

**NORTHERN NEVADA WATER PLANNING COMMISSION
MINUTES**

Wednesday, February 9, 2011

The regular meeting of the Northern Nevada Water Planning Commission (“NNWPC”) was held on Wednesday, February 9, 2011 in the Washoe County Department of Water Resources Community Meeting Room, 4930 Energy Way, Reno, Nevada.

- 1. Roll Call and determination of presence of a quorum** – Chairman Erwin called the meeting to order at 1:35 p.m. There was a quorum present.

Voting Members Present:

John Erwin, Chairman (left at 1:43 p.m.)
Jerry Schumacher, Vice Chairman
George W. Ball, Jr. (arrived at 1:43 p.m.)
Mickey Hazelwood
John Jackson
Neil Krutz
Stan Shumaker

Voting Members Absent:

Michael DeMartini
John Flansberg
Rosemary Menard
Darrin Price

Non-Voting Members Present:

John Bird
Harry Fahnestock
Jon Palm

Non-Voting Members Absent:

Mark Clarkson
Kelvin Hickenbottom

Staff Members Present:

Jim Smitherman
Chris Wessel
June Davis
John Rhodes, Legal Counsel

2. Approval of the agenda.

Commissioner Krutz made a motion to approve the February 9, 2011 NNWPC agenda as posted. Commissioner Schumacher seconded the motion, which carried unanimously.

3. Approval of minutes from the November 3, November 17, and December 1, 2010 meetings.

Commissioner Krutz stated that he would abstain from voting on the November 3 and November 17 minutes because he was not yet a member of the Commission. Commissioner Schumacher made a motion to approve the minutes from the three meetings as submitted. Commissioner Shumaker seconded the motion, which carried unanimously (with Commissioner Krutz’s abstentions on the November 3 and November 17 minutes).

4. Public Comments.

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

5. Presentation of status report on the Truckee Meadows Water Authority (“TMWA”) Glendale Diversion project.

Chairman Erwin invited Ron Penrose from TMWA to present this item. Mr. Penrose, Project Manager for the Glendale Diversion Project, provided a PowerPoint presentation of the history and background of

the Glendale Water Supply Improvement Project. He stated that in addition to the presentation he provided a handout with photos of the very successful project.

Mr. Penrose referred to the presentation and explained that the projects purpose was to replace the existing diversion weir, which was constructed of rock and rubble in the Truckee River north of the Glendale Bridge. He stated that TMWA operates two treatment plants; the Chalk Bluff Water Treatment Plant (“CBWTP”) and the Glendale Water Treatment Plant (“GWTP”), both of which are conventional water treatment facilities. The CBWTP was constructed in 1992 with a 20 million gallon per day (“MGD”) capacity, which was expanded to 90 MGD. He stated that the GWTP was constructed in 1976 with an 18 MGD capacity, which was increased to approximately 37 MGD; however, there was no hydraulic ability to get that volume of water into the plant, which was the basis for the current diversion project.

Mr. Penrose reported that the GWTP serves one third of all TMWA customers. He stated that in addition to the need for an updated diversion, in normal years the plant cannot operate at full capacity; and in drought years the plant cannot capture all of the released storage reservoir water. He added that the diversion sustained damage during the 100-year flood event. He reported that the new diversion includes features to allow for fish and boat passage.

Mr. Penrose reported that in 1994, public and stakeholder meetings were initiated to receive input on the project design, utilizing a facilitator. He added that ECO:LOGIC Engineering (now Stantec Consulting) is the consultant for the project. He reported that a hydraulic consultant was hired who developed a working physical model of the Glendale project in Vancouver. He stated that the public process was completed in 2004/2005 and the design and permitting process began, which included public input. He reported that in 2007 an Army Corps of Engineers 404 Permit was obtained. He added that Water Resource Development Act (“WRDA”) funding was authorized; however, no money was ever received. TMWA applied for and received state revolving loan funding for the contract.

Mr. Penrose reported that in July 2010 Q&D Construction was awarded the contract. He noted that the apparent lowest bidder was rejected and protested the award, which ended up at the federal court level. He stated that Q&D and Stantec have done a great job on the project and construction management. He added that two local environmental firms and a local geotechnical company were hired to assist on the project.

Mr. Penrose stated that the project criteria was to provide a reliable water supply for the GWTP, which would allow for capacity treatment in normal flow years as well as 100% capture of released storage water for TMWA customers in drought years. He stated that the fish passage allows for Lahontan cutthroat trout or any other fish to safely pass the diversion.

Mr. Penrose reported that there is a link on the TMWA website, which includes the history of the project along with the public process information. He provided his business card and offered individual field trips to anyone who is interested. He stated that current work is being done out of the river, including the addition of fish screens and trash racks. He showed a number of construction photos and explained each.

Mr. Penrose summarized that the project has been very successful and is expected to go online in April or May of this year. He welcomed questions or comments from the commission and thanked them for their time. Chairman Erwin called for any questions or comments and hearing none, he thanked Mr. Penrose for his presentation.

6. Update on the Desert Research Institute’s Evapotranspiration project; possible approval of scope of work for an Interlocal Agreement for funding maintenance of the project from the Regional Water Management Fund in an amount not to exceed \$10,000 for Fiscal Years 2011-

2012 and 2012-2013; and, possible direction to staff. (Heard out of order)

Chairman Erwin invited Jim Smitherman to present this item. Mr. Smitherman reported that the Desert Research Institute (“DRI”) completed its program update activities for the Washoe Evapotranspiration (“ET”) project and is transitioning to project maintenance. He stated that if approved by the NNWPC, an Interlocal Agreement in the amount of \$10,000 will be executed. He explained that the money was set aside in the budget and he is authorized to sign an Interlocal Agreement; however, he is requesting approval of the change in scope by the NNWPC.

Commissioner Schumacher made a motion for approval of the Washoe ET project scope of work for the Interlocal Agreement. Commissioner Krutz seconded the motion, which carried unanimously.

7. Update on adoption of the 2011-2030 Comprehensive Regional Water Management Plan; discussion of proposed items for the Fiscal Year 2011-2012 NNWPC Work Plan, and possible direction to staff.

Mr. Smitherman referred to the staff report and provided a brief summary of the adoption of the Water Plan. He stated that the NNWPC held its public hearing and recommended adoption of the Water Plan on December 1, 2010. On January 14, 2011 the Western Regional Water Commission (“WRWC”) held its public hearing and adopted the 2011-2030 Comprehensive Regional Water Management Plan and directed staff to submit the Plan to the Regional Planning Commission for a review for consistency with respect to the Truckee Meadows Regional Plan. He added that a public workshop was held at Department Water Resources (“DWR”) December 14, 2010.

Mr. Smitherman stated that Truckee Meadows Regional Planning Agency has 40 days to review the Water Plan and make any comments regarding consistency with the Truckee Meadows Regional Plan. He thanked Commissioners for all their hard work in development of the Water Plan.

Mr. Smitherman stated that it is now time to move forward with the Work Plan, which was developed based on chapter 9 of the Water Plan, “WRWC/NNWPC Proposed Action Plan”. He briefly summarized the proposed actions for the next five years, which include:

- The next population consensus forecast is due in January 2012 - determination of sustainable water resources will be needed based on the forecast
- Based on the beginning of the legislative session, staff will review bill draft requests (“BDRs”) and present testimony as needed.
- Climate change program - being done by the Bureau of Reclamation - No funding is anticipated from the RWMF.
- Cloud seeding program by DRI - \$100,000 has been set aside in the budget - DRI has discussed developing a consortium in order to spread the funding over a larger base.
- Water audit program - discussion took place over additional benefits to South Truckee Meadows General Improvement District (“STMGID”) and Sun Valley General Improvement District (“SVGID”) based on the water audit program, as well as possibly expanding some of the water conservation programs
- Third party review of the total maximum daily loads (“TMDLs”) for nutrients to the Truckee River - Staff has worked with the entities on the TMDL issues and an additional \$350,000 was set aside in the budget to move forward with the program related to water quality standards.
- National Pollutant Discharge Elimination System (“NPDES”) and Storm Water Permit Coordinating Committee - \$260,000 per year is set aside in the budget for the program; a fair amount of staff time will be needed as well. Coordination with the local land use and other planning agencies will be necessary in reviewing water budgets and other tasks.
- The WRWC requested alternatives for protecting the approximate \$3 million cash balance in the RWMF from the legislature to help in balancing the State's budget.
 - There is a possibility that the NNWPC/WRWC will work with the Truckee Meadows Regional Planning Agency (“TMRPA”) on some parcel-based population disaggregation

- modeling; however, no dollar amount has been set at this time.
- The possibility of purchasing 6,700 acre-feet of water rights has been mentioned that would address the requirements set forth in the Truckee River Operating Agreement (“TROA”). This item is still under discussion.
- Review 208 Water Quality Plan - the next update is due in May 2012
 - Examination of reclaimed water, wastewater and the possibility of examining the constraints for each individual wastewater treatment facility that might best be addressed by interconnecting facilities, for example Lemmon Valley and Cold Springs or interconnection of the Truckee Meadows Water Reclamation Facility (“TMWRF”) and South Truckee Meadows Water Reclamation Facility (“STMWRF”)
 - A valuable tool in any of the scenario planning for the 208 Plan will be expansion of the Regional Water Balance model developed by Stantec. Mr. Smitherman stated he has spoken with John Enloe about the possibility of expanding the model into a tool that DWR or other entity staffs can use.
- The Consensus Forecast update will require staff time but probably no commitment of funding.

Mr. Smitherman asked Commissioners for their input on any additions and welcomed any questions or comments.

Commissioner Krutz referred to the issue of working with the TMRPA and asked if it is intended to be project task specific or whether this would be a long-term funding source. Mr. Smitherman stated that the discussion has focused on short to medium term project support. He added that WRWC Commissioner Larkin requested examination of the issue. He explained that funding from the RWMF is specifically dedicated for water related projects, which is tied into the expanded parcel-based modeling project.

Vice Chairman Schumacher referred to the conservation discussion and requested copies of the information for the STMGID Local Managing Board, which Mr. Smitherman agreed to provide.

Commissioner Ball stated that one of the agenda items for the next WRWC meeting is related to strategies to protect the RWMF. He stated that he reviewed the staff reports and is concerned over the concept of protecting the money, and added that he is unaware from whom the money is being protected. He asked if the agenda item’s purpose is to adopt one of the strategies or to discuss them. He stated that he has a problem with this issue because the RWMF fees are collected to support water planning and this Commission, which he thinks has done really good work. He added that the NNWPC has not had the opportunity to discuss the strategies and asked Mr. Rhodes if this Commission has the right to hear the discussion.

Mr. Rhodes stated that the two items on the WRWC agenda are the result of direction to staff to bring back alternatives for committing funds from the RWMF to decrease the large cash balance. He stated that no specific amounts have been approved; however, there is an amount associated with the alternative of working with TMRPA. He added that the purchase of water rights is being presented as an alternative for discussion. He clarified that the WRWC Act requires that the RWMF be used for planning, administration, and implementation of the Water Plan. He stated that based on his review, he has determined that both activities do tie in to the water planning aspect of the requirement. He explained that these issues are being brought directly to the WRWC based on the direction provided to staff.

Mr. Smitherman stated that he thought it was his duty to inform the NNWPC of the alternatives that are being discussed by the WRWC. He agreed that the NNWPC has the authority to make recommendations to the WRWC; however, as Mr. Rhodes explained, the Act does not require such recommendations to come from the NNWPC. He stated that it is within the purview of the NNWPC to provide input.

Commissioner Ball stated he would like to weigh in on the issue; however, it has not been placed on an

NNWPC agenda. He explained that he needed to verbalize his concern and added that having been on the Water Planning Commission since its inception in 1995, he feels protective of the RWMF and is very proud of the water planning done with the help of consultants and staff. He clarified that he understands the concern by the WRWC of the legislature taking the funds.

Mr. Smitherman stated that he sees it as an opportunity for the WRWC to make some decisions in prioritizing projects and setting aside money in the budget. He added that the alternative of purchasing water rights with annual installments would decrease the annual RWMF budget for other projects.

Commissioner Ball referred to the proposed action item tables and recommended that staff determine the needs for the next Water Plan update and develop a list of the projects that need to be implemented. He stated there are a lot of consultants in the area who need work and there is still much work to be done. Mr. Rhodes stated that Commissioner Ball's suggestion is totally in line with the WRWC's request to encumber funds in the budget. He added that staff would continue to keep the NNWPC updated on any alternatives or proposals presented and discussed with the WRWC.

Vice Chairman Schumacher asked for clarification about use of the RWMF. Mr. Smitherman stated that as Mr. Rhodes explained, the funds must be used for the planning, administration and implementation of the Water Plan.

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

Vice Chairman Schumacher invited Mr. Rhodes to present this item. Mr. Rhodes reported that the legislature is now in session. He stated that he provided a staff report, which includes a list of Bill Draft Requests ("BDRs") that might affect the NNWPC/WRWC or open meeting law. He explained that some bills have already been initiated and are labeled as a Senate Bill ("SB") or Assembly Bill ("AB"). He stated that the complete list of BDRs is available on the Legislative Council Bureau's website, along with the language of the bill (available by clicking on the link). He stated that he has not yet had an opportunity to review the language of the bills; however, he will be following the bills closely and report back to the NNWPC on a regular basis throughout the session.

Mr. Rhodes reported that the WRWC formed a Legislative Subcommittee, which includes Chairman Carrigan, Commissioner Cohen and Commissioner Aiazzi. He stated that the Subcommittee will meet regularly with the Legislative Subcommittee of the TMWA Board, of which some members overlap. He reported that as the session continues, the Legislative Subcommittee will take a stand on the bills. He explained that last year a decision was made for the WRWC to take a neutral position unless strong support or opposition is deemed appropriate.

Mr. Rhodes welcomed questions or comments and reiterated that he would keep the NNWPC updated at every meeting.

9. Program Manager's Report

- a. Status report on projects and Work Plan supported by the Regional Water Management Fund**
- b. Financial report on the Regional Water Management Fund**
- c. Truckee River Flood Management Project status report**
- d. Informational report from the NNWPC representative on the Truckee Meadows Water Authority Standing Advisory Committee ("TMWA SAC")**

Mr. Smitherman reported that the items included in the agenda packet are provided as informational items and welcomed any questions or comments. He added that there is no informational report from the TMWA SAC representative, Barry Winzeler, who was not present today.

10. Discussion regarding agenda items for the March 2, 2011, NNWPC meeting and other future meetings, and possible direction to staff.

Mr. Smitherman reported that items for the March 2, 2011 NNWPC meeting include:

- Presentation of the preliminary budget for Fiscal Year 2011-2012 along with a draft Work Plan
- Possible update on the Truckee River Flood Project

Commissioner Ball asked if the City of Reno had approved the Flood Project's Joint Powers Authority agreement. Terri Svetich reported that the City Council was discussing the item this afternoon.

Mr. Rhodes stated that he would also provide the legislative update. He stated that the BDRs are available not only on the Legislative Council Bureau's website but also on the NNWPC website.

11. Commission Comments.

Vice Chairman Schumacher called for Commission comments, of which there were none.

12. Staff Comments.

None

13. Public Comments.

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

14. Adjournment.

With no further business, the meeting was adjourned at 2:27 p.m.

Respectfully submitted by,

Niki Linn, Recording Secretary

Approved by Commission in session on _____ 2011.

John Erwin, Chairman