

**WESTERN REGIONAL WATER COMMISSION
BOARD OF TRUSTEES
MINUTES**

Wednesday, March 20, 2013

The regular meeting of the Western Regional Water Commission (WRWC) Board of Trustees was held on Wednesday, March 20, 2013, at Sparks Council Chambers, 431 Prater Way, Sparks, Nevada.

- 1. Roll Call and Determination of presence of a Quorum** – Chairman Carrigan called the meeting to order at 10:45 a.m. There was a quorum present.

Commissioners Present:

Mike Carrigan, Chair
Jenny Brekhus
Steve Cohen
Vaughn Hartung
Kitty Jung
Geno Martini
Ron Smith

Representing:

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

Commissioners Absent:

Neoma Jardon
Margaret Reinhardt

Representing:

Truckee Meadows Water Authority
Sun Valley General Improvement District (SVGID)

2. Pledge of Allegiance

Chairman Carrigan asked Commissioner Smith to lead the Western Regional Water Commission in the Pledge of Allegiance.

3. Public Comment

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

4. Approval of Agenda (for possible action)

Commissioner Jung made a motion to approve the agenda. Commissioner Martini seconded the motion, which carried unanimously.

5. Approval of the minutes of the January 16, 2012 meeting (for possible action)

Commissioner Hartung made a motion to approve the minutes as submitted. Commissioner Cohen seconded the motion, which carried unanimously. Commissioner Brekhus abstained.

6. Review, discussion, and possible approval of the draft Western Regional Water Commission (“WRWC”) tentative budget for Fiscal Year 2013 - 2014; and, possible direction to staff regarding the time and place for a public hearing on the tentative budget – Jim Smitherman, WRWC, Water Resources Planning Manager

Mr. Smitherman presented the draft tentative budget, which will be brought back for a public hearing in May. He added that one page that was sent out in the packet was replaced at this

meeting. He explained that the tentative budget was approved by the Northern Nevada Water Planning Commission (NNWPC) with a recommendation for approval by the WRWC. He referred to a PowerPoint presentation (copy on file). The highlights included:

- 1.5% Regional Water Management Fund (“RWMF”) revenue projection = \$1.366 million
- Interest income is projected at approximately \$83,000
- Total revenue = approximately \$1.45 million, which is only slightly increased based on last year’s projections
- Estimated professional services = \$4.44 million
- Staff services = \$481,000, which covers three County employees, legal services and non-staff operating services
- Regional Water Planning projects = \$3,020,000, which includes acquisition of water rights (\$2.7 million) (6,700 acre-feet of water rights are required by the Truckee River Operating Agreement [TROA]) – Chairman Carrigan mentioned that water rights are going for approximately \$9,000 per acre-foot so that amount will purchase approximately 300 acre-feet. Mr. Smitherman agreed and added that the water rights market is currently favorable for purchases.

Mr. Smitherman summarized that those numbers make up the bulk of the budget. He added that the specific projects are listed in the staff report. He stated that last fiscal year’s total budget was not spent.

Mr. Smitherman stated that he is seeking a motion to approve or accept this tentative budget and schedule the public hearing for the budget on Thursday, May 16, 2013 at 9:30 a.m. The public hearing will be scheduled just prior to TMWA’s budget hearing.

Commissioner Cohen referred to the 1.5% RWMF and stated that the funds benefit the region and suggested that well owners should contribute to the fund. Commissioner Hartung asked if that would be a legislative issue, and Mr. Smitherman stated it would have to be.

Commissioner Cohen made a motion to approve the draft WRWC tentative budget for fiscal year 2013-2014, direct staff to submit and file the tentative budget as required by statute, and provide notice, as required by law, for the public hearing on the tentative budget on May 16, 2013 at 9:30 a.m. Commissioner Cohen mentioned that he would be out of town that meeting date. Commissioner Hartung seconded the motion, which carried unanimously.

7. Discussion and possible approval of a scope of work for an analysis of treatment alternatives at the Truckee Meadows Water Reclamation Facility (“TMWRF”), and funding in an amount not to exceed \$50,000 from the Regional Water Management Fund (“RWMF”); and, if approved, authorize the Chairman to execute an Interlocal Agreement with the City of Reno for that purpose – Jim Smitherman, and Terri Svetich, P.E., City of Reno. (For Possible Action)

Mr. Smitherman stated that Terri Svetich, City of Reno, brought forward this proposal to the NNWPC, which recommended approval by the WRWC.

Mr. Smitherman explained that Reno and Sparks are looking at alternatives for enhancing nutrient removal, primarily nitrogen, at TMWRF. He mentioned that Ms. Svetich was present and invited her to speak.

Ms. Svetich stated that she had a brief PowerPoint presentation (copy on file). She stated that the focus of this item is to examine different treatment options for the TMWRF. She explained that the City of Sparks is responsible for operation of the facility and the City of Reno is responsible for implementing the capital projects needed for the facility. She summarized that the two Cities work in partnership on the facility.

Ms. Svetich reported that the Nevada Division of Environmental Protection (“NDEP”) discharge permit for what goes into the river from the facility dictates the total maximum daily load (TMDL) or wasteload allocation (WLA). She explained that the maximum allowable discharge for TMWRF is 500 pounds per day (ppd) of nitrogen. She added that there are also TMDLs for total dissolved solids (TDS) and total phosphorus. She stated that at this time, the concern is total nitrogen.

Ms. Svetich stated that a number of projects have been done in an effort to reduce nitrogen loads, including river restoration downstream, water quality standards changes, TMDL changes and others. She added that NDEP is currently examining the water quality standards on Lahontan Reservoir, which stalled the TMDL revision effort. She explained that the nitrogen loads are much more stringent during the summer for TMWRF. She added that University of Nevada, Reno (“UNR”) Farms is one of the largest facilities in the state to receive reuse water, which helps with nitrogen loads because the water is not discharged to the river.

Ms. Svetich stated that reuse reductions have occurred based on some golf courses (prior users) closing. Another issue is that the nitrogen coming into the plant is changing. She explained that TMWRF is a very sophisticated water reclamation plant, which uses many biological processes.

Ms. Svetich reported that the flow to the river from the plant is approximately 21 million gallons per day (MGD). It is anticipated that when the plant reaches a discharge of 30 MGD, the 500 ppd maximum would be exceeded. She stated that based on the flows, alternative treatment processes need to be examined. In 2007 the plant was discharging approximately 350 ppd of total nitrogen; last year the plant was just under 500 ppd.

Ms. Svetich reported that Carollo Engineers submitted a scope of work to examine the alternatives, which include advanced coagulation, reverse osmosis (RO) (which is an expensive process), and advanced oxidation. She stated that the proposal amount is \$44,320. She added that staff requested that the consultant focus not only on the capital cost for the process but also the long-term maintenance costs and staff time, as well as the footprint of the processes. She explained that her request is a not to exceed amount of \$50,000. If approved by the WRWC, an Interlocal Agreement would need to be approved by Sparks and Reno City Councils. She invited questions from Commissioners.

Commissioner Smith asked if one process would be selected or perhaps a combination of the three. Ms. Svetich stated that one option would be selected, which would be most cost-effective and meet all of the objectives. Commissioner Smith asked what process is currently being used. Ms. Svetich stated that primarily bacteriological nitrification/denitrification towers are used, which has been expanded.

Commissioner Hartung stated that he is somewhat familiar with the RO process and added that it is a slow process to move the water through the membrane filter. He asked if it would slow the process for discharging water and force TMWRF to store water. Ms. Svetich stated she does not anticipate that issue and added that RO could be applied incrementally as a sidestream process. She added that the biggest concern she sees with RO is the power consumption and that it generates a concentrated waste-stream. She added that this type of question is the basis for the need for a consultant to examine the best alternative for TMWRF.

Chairman Carrigan asked if staff has considered the feasibility of using the Sparks denitrification plant across from Sparks Marina that is not being used. He added that the federal government paid for the facility, which was \$7 million when it was constructed 12 years ago. Ms. Svetich stated she did not have a good answer but agreed it should be explored.

Commissioner Hartung made a motion to approve funding not to exceed \$50,000 from the Regional Water Management Fund, for an analysis of treatment alternatives at the Truckee Meadows Water Reclamation Facility and authorize the Chairman to execute an Interlocal Agreement with the City of Reno for that purpose. Commissioner Martini seconded the motion, which carried unanimously.

8. Report on the Truckee Meadows Water Authority (“TMWA”) 2011 and 2012 Water Usage Review Program; discussion and possible approval of funding in the amount of \$131,116 from the RWMF for the 2013 and 2014 Water Usage Review Program; and, if approved, authorize the Chairman to execute an Interlocal Agreement with TMWA for that purpose – Jim Smitherman, WRWC and Andy Gebhardt, TMWA. (For Possible Action)

Mr. Smitherman reported that the NNWPC recommended that the WRWC approve two years of funding for TMWA’s Water Usage Review Program, which has been funded by the RWMF since 2008. He mentioned that Andy Gebhardt’s staff report was included in the packet and he was available to answer any questions.

Commissioner Martini made a motion to approve budgeted funding not to exceed \$131,116 from the RWMF, for the 2013 and 2014 Water Usage Review Program and authorize the Chairman to execute an Interlocal Agreement with TMWA for that purpose. Commissioner Smith seconded the motion, which carried unanimously.

9. Report on the WRWC presentation at the Nevada Legislature's March 5, 2013 Joint meeting of the Senate Committee on Natural Resources and the Assembly Committee on Natural Resources, Agriculture and Mining – Jim Smitherman

Mr. Smitherman reported that Chairman Carrigan and he attended a meeting of the Senate Natural Resources Committee and Assembly of Natural Resources. He stated that he provided a presentation; as did TMWA, Southern Nevada Water Authority, Washoe County and a few of the General Improvement Districts. He added that he thought the presentation was well-received. He stated that Assemblyman Daly asked if the Legislative Committee to Oversee the WRWC were to sunset by operation of law July 1, 2013, would the WRWC continue its work. Mr. Smitherman stated that his response was that the WRWC would continue its work required by statute. Chairman Carrigan mentioned that it sounds as though the oversight committee may cease to exist.

10. Report on legislative activities, including Bill Draft Requests for the 2013 session of the Nevada Legislature that may affect the WRWC / NNWPC, John Rhodes, WRWC Legal Counsel.

John Rhodes reported that he serves as legal counsel for the Western Regional Water Commission and the Northern Nevada Water Planning Commission (NNWPC), which is an advisory body to the WRWC.

Mr. Rhodes referred to the staff report, which lists 33 Bill Draft Requests ("BDRs") being tracked by the Legislative Subcommittee and staff. He stated that the bills that have been introduced include a hyperlink to the language and status. He explained that the Legislative Subcommittee has taken positions on the bills introduced to this point, which have basically been "neutral" or to continue to "watch". He explained that 11 of the 33 bills are water bills; 5 additional bills were introduced two days ago, two of which are related to water. He offered to track those bills moving forward.

Mr. Rhodes explained that the pending bills are noted with an Assembly ("AB") or Senate ("SB") designation, and the complete language of each Bill is available by clicking on the corresponding link contained in the electronic version of the report. WRWC staff and the WRWC Legislative Subcommittee will track these BDRs and Bills, recommend positions to be taken, and provide periodic updates to the WRWC/NNWPC.

Mr. Rhodes provided a brief update on the following bills:

- AB-4 would allow publication of legal notice by posting on a website for the local entities - the Subcommittee recommendation on this bill is "support".
- SB-74 would allow for an oral request for public records and require a response within five days – the Subcommittee recommendation on this bill is "do not support as written".
- AB-150 would create a legislative bureau of government oversight and provide a legislative review of local governments and agencies – the Subcommittee recommendation on this bill is "oppose".
- AB-169 would adopt a code of conduct for independent contractors and certain reporting requirements that may or may not affect the WRWC directly but would affect all member entities – the Subcommittee recommendation on this bill is "oppose".

Mr. Rhodes reported that he and Mr. Smitherman are both registered legislative lobbyists and are capable of providing testimony before committees and can meet individually with legislators as needed. He added that for the most part, they are following the bills but not attending each meeting.

Commissioner Brekhus asked who represents City of Reno on the Subcommittee. Mr. Rhodes reported that the members include Chairman Carrigan, Vice-Chairman Hartung and Commissioner Cohen. Chairman Carrigan added that the group does not include a representative from City of Reno.

Commissioner Cohen made a motion to approve and ratify the Subcommittee's recommendations as stated in the staff report. Commissioner Smith seconded the motion, which carried unanimously.

11. Discussion and possible direction to staff regarding agenda items for the May 16, 2013 meeting and other future meetings (for possible action)

Mr. Smitherman reported that the next meeting is tentatively scheduled for May 16, 2013. He stated that the agenda items would include:

- Budget Public Hearing
- Renewal of ongoing contracts
- Report on Legislative Activities

Mr. Smitherman stated that an April meeting could be scheduled but is not necessary. Members agreed to cancel the April meeting.

12. Commission Comments

Commissioner Cohen mentioned that Commissioner Hartung, Mr. Smitherman, Chris Wessel, Ron Penrose and he took a tour to the cloud seeding project on top of Alpine Meadows. He stated it was very interesting and added that it is money well spent and he learned a lot. Mr. Wessel agreed it was a great trip and he thanked the Commissioners for attending.

Comments were made about the benefit of the program to the ski resorts and the possibility that they should provide future funding.

Staff Comments

None

13. Public Comment

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

14. Adjournment

With no further business, the meeting was adjourned at 11:22 a.m.

Respectfully submitted by,

Niki Linn, Recording Secretary

Approved by Commission in session on _____ 2013.

Mike Carrigan, Chairman