

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS MEETING**

2011-10-20

APPROVED MINUTES

Call to Order

09:00 AM

•

Molasky Corporate Center, Southern Nevada Water Authority Board
Chambers,
100 City Parkway, Suite 700 (7th floor)
Las Vegas, Nevada

DIRECTORS PRESENT

Shari Buck Chair, Mary Beth Scow Vice Chair, Bob Coffin, Tom Collins, Duncan McCoy, Steve Sisolak

DIRECTORS ABSENT

Sam Bateman

STAFF PRESENT

Pat Mulroy, John Entsminger, Phil Speight, Rick Holmes, Jim Taylor, William Fox, Ron Zegers

OTHERS PRESENT

Paddy Murphy, Aggregate Industries

ITEM NO.

Unless otherwise indicated, all members present voted in the affirmative.

COMMENTS BY THE GENERAL PUBLIC

There were no members of the public wishing to speak.

Items 7 and 8 were taken out of order.

1. Approval of Agenda & Minutes

FINAL ACTION: A motion was made by Vice Chair Scow to approve the agenda for this meeting and the minutes of the regular meeting of September 15, 2011. The motion was approved.

8. Discuss the creation of an evaluation process for the General Manager of the Authority, and take action if deemed appropriate.

Chairman Buck stated that the board considers the Las Vegas Valley Water District's (LVVWD) general manager annually for reappointment as the Authority's general manager. Pat Mulroy explained that the Authority is operated under contract with the LVVWD, who provides operating and administration support to the Authority.

Director Coffin discussed the City of Las Vegas' and the Las Vegas Convention and Visitors' Authority evaluation processes for its executive management. He also noted that the board should consider establishing goals for any evaluation process that is selected to move forward. Director Collins added that the County Manager is subject to an evaluation, which also includes goal setting. He went on to suggest developing the goals in December and rolling out an evaluation process in January. Director McCoy stated that the evaluation process for the general manager is different than an evaluation process for a regular employee, in that the general manager's effectiveness is based largely on the overall effectiveness and successes of the organization as a whole.

Director Sisolak stated that he sees developing an evaluation process for the Authority's general manager as a positive tool as a means to highlight the Authority's achievements. Director Collins expressed some hesitation in having the General Manager prepare an evaluation, which the board reacts to in a public forum because it has been his experience that some public officials are hesitant to offer any criticism in fear the General Manager will begin looking for new employment. He hopes to see a type of hybrid approach that meets the needs of the organization, but maintains the transparency required by public utilities.

Ms. Mulroy suggested meeting with each of the board members throughout the month of December with an evaluation process proposal, which would be subsequently voted on during the Authority's January regular board meeting. Ms. Mulroy will push the District-Authority contract, appointment of the general manager to the February meeting and evaluation of the General Manager.

FINAL ACTION: A motion was made by Director Collins to move forward with the development of evaluation for the Authority's General Manager. The Authority's General Manager will meet with each board member during the month of December to propose an evaluation process, which the board will vote on during their regular January meeting. The motion was approved.

7. Receive a presentation from staff regarding Bond Counsel's existing contract and rate structure and direct staff to develop a request for qualifications seeking bond counsel services, if deemed appropriate.

Pat Mulroy indicated that the Authority has always retained the services of Sherman and Howard, particularly John Sweinseid, as bond counsel. As the market has changed, staff recommends that the Authority seek a Request for Qualifications (RFQ) for bond counsel services.

Director Sisolak requested that we separate the RFQ for disclosure counsel and bond counsel services. Director Coffin noted that care and discretion is taken in the development of these RFQs, as they are very specific to the type of services that is required.

FINAL ACTION: A motion was made by Director Sisolak to develop two requests for qualifications for seeking disclosure counsel and bond counsel services. The motion was approved.

2. Award Contract No. 810G 01 C1R, Duck Creek Confluence, Upper Narrows, and DU Wetlands No. 1 Weir Structures, to Aggregate Industries-SWR, Inc., for the amount of \$16,454,000, authorize a change order contingency amount not to exceed \$1,640,000, and authorize execution of the contract agreement, or take other action as appropriate.

Following a question from Director Sisolak, Paddy Murphy from Aggregate Industries, reported that their union and non-union staff receive insurance benefits and are local to southern Nevada.

FINAL ACTION: A motion was made by Director Sisolak to follow staff's recommendation. The

motion was approved.

3. Approve Amendment No. 2 to the existing Cost Recovery Agreement between the Bureau of Land Management and the Authority for processing rights-of-way and preparing environmental documents associated with the Clark, Lincoln, and White Pine Counties Groundwater Development Project for an amount not to exceed an additional \$985,000.

Director Sisolak asked how much remained in the bond fund unexpended. Bill Fox, director of Finance, reported that the Authority's bond fund balance is approximately \$60 million, and commitments total nearly \$540 million, which is largely attributed to the Lake Mead Intake No. 3 project and Arizona Groundwater Bank payments. Pat Mulroy explained that the Authority will be able to fund bond obligations until early next year, at which point the Authority will need to go back to market.

Director Sisolak also asked what the Authority has spent in total to fund the preparation of the Bureau of Land Management's Environmental Impact Statement. Rick Holmes reported that the Authority has spent more than \$4 million to date.

FINAL ACTION: A motion was made by Director Collins to follow staff's recommendations. The motion was approved.

4. Approve a joint funding agreement between the U.S. Geological Survey and the Authority for hydrologic data collection for an amount not to exceed \$232,600.

FINAL ACTION: A motion was made by Director Collins to follow staff's recommendation. The motion was approved.

5. Approve a professional services agreement between Flow Science Incorporated and the Authority to assist in the research and evaluation of the impacts of climate change on water quality in Lake Mead for an amount not to exceed \$188,410.

FINAL ACTION: A motion was made by Director Collins to follow staff's recommendation contingent on an acceptable disclosure statement. The motion was approved.

6. Approve and authorize the General Manager to sign a partnership agreement among the Las Vegas Metropolitan Area Consortium and the Authority to prepare and submit an application for funds that will support the preparation of a Regional Plan for Sustainable Development.

FINAL ACTION: A motion was made by Vice Chair Scow to follow staff's recommendation. The motion was approved.

9. Receive an update from staff on water resources including, but not limited to, drought conditions in the Colorado River Basin, the results of the implementation of the Authority's Water Resource and Conservation Plans, activities on the Colorado River, and on the development of in-state water resources.

John Entsminger provided the board with an update regarding drought conditions along the Colorado River. A copy of his presentation is included with these minutes. Pat Mulroy updated the board about the Authority's ongoing groundwater hearings taking place in Carson City, NV. The first half of the hearing concluded on October 14 with the Authority presenting its case; the protestants will begin presenting their case on October 31.

NO ACTION REQUIRED

Public Comment

Chairman Buck congratulated Pat Mulroy on her appointment as president of the American Metropolitan Water Association.

Gary Kasper, Water Commission of Chicago, discussed desalination options and nuclear waste recycling options for southern Nevada.

Adjournment

There being no further business to come before the board, the meeting adjourned at 10:05 a.m.

APPROVED:

Shari Buck, Chair

Patricia Mulroy, General Manager

Copies of all original agenda items and minutes, including all attachments, are on file in the General Manager's office at the Las Vegas Valley Water District, 1001 South Valley View Boulevard.