not rates, fees and charges should be adjusted to make funds available for those needs.

Budgetary controls are established at various levels to have effective control over the necessary expenditures. These levels always include departments and divisions and, in some instances, sections. Most disbursements are made through the issuance of purchase orders. The purchasing division in Finance administers purchases of new furniture, vehicles, and communication equipment. Computer equipment purchases are administered under the authority of the Director of the Information Technology department (IT). Finance prepares and distributes monthly budget variance reports, and division managers can electronically access their budget information using the Oracle Financial System. Division managers are accountable for variances between the budgeted and actual expenditures. The staffing is controlled by the Human Resources department (HR).

Budget Process

The SNWA's budget process starts in December of each year, and proceeds with a series of meetings with the department directors. Financial analysis is done to project the revenues under current rate structures. Wholesale Delivery Charge revenue projections are based on the estimated water the SNWA is planning to deliver in the coming year. The budget reflects the strategies and goals adopted by the SNWA.

Budget staff disseminates current and historical information to managers to assist them in preparation of future budgets within budgeting guidelines. The budget process consists of three major phases. The first phase includes preparing new requests for capital and staff positions for the new fiscal year. The second phase consists of preparing department operating budgets, including salaries and benefits expenditures. Estimating salaries and benefits expenditures are based on current approved positions and factors based on historical adjustments throughout the year. The third phase involves department directors, managers and supervisors meeting with Executive Management to justify expenditure requests. After all of the departments' budgets have been reviewed and approved by Executive Management, the budget is consolidated, and an initial proposed budget document is submitted to the Nevada State Department of Taxation by April 15. The State then reviews the proposed budget and issues a notice of compliance or non-compliance with the statutory laws of the State of Nevada.

On the third Thursday in May, the SNWA's Board conducts a public hearing to allow the public an opportunity to discuss the proposed budget. During the public hearing, the GM requests final approval from the SNWA Board. The approved final budget document is filed with the State of Nevada. Once approved and filed, departments are provided copies of their budgets. The approved budget is implemented on July 1, the first day of the new fiscal year.

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Budget Augmentation

Nevada Revised Statute (NRS) 354.493 defines budget augmentation as a procedure for increasing appropriations of a fund with the express intent of employing unbudgeted resources to carry out the purpose for the increased appropriations. To augment the budget, the SNWA Board must adopt a resolution providing for an augmentation at a regular meeting of the SNWA Board by majority vote of all members. Budget augmentation becomes effective when an executed copy of the resolution for augmentation is delivered to the State Department of Taxation.

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	All Departments	Financial Planning, Analysis & Reporting (FP&A)	Executive Management	Human Resources
Oct	Wed Oct 18 Budget narrative files available for departments in Wdesk app	Coordination of budget process, schedule and assigned department Analyst assistance begins		
Nov	Mon Nov 13 - Thu Nov 16 Operating expense files received by departments	Mon Nov 13 - Thu Nov 16 Operating expense files sent		
Dec	Tue Dec 5 Budget instructions and calendar received	Tue Dec 5 Budget instructions and calendar sent to departments		Dec Organization charts available for review in Workday. Adjustments to organization charts due to Human Resources Information Systems, (HRIS) (HRIS@lvvwd.com) by Thursday, January 11, 2024
	Mon Dec 11 Budget Kick-off Meeting (Teams)	Mon Dec 11 Budget Kick-off Meeting (Teams)		
	Mon Dec 11 – Thu Jan 11 Personnel related requests will be coordinated through each department’s Director and Deputy General Manager		Mon Dec 11 – Thu Jan 11 Personnel related requests will be coordinated through each department’s Director and Deputy General Manager	
Jan	Thu Jan 11 Adjustments to organization charts submitted to Human Resources Information Systems, (HRIS) (HRIS@lvvwd.com)	Thu Jan 11 Major data processing and equipment requests submitted to Information Technology and Fleet Services for review and coordination		Thu Jan 11 List of existing interns and summer hire position renewals sent to FP&A
	Thu Jan 11 Final requests for interns and summer hire positions submitted to HRIS (HRIS@lvvwd.com)	Mon Jan 22 Begin coordination with departments incurring intercompany and overtime payroll costs		
	Wed Jan 31 Final 2024-25 capital budget equipment and project requests submitted			

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	All Departments	FP&A	Executive Management	Human Resources
Feb	Mon Feb 5 Final 2024-25 operating expense budgets submitted to FP&A			
	Tue Feb 20 Summaries and detail of operating expense & capital expenditure budgets received	Tue Feb 20 Summaries and detail of operating expense & capital expenditure budgets sent to departments		
		Tue Feb 20 Assisting departments in preparation for the Senior Management Team (SMT) budget meeting presentations begins		
Mar		Thu Mar 7 Budget overview briefing with Executive Management (E-Team)	Thu Mar 7 Budget overview briefing	
	Thu Mar 14 Budget narratives submitted to FP&A Wdesk App			
	Thu Mar 28 Department budget meetings with SMT and overview briefing	Thu Mar 28 Department budget meetings with SMT and overview briefing	Thu Mar 28 Department budget meetings with SMT and overview briefing	
			Thu Mar 28 – Mon Apr 1 Final budget decisions made by Executive Management (E-Team)	
Apr		Thu Apr 4 Proposed draft budgets completed for Budget Workshops with Boards of Directors	Thu Apr 25 Board of Directors Budget Workshop for SNWA	Mon Apr 1 Preliminary update of positions list based on Executive Management's final budget decisions
		Thu Apr 11 Preliminary Budgets filed with the Nevada State Department of Taxation	Mon Apr 29 Board of Directors Budget Workshop for LVVWD (including BBWD & Coyote Springs)	

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	All Departments	FP&A	Executive Management	Human Resources
May		Wed May 8 LVVWD, BBWD, and Coyote Springs Public hearing notice published in LVRJ		
		Fri May 10 SNWA Public hearing notice published in LVRJ		
			Mon May 20 LVVWD Board of Directors public hearings conducted on proposed budgets of LVVWD, Big Bend, and Coyote Springs for possible adoption	
			Thu May 30 SNWA Board of Directors public hearing conducted on the proposed budget for possible adoption	Thu May 30 Organization charts updated after Boards adopt budgets
Jun		Mon Jun 3 Adopted budgets sent to the Nevada Department of Taxation		
		Mon Jun 17 LVVWD, SNWA, BBWD & Coyote Springs annual summary fiscal reports published in LVRJ		
Jul		Thu Jul 18 Proof of publication of fiscal reports submitted to the Nevada State Department of Taxation		
Aug		Thu Aug 15 Budget Award Application submitted to the GFOA		

Southern Nevada Water Authority Strategic Plan

Strategic Plan Background

The SNWA's Strategic Plan represents the latest iteration in the SNWA's long-standing commitment to self-assessment, continuous improvement, and comprehensive planning. The Strategic Plan provides future direction for the SNWA, both in its role as a local water purveyor and in its operational and management support of the SNWA.

To respond to a variety of rapidly changing factors impacting the SNWA, senior management and employees of the SNWA, with policy guidance from the SNWA Board, completed a comprehensive Strategic Plan in 1993. The SNWA's Strategic Plan identified forces influencing decision-making and formulated goals and strategies to guide the SNWA in responding to the challenges, and evolve into a dynamic, responsive and effective organization. In 1997, the SNWA revised its original plan to reflect its evolving role in supporting and managing the SNWA, as well as meeting demands as a local water purveyor. In fiscal year 2003-04, senior management and staff completed a review and updated the goals and strategies of the SNWA's Strategic Plan, and a revised plan with new goals and strategies was presented to and adopted by the SNWA Board. At the same time, staff initiated strategic planning meetings with the SNWA member agencies, resulting in the identification of goals to guide the future of the SNWA, and provide a foundation for common understanding between the SNWA and the member agencies.

In fall 2012, the Senior Management Team began meeting to update the strategic plan. This strategic planning process allows the SNWA and the member agencies to continue to respond to current economic conditions, plan for future needs and implement changes to ensure efficient and effective operations. The revised strategic plan was finalized, and the organization-wide implementation launched in 2013.

Strategic Plan and 2024-25 Budget Plan Preparation

The SNWA's Strategic Plan serves as a guide in the development of the SNWA's annual Budget Plan. The Strategic Plan is used to guide and focus operational objectives and subsequently budget plan investments for the upcoming year. In section 5 of the 2024-25 Budget Plan, each department has established objectives for the upcoming year according to the relevant and existing Strategic Plan goal it is designed to address.

The SNWA has a long-standing commitment to self-assessment, continuous improvement, customer service and comprehensive planning, and has undergone several strategic planning initiatives over the past two decades to ensure the organization has a framework for action and is prepared to address dynamic environmental and economic challenges. The Strategic Plan developed in 2013 addresses the challenges of the current economic climate, organizational realignment and operational needs.

For the past two decades, Southern Nevada has weathered unprecedented drought conditions on the Colorado River and has survived the effects of an economic recession and COVID-19 pandemic impacts. The recession impacts included a change in the community's business environment, a decrease in water sales and sales tax revenue, and a significant decrease in the SNWA connection charges. Some of those same impacts have been seen from the COVID-19 pandemic. During this period of economic uncertainty, organizational structure and budgetary issues have been closely evaluated to ensure the organization's focus meets current community needs. The strategic plan represents a roadmap for the

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next three to five years which realigns the organization's focus on enhancing service levels, improving asset management, providing rate stability, and streamlining the organization to meet current and future community needs.

The strategic planning process developed a "blueprint" to increase communication, emphasize accountability, and continue to cut costs and eliminate duplication in a manner representative of the organization's commitment to internal efficiency and exemplary customer service. The plan also establishes goals to facilitate these objectives.

The strategic planning process involved management and employees in all departments through a comprehensive exercise to assess the organizations and their current environment; review and clarify the organizational vision, mission and values; and to develop goals and strategies that support these objectives. By involving all levels of employees in the development of measures, milestones, standards of excellence, and incorporating their input into the strategic plan, the entire workforce had the opportunity to engage in the implementation of the new Strategic Plan. Additionally, each workgroup has the ability to monitor its own progress through an online administrative tool.

As a result of this strategic planning process, a new vision, mission and goals were developed:

VISION

To be a global leader in service, innovation and stewardship

MISSION

Provide world class water service in a sustainable, adaptive and responsible manner to our customers through reliable, cost-effective systems

GOALS

- Assure quality water through reliable and highly efficient systems.
- Deliver an outstanding customer service experience.
- Anticipate and adapt to changing climatic conditions while demonstrating stewardship of our environment.
- Develop innovative and sustainable solutions through research and technology.
- Ensure organizational efficiency and manage financial resources to provide maximum customer value.
- Strengthen and uphold a culture of service, excellence and accountability.

Strategic Plan Strategies

In order to implement the goals of the Strategic Plan, the SNWA prepared the following strategies:

Assure quality water through reliable and highly efficient systems.

- Provide a high quality drinking water supply and delivery system that is sustainable and promotes the vitality and prosperity of the community.
- Maintain high levels of reliability through application of a sufficiently funded asset management program.

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- Sustain operational continuity with a sufficiently staffed, well-trained and skilled workforce.
- Continually improve operating efficiencies by benchmarking to leading industry standards.
- Ensure a high quality of local and regional water resources through comprehensive water quality and watershed management.

Deliver an outstanding customer service experience.

- Assess customer satisfaction, establish benchmarks and determine where improvements are required.
- Continuously improve service processes and practices based on customer assessments.
- Utilize appropriate technology to simplify and improve the customer experience.
- Provide necessary training and development to ensure a quality customer service experience.
- Communicate with and receive continuous feedback from employees on organizational policy changes and improvements.
- Monitor other organizations/industries to identify innovations, best practices and ways to improve the customer experience.

Anticipate and adapt to changing climatic conditions while demonstrating stewardship of our environment.

- Enhance understanding of climate change impacts among ourselves and our stakeholders.
- Develop and implement adaptation plans to reduce or mitigate impacts of climate change on water and environmental resources.
- Conduct long-term water resources and facilities planning to ensure adequate resources are available when needed.
- Develop and implement proactive stewardship for environmental resources to ensure access to current and future water supplies.
- Champion innovative water efficiency initiatives to maximize beneficial use of resources.
- Incorporate sustainable best practices into organization initiatives and inspire positive change.

Develop innovative and sustainable solutions through research and technology.

- Identify, prioritize and implement sustainable and cost-effective solutions to organizational challenges.
- Promote a culture that is innovative and creative, and makes effective use of technology.
- Allocate the resources necessary to advance research, technology and other innovations.
- Develop and strengthen partnerships on a global basis to leverage resources and advance innovation.

Ensure organizational efficiency and manage financial resources to provide maximum customer value.

- Increase customer communication so there is a better understanding of the value of our products and services.
- Ensure predictable rates that are aligned with community expectations.
- Seek out and deploy worldwide best practices to minimize costs.
- Establish and utilize benchmarks to explore new opportunities for improved efficiencies.
- Formulate risk assessments and develop alternatives for expenditure decisions.

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Strengthen and uphold a culture of service, excellence and accountability.

- Improve the consistency and openness of communication to ensure employees are engaged and well informed.
- Increase the effectiveness of professional development by providing additional diverse learning opportunities.
- Hold ourselves accountable for delivering quality products and services to our customers, each other and the environment.
- Identify, monitor and measure key performance areas of the organization, openly sharing results and taking appropriate action.
- Provide and seek timely feedback on individual, team and departmental performance to enhance collaboration, accountability and excellence.

Performance Measures Matrix

The following performance measurements are based on the Strategic Plan goals that tie to the overall organization's mission. These performance measurements were developed to assist in evaluating the achievement of the organization's objectives. The measurements presented include data that is both internally and externally produced. Historical data is analyzed and is used as a basis for establishing targets for the current and budget fiscal years. On an annual basis, management will review the performance measurements listed to monitor results, evaluate targets, and add or remove items as needed to reflect organizational priorities.

Strategic Plan goals and metrics, along with the actual levels achieved during fiscal year 2022-23 as well as the targets for fiscal years 2023-24 and 2024-25 are reported in the following table.

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Strategic Goal	Department	Metrics	Definition / Calculation	Fiscal Year 2022-23 Actual	Fiscal Year 2023-24 Target	Fiscal Year 2024-25 Target
Assure quality water through reliable and highly efficient systems	Water Quality & Treatment	Water quality	Meet or surpass all State of Nevada and Federal Safe Drinking Water Act standards for prior calendar year	100%	100%	100%
	Infrastructure Management	Infrastructure leak index	Ratio of actual to unavoidable real losses	1.9	2.5	2.4
Deliver an outstanding customer service experience	Customer Care	Customer service satisfaction rating	Customer satisfaction rating average for 4 quarters in calendar year	8.01	>7.58	>7.58
Anticipate and adapt to changing climatic conditions while demonstrating stewardship of our environment	Water Resources	Water resource availability	Sufficient permanent, temporary and future water resources available to meet projected calendar year demands	100%	100%	100%
	Water Resources	Average water usage / consumption	Gallons per capita per day (GPCD) assumes straight-line approach to goal of 86 GPCD by 2035	104	102.5	98
Develop innovative and sustainable solutions through research and technology	Environmental, Health, Safety and Security	Maintain alternative fuel fleet vehicle standings	Percentage of fleet operating on alternative fuel	90%	91%	91%
	Water Quality & Treatment	Number of Research & Development publications	Quantity of publications for the fiscal year	22	12	12
Ensure organizational efficiency and manage financial resources to provide maximum customer value	Finance	Reserve target compliance	Amount of unrestricted reserves (unrestricted cash & unrestricted investments) as compared to the unrestricted reserves target	117%	110%	110%
	Finance	Credit ratings	Credit ratings assigned by the credit rating agencies to identify the credit worthiness of an issuer relative to their peers	AA/Aa1	AA/Aa1	AA/Aa1
Strengthen and uphold a culture of service, excellence and accountability	Environmental, Health, Safety and Security	OSHA reportable rates	Incidence rate below the reportable injury and illness rate posted by the Bureau of Labor Statistics (BLS) annually for comparable industries	2.0	1.9	1.9
	Environmental, Health, Safety and Security	EPA reportable notifications	Number of reportable occurrences	0	0	0

SECTION 3

OPERATING AND CAPITAL BUDGET PLAN

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The fiscal year 2024-25 Operating Budget Plan reflects the continued commitment of the Southern Nevada Water Authority (SNWA) to provide water resources and services to meet the demands of Southern Nevada. The SNWA utilizes its Strategic Plan as a guide in shaping its annual Operating Budget Plan.

The fiscal year 2024-25 Budget Plan's total sources of funds are projected to be \$675.3 million, or a 4 percent increase compared to the fiscal year 2023-24 Adopted Budget Plan. The fiscal year 2024-25 Budget Plan's total uses of funds are projected to be \$675.3 million, or a 4 percent increase compared to the fiscal year 2023-24 Adopted Operating Budget Plan. The table below shows the Sources and Uses Summary for the fiscal years 2022-23, 2023-24, and 2024-25.

Operating Budget Summary

	Actual		Budget		Budget		Budget-to-Budget Variance	
	2022-23		2023-24		2024-25		\$	%
SOURCES								
Wholesale delivery charge	\$	154,732,456	\$	168,440,978	\$	165,707,057	\$ (2,733,921)	(2)%
Infrastructure charge		199,087,470		207,488,744		223,100,301	15,611,557	8 %
Commodity charge		76,408,093		85,898,156		83,593,821	(2,304,335)	(3)%
Connection charge		106,522,272		64,538,794		71,106,640	6,567,846	10 %
Reliability surcharge		6,461,105		6,655,433		6,852,894	197,461	3 %
Sales tax		95,233,667		98,922,517		103,629,368	4,706,851	5 %
Investment income		8,032,748		10,723,648		12,325,244	1,601,596	15 %
Other sources		11,022,369		9,029,764		8,978,774	(50,990)	(1)%
SNWA Sources		657,500,180		651,698,033		675,294,099	23,596,066	4 %
USES								
Water resource investments		7,606,218		34,394,000		31,823,968	(2,570,032)	(7)%
Energy		62,523,343		59,604,253		53,793,950	(5,810,303)	(10)%
Salaries and benefits		94,655,314		101,424,569		109,213,561	7,788,992	8 %
Operating expenses		67,123,334		109,855,219		101,923,173	(7,932,046)	(7)%
Debt service		312,899,101		307,286,471		310,766,636	3,480,165	(2)%
Other uses		—		9,770,223		9,441,922	(328,301)	(3)%
Transfers to reserves		112,692,870		29,363,298		58,330,888	28,967,590	99 %
SNWA Uses	\$	657,500,180	\$	651,698,033	\$	675,294,099	\$ 23,596,066	4 %

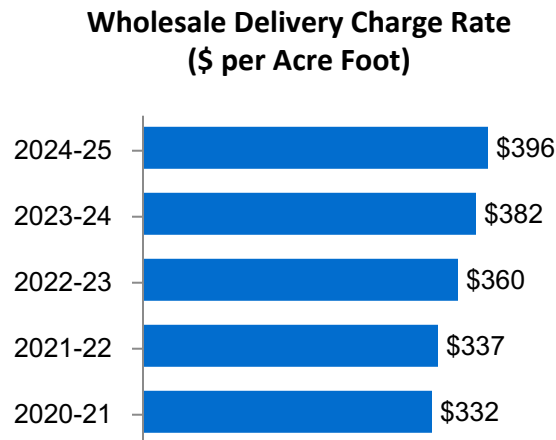
Operating Sources

The fiscal year 2024-25 Operating Budget Plan's total sources of funds are projected to be \$675.3 million, which is a four percent increase compared to the 2023-24 Adopted Budget Plan. The increase is primarily attributable to increases in connection and infrastructure charge, both driven by growth in services.

Wholesale Delivery Charge

The wholesale delivery charge is the revenue generated from Colorado River water delivered by the SNWA to its purveyor members. Those purveyor members then sell the purchased water to end-users. The SNWA has no retail customers. For fiscal year 2024-25, the wholesale delivery charge for treated water sold will rise by \$22 per acre-foot. This increases the charge from \$382 to \$396 per acre-foot.

Periodic rate increases have kept the wholesale delivery charge revenue relatively stable during periods of flat-to-declining usage. The decrease of \$2.7 million, or two percent, in fiscal year 2024-25 is the result of the rate increase, as well as growth in water sales to purveyor members. The recent wholesale delivery charge potable rates are shown on the following chart.



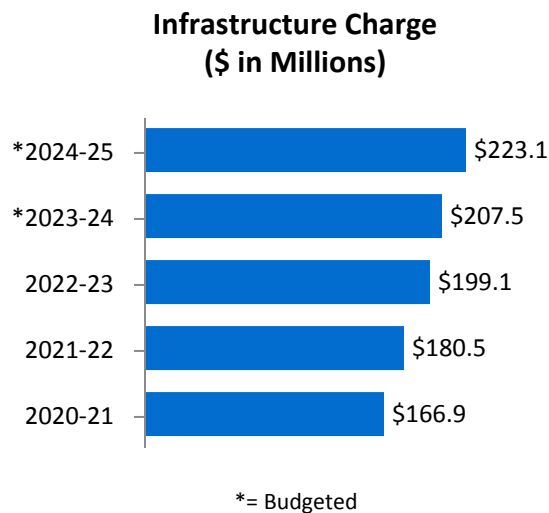
Infrastructure Charge

In October 2011, the SNWA's Board of Directors (Board) authorized an extensive rate study and a public outreach process to study various alternative rate structures to service the SNWA's outstanding debt. Debt had been issued to fund prior capital projects and additional debt was issued to fund ongoing capital needs. In February 2012, the Board approved an infrastructure charge. This charge is applied by the SNWA purveyor members, typically to retail bills, and is a fixed charge assessed based on meter size and customer class. Consumption is not considered in the application of the charge. At the same time in 2012, the Board appointed a 21-member Integrated Resource Planning Advisory Committee (IRPAC). The IRPAC reviewed financial projections of the SNWA and recommend strategies concerning the financial commitments. IRPAC's Phase 1 recommended, with subsequent Board approval, a four-year step-in increase of the infrastructure charge beginning January 1, 2014 and ending January 1, 2017. IRPAC's Phase 2 recommended, with subsequent Board approval, to increase the fixed monthly charges. This charge was called the Drought Protection Charge and was added to the infrastructure charge.

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In October 2019, the SNWA Board appointed a citizens advisory committee, named IRPAC 2020, to examine Southern Nevada’s long-term water planning efforts. IRPAC 2020 recommended to implement a six-year annual increase, beginning in January 2022, to phase-in an inflationary catch-up rate increase and adjust for future annual inflation. The recommendation was approved by the Board in September 2020, and the rate adjustments themselves were adopted by the Board in November 2020 after a public hearing. These rates were fixed increases of 1.6 percent annually for six years to catch-up the rate to current day dollars, as well as three percent to account for current year inflation. Due to inflationary impacts experienced starting in 2021, IRPAC 2020 reconvened in December 2021 to ensure that fees charged maintained pace with current and future inflation. Subsequently, IRPAC 2020 recommended to the Board to amend the previously approved current year fixed rate increases to variable rates. The variable rates were proposed to be the actual percentage change in the Engineering News Record (ENR) construction cost index, which would allow the cost of services to keep pace with the associated fee structure. The recommendation was approved by the Board in February 2022. In addition to the rate changes, the Board also approved limiting future increases to a floor of 1.5 percent and a ceiling of seven percent, excluding previously approved catch-up increases in years 2023 through 2027.

Infrastructure charges are budgeted to increase \$15.6 million, or eight percent, compared to the 2023-24 Adopted Operating Budget Plan. The increase is a result of the rate adjustments in January 2025 described above and account growth.



Commodity Charge

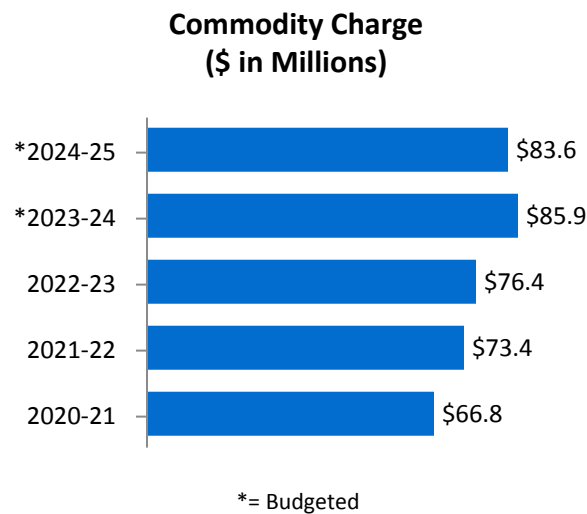
The commodity charge went into effect in November 1996. This charge is typically collected by purveyor members and remitted to the SNWA monthly. The commodity charge is applied to retail water bills. The IRPAC Phase 1 recommended, with subsequent Board approval, the commodity charge to increase from the starting rate of \$0.30 per 1,000 gallons to \$0.48 over a four-year step-in period ending in January 2017.

Similar to the infrastructure charge, the IRPAC 2020 recommended to implement a six-year annual increase effective January 2022 to phase-in an inflationary catch-up and adjust for annual inflation. This recommendation was approved by the Board in September 2020, and the rate adjustments themselves were adopted by the Board in November 2020 after a public hearing. Catch-up inflation was set at 2.3 percent for six years starting in January 2022. Due to inflationary impacts experienced

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starting in 2021, IRPAC 2020 reconvened in December 2021 to ensure that fees charged maintained pace with current and future inflation. Subsequently, IRPAC 2020 recommended to the Board to amend the previously approved current year fixed rate increases to variable rates. The variable rates would be the actual Consumer Price Index (CPI), which will allow the cost of services to keep pace with the associated fee structure. The recommendation was approved by the Board in February 2022. In addition to the rate changes, the Board also approved limiting future increases to a floor of 1.5 percent and a ceiling of seven percent, excluding catch-up increases in years 2023 through 2027. The charges are paid by the purveyors' customers based on the benefit they will accrue from the expansion of the SNWA's regional water treatment and transmission system.

Commodity charges are budgeted to decrease \$2.3 million, or three percent, compared to the 2023-24 Adopted Budget Plan. This increase is mostly due to the January 2022 rate adjustment described above and a projected increase in volumetric water sales.



Connection Charge

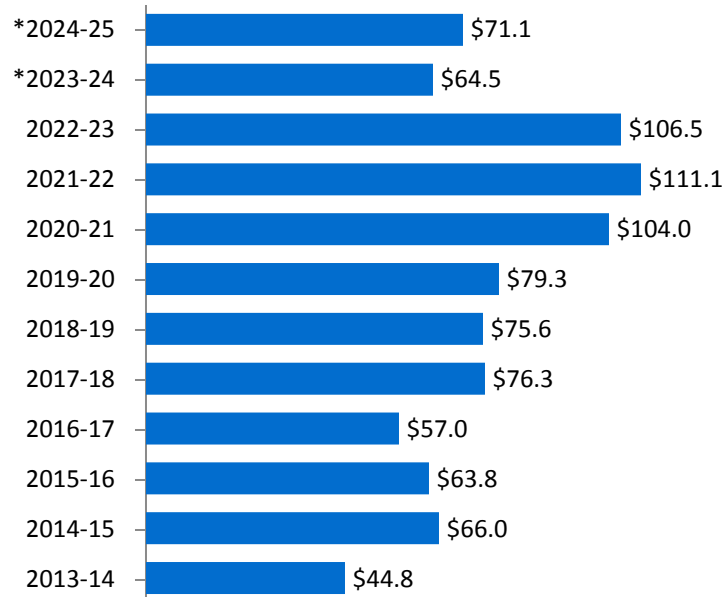
The connection charge is a charge assessed for new connections to the potable water system and is based on customer type, land usage, and meter size. The SNWA's purveyor members collect these charges when customers apply for new water services and they are remitted to the SNWA monthly.

Similar to the infrastructure and commodity charges, the IRPAC 2020 recommended to implement a six-year annual increase effective March 2022 to phase-in catch-up inflation, as well as adjust for annual inflation. Beginning in March 2028, the connection charge will be annually indexed to the ENR.

The fiscal year 2024-25 budget for connection charge revenue is \$71.1 million, which is 10 percent higher than the 2023-24 Adopted Budget Plan. Connection charge collections were one of the SNWA's largest sources of funds in the mid-2000s. However, during the subsequent recession, this revenue fell sharply with the lack of construction activity in the SNWA's service area. Since reaching a low in fiscal year 2009-10, connection charge collections increased steadily through 2022-23 and the budgets for 2023-24 and 2024-25 were intended to be conservative estimates due to uncertainty from the economic impact of inflation.

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Connection Charge
(\$ in millions)



*= Budgeted

Reliability Surcharge

The reliability surcharge went into effect in April 1998 and is based on the total water bill, excluding the infrastructure charge, of the SNWA's purveyor members. The rate is 0.25 percent for residential customers and 2.5 percent for non-residential customers. These revenues are collected by purveyor members from retail billings and are remitted to the SNWA monthly. The fiscal year 2024-25 reliability surcharge is projected to increase \$0.2 million, or three percent. Because this surcharge is based on the total water bill charged to an end user by a purveyor, less the infrastructure charge, the reliability surcharge is affected by purveyor water sales and rate increases, as well as SNWA's commodity charge and infrastructure charges.

Reliability Surcharge
(\$ in millions)



*= Budgeted

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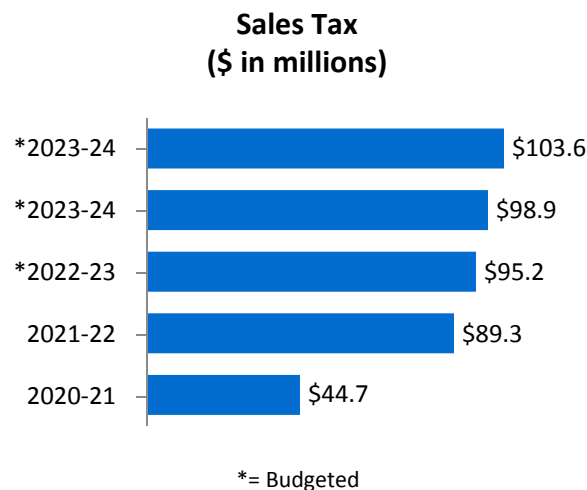
Sales Tax

The Clark County Water and Wastewater Infrastructure Sales Tax (sales tax) went into effect on April 1, 1999, and at that time, this increased the sales tax rate in Clark County from 7.0 percent to 7.25 percent. This is the only tax the SNWA receives.

The sales tax increase was originally scheduled to sunset on June 30, 2025, or when a cumulative amount of \$2.3 billion had been collected, whichever occurred first. However, legislation extending the sales tax sunset provisions were enacted during the 2011 Legislative session, subject to approval from the Clark County Board of Commissioners (Clark County Board). On September 3, 2019, the Clark County Board adopted an ordinance determining that the cessation of the sales tax was not advisable and that it would remain in place beyond the original statutorily prescribed sunset provisions. Therefore, unless such ordinance is repealed by the Clark County Board, the sales tax will remain in place indefinitely.

The sales tax is collected by the Nevada Department of Taxation (DOT) and remitted to the SNWA monthly. Of the gross amount received from the DOT, approximately 3.2 percent is forwarded to rural areas in the county and 4.0 percent is held in reserve by the SNWA to fund needed capital improvements in the Las Vegas Wash. The Las Vegas Wash is the primary channel through which excess water returns from the Las Vegas area to Lake Mead. The water flowing through the wash comprises less than two percent of the water in Lake Mead and consists of urban runoff, shallow groundwater, storm water and releases from the three water reclamation facilities within the Las Vegas area.

By agreement with the wastewater agencies in the service area, the SNWA received 100 percent of the remaining sales tax proceeds for the first two years. Since then, the remainder has been split between water and wastewater based on the relative size of their capital improvement plans. The fiscal year 2024-25 projection of sales tax revenue is \$103.6 million, or five percent, higher than the 2023-24 Adopted Budget Plan. This increase is due to a projected increase in taxable sales.



Investment Income

Investment income includes both interest from bank accounts and investment earnings. The primary objectives of such investments are, in order of importance, safety of principal, maintenance of

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liquidity, and return on investment (ROI). Investment income is projected to increase \$1.6 million over the 2023-24 Adopted Budget Plan. This increase is primarily due to fluctuations in the reserve balances.

Other Sources

Other sources are projected to be \$9.0 million, an decrease of one percent compared to the 2023-24 Adopted Operating Budget Plan. Other sources are primarily attributable to changes in Lease Accounting as required by the Governmental Accounting Standards Board (GASB) No. 87, *Leases*, and No. 96, *Subscription-Based Information Technology Arrangements*.

Operating Uses

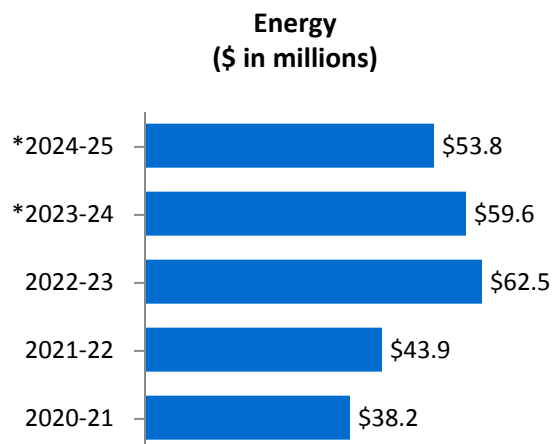
The fiscal year 2024-25 Operating Budget Plan's total uses of funds are projected to be \$675.3 million, a four percent increase compared to the 2023-24 Adopted Budget Plan. The uses increase is mostly due to higher water resource investments and increases in operating expenses.

Water Resource Investments

Southern Nevada obtains 90 percent of its water supply from the Colorado River. Since the year 2000, persistent drought conditions, the worst in the Colorado River Basin's recorded history, have affected supply and forced stakeholders and the community to change the way water is utilized in Southern Nevada. Because of long-standing community conservation practices, Southern Nevada finds itself in a position in which water demands would still be met, even under the current shortage declaration, as well as possible future shortage declarations. Moreover, investments made in the regional water system will help the SNWA reliably deliver water even during the most severe drought conditions. The 2024-25 Budget plan reflects these investments, which are expected to be \$31.8 million, a \$2.6 million decrease, compared to the 2023-24 Adopted Budget Plan.

Energy

Treating raw water from Lake Mead and delivering it to the Las Vegas area is energy intensive. The cost of energy for fiscal year 2024-25 is projected to decrease \$5.8 million, an increase of ten percent, over the fiscal year 2023-24 Adopted Budget Plan. This increase is primarily due to higher energy rates and an increasing energy consumption forecast.

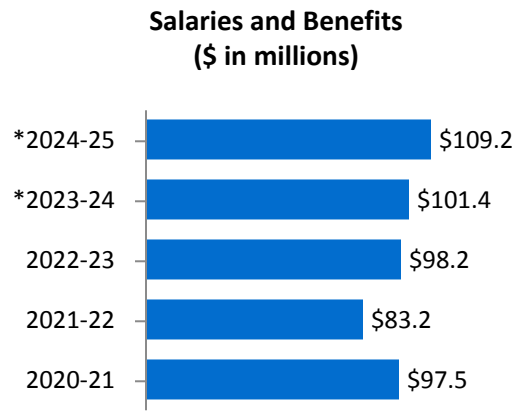


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*= Budgeted

Salaries and Benefits

The SNWA does not have any employees. As described in the introduction section of this budget document, the Las Vegas Valley Water District (LVVWD) is the operating agent for the SNWA. A significant portion of the SNWA's operating expenses, including payroll costs, are initially paid by the LVVWD and then reimbursed by the SNWA. Salaries and benefits costs include wages, salaries and benefits. For fiscal year 2024-25, salaries and benefits expenses are anticipated to be \$109.2 million. This represents an increase of \$7.8 million, or eight percent, compared to the 2023-24 Adopted Budget Plan.



*= Budgeted

Full-time equivalent (FTE) is a unit of measurement which represents the workload of one full-time employed person. The SNWA's FTE count is expected to increase by thirteen employees over the fiscal year 2023-24 Adopted Budget Plan. Demands to secure and protect water resources, ensure efficient use of existing resources, and provide a safe and reliable water supply under current operational conditions has resulted in increased staffing requirements for the SNWA. The following chart summarizes the number of equivalent FTE positions by department charging time to the SNWA.

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FTE Summary

DEPARTMENT	Actual 2022-23	Budget 2023-24	Budget 2024-25
Executive Management	7.2	5.0	4.5
Legal Services	11.6	11.9	13.9
Finance	20.3	19.9	20.4
Energy Management	5.3	5.0	5.0
Risk Management	2.5	2.5	3.0
Customer Care & Field Services	2.3	2.9	3.0
Engineering	20.8	20.4	19.3
Infrastructure Management	54.9	73.0	83.4
Operations	57.1	63.7	64.6
Human Resources	3.6	21.3	7.1
Information Technology	40.4	47.6	42.3
Environmental Health Safety & Corporate Security	38.7	41.1	42.0
Water Quality & Treatment	91.5	92.1	95.4
Water Resources	71.7	73.8	78.5
Public Services	27.8	23.0	34.0
Total	455.7	503.1	516.4

**Totals may vary slightly due to rounding*

Operating Expenses

Operating expenses include all normal operating costs of the SNWA except water resource investments, energy, salaries and benefits, capitalized expenditures, and debt service, which are presented separately. Examples include, but are not limited to, materials and supplies, maintenance and repairs, certain rental and leases, water treatment chemicals, research and studies, legal fees, and professional services. Operating expenses are projected to decrease \$7.9 million as compared to the 2023-24 Adopted Budget Plan.

Debt Service

This reflects the debt service on all outstanding debt of the SNWA. For more detail on the SNWA's outstanding debt, see the Debt Management Policy, which is section seven of this budget document.

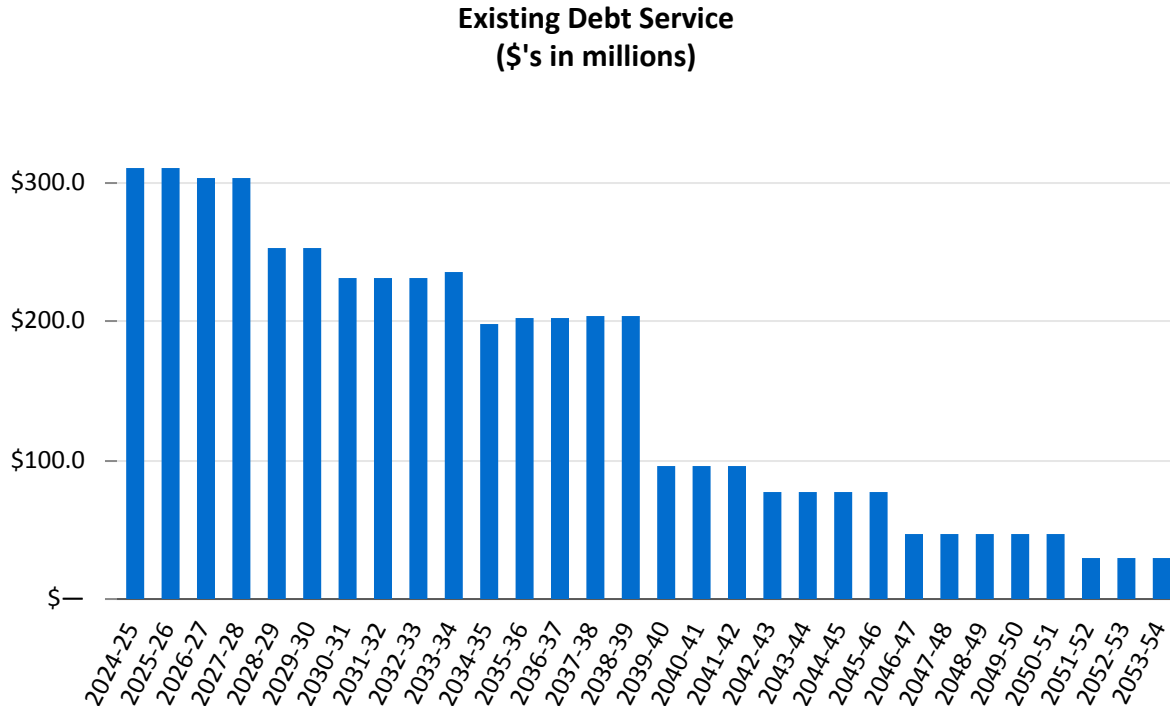
The Las Vegas area has experienced extraordinary population growth since the SNWA's inception in 1991. The vast majority of the SNWA's outstanding debt was necessary to fund infrastructure projects to support such extraordinary population growth. During the recession of the late 2000s, population growth slowed and the SNWA took actions to provide cash flow relief. For example, the SNWA

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Operating and Capital Budget
Fiscal Year Ending June 30, 2025

postponed various capital projects and took advantage of historically low borrowing costs to refinance debt.

Debt service payments are anticipated to increase \$3.5 million compared to the 2023-24 Adopted Operating Budget Plan. The increase is a result of the new money bond issuance planned for 2024-25.

As the following chart illustrates, the existing debt service is projected to be relatively stable for the next two years, then decline over subsequent years.



Other Uses

Other uses are projected to be \$9.4 million compared to the 2023-24 Adopted Operating Budget Plan. This is predominately due to a funding of certain LVVWD projects that will also provide benefit to the SNWA with its use.

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The fiscal year 2024-25 Capital Budget Plan reflects the continued commitment of the Southern Nevada Water Authority (SNWA) to provide water resources and services to meet the demands of Southern Nevada. The SNWA utilizes its Strategic Plan as a guide in shaping its annual Budget Plan. The fiscal year 2024-25 Budget Plan's total sources of funds are projected to be \$516.7 million, or a 36 percent increase, compared to the fiscal year 2023-24 Adopted Capital Budget Plan. The fiscal year 2024-25 Capital Budget Plan's total uses of funds are projected to be \$516.7 million, or a 36 percent increase, compared to the fiscal year 2023-24 Adopted Budget Plan. The table below shows the Sources and Uses Capital Budget Summary for the fiscal years 2022-23, 2023-24, and 2024-25.

Transfers To Reserves

The fiscal year 2024-25 Operating Budget Plan's transfers to reserves are projected to be \$58.3 million, an increase of \$29.0 million compared to the 2023-24 Adopted Budget Plan. The increase is a result of higher sources of revenue and lower uses (expenditures) creating a higher surplus.

The fiscal year 2024-25 Capital Budget total sources of funds are projected to be \$516.7 million, or a 36 percent increase, compared to the fiscal year 2023-24 Adopted Capital Budget Plan. The fiscal year 2024-25 Budget Plan's total uses of funds are projected to be \$516.7 million, or a 36 percent increase compared to the fiscal year 2023-24 Adopted Budget Plan. The table below shows the Capital Sources and Uses of Funds Summary for the 2022-23, 2023-24, and 2024-25 fiscal years.

Capital Budget Summary						
	Actual	Budget	Budget	Budget-to-Budget Variance		
	2022-23	2023-24	2024-25	\$	%	
SOURCES						
Grant funds	\$ 2,995,079	\$ 43,711,041	\$ 44,644,445	\$ 933,404	2 %	
Debt issuance proceeds	—	270,932,815	472,100,000	201,167,185	74 %	
Other sources	4,282,979	—	—	—	— %	
Transfers from reserves	108,389,220	64,716,521	—	(64,716,521)	(100)%	
Total Sources	115,667,278	379,360,378	516,744,445	137,384,067	36 %	
USES						
Capital expenditures	115,667,278	379,360,378	415,750,828	36,390,450	10 %	
Transfers to reserves	—	—	100,993,617	100,993,617	— %	
Total Uses	\$ 115,667,278	\$ 379,360,378	\$ 516,744,445	\$ 137,384,067	36 %	

Capital Sources

The fiscal year 2024-25 Capital Budget Plan's total sources of funds are projected to be \$516.7 million, which is a 36 percent increase compared to the 2023-24 Adopted Capital Budget Plan. The increase is due to debt being issued in fiscal year 2024-25 and no planned issuances in fiscal year 2022-23.

Grant Funds

The 2024-25 Capital Budget Plan includes grant funds of \$44.6 million. This amount is comprised of \$24.0 million of sources to fund water resource acquisition and development initiatives such as the conservation water smart landscape program, \$8.9 million to install pipeline to feed raw water to

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Nevada Department of Wildlife (NDOW) fish hatchery located at Lake Mead National Recreation Area, and \$8.0 million for the Lower Las Vegas Wash stabilization project.

Debt Issuance Proceeds

The SNWA anticipates issuing bonds for \$472.1 million in fiscal year 2024-25. Bonds are issued to fund capital expenditures related to the Major Capital and Construction Plan, which is discussed in further detail later in this section.

Other Sources

The 2024-25 Capital Budget Plan includes no other capital sources. This grouping of revenue reflects other capital sources such as contributed capital as well as member debt service billings.

Transfers From Reserves

The 2024-25 Capital Budget does not include any transfers from reserves.

Capital Uses

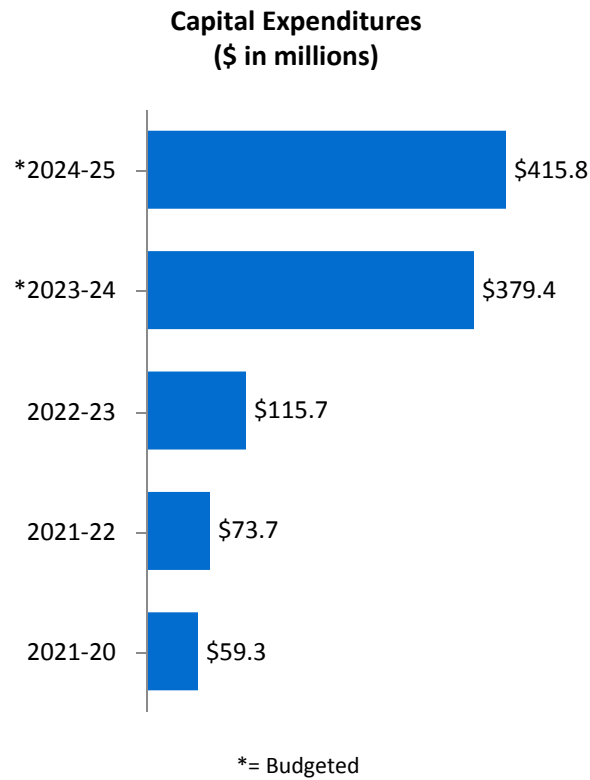
The fiscal year 2024-25 Budget Plan's total uses of funds are projected to be \$516.7 million, a 36 percent increase compared to the 2023-24 Adopted Budget Plan.

Capital Expenditures

Capital expenditures are projected to increase \$36.4 million, or 10 percent increase compared to the fiscal year 2023-24 Adopted Budget Plan. The increase is largely due to the start of the Garnet Valley Water Project's planning and preliminary design phases, which will be discussed in further detail later.

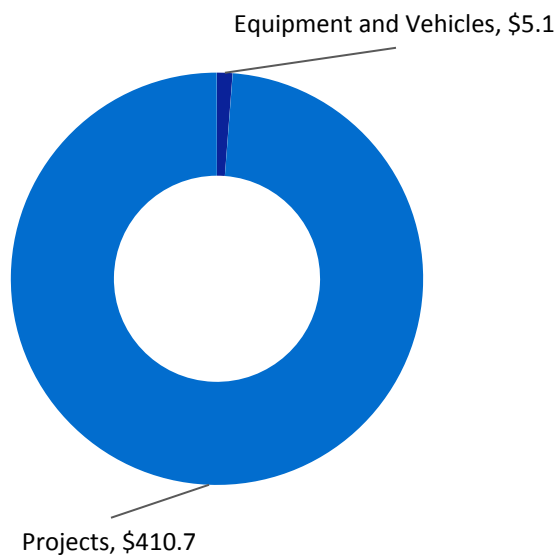
Capital expenditures are different from operating expenses in that they are generally related to assets and those assets have useful lives extending beyond three years and surpass an internally established dollar threshold. Typically, capital expenditures of the SNWA are related to infrastructure assets but can be related to water rights. Examples include, but are not limited to, construction of water treatment and distribution infrastructure, water resource acquisitions, vehicles, and some computer equipment.

Southern Nevada Water Authority
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Operating and Capital Budget
Fiscal Year Ending June 30, 2025



The majority of the SNWA's capital expenditures are project-related.

Capital Expenditures in
Fiscal Year 2024-25 Budget Plan
(\$ in millions)



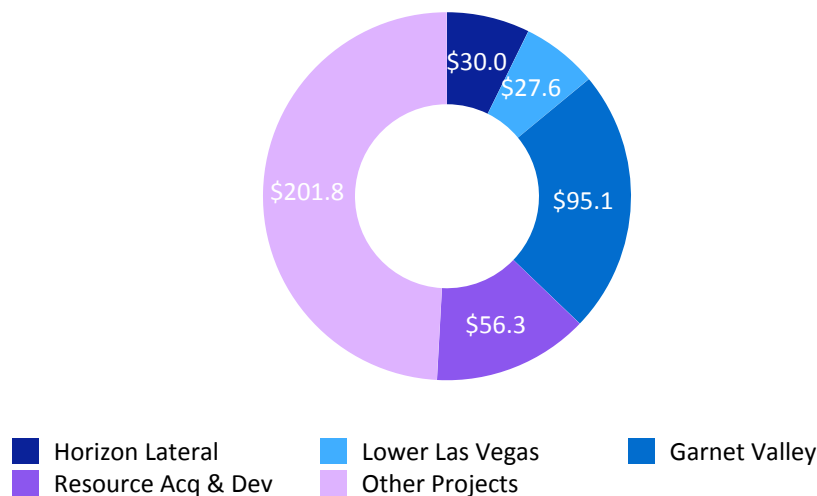
Southern Nevada Water Authority
Operating and Capital Budget
Operating and Capital Budget
Fiscal Year Ending June 30, 2025

The capital projects are generally accounted for in the SNWA's Major Construction and Capital Plan (MCCP). The projects within the MCCP are mainly for the water treatment and delivery infrastructure or the acquisition and retention of water resources. It is funded primarily with publicly issued municipal debt.

The following is a brief description of the most significant MCCP project:

Garnet Valley – The construction of the Garnet Valley Water System will consist of facilities to support supplying 20 million gallons per day (MDG) at full build-out. The construction of the Garnet Valley Wastewater System will help ensure the sustainable development of resources and reduce the water demand impact to the Colorado River. Additionally, the current infrastructure for the project is estimated to be fully-subscribed by 2028. The fiscal year 2024-25 Capital Budget Plan includes \$95.1 million to be spent on this project. The total project cost is estimated at \$1.0 billion.

**Capital Projects in
Fiscal Year 2024-25 Budget Plan
(\$ in millions)**



Periodically, the SNWA pays for capital costs on a pay-as-you-go basis, attempting to minimize financing costs for these capital expenditures, while maintaining financial stability. Projecting long-term additional expenditures of future capital projects, including the ones described above, is tenuous at best. Capital projects are typically instituted for two major reasons – 1) to ensure end users have a reliable, consistent source of water and 2) to deliver that water in the most economical manner possible.

The construction of major capital items fits into an overall goal of system reliability and efficiency. Unlike other government agencies that can highlight a park, school, or street, for example, and immediately determine possible maintenance and operating costs, the capital items for a water utility affect the coordination of the entire water system. An increase in costs for one section of the project may cause a reduction in another connected portion. The SNWA's capital projects utilize state of the

Southern Nevada Water Authority
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art diagnostic equipment and testing procedures which significantly reduce the risk of catastrophic failures and help to minimize routine operating costs. Additionally, the SNWA utilizes internal cost controls to ensure funds are spent in the most conscientious manner. However, even with comprehensive controls such as these, estimating long range costs, especially in current financial conditions, can be a challenge.

Transfers To Reserves

This classification includes transfers of capital funds in excess of the capital budget. A transfer of \$101.0 million to restricted reserves are expected for the fiscal year 2024-25 Budget Plan.

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Summary of Sources and Uses of Funds and Changes in Net Assets

An enterprise fund's year-end balance differs dramatically from other government agencies' fund balances. The enterprise net asset balance closely approximates a private corporation's retained earnings section. As such, net assets are affected by operating items as presented in this document as well as other financial resources and expenditures. The SNWA accounts for its Net Assets in accordance with GASB No. 33, *Exchange or Non-exchange Transaction*. The following table summarizes the estimated sources and uses of funds and changes in net assets for the fiscal year 2024-25 Budget Plan.

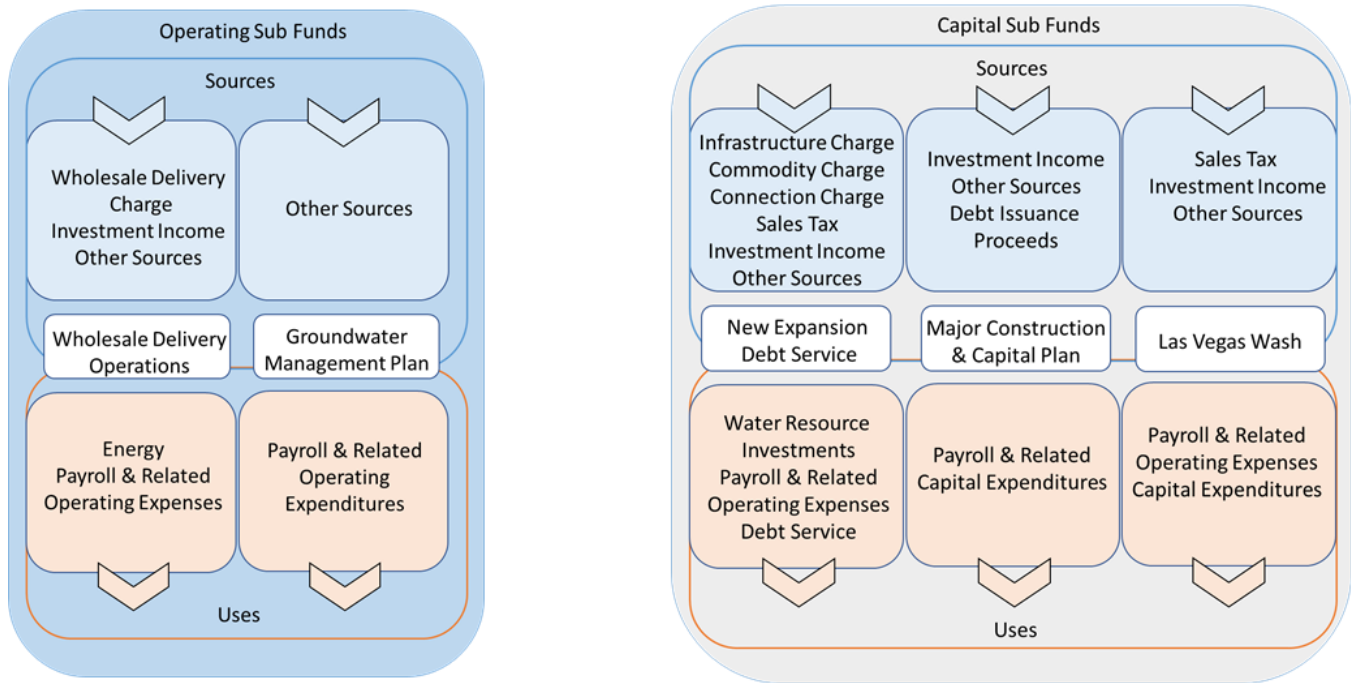
Estimated Net Assets Detail Fiscal Year 2024-25 Budget

	Invested in Capital Assets Net of Related Debt	Restricted	Unrestricted	Total Net Assets
Estimated net position on June 30, 2024	\$ 1,501,908,572	\$ 84,870,343	\$ 1,240,768,689	\$ 2,827,547,604
From revenues, expenses, and net income schedule (RENI), Page 4-5				
Operating revenue	—	—	174,685,831	174,685,831
Capital contributions	—	103,629,368	429,298,101	532,927,469
Interest earned	—	—	12,325,244	12,325,244
Salaries and benefits	—	—	(109,213,561)	(109,213,561)
Energy	—	—	(53,793,950)	(53,793,950)
Operating expenses	—	—	(132,245,336)	(132,245,336)
Depreciation expense	(126,890,906)	—	—	(126,890,906)
Non Operating Revenues	—	—	39,500,931	39,500,931
Non Operating Expenses	—	—	(10,962,483)	(10,962,483)
Interest expense (debt service)	171,375,473	—	(310,893,157)	(139,517,684)
Subtotal from RENI	44,484,567	103,629,368	38,701,620	186,815,555
Items not on RENI				
Capitalized expenditures	371,106,383	(371,106,383)	—	—
Debt issuance proceeds	—	472,100,000	—	472,100,000
Subtotal Items not on RENI	371,106,383	100,993,617	—	472,100,000
Estimated net position on June 30, 2025	<u>\$ 1,917,499,522</u>	<u>\$ 289,493,328</u>	<u>\$ 1,279,470,309</u>	<u>\$ 3,486,463,159</u>

Sub Funds

According to Generally Accepted Accounting Principles (GAAP), governmental entities use fund-based accounting. As a governmental entity, the SNWA accounts for its financial activities in a single enterprise fund. However, the SNWA utilizes sub funds for internal tracking purposes.

The SNWA maintains six sub funds. Since both the Las Vegas Wash Capital sub fund and Las Vegas Wash Operating sub fund are small in terms of activity and dollars, they are typically combined into one sub fund for budgeting purposes. Therefore, the SNWA budget presents only five sub funds. Three are classified as capital sub funds while two are operating sub funds. The following table presents the five sub funds, which are described after the table.



Operating Sub Funds

Wholesale Delivery Operations sub fund. This sub fund accounts for the sources and uses of funds related to the SNWA's primary operations, which is the treatment and delivery of potable water to its members. Other activities include the research and study of water quality issues in support of the overall water industry.

Groundwater Management Program sub fund. This sub fund accounts for the sources and uses of funds related to the SNWA's groundwater management program. In 1997, the Nevada Legislature directed the SNWA to develop a Groundwater Management Program to protect and manage the Las Vegas area's primary groundwater supply. The program protects the local groundwater basin from over-drafting and potential sources of contamination.

Capital Sub Funds

New Expansion Debt Service sub fund. The primary purpose of this sub fund is to account for the majority of the SNWA's debt service and funds received to support those debt service payments. Other

Southern Nevada Water Authority
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expenses include non-turf rebate conservation costs, northern resources costs, non-engineering capitalized labor in support of the MCCP, and some pay-as-you-go capital expenditures.

Major Construction and Capital Plan sub fund. This sub fund accounts for proceeds of debt issued to support the MCCP and capital expenditures related to the MCCP.

Las Vegas Wash sub fund. This sub fund is two small sub funds combined into one for budget presentation purposes. They are the Las Vegas Wash Capital sub fund and the Las Vegas Wash Operating sub fund. The major function of this sub fund is to pay for costs of the Las Vegas Wash. This sub fund tracks capital and operational revenues and expenses pertaining to the Las Vegas Wash.

SECTION 4

STATE OF NEVADA

BUDGET DOCUMENTS

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SOUTHERN NEVADA WATER AUTHORITY™

Nevada Department of Taxation
1550 College Parkway, Suite 115
Carson City, NV 89706-7937

Southern Nevada Water Authority _____ herewith submits the final budget for the
fiscal year ending June 30, 2025

This budget contains 0 funds, including Debt Service, requiring property tax revenues totaling \$ 0

The property tax rates computed herein are based on preliminary data. If the final state computed revenue limitation permits, the tax rate will be increased by an amount not to exceed 1%. If the final computation requires, the tax rate will be lowered.

This budget contains 0 governmental fund types with estimated expenditures of \$ 0 and
1 proprietary funds with estimated expenses of \$ 572,623,922

Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 (Local Government Budget and Finance Act).

CERTIFICATION

I E. Kevin Bethel
(Print Name)
Chief Financial Officer
(Title)

certify that all applicable funds and financial
operations of this Local Government are
listed herein

Signed:

Dated:

05-30-2024

Phone:

702-822-8809

APPROVED BY THE GOVERNING BOARD

Only necessary for **FINAL** Budget

(Signature by DocuSign is acceptable)

x Marilyn Kirkpatrick
Marilyn Kirkpatrick, Chair
x Dan Stewart
Dan Stewart, Vice Chair
x Steve Walton
Steve Walton
x Scott Black
Scott Black
x Olivia Diaz
Olivia Diaz
x ABSENT
James Gibson
x ABSENT
Justin Jones

SCHEDULED PUBLIC HEARING:

(Must be held from May 20, 2024 to May 31, 2024)

Date and Time: Thursday May 30, 2024 9:00 AM

Publication Date: May 10, 2024

Place: Molasky Corporate Center, 100 City Parkway, Suite 700, Las Vegas, NV

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Schedule 1

**SOUTHERN NEVADA WATER AUTHORITY
BUDGET DOCUMENT INDEX**

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FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR YEAR 06/30/23	ESTIMATED CURRENT YEAR YEAR 06/30/24	BUDGET YEAR YEAR 06/30/25
General Government			
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support			
TOTAL GENERAL GOVERNMENT			
Utilities	455.7	503.1	516.1
Hospitals			
Transit Systems			
Airports			
Other			
TOTAL	455.7	503.1	516.1

POPULATION (AS OF JULY 1)	2,361,285	2,391,982	2,423,077
SOURCE OF POPULATION ESTIMATE*	NV Dept. of Taxation (https://tax.nv.gov/) Publications, Population Statistics & Reports	Population Statistics & Reports Figure Increased by Demographer's annual % increase projection for Clark County	
Assessed Valuation (Secured and Unsecured Only)			
Net Proceeds of Mines			
TOTAL ASSESSED VALUE			
TAX RATE			
General Fund			
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund			
Other			
TOTAL TAX RATE			

*** Use the population certified by the state in March each year. Small districts may use a number developed per the instructions (page 6) or the best information available.**

Southern Nevada Water Authority
(Local Government)

SCHEDULE S-2 - STATISTICAL DATA

Page: 3
Schedule S-2

SCHEDULE A-2 PROPRIETARY AND NONEXPENDABLE TRUST FUNDS

Budget For Fiscal Year Ending June 30, 2025

Budget Summary for Southern Nevada Water Authority
(Local Government)

FUND NAME	*	OPERATING REVENUES (1)	OPERATING EXPENSES (2) **	NONOPERATING REVENUES (3)	NONOPERATING EXPENSES (4)	OPERATING TRANSFERS		NET INCOME (7)
						IN (5)	OUT(6)	
Southern Nevada Water Authority	E	\$ 174,685,831	\$ 422,143,754	\$ 584,753,644	\$ 150,480,168	\$ -	\$ -	\$ 186,815,552
TOTAL		\$ 174,685,831	\$ 422,143,754	\$ 584,753,644	\$ 150,480,168	\$ -	\$ -	\$ 186,815,552

* FUND TYPES: E - Enterprise
I - Internal Service
N - Nonexpendable Trust

** Include Depreciation

Page: 4
SCHEDULE A-2

<u>PROPRIETARY FUND</u>	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/25	
	ACTUAL PRIOR YEAR ENDING 6/30/2023	ESTIMATED CURRENT YEAR ENDING 6/30/2024	TENTATIVE APPROVED	FINAL APPROVED
OPERATING REVENUE				
Wholesale Delivery Charge	\$ 154,732,456	\$ 161,091,535	\$ 165,707,057	\$ 165,707,057
Other Revenues	10,971,335	10,727,359	8,978,774	8,978,774
Total Operating Revenue	\$ 165,703,791	\$ 171,818,894	\$ 174,685,831	\$ 174,685,831
OPERATING EXPENSE				
Energy	62,523,343	56,624,040	53,793,950	53,793,950
Salaries & Benefits	94,655,314	99,829,565	109,213,561	109,213,561
Operating Expenses	74,729,552	91,485,390	132,245,336	132,245,336
Depreciation/Amortization	119,213,783	119,418,192	126,890,906	126,890,906
Total Operating Expense	351,121,992	367,357,187	422,143,754	422,143,754
Operating Income or (Loss)	(185,418,201)	(195,538,293)	(247,457,924)	(247,457,924)
NONOPERATING REVENUES				
Investment Income	8,032,748	9,432,227	12,325,244	12,325,244
Capital Contributions	490,990,665	510,206,420	532,927,469	532,927,469
Amortization of Bond Premiums & Discounts	49,416,421	44,543,536	39,500,931	39,500,931
Gain on Sale of Assets	51,034	-	-	-
Other Nonoperating Revenues	9,896	-	-	-
Total Nonoperating Revenues	548,500,764	564,182,184	584,753,644	584,753,644
NONOPERATING EXPENSES				
Interest Expense	132,171,943	137,916,171	139,517,685	139,517,685
Amortization of Refunding Costs	2,579,552	2,115,379	1,647,083	1,647,083
Bond Issue Costs	-	899,100	2,678,985	2,678,985
Other Nonoperating Expenses	-	8,836,477	6,636,415	6,636,415
Total Nonoperating Expenses	134,751,495	149,767,127	150,480,168	150,480,168
Special Item				
Net Income before Operating Transfers	228,331,068	218,876,763	186,815,552	186,815,552
Transfers (Schedule T)				
In				
Out				
Net Operating Transfers				
CHANGE IN NET POSITION	228,331,068	218,876,763	186,815,552	186,815,552

Southern Nevada Water Authority
(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION

FUND _____ ENTERPRISE _____

Page: 5
Schedule F-1

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/25	
	ACTUAL PRIOR YEAR ENDING 6/30/2023	ESTIMATED CURRENT YEAR ENDING 6/30/2024	TENTATIVE APPROVED	FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from Customers	\$ 166,681,132	\$ 171,818,894	\$ 174,685,831	\$ 174,685,831
Cash Payments to Suppliers of Goods and Services	(169,679,458)	(247,938,995)	(295,252,848)	(295,252,848)
Other Cash Payments	-	(5,000,000)	(5,000,000)	(5,000,000)
a. Net cash provided by (or used for) operating activities	(2,998,326)	(81,120,101)	(125,567,018)	(125,567,018)
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
b. Net cash provided by (or used for) noncapital financing activities	-	-	-	-
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and Construction of Capital Assets	(115,298,624)	(189,182,667)	(415,750,828)	(415,750,828)
Proceeds from Disposal of Property and Equipment	92,554	-	-	-
Proceeds of Debt Issuance	-	-	472,100,000	472,100,000
Bond Issue Costs	-	-	(2,678,985)	(2,678,985)
Principal Paid on Debt	(179,571,540)	(165,221,540)	(171,375,473)	(171,375,473)
Interest Paid on Debt	(133,327,561)	(124,738,575)	(139,391,163)	(139,391,163)
Interest Rebate	-	-	-	-
Capital Contributions	441,481,093	510,206,420	532,927,469	532,927,469
Other Cash Receipts	-	-	-	-
Other Cash Payments	-	-	-	-
Right-of-use Leases	(627,743)	(336,000)	(413,073)	(413,073)
Subscription assets	(530,773)	(674,100)	(1,215,253)	(1,215,253)
Other assets	(1,276,697)	(2,068,320)	(6,684,291)	(6,684,291)
c. Net cash provided by (or used for) capital and related financing activities	10,940,709	27,985,218	267,518,403	267,518,403
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of Investment Securities	(602,593,099)	(603,092,105)	(633,246,710)	(633,246,710)
Proceeds from Sales or Maturities of Investment Securities	580,941,643	630,898,516	504,943,442	504,943,442
Investment Income	19,190,338	31,778,225	12,325,244	12,325,244
d. Net cash provided by (or used in) investing activities	(2,461,118)	59,584,636	(115,978,024)	(115,978,024)
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	5,481,265	6,449,753	25,973,361	25,973,361
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	28,271,869	33,753,134	40,202,887	40,202,887
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	33,753,134	40,202,887	66,176,248	66,176,248

Southern Nevada Water Authority
(Local Government)

SCHEDULE F-2 STATEMENT OF CASH FLOWS

FUND ENTERPRISE

Page: 6
Schedule F-2

ALL EXISTING OR PROPOSED
GENERAL OBLIGATION BONDS, REVENUE BONDS,
MEDIUM-TERM FINANCING, CAPITAL LEASES AND
SPECIAL ASSESSMENT BONDS

* - Type

- 1 - General Obligation Bonds
- 2 - G.O. Revenue Supported Bonds
- 3 - G.O. Special Assessment Bonds
- 4 - Revenue Bonds
- 5 - Medium-Term Financing

6 - Medium-Term Financing - Lease Purchase

- 7 - Capital Leases
- 8 - Special Assessment Bonds
- 9 - Mortgages
- 10 - Other (Specify Type)
- 11 - Proposed (Specify Type)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
NAME OF BOND OR LOAN List and Subtotal By Fund	TYPE *	TERM	ORIGINAL AMOUNT OF ISSUE	ISSUE DATE	FINAL PAYMENT DATE	INTEREST RATE	BEGINNING OUTSTANDING BALANCE 7/1/2024	REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/25 INTEREST PAYABLE	PRINCIPAL PAYABLE	(9)+(10) TOTAL
State of Nevada 2009 Bonds	2	20 Years	\$ 2,214,457	12/11/09	07/01/29	0.00%	\$ 695,972	\$ -	\$ 126,540	\$ 126,540
LVVWD 2015 Bonds	2	24 Years	332,405,000	01/13/15	06/01/39	4.0% - 5.0%	332,405,000	16,370,250	-	16,370,250
LVVWD 2015B Bonds	2	13 Years	177,635,000	06/01/15	12/01/27	4.0% - 5.0%	76,445,000	3,430,250	15,680,000	19,110,250
LVVWD 2015C Bonds	2	14 Years	42,125,000	06/18/15	09/01/29	3.0% - 5.0%	17,585,000	758,000	3,765,000	4,523,000
Clark County 2016A Bonds	2	14 Years	263,955,000	03/03/16	11/01/29	5.00%	82,850,000	3,625,000	20,700,000	24,325,000
LVVWD 2016A Bonds	2	30 Years	497,785,000	04/06/16	06/01/46	3.0% - 5.0%	389,915,000	19,463,550	9,600,000	29,063,550
Clark County 2016B Bonds	2	18 Years	271,670,000	08/03/16	11/01/34	4.0% - 5.0%	217,725,000	9,936,475	17,765,000	27,701,475
LVVWD 2017B Bonds	2	15 Years	22,115,000	03/14/17	02/01/32	4.0% - 5.0%	13,220,000	582,375	2,055,000	2,637,375
Clark County 2017 Bonds	2	21 Years	321,640,000	03/22/17	06/01/38	4.0% - 5.0%	254,245,000	11,072,850	13,275,000	24,347,850
LVVWD 2018B Bonds	2	8 Years	79,085,000	03/06/18	06/01/26	5.00%	22,845,000	1,142,250	11,125,000	12,267,250
LVVWD 2019A Bonds	2	20 Years	107,975,000	03/13/19	06/01/39	5.0%	94,635,000	4,731,750	3,075,000	7,806,750
LVVWD 2019B Bonds	2	8 Years	90,280,000	10/16/19	06/01/27	5.00%	42,375,000	2,118,750	17,590,000	19,708,750
LVVWD 2020A Bonds	2	14 Years	123,860,000	03/03/20	06/01/34	3.0%-5.0%	96,475,000	4,267,850	7,720,000	11,987,850
LVVWD 2021A Bonds	2	17 Years	144,685,000	03/03/21	06/01/38	2.0% - 5.0%	107,465,000	4,922,750	13,670,000	18,592,750
LVVWD 2021C Bonds	2	13 Years	208,145,000	03/25/21	06/01/34	2.0% - 5.0%	170,610,000	7,138,500	13,660,000	20,798,500
Clark County 2021 Bonds	2	15 Years	67,620,000	11/02/21	11/01/36	2.1% - 3.0%	67,620,000	1,623,475	-	1,623,475
LVVWD 2022A Bonds	2	29 Years	292,240,000	02/01/22	06/01/51	4.0% - 5.0%	281,920,000	11,888,650	5,550,000	17,438,650
LVVWD 2022C Bonds	2	20 Years	253,820,000	03/03/22	06/01/42	4.0% - 5.0%	237,630,000	10,336,750	8,705,000	19,041,750
Clark County 2022A Bonds	2	10 Years	75,090,000	05/10/22	06/01/32	4.0%	75,090,000	3,003,600	-	3,003,600
LVVWD 2024-25 Proposed Bon	11	30 Years	472,100,000	2024-25	2054-55	4.9%	-	22,978,088	7,313,932	30,292,020
							\$	\$	\$	\$
TOTAL ALL DEBT SERVICE							\$ 2,581,750,972	\$ 139,391,163	\$ 171,375,473	\$ 310,766,635

SCHEDULE C-1 - INDEBTEDNESS

Southern Nevada Water Authority

Budget Fiscal Year 24

(Local Government)

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Schedule C-1

LOBBYING EXPENSE ESTIMATE

Pursuant to NRS 354.600 (3), **each** (emphasis added) local government budget must obtain a separate statement of anticipated expenses relating to activities designed to influence the passage or defeat of legislation in an upcoming legislative session.

Nevada Legislature: 83rd Session; February 3, 2025 to June 3, 2025

1. Activity:	<u>Legislature 2025 - Southern Nevada Water Authority</u>
2. Funding Source:	<u>OPERATING REVENUES</u>
3. Transportation	\$ <u>31,005</u>
4. Lodging and meals	\$ <u>35,688</u>
5. Salaries and Wages	\$ <u>85,662</u>
6. Compensation to lobbyists	\$ <u>26,000</u>
7. Entertainment	\$ <u>-</u>
8. Supplies, equipment & facilities; other personnel and services spent in Carson City	\$ <u>2,739</u>
Total	\$ <u><u>181,094</u></u>

Entity: Southern Nevada Water Authority

Budget Year 2024-2025

Page: 8
Schedule 30

SCHEDULE OF EXISTING CONTRACTS

Budget Year 2024-2025

Local Government: Southern Nevada Water Authority

Contact: E. Kevin Bethel

E-mail Address: kevin.bethel@lvvwd.com

Daytime Telephone: 702-822-8809

Total Number of Existing Contracts: ____ 97 ____

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2023-24	Proposed Expenditure FY 2024-25	Reason or need for contract:
1	AB Sciex LLC	03/11/19	03/10/26	\$ 500,000	\$500,000.00	Annual PM Services And Repairs
2	Ace Fire Systems, LLC	12/18/20	12/17/25	25,000	25,000	Annual Fire Extinguisher Inspections and Servicing
3	Agilent Technologies	04/01/19	03/31/26	263,502	263,502	Annual PM Services On Agilent Instruments
4	Anzalone Pumps Inc.	04/12/18	04/11/25	250,000	250,000	Irrigation Well Maintenance
5	Anzalone Pumps Inc.	07/31/18	08/30/25	100,000	100,000	Well and Pump Systems Parts, Maintenance and Repairs
6	Arizona Machinery LLC	01/01/16	12/31/25	30,000	30,000	John Deere Repair Parts And Service For GB Ranches
7	Artel	04/01/20	03/31/27	10,000	10,000	Annual PM service agreement
8	Association of Metropolitan Water Agencies	01/01/21	12/31/27	74,000	74,000	Administrative Support for WUCA Climate Change
9	B&W Trucking	01/01/16	12/31/25	24,000	24,000	Transportation Services For Livestock And Agricultural Products For Grm Ranches
10	Basin Engineering	04/29/19	04/28/27	25,000	25,000	Engineering and Geotechnical Services
11	Beckman Coulter Inc.	01/01/20	12/31/26	100,000	100,000	Annual PM Services
12	Bio-Rad Laboratories Inc.	05/01/19	04/30/26	100,000	100,000	Annual PM Services
13	Bio-West, Inc.	09/05/19	09/04/26	150,000	150,000	Professional Biological Services
14	Board of Regents Nevada System of Higher Education On Behalf of The Desert Research Institute	11/18/21	11/17/26	50,000	50,000	Spring Mountains Cloud Seeding
15	BSA Environmental Services	07/01/19	06/30/26	35,000	35,000	Zooplankton Analysis For Water Quality Div.
16	CDM Smith	12/08/20	12/07/27	-	-	Evaluation of AMS/RM ozone treatment systems
17	Community Strategies, Inc.	07/01/21	06/30/27	49,500	49,500	Community Based Outreach Services
18	Cosco Fire Protection Inc	08/13/18	08/12/25	25,000	25,000	Fire System Upgrades
19	Cosco Fire Protection Inc	12/03/18	12/02/25	100,000	100,000	Fire System Repairs
20	Dyno Plumbing	11/14/18	11/13/25	25,000	25,000	On-Call Plumbing Services SNWA
21	Enpark Cleaning Services	09/18/18	09/17/24	10,000	10,000	Carpet Cleaning Services
22	Eurofins NDSC Environment Testing Americas, Inc.	11/01/21	10/31/22	500,000	500,000	Water Sample Analysis Services
23	Fairchild Shearing LLC	02/04/19	02/03/25	50,000	50,000	Sheep Shearing Services
24	FEI Company	12/05/19	12/04/24	35,000	35,000	Annual PM Services On The Company's Aspex Explorer VR Instrument
25	Gold Standard Diagnostics Horsham	09/09/19	04/25/25	100,000	-	PM Service Agreement

26	Great Basin Bird Observatory	01/01/21	12/31/27	66,251	66,251	Las Vegas Wash Restoration Site Avian Monitoring
27	Great Basin Institute	12/18/17	10/31/26	40,000	40,000	WSNA Vegetation Control And Docent Staffing
28	Great Basin Irrigation	01/01/16	12/31/25	40,000	40,000	Irrigation Systems Parts And Maintenance
29	Herndon Solutions Group	09/20/21	09/19/28	2,763,607	2,763,607	Specialty Staff Augmentation Services
30	High Sierra Waterlab	11/19/19	11/30/26	40,000	40,000	Nutrient Chemical Analysis on Water Samples
31	Holds Water LLC	05/13/20	04/21/25	75,000	75,000	Consulting on Water Resources Matters
32	Holland and Hart	07/01/20	06/30/28	100,000	100,000	General Counsel Services PUC
33	Holland and Hart	01/20/21	01/19/28	1,500,000	1,500,000	Legal Services-Environmental Compliance and Water Resources
34	Holley Driggs	12/10/19	12/09/26	15,000	15,000	Professional Services
35	Horiba	01/04/20	01/03/27	100,000	100,000	PM Service Agreement
36	HRA Inc	12/17/19	12/16/27	90,000	90,000	Archaeological Evaluations
37	HRA Inc.	03/06/19	03/05/25	33,000	33,000	On-call Services for National Historic Preservation Act Section 106 Compliance
38	Ichrom Solutions	02/06/21	02/05/28	50,000	50,000	PM Service Agreement
39	Illumina	12/31/18	12/31/25	48,323	50,739	Annual Support Maintenance Services On Illumina Miseq System Integrated Instrument.
40	Jacobs Engineering Group Inc	01/27/21	01/26/27	300,000	300,000	SNWA Misc Engineering Services
41	Joseph Guild & Associates LLC	07/01/20	06/30/34	46,000	46,000	Special Counsel on Ranch Related Activities-Public Services
42	Joseph Guild & Associates LLC	01/23/19	01/22/26	40,000	40,000	Ranch and Agricultural Consulting Services-Water Resources
43	Knight & Leavitt Associates, Inc.	07/01/21	06/30/25	50,000	50,000	Desert Tortoise Services Rate Structure Amendment
44	Landscape Specialties Inc.	10/03/20	10/03/25	100,000	100,000	Landscape Maintenance Services - SNWA Facilities
45	Lawrence Roll-Up Doors Inc	08/20/18	08/19/25	25,000	25,000	SNWA Door Repair Services
46	Life Technologies Corporation	03/08/20	03/07/25	55,000	55,000	I881451791-Equipment PM Services
47	Mantech (USA) Inc	12/29/18	12/31/25	35,000	-	I855200000-Equipment PM Services
48	March Counsel, LLC	07/01/17	06/30/25	100,000	-	Legal Services For Energy Matters
49	Marcus G. Faust PC	07/01/18	06/30/28	150,000	150,000	PSA Governmental Affairs Consulting Services
50	MDC Research	01/01/22	12/31/28	150,000	150,000	Data Collection Services SNWA
51	Metropolitan Water District	09/19/19	09/18/29	212,476	212,476	Support Water Utility Climate Alliance Initiatives
52	Midi Inc	04/01/20	03/31/27	500,000	500,000	PM Service Agreement
53	Milestone Inc	06/05/19	06/04/26	500,000	500,000	PM Service Agreement
54	Moyle Irrigation	01/01/16	12/31/25	50,000	50,000	Pivot Irrigation System Parts And Maintenance Services For Gb Ranches
55	Muddy Valley Irrigation Company	07/16/20	07/15/24	200,000	-	Reimbursement for Attorney Fees in MVWR Case.
56	Navigant Consulting Inc	08/10/17	08/10/24	60,000	-	Transmission Evaluation Services
57	Nevada Division Of Forestry, Conservation Camp Billing	07/01/19	06/30/25	266,250	266,250	Grounds Maintenance
58	O'Flarety Plumbing And Heating	01/01/16	12/31/25	35,000	35,000	Plumbing Repair Services For Gb Ranches

59	Ontario Refrigeration	08/13/19	08/12/26	100,000	100,000	Chiller Preventive Maintenance And Repair Services
60	Park Landscape	02/01/19	01/31/28	69,156	69,156	On Call Landscape Maintenance WSNA
61	Perkinelmer Health Sciences Inc.	08/01/19	07/31/26	26,000	26,000	Annual PM Services
62	Phycotech Inc.	08/01/19	07/31/26	100,000	100,000	Provide Phytoplankton Analysis On Water Samples
63	Prodajsa USA, Inc. dba HCI Advertising	07/01/21	06/30/25	-	-	Spanish Language Conservation and Water Quality Advertising & Marketing Services
64	Pyro Combustion & Controls	11/14/18	11/13/25	50,000	50,000	Boiler Preventative Maintenance/Repair Services
65	Qiagen	12/12/18	12/11/25	61,280	61,280	Annual PM Service On Qiasymphony Sp Instrument.
66	R&R Partners Inc.	07/01/21	06/30/25	3,750,000	3,750,000	Integrated Marketing and Communication Services
67	Rayos Group	09/24/19	09/23/26	86,500	86,500	Risk Resilience Assessment
68	Red Star Fence Company	09/11/19	09/10/24	33,000	-	On-call Tortoise and Chain Link Fencing Install and Repair
69	Reward Strategy Group	10/27/21	10/26/27	95,000	95,000	SNWA Job Classifications & Compensation Plans
70	Seal Analytical	05/15/19	05/14/26	25,000	25,000	Annual PM Services on Seal Instruments
71	Shimadzu Scientific Instruments	11/01/19	10/31/26	103,000	103,000	Annual PM Service On Shimadzu Instruments
72	Silver State Analytical Laboratories, Inc. DBA Sierra Environmental Monitoring	11/01/21	10/31/27	500,000	500,000	Wash Water Sampling Analysis Services
73	Silver State Analytical Labs	10/30/21	10/31/28	88,555	88,555	BOR Grand Funded Portion of Wash Water Sampling Services Contract
74	Simmons Group	07/11/19	07/10/25	20,000	20,000	Employee Development Training
75	SL Robbins & Associates	02/26/19	02/25/25	69,950	69,950	Workshop And Video Learning Series
76	Soil Tech	08/02/18	08/01/25	753,618	753,618	SNWA Revegetation and Restoration Program
77	Spring Valley Associates LLC	09/22/20	09/21/26	2,139,367	2,139,367	Ranch Management Services
78	Stradling Yocca Carlson & Rauth, A Professional Corporation	12/05/17	12/05/24	50,000	-	Bond Disclosure Counsel Services
79	Stukenholtz Laboratory Inc.	11/18/19	11/17/27	10,000	10,000	Soil Testing, Chemical Analysis And Agronomy Consulting Services
80	Taggart & Taggart LTD	02/06/20	Perpetual	1,500,000	1,500,000	Legal Services Related to Development of Water Resources
81	Teledyne Tekmar	11/19/19	11/18/26	11,558	11,558	Annual PM Services on Teledyne Instruments
82	Thermo Electron North America LLC	03/01/19	03/01/26	48,386	50,805	Annual PM Service On Thermo Scientific Instruments
83	Tri-County Weed Control	01/01/21	12/31/27	23,040	23,040	Weed Control Services
84	Trussell Technologies	07/01/20	06/30/27	85,000	85,000	Water Research Foundation bromate control measures on ozone and downstream treatment systems
85	University Corporation For Atmospheric Research	03/26/19	03/25/26	150,000	150,000	B880254117-Climate Downscaling Project in the Colorado River Basin
86	Black & Veatch Corporation	04/20/22	04/19/29	90,000	90,000	Evaporative Cooling Alternatives Study
87	Siad Macchine Impianti Spa	02/01/22	01/31/28	500,000	500,000	SIAD-SNWA PM Services Agreement

88	United Soil Science	01/26/22	01/25/28	500,000	500,000	Fertilizer Application Services
89	Harris Las Vegas LLC	11/01/23	06/05/28	35,000	35,000	Repairs to O3 Generators HVAC System
90	Lawrence Roll-Up Doors Inc	03/13/23	03/12/28	25,000	25,000	SNWA Roll Up Door Repair Services
91	Cassidy & Associates Inc	05/05/23	05/04/24	96,000	-	SNWA Professional Services
92	State Of Nevada, Division Of Forestry	02/01/23	06/30/24	175,000	-	NDF Inmate Conservation Camp Services
93	Joshua Tree Productions	07/06/23	07/05/28	75,000	75,000	Video Production Services
94	Soil Tech Inc	07/19/23	07/18/28	550,000	550,000	SNWA Environmental Restoration Revegetation and Maintenance
95	Whipple Tree Service LLC	12/05/23	06/30/24	60,000	-	Palm Tree Removal Services at WSNA
96	Las Vegas Nursery (State Of Nevada, Forestry Division)	11/07/23	12/31/24	25,000	-	Nursery to Provide Custom Grown Plants for Warm Springs Natural Area
97	Baker Tilly US, LLP	03/28/22	12/31/27	100,000	100,000	Professional Auditing Services SNWA
	Total Proposed Expenditures			\$ 22,646,319	\$ 21,717,154	

Additional Explanations (Reference Line Number and Vendor):

SCHEDULE OF PRIVATIZATION CONTRACTS

Budget Year 2024-2025

Local Government: Southern Nevada Water Authority
Contact: E. Kevin Bethel
E-mail Address: kevin.bethel@lvvwd.com
Daytime Telephone: 702-882-8809

Total Number of Privatization Contracts: None

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Duration (Months/ Years)	Proposed Expenditure FY 2023-24	Proposed Expenditure FY 2024-25	Position Class or Grade	Number of FTEs employed by Position Class or Grade	Equivalent hourly wage of FTEs by Position Class or Grade	Reason or need for contract:
1										
2										
3										
4										
5										
6										
7										
8	Total									

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Attach additional sheets if necessary.

Schedule 32

AFFIDAVIT OF PUBLICATION

STATE OF NEVADA)
COUNTY OF CLARK) SS:

LV WATER DISTRICT
ATTN: A/P MS340
1001 S VALLEY VIEW BLVD
LAS VEGAS NV 89153

Account #
Order ID

104089
313554

Leslie McCormick, being 1st duty sworn, deposes and says: That she is the Legal Clerk for the Las Vegas Review-Journal/Las Vegas Sun, daily newspaper regularly issued, published and circulated in the Clark County, Las Vegas, Nevada and that the advertisement, a true copy attached for, was continuously published in said Las Vegas Review-Journal/Las Vegas Sun, in 1 edition(s) of said newspaper issued from 05/17/2024 to 05/17/2024, on the following day(s):

05/17/2024

Leslie McCormick

LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this May 17, 2024

Notary

Linda Espinoza



NOTICE IS HEREBY GIVEN

that the Board of Directors of the Southern Nevada Water Authority (SNWA) will hold a Public Hearing on Thursday, May 30, 2024, at 9:00 a.m. at the SNWA Board Chambers at the Molasky Corporate Center, 100 City Parkway, Suite 700, Las Vegas, NV 89106, on the Tentative Budget and possible adoption of the Final Budget for the fiscal year 2024-25.

Copies of the Budget, which have been prepared on forms and in such detail as is prescribed by the Nevada Department of Taxation, are on file for public inspection at the Las Vegas Valley Water District, 1001 South Valley View Boulevard, Las Vegas, Nevada 89153.

Southern Nevada Water
Authority

PUB: May 17, 2024
Las Vegas Review-Journal



STATE OF NEVADA
DEPARTMENT OF TAXATION

Web Site: <https://tax.nv.gov>

Call Center: (866) 962-3707

LAS VEGAS OFFICE
700 E. Warm Springs Rd, Suite 200
Las Vegas, Nevada 89119
Phone (702) 486-2300
Fax (702) 486-2373

JOE LOMBARDO
Governor
GEORGE KELESIS
Chair, Nevada Tax Commission
SHELLIE HUGHES
Executive Director

CARSON CITY OFFICE
3850 Arrowhead Dr., 2nd Floor
Carson City, Nevada 89706
Phone: (775) 684-2000
Fax: (775) 684-2020

RENO OFFICE
4600 Kietzke Lane, Suite L235
Reno, NV 89502
Phone: (775) 687-9999
Fax: (775) 688-1303

June 4, 2024

Mr. E. Kevin Bethel, Chief Financial Officer
Southern Nevada Water Authority
1001 South Valley View Blvd.
Las Vegas, NV 89153

Re: Final Budget – Fiscal Year 2024-2025
Southern Nevada Water Authority

Dear Mr. Bethel:

The Department of Taxation has examined your final budget in accordance with NRS 354.598. We find the budget to be in compliance with the law and appropriate regulations.

Please be advised the following tax rates will be presented to the Nevada Tax Commission on June 25, 2024 for certification:

Operating tax rate	\$0.0000
Voter approved rate	\$0.0000
Legislative override rate	\$0.0000
Debt service rate	<u>\$0.0000</u>
Total tax rate	<u>\$0.0000</u>

If you should have any questions, please call me at (775) 684-2073, or my email address is:

klangley@tax.state.nv.us.

Sincerely,

Kelly S. Langley, Supervisor
Local Government Finance
Division of Local Government Services

SECTION 5

DEPARTMENT BUDGETS

Summary of Department Expenditures	5 - 78
Executive Management	5 - 79
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Southern Nevada Water Authority
Operating and Capital Budget
Department Budgets
Fiscal Year Ending June 30, 2025

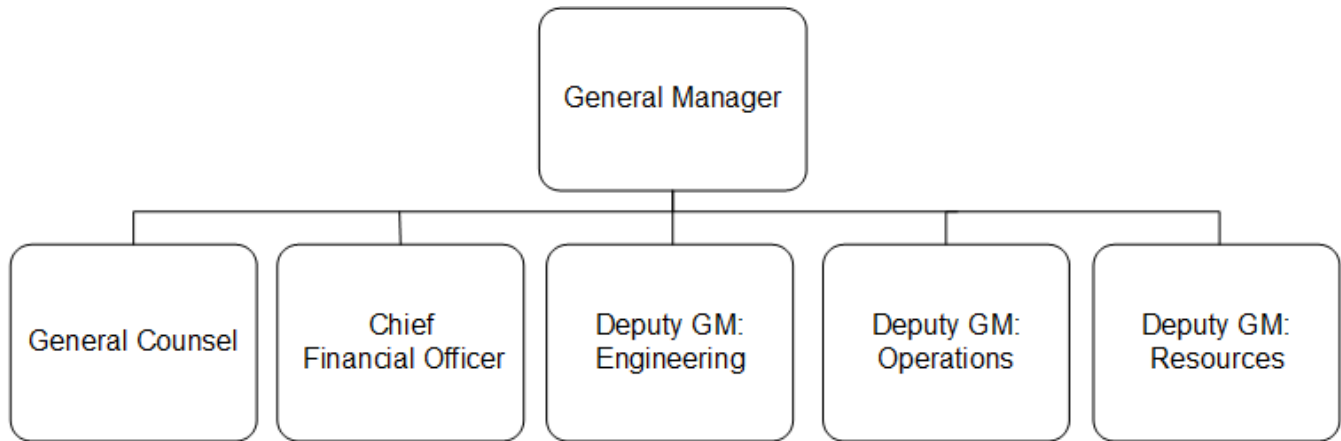
This section contains summaries of budgets for each of the Southern Nevada Water Authority's (SNWA) departments. Each department's budget narrative contains detailed budget information and other highlights of the 2024-25 Budget Plan. The following table presents the 2022-23 Actual, 2023-24 Adopted Budget and 2024-25 Budget Plan for each of the departments.

SNWA
Summary of Department Expenditures

DEPARTMENTS	Actual 2022-23	Budget 2023-24	Budget 2024-25	Budget-to-Budget Variance
Executive Management	\$ 2,762,591	\$ 2,053,123	\$ 2,049,989	\$ (3,134)
Legal Services	4,301,625	7,249,383	7,508,928	259,546
Finance	28,158,493	30,296,404	30,720,945	424,541
Energy Management	65,479,413	72,062,658	64,122,200	(7,940,458)
Risk Management	3,041,959	3,192,848	3,837,364	644,516
Customer Care & Field Services	450,545	555,616	595,071	39,455
Engineering	66,861,002	224,770,246	202,599,795	(22,170,451)
Infrastructure Management	24,193,966	46,835,542	44,615,275	(2,220,266)
Operations	18,885,080	23,007,528	20,300,118	(2,707,410)
Human Resources	662,664	3,652,883	1,064,074	(2,588,809)
Information Technology	15,014,664	20,823,309	16,658,250	(4,165,059)
Environmental Health Safety & Corporate Security	9,125,039	13,243,215	14,999,529	1,756,314
Water Quality & Treatment	35,085,746	65,859,208	90,193,456	24,334,248
Water Resources	65,953,652	165,000,002	206,826,935	41,826,933
Public Services	11,993,364	15,806,675	15,855,472	48,797
Total Department Expenditures	\$351,969,802	\$ 694,408,640	\$ 721,947,403	\$ 27,538,763
Debt Service	312,899,101	307,286,471	310,766,636	3,480,165
TOTAL USES OF FUNDS	\$664,868,903	\$ 1,001,695,111	\$1,032,714,039	\$ 31,018,928

EXECUTIVE MANAGEMENT

Level: 1000



Mission Statement

Provide world class water service in a sustainable, adaptive and responsible manner to our customers through reliable, cost-effective systems.

The Executive Management Team

The Executive Management Team is responsible for strategic planning, general administration, and operational oversight of the Las Vegas Valley Water District (LVVWD) and the Southern Nevada Water Authority (SNWA). The function is staffed by a General Manager, who has responsibility for managing the two organizations. Three Deputy General Managers, a Chief Financial Officer and a General Counsel also oversee administrative and operational activities.

The Executive Management Team implements policy as established by the LVVWD and the SNWA Boards of Directors. The team is responsible for anticipating organizational needs and implementing appropriate strategies to ensure these needs are met. To fulfill the missions of both organizations, the Executive Management Team petitions the respective boards for direction and approval of funding or other support and directs staff accordingly. It also interacts with other local, national, and international entities in developing strategies to meet demands and responsibly manage resources.

Southern Nevada Water Authority
Operating and Capital Budget
Department Budgets
Executive Management
Fiscal Year Ending June 30, 2025

Expenditures

SNWA USES	Actual 2022-23	Budget 2023-24	Budget 2024-25
Water resource investments	\$ —	\$ —	\$ —
Materials and supplies	140	25,580	1,640
Maintenance and repairs	—	—	60
Rental and leases	—	—	—
Other employee expenses	111,200	201,445	208,805
Other operating expenses	184,960	128,180	137,820
Total Operating Expenses	296,300	355,205	348,325
Capital expenditures	—	—	—
Salaries and benefits	2,466,291	1,697,918	1,701,664
TOTAL DEPARTMENT EXPENDITURES	\$ 2,762,591	\$ 2,053,123	\$ 2,049,989
FTE POSITIONS	7.2	5.0	4.5

Major Activities

The Executive Management Team continues to direct efforts to ensure that Southern Nevada has access to a safe, reliable, and sustainable water supply. This is achieved by implementing and overseeing initiatives to mitigate the ongoing impacts of drought and climate change, continuing to work with Colorado River partners to protect Lake Mead water levels, implementing community-wide water conservation efforts, and identifying present and future infrastructure and resource needs. Significant initiatives over the past year include:

- Implementation of conservation programs and initiatives to meet the community conservation goal of 86 GPCD by 2035.
- Active engagement in negotiations with the Colorado River Basin States pertaining to post-2026 river operations.
- Continued implementation of Assembly Bill 220.
- Working with resort partners and federal, state and local agencies to coordinate logistics and assess potential water infrastructure needs and risks associated with one-time and recurring major events.
- Continued implementation of SNWA's Major Construction and Capital Plan.
- Continued implementation of LVVWD's 10-year Capital Improvement Plan.
- Ongoing implementation of IRPAC 2020 recommendations.
- Continued progress towards Nevada's Renewable Portfolio Standard of 50 percent by 2030.
- Continued participation in the WaterStart partnership.

Drought and Water Resources

SNWA's Executive Team, along with its counterparts throughout the Colorado River Basin, continues to implement actions set forth in previous agreements that govern Colorado River operations, including the Drought Contingency Plan, 500+ Plan, water banking agreements, the Conservation Memorandum of Understanding, the 2007 Interim Guidelines, and others. These collaborative efforts have reduced Lake Mead's water level decline by approximately 91 feet.

However, more than two decades of sustained drought and changing climate conditions continue to take their toll on the Colorado River. As of late 2023, the combined storage in Lake Powell and Lake Mead was just 36 percent of capacity, and further declines are expected as a permanent shift to a drier future is projected. With such uncertainty moving forward, significant and sustained efforts at the local, regional, and federal levels remain vital to ensuring that Lake Mead water levels don't drop to critical elevations.

SNWA Water Resource Plan

In January 2024, the Executive Team presented an updated Water Resource Plan for adoption by the SNWA Board of Directors. The 2024 Plan provides a comprehensive overview of available water resources to meet regional water demands over a 50-year planning horizon and considers factors that could influence long-term water demands and future resource availability. It also reflects SNWA's conservation goal of 86 gallons per capita per day (GPCD) and highlights strategies the SNWA has implemented or is pursuing to reduce demands and improve efficiency.

Colorado River Post-2026 Negotiations

With the 2007 Interim Guidelines set to expire at the end of 2026, SNWA's Executive Team is actively engaged in discussions with the other basin states and the federal government to develop Colorado River operating guidelines to be implemented beginning in 2027. Generally, the states are contemplating additional reductions in water use, as well as strategies to protect the stability and sustainability of the Colorado River system. While it is currently unclear which specific actions may be taken, they are sure to impact Lower Basin water supplies, including Nevada's.

Emergency Actions and Supplemental Environmental Impact Statement

After three consecutive years of extremely dry weather and increasingly poor hydrology on the Colorado River, the federal government called upon the Basin States to develop a plan to reduce water use. The Lower Basin States—Nevada, Arizona and California—responded with a plan for those three states to conserve 3 million acre-feet of water through 2026. If implemented, it would protect against critical reservoir elevations at Lakes Powell and Mead and allow the states to focus on permanent solutions as part of the post-2026 negotiations. The proposal is being evaluated by the U.S. Bureau of Reclamation as part of its Supplemental Environmental Impact Statement (SEIS) process, the results of which are scheduled to be released in 2024. Cumulatively, Nevada, Arizona and California have already voluntarily conserved more than 1 million acre-feet of water by the end of 2023. This water is over and above the shortage reductions agreed to in the 2007 Interim Surplus Guidelines and 2019 Drought Contingency Plan.

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Future Resources

The Metropolitan Water District of Southern California (MWD) continues with the planned development of a major water recycling project. Once complete, it is anticipated that the program will recover and treat up to 168,000 acre-feet of water per year. While it is still in development, the SNWA and MWD are collaborating to identify a path for the SNWA to provide financial support in exchange for a like quantity Colorado River water. The SNWA anticipates 20,000-40,000 AFY being available in exchange for funding participation.

Conservation

The reduction of consumptive water use in Southern Nevada continues to be a primary focus area for present and future conservation gains. To that end, staff has been identifying the various forms of consumptive water use throughout the valley and has implemented programs to either dramatically reduce or eliminate the water footprint of each. Continuing to reduce consumptive water use will require support from all sectors of the community; however, doing so will ensure that Southern Nevada reaches its conservation goal of 86 GPCD by 2035.

As the largest water utility in Nevada, the LVVWD continues to work with other water utilities to achieve the regional conservation goal. Over the past fiscal year, the LVVWD focused on initiatives to support customers as they realize conservation gains in their own homes and businesses. This included ongoing updates to the Board regarding progress of the Excessive Use Charge and Tier Equalization actions taken in late 2022, which resulted in more than 9,000 acre-feet of water savings in 2023. New conservation initiatives were also rolled out for LVVWD customers, including financial assistance programs to find and repair leaks.

Assembly Bill 220

Towards the end of last fiscal year, Governor Joe Lombardo signed Assembly Bill 220, a water law aimed at curbing consumptive water use in Southern Nevada. This bill gives the SNWA the authority to limit water use at single family homes to half an acre-foot per year during certain federal shortage conditions. The restrictions would go into effect only if the federal government reduces Nevada's Colorado River allocation to 270,000 acre-feet or less and the SNWA Board of Directors votes to impose the restrictions. The new law also requires the SNWA Board to establish a waiver process to the water-use restrictions.

SNWA and LVVWD both continue to increase conservation efforts through public outreach, customer education, and implementation of additional standards and policies.

Key Focus Areas

The following conservation measures have been identified and implemented by SNWA and its member agencies to target consumptive use over the past three years, and have resulted in a dramatic reduction of community water use:

- Prohibit new golf course development
- Convert cool season turf
- Reduce golf course water budgets

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- Large water user policy
- Nonfunctional turf removal
- Pool development standards
- Enhance leak resolution
- Implement park efficiency improvements
- Implement cooling efficiency standards
- Enhance watering compliance
- Prioritize asset management investments
- Limit new turf installations
- Implement pricing changes
- Septic to sewer conversions
- Prohibit new septic systems

Program Updates

Water Smart Landscapes. Participation in the Water Smart Landscapes Program continues to produce successful results. In 2023, Southern Nevada residents and businesses converted 5.6 million square feet of turf, which will yield an estimated water savings of 315 million gallons every year.

In September 2023, SNWA was awarded \$24 million from the Nevada Water Conservation and Infrastructure Initiative to temporarily increase the rebate for single-family residential property owners from \$3.00 per square foot to \$5.00 per square foot for the first 10,000 square feet and from \$1.50 to \$3.50 for each square foot thereafter. This temporary increase is intended to prompt program participation from homeowners who would otherwise not be able to participate due to conversion costs.

SNWA also implemented a Tree Enhancement Program in July 2023 to encourage Water Smart Landscapes Program participants to increase tree canopy coverage in landscape conversions. The incentive provides a rebate of \$100 per tree for all new trees that meet program requirements, up to 100,000 total trees or an amount not to exceed \$10 million. Additional trees will help to maintain the vibrancy of community landscapes and reduce the area of surface exposed to solar radiation, which contributes to urban heat island effects. Climate adapted trees also require much less water than turf and offer other significant benefits to the community.

Water Efficient Technologies. The Water Efficient Technologies (WET) Program also experienced success in 2023, with 46 projects completed for an estimated water savings of 125.7 million gallons.

Water Efficiency Improvement Fund

In 2023, the SNWA launched the Water Efficiency Improvement Fund, a 501(c)3 dedicated to supporting water conservation and efficiency projects in Southern Nevada. The fund offers tax deductability for businesses, corporations and foundations committed to supporting water sustainability in Las Vegas. In early 2024, the SNWA worked with MGM Resorts International for its first grant of \$500,000. The money will be used to further incentivize existing SNWA Conservation programs for MGM employees, including a \$1 additional incentive amount per square foot for participants within the SNWA's Water Smart Landscape program, and additional rebates for smart irrigation controllers and leak detectors.

Special Event Partnerships

Various large-scale events in Las Vegas over the past year provided staff the opportunity to work with multi-jurisdictional partners to ensure that a clean and reliable water was always available. During one such event, a new application of water conservation technology was developed. Through a partnership fostered by WaterStart, SNWA, and MGM Resorts International developed a method to use Atmospheric Water Generators (AWG) to offset the outdoor water consumption of a car race on the Las Vegas Strip.

AWGs are a proven technology that produce water from surrounding air, typically used in parts of the world where running water is inaccessible. The program partners were able to fabricate a customized method of connecting an AWG to MGM's evaporative coolers, capture their vapor exhaust, and turn the humid air into "new" usable water, which was then used to clean the track. This project both produced the required volume of water for race operations and presented an opportunity to evaluate the effectiveness of coupling AWG technology with cooling tower exhaust systems for broader application.

Customer Assistance Programs for Customers Experiencing Leaks

As customers experience leaks, the SNWA and LVVWD have implemented programs and financial support to eliminate the frustration and expedite the process of finding and repairing a leak.

Water Bill Leak Adjustments. The LVVWD's Property Owner Leak Adjustment has recently been modified to reverse 50 percent of the volumetric charges attributable to a customer leak one time every 12 months. Separately, LVVWD also established a policy to provide a full reversal of Excessive Use Charge fees resulting from a leak that is resolved in a timely manner.

Repair Reimbursement. In Spring 2024, LVVWD's Customer Care and Risk Management departments collaborated to launch a Leak Repair Reimbursement Program, which will reimburse property owners up to 50 percent (\$1,000 maximum per event) of the costs associated with repairing on-site leaks.

Leak Detection. SNWA's Conservation division trains and certifies Water Smart plumbers. These plumbing professionals have leak detection capabilities and SNWA is preparing to launch a voucher program for leak detection services, valued at up to \$250, for single-family residential customers. Staff has also created a series of videos to help property owners diagnose and isolate on-site leaks.

Community Conservation Results

Southern Nevada's total Colorado River water usage for 2023 was 187,000 acre-feet—the community's lowest amount of annual water usage since 1992. That equates to a 33 percent decrease in community water use, despite the addition of nearly 800,000 new residents.

Capital Planning

SNWA Major Construction and Capital Plan

The Major Construction and Capital Plan (MCCP) is SNWA's vehicle for identifying and authorizing capital initiatives, including water resource acquisition; system expansion; and construction, repair, and replacement of water facilities. Projects outlined in the MCCP are funded by the SNWA's bond

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proceeds and revenue generated by the SNWA's water bill charges, connection charges, sales tax proceeds and Southern Nevada Public Land Management Act funds, when available. Significant inflationary increases in materials and equipment delivery since the MCCP was amended in 2020 have caused projected capital project costs to increase. Major facility-related projects currently in progress are described in the table below:

Project	Status	Estimated Cost	Estimated Completion
Large Scale Solar PV Project	Construction slated for late 2023	\$20 M	2025
Garnet Valley Wastewater System	Design	\$505 M	2028
Garnet Valley Water System	Design	\$406 M	2028
Horizon Lateral	Design/Permitting	\$2.4 B	TBD

LVVWD Capital Improvement Plan

In 2017, the LVVWD Board of Directors approved a 10-year, \$616 million (in 2016 dollars) Capital Improvements Plan (CIP). This document guides and directs the operation, maintenance, and development of the LVVWD water distribution system, and supports the LVVWD's ongoing commitment to ensure the community water system remains stable and reliable into the future. The following projects have either been completed, are active, or will begin within the next fiscal year:

- Rome 2745 Reservoir, 2975 Zone Pumping Station, and 2975-2860 Zone Pressure Reducing Valve
- Rome Facilities Pipelines
- Las Vegas Boulevard Improvements
- Cougar 3090 Zone Reservoir
- Centennial 2635 Zone Reservoir and 2745 Zone Pumping Station
- Cougar Facilities Pipeline
- Equipping Wells W124 and W125
- Rehab Steel Cylinder Concrete Pipe (SCCP) in Sahara Avenue
- Replace SCCP & ACP on Flamingo Road
- Washington Tank Rehabilitation
- Alpine Ridge 3090 Zone North Pipeline Phase I and II

These projects will increase capacity and reliability for current and future demand throughout the valley. In addition to these named projects, \$26 million is planned for various pipeline replacements or rehabilitations, valve replacements, electrical and communications upgrades, and other required infrastructure improvements are planned to keep the water facilities operating at desired service levels.

Operations

As the wholesale water provider, the SNWA is responsible for water treatment and delivery and acquiring and managing long-term water resources for Southern Nevada. Collectively, SNWA member agencies serve more than 2.2 million residents in Southern Nevada.

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The LVVWD provides water service to customers in the City of Las Vegas, parts of unincorporated Clark County and the public water systems in Blue Diamond, Jean, Kyle Canyon, Laughlin and Searchlight. In 2023, the LVVWD delivered approximately 103 billion gallons of water to customers throughout its service area. LVVWD also added 5,498 new service points to its customer base in 2023.

Water Quality

The 2023 Water Quality Report was sent to all the LVVWD customers and outlines the organization's efforts to ensure the community's water quality meets or surpasses the standards required by the Safe Water Drinking Act. Each year, staff conducts nearly 300,000 analyses on more than 53,000 water samples at 367 community-wide sampling stations, including stations in customers' meter boxes. Staff test for 91 U.S. EPA-regulated contaminants and 75 unregulated contaminants and monitor the community's water in real time, 24 hours a day, 365 days a year as it travels through more than 7,000 miles of pipeline.

Rural Water Systems

Kyle Canyon Water District - Flood Impact and Emergency Response. On August 20, 2023, severe flooding occurred in Kyle Canyon as Tropical Storm Hilary hit Southern Nevada, with more than eight inches of precipitation falling in that area over a three-day period. The flooding caused extensive damage to roads, water lines and well sites, leaving much of the Kyle Canyon community without water or power. To protect public health during this time, a temporary Boil Water Order was issued for all Kyle Canyon Water District customers.

LVVWD joined a unified incident command structure with other community agencies to coordinate damage repair efforts. LVVWD response teams worked non-stop to perform damage and recovery assessments, initiate well and system repairs and establish water distribution sites. As repairs were completed, systems were disinfected, flushed, and sampled to ensure water quality. The Boil Water Order was lifted within days for the Rainbow and Echo subdivisions. The Old Town neighborhood, however, experienced significantly more damage to its water lines and required extensive repairs and new infrastructure. The final Boil Water Order was lifted for that area on November 2, 2023.

Blue Diamond. LVVWD staff continues work to implement system improvements within the Blue Diamond Water System to increase water system reliability and efficiency, enhance community fire protection and increase emergency storage to meet regulations. Approximately 4,700 feet of pipeline was replaced in Spring 2023, and staff plans to construct a new well, install a new pumping station, and increase storage as federal funding becomes available.

Big Bend Water District (Laughlin). The Big Bend Water District is continuing infrastructure improvements, including a recently completed major refurbishment of the 1130 Zone tank. This project consisted of significant inspection, repair and a full National Sanitation Foundation (NSF)-rated coating for tank protection. This project is part of the capital infrastructure improvement for Laughlin, funded by State Revolving Fund money from the State of Nevada.

LVVWD Campus Expansion

The LVVWD received Board of Directors approval in December 2023 to purchase a vacant office building to help advance existing and future operational goals of the organization. The property includes significant communications infrastructure that may allow the LVVWD to meet increased data transfer and security needs. In addition, the property is ideally located for a new well site, which the LVVWD needs to replace existing operational wells approaching end of life. The building sits on roughly 10 acres and is located across the street from the Springs Preserve.

Springs Preserve

The LVVWD also owns and operates the Springs Preserve, a 180-acre facility built to inspire culture and community and promote environmental stewardship in the Las Vegas Valley. The Preserve's annual community outreach events continue to see increases in attendance and corporate sponsorships, drawing more than 40,000 visitors to the Preserve. During fiscal year 2023-2024, the Springs Preserve hosted more than 250,000 total visitors.

Customer Care and Field Services

LVVWD staff continues to evaluate and implement various programs and systems to respond to customer needs as well as support water conservation through its customer base. The increased availability of water usage data and the enhanced ability to convey that information to customers in a timely manner is yielding additional awareness and response to on-site water usage issues and conservation opportunities on a customer-by-customer basis.

Enhanced Customer Care Response

In 2023, a business efficiency analysis was conducted in LVVWD's Customer Care Department to ensure internal resources were being deployed effectively. Due to the efficiencies implemented through the analysis, measurable progress was made as average customer wait times in December 2023 were 72.2 percent lower than during peak months earlier in the year. Additionally, the organization will be decommissioning its current telephone system and implementing a new technology solution that will resolve many current challenges while significantly improving the customer and agent experience.

Advanced Metering Infrastructure and Software (AMI)

The LVVWD made great strides in the latter half of 2023 towards achieving a 99 percent AMI read rate target through mitigation and a recent data center upgrade. In 2024, the Field Services staff will focus on further identifying and reducing system gaps while installing AMI infrastructure in new developments that were not included in the original framework. As of January 2024, the system has hourly consumption data for 98% of the LVVWD's customers. The first phase of data-driven engagement capability is slated to be available to customers through the LVVWD mobile app, SMS messaging, and web portal the second quarter of 2024. These technologies will allow the LVVWD to provide enhanced customer service and interaction, increased support for conservation initiatives, optimized service response, and more efficient account management.

Meter Operations

Over the past year, Meter Shop staff tested nearly 5,000 small domestic meters and 1,525 commercial meters. Meter Shop staff also monitors the AMI system daily for service interruptions and maps areas for system growth. A preventative maintenance program has also been implemented to ensure system reliability.

Strategic Plan Objectives and Accomplishments

The Executive Management Team oversees and manages the implementation of the strategic plan goals identified by the LVVWD and the SNWA.

Strategic Plan Goal - Assure quality water through reliable and highly efficient systems.

2024-25 Performance Objectives

- Continued active participation in discussions with the other Colorado River Basin States and federal government pertaining to post-2026 Colorado River operations.
- Continued implementation of Assembly Bill 220.
- Continued implementation of IRPAC 2020 recommendations.
- Develop and maintain existing state, federal and international partnerships to advance and promote water-related technical development and innovative water-resource solutions.
- Continue to identify opportunities for increased efficiency and enhanced customer service.
- Demonstrate national and international leadership in water research, conservation, and water quality efforts.
- Implement the LVVWD and the SNWA Capital Plans.

2023-24 Major Accomplishments

- Cumulatively, Nevada, Arizona and California voluntarily conserved more than 1 million acre-feet of water at the end of 2023.
- Southern Nevada's total Colorado River water usage for 2023 was 187,000 acre-feet—the community's lowest amount of annual water usage since 1992.
- Continued discussions with Colorado River Basin partners to achieve reductions in Colorado River consumptive use.
- Staff continued efforts to implement community-wide water conservation initiatives, including turf removal, evaporative cooling reduction, septic system conversion, pool size limits and water waste monitoring and enforcement.
- The SNWA Board of Directors approved an updated Water Resource Plan for 2024. The plan provides a comprehensive overview of projected water demands in Southern Nevada over a 50-year planning horizon, as well as the resources available to meet those demands over time.
- Continued progress on asset management, necessary system expansion and water quality compliance projects provided within the LVVWD's 10-year Capital Improvement Plan.
- Continued collaboration with Metropolitan Water District to provide financial support for its regional recycling program in exchange for a like quantity of Colorado River water.
- Continued design work on major components of the SNWA MCCP, including the Garnet Valley water and wastewater systems.

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- Completed water loss control study for all SNWA purveyor members based on water audits validated by Cavanaugh and Associates. The study includes a set of recommendations specific to each purveyor for reducing water loss. Each purveyor will commit to specific investments in their systems that will be summarized in the Joint Water Conservation Plan for 2024.

Strategic Plan Goal - Deliver an outstanding customer service experience.

2024-25 Performance Objectives

- Identify and implement further operational and management practices to maintain service levels with greater efficiency.
- Continue implementation and increase use of analytics software to detect potential leaks and notify customers.
- Continued coordination with necessary partners and stakeholders for the support of large-scale events.

2023-24 Major Accomplishments

- Development and implementation of various programs to support customers in diagnosing and repairing leaks and provide financial relief from high bills resulting from leaks.
- Successful completion of the Advanced Metering Infrastructure implementation project, which is now providing hourly usage reads for the vast majority of LVVWD customers.
- Increased efficiencies in Customer Care resulted in significantly lower customer wait times than earlier in the year.

Strategic Plan Goal - Anticipate and adapt to changing climatic conditions while demonstrating stewardship of our environment.

2024-25 Performance Objectives

- Continue leadership on Colorado River issues to ensure Southern Nevada's needs are addressed.
- Continue conservation education and incentive programs to maximize available water supplies.
- Participate in national and industry discussions and planning on climate change, including active membership in the Water Utility Climate Alliance.
- Continue effective management of the Spring Valley ranch properties.

2023-24 Major Accomplishments

- More than 5.6 million square feet of turf replaced through the Water Smart Landscapes rebate program in 2023, saving an estimated 315 million gallons of water.
- Sustained water waste enforcement efforts to encourage water conservation throughout the community.
- Continued efforts to decrease consumptive water use through service rule and code revisions for all of SNWA's member agencies.
- Ongoing implementation of water conservation and efficiency measures, such as customer compliance with watering schedules, data sharing and amending development agreements to include up-to-date efficiency measures.

Strategic Plan Goal - Develop innovative and sustainable solutions through research and technology.

2024-25 Performance Objectives

- Continue to lead the implementation of the Las Vegas Wash Comprehensive Adaptive Management Plan.
- Continue participation with the WaterStart initiative to identify and adopt innovative solutions to water resource challenges.

2023-24 Major Accomplishments

- Through a WaterStart partnership, developed a method to use Atmospheric Water Generators to offset the Las Vegas Grand Prix's outdoor water consumption.
- Completed 46 Water Efficient Technologies projects in 2023, resulting in an estimated water savings of 125.7 million gallons.
- Implemented a proof-of-concept private 5G cellular system to provide multiple secure and dedicated services at 14 small sites near the LVVWD Valley View campus.

Strategic Plan Goal - Ensure organizational efficiency and manage financial resources to provide maximum customer value.

2024-25 Performance Objectives

- Continue to establish and maintain responsible reserve policies to ensure both the SNWA and the LVVWD can weather unanticipated expenditures and maintain positive bond ratings.
- Continue to evaluate opportunities to save ratepayer dollars through bond refunding, grant acquisition, and other activities.
- Plan and develop opportunities to increase the LVVWD and the SNWA investments in alternative and renewable energy supplies.

2023-24 Major Accomplishments

- LVVWD and SNWA each finished fiscal year 2022-23 having met and exceeded their respective unrestricted reserve balance goals.
- Received \$36.7 million and \$220,000 in grant funding for SNWA and LVVWD, respectively.
- Created OT Systems and Compliance division to provide dedicated oversight of the operational technology systems and support processes due to the growing focus on cybersecurity within critical infrastructure. The division is responsible for the 24/7/365 support for the process control equipment, the Supervisory Control and Data Acquisition (SCADA) system, and the wide area communications network.

Strategic Plan Goal - Strengthen and uphold a culture of service, excellence and accountability.

2024-25 Performance Objectives

- Ensure continual security and safety of the LVVWD and the SNWA facilities and promote an organizational climate and culture of safety and security for employees, customers, and the community.
- Continue to identify opportunities to strengthen a culture of accountability and efficiency throughout the organization.

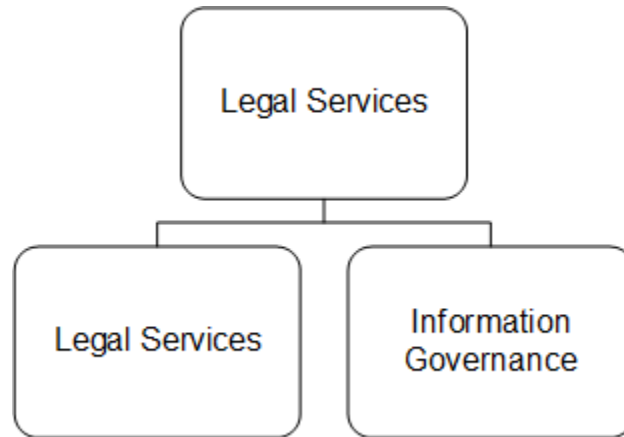
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2023-24 Major Accomplishments

- Asset Management continues to invest in innovative solutions by utilizing stationary remote sensing leak detection, which identified the location of a leak on a 60-year-old pipe within the resort corridor, and by deploying remote control video with leak detection to inspect and assess the condition of critical SNWA infrastructure.

LEGAL SERVICES

Level: 1200



Mission

To provide expert legal counsel in support of the organization's mission, policies, goals and strategies.

Department Description

Legal Services acts as corporate counsel to the organization, providing legal review of policies and procedures to ensure compliance with applicable laws and regulations. The department represents the organization in court proceedings and before administrative boards and hearing panels in a variety of natural resource, property, personnel, and other litigation matters. The department reviews contract documents and provides services for land and natural resource acquisitions associated with capital development programs. Legal Services coordinates and monitors efforts of outside counsel who represent the organization. The department is involved in resource planning and continues to advise on electrical power issues. Additionally, The Legal Services department is also responsible for the organization's Information Governance (IG) initiatives.

The department works closely with the General Manager and Deputy General Managers in providing legal advice and in the development and review of proposed legislation and regulations at the local, state, and federal levels.

The Information Governance division is responsible for managing the maintenance, retention, preservation, and disposition of the organization's Records in accordance with federal, state, and local laws, ordinances, regulations, and rules, applicable contractual requirements, and regular business practices. In addition, IG is responsible for conducting forensic analysis on data loss scenarios in coordination with Risk Management, Information Technology (IT), and Public Services departments.

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Budget Objectives and Highlights

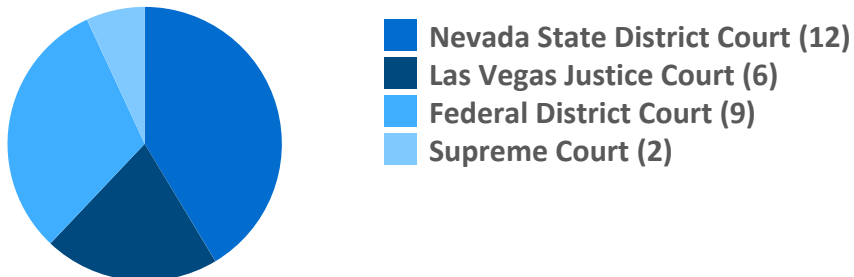
Attorneys in the department are performing a steadily increasing practice before Nevada courts, federal courts, and state and federal administrative agencies. The 2024-25 budget contains continuing funding to support these efforts and for outside counsel who perform a variety of other legal services for the organization. This year, the IG Division's budget has also been added to the department budget.

SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Materials and supplies	\$ —	\$ 5,480	\$ 5,480
Maintenance and repairs	91,758	106,000	64,200
Rental and leases	—	—	—
Other employee expenses	49,404	179,600	201,000
Other operating expenses	1,572,004	4,203,008	3,923,888
Total Operating Expenses	1,713,167	4,494,088	4,194,568
Capital expenditures	—	—	—
Salaries and benefits	2,588,458	2,755,295	3,314,360
TOTAL DEPARTMENT EXPENDITURES	\$ 4,301,625	\$ 7,249,383	\$ 7,508,928
FTE POSITIONS	11.6	11.9	13.9

Department Performance

Legal Services. Representing the organization in litigation is only a small part of what Legal Services does. In addition to litigation, department attorneys support the organization by giving advice and counsel on transactional matters and on sensitive personnel issues.

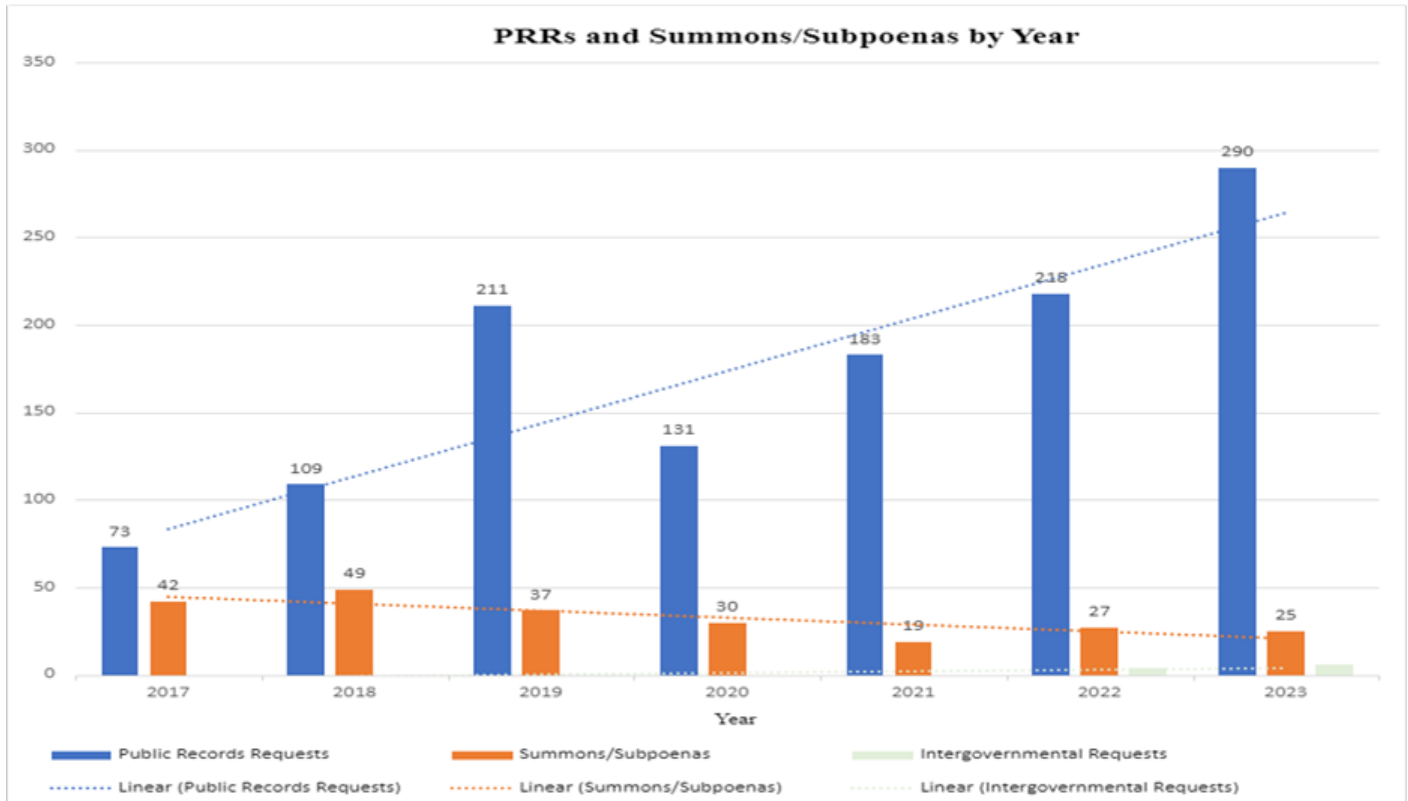
LVVWD & SNWA Pending Litigation Matters
Number of Cases: Federal, State, or Administrative Forum



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Information Governance. IG is responsible for managing numerous workstreams for the organization. Ongoing activities in 2022 included General Manager approval of the federal and state changes to the retention schedule.

IG manages Public Records Requests (PRRs) for the organization. In addition, IG processes select Summons and Subpoenas. During the CY 2023, the number of PRRs completed increased 35% from the year before. IG continues to manage two applications to process this work more efficiently for this workstream.



Work to retire legacy applications and either disposition or migrate content to new applications is continues with Information Technology (IT) and other departments. Similar to PRRs, the number of completed dispositions (paper and digital applications) increased by 125% over the previous CY.

Information Governance also continues to be responsible for overseeing the board agenda item process, supporting the organization with development initiatives that includes but are not limited to, systems workflow management, permissions, access, and training.

In calendar year 2023, the team completed development work that included upgrades and enhancements to the system. Moreover, the team increased support of Legal Services staff with contract management.

Information Governance continued to support the joint IT/Legal Services/Finance initiative, the Technical Purchasing Review (TPR) process. Currently, IG is responsible for reviewing and commenting on all new IT Purchases, as well as annual renewals, which have an IG-related function such as Legal

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Holds, Records Retention, and Data Management. IG staff spent 89-man hours related to TPR's for CY 2023.

The cleanup and migration of department content as part of the ATLAS Project 1 was completed in 2023, paving the way for the start of Project 2, Classification and Governance. Additionally, the ATLAS Project team successfully deployed SmartHub Enterprise search. Lastly, the team completed an undertaking of cleaning up both the U and T drives for the organization. In calendar year 2024, the team will oversee the retirement of a large engineering application as well as continue to implement ATLAS Project 2, including implementing a Knowledge Management Program across the organization.

Strategic Plan Objectives and Accomplishments

Deliver an Outstanding Customer Service Experience

The department will continue to focus on client satisfaction to ensure our internal clients receive highly responsive, clear, and accurate legal opinions.

Strengthen and Uphold a Culture of Service, Excellence and Accountability

Legal Services has provided and will continue to provide training sessions to organization staff to develop internal capacity and strengthen the culture of excellence.

2024-25 Performance Objectives

- To be highly responsive to the needs of our clients and provide concise, clear, and accurate legal opinions.
- To increase communication between Legal Services and organization staff in a coordinated response to legal issues.
- To provide proactive contract reviews to minimize the threat of extended and costly litigation.
- To take an active role regarding resource acquisition and management with regard to legal issues and strategy concerning water and power.
- To complete the Artificial Intelligence policy.
- Upgrade the Exterro Public Records Request software module.
- To retire the Worldox application and implement NetDocuments, the system of record for the Legal Services and Human Resources departments.
- To continue implementing ATLAS Project 2, Classification and Governance, and finalize the rollout of the Knowledge Management Program in support of the initiative.
- To successfully retire the DocView EDM application.
- Finalize the review of the Records Retention Schedule and send changes to the General Manager.

2023-24 Major Accomplishments

- Negotiated water and power resource positions and agreements, as well as renewable resource agreements.
- Kept construction on schedule without costly delays due to litigation and arbitration.
- Prevailed in adversarial proceedings.
- Minimized the need for any construction project condemnations.
- Continued implementation of the LVVWD/SNWA Contract Management Software.

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- Completed ATLAS Project 1.
- Completed enhancements of the Agenda Item system and created a new Foundational Documents library for the organization.
- Oversaw the successful content cleanup of 3 million files in the U drive and applied a 30-day retention schedule for all content and successfully cleaned up content of 75 thousand files in the T drive.
- Implemented SmartHub Enterprise search as the Enterprise Federated Search solution.

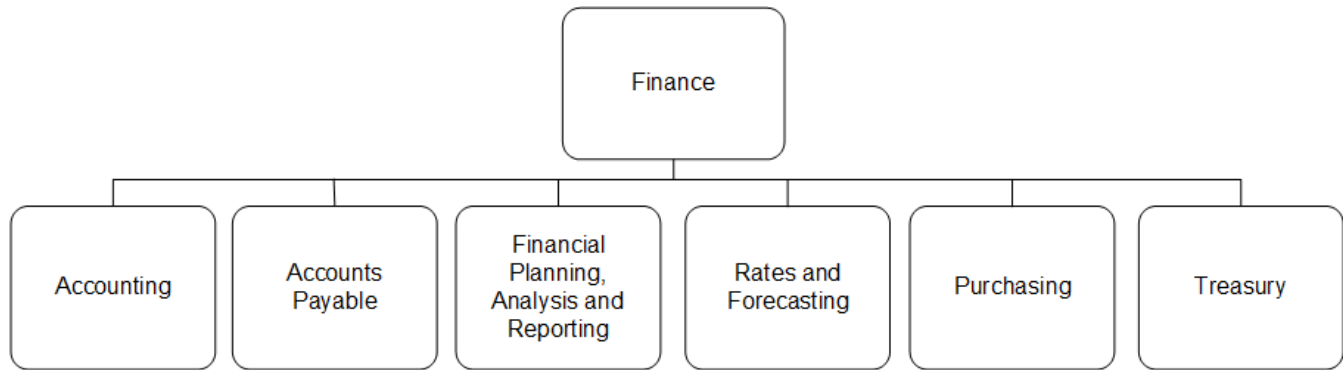
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Finance

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FINANCE

Level: 2100



Mission

Ensure the financial integrity and safeguard the assets of the Las Vegas Valley Water District (LVVWD) and the Southern Nevada Water Authority (SNWA) by providing strategic planning and utilizing effective finance, budgeting, debt management, treasury, accounts payable, and purchasing procedures and processes.

Department Description

The Finance department is responsible for accounting, financial reporting, financial planning, debt and treasury management, budgeting, centralized purchasing activities, and all aspects of financial operations of the LVVWD and the SNWA. Following the principles of governmental accounting, the department maintains, on an accrual basis, an Enterprise Fund for the LVVWD and the SNWA, and Pension and Other Employee Benefits Trust Funds. In the Enterprise Funds, financial activities are recorded in a similar manner to that of a private business. The Pension and Other Employee Benefits Trust Funds are used to account for the investments, earnings, contributions, expenses, and projected pension and other employee benefits of the LVVWD Plans. The department also coordinates the LVVWD and the SNWA budget processes in compliance with Nevada State Law. Internal accounting controls, as required under Generally Accepted Accounting Principles (GAAP), are strictly enforced for safeguarding property and in preparing financial statements.

The Finance department budget also includes the LVVWD's costs for water supply and charges that are made on behalf of the SNWA (pass-through costs).

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Budget Objectives and Highlights

The 2024-25 Finance department budget contains funding to maintain the necessary functions that the LVVWD and the SNWA require to provide quality services to both internal and external customers.

SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Purchased water	\$ —	\$ —	\$ —
Energy	—	—	—
Materials and supplies	3,144,726	1,711,838	313,760
Maintenance and repairs	871,108	2,200,645	1,859,078
Rental and leases	96,270	96,600	81,760
Other employee expenses	2,688	58,978	57,250
Other operating expenses	12,615,923	12,622,746	14,811,691
Total Operating Expenses	16,730,715	16,690,807	17,123,539
Nonoperating expenses	2,500	9,770,223	9,441,922
Capital expenditures	—	—	—
Salaries and benefits	11,425,278	3,835,374	4,155,484
TOTAL DEPARTMENT EXPENDITURES	\$ 28,158,493	\$ 30,296,404	\$ 30,720,945
FTE POSITIONS	20.3	19.9	20.4

Department Performance

Accounting. The Accounting Division supports and provides accounting services for the following entities: Las Vegas Valley Water District (LVVWD), Southern Nevada Water Authority (SNWA), Big Bend Water District (BBWD), Kyle Canyon Water District (KCWD), Coyote Springs Water Resources District (CSWRD), three additional rural systems that are a part of the LVVWD, and the Springs Preserve. The financial reporting includes monthly and quarterly financial statements, as well as the LVVWD and the SNWA Annual Comprehensive Financial Reports and the BBWD Annual Report with their corresponding audit reports. In addition, the division prepares and submits the financial reporting related to grant activities for the LVVWD, SNWA, and BBWD.

The Accounting Division supports both senior management and other workgroups with financial analysis. Some areas include construction-related activities, groundwater management programs, conservation-related activities, Las Vegas Wash activities, energy management, and various activities related to water rights.

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Accounting functions include: ensuring financial statements and reports are accurate, complete and consistent; performing various financial analyses, revenue billing, maintaining the general ledger, inventory, fixed asset and other system records; oversight of controls over revenues, expenditures, assets, and liabilities, cash management, and the accounting and reporting of investments for both the LVVWD and the SNWA funds; reconciling bank statements; and federal and state agency grant accounting that require preparation and submission of reports to obtain reimbursements.

While the company outsources its mail payment remittance processing, the Accounting Division researches and resolves mail payment exceptions, records and reconciles payments received by direct debit, electronic funds transfer, credit card payments by phone, internet payments, recurring credit card transactions, and payments received from over 270 satellite pay station locations throughout the Las Vegas Valley.

This division is also responsible for monitoring and supporting all cashier functions at the Springs Preserve, including managing the cash vault, daily preparation, distribution and reconciliation of cashier banks, and bank deposits. In addition, the Accounting Division coordinates and processes group sales and vendor payments for special events, as well as providing revenue-based reports and analysis for organizational departments.

Financial Planning, Analysis & Reporting. The Financial Planning, Analysis & Reporting division provides a broad range of financial services including oversight of annual budgets and other budget-related financial reporting to management.

This division is responsible for preparing the annual operating and capital budgets for the LVVWD, SNWA, BBWD, and CSWRD. This includes budget development, implementation, and monitoring. The division also prepares variance reports by department, and directors are accountable for expenditures over and under budget.

Rates & Forecasting. This division focuses on designing, analyzing, and recommending water rates; and providing short- and long-term financial plans, as well as support with the budget and reporting processes.

This division performs a variety of strategic and long-range financial forecasts, financial and water rate scenario analyses; and develops water rates, connection, and other fee recommendations and projections for the organization. On an annual basis, this division conducts a survey of water rates from over 50 cities located in the Western United States, closely monitors water production and consumption data, and prepares statistical reports.

Purchasing. The Purchasing Division is responsible for the centralized purchasing activities of the LVVWD and the SNWA. These activities include market analysis; developing and identifying new, expanded, or alternative suppliers; systems contracting, formal and informal solicitation/bidding processes, sustainable purchasing, disposition of company property, and the support of a diversified supplier program. The development of supply agreements containing appropriate contract terms and conditions, in conjunction with the Legal Department, are an integral function of the Purchasing Division. Ensuring compliance with all applicable purchasing statutes, obtaining quality products and services to serve our customers, and cost savings are among the division's priorities.

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Treasury. The Treasury division is responsible for debt management, investments, and banking. Debt management includes supporting management with the issuance of debt, continuing disclosure requirements, and other analysis. Investments include the investment of operating monies and reserves, as well as investments related to post-employment benefits. Treasury serves as a point of contact for banking issues.

Strategic Plan Objectives and Accomplishments

By the very nature of its activities, the Finance department either directly or indirectly impacts all the Strategic Plan Goals through the prudent and strategic funding of the various activities and services provided by the LVVWD and the SNWA.

Strategic Plan Goal - Assure quality water through reliable and highly efficient systems.

2024-25 Performance Objectives

- Identify and secure funding for critical infrastructure.
- Provide timely and accurate financial reporting.
- Provide timely and accurate support for the LVVWD, SNWA and small water system rate proceedings.
- Develop long-term financial plans to ensure a sustainable revenue base to support operations.

2023-24 Major Accomplishments

- Continued to hold strong credit ratings, helping to secure funding for critical infrastructure. Current credit ratings are AA and Aa1 by Standard & Poor's (S&P) and Moody's, respectively.
- Developed updated monthly financial reports leveraging the Workiva and GL Connect systems.
- Launched a new Budget Dashboard with enhancements based on internal customer feedback.
- Continued coordination with the Project Controls Group to improve financial reporting from the organization's e-Builder capital project management system.
- Enhanced financial modeling support and scenario analysis for all entities that the organization administers.

Strategic Plan Goal - Deliver an outstanding customer service experience.

2024-25 Performance Objectives

- Continue to optimize the procure-to-pay system and develop key performance indicators to more effectively manage the purchase of goods and services.
- Pursue process and system improvement initiatives to shorten the financial month-end close and complete the process before the end of the following month.
- Continue to improve and streamline day-to-day accounting practices, specialized processes, improved financial analyses, reporting, and information sharing to departments.
- Continue to efficiently procure and contract for products, equipment, and services.

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2023-24 Major Accomplishments

- Continued collaboration with all departments including enhancements to budget template spreadsheets and other reports.
- Improved communication with all departments by furthering collaboration in meeting with them monthly to review and discuss the monthly financials for the group to better align with current work needs.
- Revised the Purchasing Guidelines to reflect updated processes and procedures.

Strategic Plan Goal - Develop innovative and sustainable solutions through research and technology.

2024-25 Performance Objectives

- Select vendor and implementer for the replacement of the Oracle financial system through a Request for Proposal (RFP) effort.
- Continue active participation in the implementation of an Enterprise Asset Management system and its integration into financial and purchasing systems.
- Expand use of Fairmarkit quote-to-procure system to increase supplier competition in quoting and increase efficiency for the procurement of goods and services that do not require formal solicitation.

2023-24 Major Accomplishments

- Implemented Workiva data connectors and integrations to improve efficiency and accuracy of data transfers from existing financial systems and sources to the Workiva financial reporting software.
- Actively participated in defining financial information requirements to new system implementations or enhancements, which include but are not limited to, Apttus contract management, Customer-to-Meter (C2M), and SharePoint file management.
- Continued use of the Fairmarkit quote-to-procure system to manage the quoting process more efficiently for smaller dollar purchases that do not require a formal solicitation. First full year awarded savings totaled over \$542,000.
- Implemented tool to automate accounts payable invoice processing.
- Completed a business process review with the Government Finance Officers Association (GFOA) Research and Consulting Center to evaluate options for the replacement of the Oracle financial system.

Strategic Plan Goal - Ensure organizational efficiency and manage financial resources to provide maximum customer value.

2024-25 Performance Objectives

- Continue to evaluate opportunities to issue refunding bonds for both the SNWA and LVVWD to generate savings.
- Assess technological changes and new practices to ensure the processing of SNWA vendor payments directly from its own funds.
- Continue to enroll suppliers on electronic payments to further increase the overall efficiency of the procure-to-pay process.
- Lead comprehensive financial planning and analytical support for various organizational initiatives.

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2023-24 Major Accomplishments

- Issued the General Obligation (Limited Tax) (Additionally Secured by Pledged Revenues) Water Bonds, Series 2023A which generated \$200 million of new monies to fund the next tranche of the LVVWD's capital improvements plan.
- The long-term credit ratings of AA/Stable and Aa1/Stable were affirmed by S&P and Moody's, respectively. These ratings help keep rates affordable, and acknowledge LVVWD's strong financial management practices, policies, and maintenance of robust cash reserves.
- Processed approximately 20,000 payments annually, earning more than \$200,000 in discounts on invoices processed in fiscal year 2022-2023, and achieved a rebate of \$50,000 on annual credit card spend.
- Continued to provide comprehensive financial planning and analytical support for the SNWA's Integrated Resource Planning Advisory Committee 2020.

Strategic Plan Goal - Strengthen and uphold a culture of service, excellence, and accountability.

2024-25 Performance Objectives

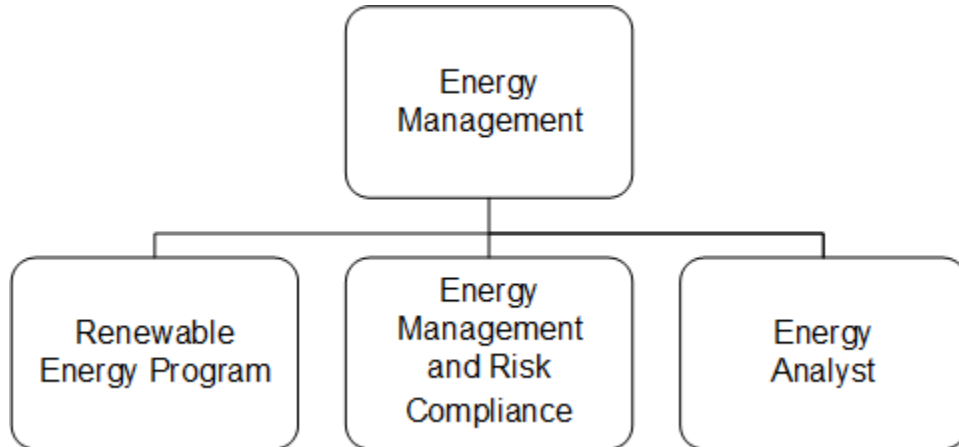
- Receive unmodified opinions from external auditors for the LVVWD, SNWA, and BBWD fiscal year ending June 30, 2024 audits.
- Receive the Certificate of Achievement for Excellence in Financial Reporting from the GFOA for the LVVWD and SNWA Annual Comprehensive Financial Report for the fiscal year ending June 30, 2024.
- Receive the Distinguished Budget Presentation Award from the GFOA for the LVVWD and SNWA Operating and Capital Budgets for the fiscal year beginning July 1, 2023.

2023-24 Major Accomplishments

- Received the Certificate of Achievement for Excellence in Financial Reporting from the GFOA of the United States and Canada for the 45th consecutive year for the LVVWD Annual Comprehensive Financial Report for the year ended June 30, 2023.
- Received the Certificate of Achievement for Excellence in Financial Reporting from the GFOA for the 28th consecutive year for the SNWA Annual Comprehensive Financial Report for the year ended June 30, 2023.
- Received an unmodified opinion from external auditors for the LVVWD, SNWA, and BBWD fiscal year ended June 30, 2023 audits.
- Received the Distinguished Budget Presentation Award from the GFOA for the LVVWD and SNWA Operating and Capital Budgets for the fiscal year beginning July 1, 2022.
- Completed implementation of project management portfolio and reports for the execution of Finance Department's prioritized process improvement efforts.

ENERGY MANAGEMENT

Level: 2200



Mission

The mission of the Energy Management department is to manage an energy resources portfolio for the members of the Silver State Energy Association (SSEA), including the Southern Nevada Water Authority (SNWA) and its member agencies, which yields predictable prices; considering the overall value of sustainability and cost minimization.

Department Description

The Energy Management department was established in fiscal year 2005-06 to manage the procurement and utilization of energy resources necessary to pump, treat, and deliver water to the member agencies. The SNWA, in collaboration with the Colorado River Commission of Nevada (CRC), initially purchased energy supplies for its own water pumping needs and later began supplying power for the water pumping and wastewater needs of the SNWA member agencies, including the Las Vegas Valley Water District (LVVWD), the City of Las Vegas (COLV), the City of Henderson (COH), the Clark County Water Reclamation District (CCWRD) and the City of North Las Vegas (CONLV).

In 2007, the SNWA, along with the CRC, Lincoln County Power District No. 1, Overton Power District No. 5 and the City of Boulder City, formed the SSEA, a joint action agency charged with procuring and managing power resources for its members. Today, Energy Management personnel and CRC personnel, acting as the staff of the SSEA, manage the procurement and utilization of energy resources for the SNWA and its member agencies.

Key functions performed by Energy Management personnel on behalf of the SSEA include energy trading and procurement, accounting and settlements, energy risk management, forecasting, analytical support, and project planning and development. In addition to the functions performed on behalf of the SSEA, Energy Management personnel also support the renewable energy initiatives of the SNWA and the LVVWD.

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Budget Objectives and Highlights

The fiscal year 2024-25 Energy Management department budget contains funding for all expenses associated with the procurement and management of energy resources for the SNWA's electrical loads. Expenses for the LVVWD, other SNWA member agencies, and other SSEA members, are not included in this budget. The majority of budget funding is for energy commodities and services purchased by the SSEA from the energy and financial marketplace to meet the SNWA's needs. Other expenditures include transmission, distribution and ancillary services; operation and maintenance expenses associated with transmission and generating assets; and administrative and general expenses for CRC and the personnel of the SNWA.

SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Energy	\$ 62,272,995	\$ 59,215,077	\$ 53,424,436
Materials and supplies	849	2,700	1,900
Maintenance and repairs	—	—	—
Rental and leases	—	—	—
Other employee expenses	25	10,400	14,240
Other operating expenses	232	1,550	1,340
Total Operating Expenses	62,274,101	59,229,727	53,441,916
Capital expenditures	1,926,468	11,532,476	9,312,000
Salaries and benefits	1,278,844	1,300,455	1,368,284
TOTAL DEPARTMENT EXPENDITURES	\$ 65,479,413	\$ 72,062,658	\$ 64,122,200
FTE POSITIONS	5.3	5.0	5.0

Department Performance

Silver State Energy Association (SSEA). The SNWA has been instrumental in the formation and development of the SSEA, which has brought significant benefits to the SNWA, its member agencies and the SSEA members. In order to properly manage the energy needs of the SNWA, a certain minimum size of labor and infrastructure is required. The employees and systems of the Energy Management department and the CRC Energy Services group have met this need for many years now.

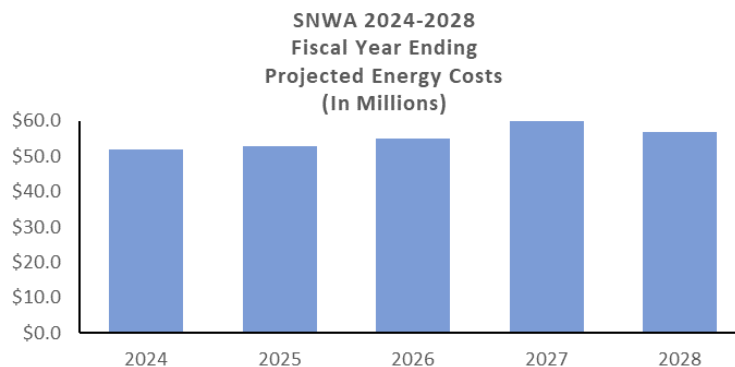
Expanding the energy portfolio managed by this group to include the SNWA member agencies and the members of the SSEA has brought significant economies of scale and portfolio synergies to each of the participants, including the SNWA. Furthermore, the energy portfolio has been able to be expanded in this way with only a minimal increase in the size of the labor and overhead required to properly

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manage it. Over \$1 million per year of general overhead and operating costs are now being paid for by non-SNWA entities, costs that otherwise would be paid for by the SNWA.

Some of the benefits the SNWA realizes by participating in the SSEA include 1) economies of scale when purchasing energy; 2) lower overhead costs; 3) lower balancing, imbalance and ancillary services costs due to the synergies of serving a single larger portfolio vs. serving the different load shapes of each individual entity; 4) federal hydropower optimization, which can only be realized by serving the combined portfolio; 5) economies of scale, shared resources, and shared costs of project development work; and 6) additional opportunities to work cooperatively with the other public entities in the overall energy portfolio.

Energy Price Stability. Energy Management measures its success based on how well it is meeting its objective to provide energy to the SSEA members yielding stable, low, and predictable prices. Consistent with the SSEA's Energy Risk Procedures, the price exposure of the SNWA's energy portfolio has been significantly reduced through calendar year 2027. The SSEA locks in its energy portfolio costs by securing a combination of physical market resources (generation assets or contracts for the delivery of electricity) as well as electric and natural gas financial products to meet the needs of its members. Physical contracts for electricity are secured whenever there are sufficient buyers and sellers to create liquid markets. Financial products are secured when physical contracts are unavailable, or market liquidity is unacceptably low. Financial products protect against price movements in the market and can be converted to physical supplies at a later time when physical power markets are more liquid. The chart below shows the SNWA's actual and projected energy costs through fiscal year 2028 (excluding capital costs) as of the end of January 2024.



Energy Management has met its objective of providing energy at stable and predictable prices. This long-term management approach has allowed the SNWA and its members to budget for energy costs with a high degree of confidence years in advance. To ensure the commitment to long-term price stability is met, a Risk Control Committee comprised of the SNWA and its member agencies meets quarterly to review standardized reports produced by the SSEA, and to monitor the SSEA's adherence to its Risk Control Procedures.

The SNWA's energy costs are expected to be approximately \$55 million, excluding the estimated cost of capital associated with the SNWA's energy assets for the fiscal year 2024-25. This amount is recovered through the SNWA wholesale water delivery charge.

Boulder Flats Solar and 230 kV Transmission Project. The SNWA is working with ibV Energy Partners on a large 113-megawatt (MW) solar photovoltaic (PV) energy project located in the El Dorado Valley, including a 10-mile 230 kV transmission line extension to allow for interconnection with our existing transmission system. The SNWA is planning on purchasing most of the energy output, but all its member agencies that receive power from SNWA are also planning to purchase some of the output. This strategic resource will be a critical renewable energy resource for meeting our renewable energy targets and will provide a low, fixed price resource for many years.

SNWA and LVVWD Sustainability Initiatives. The Nevada legislature passed a new higher energy portfolio standard in 2019 that raises the requirement of 20 percent renewables in 2019 to 50 percent renewables by 2030. The SNWA and the LVVWD met its 2023 target and participation in the Boulder Flats Solar Project will enable the SNWA and the LVVWD to meet the increasing standard in the years to come.

Strategic Plan Objectives and Accomplishments

Strategic Plan Goal – Assure quality water through reliable and highly efficient systems.

2024-25 Performance Objectives

- Develop and execute a Purchase Agreement with the City of Boulder City for them to receive 5 MW from the Boulder Flats Solar Project.
- Develop and execute a system upgrade and transmission reservation agreement with Townsite Solar 2 for potential transmission service from SNWA.
- Transition into the construction phase of the transmission line for the Boulder Flats Solar project. Complete the transmission project by May 2025.
- Ensure the developer for the Boulder Flats Solar Project meets its milestones for completing the project.
- Refurbish the LVVWD reservoir solar installations to attain the maximum achievable output for the vintage of the equipment. Maintain the output for the next two years to receive NV Energy payments that exceed previous year's amounts.
- Ensure expected performance standards are being met by Western Area Power Administration (WAPA) in their role as the scheduling entity for both SSEA and network customers.

2023-24 Major Accomplishments

- Secured a right-of-way grant and notice to proceed from the Bureau of Land Management (BLM) for the transmission portion of the Boulder Flats Solar Project.
- Successfully completed the planning portion of the Boulder Flats Solar Project transmission interconnection.
- Removed Total Energies from performing the maintenance on the LVVWD solar sites due to non-performance. Brought the maintenance requirements in-house and have embarked on refurbishing the sites with warranty panels and new inverters where needed.
- Through monitoring of load shapes and the scheduling of resources, SSEA was able to proactively demonstrate performance issues and track improvements regarding WAPA's role as the scheduling entity for SSEA and network customers.

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- Completed the transmission study and issued the final report to Townsite Solar 2, a new utility-scale solar and battery storage project, regarding system enhancements and selling transmission wheeling service on SNWA's new 10-mile transmission line in Boulder City.

Strategic Plan Goal – Deliver an outstanding customer service experience.

2024-25 Performance Objectives

- Continue to support the Engineering Department teams on how to best provide power to their water infrastructure projects. Work with CRC for the procurement of long-lead equipment for the major power infrastructure.
- Provide analytical support to member agencies as needed regarding their energy needs.
- Keep abreast of new legislative initiatives for the 2025 legislative session and communicate relevant impacts as needed.
- Continue to operate under transitional trade capture protocols and its risk management restraints until a full migration to the Open Access Technology International (OATI) Trade Capture System is completed.
- Complete the on-boarding of OATI as the SSEA's trade-capture vendor and train required personnel to become proficient in its application and maintenance.

2023-24 Major Accomplishments

- Maintained a managed portfolio of energy resources for all SNWA and member agency requirements within all hedge guidelines and procedures.
- Successfully transitioned the SSEA to a new financial auditing firm, Baker Tilly, and worked with them to achieve a clean audit for FY2023.
- Service agreements for Network Integration Transmission Service were completed and signed between the SSEA's End Use Customers (LVVWD Network, SNWA Network, COLV, COH, CONLV, CCWRD) and NV Energy.
- Provided support to the Engineering staff for their substation and transmission requirements for three major projects. CRC will be responsible for the procurement of all substation equipment for Garnet Valley and Stage II projects.
- Successfully negotiated a contract severance with Hitachi as our Trade Capture System vendor and replaced them with a new provider, OATI.
- To bridge the gap in between the off-boarding of Hitachi and on-boarding with OATI, staff developed protocols and procedures for manual trade capture within the parameters of the SSEA Risk Management Policy.

Strategic Plan Goal – Ensure organizational efficiency and manage financial resources to provide maximum customer value.

2024-25 Performance Objectives

- Monitor, evaluate and capture new hydropower allocation opportunities or layoffs as they become available.
- Monitor and track market conditions and adapt the Energy Risk Management Procedures accordingly and responsibly.

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- Work with our environmental team and the BLM to finalize a right-of-way grant split and assignment of the SSEA Eastern Nevada Transmission Project.
- Work with the Operations Department to determine an optimal summer pumping profile to minimize summer power costs.
- Continue to look strategically for how best to transition to a Regional Transmission Organization. Specifically investigate the potential for joining the proposed Energy Day-ahead Market.
- Work collaboratively with member agencies and exchange Portfolio Energy Credits among each other to achieve the 29-percent renewable energy portfolio standard for the upcoming year.

2023-24 Major Accomplishments

- Successfully met the Nevada Renewable Portfolio Standard for 2023. Worked with member agencies to utilize their Portfolio Energy Credits and to exchange them among each other.
- Worked with the Operations Department to determine an optimal summer pumping profile to minimize high peak-period power costs.
- Established credit with three new counterparties leading to favorable energy trades and a more diversified supplier mix.
- Monitored, analyzed and intervened in the NV Energy General Rate Case, successfully protecting SNWA from the proposed huge transmission rate increases.
- Added over 26,000 megawatt-hours of energy between July 2023 and February 2024 of additional hydropower resources to the energy portfolio through long-term and month-to-month hydropower contractor layoffs. These additional resources helped to lower commodity prices and were counted to meet the state Renewable Portfolio Standard for the year.

RISK MANAGEMENT

Level: 2600



Mission

Provide best of class risk management solutions for the LVVWD and the SNWA to achieve the best balance between risk and opportunities.

Department Description

Oversees the LVVWD's and SNWA's risk management processes; coordinates insurance coverage and risk financing; manages claims; coordinates with legal counsel; compiles and analyzes risk management data; and conducts risk management educational programs.

Budget Objectives and Highlights

Risk Management Information System (Origami) continued elevating its visibility throughout Las Vegas Valley Water District (LVVWD) by utilizing QR codes for attendance with EHS for Safety Stand Down, updated certifications for environmental and EHS training compliance, and began discussions in three new departments currently to address their needs. The new Director of Risk Management has worked diligently on the ERM committee, Leak Reimbursement program, updating COI and contract processes, working with IG to update retention buckets and bringing on new staff. Risk has expanded the Captive by reaching out to Departments to reimburse them for property damage.

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Risk Management
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Expenditures			
SNWA USES	Actual 2022-23	Budget 2023-24	Budget 2024-25
Materials and supplies	\$ —	\$ —	\$ —
Maintenance and repairs	—	—	—
Other employee expenses	—	—	—
Other operating expenses	2,573,804	2,690,710	3,207,007
Total Operating Expenses	2,573,804	2,690,710	3,207,007
Capital expenditures	—	—	—
Salaries and benefits	468,155	502,138	630,357
TOTAL DEPARTMENT EXPENDITURES	\$ 3,041,959	\$ 3,192,848	\$ 3,837,364
FTE POSITIONS	2.5	2.5	3.0

Department Performance

Enterprise Risk Management. The value proposition of this program will connect strategy and performance, enhance decision making, improve cross-company communications, support asset management processes, including rate cases and business continuity; and finally, create good governance for the organization.

Captive Insurance. In 2021, the Las Vegas Valley Water District formed LVVWD CI (the “Captive”), a wholly owned subsidiary of the Las Vegas Valley Water District, domiciled in the state of Nevada. The Las Vegas Valley Water District is currently the sole member of this captive insurance company. The Captive is a registered limited liability company formed to advance long-term risk management program strategies through the use of a formalized self-insurance program that can access the reinsurance markets. The Captive provides retention for worker's compensation, general/auto liability, public officials liability, cyber liability, employment practices, and property.

In addition, the Captive could be used to provide necessary capacity, plug gaps in existing coverage policies, and create leverage in pricing negotiations with incumbent markets. Other benefits include broader coverage, pricing stability, improved cash flow and increased control over the program.

Risk Management Information System. Origami has grown from having workflows in two departments (Risk and Safety) to twelve; from 21 users to all employees; from 9 incident types to 27; from 1 audit templates to 36; daily usage from 10 users to 50 (expected daily increase with user implementation 2024); and from 12 data updates creating 4 automated events a day to more than 300 data updates averaging over 3000 automated events monthly.

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Liability Claims. The annual number of claims processed by the department has been consistent over the past three years. The Risk Management team continues to evaluate ways to increase efficiencies and decrease claims costs. Key practices are:

- Reduce cost of medical records review by utilizing a nurse case manager versus physician.
- Index all bodily injury claims.
- Creation of a Case Analysis report to evaluate exposure.
- Monthly meeting with Senior Attorney to strategize.
- Monthly meeting with Risk/Legal/EHS to review all open litigated claims.

Renewal Comparison			
Line of Coverage	2021-2022 Premiums	2022-2023 Premiums	2023-2024 Premiums
Operational Property & Builders Risk	\$ 713,000.00	\$ 815,213.00	\$ 1,029,518.00
Terrorism	46,755.00	49,670.43	46,755.00
Excess Liability	340,848.00	496,921.22	514,298.11
Excess Workers' Compensation	129,444.00	121,909.00	127,681.00
Employee Fidelity	22,583.00	18,488.00	12,831.00
Public Officials & Employees Liability	-	-	-
Employment Practices Liability	71,740.00	75,290.00	75,290.00
Cyber (Digital Technology Liability)	107,485.00	148,959.97	68,971.52
Ocean Marine	10,300.00	11,375.00	12,228.00
Non-owned Aviation	-	-	-
Pollution and Remediation Liability*	132,338.47	-	-
Total	\$ 1,574,493.47	\$ 1,737,826.62	\$ 1,887,572.63
Change from Previous Premium		10.4%	8.6%
*3 year policy			

Strategic Plan Objectives and Accomplishments

Strategic Plan Goal - Strengthen and uphold a culture of service, excellence, and accountability.

2024-25 Performance Objectives

- ERM Program
 - Increase engagement in the ERM program.
 - Set up Origami Portal for all employees to create Emerging Risks.
- Captive - move from Marsh management to in-house management.
- Leak Repair Reimbursement Program – start date tentatively for 3/1/2024.
- Property Valuations and Appraisals – complete by 12/31/2024.
- Future Origami Projects:
 - EHS – transition to EHS Module from Client-Defined Entity (CDEs) for Hot Work Permits, Field Discharge Reports,, and Asbestos Competent Person Daily Log; Certificate Tracking for Commercial Driver’s License (CDL), Hearing Conservation Program, and Respirator Certification Program automated reminders; and add Confined Space Permit to mobile application.
 - Risk Management – update COI for anonymous portal entry .
 - Security – finish visitor logs, badging, and blacklist from current system.

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Risk Management
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- Administration – update Record Retention to include Disposition; update remaining grant access links to single-sign on; and update QR code for automated sign-in and sign-out features.
- COOP – complete department assignments timely.
- Contract Insurance Language – update template language with Legal’s approval.
- COI Program – review entire program and company’s need.
- Job Orders – improve backlog from low staffing in Distribution and Risk for 2022 and 2023.
- Insurance Broker Contracts – evaluate for possible RFP by 2025.

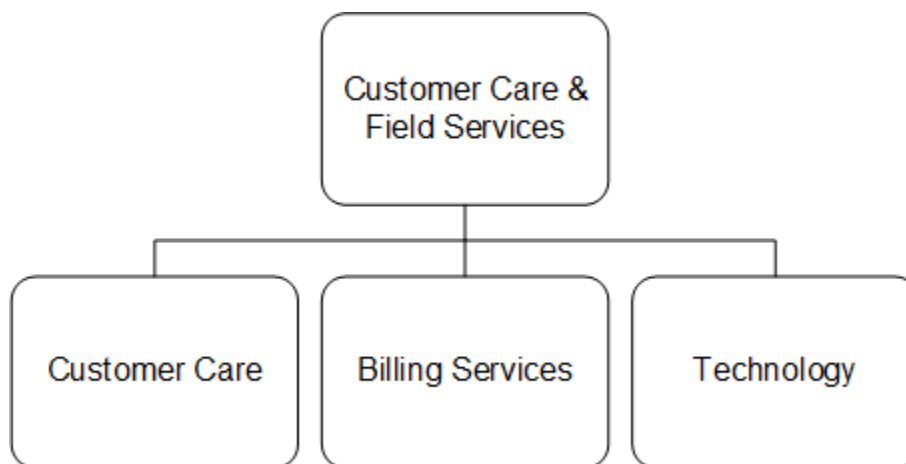
Strategic Plan Goal - Strengthen and uphold a culture of service, excellence, and accountability.

2023-24 Major Accomplishments

- Future Origami Projects:
 - EHS – transition to EHS Module from CDEs, follow-up on Chemical Management System when SDS are available in Origami, consider workflow for Policies and Procedures, Certificate Tracking for CDL, Hearing Conservation Program, Respirator Certification Program, and EHS Training tracking by employee title.
 - Risk Management – update COI for anonymous portal entry, consider CMS reporting and ISO Claim Search in Origami.
 - Security – revamp notification and add supervisory protocol, automate Fire Extinguisher audits workflow.
 - Administration – automate employee access based on Workday feed, work with Origami to move from Account level to Client level to improve efficiencies and updates, Mobile Application use for Audits and Incidents.
- Captive Insurance Company
 - Recover all Property Damages not subrogated (Annual average \$180,000).
 - Recover all First-Party Damages no subrogated (Annual average \$105,000).
 - Recover Stolen Backflows (Annual average \$75,000).
- Enterprise Risk Management
 - Reassess Risks.
 - Incorporate Emerging Risks.

CUSTOMER CARE AND FIELD SERVICES

Level: 3100



Mission

To deliver an outstanding customer experience and support revenue collection by providing timely and accurate billing and responsive customer inquiry and concern resolution.

Department Description

Customer Care and Field Services' role within the Las Vegas Valley Water District is to support customer relations and billing functions. In that capacity, the department handles all customer transactions from meter to cash, including but not limited to: maintenance, testing, and replacement of water meters and reading equipment; monthly bill issuance and processing for approximately 440,000 accounts; operating a call center that receives nearly 300,000 customer inquiries/requests annually as well as email and chat transactions; collection of unpaid water bills via lien and collection processes; and support for other departments' functions, including operational dispatching and customer engagement.

Budget Objectives and Highlights

The 2024-25 budget for Customer Care and Field Services is consistent with the organization's efforts to carefully manage operating costs and staffing levels while improving efficiency and the customer experience through technological and performance-based enhancements.

Customer Care – Build upon improvements to Average Speed of Answer by aligning agent schedules with projected call volumes, re-engineering business processes and implementing new technologies; continue to effectively manage customer escalations and provide a high level of service; and reduce outstanding debt through the lien and collection processes and timely, accurate billing.

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Billing Services – Further increase the percentage of meter reads accurately collected through the Advanced Metering Infrastructure (AMI) network, minimize the backlog of billing-related Field Activities, manage the inventory of meters to optimize system reliability and accuracy, and provide internal stakeholders with timely data in support of demand management initiatives.

Technology – Automate selected transaction types to reserve live-agent resources for more critical functions, continue leak- and compliance-related notifications to support ongoing demand management efforts, and refine training processes to optimize agent and field technician performance.

SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Materials and supplies	\$ —	\$ —	\$ —
Maintenance and repairs	2,768	—	—
Rental and leases	—	—	—
Other employee expenses	4,168	—	—
Other operating expenses	—	—	—
Total Operating Expenses	6,936	—	—
Capital expenditures	—	—	—
Salaries and benefits	443,609	555,616	595,071
TOTAL DEPARTMENT EXPENDITURES	\$ 450,545	\$ 555,616	\$ 595,071
FTE POSITIONS	2.3	2.9	3.0

Department Performance

During calendar year 2023, Customer Care and Field Services focused on three critical areas of the business: reducing call center wait times, increasing demand management-related customer engagement through leak notifications and other measures, and expanding/refining the AMI network to achieve target meter read performance standards.

Customer Care - The Customer Care division serves as the primary point of contact for internal and external service inquiries—supporting approximately 440,000 active services. The division manages customer care interactions that include phone, kiosk, chat, web requests, correspondence, and appointment requests. Customer Care processes payments and develops payment arrangements, implements liens and collections for delinquent debt, addresses billing and other account-related inquiries, conservation inquiries, Springs Preserve customer support, 24/7 emergency phone coverage, Field Services and Operations dispatch activities, and bill processing for LVVWD customers.

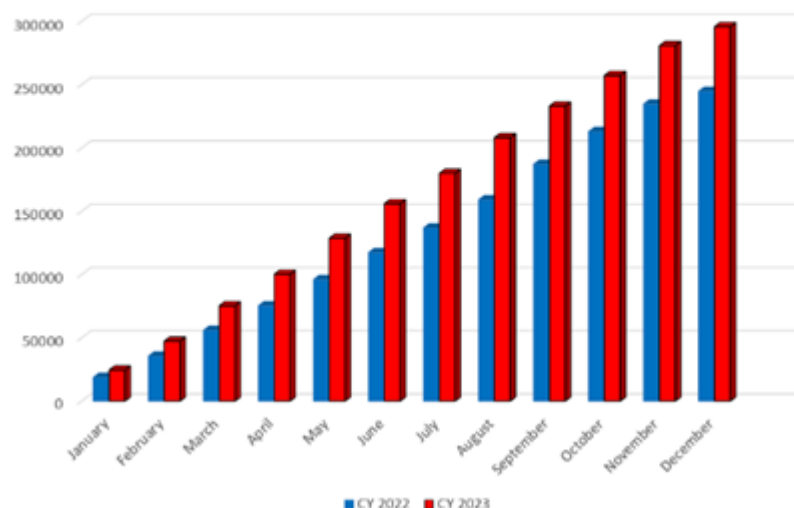
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Typically, billing-related inquiries represent the largest volume stream for incoming customer calls. However, in calendar year 2023, the LVVWD enacted two significant pricing policy changes that dramatically impacted Customer Care Operations. The first, tier equalization, addressed a longstanding issue in which single-family residential customers with larger meter sizes (1" and larger) receive a significantly greater volume of water at each tier than neighboring properties with 5/8" and 3/4" meters. This equalization initiative directly impacted tens of thousands of LVVWD customers, driving increased call center incoming volumes. Simultaneously, the LVVWD enacted an Excessive Use Charge for single-family residential customers geared toward curtailing demand among the top decile of users, who had been largely resistant to the agency's entreaties for water conservation. While impacting only 6.2 percent of single-family residential water bills, this policy elicited a spike in both billing-related call volumes and time-consuming customer escalations. Largely as a result of these two policies, the call center received approximately 51,000 more calls in calendar year 2023 (+20.9 percent) than in the previous year.

These factors, along with technology challenges related to the LVVWD's telephony system and bill payment processing vendor, resulted in notable increases in the call center's Average Speed of Answer (hold times), which actually began in the third quarter of calendar year 2022.

Incoming Call Volume

In 2023, the Call Center received nearly 51,000 more incoming calls (+20.9 percent) than in the previous year



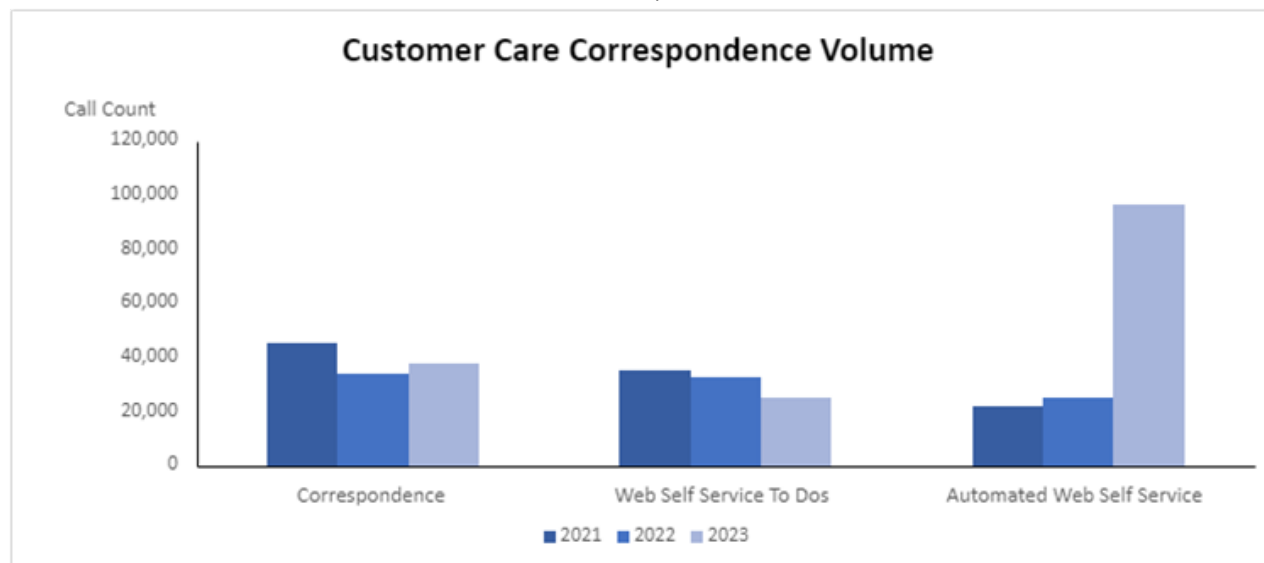
During the current Fiscal Year, Customer Care Operations enacted significant changes, both through its Workforce Management strategy to better align phone agent availability to projected call volumes and through training refinements designed to reduce Average Handle Times. These initiatives, along with other process modifications and the acquisition of additional Limited Term Employees to fulfill call center responsibilities, resulted in a dramatic decrease in average Speed of Answer (ASA), with that metric approaching target values by the fourth quarter of calendar year 2023. (Note: The precipitous spike observed in August and September was largely attributable to a large-scale technology failure of the LVVWD's bill processing vendor, which necessitated the diversion of phone resources to manually process thousands of customer payments.)

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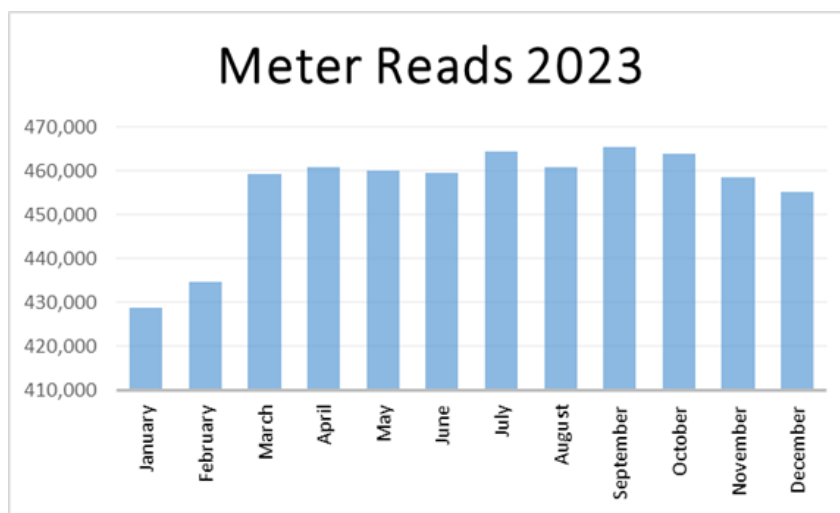
The Call Center Operations division has also increased focus on reducing outstanding debt through a combination of lien processing, collections, account reversion (tenant to property owner), and delinquent shutoffs. Nationally, the percentage of delinquent utility bills spiked during and following the pandemic, and as of December 2023, the LVVWD had \$41.7 million in outstanding customer debt, more than 70 percent of which is attributable to single-family residential customers. However, only \$7.9 million of that is 60 or more days past due. During the first two quarters of FY 2023-24, 16.9 percent of LVVWD bills were delinquent; however, that represents an improvement from the 19.8 percent recorded during the same period in the previous fiscal year.

Advancements in technology, coupled with collaborative efforts with Public Services to increase MyAccount enrollment and drive routine transactions to the Internet, have resulted in a significant increase in Automated Web Self Service transactions, as shown in the chart below.

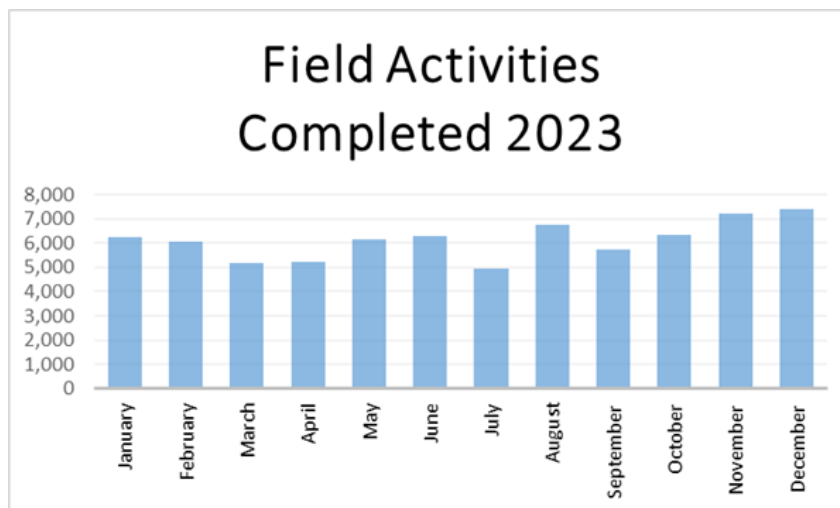


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Field Services - The Field Services division is responsible for reading, testing, maintaining, and replacing residential and commercial meters for approximately 440,000 services in Las Vegas, Searchlight, Blue Diamond, Kyle Canyon, Laughlin, and Jean. The division also responds to leak investigations, low pressure, zero consumption, high consumption, water waste inquiries, billing requests, and turn ons/shut offs. During calendar year 2023, the LVVWD's Meter Services division supported the completion of more than 5.4 million reads, as shown below.



Field Services also completed more than 64,000 Field Activities in 2023, including more than 10,000 meter changeouts to bolster usage reading accuracy. Minimizing the number of estimated bills and rebills due to incomplete or inaccurate meter reads is a priority for Field Services. During the first two quarters of FY 2023-24, only 0.59 percent of customer reads were estimated, well within industry standards. In addition to continuing its systematic Meter Replacement Program, the division-initiated research studies to ascertain the combination of age and usage most closely correlated with meter degradation so it could refine its replacement schedule. Additional research is under way to independently evaluate the battery life of AMI endpoints under varying conditions, rather than depending upon the manufacturer's published specifications. This level of diligence will help Field Services avert unexpected surges in equipment failure, which has a cascading effect on Customer Care Operations.



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Business Support: The Business Support division is responsible for ensuring the operation of the myriad systems upon which the Customer Care Operations and Field Services divisions rely to fulfill their core functions. Areas of responsibility include, but are not limited to, the department roadmap for technology, the customer information repository, telephony system, bill processing system, bill generation and distribution system, Power BI report maintenance, and numerous other information processing platforms. To accomplish its mission, Business Support collaborates closely with the LVVWD's Information Technology department to implement new technologies and processes that enhance the customer experience and modernize service offerings, with each group having specific responsibilities for oversight. Additionally, the division's Quality & Training team is responsible for developing and conducting new hire training activities, optimizing and refining Standard Operating Procedures and User Instructions, monitoring quality of call center agents and field staff, and providing skills development services to CCFS staff.

On a more proactive note, Business Support—which also creates and managed automated customer notifications—introduced two new initiatives with significant positive implications for both customers and the LVVWD. Launched in May 2023, the automated leak notification process increased by an order of magnitude the number of customers alerted to continuous flow through their meter (indicative of an on-site leak) via text, robocall, and printed letters. Later in 2023, the group launched the Weekly Irrigation Compliance Detection program, through which it used machine learning to identify irrigation patterns more frequent than the mandatory watering restrictions allow and notify customers. These non-enforcement notifications have proven highly effective in prompting behavioral change among customers.

In concert with Information Technology, the Business Support division is also responsible for ensuring annual changes to water rates and adjustments to billing rules are enacted in a timely and accurate manner. Errors in the billing system can have catastrophic consequences for the organization, so vigilance during the development and testing process is of paramount importance.

Strategic Plan Objectives and Accomplishments

Strategic Plan Goal – Deliver on Outstanding Customer Service Experience.

2024-25 Performance Objectives

- Achieve and maintain a weekly average Speed of Answer (ASA) of less than 6:30.
- Achieve and maintain overall customer “recent contact” satisfaction ratings of 8.0 or higher.
- Maintain key customer service representative attribute ratings of 8.0 or higher.
- Notify more than 90 percent of single-family residential customers with identified continuous flow within four business days of receiving data meeting continuous flow criteria.
- Automate the account stop/start/transfer process, eliminating the need for customers to engage directly with call center staff for these transactions.
- Further enhance the culture of continuous improvement of processes and practices using feedback from our customers, department colleagues, and stakeholders throughout the LVVWD.
- Collaborate with IT to implement features and technologies that enhance the customer experience, increase efficiencies, and reduce system and software platform vulnerabilities.
- Benchmark and collaborate with other organizations/industries to identify best practices, emerging technologies, and other innovations that improve the customer experience.

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- Enhance training and quality assurance initiatives to improve the customer and agent experience, solicit and incorporate feedback, and improve efficiency.
- Optimize the use of Advanced Metering Infrastructure (AMI) to provide timely, accurate reads and increase the availability of usage data to agents, analysts, and customers.

2023-24 Major Accomplishments

- Significantly decreased Average Speed of Answer (customer hold) times from baseline levels.
- Initiated full-scale automated continuous flow (leak) customer notifications by text, robocalls, and printed letters.
- Implemented billing structure modifications related to the Excessive Use Charge and Tier Equalization and provided ongoing visibility related to affected customer segments and revenue produced by those initiatives.
- Successfully executed (with Public Information) a customer engagement initiative resulting in the confirmation/addition/updating of more than 20,000 customer contact options.
- Enhanced customer visibility of usage data (timely and contextual) via the MyAccount portal.
- Collected 3.7 billion hourly reads to support usage analysis and customer engagement, upgrading the AMI head end system Network Administrative Application.
- Identified, diagnosed, and significantly reduced technical flaw within the Interactive Voice Response (IVR system) that was resulting in spontaneously disconnected calls.
- Improved bill payment processing reporting process to support timely identification of billing system issues with the potential to negatively impact customers.
- Coordinated with IT to incorporate C2M and AMI data into the newly developed data warehouse, improving data query capabilities.
- Developed and produced Online Knowledge Resources to assist customers' efforts to diagnose on-site leaks.
- Issued more than 23,500 Weekly Irrigation Compliance courtesy notifications to help customers reduce water use and avoid water waste fees.
- Incorporated the Low Income Household Water Assistance Program into the LVVWD's billing model, receiving more than \$900,000 while helping nearly 1,500 accounts become current utilizing State of Nevada funding.

Strategic Plan Goal – Anticipate and Adapt to Changing Climatic Conditions while Demonstrating Stewardship for our Environment.

2024-25 Performance Objectives

- Expanded upon processes through AMI technology that reduce the carbon footprint associated with meter read collection.
- Continue to reduce and dispose of waste responsibly.
- Maintain proper disposal of scrap and waste products, especially lithium batteries.
- Continue to support organizational water conservation efforts through improved technology, as well as customer and interdepartmental communication.
- Educate customers on water usage and trends through contact center and online channels.
- Modify Meter Replacement Program to optimize meter removal schedule based on both age and accuracy, reducing volume of discarded meters and conserving water through increased billing accuracy.

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2023-24 Major Accomplishments

- Converted all 16 billing cycles to AMI, providing more timely and granular usage data to support demand management objectives.
- Initiated Weekly Irrigation Compliance Detection customer notifications, which are proven to significantly reduce consumptive water use.
- Issued more than 6,200 Excessive Leak notifications to induce on-site repairs from customers.
- Used data analytics to improve efficiencies around residential zero consumption on active accounts.
- Initiated full-scale Advanced Metering Infrastructure technology, reducing read collection driving mileage and the associated carbon footprint.
- Enhanced Field Activity routing protocols to reduce driving mileage and increase tech efficiency.

Strategic Plan Goal - Develop Innovative and Sustainable Solutions through Research and Technology.

2024-25 Performance Objectives

- Further enhance “My Account” functionality to support conservation efforts, including alerts related to usage patterns and notification preferences.
- Expand upon customer mobile contact information to support SMS communication channel.
- Continue to educate customers on usage optimization using granular meter reading data.
- Continue to use data analytics to identify equipment nearing failure to allow for proactive maintenance and replacement.
- Increase the percentage of total reads captured by the AMI system to 99 percent.
- Deploy AMI to all hydrant meters to improve read timeliness and granularity.
- Evaluate the effect of increased late charges and autopay promotion on payment delinquency rates.
- Initiate Weekly Compliance Irrigation Detection engagement for dedicated commercial irrigation meters.

2023-24 Major Accomplishments

- Expanded both excessive leak and continuous flow notifications to reduce leak duration, issuing more than 130,000 continuous flow notifications.
- Launched automated machine-learning informed Weekly Compliance Irrigation Detection engagement program.
- Leveraged existing meter read and interval data to significantly reduce field work, shifting staff resources to optimizing AMI system operation.
- Initiated research studies focused on optimizing meter and endpoint replacement schedules based upon quantitative data.
- Used data analysis to expand outreach to inactive customers reducing truck rolls and the number of unsigned services directly reducing consumption.
- Utilized technology-enabled kiosk to fulfill more than 19,000 customer transactions.
- Launched targeted notification program oriented to inactive customers, reducing field activities and the number of unsigned services consuming water.

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Strategic Plan Goal – Ensure Organizational Efficiency and Manage Financial Resources to Provide Maximum Customer Value

2024-25 Performance Objectives

- Automate start/start/transfer process to reduce current voice stream volumes and improve customer experience.
- Increase use of account reversion process to reduced uncollected debt and write-offs.

2023-24 Major Accomplishments

- Secured the release of more than 4,000 liens totaling \$2.95 million during the first half of FY 2023-24 and resolved another 759 valued at nearly \$1.3 million.
- Reduced the payment delinquency rate to 16.9 percent from 19.8 percent during the first two quarters of FY 2023-24 compared to the same period in the previous fiscal year.
- Identified, diagnosed, and addressed a meter build-quality issue that had the potential to consume significant financial and staff resources.
- Systematically tested large meter population to optimize read and billing accuracy, reducing unbilled consumption.

Strategic Plan Goal – Strengthen and Uphold a Culture of Service, Excellence, and Accountability.

2024-25 Performance Objectives

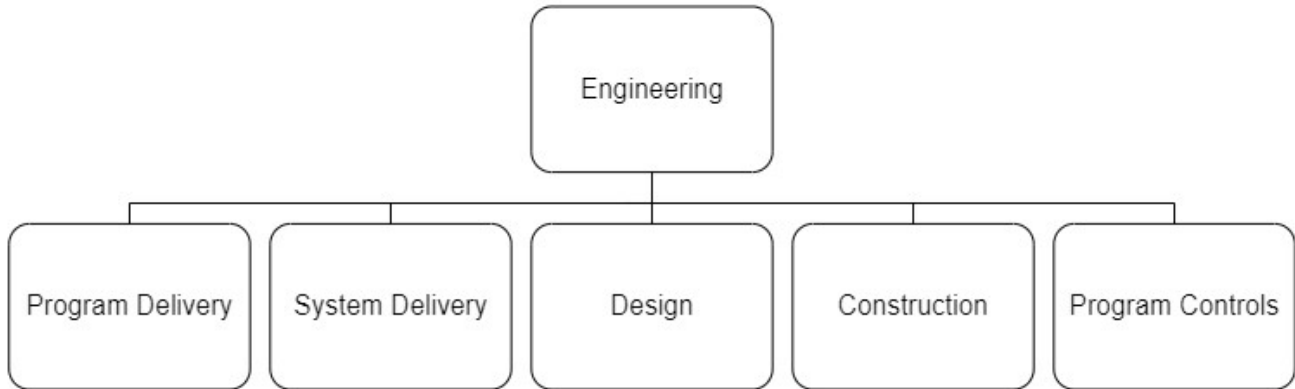
- Provide and seek timely feedback on individual, team, and departmental performance to enhance collaboration, accountability, and excellence.
- Ensure timely and consistent communication with the team to provide feedback and solicit recommendations.
- Establish ongoing communication forum between workgroups to address interdepartmental challenges and business impacts.
- Build upon existing collaboration efforts with outside departments related to knowledge sharing and training.
- Leverage the existing resources for expert training classes to employee skill development.

2023-24 Major Accomplishments

- Utilized various subject matter experts throughout the department to support training initiatives for the C2M implementation.
- Restructured Credit & Collections processing to improve field operations and increase communications with past due customers, reducing write-offs by 26.3 percent.
- Incorporated other workgroups into Agile methodologies to improve project management and collaboration.
- Assumed dispatch responsibilities for all supported departments.
- Initiated selection and early-phase implementation activities associated with new contact center telephony solution.
- Added new channels to engage with customers through agent chat and chat bot.
- Revised contract tracking system to bolster budget tracking capabilities and maintain continuity of critical vendor services.

ENGINEERING

Level: 3400



Mission

The mission of the Engineering department is to provide excellence in the field of engineering and related support services for the design, construction and operation of reliable and cost-effective water infrastructure and support buildings.

Department Description

The Engineering department is responsible for implementing capital improvements projects for the Las Vegas Valley Water District (LVVWD), the Southern Nevada Water Authority (SNWA), and Big Bend Water District (BBWD). Presently, the functions under the Engineering department include: Major Projects, Program Controls, Construction Management, Construction Inspection, Design, Permitting, Land Surveying, and Right of Way Acquisition.

The LVVWD's capital projects are described in the LVVWD Capital Improvement Plan (LVVWD CIP) and consist of a mixture of the design and construction of rehabilitation and replacement of existing infrastructure and design and construction of new pipelines, reservoirs, pumping stations, and support facilities. Engineering coordinates with other departments including Operations, Water Quality and Treatment, Water Resources, and Infrastructure Management to provide right of way research and acquisition, construction permitting, surveying, design and construction management, and inspection services for many of the projects identified in the LVVWD CIP.

Improvement projects for the SNWA are identified in the 2020 Major Construction and Capital Plan (2020 MCCP). The 2020 MCCP describes ongoing projects and initiatives related to establishing and maintaining reliable system capacity, providing necessary support facilities, and developing access to new water resources. In coordination with the Operations, Water Resources, Water Quality and Treatment, and Infrastructure Management departments, Engineering provides right of way research acquisition, construction permitting, surveying, design and construction management, and inspection services for all of the 2020 MCCP programs and projects.

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The SNWA is also responsible for the facilities providing erosion protection in the Las Vegas Wash, as defined in the Las Vegas Wash Capital Improvements Plan (Wash CIP). Engineering accomplishes the planning, design, and construction of all projects defined by the Wash CIP.

Engineering also provides programmatic project controls, construction management, inspection, permitting, surveying, and rights-of-way support services to other departments for their operating and capital projects and works closely with the Finance Department on near term and long term capital project expenditures and cash flows and continuously reviews project schedules and projected costs to refine funding projections.

Budget Objectives and Highlights

The 2024-25 Engineering department budget demonstrates significant ongoing commitment for LVVWD CIP, development needs, Lower Las Vegas Wash Restoration Plan, and the 2020 MCCP. In addition, a major portion of the department staff will continue to be focused on many projects directly supporting the Operations, Water Quality and Treatment, Water Resources and Infrastructure Management departments in preserving the facilities needed to ensure a reliable, quality water supply.

The Engineering department will also advance various capital projects for the LVVWD by designing and managing construction of projects to install new facilities, replace water mains, rehabilitate valve or meter vaults, install backflow prevention devices and perform other necessary system improvements.

SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Materials and supplies	\$ 14,818	\$ 8,220	\$ 4,700
Maintenance and repairs	55,055	150,000	81,000
Rental and leases	—	—	—
Other employee expenses	5,822	29,120	30,275
Other operating expenses	3,054,938	4,801,500	651,500
Total Operating Expenses	3,130,633	4,988,840	767,475
Capital expenditures	59,044,137	215,421,397	197,059,000
Salaries and benefits	4,686,232	4,360,009	4,773,320
TOTAL DEPARTMENT EXPENDITURES	\$ 66,861,002	\$ 224,770,246	\$ 202,599,795
FTE POSITIONS	20.8	20.4	19.3

Department Performance

The Engineering department is organized around five functional areas. Teams are organized to successfully manage completion of major capital projects of the LVVWD and SNWA capital plans.

Major Projects. Currently, the active major projects are the Lower Las Vegas Wash Stabilization, the Horizon Lateral, Stage II Reliability Upgrades, Stage II Sloan 2160 and Lamb 2350 Pumping Station Expansion, Ozone Equipment Upgrades, the Garnet Valley Water System, and the Garnet Valley Wastewater Systems. Professional services agreements for the above listed projects have all been executed and staff is managing the consultant design efforts.

Design. The design team is comprised of professional engineers, technicians, permit coordinators, surveyors, right of way agents and support staff who work with operators, planners and asset managers in other departments to define project requirements and incorporate those requirements into design and construction packages. These packages are generally prepared for public bidding to construction contractors. The design team members work closely with their clients and senior design division staff to ensure design requirements are clear, compliant with the approved scope of work, align with schedule and budget, and consistent with generally accepted engineering standards. Design also coordinates with in-house Legal, Safety, Risk Management, and Purchasing staff to ensure contract provisions are appropriate.

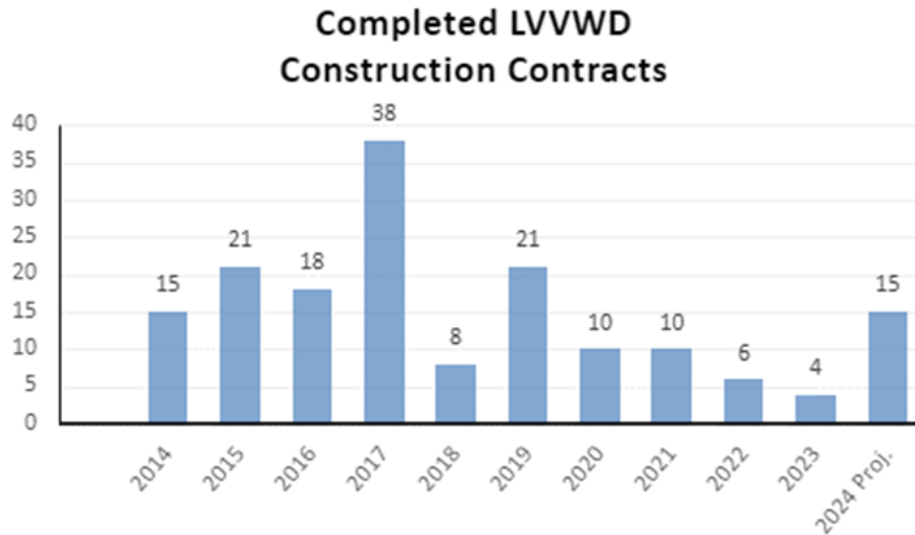
Construction Management. The construction management team is comprised of engineers, inspectors, technical staff, and support staff who have extensive experience in the construction of public works for water utilities and also manage the construction of necessary facilities and inspection of new developer-installed facilities. These team members also participate in the development of design packages to assure construction complexities are properly considered and addressed prior to inviting contractor bids. They also coordinate with the Legal department to assure laws, regulations, and contract provisions are properly observed.

Program Controls. A technical support division organized to assist with the implementation and management of the LVVWD and SNWA capital programs through establishment of best practices for effective cost and schedule management and reporting as well as for management and review of engineering standards. This division manages the Project Management Information System (e-Builder) and analyzes capital program project data from various departments to identify trends and evaluate project performance. This team also performs a vital function in quality control and reporting of projected capital expenditures as a tool for forecasting future funding requirements and coordinates closely with the Finance department. Further, this division maintains engineering design standards, department standard operating procedures, best management practices, schedule management tools and cost estimating resources.

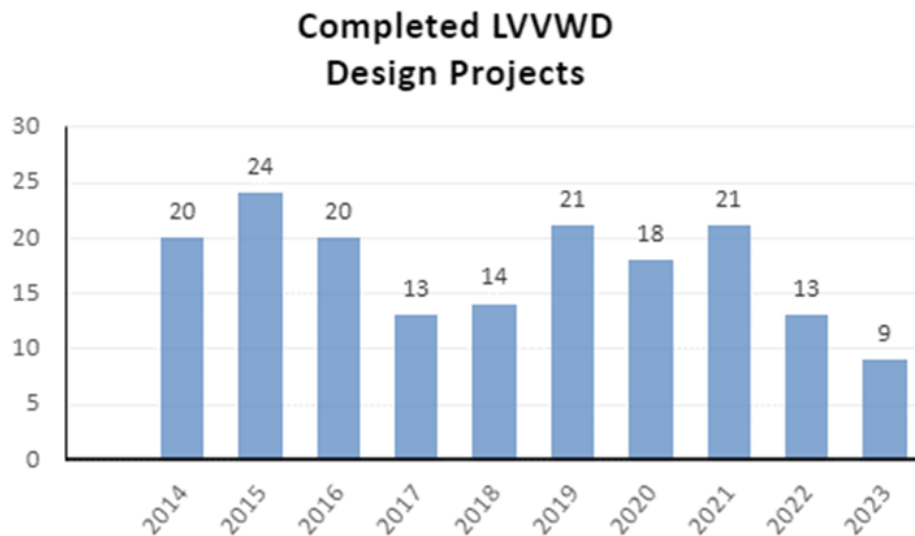
Survey and Property Management Services. Professional staff within the department support design and construction of infrastructure by providing land surveying, water rights surveying, line location, right of way acquisition and property management for both the LVVWD and SNWA systems. These services are vital to the efficient management of property controlled by the LVVWD and SNWA and the infrastructure installed within public rights of way.

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The chart below (Completed LVVWD Construction Projects) represents the number of the LVVWD construction projects completed by Engineering since 2014 and the number expected to be completed in 2024.



The following chart (Completed LVVWD Design Projects) illustrates the number of projects Engineering has designed since 2014 to support the infrastructure management requirements of the LVVWD.



Strategic Plan Objectives and Accomplishments

Strategic Plan Goal – Assure quality water through reliable and highly efficient systems.

2024-25 Performance Objectives

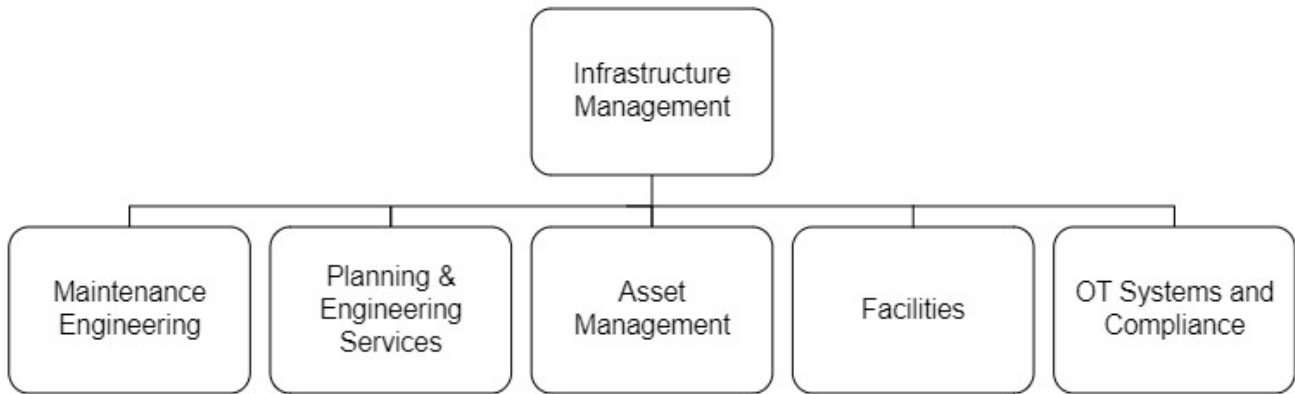
- Complete design and construction of projects in accordance with forecasted capital budgets, the cost estimates and schedules identified in the capital plans.
- Provide the Infrastructure Management, Water Quality and Treatment, Water Resources, and Operations departments with a high level of technical services and capital project support.
- Continue to optimize program management applications and processes to improve consistency, accountability, and reporting.
- Continue design efforts to support projects in the 2020 M CCP.
- Begin construction on Garnet Valley Wastewater System, weir 5 of the Lower Las Vegas Wash, and early procurement of equipment for Ozone Equipment Upgrades, Garnet Valley Water Transmission System, and Stage II Reliability Upgrades project.

2023-24 Major Accomplishments

- Completed a sensitivity analysis for the Horizon Lateral and submitted revised right of way applications to the Bureau of Land Management and Bureau of Reclamation.
- Completed alternatives analysis of weir structures for the Lower Las Vegas Wash Stabilization.
- Continued final design for Stage II Reliability Upgrades, Stage II Sloan 2160 and Lamb 2350 Pump Station Expansion, Garnet Valley Water Transmission System, Garnet Valley Wastewater System, Ozone Equipment Upgrades, and common elements of the Horizon Lateral.
- Completed construction of 19 LVVWD projects valued at \$101.4 million related to improvement of the LVVWD's facilities.
- Awarded 9 LVVWD construction contracts valued at \$69.0 million related to improvement of the LVVWD's facilities.
- Performed inspections on approximately 870 different developer related projects, involving over 38,500 individual inspection actions.

INFRASTRUCTURE MANAGEMENT

Level: 3700



Mission

To provide world-class stewardship of the existing water system infrastructure through comprehensive asset assessment, protection, and renewal in the most fiscally responsible manner possible.

Department Description

The primary responsibility of the Infrastructure Management department is to manage the Las Vegas Valley Water District (LVVWD) and the Southern Nevada Water Authority (SNWA) assets by developing and maintaining the asset management program. To accomplish this, the Planning and Engineering Services division reviews water plan submittals for proposed development to ensure they meet LVVWD's design and construction standards. They also ensure new developments have adequate water pressure and fire flow, evaluate future system requirements, and develop future capital cost projections. The Maintenance Engineering division provides technical support and develops capital projects for the Facilities division and the Operations, Water Resources, and Water Quality and Treatment (WQ&T) departments. The Asset Management division conducts pumping unit efficiency tests, provides inspection support, tests for leaks on large diameter pipelines, and maintains the LVVWD and the SNWA cathodic protection systems. The Startup Team coordinates the safe integration of new equipment, components, and facilities in the LVVWD, SNWA, and Big Bend Water District (BBWD) operating systems. The Facilities division performs daily grounds keeping and janitorial tasks for all LVVWD and SNWA buildings and properties. Facilities also performs work improvements and preventive maintenance with respect to building support and life safety systems such as plumbing, heating, ventilating, air conditioning, structures, roofs, elevators, fire sprinklers, and fire alarms.

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Budget Objectives and Highlights

The 2024-25 Infrastructure Management department budget contains a comprehensive view of ongoing efforts to maintain existing service levels, provides funding to continue the development and maintenance of the asset management program, and demonstrates a commitment to providing daily operational support for LVVWD and SNWA projects.

SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Materials and supplies	\$ 707,038	\$ 1,168,940	\$ 1,882,626
Maintenance and repairs	2,146,317	2,882,000	3,791,184
Rental and leases	1,787,667	1,940,000	2,268,000
Other employee expenses	66,522	148,200	83,653
Other operating expenses	274,429	3,009,450	530,850
Total Operating Expenses	4,981,974	9,148,590	8,556,313
Capital expenditures	7,970,990	23,578,595	20,224,000
Salaries and benefits	11,241,002	14,108,357	15,834,962
TOTAL DEPARTMENT EXPENDITURES	\$ 24,193,966	\$ 46,835,542	\$ 44,615,275
FTE POSITIONS	54.9	73.0	83.4

Department Performance

Maintenance Engineering. The Maintenance Engineering division is responsible for the engineering design enhancements and modifications needed to operate and maintain pumping stations, rate-of-flow-control stations, reservoirs, wells, water treatment facilities, and the distribution and transmission pipelines in a safe and efficient manner. The division provides 24/7/365 support for the company's geographic information system data and user interface (SIP); specifies and procures long-lead electrical equipment for large contracts to ensure consistent system performance; administers the testing of electrical distribution equipment and backup systems; tracks vault and backflow condition and prioritizes repair and replacement projects; coordinates with the WQ&T and Operations departments to plan outages for projects at the Alfred Merritt Smith Water Treatment Facility (AMSWTF), River Mountains Water Treatment Facility (RMWTF), and small systems; prepares preliminary engineering reports and applications for approval by the Nevada Division of Environmental Protection (NDEP); assists WQ&T with testing of prototype equipment and processes; collaborates with the Asset Management division to identify and oversee necessary remediation to tanks, reservoirs, and piping; creates contracts and professional services agreements to execute capital projects and support requests; coordinates with the Water Resources department on drilling and equipping of new wells; provides engineering analysis in the form of electrical coordination studies, arc flash studies, load

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analyses, structural integrity evaluations, new equipment and technology evaluations, and water treatment tracer tests.

The division is currently managing over 84 active projects between LVVWD, SNWA, and BBWD with a capital budget of more than \$20 million. The division also routinely manages dozens of active support requests from the Operations department.

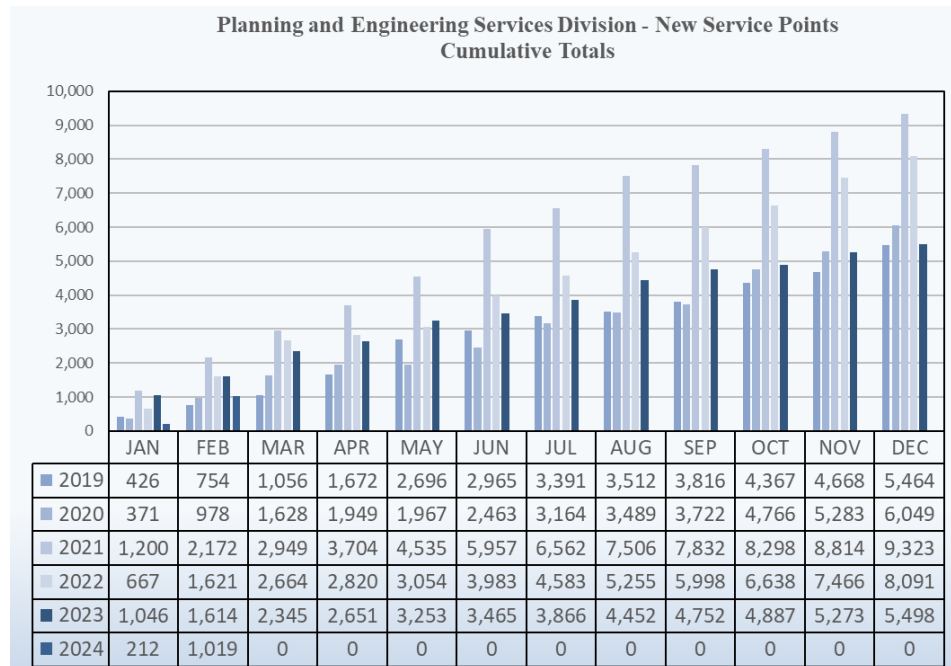
Planning and Engineering Services. The Planning and Engineering Services division provides research, analytics, modeling, and projections to support several activities for LVVWD, SNWA, and small systems. The division evaluates near- and long-term demands and changing operating conditions for infrastructure planning, operations planning, and small system analyses. The team maintains an industry leading hydraulic model of the distribution system with cutting edge modeling capabilities that is utilized in conducting engineering analysis and decision support for system additions and modifications initiated by LVVWD, SNWA, or developers. The model is used to develop daily pumping plans, perform shutdown analysis, emergency response, and water quality analysis. Additionally, the team locates, sizes, and schedules new pumping stations, reservoirs, wells, and major pipelines; maintains the Asset Management model which is used to prioritize asset renewal projects and provide capital cost projections; conducts hydraulic criticality assessment of the distribution system to ensure system reliability; reviews pressure and fire flow availability for new developments; writes cost sharing agreements for the design and construction of major water facilities; collaborates with the WQ&T and Operations departments to address water quality compliance issues; researches and develops alternative technologies applicable to the LVVWD and SNWA systems; and plans for capital improvements and required monitoring for regulatory compliance.

The Planning and Engineering Services division is also responsible for reviewing and approving plans for LVVWD and SNWA systems additions and modifications initiated by developers, utilities, and public entities, ensuring they meet LVVWD and SNWA requirements for reliability and maintainability. The team routinely calculates fees; processes agreements; commits water resources to new developments; supports the water conservation initiatives, including the recent water service refusal on septic systems; coordinates with the Conservation division for landscape review and approval; coordinates with the Asset Management division to identify segments of existing water lines that are in poor condition and can be replaced within active public works projects through a betterment agreement to assist in cost saving measures related to permits, pavement, traffic control, and other construction related items that would otherwise fall to the organization; assists developers, engineers, and contractors with the progression of their projects through meetings or onsite field visits; participates in other public works construction projects to minimize both LVVWD costs and inconvenience to the public; evaluates and tests products for use in the water distribution system and oversees the LVVWD Approved Products List; and reviews vacation requests for public rights-of-way, utility and patent easements, as well as fire sprinkler permits with sites that utilize chemical additives. The following chart represents LVVWD's cumulative new service points data.

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New Service Points

2019-2024 Cumulative New Service Points Received



Asset Management. The Asset Management division manages the LVVWD and SNWA assets from startup to retirement to help ensure assets continue to operate as designed in an efficient and reliable manner. Critical infrastructure is continually assessed and monitored to meet industry standards and, through several infrastructure programs, strives to be an industry leader. The division was recently restructured into two distinct groups: the Horizontal Asset Group and the Vertical Asset Group.

The Horizontal Asset Group focuses on underground infrastructure and performs condition assessments on pipelines utilizing state-of-the-art acoustic methods for both leak detection and pipeline condition assessment, closed-circuit television inspections, and pipe-wall measurements to determine the remaining useful life of the pipelines. These evaluations seek to locate subsurface pipeline leaks with the goal of reducing non-revenue water. Condition assessments of the transmission and distribution large diameter pipelines are vital in maximizing reliability and sustainability. Pipeline rehabilitation projects are identified, and recommendations are made for capital replacement. The Horizontal Asset Group is managing the multi-year Enterprise Asset Management (EAM) system upgrade. IBM Maximo is being implemented throughout the organization to improve operation and maintenance efficiencies and it will also provide the Horizontal Asset Group new geospatial tools to track pipeline assets.

The Vertical Asset Group provides startup management and analyses necessary to maximize the life of installed water infrastructure. The group assesses reservoirs and tanks using divers or remote operated vehicle (ROV) technology; conducts pump performance evaluations utilizing the SCADA historian data to determine the current pump efficiency; and analyzes transient pressure data to evaluate main breaks and provide pump operation recommendations. The group is also responsible for managing the corrosion control program for LVVWD, SNWA, BBWD, and the small systems. The goal of the corrosion

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control program is to extend the life of steel pipe and other steel structures by applying and maintaining cathodic protection. Corrosion Control Systems Technicians collect annual corrosion data on over 4,900 corrosion protection test stations and 500 impressed current rectifiers. Finally, the group manages the startup of capital construction projects. The startup program is necessary to coordinate the safe integration of new equipment, components, and facilities into the LVVWD, SNWA, and BBWD operating systems.

Facilities. The Facilities division consists of Facilities Maintenance, Facilities Services, and Grounds Maintenance. The division has two separate components that primarily maintain the buildings and grounds property for LVVWD and SNWA. The division is responsible for ensuring all buildings and land meet organizational standards for appearance, quality, reliability, and cost-effectiveness. Additionally, the Facilities division supports rural system sites including Laughlin, Warm Springs, Mt. Charleston, Jean, Searchlight, and the Northern Resources properties. The division provides support during the design and construction of new facilities and site remodeling and/or retrofit support for existing structures.

OT Systems and Compliance. The OT Systems and Compliance division was created in budget year 23-24 to provide dedicated oversight of the operational technology systems and support processes due to the growing focus on cybersecurity within critical infrastructure. The division is responsible for the 24/7/365 support for the process control equipment, the Supervisory Control and Data Acquisition (SCADA) system, and the wide area communications network for LVVWD, SNWA, and BBWD. The division consists of a Process Control Systems (PCS) Engineering Team, a Communications Technician Team, and a Senior Information Security Support Analyst.

The PCS Engineering Team consists of professional staff that design process control systems, integrate complex software programs, analyze operational data, and maintain software/hardware systems. The team maintains a 24/7/365 on-call presence to support water system availability and reliability goals for the Operations and WQ&T departments. The team supports the integration of operational technology on capital projects either by implementing projects directly, or by pre-purchasing and programming systems for large capital projects executed by Maintenance Engineering or Design Engineering.

The Communications Technician Team consists of professional staff and tradespeople primarily dedicated to the delivery of wide area communications networks that support both OT and the Information Technology department (IT), as well as several external entities. The team designs, installs, and maintains a highly reliable and redundant fiber optic communications network that spans throughout the Las Vegas Valley. The team provisions packet optical and carrier grade communications services for multiple departments to meet agreed upon service levels. The team supports ancillary power systems and other critical components which sustain the organization's mission during power outages or other catastrophic events, and maintains an after-hours support presence for restoration of service in accordance with service level agreements.

The Senior Information Security and Compliance Analyst is primarily dedicated to assisting the divisional leadership with developing, implementing, and maintaining the cybersecurity program for operational technology. The analyst provides technical expertise to both the PCS Engineering Team and

the Communications Technician Team to identify risks, assess threats, analyze vulnerabilities, develop mitigation plans, implement controls and patches, detect malicious behaviors, and respond to incidents in a coordinated effort.

Strategic Plan Objectives and Accomplishments

Strategic Plan Goal – Assure quality water through reliable and highly efficient systems.

2024-25 Performance Objectives

- Further expand the leak detection program by leak testing all pipelines 24 inches and greater every five years. The program will prioritize 350 miles of pipe in 2024-2025 based on several factors such as leak history, hydraulic criticality, and corrosion data.
- Continue to research and pilot innovative leak detection equipment to expand our current capabilities to support Goal 6 of the Conservation Strategic Plan.
- Continue cooperation with all SNWA member purveyors to conduct and validate water audits and prepare water loss control plans, that drive down non-revenue water.
- Plan capital improvement projects for LVVWD, SNWA, and the small systems to keep pace with increasing water demands while maintaining current or improved levels of service for existing customers.
- Implement a program for identifying and packaging high risk pipeline replacement projects using advanced optimization, and in collaboration with Asset Management.
- Finalize the approval process from NDEP of the Uniform Design and Construction Standards, and adoption by agencies.
- Complete the equipping of Well 124, which includes civil, mechanical, and electrical scopes of work, including the pre-purchase of electrical and mechanical equipment.
- Complete the installation of ultraviolet (UV) equipment wiper system at five wells and submit plans to NDEP for approval to discharge into the distribution system.
- Complete interior joint seal replacements at South Valley Reg Tank. This project requires an alternate operating strategy of the South Valley Lateral to facilitate the required tank outage.
- Complete the rehabilitation of the LVVWD Washington 2035 Zone Tank to include interior recoating and structural remediation. This project requires an alternate operating strategy coordinated between LVVWD and SNWA to facilitate the required tank outage.
- Research spatial tools that have potential to improve field data collection and access.
- Develop an OT cybersecurity program using an applicable framework(s) for critical infrastructure.
- Complete replacing legacy PLC-5 process control equipment.
- Continue upgrading end-of-life process control equipment, switches, routers, and hyperconverged computing nodes.
- Plan for and commence the replacement of legacy SCADA radio equipment.
- Plan for and commence the upgrade of wide area network communications equipment.
- Plan for the upgrade of SCADA software at the Southern Nevada Water System (SNWS).
- Implement the network circuit database application and integrate into typical OT System work processes.

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- Complete dark fiber exchange(s) with providers to enhance network redundancy and reduce operating lease costs.
- Support the entire lifecycle of the company's infrastructure GIS data while striving to reduce current backlog levels.
- Continue to enhance and expand the accuracy and usability of the Water Utility Network (WUN) model.

2023-24 Major Accomplishments

- Asset Management crews leak tested a total of 40 miles of pipeline in 2023, over 10 miles of which were large-diameter pipelines, to meet the Conservation Strategic Plan goal of assessing 25 miles of aging, large-diameter pipeline per year.
- Completed water loss control study for all SNWA purveyor members based on water audits validated by Cavanaugh and Associates. The study includes a set of recommendations specific to each purveyor for reducing water loss.
- Executed major developer agreements in the northwest to fund design and construction of required facilities to maintain existing service levels for all customers.
- Prepared PRV contribution agreements and collected \$776,000 toward construction of future and current PRV projects in the northwest that improve reliability of the system.
- Evaluated and provided preliminary scoping for \$300 million of infrastructure needs to provide redundancy for the South Valley Lateral due to the Horizon Lateral project encountering delays.
- Assisted the WQ&T laboratory in completing the 2024 water quality monitoring plan maps for all SNWA member agencies and assisted in evaluating possible sources for any problem water samples.
- Implemented lead service line dashboard and provided GIS data to third party to inventory the distribution system by EPA's deadline of October 16, 2024.
- Maintenance Engineering successfully completed 36 projects totaling \$15 million. Highlights include:
 - PS1A, PS2A, and Decatur PS Electrical Equipment Upgrades.
 - Completed conventional UV lamp breakage procedure and received NDEP Authority to Construct for Well 101.
 - South Valley Lateral Actuator Replacements.
 - L3PS Chemical Line Repairs.
 - Replacement of Fluoride Tank No. 2 at RMWTF.
 - Pumping Station 1C Laydown Structure.
 - Pumping Station 4 and 5 Pump Replacements.
 - Completed the planning, design, and permitting for the Washington 2035 Zone Tank Rehab project.
 - Completed the design and permitting for the Well 124 Equipping project.
- Completed the two-year WUN data cleanup initiative and created first subnetworks based on the improved data.
- Developed an application to record Asset Management staff observations made in the field for general, phenol, and cathodic assessments.
- Developed a mobile application to assist LVVWD facility locators by giving them the ability to reliably record findings of pipeline material at targeted older neighborhood premises in support of

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the Lead Service Line (LSL) inventory effort and partnered with IT Application Development to capture ongoing field verification of LVVWD Distribution and Meter Services. New procedures require staff to document the existing material of both the public- and private-side service laterals when doing work within a meter box or repairing or replacing service laterals as part of LSL Inventory efforts.

- Replaced legacy process control equipment at five LVVWD and three SNWS sites.
- Integrated process control equipment for multiple Maintenance Engineering and Design Engineering capital projects including: SNWS MCC Replacements, Red Rock North Reservoir, Summerlin Pump Station, Centennial Reservoir and Pump Station.
- Replaced end-of-life OT Systems computing and network infrastructure (15 and 10 percent of installed base, respectively).
- Replaced fiber optic cabling throughout AMWSTF.
- Completed a network circuit database proof-of-concept with an associated fiber optic cable inspection and site network equipment audit.
- Performed maintenance updates to 50 percent of the wide area network sites.

Strategic Plan Goal – Deliver an outstanding customer service experience.

2024-25 Performance Objectives

- Coordinate support for commissioning of facilities drawing on the Asset Management team's expertise in facility commissioning and processes. Specifically, the team will complete all commissioning documentation for the Rome Pumping Station and Reservoir and Cougar Reservoir and provide support for other construction projects.
- Streamline and coordinate with agencies to minimize repetition and be more strategic in required comments and signatures on water plans.
- Continue to work with other agencies to include water facility upgrades and replacements in road improvement projects. Partnering with other agencies saves significant costs and reduces inconvenience to the driving public.
- Complete the review of all submitted tenant improvement permit requests in one to two business days.
- Review and respond to all mapping reviews within ten days.
- Complete internal service level agreements (SLAs) for OT Systems customers.
- Provide Operations, WQ&T, and IT departments with 24/7/365 priority support for the process control, SCADA, and communications systems in alignment with customer SLAs.
- Provide design expertise to deliver and integrate pre-purchased process control systems for major capital projects in cooperation with Maintenance Engineering and Design Engineering.
- Foster strong partnerships and effective collaboration with other departments and external service providers to ensure seamless coordination and delivery of facilities services. This will be accomplished through transparent communication, emphasis on quality, continuous improvement, and exceeding service level response times.

2023-24 Major Accomplishments

- Provided startup services for Redrock North Reservoir, Summerlin 4125 Pumping Station, and Centennial Pumping Station and Reservoir.

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- Inspected and cleaned over 20 reservoirs with ROV and contract divers.
- Created over 8,000 new service points and completed over 5,000 water plan reviews and 550 map reviews.
- Achieved 99.99 percent system availability of the wide area communications network supporting OT and IT.
- The PCS Engineering Team completed 1,100 support tickets:
 - 35 percent of tickets on reactive issues (bug reports).
 - 15 percent of tickets on customer feature requests.
 - 50 percent of tickets on general user help, user training, and system maintenance (patching).
- The Communications Technician Team completed 805 work orders:
 - 20 percent of work orders on preventative maintenance for critical power systems.
 - 30 percent of work orders on reactive issues.
 - 30 percent of work orders on capital and operating project support (new installations).
 - 20 percent of work orders on support of customer help and features.
- The Facilities division completed 12,083 work orders during the 2023 calendar year. This work consisted of:
 - Predictive maintenance to determine priorities and avoid downtime of major operational support equipment by scheduling work before predicted failure.
 - Routine frequency preventive maintenance for lower priority, high quantity equipment and facilities.
 - Corrective work orders to make permanent changes that improve energy efficiency or provide permanent improvements in reliability.
- Accomplished the goal of integrating GIS into existing business systems by developing a comprehensive visual tool that outlines planned and emergency outages in a SIP map layer that displays impacted services and estimated outage times. This map provides Customer Care with an easy-to-reference guide to help answer customer concerns.
- The Maintenance Engineering Infrastructure Data and Mapping team met workflow KPI goals by accomplishing the following:
 - Processed a monthly average of over 70 approved project tasks supporting Construction Inspections workflows.
 - Completed processing of over 700 constructed project final tasks supporting Distribution crews and Design teams among others, a 38 percent increase over prior budget year, and reducing the backlog by over 10 percent. The KPI goal is 50 projects in backlog.
 - GIS edits to distinct features across workflows to eclipse 400,000, keeping the GIS current and accurate. The KPI goal is 20,000 edits.
 - Created or updated over 1,400 record drawings during the period in support of internal and external customers.
 - Supported dozens of data requests and coordinated with IT to test interoperability between the new EAM and the GIS.

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Strategic Plan Goal – Anticipate and adapt to changing climatic conditions while demonstrating stewardship of our environment.

2024-25 Performance Objectives

- Assist with development of a successful Septic Conversion Program by streamlining processes with the City of Las Vegas, Clark County Water Reclamation District, and Southern Nevada Health District. Negotiate and execute sewer lateral extension projects when applicable, resulting in additional return flow credits which extend our water supply.
- Initiate conversion of recycled water customers to potable water to facilitate decommissioning of recycled water facilities.
- Add decomposed granite to multiple sites to reduce maintenance and herbicidal chemical use and improve sanitation around water facilities.
- Continue to develop a comprehensive plan to replace or find alternatives to SNWA/LVVWD pump station evaporative coolers.

2023-24 Major Accomplishments

- Completed various preliminary engineering reports for the installation of total-trihalomethane treatment at existing and proposed water storage facilities.
- Upgraded irrigation controls at six sites to maximize water efficiency.
- Initiated partnership with Conservation and World Energy Innovations to perform a water and energy assessment to determine the feasibility of replacing our existing evaporative coolers within LVVWD/SNWA pump facilities to dry cooled systems and/or identify potential water and energy saving alternatives.
- Completed replacement of more than 6,000 feet of pipeline at Kyle Canyon due to storm event. This work included debris removal and service lateral connections to reconnect the Old Town area to the distribution system.
- Completed an agreement to install a sewer lateral and septic conversion in Cougar Avenue.
- Completed an agreement to install two additional sewer laterals to the project in Lone Mountain.
- Completed construction of the West Administration Building Air Cooled Chiller and Thermal Storage project.
- Developed the Water Smart Landscape Field Application (WSL) that increased the capture of non-functional turf removal using portable devices. This application increased efficiency and reduced the number of staff needed to collect the data.
- Developed the Watersmart Spatial Program Application (WASP Web) to replace an aging application used by Conservation to create maps to be shared with participants of the program for review and approval. Final maps are created to be submitted to the County Assessor as a conservation easement.

Strategic Plan Goal – Develop innovative and sustainable solutions through research and technology.

2024-25 Performance Objectives

- Continue to provide a world-class hydraulic model and implement a Smart Pressure Management System using transient analysis to increase pipeline longevity and reduce water loss due to breaks

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and leaks in the system. In addition, continue to collaborate with the Operations and IT departments to upgrade and enhance daily pumping plans and hydraulic modeling tools. The upgrades will result in improved system reliability, asset protection, emergency response, energy management, and water quality.

- Assess and improve workflow processes for various groups using the RedEye document management system that transitioned to Infrastructure Management.
- Work to move most Project Support Team processes and workflows into a digital, automated system to reduce printing and physical storage needs.
- Onboard additional private 5G cellular towers to expand coverage and availability for OT Systems.
- Plan for integration of operational data for use in creating virtual LVVWD metered areas.
- Implement a proof-of-concept to assess fiber optic sensing technologies capable of finding leaks along pipelines and providing advanced notice of dig-in activities.
- Award contract and start construction of new communications room at AMSWTF. This project will combine three existing non-purpose-built communications rooms into one Tier III data center that streamlines maintenance and mitigates outages.

2023-24 Major Accomplishments

- Updated the agreement with VODA.ai to add service line likelihood of failure and predictive modeling for lead service line inventory with approval from the State to achieve the requirements of the Lead and Copper Rule Revisions.
- Implemented a proof-of-concept private 5G cellular system to provide multiple services at 14 small sites near the LVVWD Valley View campus.
- Commenced the SCADA reporting project to expand data integration of the LVVWD, SNWA, and BBWD SCADA systems to support organization-wide reporting and optimization technologies.
- Supported the continued operation of systems such as RedEye for remote teams to perform at peak efficiency while in the field.
- Completed a transition of the RedEye document management system to the Project Support group and implemented a process for data sharing.
- Deployed and commissioned leak detection devices along the entire alignment of the Formula 1 track ahead of the inaugural November 2023 race.
- Conducted several pilot programs to test new and emerging remote leak detection equipment.

Strategic Plan Goal - Ensure organizational efficiency and manage financial resources to provide maximum customer value.

2024-25 Performance Objectives

- Continue to build on the Strategic Asset Management Plan by developing Asset Class Plans starting with the pipeline assets.
- Coordinate with the Project Controls group and EAM solution implementation team, Maximo. Project types will be categorized to better align with the long-term capital planning needs of the organization and appropriate budgets for rehabilitation of each project type will be consistently aligned with the Asset Management Policy and Strategic Asset Management Plan.
- Provide project support for the Maximo EAM implementation. This project involves nearly every work group in the organization and will not only build on the current Asset and Maintenance Management programs but will also implement industry best practices with a modern system.

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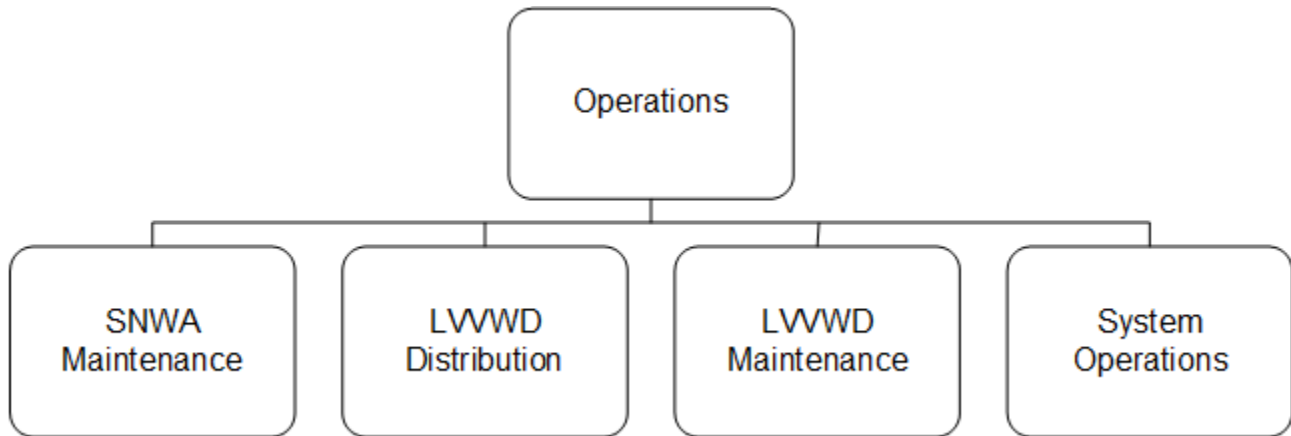
- Prioritize critical pipeline infrastructure for installation of new impressed current cathodic protection systems.
- Continue to utilize the latest condition assessment technologies to determine the true condition and expected remaining life of the infrastructure.
- Complete agreements with major developers for the design and construction of additional reservoirs and pumping stations to serve the land that they are developing.
- Continue with space plan study and support findings for efficient use of current In-Valley space.
- Support the evaluation of potential uses for the newly acquired 330 South Valley View building and land.
- Implement middleware software to leverage the company's SIP system to interface with Maximo. This will allow for bidirectional communication and not limit SIP's evolution based on Maximo's spatial components.

2023-24 Major Accomplishments

- Developed a comprehensive vertical asset hierarchy that provides a standardized approach to all facility drill down menus across the organization through the EAM Implementation Project.
- Completed the Strategic Asset Management Plan with the assistance of Isle Utilities and input from all departments across the organization. The intent of this document is to formalize Asset Management's vision and goals.
- Completed various betterments with the City and County to replace water facilities as part of their pavement replacement projects.
- Created a comprehensive map of potential septic conversion parcels for use in the septic conversion program.
- Completed various developer design agreements for installation of new major facilities.
- To date, the Facilities team has removed/capped 2,330 emitters and replaced 825 emitters to prevent leaks and to reduce water loss.
- Initiated a comprehensive space study to ensure efficient use and location of LVVWD and SNWA assets and staff.

OPERATIONS

Level: 4100



Mission

To serve the Southern Nevada Water Authority (SNWA) customers by delivering high quality drinking water to the greater Las Vegas area through efficient, reliable, state-of-the-art delivery systems. To support the Las Vegas Valley Water District's (LVVWD) mission by delivering water to customers that is adequate to meet their needs and proven safe through a system that is effectively operated and maintained.

Department Description

The LVVWD system is comprised of a wide variety of facilities which includes various pumping stations ranging in size from 1,500 gallon per minute (GPM) to 108,500 GPM and various reservoirs ranging in size from 4.5 million gallon (MG) to 50 MG, for a total storage of over 900 MG. The LVVWD has 62 potable wells capable of producing 170 MGD, and 26 specially constructed wells dedicated to recharging the groundwater basin with treated Colorado River water to create credits in the Southern Nevada Water Bank. In addition, 31 dual-use wells capable of recharge are permitted; 28 of these are operationally ready.

The SNWA system consists of 33 pumping plants, 36 rate-of-flow control stations (ROFCS) also referred to as metering sites, 163 miles of large diameter pipeline, and 32 regulating tanks, reservoirs, and forebays.

Operations also serves customers located not only in the metropolitan Las Vegas area, but also the small service areas of Blue Diamond, Jean, Kyle Canyon, Searchlight, Eldorado Valley, Coyote Springs/Moapa, Sloan, and Laughlin.

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Budget Objectives and Highlights

The Operations department is responsible for the day-to-day and long-term operations of a complex network of pumping stations, reservoirs, ROFCS, sodium hypochlorite facilities, and ground water wells necessary to meet water delivery demands. Wholesale customers of the SNWA include the LVVWD, City of Henderson, City of North Las Vegas, Boulder City, Nellis Air Force Base, and the National Park Service. Retail customers of the LVVWD receiving water from Lake Mead include residents of unincorporated Clark County and the City of Las Vegas. The department also operates small ground water systems for the communities of Blue Diamond, Jean, Mt. Charleston, Searchlight, the Sloan Army Reserve Center (SARC), and the Moapa Water Treatment Plant.

Equipment and Project Budget. The Operations department's combined equipment and project budget reflects the new items to establish improved maintenance practices, replacement of existing equipment items no longer supportable by the manufacturer, and capital projects the divisions manage. The total request is \$12,949,801 for the fiscal year 2024-25 Budget Plan between the LVVWD and the SNWA.

Operating Expense Budget. The department's Operating Expense budget continues to focus on Reliability Centered Maintenance (RCM) aspects of keeping the overall water delivery system fully operational and reliable. The Operating Expenses for fiscal year 2024-25 Budget Plan are shown on the following table.

Operations' fiscal year 2024-25 overall budget totals \$87,759,114 between the LVVWD and the SNWA.

SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Water resource investments	\$ 197,565	\$ 250,000	\$ 199,968
Energy	250,347	314,176	251,515
Materials and supplies	1,337,358	2,329,888	1,870,500
Maintenance and repairs	36,020	—	—
Rental and leases	—	—	—
Other employee expenses	74,669	115,500	134,900
Other operating expenses	7,208	204,200	3,000
Total Operating Expenses	1,903,167	3,213,764	2,459,883
Capital expenditures	5,569,477	7,641,187	4,801,000
Salaries and benefits	11,412,436	12,152,578	13,039,235
TOTAL DEPARTMENT EXPENDITURES	\$ 18,885,080	\$ 23,007,528	\$ 20,300,118
FTE POSITIONS	57.1	63.7	64.6

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Department Performance

SNWA Maintenance. *The SNWA Maintenance division* is responsible for the repair and maintenance of the production facilities and distribution system. The division ensures the system, facilities and equipment are maintained at a level to fulfill the SNWA's contracted water delivery commitments. This is a large, complex system consisting of 33 pumping plants, 36 metering sites called rate-of-flow control stations (ROFCS), 163 miles of large diameter pipeline, and over 32 regulating tanks, reservoirs and surge towers.

The Electrical/Electronics section consists of two teams of technicians responsible for all levels of reactive, preventive and predictive maintenance, emergency repair, new construction, retrofitting and installation, and upgrading of all equipment and process control systems belonging to the SNWS. All the SNWS pumping stations and ROFCS are fully automated and remotely controlled. This allows the SNWS to operate a 900 million-gallon per day water system with minimal staff. The Electrical/Electronics section is comprised of a workforce to maintain systems from 24 VDC to 13.8KV, working closely with the Colorado River Commission (CRC).

The Mechanical section, consists of two teams of technicians responsible for the maintenance and repair of the large pumping units, pneumatic/hydraulic valve actuating systems for the pump discharge control valves, the rate of flow valves, and operators at the system pumping stations delivery points. These sections are also responsible for the heavy support maintenance and repair of all the in- and out-valley SNWS mechanical equipment consisting of motors and gear reduction units, valves and valve actuators, canal gates, air compressors, and chemical feed systems utilized by Treatment. A full capacity machine shop provides for in-house repair and fabrication of equipment needed to support the mission.

LVVWD Distribution. *The Distribution division* (Distribution) is responsible for maintaining 7,074.9 miles of pipeline and laterals, 143,707 valves, 429,675 service laterals, 42,632 fire hydrants, and all related appurtenances comprising the LVVWD's distribution system. In fiscal year 2021-2022, Distribution crews completed 7,193 work orders consisting of repairs to pipelines and the repair and replacement of valves and fire hydrants. Additionally, 1,891 leaking service laterals were replaced. Distribution is in the process of replacing the estimated 80,000 polyethylene services installed within the LVVWD's distribution system between 1971 and 1989. These services have been problematic and very unreliable, with multiple failures. Approximately 69,210 of these services have been replaced. Distribution also assists other LVVWD workgroups, such as Asset Management and Inspections, with cathodic test station installations, valve corrections, and water quality testing. Distribution continues the preventive maintenance valve program which locates, operates, and maintains valves within the distribution system. Distribution located and exercised 7,641 valves in fiscal year 2021-2022, keeping them in good working order and improving Distribution staff's ability to quickly perform main shutdowns in case of a leak or large emergency. This has helped Distribution staff lower the average time to shut down a leaking water main in an emergency and reduce non-revenue water losses.

The Backflow Prevention section administers the LVVWD's Backflow Prevention Program. This is a service protection program involving annual testing and repair of all backflow assemblies in the LVVWD distribution system. An active backflow program ensures contaminated water cannot enter the potable water system if a backflow, backpressure or back siphonage condition exists. The backflow technicians are certified by the California/Nevada section of the American Water Works Association (AWWA). They are currently managing approximately 33,919 backflow prevention devices.

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LVVWD Maintenance. The LVVWD Maintenance division is comprised of five sections:

The Field Booster Pump/Valve Repair section maintains, repairs, and installs mechanical equipment found at major pumping stations, select small system sites, and recycled water systems. The section also implements the predictive maintenance tool of vibration analysis on the LVVWD's motors.

The Pump System Repair Shop expedites repair of major pumps and motors. This is accomplished using machining, mechanical, and coating and painting skills of the section members. This section also maintains the natural gas industrial engines at the Campbell Pumping Station and field deployed emergency generators.

The Electrical section maintains, repairs, and installs electrical equipment for pump stations, well sites, and other LVVWD locations. This involves performing preventive maintenance as determined by the Reliability Centered Maintenance process, implementing infrared predictive maintenance technology, maintaining the controls, power and mechanics of the water system, and having a working knowledge of the LVVWD's pumping strategies.

The Telemetry section maintains and repairs all instrumentation pertaining to water system operation and security, including monitoring water pressure, flow, level, drawdown, and chlorination instrumentation and systems, field computer systems, and associated devices for the SCADA system, multiple address and spread spectrum radios and repeater systems, microwave radio communications equipment, and security equipment in support of field sites.

The Well Crew section performs predictive, preventive, and corrective maintenance on all well pumps, artificial injection wells, and control valves. This section further plays a significant role in the evaluation of pump efficiencies and works in concert with Maintenance Engineering within Infrastructure Management to recommend well rehabilitation schedules for the well bore and pumping equipment.

Systems Operations. The Systems Operations division is comprised of the management team, LVVWD Systems Operations, SNWS Systems Operations, the Disinfection Reservoir shop, and the Small Systems section.

The Management team is responsible for ensuring the sections have the necessary resources to accomplish their specific functions. Along with the section supervisors, the team consists of a manager, administrative staff, and two senior operations analysts. The analysts are integral in compiling the monthly water usage for which the SNWA bills its customers, tracking energy and maintenance costs, monitoring non-revenue water trends, and liaising with other departments and divisions.

The LVVWD SCADA Operations section provides around-the-clock monitoring and control of all retail water distribution systems using the SCADA computer system. Daily tasks include coordinating water deliveries from SNWS and operating pumps and wells to maintain reservoir levels and water system pressure. This section remains dedicated to preparing daily pumping plans to fine tune pumping decisions which improve distribution system water quality and save electricity costs.

The SNWS SCADA Operations section provides around-the-clock monitoring and control of wholesale water transmission and distribution system equipment using the SCADA computer system. Daily tasks include coordinating water orders from the LVVWD and ordering power. They also operate pumps and valves at all pumping stations, and monitor flows, tank levels, system pressures, chlorine residuals and

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other information through the SCADA network. Purveyor, wholesale customer demands are met by pumping water through the distribution system to the ROFCS, where the water is metered for billing. The SCADA system data is used to develop trends, reports and statistical information required for effective system operation.

The Disinfection and Reservoir section is a vital part of the potable delivery system for the LVVWD. They manage and maintain reservoir networks that represent most assets of a water utility. Their principal responsibilities are the management and disinfection of the potable water storage network of reservoirs and wells to meet Safe Drinking Water standards. These networks are managed to achieve long-term sustainability of the LVVWD's critical assets. They continually find ways to incorporate innovative water technologies to optimize operational performances of the disinfection systems, including injection principles and methods to reduce or eliminate current water quality concerns. Just as important are the sodium hypochlorite storage and delivery systems that are maintained and operated to a standard that meets or exceeds current AWWA and National Sanitation Foundation standard 60 protocols.

The Small Systems section oversees operations and maintenance of the rural water systems located in Blue Diamond, Coyote Springs (Moapa), Jean, Kyle Canyon, Searchlight, and Sloan. This group is comprised of two rural systems operators (RSOs) and a Small Systems Superintendent. The RSOs perform daily inspections of rural sites to operate, maintain, and repair water distribution mains, service lines, meters, tanks, reservoirs, chemical feed systems, and other related appurtenances. The Superintendent handles the day-to-day administrative aspects of the rural areas, including planning, budgeting, supervising the RSOs, and correlating the Small Systems' needs with other maintenance work groups. The Superintendent also leads the Small Systems Cross Departmental Team (CDT), which is comprised of personnel from the LVVWD and SNWA organizations. The CDT's purpose is to ensure sound decision-making and transparency for each of the rural water systems.

Strategic Plan Objectives and Accomplishments

Strategic Plan Goal – Assure quality water through reliable and highly efficient systems.

2024-25 Performance Objectives

- LVVWD Senior Operations Analysts will continue to track operational KPIs such as kWh per MG, energy consumption, energy budget tracking, and non-revenue water for LVVWD, SNWA, and Rural Systems. Additional KPIs will be established and reported via Power BI.
- LVVWD SCADA operations will continue to fine-tune the new Aveva SCADA system. This system will be the model for the Laughlin and SNWA SCADA upgrades in future years. A significant effort is being made to monitor and adjust Aveva SCADA alarms to meet industry best practices.
- LVVWD SCADA Operations will continue developing loss of SCADA plans and exercises in the event communications are lost to pump stations and reservoirs due to radio repeater issues. These plans and exercises include using flat pumping plans and dispatching personnel to stations and reservoirs to manually start and stop pumps and check residuals and reservoir levels.
- LVVWD SCADA Operations will continue to upgrade the current Ops Tool used to create the daily pumping plans. A new Intelligent Water (iWater) tool will provide additional features, making it easier to create pumping plans, and will incorporate PRV and pressure station data for model calibration.

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- SNWS SCADA operations will continue to run/exercise L3PS high lift and low lift pumping equipment for use in extracting Lake Mead water to deliver to the treatment plants.
- SNWA SCADA operations will continue low lift pumping from IPS-1 pumps. IPS-1 was successfully placed back into operation this year due to the increase in Lake Mead's level. Will continue to monitor operational requirements due to lake level.
- SNWS SCADA operations will continue to work with Xylem to implement a Real Time Decision Support System for Drinking Water Network Operations Management. The work will be done in three phases: developing a "Digital Twin" for the SNWS system; an individual pumping facility operational optimization; and the entire network operational optimization. The success of this program will be measured in reduced energy costs and safeguarding against losing institutional knowledge with an aging workforce.
- The Disinfection Shop will continue its efforts in standardizing the sodium hypochlorite rooms, including chemical storage tank, plumbing modifications, and floor coatings, bringing all sodium rooms up to industry standards
- The Disinfection Shop will continue to assist Maintenance Engineering, Asset Management, Water Quality Research and Development, and Well Crew teams with development and implementation of ultraviolet disinfection at several well sites, as well as cross-training with the Small Systems team to assist in the event of illness, vacation, and emergencies.
- The Disinfection Shop has taken on the responsibility of on-site reservoir critical valve preventive maintenance that establishes readiness for unforeseen reservoir isolation needs.
- Small Systems will partner with Maintenance Engineering, Water Resources, and the Army Corps of Engineers (ACE) for exploratory drilling of a backup well in Blue Diamond to increase source water reliability. The Small Systems will also be partnering with Maintenance Engineering, Planning, and the Army Corps of Engineers to upgrade the 3630 Zone pumping station discharge pipeline and PRV. The Small Systems will also be partnering with Maintenance Engineering, Planning, and the Army Corps of Engineers to upgrade the 3630 Zone booster pumping station. The total cost of the projects will be covered by ACE and State Revolving Fund grant monies.
- Small Systems will partner with Maintenance Engineering, Water Resources, contractors, and ACE to develop the S4 well in Searchlight. This will add an additional well that can be equipped in case the S2 or S3 wells experience a failure. With 75% of this project costs to be reimbursed by ACE.
- Small Systems will be coordinating the replacement of the arsenic removal media at S2, with the costs being covered 100% by ACE and State Revolving Fund monies.
- Small Systems will partner with Telemetry to install an online Cl₂ analyzer in Searchlight to improve public safety and add remote water quality monitoring.
- Small Systems will partner with Maintenance Engineering, Distribution, and contractors to reroute the Rainbow Well discharge line.
- Small Systems and Distribution will continue creating a service lateral inventory to document the material of all service lines, in accordance with the Revised Lead and Copper Rule.
- Small Systems will partner with Finance, Maintenance Engineering, and the Army to rewrite the Sloan ARC contract for the upcoming renewal.
- Small Systems will partner with the Planning Department, Public Affairs, contractors, and ACE to begin replacing and upgrading the distribution system in various sections throughout the Searchlight water system.
- Distribution will partner with Maintenance Engineering to assist with the excavation and backfill necessary to allow for the installation of fiber optic pull boxes at various LVVWD properties. This work will help in the installation of new security cameras and other monitoring equipment.

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- Distribution will continue updating the existing service lateral inventory to document the material of all service lines to remain compliant with the Revised Lead and Copper Rule.
- Distribution will partner with Clark County Public Works to pre-emptively replace more than 500 Poly-ethylene service laterals in conjunction with their large-scale paving projects.
- The backflow group will work with the Maintenance and Design Engineer groups to test devices that have been retrofitted to ensure that newly installed appurtenances are adequate and compliant with LVVWD and NDEP standards.
- Distribution will work with Maintenance Engineering to identify and address dead-end mains that need to be retrofitted to ensure redundancy in the Distribution System.
- Distribution will work with Maintenance Engineering to identify and retrofit large backflow units and below-ground Pressure Reducing Valves (PRVs) that need to be retrofitted to make the units and appurtenances compliant with NDEP standards.
- LVVWD Maintenance will continue a multi-year effort to install fiber optic and make security camera upgrades at all primary LVVWD locations.
- LVVWD Maintenance will continue upgrading control valves and actuators that have reached the end of their useful lives.
- LVVWD Maintenance will begin installing UV LED systems at five wells in the valley for continued testing and demonstration.
- SNWA Maintenance will make motor control center upgrades at Decatur Pumping Station; change the valves at Sloan ROFCS to REXA valves; change all pumps to Rotork at Bermuda Pumping Station; replace inlets at Warm Springs with REXA and Rotork control valves; and change ball valves at Horizon Ridge.
- SNWA Maintenance will perform the valve actuator replacement project.
- SNWA Maintenance will install new isolation valves at Horizon Ridge ROFC and an automatic transfer switch at Foothills Pumping Station to provide redundant power to critical items within the station.
- SNWA Maintenance will replace Bermuda ROFC inlet and outlet valves and actuators.
- SNWA Maintenance will replace Parkway ROFC inlet and outlet valves and actuators.
- SNWA Maintenance will update DC excitation systems at various plants.
- SNWA Maintenance will upgrade medium voltage electrical equipment at multiple sites.
- SNWA Maintenance will replace Discharge valve actuators at Hacienda Pump Station.
- SNWA Maintenance will replace Isolation valves with Gate valves at Hacienda Pump Station.
- SNWA Maintenance will replace Pump Station 2A/2B Forebay Isolation Gate valves

2023-24 Major Accomplishments

- LVVWD SCADA Operations supported the Formula One race by modeling system pressures in the 2300 zone and adjusting flow strategies to minimize pressure transients in the weeks leading up to and throughout the race. Due to these proactive efforts, the LVVWD was able to avoid main breaks that would have disrupted the race.
- LVVWD SCADA Operations worked in tandem with SNWS SCADA operations to support several main lateral outages, including one four-day AMSWTF outage, one eleven-day RMWTF outage, an eight-day Pittman lateral outage, and both a three and a five-day South Valley Lateral outage. Water orders were adjusted, and internal pumping plans were altered to ensure no impact to customers.

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- LVVWD SCADA Operations worked in tandem with the SCADA Controls group, the Maintenance Division, and the Disinfection group to plan and carry out a Loss of SCADA/Loss of Communications exercise for a section of the water system. The exercise was successful, with Distribution System Operators, Trades personnel, and Field Systems Operators inspecting and operating each of the stations and reservoirs manually over the course of three days.
- SNWS SCADA Operations oversaw the planning and execution of 112 individual site and equipment outages. These included two five-day AMS outages to clean and repair inlet structure gates and seats at Forebay 2, replace Ozone ATS, move AMS electrical loads to new UPS, inspect and repair multiple electrical issues at AMS and at Main Lateral sites, inspect 96" interconnect valves just upstream of Reg Tank 2A, replace Ovation network switches at AMS, and miscellaneous electrical and controls work; a two-week RMWTF outage for filter influent valve repairs, filter #4 leak repair, rover inspection of approximately 1500 feet of the River Mountains Tunnel 1 from RT-2 to the outlet portal, manned inspection of the Bypass Lateral for expected mortar damage, replacement of failing UPS electronics at RM, replacement of Ovation network switches at RM, and miscellaneous electrical and controls work; outage to replace Pumps No. 3 & 5 at PS04 and PS05; outage to replace Pump #2 at PS7B, a three-month PS2A outage to replace the station's electrical gear; a five-month PS1A outage to replace the station's electrical gear; replacement of all valves, actuators and venturis at RF6B; Replacement of isolation valve and altitude valve for BC west, replacement of station isolation valves at PS04 & PS05, and replacement of all inlet isolation valves and actuators at Horizon Ridge ROFC.
- Disinfection Shop staff completed four sodium room rehabilitations, as well as modifying an additional 5 well sites for upcoming U.V. system projects.
- Disinfection Shop staff and Maintenance Engineering successfully completed the Re-lining of 1-5,000-gallon Bulk NaOCL tank at the Main NaOCL building.
- Disinfection Shop staff successfully provided an emergency potable water source at Kyle Canyon and Sloan service areas during unplanned outages by utilizing the 5,000-gallon potable water tanker.
- Small Systems partnered with Water Resources, Maintenance Engineering, and the Well Crew to equip the new J8 Well in Jean for service in 2023 providing a reliable and sustainable water source for the future.
- Small Systems partnered with Maintenance Engineering and Distribution to reroute the transmission main in Jean at the chemical injection site. Doing so removed a section of corroded pipe, and eliminated a confined space, thereby improving employee safety when servicing the chemical feed system.
- Small Systems partnered with Maintenance Engineering, Water Resources and Army Corps of Engineers to replace steel and AC pipelines in Blue Diamond, thereby reducing leaks and improving fire protection. The total cost of the projects is covered by ACE and State Revolving Fund grant monies.
- Small Systems completed a service lateral inventory in Searchlight and Jean to document the material of all service lines, in accordance with the Revised Lead and Copper Rule.
- Small Systems staff increased outreach to customers in Blue Diamond, Kyle Canyon, and Searchlight regarding onsite (property owner) leaks. This enhanced outreach has made a major impact, especially in Searchlight, where there has been a substantial reduction in well production since July 2022.
- Small Systems staff worked with Asset Management and Distribution to install an inspection vault in the Rainbow subdivision of Kyle Canyon. This vault will allow for the inspection and locating of a critical transfer line between the Old Town subdivision and the Upper Rainbow Tank. Small Systems

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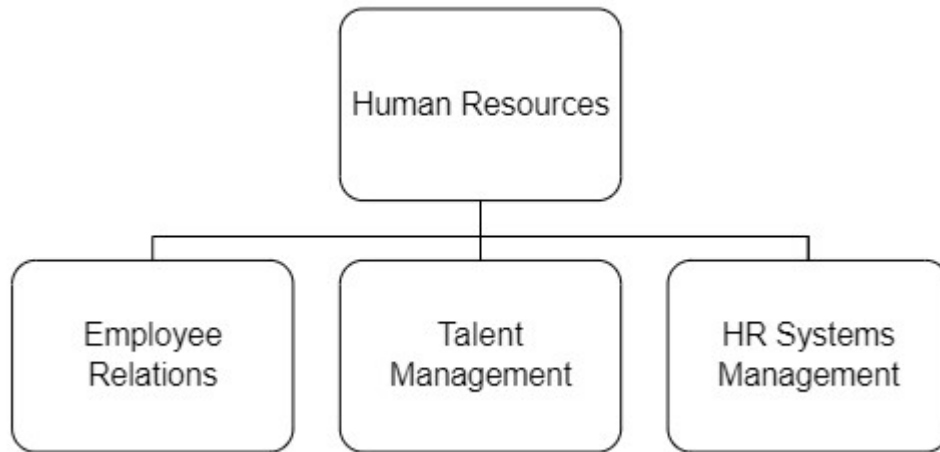
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also worked with Asset Management to inspect the mainline going to the underground reservoir in the Echo subdivision of Kyle Canyon.

- Small Systems partnered with NDOT, Clark County, Forest Service, LV Paving, and other LVVWD departments to repair the damage to the water system in Kyle Canyon caused by Hurricane Hilary.
- Distribution installed a connection between pipe ID438826 & ID3191464, providing additional supply source at pressure zone end.
- As a preemptive measure, Distribution installed valves 162-21-NW-239 & 240 on Koval to reduce the number of customer impacts during an emergency break in F1 layout.
- Distribution worked in conjunction with the Asset Management group to assess and identify any leaks of points of concern ahead of the F1 race.
- Distribution responded to the natural disaster in the Echo Subdivision by replacing 1500ft of water main in the affected area.
- LVVWD Maintenance restored and recoated multiple pumping stations and pumping equipment, including lead abatement where necessary.
- LVVWD Maintenance maintained communications and reservoir sample analyzers at over 20 designated compliance reservoir locations.
- LVVWD Maintenance upgraded multiple pumping stations with efficient LED lighting to enhance safety and reduce electrical consumption.
- LVVWD Maintenance multiple pumping stations with improved control valving, station air compression and surge control systems.
- SNWA Maintenance established a temporary generator power emergency preparedness program for all in-valley ROFCS.
- SNWA Maintenance installed new venturis at Unit No. 6B.
- SNWA Maintenance refurbished Motor No. 4 at Pumping Station No. 6.
- SNWA Maintenance replaced all control valve actuators at Magic ROFC.
- SNWA Maintenance replaced Sloan Inlet/Outlet Isolation valves and actuators.
- SNWA Maintenance replaced Grand Teton Inlet/Outlet Isolation valves and actuators.
- SNWA Maintenance replaced Grand Teton Inlet/Outlet Isolation valves and actuators.
- SNWA Maintenance repaired PS2A/PS2B forebay isolation gates.
- SNWA Maintenance replaced Warm Springs ROFC isolation valves and actuators.
- SNWA Maintenance replaced Horizon Ridge ROFC isolation valves and actuators.
- SNWA Maintenance replaced Simmons Discharge Isolation valves with Check Valves.

HUMAN RESOURCES

Level: 4200



Mission

To recruit, develop and retain the best employees to accomplish the organization's vision, mission, and goals in accordance with the organization's values and ethics.

Department Description

The Human Resources department is responsible for payroll, recruitment and selection; engagement and employee development; employee relations; benefit plans; compensation and classification plans for the Las Vegas Valley Water District (LVVWD) and the Southern Nevada Water Authority (SNWA). The department also administers fair employment policies and procedures and negotiates all collective bargaining agreements. Presently, there are three service groups within the department: HR Systems Management, Employee Relations, and Talent Management.

Budget Objectives and Highlights

The Human Resources department continues to monitor budgetary expenditures, while still pursuing its efforts towards progress with the Human Capital Management System, Talent Management program, diversity and inclusion, recruitment, engagement, employee development, and productive employee relations.

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SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Materials and supplies	\$ —	\$ —	\$ —
Maintenance and repairs	1,379	—	—
Other employee expenses	15,192	—	—
Other operating expenses	48	—	—
Total Operating Expenses	16,618	—	—
Capital expenditures	—	217,988	—
Salaries and benefits	646,045	3,434,895	1,064,074
TOTAL DEPARTMENT EXPENDITURES	\$ 662,664	\$ 3,652,883	\$ 1,064,074
FTE POSITIONS	3.6	21.3	7.1

Department Performance

Talent Management. Provides recruitment and selection services; strategies to increase employee retention, engagement, appreciation, and wellness. Provides opportunities for employee professional and personal development. This group develops and administers recruitment and selection methods.

Employee Services. Responsible for light duty and return to work program; administration of various employee benefit plans and collective bargaining agreements; consultation regarding federal, state and local employment laws; and internal mediation services designed to improve communication and understanding between employees. Provides support for HR management programs, activities, and processes.

HR Systems Management. Responsible for the administration of all employee personnel records and payment data. Responsible for the administration and support of the Human Capital Management System (Workday) and Legal Hold, Matter Management and Public Records Request applications (Exterro, and NetDocuments) for the organization. This team processes payroll and benefits, prepares data in response to Workday requests for employee information; implements organizational changes; performs eDiscovery for public records requests and Legal Hold collections; provides employee application training and bi-annual updates.

Strategic Plan Objectives and Accomplishments

The Human Resources department provides a foundation for all departments to reach the goals of the Strategic Plan through appropriate recruitment; employee engagement; and productive employee relations. The Human Resources department is dedicated to supporting work environments where employees are encouraged to perform at their highest potential.

Strategic Plan Goal – Strengthen and uphold a culture of service, excellence and accountability.

Strategic Plan Goal – Ensure organizational efficiency and manage financial resources to provide maximum customer value.

2024-25 Performance Objectives

- Continue the Leadership training and development for management, as well as TAP within the organization as a whole.
- Eliminate the manual effort performed by accounting, by implementing the costing allocation splits for Payroll within Workday.
- Continue expanding the Asset Management and Tracking for Information Technology in Workday.
- Develop and Implement the new Matter and Document Management System
- Launch the class and compensation job study for Operators within EH&S, Operations and Water Quality & Treatment.
- Complete class and compensation job studies within the Engineering, Water Resources and IT departments within the organization.
- Continue the EH&S learning realignment in Workday to assist departments in maintaining employee's compliance.
- Implement new Workers' Compensation tracking and reporting for Payroll and EH&S.
- Continue to develop and implement financial/retirement preparation programs focused on various employment and life stages.
- Streamline and improve Employee Performance Development System (EPDS) process in Workday.
- Streamline and improve leave process and tracking in Workday.

2023-24 Major Accomplishments

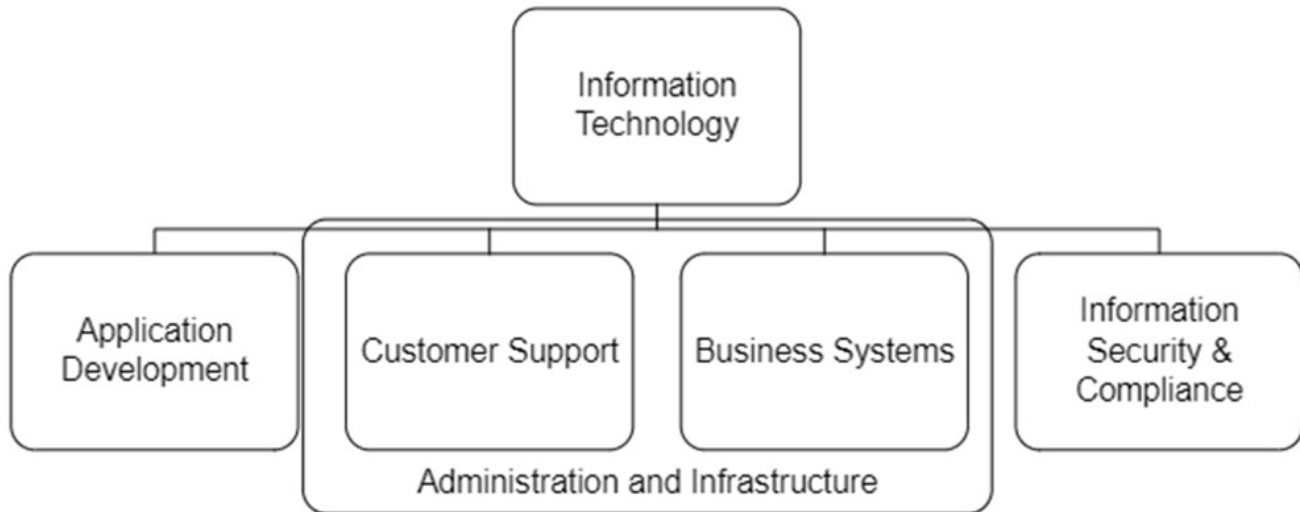
- Introduced retirement planning seminars for employees focused on various career stages.
- Continued eliminating manual payroll processing by creating new reports and improved processes.
- Implemented Workday Help allowing for centralized knowledge-based articles and help documents for Workday.
- Implemented new Tuition Reimbursement process utilizing the Workday Help platform.
- Cross trained HRIS employees on Payroll processing for continuity and redundancy in these roles.
- Completed classification and compensation reviews for Operators and Fleet Services.
- Replaced on premises Legal Hold Matter Management and Document Management systems with cloud based NetDocuments.
- Implemented processing of direct deposit refunds in Payroll replacing the manual check requests to Accounts Payable.
- Continued monthly workshops to provide training and support to management on performance assessments, managing hybrid staff and management skills.
- Revised New Hire Orientation to include an in-person portion to supplement the online orientation.

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- Facilitated two donation drives (Shade Tree and Safe Nest) and implemented 'Charity Champion' program. Donated approximately 35 pallets of goods and items to charities with 100% department participation for both drives.
- Implemented monthly wellness topics and Wellness Warrior Program.
- Implemented on-site fitness classes through Camp Rhino.
- Partnered with EOS Fitness for employee subscription discounts.
- Developed a training audit protocol to ensure organization-wide compliance with mandatory training requirements.
- Developed a robust leadership enhancement program to include training and development courses and initiatives for prospective, new and seasoned leaders.
- Developed a catalog with a searchable directory of online and in-person employee training and development classes.
- Configured Benefits and Pay Hub Dashboard in Workday, including 'Model My Pay.'
- Created new Benefits billing worksheets that reduced processing effort from days to hours.
- Created new composite reports for payroll processing, eliminating manual effort.
- Implemented monthly workshops to provide training and support to management on performance assessments, managing hybrid staff and management skills.
- Completed digitization of employee personnel files in Workday.
- Completed a wall-to-wall class and compensation job study for Public Services, Springs Preserve and Finance.
- Concluded COVID protocols and developed guidance on how to manage illness moving forward.
- Introduced new financial wellness program for employees.
- Reduced time-to-fill for open positions by implementing a SME pass-through and contingent hiring for approved positions, reducing redundancies in position posting and applicant processing.
- Increased candidate pool volume and diversity by approving the application of work experience and/or transferable skills toward minimum job qualifications.
- Developed a monthly engagement activities newsletter to provide to department executive assistants for distribution to all shift and satellite teams.
- Launched LVVWD Book and Bicycling Yammer groups.
- Launched new employee store with new vendor, adding more customizable options.
- Facilitated the 2023 TAP Leadership Enhancement series of classes.
- Developed and implemented a mentoring program.

INFORMATION TECHNOLOGY

Level: 4300



Mission

We create trusted systems and solutions through investments in people, processes, and technologies to serve our community, our partners, and each other.

Department Description

The Information Technology department is responsible for the Las Vegas Valley Water District's (LVVWD), Southern Nevada Water Authority's (SNWA), Springs Preserve's, and the Big Bend Water District's (BBWD) acquisition, administration, and maintenance of software products, installation and maintenance of all computer-related and office management hardware products, cybersecurity, Payment Card Industry (PCI) Compliance, Geographic Information Systems (GIS), telecommunications. The department is also responsible for the acquisition and maintenance of spatial data in support of Specific support activities are noted for each division herein.

The Information Technology Steering Committee was relaunched in 2022 and is comprised of multi-departmental leadership representatives throughout the organization. The committee evaluates projects of relative importance using an objective and quantifiable system that directs Information Technology initiatives to meet business needs.

Budget Objectives and Highlights

The 2024-25 Information Technology department budget contains funding to continue the development and implementation of technology projects and provide daily operational support to the LVVWD, SNWA, the Springs Preserve, and BBWD information technology systems.

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SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Materials and supplies	\$ 780,851	\$ 1,033,500	\$ 848,400
Maintenance and repairs	3,563,468	5,119,659	2,881,809
Rental and leases	292,681	389,400	396,000
Other employee expenses	45,745	105,739	120,689
Other operating expenses	910,072	2,076,560	1,666,287
Total Operating Expenses	5,592,817	8,724,858	5,913,185
Capital expenditures	1,235,058	3,000,000	1,195,000
Salaries and benefits	8,186,789	9,098,451	9,550,065
TOTAL DEPARTMENT EXPENDITURES	\$ 15,014,664	\$ 20,823,309	\$ 16,658,250
FTE POSITIONS	40.4	47.6	42.3

Department Performance

Information Technology has completed many projects to improve business processes, functionality, system operations, and security, while reducing expenses and risk to the organization. Major projects during the year included implementation of a new data warehouse, customer notification automation for compliance and leaks, daily consumption data for customers, imagery analysis related to Assembly Bill 356, enhancements to the water plan review process, continuation of the endpoint equipment (PCs, monitors, iOS devices, and Laptops) refresh programs, and major enhancements to cybersecurity programs.

Application Development. This multi-division team performs software development, upgrades and version testing, and validation of key operational systems utilized throughout the organization.

Applications supporting Operations, Customer Care, Water Resources, Water Quality & Treatment, Infrastructure Management, and Finance are targeted for upgrades and enhancements.

The multi-year project to implement a new Enterprise Asset Management System kicked off in 2022 and will replace an aging application reaching end-of-life with a modern, best-in-class asset and work management system. Key features include preventative and predictive maintenance, inventory and material management, work management, reporting, and analytics. The system is projected to complete in 2025.

Continued efforts to support the organization's conservation initiatives will include leveraging meter data management systems, Advanced Metering Infrastructure (AMI), and Machine Learning (AI)

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technology for new automated leak and non-compliance usage notifications, continued development of business intelligence tools and data analytics, and yearly rate updates for BBWD and LVVWD.

The implementation of a new Financial Management System began in 2022 with efforts to analyze business processes and identify a replacement system. Vendor and implementer selection is anticipated in 2024-2025 with completion of the project in 2027-2028. In addition to the Financial Management System implementation, the corporate chart of accounts will be reviewed for restructuring.

In an effort to supplement customer self-service abilities, the development of automated start/stop options are being developed and are expected to complete in 2024-2025.

Administration and Infrastructure. This division is comprised of three teams who provide and deliver secure, reliable technology infrastructure and services that support the organization's operations. The teams are responsible for maintaining hardware & software and providing technical support across five major sites and various satellite facilities.

The IT Customer Support team (ITCS) is the first point of contact for most interactions with the IT department. ITCS operates the help desk and tech hub walk-up counter, administers the IT service management platform, installs/maintains/manages a variety of business partner hardware (including telecommute devices), oversees approximately 300 software titles, endpoint management, and other troubleshooting efforts. Hardware supported by the ITCS team includes 2,700+ on-premises and telecommute desktops, 500+ field and business laptops, 93 multifunction printers, and technology hardware accessories.

The Application Administration team (AAT) is responsible for the oversight, administration, and maintenance of all enterprise and business applications, as well as the enterprise database platforms. Additionally, this team is responsible for the deployment, management, and administration of 1,300 mobile devices and oversight of the organization's telecommunications/VOIP infrastructure. AAT provides primary administrative support for critical applications , including the customer information system and financial platform , as well as other specialized platforms and cloud applications.

The System Administration team (SAT) is responsible for the implementation, administration, maintenance, and oversight of both on-premises and cloud-based server & network infrastructure. This team is comprised of administrators who specialize in various hardware and software technologies, such as Windows, Linux, and Unix servers, network infrastructure and architecture, wireless technology, storage and disaster recovery, Active Directory, E-mail/Azure/SharePoint, virtualization, web administration, data centers, and firewalls/routing.

Enterprise operational support offered by the division focuses on providing a world-class customer experience and reliable applications & infrastructure. Operational support efforts encompass hardware & software maintenance, strategic planning/advisory, technical project support, and hardware refreshes and modernization. The division often supports other technology and business partners within the organization on their approved projects and initiatives.

Major on-going initiatives include enterprise projects, infrastructure modernization, and support for specialized projects. From an enterprise perspective, the division is leading the modernization/replacement of end-of-life systems, customer care contact center, enterprise firewall, and the board

room voting system. Other IT modernization and capital improvement projects include virtualization infrastructure, data backup infrastructure, and reinstatement of a scheduled device refresh process after catching up 700+ desktops and laptops in FY23-24 due to previous pandemic constraints.

Information Security and Compliance. Major emphasis will continue to be on cybersecurity as world-wide security breaches increase at an alarming rate. Significant effort will continue to be directed toward providing an operationally stable and secure computing environment, developing strategies with Legal Services and Risk Management to reduce and manage emerging cyber risks, as well as educating employees on cybersecurity topics.

Ongoing initiatives include continued guidance to support the Enterprise's disaster recovery capability, defense against cybersecurity threats and vulnerabilities, identification and management of risks, providing cybersecurity awareness training, providing guidance on system upgrades and/or replacements to critical infrastructure, implementation of technology to meet required PCI Data Security Standards (PCI-DSS), recommending best practices to ensure high availability of applications and databases, guidance on securing mobile devices, as well as tracking and advising on the impacts of new Federal and State legislation, as well as evolving industry regulations.

Security efforts include continual review and enhancement to procedures, monitoring for, and responding to, cyber threats, collaborating with IT and OT Operations teams to manage vulnerabilities and prioritize security patches, and formulating guidance for controlled access to systems and data. The division will continue to strengthen its relationship with the Federal Agencies of DHS, CISA, and the FBI, to meet or exceed security standards for Critical Infrastructure. This division works closely with Legal Services, Information Governance, Purchasing and Risk Management to ensure the organization is addressing supply-chain and contractual security risks. The division continues to enhance its comprehensive vendor due diligence program that initially launched in 2022. In addition, the division focuses on conducting PCI-DSS assessments, understanding emerging regulatory requirements, as well as continuously evolving requirements from cyber insurance underwriters and bond rating entities.

Strategic Plan Objectives and Accomplishments

Information Technology provides support to all departments to achieve Strategic Plan goals through the acquisition, development, administration, and maintenance of technology-related products and services.

Strategic Plan Goal – Assure quality water through reliable and highly efficient systems.

2024-25 Performance Objectives

- Build on newly developed Continuity of Operations Plan (COOP) to define Disaster Recovery Procedures (DRP) for IT.
- Improve backup infrastructure to withstand cyber threats and to align with the DRP.
- Implement substantial changes to systems that support Water Quality to improve the way in which we share water quality information with other agencies in support of the SNWA commitment to the Las Vegas Valley Watershed Advisory Committee to operate and maintain a central repository of water quality data.

2023-24 Major Accomplishments

- Implemented new cloud-based Water Use Compliance System that provides a framework for enhanced coordination with other jurisdictions.
- Collaborated across the organization to create a current, easily maintainable COOP
- Substantially completed the replacement of an aging infrastructure hardware with a modern and supported platform Completed replacement of the aging physical access control platform with a modern system that allows for expansion and integration with new facilities.
- Completed the replacement of an aging Laboratory Information Management System (LIMS) with an industry leading product for the River Mountains Water Quality Lab.
- Substantially completed the replacement of an aging infrastructure hardware with a modern and supported platform.
- Completed replacement of the aging physical access control platform with a modern system that allows for expansion and integration with new facilities.

Strategic Plan Goal – Deliver an outstanding customer service experience.

2024-25 Performance Objectives

- Implement automation for start/stop service allowing customers new self-service options no longer requiring direct interaction with LVVWD staff.
- Complete phase 1 replacement of the current end-of-life Contact/Call Center platform with an industry leading product that features an interactive virtual assistant (IVA), digital engagement, modern telephony features, and quality assurance.
- Continued support for various conservation rebate incentives through the Water Efficient Technologies Program.

2023-24 Major Accomplishments

- Implemented a data warehouse leveraging customer AMI data which results in many applications including providing daily consumption data to customers via MyAccount and the mobile application.
- Completed a “catch up” IT hardware refresh (laptops, desktops, and mobile devices) to replace aging end-user devices.

Strategic Plan Goal – Anticipate and adapt to changing climatic conditions while demonstrating stewardship of our environment.

2024-25 Performance Objectives

- Continue to progress conservation initiatives forward with proactive notifications related to leaks and compliance.
- Enhance existing technology to monitor surface water measurements.

2023-24 Major Accomplishments

- Implemented automated weekly irrigation compliance, proactive leak, trickle leak, and excessive leak notifications to enable customers to react much quicker than they could with written notifications.

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- Implemented several rebates and incentives to conserve water such as “cash for grass” up to \$5 per square foot, Water Smart Plumber coupon to help identify leaks, and incentive to add trees to improve canopy shading.
- Implemented a new solution for managing intentionally created surplus to conserve and contribute water to the Colorado River.

Strategic Plan Goal – Develop innovative and sustainable solutions through research and technology.

2024-25 Performance Objectives

- Move our Fleet Management System from an on-premises solution to the cloud to reduce required technology infrastructure and maintenance.
- Continue to optimize our technology infrastructure to support a hybrid mobile and telecommute workforce.
- Support organizational initiatives with information security best practices guidance to ensure systems reliability.

2023-24 Major Accomplishments

- Completed substantial upgrades to network infrastructure that allows for more reliable and faster connectivity across the organization.
- Implemented a new web site for the Las Vegas Wash project (LVWash.org).

Strategic Plan Goal – Ensure organizational efficiency and manage financial resources to provide maximum customer value.

2024-25 Performance Objectives

- Continue work on the implementation of a new enterprise asset and work management system.
- Continue work on the implementation of a new financial management system.
- Implement a comprehensive IT asset tracking process that aligns with current asset management systems and practices.
- Substantially improve internal processes and software that support the organization’s water plan review processes.
- Continue to optimize Database Infrastructure for improved uptime metrics, data storage capacity, and recovery options in support of data initiatives.
- Continue to enhance cybersecurity programs throughout the organization to keep cyber insurance rates low and bond ratings high.
- Identify and plan for hardware and software that are coming end-of-life or end-of-support and , with an emphasis on consolidation where possible.

2023-24 Major Accomplishments

- Implemented a public facing Water Investment Rating Tool to enable more real-time evaluation of potential new business ventures in the service area.
- Implemented a Residential Site Evaluation program to help customers identify and remediate leaks to help reduce water bills.

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- Made cybersecurity enhancements which include the introduction of a department-wide technical debt reduction team, implementation of some CISA assessments and tools, and expanded cybersecurity tabletop exercises to include more participants and establish a quarterly cadence.
- Completed retirement of the aging Server platform to ensure reliability, security, and compliance with PCI standards.

Strategic Plan Goal – Strengthen and uphold a culture of service, excellence and accountability.

2024-25 Performance Objectives

- Engage Department of Homeland Security and CISA in performing information security and resilience assessments to prepare for emerging regulatory from federal and state agencies.

2023-24 Major Accomplishments

- Developed metrics and dashboards to manage vulnerabilities, along with effectiveness of prevention and remediation efforts.
- Replaced the aging Board Meeting Room voting platform with an easy-to-use and familiar platform for use by the Board Members.

ENVIRONMENTAL, HEALTH, SAFETY & CORPORATE SECURITY

Level: 4400



Mission

Provide world-class logistical support and customer service in a safe, resilient environment.

Department Description

The Environmental, Health, Safety, and Corporate Security (EHSCS) Department is the organization's compliance, safety, and security arm and is comprised of the following divisions: Environmental, Health, and Safety (EHS); Corporate Security; Emergency Management; Fleet Services; and Material Services. Together, these divisions work to eliminate or mitigate overall organizational risk. Specifically:

- EHS ensures a safe workplace by promoting accident prevention, conducting employee training, monitoring trends, and performing permitting and compliance functions.
- Corporate Security maintains organizational security by providing 24-hour patrol, protection, response, and monitoring work across all facilities.
- Emergency Management safeguards the organization through year-round mitigation, planning, prevention, response, and recovery activities.
- Material Services keeps the organization reliably stocked in maintenance, repair, operations, and critical spare parts inventory.
- Fleet Services supports the organization's mission by procuring and delivering safe and reliable vehicles, equipment, tools, and communications equipment, and ensuring availability of ample fuel supplies.

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Budget Objectives and Highlights

The 2024-25 EHSCS budget contains the funding necessary to support the safety and security of our organization's workforce, customers, and facilities. Our departmental strategic planning efforts have allowed us to streamline processes, reduce costs, and focus on sustainability, while skillfully maintaining goods, vehicle, and equipment inventory.

SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Materials and supplies	\$ 1,309,511	\$ 1,097,000	\$ 1,395,500
Maintenance and repairs	145,131	97,500	174,200
Rental and leases	105,639	121,500	129,500
Other employee expenses	46,306	55,500	77,500
Other operating expenses	598,394	903,551	853,500
Total Operating Expenses	2,204,981	2,275,051	2,630,200
Capital expenditures	1,285,482	4,574,069	5,440,268
Salaries and benefits	5,634,576	6,394,096	6,929,061
TOTAL DEPARTMENT EXPENDITURES	\$ 9,125,039	\$ 13,243,215	\$ 14,999,529
FTE POSITIONS	38.7	41.1	42.0

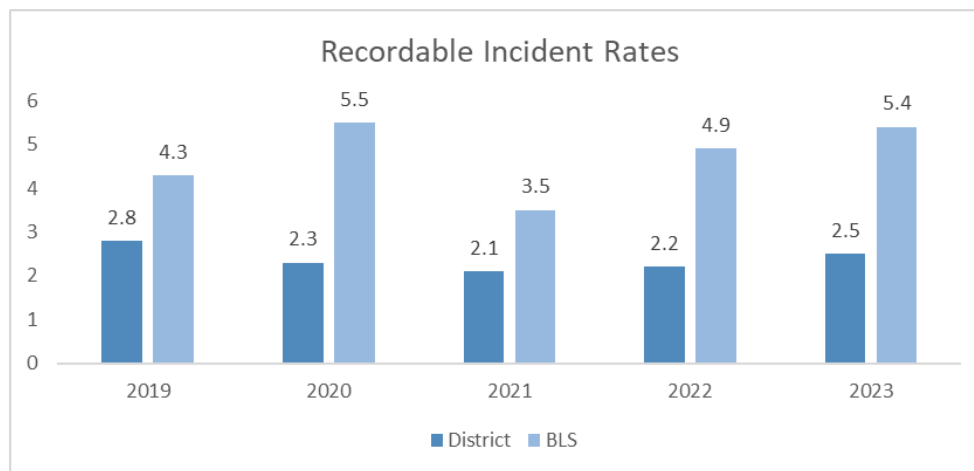
Department Performance

Environmental, Health, and Safety Division. The Environmental, Health, and Safety (EHS) division is responsible for overall management of the LVVWD's environmental, health, and safety program which governs employee safety in the workplace. EHS tracks leading and lagging indicators in the program, making necessary adjustments to ensure a positive safety culture is maintained, and provides ongoing EHS training for employees. The division employs an aggressive accident prevention program, investigating on-the-job accidents and injuries, and manages a comprehensive fleet safety program comprised of vehicle and heavy equipment, defensive driving, and commercial driver license training. Additional EHS responsibilities include drafting and publishing Occupational Safety and Health Administration (OSHA) and state compliant safety procedures; managing all federal, state, and local permitting and compliance activities; maintaining the Alfred Merritt Smith Water Treatment Facility's (AMSWTF) Process Safety Management program; conducting monthly EHS Steering Committee meetings; and managing the organization's asbestos, lead awareness and hearing conservation programs.

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Recordable Injury Rates

EHS tracks recordable injuries and illnesses annually and compares them to the Bureau of Labor Statistics (BLS) annual averages for similar industries. The incidence rate of injuries and illnesses is computed using the following formula: $(\# \text{ injuries/illnesses} \times 200,000) / \text{employee hours worked}$. Though the LVVWD's incidence rate increased slightly from 2.2 in 2022 to 2.5 in 2023, it is still well below the BLS rate.

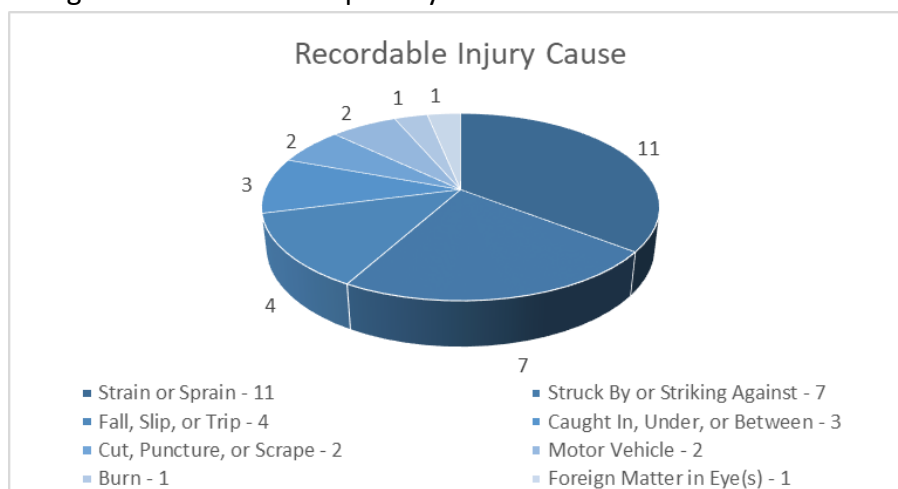


Recordable Injuries by Category

In 2023, LVVWD recordable injuries increased by 19 percent from 2022 (31 recordable injuries in 2023 versus 26 recordable injuries in 2022), while the overall cost of the claims, time away from work, and severity of the claims decreased. The water and wastewater industries continue to trend upward in recordable injuries as the LVVWD trends slightly downward.

The two largest contributors to the 2023 recordable injury rate are strains and sprains by lifting, pushing, or pulling (11) and struck by or struck against (7); these two causes alone resulted in 58 percent of all recordable injuries for the year.

EHS has continued to focus messaging on situational awareness, employee positioning, and increased hazard recognition at jobsites. While on-site reviews did not reveal unmitigated hazards, the causal categories of strains and struck by injury events remain the highest two causes of employee injury. These two injury categories remain as EHS priority areas.



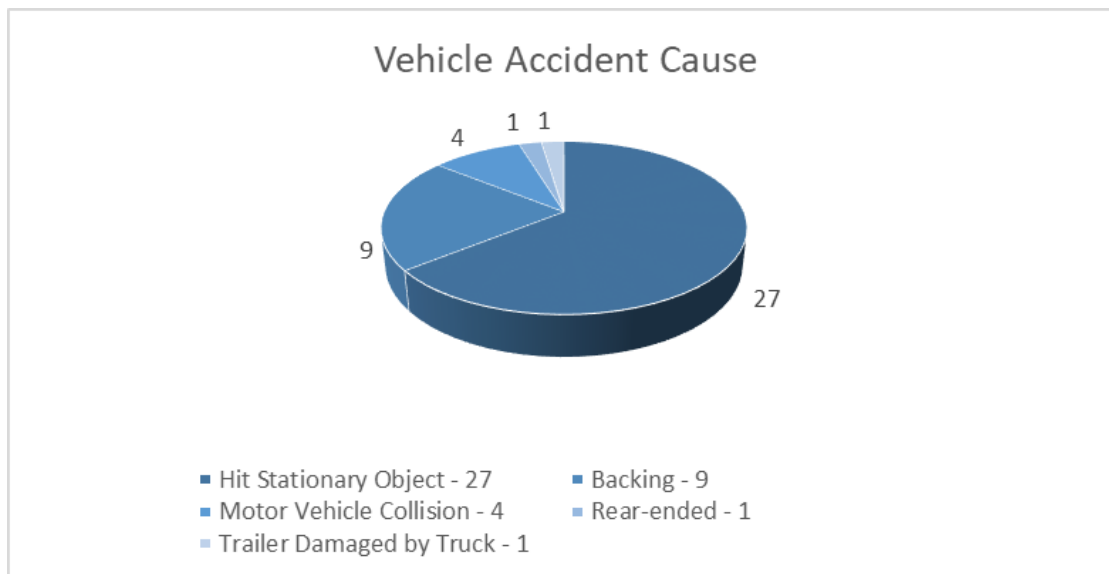
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Vehicle Accidents

The LVVWD experienced a 32 percent increase in preventable vehicle accidents. Despite this increase, the cost of damages were minimized. The LVVWD's vehicle accident rate increased from 8.3 in 2022 to 9.5 in 2023. Rates are computed using the following formula: # vehicle accidents X 1,000,000 miles/ actual miles driven.

Most vehicle accidents were caused by preventable driving activities. Hitting stationary objects, which equates to 64 percent of all 2023 vehicle accidents, continues to be the number one cause of preventable accidents. The second most common preventable accident, at 21 percent, remains backing incidents.

Most accidents are a direct result of drivers not conducting a safety circle check before moving a parked vehicle and ensuring adequate clearance for maneuvers, both to the front and rear. Employees must take the time to verify that the path of travel is clear by conducting a safety circle check and, when possible, using a spotter. Training efforts and focused reviews in these specific areas will be included in the goals of the EHS Steering Committee and Safety Action Teams.



Occupational Health

Occupational health is the promotion and maintenance of the highest degree of worker well-being. As part of the LVVWD's occupational health program, monitoring potential hazards associated with noise exposure and respiratory protection is the utmost priority. The hearing conservation and respiratory protection programs test and train employees annually on identifying, mitigating, and protecting themselves from related hazards.

Hearing conservation program participants (228 employees in 2023) undergo annual audiometric testing. In 2023, no employee sustained a recordable shift (or hearing loss); as such, no claims for workers' compensation for hearing loss were filed in 2023.

Also occurring in 2023, all 311 employees who are part of the respiratory protection program were trained and fit tested. The number of health sampling requests increased from eight in 2022 to 12 in

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2023. Samples were collected and analyzed for exposure impact to employees and included lead, asbestos, and mold.

Recycling Program

The LVVWD recycled 825,167 pounds of material in 2023, resulting in a 28 percent reduction from 2022. Total revenue for 2023 was \$776,409 (Metal = \$372,430, Auctions = \$64,829, Vehicles = \$339,150).

The declining total pounds recycled is attributed to the organization's hybrid working operations, while the increase in revenue generated stems from increased auction-item sales.

Corporate Security Division. Corporate Security's mission is to ensure the protection of people, property, facilities, and water treatment/delivery systems by providing 24-hour security services, including intrusion alarm and service-call response; field crew escort and standby support during water service shutoff; reservoir and pumping station site patrol; vehicle collision investigation of LVVWD vehicles; emergency first aid and police/fire escort; fire protection equipment and alarm system inspection; customer parking assistance; customer, vendor, and visitor escort; information assistance and facility access; emergency evacuation and active shooter training; and vendor access monitoring and control of restricted areas. Physical security networks and systems, including electronic access control, security cameras, alarms, and locks, in conjunction with a 24/7 centralized security call center, are in place to assist officers in maintaining campus control. Additionally, Corporate Security has formed partnerships with federal, state, and local law enforcement authorities and other utilities to guard against malicious acts toward the LVVWD.

Emergency Management. Emergency Management works to assure a water system that adapts to or withstands the effects of a malevolent act or natural hazard without interruption to the asset or system's function, or, if interruption occurs, to rapidly return the system to normal operating conditions. To meet or exceed federal guidelines for water sector preparedness and increase organizational resiliency, emergency management staff conduct work in all five phases of emergency management: mitigation, planning, prevention, response, and recovery.

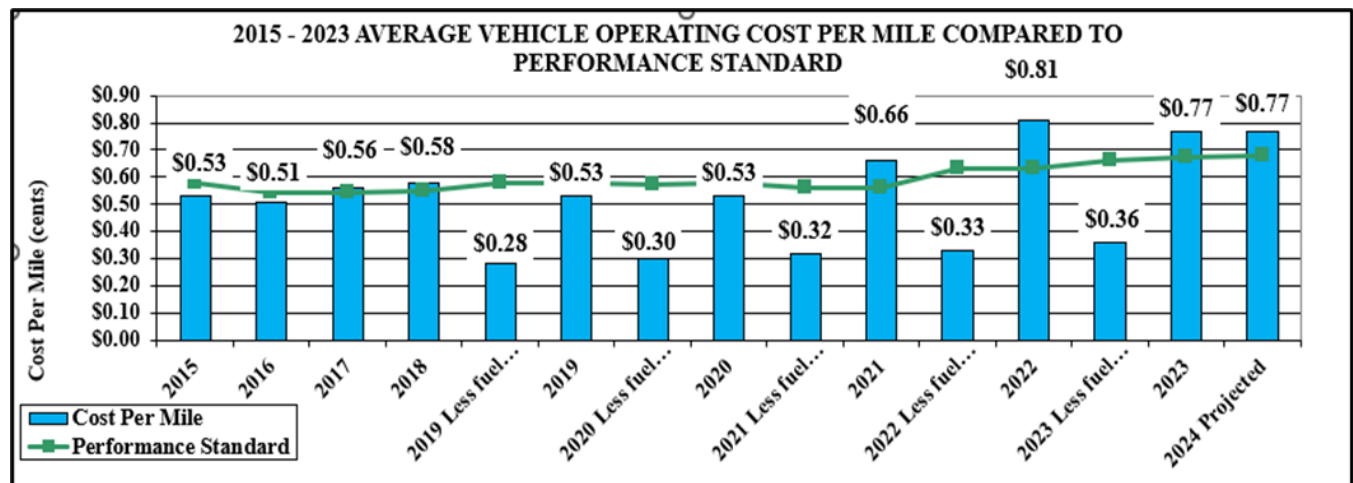
Material Services. Material Services is customer focused as it provides quality operating and maintenance products, material requirements planning, inventory management, and storage and retrieval services to the LVVWD. Material Services is responsible for processing incoming and outgoing intercompany mail, United States Postal Service mail, and office supply deliveries across the service network. Material Services delivers and posts public notices, administers the postage budget, and processes communication campaign projects for Public Services. In 2023, Material Services managed 13,680 inventory assets valued over \$23.5 million. Material Services partners with internal customers to identify, forecast, and schedule capital and operations project material requirements and ensure delivery to all facilities. Material Services also processes and delivers all items intended for auction, manages recycled metals, and administers the uniform program for employees.

Fleet Services. Fleet Services provides safe, reliable, and functional vehicles, equipment, tools, fuel, and communications equipment that directly support water delivery. Currently, the division maintains more than 1,500 vehicles and support equipment pieces, and 1,000 pieces of communications equipment. Division responsibilities include repair service and maintenance, along with acquisition/disposition of all vehicles, communications and support equipment, and loanable tools. Fleet Services

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also operates seven service facilities and seven fueling facilities in Las Vegas, Boulder City, Henderson, and White Pine County.

The following chart reflects the LVVWD's average vehicle operating cost per mile compared to accepted performance standards.



Strategic Plan Objectives and Accomplishments

Strategic Plan Goal – Assure quality water through reliable and highly efficient systems.

2024-25 Performance Objectives

- Environmental, Health and Safety
 - Benchmark accident/injury standards to BLS comparable industries.
 - Conduct weekend/after-hour spot audits of industrialized work activities supporting water treatment, water quality, water distribution, or other LVVWD projects.
 - Maintain a formalized training schedule for all EHS instructor-led courses.
 - Obtain all required water pollution control permits and continually monitor water discharge parameters to reduce pollutants discharged.
 - Review and update the EHS Manual and all internal EHS procedures.
 - Review maintenance and professional services contracts to ensure EHS compliance.
- Corporate Security
 - Install electronic security locks at the North Valley View campus.
 - Partner with Information Technology to perform an audit of the C-CURE access control program and update employees' access accordingly.
 - Purchase an automated security gate with card readers for Foothills pumping complex main entrance.
 - Replace the entrance gate at Montessori satellite with a superior Wallace gate.
 - Upgrade the Security Center's camera and alarm systems to provide analytics and artificial intelligence technologies.
- Emergency Management
 - Develop, maintain, and revise rigorous training and emergency exercise programs.

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- Develop and implement organizational small, unmanned aircraft systems procedures.
- Develop the NvWARN network to support Nevada safe drinking water/wastewater facility resilience.
- Expand user capabilities for Regroup notification system.
- Improve mobile monitoring capabilities to provide leadership and improved field level situational awareness during emergencies.
- Maintain strong relationships with Federal Emergency Management Agency (FEMA) municipal and partner agencies.
- Partner with the Department of Homeland Security (DHS) and Southern Nevada Counter-Terrorism Center (SNCTC) to prepare for potential threats to facilities or the water industry.
- Provide additional on-site training opportunities for employees and partner agencies.
- Review and revise organizational Emergency Operations Plan, with focus on training and accessibility.
- Utilize the LVVWD's Emergency Operations Center to engage with the Incident Management Team.
- Material Services
 - Provide an uninterrupted supply of critical materials to support operations.
 - Supply laboratories with equipment and supplies to maintain water quality testing standards.

2023-24 Major Accomplishments

- Environmental, Health and Safety
 - Achieved recordable injury incidence rate of 2.5, compared to BLS rate of 5.4, extending the LVVWD's history of remaining below BLS rates.
 - Completed over 172 documented spot audits.
 - Conducted an EHS comprehensive occupancy audit of the North Valley View campus.
 - Conducted over 95 investigations related to recordable injuries, preventable vehicle accidents, and preventable property damage incidents, and made corrective action recommendations to reduce reoccurrence of the same types of incidents.
 - Received no citations or Notices of Violations from OSHA or Environmental Protection Agency (EPA).
 - Renewed 175 environmental permits.
 - Successfully completed Safety Stand Down Day (SSDD) with 425 employees in attendance.
- Corporate Security
 - Developed a comprehensive training program to complement the Use of Force and Restraint standard operating procedure for LVVWD Security Officers.
 - Promoted the DHS national *If You See Something, Say Something™* campaign.
 - Provided increased security checks at critical sites, including water treatment plants and pumping stations.
 - Reviewed and updated the Corporate Security Manual.
- Emergency Management
 - Attended FEMA training to gain Incident Command System trainer certification.
 - Coordinated aid response for the County of Hawaii to provide a critical piece of equipment.
 - Hosted several local first responder liaison days at Alfred Merritt Smith and River Mountains Water Treatment Facilities.
 - Launched internal two-way notification system to communicate with staff on emergencies.
 - Participated in state and community Threat Hazard Identification and Risk Assessment workshops, exercise planning meetings, and threat/risk exercises.

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- Reviewed and updated the Continuity of Operations Plan.

Strategic Plan Goal – Deliver an outstanding customer service experience.

2024-25 Performance Objectives

- Environmental, Health and Safety
 - Participate in local association meetings to gather information on best management practices to support the Safety Management System and adopt and implement proven work methods.
 - Provide evaluation forms for instructor-led courses to assess customer satisfaction.
- Corporate Security
 - Conduct ride-alongs and field escorts with Operations, Distribution, and water enforcement teams.
 - Explore and test new security technology and systems.
 - Increase active shooter response training and make it available to all work groups.
- Emergency Management
 - Attend briefings, meetings, training, and support groups for Utility Pipeline and Coordinating Group (UPCG), InfraGard, SNCTC, DHS, Southern Nevada Health Preparedness Coalition, American Water Works Association, and local emergency planning committees.
 - Lead community effort and plan for drinking water distribution in the event of supply disruption.
- Material Services
 - Conduct monthly planning and review meetings with Field Services, Inspection, and project support teams to monitor and ensure consistent materials management and inventory replenishment for LVVWD projects.
 - Coordinate logistics between all facilities to ensure timely delivery of mail, materials, and equipment, and meet customer shipping needs for outbound materials.
- Fleet Services
 - Expand telematics system to assess vehicle condition and reduce downtime.
 - Partner with all departments in the specification process for new and replacement vehicles/equipment.
 - Provide the best possible equipment choices to departments to assist them in meeting their goals efficiently and effectively.
 - Provide state-of-the-art tools, equipment, and training to ensure maximum efficiency in services provided.
 - Respond to changing customer needs and implement/modify services to support the mission.
 - Strive for 100 percent vehicle equipment availability.

2023-24 Major Accomplishments

- Environmental, Health and Safety
 - Collected student evaluation forms after each EHS instructor-led course to improve future course curriculums.
 - Conducted a survey of the SSDD event to obtain feedback and improve future training courses. [The latest survey yielded the highest overall employee satisfaction of the past three events.]
 - Participated in meetings with Safety Action Teams, EHS Steering and Sustainability cross-department committees, and the Public Employer Safety Officer (PESO) Coordination meeting.

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- Updated electronic materials on the Hydroweb to ensure that all employees have access to useful health and safety information.
- Corporate Security
 - Increased on-site training and strengthened partnerships with other emergency responders by allowing use of LVVWD facilities for rescue and emergency response training.
 - Increased metal detector screening at public meetings and special events.
 - Launched an in-house preventative maintenance program for the Medeco lock system to ensure error-free operation for all employees.
 - Offered annual active shooter training to all employees and workgroups.
 - Partnered with SNCTC and multiple law enforcement agencies to conduct a full-scale active shooter exercise at the Springs Preserve.
 - Partnered with the local Federal Bureau of Investigation (FBI) to quickly evaluate, vet, and clear foreign nationals requesting access to LVVWD facilities.
 - Prepared written incident action plans for large-scale special events to align with National Incident Management System standards.
 - Provided additional security presence for employees during heightened customer interactions, both on campus and at jobsites.
- Emergency Management
 - Educated workgroups on COVID-19 protocols to protect employees from illness and spread.
- Material Services
 - Worked diligently with Purchasing department and external vendors/suppliers to ensure a consistent stream and supply of materials required for uninterrupted LVVWD operations.
 - Processed 76,725 material issues/returns, 23,424 individual receipts, delivered 6,525 packages and performed 240 pickups or deliveries LVVWD-wide.
 - Supported Kyle Canyon, during the water outage caused by Hurricane Hilary, by delivering over 600 gallons of drinking water to Mt. Charleston residents.
- Fleet Services
 - Completed 10,000 work orders and 12,400 vehicle/equipment repair tasks.
 - Enhanced customer service in outlying areas through technology, improved parts availability, and on-site technician scheduling.
 - Involved customers in the vehicle/equipment specification process to ensure the best possible products were provided.
 - Maintained automotive service excellence Blue Seal of Service Award and World Class Technician status through training and certification.
 - Maintained I-Car Platinum status for the fleet paint and body operation through technician training and certification.
 - Monitored vehicle health status through our telematics system to identify equipment failures and reduce operator downtime.
 - Partnered with customers to review vehicle/equipment needs, identify areas in need of modification or improvement, and provide 3D drawings of special-build vehicles to ensure equipment fitment and product usability.

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Strategic Plan Goal – Anticipate and adapt to changing climatic conditions while demonstrating stewardship of our environment.

2024-25 Performance Objectives

- Environmental, Health and Safety
 - Prepare and submit environmental reports to regulatory agencies.
 - Review current recycling and waste streams to identify new recycling opportunities.
- Corporate Security
 - Increase water enforcement patrols and coordinate with Conservation to enforce service rules related to water theft.
 - Provide security oversight to construction projects associated with the Horizon Lateral project.
 - Utilize results from DHS vulnerability assessments to further protect the lower third pumping station (L3PS) from human caused incidents.
- Fleet Services
 - Develop alternate fuel vehicle program, expand the LVVWD's plug-in electric vehicle fleet, and add electric vehicle charging infrastructure.
 - Implement environmentally friendly practices in automotive paint and body repair.
 - Improve fleet vehicle/equipment utilization to reduce costs and resources.
 - Recondition and reuse service bodies and vehicle up-fit equipment for SNWA vehicles and equipment.
 - Recycle vehicle and equipment maintenance waste and expand recycling activities.
 - Utilize telematics and best management practices to reduce unnecessary vehicle fuel burn across the LVVWD's vehicle fleet through improved vehicle utilization and reduced vehicle idle time.

2023-24 Major Accomplishments

- Environmental, Health and Safety
 - Monitored recycling program which yielded \$776,409 (Metal = \$372,430, Auctions = \$64,829, Vehicles = \$339,150).
 - Tracked and submitted 175 environmental permits on time.
 - Tracked, contained, and cleaned up nine unintentional releases of regulated material.
 - Successfully completed the 101 Critical Days of Summer without a heat-related illness (third consecutive year).
- Corporate Security
 - Assisted Public Services with multiple media tours to L3PS.
 - Continued security patrols in areas of high backflow theft and developed partnerships with local scrap metal yards to identify and seize stolen backflows.
 - Provided security awareness, safety training, and escorts for employees who respond to water theft incidents and investigations.
- Fleet Services
 - Completed retrofit of the fleet paint booth with more environmentally friendly technology.
 - Maintained 79 percent alternative fuel burn rate for LVVWD vehicles/equipment.
 - Recognized as one of the 100 best fleets by the Top 100 Fleets in North America.
 - Replaced older diesel and gasoline powered vehicles with alternative fuel and more efficient vehicles, which lowered capital cost and reduced carbon footprint.

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Strategic Plan Goal – Develop innovative and sustainable solutions through research and technology.

2024-25 Performance Objectives

- Environmental, Health, and Safety
 - Explore modern technologies and methods in the Worker’s Compensation Program.
- Corporate Security
 - Conduct monthly security meetings with Information Technology to monitor security risks and threats.
 - Install a security guard booth at the main entrance to the Springs Preserve to increase visitor safety and perimeter security.
 - Partner with SNWA Telemetry to leverage the full potential of our current security camera analytics.
- Fleet Services
 - Equip the fleet facilities with state-of-the-art testing and diagnostic equipment to accurately diagnose and repair vehicle and equipment failures.
 - Migrate AssetWorks to the cloud to allow an open application programming interface platform to improve systems integrations.
 - Provide online technical and diagnostic training for technicians.
 - Utilize advanced telematics and fleet management tools to lower liability, reduce costs, improve efficiency, and better manage fleet assets.

2023-24 Major Accomplishments

- Environmental, Health and Safety
 - Completed Origami Safety Management update, including development of EHS training, and tracking and occupational health modules.
 - Implemented a 24/7 nurse hotline for employees to access in the event of a non-emergency medical injury. This service provides employees with real-time access to a medical professional who triages the injury and directs the employee to the appropriate medical facility, as needed.
- Corporate Security
 - Continuously monitored more than 800 cameras in the Security Center.
 - Installed automatic gate at Northwest satellite location.
 - Partnered with Risk Management to utilize the security blotter system to accurately track theft, vandalism, and fire system outages.
- Material Services
 - Implemented Fastenal vending machines for personal protective equipment and consumables to increase efficiency and transparency and reduce overhead costs.
- Fleet Services
 - Equipped all fleet repair facilities with state-of-the-art diagnostic equipment, reducing vehicle downtime and repair costs.
 - Integrated fleet telematics system and asset management system to improve statistical data and reporting.
 - Provided online technical training and diagnostic information to technicians at all repair locations.
 - Upgraded to cloud-based fuel management system to improve access and reporting capabilities.

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- Utilized telematics system for early detection of equipment failures to improve safety, reduce operator downtime, and lower fuel usage.

Strategic Plan Goal – Ensure organizational efficiency and manage financial resources to provide maximum customer value.

2024-25 Performance Objectives

- Environmental, Health and Safety
 - Identify new environmental, health, and safety regulations and policy changes, and collaborate with other pertinent agencies.
- Corporate Security
 - Collaborate with Las Vegas Metropolitan Police Department (LVMPD) to explore drone training for use in Security, Emergency Management, and remote-site inspections.
 - Partner with the Federal Bureau of Investigation (FBI) InfraGard and UPCG to stay informed about current water sector threats.
 - Partner with SNCTC and LVMPD and attend classified briefings on critical infrastructure threats.
- Material Services
 - Develop and implement best-practice inventory management and reporting to minimize duplications and realign materials management.
- Fleet Services
 - Improve benchmarking capabilities for vehicle and shop performance through enhanced analytics in the AssetWorks cloud platform.
 - Lifecycle vehicles and equipment to ensure fleet efficiency and best return on investment.
 - Reduce overall cost per mile/hour of operation for all vehicles and equipment.
 - Without compromising safety or level of service, reduce fleet operating costs through standardization opportunities, inactive inventory reduction, and continuous process improvement.

2023-24 Major Accomplishments

- Environmental, Health and Safety
 - Achieved continuous monitoring of OSHA, EPA, and the Department of Industrial Relations guidelines to incorporate relevant changes.
 - Developed and implemented best practice in EHS management and reporting.
 - Partnered with the PESO coordination agencies.
- Corporate Security
 - Hosted multiple confined space and rope rescue training scenarios at LVVWD reservoirs for local police and fire departments to increase responder readiness.
 - Increased training and conducted over 150 security readiness drills to prepare Security Officers to respond to unauthorized vehicles and persons, suspicious packages, medical emergencies, and improved response time reporting to collisions involving LVVWD vehicles.
 - Partnered with FBI to provide employees with advanced insider threat training.
 - Partnered with local law enforcement, recycling centers and scrap yards to achieve a 75 percent reduction in backflow thefts.
- Material Services
 - Received and distributed over \$25.3M in materials.

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- Received zero findings during the July 2023 warehouse audit report by Baker Tilly Accounting Firm.
- Fleet Services
 - Completed the year with a fleet parts inventory on the dollar variance of 0.18 percent.
 - Recovered \$394,000 through vehicle and equipment auction and \$20,117 in vehicle warranty repairs through in-house warranty programs.
 - Replaced 92 vehicles and equipment pieces that were no longer cost effective to operate and maintain, while adding 21 pieces to accommodate growth and improve organizational capabilities.

Strategic Plan Goal – Strengthen and uphold a culture of service, excellence, and accountability.

2024-25 Performance Objectives

- Environmental, Health and Safety
 - Conduct instructor led EHS training for SNWA employees.
 - Conduct investigations for all incidents and identify corrective actions.
 - Provide EHS information updates through ePipeline, Hydroweb, and electronic management advisory and safety alert messaging.
- Corporate Security
 - Educate employees on the importance of safeguarding themselves and company property while crews are working in the field.
 - Expand installation of Nightlock devices for additional safe rooms at all campuses and Big Bend Water District.
 - Provide security refresher training to employees on active shooter awareness and Nightlock safe-room operations.
- Emergency Management
 - Foster relationships with local, municipal. and emergency management professionals to reinforce the importance of including the LVVWD in emergency preparedness planning activities.
- Fleet Services
 - Partner with departments to better assess needs and improve design and capability of specialty vehicles and equipment.
 - Provide comprehensive preventive and predictive maintenance on vehicles and equipment to ensure optimum uptime.
 - Maintain Automotive Service Excellence Blue Seal certification and World Class Technician status.
 - Maintain I-CAR Platinum Class Certification for paint and body operations.
 - Train and certify I in modern technology and repair techniques.
 - Survey customer base to gain insights to improve services and equipment provided.

2023-24 Major Accomplishments

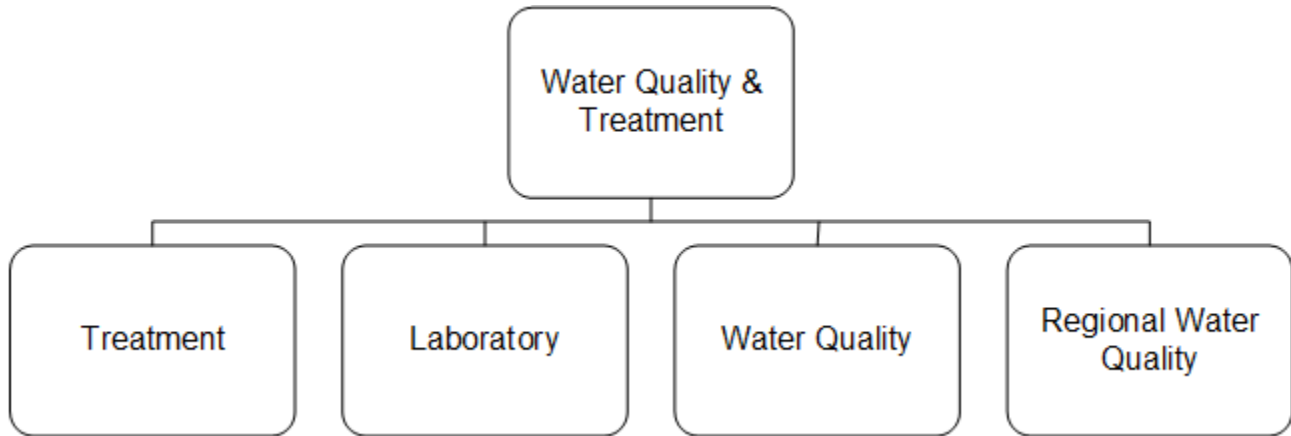
- Environmental, Health and Safety
 - Applied Origami software risk accident/incident tracking and reporting processes through the Security Center.
 - Completed the EHS Annual Report highlighting major accomplishments in 2023.
 - Implemented the the Safety Minute on Viva Engage.

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- Received and monitored 16 Safety Action Requests to ensure corrective actions were implemented.
- Successfully completed the SSDD event with the highest satisfaction rating from participants over past three events.
- Corporate Security
 - Completed upgrade of employee card reader system to C-CURE ahead of schedule.
 - Increased security presence at public meetings for septic conversions and excessive use fees.
 - Implemented new employee identification badge procedures for increased employee safety.
 - Provided advanced active shooter response and Stop the Bleed training for all Security Officers.
 - Provided daily security escorts for Customer Service employees servicing kiosk terminals.
 - Standardized 100 percent employee identification badge checks at all facility entrance points and maintained tighter control of access points.
- Emergency Management
 - Completed the Big Bend Water District Risk and Resilience Assessment to identify highest risk facilities and areas to best use resources and improve resilience.
 - Provided support for Clark County mutual assistance partners by offering utility expertise at the Multi-Agency Coordination Center for large-scale events, such as New Year's Eve, NASCAR, and Life is Beautiful.
- Material Services
 - Integrated Mail Services and Material Services into one division.
 - Partnered with key internal customers to assess customer needs and improve distribution of products.
- Fleet Services
 - Completed over 10,000 work orders and 12,400 repair tasks on vehicles and equipment.
 - Maintained Automotive Service Excellence Blue Seal of Service Award and World Class Technician status.
 - Maintained I-CAR Platinum Class Certification for paint and body operation.
 - Maintained standing as one of the 100 Best Fleets in North America through North American Fleet Management Association.
 - Partnered with key customers to better assess their needs and improve end products and services provided.

WATER QUALITY & TREATMENT

Level: 4500



Mission

To provide world-class water service through innovative and effective water quality stewardship and reliable and efficient treatment operations.

Department Description

The functions under the Water Quality and Treatment (WQ&T) department include: Treatment, Laboratory, Water Quality Research and Development, and Regional Water Quality. The primary responsibility of the WQ&T department is to ensure the water quality provided to the Southern Nevada Water Authority (SNWA) purveyor members meets or surpasses all Safe Drinking Water Act (SDWA) standards. In order to do this, each division of the WQ&T department have specific roles. The Treatment division is responsible for the operation and maintenance of the treatment process to supply high quality drinking water to the Las Vegas Valley. The Laboratory division is responsible for ensuring the finished water quality is compliant with the SDWA monitoring and reporting requirements. The Water Quality Research and Development (R&D) division is responsible for performing research and process optimization studies to ensure the Treatment division is prepared for changing and emerging water quality challenges. The Regional Water Quality division is responsible for monitoring, coordinating, and projecting water quality in the SNWA source waters. All these efforts are in support of the primary responsibility for the department.

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SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Energy	\$ 112,364	\$ 75,000	\$ 118,000
Materials and supplies	8,403,442	11,674,300	10,118,000
Maintenance and repairs	893,073	1,210,000	1,281,700
Rental and leases	—	—	—
Other employee expenses	637,933	768,140	821,425
Other operating expenses	663,164	1,879,450	1,355,750
Total Operating Expenses	10,709,976	15,606,890	13,694,875
Capital expenditures	6,486,938	30,460,897	55,069,560
Salaries and benefits	17,888,832	19,791,421	21,429,021
TOTAL DEPARTMENT EXPENDITURES	\$ 35,085,746	\$ 65,859,208	\$ 90,193,456
FTE POSITIONS	91.5	92.1	95.4

Department Performance

Treatment. The Treatment division is responsible for the operation and maintenance of three treatment facilities: the Alfred Merritt Smith Water Treatment Facility (AMSWTF); the River Mountains Water Treatment Facility (RMWTF); and the Big Bend Water District (BBWD). The three facilities have the capacity to treat over 900 million gallons of water per day.

Laboratory. The Laboratory division is responsible for routine water quality monitoring, testing, and reporting. The analytical capabilities of the Laboratory cover a broad spectrum including: trace organic, trace inorganic, macro constituent, physical, wet-chemical, bacteriological, virological, protozoan, amoebas, and limnological analyses. With 41 employees, approximately 55,199 samples were collected, and 320,071 analyses performed in 2023. The number of analyses can fluctuate year-to-year depending on the year's monitoring requirements.

Water Quality Research and Development. The Water Quality Research and Development (R&D) division performs leading-edge water quality research and provides innovative treatment solutions with expertise in engineering, chemistry, and microbiology. Water quality and treatment research prepares the Organization for current and future U.S. Environmental Protection Agency (USEPA) compliance, advances the science of direct and indirect potable reuse, and provides guidance for full-scale capital improvement projects. Research areas focused on low-level environmental contaminants, emerging pathogens, and wastewater surveillance. In 2023-2024, R&D was involved in \$18M of research in a principal investigator role, published 22 peer reviewed manuscripts, seven Water Research Foundation reports, and 66 presentations.

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Regional Water Quality. The Regional Water Quality division is responsible for monitoring and coordination of regional water quality issues within the SNWA and other local, state, and federal agencies. To accomplish this, the division also analyzes data in the Colorado, Muddy and Virgin Rivers, and the Las Vegas Wash; compiles, validates, and analyzes all water quality data collected in these water bodies, as well as the data collected from Lake Mead and Lake Mohave by other agencies and the SNWA. All data collected is uploaded into the Lower Colorado River Regional Water Quality Database (snwawatershed.org/members). The division also operates and expands the Lake Mead Model, a 3D mathematical model for water movement and quality in Lake Mead with an emphasis on the potential impacts on the raw water supply.

Strategic Plan Objectives and Accomplishments

Strategic Plan Goal – Assure quality water through reliable and highly efficient systems

2024-25 Performance Objectives

- Provide updated model predictions of Lake Mead water quality as the US Bureau of Reclamation (USBR) updates their predictions of Colorado River Operations to inform water treatment.
- Complete a preliminary analysis of water quality benefits attributable to flow control structures on the Las Vegas Wash.
- Complete the new SCADA system installation and convert Big Bend Water District's (BBWD) treatment plant process to the new system.
- Complete the installation of new chemical feed skids and chemical containment for skids at BBWD.
- Complete the installation of the new BBWD raw water variable frequency drive upgrade for the small pump.
- Plan the installation of the upgraded motor control cabinet (MCC) and programmable logic controller (PLC) improvements at BBWD Needles Highway pump station 1000 Zone. Improvement delayed due to electrical supply chain issues.
- Replace decant pond flow meter, back wash pump #2 soft start MCC, and actuators on filter drain valves at BBWD.
- Continue participation in the design of the ozone and oxygen systems upgrades for Alfred Merritt Smith (AMSWTF) and River Mountains (RMWTF) Water Treatment Facilities.
- Participate in the design of the AMSWTF flocculation and flash mix rehabilitation project.
- Replace the zinc and ferric metering pumps, MCC and PLC Panels at AMSWTF.
- Replace of all the Masoneilan oxygen control valves in preparation of the ozone design enhancement project at AMSWTF.
- Inspect AMSWTF backwash filter 1-20 36-inch supply pipe using Guided Wave Technology. In addition, complete permanent repairs of pipe and install new 36-inch isolation valve and gear box.
- Update and repair CAP 23 chemical feed and raw water sample piping at the Intake 3 access shaft for improved reliability at AMSWTF.
- Replace and/or rebuild vacuum pressure swing adsorption (VPSA) switching valves and actuators at AMSWTF.
- Prepare and train staff for cutover from Avantis to Maximo computer maintenance management systems for AMSWTF and RMWTF.
- Retrofit five drying bed decant valves operators and bearings at AMSWTF.
- Collaborate with Las Vegas Valley Water District (LVVWD) Operations and WaterStart to validate the performance of ultraviolet light emitting diode (UV-LED) technology for *Legionella* inactivation.

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- Conduct pilot corrosion/dezincification tests evaluating new American Water Works Association (AWWA) brass alloy standard (higher %zinc) for distribution system fittings against current brass alloy used by LVVWD Infrastructure Management.
- Complete all SDWA monitoring requirements for AMSWTF, RMWTF, BBWD, LVVWD, North Las Vegas, Henderson, Boulder City, Nellis Air Force Base, Blue Diamond, Kyle Canyon, Jean, Searchlight, Sloan Army Reserve, and Kapex. This includes preparation and support efforts for Lead and Copper Rule Revisions (LCRR) and Lead and Copper Rule Improvements (LCRI). Compliance for LCRR begins October 16, 2024. The compliance date for LCRI is pending final promulgation of the rule by the USEPA.
- Replace aging instrumentation, such as the purchase of a new UV-visible spectrophotometer to analyze water samples by Standard Method (SM) 5910B and a new gas chromatograph-mass spectrometer to analyze water samples for trihalomethanes.
- Drive continuous quality improvement in the laboratory that meets and/or surpasses all regulatory guidance requirements for data integrity. Enhance and refine quality assurance and quality control protocols for both compliant and non-compliant methodologies, such as EPA Method 1623 for *Cryptosporidium* and *Giardia* in water via filtration/immunomagnetic separation/immunofluorescence assay microscopy, EPA Method 546 for total microcystins determination, and EPA Method 445.0 for in vitro chlorophyll *a* determination.

2023-24 Major Accomplishments

- Replaced HVAC system in BBWD ozone generator room.
- BBWD Foothills tank 1130 completed its interior rehabilitation.
- Replaced pressure reducing valves and upgraded network firmware and hardware network switches at BBWD.
- Replaced Needles Highway pump station zone flowmeter.
- Completed the installation of the new BBWD AVEVA SCADA system and cellular network carrier communication system.
- Refurbished the large safety relief valves on the VPSA systems at both AMSWTF and RMWTF.
- Completed repairs to RMWTF filter #4 gullet construction joints and replaced fluorosilicic acid bulk tank #2.
- Rebuilt base load oxygen compressors at AMSWTF and RMWTF.
- Rebuilt RMWTF flash mix pump #1.
- Staff completed extensive collaboration with design consultants for the new ozone and oxygen systems enhancements project at both treatment facilities.
- Replaced large backwash MCC and PLC at AMSWTF.
- Replaced and retrofitted all oxygen dew point analyzers to Panametric Dew IQ for standardization of equipment at both treatment facilities.
- Installed new Rotork actuators, air valves, and effluent valve/gearbox on AMSWTF filter 25.
- Installed new Rotork actuators and air valves on AMSWTF filter 26.
- Replaced obsolete ATS switch in AMSWTF ozone building.
- Analyzed Lake Mead and Mohave measured water quality data and advised management on possible environmental impacts to the treatment system. Autonomous water quality monitoring platforms continue to provide additional information to supplement sampling by personnel. These analyses have become increasingly focused on predicting the impact of falling lake levels on future water quality.

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- Collaborated with Nevada Department of Environmental Protection-Bureau of Safe Drinking Water (NDEP-BSDW) to review and refine *Legionella* guidance for LVVWD groundwater based on the most up to date information.
- Supported LVVWD Operations with water quality sampling, testing, and reporting efforts to lift the Kyle Canyon Water District boil water order after substantial damage to the water system was sustained during Tropical Storm Hilary.
- Completed SDWA monitoring requirements for AMSWTF, RMWTF, BBWD, LVVWD, North Las Vegas, Henderson, Boulder City, Nellis Air Force Base, Blue Diamond, Kyle Canyon, Jean, Searchlight, Sloan Army Reserve, and Kapex. Due to an increase in population, LVVWD monitoring locations were increased under the Revised Total Coliform Rule. Monitoring locations increased from 351 to 362 sites monthly.
- Nellis Air Force Base's fifth Unregulated Contaminant Monitoring Rule (UCMR 5) monitoring began.
- The compliance laboratory completed all corrective actions from the biannual NDEP-BSDW accreditation certification assessment.
- The biannual The National Environmental Laboratories Accreditation Conference Institute (TNI) gap assessment focused on the compliance laboratory's quality management system. Auditors identified high-risk vulnerabilities based on observations requiring corrective action to minimize and/or eliminate the risk.

Strategic Plan Goal – Deliver an outstanding customer service experience

2024-25 Performance Objectives

- Continue to provide access to water quality data for Lakes Mead and Mohave and associated river systems to a diverse group of internal and external customers.
- Continue serving Water Research Foundation (WRF) on various Project Advisory Committees and Technical Advisory Committees.
- Provide expertise on SNWA feasibility projects focused on indirect/direct water reuse implementation (Boulder City, Ivanpah Airport planning, NV WaterReuse Association, Pure Water Southern California Program, National Water Research Institute's Independent Advisory Panel for Aurora Water, CO, Direct Potable Reuse Implementation Project).
- Provide expertise to the International Ozone Association through participation on the Pan American Group Executive Committee, several subcommittees, and International President.
- Provide expertise to Isle Utilities per- and polyfluoroalkyl substances (PFAS) and Water Quality Sensor Partnership projects.
- Continue support of various ongoing research projects by providing quality data in a timely manner, including extensive lake and sources monitoring, complex storage/distribution system trihalomethane monitoring, Legiolert study sampling, lead and copper/water quality parameters study sampling, and additional ad-hoc water quality monitoring requests.
- Provide outstanding customer service to external customers via water quality investigations by responding to water quality inquiries in a timely manner (within one business day), educating customers about water quality and what to look for, and leaving them feeling that their concerns matter and that we want to help them resolve their problem.
- Stabilize and enhance processes within the new LIMS to drive efficiency across the laboratory environment to meet and/or surpass all regulatory guidance requirements.
- Implementation and configuration of the customer facing data portal to enhance the customer service experience to deliver data of known and documented quality.
- Improve analytical turnaround times through the addition of personnel and upgraded technology.

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2023-24 Major Accomplishments

- Initiated the transfer of the Lower Colorado River Water Quality Database to a new, up to date database platform, which will provide easy access to customers.
- Carried out discharge modeling for the Clark County Water Reclamation District in support of their permit renewal with NDEP.
- Prepared quarterly drinking and wastewater reports for the Sewage and Wastewater Advisory Committee.
- Provided Public Services staff with guidance on how to better communicate the facts associated with PFAS, *Legionella*, and hydrazine.
- Provided PFAS information to the following local groups: Sewage and Wastewater Advisory Committee, Las Vegas Stormwater Quality Management Committee, and Clark County Regional Flood Control District.
- The laboratory's support team responded to 190 water quality calls, 81 emails, and collected 32 investigation samples.
- Laboratory staff assisted Regional Water Quality division with the maintenance and repairs of the water quality monitoring buoys deployed on Lake Mead.
- Conducted analytical work to support ongoing research projects, such as WRF 5122, WRF 5053 and Bureau of Reclamation Dissolved Air Flotation project.
- Collaborated with the National Park Service on analysis of samples for free-living amoeba and algal toxins. Provided recommendations for improving sampling techniques for their sampling plan.

Strategic Plan Goal – Anticipate and adapt to changing climatic conditions while demonstrating stewardship of our environment

2024-25 Performance Objectives

- Continue monthly modeling of water quality in Lake Mead based on inflows and surface elevations provided by the USBR.
- Evaluate the efficacy of innovative dissolved air flotation approaches to address potential for elevated turbidity and algal events resulting from lowering lake elevations.
- Evaluate the use of online sensors paired with machine learning algorithms to determine and predict the percentages of de facto water reuse from Las Vegas Wash into Lake Mead.
- Preparation of additional monitoring due to changes in climatic conditions, such as adding groundwater under the direct influence of surface water monitoring for Kyle Canyon Water District due to increased snowpack and runoff flooding; and increase microbial data analysis, tracking, and trend monitoring to improve predictive modeling regarding environmental or population changes.
- Perform continuous data surveillance to evaluate the integrity of all data being generated by the laboratory with no impact to data usage for Environmental Impact Statements.
- Evaluation of laboratory's water purification system and determining solutions for repair and/or replacement of water system and leak detection system.

2023-24 Major Accomplishments

- The Aquatic Ecosystem Model 3D-driven Lake Mead Model was used to evaluate changes due to climate drivers and changes in inflow, outflow, and water storage in the quality of water in Lake Mead and entering Lake Mohave at various lake surface elevations. Additional modeling efforts simplified predictions of water quality upstream of Lake Mead.

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- Provided results of Lake Mead Modeling of water quality changes to advise the Glen Canyon Adaptive Management Program on the impact of proposed flow regime changes.
- Regional Water Quality advised partners at Lake Mead National Recreation Area, USBR-Lower Colorado River Region, and other Colorado River decision makers on the water quality impacts of continued drought conditions.
- Provided expertise and feedback on the water quality and treatment challenges associated with drought and declining lake elevation via the Low Lake Level Treatability Study completed by Stantec.
- Completed revision of the Algal Monitoring Plan to reflect the current information on the topic.
- The implementation and configuration of the Labworks LIMS provided the framework to drive a near paperless environment supporting carbon reduction by the organization.

Strategic Plan Goal – Develop innovative and sustainable solutions through research and technology

2024-25 Performance Objectives

- Provide water quality predictions based on predicted water levels to internal and external partners evaluating water treatment options and obstacles imposed by the drought. Continue validation of innovative UV-LED technology to inactivate *Legionella* in LVVWD groundwater supplies.
- Evaluate occurrence and treatment of lithium in source waters following its inclusion on the USEPA UCMR 5 (WRF Project #5268).
- Continue the evaluation and comparison of aeration, granular activated carbon, and biological activated carbon treatments for the spot treatment of regulated and unregulated disinfection by products (DBPs) in LVVWD's distribution system (WRF Project #5122).
- Continue work on externally funded projects (i.e., emerging DBPs, online water quality monitoring, identifying and monitoring emerging chemical and pathogen contaminants, treatment evaluations, machine learning) by the WRF, USBR, and USEPA.
- Fully implement and refine new LIMS, by identifying efficiencies in workflow processes through use of mobile application and enhanced configuration in LIMS.
- Coordinate with Information Technology to ensure the laboratory is utilizing the most efficient and effective tools for new SDWA compliance regulations, such as existing or new software to maintain compliance with the new LCRR, as well as the Spatial Information Portal and the Navigator applications to complete water quality testing support.
- Collaborate with Research & Development staff to identify non-reactive *Legionella* samples and co-occurrence of free-living amoeba and *Legionella*.

2023-24 Major Accomplishments

- Provided water quality predictions based on predicted water levels to internal and external partners evaluating water treatment options and obstacles imposed by the drought.
- Carried out Lake Mead Model updates and improvements using USBR WaterSmart grants "Robust Updates to Advanced Lake Models to Inform Future Drinking Water Treatment Needs" and "Three-Part Modeling Effort to Quantify and Reduce Pathogen Concentration."
- Completed Strategic Environmental Research and Development Program and WRF Research Projects 5082, 5035, 5031, 4913, 4833 focused on PFAS occurrence and management, advanced wastewater treatment, and bromate formation and control in reuse water.

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- Compliance laboratory brought EPA Method 557 online and evaluated it as a possible primary method for analyzing water samples for haloacetic acids and bromate to reduce the production of organic solvent waste.
- Replaced the laboratory's wireless temperature monitoring system, which provides critical monitoring of processes that impact data integrity.
- Contributed to a method development study for IDEXX by collecting environmental samples.

Strategic Plan Goal – Ensure organizational efficiency and manage financial resources to provide maximum customer value

2024-25 Performance Objectives

- Pursue external research funding to support water quality research and Lake Mead conditions.
- The implementation and continuous quality improvement to the LIMS will contribute to the optimization of financial resources utilized by operational processes in the laboratory.

2023-24 Major Accomplishments

- Partnered with USBR, National Weather Service, and Lake Mead National Recreation Area to obtain funding for weather buoys for placement on Lakes Mead and Mohave.
- Involved in \$18M of research projects in a principal investigator role, published 22 peer reviewed manuscripts, and seven WRF reports.
- Replaced several analytical instruments to ensure future reliability and renewed service contracts to ensure long service life for analytical equipment.

Strategic Plan Goal – Strengthen and uphold a culture of service, excellence and accountability.

2024-25 Performance Objectives

- Regional Water Quality division will host Committee Chairs for the 2024 North American Lake Management Society International Symposium.
- Continue to be a world-class leader in water quality and treatment research as demonstrated by scientific journal and report publications, industry presentations, and service on advisory committees.
- Continue to refine processes in support of the laboratory accreditation with TNI.
- The ongoing enhancements to the laboratory's processes with a Big Picture approach will provide the framework to bolster a culture of excellence and service that embraces accountability.

2023-24 Major Accomplishments

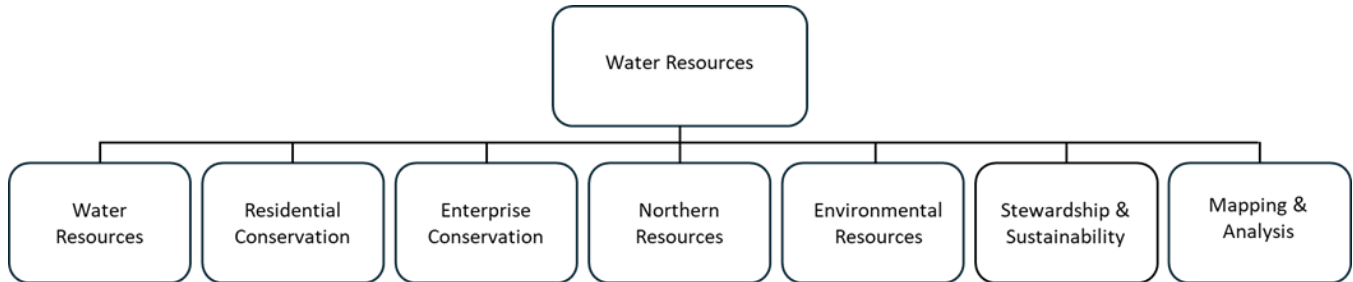
- Maintained status as an AWWA Presidential Award facility at both AMSWTF and RMWTF.
- No substantial deficiencies reported following NDEP-BSDW sanitary inspections at AMSWTF, RMWTF, and BBWD.
- R&D published 22 articles in scientific journals, gave 66 conference presentations, and produced seven WRF final reports.
- Completed all SDWA monitoring requirements for AMSWTF, RMWTF, BBWD, LVVWD, North Las Vegas, Henderson, Boulder City, Nellis Air Force Base, Blue Diamond, Kyle Canyon, Jean, Searchlight, Sloan Army Reserve, and Kapex. There were zero monitoring violations for any member agencies.

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- Completed a gap assessment for TNI accreditation, which continues to strengthen the foundational culture of excellence and service that drives the day-to-day accountability for data produced by the laboratory.

WATER RESOURCES

Level: 7100



Mission

Manage the SNWA's water, land and natural resources through sound policy, regulatory compliance, applied science and advanced technology, ensuring a reliable water supply for our community.

Department Description

The Water Resources department conducts long-range planning for sustainable use of current and future water resources, including climate change planning; develops and administers regional water conservation programs; manages land and environmental resources; and conducts mapping and analysis to support work efforts. The department also manages the SNWA's water resource portfolio, supports capital project environmental compliance, and policy initiatives on the Colorado River and other natural resource areas. Work efforts include monitoring regional hydrologic and water quality conditions and providing environmental and hydrologic support for LVVWD and SNWA operations at the Las Vegas Wash (Wash), Warm Springs Natural Area (WSNA), Great Basin Ranch and LVVWD small systems. The department includes seven divisions: Water Resources, Residential Conservation, Enterprise Conservation, Stewardship and Sustainability, Northern Resources, Environmental Resources and Mapping and Analysis.

Budget Objectives and Highlights

The 2024-25 Water Resources department budget of \$218,822,466 contains funding to maintain and enhance the necessary functions required by SNWA to provide quality services to internal and external customers. Funding will support water and environmental resource management efforts and conservation initiatives designed to help the community meet its conservation goal. Planned expenditures reflect SNWA's long-term commitment to increased water conservation.

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SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Water resource investments	\$ 7,296,289	\$ 34,144,000	\$ 31,624,000
Materials and supplies	2,150,254	11,597,820	13,196,950
Maintenance and repairs	1,656,180	2,108,400	2,373,730
Rental and leases	40,100	37,200	29,200
Other employee expenses	165,999	368,670	414,400
Other operating expenses	8,109,096	17,510,160	18,816,340
Total Operating Expenses	19,417,918	65,766,250	66,454,620
Capital expenditures	32,148,726	82,933,768	122,650,000
Salaries and benefits	14,387,008	16,299,984	17,722,315
TOTAL DEPARTMENT EXPENDITURES	\$ 65,953,652	\$ 165,000,002	\$ 206,826,935
FTE POSITIONS	71.7	73.75	78.5

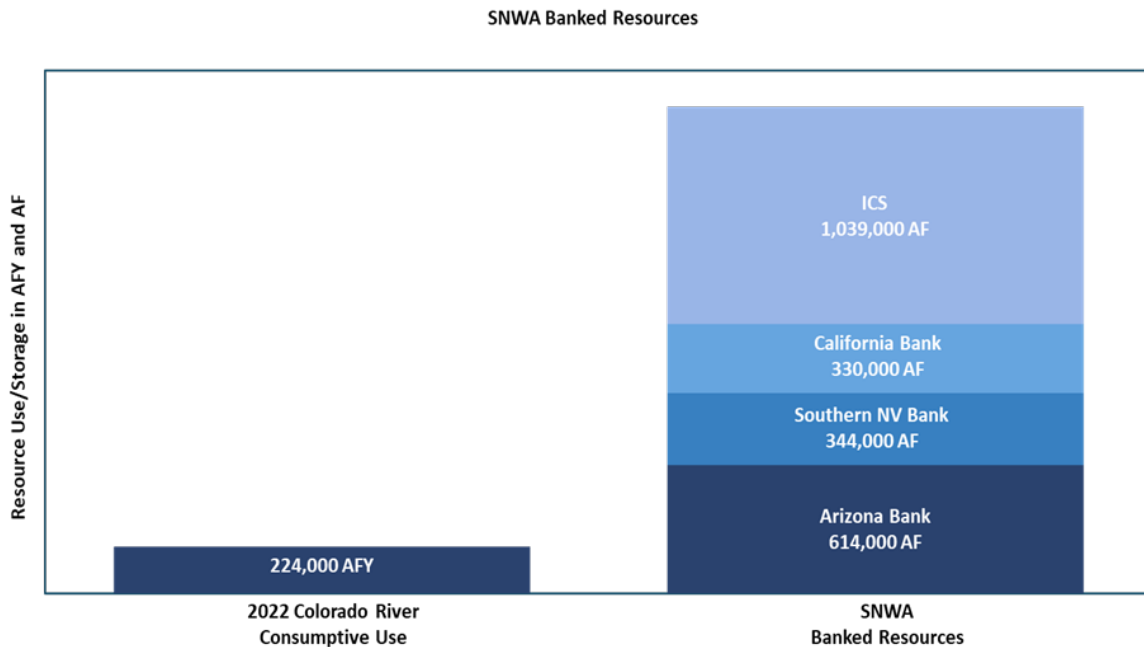
Department Performance

Water Resources. The Water Resources division is responsible for securing and managing regional and local groundwater and surface water resources to ensure a reliable water supply for Southern Nevada. Work efforts include managing existing Colorado River allocations and agreements; conducting regional water resource planning; evaluating and forecasting customer demands; identifying, evaluating, and developing sources of additional groundwater and surface water supplies; managing banked resources and maintaining hydrologic, water quality and climate monitoring networks. Other efforts include securing water rights from the Nevada State Engineer's Office, conducting water quality and hydrologic monitoring, supporting SNWA's role in developing new Colorado River agreements and ensuring all water-resource assets remain in good standing.

The division continued to monitor local and regional hydrologic conditions in 2023-24 and worked with Colorado River Basin states to implement the 2019 Drought Contingency Plan (DCP) and system conservation programs. Through local and collaborative efforts, the SNWA banked approximately 90,000 acre-feet of water in calendar year 2022, expanding the storage of temporary resources that can be used flexibly to meet the community's water resource needs.

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As shown below, the SNWA has stored 2.3 million acre-feet of water through 2022, more than ten times Nevada's 2022 consumptive Colorado River water use.



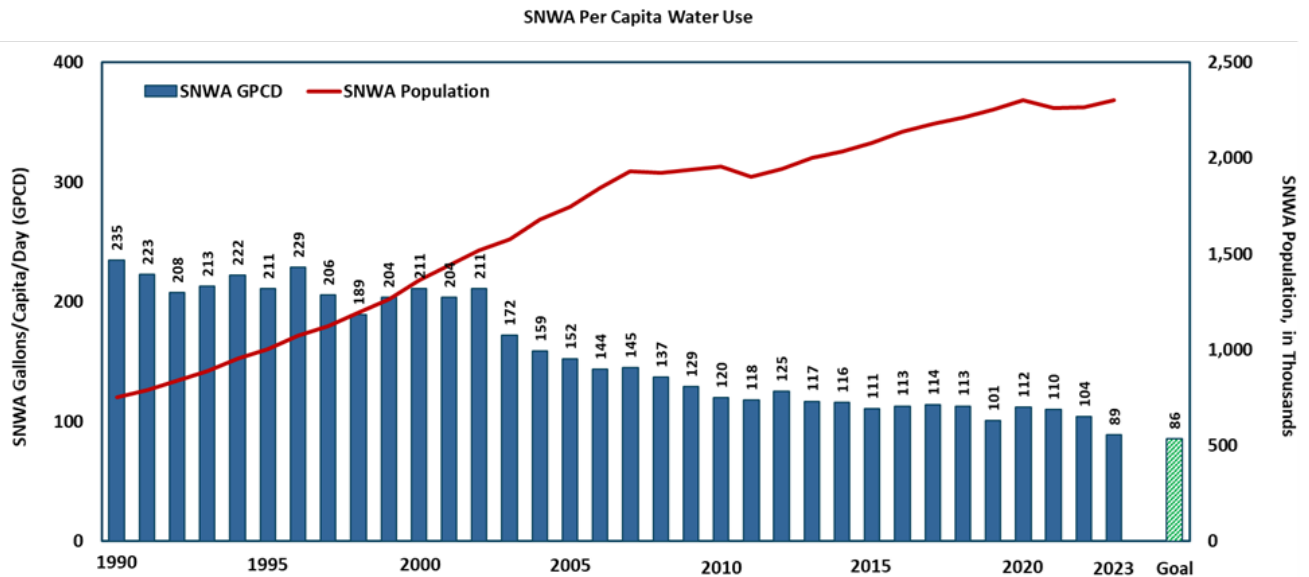
Residential Conservation. The Residential Conservation division is responsible for developing and implementing demand management programs and strategies that target consumptive water use reductions among single-family residential homeowners. The division administers rebate and incentive programs for residential customers, including the Water Smart Landscapes (WSL) program. It also implements water waste and water theft enforcement programs for the LVVWD. The division expanded water waste enforcement efforts in 2022 to support Henderson and North Las Vegas compliance activities.

Enterprise Conservation. The Enterprise Conservation division was formed in 2021 to administer outreach, engagement and incentive programs that target all water use sectors except single-family residential. The division promotes WSL turf conversions among Enterprise customers and administers the Water Efficient Technologies (WET) incentive program. The division is also responsible for planning and implementation activities associated with Assembly Bill 356 (AB356), which effectively prohibits non-functional turf in non-single-family sectors, effective January 1, 2027.

The two conservation divisions work collaboratively to develop and administer regional conservation programs aimed at helping the community achieve its water conservation goal of 86 gallons per capita per day (GPCD) by 2035. The SNWA monitors regional water demand trends and calculates GPCD by dividing annual SNWA Colorado River water diverted (excluding off-stream storage) and member well production, less corresponding Colorado River return-flow credits, by the total SNWA resident population served per day.

This chart shows 2023 per capita water use at 89 GPCD, down approximately 14 percent from the prior year and the lowest per capita water use level experienced to date. This achievement corresponds with unprecedented community water conservation efforts and cooler and wetter than normal conditions, which influenced water demand reductions in 2023.

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Northern Resources. The Northern Resources division maintains the physical and natural resource assets of the 950,000-acre Great Basin Ranch. The ranch produces agricultural products, including beef calves, lambs, wool, and alfalfa. These commodities represent approximately \$3.2 million in projected ranch revenue for fiscal year 2024-25. Improvements in agricultural practices, livestock genetics and husbandry have increased efficiency and effectiveness in utilizing federal rangeland and private forage. The ranch continues to produce and deliver quality products and services, exhibit scientific-based stewardship, and demonstrate financial and organizational efficiency.

Environmental Resources. The Environmental Resources division conducts environmental planning, compliance, and natural resource management for SNWA, LVVWD and small systems. The division supports policy initiatives on the Colorado River and other resource areas; coordinates with federal and state agencies on environmental and regulatory issues; prepares environmental compliance documents; conducts biological and environmental monitoring; conducts restoration and reporting for existing facilities and new capital construction; and coordinates climate change adaptation initiatives. The division also coordinates the Sustainability Cross-Departmental Team to implement the organization's Sustainability in Action Plan.

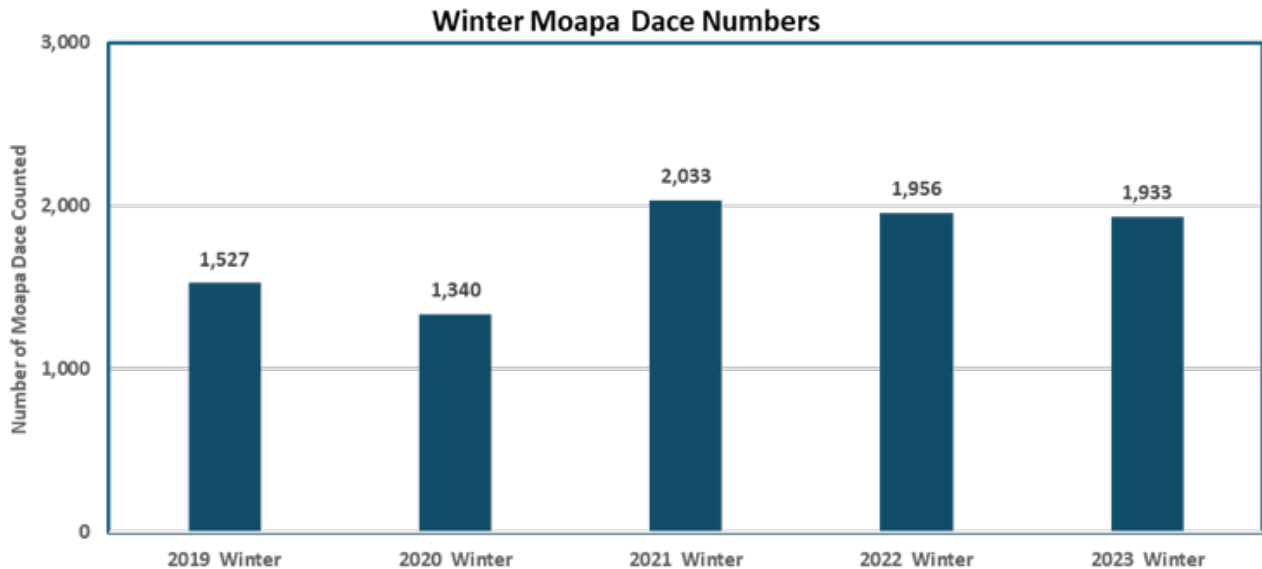
Mapping and Analysis. The Mapping and Analysis Division performs GIS work using various software and computer systems. Work efforts include remote sensing for land cover analysis, specialized mapping, aerial imagery and LiDAR (Light Detection and Ranging) collection, GIS analysis, targeted GIS application development and support and data management. The division supports many projects and programs, including non-functional turf removal efforts, SNWA incentive programs, ranch operations and water resource management activities.

Stewardship and Sustainability. The Stewardship and Sustainability division manages Wash programs and the WSNA, including restoration, monitoring, compliance, and outreach activities. The Wash Team is responsible for the Wash Coordination Committee, implementing the Comprehensive Adaptive Management Plan and Long-Term Operating Plan (LTOP), and coordinating the Lower Las Vegas Wash Stabilization Plan and associated environmental compliance. The WSNA Team is responsible for the

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WSNA Stewardship Plan and conducts management activities to benefit the Moapa dace and other sensitive species on site.

Restoration efforts at the Warm Springs Natural Area (WSNA) have bolstered Moapa dace populations. This federally endangered fish is endemic to the upper Muddy River. After a period of steady decline, fish populations are on the rise. This chart shows the Moapa dace population increasing from 1,527 individuals in 2019 to nearly 2,000 in 2023.



Strategic Plan Objectives and Accomplishments

Strategic Plan Goal – Assure quality water through reliable and highly efficient system.

2024-25 Performance Objectives

- Acquire and manage resources to meet current and future water demands, including implementing conservation initiatives that improve efficiency and reduce water waste.
- Support collaborative partnerships and implement policy and program actions to address and mitigate Lake Mead water level declines.
- Support the development, operation, and maintenance of groundwater facilities for the LVVWD, small water systems and Great Basin Ranch. Prepare water resource assessments, evaluate system vulnerabilities, and take action to improve system reliability.
- Conduct water-quality sampling and hydrologic monitoring to evaluate aquifer and water quality conditions and trends affecting LVVWD and SNWA resources.
- Provide environmental compliance and monitoring activities in accordance with permit requirements to operate existing SNWA, LVVWD and small systems facilities. Prepare and manage environmental compliance processes to support the development of new projects.

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2023-24 Major Accomplishments

- Supported water resource management and acquisition efforts. Administered Colorado River resource contracts, managed water use and return-flow credit accounting; supported LVVWD well site land acquisition and optimized existing production well performance; stored approximately 90,000 acre-feet of temporary resources in calendar year 2022; conducted water quality sampling and hydrologic monitoring of surface water and groundwater resources and supported the development of new policies and programs to achieve consumptive water use reductions. Reduced per capita water use by fifteen GPCD between 2022 and 2023.
- Supported the implementation of the policies and programs designed to protect critical Lake Mead elevation, including the 2019 Drought Contingency Plan (DCP), 500+ Plan and Colorado River Pilot System Conservation Program. Water banking and other collaborative drought response actions reduced Lake Mead's water level decline by an estimated 91 feet.
- Managed, supported, and collaborated with internal, external, and international partners to implement water and environmental management programs along the Wash, WSNA and Colorado River. Efforts include the implementation of the Lower Colorado River Multi-Species Conservation Program and Glen Canyon Adaptive Management Program.
- Provided environmental compliance and monitoring support for the operation of existing facilities and the development of new projects, including the Metropolitan Pure Water Southern California Project, the Lower Las Vegas Wash project, the Horizon Lateral project, the Boulder Flats Solar project, and Garnet Valley water and wastewater systems. Proposed legislation to authorize a pipeline through the Sloan Canyon National Conservation Area for the Horizon Lateral project is being considered by the U.S. Senate.
- Represented Nevada as a Colorado River Basin Salinity Control Forum member and collaborated with other stakeholders to protect Nevada Colorado River return flows by ensuring continued compliance with U.S. Environmental Protection Agency Colorado River salinity standards.

Strategic Plan Goal – Deliver an Outstanding Customer Service Experience.

2024-25 Performance Objectives

- Administer incentive programs and provide other services to the community to support the achievement of water conservation goals.
- Launch the Water Smart Plumber leak detection program to support water savings associated with faster leak resolution.
- Conduct residential site audits for customers affected by excessive use charges and develop water conservation and efficiency recommendations that can help them reduce consumptive water use.
- Engage with internal and external interests and participate in the administration of public processes to enhance information sharing and build support for major initiatives.
- Leverage new and emerging technology to refine our understanding of consumptive water use, enhance operational efficiency and improve customer service.

2023-24 Major Accomplishments

- Supported the development and implementation of policy and program changes and administered conservation incentive programs. Overall efforts resulted in a 14 percent decline in per capita water use between 2022 and 2023 (representing an annual water savings of 821 million gallons). Achieved a 90 percent customer satisfaction rating for the WSL program, with 64 percent of respondents awarding the highest satisfaction rating.

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- Participated in more than 25 Homeowner Association (HOA) meetings, conducted more than 16,500 residential property visits, conducted state-certified Community Manager training involving 300 HOAs in partnership with the Nevada Division of Real Estate and taught 15 irrigation and landscape courses for the public.
- Updated LVVWD policies and procedures to enhance customer leak resolution and support. Performed more than 60 residential site evaluations to support water use reductions; updated the LVVWD leak adjustment policy to provide relief to customers for high water bills; and developed and launched the SNWA's Water Smart Plumber program to provide a financial and technical resource to help customers to find and fix leaks.
- Updated policies and programs to support enrollment in SNWA incentive programs, including changes to the WSL to incentivize increased participation and changes to the WET program that provide additional funding and flexibility for cooling infrastructure conversions.
- Worked with community partners to identify, implement, and test the water savings potential of new technology. In collaboration with Formula 1, MGM and WaterStart, deployed an atmospheric water generator to offset consumptive water use associated with the 2023 Las Vegas Grand Prix.

Strategic Plan Goal – Anticipate and Adapt to Changing Climatic Conditions while Demonstrating Stewardship of our Environment.

2024-25 Performance Objectives

- Assess climate change impacts in long-term planning efforts, collaborate on local and regional climate change initiatives relevant to SNWA and pursue research to inform or enhance predictive modeling tools.
- Maximize the use of available water resources by implementing water conservation programs and support Enterprise Risk Management efforts related to water demands and resource planning.
- Support conservation plans that benefit endangered and threatened species to ensure access to current and future water supplies. Monitor external activities that might interfere with the SNWA's access to permanent, temporary, and future water resources.
- Work across the organization to mitigate water supply and demand risks due to climate change and hydrologic variability. Ensure the reliability of Colorado River supplies through long-range resource planning and active participation in environmental compliance and management programs.
- Provide data analyses and modeling to support the development of new operating guidelines for Lake Powell and Lake Mead.

2023-24 Major Accomplishments

- Reviewed and updated the SNWA Water Resource Plan and SNWA Water Budget. Continued working across the organization to support Conservation Strategic Plan implementation.
- Supported development of a consensus-based Lower Basin alternative for evaluation in the U.S. Bureau of Reclamation's (Reclamation) environmental compliance process for near-term and post-2026 operations of Lake Powell and Lake Mead; continued working with stakeholders to implement the 2019 DCP and 500+ Plan, administered Colorado River water delivery and interstate banking agreements, provided technical support for regional water recycling efforts and partnered with Colorado River stakeholders to identify, prioritize and fund select climate change research; led stakeholder programs and developed informational resources to improve prediction and understanding of water supply and demand uncertainty related to climate change and hydrologic variability.

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- Managed regional monitoring networks for long-term hydrologic and climate data collection; installed and operated a ground-based weather modification generator to enhance precipitation in the Springs Mountains; implemented climate change risk management strategies for SNWA; completed turf and vegetation analyses to support regional water conservation initiatives; and tracked the organization's carbon footprint, key risk indicators and controls that provide an early warning of climate change risk to the SNWA.
- Collaborated with state, local, and international partners to implement water and environmental management programs on the Colorado River from Lake Powell to the Colorado River Delta. Continued to support environmental monitoring and management programs at the Wash and WSNA, including species monitoring, habitat restoration, fuels removal and firebreak management.
- Continued to develop streamflow forecasts, SNOTEL sensitivity project, and MODIS Snow Water Equivalent projects and coordinated with central Arizona Project N-drip water irrigation conservation initiative. Participated in, reviewed, managed, and reported on Reclamation's Lower Basin AG Water Savings pilot project.
- Developed and implemented tree planting initiatives to increase tree canopy cover in the greater Las Vegas Valley and help reduce urban heat island impacts in the community. Efforts include new incentives for residential and enterprise customers to install trees in landscape conversions, and a partnership with ImpactNV to support tree installations in vulnerable areas of the community. Developed video, print and online tree resources, including a tree protection workshop for contractors and community managers to encourage proper tree care during WSL conversions.

Strategic Plan Goal – Develop innovative and sustainable solutions through research and technology.

2024-25 Performance Objectives

- Collaborate with water efficiency technology incubators and accelerators, including WaterStart, ImagineH2O, the Metropolitan Water District of Southern California and the Alliance for Water Efficiency.
- Conduct research to refine our understanding of HVAC system evaporative use. Evaluate cooling technologies with the potential to reduce consumptive water use and develop stakeholder partnerships that facilitate cooling water efficiency.
- Research and implement new technologies or other practices to support consumptive water use reductions and improve water efficiency; explore best practices for quantifying agricultural water conservation.
- Build new and enhance existing GIS applications utilizing the latest web-based GIS development tools, including new field data collection and navigation capabilities and new GIS dashboard features.
- Study smart irrigation controller performance to quantify potential water savings.

2023-24 Major Accomplishments

- Completed collaborative research on cooling technologies through partnerships with the Alliance for Water Efficiency, Water Start, local industry participants and peer utilities. Implemented a submetering program to establish baseline consumptive water uses for large evaporative cooling systems; partnered with Formula One, MGM Resorts and WaterStart for an innovative pilot project to assess the effectiveness of using an atmospheric water generator (AWG) to meet the water demands of Las Vegas Grand Prix operations and assessed the benefits of integrating AWGs with

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cooling tower effluent columns; and sponsored water and energy use assessments for a major hotel and regional hospital to inform future water-saving strategies.

- Leveraged Advanced Metering Infrastructure (AMI) data to gain insights into customer usage patterns; used data analysis insights to identify and notify customers of possible leaks, enhance landscape watering compliance efforts, and increase the efficiency of water-waste investigations.
- Collaborated with the Center for Business and Economic Research (CBER) to evaluate and select source data for the development of the SNWA's new Water Investment Rating (WIR) tool; the tool integrates water sustainability considerations into local decision-making associated with economic development.
- Supported the development of pilot studies to assess water-quality treatment technologies at production wellheads.
- Provided time-sensitive Colorado River policy evaluation based on advanced Colorado River model simulations; used new data repository resources and advanced analytical tools to convey robust data analysis to the Executive Team and Colorado River Basin collaborators.

Strategic Plan Goal – Ensure Organizational Efficiency and Manage Financial Resources to Provide Maximum Customer Value.

2024-25 Performance Objectives

- Implement hydrologic monitoring efficiencies with remote data collection.
- Partner with Colorado River Basin stakeholders to fund water and environmental management investigations and programs and pursue and secure grants to support department initiatives.
- Implement a new business system to streamline workflows, maintain accountability, reduce labor intensity through automation and expand the use of electronic documents.
- Provide demand analysis and forecasts to reduce uncertainty in system operations, infrastructure, and financial planning.
- Leverage volunteer and docent support when practical to support staff-guided restoration projects and other outreach activities.

2023-24 Major Accomplishments

- Began development of a new water use compliance software system for deployment in 2024 to improve efficiencies and enhance flexibility in managing water waste and water theft violations. Similarly, worked with GIS to develop field measure and drawing applications that expedite workorder closure rates associated with the WSL program and reduce the need for site visits.
- Worked with Public Services to secure more than \$46.2 million in FY2023/2024 to support the implementation of projects and programs managed or administered by the Water Resources department. Funding supports WSL and WET incentive programs, riparian restoration at the WSNA, erosion control and ecosystem enhancements at the Wash, volunteer programs and youth education. The department continues to manage funding secured under prior year awards and associated projects.
- Leveraged technology to support analysis and presentation of water resource data, including data related to water conservation, water use, hydrology, water quality and well operations.
- Developed automated routines and PowerBI applications to present relevant data more efficiently and ensure data analysis procedures are efficient and repeatable.

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- Conducted water demand monitoring, analysis, and forecasts to support water resource management, system operations, energy, and financial planning, including a new initiative to prepare a rolling 12-month forecast for LVVWD water demands.

Strategic Plan Goal – Strengthen and uphold a culture of service, excellence and accountability

2024-25 Performance Objectives

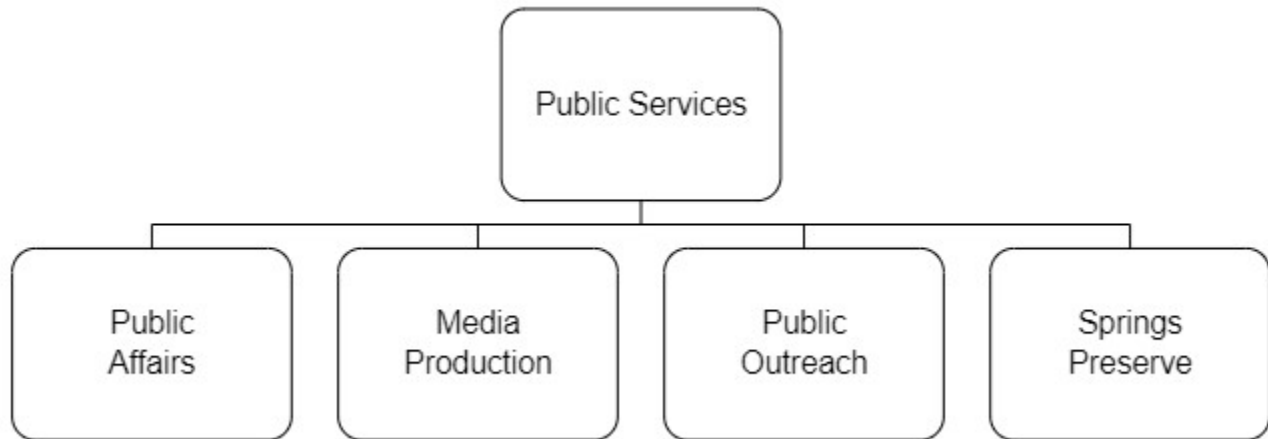
- Lead an interdepartmental team to develop a comprehensive annual groundwater management and well operations plan.
- Implement the Conservation Strategic Plan and meet or exceed annual benchmarks for SNWA conservation programs.
- Improve communication and coordination within the organization and among SNWA member agencies.
- Sustainably operate the Great Basin Ranch and implement department/division priorities within budget.

2023-24 Major Accomplishments

- Worked with interdepartmental team members to update a comprehensive annual groundwater management and well maintenance and operations plan.
- Worked across the organization to support implementation of the LVVWD excessive use charge, Water Smart Plumber program, new financial incentives for increased tree canopy cover, deployment of innovative water savings technology via pilot programs and changes to SNWA incentive programs that further incentivize program enrollment. Worked with SNWA member agencies to ensure consistent implementation of community conservation initiatives and policy changes.
- Established performance benchmarks for conservation programs and reported progress to internal and external stakeholders. In aggregate, achieved 90 percent of target for 2023 program benchmarks. Consumptive Colorado River water use is at its lowest level since the early 1990s and per capita water use decreased by 14 percent between 2022 and 2023.
- Met the projected ranch revenue budget and operated the department within budget.

PUBLIC SERVICES

Level: 7200



Mission

The Public Services department is responsible for communicating the organization's goals and initiatives to the community and educating the public about water issues. This effort is accomplished through government relations, stakeholder and customer outreach, marketing, and operation of the Springs Preserve.

Department Description

The department is comprised of four divisions: Public Affairs; Media Production; Public Outreach; and the Springs Preserve. Together, these divisions work to support internal and external customer service efforts and communicate organizational initiatives to various audiences.

The Public Affairs division oversees the organization's government affairs, agenda processes, public participation efforts and committees, grant writing, conference coordination and support, and provides analysis and support to senior management.

Media Production is responsible for producing organizational messaging through the development and maintenance of websites, social media platforms, video production, and various printed materials such as bill inserts.

The Public Outreach division is responsible for providing information to the media and customers.

The Springs Preserve's mission is to build culture and community, inspire environmental stewardship, and celebrate the vibrant history of the Las Vegas Valley.

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SNWA USES	Expenditures		
	Actual 2022-23	Budget 2023-24	Budget 2024-25
Materials and supplies	\$ 393,612	\$ 591,600	\$ 470,200
Maintenance and repairs	121,021	3,539,900	1,780,200
Rental and leases	—	5,000	—
Other employee expenses	36,466	137,896	115,504
Other operating expenses	5,148,326	6,394,296	6,383,282
Total operating expenses	5,699,425	10,668,692	8,749,186
Capital expenditures	—	—	—
Salaries and benefits	6,293,939	5,137,983	7,106,286
TOTAL DEPARTMENT EXPENDITURES	\$ 11,993,364	\$ 15,806,675	\$ 15,855,472
FTE POSITIONS	27.8	23.0	34.0

Budget Objectives and Highlights

The 2024-25 budget remains consistent with the organization's efforts to enhance efficiency and service to internal and external customers.

Department Performance

Department staff continue to support the organization, its initiatives, and priorities:

Public Affairs. Public Affairs is responsible for board administration, public processes, special events, tours, government affairs, grant writing, presentations, coordination of special processes and offering support to organizational initiatives through a wide variety of activities.

As water conservation remained a top priority, Public Affairs supported several efforts on behalf of the LVVWD and SNWA. In the previous fiscal year, the division coordinated updates to the LVVWD Service Rules with conservation-related initiatives, which are key components to meeting the SNWA's conservation goal of 86 gallons per capita per day by 2035. Some of these updates and revisions were either further defined or implemented this year, including limitations to residential pools, the reduction of golf course water budgets, the prohibition of water service to new development using evaporative cooling systems, and the revision of the incentive to replace industrial cooling towers or swamp coolers with a dry-cooled system or improve the water efficiency of existing evaporative cooling systems. Additionally, the Excessive Use Charge, or fee for any single-family residential customer whose water use in a given month exceeds an established threshold, began in January 2023, and staff was involved in its public education and outreach.

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In September, staff helped launch the SNWA Septic Conversion Program that provides funding for current septic users to connect to municipal sewer to increase return flow credits and protect groundwater aquifers in the Las Vegas Valley. The program provides an 85 percent reimbursement to residential and commercial septic users to connect to sewer, for a maximum benefit of \$40,000. Current well users are also eligible to participate in the program. In the first 5 months, the program received 115 applications, completed 6 conversions, and reimbursed \$178,331.

Division staff also engaged with the Southern Nevada Health District (SNHD) to implement a fully funded septic conversion program in the summer of 2024. The program has identified municipal water users currently discharging into septic systems in areas experiencing elevated levels of nitrates and other known groundwater quality issues. These properties are prioritized based on their proximity to existing sewer mains, availability of gravity flow, cost effectiveness, and selected properties are converted by an SNWA-managed contractor at no cost to the property owner. Funding for the project includes an \$11 million portfolio of grant funding from the Environmental Protection Agency (EPA), Bureau of Reclamation (BOR), and Nevada Department of Conservation and Natural Resources, in addition to revenue from an SNHD administered voluntary fee authorized in AB220.

Staff continued to support the organization's small systems in Laughlin, Kyle Canyon, Blue Diamond, Searchlight and Jean, giving status and operational reports at each system's monthly town advisory board meetings. These systems experience their own unique challenges and staff's involvement and work with other departments has created solutions and/or processes to help achieve system success.

Specifically, the Kyle Canyon community experienced severe flooding from Tropical Storm Hilary hitting Southern Nevada in August 2023, bringing more than eight inches of precipitation to that area over a three-day period. This flooding caused damage to roads, water service lines and well sites, interrupting water and power service to much of the Kyle Canyon area. A Boil Water Order was issued on August 21, 2023, for all customers in the area to help protect public health. Staff assisted with emergency response notifications and status updates to all residents and the town's advisory board. LVVWD and contractor crews worked around the clock and as repairs were completed, systems were disinfected, flushed, and sampled to ensure water quality. The Boil Water Order was lifted within days for the Rainbow and Echo subdivisions, while significant repairs were made, and new infrastructure was added in the Old Town neighborhood until the final Boil Water Order was lifted in early November 2023.

In an effort to increase awareness of water-related issues, educate the public and gain community support, Public Affairs continued coordination of a speakers bureau program and gave presentations and engaged in discussions with more than 50 community businesses and groups this past year. In addition, staff coordinated and supported the Colorado River Water Users Association's conference which took place in December 2023 and had a record attendance of more than 1,700 attendees, representing all the Colorado Basin states, multiple Native American tribes, the federal government, non-governmental agencies, and the country of Mexico.

Division staff also supported the organization's funding initiatives through grant development and fundraising activities to help offset programming, capital and operational expenses. Through staff's efforts, the organization submitted a pre-application to access \$30 million in State Revolving Fund (SRF) loan funds to support LVVWD's Capital Improvements Plan this fiscal year and beyond. This application was approved and added to the State's priority list in January. Staff also submitted a request for \$8.3 million for EPA funding to equip LVVWD production wells with new UV-led technology to protect water

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quality, and a request to the BOR for the construction of a new Hinson well (\$807,462) to increase system capacity and bolster emergency supply.

Additionally, staff focused on grant activity for the small systems in Searchlight, Blue Diamond, and Laughlin. In Searchlight, staff submitted a pre-application, which was approved, to add the S4A well project to the SRF priority list, making it eligible for both loan and grant funding, and requested additional funds from the Army Corp of Engineers (ACE) 595 program. In Blue Diamond, staff requested new ACE 595 funding to support general upgrades to the system, in the amount of an estimated \$2 million, and continued work on a \$4.2 million NDEP SRF award to complete various upgrades to the system. In Laughlin, for the Big Bend Water District, staff continued work on five NDEP SRF awards totaling more than \$7 million to upgrade BBWD's water treatment and delivery systems, and submitted requests to the Nevada Department of Conservation and Natural Resources and Nevada's congressional representatives for funding to expand the system's storage capacity.

The Springs Preserve was also awarded a total of \$288,722 through several local and federal funding sources, including \$205,000 from the U.S. Fish and Wildlife Service for work with the Pahrump poolfish, \$30,000 from Bank of America for its 'Museums on Us' program, \$25,000 from San Manuel Tribe of Indians/Palms Cares for the Ethnobotanical Gardens, \$15,000 from Clark County's Outside Agency Grant program to provide free admission for the community to the Butterfly Habitat, \$10,000 from Wells Fargo to support the 2024 Youth Conservation Council, and \$3,772 from Nevada Volunteers to support volunteer recognition and a Day of Service event.

Media Production. Media Production develops materials to reach customers through websites, social media, television, email and print.

Interactive Media

Media Production supported numerous organizational conservation efforts over the past year and continued to inform the public about rate changes related to Tier Equalization and the Excessive Use Charge. Additionally, the team played a large role in communications related to Tropical Storm Hilary and the damage it caused to the Kyle Canyon water system. In coordination with Public Outreach, the team emailed construction updates to Kyle Canyon residents twice a week and published the updates on LVVWD.com and in social media. The consistent messages kept residents informed of Boil Water notices, construction progress and efforts to restore the rural area's drinking water system.

In support of new organizational water conservation initiatives, staff made several updates to the websites, including changing the amount of the rebate to five dollars for the residential Water Smart Landscapes Rebate Program in January 2024, as that required changes to the online homeowner application process. At the same time, the enterprise program was revised to reflect a planned decrease in the rebate for nonfunctional grass in January 2025. The team also promoted the new "Treebate" program, which offers landscape conversion customers additional incentives to plant more desert-appropriate trees.

Over the year, Media Production created new website content to support the Septic System Conversion incentive and Leak Related Customer Assistance programs, as well as the Water Investment Rating Tool. Behind *Find Your Watering Group*, the second most searched topic on snwa.com remains the Water Smart Plumber program since launching in 2023, which indicates customers are searching

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for qualified plumbers to assist with their leak repairs. Overall, the organization's three primary websites garnered more than 11 million page views.

Video production staff developed dozens of videos promoting conservation initiatives, including a "Find and Fix Leaks" series to support the LVVWD's new proactive leak notification program and help customers find and fix the most common household leaks. The team also produced videos with three local athletes promoting seasonal watering restrictions and largely contributed to the in-house production of a new Water Quality ad campaign in collaboration with the Public Outreach and Design Media Production teams. The video series informing employees about organizational initiatives continued to be shared weekly on the Hydroweb.

Social media efforts focused on key priorities, as well as Springs Preserve programming. Conservation-related posts generated 18,029,043 impressions, 589,071 engagements and 156,099 post link clicks. Posts promoting Springs Preserve activities and events generated 10,537,544 impressions, 372,512 engagements and 36,027 post link clicks. The organization's net audience growth increased by more than 27,000 on Facebook, Instagram, LinkedIn, X and YouTube, and the Water Smarts podcast was rated in the top 50 percent of all podcasts by the hosting platform, Buzzsprout, and was downloaded more than 3,000 times by listeners in 21 countries.

Design Production

Over the past year, the Design Production Team produced and distributed more than 930,000 direct-mail communications, including letters customized by meter size, to LVVWD customers notifying bill impacts of Tier Equalization and Excessive Use Charges. Staff utilized LVVWD bill messaging capabilities for timely customer notifications related to seasonal watering restrictions and to promote the launch of a new leak repair rebate program, reaching a peak monthly average of more than 470,000 customers.

In addition, staff distributed year-round watering schedule and seasonal watering reminders with a combined circulation of more than 2 million properties, and utilized USPS Informed Delivery Campaign to generate more than 300,000 additional website impressions. A new dynamic QR Code software was utilized to track nearly 3,000 engagements with online watering tutorials, and multiple in-house creative campaigns were launched to support conservation program incentives and water-quality initiatives, including the Water Smart Landscapes increased incentive campaign, a Water Quality campaign, business and municipality outreach, drip and sprinkler education and a new brand strategy to communicate community water use.

Staff also coordinated translation of conservation collateral into Chinese, Korean, Vietnamese, Thai, and Tagalog to support Asian-American outreach activities in our community.

Public Outreach. The Public Outreach division is responsible for developing and implementing public awareness and educational campaigns that support organizational initiatives, managing communications with media and journalists.

Marketing

The Public Outreach division created or implemented several new campaigns over the last year. A new LVVWD Infrastructure media campaign was launched in June 2023 and proved highly effective. The

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first six months of the campaign showed significant improvements in three out of five attributes: delivering water over the next 3 – 5 years, delivering treated water to remove contaminants and lead, and building new infrastructure to support economic growth. Staff created and launched a new water quality campaign titled, “You’ve Got a Lot on Your Plate” in both English and Spanish, and produced and launched Spanish-language Watering Restrictions and Water Waste campaigns, helping achieve a 39 percent increase in website visitation to SNWA Spanish webpages. Staff also implemented the, “My Account” campaign that encouraged customers to either register or update their contact information, resulting in an engagement of nearly 150,000 customers. A, “Thank You” campaign was launched at the end of 2023 to congratulate the community on its water conservation efforts and encourage continued conservation. Internally, staff is producing a new :15 video, "Live in the desert... not in denial" that launches in the spring, and is producing a new watering restrictions campaign that urges customers to change their watering clocks each season and educate them about drip vs. spray irrigation. The campaign is expected to launch in July 2024. All these efforts helped increase the annual watering restrictions compliance rate from 69 percent to 75 percent, which represents the highest compliance rate ever for the organization.

Staff assisted with Excessive Use Charge communication and outreach via public service announcements, radio spots, social media posts, and mailers to impacted customers. The team developed and distributed custom e-blasts for water quality, Water Smart Landscapes, non-functional grass prohibition, and evaporative cooling which were sent to the Review Journal’s email database of approx. 60,000 residents. Staff also created and launched radio spots for the removal of non-functional grass and evaporative cooling initiatives. For the first time, staff secured three Name, Image and Likeness (NIL) agreements with college athletes and developed water conservation promotional videos.

Division staff conducted more than 100 interviews with local, national, and international media outlets focused on water resources, shortage declarations, conservation, water waste, seasonal watering restrictions, environmental issues, and water infrastructure.

Community Outreach

The team mailed approximately 1,800 non-functional grass outreach letters to commercial properties and reached out to all business, HOA, and commercial customers with non-functional grass informing them of the Water Smart Landscape reduction in 2025 and encouraged them to upgrade their decorative grass to water-efficient landscaping now. Staff sent letters that highlighted the Smart Irrigation Controller program to nearly 50,000 customers with grass, resulting in an increase in applications of more than 60 percent compared to the same time the previous year. Staff also distributed a conservation toolkit to more than 800 local businesses, HOA’s, and real estate companies, distributed approximately 10,000 grass prohibition letters to new developments and homeowners, and mailed 3,900 new homeowner packets. The team also successfully executed three landscape classes to educate landscapers and those in related fields about SNWA’s conservation programs and initiatives.

Staff continued coordination of multiple partnerships to promote conservation programs and initiatives and secured new partnerships with the Las Vegas Aviators and Las Vegas Lights FC to promote watering restrictions and other conservation programs to their audiences. Staff also participated in more than 100 community outreach events to promote SNWA programs and initiatives, while distributing conservation outreach posters and collateral to more than 300 businesses and community centers.

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Operation and Construction Outreach

Staff engaged with thousands of residential and commercial customers performing various outreach activities related to water system repairs, temporary water service interruptions and construction activities. In addition to conducting outreach for nearly 100 construction and system improvement projects, neighborhood outreach activities reached more than 3,000 property owners related to the construction of major facilities, including Centennial, Cougar and Rome Reservoirs, as well as the Horizon Lateral and Garnet Valley Wastewater projects. The team completed outreach for a pilot septic conversion project in conjunction with the City of Las Vegas, and conducted other interagency outreach to coordinate well start-up activities and ensure well operations did not conflict with public works projects conducted by Southern Nevada's municipal agencies.

Springs Preserve. Springs Preserve staff is responsible for the daily operations of the 180-acre campus. This includes the maintenance and operation of museums, exhibits, meeting facilities, a botanical garden, natural trails, and recreated animal habitats/ecosystems. Springs Preserve staff is also responsible for the creation and management of educational programming, community events, strategic partnerships, grant-funding opportunities, and the development of outreach content that aligns with the overall mission of the Public Services Department. During fiscal year 2023-2024, the Springs Preserve hosted more than 250,000 visitors.

Focused on mission-driven projects and programming, the Springs Preserve continues to dedicate its efforts to the development and expansion of educational outreach. The completion of two capital improvement projects within Springs Preserve's Botanical Garden offer visitors an improved experience and additional opportunities to explore. The garden's new event space, opened to the public, and the Southern Paiute Garden, highlighting Indigenous Ecological Knowledge and the cultural and sustainable living practices of Southern Nevada's Native American communities, wrapped up formal construction.

The Preserve's educational outreach expanded once again to include three, full-day comprehensive teacher trainings. Funded and supported by the NDEP and several community partners, the symposium-style trainings provided K-12 educators with access to subject-matter experts and classroom-ready tools. In addition to two symposiums focused on water resources and conservation, a new training focused on the history of water at the Preserve, including Indigenous Ecological Knowledge and species conservation, was added to the lineup. More than 200 teachers participated in the three trainings, and collectively, these educators reach approximately 25,000 students annually. The Preserve's on-going educational programming also includes Conservation for Kids classes, drop-in programming, the SPRINGBOARD virtual learning platform and Youth Conservation Council program, which grew by 20 percent this fiscal year.

The Preserve's annual community outreach events continued to see increases in attendance and corporate sponsorships. Designed to boost the Preserve's visibility, celebrate the region's cultural history, and inspire environmental stewardship, annual events drew more than 40,000 visitors to the Preserve. A new community event joined the fall-season lineup in 2023. In addition to the four-day Haunted Harvest event and three-day Día de Muertos event, the Preserve staff organized and hosted a large-scale Nevada Day event. Free to the public, the Nevada Day event drew 6,200 visitors to the Preserve in a single day. The winter/spring event season once again saw record attendance with the return of the Black History Month Festival in its 15th year, and Earth Day at Springs Preserve in its third year.

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Community Partnerships continued to grow with the addition of a Clark County School District (CCSD) Garden Party. This special garden-themed event, arranged through CCSD's Family Engagement Office, was free to students of Title 1 schools and their families. The event featured engaging activities and demonstrations focused on water-efficient gardening techniques, food sourcing, Mojave Desert adaptations and water conservation measures.

With funding from the State of Nevada, the Preserve began redesigning the OriGen Museum's west gallery and outdoor exhibit space. It is the second design phase of a remodel that will transform the OriGen Museum complex into a science and sustainability center. The west gallery and outdoor space will focus on the science of sustainability. The middle and east galleries are in the final design stage of becoming a cutting-edge exhibit about the Colorado River.

Strategic Plan Objectives and Accomplishments

The Public Services department is committed to help accomplish the goals and objectives outlined in the organization's Strategic Plan. The department works to support these goals through the coordination and administration of support functions.

Strategic Plan Goal – Assure quality water through reliable and highly efficient systems.

2024-25 Performance Objectives

- Provide a high-quality water supply and delivery system that is safe, sustainable and promotes the vitality and prosperity of the community.
- Maintain high levels of reliability through the application of a sufficiently funded asset management program.
- Sustain operational continuity with a sufficiently staffed, well-trained and skilled workforce.
- Continually improve operating efficiencies by benchmarking to leading industry standards.
- Ensure a high quality of local and regional water resources through comprehensive water quality and watershed management.

2023-24 Major Accomplishments

- Further defined and implemented conservation-related initiatives to assist in meeting SNWA's conservation goal of 86 gallons per capita per day by 2035.
- Launched the SNWA Septic Conversion Program that provides funding to current septic users to connect to municipal sewer to increase return flow credits and protect groundwater aquifers in the Las Vegas Valley.
- Launched a new LVVWD Infrastructure media campaign which proved highly effective.
- Conducted outreach for nearly 100 construction and system improvement projects; neighborhood outreach activities reached more than 3,000 property owners related to the construction of major facilities.
- Conducted more than 100 interviews with local, national, and international media outlets focused on water resources, shortage declarations, conservation, water waste, seasonal watering restrictions, environmental issues, and water infrastructure.
- Completed outreach for a pilot septic conversion project in conjunction with the City of Las Vegas.
- Conducted other interagency outreach to coordinate well start-up activities.

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- Continued to support the small systems by delivering monthly status and operational reports at each system's town advisory board meetings and worked with other departments to help achieve system success; researched and submitted multiple grants for these systems.

Strategic Plan Goal – Deliver an outstanding customer service experience.

2024-25 Performance Objectives

- Assess customer satisfaction, establish benchmarks and determine where improvements are required.
- Continuously improve service processes and practices based on customer assessments.
- Utilize appropriate technology to simplify and improve the customer experience.
- Provide necessary training and development to ensure an exceptional customer service experience. Communicate with and receive continuous feedback from employees on organizational policy changes and improvements.
- Monitor other organizations and industries to identify innovations, best practices and ways to improve the customer experience.

2023-24 Major Accomplishments

- Assisted with emergency response notifications and status updates, via email, phone and web, to all Kyle Canyon Water District customers and the Mt. Charleston Town Advisory Board in response to the severe flooding from Tropical Storm Hilary that caused damage to roads, water service lines and well sites, and interrupted water and power service to much of the Kyle Canyon area.
- Supported numerous organizational conservation efforts and continued to inform the public about rate changes related to Tier Equalization and the Excessive Use Charge.
- Distributed year-round watering schedule and seasonal watering reminders with a combined circulation of more than 2 million properties, generated more than 300,000 additional website impressions, and tracked nearly 3,000 engagements with online watering tutorials.
- Coordinated a speakers bureau program and engaged in discussions with more than 50 community businesses and groups.
- Mailed approximately 1,800 letters to business, HOA, and commercial customers with non-functional grass informing them of the Water Smart Landscape reduction in 2025.
- Distributed more than 930,000 direct-mail communications, including letters customized by meter size, to LVVWD customers notifying bill impacts of Tier Equalization and Excessive Use Charges.
- Launched a new water quality campaign titled, "You've Got a Lot on Your Plate" in both English and Spanish, and produced and launched Spanish-language Watering Restrictions and Water Waste campaigns, helping achieve a 39 percent increase in website visitation to SNWA Spanish webpages.
- Developed and distributed e-blasts for water quality, Water Smart Landscapes, non-functional grass prohibition, and evaporative cooling to the Review Journal's email database.
- Sent nearly 50,000 letters to customers highlighting the Smart Irrigation Controller program, resulting in an increase in applications of more than 60 percent compared to the previous year.
- Distributed a conservation toolkit to more than 800 local businesses, HOAs, and real estate companies that contain water conservation materials for distribution to customers and contacts.
- Distributed approximately 10,000 grass prohibition letters to new developments and homeowners.
- Hosted more than 40,000 visitors during the Springs Preserve's community events, including Haunted Harvest, Día de Muertos, Black History Month Festival and Earth Day.
- Hosted approximately 6,200 visitors in a single day at the Preserve's free Nevada Day Event.

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- Hosted more than 250,000 visitors at the Springs Preserve during fiscal year 2023-2024.

Strategic Plan Goal – Anticipate and adapt to changing climatic conditions while demonstrating stewardship of our environment.

2024-25 Performance Objectives

- Enhance understanding of climate change impacts among ourselves and our stakeholders.
- Develop and implement adaptation plans to reduce or mitigate impacts of climate change on water and environmental resources.
- Conduct long-term water resources and facilities planning to ensure adequate resources are available when needed.
- Develop and implement proactive stewardship for environmental resources to ensure access to current and future water supplies.
- Champion innovative water efficiency initiatives to maximize beneficial use of resources.
- Incorporate sustainable best practices into organizational initiatives and inspire positive change.

2023-24 Major Accomplishments

- Continued to provide information to the LVVWD and SNWA Board of Directors on water-related issues, policies and initiatives throughout Southern Nevada.
- Promoted the new “Treebate” program, offering landscape conversion customers additional incentives to plant more desert-appropriate trees.
- Launched the Water Smart Plumber program online, which is the second most searched topic on snwa.com, indicating that customers are looking for qualified plumbers to assist with leak repairs.
- Coordinated and supported the Colorado River Water Users Association’s conference which had a record attendance of more than 1,700 attendees.
- Produced a new watering restrictions campaign that urges customers to change their watering clocks each season and educate them about drip vs. spray irrigation.
- Helped with conservation related efforts that resulted in the increase of the annual watering restrictions compliance rate from 69 percent to 75 percent, representing the highest compliance rate ever for the organization.
- Supported the SNWA’s Youth Conservation Council program, which grew by 20 percent this year.
- Completed two capital improvement projects within Springs Preserve’s Botanical Garden that offer visitors an improved experience and additional opportunities to explore.
- Completed the construction of the Southern Paiute Garden, highlighting Indigenous Ecological Knowledge and the cultural and sustainable living practices of Southern Nevada’s Native American communities.
- Continued to strengthen and expand community partnerships at the Springs Preserve.
- Launched a new Native American speaker series featuring indigenous knowledge givers and their sustainable relationships with water, plants, and the landscape.

Strategic Plan Goal – Ensure organizational efficiency and manage financial resources to provide maximum customer value.

2024-25 Performance Objectives

- Increase customer communication so there is a better understanding of the organization’s products and services.

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- Ensure predictable rates that are aligned with community expectations.
- Seek out and deploy worldwide best practices to minimize costs.
- Establish and utilize benchmarks to explore new opportunities for improved efficiencies.
- Formulate risk assessments and develop alternatives for expenditure decisions.

2023-24 Major Accomplishments

- Submitted a pre-application to access \$30 million in SRF loan funds to support LVVWD's CIP.
- Received funding for the Septic Conversion Program from the EPA, BOR, and Nevada Department of Conservation and Natural Resources.
- Applied for and received more than \$288,000 from multiple sources for the Springs Preserve for work with the Pahump poolfish, Ethnobotanical Gardens, admission to the Preserve and the Butterfly Habitat, and support for the Youth Conservation Council.
- Submitted a request for EPA funding to equip LVVWD production wells with new UV-led technology to protect water quality.
- Submitted a request to the Bureau of Reclamation for the construction of a new Hinson well to increase system capacity and bolster emergency supply.

Strategic Plan Goal – Develop innovative and sustainable solutions through research and technology.

2024-25 Performance Objectives

- Identify, prioritize and implement sustainable and cost-effective solutions to organizational challenges.
- Promote a culture that is innovative, creative, and makes effective use of technology.
- Allocate the resources necessary to advance research, technology and other innovations.
- Develop and strengthen partnerships on a global basis to leverage resources and advance innovation.

2023-24 Major Accomplishments

- Created new website content to support the Septic System Conversion incentive and Leak Related Customer Assistance programs, as well as the Water Investment Rating Tool.
- Produced dozens of videos promoting conservation initiatives, including a "Find and Fix Leaks" series to support the LVVWD's new proactive leak notification program.
- Secured three Name, Image and Likeness (NIL) agreements with college athletes and developed water conservation promotional videos.
- Secured new partnerships with the Las Vegas Aviators and Las Vegas Lights FC to promote watering restrictions and other conservation programs to their audiences.
- Generated more than 18 million impressions, 589,071 engagements and 156,099 link clicks on conservation-related social media content; generated more than 10 million impressions, 372,512 engagements and 36,027 link clicks on posts promoting Springs Preserve activities and events.
- Grew the organization's net audience by more than 27,000 on Facebook, Instagram, LinkedIn, X and YouTube
- Had the Water Smarts podcast downloaded more than 3,000 times by listeners in 21 countries.
- Participated in more than 100 community outreach events to promote SNWA programs and initiatives.
- Distributed conservation outreach posters and collateral to more than 300 businesses and community centers throughout Southern Nevada.

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- Began design to transform the Springs Preserve’s OriGen Museum into a science and sustainability center, and to become a cutting-edge exhibit about the Colorado River.

Strategic Plan Goal – Strengthen and uphold a culture of service, excellence and accountability.

2024-25 Performance Objectives

- Improve the consistency and openness of communication to ensure employees are engaged and well informed.
- Increase the effectiveness of professional development by providing additional diverse learning opportunities.
- Hold ourselves accountable for delivering quality products and services to our customers, each other and the environment.
- Identify, monitor and measure key performance areas of the organization, openly sharing results and taking appropriate action.
- Provide and seek timely feedback on individual, team and departmental performance to enhance collaboration, accountability and excellence

2023-24 Major Accomplishments

- Continued to produce a video series informing employees about updates and organizational initiatives.
- Launched a “Thank You” campaign to congratulate the community on its water conservation efforts and encouraged continued conservation.
- Held symposium-style trainings for K-12 educators that focused on water resources and conservation, and the history of water at the Preserve; more than 200 teachers participated in these trainings, reaching approximately 25,000 students annually.

SECTION 6

CAPITAL PLANS

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Capital Budget

The Southern Nevada Water Authority (SNWA) maintains a long-range facility planning process to determine the type, size and location of water distribution and treatment facilities needed to meet the water service demands of the areas in Clark County served by the member agencies – Las Vegas Valley Water District, City of Henderson, City of North Las Vegas, City of Boulder City and the Big Bend Water District (Member Agencies). As water system facilities are defined, they are incorporated into the SNWA's overall construction program. The program is dynamic, with projects added, changed, or deleted as necessary to meet the changing conditions of the Member Agencies.

The overall capital project-related expenditures for 2024-25, totaling \$410.7 million, consist of weir improvements and expansion, pumping stations, water resources acquisition and development, reservoirs and wells, new water pipelines, and other distribution facilities. The capital equipment budget of approximately \$5.1 million consists of vehicles, Information Technology equipment, water works and diverse industrial equipment.

In November 2020, the SNWA Board of Directors approved an amended Major Construction and Capital Plan (MCCP) that will guide decisions related to water system expansion, water resource management, water quality compliance activities and asset management. The plan represents an investment of \$3.2 billion (2020 dollars) to construct new facilities, manage water resources and make improvements to key system components, ensuring a reliable water system for SNWA's customers.

Impact of Construction Program on Operation and Maintenance Expenses

For water distribution facilities, in the near term, the SNWA does not anticipate any impact on maintenance expenses and only minimal expenses associated with the operation of the new facilities added to the SNWA's water distribution system through its overall construction program. This is due to the following three factors:

- First, the facilities being added to the SNWA's system are new and typically require minimal maintenance.
- Second, the facilities are designed and constructed with the latest available technology and are not accepted by the SNWA until they are fully inspected and tested and ready for operation.
- Third, over the past several years the SNWA has conducted numerous process improvement investigations and adopted recommendations that have resulted in significant on-going operational and maintenance efficiencies and savings.

Over the long term, the SNWA anticipates incurring maintenance expenses for the rehabilitation of facilities such as reservoirs, pump stations, and pipelines. However, these costs are minimized through the SNWA's use of state-of-the-art diagnostic equipment and testing procedures, which significantly lower maintenance costs and reduces the rate of catastrophic failures. Finally, these facilities were, and are being constructed, for member agencies who generate additional operating revenues. These revenues in the past have offset, and in the future are anticipated to continue to offset, the added long-term maintenance expense.

Projecting long-term additional operating expenses driven by the addition of capital assets to the SNWA's water system is not easily quantified.

Prioritization of Capital Projects

New capital projects are submitted for review and approval for consideration of prioritization to the asset owner department Director with supporting documentation that identifies scope of the work, project schedule, and estimated project budget and an initial establishment of project criticality. The project is also reviewed against existing projects to identify any project scope overlap. If approved, the project is forwarded to the Deputy General Manager for concurrence and the project is included in the criticality evaluation as part of the annual capital budget process.

During the annual capital budget process, data in the project management system is updated by project participants to reflect changes in project schedules and funding requirements. This may also lead a project to fall out of the budget year review, but still be prioritized and ranked for future fiscal years. In addition, the project participants also conduct a criticality evaluation to prioritize and rank projects based on the risk of deferring and impacts to water quality, operations, and system reliability using the criteria outlined below. While the project management system houses data for long-range project planning, detailed reviews are largely focused on the upcoming three fiscal years to coincide typical capital project schedules.

Category 4: The projects in this category cannot be deferred.

- The project is active (in construction) and ongoing; or
- The project draws funds from sources other than the Capital Budget and cannot be deferred. Other funding sources for these projects include the oversizing fund, grants, and developer contributions.

Category 3: The projects in this category have a high risk of deferring and have been deemed required or critical to:

- Meet a statutory or regulatory requirement, court order or consent decree; or
- Correct an immediate threat to public health and safety; or
- Correct an immediate threat to worker health and safety; or
- Correct an immediate failure of water quality and treatment systems; or
- Correct an immediate failure of transmission or distribution systems; or
- Strengthen, protect, and/or secure the community's water supply.

Category 2: The projects in this category have a medium risk of deferring and have been deemed necessary to:

- Ensure public health and safety; or
- Maintain worker health and safety; or
- Sustain water quality and treatment systems; or
- Support transmission or distribution systems; or
- Strengthen, protect, and/or secure the community's water supply; or
- Directly reduce costs and/or increase revenues.

Category 1: The projects in this category have a low risk of deferring and are desired to enhance or provide improved:

- Water quality and treatment systems; or
- Transmission or distribution systems; or
- Service to customers.

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Category 0: The projects in this category have no risk of deferring.

The listed criteria present a framework for project prioritization. The senior management team may modify these guidelines or re-prioritize projects based on current needs at any time.

The tables on the following pages contain a listing of all the capital equipment and capital projects included in the SNWA's capital expenditures for the fiscal year 2024-25.

SNWA: CAPITAL BUDGET 2024-25

Capital Equipment

3700 - Infrastructure Management	\$ 269,000
SNWA floor care and custodial equipment replacement	35,000
SNWA HVAC replacement - AMSWTF, RMWTF and off-sites	200,000
Viavi/Tberd 5800 network test set	34,000
4400 - EHS & Corporate Security	3,124,268
3/4 ton extended cab utility body 4x4	72,000
John Deere 60g mini excavator	104,000
Mechanic tool box and tool set	30,000
Four door SUV or full size sedan	35,000
Regular cab class 4 landscape truck with dump body	110,000
Regular cab class 4 landscape truck with dump body	110,000
Tilt deck equipment trailer	36,000
11 replacement vehicles	641,000
Two - four door midsize SUV or full size sedan	70,000
Three re-budgeted Fleet Services replacement vehicles from prior year	438,768
Three replacement vehicles for SNWA ranch	216,000
Four replacement equipment pieces for SNWA ranch	972,000
Eight replacement equipment pieces	289,500
4500 - Water Quality & Treatment	1,426,560
AMS 1000 lb/day chlorine feeders	66,000
AMS backwash pumps valve actuators	75,000
AMS filter to waste 30-inch valve	75,000
AMS fluorosilicic acid metering pump	26,000
AMS sedimentation basin valve gearboxes and actuators	75,000
Autoclaves	260,000
CAAS cube automated ELISA	43,000
Centrifuge	70,000
Gas chromatograph - mass spectrometer (GC-MS) for trihalomethane analysis	155,000
Millipore Point-of-Use (POU) water treatment systems	81,560

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Multiprobe sonde water quality instrumentation	44,000
Nucleic acid extractor	52,000
Olympus microscope	73,000
RM/AMS VPSA Flo-Tork actuators	32,000
Spectrophotometer for ultra-violet visible analysis	40,000
Weather buoys	215,000
WHMII300 Workhorse II 300 kHz monitor ADCP	44,000
7100 - Water Resources	250,000
Livestock replacement	250,000
TOTAL CAPITAL EQUIPMENT	\$ 5,069,828

SNWA Capital Projects

2200 - Energy Management	\$ 9,312,000
Solar Power Project (ENTP)	9,312,000
3400 - Engineering	197,059,000
Horizon Lateral - Fayle Pumping Station and Interconnect Pipeline	5,028,000
Horizon Lateral - Rice Pumping Station and Interconnect Pipeline	1,858,000
Horizon Lateral - South Boulevard Pumping Station and Interconnect Pipeline	5,798,000
Horizon Lateral - Horizon Reservoir	2,155,000
Horizon Lateral - Paradise Hills Pipeline and Pumping Station	5,846,000
Horizon Lateral Planning and Preliminary Design	9,269,000
AMSWTF Flocculation Area Rehabilitation	5,611,000
Garnet Valley Wastewater System- LV Blvd Interceptor Phase IA	16,007,000
Garnet Valley Wastewater System- LV Blvd Interceptor - Phase IB	17,342,000
Garnet Valley Wastewater System - Phase II - Industrial Rail LS and Forcemains	3,126,000
Garnet Valley Wastewater System - Phase II - Black Mountain LS and Forcemains	3,065,000
Garnet Valley Wastewater System - Phase II - Northern Flats LS and Forcemains	2,771,000
Garnet Valley Wastewater System - Phase II - Central and Love's Sewer Interceptor	341,000
Garnet Valley Water Transmission System	7,842,000
Garnet Valley Water Transmission System - Transmission Pipeline	2,379,000
Garnet Valley Water Transmission System - Facilities	17,807,000
Garnet Valley Water Distribution System	6,828,000
Garnet Valley Water Transmission System - Distribution Pipeline	1,762,000
Lower Las Vegas Wash Stabilization - Weirs 2-3 Reconstruction	6,021,000
Lower Las Vegas Wash Stabilization - Weirs 6-7	1,894,000
Lower Las Vegas Wash Stabilization - Geotechnical Road for Weirs 6-8	1,000,000
Stage II Reliability Upgrades	4,541,000
Stage II Reliability Upgrades Early Procurement	1,453,000

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Stage II Reliability Upgrades Power Substation	209,000
Stage II: Sloan 2160 PS and Lamb 2350 Pumping Station Expansion	9,222,000
Stage II Reliability Upgrades Interconnect Pipeline	286,000
Stage II Reliability Upgrades Monthill Pumping Station	1,029,000
Gowan Pumping Station Bypass	389,000
Cathodic Protection Systems. Las Vegas, Aqueduct B, and Raw Water Laterals	147,000
PCCP Pipeline Rehabilitation. Aqueduct A and B, Las Vegas Lateral	423,000
Relocate Nellis ROFC 6B and Replace Nellis Lateral	1,500,000
Calico Ridge ROFC	7,015,000
Lower Las Vegas Wash Stabilization	1,984,000
Lower Las Vegas Wash Stabilization - Weir 5	16,685,000
Garnet Valley Wastewater System- Out Valley System - Phase II	6,422,000
NDOW Raw Water Pipeline Installation	8,912,000
Boulder City Effluent Reuse	3,701,000
3700 - Infrastructure Management	19,955,000
Boulder City Lateral Flow Meter Upgrades	249,000
Pumping Station 2B Electrical Upgrades	2,073,000
RMWTF - Entry gates - Upgrade	165,000
SNWA Board Meeting AV Replacement and Granicus Voting System Integration	84,000
RMWTF Fluoride Bulk Tanks	110,000
SNWS - Replace PLC 5 Processors and Remote Racks From Treatment Sites	70,000
SNWS - ControlLogix Hardware Upgrades	100,000
SNWS - SCADA PC/Server Hardware Upgrades	150,000
SNWS Network Switch Upgrades	200,000
SNWS - Replace PLC 5 Processors and Remote Racks From Production Sites	250,000
SNWA - RMWTF Site - RMWTF Ozone Modicon Controller Replacement	270,000
AMS Ozone Modicon Controller Replacement	270,000
RMWTF Site - Network Improvements to Filter Gallery (MEPS8572)	580,000
SNWS - SCADA Software Replacement (Ovation to WSP)	1,800,000
AMSWTF Site - Network Improvements to Filter Gallery	633,000
AMSWTF Chemical Pump Replacements	55,000
AMSWTF Site - New SNWA Communications Room (MEPS8569)	1,330,000
Pumping Stations 7 and 7B Pump Upgrades	320,000
Multi-site - Network Database implementation (MEPS8591)	350,000
AMS - Additional Chiller and Pump at Utility Building	52,000
RMWTF Filter Drain Valve Replacements	90,000
AMSWTF Site - PP1A Flooring replacement Project	150,000
AMSWTF Equip Evaporators for Trains 3 and 4	730,000
River Mountains Pump Station B Electrical Upgrades	688,000
SNWA - River Mountain Pumping Station 1B Coil Replacement	193,000
L3PS HVAC remote access controls	100,000
RMWTF Fire Alarm System Replacement	158,000
Cienna Transport Ring Upgrades	233,000
AMSWTF Fire System Upgrade	138,000
Entry Gate for Foothill Complex	520,000

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AMSWTF - Admin, Warehouse, Facility Maintenance, and Chlorine #1 Building - Roof Replacement	1,878,000
RMWTF Lab Exhaust Fan VFD Upgrades	76,000
AMSWTF Sedimentation and Thickener Actuator Upgrades	315,000
RMWTF VPSA Electrical Room HVAC	67,000
Equip Vertical Lathe	150,000
AMSWTF B Lateral Water Piping	250,000
Paradise ICCP - Pitman Lateral Anode Well	304,000
R-8 Pump Replacements	540,000
RMWTF - Replace chillers	760,000
RMWTF- RandD Lab Management Office Area Remodel	422,000
RMWTF Clearwell Inlet Valve Vault Upgrades	36,000
EBROFC Isolation Vault AVAR Upgrades	36,000
SNWA - Replace AMS Admin Chiller	332,000
AMSWTF Install Actuators on Filters 21-26	1,119,000
AMSWTF and RMWTF Multilin Upgrades	105,000
RMWTF LED Lighting Upgrade	200,000
AMSWTF Miscellaneous Facilities Improvements	100,000
Multi-Site Manual Transfer Switch Installation	918,000
SNWA - Misc. Vault repair (MEPS8110)	36,000
AMSWTF / RMWTF Offsite - Install LED Lighting	200,000
4100 - Operations	4,801,000
BFV Actuator Replacements at Outlet Portal and RM Reservoir (9)	184,000
Replace Bermuda ROFC Inlet and Outlet Isolation Valves and Actuators	71,000
Replace Grand Teton ROFC Inlet and Outlet Isolation Valves and Actuators	33,000
Hacienda Pump Station Replace Cone Valve Actuators	200,000
Sleeve and Miscellaneous Valve repairs	1,160,000
System Wide Valve Actuator Upgrades	1,500,000
Motor Refurbishment (originally 6S027)	800,000
PS 1A, 2A, 1B and 2B Pump repairs and Flow Meter Installation	227,000
Machine Shop Equipment	456,000
Update DC Excitation Systems at Various Plants	60,000
Refurbish Pump Casings at BPS1A and BPS2	110,000
4300 - Information Technology	1,195,000
LIMS Replacement	250,000
Water Quality	680,000
Water Rights Application Replacement	265,000
4400 - EHS and Corporate Security	2,316,000
New Fleet maintenance building at AMSWTF	2,316,000
4500 - Water Quality and Treatment	53,643,000
Ozone Equipment Upgrade - AMSWTF	11,405,000
Ozone Equipment Upgrade - RMWTF	9,349,000

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Ozone Equipment Upgrade	24,727,000
RMWTF Microbiology Research Laboratory Expansion	2,387,000
RMWTF Sodium Hypochlorite Generator Replacement - Phase II	629,000
Laboratory Hood Control System and Air Valve Retrofit Replacement	3,434,000
RandD Necessary Unforeseen Projects	275,000
SNWA Necessary Unforeseen Projects	550,000
Ozone System Related Needs	137,000
Innovation Projects	550,000
Water Quality Testing Equipment	200,000

7100 - Water Resources	122,400,000
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Future Water Supplies	18,138,000
SNWA Capital - Interim Colorado River Supplies Minute 323	1,750,000
Pivot System Replacement (5)	120,000
Bastian Creek HVAC	26,000
Huntsman Irrigation Pipeline Replacement	79,000
Williams Creek Break Box and Pipeline Modification	116,000
NR Harbecke Ranch Rhodes Irrigation Well Replacement, SPR70441	1,000,000
Warm Springs Wash Bay Extension	300,000
Water Resource Acquisition and Development - Conservation - Water Smart Landscape Program	56,309,000
Warm Springs Natural Area - Trail and Warm Springs Road Crosswalk	700,000
Warm Springs Natural Area - Brown Property Acquisition	586,000
LVV Groundwater Monitoring Network Augmentation	1,476,000
Virgin and Muddy Rivers Water Resource Acquisition and Tributary Conservation ICS	10,000,000
Interim Colorado River Supplies - Water Banking	1,500,000
Future Water Supplies - Contingency	30,000,000
SNWA - NR Ranches - Domestic Wells	175,000
Livestock Wells	125,000

TOTAL CAPITAL PROJECTS	\$	410,681,000
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SOUTHERN NEVADA WATER AUTHORITY®

2020

MAJOR CONSTRUCTION AND CAPITAL PLAN

Southern Nevada Water Authority
Operating and Capital Budget
Capital Plans
Fiscal Year Ending June 30, 2025



Southern Nevada Water Authority
Operating and Capital Budget
Capital Plans
Fiscal Year Ending June 30, 2025



MISSION

Our mission is to provide world class water service in a sustainable, adaptive and responsible manner to our customers through reliable, cost effective systems.

GOALS

Assure quality water through reliable and highly efficient systems.

Deliver an outstanding customer service experience.

Anticipate and adapt to changing climatic conditions while demonstrating stewardship of our environment.

Develop innovative and sustainable solutions through research and technology.

Ensure organizational efficiency and manage financial resources to provide maximum customer value.

Strengthen and uphold a culture of service, excellence and accountability.

The Southern Nevada Water Authority (SNWA) is a cooperative, not-for-profit agency formed in 1991 to address Southern Nevada's unique water needs on a regional basis.

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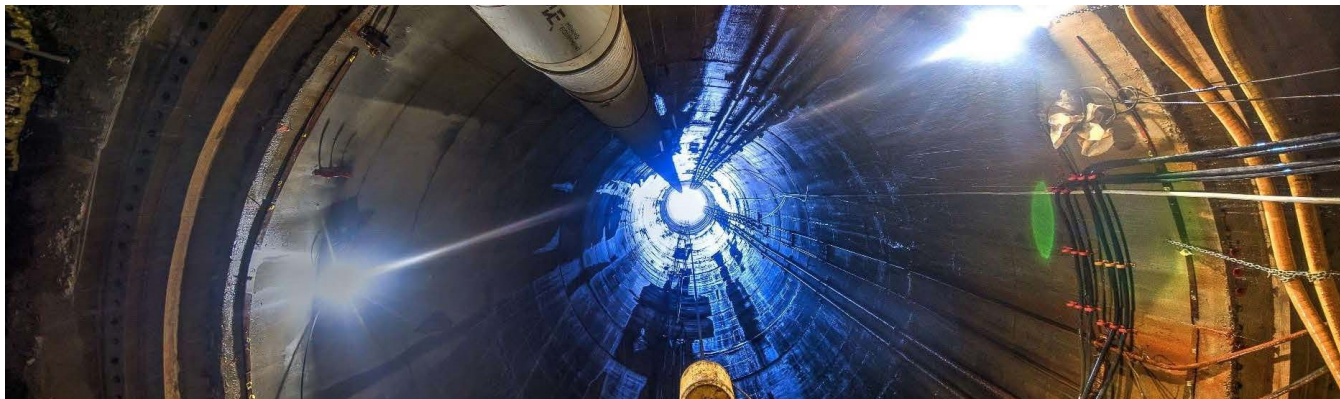
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MAJOR CONSTRUCTION AND CAPITAL PLAN INTRODUCTION

The Southern Nevada Water Authority (SNWA) was formed in 1991 by a cooperative agreement among seven water and wastewater agencies. Collectively, the SNWA member agencies serve more than 2.2 million residents in the cities of Boulder City, Henderson, Las Vegas, North Las Vegas and areas of unincorporated Clark County. As their wholesale water provider, the SNWA is responsible for water treatment and delivery, as well as acquiring and managing long-term water resources for Southern Nevada.

SNWA Member Agencies:

- Big Bend Water District
- City of Boulder City
- City of Henderson
- City of Las Vegas
- City of North Las Vegas
- Clark County Water Reclamation District
- Las Vegas Valley Water District

Major Construction and Capital Plan Background

Efforts to manage Southern Nevada's water resources in a cooperative manner began in the middle of the 20th century when local municipalities, the State of Nevada, and the federal government together began exploring options to deliver Colorado River water to the Las Vegas Valley on an extensive scale. These efforts resulted in a plan for staged financing and construction of the Southern Nevada Water Project. Under the direction of the United States Bureau of Reclamation and the Colorado River Commission of Nevada, the first stage of facilities for pumping, treating and conveying up to 200 million gallons per day (mgd) of Colorado River water from

Lake Mead to the Las Vegas Valley and Boulder City was completed in 1971. An expansion of these facilities to a capacity of 400 mgd was accomplished in 1982. These facilities collectively became known as the Southern Nevada Water System (SNWS).

Ongoing growth in Southern Nevada and increasing demands on the SNWS prompted the SNWA to engage community stakeholders in developing a Capital Improvements Plan (CIP) to expand the SNWS to a regional capacity of 900 mgd. When faced with mission-critical decisions, the SNWA often relies on stakeholder advisory committees to consider community impacts and make recommendations. In 1994, the SNWA established an advisory committee that considered how the water system would need to expand to provide the redundancy and capacity the community required. One of their principal recommendations was for the community's regional water system to achieve a capacity of 900 mgd.

By 1996, all the projects initiated by the Colorado River Commission over the previous three years and all the projects identified through the SNWA's stakeholder planning process had been consolidated into a single CIP. These projects included a second water intake in Lake Mead, a new water treatment facility, and a substantial contingent of water pipeline, pumping, and power supply facilities.

As the progress of the CIP began to approach the goal of a total SNWS capacity of 900 mgd, the SNWA recognized a new capital plan was needed that would provide for accomplishment of capital endeavors which were not directly related to the capacity goal. Such endeavors could include acquiring additional water resources, major system repairs and replacements, water quality enhancements, new

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facilities needed for increased reliability, and acquiring energy resources. To identify and authorize these endeavors, in 2002, the SNWA created a new capital plan called the **Major Construction and Capital Plan (MCCP)**.

Since 2002, the MCCP has been updated regularly and modified in size and scope to appropriately meet the changing water needs of the community. In 2010, given that the original purpose of the CIP had been achieved and given the MCCP's greater role as the dynamic document that defines the future major capital initiatives of the SNWA, the few remaining projects of the CIP were integrated into the MCCP and the MCCP became the single capital plan combining all authorized capital projects and initiatives into a unified document. It reports on the costs of all completed projects of the SNWA. It defines all authorized projects and initiatives for new facilities, acquisition of assets such as water and energy resources, and all other capital related activities. It also identifies estimated costs and schedules for all approved projects and initiatives.

The projects outlined within the MCCP are funded by SNWA bond proceeds and revenues generated by SNWA water bill charges, connection charges, State Sales Tax, and Southern Nevada Public Land Management Act funds.

INTEGRATED RESOURCE PLANNING ADVISORY COMMITTEE 2020 PROCESS

As part of its future planning efforts, the SNWA identified a number of projects that had been deferred, facilities needed to meet new demands and projects that if constructed, would capture valuable Colorado River resources for return-flow credits that would otherwise not be returned to Lake Mead.

To ensure community input into the planning process, the SNWA Board convened an advisory committee to consider the projects and resources needed to continue serving customers into the future. Following a comprehensive education, the committee recommended a package of new infrastructure, water resources, power projects and conservation initiatives to support Southern Nevada.

2020 MCCP

The amended 2020 MCCP represents a major update to the document, including its look and organization. The 2020 MCCP includes a wide variety of projects,

acquisitions, and initiatives addressing various objectives. To facilitate clarity and order, projects, acquisitions and initiatives are organized by chapters corresponding to their general purpose or other distinguishing characteristics, and are organized as follows:

Chapter 1: System Expansion. These projects are considered new water facilities to meet new anticipated demands within the service area or to facilitate water deliveries in areas where water systems have not yet been constructed. It also includes projects to support the SNWA's efforts to increase its renewable energy resources and maximize the sustainable use of Colorado River supplies.

Chapter 2: Water Resources and Conservation. Water resource projects are assets that require capital funding, but may not involve the construction of SNWA facilities. This chapter also includes the Water Smart Landscapes Program – one of the most important conservation investments the SNWA has made over time.

Chapter 3: System Maintenance and Upgrades. Projects, acquisitions or initiatives described in this chapter are needed to maintain the existing system or improve system reliability.

The chapters include project descriptions to outline intent and purpose, and the estimated costs to complete each project, which includes – where applicable – administration, design, construction and contingency amounts.

The appendices also include related information, including projected future cash flow and completed projects.

The MCCP is periodically revised in response to future reliability, water quality, system capacity, and water resource needs and in accordance with the SNWS Facilities and Operations Agreement.



MAJOR CONSTRUCTION AND CAPITAL PLAN - CHAPTER 1 SYSTEM EXPANSION

PROJECTS:

- Horizon Lateral
- Garnet Valley Water System
- Garnet Valley Wastewater System
- Large Scale Solar Photovoltaic (PV) Project
- Low Lake Level Pumping Station (L3PS)

Overview

The SNWA continues to assess its existing regional water system needs and proposes projects necessary to meet future demands. Recently completed major projects include the Low Lake Level Pumping Station (2020) and Intake No. 3 (2015); however, those were designed and constructed to respond to drought conditions and not necessarily to meet future demands.

With economic development opportunities in Southern Nevada's horizon, the regional water system requires new, additional facilities to provide the capacity for new demands while maintaining or improving existing service levels for customers.

Projects included within the 2020 amendment include a new water transmission lateral at the southern portion of the community. In the northern area of the valley, wastewater conveyance lines are contemplated to ensure Colorado River water deliveries are efficiently used and returned to Lake Mead for use again.

Other projects include a solar project and final efforts on the Low Lake Level Pumping Station.



SPOTLIGHT ON: The Horizon Lateral

Approximately 40 percent of the residents and businesses in the southern portion of the Las Vegas Valley are currently served by the South Valley Lateral, which is projected to reach 95 percent capacity by 2034. The single-feed transmission lateral does not have redundant facilities to provide back-up water service to the area, highlighting the need for an additional lateral to ensure future reliability and system capacity.

To ensure system redundancy and reliability in the south part of the valley, and to support Southern Nevada's economic development, the SNWA is considering the Horizon Lateral, which will increase the transmission system capacity from the current 306 million gallons per day (MGD). A feasibility study is being prepared for the Horizon Lateral infrastructure and alignment that will define the recommended capacity, pipeline sizes, reservoir location, pumping station size and location, purveyor turnout locations, and pipeline alignments.

The Horizon Lateral project is expected to include:

- Approximately 24 miles of pipeline ranging between 72 and 120 inches in diameter
- Approximately 7 miles of tunneling
- 2 Pump Stations
- 40 Million Gallon Reservoir(s)
- Rate-of-Flow Control Stations

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Horizon Lateral

The Horizon Lateral represents the largest project proposed within this M CCP amendment in terms of both cost, timeline and magnitude. When completed, the new lateral will offer redundancy for a large portion of SNWA customers and the capacity to meet new demands in the southern portion of the water system. For more details about the Horizon Lateral project, refer to the sidebar on the previous page.

Garnet Valley Water System

The APEX Industrial Park is one of Southern Nevada's largest industrial parks located in Garnet Valley in North Las Vegas. The 16-parcel industrial park includes more than 11,000 acres and is attracting technology- and manufacturing-based businesses.

When completed, the Garnet Valley Water System will support the water needs of the Apex Industrial Park. The Garnet Valley Water System will consist of facilities to support supplying 20 million gallons per day (MGD) at full build-out and includes:

- 18 miles of pipeline, 16 inches to 36 inches in diameter
- 1 reservoir (4 million gallons)
- 3 pumping stations with a capacity of 5 MGD
- 2 forebays
- 2 Rate-of-Flow Control Stations (20 MGD total)

Garnet Valley Wastewater System

Southern Nevada maximizes its water resources by treating and recycling 99 percent of the water used indoors in its service area. Treating wastewater and returning it to Lake Mead extends the availability of our water resources through return-flow credits.

Construction of the Garnet Valley Wastewater System will help ensure the sustainable development of resources and reduce water demand impacts to the Colorado River. The wastewater project will support the agency's efforts to maximize our water resources by developing the infrastructure required to capture indoor wastewater from the Garnet Valley area and transport it to existing treatment facilities in accordance with SNWA's out-of-valley water use policy. The project consists of:

- 5 wastewater lift stations
- 43 miles of wastewater pipeline from 8 inches to 48 inches in diameter
- 8 miles of force main pipe from 14 inches to 30 inches in diameter

Large Scale Solar Photovoltaic (PV) Project

A considerable amount of energy is required to pump water uphill from Lake Mead into the Las Vegas Valley, where SNWA member agencies then distribute it to homes and businesses. SNWA is one of the largest energy users in Southern Nevada, and power is a significant portion of the cost of treating and delivering water.

The Large Scale Solar Photovoltaic (PV) Project ensures a clean, cost-effective renewable energy source for the next 25 years and is essential for meeting the Nevada Renewable Portfolio Standard of 50 percent by 2030. Currently, renewable energy is approximately 21 percent of SNWA's existing power portfolio, and this project will ensure SNWA meets the state-mandated standards by securing 88 megawatts (MW) of solar energy for SNWA and 30 MW for several of its purveyor members.

As part of this project, SNWA will enter into a 25-year, fixed-rate Power Purchase Agreement (PPA) with ibV Energy Partners, which will build, operate and maintain the large-scale solar PV facility. The PPA allows SNWA to purchase power below current market cost, saving money when the facility opens in 2023 and throughout the span of the agreement. In addition to the PPA, the project consists of a 10-mile expansion to SNWA's existing power transmission system, a double-circuit 230 kV power line, 230 kV Switchyard and other infrastructure to support energy transmission.

Low Lake Level Pumping Station (L3PS)

The Low Lake Level Pumping Station ensures Southern Nevada maintains access to its primary water supplies in Lake Mead even if water levels decline due to drought.

Development of the pumping station located in the Lake Mead National Recreation Area involves construction of a 26-foot diameter access shaft more than 500 feet deep and the excavation of a 12,500-square-foot underground forebay. The forebay connects with 34 vertical shafts—each 500 feet deep and 6 feet in diameter—to accommodate the station's submersible pumping units.

During construction, SNWA closed off an access trail to the lake to secure a large area in which to stage the construction, which began in mid-2015 and was completed in April 2020.

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This capital will fund final project close-out activities that include contractor retention fees, restoring 10 miles of Lakeshore Road, re-establishing public access to the trail that has been inaccessible during

construction, removing a construction access road, and restoring the entire staging area to its pre-construction state.

SYSTEM EXPANSION PROJECTS

TITLE (Projected Completion Year)	ESTIMATED COST TO COMPLETE (Estimates in 2019 million dollars)
Horizon Lateral (2032)	\$ 1,596.7
Garnet Valley Water System (2028)	129.8
Garnet Valley Wastewater System (2027)	120.0
Solar PV Project (2022)	20.8
Low Lake Level Pumping Station (2021)	16.4
TOTAL SYSTEM EXPANSION PROJECTS	\$1,883.7

Totals are rounded

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MAJOR CONSTRUCTION AND CAPITAL PLAN - CHAPTER 2

WATER RESOURCES

PROJECTS:

- Future Water Resources
- Water Smart Landscape Rebate
- Water Resource Contingency
- Virgin and Muddy River Water Resource Acquisition
- Minute 323
- Interim Colorado River Supplies – Water Banking

Overview

Water resources represent a significant and important asset for SNWA and require capital funding to acquire and maintain. While this chapter provides a brief description of resources funded within this MCCP, the SNWA Water Resource Plan provides a comprehensive overview of all SNWA water resources and how they're managed and utilized to meet demands over a 50-year planning horizon.

The estimated total spend for water resource projects over a 10-year planning horizon is \$1,068.6 million.

Future Water Resources

SNWA is working to further diversify its water resource portfolio and has identified potential resource options, including investments in water recycling and/or desalination projects developed in partnership with other Colorado River Basin states. In these projects, SNWA would fund part of the construction of the facilities, or lease/purchase water produced by the facilities, in exchange for a portion of that partnering state's Colorado River allocation. Projects under consideration include the Metropolitan Water District of Southern California

(MET) Recycled Water Purification Center and the Yuma Desalting Plant in Arizona.

MET, in collaboration with the Los Angeles County sanitation districts, is proposing an advanced water treatment plant to treat wastewater and inject it into groundwater aquifers for future use. The project would create approximately 112,000 acre-feet of water per year. SNWA would partner with MET to help fund a portion of the project in exchange for MET using less of its Colorado River allocation, which SNWA would then utilize and access via Lake Mead.

SNWA also is considering supporting the retrofit of the Yuma Desalting Plant. Built in 1992 to treat agricultural runoff, the plant has operated only three times due to damage caused by a flood and lack of funding. SNWA may have the opportunity to participate in the plant's repair and long-term operation, which could yield up to 30,000 acre-feet of water per year.

Unlike typical construction projects, these water resource acquisitions require negotiations with willing partners. At the time of this plan's development, these were likely options, but neither have finalized opportunities for partnerships. Including these options within the MCCP and establishing a funding threshold approval ensures the SNWA is prepared to take action on valuable water resources when the opportunities arise.

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Water Smart Landscape Rebate

The Water Smart Landscape (WSL) rebate offers financial incentives to residential and commercial customers in the SNWA service area who replace water-thirsty grass with water-efficient landscaping. Since the majority of Southern Nevada's water is used outdoors on landscaping, the WSL program targets the largest consumptive use of water as a top priority.

This capital funding is capable of providing rebates for approximately 5 million square feet of non-functional turfgrass each year. To sustain results, participants in the program must grant a conservation easement that promises the project will be sustained in perpetuity. This capital funding supports the program funding and the easements associated with the property at which the grass is removed.

Water Resource Contingency

SNWA has successfully partnered with the other Colorado River Basin states and the country of Mexico to flexibly manage Colorado River resources, which have been threatened by drought for two decades. The water resource contingency capital will provide SNWA the funding required to react to changing conditions on the Colorado River and act on developing additional water supplies when opportunities become available.

Virgin and Muddy River Water Resource Acquisition

These costs represent the acquisition of water shares in irrigation companies on the Muddy and Virgin rivers.

Minute 323

The United States and Mexico finalized Minute 323 to the 1944 U.S./Mexico Water Treaty in September 2017. Minute 323 helps maintain Lake Mead water levels, delay potential shortages and create additional certainty for all water users, particularly during shortages. This capital funding supports SNWA efforts to invest in conservation and infrastructure projects in Mexico in exchange for Bi-National Intentionally Created Surplus credits.

Interim Colorado River Supplies – Water Banking

This project includes funding for temporary water supplies: Colorado River system conservation projects, interstate water banking, and SNWA activities with Colorado River basin states that alleviate impacts of the ongoing drought, and more specifically, recovery activities associated with banked resources. Colorado River system conservation and drought-related activities develop water resources to bolster Lake Mead water elevation and protect short-term water supplies, water quality, and operation of SNWA intakes.

WATER RESOURCES

TITLE	ESTIMATED COST TO COMPLETE (Estimates in 2019 million dollars)
Future Colorado River Resource Acquisitions	\$ 587.7
Water Smart Landscape Program Rebates	152.3
Water Resource Contingency	188.3
Virgin and Muddy River Resource Acquisitions	98.4
Minute 323	36.4
Interim Colorado River Supplies – Water Banking	5.5
TOTAL WATER RESOURCES COSTS	1,068.6

Totals are rounded



MAJOR CONSTRUCTION AND CAPITAL PLAN - CHAPTER 3

SYSTEM MAINTENANCE AND UPGRADES

PROJECTS:

- Stage II Reliability Upgrades
- Stage II Multi-site Medium Voltage Electrical Equipment Upgrades
- Ozone Equipment Upgrade
- AMSWTF Filter Improvements
- In-Valley Maintenance Shop
- Enterprise Asset Management Software Replacement
- RMWTF Microbiology Research Lab Expansion
- Water Quality Testing Equipment
- System-wide Valve Actuator Upgrades
- SCADA System Replacement
- Joint SCADA Site

Overview

Maintaining a world class water system requires ongoing repair, upgrade and investment. The projects outlined within this chapter represent those efforts to support existing infrastructure in a way that significantly upgrades the facilities:

Stage II Reliability Upgrades

These improvement projects are associated primarily with SNWA water conveyance infrastructure along the Pittman Lateral which serves the central Las Vegas Valley. The upgrades will improve reliability for customers in older, more established areas of Southern Nevada.

The Stage II Reliability Upgrades consist of modifications to the Hacienda Pumping Station,

rehabilitation of portions of the Pittman Lateral, and localized improvements that would enhance the reliability of delivery along this central corridor, including upgrades to the Gowan, Simmons, Lamb and Sloan pumping stations.

The Hacienda Pumping Station has a conveyance capacity of 180 million gallons per day (MGD) and serves a critical, central area of the Las Vegas Valley. To ensure future reliability, protect against facility aging, provide redundancy in the water delivery system and prevent water loss, additional capital investments are necessary.

This project also includes construction of a new 80 MGD pumping station at the Las Vegas Valley Water District's (LVVWD) Campbell Reservoir site and approximately 1.75 miles of 66-inch diameter discharge pipeline from the new pumping station to the existing Hacienda Pumping Station discharge pipeline. This will facilitate rehabilitation work at the Hacienda Pumping Station.

Additional upgrades to facilities at Sloan, Lamb, Gowan and Simmons pumping stations will be needed to support this project. These upgrades will provide additional back-feed capacity of up to 50 MGD. This capital project includes:

- 1.75 miles of 66-inch diameter pipeline from Campbell to Hacienda Pumping Station
- 4 new pumps to existing pump barrels at Sloan Pumping Station with electrical upgrades
- 4 new pumps to existing pump barrels at Lamb Pumping Station with electrical upgrades
- 30-inch pipeline and two 16-inch pressure reducing valves with electrical upgrades at Gowan Pumping Station
- 60-inch pipeline and 60-inch bypass valve at Simmons Pumping Station

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Stage II: Multi-site Medium Voltage Electrical Equipment Upgrades

Pumping station switchgear that incorporates fuse clip technology has experienced failures, creating water delivery challenges and potential safety concerns for staff. The switchgear — used to control, protect and isolate large pumps — will be replaced at five pumping station sites.

Ozone Equipment Upgrade

In 2002 and 2003, the SNWA implemented Ozone as a primary disinfectant at the Alfred Merritt Smith Water Treatment Facility (AMSWTF) and at the River Mountains Water Treatment Facility (RMWTF).

The systems have been operating continuously for the past 17 years. As the systems age, the potential for equipment failure increases and replacement parts become difficult to acquire. In order to maintain water quality levels, SNWA will fund an analysis of the existing system and, based on the analysis, upgrade or replace the ozone equipment at both treatment plants.

AMSWTF Filter Improvements

The water treatment filters at the AMSWTF have provided reliable service to SNWA's water treatment process since the facility first opened in the 1970s. Due to age and increasing turbidity in the raw water supply due to a drop in Lake Mead's water levels, these filters and related media used to remove sediment and impurities from the water need to be upgraded and deepened. This project consists of demolishing the old filter blocks, raising the height of filter center channel walls, installing new filter blocks, and replacing 135 valves in 15 filters.

In-Valley Maintenance Shop

This project included the design and construction of a maintenance building to support SNWA's water system maintenance activities, including staff, materials and related equipment. The In-Valley Maintenance Shop will provide a centralized location for SNWA to store and use specialized tools and conduct water system repair and maintenance projects. The new facility will improve work efficiencies and reduce travel time required to transport equipment and materials to various sites and locations around the valley.

Enterprise Asset Management Software Replacement

Proactively maintaining, protecting and updating the infrastructure required to meet Southern Nevada's water demands requires a software management system that can track preventative maintenance required at water treatment and transmission facilities and the associated assets such as pipelines, valves, motors, electrical switchgear and pumps. This project consists of replacing outdated, inefficient technology with a software package that allows staff to more effectively manage the agency's many facilities and assets. In addition to maintaining an inventory of these assets and maintenance schedule, the system will also help manage the workflow and costs associated with SNWA's maintenance activities.

RMWTF Microbiology Research Lab Expansion

The SNWA Water Quality Research & Development (R&D) Team conducts cutting-edge water quality research on contaminants of emerging concern and advanced treatment technologies. Since its inception in 2000, the R&D team has helped develop patented technology and has procured \$10 million of external research funds to study emerging water quality issues.

To date, the R&D Team has primarily focused its research on chemical contaminants such as bromate and pharmaceuticals. Emerging water quality issues that include Legionella, antimicrobial resistance and algal toxins create new challenges for the water industry, and the Microbiology Research Laboratory will allow SNWA to establish itself as an R&D leader in microbiology.

This project will facilitate building a 5,500 square-foot, state-of-the-art microbiology research facility. The new building will be located adjacent to the existing R&D laboratories at the RMWTF and include the facilities and equipment necessary to conduct leading-edge microbiology research using a combination of culture methods, molecular methods and microscopy.

Water Quality Testing Equipment

Annually, SNWA's water quality scientists collect nearly 55,000 water samples and conduct nearly 300,000 analyses of those samples. Testing for more than 160 regulated and unregulated contaminants, SNWA experts monitor water quality in real time, 24

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hours a day, 365 days a year. These intensive testing process allow staff to detect contaminants at concentrations of parts per billion, and as technology improves, efficiently identifying contaminants in even smaller concentrations.

The SNWA Water Quality Compliance Laboratory and the Water Quality Research Laboratory provide the infrastructure necessary to meet federal Safe Drinking Water Act standards and support the agency's efforts to provide a clean, safe water supply. Both laboratories contain specialized, sensitive water quality testing equipment. This capital project will provide the funding necessary to replace that equipment as it becomes outdated or needs to be replaced with newer technology.

System-wide Valve Actuator Upgrades

As the SNWA water system matures, proactively replacing aging infrastructure is essential to the reliable, cost-efficient operation of the water transmission and distribution systems. Several large valves in the SNWA water system are 50 years old or more, reaching the end of the service lifecycle. Maintaining service reliability, SNWA will update the valve actuators and continue its proactive valve maintenance programs.

SCADA System Replacement

SNWA's water system operators use Supervisory Control and Data Acquisition system (SCADA) to monitor and control the water treatment and distribution system to ensure the safe and reliable delivery of water. This project will replace an existing SCADA with a new SCADA system that simplifies system maintenance and implements new features to help operate the water treatment and distribution system more efficiently. The Las Vegas Valley Water District and Big Bend Water District also are implementing the new SCADA system, creating operating synergies between SNWA and the two water purveyors.

Joint SCADA Site

SNWA is evaluating the current SCADA operations to determine the feasibility of consolidating current SCADA control rooms and the operations staff from multiple locations to a single site. This capital would provide for modifying an existing space or constructing a new space for the colocation of SNWA and Las Vegas Valley Water District SCADA teams in one centralized SCADA control site.

SYSTEM MAINTENANCE AND UPGRADE PROJECTS

TITLE (Projected Completion Year)	ESTIMATED COST TO COMPLETE (Estimates in 2019 million dollars)
Stage II Reliability Upgrades (2024)	\$ 61.0
Stage II Multi-site Medium Voltage Electrical Equipment Upgrades (2024)	10.5
Ozone Equipment Upgrade (2025)	38.5
AMSWTF Filter Improvements (2022)	20.7
In-Valley Maintenance Shop (2024)	20.0
Enterprise Asset Management Software Replacement (2027)	15.5
RMWTF Microbiology Research Lab Expansion (2024)	16.0
Water Quality Testing Equipment (2029)	11.8
System-wide Valve Actuator Upgrades (2023)	6.6
SCADA System Replacement (2023)	5.0
Joint SCADA Site (2026)	7.7
TOTAL SYSTEM MAINTENANCE & UPGRADES	\$213.3

Totals are rounded

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MCCP TOTAL COSTS

PROJECT TITLE	ESTIMATED COST TO COMPLETE
	<i>Estimate in 2019 million dollars</i>
Horizon Lateral	\$ 1,596.7
Garnet Valley Water System	129.8
Garnet Valley Wastewater System	120.0
Solar PV Project	20.8
Low Lake Level Pumping Station	16.4
Water Smart Landscape Program Rebates	152.3
Future Colorado River resource acquisitions	587.7
Water Resource Contingency	188.3
Virgin and Muddy River Resource Acquisitions	98.4
Minute 323	36.4
Interim Colorado River Supplies – Water Banking	5.5
Stage II Reliability Upgrades	61.0
Stage II Multi-site Medium Voltage Electrical Equipment Upgrades	10.5
Ozone Equipment Upgrade	38.5
AMSWTF Filter Improvements	20.7
In-Valley Maintenance Shop	20.0
Enterprise Asset Management Software Replacement	15.5
RMWTF Microbiology Research Lab Expansion	16.0
Water Quality Testing Equipment	11.8
System-wide Valve Actuator Upgrades	6.6
SCADA System Replacement	5.0
Joint SCADA Site	7.7
TOTAL MCCP	\$3,165.6

Totals are rounded



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APPENDICES

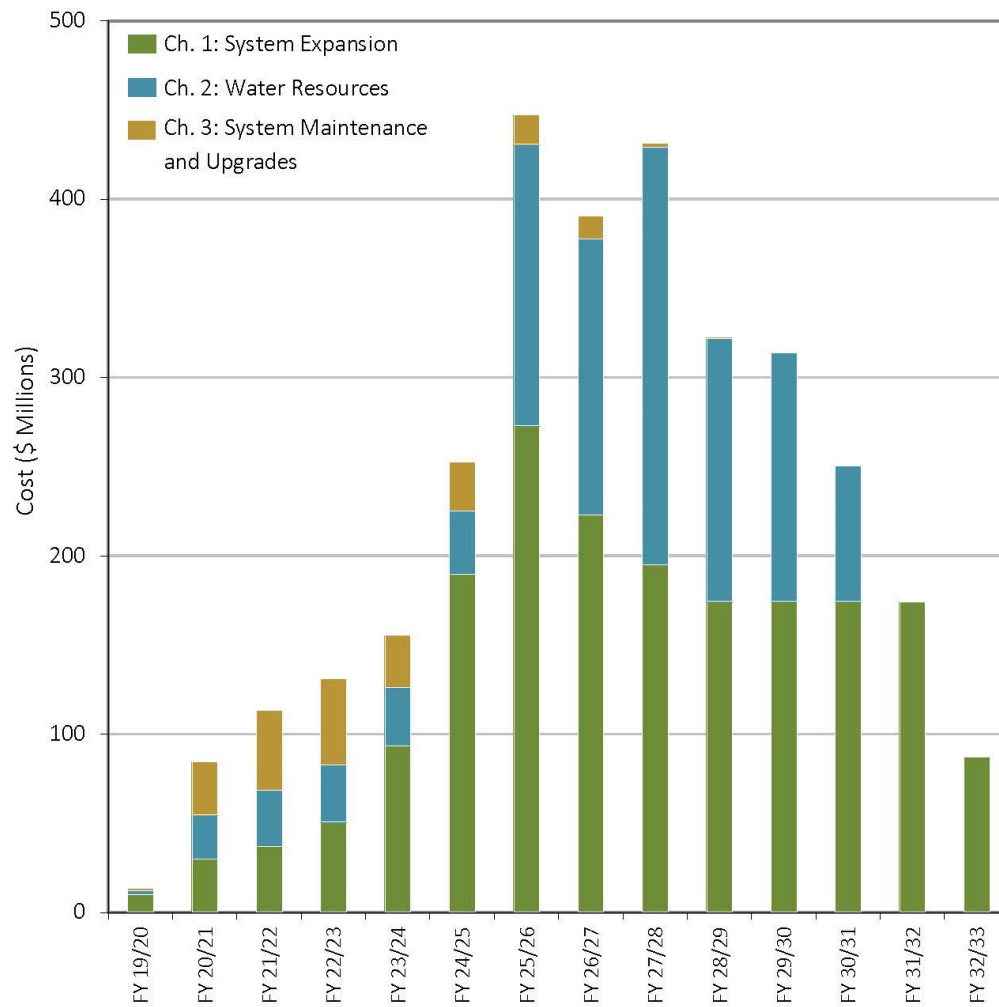
Appendix A – Cash Flow

Appendix B – Completed Projects

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APPENDIX A: Cash Flow

MCCP Projected Cash Flow



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APPENDIX B: Completed Projects

Project Number	Project Title	Completion Year	Actual Cost (\$ Millions)
.	Planning/Environmental for 1995 CIP Administrative		41.2
.	Operational Decision Support System	1997	1.3
B01	Batch Plant at AMSWTF	1997	1.8
C11	Communications	1997	1.3
D01	Scrubber Prepurchase at AMSWTF	1997	0.0
D11	Disinfection Facilities Upgrades at AMSWTF	1997	4.1
F11	Filter Additions at AMSWTF	1997	11.1
H01	Hacienda Pumps Prepurchase	1997	0.0
L11	Low Lift Pump Station	1997	0.0
M11	Gibson Lateral (48" - 2.0 miles)	1997	5.4
P11	Plant Improvements at AMSWTF	1997	9.2
P12	Plant Mass Excavation at AMSWTF	1997	0.6
R11	River Mountains Tank (46 MG)	1997	15.9
R12	River Mountains Tank Mass Excavation	1997	1.9
S11	Simmons Pumping Station (71 mgd)	1997	9.0
T01	Valve Prepurchase	1997	1.0
T11	River Mountains Tunnel (144" - 4.0 miles)	1997	20.5
T12	River Mountains Tunnel Portal Connection	1997	13.7
T13	River Mountains Regulating Tank Mass Excavation	1997	1.4
W11A	West Valley Lateral (60" - 3.3 miles) - Section A	1997	17.4
W11B	West Valley Lateral (60" - 2.9 miles) - Section B	1997	15.4
10010C	Substation Mass Excavation	1997	6.9
08010K	East C-1 Detention Basin	1999	7.7
08010L	Chemical Containment System at AMSWTF	1999	1.8
10010Z	CRC Power Development (Phase I)	1999	46.2
11010A	River Mountains Lateral (72" - 3.8 miles)	1999	9.6
11010B	South Valley Lateral - Major Crossings	1999	6.1
11010C	South Valley Lateral (108" - 9.8 miles)	1999	24.6
11010D	Foothills 2210 Pumping Station (140 mgd)	1999	20.1
11010E	River Mountains 2530 Pumping Station (140 mgd)	1999	24.6
11010G	Horizon Ridge 2375 Reservoir (10 MG), South Valley Lateral Regulating Reservoir (4 MG)	1999	13.5
11010H	South Valley Lateral (90" - 5.0 miles, 54" - 0.2 miles)	1999	14.6
11010I	South Valley Lateral - MacDonald Ranch (108" - 1.1 miles)	1999	5.8
11010J	South Valley Lateral Communications	1999	2.9
11010K	South Valley Lateral (84" - 6.8 miles)	1999	20.9
11010L	Burkholder 2210 Regulating Reservoir (25 MG)	1999	14.9
11010M	Rate-of-Flow Control Station	1999	8.0

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11010P	Pipe Prepurchase (108")	1999	27.0
11010Q	Pipe Prepurchase - 11010H Phase I (90")	1999	1.8
11010R	So. Valley Lateral Regul Resv Inlet/Outlet Pipeline (90" - 0.6 miles, 54" - 0.2 miles)	1999	2.6
11010S	South Valley Lateral - MacDonald Ranch Extension (108" - 0.4 miles)	1999	2.0
11010T	South Valley Lateral Controls	1999	1.0
11010W	South Valley Lateral - Disinfection (Complete)	1999	0.5
11010X	Black Mountain Rate-of-Flow Control Station (25 MG)	1999	3.0
11010Z	R-8 Lateral (24" - 0.8 miles)	1999	1.0
12010A	SNWS Phase II Mass Excavation	1999	2.4
12010B	SNWS Phase II System "C" (225 mgd) (27 MG)	1999	75.5
08010C	Ozone Addition to Alfred Merritt Smith Water Treatment Facility (Pre-design)	2000	0.6
08010D	Site Preparation for Ozone Addition to AMSWTF	2000	4.2
090A	Water Resource (Coyote Spring Valley)	2000	31.6
10010M	Nevada Power Company Connections to Sloan PS and Lamb PS	2000	1.4
13010A	East Valley Lateral - Hollywood/DI to Sloan PS (78" - 2.7 miles)	2000	22.4
13010B	East Valley Lateral - Sloan Pumping Station to Las Vegas Bldg. (78" - 5.7 miles)	2000	22.8
13010C	East Valley Lateral - Las Vegas Blvd. To Lamb PS (78" - 4.5 miles)	2000	22.7
13010D	Sloan 2160 Pumping Station (20 mgd)/Structure (175 mgd)	2000	32.2
13010E	Lamb 2350 Pumping Station (20 mgd)/Structure (175 mgd)	2000	26.4
13010F	Grand Teton 2330 Reservoir (10 MG)	2000	12.5
13010I	Disinfection Facilities: Carlton Square/Twin Lakes	2000	3.3
13010J	East Valley Lateral Communications	2000	2.4
13010T	East Valley Lateral Controls	2000	0.5
13010W	East Valley Lateral Disinfection	2000	0.3
10020A	CRC Power Development Project (Phase II)	2001	11.8
10020B	CRC Power Development Project (Phase III)	2001	14.3
07010A	Lake Mead Intake No. 2 (100 mgd)	2002	104.7
07010B	Raw Water Pumping System (108" - 2.0 miles 100 mgd)	2002	143.3
07010C	River Mountain Aqueduct (108" - 3.2 miles)	2002	18.1
07010E	Basic Water Company Pipeline Relocation	2002	0.6
08010A	RMWTF direct Filtration (150 mgd); Ozone at RMWTF (150 mgd); Clearwell Exp. 25 MG/50 MG total)	2002	266.8
08010H	AMSWTF Modulating Weirs	2002	0.4
08010J	Intake System and RMWTF Communications	2002	2.6
08010M	Magic Way RMWTF Entrance Improvements	2002	3.6
08010N	RMWTF Temporary Fluoridation	2002	1.3
10510A	NPC - Leased Fiber Optic systems - Phase I	2002	0.7
13510A	Boulder City Water Delivery Improvements (30" - 7.0 miles, 10 mgd)	2002	24.3
14010A	NVL - Washburn Rd to Decatur 2350 Res. (24" to 72" - 6.0 miles)	2002	12.0
14010B	Carlton Sq. Lateral, Cole Ave to Washburn Rd (42" - 3.9 miles)	2002	10.6
14010C	Gowan 2350 Pumping Station (24 mgd)	2002	8.7
14010D	Decatur 2350 Reservoir (20 MG)	2002	12.7

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14010E	Deer Springs Rate-of-Flow Control Station (80 mgd)	2002	4.3
14010G	College Rate-of-Flow Control Station (25 mgd)	2002	3.8
14010J	North Valley Lateral - Communications	2002	2.2
14010T	North Valley Lateral - Controls	2002	0.5
07010D	Low Lift Pumping Station Improvements (Phase I)	2003	3.7
07210B	Low Lift Pumping Station Improvements (Phase II)	2003	3.0
08010B	Prepurchase Oxygen/Ozone Equipment (AMSWTF & RMWTF)	2003	19.5
08010ER	Ozone Addition to AMSWTF (600 mgd)	2003	96.0
08010T	Intake System and RMWTF Controls	2003	4.3
08010W	AMSWTF Ozone Controls	2003	0.6
100D	SNWS Power System Upgrades - Equipment Prepurchase	2003	6.4
100E	SNWS Power System Upgrades - Equipment Installation	2003	16.9
100F	CRC Power System Upgrades	2003	5.0
100G	SNWS Power System Upgrades - Material Prepurchase	2003	1.0
100T	SNWS Power System Upgrades - Remote Terminal Units	2003	0.5
10510B	NPC - Leased Fiber Optic Systems - Phase II	2003	1.7
14010F	Foothills Pumping Station Turbine Project	2003	2.8
17010C	North Valley Lateral - Grand Teton Drive to Beltway (60" - 2.4 miles)	2003	9.8
17010G	North Valley Lateral - Beltway Crossing (60" - 0.4 miles)	2003	3.0
17010H	North Valley Lateral - Decatur 2538/2430 PS to Grand Teton Drive (60" - 2.5 miles)	2003	6.6
360B	Equity Purchase of Electric Power Generation Facilities	2003	55.3
08010V	Ozone Training and Start-up Services	2004	1.0
10010P	NPC Connection to Decatur 2538 PS	2004	0.0
10010Q	CRC River Mountains Pumping Station Expansion Power Supply	2004	1.9
16010A	River Mountains Pumping Station B (175 mgd/315 mgd total), and Clearwell Expansion C (25 MG/75 MG total)	2004	44.0
17010B	North Valley Lateral - Grand Teton 2330 Res. To Valley Drive (72" - 7.0 miles)	2004	22.4
17010D	Sloan 2160 (91 mgd/111 mgd total) and Lamb 2350 (91 mgd/111 mgd total) Pumping Station Expansion	2004	15.1
17010F	Decatur 2538/2430 PS (54 mgd-2538, 27 mgd-2430/Structure 105 mgd)	2004	31.1
17010J	East Valley Lateral and North Valley Lateral Communications Improvements	2004	0.4
17010K	Valley Drive Isolation Valve	2004	0.6
320C	Disinfection By-Products Control Strategy	2004	0.2
320D	AMSWTF Filter Media and Underdrain Improvements Study	2004	0.2
320G	Lake Mead Intake No. 1 Modifications	2004	7.4
320H	Pumping Plant 6 Rechlorination Station	2004	0.0
360A	Equity Purchase of Electric Power Generation Facilities - Silverhawk Project	2004	120.0
08210B	RMWTF Prepurchase Ozone Equipment (150 mgd/300 mgd total)	2005	6.7
13010K	East Valley Lateral Interconnections	2005	6.5
17010A	East Valley Lateral - River Mtns. Res. To Desert Inn Rd. (78" - 8.2 miles)	2005	49.8
19010A	Horizon Ridge 2375 Reservoir Expansion (10 MG/20 MG total)	2005	11.9

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340F	Transmission Pipeline Cathodic Protection System Repairs	2005	1.1
360E	Feasibility Study of Intermountain Project Unit 3	2005	0.5
370F	AMSWTF Utility Building Chiller Replacement	2005	0.0
07210C	Intake No. 2 to AMSWTF By-pass Pipeline	2006	17.7
08210A	RMWTF Expansion (150 mgd/300 mgd total)	2006	76.8
370H	Flame Detection Equipment for High Pressure Hydraulic System	2006	0.2
07210A	Raw Water Pumping System Expansion (200 mgd RMWTF + 160 mgd AMSWTF 460 mgd total)	2007	68.0
08010F	AMSWTF Process Improvements	2007	71.4
090S	Virgin and Muddy Rivers Surface Water Development	2007	8.8
15010A	River Mountains 2530 Pumping Station Expansion - Equestrian Addition (7 mgd/14 mgd total)	2007	0.9
17010L	In-Valley Isolation Valves	2007	4.4
300G	RMWTF Operators Video Display Upgrade	2007	0.2
340G	Transmission Pipelines Discharge Modifications Study	2007	0.4
370D	Fiber-Optic Network Improvements	2007	1.3
370G	AMSWTF Computer Room HVAC Replacement	2007	0.0
300B	Radio Communication System Upgrades	2008	0.6
300C	Overhead Crane Upgrades	2008	0.2
300I	AMSWTF Asbestos Removal	2008	0.0
310C	IPS-1 Pump and Motor Replacements	2008	28.7
320A	RMWTF Water Quality Laboratory and Pilot Plant	2008	42.1
320E	AMSWTF Cathodic Corrosion Protection System Repairs and Upgrades	2008	1.5
320L	AMSWTF Electrical Disconnect Switch Replacements	2008	0.2
320M	Spare Filter Backwash Control Valve	2008	0.1
320R	Water Quality Sampling and Testing Equipment	2008	1.0
340K	Reservoir Vent Modifications	2008	0.4
340M	Air Vacuum and Relief Valve Piping Adjustments	2008	0.1
360D	Energy Supplier Conversion	2008	0.1
360F	Rate of Flow Control Energy Recovery	2008	8.1
360G	Intermountain Power Project Unit 3 - Predevelopment	2008	0.6
360I	Hacienda Pumping Station Electrical Substation Upgrades	2008	1.8
360J	AMSWTF & RMWTF Solar Photovoltaic Electric	2008	0.1
370J	SNWA Office Tenant Improvements	2008	42.5
370K	AMSWTF Warehouse Storage System Improvements	2008	0.0
370P	Purchase SNWA Office Space	2008	36.5
07011B	Raw Water Pumping System - Warranty	2009	1.7
07012B	Flowserve Pump Replacement at BPS-1A & BPS2	2009	1.5
19010B	Duck Creek Isolation Valve	2009	4.2
19010C	Magic Rate-of-Flow Controls (15 MGD)	2009	5.9
300D	Roofing Replacements	2009	0.9
300J	Warm Springs Rate-of-Flow Control Station Offsite Improvements	2009	0.0
310D	Emergency Bypass Rate-of-flow Control Station Valve Replacements	2009	2.6
310E	North I-15 Treatment and Transmission Facilities Planning - Phase I	2009	0.9

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320J	Disinfection By-Products Studies	2009	0.3
320K	Surface Water Treatment Pilot Studies	2009	1.9
340H	Pumping Plant No. 7 Upgrades	2009	0.6
340I	South Valley Facilities Expansion - Phase I	2009	13.4
340L	Hemenway Rate-of-Flow Control Improvements	2009	0.5
340O	Pumping Station 6 Forebay Relining	2009	0.1
340P	Charleston Heights Lateral Repair and Valve Installation	2009	1.9
360K	High Concentrating Solar Photovoltaic Demonstration and Research	2009	2.3
360N	Solar Photovoltaic Panels at AMSWTF Filters & Flocculation Basins	2009	0.1
370C	RMWTF Fleet Maintenance & Electrical Maintenance Facility	2009	4.0
370E	AMSWTF Mechanic Maintenance Shop Addition	2009	13.0
370L	SCADA Communications Upgrades	2009	0.4
370N	AMSWTF Standby Generator Replacement	2009	0.3
070F05	Lake Mead Intake No. 2 Connection and Modifications	2010	40.4
320S	Quagga Mussel Evaluation and Control Facilities	2010	0.4
340A	Coyote Spring Valley Well and Moapa Transmission System	2010	52.6
370B	Security System Upgrades	2010	2.0
310F	IPS-2 Test Pump Procurement and Installation	2011	40.3
370O	AMSWTF Utility Building Air Handler Replacement	2011	0.3
370S	Mold Abatement at River Mountains Water Treatment Facility	2011	0.3
320N	AMS Clearwell Slide Gates	2012	0.3
070F02C1	Intake No. 3 Pumping Station	2014	21.9
070F02C2	Intake No. 3 - Connector Tunnel	2014	96.9
320F	AMSWTF Filtration System Valve Repairs	2014	0.1
340R	Transmission Pipelines Cathodic Corrosion Protections System Repairs - Phase 2	2014	7.7
360M	Renewable Energy Project Development	2015	3.4
070F01	Lake Mead Intake No. 3 Shafts and Tunnel	2017	532.3
070F06	Lake Mead Intake No. 3 Chemical Feed System	2017	2.6
320B	Remodel Former AMSWTF Laboratory Spaces	2017	0.7
320P	AMSWTF Chlorine Building I Rehabilitation	2017	0.1
340C	Hitachi Motor Retrofit	2017	9.4
341A	Pumping Station 6 Forebay Relining - Phase 2	2017	1.0
360C	Electric Power Transmission Facilities	2017	0.3
340X	Simmons Rate-of-Flow Control Station Pipeline Repairs and Hacienda ROFC Repair	2018	0.1
070F04	Discharge Pipeline	2018	38.2
13010H	Disinfection Facilities - Horizon/Parkway/Bermuda	2018	0.3
300E	Control System Improvements	2018	30.2
340T	Sloan Pumping Station Foundation Repairs (MEPS 6860	2018	0.2
360H	Pumping Station Electrical Transformer Repairs	2018	2.7
	Completed Projects	TOTAL	3,260.6

SECTION 7

DEBT MANAGEMENT POLICY

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Debt Management Policy

In Accordance With
NRS 350.013



June 30, 2024

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Debt Management Policy

NRS 350.013 Subsection 1(c)

Introduction

The Southern Nevada Water Authority (SNWA) is charged with 1) operating the Southern Nevada Water System (SNWS) to deliver wholesale treated Colorado River water to its purveyor members, 2) expanding the SNWS as needed to meet the growing demand for water by its purveyor members, and 3) securing additional supplies of water for Southern Nevada, and effectively manage existing water supplies through the cooperative action of its member agencies.

The SNWS was originally a joint effort of the State of Nevada (State) acting through its Colorado River Commission (CRC) and the United States of America acting through the U.S. Bureau of Reclamation. Prior to 1995, the debt associated with the SNWS was either repayment contracts with the federal government, or general obligations of the State. Assembly Bill No. 542, approved by the Nevada Legislature in June 1995, transferred all assets and liabilities associated with the SNWS from the CRC to the SNWA effective January 1, 1996.

The SNWA's current debt structure is presented in the appendix. The SNWA has four options to sell debt:

- The SNWA can request the Las Vegas Valley Water District (LVVWD) to sell debt on its behalf. Standard & Poor's rates the LVVWD bonds "AA", and Moody's Investors Service rates them at "Aa1". This rating makes the LVVWD's bonds "high investment grade." This option is how the SNWA has accomplished most of its debt financing.
- The SNWA can sell its bonds to the Clark County (County) Bond Bank, which can then sell County general obligation bonds. The 1999 Nevada Legislature made this option available. Standard & Poor's rates County bonds "AA+", and Moody's Investors Service rates them at "Aa1". This rating classifies the County bonds as "high investment grade".
- The SNWA can sell its bonds to the State of Nevada's (State) Municipal Bond Bank, which then sells the State general obligation bonds. The 1997 Nevada Legislature made this option available. Standard & Poor's rates State bonds "AA+", and Moody's Investors Service rates them at "Aa1". This rating classifies the State's bonds as "high investment grade".
- The SNWA can issue debt in its own name. However, the SNWA is unable to make a general obligation (property tax) pledge, therefore interest rates on the debt would tend to be higher. This debt has not been rated but is likely to be below the rating of the LVVWD, the State, and the County, which would result in higher interest rates. Therefore, it is expected that the SNWA will continue to use the previously mentioned options to issue debt.

The SNWA's Major Construction and Capital Plan (MCCP) outlines the phased construction plan developed to meet the growing demands for water in the Las Vegas Valley. The MCCP is reviewed semi-annually and is presented to the Board as determined appropriate by the SNWS work group. The MCCP has been partially funded with debt.

The Las Vegas Wash Capital Improvements Plan (LVWCIP) covers projects the SNWA is building in the Las Vegas Wash. The LVWCIP is updated periodically, as needed. The SNWA uses a combination of interfund loans and sales tax proceeds to fund the LVWCIP; it does issue bonds or other debt to fund the LVWCIP.

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The Las Vegas Wash Capital Improvements Plan (LVWCIP) covers projects the SNWA is building in the Las Vegas Wash. The LVWCIP is updated periodically with the most recent update occurring in May 2020. The SNWA intends to use an inter account loan from the New Expansion Debt Service sub fund, as well as grant proceeds, to pay for these projects. Four percent of the SNWA's overall sales tax proceeds received are dedicated to the Las Vegas Wash and will be used to make debt service payments on this inter account loan.

This document is not intended to review the SNWA's total financial position. Analysis of the SNWA's debt position is important, as growth in the County, as well as impacts from the ongoing drought within the Colorado River Basin, have resulted in an increased need for capital financing. Resources, as well as needs, drive the SNWA's debt issuance program. The MCCP and LVWCIP were developed to identify clearly, and in detail, the specific facilities which are to be built, the year in which they are proposed to be completed, and an estimate of how much each will cost. As projects are completed, these plans will also document actual costs of those facilities.

Below are excerpts from Nevada Law, which require local governments to submit this debt management policy:

NRS 350.013 Municipalities to submit annually statement of current and contemplated general obligation debt and special elective taxes, statement of debt management policy, plan for capital improvement or alternate statement and certain information regarding chief financial officer; update of information; exceptions.

(1) Except as otherwise provided in this section, on or before August 1 of each year, the governing body of a municipality which proposes to issue or has outstanding any general obligation debt, other general obligations or special obligations, or which levies or proposes to levy any special elective tax, shall submit to the Department of Taxation and the commission:

(a) A complete statement of current general obligation debt and special elective taxes, and a report of current debt and special assessments and retirement schedules, in the detail and form established by the Committee on Local Government Finance.

(b) A complete statement, in the detail and form established by the Committee on Local Government Finance, of general obligation debt and special elective taxes contemplated to be submitted to the commission during the fiscal year.

(c) A written statement of the debt management policy of the municipality, which must include, without limitation:

(1) A discussion of its ability to afford existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt;

(2) A discussion of its capacity to incur authorized and proposed future general obligation debt without exceeding the applicable debt limit;

(3) A discussion of its general obligation debt that is payable from property taxes per capita as compared with such debt of other municipalities in this State;

(4) A discussion of its general obligation debt that is payable from property taxes as a percentage of assessed valuation of all taxable property within the boundaries of the municipality;

(5) Policy regarding the manner in which the municipality expects to sell its debt;

(6) A discussion of its sources of money projected to be available to pay existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt; and

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(7) A discussion of its operational costs and revenue sources, for the ensuing 5 fiscal years, associated with each project included in its plan for capital improvement submitted pursuant to paragraph (d), if those costs and revenues are expected to affect the property tax rate.

(d) Either:

(1) Its plan for capital improvement for the ensuing 5 fiscal years, which must include any contemplated issuance of general obligation debt during this period and the sources of money projected to be available to pay the debt; or

(2) A statement indicating that no changes are contemplated in its plan for capital improvement for the ensuing 5 fiscal years.

(e) A statement containing the name, title, mailing address and telephone number of the chief financial officer of the municipality.

(2) The governing body of a municipality may combine a statement or plan required by subsection 1 with the corresponding statement or plan of another municipality if both municipalities have the same governing body or the governing bodies of both municipalities agree to such a combination.

(3) Except as otherwise provided in subsection 4, the governing body of each municipality shall update all statements and plans required by subsection 1 not less frequently than once each fiscal year.

(4) In a county whose population is 100,000 or more, the governing body of each municipality shall update all statements and plans required by subsection 1 not less often than once each fiscal year and not more often than twice each fiscal year, except that a municipality may update a statement or plan required by subsection 1 more often than twice each fiscal year.

Affordability of Debt

Response to NRS 350.013 1(c):

(1) A discussion of its ability to afford existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt; and

(6) A discussion of its sources of money projected to be available to pay existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt

Existing, Authorized and Proposed General Obligation/Revenue Supported Bond Indebtedness Issued by the Las Vegas Valley Water District ("LVVWD Bonds")

The SNWA's Bonds issued in the name of the LVVWD constitute direct and general obligations of the LVVWD, and the full faith and credit of the LVVWD is pledged to the payment of principal and interest due thereon, subject to Nevada constitutional and statutory limitations on the aggregate amount of ad valorem taxes. The LVVWD Bonds are payable from general ad-valorem taxes on all taxable property in the LVVWD service area and are additionally secured by certain SNWA pledged revenues as set forth in Section 4, Chapter 631, Statutes of Nevada 1993. The SNWA pledged revenues currently consist of connection, commodity, infrastructure and reliability charges, which were approved by the SNWA, the LVVWD, and the cities of Henderson and North Las Vegas.

In any year in which the total property taxes levied within the LVVWD's service area by all applicable taxing units (e.g. the State, Clark County, the Clark County School District, any city, or any special district including the LVVWD) exceed such property tax limitations, the reduction to be made by those units must be in taxes levied for purposes other than the payment of their bonded indebtedness, including interest on such indebtedness.

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Nevada statutes provide that no act concerning the LVVWD Bonds or their security may be repealed, amended, or modified in such a manner as to adversely impair the Bonds or their security until all of the Bonds have been discharged in full, or provision for their payment and redemption has been fully made.

The payment of the LVVWD Bonds is not secured by an encumbrance, mortgage or other pledge of property of the LVVWD or the SNWA, and no property shall be liable to be forfeited or taken in payment of the LVVWD Bonds; provided the payment of the Bonds is secured by the proceeds of general (ad valorem) taxes and the LVVWD's and the SNWA's revenues, which are pledged for the payment of the Bonds. Furthermore, section 350.606 of the Bond Act provides no recourse shall be had for the payment of the principal of, interest on, or any prior redemption premiums due in connection with municipal securities such as the LVVWD Bonds, or for any claim based thereon or otherwise upon the resolution authorizing their issuance, against any individual trustee, officer, employee or other agent of the LVVWD or the SNWA, past, present or future, either directly or indirectly by virtue of any statute or rule of law. The LVVWD Bonds will be repaid with revenues of the SNWA and/or revenues made available to the LVVWD by certain members of the SNWA.

The LVVWD has never levied an ad valorem tax because theirs, and the SNWA's revenues, have been sufficient to pay debt service on all of the LVVWD's bonds and obligations secured by such revenues.

Authorized and Proposed Future LVVWD Water Bonds. The SNWA intends to issue approximately \$472 million in new money LVVWD Bonds in fiscal year **2024-25**. The SNWA is also applying for a \$70 million State Revolving Fund (SRF) loan. The \$472 million in LVVWD Bonds will be reduced by the amount of the award of a SRF loan, if any. Also, the SNWA intends to issue separate LVVWD Bonds to refund the 2015 bonds. In addition, the bond market is monitored for savings opportunities via refunding or restructuring existing debt issues.

Debt Service Requirements. See the appendix for the table illustrating the debt service to maturity on the LVVWD Bonds.

Property Tax Rate Impact. Principal and interest on the LVVWD Bonds are payable from the SNWA's pledged revenues. There will be no direct impact on the ad valorem tax rate as long as pledged revenues are sufficient to pay debt service on the outstanding bonds. See the appendix for a table that illustrates the SNWA's pledged revenues and debt service coverage.

Bonded Indebtedness. The following table shows the outstanding LVVWD Bonds as of June 30, 2024.

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Bond Series	Issue Date	Original Amount Issued	Outstanding Principal
2015	Jan-15	\$ 332,405,000	\$ 332,405,000
2015B	Jun-15	177,635,000	76,445,000
2015C	Jun-15	42,125,000	17,585,000
2016A	Apr-16	497,785,000	389,915,000
2017B	Mar-17	22,115,000	13,220,000
2018B	Mar-18	79,085,000	22,845,000
2019A	Mar-19	107,975,000	94,635,000
2019B	Oct-19	90,280,000	42,375,000
2020A	Mar-20	123,860,000	96,475,000
2021A	Mar-21	144,685,000	107,465,000
2021C	Mar-21	208,145,000	170,610,000
2022A	Feb-22	292,240,000	281,920,000
2022C	Mar-22	253,820,000	237,630,000
Total			<u>\$ 1,883,525,000</u>

Existing, Authorized and Proposed General Obligation/Revenue Supported Bond Indebtedness Issued by the Clark County, Nevada Bond Bank ("County Bonds")

The County Bonds will be repaid with revenues of the SNWA and/or revenues made available to the SNWA by certain members of the SNWA. AB 201, approved by the 1997 State Legislature, provides that members of the SNWA must contract with the SNWA to make payments from the revenues of the members' water systems that, in the aggregate, are fully sufficient to pay those bonds as they become due. If the water revenues of any such member are insufficient to pay the member's share of the amount due on the bonds, the member shall pay the deficiency out of money available for that purpose in the general fund of the member. If the money in the general fund of the member is insufficient to pay fully any such deficiency promptly, the member shall levy a general ad valorem tax on all taxable property within the member's boundaries at a rate necessary to produce revenue in an amount sufficient to pay that member's share of the payments due on the bonds. The obligations of the members of the SNWA to the SNWA and the State because of the acquisition of bonds of the SNWA pursuant to AB 201 do not constitute indebtedness of the members within the meaning of any constitutional, charter, or statutory limitation or other provision restricting the ability to incur debt. Nevada statutes provide that no act concerning the County Bonds or their security may be repealed, amended, or modified in such a manner as to impair adversely the Bonds or their security until all of the Bonds have been discharged in full, or provision for their payment and redemption has been fully made.

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Payment of the County Bonds is not secured by an encumbrance, mortgage, or other pledge of property of the SNWA, and no property shall be liable to be forfeited or taken in payment of the County Bonds; provided payment of the Bonds is secured by the SNWA revenues, which are pledged for payment of the Bonds. Furthermore, Section 350.606 of the Bond Act provides that no recourse shall be had for the payment of the principal of, interest on, or any prior redemption premiums due, in connection with municipal securities such as the County Bonds, or for any claim based thereon or otherwise upon the resolution authorizing their issuance, against any individual trustee, officer, employee or other agent of the SNWA, past, present or future, either directly or indirectly by virtue of any statute or rule of law.

Authorized and Proposed New County Bonds. The SNWA does not intend to issue any new County Bonds in fiscal year 2024-25. However, the bond market is monitored for savings opportunities via refunding or restructuring existing debt issues.

Debt Service Requirements. See the appendix for the table illustrating the debt service to maturity for the existing County Bonds.

Property Tax Rate Impact. There is no impact on tax rates as principal and interest on the County Bonds is payable from the SNWA's pledged revenues only. See the appendix for the table illustrating the SNWA's pledged revenues and debt service coverage.

Bonded Indebtedness. The following table shows the outstanding County Bonds as of June 30, 2024.

Bond Series	Issue Date	Original Amount Issued	Outstanding Principal
2016A	Mar-16	\$ 263,955,000	\$ 82,850,000
2016B	Aug-16	271,670,000	217,725,000
2017	Mar-17	321,640,000	254,245,000
2021	Nov-21	67,620,000	67,620,000
2022A	May-22	75,090,000	75,090,000
Total			\$ 697,530,000

Existing, Authorized and Proposed General Obligation/Water Revenue Bonds Issued by the State of Nevada Bond Bank ("State Bonds")

The SNWS was originally financed by a combination of State of Nevada, CRC General Obligation Bonds and Federal Repayment Contracts entered into between the State and the United States Bureau of Reclamation (the Repayment Contracts). These debt obligations were transferred to SNWA effective January 1, 1996, according to the Transfer Act (Assembly bill No. 542, NRS Chapter 393).

The State Bonds are general obligations of the State, and the payment of principal and interest due thereon are secured by general taxes levied against all taxable property within the State, subject to limitations imposed by the constitution and statutes of the State. The full faith and credit of the State is pledged for the payment of the principal, redemption premium, if any, and interest on the State Bonds. For the purpose of paying the principal and interest on the Bonds, there shall be levied, until all the

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Bonds shall have been fully paid, a general tax on all property, both real and personal, subject to taxation within the boundaries of the State, including the net proceeds of mines, fully sufficient to pay and retire the State Bonds, without regard to any statutory tax limitations now or hereafter existing (other than the limitation of \$3.64 on each \$100 of assessed valuation in the State statutes, and after there are made due allowances for probable delinquencies).

The payment of the State Bonds is further secured by a lien on the net pledged revenues derived from the operation of the SNWA's facilities.

In any year in which the total property taxes levied within the State by all overlapping units (e.g. the State, any county, the school district, any city, or any special district) exceed such property tax limitations, the reduction to be made by those units (including the State) must be in taxes levied for purposes other than the payment of their bonded indebtedness, including interest on such indebtedness, subject to any implied police power exception.

Nevada statutes provide that the faith of the State be pledged and any law supplemental or otherwise appertaining thereto, and any act concerning the Bonds, or other municipal securities, taxes or pledged revenues, shall not be repealed, amended, or modified in such a manner as to impair adversely the Bonds or their security until all of the Bonds have been discharged in full or provision for their payment and redemption has been fully made.

The payment of the State Bonds is not secured by an encumbrance, mortgage or other pledge of property of the State, except the proceeds of general taxes, net pledged revenues, and other money pledged for the payment of the Bonds shall be liable or forfeited for, or taken in payment of, the Bonds.

Authorized and Proposed New State Bonds. The SNWA does not intend to issue new State Bonds in fiscal year 2024-25. However, the bond market is monitored for savings opportunities via refunding or restructuring existing debt issues.

Debt Service Requirements. See the appendix for the table illustrating the debt service to maturity for the existing State Bonds.

Property Tax Rate Impact. Principal and interest on the State bonds are payable from the SNWA's net pledged revenues. There will be no direct impact on the State's ad valorem tax rate as long as pledged revenues are sufficient to pay debt service on the outstanding bonds. See the appendix for the table illustrating the SNWA's pledged revenues and debt service coverage.

Bonded Indebtedness. The following table shows the outstanding State Bonds as of June 30, 2024.

Bond Series	Issue Date	Original Amount Issued	Outstanding Principal
2009	Oct-09	\$ 2,214,457	\$ 695,972
Total			\$ 695,972

Existing, Authorized and Proposed Water Revenue Bonds Issued by the Southern Nevada Water Authority ("SNWA Bonds")

As of June 30, 2024, there were no SNWA Bonds outstanding.

Authorized and Proposed Future SNWA Water Bonds. The SNWA intends to apply for a \$70 million SRF loan in fiscal year 2024-25. If awarded, the SRF loan will be secured by SNWA Bonds.

Property Tax Rate Impact. Principal and interest on the SNWA bonds are payable from the SNWA's net pledged revenues. There will be no impact on ad valorem tax rates. See the appendix for the table illustrating the SNWA's pledged revenues and debt service coverage.

Debt Capacity

Response to NRS 350.013 1(c):

(2) A discussion of its capacity to incur authorized and proposed future general obligation debt without exceeding the applicable debt limit.

The SNWA does not have a specific debt limit dollar amount threshold. The SNWA's ability to issue and pay its debt is a function of its capital needs and revenues generated from the SNWA's facilities.

Debt Comparison (per capita and assessed valuation)

Response to NRS 350.013 1(c):

(3) A discussion of its general obligation debt that is payable from property taxes per capita as compared with such debt of other municipalities in this state;

(4) A discussion of its general obligation debt that is payable from property taxes as a percentage of assessed valuation of all taxable property within the boundaries of the municipality;

The SNWA currently has no outstanding bonds payable directly from property taxes, as the SNWA cannot levy property taxes. The existing and proposed Bonds are payable from pledged water revenues.

Policy Statement for Sale of Debt

Response to NRS 350.013 1(c):

(5) Policy regarding the manner in which the municipality expects to sell its debt.

There are two ways bonds can be sold: competitive (public) or negotiated sale. NRS 350.105 to 350.195 sets forth the circumstances under which a local government may sell its bonds at a competitive or negotiated sale. The SNWA will follow these statutory requirements in determining the method of sale for its bonds. The Government Finance Officers Association also urges "competitive sales should be used to market debt whenever feasible".

Competitive and negotiated sales provide for one or more pricings, depending upon market conditions or other factors. Either method can provide for changing sale dates, issue size, maturity amounts, term,

bond features, etc. The timing of any sale is generally governed by the requirements of the Nevada Open Meeting Law.

Competitive Sale

In a competitive sale, all underwriter(s) are invited to submit a proposal to purchase an issue of bonds. The bonds are awarded to the underwriter(s) presenting the best bid according to stipulated criteria set forth in the notice of sale. The best bid is determined based on the lowest overall interest rate.

Negotiated Sale

In a negotiated sale, an exclusive arrangement is made between the issuer and an underwriter or underwriting syndicate. At the end of successful negotiations, the issue is awarded to the underwriter.

A negotiated underwriting may be considered based upon one or more of the following criteria:

- Extremely large issue size.
- Complex financing structure (i.e. new security feature, variable rate financings, new derivatives, and certain revenue issues, etc.) which provides a desirable benefit to the SNWA.
- Difficulty in marketing due to credit rating or lack of bids.
- Private placement, or sale to a municipality, to the State, or a federal agency.
- Other factors which lead the SNWA to conclude a competitive sale would not be effective, including market conditions.

It is the policy of the SNWA to provide minority owned business enterprises, women owned business enterprises and all other business enterprises an equal opportunity to participate in the performance of the SNWA contracts. At a competitive sale, bidders are requested to assist the SNWA in implementing this policy by taking all reasonable steps to ensure all available business enterprises, including minority and women business enterprises, have an equal opportunity to participate in the SNWA contracts.

Underwriter Selection for Negotiated Sale

- The Chief Financial Officer (CFO) will establish a list of pre-qualified underwriters when a negotiated sale is anticipated. The list will be based, in part, on the firms who have submitted bids for the SNWA's competitive bond issues over the prior five years. In addition, the list may contain firms that have participated in other financings in Nevada (in competitive bids or negotiated sales), demonstrated ability and interest in SNWA financings, or have submitted financing ideas and concepts for SNWA's consideration over the past five years.
- The CFO may distribute, or request that the SNWA's Financial Advisors distribute on behalf of the SNWA, a Request for Proposal (RFP) to underwriting firms on the list. The RFP may include, at a minimum, information regarding the firm's qualifications, staffing and personnel assigned to the SNWA, fees (including takedown and management fee, if any), debt structuring, marketing, expected yield, and credit strategies. Before selecting a firm or firms, the CFO may, but is not required to, conduct interviews of firms who submit responses to the RFP.
- The selection of underwriter(s) may be based on the overall quality of the response, qualifications of the firm, demonstrated success in pricing bonds, understanding of the SNWA's objectives, qualifications of the banking and underwriting team to be assigned to the SNWA, fees, applicability of the marketing and credit strategy, and relevance and quality of structuring proposals.

- The CFO will designate the senior manager and book-running senior manager if there are co-senior managers, as well as the co-managers from the firms selected through the RFP process. The CFO will determine the length of time that the selected firms will serve as the syndicate for the SNWA. Such a selection can be for a single transaction or multiple transactions, but the syndicate will be reviewed and a new RFP will be issued at intervals not greater than every five years.

Syndicate Policies

- The CFO will establish designations and liabilities. At a minimum, in a syndicate with three or more firms serving as co-managers, the designation rules will include a minimum of three firms to be designated, with a minimum of five percent to any firm. The CFO will also determine the maximum amount to be designated to a single firm (typically 60 percent, but this can be higher or lower, depending upon the size of the syndicate and the par amount of the transaction). In addition, the CFO will determine the appropriate allocation of liabilities and equivalent share of compensation for group net orders.
- Prior to the sale of bonds, the senior book-running manager will submit a Syndicate Policy Memo to the CFO for approval. At a minimum the Syndicate Policy Memo will include:
 - Average Takedown and takedown by maturity.
 - Details of Underwriter expenses, including the cost of Underwriter's Counsel.
 - Designation rules.
 - Liabilities.
 - Order priority (unless otherwise agreed by the CFO, the order priority will be Nevada Retail, National Retail, Group Net or Net Designated, Member).
 - Definition of a retail order (unless otherwise determined by the CFO) will include orders placed by individuals, bank trust departments, financial advisors and money managers acting on behalf of individuals with a maximum of \$1 million per account.
 - Assignment of Refinitiv Credit.
- The Syndicate Policy Memo may include other relevant information (e.g., management fee or other fees, description of the sale timeline).

Selling Group

The CFO may establish a selling group to assist in the marketing of the bonds as warranted (based on market conditions and size of the transaction).

Allocation of Bonds

The book-running senior manager is responsible for allotment of bonds at the end of the order period. The CFO and the SNWA's Financial Advisors will review allotments to ensure the senior manager distributes bonds in a balanced and rational manner.

Operation Costs and Revenue Sources for Projects in Capital Improvement Plan

Response to NRS 350.013 1(c):

(7) A discussion of its operational costs and revenue sources, for the ensuing 5 fiscal years, associated with each project included in its plan for capital improvement submitted pursuant to paragraph (d), if those costs and revenues are expected to affect the tax rate.

As illustrated in the Net Pledged Revenues table in the appendix of this document, operational costs are funded with water revenues. It is the SNWA's intent to finance future operational costs with water revenues and will therefore have no effect on ad valorem taxes. New capital improvement projects will allow the SNWA to expand the service area, thereby expanding the revenue base. New capital improvement projects will be funded with water revenues or bonds payable from water revenues.

Miscellaneous Items

Refundings

A refunding is generally the underwriting of a new bond issue whose proceeds are used to redeem an outstanding issue. Key definitions are described as follows:

- **Advance Refunding** - A method of providing for payment of debt service on a bond until the first call date or designated call date from available funds. Advance refundings are done by issuing a new bond or using available funds and investing the proceeds in an escrow account in a portfolio of U.S. government securities structured to provide enough cash flow to pay debt service on the refunded bonds.
- **Current Refunding** - The duration of the escrow is 90 days or less.
- **Gross Savings** - Difference between debt service on refunded bonds less debt service on refunding bonds less any contribution from the SNWA's reserves or debt service fund.
- **Present Value Savings** - Present value of gross savings discounted at the refunding bond arbitrage yield to the closing date plus accrued interest less any contribution from the SNWA's reserves or debt service fund.

Prior to beginning a refunding bond issue, the SNWA will review an estimate of the savings achievable from the refunding. The SNWA may also review a pro forma schedule estimating the savings assuming the refunding is done at various points in the future.

The SNWA will generally consider refunding outstanding bonds if one or more of the following conditions exist:

- For advance refundings, present value savings are estimated to be at least five percent of the par amount of the refunded or refunding bonds (whichever is greater) when initially presented to the Board and escrow efficiency is at least 60 percent.
- Escrow efficiency is defined as net present value savings divided by the sum of net present value savings and negative arbitrage in the escrow.
- For current refundings, net present value savings of at least three percent of the par amount of refunded or refunding bonds.
- The bonds to be refunded have restrictive or outdated covenants.
- Restructuring debt is deemed to be desirable.

The SNWA may pursue a refunding not meeting the above criteria if:

- Present value savings exceed the costs of issuing the bonds and the date of the option to call is three years or less.

Debt Structure

Maturity Structures. The term of the debt issues will not extend beyond the useful life of the project or equipment financed. As appropriate, debt should be structured to provide for level debt service. Deferring the repayment of principal should generally be avoided except in instances where it will take a period of time before project or other revenues of the SNWA are sufficient to pay debt service, or where the deferral of principal allows the SNWA to achieve combined level debt service on all outstanding bonds.

Bond Insurance. The purchase of bond insurance may be considered as part of the structure of a bond issue. A bond insurance policy may be purchased by either an issuer or by an underwriter for either an entire issue or specific maturities to guarantee the payment of principal and interest. While this security provides a higher credit rating, and thus a lower borrowing cost for an issuer, such cost savings must be measured against the premium required for such insurance. The decision to purchase insurance directly versus bidder's option is based on:

- Market volatility
- Current investor demand for insured bonds
- Level of insurance premiums
- Ability to purchase bond insurance from bond proceeds

Bond insurance can be purchased directly by the issuer prior to the bond sale (direct purchase) or at the underwriter's option and expense (bidder's option).

When insurance is purchased directly by the issuer, the present value of the estimated debt service savings from insurance should be greater than the insurance premium. The bond insurance company will usually be chosen based on an estimate of the greatest net present value insurance benefit (present value of debt service savings less insurance premium).

Fixed and Variable Rate Debt

Fixed rate debt or variable rate debt may be issued, including (but not limited to) Commercial Paper, Variable Rate Demand Obligations, Index Bonds, or Extendible Commercial Paper.

- Fixed rate debt includes bonds that are issued generally for terms of 1 year to 30 years at a rate that does not change over the life of the bond.
- Variable rate debt includes debt that will pay an interest rate which varies, and is generally reset either daily, weekly or monthly. This rate may be based on remarketing or on a generally accepted index, such as LIBOR or SIFMA. In most markets, the interest rate on variable rate debt will be lower than the interest rate on fixed debt since the interest rate is based on a shorter term. But, variable rate debt has more interest rate risk as the interest rate is not set for the life of the bonds. In times of market stress, short-term interest rates have suffered significant increases, albeit for short periods of time.

Since variable rate debt has more interest rate risk, it shall not constitute more than 25 percent of the SNWA's overall debt portfolio. The CFO, in consultation with the Financial Advisors, will determine the appropriate form of variable rate debt, subject to the approval of the Board.

Financing Sources. The SNWA will evaluate available State and County bond financing programs before choosing the financing source. The SNWA will consider utilizing a State or County program if bonds can

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be sold by the State or County in a manner meeting the SNWA's timing needs, and if it is determined by the CFO that such program is the most cost-effective financing vehicle, and such determination is approved by the Board.

Chief Financial Officer Information

NRS 350.013 Subsection 1(e)

A statement containing the name, title, mailing address and telephone number of the chief financial officer of the municipality.

NAME: E. Kevin Bethel

TITLE: Chief Financial Officer

ADDRESS: 1001 South Valley View Boulevard
Las Vegas, NV 89153

TELEPHONE: (702) 822-8809

Appendix
Debt Service and Pledged Revenue Tables

1. Next Five Years of Existing and Proposed Debt Service
2. Existing Debt Service Issued by the LVVWD
3. Existing Debt Service Issued by Clark County
4. Existing Debt Service Issued by the State of Nevada
5. Existing Debt Service by all Issuers
6. Proposed Debt Service
7. Existing and Proposed Debt Service
8. Net Pledged Revenues

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Next Five Years of Existing and Proposed Debt Service
As of June 30, 2024

<u>Fiscal Year</u>	<u>Debt Service</u>
2025	\$ 310,818,799
2026	310,758,299
2027	303,545,749
2028	267,835,624
2029	253,691,999
Total *	<u>\$ 1,446,650,469</u>

* Total may be off slightly due to rounding.

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Existing Debt Service issued by the LVVWD
As of June 30, 2024

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 112,195,000	\$ 87,151,675	\$ 199,346,675
2026	117,950,000	81,303,300	199,253,300
2027	114,370,000	75,401,375	189,771,375
2028	83,930,000	70,100,000	154,030,000
2029	74,815,000	66,230,500	141,045,500
2030	77,555,000	62,545,113	140,100,113
2031	70,700,000	58,713,625	129,413,625
2032	90,605,000	55,293,000	145,898,000
2033	106,915,000	51,307,200	158,222,200
2034	111,555,000	46,662,750	158,217,750
2035	83,205,000	42,215,450	125,420,450
2036	87,025,000	38,396,700	125,421,700
2037	91,020,000	34,399,550	125,419,550
2038	119,690,000	30,215,850	149,905,850
2039	149,675,000	24,612,450	174,287,450
2040	49,420,000	17,451,150	66,871,150
2041	51,605,000	15,258,400	66,863,400
2042	53,900,000	12,967,450	66,867,450
2043	37,250,000	10,573,350	47,823,350
2044	38,990,000	8,833,350	47,823,350
2045	40,815,000	7,011,250	47,826,250
2046	42,720,000	5,103,000	47,823,000
2047	14,330,000	3,104,800	17,434,800
2048	14,905,000	2,531,600	17,436,600
2049	15,500,000	1,935,400	17,435,400
2050	16,120,000	1,315,400	17,435,400
2051	16,765,000	670,600	17,435,600
2052	-	-	-
2053	-	-	-
2054	-	-	-
Totals *	<u>\$ 1,883,525,000</u>	<u>\$ 911,304,288</u>	<u>\$ 2,794,829,288</u>

* Total may be off slightly due to rounding.

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Existing Debt Service issued by Clark County
As of June 30, 2024

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 51,740,000	\$ 29,261,400	\$ 81,001,400
2026	54,410,000	26,624,275	81,034,275
2027	59,510,000	23,793,650	83,303,650
2028	62,575,000	20,759,900	83,334,900
2029	64,320,000	17,855,775	82,175,775
2030	68,735,000	15,057,250	83,792,250
2031	60,330,000	12,139,225	72,469,225
2032	46,050,000	9,635,675	55,685,675
2033	35,870,000	7,780,575	43,650,575
2034	41,330,000	6,358,475	47,688,475
2035	38,785,000	4,878,875	43,663,875
2036	44,555,000	3,443,509	47,998,509
2037	45,910,000	2,085,572	47,995,572
2038	23,410,000	936,400	24,346,400
2039	-	-	-
2040	-	-	-
2041	-	-	-
2042	-	-	-
2043	-	-	-
2044	-	-	-
2045	-	-	-
2046	-	-	-
2047	-	-	-
2048	-	-	-
2049	-	-	-
2050	-	-	-
2051	-	-	-
2052	-	-	-
2053	-	-	-
2054	-	-	-
Totals *	<u>\$ 697,530,000</u>	<u>\$ 180,610,556</u>	<u>\$ 878,140,556</u>

* Total may be off slightly due to rounding.

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Existing Debt Service issued by the State of Nevada
As of June 30, 2024

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 126,540	\$ -	\$ 126,540
2026	126,540	-	126,540
2027	126,540	-	126,540
2028	126,540	-	126,540
2029	126,540	-	126,540
2030	63,270	-	63,270
2031	-	-	-
2032	-	-	-
2033	-	-	-
2034	-	-	-
2035	-	-	-
2036	-	-	-
2037	-	-	-
2038	-	-	-
2039	-	-	-
2040	-	-	-
2041	-	-	-
2042	-	-	-
2043	-	-	-
2044	-	-	-
2045	-	-	-
2046	-	-	-
2047	-	-	-
2048	-	-	-
2049	-	-	-
2050	-	-	-
2051	-	-	-
2052	-	-	-
2053	-	-	-
2054	-	-	-
Totals *	<u>\$ 695,972</u>	<u>\$ -</u>	<u>\$ 695,972</u>

* Total may be off slightly due to rounding.

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Existing Debt Service by All Issuers
As of June 30, 2024

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 164,061,540	\$ 116,413,075	\$ 280,474,615
2026	172,486,540	107,927,575	280,414,115
2027	174,006,540	99,195,025	273,201,565
2028	146,631,540	90,859,900	237,491,440
2029	139,261,540	84,086,275	223,347,815
2030	146,353,270	77,602,363	223,955,633
2031	131,030,000	70,852,850	201,882,850
2032	136,655,000	64,928,675	201,583,675
2033	142,785,000	59,087,775	201,872,775
2034	152,885,000	53,021,225	205,906,225
2035	121,990,000	47,094,325	169,084,325
2036	131,580,000	41,840,209	173,420,209
2037	136,930,000	36,485,122	173,415,122
2038	143,100,000	31,152,250	174,252,250
2039	149,675,000	24,612,450	174,287,450
2040	49,420,000	17,451,150	66,871,150
2041	51,605,000	15,258,400	66,863,400
2042	53,900,000	12,967,450	66,867,450
2043	37,250,000	10,573,350	47,823,350
2044	38,990,000	8,833,350	47,823,350
2045	40,815,000	7,011,250	47,826,250
2046	42,720,000	5,103,000	47,823,000
2047	14,330,000	3,104,800	17,434,800
2048	14,905,000	2,531,600	17,436,600
2049	15,500,000	1,935,400	17,435,400
2050	16,120,000	1,315,400	17,435,400
2051	16,765,000	670,600	17,435,600
2052	-	-	-
2053	-	-	-
2054	-	-	-
Total *	\$ 2,581,750,972	\$ 1,091,914,844	\$ 3,673,665,816

* Totals may be off slightly due to rounding.

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Proposed Debt Service

As of June 30, 2024

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 7,234,888	\$ 23,109,295	\$ 30,344,183
2026	7,589,036	22,755,147	30,344,183
2027	7,960,519	22,383,664	30,344,183
2028	8,350,187	21,993,996	30,344,183
2029	8,758,929	21,585,255	30,344,183
2030	9,187,678	21,156,505	30,344,183
2031	9,637,415	20,706,768	30,344,183
2032	10,109,166	20,235,017	30,344,183
2033	10,604,010	19,740,173	30,344,183
2034	11,123,076	19,221,107	30,344,183
2035	11,667,551	18,676,632	30,344,183
2036	12,238,678	18,105,506	30,344,183
2037	12,837,761	17,506,422	30,344,183
2038	13,466,169	16,878,014	30,344,183
2039	14,125,338	16,218,845	30,344,183
2040	14,816,774	15,527,410	30,344,183
2041	15,542,055	14,802,129	30,344,183
2042	16,302,838	14,041,345	30,344,183
2043	17,100,862	13,243,321	30,344,183
2044	17,937,949	12,406,234	30,344,183
2045	18,816,012	11,528,171	30,344,183
2046	19,737,056	10,607,128	30,344,183
2047	20,703,185	9,640,999	30,344,183
2048	21,716,606	8,627,578	30,344,183
2049	22,779,633	7,564,550	30,344,183
2050	23,894,696	6,449,487	30,344,183
2051	25,064,342	5,279,842	30,344,183
2052	26,291,241	4,052,942	30,344,183
2053	27,578,198	2,765,986	30,344,183
2054	28,928,150	1,416,033	30,344,183
Totals *	<u>\$ 472,100,000</u>	<u>\$ 438,225,502</u>	<u>\$ 910,325,502</u>

* Totals may be off slightly due to rounding.

Southern Nevada Water Authority
Operating and Capital Budget
Debt Management Policy
Fiscal Year Ending June 30, 2025

Existing and Proposed Debt Service

As of June 30, 2024

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 171,296,429	\$ 139,522,370	\$ 310,818,799
2026	180,075,577	130,682,722	310,758,299
2027	181,967,060	121,578,689	303,545,749
2028	154,981,727	112,853,896	267,835,624
2029	148,020,469	105,671,530	253,691,999
2030	155,540,948	98,758,868	254,299,816
2031	140,667,415	91,559,618	232,227,033
2032	146,764,166	85,163,692	231,927,858
2033	153,389,010	78,827,948	232,216,958
2034	164,008,076	72,242,332	236,250,408
2035	133,657,551	65,770,957	199,428,508
2036	143,818,678	59,945,715	203,764,393
2037	149,767,761	53,991,544	203,759,305
2038	156,566,169	48,030,264	204,596,433
2039	163,800,338	40,831,295	204,631,633
2040	64,236,774	32,978,560	97,215,333
2041	67,147,055	30,060,529	97,207,583
2042	70,202,838	27,008,795	97,211,633
2043	54,350,862	23,816,671	78,167,533
2044	56,927,949	21,239,584	78,167,533
2045	59,631,012	18,539,421	78,170,433
2046	62,457,056	15,710,128	78,167,183
2047	35,033,185	12,745,799	47,778,983
2048	36,621,606	11,159,178	47,780,783
2049	38,279,633	9,499,950	47,779,583
2050	40,014,696	7,764,887	47,779,583
2051	41,829,342	5,950,442	47,779,783
2052	26,291,241	4,052,942	30,344,183
2053	27,578,198	2,765,986	30,344,183
2054	28,928,150	1,416,033	30,344,183
Totals *	\$ 3,053,850,972	\$ 1,530,140,346	\$ 4,583,991,318

Southern Nevada Water Authority
Operating and Capital Budget
Debt Management Policy
Fiscal Year Ending June 30, 2025

Net Pledged Revenues

For the Fiscal Years Ended June 30

	2019	2020	2021 Restated ⁽⁸⁾	2022 Restated ⁽⁹⁾	2023
Operating Revenues					
Wholesale Delivery Charge	\$ 133,258,094	\$ 145,992,532	\$ 150,770,017	\$ 149,758,833	\$ 154,732,456
Regional Connection Charge	75,567,401	79,318,598	104,048,099	111,110,114	106,522,272
Regional Water Charges ⁽¹⁾	75,278,710	72,894,295	77,622,015	79,620,810	82,869,198
Regional Infrastructure Charges	162,936,993	167,503,236	171,062,310	180,478,489	199,087,470
Sales Tax Proceeds ⁽²⁾	67,970,379	65,457,762	71,202,531	89,300,519	95,233,667
Total SNWA Water Revenues	515,011,577	531,166,423	574,704,972	610,268,765	638,445,063
Operating Expenses ⁽³⁾	173,194,349	178,900,875	179,836,948	197,865,394	231,908,209
Net SNWA Revenues	341,817,228	352,265,548	394,868,024	412,403,371	406,536,854
Annual Debt Service on the SNWA Superior Obligations ⁽⁴⁾	1,220,355	1,218,416	-	-	-
Remaining SNWA Water Revenues	340,596,873	351,047,132	394,868,024	412,403,371	406,536,854
Beginning Unrestricted Fund Balance ⁽⁵⁾	561,768,492	668,048,175	778,382,776	888,219,468	936,581,669
Funds Available for Debt Service	902,365,365	1,019,095,307	1,173,250,800	1,300,622,839	1,343,118,523
Annual Debt Service on Total Parity Obligations ⁽⁶⁾	\$ 250,584,599	\$ 247,348,664	\$ 261,661,238	\$ 280,121,332	\$ 289,984,485
Parity Obligations Debt Service Coverage	3.60	4.12	4.48	4.64	4.63
Other Available Revenues Other Revenues ⁽⁷⁾	23,357,026	44,620,172	57,513,609	10,396,823	(26,304,432)

(1) Consist of Regional Commodity charge and Regional Reliability Surcharge.

(2) The Master Bond Repayment Agreement was amended in November 2023 to include sales tax proceeds among the pledged revenues.

(3) Excludes depreciation. Other non-cash adjustments are included.

(4) Debt service accrued in each fiscal year is accounted for when owed to entities issuing the SNWA's Superior Obligations as required by the terms of the agreements with those entities.

(5) SNWA also may use other legally available moneys (including available fund balance) to pay debt service on its outstanding obligations. These figures represent beginning unrestricted fund balances (comprised of unrestricted cash, unrestricted investments and sales tax revenues regardless of classification for each fiscal year). The numbers in this table are not presented using Generally Accepted Accounting Principles (GAAP). Fiscal year 2019-20 amount does not reflect application in October 2019 of approximately \$36.3 million of unrestricted funds to defease the Clark County Revenue Refunding Bond, Series 2009. Fiscal year 2022-23 amount does not reflect application in February 2023 of approximately \$22.0 million of unrestricted funds to defease the State Bond Bank Refunding Bonds, Series 2013A.

(6) Includes debt service on the LVVWD Bonds and County Bonds but does not include debt service on the subordinate debt or Commercial Paper Notes. The Commercial Paper Notes program was terminated in March 2021. Debt service is reduced by the "Build America Bond" subsidies with respect to the 2009A Bonds which were refunded on March 13, 2019.

(7) Comprised of receipts from the Southern Nevada Public Lands Management Act (SNPLMA), investment income, groundwater program fees, and other minor revenues. Investment income includes unrealized gains and losses due to fair market value adjustments in accordance with GAAP.

(8) Fiscal year 2021 was restated in fiscal year 2022 to reflect the impact of the implementation of GASB Statement No. 87, Leases, which required reclassification of expenses from operations and maintenance expenses to amortization.

(9) Fiscal year 2022 was restated in fiscal year 2023 to reflect the impact of the implementation of GASB Statement No. 96, Subscription-Based Information Technology Arrangements, which required reclassification of expenses from operations and maintenance expenses to amortization.

SECTION 8

STATISTICAL INFORMATION

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**Southern Nevada Water Authority
Statistical Summary**

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Demographic Statistics
Clark County, Nevada
Five Calendar Years

Calendar Year	Clark County Population (1)	Per Capita Income (2)	Clark County Personal Income (In Million \$)(2)	Median Household Income (3)
2023	2,371,586	N/A	N/A	N/A
2022	2,331,934	59,150	137,404	70,838
2021	2,333,092	58,388	134,011	63,735
2020	2,376,683	52,562	119,564	62,496
2019	2,325,798	50,382	112,746	62,131

Calendar Year	School Enrollment (4)	Total Labor Force(5)	Unemployment Rate (6)
2023	299,215	1,186,493	5.4%
2022	304,276	1,150,663	5.8%
2021	310,556	1,097,878	7.8%
2020	310,493	1,106,244	15.5%
2019	323,787	1,134,086	4.3%

Sources:

(1) Clark County Comprehensive Planning Department.

(2) U.S. Bureau of Economic Analysis as reported for the Las Vegas-Paradise MSA (which is comprised of Clark County).

(3) U.S. Census Bureau, American Community Survey (Retrieved from FRED, Federal Reserve Bank of St. Louis).

(4) Clark County School District, Count Day Enrollment History (e.g. 2023 is for School Year 2023-2024).

(5) Bureau of Labor Statistics (Local Area Unemployment Statistics).

(6) Bureau of Labor Statistics (annual averages).

Southern Nevada Water Authority
Operating and Capital Budget
Statistical Section
Fiscal Year Ending June 30, 2025

Top Ten Employers⁽¹⁾
Clark County, Nevada
Calendar Year 2023

Employer Trade name	Employees ⁽²⁾	Ranking
Encore Spa & Salon	10,000 or More	1
Nellis Air Force Base	10,000 or More	2
Flamingo Las Vegas Hotel-Csn	5,000 to 9,999	3
MGM Grand	5,000 to 9,999	4
Linq	5,000 to 9,999	5
Orleans Hotel & Casino	5,000 to 9,999	6
Las Vegas Sands Corp	5,000 to 9,999	7
Mandalay Bay	5,000 to 9,999	8
Caesars Palace Las Vegas	5,000 to 9,999	9
Las Vegas Metro Police Dept	5,000 to 9,999	10

Total Labor Force	1,186,493
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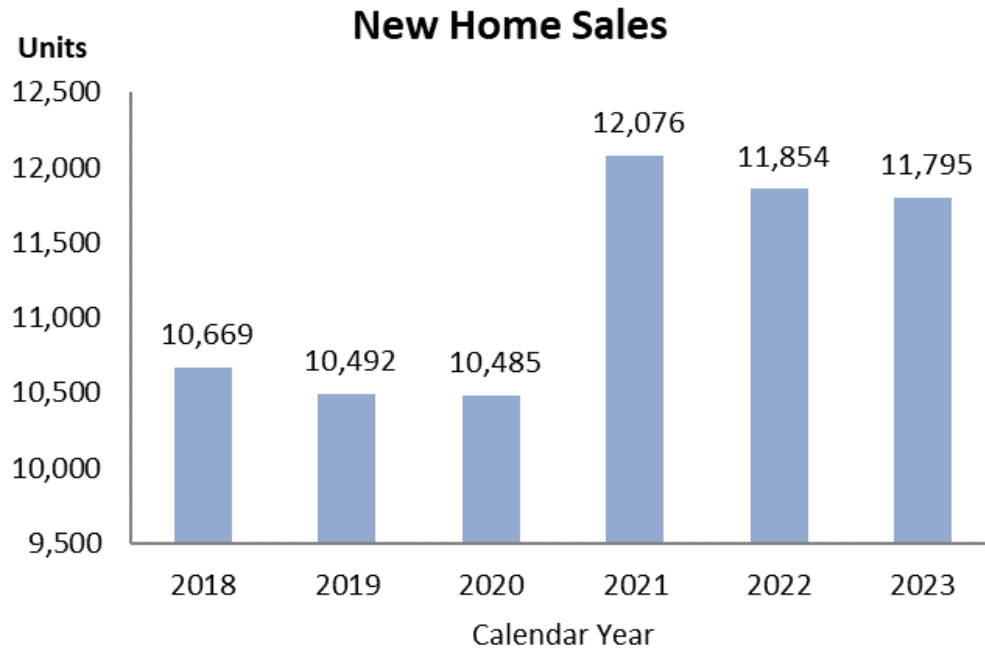
Sources:

(1) Nevada Department of Employment, Training & Rehabilitation (DETR). The data is as of 2nd release of 2022 (as of May 2 2024). In 2018, DETR changed the data source from internally created to a third party provider (Infogroup). Infogroup collects the data at the establishment level not rolled up into a collective whole. For example in the current method, the data set lists each school and/or department separately instead of aggregating it.

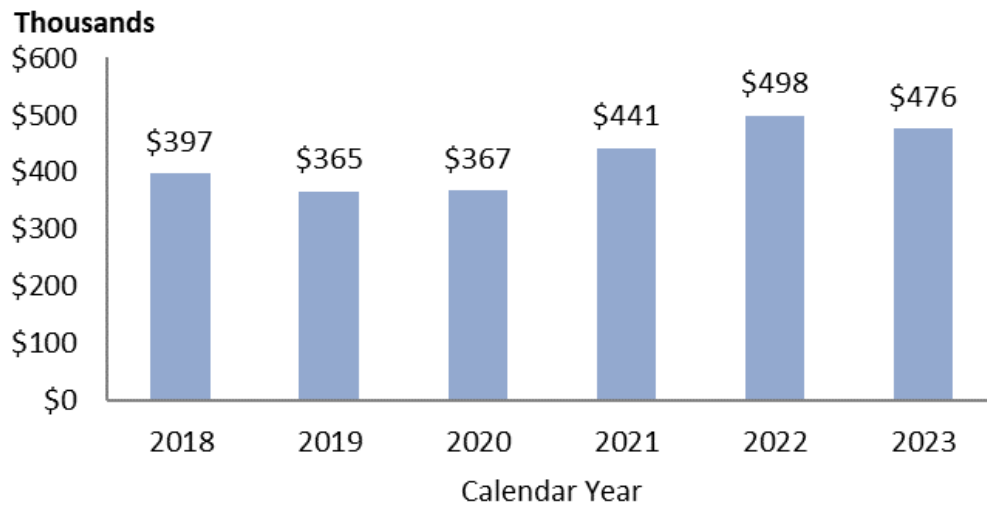
(2) Nevada law prohibits the disclosure of exact employee counts. All employee counts are shown in ranges

(3) Total Labor Force is sourced from Bureau of Labor Statistics (Local Area Unemployment Statistics) for calendar year 2023 for the Clark County.

Residential Real Estate Clark County, Nevada



New Home Median Price



Southern Nevada Water Authority
Operating and Capital Budget
Statistical Section
Fiscal Year Ending June 30, 2025

Secured Tax Roll
Clark County, Nevada
2023 - 24

	<u>Taxpayer</u>	<u>Taxable Assessed</u>	<u>Taxable Appraised</u>
1.	VICI PROPERTIES INC	\$ 4,885,136,767	\$ 13,957,533,621
2.	THE BLACKSTONE GROUP	2,149,820,670	6,142,344,770
3.	CAESARS ENTERTAINMENT	1,265,469,552	3,615,627,290
4.	WYNN RESORTS LIMITED	1,012,280,432	2,892,229,806
5.	STATION CASINOS LIMITED LIABILITY	982,276,467	2,806,504,192
6.	GENTING GROUP	812,627,513	2,321,792,893
7.	MGM RESORTS INTERNATIONAL	600,980,736	1,717,087,817
8.	HOWARD HUGHES CORPORATION	526,510,286	1,504,315,103
9.	BOYD GAMING CORPORATION	482,331,789	1,378,090,825
10.	RUFFIN COMPANIES	480,108,593	1,371,738,836
		<u>\$ 13,197,542,805</u>	<u>\$ 37,707,265,153</u>

Source: Clark County Assessor's Report Dated October 31, 2023. 2023-2024 Secured & 2022-2023 Unsecured Tax Rolls Based on Assessed Values.

Southern Nevada Water Authority
Operating and Capital Budget
Statistical Section
Fiscal Year Ending June 30, 2025

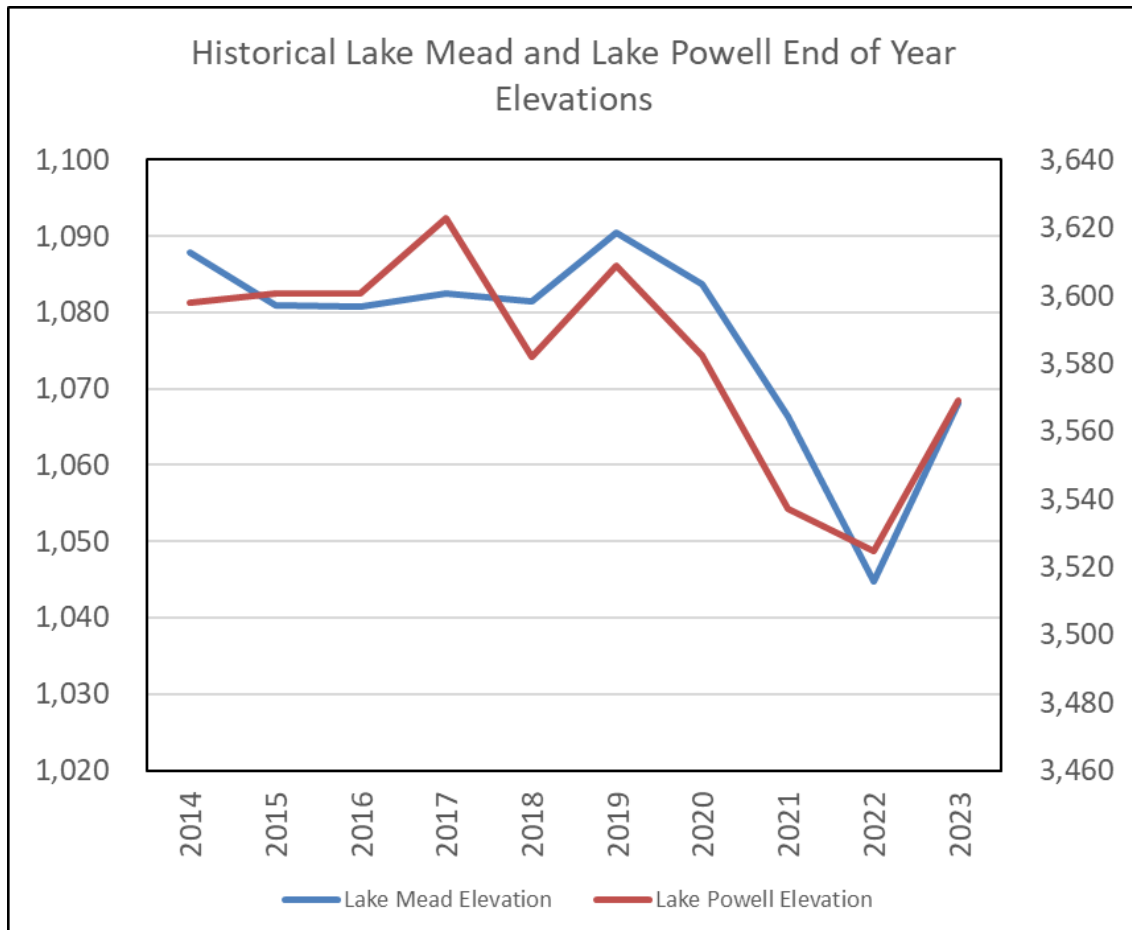
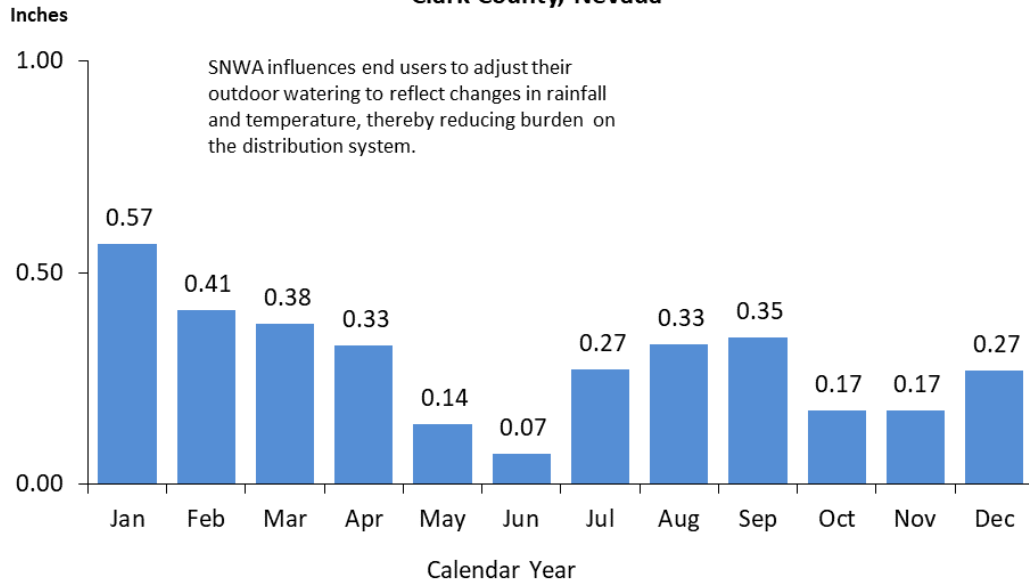
Temperature and Rainfall

Average Maximum and Minimum Daily Temperature
in Degrees Fahrenheit and Monthly Rainfall in Inches

Month	2018			2019			2020		
	Temperature			Temperature			Temperature		
	Max.	Min.	Rainfall	Max.	Min.	Rainfall	Max.	Min.	Rainfall
January	63.5	43.8	1.5	58.5	42.1	1.0	60.3	41.0	0.0
February	64.3	44.0	0.0	55.9	39.3	2.1	64.3	43.5	0.3
March	69.5	50.3	0.3	69.5	50.7	0.4	67.4	50.0	1.6
April	83.9	61.1	0.0	82.1	60.0	0.4	79.6	59.0	0.4
May	89.9	67.6	0.2	81.5	60.9	0.8	92.2	69.2	0.0
June	103.1	78.8	0.0	98.9	76.6	0.0	98.5	74.7	0.0
July	106.9	84.6	0.8	105.1	83.1	0.0	106.5	83.2	0.0
August	105.2	83.6	0.1	106.7	81.9	0.0	107.3	83.9	0.0
September	99.6	76.6	0.0	94.5	72.8	0.2	98.8	73.7	0.0
October	79.0	60.9	0.1	78.3	54.9	0.0	87.6	61.6	0.0
November	67.5	47.5	0.2	69.3	47.6	1.1	69.2	48.1	0.0
December	58.5	41.9	0.2	56.6	41.8	0.9	58.7	38.4	0.0
Average Annual Temperature/ Total Rainfall	82.6	61.7	3.4	79.7	59.3	6.9	82.5	60.5	2.4

Month	2021			2022			2023		
	Temperature			Temperature			Temperature		
	Max.	Min.	Rainfall	Max.	Min.	Rainfall	Max.	Min.	Rainfall
January	59.0	40.0	0.2	59.5	39.2	0.1	54.7	39.4	0.7
February	64.0	45.0	0.0	64.1	41.8	0.0	58.8	39.6	0.3
March	68.0	47.0	0.6	73.1	50.2	0.1	62.9	45.9	0.5
April	83.0	60.0	0.0	81.4	58.8	0.0	79.8	56.6	0.0
May	90.0	67.0	0.0	89.0	66.2	0.0	88.5	67.2	0.0
June	104.0	81.0	0.0	100.7	77.7	0.0	93.4	72.0	0.2
July	106.0	84.0	0.5	104.1	82.4	0.7	109.1	85.6	0.0
August	104.0	82.0	0.0	100.7	81.5	0.6	100.0	79.1	1.2
September	97.0	75.0	0.1	97.3	75.6	0.5	91.8	70.7	1.5
October	78.0	57.0	0.1	83.3	62.3	0.0	82.9	60.6	0.1
November	74.0	53.0	0.0	61.6	42.7	0.1	68.4	48.7	0.1
December	58.0	41.0	0.3	57.8	39.7	0.1	62.5	43.8	0.1
Average Annual Temperature/ Total Rainfall	82.1	61.0	1.8	81.1	59.8	2.1	79.4	59.1	4.6

Average Rainfall Per Month Ten Year Span (2014 to 2023) Clark County, Nevada



SECTION 9

FINANCIAL POLICIES

Financial Policy	9 - 273
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Financial Policy

As operating agent for the Southern Nevada Water Authority, the Las Vegas Valley Water District (LVVWD) conducts a process to update and improve its operating policies and procedures on an ongoing basis. The attached financial policies represent a portion of the approved operating policies of the LVVWD.

Southern Nevada Water Authority
Operating and Capital Budget
Financial Policies
Fiscal Year Ending June 30, 2025

LAS VEGAS VALLEY WATER DISTRICT DEPARTMENT POLICY	SUBJECT: FINANCIAL POLICY	NUMBER: 1
		ISSUE: 1
ISSUING DEPARTMENT: FINANCE	APPROVED BY: <i>Gina Neilson</i>	PAGE: 1 OF 3
	DIRECTOR OF FINANCE June 1, 2015	

I. PURPOSE

The purpose of this policy is to establish guidelines for the planning and monitoring of financial activities in a responsible manner.

II. SCOPE

This policy applies to the Las Vegas Valley Water District (LVVWD) and other entities for which the LVVWD has fiduciary responsibility i.e., Southern Nevada Water Authority (SNWA).

III. FINANCIAL PLANNING

- A. BALANCED BUDGET – Under normal circumstances, the organization shall strive to prepare and adhere to a balanced operating budget, meaning sources of funds are greater than or equal to the uses of funds.
- B. LONG-TERM PLANNING – A long-term, entity-wide Strategic Plan shall be adopted and maintained to guide the decisions of the organization. Preparation of operating and capital budgets, as well as other financial planning activities, shall consider their long-term financial implications and reflect the Strategic Plan. Also, the organization shall strive to obtain the highest credit ratings.
- C. ASSET INVENTORY – The organization shall maintain an inventory of major capital assets and periodically assess the condition of those assets to plan for ongoing financial commitments necessary to ensure services in support of the Strategic Plan.

IV. REVENUE

- A. REVENUE DIVERSIFICATION – To the extent reasonable, revenues shall be diversified in order to improve the ability to handle fluctuations in individual sources.
- B. FEES AND CHARGES – Fees and charges are set to cover the cost of the services provided. For example:
- Water Rates pay for current water system operation and maintenance.
 - Connection Fees pay for water system infrastructure expansion to support population growth.
 - Fees pay for the annual inspection and maintenance of system facilities.
 - Fees pay for any additional administrative or operating cost burden generated by certain customer activities.
 - Deposits assure customer payment of financial obligations.
- C. USE OF ONE-TIME REVENUES – One-time revenues shall generally be matched to one-time expenditures. Ongoing financial commitments shall not be dependent upon anticipated one-time revenues.
- D. USE OF UNPREDICTABLE REVENUES – Ongoing programs or expenditure commitments shall not be dependent upon revenues that cannot be reasonably predicted. Reasonable prediction involves the use of historical data, projected data, and prudent judgment.

V. EXPENDITURES

- A. DEBT CAPACITY – The organization has no fixed aggregate monetary debt limit. The ability to issue debt is governed by state law allowing for the pledge of revenues and the assessment of ad valorem taxes with the requirement that the Board of Directors establish reasonable rates and charges for the products and services provided. The assessment of ad valorem taxes shall be avoided and emphasis shall be placed on the reliance of revenues to pay debt obligations.

Southern Nevada Water Authority
Operating and Capital Budget
Financial Policies
Fiscal Year Ending June 30, 2025

PROCEDURE NO. 1

Page 3 of 3

- B. DEBT ISSUANCE AND MANAGEMENT – Debt shall be issued by either negotiated or competitive sale in accordance with Nevada law. Competitive sale awards shall be made to the underwriter(s) presenting bids resulting in the lowest interest rate. Negotiated sales may be utilized and underwriters will be selected in accordance with specific criteria specified in the Debt Management Policy. The Debt term shall not exceed the useful life of the project or equipment being financed and bond insurance may be utilized.
- C. RESERVES – The organization shall maintain sufficient reserves to protect against the need to reduce service levels or raise rates and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. ‘Sufficient reserve’ is defined as 180 days of operating expenditures. A reserve study shall be conducted at least once every five years to determine if 180 days remains sufficient.
- D. OPERATING/CAPITAL EXPENDITURE ACCOUNTABILITY – Actual expenditures shall be periodically compared to the budget. Each department Director shall be primarily responsible for keeping their actual expenditures from exceeding their budget. Department Directors shall provide timely notification to the Director of Finance when it appears that their actual expenditures for the fiscal year will exceed their budget. Also, the Director of Finance shall monitor the actual expenditures of the entire organization and provide timely notification to the General Manager when it appears that the actual expenditures for the fiscal year may exceed the Board approved budget.

Southern Nevada Water Authority
Operating and Capital Budget
Financial Policies
Fiscal Year Ending June 30, 2025

LAS VEGAS VALLEY WATER DISTRICT BOARD POLICY	SUBJECT: LAS VEGAS VALLEY WATER DISTRICT RESERVE POLICY	NUMBER: 11
	APPROVED BY: BOARD OF DIRECTORS	ISSUE: 1
ISSUING DEPARTMENT: FINANCE	January 5, 2016	PAGE: 1 OF 2

Purpose

The purpose is to establish a policy for maintaining adequate reserves of cash and investments. Maintaining adequate and prudent cash reserves is an important tool in mitigating the risks of significant and unexpected decreases in sources of funds and/or increases in the uses of funds. The benefits include stable services and fees. This policy applies to all unrestricted cash and investments of the Las Vegas Valley Water District (LVVWD).

Authority

The Government Finance Officers Association (GFOA) recommends local governments adopt a target amount of working capital to maintain in each of their enterprise funds. Because the purposes, customers, and other characteristics of enterprise funds can vary widely, the GFOA recommends that governments develop a target amount of reserves that best fits local conditions for each fund. The following are some of the key considerations for the LVVWD's reserve policy:

1. Volatility in Sources of Funds – Some of the LVVWD's sources of funds have experienced significant volatility; for example, connection charges and sales tax, in periods where the local economy suffers.
2. Likelihood of Successful Rate Increases – Although the LVVWD has enjoyed tremendous support from its Board of Directors and the community, it is possible that these conditions could change in the future, thus impacting the LVVWD's ability to adjust rates to meet increasing costs.
3. Asset Age and Condition – As the infrastructure ages, maintenance and replacement costs will increase. Also, there is the possibility of unexpected failures that can be quite expensive. Such failures could result from age-related causes, terrorism, or natural disasters.

4. Control Over Expenses – Although most of the LVVWD's expenses are predictable, there remains the possibility of large, unexpected expenditures; for example, litigation, natural disasters, increases in water, energy and chemical costs.

Reserve Components

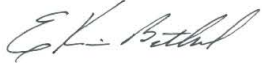
The following four components identified for the LVVWD's reserves listed by funding priority:

1. Base Operating Reserve – Adequate reserves to fund 180 days of operating and maintenance expenses. This will help insulate the LVVWD and its customers from volatility in operating revenues and expenses, as well as from other casual factors that could interrupt cash flow or impose unforeseen costs.
2. Debt Service Reserve – Adequate reserves to fund one year of the maximum annual debt service. For both credit rating considerations and prudent financial practices, the LVVWD should strive to achieve this level of reserves to ensure access to lower cost capital in future years, help mitigate the impact of disruptions in the credit markets on operations, and provide assurances to investors that the LVVWD has the financial resources necessary to make its ongoing debt service payments.
3. Capital Related Reserve – Adequate reserves to fund a one year average of future capital needs. As a method to determine future capital needs, a capital improvement plan may be used. This reserve will fluctuate over time as projects change. This level of capital reserve will enable the LVVWD to better react to capital needs as they may arise and to properly address the timing of infrastructure improvements relative to system needs. This reserve will also enable the LVVWD to continue with uninterrupted critical capital improvements during times of difficulty within the capital markets.
4. Unforeseen Events Reserve – Adequate reserves to fund one percent of assets subject to depreciation. This is to mitigate one-time, unforeseen infrastructure or major capital equipment failures and other significant non-recurring impacts to operating revenues and expenses.

Reporting

The General Manager shall notify the Board of Directors of the status of reserves at least annually and more often as significant changes occur.

Southern Nevada Water Authority
Operating and Capital Budget
Financial Policies
Fiscal Year Ending June 30, 2025

LAS VEGAS VALLEY WATER DISTRICT FINANCE POLICY		
SUBJECT:	CAPITALIZATION POLICY	NUMBER: 2
APPROVED BY:	CHIEF FINANCIAL OFFICER	
DATE:	January 2, 2023	PAGES: 9

I. PURPOSE

This policy establishes the standards and procedures for ensuring that accounting for capital assets and depreciation follow management's objectives and generally accepted accounting principles ("GAAP").

II. SCOPE

This policy applies to the Las Vegas Valley Water District (LVVWD), the Southern Nevada Water Authority (SNWA) and other entities for which the LVVWD has fiduciary responsibility.

III. CAPITAL ASSETS

Capital assets are defined as tangible and intangible assets used in operations that generally provide benefits well beyond a single reporting period.

Costs related to capital assets can be classified into one of two categories. The accounting treatment of the same type of cost will vary depending upon which of the two categories below that it falls under:

A. Costs to the original purchase/construction of an asset.

For costs related to the original purchase/construction of an asset - All land, improvements to land, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets other than software (assets that lack physical substance such as easements, water rights, etc.) that are used in operations, with an initial individual cost greater than \$10,000 and an estimated useful life of at least three years should be capitalized.

CAPITALIZATION POLICY

Page 2 of 9

- Cost includes freight, taxes, fees, installation, labor, materials, as well as any other allowable costs necessary to place the asset into service in its intended location.
- Identifying details of any new capital asset will be gathered by Finance and added to the capital asset subledger when applicable. Examples of identifying details consist of, but are not limited to – Model, Manufacturer, General Description, Serial Number, Capital Project Number, Physical Location and Department Owner.
- Generally, the capitalization threshold is applied to individual items rather than groups of items. However, groups of assets with individual unit costs equal to or less than \$10,000 have been identified as significant to our operations and are capitalized regardless of individual unit cost. These groups of assets include meters, service laterals and pipelines. Assets/asset groups deemed significant may be revised only with written approval of the Chief Financial Officer.

B. Costs to an already existing asset, such as a repair or an improvement.

For costs related to an already existing asset, such as a repair or an improvement - A decision must be made as to whether the cost can be capitalized as an improvement to the original asset or should be recorded as an operating maintenance expense.

Capital asset related costs are deemed improvements and should be capitalized only if:

1. The costs exceed the capitalization dollar threshold, and
2. At least one of the following criteria is met:
 - The useful life of the asset is significantly extended past its original estimated life, or
 - The capacity of the asset is significantly increased, or
 - The quality of the output of the asset is significantly increased, or
 - The efficiency of the asset is significantly increased

Otherwise, the cost is considered normal maintenance and repairs since it does no more than return a capital asset to its original condition and does not qualify for capitalization. Costs related to normal maintenance and repairs are expensed and not capitalized. See [Attachment A](#) for a decision-tree to assist in determining whether expenditures are capital or operating and maintenance.

IV. COMPUTER SYSTEM SOFTWARE

Major on-premises computer software and Software-as-a-Service (SaaS) that includes a software license component that allows both the contractual right to take possession of the software at any time during the hosting period without significant penalty, and the ability to run the software on our own hardware or contract with another party unrelated to the vendor to host the software, whether purchased or internally developed, should be capitalized if the capitalizable cost exceeds \$100,000 and the useful life is at least three years.

Internally developed software has three phases of development. The accounting treatment of internally developed software costs depend heavily on both the nature of the activity and what phase of the project the cost is incurred. The type of costs typically found in each phase of the project and its proper accounting treatment are listed in the phases below.

- A. Preliminary Project Phase (Period before the date a commitment was made to purchase the software) – Expensed as incurred
 - Due diligence leading up to selection of software, including evaluation of alternatives and conceptual formulation
- B. Application Development Phase (Period starting after the date a commitment was made to purchase the software, but before the software is deemed substantially complete and operational) – Capitalized into the cost of software and amortized over useful life
 - Initial cost of software
 - Design of chosen path
 - Software configuration and software interfaces
 - Coding
 - Installation of software to hardware
 - Testing (Including parallel processing phase)
 - Data conversion (Only to the extent it is determined to be necessary to make the software operational)
- C. Post-Implementation/Operation Phase (Period after the date that the software is considered substantially complete and operational) – Depends on the situation, see below
 - Software support/maintenance agreement costs – Expense
 - Application training costs – Expense
 - Annual licensing fees – Expense
 - Data conversion – Expense (Only for data conversion that takes place after the software is determined to be operational)

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- Modifications/updates – Depends on the situation, see below
 1. Modifications made to the software post-implementation that exceed \$100,000, by either internal parties such as IT, or an outside party, that do any of the following should be capitalized as an improvement to the existing software.
 - a. An increase in the functionality of the computer software, that is, the computer software can perform tasks that it was previously incapable of performing.
 - b. An increase in the efficiency of the computer software, that is, an increase in the level of service provided by the computer software without the ability to perform additional tasks.
 - c. An extension of the original useful life of the software.
 - d. If the modification/update does not result in any of the above outcomes (a., b., or c.) the modification should be considered maintenance, and the associated costs should be expensed as incurred.

NOTE: The activities within the phases of development may occur in a sequence different than described above. The recognition guidance for costs associated with the development of internally generated software should be applied based on the nature of the activity as the overriding factor, not the timing of its occurrence. For example, costs associated with application training activities that occur during the application development phase should still be expensed as incurred.

V. DONATED FACILITIES

Donated developer facilities are capitalized at the engineering estimates of acquisition value at the time the assets are donated.

VI. DISPOSAL OF CAPITAL ASSETS

Departments should notify Finance, via the Capital Asset Change Form found in [Attachment B](#), when disposing of capital assets so that Finance can remove the disposed assets from the capital asset system and properly calculate any gain/loss on disposal.

VII. TRANSFER OF CAPITAL ASSETS

Departments should notify Finance, via the Capital Asset Change Form found in [Attachment B](#), when an asset under their custody is being transferred to another department/location. This allows for Finance to update the location of the asset in the capital asset system.

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VIII. IMPAIRMENT OR LOSS OF CAPITAL ASSETS

An impairment of a capital asset is defined as a significant, unexpected decline in the service utility of a capital asset. A capital asset should be tested for impairment by Finance when any one of the following triggering events occurs:

- Significant decline in the market value of the asset
- Significant change in the way the asset is used or a physical change in the asset
- Adverse changes in legal factors or business climate that affect the asset
- Current expectation that the asset will be disposed of significantly before the end of its useful life
- Project cancellation for capital asset still in development/construction
- An asset is lost or stolen

NOTE: If it is determined that a significant and unexpected decline in service utility has occurred that is more than temporary, it must be measured and reported in the financial statements. Departments should notify Finance, via the Capital Asset Change Form found in [Attachment B](#), of any potentially impaired or lost assets.

IX. CONSTRUCTION WORK-IN-PROCESS

In-process capital project costs will be recorded as Construction Work-in-Process (CWIP) until the project is deemed ready to be placed into service. Departments should notify Finance of any capital projects that reach substantial or final completion as soon as possible. Costs to be capitalized include material costs and labor, as well as any allowable ancillary costs that are necessary to place the asset into service in its intended location.

X. DEPRECIATION

Capital assets will be depreciated in the month placed into service using the straight-line method over the assets estimated useful life. Useful lives are determined by asset category. See below for a list of asset types and their useful lives. Assets with indefinite lives, such as land, will not be depreciated.

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Major Capital Asset Categories

LVVWD, and other entities for which LVVWD has fiduciary responsibility	Global #	Useful Life (Years)
Collect/Impounding Structure	10201	20-50
Land/Land Rights	10101	Indefinite
Office Furniture/Equip (Excluding Computer System Software)	10901	5-10
Office Furniture/Equip (Computer System Software)	10901	5
Organizations & Improvements	10001	20-50
Pump Station/Wells	10401	11-30
Purification Equipment	10501	15-25
Services/Meters	10801	20-30
Telemetering/Valves/Miscellaneous	10701	10-75
Transportation/Work/Equipment	11001	3-10
Transmission/Distribution/Mains	10601	75

SNWA	Global #	Useful Life (Years)
SNWA - Land Warm Springs Ranch	19513	Indefinite
SNWA - Communication Equipment	19556	12
SNWA - Distribution Reservoirs	19526	50
SNWA - Laboratory Equipment	19552	15
SNWA - Lakes, Rivers, Other Intake	19512	75
SNWA - Land/Land Rights	19506	Indefinite
SNWA - Leasehold Improvement	19500	10
SNWA - Miscellaneous Equipment	19558	15
SNWA - Office Furniture/Equip (Excluding Computer System Software)	19548	5
SNWA - Office Furniture/Equip (Computer System Software)	19548	5
SNWA - Power Operated Equipment	19554	10
SNWA - Pumps & Pumping Equipment	19518	40
SNWA - Silverhawk Power Plant	19564	30
SNWA - Stores Equipment	19560	15
SNWA - Structures & Improvement	19508	20
SNWA - Supply Mains	19514	50
SNWA - Tool Shop/Garage Equipment	19550	15
SNWA - Transmission & Distribution Mains	19528	75
SNWA - Transportation Equipment	19562	5-10
SNWA - Water Treatment Equipment	19534	15
SNWA - Ranch Fencing	19576	7
SNWA - Ranch Machinery & Equipment	19577	7
SNWA- Ranch Miscellaneous	19582	5-7
SNWA- Ranch Office/Computer Equipment	19583	5
SNWA- Ranch Pumping Equipment	19580	7
SNWA- Ranch Residential Property	19579	27
SNWA- Ranch Structures	19578	10
SNWA- Ranch Vehicles	19581	5
SNWA- Ranch Wells	19575	15

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XI. PHYSICAL INVENTORY

Departments who are in custody of major capital asset equipment or vehicles shall perform physical inventories of those assets compared to their internal listings and/or listings provided from Finance from the capital assets subledger at least once every five years. The results of these inventories are shared with Finance personnel responsible for updating the asset listing in the capital assets subledger. Those counts are reconciled to the capital asset subledger by Finance.

XII. ANNUAL REVIEW

This policy is to be reviewed annually to ensure compliance with accounting standards, evaluate efficiency of capitalization-related processes, and periodically review established capitalization thresholds.

XIII. GLOSSARY

Capital Assets: Capital assets are constructed or acquired for use in operations and not for resale. They are long term in nature.

Depreciation: The systematic and rational allocation of the historical cost of a capital asset – or if donated, the acquisition value of the capital asset at the time of donation – over its estimated useful service life.

Estimated Useful life: The estimated amount of time that an asset is expected to be useful. It is the period over which an asset's cost will be depreciated.

Historical Cost: The actual exchange value in dollars at the time the asset was acquired. It is measured by cash or cash equivalent price of obtaining the asset and any charges necessary to bring it to its intended location and to place the asset in its intended condition for use.

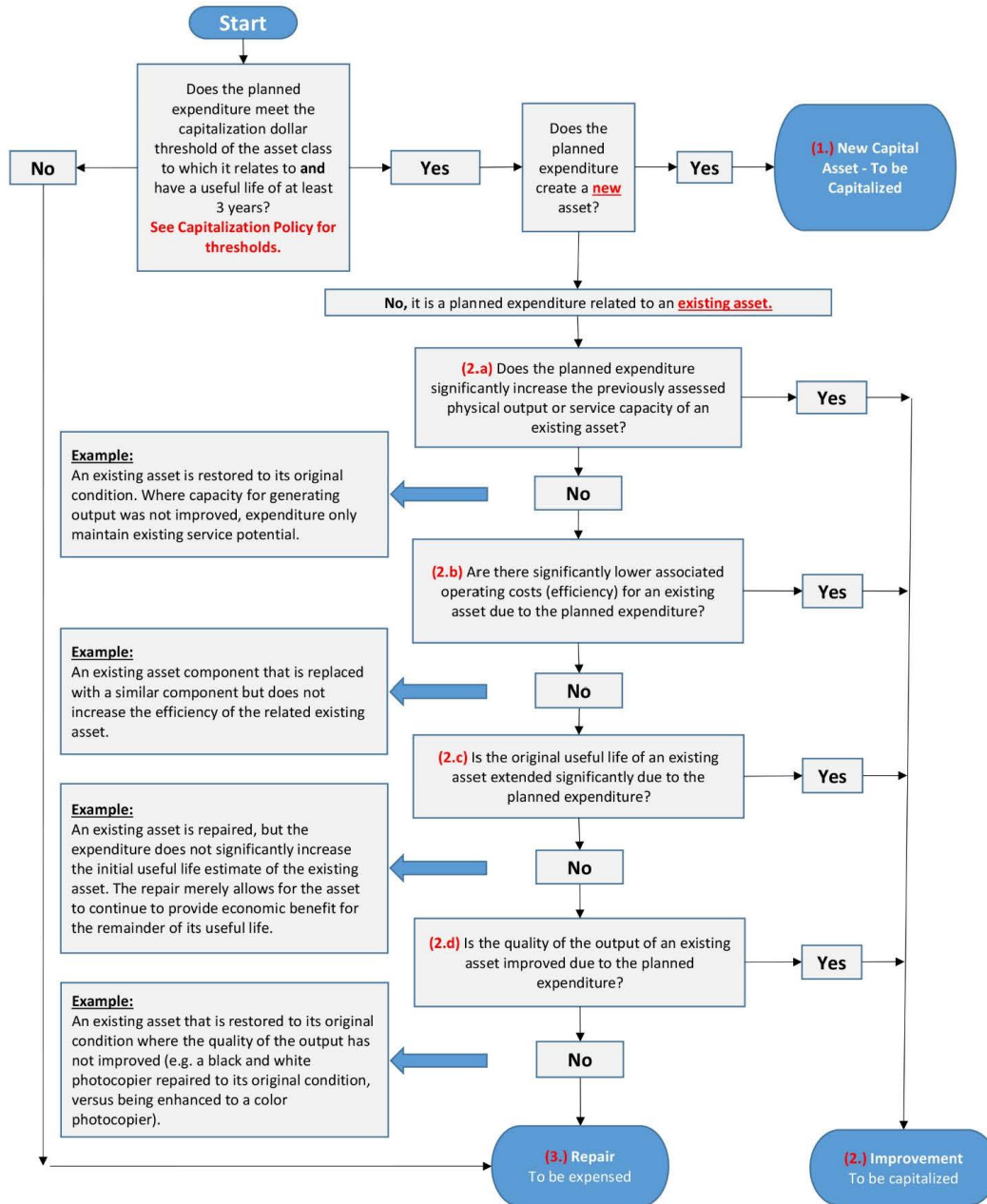
Straight-Line Depreciation Method: Is determined by the formula: $\text{Cost} - \text{Salvage value} / \text{Estimated useful life} = \text{Depreciation per period}$.

XIV. AUTHORITY

- GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*
- GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*
- GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*
- GFOA Best Practices, *Capitalization Thresholds for Capital Assets*
- GFOA Best Practices, *Inventories of Tangible Capital Assets*

ATTACHMENT A

New Asset vs. Improvement vs. Repair Decision Tree



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ATTACHMENT B



Three companies, one job:
Working for a sustainable Nevada
LVVWD • SNWA • SPRINGS PRESERVE

Capital Asset Change Form

Date of Action: _____

Reason for disposal/move action:

- ☐ Damaged Beyond Repair
☐ Obsolete
☐ Destroyed
☐ Donated to: _____ . *Please attach documentation.*
☐ Lost/Stolen
☐ Sold, Sale Price \$ _____ . *Please attach sales paperwork.*
☐ Transfer
☐ Traded In
☐ Other

Explain:

Property Detail				
Asset Manufacturer	Serial #/VIN	Asset Description	Physical Location Before Action Date	New Physical Location

(Attach additional pages if necessary)

Person Completing this form

Date

Transfer Details (If Transferring)

From Department _____ To Department _____

Approvals

Signature of Department Releasing the Capital Asset

Date

Signature of Department Receiving the Capital Asset
(If Transferring)

Date

Please send the completed form to Finance at AssetAccounting@lvvwd.com. Contact Finance with any questions regarding completion of this form:

SECTION 10

GLOSSARY

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Accrual Basis Accounting. An accounting method that measures the performance and position of a company by recognizing revenue or expense events regardless of when cash transactions occur.

Acre-Foot (AF). A water measurement equating to 325,851 gallons or 43,560 cubic feet. An acre foot will supply the annual water needs of approximately 2 single family homes in the LVVWD's service area.

Alfred Merritt Smith Water Treatment Facility (AMSWTF). Built in 1971, the Alfred Merritt Smith Water Treatment Facility currently treats most of the Las Vegas Valley's drinking water. The facility can treat up to 600 million gallons a day (MGD).

American Water Works Association (AWWA). A 50,000-member nonprofit dedicated to science, technology, education and the managing and treating of water.

Amortization. Amortization is paying off a debt with a fixed repayment schedule in incremental installments over a period of time.

Annual Comprehensive Financial Report. A set of U.S. government financial statements comprising the financial report of a state, municipal or other governmental entity that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB).

Arizona Groundwater Banking Program. A program between SNWA and the Arizona Water Banking Authority (AWBA). In exchange for financial consideration, the AWBA will bank recharged water in Arizona for future use by Clark County, Nevada.

Arizona Water Banking Authority. (AWBA)

Army Corps of Engineers. (ACE)

Association of Metropolitan Water Agencies (AMWA). An organization of the largest publicly owned water utilities in the USA speaking on water policy issues and programs that foster sustainable innovation.

Atmospheric Water Generator. (AWG)

Automatic Transfer Switch (ATS). An electrical switch that switches a load between two sources.

Average Speed of Answer. (ASA)

Balanced Budget. A budget where sources of funds are equal to uses of funds. The LVVWD is not required to issue a balanced budget.

Beginning Balance. Cash and cash equivalent balances at the beginning of an accounting period. For budget years this amount is an estimate. For actual years this amount is the actual amount of cash either in demand deposits or investments.

Big Bend Water District (BBWD). A general improvement district created in 1983 to supply water to Laughlin, Nevada.

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Bond. A certificate of debt issued by a government or corporation guaranteeing payment of the original investment plus interest by a specified future date.

Bond Funds. Monies raised through debt issuance that are used for the acquisition or construction of capital assets.

Budget. Proposed financial plan over a given period of time, usually one year.

Budget Calendar. The schedule of key dates or milestones the LVVWD follows in the preparation and adoption of the budget.

Budget Document. The official written document prepared by the LVVWD and approved by the LVVWD's Board of Directors.

Budgetary Control. The management or control of a governmental unit or enterprise in accordance with an approved budget to keep expenditures within limitations of available appropriations and available revenues.

Budgeted Positions. A position that has been authorized (created by action of the LVVWD Board of Directors) and may be specifically funded through the budget process.

Bureau of Labor Statistics (BLS). A unit of the United States Department of Labor, serves as a statistical resource to the United States Department of Labor, and conducts research into how much families need to earn to be able to enjoy a decent standard of living.

Bureau of Reclamation (BOR). A federal agency under the U.S. Department of the Interior, which oversees water resource management, specifically as it applies to the oversight and operation of the diversion, delivery, and storage projects that it has built throughout the western United States for irrigation, water supply, and attendant hydroelectric power generation.

Capital Contributions. For net position purposes, defined as regional connection, commodity, reliability and infrastructure surcharge revenues as well as grant receipts.

Capital Expenditure. Funds used by a company to acquire, upgrade, and maintain fixed assets during a fiscal year, generally with a value of over \$10,000 and an estimated life of over three years.

Capital Improvement Plan (CIP). A multi-year plan project portfolio that identifies the time, cost and scope of capital projects and identifies options for financing.

Capital Revenue. A revenue source that is used solely to either retire debt or pay for construction of capital assets.

Captive Insurance. An alternative to self-insurance in which a parent group or groups create a licensed insurance company to provide coverage for itself.

Cathodic Protection (CP). A technique used to control the corrosion of a metal surface by making it the cathode of an electrochemical cell.

Center for Business and Economic Research. (CBER)

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Citizens Advisory Committee (CAC). A group of citizens convened to seek recommendations and help guide decision-making of the organization.

City of Henderson. (COH)

City of Las Vegas. (COLV)

City of North Las Vegas. (CONLV)

Clark County School District. (CCSD)

Clark County Water Reclamation District (CCWRD). Nevada's largest wastewater agency, treating wastewater from 248,000 accounts with over 2,200 miles of pipeline and 23 pumping stations.

Client-Defined Entity. (CDEs)

Closed-Circuit Television (CCTV). Also known as video surveillance, is the use of video cameras to transmit a signal to a specific place, on a limited set of monitors.

Colorado River Commission (CRC). An agency of the of the State of Nevada created to acquire and hold in trust Nevada's right to water and power resources from Colorado River water apportioned among the seven Colorado River Basin states and Mexico.

Commercial Driver's License. (CDL)

Commercial Paper. Short-term, unsecured, discounted, and negotiable notes sold through the open market. In most cases commercial paper provides immediate cash needs at lower rates than standard debt issues.

Connection. Generic term for a retail customer. Currently a connection is estimated to increase the annual load on the water delivery system by 0.45 acre-foot per year. A customer whose annual load is estimated at more than 0.45 acre-foot per year is said to have multiple connections.

Conservation. The act of reducing demands for water in the most efficient manner. Encompassing policies, strategies and activities to manage water as a sustainable resource and protect the environment while meeting current and future demands. The LVVWD achieves the benefits of conservation through education of the end user, promoting water efficient hardware, and pricing signals.

Construction Expenditures. Generally, expenses made to build, supervise, or provide materials used in the construction of capital assets.

Continuity of Operations Plan. (COOP)

Consumer Price Index. (CPI)

Coyote Springs Water Resources General Improvement District (CSWRD). Created in 2006 to provide necessary water and wastewater services to the Coyote Springs community.

Cross Departmental Team. (CDT)

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Debt Issuance Proceeds. Principal amount or face value of debt issues. These proceeds are used to pay for major construction expenditures incurred by the LVVWD.

Debt Service Payments. Funds used for the repayment of annual principal and interest charges on debt the LVVWD has issued.

Deoxyribonucleic Acid (DNA). A self-replicating material which is present in nearly all living organisms as the main constituent of genetic information.

Department. A basic organizational unit of the LVVWD that is functionally unique in its delivery of services.

Depreciation. A reduction in the value of a physical asset with the passage of time.

Disbursements. Funds actually expended.

Disinfection by Products. (DBPs)

Dissolved Air Flotation (DAF). A water treatment process that clarifies wastewaters (or other waters) by the removal of suspended matter such as oil or solids.

Division. Organizational component of a department.

Drought Contingency Plan (DCP). Due to the historic drought conditions since 2000, the Department of the Interior requested State Governors along the Colorado River to submit Drought Contingency Plans (DCPs) to reduce the risks the Colorado River Basin is facing for Lake Powell and Lake Mead.

Eastern Nevada Transmission Project (ENTP). A 230 kV transmission system that would allow for the interconnection of SSEA members' electrical systems with each other and with the mead substation.

Emergency Response Plan (ERP). A plan created by the EHS&CS department to prepare for and mitigate risk.

Employee Performance Development System. (EPDS)

Ending Balance. Cash and cash equivalent balances at the ending of an accounting period. For budget years this amount is an estimate. For actual years this amount is the actual amount of cash either in demand deposits or investments.

Energy. Collective name for electricity and natural gas purchases used to treat and distribute water throughout the LVVWD's service area as well as power office buildings and other ancillary locations.

Engineering Department Management System. (EDMS)

Engineering Project Management. (EPM)

Engineering Project Scheduling and Management System. (EPSM)

Enterprise Funds. Funds used to account for operations: 1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs

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(expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or 2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Environmental Protection Agency (EPA). An agency of the U.S. federal government which was created for the purpose of protecting human health and the environment by writing and enforcing regulations based on laws passed by Congress.

Environmental, Health, Safety & Corporate Security (EHSCS). A department of the SNWA and LVVWD. Also abbreviated as EHS&CS.

Environmental, Health, and Safety (EHS). A division of the SNWA and LVVWD EHSCS department.

Escherichia Coli (EC). A bacterium commonly found in the intestines of humans and other animals, some strains of which can cause severe food poisoning.

Expenditure. The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

Federal Bureau of Investigation. (FBI)

Fiscal Year (FY). For the Las Vegas Valley Water District, the 12-month period begins with July 1, and ends with June 30 of the designated fiscal year; e.g. FY 2024-25 ends on June 30, 2025.

Fringe Benefits. Various types of non-wage compensation provided to employees in addition to their normal wages or salaries.

Full-Time Equivalent (FTE). The number of positions that equate to a 40-hour work week for 52 weeks, or one full year. For example, two part-time positions, each working 20 hours per week, equals one FTE.

Full-Time Equivalent Employee (FTE). A person employed in the capacity of a Full-Time Equivalent.

Fund. A fiscal and accounting tool with a self-balancing set of accounts to record revenue and expenditures.

Fund Balance. Also known as beginning balance and ending balance. This represents the estimated cash balance in a specific fund at the beginning or ending of an accounting period.

Fund Equity. The excess of an entity's assets over its liabilities.

Gallons Per Minute (GPM). Also known as 'flow rate', GPM is a measure of how many gallons of water flow out of your shower head each minute.

General Obligation Debt. Bonds where the full faith and credit of the issuer is pledged to the repayment of the bonds.

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Generally Accepted Accounting Principles (GAAP). A body of accounting and financial reporting standards set by the Governmental Accounting Standards Board (GASB) for state and local governments, and by the Financial Accounting Standards Board (FASB) for private sector organizations.

Government Finance Officers Association (GFOA). A professional association of approximately 21,000 state, provincial, and local government finance officers in the United States and Canada. In 1984, the GFOA signed an agreement with the Financial Accounting Foundation that gave them a voice and appointments in the creation of the Governmental Accounting Standards Board (GASB).

Grant. A contribution by a government or other organization to support a particular function. Grants may be classified as categorical or block, depending upon the amount of discretion allowed the grantee.

Great Recession. A global economic decline which began after 2005 and lasted roughly through the end of 2010.

Groundwater Management Fees. Fees imposed on municipalities and individual well owners. The proceeds of these fees are used to implement artificial recharge to benefit well users, provide financial assistance to well owners who are required to connect to municipal water by the Nevada State Engineer, and pay for general maintenance costs of the groundwater management program.

Home Owner Association (HOA). An organization in a subdivision, planned community or condominium that makes and enforces rules for the properties within its jurisdiction.

Human Resources Information System. (HRIS)

IDEXX. Diagnostic and software production company.

Information Governance. (IG)

Information Technology. (IT)

Information Technology Customer Support team. (ITCS)

Intake No. 3. One of the largest municipal water projects in the United States constructed to draw water from Lake Mead at levels as low as 1,000 feet, 75 feet lower than SNWA's highest intake.

Intelligent Water (iWater). A tool to provide additional features, making it easier to create pumping plans, and will incorporate PRV and pressure station data for model calibration.

Intentionally Created Surplus. A type of surplus water that has been created or credited to a water agency through actions that conserve water and increase Lake Mead storage.

Interest Earned. Monies earned by investing idle funds in the open market.

Inter-fund Loan. An internal financing device used by the wholesale delivery operations, capital improvements plan, and Las Vegas wash sub funds wherein money is "loaned" to the sub funds by the new expansion debt service sub fund. The WDO sub fund will repay the loan as the actual market price of power falls below the model clearing price. The MCCP sub fund will repay the loan when additional bond proceeds become available. The LVW sub fund will repay the loan with future sales tax revenues.

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In each case the repayments will include amounts equal to the estimated amount of interest the NEDS could have earned from the loan proceeds in addition to the principal.

Interest Earned. Monies earned by investing idle funds in the open market.

Intergovernmental Revenue. Revenue received from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

International Ozone Association – Pan American Group (IOA-PAG). A nonprofit educational and scientific organization dedicated to the collection and dissemination of information on, and to promote research in, any and all aspects of ozone and related oxygen species technologies.

Investment. Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals or base payments.

Kyle Canyon Water District. (KCWD)

Labor. A budget category that includes all LVVWD employee salaries including overtime, longevity pay, and benefits. Labor can either be paid by operating funds or capital funds according to then activity/project in which it was expended.

Laboratory Information Management System (LIMS). A laboratory information management system is a software-based laboratory and information management system with features that support a modern laboratory's operations.

Las Vegas Metropolitan Police Department. (LVMPD)

Las Vegas Review Journal. (LVRJ)

Las Vegas Valley Groundwater Management Program (LVVGMP). In 1997, the Nevada Legislature directed the Southern Nevada Water Authority (SNWA) to develop the Las Vegas Valley Groundwater Management Program to protect and manage the valley's primary groundwater supply. The program protects the local groundwater basin from over-drafting and potential sources of contamination.

Las Vegas Valley Groundwater Management Program Sub Fund. Sub fund that tracks revenues and expenses incurred from the SNWA program designed to protect and manage the Las Vegas valley's primary groundwater supply.

Las Vegas Valley Water District (LVVWD). The major largest water retailer in southern Nevada with a customer base of more than 1.5 million people. The LVVWD is the operating agent of the Southern Nevada Water Authority although the two companies are autonomous and produce financial records and statements independent of each other.

Las Vegas Wash (LVW). The primary channel through which the valley's excess water returns to Lake Mead. The water flowing through the wash comprises less than 2 percent of the water in Lake Mead and consists of urban runoff, shallow groundwater, storm water and releases from the valley's three water reclamation facilities.

Las Vegas Wash Program Fees. Fees imposed on signatories of the Las Vegas Wash Inter local Agreement that will be used for Las Vegas Wash operating expenses. The fees are net of any

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anticipated grant proceeds. Participants in the Inter local Agreement are the SNWA, the City of Henderson, the City of Las Vegas, Clark County, the Clark County Regional Flood Control District, and the Clark County Water Reclamation District.

Las Vegas Wash (LVW) Sub Fund. Sub fund that tracks capital and operational revenues and expenses pertaining to the Las Vegas Wash.

Leading Utilities of the World (LOUW). A global network of the world's most successful and innovative water and wastewater utilities.

Lease. A contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract. Lease contracts are bound by a period of time.

Light Detection and Ranging. (LiDAR)

London Interbank Offered Rate (LIBOR). An interest rate index used in financial contracts worldwide.

Long-Term Operating Plan. (LTOP)

Low Lake Level Pumping Station (L3PS). A significant component of the entire Intake No.3 Project, this portion includes the construction of a pumping station which will facilitate drawing water from lower levels of Lake Mead.

Major Construction and Capital Program (MCCP). A schedule of approved capital projects for SNWA, their estimated costs, and funding sources.

Megawatt Hour (MWh). A unit of power equal to one-million-watt hours. Energy in watt hours is the multiplication of power in watts and time in hours.

Metropolitan Water District of Southern California. (MWD)

Million-Gallon per Day (MGD). A unit of flow measurement. MGD is a standard measurement in the water utility industry.

Model Clearing Price. A power cost calculated per MWh and established to reflect the projected cost of electrical power over a ten-year period.

Moderate Resolution Imaging Spectroradiometer (MODIS). A key instrument that helps scientists determine the amount of water vapor in a column of the atmosphere and the vertical distribution of temperature and water vapor.

Modified Accrual Accounting. A basis of accounting in which expenditures are accrued when liability is incurred, but revenues are recognized only when they are measurable and available as net current assets. This method of accounting is statutorily required in Nevada.

Nellis Air Force Base's fifth Unregulated Contaminant Monitoring Rule. (UCMR 5)

Net Gallons per Capita per Day (GPCD). Measurement of water used in comparison between communities.

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Net Position. Financial liabilities minus cash and cash equivalents. Net position was formerly known as fund equity until the application of GASB 65.

Nevada Department of Environmental Protection-Bureau of Safe Drinking Water. (NDEP-BSDW)

Nevada Department of Transportation. (NDOT)

Nevada Division of Environmental Protection (NDEP). State of Nevada agency whose mission is to preserve and enhance the environment of the State in order to protect public health, sustain healthy ecosystems, and contribute to a vibrant economy.

Nevada Revised Statutes (NRS). The current codified laws of the State of Nevada.

Nevada State Engineer (NSE). Leader of the Nevada Division of Water Resources and responsible for administering and enforcing Nevada Water Law.

New Expansion Debt Service (NEDS) Sub Fund. Sub fund that tracks revenues and expenses relating to debt service incurred from the expansion of the SNWA transmission and distribution system.

Northern Resources. All-inclusive term for water rights, land, and ranching operations owned by the SNWA and found in Lincoln and White Pine County, Nevada.

NvWARN. Network to support Nevada safe drinking water/wastewater facility resilience.

Occupational Health and Safety Administration (OSHA). An agency of the United States Department of Labor. OSHA's mission is to "assure safe and healthful working conditions for working men and women by setting and enforcing standards and by providing training, outreach, education and assistance".

Open Access Technology International Trade Capture System. (OATI)

Operating Budget. Authorized expenditures for on-going day-to-day services, e.g., maintenance, materials, supplies, etc.

Operating Expenses. This classification contains expenses such as professional services, rental expenses, research, and studies, etc. that are projected to be spent in the course of operations. On a GAAP prepared financial statement, these costs will appear on the Statement of Revenues, Expenses and Changes in Net Position.

Operating Revenue. For net position purposes, defined as wholesale delivery charge, net income from ranch operations, program fees collected from the operation of the Las Vegas Wash and groundwater management fees.

Other Revenues. Various sundry revenues from minor sources. Other revenues include, but are not limited to, reimbursement of Authority operating expenses for purveyors who do not use the SNWA's treatment facilities and income from the SNWA's Northern Resource holdings.

Period. The date (usually a 12 month span) that expenditures, encumbrances, etc. are recorded for reporting purposes.

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Period Ending. The last date any expenditures, encumbrances, etc. are recorded for reporting purposes. Any data received after this date will be reflected in the next report. A Period Ending may be the end of a pay period, the end of the last pay period of a month, or the end of a calendar month.

Polyfluoroalkyl Substances (PFAS). A group of synthetic chemicals that have been used in many consumer products since the 1950s. PFAS are made up of carbon and fluorine atoms linked in a chain, which makes them difficult to break down in the environment.

Polymerase Chain Reaction (PCR). A method widely used in molecular biology to make many copies of a specific DNA segment.

Positions. Authorized (created by the LVVWD Board of Directors) employee slots (either currently filled or vacant) that are specifically funded through the budget process.

Potable Water. Water that has been treated and meets or exceeds standards set by the Safe Water Drinking Act.

Power. Electricity and natural gas costs that are used for the transportation and transmission of water throughout the LVVWD distribution system.

Power Purchase Agreement. (PPA)

Pressure Reducing Valve. (PRV)

Programmable Logic Controller. (PLC)

Proprietary Funds. Enterprise Funds and Pension Funds.

Purveyor. A subset of the members of SNWA consisting of City of Boulder City, City of Henderson, City of Las Vegas, City of North Las Vegas, and the Las Vegas Valley Water District. These members purchase potable water from SNWA and remit a form of capital revenue.

Rate-of-Flow Control Systems (ROFCS). Flow control in a hydraulic system is to regulate speed. The device control the speed of an actuator by regulating the flow rate.

Recharge. Lake water injected directly into the aquifer by wells to store it for future use.

Regional. Pertaining to the area of Clark County, Nevada (the jurisdiction of SNWA).

Regional Commodity Charge. Charge placed each thousand gallons of potable water sold. This charge is collected by SNWA's purveyor members (City of Henderson, City of North Las Vegas, and Las Vegas Valley Water District only) and remitted monthly to SNWA.

Regional Connection Charge. Charge placed on new connections to the system. Mainly based on service size, although adjustments to certain customer classes are made. This charge is collected by SNWA's purveyor members (City of Henderson, City of North Las Vegas and Las Vegas Valley Water District only) and remitted monthly to SNWA.

Regional Infrastructure Surcharge. Surcharge placed on all retail water bills. Revenue collected by the purveyors on this charge is forwarded to SNWA monthly. The charge is based on the size of meter or

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meters that service a customer. Different rates apply for residential, nonresidential, and nonresidential fire services. Residential fire services are not assessed this charge.

Reliability Centered Maintenance.(RCM)

Reliability Surcharge. Surcharge placed on retail water bills. Currently the charge is 0.25% of total retail bill for residential customers, and 2.5% of total retail bill for non-residential services. This charge is collected by SNWA's purveyor members (City of Henderson, City of North Las Vegas, and Las Vegas Valley Water District only) and remitted monthly to SNWA.

Remote Operated Vehicle (ROV). Unoccupied, highly maneuverable underwater robots, typically operated by at, or above, the water surface.

Remote Terminal Unit, Programmable Logic Controller (RTU/PLC). A microprocessor-controlled electronic device that interfaces objects in the physical world to a distributed control system or SCADA.

Research and Development (R&D). Work directed toward the innovation, introduction, and improvement of products and processes.

Restricted Revenues. For net position purposes, defined as operating capital and expenses, payroll, recharge purchases and power costs. However, it excludes these costs if they are present in the MCCP sub-fund or if they are associated with capital costs for the Las Vegas Wash.

Revenues. Funds received from various sources and treated as income to LVVWD to finance expenditures.

Revenue Bonds. Bonds where pledges are made to dedicate specific revenue sources to repay the bonds.

Risk Management. An organized attempt to protect organization's assets against accidental loss in the most economical method.

River Mountains Treatment Plant (RMTP). Facility treats up to 300 million gallons of water per day. The facility provides additional reliability and capacity to Southern Nevada's municipal water treatment and distribution capabilities. It began delivering treated water in October 2002.

Rural System Operator. (RSO)

Safe Drinking Water Act (SDWA). Act is the principal federal law in the United States intended to ensure safe drinking water for the public. Pursuant to the act, the Environmental Protection Agency (EPA) is required to set standards for drinking water quality and oversee all states, localities, and water suppliers who implement these standards.

Safety Stand Down Day (SSDD). An educational safety event.

Salaries and Benefits. A budget category that includes all LVVWD employee salaries including overtime, longevity pay, and benefits. Labor can either be paid by operating funds or capital funds according to then activity/project in which it was expended.

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Sales Tax. One quarter of one penny of the Clark County sales tax rate that is remitted to SNWA monthly. The rate was added on April 1999, and is shared with wastewater agencies, rural water and wastewater systems and the Las Vegas Wash.

Securities Industry and Financial Markets Association (SIFMA). A United States industry trade group representing securities firms, banks, and asset management companies. SIFMA was formed on November 1, 2006, from the merger of the Bond Market Association and the Securities Industry Association.

Significant Financial Impact. Five years immediately following when a capital item is placed into service. The term is required by the Government Finance Officers Association.

Silver State Energy Association (SSEA). A cooperative association created to purchase energy for members consisting of the SNWA, City of Boulder Nevada, Overton Power District, Lincoln County Power District and the Colorado River Commission of Nevada.

Sloan Army Reserve Center. (SARC)

Snow Telemetry Network. (SNOTEL)

Solar Photovoltaic (PV). A technology that converts sunlight (solar radiation) into direct current electricity by using semiconductors.

Southern Nevada Health District. (SNHD)

Southern Nevada Public Lands Funds. A federal law governing the disposition of certain public lands in the Las Vegas Valley by the Bureau of Reclamation. The SNPLMA calls for SNWA to receive 10% of the purchase price of all public lands sold pursuant to the Act. These funds are restricted in use to paying for the SNWA Capital Improvement Plan.

Southern Nevada Water Authority (SNWA). Formed in 1991 to manage Southern Nevada's water needs on a regional basis. The Authority comprises seven member agencies including the city of Henderson, city of Las Vegas, city of North Las Vegas, Big Bend Water District (Laughlin), the Clark County Water Reclamation District and the Las Vegas Valley Water District. SNWA provides wholesale water treatment and delivery for the greater Las Vegas Valley and is responsible for acquiring and managing long-term water resources for Southern Nevada.

Southern Nevada Water System (SNWS). Refers to the system of distribution facilities that delivers raw Colorado River water from Lake Mead and delivers potable water to Southern Nevada's municipal water providers.

State Revolving Fund (SRF). A fund administered by a U.S. state for the purpose of providing low-interest loans for investments in water and sanitation.

Steel Cylinder Concrete Pipe. (SCCP)

Sub Fund. An internal control measure used to ensure that revenues and expenses from similar operations are matched. Although SNWA is an enterprise fund under Nevada law, the sub fund philosophy assists SNWA in analyzing and controlling its costs throughout the year.

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Subscription Based Information Technology Arrangements (SBITA). A SBITA is defined as a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets for a period of time specified in the contract.

Supervisory Control and Data Acquisition (SCADA). Water operations control systems.

Supplemental Environmental Impact Statement. (SEIS)

Technical Purchasing Review. (TPR)

Total Coliform (TC). A group of related bacteria that are (with few exceptions) not harmful to humans.

Ultraviolet Light Emitting Diode. (UV-LED)

Uniform Design and Construction Standards (UDACS). The Uniform Design and Construction Standards for Potable Water Distribution Systems represent the minimum design and construction criteria for water distribution systems within the participating Agency's jurisdiction.

US Bureau of Reclamation. (USBR)

U.S. Environmental Protection Agency. (USEPA)

Utility Pipeline and Coordinating Group. (UPCG)

Vacuum Pressure Swing Adsorption. (VPSA)

Variable Frequency Drive (VFD). A type of motor controller that drives an electric motor by varying the frequency and voltage supplied to the electric motor.

Warm Springs Natural Area (WSNA). A facility opened in 2017 that includes public access walking trails and interpretive signage to educate and inform the public about its environmental resources.

Water Investment Rating tool (WIR). A tool that integrates water sustainability considerations into local decision-making associated with economic development.

Water Quality and Treatment (WQ&T). A department of the LVVWD/SNWA that ensures the quality of the water meets or surpasses SDWA standards.

Water Quality Process Improvement Team. (WQPIT)

Water Smart Landscape (WSL). The SNWA's rebate of \$3 per square foot of grass removed and replaced with desert landscaping up to the first 10,000 square feet converted per property, per year.

Water Utility Network. (WUN)

Wholesale Delivery Charge (WDC). The per acre-foot charge that SNWA charges purveyor members for the treatment and delivery of treated, potable water.

Wholesale Delivery Operations (WDO) Sub Fund. Sub fund that tracks revenues and expenses incurred from the production of potable water.