

**WESTERN REGIONAL WATER COMMISSION  
BOARD OF TRUSTEES  
AGENDA  
Thursday, May 21, 2009  
10:00 a.m.  
City of Sparks Legislative Council Chambers  
745 Fourth Street, Sparks, Nevada**

NOTICE OF POSSIBLE QUORUM OF THE BOARD OF DIRECTORS OF THE TRUCKEE MEADOWS WATER AUTHORITY ("TMWA"), BOARD OF COUNTY COMMISSIONERS OF WASHOE COUNTY ("BCC"), BOARD OF TRUSTEES OF THE SOUTH TRUCKEE MEADOWS GENERAL IMPROVEMENT DISTRICT ("STMGID"), AND NORTHERN NEVADA WATER PLANNING COMMISSION ("NNWPC")

*(See 'Notes')*

1. Roll Call and Determination of presence of a Quorum\*
2. Pledge of Allegiance\*
3. Approval of Agenda
4. Public Comment\* (Three-minute time limit per person)
5. Approval of the minutes of the April 10, 2009 meeting
6. Report on legislative activities, including Bills introduced in the 2009 Nevada Legislature that may affect the WRWC / NNWPC; discussion, and possible direction to staff — John Rhodes, WRWC Legal Counsel

Open Public Hearing

7. Review and possible approval of WRWC Final Budget for Fiscal Year 2009/2010 — Jim Smitherman, WRWC Water Resources Program Manager

Close Public Hearing

8. Update on the status of evaluation work considering the possible integration of TMWA and the Washoe County Department of Water Resources ("DWR"); possible direction to staff — Mark Foree, TMWA and Rosemary Menard, DWR
9. Review and possible approval of renewal of the Interlocal Agreement with TMWA for administrative services for Fiscal Year 2009/2010 and Fiscal Year 2010/2011 — Jim Smitherman
10. Discussion and possible approval of an Interlocal Agreement with Washoe County, in amounts not to exceed \$10,594 for the current fiscal year, and \$20,000 for Fiscal Year 2009/2010, for development and maintenance of a website for the WRWC and the NNWPC; and, if approved, authorize the Chairman to execute the Agreement — Chris Wessel, WRWC Water Management Planner
11. Discussion and possible direction to staff regarding the date of the next meeting and agenda items for that meeting
12. Commission Comments\*
13. Staff Comments\*

14. Public Comment\* (Three minute time limit per person)

15. Adjournment

\*Indicates a non-action item

**Notes: Because several of the WRWC Trustees are also members of the Board of Directors of TMWA, it is possible that a quorum of the TMWA Board may be present. Such members will not take action at this meeting as members of the TMWA Board, but may take action solely in their capacity as WRWC Trustees. A quorum of the BCC, STMGID and the NNWPC may also be in attendance but will not be taking action.**

Public comment will be taken on agenda items upon the submittal of a request via submittal of a Speaker Information Card. There is a three-minute time limit per person.

Items on the agenda without a time designation may not necessarily be considered in the order in which they appear. The WRWC may take action on any of the action items listed.

Facilities in which this meeting is being held are accessible to the disabled. Persons with disabilities who require special accommodations or assistance (e.g. sign language interpreters or assisted listening devices) at the meeting should notify the Washoe County Department of Water Resources, at 954-4663, at least 24 hours prior to the meeting.

In accordance with NRS 241.020, this agenda has been posted at the following locations: Reno City Hall (1 East First Street), Sparks City Hall (431 Prater Way), Sparks Justice Court (630 Greenbrae Dr), Sun Valley GID (5000 Sun Valley Blvd.), TMWA (1355 Capital Blvd.), Washoe County Administration Building (1001 E. 9th Street), Washoe County Clerk's Office (Court and Virginia Streets), Washoe County Central Library (301 South Center St.), Washoe County Department of Water Resources (4930 Energy Way), Galena Market (19990 Thomas Creek Rd.), Galena High School (3600 Butch Cassidy Way), South Valleys Library (15650A Wedge Parkway), TMWA's website: [http://www.tmh2o.com/about\\_us/meeting\\_center](http://www.tmh2o.com/about_us/meeting_center), and the WRWC website: <http://wrwc.us>.

# WESTERN REGIONAL WATER COMMISSION BOARD OF TRUSTEES *DRAFT* 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 (RPGB) 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 \_\_\_\_\_ 2009.

\_\_\_\_\_  
Mike Carrigan, Chairman

Note: DRAFT Minutes not approved by Board.

DRAFT

## Western Regional Water Commission STAFF REPORT

**DATE:** May 14, 2009  
**TO:** Chairman and Members, Western Regional Water Commission (“WRWC”)  
**FROM:** John B. Rhodes, Legal Counsel  
**SUBJECT:** **Report on legislative activities, including Bills introduced in the 2009 Nevada Legislature that may affect the WRWC / Northern Nevada Water Planning Commission (“NWPC”); discussion, and possible direction to staff**

The following staff report lists Bills introduced in the 2009 Nevada Legislature, as of May 14, 2009, which affect or are of interest to the WRWC and NNWPC. Bills identified with an \* have been amended from the original Bill as introduced. Bills identified with \*\* are exempt from the deadlines for passage from Committee or House, and remain viable.

### Bills Introduced

- |                 |   |                                       |
|-----------------|---|---------------------------------------|
| * <b>AB442</b>  | <b>Assemblywoman Kirkpatrick</b><br>Prohibits local governmental entities from making expenditures for lobbyists. (BDR 31-176, 7/10/2008)   | WRWC Position:<br>(Oppose as Written) |
| * <b>SCR2</b>   | <b>Legislative Committee to Oversee the Western Regional Water Commission</b><br>Encourages entities that are engaged in water quality monitoring to coordinate certain activities. (BDR 237, 8/13/2008)  | WRWC Position:<br>(Support)           |
| ** <b>SB345</b> | <b>Legislative Committee to Oversee the Western Regional Water Commission</b><br>Makes an appropriation to the Truckee River Flood Project to support ecosystem restoration activities. (BDR 238, 8/13/2008)                                    | WRWC Position:<br>(Support)           |
| <b>SB175</b>    | <b>Legislative Committee to Oversee the Western Regional Water Commission</b><br>Makes various changes to provisions governing flood control districts. (BDR 20-239, 8/13/2008)   | WRWC Position:<br>(Support)           |
| * <b>SB111</b>  | <b>Legislative Committee to Oversee the Western Regional Water Commission</b><br>Makes various changes to provisions governing the Western Regional Water Commission. (BDR 240, 8/13/2008)  | WRWC Position:<br>(Support)           |
| <b>SB37</b>     | <b>Conservation and Natural Resources, State Department of</b><br>Establishes authority to award subgrants from the Drinking Water State Revolving Fund, Wellhead Protection and Clean Water Act Nonpoint Source programs. (BDR 360, 8/22/2008) | WRWC Position:<br>(Neutral)           |

- AB18 Legislative Committee for the Review and Oversight of the Tahoe Regional Planning Agency and the Marlette Lake Water System (NRS 218.53871)** WRWC Position: (Neutral)  
 Authorizes the issuance of bonds for environmental improvement projects for Lake Tahoe for 2009-2019. (BDR 375, 8/26/2008)
- \* **AB54 Washoe County** WRWC Position: (Neutral)  
 Authorizes counties to prohibit use of private water or septic systems where available public water or sewer systems exist and provide a program to mitigate the costs of connection to the public system. (BDR 473, 8/29/2008)
- Intent of BDR:** To clarify use of public funds for the public purpose of assisting with paying connection fees for public water/sewer systems where individual systems are failing and are failing or degrading water sources; specifically: amend of Chapter 244 of NRS to authorize the Board of County Commissioners to order a person with an individual sewage disposal system to connect to reasonably available municipal sewer if the property owner's system is failing or the system is demonstrably degrading a source of drinking water or increasing the costs of treating drinking water; and further, to authorize the County to use grants, gifts or water department funds to pay for the connection fees of those ordered to connect.
- SB105 Legislative Committee on Public Lands (NRS 218.5363)** WRWC Position: (Neutral)  
 Revises provisions governing the awarding of grants to certain purveyors of water. (BDR 502, 9/1/2008)
- \*\* **SB347 Legislative Committee on Public Lands (NRS 218.5363)** WRWC Position: (Neutral)  
 Makes an appropriation to the State Engineer to develop a hydrologic database for water basins in Nevada. (BDR 503 9/1/2008)
- \* **SB66 Douglas County** WRWC Position: (Neutral)  
 Revises provisions relating to water permits and water right credits, to allow more time to complete work and apply water to beneficial use for certain municipal uses. (BDR 48—618, 8/29/2008)
- SB224 Senator Care** WRWC Position: (Oppose)  
 Revises provisions governing voting and abstentions by public bodies composed of elected officials only. (BDR 19-675, 11/14/2008)
- \*\* **AB355 Assemblyman Goedhart** WRWC Position: (Neutral)  
 Revises provisions relating to the rates of smaller public utilities that furnish water or services for sewage. (BDR 693, 11/21/2008)

- \* **AB416 Assemblyman Goicoechea** WRWC Position:  
Requires the completion of an inventory of an entire water basin (Neutral)  
before consideration of an interbasin transfer.  
(BDR 732, 12/10/2008)
- \* **AB119 Assemblywoman Leslie** WRWC Position:  
Requires the Truckee Meadows Regional Plan to include policies (Support, as amended)  
that are based on identified and sustainable water resources within  
Washoe County. (BDR 22-750, 12/11/2008)
- \*\* **SB374 Senate Committee on Natural Resources** WRWC Position:  
Establishes parity in oversight of regional water authorities. (Neutral)  
(BDR 848, 12/15/08)
- SB 373 Senate Committee on Natural Resources** WRWC Position:  
Provides for study of economic impact of water importation (Neutral)  
projects and development of a sensible water strategy.  
(BDR 849, 12/15/2008)
- \* **AB377 Assemblyman Bobzien** WRWC Position:  
Makes various changes concerning the state water policy. (Neutral)  
(BDR 48-887, 12/15/2008)
- \*\* **SB311 Senator Mathews** WRWC Position:  
**Joint Requester: Assemblywoman Smith** (Neutral)  
Requires the fluoridation of public water systems serving Washoe  
County. (BDR 40—924, 12/15/2008)
- SJR8 Senator Rhoads** WRWC Position:  
SJR: Urges Congress to preserve the traditional power of states (Neutral)  
over land and water use. (BDR R-984, 2/2/2008)
- \* **AB236 Assemblyman Grady** WRWC Position:  
Revises provisions governing grants for water conservation and (Neutral)  
capital improvements to certain water systems.  
(BDR 1049, 2/9/2009) (By Request)
- \* **SB204 Senator Rhoads** WRWC Position:  
Revises provisions governing notification of applications for (Neutral)  
permits to appropriate water. (BDR 48-1086, 2/9/2009)
- \* **AB480 Assembly Committee on Government Affairs** WRWC Position:  
Increases the fee that is authorized to be imposed for intercounty (Neutral)  
and interstate transfers of groundwater, and other fees.  
(BDR 48—1161, 2/20/2008)

## **Western Regional Water Commission STAFF REPORT**

**DATE:** May 13, 2009

**TO:** Chairman and Members, Western Regional Water Commission (“WRWC”)

**FROM:** Jim Smitherman, Water Resources Program Manager

**SUBJECT:** **Approval of WRWC Final Budget for Fiscal Year 2009/2010.**

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### **SUMMARY**

Staff has developed a final budget for fiscal year 2009/2010 for the Regional Water Management Fund (“RWMF”) that is consistent with the Work Plan priorities, and cash flow projections accepted by the Northern Nevada Water Planning Commission (“NNWPC”). The attached budget includes revenues, and staff and non-staff professional services.

The professional services budget includes \$1,960,083 for contract projects related to the Work Plan that was reviewed and recommended by the NNWPC. It is expected that the WRWC member agencies will contribute the balance of the work/contracts to complete the Work Plan either through provision of in-kind services or through contracts paid for directly by the agencies in support of this WRWC effort if the budget is insufficient.

### **BACKGROUND**

The WRWC is required to submit a budget to the Nevada Department of Taxation after holding a hearing in May 2009. The attached budget is provided to the WRWC for possible approval and direction to staff.

### **PREVIOUS ACTION**

On April 14, 2009, the tentative budget for fiscal year 2009/2010 was submitted to the State of Nevada.

On April 10, 2009, the WRWC reviewed and approved the preliminary fiscal year 2009/2010 budget for presentation at the May 21, 2009, public hearing.

On March 4, 2009, the NNWPC reviewed and approved the proposed fiscal year 2009/2010 final budget and recommended it to the WRWC for approval.

### **FISCAL IMPACT**

The fiscal year 2009/2010 budget recommendation provides for \$1,476,180 in revenues, \$2,533,015 in expenses and an ending fund balance of \$2,441,938. Budget expenses include \$1.96 million for Work Plan activities, \$480,932 for three full time staff members and legal services for the WRWC and NNWPC, and \$92,000 for various routine operating expenses, as reviewed and recommended by the NNWPC.

**RECOMMENDATION**

The NNWPC recommends that the WRWC approve the final budget for fiscal year 2009/2010 for the RWMF as presented, and authorize staff to file the approved budget with the State of Nevada.

**POSSIBLE MOTION**

Move to approve the final budget for fiscal year 2009/2010 as presented, and authorize staff to submit the required budget filings to the State of Nevada.

JS:jd

Attachments

**Western Regional Water Commission**  
**July 1, 2009 - June 30, 2010**  
**Budget**

<b>Budget Category</b>	<b>1.5% RWMF</b>	<b>NOTE</b>	<b>Washoe County In-Kind</b>	<b>NOTE</b>	<b>TMWA In-Kind</b>	<b>NOTE</b>	<b>SVGID In-Kind</b>	<b>NOTE</b>
<b>REVENUE</b>	<b>Amount</b>		<b>Amount</b>		<b>Amount</b>		<b>Amount</b>	
Estimated Water Surcharge Revenues	1,446,000							
Estimated Interest Income	30,180							
<b>Total Revenue</b>	<b>1,476,180</b>		<b>0</b>		<b>0</b>		<b>0</b>	
<b>PROFESSIONAL SERVICES/SUPPLIES</b>	<b>Amount</b>		<b>Amount</b>		<b>Amount</b>		<b>Amount</b>	
Estimated Professional Services	1,960,083	1						
Staff Services	480,932	2	62,629	3	25,200	4	1,500	8
Non-Staff Services	92,000				1,200	5		
<b>Total Professional Services/Supplies</b>	<b>2,533,015</b>		<b>62,629</b>		<b>26,400</b>		<b>1,500</b>	
<b>OTHER EXPENSES</b>	<b>Amount</b>		<b>Amount</b>		<b>Amount</b>		<b>Amount</b>	
Estimated Misc.			97,237	6	2,000	7		
<b>Total Other Expense</b>	<b>0</b>		<b>97,237</b>		<b>2,000</b>			
<b>Total Expenses</b>	<b>2,533,015</b>		<b>159,866</b>		<b>28,400</b>		<b>1,500</b>	

**Net Decrease in Cash Reserves** (\$1,056,835) 9

**NOTES:**

1. Proposed budget for the 1.5% Regional Water Management Fund (1.5% RWMF) provides legal spending authority for projects yet to be approved by the WRWC upon recommendations provided by the NNWPC. Specific per project scope and cost yet to be developed and approved by the WRWC.
2. Proposed budget provides legal spending authority for contract staff services previously approved by the WRWC.
3. Washoe County estimate for labor overhead: 1.5% RWMF management, accounting, purchasing, human resources, information technology, routine/administrative and GIS/drafting services.
4. TMWA estimate to perform administrative tasks such as drafting and posting agendas, producing staff reports, delivering agenda packets, contracts to provide WRWC minutes and website postings and updates.
5. TMWA estimate for supplies to produce agendas, staff reports and agenda packets.
6. Washoe County estimate for services and supplies overhead: office space, utilities, computer hardware, software, copier, supplies.
7. TMWA estimate for office space, copier, computer expenditures.
8. Cost for various SVGID overhead related to providing staff resources.
9. Budget expenses exceed revenues by \$1,056,835, which reduces projected cash revenues to approximately \$2.44 million at 6/30/10.





JIM GIBBONS  
Governor

THOMAS R. SHEETS  
Chair, Nevada Tax Commission

DINO DICIANNO  
Executive Director

STATE OF NEVADA  
DEPARTMENT OF TAXATION

Web Site: <http://tax.state.nv.us>  
1550 College Parkway, Suite 115  
Carson City, Nevada 89706-7937  
Phone: (775) 684-2000 Fax: (775) 684-2020

LAS VEGAS OFFICE  
Grant Sawyer Office Building, Suite 1300  
555 E. Washington Avenue  
Las Vegas, Nevada, 89101  
Phone: (702) 486-2300 Fax: (702) 486-2373

RENO OFFICE  
4600 Kietzke Lane  
Building L, Suite 235  
Reno, Nevada 89502  
Phone: (775) 688-1295  
Fax: (775) 688-1303

HENDERSON OFFICE  
2550 Paseo Verde Parkway Suite 180  
Henderson, Nevada 89074  
Phone: (702) 486-2300  
Fax: (702) 486-3377

Nevada Department of Taxation  
1550 College Parkway, Suite 115  
Carson City, NV 89706-7921

Western Regional Water Commission herewith submits the (~~TENTATIVE~~) --- (FINAL) budget for the  
fiscal year ending June 30, 2010

This budget contains 0 funds, including Debt Service, requiring property tax revenues totaling \$ 0

The property tax rates computed herein are based on preliminary data. If the final state computed revenue limitation permits,  
the tax rate will be increased by an amount not to exceed 0 If the final computation requires, the tax rate will be  
lowered.

This budget contains 1 governmental fund types with estimated expenditures of \$ 2,533,015 and  
0 proprietary funds with estimated expenses of \$ 0

Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 (Local  
Government Budget and Finance Act).

CERTIFICATION

APPROVED BY THE GOVERNING BOARD

I Ted Rolfs  
(Printed Name)  
Fiscal Compliance Officer  
(Title)

certify that all applicable funds and financial  
operations of this Local Government are  
listed herein

Signed Ted Rolfs

Dated: 5-14-09

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SCHEDULED PUBLIC HEARING:

Date and Time 5/21/2009 10:00AM

Publication Date 5/7/2009

Place: City of Sparks Legislative Council Chambers, 745 Fourth Street, Sparks, Nevada

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/08	ESTIMATED CURRENT YEAR ENDING 06/30/09	BUDGET YEAR ENDING 06/30/10
General Government			
Judicial			
Public Safety	Personnel support services are provided to the Commission pursuant to an interlocal agreement with the Washoe County Department of Water Resources.		
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support			
<b>TOTAL GENERAL GOVERNMENT</b>			
Utilities			
Hospitals			
Transit Systems			
Airports			
Other			
<b>TOTAL</b>			

POPULATION (AS OF JULY 1)			
SOURCE OF POPULATION ESTIMATE*			
Assessed Valuation (Secured and Unsecured Only)			
Net Proceeds of Mines			
<b>TOTAL ASSESSED VALUE</b>	N/A	N/A	N/A
TAX RATE			
General Fund			
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund			
Other			
<b>TOTAL TAX RATE</b>			

\* Use the population certified by the state in March each year. Small districts may use a number developed per the instructions (page 6) or the best information available.

Western Regional Water Commission  
(Local Government)

SCHEDULE S-2 - STATISTICAL DATA





<b>REVENUES</b>	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/10	
	ACTUAL PRIOR YEAR ENDING 6/30/2008	ESTIMATED CURRENT YEAR ENDING 6/30/2009	TENTATIVE APPROVED	FINAL APPROVED
1.5% Regional Management Fees	417,757	1,452,275	1,446,000	1,446,000
Interest Income	-9,693	146,116	30,180	30,180
Inter Governmental Revenue	2,751,994	0	0	0
Other Revenue	4,953	0		
Subtotal	3,165,011	1,598,391	1,476,180	1,476,180
<b>OTHER FINANCING SOURCES:</b>				
Operating Transfers In (Schedule T)				
BEGINNING FUND BALANCE				
Reserved				
Unreserved		3,128,835	3,498,773	3,498,773
TOTAL BEGINNING FUND BALANCE				
Prior Period Adjustment(s)				
Residual Equity Transfers				
TOTAL RESOURCES	3,165,011	4,727,226	4,974,953	4,974,953
<b>EXPENDITURES</b>				
Wages & Salaries	0			
Benefit Expense	0			
Professional Services & Supplies	36,176	1,228,453	2,533,015	2,533,015
Subtotal	36,176	1,228,453	2,533,015	2,533,015
<b>OTHER USES</b>				
CONTINGENCY (not to exceed 3% of total expenditures)				
Operating Transfers Out (Schedule T)	0	0	0	0
ENDING FUND BALANCE				
Reserved				
Unreserved	3,128,835	3,498,773	2,441,938	2,441,938
TOTAL ENDING FUND BALANCE	3,128,835	3,498,773	2,441,938	2,441,938
TOTAL COMMITMENTS & FUND BALANCE	3,128,835	3,498,773	2,441,938	2,441,938

Western Regional Water Commission  
(Local Government)

SCHEDULE B

FUND

766

## **Western Regional Water Commission STAFF REPORT**

**DATE:** May 13, 2009  
**TO:** Chairman and Members, Western Regional Water Commission  
**FROM:** Rosemary Menard, Director, Washoe County Department of Water Resources  
Mark Foree, Interim General Manager, Truckee Meadows Water Authority  
**SUBJECT:** **Informational Update on Status of evaluation work considering the possible integration of the Truckee Meadows Water Authority and the Washoe County Department of Water Resources**

---

### **Project Update**

Technical staff in both Washoe County Department of Water Resources (DWR) and the Truckee Meadows Water Authority (TMWA) have been working over the last eight months to conduct conceptual level analyses of the potential opportunities and costs of some form of integrating the operations of TMWA and DWR. The Western Regional Water Commission (WRWC) heard an update on the Phase One work of the System Planning and Engineering Group at its March 13, 2009 meeting.

The following work groups have been convened and are working in these additional areas:

1. The System Planning and Engineering Team – This team is completing the Phase 2 analysis reviewing the opportunities and processes to align development services business practices;
2. The Operations Team – This team is reviewing how a possible agency integration could provide opportunities to improve productivity or increase the efficiency while conducting ongoing water system, treatment, and testing maintenance.
3. The Water Resources Team – This team is looking at the opportunities for better utilizing the water resources currently owned or managed by TMWA and DWR. The focus of this work is reviewing the conjunctive use opportunities identified in the Phase One System Planning and Engineering Team's Preliminary Analysis Report and identifying opportunities for improved utilization of available resources.
4. The Human Resources Team – This team has been reviewing the macro-level cost differential of paying DWR's staff under a TMWA salary and benefit program. Preliminary analysis indicates that benefit packages have very similar costs and, due to TMWA's salary schedule, there will be some incremental additional compensation cost should DWR's staff be compensated under the TMWA plan.

TMWA and DWR project managers expect draft reports from the Operations, Water Resources and Human Resources Teams to be available for agency review in mid-June and anticipate

scheduling discussion with the WRWC at its August 14, 2009 meeting. The goals of the WRWC's discussion in August would be to:

1. Make a determination to either continue with or suspend further work on the possible integration of TMWA and DWR; and
2. If the decision is to continue, provide direction to staff to prepare a plan and schedule for further work for consideration at a joint meeting of the TMWA Board, the WRWC, and the Board of County Commissioners to decide on whether to proceed to the next phase of work. This meeting would tentatively be scheduled for October 2009.

## **Western Regional Water Commission STAFF REPORT**

**DATE:** May 13, 2009  
**TO:** Chairman and Members, Western Regional Water Commission  
**FROM:** Mark Foree, TMWA Interim General Manager  
**SUBJECT:** **Discussion and possible approval of renewal of the Interlocal Agreement with Truckee Meadows Water Authority (“TMWA”) for administrative services for Fiscal Years 2009/2010 and 2010/2011**

---

### **RECOMMENDATION**

It is recommended that the Commission approve and enter into the *attached* Interlocal Agreement with TMWA to extend the period of time to June 30, 2011 for administrative services to the WRWC.

### **DISCUSSION**

TMWA and Washoe County have been providing services to the WRWC for certain administrative functions since its inception in April 2008. As described in the attached Interlocal Agreement, TMWA has provided administrative services (posting agendas, insuring minutes are recorded, keeping the website etc.) for the WRWC, while Washoe County has provided similar services for the Northern Nevada Water Planning Commission, as well as purchasing and contracting oversight for the WRWC. These services are provided at no cost to the WRWC except as specifically provided in the proposed agreements.

TMWA will take action to approve the Interlocal Agreement in its meeting on May 21, 2009.

### **POSSIBLE MOTION**

Should the Commission agree with staff’s recommendation, a possible motion would be: “Move to approve the Interlocal Agreement with Truckee Meadows Water Authority to extend the period of time to June 30, 2011 for administrative services to the WRWC.

**INTERLOCAL AGREEMENT  
FOR  
ADMINISTRATIVE SERVICES**

This Agreement is between the Western Regional Water Commission (the “WRWC”) and the Truckee Meadows Water Authority (“TMWA”), each a Party and collectively Parties.

**RECITALS**

A. Pursuant to Chapter 531 Statutes of Nevada 2007, (the Western Regional Water Commission Act), the Cities of Reno and Sparks, Nevada; Washoe County, Nevada; the Truckee Meadows Water Authority ; the South Truckee Meadows General Improvement District ; and the Sun Valley General Improvement District, have entered into a Joint Powers Agreement (“JPA”) to implement the Western Regional Water Commission.

B. Pursuant to Section 3.18 of the JPA, the members of the WRWC have agreed to provide administrative and technical support for the WRWC through the cooperative and collaborative efforts of the staffs of the members, through in-kind services, or otherwise, and that such services may be provided through interlocal agreements.

C. The Parties are public agencies authorized by the Nevada Revised Statutes to enter into interlocal and cooperative agreements with each other for the performance of governmental functions.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Effective Date and Term: This Agreement shall be effective July 1, 2009, if approved by the governing boards of the Parties, and is subject to such approval. This Agreement shall continue in effect until June 30, 2011, unless sooner terminated pursuant to Paragraph 4 or renewed pursuant to Paragraph 5.

2. Administrative Services Provided by TMWA: During the term of this Agreement, TMWA agrees to provide the WRWC the following administrative services: printing and posting of WRWC meeting agendas, providing for the recording of WRWC and meetings, preparation of WRWC minutes, secretarial support for WRWC correspondence and communications as required, and housing of official WRWC records (recordings of meetings, meeting materials, resolutions, etc.). These services shall be provided at no charge to the WRWC, with the exception of the costs of any official recording (e.g. court reporters) requested by the WRWC. In the event of other extraordinary expenses, TMWA agrees to seek approval of WRWC in advance for payment. The WRWC shall direct any requests for non-routine administrative services to the General Manager of TMWA.

3. Responsibilities of the Parties. The WRWC shall be responsible for timely notification to TMWA of the content, form, and directions for posting of WRWC meeting agendas, including compliance with NRS Chapter 241. The WRWC agrees that it shall deliver final meeting agendas to TMWA no later than seven business days prior to the meeting for which the agenda is prepared. Subject to the foregoing, TMWA shall be responsible for the timely and accurate posting of such agendas and for the preparation and distribution of copies of meeting materials. TMWA agrees to keep WRWC records segregated from its own records.

4. Termination. This Agreement may be terminated by either Party by delivering to the other Party notice of intention to terminate no later than sixty (60) days prior to the date of termination. In the event of termination of the Agreement, either through operation of this Paragraph or the expiration of the term of the Agreement, TMWA shall deliver all WRWC records to WRWC as directed by WRWC.

5. Amendment or Renewal. This Agreement may be amended or renewed by action taken by the Governing Board of each Party.

6. Choice of Law. This Agreement shall be governed by the laws of the State of Nevada.

7. Attorneys' Fees. In the event any legal action or other proceeding becomes necessary to enforce the terms of this Agreement, the prevailing Party shall recover its costs and reasonable attorneys' fees incurred in such action or proceedings.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year stated below.

WESTERN REGIONAL WATER COMMISSION

By \_\_\_\_\_, Chairman      Dated: \_\_\_\_\_

STATE OF NEVADA      )  
  ) ss:  
COUNTY OF WASHOE    )

On this 21<sup>st</sup> day of May, , 2009, personally appeared before me, Notary Public in and for said County and State, Mike Carrigan, , Chairman of the Western Regional Water Commission, known to me to be the Chairman, who acknowledged to me that he executed the above instrument freely and voluntarily and for the uses and purposes therein mentioned.

\_\_\_\_\_  
Notary Public

TRUCKEE MEADOWS WATER AUTHORITY

By \_\_\_\_\_, Chairman      Dated: \_\_\_\_\_

Mike Carrigan

ATTEST:

\_\_\_\_\_,  
Mark Foree, Secretary of the Board

# Western Regional Water Commission

## STAFF REPORT

**DATE:** May 14, 2009

**TO:** Chairman and Members, Western Regional Water Commission

**FROM:** Chris Wessel, Water Management Planner  
954-4682, [cwessel@washoecounty.us](mailto:cwessel@washoecounty.us)

**SUBJECT:** **Discussion and possible approval of an Interlocal Agreement with Washoe County (the “County”), in amounts not to exceed \$10,594 for the current fiscal year, and \$20,000 for Fiscal Year 2009/2010, for development and maintenance of a website for the Western Regional Water Commission (“WRWC”) and the Northern Nevada Water Planning Commission (“NNWPC”); and, if approved, authorize the Chairman to execute the Agreement**

---

### **SUMMARY**

The WRWC and NNWPC are currently in the process of developing a website and related specialized programming applications. Upon review of proposals submitted from outside contractors, staff determined that the website services could be developed more economically and efficiently by use of Washoe County personnel. The proposed Interlocal Agreement provides a means for the WRWC to enter into contracts with the County for the required services, and to reimburse the County for services provided by its various departments related to development and maintenance of the WRWC and NNWPC website.

### **PREVIOUS ACTION**

The Board has previously approved budget authority in the amounts stated above.

### **BACKGROUND**

The WRWC received several bids for the development and maintenance of a website for the WRWC and the NNWPC. The lowest bid was submitted by the County, through its Community Relations Department. The website will be housed on the County’s server(s). The use of the County’s Community Relations and Technology Services personnel for development and maintenance of the website was determined to be most efficient in terms of updating/modifying the site, and allowing staff access for support services. It is also most economical, as the costs for the County’s services are significantly less than those of outside contractors.

In addition to the development of a website, WRWC staff has also been asked to develop a communal online work- space where staff can share, review and comment on documents. This document sharing routine would be developed using SharePoint, a Microsoft productivity tool, or other similar product, which would be accessible, by all WRWC/NNWPC members and staff, subject to Nevada Open Meeting Law compliance. The development of this component will require the expertise of a programmer with internal knowledge of, and access to, Washoe County’s networking and server systems. Staff proposes to contract with the County for Dale

Casale, a Certified Microsoft Application Developer, from the County's Department of Water Resource to accomplish this task.

**FISCAL IMPACT**

The fiscal impact to the Regional Water Management Fund for the current fiscal year is \$10,594 and is within the authorized annual budget. The fiscal impact for Fiscal Year 2009/2010 will be in an amount not to exceed the \$20,000 authorized budget for website development and maintenance. Budget authority is located in Fund Group 766, Fund 7066, Account Number 710100, Professional Services, Cost Object WP310700.7.

**RECOMMENDATION**

Staff recommends that the WRWC approve the proposed Interlocal Agreement, and authorize the Chairman to execute the Agreement.

**POSSIBLE MOTION**

“Move to approve the Interlocal Agreement with Washoe County, in amounts not to exceed \$10,594 for the current fiscal year, and \$20,000 for Fiscal Year 2009/2010, for development and maintenance of a website for the Western Regional Water Commission and the Northern Nevada Water Planning Commission, and authorize the Chairman to execute the Agreement”.

CW/jd

Attachment

**INTERLOCAL AGREEMENT**

**1) PARTIES**

This Interlocal Agreement ("Agreement") is entered into between the Western Regional Water Commission, a political subdivision of the State of Nevada, (the "WRWC") and Washoe County, ("County"), collectively the "Parties". In consideration of the mutual promises contained in this Agreement, the Parties agree as follows:

**2) RECITALS**

2.1 The Parties are public agencies as defined in NRS 277.100(1)(a).

2.2 NRS 277.180 provides that any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any public agency, entering into the contract, is authorized to perform.

2.3 On February 4, 2009, the Northern Nevada Water Planning Commission ("NNWPC") recommended approval of a budget and funding request for fiscal year 2008-2009 in the amount of \$10,594 for development of a Website for the WRWC and the NNWPC, including additional specialized programming related to operation and maintenance of the Website and related information technology (the "Project"), and approved the initial Scope of Work attached hereto as Exhibit "A".

**3) RIGHTS & DUTIES**

3.1 County

3.1.1 County shall provide, through its various department personnel, persons specified to perform any Scope of Work related to the Project and agreed upon in writing by the authorized representatives of both Parties ("Authorized Scope(s) of Work"). County shall submit invoices to the WRWC on a monthly basis for the work described in Authorized Scopes of Work and within the budget authority approved by the WRWC for the Project Work on the Project will progress and be completed as provided in any Authorized Scope of Work.

3.1.2 County's Contract Administrator will provide the WRWC, when appropriate, an electronic version of all final deliverables. All work product deliverables shall, at a minimum, be provided to the WRWC as follows:

One (1) complete final printed version.

One (1) complete final electronic version of each document in the current version of Adobe Acrobat PDF file format inclusive of all text and graphic work product. The file will be indexed and capable of text recognition using Adobe Reader and will be provided at a minimum resolution of 300 dots-per-inch.

One (1) copy of each deliverable element in its current native file format. Native formats for deliverables will be provided as follows: Text in Microsoft Word format; Spreadsheets in Excel format; Databases in Microsoft Access format; graphics in AutoCAD format, all native pre-modeling and post-modeling files and Geographic Information Systems (GIS) data in ESRI ArcMap/ArcInfo compatible file formats. Additionally, any and all native file formats specified in the Scope of Work.

3.1.3 County shall provide the WRWC's Contract Administrator with a periodic progress report, periodic cash flow projection, periodic fiscal report, and any other documentation as reasonably required. County shall, through its Contract Administrator, provide to the WRWC any information requested by the WRWC's Contract Administrator relating to any invoice submitted for payment. County shall submit to the WRWC, as provided in any Authorized Scope of Work, a completion report including all work product deliverables required by Paragraph 3.1.2, above.

3.1.4 County hereby designates its Acting Purchasing and Contracts Administrator as County's Contract Administrator for the Project.

3.2 The WRWC

3.2.1 The WRWC hereby designates its Water Resources Program Manager as its Contract Administrator for the Project.

3.2.2 Upon submission of an invoice for payment, pursuant to Paragraph 3.1.1 above, the WRWC's Contract Administrator shall promptly review the invoice, request any further information or documentation required, and process the invoice for payment within thirty (30) days following his approval.

3.2.3 The WRWC's Contract Administrator will hold payment of the final invoice for any Authorized Scope of Work until the final deliverable is received and accepted. The WRWC's Contract Administrator will have sole authority to accept or reject final deliverables based on completeness and consistency with the Authorized Scope of Work and will be responsible for final payment.

3.2.4 The WRWC, at its discretion, may conduct an audit of compliance with the terms of this Agreement, compliance with any Authorized Scope of the Work, and compliance with all applicable State, Federal and local laws, policies and procedures. Such audit shall be at the WRWC's expense.

3.2.5 The total amount of invoices paid pursuant to this Agreement shall not exceed the annual fiscal budget authority approved by the WRWC for the Project (\$10,594 for fiscal year 2008-2009 and \$20,000 for fiscal year 2009-2010), as the same may be revised and adjusted from time to time by the WRWC.

3.2.6 Approval of this Agreement by the Parties authorizes and delegates to their respective Contract Administrators, throughout the term of this Agreement, to approve in writing any number of authorized Scopes of Work and related costs, within the budget authority approved by the WRWC for the Project, as set forth in Paragraph 3.2.5, above.

### 3.3 Joint Rights and Responsibilities

3.3.1 Either Party may terminate this Agreement with a thirty (30) day advance written notice to the other.

3.3.2 This Agreement will remain in force for a period of two (2) years and may be extended for additional two years by mutual written Agreement.

3.3.3 The Parties agree to coordinate and use their best efforts to complete the Project and to collaborate in a timely manner in order to maximize the efficient use of funding and other resources.

**4) LIMITED LIABILITY AND INDEMNIFICATION**

4.1 LIMITED LIABILITY. The Parties will not waive and intend to assert available NRS chapter 41 liability limitations in all cases. Contract liability of both Parties shall not be subject to punitive damages. To the extent applicable, actual contract damages for any breach shall be limited by NRS 353.260 and NRS 354.626.

4.2 INDEMNIFICATION.

4.2.1. Consistent with paragraph (4.1) of this Contract, each Party shall indemnify, hold harmless and defend, not excluding the other's right to participate, the other Party from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of the indemnifying Party, its officers, employees and agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any Party or person described in this paragraph.

4.2.2 The indemnification obligation under this paragraph is conditioned upon receipt of written notice by the indemnifying Party within 30 days of the indemnified Party's actual notice of any actual or pending claim or cause of action. The indemnifying Party shall not be liable to hold harmless any attorneys' fees and costs for the indemnified Party's chosen right to participate with legal counsel.

**5) MISCELLANEOUS PROVISIONS**

5.1 This Agreement is binding upon and inures to the benefit of the Parties and their respective heirs, estates, personal representatives, successors and assigns.

5.2 This Agreement is made in, and shall be governed, enforced and construed under the laws of the State of Nevada.

5.3 This Agreement constitutes the entire understanding and agreement of the Parties with respect to the subject matter hereof, and supersedes and replaces all prior understandings and agreements, whether verbal or in writing, with respect to the subject matter hereof.

5.4 This Agreement may not be modified, terminated, or amended in any respect, except pursuant to an instrument in writing duly executed by the Parties.

5.5 In the event either Party brings any legal action or other proceeding with respect to the breach, interpretation, or enforcement of this Agreement, or with respect to any dispute relating to any transaction covered by this Agreement, the losing Party or Parties in such action or proceeding shall reimburse the prevailing Party or Parties therein for all reasonable costs of litigation, including reasonable attorneys' fees.

5.6 No delay or omission by either Party in exercising any right or power hereunder shall impair any such right or power or be construed to be a waiver thereof, unless this Agreement specifies a time limit for the exercise of such right or power or unless such waiver is set forth in a written instrument duly executed by the person granting such waiver. A waiver by any Party of any of the covenants, conditions, or agreements hereof to be performed by any other Party shall not be construed as a waiver of any succeeding breach of the same or any other covenants, agreement, restrictions or conditions hereof.

5.7 All notices, demands or other communications required or permitted to be given in connection with this Agreement, shall be in writing, and shall be deemed delivered when personally delivered to a Party (by personal delivery a Party's Contract Administrator designated herein) or, if mailed, three (3) business days after deposit in the United States mail, postage prepaid, certified or registered mail, addressed to the Parties as follows:

To WRWC:                    Jim Smitherman, Water Resources Program Manager  
   Western Regional Water Commission  
   4930 Energy Way  
   Reno, Nevada 89502

To County: Michael Sullens, Acting Purchasing and Contracts  
Administrator  
Washoe County  
P.O. Box 11130  
Reno, Nevada 89520

5.8 This Agreement is effective upon the date the last signing Party signs this Agreement (“Effective Date”).

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement.

WESTERN REGIONAL WATER COMMISSION

WASHOE COUNTY

Dated this \_\_\_ day of \_\_\_\_\_, 2009

Dated this \_\_\_ day of \_\_\_\_\_, 2009

By \_\_\_\_\_  
Mike Carrigan, Chairman  
Western Regional Water Commission

By \_\_\_\_\_  
David E. Humke, Chairman  
Washoe County Commission

APPROVED AS TO FORM:  
Rhodes Law Offices, Ltd.

ATTEST:

By \_\_\_\_\_  
John B. Rhodes, Legal Counsel

\_\_\_\_\_  
Amy Harvey  
Washoe County Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
David Watts-Vial  
Deputy District Attorney