

WESTERN REGIONAL WATER COMMISSION MINUTES

Friday, January 9, 2009

The regular meeting of the Western Regional Water Commission (WRWC) was held on Friday, January 9, 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 1:31 p.m. There was a quorum present.

Commissioners Present:

Mike Carrigan, Chair
Dave Aiazzi, Vice-Chair
Steve Cohen
Bob Larkin
Geno Martini
Ron Smith

Representing:

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

Commissioners Absent:

Bob Cashell
Bonnie Weber

Representing:

Truckee Meadows Water Authority (TMWA)
Washoe County

- 2. Pledge of Allegiance**

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

- 3. Public Comment**

Chairman Carrigan called for public comments. Darrin Price, Sun Valley General Improvement District (SVGID) General Manager, stated that SVGID's representative, Jim Ainsworth's term expired. Mr. Price reported that SVGID's next meeting is scheduled for January 13, 2009, where new officers will be elected as well as their representative to the WRWC. He added that Mr. Ainsworth also served as secretary to the WRWC and requested that consideration be given to keeping SVGID in that position.

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

- 4. Approval of Agenda**

Commissioner Cohen made a motion to approve the January 9, 2009 WRWC agenda as posted. Commissioner Martini seconded the motion, which carried unanimously.

- 5. Approval of the Minutes of the December 12, 2008 meeting.**

The minutes of the December 12, 2008 Western Regional Water Commission meeting were submitted for approval. Commissioner Larkin made a motion to approve the minutes as submitted. Commissioner Aiazzi seconded the motion, which carried unanimously.

6. Election of Chairman, Vice-Chairman, Secretary and Treasurer for the 2009 calendar year.

Commissioner Larkin nominated Chairman Carrigan to continue in his role as Chairman. Commissioner Martini seconded the motion. Commissioner Smith nominated Vice-Chairman Aiazzi to continue in his role as Vice-Chair. John Rhodes, Legal Counsel, stated that nominations could be taken for all positions in one motion. He mentioned the vacancy for the Secretary position, and pointed out that the representative to be appointed by SVGID could be nominated for Secretary. Commissioner Larkin made a motion to re-appoint Commissioner Cohen as the Treasurer. Commissioner Smith seconded the motion.

Chairman Carrigan clarified that there are motions with seconds on the floor to re-appoint himself as Chair, Mr. Aiazzi as Vice-Chair, Mr. Cohen as Treasurer and the SVGID representative as Secretary. He called for a vote on the motion, which carried unanimously.

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 referred to the staff report, which includes a four-year "Cash Flow Projection". He explained that the Northern Nevada Water Planning Commission (NNWPC) recommended it as a high-level projection of money that might be spent from the Western Regional Water Management Fund. He reviewed the sheet and provided explanations. The projection is broken down by quarter and includes revenues and possible expenditures. He clarified that the intent was to show as conservative a picture as possible.

Mr. Smitherman reported that the NNWPC expressed some concern over keeping a certain amount (perhaps one quarter or two quarters in operating expenses) in cash reserve. He stated that if that is the desire, staff can adjust the budget to reflect that.

Mr. Smitherman summarized that the WRWC is not being asked to approve the projection as the "Budget" but perhaps to accept it as a high-level projection to help the NNWPC with addressing its priorities. He added that the projections would be brought back to the WRWC periodically.

Chairman Carrigan thanked Mr. Smitherman and called for questions or comments. Commissioner Larkin asked for an explanation of numbers that show up as negatives. Mr. Smitherman explained that the numbers reflect a worst-case scenario of additional funding that might be necessary for a project. He offered to provide an explanation in the next updated staff report.

Rosemary Menard, Director of Washoe County Department of Water Resources (DWR), explained that the LimnoTech Total Daily Load Maximum (TMDL) work is technical relating to water quality modeling and other analytical work associated with the Truckee River. She stated that recently conditions have occurred that were not included in the scope but will need to be addressed because they involve phosphorous. She stated this is an example of what additional funding *could* be needed in the future.

Commissioner Aiazzi referred to the Center for Collaborative Planning (CCP) contract, which includes funding for an outreach program. Ms. Menard stated that the program would actually establish a technical committee that would hold a water quality summit, which would involve stakeholders from the region. She stated that it is necessary in order to reach agreement on water quality standards. Timing of the project was briefly discussed.

Commissioner Cohen asked if there are any legislatively-mandated tasks that are not addressed in the

projection. Mr. Smitherman stated the only item that is mandated by the law is the Water Management Plan, which is included. Ms. Menard stated that the consolidation study was not included in the projections, which would have cost an estimated \$1.5 million; however, that is not the approach being taken. Commissioner Cohen asked if the projected amounts for the Water Plan were based on the timeline for completion, which Mr. Smitherman stated they were.

Commissioner Larkin referred to the Wastewater Facility Planning, which only carries through June 30, 2010. Mr. Smitherman explained that the work would then continue under the Water Management Plan. He stated that in the staff report, he split it out. He explained that the Wastewater Facility Planning would include wastewater plants, collection, interceptors, and disposal. He clarified that the North Valleys Initiative covers regional water systems.

Mr. Smitherman reported that the Statute requires plans for facilities. He stated it would have to be determined how in-depth to go with the facility plans.

Commissioner Larkin asked what assumptions were being used and stated he did not want to see a replay of population figures that were misrepresented and caused problems. Mr. Smitherman agreed.

Ms. Menard stated that the Western Regional Water Commission Act gives the WRWC authority over water, potable water, wastewater, reclaimed water, stormwater, which are all inter-related.

Commissioner Martini made a motion to accept the report. Commissioner Larkin seconded the motion, but suggested further discussing the issue of keeping funds in reserve. Chairman Carrigan suggested scheduling that discussion as a future agenda item. Chairman Carrigan called for a vote on the motion, which carried unanimously.

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.

Mr. Smitherman referred to the staff report which summarizes the changes made to the Amendment per direction from the WRWC. The revisions include the 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.

Mr. Smitherman reported that four advertisements have been placed in the local newspapers, which announced public hearings and a public workshop. He reported that the Amendment has been on file with the County Clerk's office for thirty days as required by law. He summarized that no comments have been received and the process is in full compliance with the law.

Chairman Carrigan stated that the next item heard would be number 10, due to the time certainty of the Public Hearing.

9. 2:06 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.

Chairman Carrigan opened the Public Hearing at 2:06 p.m. He called for Public Comment and hearing none, closed the public comment period.

Commissioner Martini made a motion to approve Resolution No. 2 “Adopting an Amendment to the Comprehensive Regional Water Management Plan”. Commissioner Smith seconded the motion, which carried unanimously.

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. (Heard out of order)

John Rhodes stated this Resolution is a formality based on the action taken at the last WRWC meeting. Mr. Rhodes stated that Mr. Smitherman was authorized to approve invoices and expenditures and to sign contracts within budget as approved by the NNWPC. He asked if Mr. Smitherman should have the authority to approve operational expenditures that are not approved by the NNWPC. Mr. Smitherman stated that based on past expenditures, \$5,000 would probably be a sufficient maximum amount.

Commissioner Aiazzi stated he thought the budget included travel and suggested if that is not the case, it should be added. Mr. Smitherman explained that even with a travel budget, the way the authorization is worded he would still be required to get permission from the NNWPC.

Ms. Menard reported that at the time the budget was prepared last year, the agreement was that Washoe County’s in-kind services would include providing travel for member agency staffs. She stated at that time they did not anticipate that the expenditures would include staff from the different entities attending two conferences, one in Florida and one in Las Vegas. She suggested that it should be added to the budget. Commissioner Aiazzi stated it was his belief that the WRWC would not fund travel and suggested making a policy decision.

Commissioner Cohen asked if this should be brought back as an additional agenda item to discuss why the individual entities are not paying for their staff to travel. Mr. Rhodes suggested that the Resolution could be adopted with the deletion of the paragraph being referenced. Chairman Carrigan agreed and suggested revisiting the travel policy at the February meeting.

Commissioner Aiazzi mentioned that he sees nothing stating that the \$25,000 is an aggregate amount. Mr. Rhodes offered to clarify the Resolution that it is a per project limit. He suggested bringing back discussion of travel in the context of a budget.

Chairman Carrigan called for Public Comment on this item. Kathy Brandhorst spoke about purchasing, invoices, population and water and sewer.

Chairman Carrigan called for a motion. Commissioner Martini made a motion to approve Resolution No. 3 with the caveat that the paragraph relating to routine operational expenditures be removed. Commissioner Cohen seconded the motion, which carried with four in favor and Chairman Carrigan opposed.

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 staff report. He reported that Bill Draft Request (BDR) 237 was introduced as a resolution to incorporate language suggested by the WRWC. He stated that a discrepancy between what the WRWC recommended and the BDR that was introduced as legislation is that it does not call for a Memorandum of Understanding (MOU).

Mr. Rhodes referred to six new BDRs as follows:

- BDR 22-750 (Assemblywoman Leslie), which requires the Truckee Meadows Regional Planning to include policies that are based on identified and sustainable water resources within Washoe County. Commissioner Aiazzi stated he could support it if “within Washoe County” was deleted.
- 848 (Senate Committee on Natural Resources) – Establishes parity in oversight of regional water authorities.
- 849 (Senate Committee on Natural Resources) – Provides for study of economic impact of water importation projects and development of a sensible water strategy.
- 887 (Assemblyman Bobzien) – Makes various changes concerning the state water policy.
- 924 (Senator Mathews and Assemblywoman Smith) – Requires the fluoridation of public water systems serving Washoe County.

Commissioner Aiazzi referred to BDR 473 (Washoe County) related to public funding for individual septic systems failing. Ms. Menard stated that the intent is to provide tools to assist with conversion from individual septic systems to the municipal system. Commissioner Aiazzi stated it would provide a public benefit to a private property.

Ms. Menard stated that Mayberry Ranch Estates for instance was recently provided with municipal sewer system facilities. She stated that the only available funding currently would be by creating a Special Assessment District (SAD). She stated that the intention is to create opportunities on a smaller scale to loan money to those required to hook up; however, they would repay the full cost. She reported that it is a public health issue when a septic system leaks into the groundwater. Commissioner Aiazzi stated that government determinations need to be made to determine private versus public health issues. He added that Public Health currently requires individuals who impact the public water system to solve the issue. Ms. Menard stated that Commissioner Aiazzi makes good points. She added that the County has been dealing with neighborhoods as opposed to individual property owners. Commissioner Aiazzi stated that could be addressed by SADs. Ms. Menard clarified that SADs only work before a project is built.

Ms. Menard reported that there is a program in California that allows a funding strategy after the project is in place. Commissioner Aiazzi asked if people would then be required to join a SAD, which Ms. Menard stated is correct. Commissioner Aiazzi suggested a bill requiring that on *all* SADs.

Commissioner Cohen stated that STMGID is dealing with the same type of issues related to domestic well failures where residents are required to hook up to the municipal system. He asked if this BDR could help the domestic well owners with funding. Ms. Menard stated this BDR is related to sewer not water; however, options are being explored.

Commissioner Smith asked if liens would be placed on homes where funding assistance is granted, to which Ms. Menard stated yes.

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

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

- Discussion of the ending fund balance reserve for the “Cash Flow Analysis”
- Chairman Carrigan requested a discussion of BDR 924, which would require fluoridation of the public water system and a cost estimate to do so.

- Commissioner Larkin asked for an update on the TMWA and WCDWR Integration Project. Jack Byrom, TMWA, reported that two teams were continuing their analysis efforts. The Finance team is beginning the Phase II Operational Cost Analysis. The System Planning and Engineering Team will be completing the Phase I System Analysis by the end of the month. He added that the Process Flow Chart and the Master Schedule are being updated. He stated that a project report would be appropriate for the February meeting. Commissioner Larkin asked if there is a need for proposed legislation related to the potential integration of the two agencies. Ms. Menard and Mr. Byrom agreed that they have not identified any significant issues that would require legislation action.

13. Commission Comments

Commissioner Cohen stated that agenda packets have been hand-delivered to him, which he appreciates but stated is not necessary.

14. Staff Comments

None

15. Public Comment

Chairman Carrigan called for public comments. Kathy Brandhorst spoke about problems in Reno including gun control.

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

16. Adjournment

With no further business, the meeting was adjourned at 2:25 p.m.

Respectfully submitted by,

Niki Linn, Recording Secretary

Approved by Commission in session on March 13, 2009.

Mike Carrigan, Chairman