

# Western Regional Water Commission

## STAFF REPORT

**DATE:** March 15, 2018

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

**FROM:** Jim Smitherman, Water Resources Program Manager  
Chris Wessel, Water Management Planner

**SUBJECT:** Review, discussion, and possible approval of the draft Western Regional Water Commission (“WRWC”) tentative budget for Fiscal Year 2018 - 2019, and possible direction to staff regarding the time and place for a public hearing on the tentative budget.

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### **SUMMARY**

Staff has developed a draft Fiscal Year 2018 - 2019 tentative budget for the WRWC, including revenues and expenses for staff and non-staff professional services. The attached budget summary and worksheets show details for professional services related to priority projects and routine operating expenses. The Northern Nevada Water Planning Commission (“NNWPC”) held two workshops to review and prioritize projects, and allocate funding to projects deemed to be of the highest priority. On March 7, 2018, the NNWPC reviewed and approved the draft Fiscal Year 2018 - 2019 tentative budget and made a recommendation to the WRWC for approval.

### **BACKGROUND**

The WRWC is required to prepare and submit a tentative budget to the Nevada Department of Taxation on or before April 15, and to hold a public hearing on the tentative budget not sooner than the third Monday in May, and not later than the last day in May. NRS 354.596(4). The attached draft tentative budget is provided for WRWC review, discussion, possible approval, and possible direction to staff.

### **PREVIOUS ACTION**

None.

### **FISCAL IMPACT**

The fiscal year 2018 - 2019 draft tentative budget projects an estimated \$1,543,403 in revenue, \$2,335,566 in expenses, and an ending cash balance of approximately \$393,203. Budget expenses include a maximum of \$1,641,466 for WRWC work plan activities, \$617,400 for three full time staff and legal services, and various routine operating expenses in the amount of \$76,700.

**RECOMMENDATION**

Staff recommends that the WRWC approve the draft WRWC tentative budget for Fiscal Year 2018 - 2019, direct staff to submit the tentative budget to the Washoe County auditor, file the tentative budget for public inspection with the Washoe County Clerk, and the Nevada Department of Taxation, and establish a time and date of 9:00 a.m. on Wednesday, May 23, 2018, or other appropriate time and date, for the public hearing on the tentative budget.

**POSSIBLE MOTION**

"Move to approve the draft WRWC tentative budget for fiscal year 2018 - 2019, 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 at 9:00 a.m. on Wednesday, May 23, 2018 (or any other appropriate time and date)."

CW:jp

Attachment: Draft WRWC Fiscal Year 2018 - 2019 Tentative Budget

**Western Regional Water Commission  
Fiscal Year July 1, 2018 - June 30, 2019  
Tentative Budget Summary Worksheet**

Budget Category	1.5% WMF	NOTE	Washoe County In-Kind	NOTE	TMWA In-Kind	NOTE	SVGID In-Kind	NOTE
REVENUE	Amount		Amount		Amount		Amount	
Estimated Water Surcharge Revenues	1,479,124							
Grant and/or Other Revenue	40,000							
Estimated Interest Income	24,279							
<b>Total Revenue</b>	<b>1,543,403</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 (Page 2)	1,641,466	1						
Staff Services (Page 3)	617,400	2,3	0				0	
Non-Staff Services (Page 3)	76,700							
<b>Total Professional Services/Supplies</b>	<b>2,335,566</b>		<b>0</b>				<b>0</b>	
<b>OTHER EXPENSES</b>	<b>Amount</b>		<b>Amount</b>		<b>Amount</b>		<b>Amount</b>	
Estimated Misc.			0					
<b>Total Other Expense</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>	
<b>Total Expenses</b>	<b>2,335,566</b>		<b>0</b>		<b>0</b>		<b>0</b>	

**Net Decrease in Cash Reserves (\$792,163)**

Cash Balance as of 7/1/17	\$1,175,122
Estimated 2017/2018 Revenue (Cash Flow)	1,491,070
Estimated 2017/2018 expenditures (Page 4)	(\$1,480,827)
Estimated cash balance as of 7/1/18	\$1,185,366
<b>Net Decrease in Cash Reserves for FY 2018-19</b>	<b>(\$792,163)</b>
Estimated cash balance as of 6/30/19	\$393,203

**NOTES:**

- Proposed budget provides legal spending authority for projects yet to be approved by the WRWC upon recommendations provided by the NNWPC.
- Proposed budget provides legal spending authority for contract staff services previously approved by the WRWC.
- Includes Washoe County estimate for overhead: human resources, information technology, office space, utilities, computer hardware, software, copier, supplies, routine/administrative and GIS/drafting services.

### Tentative Professional Services Budget Detail Fiscal Year 2018/2019

Professional Services Project Name	2018/2019 Budget Total	Expense Description/Example
<i>DRI Cloud Seeding</i>	50,000	Pending FY18-19 ILA with DRI
<i>Precipitation Monitoring</i>	20,000	Pending FY18-19 Amendment to ILA with DRI
<b>Regional Water Planning Projects</b>	<b>70,000</b>	<b>NNWPC Ranking Vote Total 11</b>
<i>Washoe ET Project</i>	10,000	Pending FY18-19 Amendment to ILA with DRI
<i>Water Usage Review Program</i>	100,000	Pending FY18-19 Amendment to ILA with TMWA
<i>Certified Landscape Technician Program</i>	12,500	Pending FY18-19 Amendment to ILA with NLA
<b>Regional Water Conservation</b>	<b>122,500</b>	<b>NNWPC Ranking Vote Total 6</b>
<i>Integrated Wastewater and Reclaimed Water Planning</i>	200,000	Pending multi-year ILA with UNR/Nevada Water Innovation Campus Project
<i>Advanced Water Treatment Demonstration</i>	208,466	Pending FY18-19 Amendment to multi-year ILA with UNR
<i>Reclaimed Water Planning</i>	175,000	Pending Project Proposal
<b>Regional Reclaimed Water Planning Projects</b>	<b>583,466</b>	<b>NNWPC Ranking Vote Total 28</b>
<i>Storm Water GIS Mapping</i>	100,000	Pending Project Proposal
<i>Watershed Management Plan Update</i>	200,000	Pending FY18-19 Amendment to ILA with City of Reno
<i>NPDES Storm Water Permit Update</i>	63,000	Pending FY18-19 ILA with City of Reno
<i>NPDES Storm Water Quality Management Program</i>	262,500	Pending FY18-19 Amendment to ILA with City of Reno
<b>Regional Storm Water Planning Projects</b>	<b>625,500</b>	<b>NNWPC Ranking Vote Total 25</b>
<i>Localized Flooding</i>	160,000	Closed Basin Flooding/Evaluation of Ditch Flooding
<b>Regional Flood Control Planning Projects</b>	<b>160,000</b>	<b>NNWPC Ranking Vote Total 7</b>
<i>Regional Wastewater Flow Projections</i>	20,000	Pending Project Proposal
<i>Modeling for Water Quality Standards and TMDL Compliance</i>	20,000	Retain LTI for future needs
<b>Regional Wastewater Planning Projects</b>	<b>40,000</b>	<b>NNWPC Ranking Vote Total 14</b>
<i>NNWPC/WRWC Website Update/GIS Mapping</i>	10,000	
<i>Water Management Plan Update</i>	30,000	Possible future Plan Amendment
<b>Comprehensive Plan</b>	<b>40,000</b>	
<b>Totals</b>	<b>\$1,641,466</b>	

Note: Budget amounts may be transferred between categories

## Western Regional Water Commission Tentative Routine Operation Budget Fiscal Year 2018/2019

		2018/2019 Annual Routine Operating Budget Total	Expense Description/Example
<b>WRWC Employees</b>	Staff Services	\$430,000	Cost of <i>Support Staff</i> services as defined by employee services contract entered into between Washoe County and WRWC. Includes finance and administrative staff labor cost
<b>Washoe County Overhead</b>		\$40,000	Based on analysis of fy17-18 actual general fund overhead (excludes labor)
<b>Mileage Expenses</b>		\$2,400	Annual routine daily vehicle mileage expenses.
<b>Legal Services</b>		\$144,000	Cost of <i>Legal Counsel</i> services as defined by contract as entered into between Rhodes Law Office and WRWC
<b>Lobbying Registration</b>		\$1,000	Cost of registration for staff members as state lobbyists
<b>Staff Services Subtotal</b>		<b>\$617,400</b>	
<b>Minutes</b>	Non-Staff Services	\$15,000	Annual service contract to provide for recording of meetings, transcription of minutes and document editing.
<b>Website</b>		\$25,000	Such as website content and design services; annual website updating, maintenance, and hosting; specialized programming services; digital library development and updating; hosting, development and maintenance of databases; licensing fees, software and software updates, training/programming reference materials.
<b>Video Coverage</b>		\$5,000	Annual expense for video coverage of WRWC and NNWPC meetings.
<b>CAFR &amp; Audit</b>		\$8,700	Annual expense for CAFR development and financial audit.
<b>Regional Training</b>		\$1,000	Cost of training for staff members <i>not covered by in-kind services</i> including registration and other miscellaneous cost such as reference materials, field trips, etc.
<b>Regional Travel</b>		\$1,000	Cost of travel for staff members <i>not covered by in-kind services</i> including transportation services, mileage reimbursement, lodging, meals, and other miscellaneous cost such as parking, etc.
<b>Advertising</b>		\$1,000	Such as advertising and legal notices.
<b>Misc. Operating</b>		\$20,000	Such as printing & reproduction, publications, and public notices, refreshments for volunteer boards/commissions, GIS and other in-house member agency support (not covered by in-kind services), equipment & supplies (i.e. computers, computer related supplies such as CDs, DVDs, etc.), projectors, printers, poster board, reproduction services, software licensing and fees, labels, business cards, periodicals, subscriptions, books, postage & mailing, promotion and public materials, misc. equipment rental, insurances, staff office supplies, and other expenses not included as part of overhead.
<b>Non-Staff Services Subtotal</b>		<b>\$76,700</b>	
<b>Totals</b>		<b>\$694,100</b>	

Estimated Expenditures Fiscal Year 2017/2018

Description	Total Estimated Fiscal 2017/2018 Expenditure as of 6/30/18
WRWC Employees	393,474
Mileage Expenses	2,400
WRWC Overhead	42,500
Legal Services	139,200
Lobbying Services	-
<b>Service Contract Subtotal</b>	<b>577,574</b>
Minutes	5,000
Website	15,000
Envision/Sosu	5,000
CAFR & Audit	8,700
Regional Training	215
Regional Travel	-
Advertising	1,000
Misc. Operating	5,500
<b>Non-Service Related Routine Operating Subtotal</b>	<b>40,415</b>
<b>Routine Operating Expense Subtotals</b>	<b>617,989</b>
<i>TROA 6700 AF Water Rights Requirement</i>	37,986
<i>Precipitation Monitoring</i>	31,660
<b>Regional Water Planning</b>	<b>69,646</b>
<i>DRI Cloud Seeding</i>	100,000
<i>Cloud Seeding Monitoring</i>	15,147
<i>Washoe ET Project</i>	10,000
<i>Water Usage Review Program</i>	100,000
<i>Certified Landscape Technician Program</i>	12,500
<b>Conservation, Sustainability, Climate Change</b>	<b>237,647</b>
<i>Bedell Flat Infiltration</i>	-
<i>Bedell Flat Infiltration Grant</i>	-
<i>Regional Effluent Management Strategy</i>	18,112
<i>Integrated Wastewater and Reclaimed Water System Planning</i>	175,000
<b>Regional Reclaimed Water Planning Projects</b>	<b>193,112</b>
<i>Watershed Management Plan Update</i>	66,467
<i>TMRPA Regional Storm Water GIS Map Project</i>	21,000
<i>NPDES Storm Water Permit Update</i>	-
<i>NPDES Storm Water Quality Management Program</i>	262,500
<b>Regional Storm Water Planning Projects</b>	<b>349,967</b>
	-
<b>Regional Flood Control Planning Projects</b>	<b>-</b>
<i>N &amp; P Reduction in watershed</i>	-
<i>Water Quality Standards and TMDL Review, and Compliance</i>	-
<i>Septic System Mitigation Planning</i>	-
<b>Regional Wastewater Planning Projects</b>	<b>-</b>
<i>Plan Update</i>	-
<i>RWMP Update-Editing</i>	2,466
<i>TMRPA Sustainability Study</i>	10,000
<b>Water Management Plan</b>	<b>12,466</b>
<b>Project Subtotal</b>	<b>862,838</b>
<b>Totals</b>	<b>1,480,827</b>