

**NORTHERN NEVADA WATER PLANNING COMMISSION
MINUTES**

Wednesday, May 4, 2011

The regular meeting of the Northern Nevada Water Planning Commission (“NNWPC”) was held on Wednesday, May 4, 2011 in the Washoe County Commission Chambers, 1001 East Ninth Street, Reno, Nevada.

- 1. Roll Call and determination of presence of a quorum** – Chairman Erwin called the meeting to order at 1:31 p.m. There was a quorum present.

Voting Members Present:

John Erwin, Chairman
Jerry Schumacher, Vice Chairman
George W. Ball, Jr. (arrived at 1:46 p.m.)
Michael DeMartini
John Flansberg
Mickey Hazelwood
John Jackson
Neil Krutz
Rosemary Menard
Darrin Price
Stan Shumaker

Voting Members Absent:

Non-Voting Members Present:

John Bird
Harry Fahnestock

Non-Voting Members Absent:

Mark Clarkson
Kelvin Hickenbottom
Jon Palm

Staff Members Present:

Jim Smitherman
Chris Wessel
June Davis
John Rhodes, Legal Counsel

- 2. Approval of the agenda.**

Commissioner Menard made a motion to approve the May 4, 2011 NNWPC agenda as posted. Commissioner Schumacher seconded the motion, which carried unanimously.

- 3. Approval of minutes from the March 2, 2011 meeting.**

Commissioner Price referred to page 7 of 9, which had a staff comment that should have been removed. Mr. Smitherman agreed to make the edit. Commissioner Krutz made a motion to approve the minutes as revised. Commissioner Schumacher seconded the motion, which carried unanimously.

- 4. Public Comments.**

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

- 5. Election of Chairman and Vice Chairman for the term April 2011 to April 2012, and possible direction to staff.**

Chairman Erwin asked for nominations for Chairman. Commissioner Schumacher nominated Commissioner Ball as Chairman. Chairman Erwin asked John Rhodes if the chairman must rotate among

members. Mr. Rhodes stated that his understanding is that it must be rotated on an annual basis. Commissioner Flansberg seconded the motion, which carried unanimously.

In Chairman Ball's absence, Vice-Chairman Schumacher invited nominations for Vice Chairman. Commissioner Price nominated Commissioner Krutz as Vice Chair. Commissioner Erwin seconded the motion, which carried unanimously.

6. Presentation from Truckee Meadows Regional Planning Agency ("TMRPA") on the Regional Data Development and Analytical Program.

Vice-Chairman Krutz invited Peter Gower, Senior Planner for TMRPA, and Andy Simpson, Planning and Geographic Information Systems (GIS) Analyst, to present this item. Mr. Gower and Mr. Simpson referred to a PowerPoint presentation, which included the following highlights (copy of presentation on file):

- Model 1.0 – Current framework for modeling population and employment in the region
- Model 2.0 – Adding value to the current forecasting paradigm (Funding from Western Regional Water Commission [WRWC] and Regional Transportation Commission [RTC])
- Model 3.0 – Creating more integrated planning opportunities through regional analyses
 - Performance Measures
 - Scenario Planning
 - Fiscal Impact Analysis

Mr. Simpson and Mr. Gower provided examples of modeling from other areas. Mr. Gower stated that RTC would utilize Model 2.0 in their traffic analysis planning. He added that TMRPA is looking forward to working with Mr. Smitherman and the NNWPC on developing more specific water data sets and analyses under the recently executed interlocal agreement. He welcomed any questions from commissioners.

Chairman Ball arrived at 1:46 p.m.

Commissioner Menard thanked Mr. Gower and Mr. Simpson for the presentation. She recalled that TMRPA was working on a HUD Sustainable Communities Grant, which would link to this work and asked for an update. Mr. Gower reported that in conjunction with the US Environmental Protection Agency ("EPA"), Housing and Urban Development ("HUD") and Nevada Department of Transportation ("NDOT") developed a grant under the sustainable communities program. He stated that funding was not received because of federal budget issues; however, his understanding is that money is available in a smaller amount, so he will re-apply.

Mr. Krutz stated that he is very excited about how powerful and useful the model will be for infrastructure planning and many other issues in moving forward. He asked how input at all levels would be captured in order to develop the best model possible. He added that there is already a disconnect between historic practices, processes and fees of the local governments; and goals outlined in the Regional Plan. He asked how we can ensure that informed decisions will be made to reach the best possible goals.

Mr. Gower stated that topic has been ongoing in development of the model. He added that in developing the suitability factors, TMRPA worked closely with Sparks's staff to identify factors in planning. Mr. Gower stated that with part of the funding from RTC, TMRPA distributed a request for proposals (RFP) for a third party consultant to evaluate the model and results.

Chairman Ball called for public comment from John Enloe, Stantec Consulting. Mr. Enloe emphasized his support for the project as one who has extensively used the planning data from facility plans that are

available for water, wastewater and reclaimed water in the community for years. He stated that this information will be very useful to so many entities throughout the community in providing consistency in how we as a region evaluate growth and the consequences. He stated that the water balance is a perfect opportunity to use this planning data to automate the water balance process. He stated that he has worked with Commissioner Menard and City of Reno on wastewater constraints and treatment; and disposal constraints and if those issues could be tied into the facility side with the scenario planning, it would provide an automated process to evaluate the scenarios.

Mr. Enloe summarized, as someone who has spent countless hours working with past data, this would be a huge step forward. He added that although it is time consuming and expensive now, in moving forward it will save a lot of time and money. He reiterated that he fully supports the project.

Commissioner Price asked for clarification that the objective is to establish “the base”. Mr. Gower agreed it is. Commissioner Price asked if once the model is built, staffing and funding would be reduced. He clarified his question as to how long funding and additional staffing will be needed once the model is established. Mr. Gower stated that would be dependent on how far the model should go; for instance when Model 2.0 is complete, it will still need updates and improvements to develop water related indicators. Commissioner Price asked Mr. Gower if he thinks there will ever be a time to reduce funding and staffing or if it would be a part of the WRWC agenda forever. He asked if a governmental entity or private firm wishes to have scenario modeling run, would it be provided for free.

Mr. Gower explained that in regard to use of the data, TMRPA is working with its legal counsel so he does not have a firm answer for distinguishing between public and private use or how it would be distributed or used.

Commissioner Price asked if the interlocal agreement has an end date. Commissioner Menard stated she believes it was set up for a cash contribution this year with a smaller contribution next year. In addition, a portion of Mr. Smitherman’s time will be available to TMRPA for the next two years. She stated that the goal was that Mr. Smitherman would work with TMRPA staff in developing capacity on the water side, as well as some of the analytical tools under Model 3.0. She summarized that although a commitment has been made, it is not implied to go on forever.

Mr. Gower clarified on the scenarios, when baseline data is provided; it was not intended to be provided with a range of scenarios. He added that the scenario planning component was intended to use the baseline data and then dialogue with the region on the preferred growth scenario in moving forward. He stated that once the baseline data is provided to the entities for use, the entity would have the opportunity to create its own scenarios or perhaps to request that TMRPA assist.

Commissioner Price stated that he believes that entities will change data specific to their area that will need to be input into the model that will affect the baseline information. Mr. Gower confirmed that the model will be using GIS information.

Mr. Rhodes stated that the existing interlocal agreement is for a two-year commitment; it is terminable at the will of the WRWC; and it contains a standard funding out clause required by law. He summarized that there is no legal long-term commitment of the WRWC.

Commissioner Price summarized that this effort is long overdue and he is 100% supportive; however, he was in support of the original GIS program in the early 1990s but a charge was implemented down the road.

Mr. Simpson stated that TMRPA is proceeding cautiously and is still working through many of the methodological details of information release. He added that TMRPA had to sign End User License

Agreements with Washoe County so it is a responsibility to ensure that the information is protected. He summarized that he believes there is general movement to not charge for use of the information.

Commissioner Menard stated for the record, that the numbers for the Rutgers study (from the PowerPoint presentation) do not look realistic based on cost savings from controlled versus non-controlled growth.

Chairman Ball asked if the model would bring together one population projection number so that all entities will use the same number, which has been a problem in the past. Mr. Smitherman stated that the model could be a tool to use in development of one population number. He added that the model has the ability to disaggregate the consensus forecast down to the parcel level. Chairman Ball stated that if Mr. Smitherman is satisfied with the model at the staff level, that is fine; however, having been involved with this Commission since its inception in 1995, it has been frustrating dealing with different population projections.

Mr. Simpson stated that any population forecasting tool chosen could be applied to the parcel level with the same methodology. He agreed there is room for improvement on the forecasting tools, which is tricky.

Chairman Ball asked Commissioner Erwin in reference to the Truckee Meadows Water Authority (TMWA)'s Water Resource Plan, how the examination of parcels and employment together with other factors going into population projections, is a path that is congruent with TMWA's work. Commissioner Erwin stated that the consensus forecast includes four forecasts, one of those being that of TMWA.

Commissioner Price asked how often the NNWPC would receive updates on this two-year project. Mr. Smitherman suggested at least quarterly updates or when a milestone is reached. Chairman Ball thanked Mr. Gower and Mr. Simpson for their presentation.

7. Review tentative budget and preliminary work plan for Fiscal Year 2011-2012 and possible direction to staff.

Chairman Ball invited Jim Smitherman to present this item. Mr. Smitherman reported that the WRWC approved the tentative budget as recommended by the NNWPC. The budget includes the NNWPC's recommended \$300,000 to support public purveyor consolidation analyses, which will continue into the next fiscal year (FY). He added that as requested, Sun Valley General Improvement District (SVGID) was included in the work plan items as appropriate.

Mr. Smitherman reported that the WRWC would hold a public hearing on the budget on May 19, 2011 to approve the budget for submittal to the state.

Chairman Ball stated that this budget makes a significant hit to reserves so obviously the amount of money available is based on the funding from the Regional Water Management Fund. He added that we need to be very conscious of the projects to which we commit funding. He stated that there is \$1.3 million income and approximately \$480,000 in staff costs, which is about 38% of the income. He added that he would like to have a response to the appearance of the high overhead number of 38%, because staff time is spent on reports and projects. Mr. Smitherman agreed and added that staff time is tracked as to what is being done, with a large portion of the time being spent on projects.

Mr. Smitherman mentioned that \$1.7 million was set aside in the FY 2011-2012 budget to support the purchase of 6,700 acre-feet of water rights to address the requirements set forth in the Truckee River Operating Agreement ("TROA") to provide flexibility to use up to that amount in one FY. He stated that more likely the purchase would be spread out over four or five years.

Commissioner Price asked about the \$40,000 grant from last year. Mr. Smitherman explained it was a

federal stimulus funding grant available to 208 Water Quality Agencies.

8. Review and discussion of Bill Draft Requests for the 2011 Nevada Legislative Session that may affect the NNWPC, and possible direction to staff.

Chairman Ball invited Mr. Rhodes to present this item. Mr. Rhodes reported that he provided a staff report, which includes a list of bill draft requests (“BDRs”) that might affect the NNWPC or open meeting laws. He stated that the complete list of BDRs is available on the Legislative Council Bureau's website, along with the language of the bill (available by clicking on the link).

Mr. Rhodes reported that the WRWC’s legislative subcommittee has taken a neutral position on all the remaining bills, except two, which include:

- Assembly Bill (AB) 237, submitted by the Legislative Committee to Oversee the activities of the WRWC (“LOC”), regarding the issuance of bonds to assist those required to hook up to the municipal water or sewer systems. The WRWC supports this bill.
- AB 238, submitted by the LOC, which would allow issuance of County Bond Bank bonds for refinancing securities. The bill is related to the TMWA/DWR Consolidation. The WRWC supports this bill.

Mr. Rhodes reported that both bills passed out of the respective assembly committees and are now in the Senate. He stated that in AB 238, an amendment to the population was made that effectively limits the bill to Washoe County only.

Mr. Rhodes stated that AB 59 related to the Open Meeting Law, which initially provided for a civil penalty of up to \$500 for any member of a public body who was present at a meeting where a violation of the Open Meeting Law occurred, whether or not such member had knowledge of the violation. He reported that the bill was protested and amended to say that, although the civil penalty remains, a member would have to *know* that the Open Meeting Law was being violated in order for the penalty to be imposed.

Mr. Rhodes stated that he would continue following the bills closely and report back to the NNWPC on a regular basis throughout the session. He welcomed questions or comments.

Commissioner Menard reported that AB 237 and AB 238 were heard by the Senate Government Affairs Committee that morning, with no questions. She added that when Assemblyman Bobzien introduced the bills, he noted that in AB 238 Washoe County was the only affected County; however, AB 237 also needs the population revision.

9. Program Manager’s Report

- 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 Authority Press Release**
- d. Informational report from the NNWPC representative on the Truckee Meadows Water Authority Standing Advisory Committee (“TMWA SAC”)**

Mr. Smitherman reported that the items included in the agenda packet are provided as informational items. He reported that the group working on the Third Party Total Maximum Daily Load (TMDL) Review for the Truckee River nutrients is discussing the need for administrative support. He stated that he plans to provide a report at the next meeting. He reported that significant progress is being made on the project as a whole. He added that outreach to other agencies is ongoing as far as what has been done with the technical modeling for water quality. There has also been outreach to the Pyramid Lake Paiute

Tribe and the US Fish and Wildlife Service and possibly Nevada Department of Wildlife.

Mr. Smitherman reported that the TMDL group has held ongoing meetings with representatives of the EPA and Nevada Division of Environmental Protection (NDEP). He summarized that a progress report would be provided at the next NNWPC meeting.

Mr. Smitherman stated that as of today, he understands that the federal funding set aside for the purchase of water rights for TROA has not been rescinded by Congress.

Mr. Smitherman reported that work is moving forward on the topic of septic systems and groundwater quality. He stated that a scope of work would probably be developed for review of nationwide literature for solutions, technology and funding and financing scenarios that have worked and been implemented. He summarized that the reason for the project is based on nitrate contamination in groundwater because of septic system density. He added that Spanish Springs has been used as the example. He offered to provide an update in June or July.

Mr. Smitherman stated there is some movement in working with NDEP to share the results of Reno's pilot project of high level effluent treatment with the intent that effluent could be used for underground storage and recovery. He stated that NDEP is currently working on guidance that would predate their regulatory changes.

Mr. Smitherman reported that the Regional Planning Commission set a date for its hearing on the consistency review of the Regional Water Plan, which is scheduled for May 11, 2011 at 6:30 p.m. Truckee Meadows Regional Planning staff's recommendation is for a finding of consistency with three scheduled additions, which would be outcomes of the model discussed earlier in the meeting. He summarized that the NNWPC would have five years to address the scheduled additions. Mr. Smitherman offered to provide meeting information to Chairman Ball.

Chairman Ball invited Barry Winzeler to provide an update on the Truckee Meadows Water Authority Standing Advisory Committee ("SAC"). Mr. Winzeler stated that every SAC meeting now includes a status report on the merger of TWMA and DWR. He stated that the SAC includes active people. He reported that he is hearing that negotiations are going well.

10. Discussion regarding agenda items for the June 1, 2011, NNWPC meeting, and other future meetings, and possible direction to staff.

Mr. Smitherman reported that items for the June 1, 2011 NNWPC meeting include:

- Report on the adoption of the Budget
- Update on the TMDL project – Terri Svetich and John Buzzone will be invited to present
- Legislative Update
- Program Manager's Report

Chairman Ball invited additional agenda items.

11. Commission Comments.

Chairman Ball expressed his appreciation for electing him as Chairman of the NNWPC.

Chairman Ball stated that his fixation on population projections is based on previous history of projections that were off by as much as 50%. He stated that the goal should be that all water entities use the same population projection. He commended Mr. Gower and Mr. Simpson for their efforts.

Commissioner Price congratulated Chairman Ball on his well-deserved appointment. He also thanked Stan Shumaker for his continued involvement with the NNWPC after his retirement from the City of

Reno.

Chairman Ball on behalf of the NNWPC, offered condolences and deepest sympathy to June Davis, who recently lost her mother.

12. Staff Comments.

Mr. Smitherman stated that members can now watch the WRWC meetings on the Internet via the City of Sparks' website. Mr. Wessel added that the WRWC website includes a link to the live video as well as video archives.

13. Public Comments.

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 2:56 p.m.

Respectfully submitted by,

Niki Linn, Recording Secretary

Approved by Commission in session on _____ 2011.

George Ball, Chairman