

WESTERN REGIONAL WATER COMMISSION BOARD OF TRUSTEES MINUTES

Friday, November 12, 2010

The regular meeting of the Western Regional Water Commission (WRWC) Board of Trustees was held on Friday, November 12, 2010, at Sparks Council Chambers, 431 Prater Way, Sparks, Nevada.

- 1. Roll Call and Determination of presence of a Quorum** – In Chairman Carrigan’s absence, Acting Chairman Martini called the meeting to order at 1:30 p.m. There was a quorum present.

Members Present:

Dave Aiazzi, Vice-Chair (arrived at 1:35 p.m.)
John Breternitz
Steve Cohen
Patricia Lancaster
Bob Larkin
Geno Martini
Ron Smith

Representing:

City of Reno
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

Members Absent:

Bob Cashell
Mike Carrigan, Chair

Representing:

Truckee Meadows Water Authority (TMWA)
Truckee Meadows Water Authority (TMWA)

- 2. Pledge of Allegiance**

Acting Chairman Martini asked Member Larkin to lead the Western Regional Water Commission in the Pledge of Allegiance.

- 3. Approval of Agenda**

Member Breternitz made a motion to approve the November 12, 2010 WRWC agenda as posted. Member Larkin seconded the motion, which carried unanimously.

- 4. Public Comment**

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

- 5. Approval of the Minutes of the September 10, 2010 meeting.**

The minutes of the September 10, 2010 Western Regional Water Commission meeting were submitted for approval. Member Cohen made a motion to approve the minutes as submitted. Member Smith seconded the motion, which carried unanimously.

6. Status report on development of the 2011 Comprehensive Regional Water Management Plan, including timeline and contractual services, and possible direction to staff

Acting Chairman Martini invited Jim Smitherman, WRWC Water Resources Program Manager, to present this item. Mr. Smitherman stated that he is happy to report that the draft 2011 Comprehensive Regional Water Management Plan ("Plan") is well underway and on schedule. He reported that all of the draft chapters have been presented to the Northern Nevada Water Planning Commission ("NNWPC") for review and comment at one or more public meetings. He stated that a Public Hearing is scheduled for the NNWPC meeting of December 1, 2010.

Mr. Smitherman reported that the draft Water Plan would be presented to the WRWC on or about December 6, 2010 for review. He added that a hard copy of the Plan would also be provided to the County Clerk for a thirty-day public review. He stated that all of the legal requirements will be met for noticing and reviewing the document. He added that although not required by law, a public review workshop will be held at Department of Water Resources on December 14, 2010.

Mr. Smitherman stated that the WRWC Public Hearing for adoption of the Plan will be scheduled for Friday, January 14, 2011. The WRWC will have had at least thirty days to review the document at that time.

Member Breternitz made a motion to accept the status report on development of the 2011 Comprehensive Regional Water Management Plan, including timeline and contractual services, and to also schedule a Public Workshop at DWR on December 14, 2010. Member Larkin seconded the motion, which carried unanimously.

Vice-Chairman Aiazzi assumed the role of Chairman at this point.

7. Discussion and possible approval of the WRWC fiscal year 2009/10 Financial Statements and audit opinion from Schettler, Macy & Silva, LLC

Vice-Chairman Aiazzi invited Ben Hutchins, Washoe County Finance & Customer Services Manager, to present this item. Mr. Hutchins referred to the staff report, which included the WRWC's Financial Statements for the year ended June 30, 2010, and the auditor's opinion thereof. It is the expressed opinion of Schettler, Macy & Silva, LLC that the Financial Statements present fairly, in all material respects, the financial position of the WRWC as of June 30, 2010, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. The report is being presented for consideration, discussion and approval.

Mr. Hutchins reported that the audit was considered a clean audit with an unqualified opinion, which is the best possible. He stated that if approved by the Board today, the package will be submitted to the Department of Taxation, as required by law.

Mr. Hutchins referred to the financial statement and stated there was an increase in cash and in liabilities, resulting in a net increase of \$188,000 (or 5.7%) to the cash balance. He provided a brief summary of the year. The total revenue was approximately \$1.43 million; with total expenditures of approximately \$1.24 million. The total assets as of June 30, 2010 were \$3.48 million. Mr. Hutchins stated that concluded his presentation but welcomed questions from Members.

In response to a request from Member Larkin, Mr. Hutchins read the auditor's statement that included no qualifications.

Member Martini asked if the assets were in cash. Mr. Hutchins stated most are although some are in the form of accounts receivable. Member Martini asked if the assets were available to Nevada State legislators and if so, how the funds could be protected. John Rhodes, Legal Counsel, stated that without a change in the legislation, the funds can only be used for the water planning. Discussion ensued on how to protect the assets.

Member Breternitz suggested perhaps a staff report at the next WRWC meeting with options for encumbering the funds. Rosemary Menard, Department of Water Resources Director, stated that some initiatives have been mentioned in the past that staff could bring forward as proposals for commitment at the December or January meeting.

Member Cohen stated that funding for the WRWC was previously managed by the NNWPC and asked if perhaps programs have been cut due to a lack of funding. He suggested asking the NNWPC if programs are in need of funding. Mr. Hutchins stated that some of the funds were not spent due to timing; and invited Mr. Smitherman to speak on the issue. Mr. Smitherman agreed that timing did not come together for some projects, such as the Truckee River water quality project to meet Clean Water Act requirements. He explained that the project began but then focused on the legal aspects, rather than moving forward with the larger modeling work. He added that hopefully the project will soon be ready to move forward.

Mr. Smitherman stated that Ms. Menard and he reviewed the five-year Capital Improvement Program (CIP) budget and found that if all projects moved forward, all the funds would be encumbered. Vice-Chair Aiazzi reiterated that a list of the projects needs to be brought to the December WRWC meeting for review.

Member Larkin made a motion to approve the Financial Statements and audit opinion from Schettler, Macy & Silva, LLC for fiscal year 2009/10. Member Martini seconded the motion, which carried unanimously.

8. Overview of the requirements of the new National Pollutant Discharge Elimination System (NPDES) for storm water. Discussion and possible approval of funding in an amount not to exceed \$75,000 from the Regional Water Management Fund for consultant services to assist in updating the Truckee Meadows Storm Water Quality Management Program; and, if approved, authorize the chair to execute an Interlocal Agreement with the City of Reno for that purpose

Terri Svetich, City of Reno Engineering Manager, referred to her staff report and a PowerPoint presentation. She reported that the Storm Water Permit Coordinating Committee ("SWPCC") is charged with implementing the requirements of the National Pollutant Discharge Elimination System ("NPDES") permit issued jointly to the City of Reno, City of Sparks, and Washoe County for storm water discharges to the Truckee River and its tributaries. Ms. Svetich stated that the website is TMSstormwater.com. She explained what the SWPCC does, for which the focus is small storm water events.

On May 26, 2010, the State of Nevada issued a new NPDES permit that requires the SWPCC to update the region's Storm Water Management Program ("SWMP") and includes additional requirements that must be addressed in the updated SWMP. The updated SWMP is to be submitted to the Nevada Division of Environmental Protection ("NDEP") for approval within 18 months, or by November 2011.

Staff from the permitted entities (2 representatives from each entity) will complete much of the SWMP update; however, there is a significant amount of work that cannot be completed by staff because of limited available staff resources or technical expertise. Accordingly, consultant services are needed for the SWMP update. This request seeks financial assistance from the WRWC in an amount not to exceed \$75,000 for consultant services to assist the permitted entities in updating the SWMP. The balance of the

consultant services will be funded by the SWPCC. A scope of work and consultant selection is in process.

Ms. Svetich welcomed questions or comments from Members. Member Larkin asked if the \$75,000 would be in addition to other funding. Ms. Svetich stated yes and added that member agencies previously contributed \$80,000 each annually, which covers monitoring and public outreach. She added this is the first time a consultant has been needed, which will be covered by the budget. Member Larkin stated that he believed in 2004 the Board of County Commissioners approved funding for the program. Ms. Svetich clarified that in 2000, the entities contributed \$500,000 to establish the program.

Member Larkin asked how this project will integrate with the Flood Project. Ms. Svetich stated that the SWPCC is working with the Flood Project to ensure that design includes features for water quality. Member Larkin asked if the Flood Project's Hydrologic Model can be integrated into the storm water program. Ms. Svetich reiterated that she is working with Flood Project staff and hopes to inter-relate the models.

Member Martini asked for a breakdown of the funding. Ms. Svetich explained that \$75,000 is being requested of the WRWC. She added that the other three entities are anticipated to contribute \$25,000 each for a total match of \$75,000. Member Martini stated that \$150,000 is not a huge amount and asked if it is possible for the WRWC to fund the entire amount. She thanked Member Martini for the suggestion but stated that in speaking with staff, it was determined that doing so would most likely cut into other projects.

Vice-Chair Aiazzi suggested continuing this discussion at the December meeting along with the earlier-mentioned programs or projects for possible funding. Ms. Menard stated that the SWPCC has been in existence for a decade and asked Ms. Svetich to elaborate on the funding mechanism.

Members discussed the WRWC funding the full amount and asked if it would be acceptable to continue this item to the December meeting with a request for the full amount. Ms. Svetich thanked Members for the offer but stated that City of Reno is anxious to get a consultant hired in December. She suggested that \$75,000 could be approved today, with a request for the additional funding at the December meeting.

Member Lancaster made a motion to approve funding in an amount not to exceed \$75,000 from the RWMF for consultant services to assist in updating the Truckee Meadows Storm Water Management Program, and authorize the Chairman to execute an Interlocal Agreement with the City of Reno for that purpose. She added that the motion also includes direction to staff to bring an agenda item back to the December meeting to request the remainder of funding from the RWMF. Member Larkin seconded the motion, which carried unanimously.

9. Discussion and possible direction to staff regarding potential changes to representation on the governing boards of the Regional Planning governing Board ("RPGB"), the Regional Transportation Commission ("RTC"), and the WRWC

Ms. Menard reported that on October 14, 2010, the Subcommittees voted, at a joint meeting, to recommend to the RPGB that it consider approaching the RTC and WRWC regarding possible modifications to the structure of their governing boards to "mirror" the structure of the RPGB, with some possible adjustments specific to each board's operations. She stated that staff was directed to bring this item forward for discussion. She added that information from the recent Board of County Commissioners (BCC) meeting was included. She turned the discussion over to the WRWC.

Vice-Chair Aiazzi stated he had a speaker request card and invited Michael Pagni to speak.

Michael Pagni, Truckee Meadows Water Authority General Counsel, stated that he and Mike Carrigan discussed this issue and Mr. Carrigan requested that Mr. Pagni submit his comments in his absence. He explained that TMWA had not had an opportunity to discuss this issue; however, it is on the next TMWA Board agenda. He mentioned that three members of the WRWC are appointed by TMWA, which is unique to this Board and not shared by RTC or the RPGB. He added that it took significant work with the legislature to reach that agreement. Mr. Pagni also mentioned that as this board is aware, once legislation is opened up, it is hard to know what the final result will be.

Vice-Chair Aiazzi thanked Mr. Pagni for his comments and brought discussion back to the Board.

Member Cohen referred to the handout which states, "reduce the number of meetings for elected officials", which he does not believe is a valid issue. He added that such officials are paid to attend meetings. He stated that perhaps the entities may want to limit members to two boards each. He agreed with Mr. Pagni's comments about reopening legislation and the possibility of what the final result could be. He also mentioned that Sun Valley General Improvement District and South Truckee Meadows General Improvement District are not represented on any other boards. He also mentioned that meetings would take four times longer in order to hear the issues of each commission, i.e., transportation, water, flood. He asked if the Flood Project would be included in the new consolidated Board.

Member Cohen mentioned that with four different boards, there is a checks and balances system; whereby if all became one Board, that would not be the case. He expressed his concern that one Board might have too much power and suggested that if the boards are consolidated, the membership should be reviewed. He summarized that he thinks the issue needs discussion but summarized that these are his issues.

Member Breternitz stated that he was part of the BCC discussion and added that he is a supporter of consolidating the boards into one. He added that he believes it is important when planning for the future to have a coordinated outlook on all the issues. He stated that while he is in support, he would like to know who would draft the language of the Bill Draft Request (BDR). He added that it is important to include representation of all the involved entities.

Member Smith reported that in 2007, two subcommittees were formed to examine the issue of collaboration or cooperation with the RTC and the RPGB. He stated that in 2009, he made a motion, which Mr. Aiazzi seconded, to kill the possibility of consolidating the two. He added that the issue keeps coming back up and he believes that if it were approved, all the power would be held by the few on the consolidated Board, with everyone else left out. He summarized that he does not support the issue and will not support it on any Board, on which he serves.

Vice-Chair Aiazzi stated he thought that a couple of years ago, the direction was for the RTC to follow the structure of the RPGB. He stated that he is unsure how water planning got into the mix; however, money should be saved wherever possible, in ways such as consolidation. He mentioned the example of money being spent on water issues (such as the storm water permit program) by the individual entities, where it could be funded by the water fund, if the WRWC was aware of the situation. He stated those are types of efficiencies he believes should be examined. He mentioned that the decreased number of meetings would not only allow more time for elected officials, but staff who perform the administrative duties for the meetings.

Vice-Chair Aiazzi stated he sees the WRWC as an example of legislature "gone wild". He added that the RWMF has a \$3 million budget and he does not "even know why we are here". He did agree with Member Smith that they voted to kill the legislation in 2009; however, he stated it was because there was not sufficient time to submit a BDR for that session. Member Smith stated he does not know if the

subcommittees are even authorized to start meeting again. He added that if further review and discussion of the consolidation is desired, the RTC and the RPGB should direct the subcommittee to resume meeting, as opposed to just placing the item on the various commission agendas for discussion.

Member Breternitz stated that he believes in the past, consideration was being given to consolidating the entities. Currently he stated consolidation of the governance of those entities is being explored. He reiterated that a coordinated and comprehensive understanding of how growth should occur in the future makes sense. He added that in order to prevent the issue of one commission having all the power, the language should be drafted to prevent such an occurrence. He stated he does not have the answers to all the questions; however, he believes that ultimately a consolidated Board would be beneficial for the community.

Member Smith stated that the issue of a lack of communication keeps being mentioned; however, he does not see any such lack because many of the members sit on the different boards.

Member Cohen stated that for instance the County has Citizen's Advisory Boards (CABs), which go to the appropriate commissions as needed, i.e. Planning Commission, Board of Adjustment. He stated that as it is today, people would go to RTC for road issues, the WRWC for water issues, etc. He reiterated his earlier comment that every meeting would need to cover each entity's issues at one meeting. He stated that he thinks there needs to be separate boards for the separate issues of water, roads and planning. He added that of course there would be some overlap but the different boards are needed.

Vice-Chair Aiazzi provided an example of a situation that would have benefited from a consolidated board. He stated that in the early 2000s, when projects were brought before the Planning Commission, conditions were sporadic and perhaps RTC had a road proposed for the area; maybe the RTC representative on the Planning Commission was absent so the project was approved. Later the RTC would have to spend millions of dollars to be able to buy the property to build the road.

Vice-Chair Aiazzi stated there is a learning curve associated with any elected official position. For example, RTC meets once a month, which would require many meetings before one became experienced in the issues. He also mentioned the cost savings to the entities by reducing the number of meetings.

Member Cohen reiterated his feeling that this discussion is needed; however, he still believes the checks and balances provided by having a number of boards are needed.

Member Smith referred to the comment about the learning curve and stated one issue is having to wait until the chairman or vice-chairman terms out before moving up. Vice-Chair Aiazzi stated that one reason why some officials sit on so many boards is that they might have the time to serve. Member Breternitz stated that he does not think it is important to only have the top board officials serve on the consolidated board. He added that he thinks some turnover would be good.

Member Larkin made a motion to forward the comments and discussion made at today's meeting to the RTC and RPGB. Member Martini seconded the motion, which carried with six in favor and one opposed (Member Smith).

10. Presentation, discussion and possible approval of the WRWC Records Retention Schedule

Tiffani Keene, TMWA Records Coordinator, referred to the staff report and stated that it presents information on requirements for records retention by the WRWC, presents a proposed Records Retention Schedule for the WRWC, and requests approval and adoption of that Schedule.

Ms. Keene stated that the WRWC generates an assortment of records that must be maintained and managed in compliance with current state and federal statutes and regulations. To ensure that the WRWC's records are managed appropriately, Ms. Keene partnered with WRWC staff to develop a draft records retention schedule for the WRWC's records. The WRWC Records Retention Schedule classifies the records by type and record series and outlines retention requirements.

After the completion of the draft WRWC Records Retention Schedule, it was presented to the Nevada State Library and Archives for review. The State agrees that the schedule meets the minimum record retention requirements as outlined in their "Nevada Local Governments Records Manual" and on September 22, 2010 they approved the WRWC Records Retention Schedule as submitted, officially recognizing the records retention schedule as the WRWC's official records retention and disposition authority.

Vice-Chair Aiazzi asked how a digital copy could be preserved forever. Ms. Keene stated that the WRWC has the opportunity to review the schedule and determine if a record series needs to be maintained longer than the minimum retention requirement if desired. Vice-Chair Aiazzi asked if it would be difficult to maintain all the digital records permanently. Ms. Keene stated it would be difficult and might also create legal problems.

Member Martini made a motion to approve and adopt the proposed WRWC Records Retention Schedule as presented. Member Smith seconded the motion, which carried unanimously.

11. Discussion and possible direction to staff regarding agenda items for the December 10, 2010 meeting and future meetings.

Ms. Menard stated that items for the December 10, 2010 meeting include:

- Final recommendations of the NNWPC and results of the Public Hearing on the Regional Water Plan
- Placeholder for further discussion of the Consolidation of the RTC, RRGB and WRWC in case BDR language is released
- Approval of Resolution of Appreciation for Wayne Seidel's years of service to the water planning commissions
- Acknowledgement of Patricia Lancaster's service to the WRWC – Darrin Price, Sun Valley General Improvement District (SVGID) General Manager, clarified that Member Lancaster's term would expire after the next WRWC meeting.
- Staff report on making RWMF less vulnerable
- Further discussion of additional funding for the Storm Water Permit Program

Member Larkin asked if a report is due on the WRWC to the Legislative Committee to Oversee the WRWC (LOC). Ms. Menard offered to request a report from Patrick Guinan for review if it is available. She added that the only BDRs were changes to the language of AB54 and changes to the County Bond Bank. Member Larkin stated his request is based on the integration of TMWA and DWR and an update.

John Rhodes, Legal Counsel, stated that the LOC is required to submit a report to the Legislative Council Bureau by January 15, 2011. Member Larkin reiterated that he would like to review the report.

12. Commission Comments

None

13. Staff Comments

None

14. Public Comment

Vice-Chair Aiazzi called for public comments and hearing none, closed the public comment period.

15. 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 January 14, 2011.

Mike Carrigan, Chairman