

TUESDAY 3:00 P.M. MARCH 23, 1999

PRESENT:

- Jim Galloway, Chairman
- Ted Short, Vice Chairman
- Joanne Bond, Commissioner
- Pete Sferrazza, Commissioner
- Jim Shaw, Commissioner
- Amy Harvey, County Clerk
- Katy Simon, County Manager
- Madelyn Shipman, Legal Counsel
- Paul Orphan, Utility Division

The Board met in regular session in the Commission Chambers of the Washoe County Administration Complex, 1001 E. Ninth Street, Reno, Nevada and conducted the following business:

AGENDA

In accordance with the Open Meeting Law, on motion by Commissioner Bond, seconded by Commissioner Shaw, which motion duly carried, Chairman Galloway ordered that the agenda for the meeting of March 23, 1999 be approved.

MINUTES

On motion by Commissioner Short, seconded by Commissioner Bond, which motion duly carried, Chairman Galloway ordered that the minutes of the regular meeting of February 23, 1999 be approved.

99-6STM INTERIM WATER SERVICE TO APN 160-03-09 - SOUTH MEADOWS PROPERTIES

Paul Orphan, Utility Division, provided background information regarding this item and responded to questions of the Board.

Following discussion, upon recommendation of the South Truckee Meadows Local Managing Board, on motion by Commissioner Short, seconded by Commissioner Shaw, which motion duly carried, Chairman Galloway ordered that the request of Robert M. Sader, on behalf of South Meadows Properties Limited Partnership, for interim water service for APN 160-03-09, located at the northeast corner of South Virginia Street and Damonte Ranch Parkway, be approved.

99-7STM FINAL REPORT - STMGID WATER ISSUES TASK FORCE

James Covert, Chairman of the STMGID Water Issues Task Force, reviewed background information and advised that the task force discussed many issues involving STMGID including regional and County water issues and how they relate to STMGID both now and in the future; that the task force feels strongly that additional water resources should be developed to serve the entire planned resource area of STMGID while maintaining the lowest monthly cost; that STMGID enjoys low monthly water costs and is still able to cover its operating costs and they would like to retain that situation; that they are not interested in getting involved with the Public Utility Commission in any way and are strongly motivated about not getting involved in any type of water activity that would subject the STMGID user to the remediation tax imposed on the current Sierra Pacific Power users; that they feel that STMGID needs to become more of a regional water player; and that the task force made 12 recommendations as outlined in the report included with the agenda information and placed on file with the Clerk. He then reviewed major highlights of the report which included

- (1) to develop the groundwater to its maximum resources available,
- (2) to explore agreements with other water purveyors to provide mutual benefits to both parties (3) that new growth should pay for its own capital improvements, which is the current policy of STMGID; and
- (4) to continue to accept Truckee River water rights to the extent they can be utilized to accomplish realizable objectives.

Mr. Covert acknowledged the task force members and stated that it was his pleasure to serve as their Chairman. He then responded to questions of the Board.

Commissioner Short complimented Mr. Covert and everyone that served on the task force stating that it was his pleasure to serve on it also; and that the task force will allow STMGID to become a regional player in the Truckee Meadows.

On motion by Commissioner Shaw, seconded by Commissioner Short, which motion duly carried, Chairman Galloway ordered that the final report of the STMGID Water Issues Task Force be accepted.

Commissioner Short then recognized Gerald Schumacher, Chairman, Local Managing Board, and member of the task force.

99-8STM WATER SUPPLY FACILITIES PLAN - SOUTH TRUCKEE MEADOWS

Steve Walker, Water Management Planner, advised that the Regional Water Planning Commission has directed staff to invite the South Truckee Meadows General Improvement District to join with them to develop a facilities plan for the South Truckee Meadows; that the Regional Water Planning Commission and the task force, after studying these issues, determined that they would like to integrate the water supply, use the cheaper surface water first and make sure it can be backed up with good quality and large volume of groundwater in the region, and eventually develop the perennial streams as needed. He advised that a draft "Request for Proposal for Development of a Water Supply Facilities Plan for the South Truckee Meadows" was included with the agenda material for the Board's review and comments. Mr. Walker then responded to questions of the Board.

Following discussion, on motion by Commissioner Bond, seconded by Commissioner Shaw, which motion duly carried, Chairman Galloway ordered that staff be directed to pursue development of a water supply facilities plan for the South Truckee Meadows.

99-9STM INDEPENDENT CONTRACT FOR LEGAL SERVICES - WHOLESALE WATER AGREEMENTS NEGOTIATIONS

Paul Orphan, Utility Division, reviewed background information regarding this item.

Hampton Young, Reno attorney, reviewed his background in utility law and responded to questions of the Board.

Commissioner Sferrazza requested that, at some point before a contract is negotiated, Mr. Young make a presentation to the Board so they will know exactly what the parameters are in terms of that negotiation, advising that this could possibly be done in a workshop.

Gerald Schumacher, Chairman, Local Managing Board, discussed what he sees the role of Mr. Hampton to be with regard to negotiations with Sierra Pacific Power and The Tri Partners on the initial wholesale agreement, noting that Mr. Hampton has considerable background in this field.

Mr. Young stated that a lot of major issues are involved and this would be a major contract that will affect the water supply and development in the South Truckee Meadows area for many years; and that he will be happy to provide a presentation to the Board.

Commissioner Shaw suggested that an update of this issue could be placed on the monthly STMGID meeting agenda. Commissioner Short suggested that possibly a joint meeting with the STMGID Local Managing Board and the County Commission could be scheduled. Chairman Galloway suggested that if a workshop or joint meeting cannot be accomplished before the next regular meeting, the item be placed on the agenda.

On motion by Commissioner Sferrazza, seconded by Commissioner Short, which motion duly carried, it was ordered that the Independent Contract between South Truckee Meadows General Improvement District and Hampton M. Young, Jr., Esquire, to assist the Local Managing Board with negotiations concerning Wholesale Water Agreements with Sierra Pacific Power Company and The Tri Partners development group be approved and Chairman Galloway be authorized to execute.

99-10STM REIMBURSEMENT AGREEMENT - CONSTRUCTION - COSTS - NEW WATER TRANSMISSION MAIN - REGIONAL TRANSPORTATION COMMISSION

Paul Orphan, Utility Division, reviewed background information regarding this item and responded to questions of the Board.

Upon recommendation of the Local Managing Board, on motion by Commissioner Shaw, seconded by Commissioner Short, which motion duly carried, it was ordered that the Reimbursement Agreement between South Truckee Meadows General Improvement District and the Regional Transportation Commission concerning the reimbursement of construction costs for a new water transmission main and associated water services in the amount of \$225,000 be approved and Chairman Galloway be authorized to execute.

99-11STM MANAGEMENT REPORT - FEBRUARY, 1999

On motion by Commissioner Bond, seconded by Commissioner Short, which motion duly carried, Chairman Galloway ordered that receipt of the Management Report for February, 1999 be acknowledged.

PUBLIC COMMENTS

There was no response to the call for public comments.

BOARD AND STAFF COMMENTS

Paul Orphan, Utility Division, advised that a joint workshop has been planned for April 26, 1999 between the Local Managing Board and the Board of Trustees.

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There being no further business to come before the Board, the meeting adjourned.

JIM GALLOWAY, Chairman
South Truckee Meadows General Improvement District

ATTEST: AMY HARVEY, County Clerk