

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

2012-04-19

**APPROVED MINUTES**

Call to Order

09:10 am

●  
Molasky Corporate Center, SNWA Board Chambers,  
100 City Parkway, Seventh Floor  
Las Vegas, Nevada

**DIRECTORS PRESENT**

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

**DIRECTORS ABSENT**

**STAFF PRESENT**

Pat Mulroy, John Entsminger, Brian Chally, Rick Holmes, Phil Speight, Thomas Borland, Marc Jensen, Julie Wilcox

**OTHERS PRESENT**

**ITEM NO.**

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

**Item number 5 was considered out of order.**

**COMMENTS BY THE GENERAL PUBLIC**

None

**1. Approval of Agenda & Minutes**

FINAL ACTION: A motion was made by Director Sisolak to approve the agenda for this meeting and the minutes of the regular meeting of March 15, 2012. The motion was approved.

**2. Award Bid No. 2204-12, Medium Voltage Air-Cooled Variable Frequency Drive, to Grove Madsen Industries with the option to purchase one additional variable frequency drive unit contingent on approved budget appropriations or take other action as appropriate.**

Director Sisolak asked if the vendor was guaranteeing the price of the additional unit for the following year. Thomas Borland stated that the additional unit will be repriced if or when the Authority makes the purchase in the following year.

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

motion was approved.

**3. Authorize the General Manager to negotiate and approve an agreement, in substantially the same form, with Hobbs, Ong & Associates, Inc., and Public Financial Management, Inc., for independent financial advisory services.**

Director Sisolak asked if participation in the upcoming resource planning process was included within the agreement for financial advisory services. Pat Mulroy indicated that it was included; the agreement covers any services not bond-related.

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

**4. Receive a staff report on the Request for Qualifications for Bond Counsel and Disclosure Counsel, make a selection for bond counsel, and, if it desires, appoint disclosure counsel.**

Pat Mulroy reported that it is staff's recommendation to retain Swendseid & Stern as Bond Counsel and appoint Greenberg Traurig LLP as Disclosure Counsel. She reported that the Las Vegas Valley Water Districts (LVVWD) Board of Directors also appointed the same firms for Bond Counsel and Disclosure Counsel. Given unstable economic conditions, Ms. Mulroy indicated that it would be in the Authority's best interest to retain separate firms for bond and disclosure counsel, but those firms be the same firms who represent the LVVWD as bond and disclosure counsel.

FINAL ACTION: A motion was made by Director Sisolak to select Swendseid & Stern as Bond Counsel and Greenberg Traurig LLP as Disclosure Counsel. The motion was approved.

**6. Approve the Interlocal Agreement between the City of Boulder City and the Authority regarding Boulder City's share of capital costs.**

Director Coffin asked Ms. Mulroy to provide the history of cost sharing for capital costs between the Authority and the City of Boulder City. Ms. Mulroy reported that the Authority's initial capital plan was driven by growth. Because the City of Boulder City had no plans for any immediate short or long-term growth, and because the facilities that were brought online did not benefit the city in terms of reliability or supplies, the City of Boulder City opted out of sharing the costs and chose to only buy into facilities as unanticipated conditions dictated a need. With the onset of the drought, Boulder City and the Authority entered into an agreement to pay for pieces of the system that provide a benefit to the city such as the second intake and laterals that provided drought protection.

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

**5. Adopt a resolution requesting the Clark County Board of Commissioners to take the necessary steps toward the issuance of bonds in the approximate principal amount of \$90,000,000 to refinance certain outstanding bonds for the Authority.**

Director Coffin asked for the interest rate on the bonds. Guy Hobbs responded that when current interest rates allow the Authority to refinance the debt for a savings, bond counsel moves forward with a refunding. Mr. Hobbs indicated that the present value of savings for this refunding is nearly \$8.5 million. Mr. Hobbs estimates the interest rate to be better than 5 percent.

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

motion was approved.

## **7. Discuss and authorize the establishment of a stakeholder process regarding integrated resource planning, and direct staff to initiate related resource planning process activities.**

Director Sisolak asked if there were any concerns that members of the advisory committee would be representing organizations/agencies of varying sizes. Pat Mulroy replied that she had no concerns, as the Authority's board makeup does not give preferential treatment to members who represent larger constituent bases. Vice Chair Scow asked if the committee makeup was similar to the makeup of previous Authority stakeholder processes, to which Ms. Mulroy responded in the affirmative. The committee's broad makeup allows for individuals to fit into different sectors, as Director Collins noted. Director Collins asked if the areas of the Las Vegas Valley, such as Moapa, would be included in the process, Ms. Mulroy clarified that the process is intended for only those within the SNWA service area.

Director Coffin asked more questions about the make-up of the proposed 21-member stakeholder committee, including how the sectors were chosen and if 21 members was enough for a successful committee. Ms. Mulroy indicated that a 21-member committee has worked well for the SNWA in past processes. Responding to ongoing debate about the number of committee members of represented sectors, she went on to suggest that the Board amend the motion to allow flexibility in the number of committee members if the Board felt the committee needed additional representation from another sector.

Director Coffin asked if the committee was subject to any rules. Ms. Mulroy responded that they are subject to strict rules, which are defined and outlined by the facilitator during the first meeting. He also asked if board members were allowed to place items on the committee's agenda. Ms. Mulroy indicated that advisory committee meetings are not a discussion forum; instead, the committee's agenda is subject-driven. She confirmed that the Board would be able to include a subject or topic in the committee's education if a board member found there was a subject they felt was worth the committee's attention, but it is unlikely that a board member will have the ability to add a specific agenda item as it is not the intention of the stakeholder process.

Director Sisolak noted the significant commitment required by the members. He asked if it would be possible for a committee member to select an alternate in the event they were not able to attend a meeting. Ms. Mulroy indicated that the alternate would have to attend every meeting, as each meeting builds upon the education received at the previous meeting and all the education received will lend itself to developing recommendations. For this reason, it will be unlikely that alternates will be used.

Julie Wilcox, director of SNWA Public Services, noted that a number of issues including ground rules, meeting dates and committee activities are issues that will be handled by the external facilitator to ensure the process is progressing as it is intended. Following the Board's selection of the facilitator and committee, the facilitator will meet individually with each committee member to receive input on subject matter, and outline responsibilities and time commitment prior to any kickoff meeting.

Director Collins stated that there will always be sectors of the community that will not be represented on a 21-member advisory committee, but noted it is the Board's responsibility to recommend individuals to fill committee slots that could double as a representative of another category, such as selecting a small contractor that might also be a member of the Asian community.

Before asking for a motion, Chair Buck asked if there were any members of the public wishing to speak on the proposed stakeholder planning process. There were no members of the public wishing to speak.

FINAL ACTION: A motion was made by Director Collins to follow staff's recommendation and authorize the establishment of a stakeholder process, but allow for Board discretion to add additional advisory committee members as needed. The motion was approved.

**8. 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, Senior Deputy General Manager, provided the Board with an update. A copy of his presentation is included with these minutes. Director Coffin asked if there was a website available to view the snowpack monitoring information. Mr. Entsminger replied that the Natural Resource Conservation Services (NRCS) collects and manages this data and the information is provided on their website.

Director Bateman asked how a year of decreased inflows affects the Colorado River Basin users. Ms. Mulroy responded that years of low flows is a cause of concern for the Basin States, especially as Lake Mead water levels approach shortage levels.

Marc Jensen provided an update on the construction of the third intake. A copy of his presentation is included with these minutes.

Director Sisolak noted a concrete truck with California plates featured in Mr. Jensen's video and asked staff to confirm the use of local labor on the intake project.

NO ACTION REQUIRED

**Public Comment**

None

**Adjournment**

There being no further business to come before the board, the meeting adjourned at 10:18 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.**