

**NORTHERN NEVADA WATER PLANNING COMMISSION
MINUTES**

Wednesday, December 2, 2009

The regular meeting of the Northern Nevada Water Planning Commission (NNWPC) was held on Wednesday, December 2, 2009 in the Washoe County Commission Chambers, 1001 East Ninth Street, Reno, Nevada.

- 1. Roll Call and determination of presence of a quorum** – Chairman Seidel called the meeting to order at 1:33 p.m. There was a quorum present.

Voting Members Present:

Wayne Seidel, Chairman
George W. Ball, Jr., Vice-Chairman
Michael J. DeMartini
John Flansberg
Mickey Hazelwood
John Jackson
Rosemary Menard (left at 3:03 p.m.)
Jerry Schumacher (left at 2:55 p.m.)

Voting Members Absent:

John Erwin
Darrin Price
Stan Shumaker

Non-Voting Members Present:

Harry Fahnestock (arrived at 1:40 p.m.)

Non-Voting Members Absent:

John Bird
Kelvin Hickenbottom
David Noble
Jon Palm

Staff Members Present:

Jim Smitherman (left at 2:50 p.m.)
Chris Wessel
June Davis
John Rhodes, Legal Counsel

2. Approval of the agenda.

Commissioner Hazelwood made a motion to approve the December 2, 2009 NNWPC agenda as posted. Commissioner Flansberg seconded the motion, which carried unanimously.

3. Approval of the minutes from the October 7, 2009 meeting.

The minutes of the October 7, 2009 NNWPC meeting were submitted for approval. Commissioner Schumacher made a motion to approve the minutes as submitted. Commissioner DeMartini seconded the motion, which carried unanimously.

4. Public Comments.

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

5. Introduction of Mickey Hazelwood, the newly appointed Public at Large member to represent environmental, biological, conservation or public concerns.

Chairman Seidel welcomed Mickey Hazelwood, who was recently appointed to the NNWPC. He also welcomed John Flansberg, City of Reno, who recently replaced Neil Mann on the NNWPC.

6. Final report on the 2009 Certified Landscape Technician (“CLT”) testing program; request for funding in the amount of \$25,000 from the Regional Water Management Fund (“RWMF”) to support the program in 2010 and 2011; and, if approved, authorize the Program Manager to execute a contract with the Nevada Landscape Association (NLA) for that purpose, Jim Stanhouse, CLT Test Administrator, Nevada Landscape Association.

Jim Smitherman thanked Jim Stanhouse for attending today to provide an update on the CLT testing program. Mr. Smitherman explained that the NLA has been administering the program since 2003. He added that the program has been successful and has grown every year. He reported that the program has been supported by the RWMF for three seasons and this item includes a request for continued funding in the amount of \$25,000 for two years. He stated that the Advisory Committee on Conservation was always very supportive of the program.

Mr. Stanhouse thanked Commissioners for their past funding. He gave a brief overview of the 2009 program, in which two CLT programs were administered, with most applicants passing. He presented a short video, which provided a background on why the program is important based on the need to conserve water, which requires proper training of landscape technicians. The video also showed some of the testing modules and how they are administered.

Mr. Stanhouse reiterated that the funding request is for \$25,000, which is more than past requests based on the desire to purchase some equipment (i.e. tables, chairs and tents) that has been rented. He stated that the NNWPC also recommended in the past that additional advertising for the program be included.

Chairman Seidel stated that approximately 50% of water usage is for outdoor uses, such as irrigation of landscaping.

Commissioner Ball made a motion to approve the request for \$25,000 from the RWMF to support the CLT program in 2010 and 2011 and direct staff to execute a contract with the NLA for that purpose. Commissioner DeMartini seconded the motion, which carried unanimously.

7. Technical presentation and discussion concerning the Desert Research Institute (“DRI”) cloud seeding program including program history, results, current and future status, funding, beneficiaries of the program in the Truckee River and Tahoe basins; and possible direction to staff regarding development of a Truckee - Tahoe cloud seeding coalition, Dr. Kenneth Kunkel, DRI.

Chairman Seidel welcomed Dr. Kenneth Kunkel, Executive Director of the DRI Division of Math and Sierra Sciences. Dr. Kunkel reported that this Division is responsible for the cloud seeding program. Dr. Kunkel gave a PowerPoint presentation (copy on file), which provided a brief background of DRI, for which faculty are soft-money supported. He added that faculty is made up of entrepreneurs, who must be very competitive in order to secure funding. He explained that DRI reports to the Chancellor of higher education at the same level as the university and community colleges.

Dr. Kunkel provided a technical report on the cloud seeding process. He stated that an article in the National Academy of Science about five years ago was critical of weather modification science efforts, with the exception of the cloud seeding process used by DRI. He stated that DRI has noted increases of 5 to 10% in the snowpack over specific watersheds in the Sierra Nevada. He reported that the five cloud seeding generators in the Truckee-Tahoe area produce approximately 18,000 additional acre-feet per year of water on average.

Dr. Kunkel introduced Arlen Huggins, Associate Research Scientist Division of Atmospheric Sciences. He stated that Mr. Huggins, is responsible for monitoring the weather to make decisions on optimal timing for cloud seeding.

Dr. Kunkel reported that last year DRI's budget was cut approximately 15% (\$1.4 million reduction in state funding). He added that the state funding is currently about \$8.8 million, compared to other grants and sources (generated by faculty requests), which account for approximately \$40 million. Dr. Kunkel reported that Steve Wells, DRI President, communicated to the legislature that proposed cuts to the state funding would most likely result in elimination of the cloud seeding program. He explained that some of the Truckee River / Tahoe Basin sites were dismantled prior to August when some third-party funding opportunities were presented. He summarized that funding has been approved by TMWA and the Western Regional Water Commission (WRWC) for one year. He added that the Ruby and Tuscarora areas received funding from Southern Nevada Water Authority (SNWA).

Dr. Kunkel stated that for the long-term, a stable funding program is desired and currently plans are in progress for a statewide consortium, which would include representatives from the Tahoe-Truckee Basin. He summarized that DRI's cloud seeding program is nationally recognized. He reiterated that long-term stable funding is needed to continue the program.

Chairman Seidel thanked Dr. Kunkel and called for questions from Commissioners. Commissioner DeMartini asked Dr. Kunkel to clarify the benefits of the program as far as increased precipitation. He asked if there are numbers associated with the value of the water generated from the program. Dr. Kunkel reiterated that 18,000 acre-feet of additional water is estimated on average so at \$27/acre-foot the estimated benefit is over \$400,000. Commissioner DeMartini stated that based on his numbers the estimated benefit is approximately \$140,000 to \$280,000 using a 10% yield.

Dr. Kunkel asked Mr. Huggins for comments. Mr. Huggins stated that staff establishes the benefit by dividing the cost of the project by the number of acre-feet estimated, which results in a cost of approximately \$8 to \$15 per acre-foot per year.

Commissioner Menard asked who the beneficiaries of the snow are. Dr. Kunkel stated that the beneficiaries include the ski industry, Lake Tahoe users, and then all the users of water down the Truckee River. He added that the snow pack lasts longer so it benefits the ecosystem by lowering the risk of forest fires.

Commissioner Menard asked how an El Nino type year would impact cloud seeding based on warmer storms. Dr. Kunkel agreed the El Ninos tend to be warmer and might produce less snowpack based on warmer temperatures. Mr. Huggins stated that the program is set up to terminate cloud seeding when snowpack is estimated at 150% of normal at mid-winter or 140% of normal at the end of winter.

Commissioner Menard asked if there is an environmental downside to using silver iodide (which is used for cloud seeding). Mr. Huggins stated that in the Truckee-Tahoe Basin, there has been no sign that the silver iodide accumulates or is even detectable. He explained that only about 10 to 15 pounds of silver iodide are used for each generator per season, which is dispersed up to 1,000 square miles. He added that silver iodide is an insoluble compound so it does not dissolve into the water or snow. He summarized that environmental reports and environmental impact statements have been developed, which show no significant environmental impact based on the use of silver iodide.

Commissioner Ball asked if the generators are in place for this winter. Dr. Kunkel stated yes and that they have already been operated. He added that Mr. Huggins is a meteorologist and the Program Director of the program. Commissioner Ball asked how many visits to the sites are typically required. Mr. Huggins stated that sometimes breakdowns occur, which require a site visit; however, typically there are two visits per season. He added there are five generators located upwind of Tahoe and seven in the Ruby / Tuscarora areas.

Commissioner Flansberg asked if DRI has been in contact with ski resorts. Dr. Kunkel stated that some initial contacts have been made. He asked Greg Bortolin to provide further comment. Mr. Bortolin stated that DRI's President has been in contact with Squaw USA and others in the ski industry. He added that the President also met with the Cattlemen's Association in northeastern Nevada and some in Las Vegas.

Commissioner Menard asked when establishing a consortium, if representatives would be sought from the NNWPC. Mr. Bortolin stated that County Commissioner / WRWC Commissioner Breternitz has been very active in the process. He added that Commissioner Menard would also be asked for input as to the most appropriate representatives.

Chairman Seidel thanked Dr. Kunkel and staff for their presentation.

8. Status report on pending integration/consolidation of the Washoe County Department of Water Resources ("DWR") and the Truckee Meadows Water Authority ("TMWA"), Rosemary Menard, Director of DWR and Mark Foree, General Manager of TMWA.

Rosemary Menard reported that the TMWA Standing Advisory Committee (SAC) met yesterday, where the pending integration/consolidation was discussed. She reported that documentation provided at the September 8, 2009 joint Board meeting is available online and she also had copies. She added that the TMWA Board and Board of County Commissioners (BCC) gave the go-ahead to develop an interlocal agreement (ILA) on October 27, 2009. She reported that staff is working on the ILA, of which a complete draft will be presented at the joint Board meeting scheduled for December 9, 2009 at 10:00 a.m. She stated that the ILA proposes a framework for the integration of DWR and TWMA using one of two methods. The first method is a phased one that would involve a contract for operations in order to do a transition over one or more years. She reported that an alternative method developed over the last couple of weeks seeks to address the bond and financial considerations (that are preventing full consolidation) perhaps as soon as 12 to 15 months.

Commissioner Menard stated that by embarking on the accelerated process, the work associated with developing an operations contract would be eliminated. She added that both agencies would continue to operate separately until full consolidation occurs. She added that the accelerated path would take advantage of market conditions to defease or refinance the remaining approximately \$30 million of DWR financial obligations and bonds, possibly by transferring them to TMWA via State Revolving Funds. She stated that the accelerated method would require an affirmative action by both Boards.

Commissioner Menard stated that Barry Winzeler was present at the SAC meeting and invited him to provide a report under this agenda item rather than under item 12d. Mr. Winzeler reported that the members of the SAC represent community users, whose goal is to protect user fees. He stated that Jeff Tissier was asked how user rates would be protected.

Commissioner Menard stated that the ILA draft includes a number of provisions that have been designed to acknowledge the risks and liabilities that might be apportioned to individual parties. She added that TMWA currently has provisions to differentiate rates based on the benefit or liability received. She stated that TMWA has the SAC, which is raising the issue of rates, whereas the County does not have such a group although the issues are being examined. She stated that staff understands the need to balance the issues when moving forward.

Commissioner Schumacher asked how long the accelerated path would take. Commissioner Menard reiterated it would probably take 12 to 15 months, as opposed to the operations contract, which could take two to five years. She referred to South Truckee Meadows General Improvement District (STMGID)'s concerns related to the integration and stated that staff is preparing for a joint meeting with STMGID Trustees and Local Managing Board in January. She added that she spoke with Steve Cohen, who agreed the joint meeting was needed.

Commissioner Schumacher stated that initially the GIDs were told they would not be impacted by a proposed integration or consolidation. Commissioner Menard agreed that is correct.

Chairman Seidel stated that TMWA's Joint Powers Agreement (JPA) was amended and has been approved by Washoe County and City of Reno. He added that Sparks City Council will hear the item at its December 14, 2009 meeting. He thanked Commissioner Menard for the update.

9. Status report and future plans for the satellite radar differential interferometry ("D-InSAR") project to measure ground subsidence and survey groundwater usage patterns, including discussion on completing the remainder of the three-year project, and possible direction to staff, Mike Widmer, DWR.

Mike Widmer, DWR Senior Hydrogeologist, gave a brief overview of the status of the three-year program. He stated that additional funding would be requested in order to complete the program. He reported which large wellfields were included in the study. He stated that the satellite radar has been in use for over 30 years. He reported that the program has been conducted under a three-year contract between Washoe County and University of Nevada, Reno (UNR). He explained that Dr. Gary Oppliger (formerly of UNR) was responsible for building the interferograms based on the data received.

Mr. Widmer reported that the hope was to be able to use the methodology for long-term monitoring of the County's wellfields. He stated that October 2009 was the third year of the contract. He stated that to date, 53 interferograms have been built and he would like to continue the program for one additional year, in order to determine the value to the community.

Mr. Widmer stated that Dr. Oppliger left UNR in March to work for a geothermal company, which intended to use the technique in its geothermal exploration programs (however, based on the high cost the program was postponed). He reported that Dr. John Bell, Nevada Bureau of Mines and Geology, does this type of work at a research academic level, very successfully. Mr. Widmer stated his request is to extend the contract to Dr. Bell to complete six additional interferograms. He explained that his hope is to finalize the program by the end of June 2010. He stated that he is requesting \$2,600 in additional funding (\$12,690 was originally approved, of which approximately \$10,000 remains).

Commissioner DeMartini made a motion to approve funding of an additional \$12,690 to complete the program. Chairman Seidel clarified this action is to increase funding by \$2,690 to the remaining \$10,000 left in the budget for this project. Mr. Smitherman suggested adding to the motion to direct staff to execute the required instrument to retain the Nevada Bureau of Mines and Geology to complete the scope of work. Commissioner DeMartini added that direction to his motion. Commissioner Ball seconded the motion, which carried unanimously.

10. Presentation of TMWA's 2010 Water Resources Plan, John Erwin, TMWA.

Shawn Stoddard, TMWA Resource Economist, stated that Mr. Erwin could not be present so he would provide the presentation. He referred to a PowerPoint presentation, which included graphs of some of TMWA's statistics related to population forecasts, water usage (past and projected), and other components. He stated that the Draft Water Resource Plan was presented to the TMWA Board in October. He added that it is available for download.

Mr. Stoddard reported that the Water Resource Plan is TMWA's planning document, which feeds into their Facility Plan, the Finance Plan and the Operations Plan. He provided a brief background of TMWA's facilities. He stated that in a drought year, TMWA can pump up to 22,500 acre-feet for up to three years. He referred to upstream storage under the Truckee River Operating Agreement (TROA) versus non-TROA conditions.

Mr. Stoddard referred to population projections, which included employment statistics and forecasts. He stated that going back to 1950 population projections (which were based on logistic population modeling) it was found that the projections came within approximately 99%. He reported that the previous Water Resource Plan projected a water demand in 2025 of approximately 110,000 acre-feet; the new Plan projects a demand of approximately 97,000 acre-feet. He stated that some decreased demands are based on customers using less water and new development, which is more water efficient.

Mr. Stoddard reported that as promised, when TMWA's system reached its goal of 90% metered systems, the twice a week watering restriction was lifted (currently the system is 98% metered). He stated that water users can now water three days per week.

Mr. Stoddard welcomed questions or comments. Hearing none, Chairman Seidel thanked Mr. Stoddard.

11. Status report on development of the 2011 Comprehensive Regional Water Management Plan ("WMP"), including 1) discussion and possible recommendation to the Western Regional Water Commission ("WRWC") concerning funding not to exceed \$49,000 from the RWMF to support a scope of work and Consulting Engineering Agreement with ECO:LOGIC Engineering for technical services, and 2) discussion and possible approval of a scope of work and Interlocal Agreement with Washoe County Department of Water Resources not to exceed \$17,000 from the RWMF for the development of maps and figures utilizing a Geographic Information System, and possible direction to staff, Jim Smitherman, Water Resources Program Manager.

Chris Wessel stated that an outline of the schedule and needs for the updated Regional Water Management Plan was previously presented to the NNWPC. He reported that approximately \$450,000 was budgeted for the Plan update; however, it most likely can be completed for under \$100,000 due to utilization of DWR staff resources. He stated that today he is requesting approval of two contracts; the first for DWR Geographic Information System (GIS) staff assistance in an amount not to exceed \$17,000. He explained that GIS staff previously developed maps and figures for the Plan that need to be updated.

Mr. Wessel stated the other contract would be with ECO:LOGIC Engineering in an amount not to exceed \$49,000. He explained that ECO:LOGIC has previously done extensive facility planning, cost analysis, and water balance work, which requires updating based on changes since the last Amendment. He reported that ECO:LOGIC has done work on regional reclaimed planning efforts, for which information needs to be included in the Plan update. Mr. Wessel requested that the NNWPC approve the funding requests.

Commissioner Flansberg stated that he did not receive ECO:LOGIC's scope of work in his agenda packet as referenced. June Davis reported that the scope was not included because it is being revised and has not been finalized. Mr. Wessel added that although the scope is being revised, the amount not to exceed \$49,000 is not anticipated to change. Chairman Seidel asked Commissioner Flansberg if he would like to see the scope before approving it, or if it is acceptable to recommend approval of funding to the WRWC with the final scope. Commissioner Flansberg agreed that the latter was acceptable.

Chairman Seidel called for discussion or a motion. Mr. Wessel confirmed that Mr. Smitherman is authorized to enter into the \$17,000 contract; however, approval for ECO:LOGIC's contract is required in order to move forward.

Commissioner Ball made a motion that the NNWPC 1) direct staff to execute an Interlocal Agreement with the WCDWR for GIS and drafting services in an amount not to exceed \$17,000 from the RWMF, and 2) recommend to the WRWC approval of an agreement with ECO:LOGIC Engineering for technical services to support the development of the 2011 RWMP in an amount not to exceed \$49,000 from the RWMF. Commissioner Flansberg seconded the motion, which carried unanimously.

12. Program Manager's Report

Mr. Wessel reported that the packet includes updates on the following topics. He stated that the purpose of this agenda item is for Commissioners to review the information included in the agenda packets and feel free to ask questions, make comments, or request additional information.

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

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

b. Financial report on the Regional Water Management Fund

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

c. Truckee River Flood Management Project status report

A status update on the Truckee River Flood Project was included as an informational item.

d. Informational report from the NNWPC representative on the Truckee Meadows Water Authority Standing Advisory Committee (SAC)

Mr. Winzeler provided his update under agenda item 8.

Chairman Seidel reported that the last Plan update required additional meetings; he gave new members a heads up that may be the case in the near future. Mr. Wessel reported that Chapter Two on Sustainable Water Resources will be distributed in January for review. He added that it will be the most information-intensive and difficult portion of the updated Plan. He added that the target for completion and distribution to the NNWPC of the Draft Plan update is August 2010.

Commissioner Ball asked if the entities to review the Draft Plan update include the five entities represented on the NNWPC. Mr. Wessel stated that the various chapters will be sent to the appropriate agency for review based on the chapter contents.

Commissioner Ball asked if would be more appropriate to provide the entire Plan update to TMWA and DWR for review. Mr. Rhodes clarified that letters have already been distributed to those entities, as well as other purveyors. He added that it is required by Nevada Revised Statute that the document be made available to the purveyors with an opportunity to provide comments.

13. Discussion and possible direction to staff regarding agenda items for the January 6, 2010, Commission meeting and future meetings.

Mr. Wessel referred to the possible agenda items for the January 6, 2010 NNWPC meeting as follows:

- Review and discussion of draft Water Resources chapter to be included in the 2011 Comprehensive Regional Water Management Plan, including sustainable water resources available in Washoe County and population that can be supported by sustainable water resources to address requirements of Washoe County Question #3, and possible direction to staff, Jim Smitherman, WRWC Water Resources Program Manager.
- Status report on development of the 2011 Comprehensive Regional Water Management Plan, including outline, timeline and contractual services, and possible direction to staff, Jim Smitherman.
- Program Manager's Report, Jim Smitherman
 - Status Report of Projects and Work Plan supported by the Regional Water Management Fund

- Financial report on the Regional Water Management Fund
- Status report on possible integration/consolidation of the Washoe County Department of Water Resources and the Truckee Meadows Water Authority
- Truckee River Flood Management Project status report
- Informational report from the NNWPC representative on the Truckee Meadows Water Authority Standing Advisory Committee
- Discussion and possible direction to staff regarding agenda items for the February 3, 2010, Commission meeting and future meetings, Jim Smitherman.
- Other Informational Items

14. Commission Comments.

Commissioner DeMartini asked if future meetings would be held at the County Commission Chambers. Ms. Davis stated that with the exception of the February and March meetings, they would.

15. Staff Comments.

None

16. Public Comments.

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

17. Adjournment.

With no further business, the meeting was adjourned at 3:22 p.m.

Respectfully submitted by,

Niki Linn, Recording Secretary

Approved by Commission in session on _____ 2009.

Wayne Seidel, Chairman