

NORTHERN NEVADA WATER PLANNING COMMISSION AGENDA

Wednesday, April 2, 2014

1:30 p.m.

Washoe County Commission Chambers
1001 East Ninth Street
Reno, Nevada

Notes:

1. Items on this agenda on which action may be taken are followed by the term "for possible action". Non-action items are followed by an asterisk (*).
2. Public comment is limited to three minutes per speaker and is allowed during the public comment periods, and before action is taken on any action item. Comments are to be directed to the Commission as a whole. Persons may not allocate unused time to other speakers. The public may sign-up to speak during the public comment period or on a specific agenda item by completing a "Request to Speak" card and submitting it to the clerk.
3. Items on this agenda may be taken out of order, combined with other agenda items for consideration, removed from the agenda, or delayed for discussion at any time. Arrive at the meeting at the posted time to hear item(s) of interest.
4. Supporting material provided to the Commission for the items on the agenda is available to members of the public at the Northern Nevada Water Planning Commission ("NNWPC") offices, 4930 Energy Way, Reno, NV, from June Davis, Administrative Secretary, (775) 954-4665, and on the NNWPC website at <http://www.nnwpc.us>
5. In accordance with NRS 241.020, this agenda closes three working days prior to the meeting. We are pleased to make reasonable accommodations for persons who are disabled and wish to attend meetings. If you require special arrangements for the meeting, please call 954-4665 no later than 24 hours prior to the meeting.
6. 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 (1675 East Prater Way), Sun Valley GID (5000 Sun Valley Blvd.), TMWA (1355 Capital Blvd.), Washoe County Administration Building (1001 E. 9th Street), Second Judicial District Court/Courthouse (75 Court Street), Washoe County Central Library (301 South Center St.), Washoe County Community Services Department (4930 Energy Way), Galena Market (19990 Thomas Creek Rd.), Galena High School (3600 Butch Cassidy Way), South Valleys Library (15650A Wedge Parkway), and the NNWPC website: <http://www.nnwpc.us>

1. Roll Call and determination of presence of a quorum. *
2. Public Comments. * (Three-minute time limit per person.)
3. Approval of agenda. **(For Possible Action)**
4. Approval of the minutes from the March 5, 2014, meeting. **(For Possible Action)**
5. Selection of Chairman and Vice-Chairman for the term April 2014 to April 2015, and possible direction to staff. **(For Possible Action)**
6. Report on the Truckee River Flood Project – Jay Aldean, Executive Director, Truckee River Flood Management Authority.*
7. Discussion regarding a proposal and scope of work for supplementary precipitation gauges to quantify cloud seeding results in the Lake Tahoe and Truckee River basins; possible recommendation to the Western Regional Water Commission ("WRWC"), and possible direction to staff, including possible direction to include

\$25,000 for that project in the 2014 - 2015 fiscal year tentative budget – Jeff Tilley, Desert Research Institute. **(For Possible Action)**

8. Report on the Truckee River nutrient water quality standards review – Terri Svetich, P.E., Engineering Manager, City of Reno.*
9. Report on the Truckee Meadows Regional Storm Water Management program audit conducted by the Nevada Division of Environmental Protection – Terri Svetich. *
10. Report on the Truckee Meadows Water Reclamation Facility ("TMWRF") nitrogen treatment alternatives planning study and current project status – Terri Svetich and David Kershaw, City of Reno.*
11. Review draft WRWC tentative budget for Fiscal Year 2014 - 2015; discussion, possible recommendation to the WRWC, and possible direction to staff – Jim Smitherman, WRWC/NNWPC Water Resources Program Manager.
12. Program Manager's Report – Jim Smitherman. *
 - a. Report on the Status of Projects and Work Plan Supported by the Regional Water Management Fund
 - b. Financial Report on the Regional Water Management Fund
 - c. List of agreements expiring June 30, 2014 requiring the execution of an agreement or an amendment for the continuation of services in Fiscal Year 2014 – 2015
 - d. Report on the acquisition of water rights, consistent with the existing interlocal agreement between the Truckee Meadows Water Authority ("TMWA") and the WRWC, to partially satisfy the 6700 acre-feet water rights requirement in the Truckee River Operating Agreement
 - e. Report on the Washoe County water utility / South Truckee Meadows General Improvement District / Truckee Meadows Water Authority consolidation
 - f. Informational report from the NNWPC representative on the TMWA Standing Advisory Committee ("TMWA SAC")
13. Discussion regarding possible agenda items for the May 7, 2014, NNWPC meeting, and other future meetings, and possible direction to staff – Jim Smitherman. **(For Possible Action)**
14. Commission comments. *
15. Staff comments. *
16. Public Comments. * (Three-minute time limit per person.)
17. Adjournment.

*Indicates a non-action item

MINUTES
NORTHERN NEVADA WATER PLANNING COMMISSION

Wednesday, March 5, 2014, 1:30 p.m.

The regular meeting of the Northern Nevada Water Planning Commission ("NNWPC") was held in the Washoe County Commission Chambers, 1001 East Ninth Street, Reno, Nevada and conducted the following business:

The meeting was called to order by Chairman Solaro at 1:30 p.m.

1. Roll Call and Determination of Presence of a Quorum

Voting Members Present: David Solaro, Michael Drinkwater, Mickey Hazelwood, Michael DeMartini (arrived at 1:31), John Erwin, John Flansberg, Neil Krutz, George Ball, Darrin Price, and Jerry Schumacher.

Voting Members Absent: All voting members were present.

Non-Voting Members Present: Chris Anderson.

Non-Voting Members Absent: Harry Fahnestock, Edmund Quaglieri, and Kim Davis.

Staff Members Present: Jim Smitherman; Chris Wessel; June Davis; and John Rhodes, Legal Counsel.

2. Public Comment

None

3. Approval of the Agenda

Jim Smitherman, WRWC Water Resources Program Manager, stated there has been a request by the presenter for Agenda Item 8 that it be continued until the April NNWPC meeting.

COMMISSIONER FLANSBERG MADE A MOTION TO APPROVE THE AGENDA AS AMENDED, SECONDED BY COMMISSIONER KRUTZ. THE MOTION CARRIED UNANIMOUSLY WITH NINE (9) MEMBERS PRESENT.

4. Approval of Minutes from the December 4, 2013, Meeting

[Commissioner DeMartini arrived at 1:31 p.m.]

COMMISSIONER KRUTZ MADE A MOTION TO APPROVE THE DECEMBER 4, 2013, MINUTES, SECONDED BY COMMISSIONER HAZELWOOD. THE MOTION CARRIED WITH NINE (9) IN FAVOR AND ONE (1) ABSTENTION BY CHAIRMAN SOLARO.

5. Central Truckee Meadows Remediation District ("CTMRD") Program Update – Chris Benedict, CTMRD Program Manager.

Chris Benedict presented an update on the ongoing projects, plans, and priorities of the CTMRD Program.

Commissioner DeMartini asked how much water is lost per gallon treated in the packed tower aeration process. Mr. Benedict stated there will be nominal losses to evaporation and that it is a very small if at all measurable amount.

Commissioner Erwin asked how far away the sources of the two plumes of particular concern are from any municipal wells. Mr. Benedict stated it is about six or seven thousand feet up gradient.

Commissioner Erwin asked what the concentration is at that source. Mr. Benedict stated the highest concentration they have seen in hot spots has been in the low hundreds of micrograms per liter.

Commissioner Erwin asked about the timing for plans to put treatment at the source. Mr. Benedict stated treatment in the source areas is dependent on the progress of the potential source area investigation. Things that will trigger treatment at a source include delineation of a source that poses a threat to groundwater based on concentration and total mass and it being practical and feasible to access the center of mass for treatment.

Commissioner DeMartini asked if the water that gets treated at the treatment wells is put into the water system or back into the ground. Mr. Benedict stated it goes right into the distribution system so there is no water being lost.

Commissioner Erwin asked what the annual operating budget is for the district. Mr. Benedict stated that the revenue has been 1.25 million. In terms of expenditures, they have a fund balance right now.

Commissioner Erwin asked how many monitoring wells they have and if they are monitored monthly. Mr. Benedict stated they monitor water levels monthly and water quality as frequently as quarterly.

Commissioner Erwin asked if the monitoring wells are mainly less than two hundred feet deep. Mr. Benedict stated the shallowest are around thirty-five or forty feet and the deepest is four hundred feet.

Commissioner Erwin asked how many monitoring wells there are. Mr. Benedict stated there are two hundred and twenty.

Commissioner Erwin asked how many staff members they have. Mr. Benedict stated right now they have five and two vacancies they are trying to fill.

Commissioner DeMartini asked what the MCL might go down to. Mr. Benedict stated that talk has been either 1 or 0.5 micrograms per liter.

Commissioner DeMartini asked what the existing towers can get down to. Mr. Benedict stated it depends on the influent concentration. They have been monitoring influent and effluent and they are all below 0.5 so they would be okay.

6. Discussion regarding a matching funds request for a Desert Terminal Lakes Restoration Fund proposal entitled “Optimizing Restoration Investments in the Truckee Watershed”; possible direction to staff, including possible direction to include \$58,075 for that project in the 2014/2015 fiscal year tentative budget – Mickey Hazelwood, The Nature Conservancy.

Kristen Podolak, The Nature Conservancy (“TNC”), reviewed information regarding the proposal, including a project description, funding details and a project location map.

Commissioner Erwin asked how far they are from having results on the study at Sage Hen. Ms. Podolak stated the Sage Hen Project has yet to begin the thinning, but there is a study in the Kings River Experimental Watershed that the US Forest Service is doing that is post-thinning and it is showing a water yield increase.

Commissioner Erwin asked if TNC is doing some thinning in the Independence Lake Watershed area. Ms. Podolak stated they are and Truckee Meadows Water Authority (“TMWA”) helped fund that forest thinning.

Commissioner Erwin asked if there is a study going on as a result of that thinning. Ms. Podolak stated there is not.

Commissioner Erwin asked if they made any money on the sale of the wood after thinning. Ms. Podolak stated that it was expensive because there was no bio mass facility to take the material to. In the future this type of work should cost less if there is a bio mass facility nearby. Chris Fichtel, TNC, stated they could probably cut the per acre cost in half if they had a place to take the bio mass.

Commissioner Price asked about the total project cost. Ms. Podolak stated it is about four hundred thousand dollars for the study.

Commissioner Price asked how they arrived at \$58,075 for the proposed investment from NNWPC. Ms. Podolak stated the numbers are estimates from the pre-proposal stage and that they will sort the numbers out more clearly now that they are preparing the full proposal.

Commissioner Price asked for more information on the budget and contribution numbers. Mr. Fichtel stated some of the contribution from NNWPC would be helping to get more information from the Natural Capital Project as well as helping to pay the person coming in to staff the project. TNC's funding would go toward some of the work that would be put into play by a project manager here in Reno, a hydrologist, and a forest ecologist.

Commissioner Price asked about other agencies that could potentially be involved with the project. Ms. Podolak stated they are reaching out to the Bureau of Reclamation, TMWA, and other groups.

Commissioner Price asked how many of the target area counties have pledged money to the project. Ms. Podolak stated none have at this point.

Commissioner Price asked about the deadlines associated with the grant. Ms. Podolak stated the full proposal is due March 28 and the National Fish and Wildlife Foundation ("NFWF") will respond by May 1.

Commissioner Price asked if anyone has started working on developing the model. Ms. Podolak stated it has been in use for over ten years and it has been in use in the US for climate change planning related to the rise in sea level. It has not been used for a water conservation type of project.

Commissioner Price asked if they will have time before the proposal deadline to approach the other agencies. Ms. Podolak stated yes, and that she would like more input regarding who they should be targeting in order to include the headwater entities as well as the downstream users.

Commissioner Erwin asked if NFWF is contingent on getting the other sources lined up before they make a decision on the grant. Mr. Fichtel stated he does not think so. NFWF has not said that other funding must be in place at the time that they make their decision.

Commissioner DeMartini suggested that some of the input needed for this model could be gathered from data in the Watershed Analysis Risk Management Framework ("WARMF") model that is administered by the City of Reno. Ms. Podolak stated they would get in touch with the person in charge of that model.

Chairman Solaro asked Mr. Smitherman if there is room in the budget for funding something like this. Mr. Smitherman stated the draft budget as this time will end up with some cash reserve and there would be enough cash reserve to cover this.

Commissioner Drinkwater asked if this model can do all three different resource management strategies of snow storage, sediment yield, and nutrient reduction. Ms. Podolak stated it can do all three.

Commissioner Drinkwater asked if there is any data on how accurate it has been. Ms. Podolak stated there are some research studies in Latin America where this model was used that show the efforts being made are having the benefit they were modeled to have.

Commissioner Drinkwater stated that qualitatively there was a prediction of reduction in sediment which manifested and asked if quantitatively there was a number put on it. Ms. Podolak stated there have only been two quantitative studies on how well the model works and they are showing that it is working.

John Rhodes, Legal Counsel, stated for clarification that if the Commission directs staff to include the requested amount in the tentative budget, it does not constitute an approval of the project. The applicant would still need to come back to the NNWPC with a more specific project to seek a recommendation to the WRWC to fund the project. This action would just set the money aside if in the future a decision is made to approve the project and make a recommendation to the WRWC.

[There was no public comment on this item.]

COMMISSIONER DeMARTINI MADE A MOTION TO RESERVE THE \$48,075 IN THE BUDGET FOR A FUTURE APPLICATION, SECONDED BY COMMISSIONER KRUTZ.

Commissioner Price expressed concern that they are the only agency that has been approached.

There was discussion regarding revising the motion to be contingent on other sources of funding being approved. There was also discussion clarifying the process for this funding and making a recommendation to the WRWC in the future.

Mr. Rhodes stated that the funding cannot be made contingent because it has not been approved. This action is just making a placeholder in a tentative budget. Mr. Rhodes also stated there seems to be a confused record that needs to be clarified.

CHAIRMAN SOLARO MADE A MOTION TO DIRECT STAFF TO RESERVE THE \$58,075 FOR A POSSIBLE FUTURE PROJECT, SECONDED BY COMMISSIONER KRUTZ.

Commissioner Drinkwater asked that the applicant provide the requested studies to Mr. Smitherman before coming back to secure funding.

Commissioner Erwin asked if the original motion had been withdrawn. Commissioner DeMartini withdrew his motion.

THE MOTION CARRIED WITH NINE (9) IN FAVOR AND ONE (1) ABSTENTION BY COMMISSIONER HAZELWOOD.

- 7. Discussion regarding proposed Washoe Evapotranspiration Project improvements, including equipment upgrades for up to six additional weather stations and deployment of the weather stations at locations not presently monitored; possible recommendation to the Western Regional Water Commission (“WRWC”), and possible direction to staff, including possible direction to include \$40,000 for that project in the 2014/2015 fiscal year tentative budget – Chris Wessel, WRWC Water Management Planner.**

Chris Wessel presented information included in the staff report regarding the proposed Washoe Evapotranspiration Project improvements.

[There was no public comment on this item.]

COMMISSIONER ERWIN MADE A MOTION TO ADOPT STAFF'S RECOMMENDATION, SECONDED BY COMMISSIONER PRICE. THE MOTION CARRIED UNANIMOUSLY WITH TEN (10) MEMBERS PRESENT.

- 8. Discussion regarding a proposal and scope of work for supplementary precipitation gauges to validate cloud seeding in the Lake Tahoe and Truckee River basins; possible recommendation to the WRWC, and possible direction to staff, including possible direction to include \$25,000 for that project in the 2014/2015 fiscal year tentative budget – Jeff Tilley, Desert Research Institute.**

This item has been continued to the April NNWPC meeting.

- 9. Discussion regarding a request for partial funding of a watershed improvement project to reduce storm water flows to the Highland Canal and improve the quality of such flows to the Truckee River, and possible direction to staff, including possible direction to include \$250,000 for that project in the 2014/2015 fiscal year tentative budget – Glen Daily, P.E., City of Reno.**

Glen Daily presented an overview of the Drainage Improvement Project to improve storm water quality and reduce quantity from entering the Highland Canal.

Commissioner Erwin asked if the two detention basins prior to the outfall to the Truckee River are up in Mason Park and on the other side of the railroad. Mr. Daily stated yes.

Commissioner Krutz asked who would maintain those basins. Mr. Daily stated the facilities within Washoe County jurisdiction will be maintained by Washoe County and the facilities within the City of Reno jurisdiction will be maintained by the City of Reno.

Commissioner Krutz asked if Nevada Department of Transportation (“NDOT”) would maintain their own facility. Mr. Daily stated yes and that right now they are not looking at actual physical improvements within the Interstate 80 right-of-way but anything they have implemented and will implement will be maintained by NDOT.

Commissioner Price asked if the City of Reno currently does storm water quality monitoring. Mr. Daily stated yes they do.

Commissioner Price asked if these are existing sites or sites that will be added. Commissioner Flansberg stated they are existing sites.

Commissioner Price stated that this sounds like a construction project and asked Legal Counsel if they are able to use Regional Water Management Funds to fund construction projects. Mr. Rhodes stated that he believes the broad language in the statute allows the funding of this type of infrastructure which relates directly to municipal water supply and surface water quality. It is a policy question and it is up to the Commission if this is the type of activity they want to fund.

Commissioner Price stated that if they are going to start funding construction projects that they could specifically say benefit the Truckee River, that would include most of the projects they see. Commissioner Price stated that his reason for asking for an interpretation of the law is that this would set a precedent.

Commissioner Price asked how the \$250,000 request from the Water Management Fund was calculated. Ron Penrose, TMWA, stated that dollar figure comes from TMWA and represents the remainder of their consultant fees to get the project design. It also represents their best estimate of securing permits from NDOT, the Army Corps of Engineers and the railroad.

Chairman Solaro asked if there is room in the budget available for this request. Mr. Smitherman stated there would be enough cash reserve in the budget to cover this request.

Commissioner Flansberg stated that Washoe County, the City of Reno and TMWA are all working together on this project.

Chairman Solaro asked how this project became a storm water quality project versus a water quality project. Mr. Penrose stated they are talking about drainage that was storm water drainage that was dumping into the canal system which is used for water treatment and that it is source water pollution from a municipal water perspective.

Commissioner Erwin stated the canal was built sometime around 1878 and was not designed as a storm water transport system. Communities were built around it and events have taken place that may impair the ability for TMWA to protect the Highland Canal as it makes its way to Chalk Bluff. The Joint Powers Authority agreement that created TMWA limits TMWA to a water supplier. When activities get to the point where they step into storm water and effluent treatment projects, TMWA is limited on its participation and that's when the partnerships are required with the other entities to solve these types of issues.

Commissioner Krutz asked why the City of Reno and Washoe County are not picking up the rest of the tab. Mr. Daily stated that the City of Reno does not currently have the funding available to apply towards the project.

Commissioner Price stated that he is behind the project and protecting the Highland Canal but he does not think this is the appropriate place to fund the construction of the project.

Commissioner Erwin talked about the interconnectivity of the work this Commission has done in the past and who this project will benefit. Commissioner Erwin stated that ninety-five percent of the funding of the Regional Water Management Fund and the Truckee River Fund comes from the customers of TMWA. Commissioner Erwin also stated that it is the position of this Commission to see that the watershed is managed properly and protected and where they can cooperate and use those dollars appropriately to yield a maximum benefit to multiple players, it makes sense to see this project go forward.

COMMISSIONER ERWIN MADE A MOTION TO ADOPT STAFF'S RECOMMENDATION, SECONDED BY COMMISSIONER DeMARTINI.

Commissioner DeMartini requested that the motion include that a benefit cost ratio be provided before final funding is approved. Mr. Penrose stated that there has not been a benefit cost analysis done on this project. Mr. Penrose spoke about what would be involved in preparing a benefit cost ratio and that they have not taken it to that level of detail. Commissioner DeMartini stated that he understood that it would be too extensive and that the costs are mostly intangibles and withdrew his request for a benefit cost ratio.

Commissioner Price stated this project should be funded by the municipalities and not this Commission.

THE MOTION CARRIED WITH EIGHT (8) IN FAVOR AND TWO (2) OPPOSITIONS BY COMMISSIONERS KRUTZ AND PRICE.

Commissioner Price asked for confirmation that the Commission just voted to include this project in the budget and that they did not vote to recommend approval of the funds for the project. Mr. Smitherman stated that is correct.

10. Program Manager's Report – Jim Smitherman, WRWC Water Resources Program Manager.

- 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. Request from the Truckee River Flood Management Authority (“TRFMA”) to the Western Regional Water Commission for the creation of a voting position on the Northern Nevada Water Planning Commission to represent TRFMA

Mr. Smitherman stated that at the last meeting of the TRFMA, the Board included an item on their agenda to ask the WRWC to create a voting seat on the NNWPC for a TRFMA representative.

- D. Status report on the pending consolidation of the South Truckee Meadows General Improvement District, Truckee Meadows Water Authority and Washoe County water utility

Mr. Smitherman stated that there will be a joint board meeting to discuss this issue on March 19. The WRWC meeting scheduled on March 19 has been cancelled.

- E. Informational report from the NNWPC representative on the TMWA Standing Advisory Committee (“TMWA SAC”)

Commissioner Ball reported that the TMWA SAC is functioning well. The meetings are well attended and well managed. The discussions are very informative and productive. Commissioner Ball stated that he will continue to attend the meetings.

11. Discussion regarding possible agenda items for the April 2, 2014, NNWPC meeting, and other future meetings, and possible direction to staff – Jim Smitherman.

Commissioner Price asked when they would see the budget. Mr. Smitherman stated they would see the budget on April 2.

Mr. Smitherman reviewed possible agenda items for the April 2 NNWPC meeting.

Commissioner Price asked about the Legislative Oversight Committee. Mr. Smitherman stated the statute ended last July and that there is no longer an Oversight Committee.

Commissioner Price requested an update on the water rights purchase project. Mr. Rhodes stated that update will be included on a future agenda.

12. COMMISSION COMMENTS

None

13. STAFF COMMENTS

None

14. PUBLIC COMMENT

None

15. ADJOURNMENT

COMMISSIONER FLANSBERG MADE A MOTION TO ADJOURN AT 4:00 PM, SECONDED BY COMMISSIONER PRICE. THE MOTION CARRIED UNANIMOUSLY WITH TEN (10) MEMBERS PRESENT.

Respectfully submitted by Christine Birmingham.

Approved by:

David Solaro, Chairman

APPROVED BY COMMISSION IN SESSION ON _____, 2014.

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: March 27, 2014
TO: Chairman and Members, Northern Nevada Water Planning Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: Selection of Chairman and Vice Chairman for the term April 2014 to April 2015, and possible direction to staff.

SUMMARY

Section 39 of the Western Regional Water Commission Act, Chapter 531, Statutes of Nevada 2007 (the "Act"), requires that the Northern Nevada Water Planning Commission ("NNWPC") "establish a schedule for the selection of its Chairman for a term of 1 year, in rotation, from among the members." The Act identifies the voting members of the NNWPC by title, position, or interest to be represented, and is silent concerning a vice chairman. However, the Act does not prohibit selection of a vice chairman, and, prior to adoption of the NNWPC Administrative Policies and Procedures on May 5, 2010, a vice chairman was selected by custom and practice to preside over meetings in the absence of the chairman. Section V of the NNWPC Administrative Policies and Procedures provides for the selection of a chairman and a vice chairman, for a term of one year, in rotation, from among the voting members, annually, at the first meeting in April.

NNWPC voting member positions that have not yet served as Chairman include: City of Reno, Truckee Meadows Water Reclamation Facility, Domestic Well Owners, Pyramid Lake Paiute Tribe and South Truckee Meadows General Improvement District.

PREVIOUS ACTION

One year term is April through March

- 2013 Member: Washoe County Water Resources Director's designee, Chairman-John Buzzone, succeeded by Dave Solaro
Vice Chairman-Michael Drinkwater
- 2012 Member: Public at Large, Chairman-Mickey Hazelwood
Vice Chairman-John Buzzone
- 2011 Member: Washoe County Conservation District, Chairman-George Ball
Vice Chairman-Neil Krutz
- 2010 Member: TMWA, General Manager's designee, Chairman-John Erwin
Vice Chairman-Jerry Schumacher
- 2009 Member: Sparks Public Works Director, Chairman-Wayne Seidel
Vice Chairman-George Ball
- 2008 Member: SVGID General Manager, Chairman-Darrin Price
Vice Chairman-Wayne Seidel

FISCAL IMPACT

None

RECOMMENDATION

It is recommended that the NNWPC select a chairman and vice chairman for a 1-year term ending on March 31, 2014, in rotation, from among the members.

js

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: March 28, 2013

TO: Chairman and Members, Northern Nevada Water Planning Commission

FROM: Jim Smitherman, Water Resources Program Manager

SUBJECT: Report on the Truckee River Flood Project

Jay Aldean, Executive Director, Truckee River Flood Management Authority, will provide a verbal report on the Truckee River Flood Project while showing a PowerPoint presentation.

JS:jd

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: March 27, 2014

TO: Chairman and Members, Northern Nevada Water Planning Commission

FROM: Chris Wessel, Water Management Planner
Jeff Tilley, Desert Research Institute

SUBJECT: Discussion regarding a proposal and scope of work for supplementary precipitation gauges to quantify cloud seeding results in the Lake Tahoe and Truckee River basins; possible recommendation to the Western Regional Water Commission ("WRWC"), and possible direction to staff, including possible direction to include \$25,000 for that project in the 2014/2015 tentative budget.

SUMMARY

On November 6, 2013, the Northern Nevada Water Planning Commission ("NNWPC") approved a recommendation to the WRWC for an amount not to exceed \$100,000 from the Regional Water Management Fund ("RWMF") for the 2014/2015 cloud seeding program (the "Program"). During discussion on the Program the NNWPC expressed a desire for Desert Research institute ("DRI") to better quantify the benefits of the Program. In the motion to recommend approval for funding, the NNWPC included a request for a proposal from DRI to further delineate and improve DRI's ability to measure increased snowpack resulting from the Program.

Dr. Tilley of DRI will present an outline of his proposal for the development of a monitoring program to quantify cloud seeding benefits.

BACKGROUND

Beginning in 2009, the WRWC has helped pay for cloud seeding operations conducted by DRI and may anticipate continuing to partially fund the Program for the foreseeable future. Wintertime cloud seeding is focused on enhancing snowfall in mountainous regions to increase the snowpack, resulting in more spring runoff and water supplies in the surrounding areas. The DRI cloud seeding program has been in operation for more than 25 years. DRI estimates that, for the Truckee River Basin, cloud-seeding has boosted water in the snowpack by an average of 18,000 acre-feet a year over the last 10 years.

FISCAL IMPACT

The fiscal impact to the RWMF, should this item be approved, will be \$25,000 in fiscal year 2014/2015. Budget authority will be located in Fund Group 766, Fund 7066, Account Number 710100, Professional Services, Cost Object WP310100.3.

RECOMMENDATION

Staff recommends that the NNWPC consider the proposal from DRI to implement program monitoring enhancements, and provide a recommendation to the WRWC approve the proposal and scope of work, and direct staff to include \$25,000 for that project in the fiscal year 2014/2015 tentative budget.

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: March 27, 2014

TO: Chairman and Members, Northern Nevada Water Planning Commission

FROM: E. Terri Svetich, P.E., Engineering Manager, City of Reno

SUBJECT: Report on the Truckee River nutrient water quality standards review

SUMMARY

The Cities of Reno and Sparks, Washoe County and the Truckee Meadows Water Authority ("TMWA") have been working collaboratively with Nevada Division of Environmental Protection ("NDEP") and the United States Environmental Protection Agency ("USEPA") to review the nutrient water quality standards and Total Maximum Daily Loads ("TMDL") on the Truckee River. This presentation will provide a progress update of this multi-year effort.

BACKGROUND

The Clean Water Act ("CWA") sets forth regulatory requirements for waterways that have impairments that do not support designated beneficial uses due to loading from one or more pollutants (e.g., nutrients, temperature, and sediment). Ideally, TMDLs are developed to correct the impairment and restore the water quality. TMDLs were established on the Truckee River in 1994 for Total Dissolved Solids, Total Nitrogen and Total Phosphorus.

Since the 1994 TMDL was approved, new data have been collected, new modeling tools have been developed and operation of the Truckee River has changed. A review and potential revisions of the nutrient water quality standards and TMDL may provide a benefit toward a stronger scientific linkage between the TMDL and water quality standards. The outcome of the TMDL review process has implications for regulating, permitting and monitoring the discharges to the Truckee River.

DISCUSSION

In 2012, NDEP and USEPA concluded that a review of the Lahontan reservoir water quality standards must be initiated in advance of the Truckee River water quality standards review. However, in mid 2013, those agencies concluded that the processes could move forward concurrently. As a result of that decision, the public process started up again with focus group meetings of key stakeholders to assist in the final develop and assumptions for the water quality modeling efforts. This led to the submission of a report to NDEP on the Technical Rational for Review and Revision of Truckee River Nutrient Water Quality Standards. The presentations and reports associated with this process are available on the Truckee River Information Gateway (www.truckeeriverinfo.org).

NDEP had developed a schedule for moving forward to develop a rationale/petition for proposed standards changes to ensue in the fall of this year. However, the Pyramid Lake Paiute Tribe ("PLPT") has informed NDEP/USEPA that they are initiating a review of their

water quality standards for the Truckee River on the Reservation. Given this information, NDEP has concluded that any work on the rationale for water quality standards should be put on hold until after the PLPT completes their work. The PLPT anticipates completion in September 2015. No evaluation of the Total Maximum Daily Loads will proceed until the review of the water quality standards has been completed. Maintaining a limited involvement with the consultant under contract, LimnoTech, in the event that Reno , Sparks, and TMWA require a model run for alternative scenarios to assist in the assessment of proposed standards changes downstream, may have significant benefits.

RECOMMENDATION

This is a non-action item for informational purposes only.

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: March 27, 2014

TO: Chairman and Members, Northern Nevada Water Planning Commission

FROM: E. Terri Svetich, P.E., Engineering Manager, City of Reno

SUBJECT: Report on the Truckee Meadows Regional Storm Water Management program audit conducted by the Nevada Division of Environmental Protection

SUMMARY

The Nevada Division of Environmental Protection (“NDEP”) and the United States Environmental Protection Agency (“USEPA”) conducted an audit of the Truckee Meadows Regional Storm Water Management program (“TMSWMP”) in the summer of 2013. The audit report was finalized by NDEP in December and a response to NDEP is required on April 4, 2014. This presentation will provide the Commission with the findings of the audit and the response developed by the Truckee Meadows Storm Water Permit Coordinating Committee.

RECOMMENDATION

This is a non-action item for informational purposes only.

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: March 27, 2014

TO: Chairman and Members, Northern Nevada Water Planning Commission

FROM: E. Terri Svetich, P.E., Engineering Manager, City of Reno
David Kershaw, P.E., Associate Civil Engineer, City of Reno

SUBJECT: Report on the Truckee Meadows Water Treatment Facility ("TMWTF") Nitrogen Treatment Alternatives Planning Study (prepared by Carollo Engineers), and current project status.

SUMMARY

The Western Regional Water Commission (WRWC) approved funding for a scope of work with Carollo Engineering to perform a high level assessment of supplemental tertiary treatment processes that could enhance nitrogen removal at TMWRF. An overview presentation will be provided on the final report.

Three alternatives were considered: Enhanced Coagulation, Advanced Oxidation Process (Ozone), and Microfiltration/Reverse Osmosis. These three processes could augment nitrogen removal with the existing plant layout and facilities.

The estimated present worth of the initial project cost and annual operations and maintenance costs for the three treatment alternatives were evaluated. It is a high level estimate that would need to be refined with additional studies and design.

Alternative Cost Comparison – Enhanced Nitrogen Removal Planning Study	
Treatment Process	Net Present Worth*
Enhanced Coagulation	\$185,422,000
Advanced Oxidation Process (Ozone)	\$ 53,973,000
Reverse Osmosis	\$269,201,000

*The Net Present Worth includes: Construction Cost, Engineering, Legal and Administration, Annual O&M Cost

RECOMMENDATION

This is a non-action item for informational purposes only.

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: March 27, 2014
TO: Chairman and Members, Northern Nevada Water Planning Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: Review draft Western Regional Water Commission (“WRWC”) tentative budget for fiscal year 2014 – 2015; discussion, possible recommendation to the WRWC to approve the budget, and possible direction to staff

SUMMARY

Staff has developed a draft tentative budget for fiscal year 2014-2015 for review and possible recommendation to the WRWC. The budget includes revenues and expenses for staff and non-staff professional services. Additional budget worksheets include details for professional services related to priority projects and routine operating expenses.

BACKGROUND

The WRWC is required to submit a budget to the Nevada Department of Taxation after holding a hearing in May of each year. The attached draft tentative budget is provided for review, discussion, possible direction to staff, and possible recommendation to the WRWC for approval as presented or with revisions. Based on input received, staff will prepare a tentative budget for review and adoption by the WRWC.

FISCAL IMPACT

The fiscal year 2014-2015 draft tentative budget projects \$1,561,071 in revenue, \$2,796,180 in expenses, and an ending cash balance of approximately \$300,500. Budget expenses include a maximum of \$2,182,700 for WRWC work plan activities, \$525,480 for three full time staff and legal services, and various routine operating expenses in the amount of \$88,000.

RECOMMENDATION

Staff recommends that the NNWPC review the draft tentative budget for fiscal year 2014-2015 and, if acceptable, make a recommendation to the WRWC for approval.

JS:jd
Attachment

**Western Regional Water Commission
Draft - Fiscal Year July 1, 2014 - June 30, 2015
Budget Summary Worksheet**

Budget Category	1.5% WMF	NOTE	Washoe County In-Kind	NOTE	TMWA In-Kind	NOTE	SVGID In-Kind	NOTE
REVENUE	Amount		Amount		Amount		Amount	
Estimated Water Surcharge Revenues	1,533,311							
Estimated Interest Income	27,760							
Total Revenue	1,561,071		0		0		0	
PROFESSIONAL SERVICES/SUPPLIES	Amount		Amount		Amount		Amount	
Estimated Professional Services (Page 2)	2,182,700	1						
Staff Services (Page 3)	525,480	2,3	0				0	
Non-Staff Services (Page 3)	88,000							
Total Professional Services/Supplies	2,796,180		0				0	
OTHER EXPENSES	Amount		Amount		Amount		Amount	
Estimated Misc.			0					
Total Other Expense	0		0		0			
Total Expenses	2,796,180		0		0		0	

Net Decrease in Cash Reserves (\$1,235,109)

Cash Balance as of 7/1/13	\$3,856,507
Estimated 2013/2014 Revenue (Cash Flow)	1,514,382
Estimated 2013/2014 expenditure (Page 4)	(\$3,835,237)
Estimated cash balance as of 7/1/14	\$1,535,652
Net Decrease in Cash Reserves for FY 2014-15	(\$1,235,109)
Estimated cash balance as of 6/30/15	\$300,542

NOTES:

- Proposed budget provides legal spending authority for projects yet to be approved by the WRWC upon recommendations provided by the NNWPC. Specific per project scope and cost yet to be developed and approved by the WRWC.
- Proposed budget provides legal spending authority for contract staff services previously approved by the WRWC.
- Includes Washoe County estimate for overhead: 1.5% fund management, accounting, purchasing, human resources, information technology, office space, utilities, computer hardware, software, copier, supplies, routine/administrative and GIS/drafting services.

Draft - Professional Services Budget Detail Fiscal Year 2014/2015

Professional Services Project Name	2014/2015 1st Quarter Budget	2014/2015 2nd Quarter Budget	2014/2015 3rd Quarter Budget	2014/2015 4th Quarter Budget	2014/2015 Budget Total	Expense Description/Example
-b-	-f-	-g-	-h-	-i-	-j-	-k-
Restoration Investments in the Truckee Watershed	\$14,525	\$14,525	\$14,525	\$14,525	\$58,100	
<i>Consolidation of Public Purveyors</i>	\$75,000	\$75,000	\$75,000	\$75,000	\$300,000	Support for TMWA and WC
<i>Highland Canal Water Quality Project</i>	\$62,500	\$62,500	\$62,500	\$62,500	\$250,000	
<i>TROA 6700 AF Water Rights Requirement</i>	\$128,500	\$128,500	\$128,500	\$128,500	\$514,000	Water rights acquisition for TROA 6700 AF requirement
<i>208 Plan Review and Update</i>	\$5,000	\$5,000	\$5,000	\$5,000	\$20,000	
Regional Water Planning Projects	\$285,525	\$285,525	\$285,525	\$285,525	\$1,142,100	
<i>Cloud Seeding</i>	\$32,500	\$32,500	\$32,500	\$32,500	\$130,000	ILA with DRI; 25K for precipitation monitoring equipment/installation
<i>Washoe ET Project</i>	\$11,250	\$11,250	\$11,250	\$11,250	\$45,000	ILA with DRI; 5K annual monitoring; 40K for weather station upgrades
<i>Water Usage Review Program</i>	\$16,400	\$16,400	\$16,400	\$16,400	\$65,600	
<i>Certified Landscape Technician Program</i>	\$0	\$0	\$0	\$12,500	\$12,500	ILA with NLA
Regional Water Conservation	\$60,150	\$60,150	\$60,150	\$72,650	\$253,100	
<i>Integrated Wastewater and Reclaimed Water System Planning</i>	\$0	\$0	\$0	\$0	\$0	Indirect Potable Reuse
Regional Reclaim Water Planning Projects	\$0	\$0	\$0	\$0	\$0	
<i>NPDES Storm Water Quality Management Program</i>	\$65,625	\$65,625	\$65,625	\$65,625	\$262,500	ILA with City of Reno
Regional Storm Water Planning Projects	\$65,625	\$65,625	\$65,625	\$65,625	\$262,500	
Regional Flood Control Planning Projects	\$0	\$0	\$0	\$0	\$0	
<i>Water Quality Standards and TMDL Review, and Compliance</i>	37,500	37,500	37,500	37,500	150,000	ILA with City of Reno for LTI
<i>Septic System Mitigation Planning</i>	\$18,750	\$18,750	\$18,750	\$18,750	\$75,000	1. Phase II - Risk assessment data needs (150k for two years)
Regional Wastewater Planning Projects	\$56,250	\$56,250	\$56,250	\$56,250	\$225,000	
<i>Water Management Plan Update</i>	\$0	\$0	\$0	\$0	\$0	
<i>TMRPA GIS Population Model</i>	\$75,000	\$75,000	\$75,000	\$75,000	\$300,000	ILA with RPNB
Comprehensive Plan	\$75,000	\$75,000	\$75,000	\$75,000	\$300,000	
Totals	\$542,550	\$542,550	\$542,550	\$555,050	\$2,182,700	

**Western Regional Water Commission
Draft - Routine Operation Budget Fiscal Year 2014/2015**

G/L Account Discription		2014/2015 1st Quarter Budget	2014/2015 2nd Quarter Budget	2014/2015 3rd Quarter Budget	2014/2015 4th Quarter Budget	2014/2015 Annual Routine Operating Budget Total	Expense Description/Example
Contract Services	WRWC Employees	\$82,500	\$82,500	\$82,500	\$82,500	\$330,000	Cost of <i>Support Staff</i> services as defined by employee services contract entered into between Washoe County and WRWC.
Contract Services	Washoe County Overhead	\$15,720	\$15,720	\$15,720	\$15,720	\$62,880	Based on analysis of fy13-14 actual general fund overhead and CSD fy14-15 projected apportioned overhead.
Contract Services	Mileage Expenses	\$600	\$600	\$600	\$600	\$2,400	Annual routine daily vehicle mileage expenses.
Legal Services	Legal Services	\$32,400	\$32,400	\$32,400	\$32,400	\$129,600	Cost of <i>Legal Counsel</i> services as defined by contract as entered into between Rhodes Law Office and WRWC
Lobbying	Lobbying Registration	\$0	\$600	\$0	\$0	\$600	Cost of registration for staff members as state lobbyists
	Staff Services Subtotal	\$131,220	\$131,820	\$131,220	\$131,220	\$525,480	
Contract Services	Minutes	\$3,750	\$3,750	\$3,750	\$3,750	\$15,000	Annual service contract to provide for recording of meetings, transcription of minutes and document editing.
	Website	\$3,750	\$3,750	\$3,750	\$3,750	\$15,000	Such as; website content and design services; annual website updating, maintenance, and hosting; specialized programming services; digital library development and updating; hosting, development and maintenance of databases; licensing fees, software and software updates, training/programming reference materials.
	Video Coverage	\$1,250	\$1,250	\$1,250	\$1,250	\$5,000	Annual expense for video coverage of WRWC and NNWPC meetings.
Financial Consulting Services	CAFR & Audit	\$10,000	\$0	\$0	\$0	\$10,000	Annual expense for CAFR development and financial audit.
Seminars and Meetings	Regional Training	\$0	\$1,000	\$0	\$0	\$1,000	Cost of training for staff members <i>not covered by in-kind services</i> including registration and other miscellaneous cost such as reference materials, field trips, etc.
Travel	Regional Travel	\$0	\$1,000	\$0	\$0	\$1,000	Cost of travel and training for staff members <i>not covered by in-kind services</i> including transportation services, mileage reimbursement, lodging, meals, and other miscellaneous cost such as parking, etc.
Advertisements	Advertising	\$250	\$250	\$250	\$250	\$1,000	Such as advertising and legal notices.
Undesignated Budget	Misc. Operating	\$10,000	\$10,000	\$10,000	\$10,000	\$40,000	Such as: printing & reproduction, publications, and public notices, refreshments for volunteer boards/commissions, GIS and other in-house member agency support (not covered by in-kind services), equipment & supplies (i.e. computers, computer related supplies such as CDs, DVDs, etc.), projectors, printers, poster board, reproduction services, software licensing and fees, labels, business cards, periodicals, subscriptions, books, postage & mailing, promotion and public materials, misc. equipment rental, insurances, moving staff office location, and other expenses not included as part of overhead.
	Non-Staff Services Subtotal	\$29,000	\$21,000	\$19,000	\$19,000	\$88,000	
	Totals	\$160,220	\$152,820	\$150,220	\$150,220	\$613,480	

Draft - Estimated Expenditures Fiscal Year 2013/2014

Quarter Ending	Total Estimated Fiscal 2013/2014 Expenditure as of 6/30/14
WRWC Employees	367,532
Mileage Expenses	2,400
Legal Services	129,600
Lobbying Services	0
<i>Service Contract Subtotal</i>	499,532
Minutes	3,305
Website	9,500
Envision/G3	4,000
CAFR & Audit	8,300
Regional Training	500
Regional Travel	0
Advertising	600
Misc. Operating	0
Expiration of In-Kind Services (TMWA/DWR/SVGID)	0
<i>Non-Service Related Routine Operating Subtotal</i>	26,205
Routine Operating Expense Subtotals	525,737
<i>DWR / TMWA Consolidation</i>	300,000
<i>TROA 6700 AF Water Rights Requirement</i>	2,186,000
<i>208 Plan Review and Update</i>	0
Regional Water Planning	2,486,000
	0
<i>DRI Cloud Seeding</i>	100,000
<i>Washoe ET Project</i>	7,500
<i>Water Usage Review Program</i>	66,000
<i>Certified Landscape Technician Program</i>	12,500
Conservation, Sustainability, Climate Change	186,000
<i>North Valleys Initiative (COR)</i>	0
Regional Reclaimed Water Planning Projects	0
	0
<i>NPDES Storm Water Quality Management Program</i>	262,500
Regional Storm Water Planning Projects	262,500
Regional Flood Control Planning Projects	0
	0
<i>Water Quality Standard and TMDL Review</i>	226,000
<i>TMWRF - Corrollo</i>	50,000
<i>Septic Alternatives Analysis</i>	75,000
<i>Federal 208 Pass through Gant for Septic Alternatives Analysis</i>	0
Regional Wastewater Planning Projects	351,000
<i>Plan Development Services</i>	0
<i>TMRPA GIS Population Model</i>	24,000
<i>DWR GIS Services</i>	0
Water Management Plan	24,000
<i>Project Subtotal</i>	3,309,500
Totals	3,835,237

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: March 27, 2014
TO: Chairman and Members, Northern Nevada Water Planning Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: Program Manager's Report

Attached are updated reports for items (a) through (e) for your review. A verbal report will be given on item (f).

- a) Report on the status of Projects and Work Plan supported by the Regional Water Management Fund
- b) Financial Report on the Regional Water Management Fund
- c) List of agreements expiring June 30, 2014 requiring the execution of an agreement or amendment for the continuation of services in Fiscal Year 2014 - 2015
- d) Report on the acquisition of water rights, consistent with the existing interlocal agreement between the Truckee Meadows Water Authority ("TMWA") and the WRWC, to partially satisfy the 6700 acre-feet water rights requirement in the Truckee River Operating Agreement
- e) Report on the Washoe County water utility / South Truckee Meadows General Improvement District / Truckee Meadows Water Authority consolidation
- f) Informational report from the NWNPC representative on the TMWA Standing Advisory Committee ("TMWA SAC")

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

	Project Name	Contractor / Provider	Amount	Balance Remaining	Percent Complete	Target Completion Date	Notes
1	Certified Landscape Technician Program 2013-2014	Nevada Landscape Association (NLA)	25,000	25,000		12/31/15	New contract being developed
2	Cloud Seeding Program for Water Year 2014	(DRI) Desert Research Institute	100,000	98,260	2%	3/31/15	Work is in progress
3	Envision Videographers of WRWC meetings	Envision	3,000	1,875	38%	6/30/14	Work is in progress
4	Fourth Amendment to Reimburse TMWA and DWR for consolidation efforts (FY 2013-2014)	DWR, TMWA	300,000	300,000	0%	6/30/14	Work is in progress
5	G3 Productions NNWPC FY 2012-13	G3 Productions	5,000	4,222	16%	6/30/14	Work is in progress
6	Regional Data Development and Analytical Program (FY 2011-2012)	Truckee Meadows Regional Planning Agency	486,000	322,167	34%	6/30/14	Work is in progress
7	Regional Storm Water Quality Management Program (Second Amendment)	City of Reno	262,500	180,717	31%	6/30/14	Work is in progress
8	Septic - Phase II	County - CSD	150,000	150,000	0%	12/31/14	Work is in progress
9	TMDL Phase I Fourth Amendment	City of Reno (LimnoTech)	300,000	100,572	66%	6/30/14	Work is in progress
10	TRIG Website Support FY 2013-14	City of Reno	7,500	6,735	10%	6/30/14	Work is in progress
11	TROA - 6,700 AF water rights purchase	TMWA	2,700,000	683,756	75%	Open Ended	Work is in progress
12	TMWRF Treatment Study	City of Reno	50,000	11,532	77%	6/30/14	Work is in progress
13	Washoe Evapotranspiration (ET) Project Maintenance	DRI (Desert Research Institute)	10,000	9,495	5%	6/30/15	Work is in progress
14	Water Usage Review Program 2013 - 2014	TMWA	131,352	65,558	50%	12/31/14	Work is in progress
15	Website support Fiscal Year 2012-2013	Washoe County Technology Services	12,500	11,590	7%	6/30/14	Work is in progress

Fund 766

Report 400/ZF15

Period 1 thru 9 - 2014 Fiscal Year

**Financial Report on the
Regional Water Management Fund**

Accounts	Plan Budget	Actual (Revenue & Expenses)	PO Commit (Remaining PO Balance)	Actual + PO	Available (Budget Minus Actual + PO)	Avail%	PreCommit (PO's Requested)	Available (Budget Minus PO Requisitions)	Avail%
Interest-Pooled Inv.	83,537.00-	35,458.03-		35,458.03-	48,078.97-	58-		48,078.97-	58-
RGL Pooled Inv.		2,450.09		2,450.09	2,450.09-			2,450.09-	
URGL Pooled Inv.		4,508.85-		4,508.85-	4,508.85			4,508.85	
Water Surcharge 1.5%	1,366,984.00-	1,166,934.27-		1,166,934.27-	200,049.73-	15-		200,049.73-	15-
** REVENUE	1,450,521.00-	1,204,451.06-		1,204,451.06-	246,069.94-	17-		246,069.94-	17-
Professional Services	1,792,000.00	730,896.22	900,724.46	1,631,620.68	160,379.32	9		160,379.32	9
WRWC Staff and Legal	480,932.00	282,996.57	43,200.00	326,196.57	154,735.43	52		154,735.43	51.65
Financial Consulting Services	23,000.00	8,300.00		8,300.00	14,700.00	64		14,700.00	64
Invest Pool Alloc Ex		2,315.43		2,315.43	2,315.43-			2,315.43-	
Service Contract		1,100.00		1,100.00	1,100.00-			1,100.00-	
Operating Supplies		1,859.00		1,859.00	1,859.00-			1,859.00-	
Office Supplies		71.20		71.20	71.20-			71.20-	
Pmts to Other Agencies	2,700,000.00	2,016,244.00	683,756.00	2,700,000.00					
Seminars and Meetings	3,000.00	699.00		699.00	2,301.00	77		2,301.00	77
Advertising	5,000.00				5,000.00	100		5,000.00	100
Undesignated Budget	15,000.00				15,000.00	100		15,000.00	100
Insurance Premium		3,269.00		3,269.00	3,269.00-			3,269.00-	
Travel	7,000.00	920.80		920.80	6,079.20	87		6,079.20	87
** EXPENDITURES	5,025,932.00	3,048,671.22	1,627,680.46	4,676,351.68	349,580.32	7		349,580.32	7
*** Total	3,575,411.00	1,844,220.16	1,627,680.46	3,471,900.62	103,510.38	3		103,510.38	3

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: March 27, 2014
TO: Chairman and Members, Northern Nevada Water Planning Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: List of agreements expiring June 30, 2014 requiring the execution of a new agreement, or an amendment, for the continuation of services in Fiscal Year 2014 - 2015

The following agreements expire June 30, 2014 and require the execution of a new agreement, or an amendment, for the continuation of services in Fiscal Year 2014 – 2015.

1. Regional data development and analytical program – Truckee Meadows Regional Planning Agency (“TMRPA”) *
2. Partial reimbursement of expenses related to the analysis of the consolidation process of TMWA and Washoe County Water Resources *
3. Watershed-based Water Quality Planning and Total Maximum Daily Load (“TMDL”) to the Truckee River – City of Reno *
4. Truckee Meadows Storm Water Quality Management Program – City of Reno *
5. Truckee River Information Gateway (“TRIG”) website – City of Reno
6. Video and televising productions of NNWPC meetings - G3 Productions
7. Video and televising productions of WRWC meetings – Envision Video

* Indicates the Western Regional Water Commission will execute the agreement

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: March 27, 2014
TO: Chairman and Members, Northern Nevada Water Planning Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: Report on the acquisition of water rights, consistent with the existing interlocal agreement between the Truckee Meadows Water Authority (“TMWA”) and the Western Regional Water Commission (“WRWC”), to partially satisfy the 6700 acre-feet water rights requirement in the Truckee River Operating Agreement

SUMMARY

TMWA, under the terms and conditions of the May 16, 2013 Interlocal Agreement with the WRWC, has purchased a total of 361.68 acre feet of Truckee River water rights toward the satisfaction of Section 1.E.4 of the Truckee River Operating Agreement (“TROA”), which provides that Reno, Sparks and Washoe County agree to provide 6,700 acre-feet of water rights for water quality purposes by the time TROA takes effect pursuant to an agreement between Reno, Sparks, Washoe County and the Pyramid Lake Paiute Tribe.

The total price paid to nine sellers is \$2,010,125. Prices ranged from \$3,500 to \$6,000 per acre foot and the average sale price was approximately \$5,558 per acre foot. An additional \$6,119 has been paid in document fees, review fees and State Engineer fees. The total amount invoiced and paid to date is \$2,016,244, for a net average expenditure per acre foot of \$5,574, leaving a project balance of \$683,756.

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: March 27, 2014
TO: Chairman and Members, Northern Nevada Water Planning Commission
FROM: Jim Smitherman, Water Resources Program Manager
SUBJECT: Report on the consolidation of Washoe County's water utility, the South Truckee Meadows General Improvement District ("STMGID") and the Truckee Meadows Water Authority ("TMWA")

SUMMARY

On March 19, 2014, the TMWA Board of Directors and the Washoe County Board of Commissioners held a concurrent meeting at the City of Sparks Council Chambers. Among the agenda items was the following action item:

Presentation of remaining procedures to implement Merger, including Transition Plan and Implementation Schedule, and Request for approval to implement the Transition Plan to merge Washoe County's Water Utility into TMWA concurrently with the merger of the South Truckee Meadows General Improvement District into TMWA (Agenda and Staff Report attached).

The recommendation from TMWA staff and Washoe County staff was that the TMWA Board and the Washoe County Board approve implementation of the transition plan to merge Washoe County's Water Utility into TMWA concurrently with the merger of STMGID into TMWA with a target merger completion date of December 31, 2014. The recommendation was approved unanimously by both boards.



**NOTICE OF CONCURRENT MEETING AND AGENDA
OF
TRUCKEE MEADOWS WATER AUTHORITY BOARD OF DIRECTORS
and
WASHOE COUNTY BOARD OF COMMISSIONERS
Wednesday, March 19, 2014
11:00 a.m.
Sparks Council Chambers, 745 4th Street, Sparks, NV**

1. Call to Order*
2. Roll Call*
3. Pledge of allegiance*
4. Public comment — limited to no more than three minutes per speaker*
5. Approval of the agenda (**for possible action**)
6. Staff Report: Background and status of water utility merger under January 29, 2010 Interlocal Agreement Governing the Merger of the Washoe County Department of Water Resources Water Utility Into the Truckee Meadows Water Authority – Dave Solaro, Washoe County and Mark Foree, TMWA*
7. Staff Report: Presentation of updated financial analysis of consolidated water utility – Five Year Financial Projection — Jeff Tissier, TMWA and Dave Solaro, Washoe County*
8. Presentation of remaining procedures to implement Merger, including Transition Plan and Implementation Schedule, and Request for approval to implement the Transition Plan to merge Washoe County’s Water Utility into TMWA concurrently with the merger of the South Truckee Meadows General Improvement District into TMWA – Jeff Tissier, TMWA, Dave Solaro, Washoe County and TMWA and Washoe County staffs (**for possible action**)
9. Discussion and direction on recommendation that the Board of County Commissioners nominate and TMWA select two current Washoe County customers to become interim members of TMWA’s Standing Advisory Committee – Kim Mazerres, TMWA and Dave Solaro, Washoe County (**for possible action**)
10. Public comment — limited to no more than three minutes per speaker*
11. Adjournment (**for possible action**)

NOTES:

1. The announcement of this meeting has been posted at the following locations: Truckee Meadows Water Authority (1355 Capital Blvd., Reno), Reno City Hall (1 E. First St., Reno), Sparks City Hall (431 Prater Way, Sparks), Sparks Justice Court (1675 E. Prater Way, Sparks), Washoe County Courthouse (75 Court St., Reno), Washoe County Central Library (301 South Center St., Reno), Washoe County Administration (1001 East Ninth St., Reno), and at <http://www.tmwa.com> and www.washoecounty.us/bcc.
2. In accordance with NRS 241.020, this agenda closes three working days prior to the meeting. We are pleased to make reasonable accommodations for persons who are disabled and wish to attend meetings. If you require special arrangements for the meeting, please call 834-8002 at least 24 hours prior to the date of the meeting.
3. Items on the agenda may not necessarily be considered in the order in which they appear. Arrive at the meeting at the posted time to hear item(s) of interest.
4. Asterisks (*) denote non-action items.
5. Public comment is limited to three minutes. The public may sign-up to speak during the public comment period or on a specific agenda item by completing a "Request to Speak" card and handing it to the clerk. The Chairman has the discretion to allow public comment on any agenda item.



STAFF REPORT

TO: Chairman Carrigan and TMWA Board Members
Chairman Humke and Washoe County Commissioners

FROM: Jeff Tissier, CPA, TMWA Chief Financial Officer
Dave Solaro, Arch., PE, Washoe County Community Services Director

DATE: March 4, 2014

SUBJECT: **Presentation of remaining procedures to implement Merger, including Transition Plan and Implementation Schedule and Request for approval to implement the Transition Plan to merge Washoe County's Water Utility into TMWA concurrently with the merger of the South Truckee Meadows General Improvement District into TMWA**

RECOMMENDATION

TMWA and Washoe County staffs recommend that the TMWA Board and the Washoe County Board of Commissioners approve implementation of the transition plan to merge Washoe County's Water Utility into TMWA concurrently with the merger of STMGID into TMWA with a target merger completion date of December 31, 2014.

DISCUSSION

Staffs of TMWA and Washoe County have completed all due diligence efforts including the completion of updated five year financial forecasts to determine that merging the water utilities is financially feasible, the merged utility would produce results acceptable to the capital markets and would not have a detrimental impact on any customer group. If the Washoe County Board of Commissioners and TMWA Board approve implementation of the merger staffs from the two entities will begin the process of carrying out the steps outlined in the transition plan. Major elements of the transition plan are related to human resources, operations, financial, and customer services/communications efforts. The attached chart provides a visual representation of the major merger tasks and the time required to complete each task. Not shown in the chart are the numerous sub-element tasks which is the reason for the nine month transition timeframe.

The human resources element is primarily centered on efforts to bring Washoe county personnel into TMWA and will require beginning the negotiation process between the International Brotherhood of Electrical Workers (IBEW) Local 1245 and the Washoe County Employees

Association (WCEA) for those personnel that would be represented under the IBEW Local 1245 bargaining agreement.

Operationally TMWA will need to bring Supervisory Control and Data Acquisition (SCADA) polling signal information into the TMWA water treatment plants as well as a number of other initiatives.

Financial efforts will center on debt management activities for TMWA to assume water related debt from Washoe County and to strip the water revenue pledge from sewer and storm water debt that will be retained by Washoe County. Included in this task is the administrative paper work to transfer all the facility, land and water assets associated and necessary to operate the various County water systems.

Customer transition activity will focus on bringing essential billing, payment history, and meter inventory information from Washoe County and transferring this information into TMWA's billing system. This process will have to be very exacting for proper and seamless billing of former Washoe County and STMGID customers. Detailed customer communications are planned so that all customers are informed prior to the billing conversion.

ID	Task Name	Duration	Start	Finish	Predecessor	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			1st Quarter	
						Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	Merge STMGID & DWR into TMWA	271 da...	Wed 1/1/14	Wed 1/14/15															
2																			
3	Finance	261 da...	Wed 1/1/14	Wed 12/31/14															
4	Preliminary Financial Analysis	56 days	Wed 1/1/14	Wed 3/19/14															
5	Finalize Financial Analysis	68 days	Thu 3/20/14	Mon 6/23/14	4														
6	Debt Management	137 days	Tue 6/24/14	Wed 12/31/14	5														
7																			
8	Legal & Regulatory	190 da...	Mon 3/24/14	Fri 12/12/14															
9	Prepare Schedules for the Addendum to the ILA	180 days	Mon 3/24/14	Fri 11/28/14															
10	Finalize Merger Agreements	180 days	Mon 3/24/14	Fri 11/28/14															
11	Unwind Verdi Joint Service Area	180 days	Mon 3/24/14	Fri 11/28/14															
12	STMGID Dissolution Ordinance	180 days	Mon 3/24/14	Fri 11/28/14															
13	Review SAD Documents for Potential Violations	25 days	Mon 3/24/14	Fri 4/25/14															
14	Address ROW Toll Issues	85 days	Mon 3/24/14	Fri 7/18/14															
15	Review Contracts/Agreements	40 days	Mon 3/24/14	Fri 5/16/14															
16	Determine Financial Obligations of Assumed Contracts & Agreements	90 days	Mon 5/19/14	Fri 9/19/14	15														
17	Transfer or Replace Contracts/Agreements	90 days	Mon 5/19/14	Fri 9/19/14	15														
18	Legislative BDR's (WRWC, ??)	120 days	Mon 6/30/14	Fri 12/12/14															
19	Stampmill System Resolution	140 days	Mon 3/24/14	Fri 10/3/14															
20	TMWA Rule & Tariff Modifications	140 days	Mon 3/24/14	Fri 10/3/14															
21																			
22	Water Resources & Lands	130 days	Mon 3/24/14	Fri 9/19/14															
23	Review Water Rights & Determine Title Defects	130 days	Mon 3/24/14	Fri 9/19/14															
24	Review Land & Easement Titles & Determine Defects	130 days	Mon 3/24/14	Fri 9/19/14															
25	Transfer GIS Data	130 days	Mon 3/24/14	Fri 9/19/14															
26																			
27	Human Resources	150 da...	Mon 3/24/14	Fri 10/17/14															
28	Evaluate Staffing Requirements	150 days	Mon 3/24/14	Fri 10/17/14															
29	Labor Negotiations with IBEW & WCEA	150 days	Mon 3/24/14	Fri 10/17/14															
30	Evaluate Impacts on TMWA Post-Retirement Trust	150 days	Mon 3/24/14	Fri 10/17/14															
31																			
32	Customer Service	213 da...	Mon 3/24/14	Wed 1/14/15															
33	Transfer Customer Billing Info to TMWA CIS	185 days	Mon 3/24/14	Fri 12/5/14															
34	Evaluate Remote Meter Read Interface Requirements	150 days	Mon 3/24/14	Fri 10/17/14															
35	Develop & Deploy Customer Communication Plan	213 days	Mon 3/24/14	Wed 1/14/15															
36																			
37	Information Technology	210 days	Mon 3/24/14	Fri 1/9/15															
38	Transmit SCADA Signals to TMWA	90 days	Mon 3/24/14	Fri 7/25/14															
39	Develop Screens & Monitor Operations	130 days	Mon 3/24/14	Fri 9/19/14															
40	Purchase & Install Hardware for New Personnel	60 days	Mon 3/24/14	Fri 6/13/14															
41																			
42	Operations & Engineering	210 days	Mon 3/24/14	Fri 1/9/15															
43	Expand TMWA Warehouse	210 days	Mon 3/24/14	Fri 1/9/15															
44	Develop Operating & Sampling Plans	90 days	Mon 3/24/14	Fri 7/25/14															
45	Health Dept Approvals (WCDH, NDEP)	85 days	Mon 7/28/14	Fri 11/21/14	44														
46	Operate Fish Springs System	190 days	Mon 3/24/14	Fri 12/12/14															
47	Construct Bravo Intertie	70 days	Mon 3/24/14	Fri 6/27/14															
48	Acceptance Operation Period	120 days	Mon 6/30/14	Fri 12/12/14	47														

Project: Merger Tasks2
Date: Mon 3/3/14

Task	Summary	External Milestone	Inactive Summary	Manual Summary Rollup	Finish-only
Split	Project Summary	Inactive Task	Manual Task	Manual Summary	Deadline
Milestone	External Tasks	Inactive Milestone	Duration-only	Start-only	Progress