

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

Wednesday, May 16, 2013

The regular meeting of the Western Regional Water Commission (WRWC) Board of Trustees was held on Wednesday, May 16, 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 9:30 a.m. There was a quorum present.

Commissioners Present:

Mike Carrigan, Chair
Sandra Ainsworth
Steve Cohen
Neoma Jardon
Geno Martini
Ron Smith

Representing:

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

Commissioners Absent:

Jenny Brekhus
Vaughn Hartung
Kitty Jung

Representing:

City of Reno
Washoe County
Truckee Meadows Water Authority

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

5. Approval of the minutes of the March 20, 2012 meeting (for possible action)

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

6. PUBLIC HEARING on the WRWC Tentative Budget for Fiscal Year (FY) 2013/2014; discussion and adoption of the WRWC Final Budget for Fiscal Year 2013/2014 - Jim Smitherman, WRWC Water Resources Program Manager (For Possible Action)

Chairman Carrigan opened the Public Hearing on the FY 2013/2014 Budget. Mr. Smitherman reported that the tentative budget was presented at the last WRWC meeting. Since that time, the budget was sent to the Department of Taxation and found in compliance. He added that a public notice was published in the newspapers, as required by law.

Mr. Smitherman reported that the draft FY 2013/2014 tentative budget projects \$1.45 million in total revenue, a little over \$5 million in expenses, with the difference coming from cash reserves in the amount of approximately \$3.575 million. He explained that the budget expenses include a maximum of \$4.4 million for technical services and activities related to regional water management planning, including

contracts with local governments and private enterprise. He added that approximately \$481,000 pays for three full-time staff, legal services and varying operating expenses. Non-staff related expenses are approximately \$103,000. He summarized those costs are unchanged for the past several years.

Mr. Smitherman offered to provide a presentation or answer any questions. Chairman Carrigan called for questions from commissioners.

Commissioner Smith asked if the budget includes the cloud seeding program by Desert Research Institute (DRI). Mr. Smitherman stated it does include \$100,000 for DRI's program.

Chairman Carrigan called for further questions from Commissioners or the public. Hearing no public comment, Chairman Carrigan closed the Public Hearing.

Commissioner Cohen made a motion to approve the budget as presented. Commissioner Smith seconded the motion, which carried unanimously.

7. Discussion and possible approval of extending three ongoing Interlocal Agreements for a period of one year, as follows:

7- A. Third Amendment to the Interlocal Agreement among the Western Regional Water Commission ("WRWC"), the Truckee Meadows Water Authority ("TMWA") and Washoe County (the "County") for reimbursement of certain expenses, not to exceed \$300,000, incurred in evaluating and implementing recommendations regarding integration/consolidation of public water purveyors;

Mr. Smitherman stated that this project has been ongoing for four years in the interest of consolidation of the water purveyors. He explained that the requested amount is \$300,000, which is the same amount as the last two years. The Interlocal Agreement is for the WRWC to reimburse TMWA and DWR for their consolidation-related expenses.

7-B. Fourth Amendment to the Interlocal Agreement with the City of Reno, in an amount not to exceed \$300,000, for the continuation of technical services by LimnoTech, Inc. ("LTI") for water quality planning related to the Truckee River total maximum daily load ("TMDL") and water quality standards ("WQS") for nutrients; and

Mr. Smitherman reported that this is an Interlocal Agreement with City of Reno for technical services provided by LimnoTech, Inc. (a private enterprise based in Michigan) for water quality planning, modeling and work in relation to the TMDLs and WQS. He explained that LimnoTech developed the computer model and performs updates and maintenance. The model predicts water quality based on different sources of pollution into the river. He stated that the work is very important in relation to the discharge from Truckee Meadows Water Reclamation Facility ("TMWRF"). The ongoing work will be to verify the most recent water quality data from sampling and compare it to the model. He added that LimnoTech is also working with the Nevada Division of Environmental Protection ("NDEP"), the Pyramid Lake Paiute Tribe and other stakeholders. He summarized that the requested amount is \$300,000 for an extension of the agreement, as budgeted.

7-C. Second Amendment to the Interlocal Agreement with the City of Reno, in an amount not to exceed \$262,500, to support the Truckee Meadows Storm Water Quality Management Program, and activities related to the implementation of the water quality and storm water drainage provisions of the Comprehensive Regional Water Management Plan; and, if approved, authorize the Chairman to execute the foregoing Amendments – Jim Smitherman. (For Possible Action)

Mr. Smitherman reported this item is an Amendment to the Interlocal Agreement with City of Reno to support the Truckee Meadows Storm Water Quality Management Program. Mr. Smitherman explained

that the program is federally required to meet the discharge permit. He summarized that the WRWC has funded the program for the past two years in the amount of not-to-exceed \$262,500 per year.

Chairman Carrigan called for questions and hearing none, invited a motion.

Commissioner Smith made a motion to approve the Interlocal Agreement for consolidation efforts. Commissioner Martini seconded the motion, which carried unanimously.

Commissioner Jardon made a motion to approve the Amendment to the Interlocal Agreement with the City of Reno for LimnoTech. Commissioner Martini seconded the motion, which carried unanimously.

Commissioner Jardon made a motion to approve the Amendment to the Interlocal Agreement with the City of Reno for the Truckee Meadows Storm Water Quality Management Program. Commissioner Martini seconded the motion, which carried unanimously.

8. Discussion and possible approval of an Interlocal Agreement with TMWA, in an amount not to exceed \$2,700,000, for the acquisition of water quality water rights to partially satisfy the 6,700 acre-feet water rights requirement in the Truckee River Operating Agreement (“TROA”), and if approved, authorize the Chairman to execute the Agreement – Jim Smitherman. (For Possible Action)

Mr. Smitherman stated that funding in the cash reserves for water rights acquisition related to the 6,700 acre-feet of water rights has been earmarked for the past three years. He reported that a draft agreement was developed with TMWA to perform the acquisition on behalf of Reno, Sparks and Washoe County, as required under TROA. He explained that \$2.7 million is available in the cash reserves. He added that he believes that approximately 3,000 acre-feet still need to be acquired.

Chairman Carrigan asked for example, if TMWA purchased 1,000 acre-feet for \$2,700 per acre-foot and that comes off the top (to reduce the total water rights required by TROA), how the funding would be divided between the entities, i.e., would the percentages previously used for the split among the entities be used for what is left over (the balance of water rights required by TROA). Mr. Smitherman stated that his understanding would be to do so. He added that the agreement does not allocate the funding among the three entities.

Chairman Carrigan stated that he believes this is a good use of funding because the entities do not have funding budgeted for the purchase.

Mr. Smitherman reported that the Agreement contemplates extensions so funding could continue in subsequent years as available.

Commissioner Martini made a motion to approve the Interlocal Agreement. Commissioner Jardon seconded the motion, which carried unanimously.

9. Discussion and possible direction to staff regarding agenda items for the September 18, 2013 meeting and other future meetings (for possible action)

Mr. Smitherman reported that there is no need to meet until September. He added that the next meeting is tentatively scheduled for September 18, 2013. He stated that the agenda items would include:

- Review and approve the financial statements and the annual financial audit
- Report on any significant legislative issues

10. Commission Comments

None

11. Staff Comments

None

12. Public Comment

Chairman Carrigan called for public comments.

Terri Svetich, Engineering Manager for City of Reno Public Works and Coordinator of the Truckee Meadows Storm Water Quality Management Program for Reno, Sparks and Washoe County, thanked the WRWC for approving the amendment to fund the Regional Storm Water Program. She added that the entities are all in the program together. She reported that the last Program audit by the Environmental Protection Agency (“EPA”) was performed in 2002, which resulted in direction to improve the program, implement construction site inspection programs and industrial site inspection programs, which have been in place since 2003.

Ms. Svetich stated that the entities have diligently implemented the program. She added that the EPA and NDEP are scheduled to audit the program in June 2013. She stated that staff anticipates the audit going smoothly with all entities working together. She reiterated her appreciation of the funding approval.

Commissioner Jardon asked what triggers an EPA audit. Ms. Svetich stated that it is a routine audit and added that typically NDEP is responsible for conducting audits, which was last performed in 2008. She stated that since it has been over ten years, EPA is conducting a routine audit.

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

13. Adjournment

With no further business, the meeting was adjourned at 9:45 a.m.

Respectfully submitted by,

Niki Linn, Recording Secretary

Approved by Commission in session on _____ 2013.

Mike Carrigan, Chairman

Note: DRAFT Minutes not approved by Board.