



**NEVADA LEGISLATURE
LEGISLATIVE COMMISSION'S SUBCOMMITTEE TO STUDY
THE FEASIBILITY AND ADVISABILITY OF
CONSOLIDATING THE WATER-RELATED SERVICES IN
WASHOE COUNTY**

(Senate Concurrent Resolution No. 26 [File No. 100, *Statutes of Nevada 2005*])

SUMMARY MINUTES AND ACTION REPORT

The fifth meeting of the Nevada Legislature's Subcommittee to Study the Feasibility and Advisability of Consolidating the Water-Related Services in Washoe County (Senate Concurrent Resolution No. 26 [File No. 100, *Statutes of Nevada 2005*]) was held at 9 a.m. on Friday, May 12, 2006, in Sparks Commission Chambers, 745 4th Street, Sparks, 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 Web site at www.leg.state.nv.us/73rd/Interim. In addition, copies of the audio record may be purchased through the Publication's Office of the Legislative Counsel Bureau (LCB) (e-mail: publications@lcb.state.nv.us; telephone: 775/684-6835).

COMMITTEE MEMBERS PRESENT IN SPARKS:

Senator Mark E. Amodei, Chair
Assemblywoman Heidi S. Gansert, Vice Chair
Senator Bernice Mathews
Senator Maurice E. Washington
Assemblyman John W. Marvel
Assemblywoman Debbie Smith

OTHER LEGISLATOR PRESENT:

Assemblyman Bernie Anderson

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Linda J. Eissmann, Senior Research Analyst, Research Division, LCB
Kimberly Guinasso, Senior Principal Deputy Legislative Counsel, Legal Division, LCB
Kennedy, Principal Research Secretary, Research Division, LCB

WELCOME AND OPENING REMARKS

- Senator Mark E. Amodei, Chairman of the S.C.R. 26 Subcommittee, welcomed members, presenters, and the public to the fifth meeting of the interim.

APPROVAL OF MINUTES OF THE MARCH 15, 2006, MEETING IN RENO

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

ASSEMBLYMAN MARVEL MOVED TO APPROVE THE MINUTES OF THE MARCH 15, 2006, MEETING IN RENO, NEVADA. THE MOTION WAS SECONDED BY ASSEMBLYWOMAN GANSERT AND CARRIED UNANIMOUSLY.

UPDATE FROM LOCAL WATER PURVEYORS ON FURTHER DETAILS OF THE PLAN PREVIOUSLY PRESENTED TO THE SUBCOMMITTEE TITLED “STRUCTURE FOR THE AREA’S PUBLIC WATER PURVEYORS TO COLLECTIVELY ADDRESS WATER ISSUES”

- Robert Larkin, Chairman, Washoe County Board of Commissioners, announced that the four water purveyors agreed to a plan that creates a joint technical committee of each purveyor’s technical staff, plans and develops additional water supplies in a cooperative manner, and manages new regional water resources through a balanced water budget. ([Exhibit B](#)). He said the water purveyors had also reached an agreement on the oversight, structure, and voting powers of the governing body ([Exhibit C](#)), and gave an overview of boundaries, authority, and governance issues of the proposal. Mr. Larkin said that although much progress had been made, the joint technical committee would continue to further refine details of the proposal.

There were discussions regarding voting options, boundaries, and the possible role of the Regional Water Planning Commission (RWPC) in the water purveyor’s plan.

- Mike Carrigan, Sparks City Council, and Chairman of the Truckee Meadows Water Authority, explained how the water purveyors determined a seven-member board membership, including the Truckee Meadows Water Reclamation Facility. He pointed out that unlike an earlier suggestion of a weighted board (to larger water entities), the proposed governing board would allow each member equal representation. He further suggested that RWPC be placed under the purview of the new entity to facilitate funding.

There were discussions regarding the bonding capacity of the new entity and the concept of widening its region to include the Carson, Truckee, and Walker Rivers, and “bedroom” communities such as Fernley and Silver Springs.

The Chair requested that the water purveyors submit policy statements before the next meeting of the Subcommittee and noted that in spite of unresolved issues, the concept was “a work in progress.”

- Mr. Carrigan said that the water purveyors developed a plan that would create a regional entity not through legislation, but through an interlocal or joint powers agreement as provided for in Chapter 277 of *Nevada Revised Statutes*, which allows for cooperative agreements of state, counties, cities, districts and other public agencies. He asked that the Subcommittee authorize the water purveyors to implement this plan with a two-year provision added to it.

There was a discussion regarding the role of the new entity and its ability to manage to future water, and not existing water. Mr. Carrigan commented that the purpose of the new entity would be to find and acquire new water sources. Subcommittee members expressed concern that although acquisition efforts would move forward, 85 percent of the area’s current water would not benefit from conjunctive use and management. Some members noted that the water purveyor’s plan would offer little or no difference to the intent of the S.C.R. 26 bill. Mr. Larkin noted a reluctance of the four water purveyors to “just turn over their water to and new entity” and stated there was no evidence of mismanagement of current resources.

A further discussion ensued regarding the formation of a new area for water development, outside of the current four water purveyor’s jurisdiction, which would be under the control of the new water entity. Mr. Carrigan noted that current water purveyors “have been operating [their] own areas for over ten years” and said that if the new entity represented a consolidation of current water, then technical issues involving bonding ratings could arise.

Members expressed concerns that the water purveyor’s plan was not comprehensive enough to address regional water issues. The Chair said that his intent was for the formation of a regional entity to manage the use of water resources in the Truckee Meadows area, outside of retail interests. He also said that the plan of the water purveyors was “defeatist” if it excluded any water entity.

There was a discussion regarding flood control issues, including surveying and creating policies. Mr. Larkin described the progress made by the City of Reno with the Army Corp of Engineers regarding the flood plan and said changes would be carefully considered in order not to undo a long and arduous process. Finally, members expressed an interest in the new water entity’s ability to negotiate within the Truckee River Operating Agreement (TROA). Mr. Carrigan explained that federal law assigned signatories with that authority and entities could not be added outside of that authority.

REACTION BY WATER PURVEYORS AND OTHER INTERESTED STAKEHOLDERS TO THE PROPOSAL TO CREATE A REGIONAL WATER RESOURCES ENTITY IN WASHOE COUNTY AS OUTLINED IN THE LETTER FROM STAFF OF THE SUBCOMMITTEE DATED APRIL 26, 2006

At the direction of the Chair, this agenda item was discussed simultaneously with agenda no. IV.

SUBCOMMITTEE DISCUSSION OF THE POTENTIAL FOR A REGIONAL WATER RESOURCES ENTITY AND OTHER POTENTIAL PROPOSALS

At the direction of the Chair, this agenda item was discussed simultaneously with agenda no. IV.

PUBLIC COMMENT

- George Ball, Washoe County Water Conservation District and member of the Regional Water Planning Commission, expressed opposition that the present regional water planning commission's authority be assumed by the new entity and urged that Subcommittee to ensure that the RWPC remain independent.

There was a discussion regarding RWPC's enforcement authority and its ability to create policy and determine conformance with proposed plans.

- Susan Lynn, former chairman of the RWPC, expressed concern for a basic lack of information as the study continued and suggested that the RWPC be left "undisturbed." She noted that although the planning commission does not have budget authority, the ability to determine how ordinances are developed within the water entities, or enforcement power, it does represent a unified group in the community and "works well." She identified one major problem as inaccurate consensus forecast, which has underestimated the population growth projections. She expressed a concern for the availability to find future solutions to complicated water issues and noted that choices in conservation would be difficult.

There was a discussion regarding accuracy in consensus forecast and market projection indicators.

- Michael Pennington, Public Policy Directory, Reno-Sparks Chamber, listed recommendations for the Subcommittees work session ([Exhibit D](#)) and described the Chamber's process in crafting those recommendations. He also suggested that conservation plans/policies and planning be strong points of consideration for the Subcommittee as they consider consolidation of water entities.

There was a discussion regarding a lack of proposals regarding a funding mechanism. Further, Mr. Pennington said the exhibit referred to water availability “today and beyond.” The Chair asked him to verify that issue and submit it in writing to staff. 11:08:44

- Perry DiLoreto, DiLoreto Construction and Development, Inc., Reno, said that the “purveyors submit themselves to a higher authority.” Further, he noted that there have been perceptions that a better job could be done with the question of affordability being considered at every step in the Subcommittee’s interim study.

SOLICITATION OF POSSIBLE BILL DRAFT REQUESTS FOR SUBCOMMITTEE CONSIDERATION

Chair Amodei polled the Subcommittee and members of the audience regarding items for consideration on a work session document. Also, he requested that four major water purveyors have an agenda item prior to the work session to update recommendations and positions on their plan. Members asked for documentation from the purveyors in writing prior to the next meeting.

The Chair then suggested that the Subcommittee consider a BDR for a follow-up study during the 2007-2008 interim of an expanded area beyond the Truckee Meadows.

ADJOURNMENT

The Chair announced the final meeting and work session of the S.C.R. 26 Subcommittee as Tuesday, June 20, 2006, location to be determined in the Truckee Meadows.

There being no further business to come before the Subcommittee, the meeting was adjourned at 11:36 a.m.

Respectfully submitted,

Kennedy
Principal Research Secretary

Linda J. Eissmann
Senior Research Analyst

APPROVED BY:

Senator Mark E. Amodei

Date: _____

LIST OF EXHIBITS

[Exhibit A](#) is the Meeting Notice and Agenda provided by Linda J. Eissmann, Senior Research Analyst, Research Division, Legislative Counsel Bureau.

[Exhibit B](#) is a chart titled “Structure for the Area’s Public Water purveyors to Collectively Address Water Issues,” provided by Robert Larkin, Chairman, Washoe County Board of Commissioners

[Exhibit C](#) is a document titled “Outline of Agreement,” furnished by Robert Larkin, Chairman, Washoe County Board of Commissioners

[Exhibit D](#) is a letter to members of the S.C.R. 26 Subcommittee regarding possible recommendations presented by Michael Pennington, Reno-Sparks Chamber of Commerce.

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.