

**WESTERN REGIONAL WATER COMMISSION
DRAFT MINUTES**

Wednesday, October 16, 2019

The Western Regional Water Commission (“WRWC”) Board of Trustees held a regular meeting on Wednesday, October 16, 2019, at the Truckee Meadows Water Authority, 1355 Capital Blvd., 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 8:36 a.m. There was a quorum present.

Commissioners Present:

Donald Abbott
Sandra Ainsworth
Paul Anderson
Jenny Brekhus
Kristopher Dahir
Naomi Duerr
Vaughn Hartung
Jeanne Herman
Bob Lucey

Appointed by:

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

Commissioners Absent:

None

Appointed by:

2. Pledge of Allegiance

The Pledge of Allegiance was led by Commissioner Lucey.

3. Public Comment

None

4. Approval of Agenda (For Possible Action)

COMMISSIONER DAHIR MADE A MOTION TO APPROVE THE AGENDA, SECONDED BY COMMISSIONER LUCEY. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) COMMISSIONERS PRESENT.

5. Approval of the Minutes for the June 19, 2019, Meeting (For Possible Action)

COMMISSIONER ABBOTT MADE A MOTION TO APPROVE THE MINUTES, SECONDED BY COMMISSIONER ANDERSON. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) COMMISSIONERS PRESENT.

6. Discussion and possible approval of the fiscal year 2018-2019 WRWC financial statements and audit opinion, and possible direction to staff – Ben Hutchins, Director,

Finance & Customer Service Division, Washoe County Community Services Department, and Zeth Macy, Schettler Macy & Associates, LLC. (For Possible Action)

Zeth Macy, Schettler Macy & Associates, LLC, reviewed highlights of the financial statements and audit. The audit process went very smoothly. The WRWC has struggled with late invoices, generally from government vendors, and prior period adjustments have needed to be made.

Jim Smitherman, WRWC Water Resources Program Manager, discussed the Corrective Action Plan. Staff will make sure to get purchase orders issued timely after action is taken for an expenditure. Staff will also scrutinize the agendas and minutes after every meeting and make sure that every action that requires a purchase order goes into a tracking system. In an effort to get vendors to bill on time, staff will ask for statements twice a year from all vendors.

Mr. Macy explained that they will also implement some procedures in addition to the Corrective Action Plan to try to account for missing invoices that have not been paid.

COMMISSIONER DUERR MADE A MOTION TO ACCEPT THE AUDIT REPORT, SECONDED BY COMMISSIONER DAHIR. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) COMMISSIONERS PRESENT.

7. Discussion and possible designation of Schettler Macy & Associates, LLC as the external auditors for the fiscal year 2019-2020 WRWC financial statement audit; and, if approved, authorize the Chair to execute the related Engagement Letter, and direct staff to file the required documents with the State of Nevada - Ben Hutchins. (For Possible Action)

Ben Hutchins, Director, Finance & Customer Service Division, Washoe County Community Services Department, reported there is additional work that has to be done in the next audit period. There is a slight increase of \$200 from the last audit period for a total amount not to exceed \$8,900 for the next audit period.

COMMISSIONER HERMAN MADE A MOTION TO APPROVE, SECONDED BY COMMISSIONER BREKHUS. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) COMMISSIONERS PRESENT.

8. Report by the Desert Research Institute (“DRI”) on last winter’s cloud seeding operations for the Truckee River and Lake Tahoe Basins, and possible direction to staff - Frank McDonough, Associate Research Scientist, DRI, and Chris Wessel, WRWC Water Management Planner. (For Possible Action)

Chris Wessel, WRWC Water Management Planner, provided a staff report. Since 2009, DRI has conducted its cloud seeding program for the Truckee River and Lake Tahoe Basins using funds provided by either the Truckee Meadows Water Authority (“TMWA”) or the Truckee River Fund (“TRF”), and the WRWC. At this time, the WRWC, TMWA and the TRF do not anticipate providing funding for the Program in the 2019-2020 water year.

Frank McDonough, DRI, presented information regarding last winter’s cloud seeding operations for water year 2018-2019 and an overview of plans for this winter. By the end of last winter the Tahoe basin had about 185% of normal snow pack. The Tahoe-Truckee Project had 18 cloud seeding events prior to February 15, 2019 and 530 total generator hours. That created an

additional 10,065 acre feet of SWE (snow water equivalent) in the snowpack. Mr. McDonough answered questions regarding climate models and cost benefit.

COMMISSIONER AINSWORTH MADE A MOTION TO ACCEPT THE REPORT, SECONDED BY COMMISSIONER ABBOTT. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) COMMISSIONERS PRESENT.

9. A. Discussion and possible acceptance of a Clean Water Act Grant from the State of Nevada, in the amount of \$40,000.00, to partially fund the ongoing Bedell Flat Aquifer Storage and Recovery Investigation (the "Project");
- B. Discussion and possible approval of a proposed scope of work and budget, in an amount not to exceed \$40,000.00, from the Regional Water Management Fund ("RWMF"), for the Truckee Meadows Water Authority ("TMWA") to continue the Project; and
- C. If approved, authorize the Chair to enter into a Subgrant Agreement with NDEP and an interlocal agreement with TMWA for the above purposes. (The Clean Water Act Grant will reimburse the RWMF.) - Jim Smitherman, WRWC Water Resources Program Manager. (For Possible Action)

Mr. Smitherman provided a summary of the staff report. On August 1, 2019, the Northern Nevada Water Planning Commission ("NNWPC") made a recommendation to the WRWC to accept a Clean Water Act Grant from the State of Nevada, in the amount of \$40,000, to partially fund the Project being conducted by TMWA, and enter into a Subgrant Agreement with NDEP for that purpose. On the same day, the NNWPC made a recommendation to the WRWC to approve TMWA's proposal and scope of work for the Project, and execute an interlocal agreement with TMWA to continue the Project. An interlocal agreement with TMWA is necessary to provide for reimbursement, in an amount not to exceed \$40,000 from the RWMF, for expenses associated with the Project.

John Enloe, TMWA, responded to a question asked by Member Brekhus about project funding. He stated that, with this money all the resources are not yet in place to complete the study. This effort is probably a four year, several million-dollar effort we are undertaking. We are about to bring an interlocal agreement to the City of Reno and Washoe County wherein staffs have agreed to contribute \$150,000 each towards this phase of work. If we end up pursuing the entire effort, it will probably be close to four million dollars for four years. We also have USGS working with us and they have brought to the table almost \$500,000 in in-kind services to the project.

Member Brekhus asked about the construction period for the facilities.

Mr. Enloe explained that this study will allow TMWA to design the infrastructure and then there will be another permitting process with the BLM to allow construction of the facilities. Design of construction and permitting will probably be another two years. This is a long term effort.

COMMISSIONER DUERR MADE A MOTION TO APPROVE, SECONDED BY COMMISSIONER LUCEY. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) COMMISSIONERS PRESENT.

10. Discussion and possible direction to staff regarding the appointment or reappointment of two voting members to the Northern Nevada Water Planning Commission (“NNWPC”): a public at large member to represent environmental, biological, conservation or public concerns; and, a member to represent owners of domestic wells - Jim Smitherman. (For Possible Action)

Mr. Smitherman provided a summary of the staff report. Both Michael DeMartini and Mickey Hazelwood have indicated to staff that they are willing and able to serve another term. What is unique about this year is that a private citizen has shown interest in the domestic well owner position. Both the private citizen, Mr. Widmer, and Mr. DeMartini meet all requirements for appointment to the NNWPC.

Chair Hartung stated he would like to see some applications for both of the open positions.

COMMISSIONER DAHIR MADE A MOTION TO OPEN THE APPLICATION PROCESS FOR BOTH OF THE OPEN POSITIONS, SECONDED BY COMMISSIONER AINSWORTH. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) COMMISSIONERS PRESENT.

11. Discussion and possible approval and adoption of Resolution No. 7, establishing a policy restricting expenditures from the RWMF to pay for construction projects; and possible direction to staff - John Rhodes, WRWC Legal Counsel. (For Possible Action)

John Rhodes, WRWC Legal Counsel, provided a summary of the staff report. He reviewed the proposed resolution adopting a general policy that the RWMF shall not be used to fund construction projects. The fund may be used to pay for certain construction projects if the findings included in the policy can be made.

COMMISSIONER ANDERSON MADE A MOTION TO APPROVE RESOLUTION NO. 7, SECONDED BY COMMISSIONER HERMAN. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) COMMISSIONERS PRESENT.

12. Discussion and possible approval of a Letter of Engagement for McDonald Carano LLP to provide legal services for the WRWC and the NNWPC; if approved, authorize the Chair to execute the Letter, and possible direction to staff - Jim Smitherman and Michael Pagni, Partner, McDonald Carano LLP. (For Possible Action)

Mr. Smitherman reported that staff was successful in negotiating a draft Engagement Letter with McDonald Carano and recommended executing the Letter.

Michael Pagni, McDonald Carano LLP, explained for Member Duerr that the Letter is drafted to start today.

Mr. Rhodes confirmed that his representation terminates when a new agreement is executed. His intention is to bill for the first half of the month and new legal counsel will bill for the second half.

COMMISSIONER DAHIR MADE A MOTION TO APPROVE, SECONDED BY COMMISSIONER ABBOTT. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) COMMISSIONERS PRESENT.

13. Discussion and possible direction to staff regarding agenda items and dates for future WRWC meetings - Jim Smitherman. (For Possible Action)

The next WRWC meeting will be held on January 15, 2020. The agenda will include the election of officers as well as a recommendation from the NNWPC for the appointment of the two open positions.

Member Duerr requested a report on the status of the Regional Water Plan.

Member Dahir requested staff organize tours of facilities for the WRWC members.

No action was taken.

14. Commission Comments

None

15. Staff Comments

Mr. Smitherman

16. Public Comment

None

17. Adjournment (For Possible Action)

The meeting was adjourned at 9:41 a.m.

Respectfully submitted by,
Christine Birmingham, Recording Secretary

Approved by Commission in session on _____ 2020.

Chair Vaughn Hartung