

# Western Regional Water Commission

## STAFF REPORT

**DATE:** March 14, 2019

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

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

**SUBJECT:** Review, discussion, and possible approval of the WRWC tentative budget for Fiscal Year 2019 - 2020, 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 2019 - 2020 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 6, 2019, the NNWPC reviewed and approved the draft Fiscal Year 2019 - 2020 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 2019 - 2020 draft tentative budget projects an estimated \$1,596,880 in revenue, \$2,239,986 in expenses, and an ending cash balance of approximately \$403,115. Budget expenses include a maximum of \$1,658,745 for WRWC work plan activities, \$534,541 for three full time staff and legal services, and various routine operating expenses in the amount of \$46,700.

**RECOMMENDATION**

The NNWPC recommends that the WRWC approve the draft WRWC tentative budget for Fiscal Year 2019 - 2020. Staff further recommends direction 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 an appropriate time on Thursday, May 23, 2019, or any 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 2019 - 2020, 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 an appropriate time on Thursday, May 23, 2019 (or any other appropriate time and date)."

CW:jp

Attachment: Draft WRWC Tentative Budget for Fiscal Year 2019 - 2020

**Western Regional Water Commission  
Fiscal Year July 1, 2019 - June 30, 2020  
Tentative Budget Summary Worksheet**

Budget Category	1.5% WMF	NOTES
<b>REVENUE</b>	<b>Amount</b>	
Estimated Water Surcharge Revenues	1,537,564	
Grant and/or Other Revenue	40,000	
Estimated Interest Income	19,316	
<b>Total Revenue</b>	<b>1,596,880</b>	
<b>PROFESSIONAL SERVICES/SUPPLIES</b>	<b>Amount</b>	
Estimated Professional Services (Page 2)	1,658,745	1
Staff Services (Page 3)	534,541	2,3
Non-Staff Services (Page 3)	46,700	
<b>Total Professional Services/Supplies</b>	<b>2,239,986</b>	
<b>OTHER EXPENSES</b>	<b>Amount</b>	
Estimated Misc.		
<b>Total Other Expense</b>	<b>0</b>	
<b>Total Expenses</b>	<b>2,239,986</b>	

**Net Change in Cash Reserves (\$643,106)**

Cash balance as of 7/1/18 (from Audit)	\$1,295,606
Estimated 2018/2019 revenue (Cash Flow)	1,531,792
Estimated 2018/2019 expenditures (Page 4)	(\$1,781,177)
Estimated cash balance as of 7/1/19	\$1,046,221
<b>Net change in cash reserves for FY 2019-20</b>	<b>(\$643,106)</b>
Estimated cash balance as of 6/30/20	\$403,115

**NOTES:**

- Proposed budget 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.
- 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 2019/2020**

<b>Professional Services Project Name</b>	<b>2019/2020 Budget Total</b>	<b>Expense Description/Example</b>
<i>Climate Variability Data Assessment</i>	0	
<i>Precipitation Monitoring</i>	20,000	Pending FY18-19 Amendment to ILA with DRI
<b>Regional Water Planning Projects</b>	<b>20,000</b>	<b>NNWPC Ranking Vote Total 11</b>
<i>Washoe ET Project</i>	10,000	Pending FY18-19 Amendment to ILA with DRI
<i>DRI Cloud Seeding</i>	0	Pending FY18-19 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>Regional Effluent Management Planning Guidance Document</i>	187,728	Multi-year ILA with UNR/Nevada Water Innovation Institute (NWII)
<i>Advanced Water Treatment Demonstration</i>	238,017	FY18-19 Amendment to multi-year ILA with UNR
<i>Reclaimed Water Planning - Expert Panel</i>	30,000	Pending Project Proposal
<i>Reclaimed Water Planning - Data Instincts</i>	50,000	Multi-year Contract with Data Instincts
<i>Reclaimed Water Planning NWII A+ Leadership</i>	40,000	Pending ILA with UNR
<i>Bedell Flat Infiltration Grant</i>	40,000	208 grant (40K; see Grant and/or Other Revenue; Page 1)
<b>Regional Reclaimed Water Planning Projects</b>	<b>585,745</b>	<b>NNWPC Ranking Vote Total 28</b>
<i>Integrated Source Water Protection Program</i>	0	
<i>Storm Water GIS Mapping</i>	0	Pending Project Proposal
<i>Watershed Management Plan Update</i>	75,000	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>400,500</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
<i>N &amp; P Reduction in Watershed</i>	0	
<b>Regional Wastewater Planning Projects</b>	<b>40,000</b>	<b>NNWPC Ranking Vote Total 14</b>
<i>Project Contingency Funds</i>	300,000	
<i>Water Management Plan Update</i>	30,000	Possible future Plan Amendment
<b>Comprehensive Plan</b>	<b>330,000</b>	
<b>Totals</b>	<b>\$1,658,745</b>	

Note: Budget amounts may be transferred between categories

**Western Regional Water Commission  
Tentative Routine Operation Budget Fiscal Year 2019/2020**

		<b>2019/2020 Annual Routine Operating Budget Total</b>	<b>Expense Description/Example</b>
<b>WRWC Employees</b>		\$412,925	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
Salaries and benefits for WRWC staff		\$374,000	
GF OH OPEB - allocated		\$29,725	
Support Services from CSD F&A		\$9,200	
<b>Washoe County Overhead</b>	Staff Services	\$12,616	Based on analysis of fy17-18 actual general fund overhead (excludes labor)
GF OH Utilities - direct		\$497	
GF OH - direct		\$1,697	
GF OH - allocated		\$10,422	
<b>Mileage Expenses</b>		\$1,000	Annual routine daily vehicle mileage expenses.
<b>Legal Services</b>		\$108,000	Cost of <i>Legal Counsel</i> services as defined by contract as entered into between Rhodes Law Office and WRWC
<b>Lobbying Registration</b>		\$0	Cost of registration for staff members as state lobbyists
<b>Staff Services Subtotal</b>		<b>\$534,541</b>	
<b>Minutes</b>	Non-Staff Services	\$5,000	Annual service contract to provide for recording of meetings, transcription of minutes and document editing.
<b>WRWC Tech Services</b>		\$2,500	Such as 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 and website content and design services.
<b>TRIG Server Hosting and Support</b>		\$7,500	
<b>TMRPA Server and Hosting</b>		\$5,000	
<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>	\$10,000	Such as printing & reproduction, publications, and public notices, refreshments for volunteer boards/commissions, general tech service support, 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>\$46,700</b>	
<b>Totals</b>		<b>\$581,241</b>	

Estimated Expenditures Fiscal Year 2018/2019

Description	Total Estimated Fiscal 2018/2019 Expenditure as of 6/30/19
<b>WRWC Employees</b>	393,474
Salaries and benefits for WRWC staff	
GF OH OPEB - allocated	
Support Services from CSD F&A	
<b>Mileage Expenses</b>	2,400
<b>WRWC Overhead</b>	42,500
GF OH Utilities - direct	
GF OH - direct	
GF OH - allocated	
<b>Legal Services</b>	139,200
<b>Lobbying Services</b>	600
<b>Service Contract Subtotal</b>	<b>578,174</b>
<b>Minutes</b>	5,000
<b>Website</b>	15,000
<b>Envision/Sosu</b>	5,000
<b>CAFR &amp; Audit</b>	8,700
<b>Regional Training</b>	1,500
<b>Regional Travel</b>	-
<b>Advertising</b>	1,000
<b>Misc. Operating</b>	6,700
<b>Non-Service Related Routine Operating Subtotal</b>	<b>42,900</b>
<b>Routine Operating Expense Subtotals</b>	<b>621,074</b>
<i>TROA 6700 AF Water Rights Requirement</i>	10,000
<i>Precipitation Monitoring</i>	20,000
<b>Regional Water Planning</b>	<b>30,000</b>
<i>Washoe ET Project</i>	10,000
<i>DRI Cloud Seeding</i>	150,000
<i>Water Usage Review Program</i>	100,000
<i>Certified Landscape Technician Program</i>	12,500
<b>Conservation, Sustainability, Climate Change</b>	<b>272,500</b>
<i>Advanced Water Treatment Demonstration</i>	153,607
<i>Bedell Flat Infiltration</i>	40,000
<i>Regional Effluent Management Strategy</i>	386
<i>Nevada Water Innovation Institute</i>	25,000
<i>Reclaimed Water Planning - Expert Panel</i>	30,000
<i>Reclaimed Water Planning - NWII A+ Leadership</i>	40,000
<i>Reclaimed Water Planning - Data Instincts Public Outreach</i>	50,000
<i>Regional Effluent Management Planning Guidance Document</i>	181,110
<b>Regional Reclaimed Water Planning Projects</b>	<b>520,103</b>
<i>NPDES Storm Water Quality Management Program</i>	262,500
<i>NPDES Storm Water Permit Update</i>	-
<i>Watershed Management Plan Update</i>	75,000
<i>TMRPA Regional Storm Water GIS Map Project</i>	-
<b>Regional Storm Water Planning Projects</b>	<b>337,500</b>
<i>Localized Flooding</i>	-
<b>Regional Flood Control Planning Projects</b>	-
<i>Regional Wastewater Flow Projections</i>	-
<i>Modeling for Water Quality Standards and TMDL Compliance</i>	-
<b>Regional Wastewater Planning Projects</b>	-
<i>NNWPC/WRWC Website Update/GIS Mapping</i>	-
<i>Plan Update</i>	-
<b>Water Management Plan</b>	-
<b>Project Subtotal</b>	<b>1,160,103</b>
<b>Totals</b>	<b>1,781,177</b>