

Northern Nevada Water Planning Commission

STAFF REPORT

DATE: January 28, 2021
TO: Chairman and Members, Northern Nevada Water Planning Commission (“NNWPC”)
FROM: Chris Wessel –Water Resources Program Manager
SUBJECT: Presentation, discussion and action on a proposal to initiate a water quality offset program for the Truckee Meadows, in an amount of up to \$200,000 from the Regional Water Management Fund (“RWMF”) over a two year period, and possible recommendation to the Western Regional Water Commission (“WRWC”) to approve the expenditure and execute an interlocal agreement with the City of Reno to administer the contract.

SUMMARY

The Truckee Meadows Water Reclamation Facility’s National Pollutant Discharge Elimination System Permit NV0020150 allows several compliance pathways for waste discharge requirements and Total Maximum Dailey Load Individual Waste Load Allocations and Load Allocations (“allocations”). Provisions 1.A.4 b & c allow for trading allocations among permittees as long as the overall cap is maintained, while provision 1.A.5 allows for upstream offsetting of downstream loads. Additionally, a recent national policy memo from United States Environmental Protection Agency strongly encourages market-based mechanisms for improving water quality and provides guiding principles for development of offset programs. Developing a point- and non-point source pollutant reduction credit and offset program (“Crediting Program”) that is deemed acceptable to both the co-permittees and Nevada Division of Environmental Protection is the idea being brought forward to the NNWPC.

A water quality crediting and offset program can create compliance flexibility and lower costs for permittees within the Truckee Meadows region to meet discharge permit requirements for nutrients and total dissolved solids. A well-designed program can unlock new funding, enable flexibility in project siting and ensure public funds are focused on the most cost-effective pollutant reduction projects. For example, A Crediting Program could allow a private company to become a source of funding to reduce loads on Washoe County or City of Reno or Sparks land rather than doing on-site stormwater treatment.

The attached proposal describes the value of a Crediting Program to funding agencies and outlines an approach and required tasks in developing a viable program tailored for the Truckee Meadows. The Truckee Meadows Stormwater Permit Coordinating Committee (“SWPCC”) reviewed the proposal and unanimously recommended the project to the NNWPC for funding consideration. Theresa Jones, PE, Associate Civil Engineer, and SWPCC Coordinator for the City of Reno, Nick Brothers, PE, Associate Civil Engineer, City of Reno and Chad Praul from Environmental Incentives, will provide an overview of the proposed project.

FISCAL IMPACT

Approval by the WRWC would include a fiscal impact not to exceed of \$180,000 for Fiscal Year 2021-2022 and a fiscal impact not to exceed of \$20,000 for Fiscal Year 2022-2023 from the Regional Water Management Fund. The funds are included as part of the proposed WRWC Fiscal Year 2021-2022 budget in fund center 766, under cost center WP310310.

RECOMMENDATION

Staff recommends that should the commission find merit in the proposed project that the NNWPC make a recommendation to the WRWC to approve the proposal, and execute an interlocal agreement with the City of Reno, in an amount not to exceed \$200,000, in support of the proposed project.

CW:jp

Attachments:

1. Memorandum: Proposal to Develop a Water Quality Crediting Program for Truckee Meadows