

# Western Regional Water Commission

## STAFF REPORT

**DATE:** March 12, 2020

**TO:** Chairman and Members, Western Regional Water Commission  
("WRWC")

**FROM:** Chris Wessel, Water Management Planner  
Jim Smitherman, Water Resources Program Manager

**SUBJECT:** Review, discussion, and possible approval of the WRWC tentative budget for Fiscal Year 2020 - 2021, and possible direction to staff regarding the time and place for a public hearing on the tentative budget.

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### **SUMMARY**

Staff has developed a draft Fiscal Year 2020 - 2021 tentative budget for the WRWC, including revenues and expenses for staff and non-staff professional services. The attached budget summary and worksheets show details for professional services related to priority projects and routine operating expenses. The Northern Nevada Water Planning Commission ("NNWPC") has reviewed and prioritized projects, and allocate funding to projects deemed to be of the highest priority. On February 5, 2020, at their regularly scheduled meeting, the NNWPC reviewed and approved the draft Fiscal Year 2020 - 2021 tentative budget and made a recommendation to the WRWC for approval.

### **BACKGROUND**

The WRWC is required to prepare and submit a tentative budget to the Nevada Department of Taxation on or before April 15, and to hold a public hearing on the tentative budget not sooner than the third Monday in May, and not later than the last day in May. NRS 354.596(4). The attached draft tentative budget is provided for WRWC review, discussion, possible approval, and possible direction to staff.

### **PREVIOUS ACTION**

None.

### **FISCAL IMPACT**

The Fiscal Year 2020 - 2021 draft tentative budget projects an estimated \$1,637,055 in revenue, \$2,648,190 in expenses, and an ending cash balance of approximately \$296,690. Budget expenses include a maximum of \$2,065,986 for WRWC work plan activities, \$535,204 for three full time staff and legal services, and various routine operating expenses in the amount of \$47,000.

**RECOMMENDATION**

The NNWPC recommends that the WRWC approve the draft WRWC tentative budget for Fiscal Year 2020 - 2021. Staff further recommends direction to submit the tentative budget to the Washoe County auditor, file the tentative budget for public inspection with the Washoe County Clerk, and the Nevada Department of Taxation, and establish an appropriate time on Thursday, May 21, 2020, or any other appropriate time and date, for the public hearing on the tentative budget.

**POSSIBLE MOTION**

"Move to approve the draft WRWC tentative budget for Fiscal Year 2020 - 2021, direct staff to submit and file the tentative budget as required by statute, and provide notice, as required by law, for the public hearing on the tentative budget at an appropriate time on Thursday, May 21, 2020 (or any other appropriate time and date)."

CW:jp

Attachment: Draft WRWC Tentative Budget for Fiscal Year 2020 - 2021

**Western Regional Water Commission  
Fiscal Year July 1, 2020 - June 30, 2021  
Tentative Budget Summary Worksheet**

Budget Category	1.5% WMF	NOTES
<b>REVENUE</b>	<b>Amount</b>	
Estimated Water Surcharge Revenues	1,608,041	
Grant and/or Other Revenue	0	
Estimated Interest Income	29,014	
<b>Total Revenue</b>	<b>1,637,055</b>	
<b>PROFESSIONAL SERVICES/SUPPLIES</b>	<b>Amount</b>	
Estimated Professional Services (Page 2)	2,065,986	1
Staff Services (Page 3)	535,204	2,3
Non-Staff Services (Page 3)	47,000	
<b>Total Professional Services/Supplies</b>	<b>2,648,190</b>	
<b>OTHER EXPENSES</b>	<b>Amount</b>	
Estimated Misc.		
<b>Total Other Expense</b>	<b>0</b>	
<b>Total Expenses</b>	<b>2,648,190</b>	

Net Change in Cash Reserves (\$1,011,135)

**Budget Analysis**

Cash balance as of 7/1/19 (from Audit)	\$1,452,337
Estimated 2019/2020 revenue (Cash Flow)	1,532,498
Estimated 2019/2020 expenditures (Page 4)	(\$1,677,010)
Estimated cash balance as of 7/1/20	\$1,307,825
Net change in cash reserves for FY 2020-21	(\$1,011,135)
Estimated cash balance as of 6/30/21 <sup>(4)</sup>	\$296,690

**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: human resources, information technology, office space, utilities, computer hardware, software, copier, supplies, routine/administrative and GIS/drafting services.
- Estimated cash balance reflects Required minimum six month operating budget

**Tentative Professional Services Budget Detail Fiscal Year 2020/2021**

Professional Services Project Name	2020/2021 Budget Total	Expense Description/Example
<i>Climate Variability Data Assessment</i>	0	Possible ILA with DRI
<i>Precipitation Monitoring</i>	20,000	Pending FY20-21 Amendment to ILA with DRI
<b>Regional Water Planning Projects</b>	<b>20,000</b>	<b>NNWPC Ranking Vote Total 9 (6%)</b>
<i>Washoe ET Project</i>	5,000	Amendment to ILA with DRI
<i>Water Usage Review Program</i>	100,000	Pending FY20-21 Amendment to ILA with TMWA
<i>Certified Landscape Technician Program</i>	12,500	Pending FY20-21 Amendment to ILA with NLA
<b>Regional Water Conservation</b>	<b>117,500</b>	<b>NNWPC Ranking Vote Total 15 (10%)</b>
<i>Nevada Water Innovations Campus</i>	0	Multi-year ILA with UNR/Nevada Water Innovation Institute (NWII)?
<i>Regional Effluent Management Planning Guidance Document</i>	191,986	Multi-year ILA with UNR/Nevada Water Innovation Institute (NWII)
<i>Advanced Water Treatment Demonstration</i>	120,000	Amendment to multi-year ILA with UNR. 55k rollover; 65k new work
<i>Reclaimed Water Planning - Expert Panel</i>	30,000	Pending Project Proposal with Corollo
<i>Reclaimed Water Planning - Data Instincts</i>	25,000	Multi-year Contract with Data Instincts
<i>Reclaimed Water Planning NWII A+ Leadership</i>	36,000	Multi-year ILA with UNR/Nevada Water Innovation Institute (NWII)
<i>Long Valley Creek Feasibility Study</i>	100,000	Pending Amendment; Contract with Stantec
<b>Regional Reclaimed Water Planning Projects</b>	<b>502,986</b>	<b>NNWPC Ranking Vote Total 46 (31%)</b>
<i>One Truckee River</i>	250,000	Pending FY20-21 Contract with One Truckee River
<i>Storm Water GIS Mapping</i>	0	Pending Project Proposal TMRPA, Reno, Spark, Washoe County
<i>Watershed Management Plan Update</i>	0	ILA with City of Reno for NCE; Possible RWMP Update.
<i>NPDES Storm Water Permit Update</i>	63,000	Pending Proposal; ILA with Reno
<i>NPDES Storm Water Quality Management Program</i>	262,500	Pending FY20-21 Amendment to ILA with Reno
<b>Regional Storm Water Planning Projects</b>	<b>575,500</b>	<b>NNWPC Ranking Vote Total 34 (23%)</b>
<i>Steamboat Ditch Flooding Study</i>	100,000	Evaluation of Ditch Flooding; ILA w/ Washoe County; Continuing Contract
<i>Closed Basin Flooding</i>	100,000	Closed Basin Flooding Pending proposal cost share ILA with Reno/Washoe County
<i>Lemmon Valley Flood Study and Mapping</i>	60,000	Closed Basin Flooding/Evaluation of Ditch Flooding ILA w/ Washoe County; Continuing Contract
<b>Regional Flood Control Planning Projects</b>	<b>260,000</b>	<b>NNWPC Ranking Vote Total 23 (15%)</b>
<i>Regional Wastewater Flow Projections</i>	20,000	Pending Project Proposal TMRPA
<i>Modeling for Water Quality Standards and TMDL Compliance</i>	20,000	Possible Retain LTI for future needs; ILA with Reno
<i>N &amp; P Reduction in Watershed</i>	0	Pending Project Proposal; ILA with Reno
<b>Regional Wastewater Planning Projects</b>	<b>40,000</b>	<b>NNWPC Ranking Vote Total 23 (15%)</b>
<i>Water Management Plan Update</i>	150,000	Plan Update; Consultant Contracts TBD
<b>Comprehensive Plan</b>	<b>150,000</b>	
<b>Project Contingency Funds</b>	<b>400,000</b>	
<b>Totals</b>	<b>\$2,065,986</b>	

Note: Budget amounts may be transferred between categories

**Western Regional Water Commission  
Tentative Routine Operation Budget Fiscal Year 2019/2020**

		<b>2020/2021 Annual Routine Operating Budget Total</b>	<b>Expense Description/Example</b>
<b>WRWC Employees</b>		\$431,008	Cost of <i>Support Staff</i> services as defined by employee services contract entered into between Washoe County and WRWC. Includes finance and administrative staff labor cost
Salaries and benefits for WRWC staff		\$346,109	
Temporary employees		\$50,000	Manpower Temporary Services
GF OH OPEB - allocated		\$25,959	
Support Services from CSD F&A		\$8,940	
<b>Washoe County Overhead</b>	Staff Services	\$22,196	Based on analysis of fy17-18 actual general fund overhead (excludes labor)
GF OH Utilities - direct		\$499	
GF OH - direct		\$1,697	
GF OH - allocated		\$20,000	
<b>Mileage Expenses</b>		\$1,000	Annual routine daily vehicle mileage expenses.
<b>Legal Services</b>		\$81,000	Cost of <i>Legal Counsel</i> services as defined by contract as entered into between McDonald Carano Law Office and WRWC
<b>Lobbying Registration</b>		\$0	Cost of registration for staff members as state lobbyists
<b>Staff Services Subtotal</b>		<b>\$535,204</b>	
<b>Minutes</b>	Non-Staff Services	\$5,000	Annual service contract to provide for recording of meetings, transcription of minutes and document editing.
<b>WRWC Tech Services</b>		\$2,500	Such as 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 and website content and design services.
<b>TRIG Server Hosting and Support</b>		\$7,500	
<b>TMRPA Server and Hosting</b>		\$5,000	
<b>Video Coverage</b>		\$5,000	Annual expense for video coverage of WRWC and NNWPC meetings.
<b>CAFR &amp; Audit</b>		\$9,000	Annual expense for CAFR development and financial audit.
<b>Regional Training</b>		\$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.
<b>Regional Travel</b>		\$1,000	Cost of travel 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.
<b>Advertising</b>		\$1,000	Such as advertising and legal notices.
<b>Misc. Operating</b>		\$10,000	Such as printing & reproduction, publications, and public notices, refreshments for volunteer boards/commissions, general tech service support, 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, staff office supplies, and other expenses not included as part of overhead.
<b>Non-Staff Services Subtotal</b>		<b>\$47,000</b>	
<b>Totals</b>		<b>\$582,204</b>	

## Estimated Expenditures Fiscal Year 2019/2020

Attachment

Description	Total Estimated Fiscal 2019/2020 Expenditure as of 6/30/20
<b>WRWC Employees</b>	393,474
Salaries and benefits for WRWC staff	
GF OH OPEB - allocated	
Support Services from CSD F&A	
<b>Mileage Expenses</b>	2,400
<b>WRWC Overhead</b>	42,500
GF OH Utilities - direct	
GF OH - direct	
GF OH - allocated	
<b>Legal Services</b>	139,200
<b>Lobbying Services</b>	600
<b>Service Contract Subtotal</b>	<b>578,174</b>
<b>Minutes</b>	5,000
<b>Website</b>	15,000
<b>Envision/Sosu</b>	5,000
<b>CAFR &amp; Audit</b>	8,700
<b>Regional Training</b>	1,500
<b>Regional Travel</b>	-
<b>Advertising</b>	1,000
<b>Misc. Operating</b>	6,700
<b>Non-Service Related Routine Operating Subtotal</b>	<b>42,900</b>
<b>Routine Operating Expense Subtotals</b>	<b>621,074</b>
<i>Acquisition of Water Rights</i>	-
<i>Climate Variability Data Assessment</i>	-
<i>Precipitation Monitoring</i>	20,000
<b>Regional Water Planning</b>	<b>20,000</b>
<i>Washoe ET Project</i>	10,000
<i>Water Usage Review Program</i>	100,000
<i>Certified Landscape Technician Program</i>	12,500
<b>Conservation, Sustainability, Climate Change</b>	<b>122,500</b>
<i>Reclaimed Water Planning - Expert Panel</i>	40,000
<i>Bedell Flat Infiltration</i>	40,000
<i>Advanced Water Treatment Demonstration</i>	183,017
<i>Nevada Water Innovation Institute</i>	25,000
<i>Reclaimed Water Planning - Data Instincts Public Outreach</i>	26,134
<i>Regional Effluent Management Planning Guidance Document</i>	187,728
<i>Reclaimed Water Planning - NWII A+ Leadership</i>	34,057
<i>Long Valley Creek Feasibility Study</i>	40,000
<b>Regional Reclaimed Water Planning Projects</b>	<b>575,936</b>
<i>NPDES Storm Water Quality Management Program</i>	262,500
<i>NPDES Storm Water Permit Update</i>	-
<i>Watershed Management Plan Update</i>	75,000
<i>TMRPA Regional Storm Water GIS Map Project</i>	-
<b>Regional Storm Water Planning Projects</b>	<b>337,500</b>
<i>Localized Flooding</i>	-
<b>Regional Flood Control Planning Projects</b>	-
<i>Regional Wastewater Flow Projections</i>	-
<i>Modeling for Water Quality Standards and TMDL Compliance</i>	-
<b>Regional Wastewater Planning Projects</b>	-
<i>Plan Update</i>	-
<b>Water Management Plan</b>	-
<b>Project Subtotal</b>	<b>1,055,936</b>
<b>Totals</b>	<b>1,677,010</b>