

**NORTHERN NEVADA WATER PLANNING COMMISSION  
MINUTES**

**Wednesday, April 3, 2013**

The regular meeting of the Northern Nevada Water Planning Commission (“NNWPC”) was held on Wednesday, April 3, 2013 in the Washoe County Commissioner Chambers, 1001 East Ninth Street, Reno, Nevada.

- 1. Roll Call and determination of presence of a quorum** – Chairman Hazelwood called the meeting to order at 1:30 p.m. There was a quorum present.

Voting Members Present:

Mickey Hazelwood, Chairman  
John Buzzone, Vice-Chairman  
George W. Ball, Jr.  
Michael DeMartini  
Michael Drinkwater  
John Erwin  
Neil Krutz  
Darrin Price  
Jerry Schumacher

Voting Members Absent:

John Flansberg  
John Jackson

Non-Voting Members Present:

David Boland

Non-Voting Members Absent:

John Bird  
Harry Fahnestock  
Kelvin Hickenbottom  
My-Linh Nguyen  
Edmund Quaglieri

Staff Members Present:

Jim Smitherman  
Chris Wessel  
June Davis  
John Rhodes, Legal Counsel

**2. Public Comments.**

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

**3. Approval of the agenda.**

Commissioner Drinkwater made a motion to approve the April 3, 2013 meeting agenda as posted. Commissioner Price seconded the motion, which carried unanimously.

**4. Approval of the minutes from the March 6, 2013, meeting.**

Commissioner Erwin made a motion to approve the minutes as submitted. Commissioner Price seconded the motion, which carried unanimously. Chairman Hazelwood abstained.

**5. Selection of Chairman and Vice-Chairman for the term April 2013 to April 2014, and possible direction to staff.**

Commissioner Erwin asked who would be next in the rotation. Mr. Rhodes responded that when the NNWPC was convened, an order of rotation was not established, only a rotation of the Chairman's seat from among the voting members.

Jim Smitherman stated that representatives for the following entities have not yet served as Chairman: City of Reno, Truckee Meadows Water Reclamation Facility (TMWRF), Washoe County, Domestic Well Owners, Pyramid Lake Paiute Tribe (PLPT) and South Truckee Meadows General Improvement District (STMGID).

Commissioner Erwin made a motion to appoint Commissioner Buzzone as Chair and Commissioner Drinkwater as Vice-Chair. Commissioner Schumacher seconded the motion, which carried unanimously.

Newly elected Chairman Buzzone took over the meeting at this point.

**6. Report on the study of Strategies for Management of High-Density Septic System Developments in Washoe County, and possible direction to staff - Chris Wessel, Northern Nevada Water Planning Commission ("NNWPC") Water Management Planner.**

Chris Wessel explained that this study was funded by the Regional Water Management Fund ("RWMF"). He stated that the Executive Summary was provided to members; however, it does not include the supporting task reports. He added that the task reports were still receiving minor edits but the content would not change.

Mr. Wessel reported that the five tasks are as follows:

- Task 1 – Review of Existing and Projected Conditions – This task is basically a review of what has been done to date. There are almost 17,000 septic systems in Washoe County, 14,000 of which are within the Truckee Meadows Service Area ("TMSA"). He stated that the primary driver of this study was an order by the State of Nevada for Washoe County to mitigate a high-density septic subdivision in Spanish Springs. The mitigation is currently ongoing by connecting customers to the sewer line to TMWRF, which was funded by Washoe County and federal grants that were but are not currently available.

The Spanish Springs issue led the entities to explore other alternatives to address the problem. In 2007 the Water Planning Commission funded a study that was developed by Christian Kropf, Hydrogeologist for Washoe County Department of Water Resources. The report was entitled, "Phase 1 Prioritization of Study Areas and Assessment of Data Needs", also known as the "Kropf Report".

Mr. Wessel reported that 16 high-density septic areas in Washoe County were ranked by priority. He referred to a map showing the areas of potential concern.

Mr. Wessel stated that based on the potential problems, a study was funded by the RWMF to study what options are available, including various technologies, financing options, and case studies.

- Task 2 - Technical and Economic Evaluation of Nitrogen Removal Alternatives – This report was intended to identify mitigation alternatives, which include individual septic systems, neighborhood small cluster systems, and possible connections to new treatment facilities. The report also includes collection alternatives, such as conventional gravity, septic tank effluent gravity and pressure systems, grinder pump low pressure and vacuum systems. Wastewater treatment technologies are also addressed.

- Task 3 – Financing Alternatives for Septic Systems – This report explores different potential funding sources for mitigation, affordability and collection mechanisms. One alternative includes having a Responsible Management Entity (RME) to manage the program.
- Task 4 – Institutional and Management Alternatives – The purpose of this report was to examine possible development of an institutional strategy or approach to ensure implementation of a mitigation solution. This section studies the alternative of having an RME, such as TMWRF, South Truckee Meadows Water Reclamation Facility (STMWRF) or Central Truckee Meadows Remediation District (CTMRD), manage the program.
- Task 5 – Case Studies – The case studies evaluated were not local; the purpose was to show how other communities have mitigated the septic problem with a programmatic approach. He summarized the common conclusions for all of the case studies, which were:
  - Proactive engagement of the broad stakeholder groups is critical
  - Validate science that is the basis for the corrective actions
  - Use Adaptive Management whereby the understanding of science and viability of lower cost options is continually improved
  - Identify low cost solutions and perform ongoing testing/evaluations
  - Provide solutions for all stakeholders so that commonality of purpose is achieved
  - Look for opportune events to require upgrades

Mr. Wessel summarized that in order to implement a project, fair cost and a financing model needs to be developed. Community and septic system owners would need to be in support of the program. He mentioned that a mechanism would also be needed to prevent annexation based on utility easements.

Mr. Wessel invited questions or comments.

Commissioner Drinkwater asked about the purpose of the report; i.e., is the intent to take it to lobby for the local management authority for State government. Mr. Wessel stated that is not his decision to make; however, Mr. Kropf's Phase 1 report identified numerous problem areas in the community. He added that at one point, the NNWPC decided to move forward with a second phase to solidify and better understand the problem. He explained that prior to moving forward, staff pondered what could be done once the magnitude of the problem is identified. Based on that question, it was agreed to move forward with this study, which includes literature research on how other communities have addressed the problem.

Chairman Buzzone explained that in Spanish Springs, for example, the County attempted to convert to municipal sewer; however, the cost per home was \$20,000 to \$30,000, which was cost prohibitive. He reiterated that previous federal funds were used to leverage the costs down to the \$10,000 to \$12,000 range; however, the federal funding has since ended. Based on that issue, the goal was to explore other, less-expensive options for mitigating the problem. He stated that by understanding the range of what other communities have successfully implemented, it provides our community alternatives to explore.

Commissioner Drinkwater asked why 5 milligrams per liter (mg/l) was used for nitrate to be protective of groundwater when the drinking water level is 10 mg/l. Mr. Wessel stated that the contractor selected 5 mg/l as a "safe number". Commissioner Drinkwater stated that using 5 mg/l magnifies the problem on paper to a level that it might not truly be. Mr. Wessel stated that he appreciates that comment but suggested focusing on the approach rather than the point of reference of 5 mg/l.

Chairman Buzzone stated that he spoke with the consultant, Mr. Lombardo of Lombardo and Associates and was told that from a drinking water standpoint, 5 mg/l for nitrate is an industry standard. He added that based on that, if the groundwater level reaches 5, it is time “to start thinking about it”. He stated that he believes the analysis was a crude, high-level picture and therefore, 5 mg/l was an appropriate best guess. He added that one of the interesting items from the Kropf report was that the nitrate levels in Spanish Springs were not entirely due to septic discharge but also from naturally occurring nitrate from the soils. He summarized that he was comfortable using 5 mg/l as the number in this high-level analysis.

Mr. Wessel summarized that there might be a request for a second phase to focus on and better understand our region.

Commissioner Price mentioned the comment that there were six areas with sufficient data and asked if that means those areas were studied. Mr. Wessel explained that none were studied as extensively as Spanish Springs. Commissioner Price asked if the findings were applied to other areas. Mr. Wessel stated that insufficient data is available on the other areas to define what approach should be taken to mitigate septic systems. He added that this report was not intended to address that issue but rather to provide tools that could be used for mitigation.

Commissioner Price asked how it would be determined that certain areas would be hooked up to a system and who would maintain the treatment facility for a small group of homes. Mr. Wessel stated it would be maintained by an RME to be identified. Commissioner Price asked if one RME would maintain all the small facilities with its own staff and governance. Mr. Wessel agreed those were good questions and added that the RME could also be an existing entity.

Commissioner Price stated that he did not see any reference to Nevada Revised Statutes or other law and asked if there are any in place for septic systems. He also asked if there is a return portion to the Truckee River with these homes being on wells if they were connected to a wastewater system. Mr. Wessel stated that those issues would require a much closer look at the regional situation as opposed to this high-level study.

Members and staff agreed that further study is needed to determine the best alternatives locally to address mitigation. Mr. Wessel stated that a Phase 2 study by Mr. Kropf would probably be appropriate.

Commissioner Schumacher stated that two-thirds of the areas have insufficient data and asked what it would take to get the data. Mr. Wessel stated that Phase 2 of the Kropf report would address that issue. Commissioner Schumacher asked what the cost would be to develop the Phase 2 report. Mr. Wessel offered to bring that information back to the NNWPC.

Commissioner Erwin referred to the 2011 Regional Water Plan and stated that it includes policies to address sewer and septic systems. He stated that his assumption is that this study would be the first step in studying the issue to be included in the next Water Plan update. He agreed with Chairman Buzzone and Commissioner Price that additional study is needed to address the local issues.

Commissioner Erwin asked if a septic system could be installed on a new property today in Spanish Springs. Mr. Wessel stated that development over time allowed for septic systems on properties from 1/3 acre to 5 acres. He added that the Health Department currently only allows septic on properties 5 acres or greater. Chairman Buzzone stated that some smaller parcels in Spanish Springs could probably still be developed with a septic system unless a septic to sewer conversion is put in place.

Mr. Wessel stated that if the second phase of the Kropf Report were to be developed, it would include a programmatic solution to address the local issue and a financing alternative would be required. Commissioner Erwin stated that financing alternatives would have to be based on each different area

because they are all different. He asked if staff's recommendation is to move forward with Phase 2 of the Kropf report. Mr. Wessel stated that the Phase 2 report would identify which areas are problematic. He added that a third phase would identify costs and financing alternatives. He clarified that Mr. Kropf's Phase 2 report has not been approved for funding.

Commissioner Erwin summarized that he sees the need to continue this process for inclusion in the next Water Plan update.

Chairman Buzzone thanked Mr. Wessel for his report.

*Chairman Buzzone reopened this item for possible action following item 7.* Commissioner Erwin made a motion to accept staff's report and directed staff to bring back a proposed schedule and potential outline of a scope of work for the next step to map identification of the problems associated with each of the sixteen areas, as well as potential solutions to the problems and a cost estimate to implement one or more solutions more in-depth, while delaying any comment or study as to how it would be funded. Commissioner Price seconded the motion, which carried unanimously.

#### **7. Report on the Bureau of Reclamation's Newlands Project Planning Study Draft Report – Harvey Edwards, Civil Engineer, United States Bureau of Reclamation**

Harvey Edwards thanked the NNWPC for the opportunity to make this presentation (copy on file). He referred to the staff report, which included an overview of the Newlands Project. He stated that approximately 2,200 acre-feet (AF) of active water rights are included to serve the Truckee division and 55,000 AF in the Carson division. The project has two water supplies, the Truckee River and the Carson River. From the Truckee River, water is diverted into the Truckee Canal (32 miles long) at Derby Dam, which serves as a transport and delivery feature. Delivered water provides 100% of the Truckee Division's water supply; transported water is delivered to Lahontan for use by the Carson Division. The delivery and transport are subject to the Operating Criteria and Procedures (OCAP).

Mr. Edwards stated that the Carson River is the primary water supply for the Carson Division. He added that approximately 25% of the Carson Division's water supply comes from the canal, with the remainder coming from the Carson River. When the project was initiated, water was almost exclusively supplied for agricultural needs; however, it now is used for wetlands and municipal uses. The largest holder of the water currently is the U.S. Fish and Wildlife Service.

Mr. Edwards stated that risk assessments were implemented for the Fernley breach, including rodent holes. He referred to diagrams of the canal flows. He reported that under the 2009 Omnibus Bill, the BOR received \$2.5 million to conduct the risk assessment from Derby Dam to Lahontan. The assessment studied what flow could safely be used for the canal, i.e., 600, 350 or 250 cubic feet per second ("cfs"), as well as what it would take to safely close the canal. The study was based on a "risk rating 3".

Mr. Edwards reported that many of the agricultural lands were converted to residential neighborhoods in the Carson and Truckee Division. The Bureau of Reclamation released the Newlands Project Planning Study Draft Special Report ("Draft Report") for public comment in January 2013. The study is being done in response to the 2008 breach of the Truckee Canal that flooded nearly 600 Fernley area properties. Flow in the canal has been restricted since that time. The Draft Report's Executive Summary (on file) states: "The Study's intent is to formulate, develop, and evaluate a range of alternatives to deliver water to Newlands Project (Project) water rights holders while also reducing risk to local communities from operating the Project's Truckee Canal. The purpose of this Special Report is to describe that process and present Study findings." The Draft Report can be viewed at the following website link: <http://www.usbr.gov/mp/lbao/newlands.html>.

Mr. Edwards stated that the study identified 7 alternatives to meet the water supply reliability. The findings of the study showed that without action, the situation could continue to worsen. He stated that the least expensive option is estimated at approximately \$66 million. He added that closing the canal would cost 3 to 18 times as much as fixing it.

Mr. Edwards reported that also explored was upstream storage, which looks promising but requires further study. He stated that BOR used completeness, effectiveness and efficiency to screen out measures. He added that there was no completely acceptable alternative to all of the parties. He clarified that none of the options were off the table.

Mr. Edwards stated that BOR does not have budget at this time (the BOR is on a 3-year budget cycle). He stated that next steps could include:

- Congress could possibly provide additional funds
- Truckee Carson Irrigation District ("TCID") could pursue funding and proceed on its own – BOR would review and approve the work.

Chairman Buzzone referred to the development of the reliability curve in the presentation and asked if it was established using the Truckee River Operating Agreement ("TROA"). Mr. Edwards stated that BOR did not use TROA for anything. He added that flows were based on current conditions. He summarized that this study is not the final report.

Commissioner Erwin asked Mr. Edwards where he sees this project going and how soon will it be complete. Mr. Edwards stated that it looks as though TCID could potentially pay for the project; however, they would have to refocus current spending and raise rates. He reiterated that currently funding is not available to move forward.

Commissioner Erwin asked when the next analysis and findings could be expected. Mr. Edwards stated that the final version of the report was received the prior day and he will make a presentation to the BOR regional director on April 12, 2013. At that point, a determination of budget and next steps would be discussed. He added that the agreement with TCID states that they will operate with no cost to the government.

Mr. Edwards summarized that the process could be a long one based on the parties involved.

Chairman Buzzone thanked Mr. Edwards for his presentation.

*Chairman Buzzone stated that Agenda Item 6 was an action item with no action taken and reopened that item.*

**8. Report on the South Truckee Meadows General Improvement District ("STMGID"), issues arising from the pending consolidation of Washoe County's water utility with the Truckee Meadows Water Authority ("TMWA"), and possible consolidation of STMGID with TMWA - Jerry Schumacher, STMGID**

Commissioner Schumacher, STMGID Board of Trustees, stated that he is not aware of any changes but stated that TMWA is happy.

**9. Report on legislative activities, including Bill Draft Requests and Bills pending in the 2013 session of the Nevada Legislature that may affect or are of interest to the Western Regional Water Commission / NNWPC - John Rhodes, NNWPC Legal Counsel.**

John Rhodes referred to the staff report, which lists many new Bill Draft Requests ("BDRs") that were introduced in the last couple of weeks that are being tracked by the Legislative Sub-committee and staff. He stated that the bills that have been introduced include a hyperlink to the language and status. He

explained that the Legislative Sub-committee has taken positions on the bills introduced to this point, which have basically been “neutral” or to continue to watch. He stated that although he and the sub-committee will continue to follow the bills, none would have a large impact on the NNWPC or WRWC.

Mr. Rhodes explained that the pending bills are noted with an Assembly (“AB”) or Senate (“SB”) designation, and the complete language of each Bill is available by clicking on the corresponding link contained in the electronic version of the report.

Mr. Rhodes stated that one recently introduced bill is SB-499, which was requested by the Legislative Committee to Oversee the WRWC and would create a new legislative committee on statewide water issues. The proposed committee would consist of three senators and three assemblymen. It would transfer power from the Legislative Committee on Public Lands over Water Resources to the new committee. The committee would be required to submit biennial reports to the Legislature. They would not be granted any supervision or control over the WRWC; however, the committee would have the authority to review the programs of all public water authorities, including TMWA. Funding would be required for the bill to pass. Mr. Rhodes offered to continue to follow the bill closely.

**10. Report on the Truckee Meadows Regional Planning Agency (“TMRPA”) parcel-based population and employment modeling project and revised scope of work; and possible direction to staff - Jim Smitherman.**

Mr. Smitherman reported that TMRPA staff is focusing with their consultant on the Industrial Land Needs Analysis. He explained that TMRPA has been engaged in the ongoing analysis in collaboration with the WRWC, Regional Transportation Commission, and the Economic Development Authority of Western Nevada (“EDAWN”). The project focuses on the current supply of industrial land, the needs of industries targeted by EDAWN, and the demand for future industrial land in relation to infrastructure, services and resource requirements. The consultant is close to launching the demand side of the analysis, for instance the types of industry.

Mr. Smitherman stated that TMRPA had a meeting scheduled with Truckee Meadows Water Authority (“TMWA”) staff to discuss fire flows in relation to water service availability. He added that City of Sparks’ geographic information system (“GIS”) staff would be using some of the parcel based information to map or remap the capture areas from the sewer collection system.

Mr. Smitherman stated that as directed by the Regional Planning Governing Board, the TMRPA is acquiring industrial lands data from surrounding counties. He added that Douglas County not only manages its data but also Storey County, Lyon County and Carson City.

Mr. Smitherman reported that the TMRPA is also developing an online map viewer and offered to provide the link to members. He added that the program includes economic development information.

**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. Informational report from the NNWPC representative on the Truckee Meadows Water Authority Standing Advisory Committee (“TMWA SAC”)**
- d. List of agreements to be executed for continuation of services in Fiscal Year 2013 - 2014**

Mr. Smitherman reported that the topics included under this item are provided as informational items. He invited questions or comments. He stated that he included a list of contracts that would be renewed for ongoing services.

**12. Discussion regarding possible agenda items for the May 1, 2013, NNWPC meeting, and other future meetings, and possible direction to staff – Jim Smitherman.**

Mr. Smitherman reported that he would be out of town on May 1 and recommended cancellation of the meeting. He stated that items for future meetings include:

- Report on Water Quality Standards review for Lahontan Reservoir – Randy Pahl, Nevada Division of Environmental Protection, offered to provide a report at the June meeting.
- Approve the Operating Budget after approval at the WRWC Public Hearing in May
- Standing Items
  - Legislative Update
  - Program Manager’s Report
  - Status update on STMGID merger

Commissioner Erwin made a motion to cancel the May NNWPC meeting. Commissioner Price seconded the motion, which carried unanimously.

**12. Commission Comments.**

Chairman Buzzone thanked Commissioner Hazelwood for his year of chairmanship for the NNWPC.

**13. Staff Comments.**

Mr. Smitherman stated that the WRWC approved the draft tentative budget with the NNWPC’s recommendations.

Mr. Smitherman congratulated the new Chairman and Vice-Chairman.

**14. Public Comments.**

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

**15. Adjournment.**

With no further business, the meeting was adjourned at 3:26 p.m.

Respectfully submitted by,

Niki Linn, Recording Secretary

Approved by Commission in session on \_\_\_\_\_ 2013.

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John Buzzone, Chairman