

**BOARD OF TRUSTEES  
SOUTH TRUCKEE MEADOWS GENERAL IMPROVEMENT DISTRICT  
WASHOE COUNTY, NEVADA**

TUESDAY

5:00 P.M.

JANUARY 22, 2008

PRESENT:

**Bob Larkin, Chairman**  
**Bonnie Weber, Vice Chairperson**  
**Jim Galloway, Trustee**  
**David Humke, Trustee**  
**Kitty Jung, Trustee**

**Amy Harvey, County Clerk**  
**Katy Singlaub, County Manager**  
**Melanie Foster, Legal Counsel**  
**Paul Orphan, Engineering Manager, Water Resources**

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

**08-01STM    AGENDA ITEM 8**

**Agenda Subject:** “Approve the Local Managing Board recommendation to: 1) adopt the Western Regional Water Commission Charter; and 2) approve and authorize the Chairman to execute upon receipt the Western Regional Water Commission Joint Powers Agreement Among the City of Reno, City of Sparks, South Truckee Meadows General Improvement District, Sun Valley General Improvement District, the Truckee Meadows Water Authority, and Washoe County; and if approved, authorize submission of the Joint Powers Agreement to the Nevada Attorney General for approval.”

**5:12 p.m.**    The Board convened jointly as the Board of County Commissioners and the Board of Trustees for the South Truckee Meadows General Improvement District with all members present.

Trustee Galloway asked, if the Western Regional Water Commission (WRWC) did the things described in the agreement, what additional funding mechanisms were planned to support day-to-day operations and what additional funding mechanism was planned to support the acquisition of water. Water Resources Director Rosemary Menard stated that neither Senate Bill (SB) 487 nor the Joint Powers Agreement had contemplated the WRWC in the role of acquiring new water. She explained there would be no funding for acquisition because the WRWC would not be acquiring water. She said

new water might be acquired by the action of each public body or through public/private partnerships, but the WRWC was to have a planning function.

Trustee Galloway inquired as to the latest estimate for the cost of acquiring new water to support the Regional Plan as it currently existed. He commented he last heard an estimate of \$1 billion in order to get enough water to support all of the zoning and population growth projected in the Truckee Meadows Regional Plan. Ms. Menard agreed with that amount. She indicated the existing Regional Water Planning Commission had been working on concurrency planning for water, wastewater, reclaimed water facilities and storm water facilities, and were packaging that material to be part of the Regional Water Plan Update. She said they estimated a cost of \$897 million for water facilities up to the year 2030, which did not include the acquisition of any associated water rights or land. Ms. Menard clarified the estimate included the infrastructure necessary to distribute water, store water and transmit water, but not to transport new water from someplace else.

With respect to day-to-day operations, Ms. Menard explained the Regional Water Management Fund generated approximately \$1.5 million per year for those activities. She said the Truckee Meadows Water Authority (TMWA) would provide in-kind support for the WRWC for items such as meeting agendas and minutes, and Washoe County would provide similar support for the Northern Nevada Water Planning Commission. She indicated staff and legal support for the WRWC and the Northern Nevada Water Planning Commission, which was roughly estimated at \$0.5 million per year, would be paid through the Regional Fund, leaving approximately \$1 million per year to fund the work of the two commissions.

Trustee Galloway referred to the following language on page 3 of the Joint Powers Agreement (JPA): “The planning for acquisition, development, management and conservation of regional water supplies and any associated facilities by the Western Regional Water Commission is for a public and governmental purpose and a matter of public necessity.” He said it sounded as if the agency could mandate rationing and other conservation measures, and also set up management rules, guidelines or regulations for the existing facilities. Ms. Menard noted there were a number of requirements from SB 487 that had been incorporated into the JPA and would provide for the production of several plans. She said there was a strong incentive to require adoption of those plans by the various governing boards so there would be buy-in about how the entities were going to work together. She indicated the goal was to bring the parties together to address issues, come up with plans that would work, and then use interlocal agreements or individual actions of the agencies to do implementation differently from what had been done historically.

Trustee Galloway referenced the following language on page 11 of the JPA: “To provide for regional conservation efforts, subject to and in accordance with the Truckee River Operating Agreement.” He said the wording seemed to be more than advisory and could allow all kinds of conservation efforts through the agency.

Chairman Larkin asked whether there was anything in the legislation or the JPA that authorized the agency to collect fees for the acquisition of water. Ms. Menard stated there was not.

Chairman Larkin read from section 6.3 on page 15 of the JPA: “A plan developed pursuant to the powers set forth in Article 5 above does not apply to any Public Purveyor and Member unless each Public Purveyor and Member agrees to the provisions of the plan.” He remarked that any conservation measure would require unanimous approval before it could be implemented. Ms. Menard agreed. Chairman Larkin indicated that each of the water purveyors could voluntarily implement conservation measures, but the language allowed an opt-out procedure modeled after the Southern Nevada Water Authority.

There was no response to the call for public comment.

Chairman Larkin asked what action had been taken by the Local Managing Board (LMB) of the South Truckee Meadows General Improvement District. Ellen Allman, Vice Chair of the LMB, indicated the Board unanimously recommended approval of the WRWC charter, as well as approval and execution of the JPA.

Chairman Larkin inquired what action had been taken by other entities. Ms. Menard stated the WRWC items under discussion had already been approved by the Sun Valley General Improvement District, the Truckee Meadows Water Authority Board, and the Reno City Council. She indicated the Sparks City Council was scheduled to consider approval at their next meeting.

Trustee Galloway acknowledged the JPA was not as onerous as the original bill that had gone before the State Legislature and he appreciated the consideration that was given to the public objections voiced at those hearings. He indicated he could not support the agenda item because there were no assurances that growth would pay for itself where new water was concerned. He wanted assurances that water would not be taken involuntarily from current users, either through conservation or tremendous rate schedules that limited how much an individual could afford to use, only to be allocated to new users. Trustee Galloway stated that any water saved through conservation efforts should go back to the reservoirs. He read the language from section 6.7 of the JPA, which said: “The Commission shall not have the power to impose any general tax unless it is duly authorized by the State Legislature.” For the sake of argument, Trustee Galloway noted that if one looked at a cost of \$1 billion spread uniformly over 400,000 current residents and 400,000 new residents, the current residents were subsidizing new growth by 50 percent.

On motion by Trustee Weber, seconded by Chairman Larkin, which motion carried on a 4-1 vote with Trustee Galloway voting “no,” it was ordered that Agenda Item 8 be adopted, approved, authorized, executed and submitted.

## **AGENDA ITEM 2 – PUBLIC COMMENT**

**Agenda Subject:** “Public Comment. Comment heard under this item will be limited to two minutes per person and may pertain to matters both on and off the STMGID Board of Trustees agenda. The Trustees will also hear public comment during individual action items, with comment limited to two minutes per person. Comments are to be made to the Trustees as a whole.”

There was no response to the call for public comment.

## **AGENDA ITEM 3 – MINUTES**

**Agenda Subject:** “Approve minutes for the Board of Trustees Regular Meeting of October 23, 2007 and Board of Trustees Special Meeting of November 20, 2007.”

There was no public comment on this item.

Paul Orphan, Engineering Manager, indicated the minutes had been approved at a previous meeting and no action was necessary.

## **08-02STM AGENDA ITEM 4**

**Agenda Subject:** “Approve the Local Managing Board recommendation to reimburse an amount not to exceed \$9075.00 regarding Joe and Kristi Iveson’s domestic well mitigation claim (APN 150-250-42).”

There was no public comment on this item.

On motion by Trustee Humke, seconded by Trustee Weber, which motion duly carried, it was ordered that Agenda Item 4 be approved.

## **08-03STM AGENDA ITEM 5**

**Agenda Subject:** “Approve the Local Managing Board recommendation to reimburse an amount not to exceed \$15,043.50 regarding Kimberley Turley’s and Barry Slayton’s domestic well mitigation claim (APN 150-260-11).”

There was no public comment on this item.

On motion by Trustee Humke, seconded by Trustee Weber, which motion duly carried, it was ordered that Agenda Item 5 be approved.

## **08-04STM AGENDA ITEM 6**

**Agenda Subject:** “Approve the Local Managing Board recommendation to approve and authorize the Chairman to execute the Kafoury, Armstrong & Company’s

**engagement letter for audit services for the year ending June 30, 2008, in an amount not to exceed \$22,000.”**

There was no public comment on this item.

On motion by Trustee Galloway, seconded by Trustee Humke, which motion duly carried, it was ordered that Agenda Item 6 be approved, authorized and executed.

**08-04aSTM AGENDA ITEM 7**

**Agenda Subject: “Approve the Local Managing Board recommendation to authorize the Chairman to execute upon receipt the Right of Entry and Hold Harmless Agreement for APN 049-165-03 (Randy and Kami Soule) for the purpose of drilling a test well and evaluating the aquifer by way of pumping tests.”**

There was no public comment on this item.

On motion by Trustee Humke, seconded by Trustee Galloway, which motion duly carried, it was ordered that Agenda Item 7 be approved, authorized and executed.

**AGENDA ITEM 9 – MANAGEMENT REPORT**

**Agenda Subject: “Management Report**

- (a) Customer Water Usage Report – November and December 2007.**
- (b) Well Level Report – November and December 2007**
- (c) Work Order Summary – November and December 2007**
- (d) Financial Report – October and November 2007**
- (e) Minutes of Local Managing Board regular meetings of October 15, 2007, November 19, 2007, and December 17, 2007.”**

Trustee Galloway asked when the report might include a “settling up” of water between the South Truckee Meadows General Improvement District (STMGID) and the Department of Water Resources. Mr. Orphan referenced the chart on page 78 of the staff report, which included a year-to-date total of 53,537,000 gallons to STMGID as of December 14, 2007. He indicated the amount was calculated on a calendar year according to the Division of Services Agreement. Commissioner Galloway said it did not translate the amount of water into the amount of money. Mr. Orphan agreed, but pointed out that STMGID had until June 30, 2008 to either pay the water back or pay the dollar amount difference. He stated the water translated to approximately \$105,000. Commissioner Galloway observed that seemed to be in a range that the budget could

absorb. He said he preferred to see the amount paid rather than built up each year because the amount would be credited back if there was a surplus in the coming year.

The reports having been submitted, no action was taken on this item.

**AGENDA ITEM 10 – COMMENTS**

**Agenda Subject:** “Trustees, LMB, and Staff Comments (limited to announcements, requests for information, statements relating to items not on the agenda or issues for future agendas.)”

There were no comments.

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**5:36 p.m.** There being no further business to come before the Board, on motion by Trustee Humke, seconded by Trustee Weber, which motion duly carried, the meeting was adjourned.

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**ROBERT M. LARKIN**, Chairman  
South Truckee Meadows General  
Improvement District

**ATTEST:**

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**AMY HARVEY**, County Clerk and  
Ex-Officio Secretary, South Truckee  
Meadows General Improvement District

*Minutes Prepared By:  
Lisa McNeil, Deputy County Clerk*