

WESTERN REGIONAL WATER COMMISSION BOARD OF TRUSTEES MINUTES

Friday, April 10, 2009

The regular meeting of the Western Regional Water Commission (WRWC) was held on Friday, April 10, 2009, 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
John Breternitz
Steve Cohen
Patricia Lancaster
Bob Larkin
Geno Martini
Ron Smith

Representing:

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

Commissioners Absent:

Dave Aiazzi, Vice-Chair
Bob Cashell

Representing:

City of Reno
Truckee Meadows Water Authority (TMWA)

- 2. Pledge of Allegiance**

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

- 3. Public Comment**

Chairman Carrigan called for public comments. Ben Veach, Summit Engineering, reported that Summit is a local firm owned by a Tom Gallagher and Don McHarg which has been in business for 30 years. They are trying to avoid laying off employees. He submitted a Statement of Qualifications to members and asked to be considered for future projects.

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

- 4. Approval of Agenda**

Commissioner Martini made a motion to approve the April 10, 2009 WRWC agenda as posted. Commissioner Larkin seconded the motion, which carried unanimously.

- 5. Approval of the Minutes of the March 13, 2009 meeting.**

The minutes of the March 13, 2009 Western Regional Water Commission meeting were submitted for approval. Commissioner Breternitz made a motion to approve the minutes as submitted. Commissioner Cohen seconded the motion, which carried unanimously.

6. Review and discussion of proposed conceptual process for development of the 2011 Comprehensive Plan required by Chapter 531, Statutes of Nevada 2007, and possible direction to staff.

Chairman Carrigan welcomed Jim Smitherman to speak on this item. Mr. Smitherman referred to and reviewed the staff report that was provided to commissioners. He explained the process that staff would follow to update the Comprehensive Plan, including those set by law. He provided a draft schedule of the work to be completed for the Plan update with milestones.

Chairman Carrigan called for questions from commissioners. Commissioner Larkin stated that this update of the Plan might have some new “wrinkles”, such as the passage of the Washoe County (WC) 3 ballot question related to sustainable water use. Mr. Smitherman stated that he has discussed the issue with Truckee Meadows Regional Planning Agency (TMRPA) staff, who will look to the Plan to establish what sustainable water resources are available to Washoe County. He clarified that it is already part of the current Water Plan but it will be updated. He stated that the legislation (Assembly Bill 119) that was the result of WC-3 will put the responsibility on the Regional Plan to ensure that population projections and land uses are in balance with sustainable water resources.

Commissioner Larkin asked what “sustainable water resources” means. Mr. Smitherman stated that it means that a yield can be counted on for a particular basin on a year by year basis. He stated that he does not know of a definition for sustainable water resources. Commissioner Larkin stated that is his point. Mr. Smitherman stated that sustainable and perennial yields are determined by the State Engineer.

Commissioner Larkin stated that Rosanna Coombes, Director of TMRPA, was present and he asked her to comment on the Water Plan update in relation to AB-119 and WC-3. Ms. Coombes stated that regardless of whether AB-119 passes, WC-3 was approved. She stated that the Regional Planning Governing Board (RPGGB) directed staff to work with all the organizations in the region to try to get an understanding of what it is that the community would like to see implemented based on WC-3. She added that if AB-119 does pass, the statutory changes would need to be reviewed and followed and Regional Plans would have to be in conformance going forward.

Commissioner Larkin explained to Ms. Coombes that he was questioning Mr. Smitherman on the definition of “sustainability” and asked if it would be up to the public to provide the definition or who would provide that definition. He added that he believes the WRWC is the correct body to provide the definition of sustainability. Ms. Coombes stated that issue has been part of the dialog in trying to address the language in AB-119 as to whether sustainability needs to be defined from the beginning or if it should be a more thoughtful and technical process that would come later. She reported that a good analysis was done by legal counsel of the WRWC that included the issue that sustainability should not only be determined by the State Engineer but also the local responsibility that needs to be taken into account.

Commissioner Larkin again asked whose responsibility it should be to define sustainability. Mr. Smitherman stated that the Water Plan has to include an inventory of sustainable water resources and therefore it would be appropriate to define sustainability in the Water Plan. He offered to open dialog with the Northern Nevada Water Planning Commission (NNWPC) regarding the definition of sustainability. He welcomed direction from the WRWC.

Commissioner Larkin stated that his concern is the discussions that are occurring regarding AB-119 that are not public discussions, which he finds disturbing. He reiterated that he would not like to see sustainability defined en masse when the WRWC is clearly the appropriate authority to make the definition as designated by the legislature. Chairman Carrigan agreed that the definition should be made

at the local level versus the State Engineer. Commissioner Martini agreed we need to begin working on the issue.

Commissioner Martini made a motion to accept and approve the recommendation to accept the process for development of the Comprehensive Plan as part of the WRWC work plan. Commissioner Smith seconded the motion, which carried unanimously. Chairman Carrigan stated that he thought staff received good direction on beginning discussion of defining sustainability.

7. Review and discussion of the Regional Water Management Fund (RWMF) preliminary budget for Fiscal Year 2009-2010, and possible direction to staff.

Mr. Smitherman referred to the staff report on the RWMF preliminary budget for Fiscal Year 2009-2010. He reported that the public hearing on the budget is scheduled for May 21, 2009. He briefly reviewed the tentative budget. He added that in the first two quarters, approximately \$779,000 has been received in revenues, which is in line with the budget revenue projections.

Mr. Smitherman referred to the routine operating budget, in particular staff compensation, and reported that staff would take a 2.5% reduction (as the County is doing). He clarified that the budget shows the salaries as flat. Chairman Carrigan stated that is an important factor and thanked Mr. Smitherman for his clarification. Mr. Smitherman reviewed the five-year cash flow projection, including projected revenues, expenditures and cash balance. He summarized that the cash balance is in compliance with the cash reserve policy as approved by the WRWC, which is six months of operating expenses.

Mr. Smitherman welcomed questions or direction from commissioners. Commissioner Larkin reiterated that the County is reducing salaries by 2.5% and asked if contractors have been asked if they would be willing to reduce their contracts or costs by a similar amount. Mr. Smitherman stated that staff has not asked contractors to reduce costs; however, he stated that Mr. Rhodes agreed that the budget for his compensation could remain flat. He agreed to speak with contractors about the possibility.

Commissioner Cohen referred to \$20,000 per year for the website and asked if that is related to the current website hosted by Truckee Meadows Water Authority (TMWA). Mr. Smitherman reported that the current WRWC website was developed very quickly with very little capacity for viewing meetings, storing documents, etc. He explained that the concept is to develop an updated website with more capabilities.

Commissioner Larkin made a motion to approve the preliminary fiscal year 2009-2010 budget for presentation at a May 21, 2009, WRWC public hearing. Commissioner Cohen seconded the motion, which carried unanimously.

8. Confirmation of May 21, 2009 at 10 a.m. as the WRWC meeting date to include a public hearing and adoption of the RWMF budget for Fiscal Year 2009-2010.

Chairman Carrigan reported this item was covered under the previous agenda item. Mr. Smitherman confirmed that the meeting date is required by State Law. He added that it was scheduled in coordination with TMWA's budget hearing.

Commissioner Martini made a motion that the WRWC set Thursday, May 21, 2009, 10:00 a.m. as the date and time for its May meeting, and direct staff to schedule a public hearing for adoption of the RWMF budget for Fiscal Year 2009-2010. Commissioner Lancaster seconded the motion, which carried unanimously.

9. Discussion and possible approval of funding in the amount of \$64,100 from the RWMF for the Truckee Meadows Water Authority (TMWA) 2009 Water Usage Review Program, and, if approved, authorize the Chairman to execute an Interlocal Agreement with TMWA for that purpose.

Mr. Smitherman reported that TMWA's Water Usage Review Program is popular with water users. He referred to the number of audits conducted as shown in the staff report. He added that the number of audits has grown consistently. He reported that the NNWPC is supportive of the program and recommended that the WRWC approve funding in the amount of \$64,100.

Commissioner Martini made a motion to approve the recommendation. Commissioner Smith seconded the motion, which carried unanimously.

10. Discussion and possible approval of: a) funding in an amount not to exceed \$96,000 from the RWMF for a regional integrated wastewater system planning project; and b) acceptance of a Clean Water Act grant in the amount of \$40,000, when it becomes available, to offset the funding to support related projects; and, if approved, authorize the Chairman to execute, upon receipt, an Amended Interlocal Agreement with the City of Reno to include a scope of work for this project.

Mr. Smitherman referred to the staff report, which provides a background of this project. He reported that a couple of months ago he received a call from Nevada Division of Environmental Protection (NDEP) regarding a possibility of approximately \$40,000 in economic stimulus funds through the Clean Water Act for the 208 Agency. He explained that he has been in discussions with the RPGB staff (who is the current 208 Agency although a change has been requested that the WRWC become the 208 Agency) about the funds. He stated that the consultant (ECO:LOGIC Engineering) that is currently doing regional wastewater planning for the North Valleys was asked to provide a scope of work to provide the same type of planning for the entire region. He added that the work will have to be done prior to the 2011 Water Plan update. He reported that the scope was larger than the \$40,000 grant, which NDEP agreed could be used to fund part of a larger scope.

Mr. Smitherman stated that the North Valleys Initiative staff working group, working in conjunction with ECO:LOGIC, agreed that the work should begin as soon as possible rather than waiting for the grant. He explained that the NNWPC recommended funding the entire \$96,000 from the RWMF and to accept the grant money when it is available to fund the project or other similar work that needs to be completed.

Commissioner Larkin asked if the funding is available in the RWMF and if it is included in the WRWC work plan. Mr. Smitherman stated yes funding is available (and budgeted at \$50,000 per quarter) and yes, it is included in the work plan.

Commissioner Larkin referred to page 2 of 6 and the sentence, "The outcome would be a report on the above that includes a graphical representation of existing and future conditions for water supply, wastewater treatment, reclaimed water and wastewater disposal requirements." He stated that sentence has every earmark of "sustainability". He asked how it interfaces with Regional Planning. Mr. Smitherman offered to discuss the issue with the working group and the consultant. Commissioner Larkin stated while he is not opposed to the issue, he is cautious over developing a water budget for areas outside the Truckee Meadows Service Area (TMSA), such as Bedell Flat. Mr. Smitherman stated the scope of work refers to work within the TMSA. He added that the end product would have to be reviewed by the RPGB for consistency with the Regional Plan.

Commissioner Larkin again referred to Bedell Flat, which Mr. Smitherman stated is an area that could be used for management of reclaimed water during the non-irrigation season. Commissioner Larkin stated

that if the water budget cycle is expanded beyond the TMSA to include other areas, he is concerned over population projections, which caused problems in the past. He recommended that any efforts be highly coordinated to ensure consistency in population projections with the Regional Plan. Mr. Smitherman agreed and added that the projections would be consistent. He added that when discussing areas outside the TMSA, it is for water management purposes only (i.e. storage, production of water). He clarified that those areas are not being included in regard to commercial or residential units. Commissioner Larkin stated that Bedell Flat is contiguous to the Spring Mountain project. He added that if proposals are made for effluent in the budget (for Bedell Flat), it will get tied to the Spring Mountain project. He advised moving forward very carefully and cautiously. Mr. Smitherman agreed.

Chairman Carrigan referred to the scope of work, which is related to wastewater system planning, and the statement related to a graphical representation of existing and future conditions for water supply. Mr. Smitherman stated that the intent is to review future water supply because wastewater and reclaimed water are a direct function of the water supply. Chairman Carrigan stated that 75% of water use is for outside use and stated that reclaimed water would provide sustainability; however, he too urged caution in moving forward.

Commissioner Larkin made a motion to approve funding in an amount not to exceed \$96,000 from the RWMF for the project; accept a Clean Water Act grant in the amount of \$40,000, when it becomes available, to offset the funding or support related projects; and authorize the Chairman to execute, upon receipt, an Amended Interlocal Agreement with the City of Reno to include the scope of work for this project. Commissioner Lancaster seconded the motion, which carried unanimously.

11. Report on legislative activities, including Bills introduced in the 2009 Nevada Legislature and Bill Draft Requests that may affect the WRWC / NNWPC; discussion, possible ratification of Legislative Subcommittee recommendations, and possible direction to staff.

Chairman Carrigan welcomed John Rhodes, Legal Counsel, to present this item. Mr. Rhodes referred to the staff report, which lists the bills introduced to date that may affect the WRWC or NNWPC. He provided a brief summary of the actions taken to date by the Legislative Subcommittee, which are as follows:

- Senate Bill (SB) 175, which makes various changes to provisions governing flood control districts. The Subcommittee supports the Bill.
- Assembly Bill (AB) 119 by Assemblywoman Leslie, which requires the Truckee Meadows Regional Plan to include policies that are based on identified and sustainable water resources within Washoe County (based on the approval of Washoe County Ballot Question 3). Representatives of the local governments have provided Amendments to the Bill. The Subcommittee supports the Amendments.
- SCR 2, which encourages entities that are engaged in water quality monitoring to coordinate certain activities. The Subcommittee supports the Bill.
- SB 345, which makes an appropriation to the Truckee River Flood Project to support ecosystem restoration activities. The Subcommittee supports the Bill.
- AB 442, which prohibits local governmental entities (including the WRWC) from making expenditures for lobbyists. The Subcommittee opposes the Bill as written.
- SB 224, which revises provisions governing voting and abstentions by public bodies composed of elected officials only. The Bill would amend NRS 241.0355, a portion of the Open Meeting Law and would drop the provision that currently if one member of the body is required to abstain from voting due to a conflict of interest, the number of votes required for passage would be lowered. He explained that in relation to the WRWC, if one member abstained, it would have no effect; however, if two members had to abstain, it would have an effect. The Bill would drop that

provision. He stated that staff's recommendation is a neutral position. Chairman Carrigan stated he disagrees because if members were opposed to an action, they could be absent from the meeting. Mr. Rhodes agreed that happens in Southern Nevada. Commissioner Martini agreed that the WRWC should oppose the Bill.

- SB 66, related to Douglas County and revises provisions relating to water permits and water right credits to allow more time to work and apply water to beneficial use. The Subcommittee is neutral on the Bill.
- AB 276, which revises provisions relating to the filing of a protest to an application to appropriate water. The Subcommittee is neutral on the Bill.
- AB 236, which revises provisions governing grants for water conservation and capital improvements to certain water systems. The Subcommittee is neutral on the Bill.
- SB 204, which revises provision governing notification of applications for permits to appropriate water. Currently notification must be provided to domestic well owners within 2,500 feet of the proposed point of diversion. The Bill would change the requirement for notification to domestic well owners within 2,500 feet of the parcel boundary where the proposed domestic well is located. The Subcommittee is neutral and will continue to watch the Bill.

Mr. Rhodes requested that the WRWC make a motion to ratify the recommendations made by the Subcommittee that were included in the staff report and that the WRWC take a position on SB 224. Commissioner Martini made a motion to accept the recommendations of the Subcommittee and that the WRWC oppose SB 224. Commissioner Lancaster seconded the motion, which carried unanimously.

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

Chairman Carrigan reported that items for the May meeting would include:

- The public hearing on the preliminary budget

Rosemary Menard stated that the staff working group has no items scheduled for the June meeting, which could be cancelled.

Commissioner Larkin stated that the issue of sustainability needs to be aggressively discussed. He suggested a possible joint workshop of the WRWC, NNWPC, RPGB and Regional Planning Commission (RPC). Ms. Menard stated that the State Engineer does have a role in defining sustainability. She agreed that consideration should be given to a criteria-based evaluation of available resources and the characteristics of each. She agreed that a larger public discussion would be worthwhile. Commissioner Larkin suggested possibly a joint meeting of the RPC and NNWPC. Ms. Menard agreed to explore the issue.

13. Commission Comments

None

14. Staff Comments

None

15. Public Comment

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

16. Adjournment

With no further business, the meeting was adjourned at 2:30 p.m.

Respectfully submitted by,

Niki Linn, Recording Secretary

Approved by Commission in session on May 21, 2009.

Mike Carrigan, Chairman