



**NEVADA LEGISLATURE
LEGISLATIVE COMMITTEE TO OVERSEE THE WESTERN
REGIONAL WATER COMMISSION
(Senate Bill 487, Chapter 531, *Statutes of Nevada 2007*)**

SUMMARY MINUTES AND ACTION REPORT

The third meeting and work session of the Nevada Legislature's Legislative Committee to Oversee the Western Regional Water Commission (WRWC) was held on Thursday, August 19, 2010, at 10 a.m. in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. This meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. A copy of this set of "Summary Minutes and Action Report," including the "Meeting Notice and Agenda" ([Exhibit A](#)) and other substantive exhibits, is available on the Nevada Legislature's website at <http://www.leg.state.nv.us/interim/75th2009/committee/>. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (e-mail: publications@lcb.state.nv.us; telephone: 775/684-6835).

COMMITTEE MEMBERS PRESENT IN CARSON CITY:

Assemblyman David P. Bobzien, Chair
Senator Mark E. Amodei
Assemblyman Bernie Anderson
Assemblyman Don Gustavson

COMMITTEE MEMBER PRESENT IN LAS VEGAS:

Senator John J. Lee, Vice Chair

COMMITTEE MEMBER ABSENT:

Senator Bernice Mathews

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Patrick Guinan, Senior Research Analyst, Research Division
Eileen G. O'Grady, Chief Deputy Legislative Counsel, Legal Division
Susan M. Young, Senior Administrative Assistant, Research Division

OPENING REMARKS

- Chair Bobzien called the meeting to order and welcomed everyone. He then had the secretary call roll. Chair Bobzien expressed appreciation to the members of the Legislative Committee to Oversee the Western Regional Water Commission, Committee staff, and the public for their involvement with Committee activities during the 2009-2010 Interim.

APPROVAL OF MINUTES OF THE JULY 15, 2010, MEETING IN RENO, NEVADA

- The Committee **APPROVED THE FOLLOWING ACTION:**

SENATOR AMODEI MOVED TO APPROVE THE “SUMMARY MINUTES AND ACTION REPORT” OF THE JULY 15, 2010, MEETING HELD IN RENO, NEVADA. THE MOTION WAS SECONDED BY ASSEMBLYMAN ANDERSON AND PASSED UNANIMOUSLY.

PUBLIC COMMENT

(As directed by Chair Bobzien, this agenda item was taken out of order.)

- Steve Walker, President, Walker and Associates, Minden, Nevada, representing Carson City, Douglas and Lyon Counties, requested that the Committee consider an amendment in the “Work Session Document” ([Exhibit B](#)) under Recommendation No. 1 to include counties with a population of over 40,000 by changing the population cap under the existing law (Chapter 244 of *Nevada Revised Statues*). (Please see [Exhibit C-1](#) and [Exhibit C-2](#).)
- Chair Bobzien noted that he received an e-mail from Bjorn Selinder, Public Policy Innovations, LLC, representing Churchill and Elko Counties, requesting that the population threshold be reduced to counties with 20,000 residents, or possibly eliminate the population threshold entirely. Chair Bobzien further noted that the amendment would not be addressed with Recommendation No. 1; however, the comments would be addressed in the 2011 Session.

In response to a question from Assemblyman Anderson regarding the 40,000 population threshold, Mr. Walker responded that the population number was a result of communications with utility directors and county managers of counties with populations of 40,000 or greater. Mr. Walker noted that those counties with a population of 40,000 requested he propose the amendment.

- Patrick T. Sanderson, Lobbyist, representing Laborers’ International Union Local 872, Las Vegas, urged the use of local contractors for construction on local projects and to prequalify local contractors to bid on the construction work regarding the Truckee River Flood Project and any other potential projects.

WORK SESSION—DISCUSSION AND POSSIBLE ACTION ON RECOMMENDATIONS RELATING TO:

(As directed by Chair Bobzien, this agenda item was taken out of order.)

- *Proposed Bill Draft Request (BDR) to authorize the issuance of bonds to finance loans made to provide financial assistance to persons to connect to the public water or sewer system in certain counties (Assembly Bill 54, Chapter 325, Statutes of Nevada 2009).*
- *Proposed BDR to allow issuance of County Bond Bank bonds to be issued for refunding of securities previously issued to an entity other than the County Bond Bank.*

“WORK SESSION DOCUMENT”

The following “Work Session Document” ([Exhibit B](#)) was prepared by the staff of the Legislative Committee to Oversee the Western Regional Water Commission. It is designed as an outline to assist the Committee members in making decisions concerning recommendations to be forwarded to the Legislative Commission and ultimately to the 2011 Session of the Nevada Legislature. The recommendations contained herein were either submitted in writing to the Committee and/or staff, or presented during one of the Committee’s meetings.

The possible actions identified in this document are in no particular order and should not be construed as having the support of the Committee or its individual members. Rather, they are compiled so the members may review and discuss them during the work session to decide if they should be adopted, changed, rejected, or further considered.

To be adopted, recommendations from the Committee must be approved by a majority of the Senate members and a majority of the Assembly members.

In accordance with *Nevada Revised Statutes 218D.160*, the Committee may recommend no more than ten bill draft requests, submitted no later than September 1, 2010. Other items not requiring legislation, such as requests for letters, may be sent by the Chair of the Committee.

RECOMMENDATIONS FOR LEGISLATIVE MEASURES

RECOMMENDATION NO. 1

Submit a BDR to authorize the issuance of bonds to finance loans made to provide financial assistance to persons to connect to the public water or sewer system in certain counties (Assembly Bill 54, Chapter 325, Statutes of Nevada 2009).

- Chair Bobzien requested a brief background on Recommendation No. 1.

- Rosemary Menard, Director, Washoe County Department of Water Resources (DWR) provided a brief explanation for Recommendation No. 1, which included: (1) the BDR would give Washoe County the authority to provide financial assistance to persons to connect and convert to the public water or sewer system; (2) would allow for the issuance of bonds to finance the connection fees; and (3) would create a revolving loan fund. Ms. Menard further noted that this request is mainly in response to the current economic conditions.

There was a discussion between Assemblyman Anderson and Ms. Menard regarding Assemblyman Anderson's concerns with respect to the issuance of bonds. Ms. Menard responded noting that the bonds would contribute to the overall cap of no more than \$1 million per year. She noted that it would take a number of years to accumulate enough money to be able to sell a bond, and the bonds would be secured by property interest and further secured by water utility revenues.

- Chair Bobzien called for a motion on Recommendation No. 1.
- The Committee **APPROVED THE FOLLOWING ACTION:**

**SENATOR AMODEI MOVED TO APPROVE RECOMMENDATION NO. 1.
THE MOTION WAS SECONDED BY ASSEMBLYMAN GUSTAVSON.**

In discussing the motion, Senator Amodei opined that authorizing Washoe County to provide financial assistance improves the outlook for future growth and development.

THERE BEING NO FURTHER DISCUSSION, THE MOTION PASSED UNANIMOUSLY.

RECOMMENDATION NO. 2

Submit a BDR to allow issuance of County Bond Bank bonds to be issued for refunding of securities previously issued to an entity other than the County Bond Bank (similar to the State Bond Bank, refundings would be permitted only for securities issued on and after the effective date of the law that permits creation of the Bond Bank).

- Chair Bobzien called for an explanation of Recommendation No. 2.
- Ms. Menard explained Recommendation No. 2 as it relates to the County Bond Bank which would amend current statute to allow for the County Bond Bank to be used to refinance existing debt as well as issue new debt. She further explained that the genesis of this recommendation is related to the proposed consolidation of the DWR and Truckee Meadows Water Authority (TMWA).
- Chair Bobzien called for a motion on Recommendation No. 2.

- The Committee **APPROVED THE FOLLOWING ACTION:**

ASSEMBLYMAN GUSTAVSON MOVED TO APPROVE RECOMMENDATION NO. 2. THE MOTION WAS SECONDED BY SENATOR AMODEI AND PASSED UNANIMOUSLY.

UPDATE ON PROPOSED CONSOLIDATION OF WASHOE COUNTY DEPARTMENT OF WATER RESOURCES (DWR) AND TRUCKEE MEADOWS WATER AUTHORITY (TMWA)

- Rosemary Menard, previously identified, provided an update on the proposed consolidation of DWR and TMWA, which included: (1) progress of the analyses on the proposed consolidation; and (2) the next decision on the merger is expected in January 2011 and will be based on the results of detailed financial analysis, capital programs, and future operating plans.

Ms. Menard continued her testimony with highlights of accomplishments from the WRWC since the 2007-2008 Interim and the 2009 Session, which included: (1) results of Washoe County Question No. 3 of the 2008 General Election; (2) the report concerning the memorandum of understanding and the coordinated watershed monitoring efforts on the Truckee River (Senate Concurrent Resolution No 2, File No. 61, *Statutes of Nevada 2009*); (3) progress to update and complete the regional water management plan; (4) collaborative process and progress of the WRWC and the Northern Nevada Water Planning Commission; and (5) the future outlook and prioritization issues regarding available resources under the water management fund.

UPDATE ON SENATE BILL 175 (CHAPTER 477, STATUTES OF NEVADA 2009) AND ON THE FORMATION OF A JOINT POWERS AUTHORITY FOR THE TRUCKEE RIVER FLOOD MANAGEMENT PROJECT

- Naomi Duerr, Director, Truckee River Flood Management Department, provided an update on S.B. 175 and the formation of the joint powers agreement for the Truckee River Flood Management Project, which included: (1) an explanation of the agreement's long-term goals; (2) specific objectives; (3) accomplishments in Fiscal Year 2009-2010; (4) a brief review of legislation that enabled the formation of the Flood Management Authority in Washoe County; (5) Assembly Bill 54 (Chapter 325, *Statutes of Nevada 2009*) that initiated the home elevation program; (6) use of local contractors; (7) Reno-Sparks Indian Colony Floodwall-Levee; (8) completed restoration projects; (9) design initiation of the new Virginia Street Bridge; (10) a description and overview of other completed projects; (11) property management; and (12) monitoring and teaching of flood management practices. (Please see [Exhibit D.](#))

- Citing concerns over recent floods in the Reno/Sparks area, Assemblyman Anderson queried as to the building of levees on the north side of the river on streets near Greg Street to prevent future flooding.
- Ms. Duerr noted that there is a sister levee similar to the levee located to the south of Greg Street. She further noted that the levee is not placed back as far in order to allow for as many businesses located on the north side to remain operational and that both levees work in conjunction with one another to maintain functionality.

A discussion ensued between Assemblyman Anderson and Ms. Duerr regarding federal funding received from the United States Army Corp of Engineers (USACE). Ms. Duerr explained that the Sacramento District colonel had been to the region to make observations of the Truckee River Flood Management Project and pledged that federal funding would be available by the Fall of 2012; however, the Truckee River Flood Management Department had requested the funding by the Fall of 2011 because of a potential water resources development bill in Congress.

- Assemblyman Anderson expressed his concerns over fishing access and walls placed on the Truckee River during the construction of the Tahoe-Pyramid Bikeway.
- Ms. Duerr noted that fishing access locations have not been compromised, and the wall and the levee have been moved back to accommodate access. She further noted that the progress on fishing access has been enhanced due to the accountability of the Sacramento District office of the USACE meeting deadlines.

There was a discussion between Chair Bobzien and Ms. Duerr regarding issues with the historical accuracy of the design of the Virginia Street Bridge. Ms. Duerr clarified that all types of bridge construction are under consideration, and there is tremendous outreach to the community in the design review process.

- Chair Bobzien queried as to the relationship between the fish passage issues and bridge designs with respect to the Endangered Species Act of 1973.
- Ms. Duerr, in response to Chair Bobzien's question, noted that the USACE is of the belief that a new fish passage should be built, and the U.S. Fish and Wildlife service is of the opinion that the current fish passage can be reworked and saved. She further noted that the compromise was to rework the structure, and if that failed, the fish passage would default to the USACE's plan. Mr. Duerr pointed out that each agency specializes in different areas.

PUBLIC COMMENT

- Chair Bobzien thanked Senator Lee for attending the meeting via videoconference from Las Vegas.
- Senator Lee commented on how pleased he was with the work that has been done with fish ladders at Pyramid Lake.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 11:13 a.m.

Respectfully submitted,

Susan M. Young
Senior Administrative Assistant

Patrick Guinan
Senior Research Analyst

APPROVED BY:

Assemblyman David P. Bobzien, Chair

Date: _____

LIST OF EXHIBITS

[Exhibit A](#) is the “Meeting Notice and Agenda” provided by Patrick Guinan, Senior Research Analyst, Research Division, Legislative Counsel Bureau (LCB).

[Exhibit B](#) is the “Work Session Document,” provided by Patrick Guinan, Senior Research Analyst, Research Division, LCB.

[Exhibit C-1](#) is a memorandum dated August 16, 2010, to Chairman Bobzien and Members of the Legislative Committee to Oversee the Western Regional Water Commission, regarding an amendment to Assembly Bill 54 (Chapter 325, *Statutes of Nevada 2009*) to include counties with a population over 40,000, provided by Steve Walker, President, Walker and Associates, Minden, Nevada.

[Exhibit C-2](#) is a document regarding a proposed amendment to *Nevada Revised Statutes* 244.3651 prepared by Steve Walker, President, Walker and Associates, Minden, Nevada.

[Exhibit D](#) is a Microsoft PowerPoint presentation document dated August 19, 2010, titled “Legislative Committee to Oversee WRWC, Truckee River Flood Project Update,” provided by Naomi Duerr, Director, Truckee River Flood Management Department.

This set of “Summary Minutes and Action Report” is supplied as an informational service. Exhibits in electronic format may not be complete. Copies of the complete exhibits, other materials distributed at the meeting, and the audio record are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the Library online at www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm or telephone: 775/684-6827.