

NORTHERN NEVADA WATER PLANNING COMMISSION AGENDA

Wednesday, September 2, 2009
1:30 p.m.

Reno City Council Chambers
One East First Street
Reno, Nevada

1. Roll Call and determination of presence of a quorum.
2. Approval of agenda.
3. Approval of the minutes from the June 3, 2009, meeting.
4. Public Comments. * (Three-minute time limit per person.)
5. Introduction of Stan Shumaker, the newly appointed Truckee Meadows Water Reclamation Facility representative to the Northern Nevada Water Planning Commission (NNWPC), Wayne Seidel, Chairman. *
6. Presentation of Resolution of Appreciation to Greg Dennis in recognition of his exemplary service to the NNWPC, Wayne Seidel.
7. Presentation of Resolution of Appreciation to Michael Cameron in recognition of his exemplary service to the NNWPC, Wayne Seidel.
8. Discussion and possible recommendation to the Western Regional Water Commission (WRWC) to appoint a replacement for Michael Cameron as the Voting Public At Large Member of the NNWPC, to represent environmental, biological, conservation or public concerns, and possible direction to staff, Jim Smitherman, NNWPC Water Resources Program Manager.
9. Discussion and possible recommendation to the WRWC to approve an Agreement for Legal Services for the WRWC and the NNWPC with Rhodes Law Offices, Ltd. for the period November 1, 2009 through October 31, 2011, Jim Smitherman, and John Rhodes, Legal Counsel.
10. Status report on possible integration/consolidation of the Washoe County Department of Water Resources and the Truckee Meadows Water Authority, Jim Smitherman. *

11. Program Manager's Report, Jim Smitherman *
 - a. Status Report of Projects and Work Plan supported by the Regional Water Management Fund
 - b. Financial report on the Regional Water Management Fund
 - c. Truckee River Flood Management Project status report
 - d. Informational report from the NNWPC representative on the Truckee Meadows Water Authority Standing Advisory Committee
12. Discussion and possible direction to staff regarding agenda items for the October 7, 2009, Commission meeting and future meetings, Jim Smitherman.
13. Commission comments. *
14. Staff comments. *
15. Public Comments. * (Three-minute time limit per person.)
16. Adjournment.

*Indicates a non-action item

Notes: Items on the agenda without a time designation may not necessarily be considered in the order in which they appear. The Commission 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 954-4665, 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), the Northern Nevada Water Planning Commission (NNWPC) website: <http://www.washoecounty.us/water/nnwpc.htm>, and the Western Regional Water Commission's (WRWC) website: <http://www.wrwc.us/meetings.html>

**NORTHERN NEVADA WATER PLANNING COMMISSION
MINUTES**

DRAFT

Wednesday, June 3, 2009

The regular meeting of the Northern Nevada Water Planning Commission (NNWPC) was held on Wednesday, June 3, 2009 in the Reno City Council Chambers, One East First Street, Reno, Nevada.

- 1. Roll Call and determination of presence of a quorum** – In Chairman Seidel’s absence, Vice-Chairman Ball called the meeting to order at 1:39 p.m. There was a quorum present.

Voting Members Present:

George W. Ball, Jr., Vice-Chairman
Michael J. DeMartini
Greg Dennis
John Erwin (arrived at 2:02 p.m.)
John Jackson
Neil Mann
Rosemary Menard
Jerry Schumacher

Voting Members Absent:

Wayne Seidel, Chairman
Michael Cameron
Darrin Price

Non-Voting Members Present:

John Bird
Harry Fahnestock
Jon Palm

Non-Voting Members Absent:

Ray Davis
Kelvin Hickenbottom
David Noble

Staff Members Present:

Jim Smitherman
Chris Wessel
John Rhodes, Legal Counsel

2. Approval of the agenda.

Commissioner Dennis made a motion to approve the June 3, 2009 NNWPC agenda as posted. Commissioner Menard seconded the motion, which carried unanimously.

3. Approval of the minutes from the May 6, 2009 meeting.

The minutes of the May 6, 2009 NNWPC meeting were submitted for approval. Commissioner Dennis made a motion to approve the minutes as submitted. Commissioner Schumacher seconded the motion, which carried unanimously.

4. Public Comments.

Vice-Chairman Ball called for public comments.

Cathy Brandhorst made several comments not related to water issues.

Vice-Chairman Ball called for further comments and hearing none, closed the public comment period.

5. Informational report on the Chalk Creek Watershed Project funded by the Truckee River Fund.

Vice-Chairman Ball welcomed Terri Svetich, Senior Civil Engineer for City of Reno and Coordinator for the Truckee Meadows Stormwater Quality Management Program. Ms. Svetich stated that funding was provided from the Regional Water Management Fund for two significant projects related to the Chalk Creek Project. The first was the Non-Point Source Pollution Trading Analysis report by Tetra Tech, ECO:LOGIC Engineering, Desert Research Institute (DRI) and Sue Oldham, Esq. The report identified

Chalk Creek as one of the top three non-point source pollution trading options for Total Dissolved Solids (TDS). Based on the findings, the Regional Water Planning Commission (RWPC) funded the Watershed Management and Protection Plan for Tributaries of the Truckee River.

Ms. Svetich reported that City of Sparks and City of Reno teamed up and applied for a grant via the Truckee River Fund to install a weir and purchase monitoring equipment. The monitoring verified that the TDS level runs approximately 2,600 to 2,700 milligrams per liter (mg/l) with a flow of 0.5 cubic feet per second (cfs) year-round.

Ms. Svetich stated that based on the findings, a multi-faceted approach was desired to characterize and document the Chalk Creek watershed, improve geomorphology and habitat, and evaluate mitigation strategies/recommendations to reduce TDS. Also included was a public outreach and education program within the sub-watershed.

Ms. Svetich reported that the selected team for the project includes, JBR Environmental Consultants, ECO:LOGIC Engineering, and Olsen and Associates. She invited John Enloe, ECO:LOGIC, to speak.

Mr. Enloe reviewed a brief Power Point presentation. He stated that ECO:LOGIC was hired several months ago to examine the feasibility of different treatment alternatives to reduce the TDS, with a secondary objective of reducing nutrients. He added that it was a planning level feasibility study. He stated that ECO:LOGIC met with a number of others to study the feasibility and effectiveness, as well as a rough cost estimate for each alternative. A ranking matrix was developed to prioritize the most suitable alternatives, from which the top three were further investigated for feasibility.

Mr. Enloe referred to the list of treatment and non-treatment alternatives that were identified and gave a brief overview of the pros and cons of each. The water treatment processes included conventional reverse osmosis (RO), advanced membrane, ion exchange, and chemical precipitation. The biological treatment processes include sulfate reducing wetlands and a sulfate reducing bioreactor. The non-treatment alternatives include export to ditch (Orr or Highland), playa disposal (North Valleys), blending with Chalk Bluff influent, deep well injection, evaporation and source control.

Mr. Enloe reported that the study showed that the scoring for the alternatives indicated no clear, strong alternative. He stated that the final ranking resulted in:

- 1) Source control (5.75 points)
- 2) Export via Orr Ditch (5.60 points)
- 3) Advanced VSEP membrane (5.60 points)

Mr. Enloe stated that exporting via the Orr Ditch is a viable alternative that could be implemented seasonally. He added that the creek is piped across the Orr Ditch. He summarized that the VSEP membrane process would be very expensive, exceeding \$10 million. He added that source control would be a good first start in minimizing the flow that reaches the river. He suggested as an interim measure, pursuing the implementation of the Orr Ditch option, which is essentially a no-cost option.

Commissioner DeMartini mentioned the Orr Ditch alternative and the inability to utilize it in the winter. He asked if it would be possible to put the water into the Chalk Bluff treatment plant during the winter. Mr. Enloe stated that the possibility was discussed with Truckee Meadows Water Authority (TMWA); however, unless the water was treated before going to the treatment plant, it would not be a good option due to the pesticides, herbicides, etc. He summarized that a water treatment operator would not want to add poor quality source water to the drinking water system.

Mr. Enloe turned the presentation over to Molly Reeves, JBR Environmental. Ms. Reeves stated that her presentation would focus on the watershed characterization of Chalk Creek. She referred to a map that shows the location of the watershed. She reported that the goals were to identify flow inputs to Chalk Creek, identify sources of TDS and nutrients, evaluate mitigation measures to reduce TDS and nutrient

loading, and improve geomorphology and habitat.

Ms. Reeves reviewed the project tasks. She referred to infrared aerial photos of the watershed comparing 1980 to 2006. She stated that in 1980 the watershed was not yet developed so there was no riparian vegetation at the bottom of the drainage, indicating there was no perennial hydrology source prior to development of the watershed. She referred to the water quality monitoring locations and the associated TDS and sulfate concentrations.

Ms. Reeves reported that rather than analyzing soils from the watershed, JBR infiltrated water through the soils and analyzed the leachate, which was high in sulfate and TDS. She summarized that the source of the sulfate in the watershed is from leaching of the minerals from the geologic material.

Ms. Reeves stated that the next steps include installing mitigation geomorphic treatments, including permanent erosion controls for stabilization, or flow dissipation to increase infiltration, and increase riparian vegetation. She reported that also in conjunction with University of Nevada, Reno (UNR), City of Reno and the Truckee River Fund, an investigation will be performed on the potential for treatment of sulfate, selenium, and nutrients in a pilot wetland. She lastly referred to the treatment wetland schematic.

Ms. Svetich thanked Mr. Enloe and Ms. Reeves. She also thanked the Truckee River Fund for making the project possible. She stated that the Public Outreach program would be developed by Olsen and Associates, which is currently conducting a survey within the watershed to assess the knowledge of the residents related to watering practices. She stated that the effort is being tied into some of the work being done by TMWA related to their conservation efforts. She summarized that based on the results; the hope is to target the source control. She added that the plan is to apply the successes to the entire watershed. She welcomed questions or comments from Commissioners.

Commissioner Menard referred to the pilot project, which JBR intends to implement and asked if the project is funded. Ms. Svetich stated yes, it is funded by the Truckee River Fund.

Commissioner Menard referred to the issue of over-watering and asked if there is a plan to assist with funding technical solutions, such as evapo-transpiration (ET) controllers. Ms. Svetich stated yes and added that discussions are ongoing with TMWA to utilize their staff and their approaches. She added that they have also been working on how to identify and coordinate with the homeowner's associations and large water users.

Commission Erwin referred to the wetland pilot program mentioned by Ms. Reeves and asked if a location had been selected. Ms. Svetich stated that the area selected for the pilot project is close to Simons toward the freeway. She added the area is near a trail so with proper signage, the public will be aware of the goals of the project. Ms. Reeves referred to the map and showed where the pilot program would be implemented.

Vice-Chairman Ball asked when the treatment pilot test is scheduled to begin. Ms. Svetich stated that the project team includes UNR and introduced Keith White, a graduate student and stated that Dean Adams is also involved. Ms. Reeves stated that the project is still in the design phase, which began March 1, 2009. She stated that the hope is to begin permitting and construction in July. She added that the monitoring period is just beginning and anticipated to last approximately 13 to 14 months.

Vice-Chairman Ball asked Mr. Enloe, regarding the alternative of discharging directly to the Orr Ditch, if it was analyzed to discharge 365 days per year, whether or not it had water. Mr. Enloe stated that no, they did not because during the winter many times the ditch gates are opened so the ditch acts as a stormwater conveyance facility. Vice-Chairman Ball asked Ms. Svetich if consideration has been given to trying to expedite permission to discharge to the Orr Ditch. Ms. Svetich stated that process has not been initiated because it just recently came to light as a very viable option. She added that she does not know how well it would be received and therefore, some groundwork is needed.

Commissioner DeMartini referred to the conflict and solution and mentioned that the Low Impact Development (LID) Manual's goal is to infiltrate the stormwater into the groundwater. He added that the Health Department has policies to treat runoff to pre-development levels by infiltrating it through catch basins and other means. He asked if it would be appropriate to seal off the infiltration devices. Ms. Svetich stated that the issue has been discussed extensively; however, based on this particular area's geology it is probably not the best thing to do. Commissioner Mann stated that this issue is fairly unique to the Chalk Creek watershed, with which Ms. Svetich agreed. Ms. Svetich added that similarities to the Chalk Creek watershed have been noted in the Mogul Creek drainage. She stated that many lessons have been learned in this process.

Commissioner Jackson stated that he likes the idea of discharging to the Orr Ditch and added that he does not believe there would be a problem with the Water Master in doing so if the water in the Truckee River is replaced. He urged that the alternative be pursued.

Vice-Chairman Ball thanked Ms. Svetich and the presenters.

Vice-Chairman Ball apologized for the late start of the meeting and stated he had forgotten that Chairman Seidel had previously mentioned that he would not be present for today's meeting.

6. Informational report on the May 5, 2009, "Working in the River and Permitting Workshop" utilizing the Truckee River Restoration and Construction Permitting Handbook, and possible direction to staff.

Vice-Chairman Ball welcomed Terri Svetich to present this item. Ms. Svetich reported that 166 people attended the workshop, of which 18 were speakers. She stated that case studies presented included specific types of projects that are conducted in the Truckee River. The speakers included Patti Bakker, Steve Volk, Dave Roundtree, and Andy Hummel. She also commended Q&D and Granite Construction for participating on a panel.

Ms. Svetich reported that other speakers included Mel Johnson, Terri Hendry, Matt Setty, and Candice Siwarga. She stated that a regulator panel included speakers from many of the regulatory agencies with great participation.

Ms. Svetich stated that the workshop included discussion of Truckee River restoration permitting and construction sites. Handouts were provided that highlighted the permitting flow charts. She added that the information is also available on the website, www.TMstormwater.com. She acknowledged Doug Youngs and City of Reno GIS staff, which hosts the watershed map server. She gave a brief overview of the website and its use with navigational tools.

Ms. Svetich thanked the Commissioners for funding the effort and making the workshop possible.

Vice-Chairman Ball thanked Ms. Svetich and commended her on a great job. He welcomed questions or comments from Commissioners.

Commissioner Mann thanked Ms. Svetich for the time and effort that was put into coordinating the workshop. He commended her on a job well done.

7. Discussion and possible recommendation to the Western Regional Water Commission (WRWC) concerning professional services for watershed-based water quality planning and the Truckee River third-party total maximum daily load for nutrients, including 1) funding not to exceed \$400,000 from the Regional Water Management Fund (RWMF) to support a scope of work for an amendment to an existing interlocal agreement with the City of Reno for the continuation of technical services provided by LimnoTech, Inc., and 2) funding not to exceed \$65,000 from the RWMF to support an additional interlocal agreement with the City of Reno for technical services to be provided by MBK Engineers..

Jim Smitherman reported that the WRWC through the RWMF has been supporting this watershed-based water quality planning effort, including development of the third-party TMDL for nutrients on the Truckee River since last July. He reported that to date the effort has cost just under \$200,000 for a contract with LimnoTech. Another contract with California State University, Sacramento (CSUS) for a public process was approved for approximately \$140,000.

Mr. Smitherman stated that as discussed at the last meeting, a contract was also approved for Somach Simmons & Dunn as a retainer in the amount of \$50,000 to provide specialized legal services.

Mr. Smitherman stated that previously this effort was addressed by City of Reno and City of Sparks, which was targeted by the discharges from the Truckee Meadows Water Reclamation Facility (TMWRF). The efforts have been ongoing since 1998.

Mr. Smitherman reported that the scope of work from LimnoTech to continue work includes:

- Educate stakeholders and participants
- Identify regulatory issues
- Resolve technical issues and refine tools
- Screen potential alternatives and frame a TMDL approach

Mr. Smitherman referred to the scope of work, which includes a status report of accomplishments to date.

Mr. Smitherman next referred to the scope of work presented by MBK Engineers, which would provide technical knowledge of the Truckee River Operating Agreement (TROA) and the Truckee River operations model (a computer model that models flows on the river based on TROA). MBK proposes to provide technical and modeling assistance, as well as collaboration with Nevada Division of Environmental Protection (NDEP).

Mr. Smitherman reported that approximately \$585,000 was budgeted in the RWMF for the next fiscal year. He stated that the proposals add up to that amount as follows:

- LimnoTech - \$400,000
- MBK - \$60,000
- CSUS - \$100,000 to \$120,000

Vice-Chairman Ball thanked Mr. Smitherman and welcomed input from the Commission.

Commissioner Jackson asked if the stakeholders list and Technical Advisory Committee (TAC) includes a member of the Pyramid Lake Paiute Tribe (PLPT). Mr. Smitherman stated that the PLPT is included as a stakeholder; however, the TAC has not been formed to date.

Commissioner Dennis clarified that the group including LimnoTech, MBK and CSUS forms a core group for moving the TMDL forward and specifically working with the TAC, which will be formed shortly.

Commissioner Jackson reiterated that he would like to see a representative from the PLPT on the TAC.

Commissioner Menard made a motion to approve staff's recommendation. Commissioner Mann seconded the motion, which carried unanimously.

Vice-Chairman Ball referred to the second page of the staff report regarding the background and water quality related to TMWRF. He stated that Tahoe-Truckee Sanitation Agency (TTSA) has as much impact on the river as TMWRF. He requested that TTSA's discharge to the river be recognized. Commissioner Dennis stated that information is received from TTSA on a monthly basis, which can be included.

Vice-Chairman Ball referred to the travel costs included in the \$400,000 budget for LimnoTech. Commissioner Dennis reported that LimnoTech is located back east; however, facilities at TMWA have been set up to enable video-conferencing communication rather than extensive traveling.

Vice-Chairman Ball noted for the record that Cathy Brandhorst submitted a request to speak card; however, she left the meeting at 2:33 p.m. so she did not speak.

8. Review and possible approval of the fiscal year 2009-2010 routine operating budget for non-staff services, and possible direction to staff.

Mr. Smitherman reported that this is a "housekeeping" item. He explained that the WRWC authorized him, as the Program Manager, to approve in-budget expenditures from the RWMF not to exceed \$25,000 on recommendation from the NNWPC. He added that he is also authorized to sign contracts for the same work.

Mr. Smitherman stated that although the WRWC authorized the routine operational expenditures; it was not clear whether those items had to come through the NNWPC. He stated that he and John Rhodes attempted to get clarification. He referred to the staff report, which included "Fiscal Year 2009-2010 Routine Operating Budget for Non-staff Services". He requested that the NNWPC approve the non-staff operating budget so that each item does not have to be brought back individually.

Commissioner Mann made a motion to approve the non-staff operating budget as presented. Commissioner Menard seconded the motion, which carried unanimously.

9. Program Manager's Report

Mr. Smitherman reported that he included updates on the following topics as requested or that he thought would be of interest to Commissioners. He stated that the purpose of this agenda item is for Commissioners to review the information included in the agenda packets and feel free to ask questions, make comments, or request additional information.

a. Status Report of Projects and Work Plan supported by the Regional Water Management Fund

The updated Status Report of Projects was provided in the agenda packets.

b. Financial report on the Regional Water Management Fund

The updated financial report on the Regional Water Management Fund was provided in the agenda packets.

Vice-Chairman Ball referred to the budget item for the North Valleys – Amendment to include Regional Integrated Wastewater System Planning and asked if the \$96,000 was from the RWMF. Mr. Smitherman stated it is; however, he clarified that \$40,000 in grant money might be received.

c. Report on Legislative Activities

Mr. Smitherman referred to latest update on legislative activities that was provided to Commissioners at the meeting. He stated that the list is current.

Commissioner Schumacher referred to Assembly Bill (AB) 119 and asked about the status. Mr. Rhodes stated that AB 119 was attached to Senate Bill (SB) 175, which is the Washoe County Flood Bill. The attachment was withdrawn from SB 175. He added that AB 119 still stands as presented.

d. Truckee River Flood Management Project status report

Mr. Smitherman reported that a status update on the Truckee River Flood Project was included as an informational item.

Mr. Smitherman welcomed questions or comments from Commissioners.

10. Discussion and possible direction to staff regarding agenda items for the July 1, 2009, Commission meeting and future meetings.

Mr. Smitherman referred to the list of agenda items for the July 1, 2009 NNWPC Agenda that was included in Commissioner's packets. The potential items include:

1. Status report and future plans on the satellite radar differential interferometry (D-InSAR) ground deformation observations in the southern half of Washoe County; discussion and possible approval of an Independent Contractor Agreement with Dr. Gary Oppliger in the amount of \$11,084 to be funded from the RWMF to conduct the remainder of the three year project, and possible direction to staff.
2. Report on additional resources necessary to make the Truckee Meadows Water Authority (TMWA) Water Usage Review Program available to the customers of the other public water purveyors, and possible direction to staff.
3. Program Manager's Report:
 - a. Status of projects and Work Plan supported by the Regional Water Management Fund
 - b. Financial report on the Regional Water Management Fund
 - c. Report on Legislative Activities
 - d. Truckee River Flood Management Project status report
4. Other Informational Items

Vice-Chairman Ball thanked Mr. Smitherman for his update.

11. Commission Comments.

Vice-Chairman Ball reported that Robert Martinez, Nevada Division of Water Resources, was recently appointed as the President of the Association of State Dam Safety Officials. He congratulated Mr. Martinez on his appointment.

12. Staff Comments.

None

13. Public Comments.

Vice-Chairman Ball called for public comments and hearing none, closed the public comment period.

14. Adjournment.

With no further business, the meeting was adjourned at 2:52 p.m.

Respectfully submitted by,

Niki Linn, Recording Secretary

Approved by Commission in session on _____ 2009.

Wayne Seidel, Chairman

NORTHERN NEVADA WATER PLANNING COMMISSION

RESOLUTION NO. 09-01 IN SUPPORT OF RECOGNIZING *Greg Dennis*' CONTRIBUTION TO REGIONAL WATER MANAGEMENT IN THE TRUCKEE MEADOWS

WHEREAS, *Greg Dennis* served for 8 years on the Regional Water Planning Commission and Northern Nevada Water Planning Commission, including terms as Commission Chairman, Commission Vice-Chairman, and a member of various committees; and

WHEREAS, *Greg's* service significantly impacted his work and personal time, and

WHEREAS, his extensive knowledge of water quality and background in wastewater infrastructure planning in the Truckee Meadows has been invaluable to this community, and

WHEREAS, *Greg* has been a champion of water quality and a sustainable Truckee River, demonstrated by his leadership in efforts to restore the Truckee River and develop a revised Total Maximum Daily Load for nutrients in the Truckee River, and

WHEREAS, his willingness to use a motion, no matter how complex, served to expedite decision making, and

WHEREAS, *Greg* has demonstrated the highest standards of professional conduct, carrying out his duties with integrity and dedication benefiting the citizens of the Truckee Meadows and the Northern Nevada Water Planning Commission; and

WHEREAS, the staff and members of the Northern Nevada Water Planning Commission enjoyed working with *Greg* due to his pleasant temperament, his experience in water issues, his fair-minded leadership and his ability to help move an issue forward, and

WHEREAS, recognition for a job well done is very much deserved by *Greg Dennis*,

NOW, THEREFORE, BE IT RESOLVED by the Northern Nevada Water Planning Commission that *Greg Dennis* be recognized for his contribution to the Commission's efforts and, that he will be greatly missed by the members, staff and all who worked with him, and

BE IT FURTHER RESOLVED that *Greg* accept this resolution in appreciation of his contribution to better water management in the Truckee Meadows and as a reminder of the respect that the Northern Nevada Water Planning Commission has for him.

ADOPTED the ____ day of _____, 2009

NORTHERN NEVADA WATER PLANNING COMMISSION

Wayne Seidel, Chairman

**NORTHERN NEVADA
WATER PLANNING COMMISSION**

**RESOLUTION NO. 09-02
IN SUPPORT OF RECOGNIZING
Michael Cameron's CONTRIBUTION TO
REGIONAL WATER MANAGEMENT IN THE TRUCKEE MEADOWS**

WHEREAS, *Michael Cameron* served for five years as the Public at Large member representing environmental, biological, conservation and public concerns on the Regional Water Planning Commission and the Northern Nevada Water Planning Commission; and

WHEREAS, *Michael* served for one year as the Vice Chairman of the Regional Water Planning Commission and as a member of the Committee for Review of Jurisdiction and Agenda; and

WHEREAS, *Michael's* service was given without compensation and significantly impacted his work and personal time, and

WHEREAS, *Michael* has been an exemplary leader in facilitating restoration work on the Truckee River and the establishment of Best Management Practices for river restoration work, and

WHEREAS, his desire to attain full understanding and have complete discussions of agenda items ensured the Commission made informed decisions, and

WHEREAS, the staff and members of the Northern Nevada Water Planning Commission enjoyed working with *Michael* due to his thoughtful and pleasant temperament, his experience in water and environmental issues, and

WHEREAS, *Michael* has demonstrated the highest standards of professional conduct, carrying out his duties with integrity and dedication benefiting the citizens of the Truckee River watershed, the Truckee Meadows and the Northern Nevada Water Planning Commission; and

WHEREAS, recognition for a job well done is very much deserved by *Michael Cameron*,

NOW, THEREFORE, BE IT RESOLVED by the Northern Nevada Water Planning Commission that *Michael Cameron* be recognized for his contribution to this Commission's efforts and, that he will be greatly missed by the members, staff and all who worked with him, and

BE IT FURTHER RESOLVED that *Michael* accept this resolution in appreciation of his contribution to better water management in the Truckee Meadows and as a reminder of the respect that the Northern Nevada Water Planning Commission has for him.

ADOPTED the ____ day of _____, 2009

NORTHERN NEVADA WATER PLANNING COMMISSION

Wayne Seidel, Chairman

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: August 25, 2009
TO: Chairman and Members, Northern Nevada Water Planning Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: Discussion and possible recommendation to the Western Regional Water Commission (WRWC) to appoint a replacement for Michael Cameron as the Voting Public At Large Member of the NNWPC, to represent environmental, biological, conservation or public concerns, and possible direction to staff.

SUMMARY

Staff has initiated a recruitment to fill the remaining seven months of the existing two-year term of the Northern Nevada Water Planning Commission (NNWPC) Public at Large voting representative. An advertisement for applications was placed in the Reno Gazette-Journal and the Sparks Tribune, and notification was distributed to the TMWA Standing Advisory Committee, Sparks Citizens Advisory Committee, Reno Neighborhood Advisory Boards, Reno Citizens Institute, Washoe County Citizen Advisory Boards and the Washoe County Leadership Academy. Staff has received letters of interest and resumes from six candidates for this position (attached).

David Bruketta
Ray Davis
Mickey Hazelwood
James Litchfield
Trina Magoon
Hugh Ricci

A review of the each candidate's letter and resume shows that they have varying educational, employment and volunteer backgrounds, and that they all meet the statutory qualifications to serve on the Commission.

PREVIOUS ACTION

None

BACKGROUND

On April 11, 2008, the Western Regional Water Commission (WRWC) appointed Michael Cameron to serve a two-year term as the NNWPC public-at-large voting member. Mr. Cameron has given notice of his intent to step down from the NNWPC and asked that the process for selecting a replacement be initiated. Mr. Cameron has offered to serve until a replacement can be appointed.

The Western Regional Water Commission Act (the “Act”), Chapter 531 Statutes of Nevada 2007, Section 36, provides for the WRWC to appoint to the NNWPC, a member of the public at large to represent environmental, biological, conservation or public concerns. Section 36 also requires that any vacancy on the NNWPC must be filled for the unexpired term by the appointing entity.

Section 38 of the Act provides that members of the NNWPC may not hold any elective governmental office, but may be engaged or employed in private enterprise or be employees of state or local government, and each member must be qualified pursuant to at least one of the following subsections:

1. A professional engineer licensed pursuant to the provisions of chapter 625 of NRS;
2. Experienced in comprehensive planning, natural resources or environmental protection;
3. A specialist in hydrologic science;
4. Experienced in law, management or planning related to water;
5. Experienced in municipal finance or resource economics;
6. Experienced in construction, planning or operation of facilities or systems for supplying or treating water, for collecting or treating sewage, for drainage of storm water or for control of floods; or
7. Knowledgeable in the areas of water conservation, biology, natural systems, water quality and water management.

FISCAL IMPACT

None

RECOMMENDATION

It is recommended that the NNWPC review the letters and resumes from the six applicants and either recommend one of the applicants to the WRWC for appointment or direct staff as to the Commission’s desired selection process.

JS:jd

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: August 27, 2009
TO: Northern Nevada Water Planning Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: Discussion and possible recommendation to the Western Regional Water Commission (“WRWC”) to approve an Agreement for Legal Services for the WRWC and the Northern Nevada Water Planning Commission (“NNWPC”) with Rhodes Law Offices, Ltd. for the period November 1, 2009 through October 31, 2011.

SUMMARY

Both the WRWC and the NNWPC require legal services. Since May 1, 2008, the required legal services have been provided on a contractual basis by Rhodes Law Offices, Ltd., a Nevada corporation solely owned by John B. Rhodes, a former Deputy District Attorney for Washoe County. The Agreement for Legal Services expires on November 1, 2009. Mr. Rhodes has many years of legal experience in local governmental law, water law, water resource planning, and the Nevada Open Meeting Law; for the ten-year period prior to his retirement from Washoe County, he served as legal counsel to the Regional Water Planning Commission (“RWPC”), predecessor to the NNWPC.

Mr. Rhodes has expressed an interest in renewing the Agreement for representation of the WRWC and the NNWPC for a two-year period commencing November 1, 2009, upon the same terms and conditions, with the exception that Mr. Rhodes has proposed a retroactive 2.5% fee reduction for the period April 1, 2009 through December 31, 2009. This fee reduction coincides with the current salary reduction now in effect for Washoe County employees, and would be deducted from the payment due for legal services provided in November 2009.

PREVIOUS ACTION

On November 7, 2008, the WRWC approved an Agreement for Legal Services with Rhodes Law Offices, Ltd., for the purposes of providing the required legal representation for a one-year period effective November 1, 2008 and ending November 1, 2009.

BACKGROUND

Mr. Rhodes has provided a broad scope of legal services required by the WRWC and the NNWPC, including providing legal representation at several monthly public meetings, drafting legal documents such as interlocal agreements and contracts with planning consultants, addressing open meeting law and other statutory compliance issues, assessing potential liability from a risk management perspective, and advising/representing the WRWC /NNWPC on legislative issues. Mr. Rhodes initially estimated, based upon his prior experience in representing the RWPC, that necessary legal services for both entities would average approximately 20 hours

per week (80 monthly), exclusive of any civil litigation, and that estimate has continued to be accurate. Over the preceding fifteen-month period, through July 31, 2009, the time required for providing the required legal services has ranged from 68 to 94 hours per month, for a monthly average of 78 hours, resulting in an average rate of \$154 per hour pursuant to the terms of the Agreement.

FISCAL IMPACT

The fiscal impact to the budget of the WRWC will be \$141,300 for the first one-year period, which is \$28,700 less than the \$170,000 initially budgeted for legal representation on an annual basis, and \$144,000 for the second one-year period, which is \$26,000 less than the initially budgeted amount.

RECOMMENDATION

The NNWPC recommend to the WRWC that the WRWC approve the Agreement for Legal Services for the WRWC and the NNWPC with Rhodes Law Offices, Ltd.

POSSIBLE MOTION

Should the NNWPC agree with the recommendation, a suggested motion is: “ Move to recommend to the WRWC that the WRWC approve the Agreement for Legal Services for the WRWC and the NNWPC with Rhodes Law Offices, Ltd.”

**AGREEMENT
FOR LEGAL SERVICES**

This Agreement is made and entered into this 1st day of November, 2009, the dates of signature notwithstanding, between the Western Regional Water Commission (the "WRWC"), a Joint Powers Authority created pursuant to Chapter 531, Statutes of Nevada 2007, the "Western Regional Water Commission Act," (the "Act") and cooperative agreement (the "JPA") under Chapter 277, Nevada Revised Statutes, and Rhodes Law Offices, Ltd., a Nevada corporation ("Attorney"), each a "Party" to this Agreement, and collectively "Parties".

WHEREAS, the WRWC requires specialized legal services to be provided by Attorney; and

WHEREAS, Attorney is ready, able and willing to perform the desired services.

NOW, THEREFORE, the Parties agree as follows:

1. Professional Services to be Performed. Attorney will serve as legal counsel and provide all legal representation reasonably required by the WRWC and the Northern Nevada Water Planning Commission (the "NNWPC") in the performance of their duties and responsibilities under the Act and the JPA (the "Legal Services"), except as provided in Subsection 1f., below. Attorney will provide a broad range of legal services involving water resource planning and management advice on the legal propriety of proposed action, including, but not limited to, the following:
 - a. Advice and representation during public meetings;
 - b. Prepare and review contracts and other legal documents;
 - c. Develop, prepare and present legal issues that may require appearances before administrative, legislative and/or judicial tribunals;
 - d. Analyze facts and apply legal principles and precedents to specific cases relating to governmental, administrative, and water law, as well as the Nevada Open Meeting Law and other assigned areas of practice; and,
 - e. Perform regular assignments, including working independently, to identify and deal with the widest variety of legal issues relating to Nevada governmental, administrative, and water law, as well as Nevada Open Meeting Law compliance and compliance with other statutory requirements .
 - f. Attorney will not represent the WRWC or the NNWPC in civil litigation wherein either entity is a plaintiff or defendant, except as otherwise negotiated by the Parties pursuant to separate agreement.
2. Acceptance of Professional Responsibility. Attorney accepts full professional responsibility for the Legal Services, but does not accept professional responsibility for any other matter.
3. Status of Attorney. Attorney is a Nevada corporation providing legal services as allowed by law, and shall not be considered an employee of the WRWC, the NNWPC, or any of the entities who are members of either or both. The Parties agree that Attorney is an

independent contractor pursuant to NRS 284.173. It is further expressly agreed that the WRWC, or its agents acting on its behalf, will not provide for Attorney any:

- a. Withholding of income taxes;
 - b. Industrial insurance coverage;
 - c. Participation in any group insurance plans;
 - d. Participation in the Nevada Public Employees Retirement System, or any other retirement program; or,
 - e. Other customary benefit of local governmental employment.
4. Sole Representation. Attorney will represent only the WRWC and the NNWPC and their designated agents and will not represent any other persons or entities with respect to the Legal Services. Attorney will not represent any individual member agency of the WRWC other than in such agency's capacity as a member of the WRWC. Attorney's fiduciary responsibility and attorney-client relationship will be solely to the WRWC and the NNWPC, and Attorney will not accept any other employment that may create a conflict of interest with such relationship.
5. Insurance and Indemnification. Attorney will carry professional liability insurance in the amount of \$1,000,000.00, and will indemnify, and save and hold the WRWC and the NNWPC harmless from and against any and all claims arising from the Legal Services.
6. Term. This Agreement will be effective commencing November 1, 2009, through October 31, 2011, unless terminated by either Party as provided in Section 11, below, or extended by written agreement between the Parties.
7. Cooperation. The WRWC will cooperate with Attorney in performing the Legal Services. This cooperation includes, but is not limited to, attending attorney-client conferences, and other required appearances, as applicable, and providing all documents and other information necessary for Attorney to effectively provide the Legal Services.
8. Disclaimer. The WRWC acknowledges that results in legal matters cannot be guaranteed and that Attorney has not represented that any particular result will be obtained by Attorney in performing the Legal Services.
9. Consideration. The WRWC will pay Attorney for the Legal Services, as follows:
 - a. A flat fee retainer of \$12,000 per month, except Attorney's Statement for Legal services for November 2009 will be billed and paid in the amount of \$9,300. The Parties estimate that the Legal Services will require approximately 20 hours of Attorney's customary billable time per week, or an average of approximately 80 hours per month over the entire term of this Agreement, resulting in hourly rates of \$200 to \$100 for 15 to 30 hours of Legal Services per week, respectively. Attorney will not provide itemized billings, but will submit a monthly Statement, within 10 days after the first of each month commencing December 1, 2009, showing the total number of hours spent in providing the Legal Services during the preceding month. The WRWC will pay each Statement within 15 days after receipt.

- b. Reimbursement for reasonable costs incurred by Attorney, including but not limited to, on-line charges for electronic research, copying, postage, telephone, fax, photographs, messenger fees, filing fees and travel outside the Reno/Sparks metropolitan area.
10. Communications. All communications to and from Attorney for the purpose of seeking or giving legal advice are confidential and protected by the attorney-client privilege. This privilege can be waived, however, if the WRWC shares the communication with anyone who is not either a WRWC agent or Attorney. Attorney will not waive the privilege without the consent of the WRWC. The WRWC agrees that it has been informed of the privilege and the ways in which the privilege may be waived by the WRWC. The WRWC agrees to contact Attorney if it has any questions regarding waiving the privilege. The WRWC further agrees as follows:
- a. To keep all confidential communications from Attorney in a separate file. Letters, memos, faxes, e-mails, and any other written confidential communications from Attorney will be placed in a file or folder that contains only other attorney-client communications. The WRWC will not retain confidential communications in a place where they are available, or may be accessed, by persons not covered by the privilege, or by the public.
- b. To not show or otherwise disclose the contents of privileged written confidential communications, including e-mails, to non-privileged persons or entities.
- c. To not copy non-privileged persons or entities with written communications, including e-mails, that contain legal advice or legal questions to Attorney.
11. Termination. Either Party may, at any time for any reason, without cause, terminate this Agreement by providing thirty (30) days' written notice to the other Party, and the WRWC will pay Attorney on a pro-rata basis for the Legal Services performed up to the effective date of the termination.
12. Attorney-Client Relationship. When this Agreement is terminated in accordance with Sections 6 or 11 above, the attorney-client relationship shall also be terminated.
13. Entire Agreement. This Agreement constitutes the complete and final agreement of the Parties.
14. Interpretation and Venue. The laws of the State of Nevada will apply in interpreting this Agreement, and the venue for resolution of any dispute arising out of this Agreement will be in Washoe County.
15. Third-Party Beneficiary. Nothing contained in this Agreement shall be construed to give any rights or benefits to anyone other than the WRWC, the NNWPC, and Attorney.

16. Notice. All notices required by this Agreement will be mailed to the Parties at the following respective addresses, except as otherwise directed in writing:

Rhodes Law Offices, Ltd.
P.O. Box 18191
Reno, NV 89511

Chairman, WRWC
1355 Capital Blvd.
Reno, NV 89502

Rhodes Law Offices, Ltd.
Dated: October __, 2009

Western Regional Water Commission
Dated: October __, 2009

By _____
John B. Rhodes

By _____
Mike Carrigan, Chairman

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: August 27, 2009
TO: Chairman and Members, Northern Nevada Water Planning Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: Status report on possible integration/consolidation of the Washoe County Department of Water Resources (“DWR”) and the Truckee Meadows Water Authority (“TMWA”)

SUMMARY

On August 14, 2009, the Western Regional Water Commission (“WRWC”) received a report from TMWA and DWR staff on the investigation of the possible integration/consolidation of DWR and TMWA. The report recommended that the WRWC formalize a recommendation to the TMWA Board and the Washoe County Board of Commissioners (BCC) to proceed with an Interlocal Agreement (ILA) to implement the integration/consolidation of functions of TMWA and DWR.

The WRWC approved a motion to recommend to the TMWA Board and the BCC moving forward with an integration/consolidation ILA. In addition, the motion included recommendations to convert the rotating TMWA Board position to a permanent Washoe County position, include all water service areas for integration/consolidation, and to not include sewer and reclaimed water.

Attached for your information is the August 14, 2009, staff report presented to the WRWC. The staff report includes as attachments all staff reports prepared for governing board discussions during the last year, including those presented to the WRWC Integration Subcommittee.

JS:jd

Western Regional Water Commission

STAFF REPORT

DATE: August 11, 2009
TO: Chairman and Members, Western Regional Water Commission
FROM: Mark Foree, General Manager, Truckee Meadows Water Authority
Rosemary Menard, Director, Washoe County Department of Water Resources
SUBJECT: Recommendation to the Truckee Meadows Water Authority (TMWA) Board and Washoe County Board of Commissioners (BCC) to proceed with an Interlocal Agreement to implement the Integration/Consolidation of Functions of TMWA and Department of Water Resources.

Recommendation

Staff recommends the Western Regional Water Commission (WRWC) formalize a recommendation to the Truckee Meadows Water Authority Board (TMWA) and the Washoe County Board of Commissioners (BCC) to proceed with the development of an Interlocal Agreement (ILA) to implement the integration/consolidation of functions of the Truckee Meadows Water Authority and the Washoe County Department of Water Resources (DWR).

Background

For the last few years, serious consideration has been given by the TMWA Board and the BCC to the possible integration of some or all functions of TMWA and DWR. At the same time, staffs of the two agencies, together with staffs from Reno and Sparks, began a concerted effort to more closely coordinate their water management functions and initiated extensive studies of further integration models and options. In addition, in the 2008 Western Regional Water Commission Act, formal direction was given to the WRWC to incorporate into the Comprehensive Plan an "evaluation and recommendations regarding the consolidation of public purveyors in the planning area, which must include costs and benefits of consolidation, the feasibility of various consolidation options, analysis of water supplies, operations, facilities, human resources, assets, liabilities, bond covenants, and legal and financial impediments to consolidation and methods, if any, for addressing any such impediments." Western Regional Water Commission Act, Section 42(9).

In furtherance of this directive, at its September 12, 2008 meeting, the WRWC asked staff from TMWA and DWR to do the following:

"Conduct a focused financial analysis to assess the feasibility of some form of utility integration using their joint bond counsel and financial advisors, Swendseid & Stern and PFM respectively".

At the December 2008 WRWC meeting, the Phase One Financial Report was presented. The report included a Bond Analysis which identified both the limitations and restrictions that existed because of debt structures, and the consolidation opportunities available. This analysis demonstrated that consolidating Department of Water Resources (DWR) into TMWA by defeasing DWR debt would be financially feasible within a reasonable time-frame, but that the converse (defeasing TMWA's debt) would not be a financially desirable alternative. Since the presentation of that report, the respective staffs of TMWA and DWR have met regularly to analyze, at a high level, the feasibility of whether the integration/consolidation of certain functions of the two agencies was possible and, if so, whether efficiencies and benefits to the community would result.

Interim reports have been presented to the WRWC and to the TMWA Board and BCC throughout this process. These reports have generally indicated that operational and resource management efficiencies could be achieved through consolidation and that rate structures of the two agencies were sufficiently close that migration to one set of customer rates would not result in inequities to either customer base.

To facilitate the consolidation review, at its July 10, 2009 meeting the WRWC appointed a Subcommittee on Integration/Consolidation, which has conducted two meetings with staff to consider certain aspects of consolidation. The minutes of these Subcommittee meetings are attached together with the staff reports presented to the Subcommittee. At its last meeting on August 6, 2009, the WRWC Subcommittee concluded that recommendations regarding the integration/consolidation process should proceed to the full WRWC for further discussion and that the Subcommittee would recommend to the WRWC that it take action to approve a formal recommendation to the governing bodies of TMWA and the BCC to develop an interlocal agreement to implement consolidation.

All staff reports prepared for governing board discussions during the last year, including those presented to the WRWC Integration Subcommittee as well as the minutes of the two subcommittee meetings, have been included and are ***attached in reverse chronological order.***

Assuming the WRWC adopts the recommendation that the BCC and the TMWA Board continue with the development of a consolidation agreement, it will have completed the majority of the actions required by the Western Regional Water Commission Act regarding evaluation of consolidation, and staff recommends that for the purposes of meeting the legislative mandate for the Comprehensive Plan, a final consolidation report from the WRWC be prepared following completion of actions by the BCC and TMWA.¹

Following are summaries of reports presented to the Subcommittee on July 23 and August 6. The reports are attached.

¹ Note that the Western Regional Water Commission Act requires analysis of consolidation of all "public purveyors" within the planning area. No analysis has yet been conducted of the Sun Valley GID and South Truckee Meadows GID operations. It is generally felt that these entities function in a semi-autonomous fashion and that significant efficiencies in operations or resource management are unlikely to be achieved by consolidating their functions with a consolidated TMWA/DWR entity. However, some additional analysis of this question will be necessary to satisfy the requirements of the Act.

Conceptual Consolidation Agreement (Attachment A)

This report was presented to the WRWC Subcommittee at the August 6, 2009 meeting and provided a conceptual outline of a possible master agreement that would govern the integration/consolidation of DWR into TMWA.

Based on the conclusions of TMWA and DWR staff and recommendation of the Subcommittee that consolidation of the two agencies should be considered, the following conceptual outline of an interlocal agreement has been developed.

Note that the governing bodies of TMWA and DWR have not yet had an opportunity to consider the final staff reports on consolidation and have made no decisions as to how and whether to go forward with the effort. Accordingly, this outline is presented to the WRWC for general information only and does not reflect any direction from the two agencies.

Under this concept, the BCC and TMWA Board would enter into a binding interlocal agreement to merge DWR into TMWA. The agreement would commit the two agencies to undertake the steps necessary to achieve full legal consolidation, subject only to the conditions that the DWR bonds be defeased, the bond covenants of the two agencies protected, and the TMWA JPA be amended to adjust the governance structure and make any other changes necessary to integrate the functions of the agencies. Such an agreement could be executed by late fall, although the timeline for fully completing legal consolidation may be as much as two to three years. A binding agreement is considered necessary to initiate this process because of several time-critical factors. Considerable staff time and resources will be required to plan the consolidation, including preparation for optimum management of the defeasance process. A clear path forward is necessary to reduce uncertainty and protect employee morale, as well as to expedite negotiations with the bargaining units regarding consolidation. It is anticipated that TMWA facilities would be expanded to accommodate transferring or relocated DWR personnel, requiring an adequate construction window.

In addition to provisions governing the agreement of the agencies, the interlocal agreement would require an interim integrated management agreement that would govern the actions of the agencies pending final consolidation. The attached staff report (Attachment A), presented to the WRWC Subcommittee on August 6, 2009, contains a more detailed outline of the possible agreement.

Implications of Major Bond Covenants and Pledged Revenues to Bonds on the Possible Integration/consolidation Process (Attachment B)

This report was presented to the WRWC Subcommittee at the August 6, 2009 meeting and presented critical elements to advancing full consolidation of water/sewer utilities, those being the defeasance of certain outstanding bond issues or alternatively in certain instances, to renegotiate certain terms of a number of loans with the State of Nevada. To defease/renegotiate outstanding debt will require both legal review for compliance with a number of bond covenants and financial review to determine the additional costs or potential savings with defeasance or

renegotiation of the outstanding debt. A major bond covenant requires the defeasance of debt prior to the transfer of utility assets to the consolidated entity. For publically sold debt there are nearly three dozen covenants for legal compliance purposes.

Presentation of TMWA and DWR Job Classifications and Related Information
(Attachment C)

This report was presented to the WRWC Subcommittee and the respective labor representatives at the August 6, 2009 meeting and included a comprehensive list of potentially represented water positions. This request stemmed from the discussion by International Brotherhood of Electrical Workers (IBEW) Local #1245 and Washoe County Employee's Association (WCEA) labor representatives who expressed concerns over wages, benefits, occupational seniority, years of service, and bidding rights. At the July 23, 2009 WRWC Subcommittee meeting the labor representatives noted that further work on their part will require some form of a binding integration/consolidation agreement between TMWA and DWR. Representatives of both bargaining units have indicated in discussions with the WRWC Subcommittee that, while there will be issues to address and resolve, they do not see any insurmountable barriers to proceeding with integration should the governing boards of the agencies make that decision.

Scope of DWR Services, Operations, and Facilities Subject to Possible Integration/Consolidation with TMWA (Attachment D)

This report was presented to the WRWC Subcommittee at the August 6, 2009 meeting. The recommendation of the WRWC Subcommittee is that only water utility functions performed by DWR be consolidated into TWMA, without the sewer and reclaimed water utility functions. Although the various consolidation studies performed by staff have largely focused on the integration of the water services, staff's general assumption had previously been that all of DWR would be consolidated into TMWA. This is because DWR's services are fully integrated, performed by common personnel, and because its revenues from both sewer and water services are pledged to all of its bonds. The activities of DWR include water, sewer, reclaimed water, and storm water utility operations, the PCE Remediation District activities, support of the WRWC, and other long range water planning activities.

Phase Two Financial Analysis and Business Risk Assessment (Attachment E)

This report was presented to the WRWC Subcommittee at the July 23, 2009 meeting. This report recommended that a plan to integrate TMWA and DWR move forward as justified. To accomplish this task will require specific necessary plans for developing a combined operating strategy that will generate costs savings, defeasing of certain bonds economically, and maintaining TMWA's tax-exempt commercial paper program. Another matter to address is the \$5.2 million spent on water projects using funds from other financial resources of the DWR, which is being address through a plan of action under development by DWR staff.

Minutes of the WRWC Subcommittee are being provided for review in *Attachment F*. Previous integration and consolidation reports that have been presented to the WRWC have been included in *Attachment G* for reference purposes only.

Consolidated Service Area

Historically, the concept of identifying defined service territories in the Truckee Meadows arose because of confusion and competition between services provided by the private, for-profit, utility, Sierra Pacific Power Company, and Washoe County, which had acquired a fairly large customer base through the assignment to the County by regulators of failed private water systems. This competition led to intervention by the legislature in 1995, and the mandate in NRS chapter 540A that these purveyors enter into an agreement defining their respective service territories and spheres of influence. Once Sierra Pacific Power Company water operations were purchased by TMWA, however, this historic competition for customers lost any meaning, since both TMWA and DWR are publicly owned, non-profit agencies. In fact, both the legislative mandate and the 1996 agreement governing service territories have been repealed and obviated by the Western Regional Water Commission Act. Freed from the constraints of rigid service boundaries, over the course of the last few years, TMWA and DWR have worked cooperatively and flexibly modified their service obligations to best meet the needs of customers and take advantage of existing facilities.

Staffs of TMWA and DWR continue to recommend that the service area of the consolidated agency be simply defined as the combined existing retail service areas of TMWA and DWR, and that new customers, regardless of whether they are added within or without the Truckee Meadows Service Area (the "TMSA") be added pursuant to the consolidated entity's rules. DWR's existing water utility service area includes several outlying small water systems; abandoning current service to these "satellite systems" or radically altering their conditions of service may not be legally defensible.

Summary

Staff recommends the Western Regional Water Commission (WRWC) formalize a recommendation to the Truckee Meadows Water Authority Board (TMWA) and the Washoe County Board of Commissioners (BCC) to proceed with the development of an Interlocal Agreement (ILA) to implement the integration/consolidation of functions of the Truckee Meadows Water Authority and the Washoe County Department of Water Resources (DWR).

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: August 26, 2009
TO: Chairman and Members, Northern Nevada Water Planning Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: Program Manager's Report

Attached are the following updated reports for your review:

- a) Status Report of Projects and Work Plan supported by the Regional Water Management Fund
- b) Financial report on the Regional Water Management Fund
- c) Truckee River Flood Management Project status report
- d) Informational report from the NNWPC representative on the Truckee Meadows Water Authority Standing Advisory Committee (verbal report)

**Status Report of Projects and Work Plan
Supported by the Regional Water Management Fund**

9-2-09: NNWPC Agenda Item 11a

Approved by Water Planning Commission	Approved by WRWC	Project Name	Contractor/Provider	Amount	Balance Remaining	Percent Complete	Target Completion Date	Notes
N/A	By BCC on 9/26/06	(DinSar) Groundwater Monitoring Program Using Satellite Radar Images	Dr. Gary Oppliger	42,000	11,084	74%	12/31/09	Archive of images (3 yr contract) through 12/31/09.
8/15/07	N/A	Washoe Evapotranspiration (ET)	DRI (Desert Research Institute)	20,745	12,672	39%	12/31/09	(2 yr contract through 12/31/09)
6/4/08	7/11/08	North Valleys Initiative	City of Reno (ECO:LOGIC)	172,448	15,871	91%	11/01/09	Work is in progress
4/1/09	4/10/09	North Valleys - Amendment to include Regional Integrated Wastewater System Planning	City of Reno (ECO:LOGIC)	96,000	73,041	24%	6/30/10	Work is in progress
6/4/08	7/11/08	TMDL Facilitation w/ Dave Ceppos	Cal State University Sacramento	142,500	103,758	27%	8/01/10	Work is in progress
6/4/08	7/11/08	TMDL Phase 1	City of Reno (LimnoTech)	197,500	6,711	97%	11/01/09	Work is in progress
N/A	7/10/09	Amendment to TMDL Phase I	City of Reno LimnoTech	400,000	400,000	0%	7/31/10	Work in Progress
N/A	3/13/09	TMDL Legal Services	Somach Simmons & Dunn	50,000	25,951	48%	6/30/11	Work in Progress
1/7/09	3/13/09	Marlin Drain - Hydro/Hydraulic analysis of tributary watershed to Swan Lake	Washoe County Public Works (Manhard)	50,000	46,796	6%	4/1/10	Work in Progress
3/4/09	4/10/09	2009 Water Usage Review Program	TMWA	64,100	64,100	0%	6/30/10	Work in Progress
N/A	7/10/09	Fernley Reimbursement Agreement	Fernley	71,000	71,000	0%	12/31/09	Awaiting issuance of Purchase Order

Administration Projects:

N/A	3/13/09	External Financial Auditor for Fiscal Year ending 6/30/09	Schettler, Macy & Silva	7,800	7,800	0%	6/30/10	Contract fully executed; Awaiting Purchase Order
N/A	11/7/08	WRWC and NNWPC Legal Counsel	Rhodes Law Offices, LTD	144,000	36,000	75%	11/30/09	Work in progress
N/A	5/21/09	Website Design WRWC / NNWPC FY 08-09	Washoe County	10,594	10,594	0%	6/30/10	Work in progress
N/A	5/21/09	Website Design - First Scope of Work	Washoe County Community Relations	4,400	4,400	0%	6/30/10	Work in progress
6/3/09	Smitherman	NNWPC Minutes WMHB Minutes	Niki Linn	20,000	20,000	0%	6/30/10	Work in progress
6/3/09	Smitherman	SNCAT Televising of WRWC & NNWPC FY 09-10	SNCAT	7,200	7,200	0%	6/30/10	Awaiting issuance of Purchase Order
6/3/09	Smitherman	G3 Productions - NNWPC FY 09-10 County Chambers	G3 Productions	2,040	2,040	0%	6/30/10	Work in progress
N/A	7/10/09	WRWC Investment Pool	Washoe County Treasurer	WMFund	N/A	N/A	N/A	Approved by BCC 8/11/09

Financial Report on the Regional Water Management Fund

Run Date 8/27/09
Fund 766
Period 1 thru 13 2009
Report 400/ZF15

Accounts	Plan (Budget)	Actual (Revenue & Expenses)	PO Commit (Remaining PO Balance)	Actual + PO	Available (Budget minus Actual + PO)	Avail% (of Budget)	PreCommit (PO's Requested)	Available (Budget minus PO Requisitions)	Avail% (of Budget minus all Commitments)
481000 Interest-Pooled Inv.	69,289.00-	97,976.41-		97,976.41-	28,687.41	41		28,687.41	41
482100 RGL Pooled Inv.		20,450.51-		20,450.51-	20,450.51			20,450.51	
482200 URGL Pooled Inv.		37,657.13-		37,657.13-	37,657.13			37,657.13	
491060 Water Surcharge 1.5%	1,452,275.00-	1,198,224.64-		1,198,224.64-	254,050.36-	17-		254,050.36-	17-
** REVENUE	1,521,564.00-	1,354,308.69-		1,354,308.69-	167,255.31-	11-		167,255.31-	11-
701150 Contractual Wages	498,533.00	295,216.93		295,216.93	203,316.07	41		203,316.07	41
* SALARIES AND WAGES	498,533.00	295,216.93		295,216.93	203,316.07	41		203,316.07	41
710100 Professional Services	1,600,000.00	639,041.28	357,290.91	996,332.19	603,667.81	38		603,667.81	38
710115 Prof Eng Services		9,163.14		9,163.14	9,163.14-			9,163.14-	
710120 Legal Fees		164,284.23	77,715.77	242,000.00	242,000.00-			242,000.00-	
710149 Invest Pool Alloc Ex		2,431.24		2,431.24	2,431.24-			2,431.24-	
710155 Lobbying Services		240.00		240.00	240.00-			240.00-	
710200 Service Contract		63,459.75	12,742.54	76,202.29	76,202.29-			76,202.29-	
710355 Books and Subscriptions		10,000.00		10,000.00	10,000.00-			10,000.00-	
710509 Seminars and Meetings		5,135.40		5,135.40	5,135.40-			5,135.40-	
710546 Advertising		1,851.44		1,851.44	1,851.44-			1,851.44-	
711210 Travel		3,537.88		3,537.88	3,537.88-			3,537.88-	
* SERVICES AND SUPPLIES	1,600,000.00	899,144.36	447,749.22	1,346,893.58	253,106.42	16		253,106.42	16
** EXPENDITURES	2,098,533.00	1,194,361.29	447,749.22	1,642,110.51	456,422.49	22		456,422.49	22
*** Total	576,969.00	159,947.40-	447,749.22	287,801.82	289,167.18	50-		289,167.18	50-



WASHOE COUNTY

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CM/ACM KS

Finance N/A

DA N/A

Risk Mgt. N/A

HR N/A

Other N/A

STAFF REPORT BOARD MEETING DATE: June 23, 2009

DATE: June 2, 2009
TO: Board of County Commissioners
FROM: Naomi Duerr, P.G., Director, Truckee River Flood Management Project,
850-7420 nduerr@washoecounty.us
SUBJECT: **Acknowledge Receipt of Truckee River Flood Management Project
Status Report for May 2009. (All Commission Districts.)**

SUMMARY

A status report on the activities related to the Truckee River Flood Management Project for the month of May 2009 is provided herein.

County Priorities/Goals supported by this item: Preserving natural resources. Promoting quality economic development; managing intermittent flooding events along the Truckee River, thereby protecting property, restoring habitat, improving water quality and promoting recreational uses.

PREVIOUS ACTION

The most recent status report for April 2009 was presented to the Board of County Commissioners at the May 26, 2009 meeting.

BACKGROUND

Below is a list of the primary activities that were accomplished in the month of May 2009 keyed to the Board's strategic priorities.

Improve Government Efficiency and Financial Stability

Legislation –

Senate Bill 175 (SB 175) – The Assembly approved SB175 after including language from AB 119 tying development to water sustainability issue in the bill. The Senate did not concur with the amended SB 175 on May 28th and the bill was returned to the Assembly. The Assembly then approved SB 175 without the water sustainability amendment on June 1st and sent the bill to the Governor the same day. As of this writing, the Governor has yet to sign the bill.

Assembly Bill 54 (AB 54) was signed by the Governor on Friday, May 29, 2009. AB 54 is a joint bill between the Truckee River Flood Project and the Washoe County

AGENDA ITEM # 9F

Department of Water Resources. Section 3 of the bill authorizes implementation of a floodproofing and home elevation program in Washoe County including the ability to authorize grants and loans from flood project funds. The full text of the bill is available at http://leg.state.nv.us/75th2009/Bills/AB/AB54_EN.pdf

Homeless Shelter - The Washoe County Commissioners approved a contract with the Truckee River Flood Project and the City of Reno for a temporary overflow homeless shelter at the May 27th meeting. The overflow shelter, that accommodates single men, is located in a property acquired by the Truckee River Flood Project at 85 North Edison Way, Units 7, 8 and 9. The contract amendment retroactively approves an extension of use back to April 1, 2009 and will run through April 30, 2010, and if requested by the City of Reno by March 30, 2010, the term shall be automatically extended until April 30, 2011.

Property Management – Flood Project staff continues to review, update and complete an assessment of Flood Project properties. An inventory of vacated units, income projections, property conditions, and future property management plans are all part of this comprehensive review of the properties.

Improve Regional Collaboration

Corps Visit - Steve Stockton, Director of Civil Works for the Corps, and Ada Benavides, Deputy Chief of the Regional Integration Team responsible for coordinating projects in the South Pacific Division both headquartered in Washington DC were in Reno on May 21st for a first hand visit of the Flood Project. A Flood Project river tour was the highlight of the visit with a Flood Project briefing starting the day's activities. An informal question and answer lunch session was the culmination of the visit. Elected officials, Flood Project board members, stakeholders and Corps officials also joined the briefing, tour and lunch.

Reno-Sparks Indian Colony (RSIC) - Large sections of the floodwall are now visible as the concrete forms are removed. The floodwall is a neutral earth tone color with various relief patterns (visit www.truckee-flood.us to view) with the pouring and curing process expected to continue for the next few weeks. The earthen levee, located to the west of the floodwall, has been constructed and is currently undergoing a bank stabilization process with revetment blocks for surface erosion protection.

Rainbow Bend - Flood Project Deputy Director Jay Aldean, Project Manager Paul Urban, and Engineer Eric Scheetz held two Town Hall meetings for the Rainbow Bend Homeowners May 14th and 21st to discuss the potential future TRAction project designs and considerations for the area. These meetings were question and answer sessions designed to elicit feedback from the homeowners.

Working Group - The May Working Group meeting was rescheduled to June 3rd and included a tour of the Reno-Sparks Indian Colony site.

Technical Advisory Committee (TAC) – The Flood Project Technical Advisory Committee met on June 1st and discusses a series of topics. The TAC policies and

procedures were discussed with the members approving a revised version. The members received an update on the legislative bills AB 54 and SB175 with discussion regarding the potential impacts of each bill. Also provided to the group was an update on the Flood Project recreation plan and a comprehensive report on the Flood Project properties and management plans.

Provide Excellent Public Services

Reno River Festival - Eric Scheetz, Flood Project Engineer and Susie Kapahee, Public Information Officer represented the Flood Project at the Reno River Festival May 8-10. More than 40,000 people were in attendance for this second annual event. Information to the community included the Downtown Bridges TRAction project, Reno-Sparks Indian Colony TRAction Project and current river restoration projects. The booth was at no cost thanks to a sharing of space with the American Society of Civil Engineers (ASCE).

Develop Our Workforce

Staff Development - Flood Project staff attended a one-day workshop titled "Truckee River Restoration and Construction Site Permitting Handbook" hosted by Kennedy/Jenks Engineering firm. Topics included restoration case studies, monitoring techniques, a regulator panel and other information relevant to the Flood Project.

FISCAL IMPACT

No fiscal impact - for information only.

RECOMMENDATION

Staff recommends that the Board acknowledge receipt of the Truckee River Flood Management Project Status Report for May 2009.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: "Move to acknowledge receipt of the Truckee River Flood Management Project Status Report for May 2009."

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: August 26, 2009
TO: Chairman and Members, Northern Nevada Water Planning Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: Agenda items for the October 7, 2009 Commission Meeting

1. Status report and future plans for the satellite radar differential interferometry (D-InSAR) project, including discussion on completing the remainder of the three year project, and possible direction to staff, Mike Widmer, Washoe County Department of Water Resources.
2. 2011 Comprehensive Plan Development status report and outline, and possible direction to staff, Jim Smitherman, NNWPC Water Resources Program Manager.
3. Possible discussion and recommendation to the Western Regional Water Commission (WRWC) to appoint the voting Public at Large Member of the NNWPC, to represent environmental, biological, conservation or public concerns, and possible direction to staff, Jim Smitherman. (Depending on September 2 direction)
4. Program Manager's Report:
 - a. Status of projects and Work Plan supported by the Regional Water Management Fund
 - b. Financial report on the Water Management Fund
 - c. Truckee River Flood Management Project status report
 - d. Informational report from the NNWPC representative on the Truckee Meadows Water Authority Standing Advisory Committee
5. Other Informational Items