



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 second meeting of the Nevada Legislature's Legislative Committee to Oversee the Western Regional Water Commission was held on Thursday, July 15, 2010, at 9 a.m. in the Washoe County Commission Chambers, 1001 East Ninth Street, Reno, 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:

Assemblyman David P. Bobzien, Chair
Senator John J. Lee, Vice Chair
Senator Bernice Mathews
Assemblyman Bernie Anderson
Assemblyman Don Gustavson

COMMITTEE MEMBER ABSENT:

Senator Mark E. Amodei

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
Ryan Dombrowski, Technical Communications Systems Specialist, Broadcast and Production Services
Brian Van Geel, Technical Communications Systems Specialist, Broadcast and Production Services

OPENING REMARKS

- Chair Bobzien welcomed everyone. He expressed appreciation to the Washoe County Commission for hosting the Committee and those in attendance.

APPROVAL OF MINUTES OF THE JANUARY 7, 2010, MEETING IN RENO, NEVADA

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

ASSEMBLYMAN ANDERSON MOVED TO APPROVE THE “SUMMARY MINUTES AND ACTION REPORT” OF THE JANUARY 7, 2010, MEETING HELD IN RENO, NEVADA. THE MOTION WAS SECONDED BY ASSEMBLYMAN GUSTAVSON AND PASSED UNANIMOUSLY.

REVIEW OF JUNE 17, 2010, NEVADA SUPREME COURT OPINION IN GREAT BASIN WATER NETWORK V. STATE ENGINEER, 126 NEV. ADV. OP. NO. 20

- Kevin C. Powers, Senior Principal Deputy Legislative Counsel, Legislative Counsel Bureau, reviewed the June 17, 2010, Nevada Supreme Court Opinion in the decision, which involved 1989 water applications to develop a pipeline to southern Nevada. He gave a briefing on the ruling and discussed the need that arose for a clarification. Southern Nevada Water Authority petitioned the Court for a rehearing, including a request for clarification of what would be needed as remedy. Mr. Powers noted that the Courts made clear the decision will apply only to those applications that have been protested. (Please see [Exhibit B.](#))

In response to questions from Assemblyman Bobzien regarding the potential for a broader application of the ruling, Mr. Powers noted that the ruling does have potential for broader application, including filings in the Truckee Meadows.

There was a discussion between Assemblyman Anderson and Mr. Powers regarding the number of potential applicants who could make such a claim. Mr. Powers pointed out that during the 26th Special Session, the State Engineer, Division of Water Resources, State Department of Conservation and Natural Resources, testified that he was calculating the exact number of applications that had not been acted upon within the one-year period. He opined that the greatest impact will be on applications for municipal water use.

Mr. Powers concluded his testimony noting that the Supreme Court established the precedent of the “first in time, first in right” approval process, which emphasizes that approval cannot be granted to a second application until a decision has been made on the first application.

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

- Mark W. Foree, General Manager, TMWA, provided an update on the proposed consolidation of the DWR and TWMA, which included: (1) a brief outline of the proposed consolidation; (2) purpose of the requirements to evaluate the possibility of integrating public water providers in Washoe County; and (3) the accomplishments to date in evaluating the proposed consolidation. (Please see [Exhibit C.](#))
- Rosemary Menard, Director, DWR, provided additional information on the update of the proposed consolidation of the DWR and TWMA, which included: (1) a review of key findings to date; (2) potential increase in use of surface water in some DWR service areas; (3) potential opportunities to reduce power and labor costs through integrated operation; (4) identification of opportunities for integrated capital planning; and (5) future tasks from July 2010 through December 2010, including developing a combined operating plan. (Please see [Exhibit C.](#))

In response to a question from Assemblyman Anderson regarding employees, retirement benefits, and loss of man power, Ms. Menard noted that layoffs are not anticipated. She further noted that most of the changes will be handled through attrition and leaving open job positions vacant.

Responding to a request from Assemblyman Bobzien for more information about additional capital costs, Ms. Menard noted that they are looking at taking advantage of existing infrastructure; however, until the merger is complete, both DWR and TMWA will operate as separate agencies.

PRESENTATION REGARDING WESTERN REGIONAL WATER COMMISSION (WRWC) STAFF REVIEW OF CONSENSUS POPULATION FORECAST TO DETERMINE ADEQUACY OF IDENTIFIED WATER RESOURCES TO MEET ANTICIPATED 2030 POPULATION

- Jim Smitherman, Water Resources Program Manager, WRWC/Northern Nevada Water Planning Commission, gave a presentation regarding the WRWC staff review of a consensus population forecast to determine adequacy of identified water resources to meet anticipated 2030 population, which included: (1) background on Washoe County Question #3; (2) amendments to the Truckee Meadows Regional Plan; (3) draft consensus population forecast; (4) water demand projections; (5) estimated population that can be supported by sustainable water resources; and (6) recommended action by the WRWC. (Please see [Exhibit D.](#))

There was a discussion between Assemblyman Anderson and Mr. Smitherman regarding domestic well use. Mr. Smitherman noted that the ground water basins that

are currently providing water are relatively undeveloped and new wells and depth of those wells would depend on the hydrogeography of the location.

USE OF WATER QUALITY MONITORING DATA AND DRINKING WATER QUALITY ISSUES

Presentation on Collection and Use of Water Quality Monitoring Data in the Truckee Meadows Relating to Planning, Decision-Support, Regulatory Compliance, and Other Relevant Activities

- Birgit Widegren, Branch Supervisor, Nonpoint Source Management and Education Program, Bureau of Water Quality Planning, Division of Environmental Protection, State Department of Conservation and Natural Resources, gave a brief presentation on the Memorandum of Understanding for the development of a Truckee River monitoring program. Ms. Widegren gave an overview of the next steps, which include a series of technical meetings, and a presentation of the results to the Legislative Committee to Oversee the Western Regional Water Commission. (Please see [Exhibit E.](#))
- Terri Svetich, P.E., Committee Coordinator, Public Works Department, City of Reno, gave a presentation on collection and use of water monitoring data in the Truckee Meadows relating to planning, decision-support, regulatory compliance, and other relevant activities, which included: (1) the steps to program development; (2) the Nevada Clean Water Act grant; (3) consultant selection; (4) the facilitation process and goals; (5) a brief description of the technical meetings; (6) progress to date; and (7) a brief description of the compiled map of agency sampling locations. (Please see [Exhibit E.](#))
- Assemblyman Anderson queried as to the compatibility of the computers of the various agencies.
- Ms. Widegren responded to Assemblyman Anderson's question noting that there is a universal way to upload data so that different agencies with different computer systems are able to upload and examine the data universally.
- John Buzzone, P.E., Senior Licensed Engineer, DWR, noted that the main concern is identifying those areas on the Truckee River that are being monitored and developing the map. He further noted that this is the first time the agencies have come together to compile one map and identify areas that are not currently being monitored. (Please see [Exhibit E.](#))

There was a discussion between Assemblyman Bobzien and Mr. Buzzone regarding surveying and what data is being collected on the Truckee River. Mr. Buzzone noted that at each sampling location there are multiple water quality parameters collected and multiple sampling methodologies. He further noted that different

agencies may have different quality assurance programs and there is a tremendous amount of data collected.

Responding to a question from Assemblyman Bobzien regarding interest in the research from nonprofit organizations; Mr. Buzzone commented that both the Desert Research Institute and the University of Nevada, Reno, have been actively involved in the process and are seeing opportunities available to obtain additional information that can help guide future research into the river system.

Discussion of Drinking Water Quality Issues in the Truckee Meadows Focusing on Components in Water Not Regulated Under the Federal Clean Water Act

- Paul J. Miller, Manager, Operations and Water Quality, TMWA, discussed drinking water quality issues in the Truckee Meadows, focusing on components in water not regulated under the federal Clean Water Act, which included: (1) a brief history of water quality regulations; (2) determining contaminants that are regulated in the Act; (3) the potential contaminant candidate list (CCL) and criteria; (4) selection of contaminants based on more detailed evaluation of occurrence and health effects; (5) pharmaceuticals and personal care products are not currently on the CCL; (6) TMWA water testing was completed in May 2008; (7) water samples sent to nationally recognized laboratories; (8) water industry encouraging additional research, even with safe tap water; (9) incorrect and misleading information from the Environmental Working Group (EWG) regarding TMWA's drinking water; (10) TMWA sent corrected information to the EWG to correct the information and change TMWA's ranking; (11) water quality information available online to TMWA customers (www.tmh2o.com). (Please see [Exhibit F](#).)

**STATUS OF IMPLEMENTATION OF PROVISIONS OF ASSEMBLY BILL 54
(CHAPTER 325, *STATUTES OF NEVADA 2009*)**

Financing Certain Costs Associated With Conversion From Domestic Wells and Septic Tanks to Municipal Water and Sewer Systems in Washoe County

- Rosemary Menard, Director, DWR, reviewed the financing of certain costs associated with conversion from domestic wells and septic tanks to municipal water and sewer systems in Washoe County, which included: (1) the approval of A.B. 54, (Chapter 325, *Statutes of Nevada 2009*); (2) development of a program of financial assistance for property owners to pay for the conversion; (3) the program is a direct response to current economic conditions; (4) falling median home values; (5) persistent high rate of unemployment; (6) home foreclosures; (7) issues with potential failures of domestic well and septic systems; (8) many property owners unable to obtain a second mortgage; (9) economic forecasts; (10) amount of properties without functioning water or wastewater systems; (11) there are 6,000 parcels in southern Washoe County served by domestic wells and 15,000 served by septic systems; (12) community water and sewer systems are

available in some areas currently served by on-site systems; (13) initial focus of financing programs will be assisting property owners in these areas; (14) the proposed water and sanitary sewer financial assistance program will be designed to assist property owners; (15) eligibility will not be income dependent, but will require the property owner to be current on their mortgage; (16) proposed term of financing is 20 years; (17) initial funding sources and long-term funding; and (18) annual loan commitments are not expected to exceed \$1 million. (Please see [Exhibit G.](#))

In response to a question from Assemblyman Bobzien regarding the status of A.B. 54, Ms. Menard noted that revisions may be needed to the legislation with respect to long term funding. She also noted that the DWR may need to work with the Committee to develop the necessary changes to the legislation.

- Senator Lee expressed concern over the financing programs for property owners who are already at financial risk. He opined that there is a need to review the current connection fees to tie into water and sewer systems.

Responding to Senator Lee's statement, Ms. Menard commented that fees are based on actual project costs and are required by law.

Update on the Truckee Meadows Flood Project's Financing Program for Home Elevation and Flood Proofing

- Naomi Duerr, Director, Truckee River Flood Management Department, provided an update on the Truckee Meadows flood project's financing program for home elevation and flood proofing, which included: (1) an overview of previous floods in the area; (2) the goal of Section 3 of A.B. 54; (3) rationale for structural alternatives due to expense and maintenance; (4) steps that need to be taken to implement the program; (5) terms of the home elevation financial assistance program; (6) eligibility requirements; and (7) different types of elevating and jacking systems. (Please see [Exhibit H.](#))

Responding to a question from Assemblyman Gustavson whether there are provisions for foreclosed homes, Ms. Duerr noted that the owner, the bank in instances of foreclosure, would be eligible for the money.

- Assemblyman Bobzien queried as to the application review process.
- Ms. Duerr responded that a team of individuals from Reno and Washoe County will be in place to evaluate each application and make a recommendation on funding. She noted that the outcomes of the program will be posted on the website. (<http://truckeeflood.us/>)

INFORMATIONAL OVERVIEW OF DOMESTIC WELL ISSUES IN THE TRUCKEE MEADOWS SERVICE AREA INCLUDING APPROACHES TO MITIGATING IMPACTS OF MUNICIPAL PUMPING ON DOMESTIC WELLS

- Rosemary Menard, Director, DWR, gave an informational overview of domestic well issues, which included: (1) several factors that affect domestic wells; (2) reduction in the amount of annual aquifer recharge due to drought conditions; (3) concentration of domestic wells in a relatively small area; (4) less suitable sources of water due to hydrogeologic conditions; (5) shallow wells are more sensitive to water table changes; (6) location of the south Truckee Meadows alluvial aquifer boundary; (7) geographic cross-section; (8) the depth of a domestic well to water is critical to the well's viability over time; (9) municipal pumping can affect water tables; (10) a brief description of the legislative intent of NRS 533.024.1(b); (11) authority that has been given to the State Engineer by the legislature; (12) certain county actions addressing domestic well issues; (13) the Well Mitigation Hearing Board (WMHB) and its recommendations; (14) the focus of domestic well issues; (15) addressing of issues in north and south Lemmon Valley; (16) development of a program to address the issues in southwest Truckee Meadows; (17) domestic well failures and municipal pumping on the Galena and Mt. Rose alluvial fans; (18) reviewing the approach to domestic well mitigation; (19) the DWR has not convened the WMHB to address claims but has processed individual claims; and (20) the development of a new pragmatic approach to domestic well issues to reduce time for mitigation. (Please see [Exhibit I.](#))

In response to a question from Assemblyman Gustavson whether the residents in these areas are able to deepen their wells, Ms. Menard noted that the State Engineer typically will not issue deepening permits if a community water system is available.

There was a discussion between Assemblyman Bobzien and Ms. Menard regarding the possible implementation in south Lemmon Valley of an aquifer recharge program, potential cost-sharing of the program, water rights of DWR, and the value being given to domestic well owners. Ms. Menard noted that the source of leased water rights at the moment is the South Truckee Meadows General Improvement District, which has some rights that are not being utilized, but can be utilized for other leases.

PUBLIC COMMENT

- Assemblyman Bobzien noted that the Committee's final meeting and work session will be Thursday, August 12, 2010, at the Washoe County Commission Chambers (1001 East Ninth Street, Reno, Nevada). Chair Bobzien further noted that any information for the Legislative Committee to Oversee the Western Regional Water Commission should be received one week prior to the next meeting.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 11:17 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 decision dated June 17, 2010, of the Nevada Supreme Court Opinion in Great Basin Water Network v. State Engineer, 126 Nev. Adv. Op. No. 20, referenced by Kevin C. Powers, Senior Principal Deputy Legislative Counsel, LCB.

[Exhibit C](#) is a Microsoft PowerPoint presentation dated July 15, 2010, titled “Truckee Meadows Water Authority and Washoe County Division of Water Resources: Integration/Merger Update,” given by Rosemary Menard, Director, Washoe County Division of Water Resources (DWR).

[Exhibit D](#) is a packet of information offered by Jim Smitherman, Water Resources Program Manager, Western Regional Water Commission /Northern Nevada Water Planning Commission, which includes:

- A Microsoft PowerPoint presentation titled “Legislative Committee to Oversee the Western Regional Water Commission Sustainable Water Resources”;
- A staff report dated December 29, 2009, to the Regional Planning Governing Board;
- A document titled “Truckee Meadows Regional Planning Agency Regional Planning Governing Board Regulations on Procedure”;
- A draft document regarding preliminary 2010 Washoe County consensus forecast population figures;
- A draft water resources baseline table; and
- A table titled “2010-2030 Consensus Forecast Population and Building and Water Use Projections.”

[Exhibit E](#) is a Microsoft PowerPoint presentation dated July 15, 2010, titled “Truckee River Coordinated Monitoring Plan Update,” provided by Terri Svetich, P.E., Committee Coordinator, Public Works Department, City of Reno.

[Exhibit F](#) is a Microsoft PowerPoint presentation dated July 15, 2010, titled “Meeting of the Legislative Committee to Oversee the Western Regional Water Commission Discussion of Drinking Water Quality Issues in the Truckee Meadows – Constituents in Water Not Regulated Under Federal Law – And More,” presented by Paul J. Miller, Manager, Operations and Water Quality, Truckee Meadows Water Authority.

[Exhibit G](#) is a Microsoft PowerPoint presentation dated July 15, 2010, titled “Implementation of the Washoe County Department of Water Resources’ Water and Sanitary Sewer Financial Assistance Program,” submitted by Rosemary Menard, Director, DWR.

[Exhibit H](#) is a Microsoft PowerPoint presentation dated July 15, 2010, titled “Presentation to Legislative Committee to Oversee SB 487, Update on AB 54: Financial Assistance Program for Flood Damage Prevention,” offered by Naomi Duerr, Director, Truckee River Flood Management Department.

[Exhibit I](#) is a Microsoft PowerPoint presentation dated July 15, 2010, titled “Update on Domestic Well Mitigation Issues in the Truckee Meadows Service Area,” furnished by Rosemary Menard, Director, DWR.

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.