

**WESTERN REGIONAL WATER COMMISSION
AND
NORTHERN NEVADA WATER PLANNING COMMISSION**

CONCURRENT MEETING DRAFT MINUTES

Tuesday, August 14, 2018

The Western Regional Water Commission (“WRWC”) Board of Trustees, and the Northern Nevada Water Planning Commission (“NNWPC”), held a concurrent meeting on Tuesday, August 14, 2018, at Washoe County Caucus Room, 1001 East Ninth Street, Reno, Nevada, and conducted the following business.

1. Roll Call and Determination of Presence of a Quorum

Chair Hartung called the meeting to order at 10:01 a.m. There was a quorum present.

WRWC Commissioners Present:

Vaughn Hartung

Ron Smith

Sandra Ainsworth

Donald Abbott

Kristopher Dahir

Naomi Duerr (*present at 10:04*)

Jeanne Herman

Neoma Jardon

Bob Lucey

Appointed by:

Washoe County

Truckee Meadows Water Authority (“TMWA”) (Sparks)

Sun Valley General Improvement District (“SVGID”)

Truckee Meadows Water Reclamation Facility

City of Sparks

City of Reno

TMWA (South Truckee Meadows General Improvement District Successor)

TMWA (Reno)

TMWA (Washoe County)

WRWC Commissioners Absent:

None

Appointed by:

NNWPC Commissioners Present: Danielle Henderson, Michael DeMartini (*present at 10:08*), Michael Drinkwater, John Enloe, Bill Hauck, Mickey Hazelwood, John Martini, Jon Combs, David Solaro, and John Zimmerman

NNWPC Commissioners Absent: John Flansberg and Mervin Wright

Non-Voting NNWPC Members Present: None

Non-Voting NNWPC Members Absent: Cindy Turiczek, Harry Fahnestock, My-Linh Nguyen, and Ron Penrose

Staff Members Present: Jim Smitherman, Chris Wessel, Jennifer Purgitt, and John Rhodes, Legal Counsel

2. Pledge of Allegiance

The Pledge of Allegiance was led by Mr. Wolgast.

3. Public Comment

Garth Elliott, SVGID Trustee, expressed concern regarding the possibility of eliminating or decreasing SVGID representation on the WRWC Board.

(WRWC Commissioner Duerr present at 10:04 a.m.)

4. Approval of Agenda (For Possible Action)

WRWC COMMISSIONER JARDON MADE A MOTION TO APPROVE THE AGENDA, SECONDED BY WRWC COMMISSIONER LUCEY. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) WRWC TRUSTEES AND NINE (9) NNWPC COMMISSIONERS PRESENT AND VOTING ON BEHALF OF THEIR RESPECTIVE BODIES.

NNWPC COMMISSIONER MARTINI MADE A MOTION TO APPOINT NNWPC COMMISSIONER HENDERSON AS NNWPC ACTING CHAIR (PRESIDING OFFICER), SECONDED BY NNWPC COMMISSIONER DRINKWATER. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) NNWPC COMMISSIONERS PRESENT.

5. Presentation of the draft 2018 Washoe County Consensus Population Forecast; discussion and possible approval of a recommendation by the NNWPC to make a determination that the draft Consensus Forecast population for 2038 can be supported by the sustainable water resources set forth in the Regional Water Management Plan; and possible direction to staff - Jim Smitherman, WRWC Water Resources Program Manager. (For Possible Action)

(NNWPC Chair DeMartini present at 10:08 a.m.)

Jim Smitherman, WRWC Water Resources Program Manager, presented the information included in the staff report. The draft 2018 Consensus Forecast projects a 20-year population increase of 106,823 persons. The 2016 Regional Water Management Plan ("RWMP") includes an estimate of potentially available, sustainable water resources of approximately 190,500 acre feet per year. Using 2018 retail customer water use data and the 2018 Consensus Forecast, TMWA has provided a County-wide water demand projection of approximately 111,875 acre feet for the 2038 population projection of 558,746.

Mr. Smitherman confirmed for WRWC Chair Hartung that the water resources estimate does not contemplate the re-use of highly treated effluent.

Mr. Smitherman answered questions from WRWC Commissioner Duerr regarding the areas included in calculating the water resource forecast versus the population forecast (service area).

WRWC COMMISSIONER SMITH MADE A MOTION TO DETERMINE THAT THE DRAFT CONSENSUS FORECAST POPULATION FOR 2038 CAN BE SUPPORTED BY THE SUSTAINABLE WATER RESOURCES SET FORTH IN THE RWMP, AND DIRECT STAFF TO SUBMIT THE DRAFT CONSENSUS FORECAST, WITH A FINDING THAT THE FORECASTED POPULATION CAN BE SUPPORTED BY THE SUSTAINABLE WATER RESOURCES SET FORTH IN THE RWMP, TO RENO, SPARKS, WASHOE COUNTY, AND THE TRUCKEE MEADOWS REGIONAL PLANNING AGENCY

(“TMRPA”), SECONDED BY WRWC COMMISSIONER ABBOTT. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) WRWC COMMISSIONERS PRESENT.

6. Discussion in workshop format on the functions, duties, and responsibilities of the WRWC; possible changes to or dissolution of the WRWC, including, but not limited to, transfer of WRWC functions, duties, and responsibilities to other local governmental entities, and possible resulting economic impacts; possible bill draft requests for the Nevada Legislature to amend or repeal the current WRWC Act; and, possible direction to staff - Jim Smitherman. (For Possible Action)

Mr. Smitherman reviewed direction given to staff at the July 18, 2018 WRWC meeting and presented the following three areas staff identified where administrative cost reductions could be considered: staff; overhead; and legal. Mr. Smitherman discussed possible alternatives stating that the program could be administered by about 1.75 full-time equivalent employees. When administrative staff is reduced, more contracts need to go out for the actual planning work. Another possibility is reducing the number of WRWC meetings to two per year.

WRWC Chair Hartung stated that cost reductions are not the main meat of what they are looking at, it is the functionality of the WRWC and if there are other places those functionalities can land.

WRWC Commissioner Jardon stated she is not concerned with how often the WRWC meets but expressed concern that the meetings seem repetitious and not productive. If there are more precise and targeted objectives, the meeting frequency is fine.

WRWC Commissioner Lucey discussed the fact that a lot of what the WRWC and NNWPC were created to do has been accomplished. He agreed with WRWC Commissioner Jardon regarding the redundancy of the WRWC meetings and stated that we need to look at refocusing what the mission really is.

WRWC Commissioner Smith asked staff if the goals established by the legislature when the WRWC and NNWPC were created have been completed.

Mr. Smitherman replied that the statutory requirements of supporting the implementation of the Truckee River Operating Agreement (“TROA”), and studying the feasibility study for consolidation of public purveyors, including actual consolidation of TMWA and Washoe County water systems, have been done. Work on the remaining five or six goals is currently in progress.

WRWC Commissioner Smith asked if they are at the point where they can dissolve the WRWC.

Mr. Smitherman stated there is still work to be done in the areas of wastewater treatment capacity, upgrading water reclamation facilities, where wastewater flow will go, what to do with treated reclaimed water, and integration of the storm water quality program with a state sponsored integrated source water protection program. Those are all issues that are being worked on currently.

John Rhodes, Legal Counsel, addressed comments regarding frustration that the WRWC meetings seem repetitious and not productive. He explained that the way the statute is written, all technical and scientific planning type work is done at the level of NNWPC, which is made up of 12 experts and professionals. The NNWPC does the planning, and the WRWC approves the

budget and the contracts that implement that planning. If the WRWC wants to be more involved in the science and actual planning, that direction can be given.

WRWC Commissioner Duerr discussed the WRWC responsibilities listed in the staff report specifically focusing on the one that states the WRWC makes recommendations on the management or use of water to Reno, Sparks, County Boards and Planning Commissions; Regional Planning Governing Board (“RPGB”) and Regional Planning Commission (“RPC”); State Engineer; Federal Government; and other entities as deemed appropriate. She also discussed the fact that when TMWA and County (water systems) were consolidated, the water planning function was left hanging with nobody doing a regional, big picture look.

WRWC Commissioner Jardon stated she does not know if elimination of the WRWC is the answer and that she is not looking to get more into the technical work. Now that the merger and the creation of TROA are complete, is it time to better focus the role of the WRWC with more precise direction that could also lower the overhead costs.

Mr. Smitherman explained that the legal contract costs do not change based on the number of meetings held each month. In order for a reduction of public meetings to have an impact on overhead expenses, the legal contract would need to be renegotiated. He also explained that prioritizing fewer higher priority projects could create a savings by reducing the number of contracts.

WRWC Chair Hartung confirmed for WRWC Commissioner Duerr that he does see storm water as an area that would stay with the WRWC.

WRWC Commissioner Duerr reiterated her comments from the previous meeting that the WRWC gets to decide on priorities and can direct where the budget funds are spent without having to make any major changes.

Mr. Rhodes confirmed for WRWC Chair Hartung that the WRWC does have the power to make an amendment to the plan without waiting for a plan update and the budget follows that plan. The statutory restriction is that the money must go toward implementation of the plan.

WRWC Commissioner Lucey expressed frustration regarding the amount of money in the budget for professional administrative services. He also discussed options for the NNWPC to report to other agencies.

NNWPC Commissioner Solaro stated there is value in the NNWPC and a governing body over that. The scope of this body is broader than just TMWA or flood, and there is that missing storm water piece. The NNWPC needs to report to a regional agency that has a broad umbrella and if it is not going to be the WRWC it should be Regional Planning. The WRWC is one of the most influential bodies when it comes to all things water in our community. There is a lot of value for our community as a whole in having oversight over all the different entities that are working on pieces of regional water issues.

Kerri Lanza, City of Reno Public Works Engineering Manager, read a letter from NNWPC Commissioner Flansberg regarding why the WRWC is needed. The letter also stated that if the WRWC is dissolved, the NNWPC and staff should report to the RPGB.

NNWPC Commissioner Martini agreed with NNWPC Commissioner Flansberg that the NNWPC should fall under the RPGB if the WRWC is dissolved.

WRWC Chair Hartung stated that he does not want the WRWC budget to get absorbed by another agency and not be used for its intended purpose.

NNWPC Commissioner Drinkwater stated that the NNWPC has been a mechanism for breaking down silos. All the water components are connected through NNWPC.

WRWC Chair Hartung stated that he does not think there was ever a desire to dissolve the NNWPC. The intent was more of a distillation of what the WRWC does and if it could go to another agency.

Public Comment: Mr. Elliott, SVGID, stated that he likes the umbrella concept. If it is broken up into other agencies, they will have their own agendas. He also stated that administrative and legal costs should be trimmed down, possibly with less meetings, etc.

NNWPC Commissioner Enloe stated the umbrella is necessary and maintaining the funding source is important. There is an opportunity to narrow the focus, gain efficiency and be more strategic regarding the purview of the WRWC. One area of overlap is work by legal counsel during legislative sessions relating to the WRWC Legislative Subcommittee.

NNWPC Commissioner DeMartini stated that in 1995 there was a public outcry because there was a lack of regional water planning. An umbrella body was needed and created by the legislature (in the form of the original Regional Water Planning Commission). He spoke in support of the WRWC program continuing and not going back to what wasn't working in the past.

WRWC Commissioner Jardon discussed a possible motion to have staff come back with bullet points of newly defined strategic priorities for the WRWC, and ways to align those priorities with cost savings by possible reductions in administrative expenses.

Mr. Smitherman explained that the topic of priorities is something he would take to the NNWPC and suggested having that discussion at this workshop after the lunch break.

(Lunch break from 11:45 a.m. to 12:14 p.m.)

Additional discussion among WRWC Trustees and NNWPC Commissioners included holding a joint meeting at least annually, prior to the budget process; different options for the frequency of WRWC meetings; and a suggestion that the WRWC tour treatment plants.

WRWC COMMISSIONER JARDON MADE A MOTION TO DIRECT STAFF TO WORK WITH THE NNWPC AND COME BACK TO THE WRWC WITH: PROPOSED STRATEGIC PRIORITIES; A NEW MEETING SCHEDULE FOR THE WRWC TO MEET QUARTERLY, OR AS NEEDED, WITH AN ANNUAL WORKSHOP WITH THE NNWPC PRIOR TO BUDGET HEARING; AND WAYS TO STREAMLINE THE BUDGET TO BE IN LINE WITH THE PRIORITIES, WITH THE GOAL OF REDUCING OVERHEAD, INCLUDING POSSIBLY RENEGOTIATING CONTRACTS WITH LEGAL AND OTHER CATEGORIES. SECONDED BY WRWC COMMISSIONER DUERR.

WRWC Chair Hartung asked if the NNWPC had any comment on the direction.

A NNWPC Commissioner stated an opinion that it is unclear if the WRWC wants recommendations to trim overhead or recommendations on where budget dollars should be directed based on the priorities.

WRWC Commissioner Jardon clarified that they are asking staff to bring back contracts for consideration where there might be some savings.

WRWC Commissioner Duerr requested further clarification on contracts that would be considered for renegotiation and asked about the cloud seeding contract as an example.

WRWC Commissioner Jardon clarified that they are talking about administrative support.

Mr. Rhodes discussed background information regarding the legal contract and stated that the WRWC passed a motion, effective last November, to reinstate his initial salary that had been reduced since 2010. He asked for clarification regarding a comment by WRWC Chair Hartung as to whether the WRWC Chair wants to go out with an RFP for Legal Counsel, or to renegotiate his current contract.

WRWC Chair Hartung responded to Mr. Rhodes' question stating both.

WRWC Commissioner Jardon stated that if they are doing a reduction of meetings, the overhead expenses will be changing.

WRWC Commissioner Jardon restated her motion to have an annual workshop with the NNWPC prior to the budget setting period, with quarterly or as needed meetings of the WRWC, and for staff to work with the NNWPC to develop strategic priorities, and for staff to come back with this new scope of administrative contracts and overhead to streamline the budget.

Mr. Smitherman explained that the administrative contracts that could be reviewed are legal, the staff contract with Washoe County, and a small contract for the minutes taker. He asked if those are the contracts that staff is being directed in the motion to review.

WRWC Commissioner Jardon confirmed for Mr. Smitherman that those are the contracts.

WRWC Commissioner Lucey stated that they can't have the same operations construct if they are going to have a new format. Once they have that new construct based on the priorities from the NNWPC, they can discuss what would be needed to adequately support that.

THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) WRWC COMMISSIONERS PRESENT.

7. Discussion and possible direction to staff regarding agenda items and dates for future WRWC or NNWPC meetings – Jim Smitherman. (For Possible Action)

Mr. Smitherman stated there is no need for a WRWC meeting in September. Agenda items for a WRWC meeting on October 17 will include review of the audit report and approval of the financial statements to submit to the state. Staff will send out an Outlook invitation for a WRWC meeting on the third Wednesday of each month and those can be cancelled as needed.

WRWC Commissioner Dahir requested more information on storm water as a future agenda item.

WRWC Commissioner Duerr requested a meeting schedule for the year including possible dates for facility tours.

The September meeting for the NNWPC will include discussion regarding strategic prioritizing of projects as discussed today.

8. Commission Comments

None

9. Staff Comments

None

10. Public Comment

None

11. Adjournment (For Possible Action)

The meeting was adjourned at 1:06 p.m.

Respectfully submitted by,
Christine Birmingham, Recording Secretary

Approved by the WRWC in session on _____ 2018.

Approved by the NNWPC in session on _____ 2018.

WRWC Chair Vaughn Hartung

NNWPC Chair Michael DiMartini