

**WESTERN REGIONAL WATER COMMISSION
BOARD OF TRUSTEES
AGENDA
Friday, January 9, 2009
1:30 p.m.
City of Sparks Legislative Council Chambers
745 Fourth Street, Sparks, Nevada**

NOTICE OF POSSIBLE QUORUM OF THE BOARD OF DIRECTORS OF THE TRUCKEE MEADOWS WATER AUTHORITY ("TMWA"), BOARD OF COUNTY COMMISSIONERS OF WASHOE COUNTY ("BCC"), BOARD OF TRUSTEES OF THE SOUTH TRUCKEE MEADOWS GENERAL IMPROVEMENT DISTRICT ("STMGID"), AND NORTHERN NEVADA WATER PLANNING COMMISSION ("NNWPC")

(See 'Notes')

1. Roll Call and Determination of presence of a Quorum*
2. Pledge of Allegiance*
3. Public Comment* (Three-minute time limit per person)
4. Approval of Agenda
5. Approval of the minutes of the December 12, 2008 meeting
6. Election of Chairman, Vice-Chairman, Secretary and Treasurer for the 2009 calendar year — Jim Smitherman, Program Manager and John Rhodes, Legal Counsel
7. Review, discussion and possible approval of a four-year cash flow projection for the Western Regional Water Management Fund and descriptions of priorities, and possible direction to staff — Jim Smitherman
8. Final review of the 2008 Amendment to update the Comprehensive Regional Water Management Plan, including previous action and public review process, and possible direction to staff — Jim Smitherman
9. **2:00 p.m.** Public Hearing on the 2008 Amendment to update the Comprehensive Regional Water Management Plan and possible approval of a Resolution adopting the 2008 Amendment, or possible remand to the Northern Nevada Water Planning Commission (NNWPC) with any proposed change or addition — Jim Smitherman and John Rhodes
10. Approval of a Resolution designating Jim Smitherman, WRWC Program Manager, as the person authorized to approve invoices submitted to the WRWC, and approve in-budget expenditures from the Western Regional Water Management Fund not to exceed \$25,000 upon recommendation of the NNWPC and to sign contracts for the same, including the authority to authorize routine operational expenditures — John Rhodes

11. Informational Report on Bill Draft Requests for the 2009 Nevada Legislature that may affect the WRWC / NNWPC; discussion and possible direction to staff — John Rhodes
12. Discussion and possible direction to staff regarding agenda items for the February 2009 meeting of the WRWC
13. Commission Comments*
14. Staff Comments*
15. Public Comment* (Three minute time limit per person)
16. Adjournment

*Indicates a non-action item

Notes: Because several of the WRWC Trustees are also members of the Board of Directors of TMWA, it is possible that a quorum of the TMWA Board may be present. Such members will not take action at this meeting as members of the TMWA Board, but may take action solely in their capacity as WRWC Trustees. A quorum of the BCC, STMGID and the NNWPC may also be in attendance but will not be taking action.

Public comment will be taken on agenda items upon the submittal of a request via submittal of a Speaker Information Card. There is a three-minute time limit per person.

Items on the agenda without a time designation may not necessarily be considered in the order in which they appear. The WRW C may take action on any of the action items listed.

Facilities in which this meeting is being held are accessible to the disabled. Persons with disabilities who require special accommodations or assistance (e.g. sign language interpreters or assisted listening devices) at the meeting should notify the Washoe County Department of Water Resources, at 954-4663, at least 24 hours prior to the meeting.

In accordance with NRS 241.020, this agenda has been posted at the following locations: Reno City Hall (1 East First Street), Sparks City Hall (431 Prater Way), Sparks Justice Court (630 Greenbrae Dr), Sun Valley GID (5000 Sun Valley Blvd.), TMWA (1355 Capital Blvd.), Washoe County Administration Building (1001 E. 9th Street), Washoe County Clerk's Office (Court and Virginia Streets), Washoe County Central Library (301 South Center St.), Washoe County Department of Water Resources (4930 Energy Way), Galena Market (19990 Thomas Creek Rd.), Galena High School (3600 Butch Cassidy Way), South Valleys Library (15650A Wedge Parkway), TMWA's website: http://www.tmh2o.com/about_us/meeting_center, and the WRWC website: <http://wrwc.us>.

WESTERN REGIONAL WATER COMMISSION

DRAFT MINUTES

Friday, December 12, 2008

The regular meeting of the Western Regional Water Commission (WRWC) was held on Friday, December 12, 2008, at City of Sparks Legislative Council Chambers, 745 Fourth Street, Sparks, Nevada.

- 1. Roll Call and Determination of presence of a Quorum** – Chairman Carrigan called the meeting to order at 1:35 p.m. There was a quorum present.

Commissioners Present:

Mike Carrigan, Chair
Dave Aiazzi, Vice-Chair
Steve Cohen
Jim Ainsworth
Geno Martini
Ron Smith

Representing:

Truckee Meadows Water Authority (TMWA)
City of Reno
South Truckee Meadows General Improvement District (STMGID)
Sun Valley General Improvement District (SVGID)
Truckee Meadows Water Reclamation Facility (TMWRF)
City of Sparks

Commissioners Absent:

Bob Cashell
Bob Larkin
Bonnie Weber

Representing:

Truckee Meadows Water Authority (TMWA)
Truckee Meadows Water Authority (TMWA)
Washoe County

- 2. Pledge of Allegiance**

Commissioner Smith led the Western Regional Water Commission in the Pledge of Allegiance.

- 3. Public Comment**

Chairman Carrigan called for public comments and hearing none, closed the public comment period.

- 4. Approval of Agenda**

Commissioner Ainsworth made a motion to approve the December 12, 2008 WRWC agenda as posted. Commissioner Cohen seconded the motion, which carried unanimously.

- 5. Approval of the Minutes of the November 7, 2008 meeting.**

The minutes of the November 7, 2008 Western Regional Water Commission meeting were submitted for approval. Commissioner Martini made a motion to approve the minutes as submitted. Commissioner Smith seconded the motion, which carried unanimously.

- 6. Informational presentation on the MXU remote technology for water meter reading used by STMGID.**

Chairman Carrigan invited Arthur Burns, Sensus Metering Systems, and Barney Arneson, Western Nevada Supply, to give a presentation.

Mr. Burns reviewed a brief PowerPoint presentation that explained the FlexNet system, which is in use by Washoe County Department of Water Resources (DWR). He provided a brief overview of the equipment and technology, which provide remote data collection of water use throughout the county. The information is transmitted every hour, which assists with leak detection.

Mr. Burns reported that the frequent meter reads that are provided to the utility enable initial and final readings without having to send a person to the site. He stated that the system also assists with dispute resolution because water customers can see the volume of water used during specific timeframes. He reported that water use can also be measured in relation restricted watering days.

Mr. Burns referred to slides showing the transmissions from the meters to the Regional Network Interface (RNI) in Washoe County and one in Redwood City. He stated that the Meter Data Management Software (MDMS) serves as an interface between the RNI and the end-user billing software.

Mr. Burns concluded his presentation and welcomed questions or comments from commissioners. Commissioner Aiazzi asked if customers could see their own data. Mr. Burns stated it is possible if it is set up by customers or utilities in that manner. Commissioner Aiazzi asked how much the meters cost. Mr. Burns stated the cost varies by meter type but approximately \$200, with no monthly charge. He added that the network is typically owned by the utility, for which an annual support cost is charged.

Commissioner Cohen complimented the system, which is used by South Truckee Meadows General Improvement District (STMGID), and stated it has been very useful in leak detection.

Commissioner Smith asked if Redwood City customers were mandated to use the meters. Mr. Burns stated that irrigation customers were and added that Redwood City felt it was incumbent to show customers their water usage if they were to be charged tiered rates. He added that Redwood City purchased the network and the transmitter system.

Chairman Carrigan asked about the frequencies used, which Mr. Burns explained. Chairman Carrigan asked how easy it is to tamper with the system. Mr. Burns explained that it is not easy. He added that the systems are set up securely to detect any tampering or cut wires. He summarized that the system is very secure. He added that the participating purveyors have their own secure server so information can not be accessed by others.

Commissioner Aiazzi asked if any purveyors have utilized the information to disseminate water use at a particular time of day resulting in a different water cost. Mr. Burns stated that "time of use" billing has been implemented for electricity; however, he has not seen it used for water yet but most likely that will occur. Chairman Carrigan stated that would be a good use for the system since TMWA customers do have set watering days and hours.

Chairman Carrigan thanked Mr. Burns and Mr. Arneson for their presentation.

7. Discussion and possible designation of persons authorized to approve invoices to the Western Regional Water Commission (WRWC), and approve within budget expenditures from the Western Regional Water Management Fund (WRWMF) up to certain specified amounts.

Rosemary Menard, DWR Director, reported that Washoe County is responsible for the administrative details related to Western Regional Water Management Fund (WRWMF) although they do not have an authorized signer. She stated that staff's recommendation is to authorize Jim Smitherman, Program Manager, to approve invoices and small contracts (up to \$25,000). She added that previously the Board of County Commissioners (BCC) delegated that authority to the Director of the DWR.

Commissioner Aiazzi asked approximately how many invoices would fall between \$10,000 and \$25,000. Ms. Menard stated that the next two agenda items fall into that category.

Jim Smitherman reported that contract amounts range up to \$1.5 million and not many are under \$10,000. He stated that some of the smaller contracts cover general operating procedures, such as preparation of minutes and televising meetings.

Ms. Menard stated that commissioners could set a lower amount if desired. Chairman Carrigan stated he would be more comfortable with a \$10,000 limit based on City of Sparks Manager having a limit of \$25,000. Commissioner Martini stated he is comfortable with a \$25,000 limit.

Commissioner Cohen stated he did not have a problem with either amount; however, he asked if the next two agenda items would fall under this category. Mr. Smitherman stated that if authorization to \$25,000 is granted, the next two agenda items would be covered. He added that the WRWC would still see the contracts as informational items; however, they would not have to take action.

Commissioner Smith made a motion to approve staff's recommendation that the "WRWC designate Jim Smitherman, Water Resources Program Manager, as the person authorized to approve invoices submitted to the WRWC, and approve in-budget expenditures from the WRWMF not to exceed \$25,000, upon recommendation of the Northern Nevada Water Planning Commission, including the authority to authorize routine operational expenditures."

Ms. Menard reported that staff has been working on a cash flow projection for the next few years. She added that the document will be presented at the January meeting.

Commissioner Aiazzi asked for clarification that the \$25,000 applies to cumulative contracts as well. He clarified that for instance monthly contracts in the amount of \$5,000 can not be approved if they exceed the \$25,000 limit.

Commissioner Cohen seconded the motion, which carried with four in favor and one (Chairman Carrigan) opposed.

8. Discussion and possible approval of funding in the amount of \$25,000 from the WRWMF to support the Conservation Practitioner Certification Program and, if approved, authorize the Chairman to execute, upon receipt, an Agreement for such funding in support of the program, and a letter in support of the Program.

Commissioner Cohen asked what the benefit is to the WRWC by approving funding for this item and the next. Mr. Smitherman reported that the Conservation Practitioner Certification Program targets the utility workers and provides for a standard level of knowledge for those completing the training and certification. The goal is to provide a common base of knowledge among all the water conservation practitioners from the various entities. He added that there are multiple contributors to the program.

Commissioner Cohen asked for clarification that it is not a private sector program, which Mr. Smitherman stated it is not. Darrin Price reported that the three general managers of the largest regional purveyors have multiple certifications. He added that the conservation certification is valuable.

Commissioner Aiazzi asked if this \$25,000 funding would be in lieu of the individual entities having to provide funding. Mr. Price stated that is correct. He added that there are three levels of training and certification. Commissioner Ainsworth asked if there is a requirement that participants have a Grade 1 or Grade 2 Water Operator Certification. Mr. Price stated no, it is a separate certification.

No action was taken as this now falls within Mr. Smitherman's signing authority.

9. Discussion and possible approval of funding in the amount of \$8,120 from the WRWMF for continued support of the Certified Landscape Technician (CLT) Exam Program and, if approved, authorize Chairman to execute, upon receipt, an Agreement for such funding in support of the Program.

Commissioner Cohen again asked if this is a private certification program. Mr. Smitherman stated that this program targets the private landscape companies, particularly installation and maintenance of irrigation systems. He added there is a need to bring the landscapers up to a standard level of knowledge.

Commissioner Cohen asked if the certification is a requirement for landscapers. Mr. Smitherman stated it is not currently; however, some landscape companies require it in order to bring a higher level of service to their customers. Mr. Smitherman reported that Jason Perry and Jim Stanhouse from Nevada Landscape Association (NLA) were present to answer questions if desired.

Mr. Smitherman stated that the NNWPC sees great value in this program and has funded the program since 2003 (previously as the Regional Water Planning Commission (RWPC)).

Commissioner Aiuzzi asked if government should require such certification when accepting bids. He suggested that perhaps certification should be required. Mr. Smitherman reported that it is being explored in the public sector.

Neil Mann, City of Reno and member of the NNWPC, reported that currently there are only approximately 45 CLTs in the Truckee Meadows. He explained that the NNWPC urged the NLA to become self-sufficient in funding the program, which they are progressing toward. He added that the funding level requested (\$8,120) has decreased from prior requests. He stated that until more landscapers become certified, public agencies can not require such certification.

Mr. Mann reported that individual costs for the examination and certification are approximately \$275. He added that the NLA provides funding and implementation of the program.

No action was taken as this now falls within Mr. Smitherman's signing authority.

10. Discussion and possible adoption of a proposed policy for WRWC interactions with the 2009 Nevada Legislature.

Ms. Menard stated that this item is to solicit input as to how commissioners would like the WRWC to be represented in the 2009 Nevada Legislature. She stated there a handful of bill draft requests (BDRs) that might affect the WRWC or NNWPC. She referred to the "Proposed Policy for WRWC interactions with the 2009 Legislature". She explained that the proposed approaches for four tiers are as follows:

- Bill Tracking – The suggestion is that John Rhodes, Legal Counsel, track the BDRs that may have an impact or be of interest to the WRWC or NNWPC.
- Interaction with legislative staff or legislators
- Technical testimony on legislation or WRWC activities
- Policy testimony on legislation or WRWC activities

Chairman Carrigan stated that he does not want staff to get cornered by legislators. He proposed designating a couple of members of the WRWC to work with the legislators with the technical assistance

of staff as appropriate.

Commissioner Cohen agreed and suggested the representatives be the Chairman and Vice-Chairman. Chairman Carrigan agreed and suggested setting a meeting schedule, possibly in conjunction with the TMWA Board meetings, due to the duplication of members. Commissioner Aiazzi stated he agreed and suggested that STMGID be represented as well.

Ms. Menard summarized that bill tracking would be performed by Mr. Rhodes. She added that the Chairman, Vice-Chairman and STMGID representative would serve as a “clearing house” for the other issues.

Commissioner Aiazzi made a motion to form a sub-committee to include the Chair, Vice-Chair and STMGID representative to agendaize meetings to provide direction on legislative issues. Commissioner Martini seconded the motion, which carried unanimously.

11. Informational Report on Bill Draft Requests for the 2009 Nevada Legislature that may affect the WRWC / NNWPC; discussion and possible direction to staff.

Mr. Rhodes referred to the informational staff report on the BDRs for the 2009 Legislature. He stated that the intention is to add an update on BDRs as a standing action agenda item through the close of the 2009 session. Chairman Carrigan thanked Mr. Rhodes for his update.

12. Status Report and possible direction to staff on work relating to possible integration of TMWA and WCDWR.

Mark Foree, TMWA Interim General Manager, reported that he, Jack Byrom and Jeff Tissier were present from TMWA to speak on this item or answer questions. Mr. Foree stated that an in-depth staff report was included in the agenda packets to commissioners. He reported that Mr. Tissier would provide an overview of the financial analysis. He added that the next step for the finance team would be analysis of the operational finances. He stated that TMWA and DWR are currently working on multi-year funding plans that will determine the financial requirements moving forward if they were to remain separate. He added that the plans should be completed in early 2009.

Mr. Tissier provided a brief overview of the fund and legal analyses. He reported that the legal analysis examined two general ideas; one being total consolidation with the acquired entity having their bonds included with the other entity, which would operate the water system. Another option would be to leave the existing debt in place and enter into an operational agreement. He clarified that based on current economics, it would be too expensive (\$15 to \$17 million in interest) for TMWA to pay off bonds. He added there would be significant additional costs associated with paying off DWR’s bonds as well. He stated that if or when the market conditions improve, there may be a possibility of defeasing the bonds.

Mr. Tissier explained that if a mutually accepted operational agreement were entered into, the managing entity would enter into possible new bonds in the future. Current bonds would be defeased as the market conditions allow. Mr. Tissier suggested that the market be tested from time to time in order to reevaluate the possibilities. He welcomed questions or comments.

Ms. Menard referred to the staff report, in particular the proposed TMWA-DWR Integration Working Teams. She reported that TMWA and DWR staffs are examining opportunities, including deferred costs by making better use of existing infrastructure by managing the system as a whole, deferred capital expenditures, and better use of existing available resources.

Ms. Menard referred to the “Conceptual Flow Diagram for a Phased Approach to Decision-Making” and the “Preliminary Schedule”. She explained that steps would be taken based on findings as the analysis occurs.

Ms. Menard welcomed input or questions. Commissioner Aiuzzi stated that one of the most important issues would be involvement by the employee groups. He suggested their inclusion as an initial step because if they do not agree, integration can not move forward. Ms. Menard stated that she has spoken with representatives of the Washoe County Employees Association (WCEA) regarding the proposal. She explained that the WCEA is the bargaining unit that represents most of the Washoe County employees. She clarified that the members of the analysis team have not yet been named; however, Human Resources would be included.

Chairman Carrigan called for questions or comments from commissioners. Commissioner Aiuzzi made a motion that the WRWC move forward with the staff recommendation to continue examination of a joint contract. Commissioner Martini seconded the motion, which carried unanimously. Ms. Menard stated that staff would continue to provide updates as appropriate.

13. Discussion and possible direction to staff regarding agenda items for the January 2009 meeting of the WRWC.

Chairman Carrigan suggested canceling the January WRWC meeting if there are no agenda items.

Ms. Menard stated that the Public Hearing on the Water Plan Amendment would be scheduled for the January meeting. She added that the NNWPC held its Public Hearing on December 3, 2008. She stated that a public workshop was also held for the public to review the Plan Amendment at DWR.

Ms. Menard stated that the “Cash Flow Analysis” would also be presented at the January meeting.

14. Commission Comments

Commissioner Ainsworth stated this would be his last meeting as a commissioner on the WRWC. He added it has been a pleasure to be a part of this group. He stated that the WRWC got off to a rocky start but has made significant progress in serving its constituency.

Chairman Carrigan read from a plaque of appreciation presented to Commissioner Ainsworth from the WRWC. Members thanked and applauded Commissioner Ainsworth for his work on the WRWC.

15. Staff Comments

None

16. Public Comment

Chairman Carrigan called for public comments and hearing none, closed the Public Comment period.

17. Adjournment

With no further business, the meeting was adjourned at 2:35 p.m.

Respectfully submitted by,

Niki Linn, Recording Secretary

Approved by Commission in session on _____ 2009.

Mike Carrigan, Chairman

Note: DRAFT Minutes not approved by Board.

DRAFT

Western Regional Water Commission STAFF REPORT

DATE: January 2, 2009
TO: Chairman and Members, Western Regional Water Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: Review, discussion and possible approval of a four-year cash flow projection for the Western Regional Water Management Fund and descriptions of priorities, and possible direction to staff

SUMMARY

The Northern Nevada Water Planning Commission (NNWPC) recommends that the Western Regional Water Commission (WRWC) consider the attached four-year cash projection for the Western Regional Water Management Fund and the financial priorities described below. Descriptions include priority work plan topics (or topic groupings) and information concerning ongoing and future activities to address the priorities.

Priority: Watershed-based water quality planning, including a plan for the development of a Truckee River third-party total maximum daily load (TMDL) for nutrients among affected entities and regulatory agencies.

On the NNWPC's recommendation to the WRWC, LimnoTech and the Center for Collaborative Policy (CCP) have been retained to provide technical and facilitation services to address this priority in phases. What follows describes phase 1 of 3 phases.

LimnoTech is engaged in the technical aspects of the 3rd Party TMDL and watershed-level planning process. LimnoTech's process is designed to encourage a progression of building education to develop a common understanding between stakeholders through a transparent process. What will evolve are technically defined solutions which address the chemical, physical, and biological health of the Truckee River.

In concert with LimnoTech's scope of work, CCP's tasks focus on the facilitation of a political, relational, and logistical approach for a phased, multi-track effort. The focus of CCP's and LimnoTech's joint efforts is to convene stakeholders, discuss technical and management elements and to ensure that an equitable, transparent process is put in place to help build regional support on a range of water resource topics that collaboratively improve the chemical, physical and biological health of the Truckee River.

The process is organized into three primary tracks:

- **Chemical/TMDL Track:** focused on the chemical health of the river with respect to nutrients, dissolved oxygen and other constituents. This is the pathway for the development of the proposed 3rd Party nutrient TMDL.

- **Physical/Watershed Track:** focused on land-based non-point source watershed improvement efforts (BMPs, stormwater control). This will facilitate the development of watershed planning framework which builds upon a TMDL implementation plan developed from the Chemical / TMDL track, and includes specific watershed recommendations.
- **Biological/Fish Track:** focused on improvements of the biological health and riparian and aquatic habitats of the river through restoration activities.

Phase 1 efforts are scheduled to be completed in late 2009 to early 2010. Completion of phases 2 and 3 will take approximately 4 years from the initiation of phase 1.

Priority: Develop an integrated water resources management plan for the north valleys including water supply, wastewater, reclaimed water, storm water and flood control; and plan for the expansion and regional integration of reclaimed water systems and analyze legal and procedural barriers to expanded uses of reclaimed water.

A NNWPC recommendation to the WRWC resulted in the retention of Eco:Logic to pursue the “North Valleys Initiative” (NVI), to address future wastewater and reclaimed water planning needs in the North Valleys. Much of the NVI work will be applicable to the entire region.

Eco:Logic has convened a Core Group to address a list of big-picture NVI objectives. These objectives, to be completed by December 31, 2009, include:

- Updating existing or establishing new reuse ordinances;
- Addressing public health protection responsibilities;
- Recommending and implementing new water rights policies (many potential issues, reduced water rights dedication could be an outcome);
- Pursuing local and State regulatory buy-in for expanded use of reclaimed water (residential irrigation / storage options / ASR);
- Recommending and implementing more consistent reclaimed water rate structures (connection and O&M fees);
- Addressing technical challenges (storage options, effluent management plans, cross-connection control, inspection, etc.);
- Recommending administrative roles (i.e. does each utility manage their own system or does one entity oversee the whole reclaimed system?);
- Developing a community outreach program to gain broad support for the program.

Future work to address this priority may include the following activities, through the end of 2011:

- Regional Reclaimed Water Facility Planning
- Support for the next phases of RSRWF Pilot Testing
- Public Education Process
- Regional Reclaimed Water Utility Development

Priority: Water conservation plan for municipal, industrial and domestic water resources within the planning area, including recommendations for water conservation agreements among water purveyors and local governments; study and make recommendations to members regarding water conservation ordinances or tariffs to implement the water conservation plan and the comprehensive plan; and examine the status of the science concerning climate change and consider the possible effects to the region.

Staff is working to develop recommendations on conservation priorities and integrating conservation programs. Ongoing tasks include:

- Taking stock of existing conservation programs
- Identifying and assessing related issues (e.g., Urban Forest initiative)
- Identifying and assessing implementation barriers
- Defining why we do conservation
- Identifying conservation topics and recommended priorities
- Developing work plan/task list, resource requirements and schedule, with a goal of having this product reviewed by the NNWPC

NNWPC recommendations to the WRWC concerning water conservation include the following:

- Water Audit Program
- Certified Landscape Technician Exam Program
- Support of AWWA Water Conservation Practitioner Certification Program

Priority: Develop an updated comprehensive plan by 2011, through the Water Planning Commission to include among other new elements, an evaluation of and recommendations regarding the consolidation of public purveyors in the planning area as part of the comprehensive plan.

Staff is developing a strategy to develop the 2011 comprehensive plan, to include the following elements:

- Interview users of plan to gather input regarding usefulness and implementation. Users include TMRPA, Reno, Sparks and Washoe County Community Development Departments and Public Works Departments, TMWA, SVGID and WCDWR.
- Review plans for other regions for format and organizational ideas
- Review and revise existing policies, sections and facility plans
- Develop new sections to address additional plan elements required by Chapter 531, Statutes of Nevada, 2007, including:

Recommendations for developing and implementing consistent policies of, and among, public purveyors concerning regional drought reserve standards, developer costs, impact fees, dedication of water rights and standards for the drainage of water.

Evaluation and recommendations regarding the consolidation of public purveyors in the planning area, which must include costs and benefits of consolidation, the feasibility of

various consolidation options, analysis of water supplies, operations, facilities, human resources, assets, liabilities, bond covenants, and legal and financial impediments to consolidation and methods, if any, for addressing any such impediments.

PREVIOUS ACTION

On December 3, 2008, the NNWPC approved a motion recommending that the directed staff to make certain revisions to the proposed amendments to the Comprehensive Regional Water Management Plan and proceeded with the proposed schedule for public review and adoption.

FISCAL IMPACT

No fiscal impact

RECOMMENDATION

It is recommended that the WRWC consider the four-year cash flow projection for the Western Regional Water Management Fund and descriptions of financial priorities, and approve them as working documents to guide NNWPC activities and funding recommendations for the remainder of the fiscal year and fiscal year 2009-2010.

POSSIBLE MOTION

Should the Board agree with the recommendation, a possible motion would be: “Move to approve the four-year cash flow projection for the Western Regional Water Management Fund and the descriptions of financial priorities as working documents to guide NNWPC activities and funding recommendations for the remainder of the fiscal year and fiscal year 2009-2010.

JS:jd

Attachments

**Western Regional Water Planning Commission
Cash Flow Projections
November 1, 2008 - December 31, 2012**

Quarter Ending	Total Projected Water Fund Revenue	FY 2008/09 Work Plan Budget ¹	Total Operating Expenses ^{2,3,4}	Projects							Cash Balance Running Total
				TMDL LTI	TMDL CCP	NVI	Conservation, Sustainability, Climate Change*	Wastewater Facility Planning ⁵	Water Management Plan	Total Project Expenditure	
10/31/2008											2,983,821
12/31/2008	167,725	(489,253)									2,662,293
3/31/2009	247,047	(521,380)		(105,000)	(57,500)	(45,000)			(5,000)		2,175,460
6/30/2009	487,130	(536,380)		(105,000)	(57,500)	(30,000)			(5,000)		1,928,710
9/30/2009	486,787		(159,133)	(105,000)	(57,500)	(70,000)	(47,500)	(50,000)	(95,000)	(425,000)	1,831,363
12/31/2009	245,450		(137,133)	(105,000)	(57,500)	(70,000)	(47,500)	(50,000)	(95,000)	(425,000)	1,514,680
3/31/2010	244,816		(137,133)	(105,000)	(25,000)	(112,500)	(47,500)	(50,000)	(120,000)	(460,000)	1,162,364
6/30/2010	485,334		(137,133)	(105,000)	(25,000)	(212,500)	(47,500)	(50,000)	(120,000)	(560,000)	950,565
9/30/2010	485,088		(164,542)	(105,000)	(25,000)	(212,500)	(49,000)		(25,000)	(416,500)	854,611
12/31/2010	243,688		(141,542)	(105,000)	(25,000)	(162,500)	(49,000)		(25,000)	(366,500)	590,258
3/31/2011	243,182		(141,542)	(105,000)	(25,000)	(87,500)	(49,000)		(10,000)	(276,500)	415,398
6/30/2011	484,079		(141,542)	(105,000)	(25,000)	(87,500)	(49,000)		(10,000)	(276,500)	481,434
9/30/2011	484,183		(170,026)	(105,000)	(25,000)	(137,500)	(50,500)			(318,000)	477,591
12/31/2011	242,925		(146,026)	(105,000)	(25,000)	(137,500)	(50,500)			(318,000)	256,489
3/31/2012	242,568		(146,026)	(105,000)	(25,000)		(50,500)			(180,500)	172,532
6/30/2012	483,685		(146,026)	(105,000)	(25,000)		(50,500)			(180,500)	329,691
9/30/2012	484,064		(175,588)	(105,000)	(25,000)		(52,000)			(182,000)	456,166
12/31/2012	243,136		(150,588)	(105,000)	(25,000)		(52,000)			(182,000)	366,714
TOTALS	\$6,000,887	(\$1,547,013)	(\$2,093,981)	(\$1,680,000)	(\$530,000)	(\$1,365,000)	(\$692,000)	(\$200,000)	(\$510,000)	(\$4,567,000)	

* Assumes an approximate increase of 3% annually.

Notes:

1. Assumes expenditure of all fiscal year 2008-2009 Work Plan budget which includes all project expenses.
2. Operating expenses include: employees, legal counsel, minutes, web site, travel & training, annual audit and miscellaneous expenses (i.e. SNCAT, printing & reproduction, publications, periodicals and public notices). Includes annual increase of 3% for select operational expenses.
3. Based on projected quarterly operating expenditures, a minimum of \$400,000 would be required for a 6-month operational reserve.
4. Assumes continuation of in-kind service contributions.
5. Cost is for regional planning element. Assumes majority of funding to be provided by wastewater purveyors.

Western Regional Water Commission STAFF REPORT

DATE: December 29, 2008
TO: Chairman and Members, Western Regional Water Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: Final review of the 2008 Amendment to update the Comprehensive Regional Water Management Plan, including previous action and public review process, and possible direction to staff

SUMMARY

In response to the Western Regional Water Commission's (WRWC) direction on November 7, 2008, staff revised the proposed 2008 Amendment to update the Comprehensive Regional Water Management Plan and proceeded with the public review process as per Chapter 531, Statutes of Nevada 2007. The revised Amendment cover document now presents population as the approved 2030 Consensus Forecast estimate of 620,323 +/- 10%, and the facility cost estimate table now notes that the Truckee River Flood Project local share is expected to be approximately one-half of the total project cost.

The revised Amendment was made available to the public at the County Clerk's office, the Washoe County Department of Water Resources and the WRWC website for a 30-day public inspection period. Staff also held a public workshop on December 10, 2008. No comments from the public were received at the workshop. Notices of the workshop, public inspection period and today's public hearing were published in the Reno Gazette Journal and the Sparks Tribune as required by statute.

The Amendments can be viewed at:

<https://www.washoecounty.us/repository/files/10/Draft%20Amendment%20doc%20111008%20linked.pdf>

The revised amendments were presented to the Northern Nevada Water Planning Commission (NNWPC) at its December 3, 2008, meeting during which the NNWPC held a public hearing and adopted a resolution (attached) recommending that the WRWC adopt the Amendment. There were no comments from the public at the hearing.

PREVIOUS ACTION

On November 7, 2008, the WRWC directed staff to make certain revisions to the proposed 2008 Amendment to update the Comprehensive Regional Water Management Plan and proceed with the proposed schedule for public review and adoption.

FISCAL IMPACT

No fiscal impact

RECOMMENDATION

It is recommended that the WRWC proceed with its public hearing to consider adoption of the proposed 2008 Amendment to update the Comprehensive Regional Water Management Plan.

POSSIBLE MOTION

No motion is required until after the public hearing.

JS:jd

Attachments

Western Regional Water Commission STAFF REPORT

DATE: January 2, 2009
TO: Chairman and Members, Western Regional Water Commission
FROM: John B. Rhodes, WRWC Legal Counsel
SUBJECT: Public Hearing on the 2008 Amendment to update the Comprehensive Regional Water Management Plan and possible approval of a Resolution adopting the 2008 Amendment, or possible remand to the Northern Nevada Water Planning Commission with any proposed change or addition

SUMMARY

Notice of the public hearing has been published and given as required by law. Chapter 531, Section 47(1), *Statutes of Nevada 2007* provides: “The Board shall not change or add to ...an amendment...as submitted by the Water Planning Commission until it has submitted the substance of the proposed change or addition to the Water Planning Commission in writing with its reasons for the change or addition.”

Accordingly, at the conclusion of the Public Hearing the Board has the option to approve the Resolution adopting the 2008 Amendment, or remanding the 2008 Amendment to the NNWPC as set forth above.

PREVIOUS ACTION

On November 7, 2008, the WRWC directed staff to make certain revisions to the proposed 2008 Amendment to update the Comprehensive Regional Water Management Plan and proceed with the proposed schedule for public review and adoption.

FISCAL IMPACT

No fiscal impact

RECOMMENDATION

It is recommended that the WRWC approve the Resolution adopting the 2008 Amendment to update the Comprehensive Regional Water Management Plan.

POSSIBLE MOTION

“Move to approve WRWC Resolution No. 2, adopting the 2008 Amendment to update the Comprehensive Regional Water Management Plan.”

Attachment

WESTERN REGIONAL WATER COMMISSION

RESOLUTION NO. 2

**A RESOLUTION ADOPTING AN AMENDMENT TO THE COMPREHENSIVE
REGIONAL WATER MANAGEMENT PLAN**

WHEREAS, the former provisions of NRS 540A.130 required the development and revision of a comprehensive regional water management plan (the "Plan") for Washoe County exclusive of lands located within Indian Reservations, Indian Colonies and lands managed under the Tahoe Regional Planning Compact; and

WHEREAS, the Plan was adopted as required, amended in 2004 and 2005, and identifies the boundaries of the region; includes water policies and criteria; covers municipal and industrial water supplies, water quality and wastewater, sanitary sewerage, treatment of sewerage, flood control and stormwater drainage, watershed management, projections of population, water demand and wastewater flow, legal and regulatory constraints, conservation, issues identification and proposed alternatives, water linkages and a financial analysis, and an action plan with recommendations; and

WHEREAS, the Plan includes written text, maps, goals and policies to deal with current and future issues affecting the region with respect to the subjects of the Plan, and will remain in effect, pursuant to the provisions of Chapter 531, Section 41(1), *Statutes of Nevada 2007*, until the Board of Trustees of the Western Regional Water Commission adopts the initial Comprehensive Plan, on or before January 1, 2011, as mandated by the 2007 Legislature; and

WHEREAS, the Plan requires updating and amendment prior to the adoption of the initial Comprehensive Plan, as proposed in the 2008 Amendment to update the Plan; and

WHEREAS, all subject matter in the proposed Amendment has been reviewed and recommended for adoption by the voting members of the Northern Nevada Water Planning Commission; and

WHEREAS, a public hearing on the subject matter of the proposed Amendment was duly noticed on December 8, 2008 and December 26, 2008, and held on January 9, 2009, by the Western Regional Water Commission.

NOW, THEREFORE, IT IS RESOLVED that the Western Regional Water Commission does hereby find that the proposed 2008 Amendment to update the COMPREHENSIVE REGIONAL WATER MANAGEMENT PLAN does provide a reasonable and necessary update and general plan for the management of such area's water resources and wastewater disposal from a regional perspective until such time as

WESTERN REGIONAL WATER COMMISSION

RESOLUTION NO. 2 (continued)

further amendment is required, or the initial Comprehensive Plan is adopted pursuant to Chapter 531, *Statutes of Nevada 2007*.

IT IS FURTHER RESOLVED that the proposed 2008 Amendment to update the COMPREHENSIVE REGIONAL WATER MANAGEMENT PLAN be, and is hereby, approved and adopted, and shall be submitted to the Truckee Meadows Regional Planning Commission for consistency review pursuant to Chapter 531, Section 48(1), *Statutes of Nevada 2007*.

Upon motion of _____, seconded by _____, the foregoing Resolution was approved and adopted January 9, 2009, by the following vote of the Board of Trustees:

Ayes: _____

Nays: _____

Abstain: _____ Absent: _____

Dated: January 9, 2009

Chairman, WRWC Board

STATE OF NEVADA

COUNTY OF WASHOE

On the 9th day of January, 2009, personally appeared before me, a Notary Public, _____, known to me to be the Chairman of the Board of Trustees of the Western Regional Water Commission, who acknowledged that he executed the foregoing Resolution.

Notary Public

Western Regional Water Commission STAFF REPORT

DATE: January 2, 2009
TO: Chairman and Members, Western Regional Water Commission
FROM: John B. Rhodes, WRWC Legal Counsel
SUBJECT: Approval of a Resolution designating Jim Smitherman, Western Regional Water Commission (WRWC) Program Manager, as the person authorized to approve invoices submitted to the WRWC; and approve in-budget expenditures from the Western Regional Water Management Fund (WRWMF) not to exceed \$25,000 upon recommendation of the Northern Nevada Water Planning Commission (NNWPC) and to sign contracts for the same, including the authority to authorize routine operational expenditures

SUMMARY AND PREVIOUS ACTION

At a regular meeting held December 12, 2008, the Board of Trustees of the WRWC voted “to designate Jim Smitherman, WRWC Program Manager, as the person authorized to approve invoices submitted to the WRWC, and approve in-budget expenditures from the Western Regional Management Fund not to exceed \$25,000 upon recommendation of the Northern Nevada Water Planning Commission, including the authority to authorize routine operational expenditures.” The Board did not specify a limit for routine operational expenditures.

Approval of the attached Resolution will formally delegate the foregoing authority to Mr. Smitherman, and clarify the following issues:

- 1) Mr. Smitherman will be designated authorized to approve all invoices submitted to the WRWC;
- 2) Mr. Smitherman will be authorized to approve in-budget expenditures from the WRWMF not to exceed \$25,000 upon recommendation of the NNWPC and to sign contracts for the same; and
- 3) Mr. Smitherman will be authorized to approve routine operational expenditures in an amount to be specified by the Board.

FISCAL IMPACT

No fiscal impact

RECOMMENDATION

It is recommended that the WRWC approve the attached Resolution and specify a limit for the authority to approve routine operational expenditures.

POSSIBLE MOTION

“Move to approve WRWC Resolution No. 3 and limit the authority to approve routine operational expenses to \$_____.”

Attachment

WESTERN REGIONAL WATER COMMISSION

RESOLUTION NO. 3

A RESOLUTION DELEGATING CERTAIN AUTHORITY TO THE WESTERN REGIONAL WATER COMMISSION PROGRAM MANAGER

WHEREAS, at a regular meeting held December 12, 2008, the Board of Trustees of the Western Regional Water Commission voted to designate Jim Smitherman, Western Regional Water Commission Program Manager, as the person authorized to approve invoices submitted to the Western Regional Water Commission, and approve in-budget expenditures from the Western Regional Management Fund not to exceed \$25,000 upon recommendation of the Northern Nevada Water Planning Commission, including the authority to authorize routine operational expenditures; and

WHEREAS, legal counsel for the Board has recommended that the above action be clarified by the adoption of this formal Resolution.

NOW, THEREFORE, IT IS RESOLVED that Jim Smitherman, Western Regional Water Commission Program Manager, be, and is hereby, designated as the person authorized to approve invoices submitted to the Western Regional Water Commission, and is delegated the authority to do so.

IT IS FURTHER RESOLVED that Jim Smitherman, Western Regional Water Commission Program Manager be, and is hereby, delegated the authority to approve in-budget expenditures from the Western Regional Management Fund not to exceed \$25,000 upon recommendation of the Northern Nevada Water Planning Commission, and to sign contracts for the same.

IT IS FURTHER RESOLVED that Jim Smitherman, Western Regional Water Commission Program Manager be, and is hereby, delegated the authority to approve routine operational expenditures in an amount not to exceed \$_____.

Upon motion of _____, seconded by _____, the foregoing Resolution was approved and adopted January 9, 2009, by the following vote of the Board of Trustees:

Ayes: _____

Nays: _____

Abstain: _____ Absent: _____

WESTERN REGIONAL WATER COMMISSION

RESOLUTION NO. 3 (continued)

Dated: January 9, 2009

Chairman, WRWC Board

STATE OF NEVADA

COUNTY OF WASHOE

On the 9th day of January, 2009, personally appeared before me, a Notary Public, _____, known to me to be the Chairman of the Board of Trustees of the Western Regional Water Commission, who acknowledged that he executed the foregoing Resolution.

Notary Public

Western Regional Water Commission STAFF REPORT

DATE: January 2, 2009
TO: Chairman and Members, Western Regional Water Commission
FROM: John B. Rhodes, Legal Counsel
SUBJECT: Informational Report on Bill Draft Requests for the 2009 Nevada Legislature that may affect the Western Regional Water Commission / Northern Nevada Water Planning Commission; discussion and possible direction to staff

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| 209 | Assembly Committee on Government Affairs
Revises provisions governing the organization and accountability of certain local governmental entities that manage water resources. | 8/01/2008 |
| 237 | Legislative Committee to Oversee the Western Regional Water Commission (SB 487)
Encourages entities that are engaged in water quality monitoring to coordinate certain activities. | 8/13/2008 |
| 238 | Legislative Committee to Oversee the Western Regional Water Commission (SB 487)
Makes an appropriation to the Truckee River Flood Project to support ecosystem restoration activities. | 8/13/2008 |
| 239 | Legislative Committee to Oversee the Western Regional Water Commission (SB 487)
Makes various changes to provisions governing flood control districts. | 8/13/2008 |
| 240 | Legislative Committee to Oversee the Western Regional Water Commission (SB 487)
Makes various changes to provisions governing the Western Regional Water Commission. | 8/13/2008 |
| 246 | Assemblywoman Kirkpatrick
Makes various changes relating to planning and zoning. | 8/11/2008 |
| 359 | Conservation and Natural Resources, State Department of
Clarifies provisions governing the Board for Financing Water Projects. | 8/22/2008 |
| 360 | Conservation and Natural Resources, State Department of
Establishes authority to award subgrants from the Drinking Water State Revolving Fund, Wellhead Protection and Clean Water Act Nonpoint Source programs. | 8/22/2008 |

- 375 **Legislative Committee for the Review and Oversight of the Tahoe Regional Planning Agency and the Marlette Lake Water System (NRS 218.53871)** 8/26/2008
 Authorizes the issuance of bonds for environmental improvement projects for Lake Tahoe for 2009-2019.
- 394 **Senator Care** 8/28/2008
 Prohibits certain restrictions on the use of gray water.
- 473 **Washoe County** 8/29/2008
 Authorizes counties to prohibit use of private water or septic systems where available public water or sewer systems exist and provide a program to mitigate the costs of connection to the public system.
Intent of BDR: To clarify use of public funds for the public purpose of assisting with paying connection fees for public water/sewer systems where individual systems are failing and are failing or degrading water sources; specifically: amend of Chapter 244 of NRS to authorize the Board of County Commissioners to order a person with an individual sewage disposal system to connect to reasonably available municipal sewer if the property owner's system is failing or the system is demonstrably degrading a source of drinking water or increasing the costs of treating drinking water; and further, to authorize the County to use grants, gifts or water department funds to pay for the connection fees of those ordered to connect.
- 502 **Legislative Committee on Public Lands (NRS 218.5363)** 9/01/2008
 Revises provisions governing the awarding of grants to certain purveyors of water.
- 503 **Legislative Committee on Public Lands (NRS 218.5363)** 9/01/2008
 Makes an appropriation to the State Engineer to develop a hydrologic database for water basins in Nevada.
- 534 **Senator Beers** 9/02/2008
 Revises requirements for individual water meters in mobile home parks.
- 680 **Assemblyman Hogan** 11/19/2008
 Revises provisions relating to conservation of water.
- 693 **Assemblyman Goedhart** 11/21/2008
 Revises provisions relating to the rates of smaller public utilities that furnish water or services for sewage.
- 732 **Assemblyman Goicoechea** 12/10/2008
 Requires the completion of an inventory of an entire water basin before consideration of an interbasin transfer.

- 22-750 **Assemblywoman Leslie** 12/11/2008
Requires the Truckee Meadows Regional Plan to include policies that are based on identified and sustainable water resources within Washoe County.
- 848 **Senate Committee on Natural Resources** 12/15/2008
Establishes parity in oversight of regional water authorities.
- 849 **Senate Committee on Natural Resources** 12/15/2008
Provides for study of economic impact of water importation projects and development of a sensible water strategy.
- 887 **Assemblyman Bobzien** 12/15/2008
Makes various changes concerning the state water policy.
- 924 **Senator Mathews** 12/15/2008
Joint Requester: Assemblywoman Smith
Requires the fluoridation of public water systems serving Washoe County.