

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
NOVEMBER 21, 2013
MINUTES**

CALL TO ORDER 9:00 a.m., SNWA Board Chambers, Southern Nevada Water Authority
100 City Parkway, Seventh Floor, Las Vegas, Nevada

BOARD MEMBERS PRESENT Mary Beth Scow, Chair
Sam Bateman, Vice Chair
Susan Brager
Bob Coffin
Duncan McCoy
Steve Sisolak
Anita Wood

BOARD MEMBERS ABSENT None

STAFF PRESENT Pat Mulroy, Greg Walch, John Entsminger, Ron Zegers, Phil Speight, Marc
Jensen, Randall Buie, Zane Marshall

OTHERS PRESENT Kade Stratton, Piercy Bowler Taylor Kern

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

COMMENTS BY THE GENERAL PUBLIC

Ed Uehling, Las Vegas, requested a correction to the meeting minutes of September 26, 2013, asked a question about the Authority's water banking agreement with California and spoke about agenda item number three.

Paul Moradkhan, Las Vegas Metro Chamber of Commerce, thanked staff for their work with the Integrated Resource Planning Advisory Committee and the availability of information, and spoke about item number three.

1. For Possible Action: Approval of Agenda & Minutes

FINAL ACTION: A motion was made by Director Sisolak to approve the agenda for this meeting, with a correction to the meeting minutes of September 26, 2013 and for Mr. Uehling's comments be included as part of the official record. The motion was approved.

BUSINESS AGENDA

2. For Possible Action: Approve a proposal to settle Case No. A-08-564089-C (consolidated with Case No. A566640) involving a Water Smart Landscapes Rebate.

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

3. For Possible Action: Approve Change Order No. 19 to Contract No. 070F 01 C1, Lake Mead Intake No. 3 Shafts and Tunnel, to extend the final completion date by 399 calendar days.

Marc Jensen, Engineering Director, gave an overview of the need for the extension and provided an update on the project as a whole. A copy of his presentation is included with these minutes. Ms. Mulroy noted that the monetary increase associated with the time extension is covered by the 10 percent contingency amount, which was previously approved by the Board when the contract was awarded. Mr. Jensen noted that the increase will be \$13.6 million.

Director Sisolak asked for a more detailed explanation of the reasons for the time extension. Mr. Jensen explained that unforeseen geologic rock conditions led to inflow activities and caused the tunnel boring machine being operated in "closed mode" longer than anticipated. As a result, tunneling activities were delayed.

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

4. ***For Possible Action:*** Select a firm for award of the Request for Proposal No. 643-13, Laboratory Information Management System, authorize the General Manager to execute an agreement and required amendments in substantial conformance with the terms and conditions of the Request for Proposal, in the estimated amount of \$805,126, or take other action as appropriate.

Director Sisolak asked if any of the respondents were local firms. John Entsminger, Senior Deputy General Manager, noted that staff researched the availability of firms both locally and state-wide; however, there are no businesses in Nevada that offer this type of service.

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

5. ***For Possible Action:*** Adopt a resolution authorizing the General Manager, or her designee, to purchase approximately 22 acres of real property held by the federal government.

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

6. ***For Possible Action:*** Approve and authorize the General Manager, or her designee, to execute two right-of-way grants offered by the Bureau of Land Management for the construction, operation, maintenance, and termination of an irrigation ditch and pipeline across federal land to the El Tejon Ranch in Spring Valley, Nevada, and to pay 30 years of rental to the federal government in the total amount of \$13,707.95.

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

7. ***For Possible Action:*** Authorize the General Manager, or her designee, to negotiate and execute agreements for facilities and services necessary to host the WaterSmart Innovations Conference from 2014 through 2016.

Director Sisolak asked how conference obligations were funded if projections fell short. Zane Marshall, Director of Water and Environmental Resources, noted that the conference's annual budget is approximately \$300,000. Since launch, the conference has run in the black and a reserve is maintained to fund shortfalls. The reserve balance is approximately \$100,000. Mr. Marshall answered a few other questions through a quick presentation, which is included in these minutes.

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

8. ***For Possible Action:*** Receive a report on the Water Resource Plan and, if appropriate, adopt the current plan for another year.

Ms. Mulroy noted that the Integrated Resource Planning Advisory Committee will address water resource-related issues throughout their 2014 term. Extending an update to the following year will afford the committee time needed to develop recommendations, which will ultimately impact the Authority's Water Resource Plan.

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

Items 9 and 10 were taken together.

9. ***For Possible Action:*** Adopt the 2013 Water Budget for the Authority.

10. ***For Possible Action:*** Adopt the Southern Nevada Water System Operating Plan.

Ms. Mulroy explained that both items are one-year plans related to how local water purveyors anticipate to utilize water.

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

11. ***For Possible Action:*** Accept the Authority's Comprehensive Annual Financial Report for the period ending June 30, 2013, as presented by the Authority's external auditors, Piercy Bowler Taylor & Kern, and authorize its submission to the Nevada Department of Taxation.

Kade Stratton, audit manager for Piercy Bowler Taylor Kern, reported that his firm completed the annual audit for the Authority. The report contains an unqualified opinion, which is favorable.

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

12. ***For Information Only:*** 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, the development of in-state water resources, and the status of the third intake project.

Mr. Entsminger gave a presentation to the Board about ongoing hydrology conditions and Lake Mead Intake No. 3. A copy of the presentation is attached to these minutes.

NO ACTION NECESSARY.

Public Comment

Ed Uehling, Las Vegas, asked about the California-Nevada water banking agreement and noted his concerns with the business impact statement process.

Paul Moradkhan, Las Vegas Metro Chamber of Commerce, discussed the business impact statement process.

Adjournment

There being no further business to come before the board, the meeting adjourned at 9:43 a.m.

APPROVED:

Mary Beth Scow, 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, Las Vegas, Nevada.

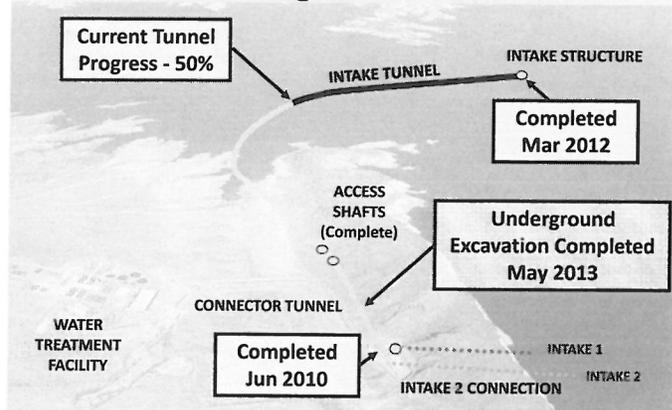


LAKE MEAD INTAKE NO. 3

SNWA Board of Directors
Progress Report

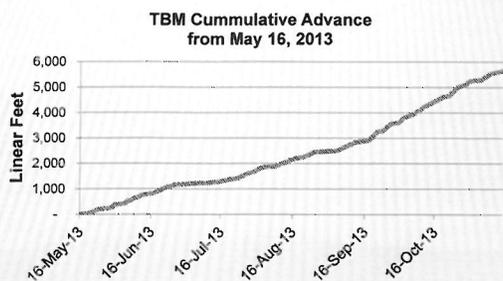
21 November 2013

Lake Mead Intake No. 3 Current Progress – Nov 2013

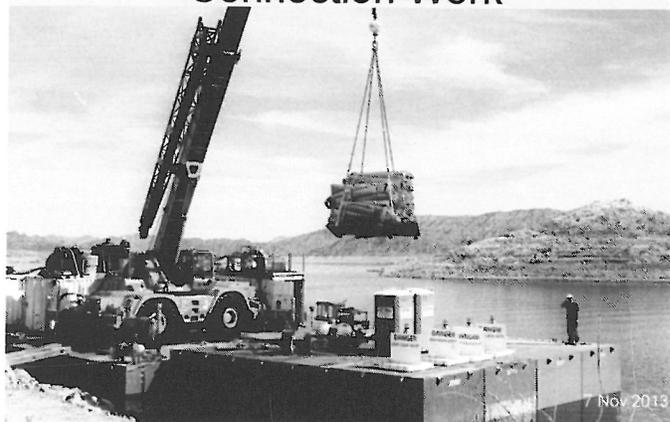


Current Tunnel Excavation Status

- The TBM has averaged 31 feet/day since May
- 102 feet excavated in one day on October 30

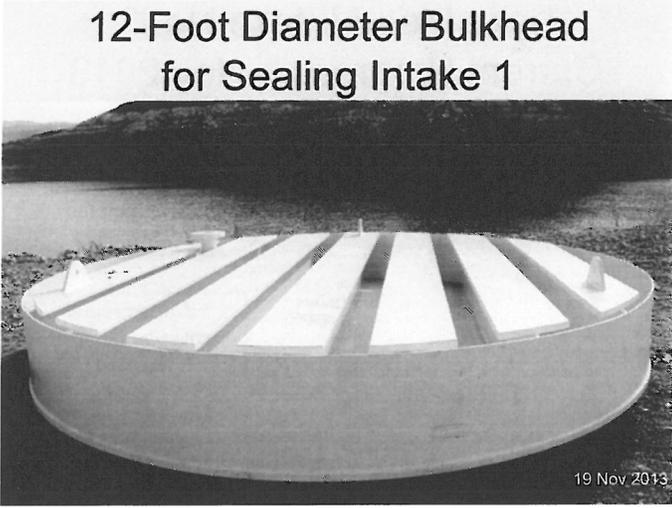


Equipping Barge for Intake 1 Connection Work



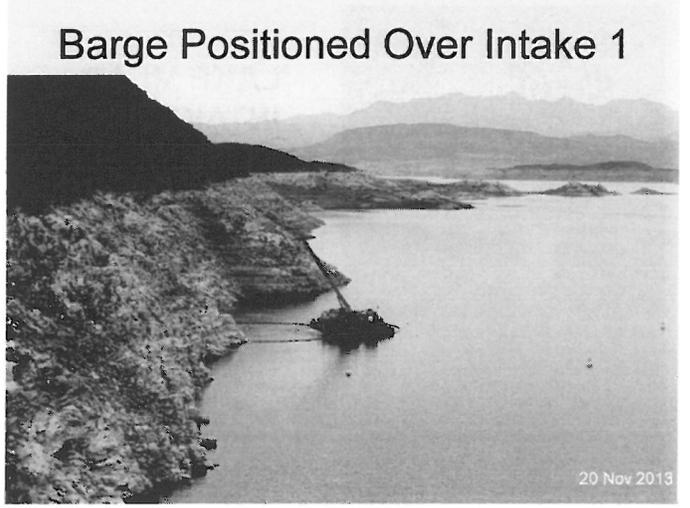
N6v 2013

12-Foot Diameter Bulkhead
for Sealing Intake 1



19 Nov 2013

Barge Positioned Over Intake 1



20 Nov 2013



Overview

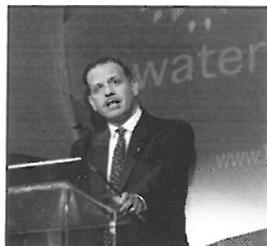


- World's largest water efficiency conference.
- Provides entrepreneurs with connections to some of the most innovative water agencies and market partners in the world.
- Approximately 6,400 attendees from 45 states and 27 foreign nations since its debut in 2008.
- Injects \$1.3 million of non-gaming revenue into our economy.
- WSI's consultant is a long-time local, woman-owned business.

National & International Focus



- Nationally and internationally respected speakers provide keynote address each year.
- Topics range from local landscape techniques to drought response in Australia and solutions to water issues in India.



New Products & Technologies



New products and technologies are introduced and showcased at the WaterSmart Innovations Conference. Examples include:

- Belkin Echo Water – identifies waste and leaks indoors and outdoors – all from under your kitchen sink
- Kurapia – a new low-water use groundcover
- ShowerStart Adapters – showerhead that reduces excess waste while waiting for hot water
- Sprinkler Flow Control – a device to reduce losses from broken sprinklers



SNWA Initiatives



The WaterSmart Innovations Conference involves key SNWA initiatives including:

- The SNWA's Youth Advisory Council provides presentations on long-term water resource solutions when appropriate
- The Water Conservation Coalition holds an annual breakfast/speaker at WSI

Educational Initiatives



- Local engineering staff from UNLV, CSN and CCSD present and participate in the conference.
- Scholarships Offered - Last year, two Polish students received WSI scholarships for their invention of a toilet flush control system.
- Green Plumber certification courses and other conservation-focused classes are offered at WaterSmart Innovations.

Peer Partnerships



Strategic Partnerships



SOUTHERN NEVADA WATER AUTHORITY

SNWA 03/11

Update on Drought Conditions and Water Use

November 21, 2013

Drought Monitor

(November 12, 2013)

Drought Impact Types:
 S = Short-Term, typically less than 6 months in agricultural, forestry, ecology
 L = Long-Term, typically greater than 6 months in agricultural, forestry, ecology

Intensity:
 D0 Abnormally Dry
 D1 Moderate Drought
 D2 Severe Drought
 D3 Extreme Drought
 D4 Exceptional Drought

The Drought Monitor focuses on impacts resulting from local conditions, not on the accumulating loss of water for local streamflow.

Author: David Sperber, Western Regional Climate Center

USDA

<http://droughtmonitor.unl.edu>

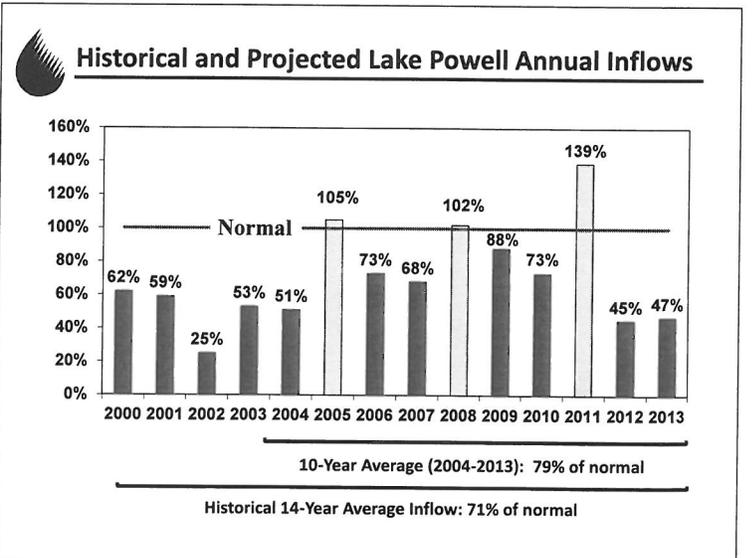
Seasonal Drought Outlook

(Valid October – January, 2014)

KEY:
 ■ Drought persists or intensifies
 ■ Drought remains but improves
 ■ Drought removal like
 ■ Drought developer likely

Author: Adam Allgood, Climate Prediction Center, NOAA
http://www.cpc.ncep.noaa.gov/products/oa/mpt_essa/ssmomi/season_drought.html

Source: National Oceanic Atmospheric Administration and the U.S. Department of Commerce

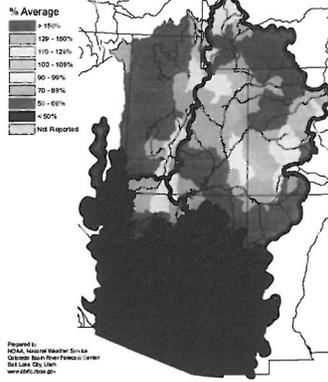




Colorado River Basin Conditions

- October inflow to Lake Powell: 107% of average
- Water Year 2014 Precipitation: 96% of average
- Forecasted November 2014 Inflow to Lake Powell: 91% of average

Monthly Precipitation for October 2013
(Averaged by Hydrologic Unit)



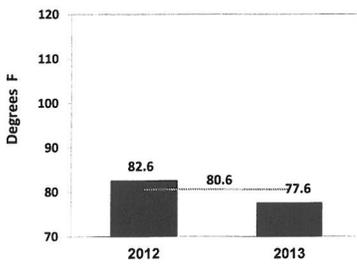
*Note: USBR indicates precipitation may vary significantly this early in the water year

SNWA Water Use

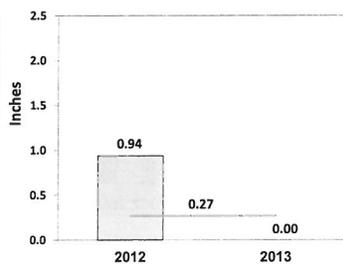


Weather Comparison (October)

Temperature



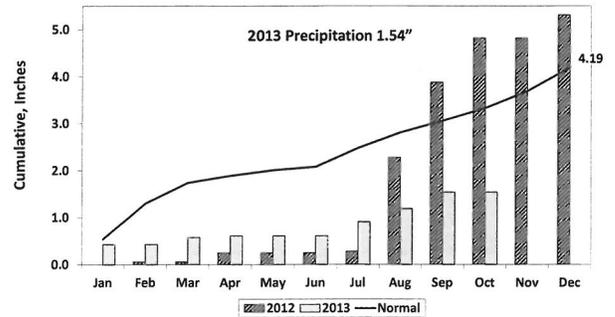
Precipitation



— Normal values

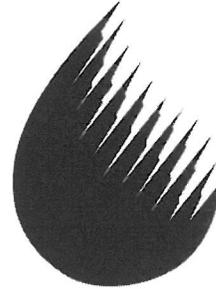
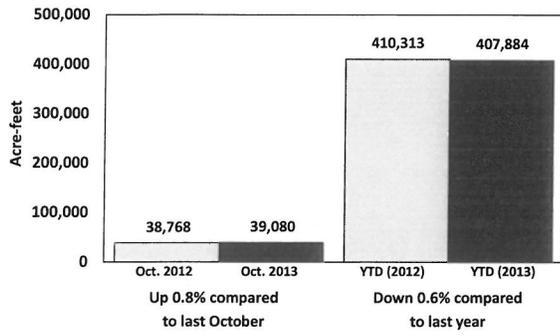


Annual Precipitation





SNWA Total Water Use



From the Desk of Edmund Uehling

November 20, 2013

Mayor John Lee,

City of North Las Vegas

Re: Item #13, City Council Agenda, 20Nov2013, Business Impact Statement

Dear Mayor Lee and City Council:

While I apologize in advance for the length of this letter and my strong language, even that understates the intentional inaccuracies of the document you have been given. While signed by a City official, the Business Impact Statement (BIS) is very similar to those given to the City of Henderson and the LVVWD: That is, they were all created by SNWA and force-fed to the leadership of the vendor utilities affiliated with SNWA and are a combination of **Misrepresentations, Bait and Switch tactics** and **outright Silliness** that can only be dreamed up by an SNWA desperate to cover up its mistakes by sucking money from these local agencies and populations they serve. Although hard to believe, almost no statement in the document is untainted as you can see below:

MISREPRESENTATIONS:

1. "The BIS is a Nevada State requirement to gather and evaluate information as to whether a proposed rule imposes a direct economic burden on existing and potential new business": While stating correctly the statutory requirement of the State, this particular document is designed to prevent the City Council from an accurate understanding of the water rate increases.
2. "The Integrated Resource Planning Advisory Committee (IRPAC) is a 'Citizens' Committee": In fact, it was a committee of blue-blooded "yes-men" handpicked by SNWA to ask few questions and pose zero opposition to everything that SNWA wanted in the first place. The anomaly of a wealthy former County Commissioner representing "seniors" typifies the degree of SNWA's dissembling in its selection of the IRPAC.
3. "IRPAC represented the community": At least 30% of SNWA's customers are low-income people (who are, not incidentally, forced by SNWA to subsidize wealthy customers) in possession of little or no influence with government. Yet not one of IRPAC's 31 members fit that profile. In addition, while SNWA assessed 30% of last year's \$90 million increase against 1% of its customers—i.e., small properties and businesses with fire lines, SNWA allocated zero seats on IRPAC this targeted class.

4. “IRPAC gave serious consideration to the rate increase of 2012 and ratified that increase”: This is a bald-faced lie. IRPAC was given no data on the devastating effects on small businesses, churches, and non-profits of the 200% increase in already high water rates imposed on them—versus, for example, less than 3% increase for resort hotels. IRPAC was given no reason for reconsidering that increase and was steered away by the SNWA-picked facilitator.
5. “IRPAC did an in-depth study of rates and decided not to change the current structure”: The historic rate structure imposed by SNWA is a complex monstrosity based on varying-sized tiers combined with different pipeline sizes that a) forces low-income users to subsidize high-income estate owners; b) favors very large water users; and c) discourages conservation. For example, these rates establish a maximum rate of \$1300 per acre foot for one-time water consumers like golf courses and developers—compared with up to \$6000 for churches and \$10,000 for small businesses, which recycle almost all of their water and allow SNWA to claim 1 for 1 credits for resale.
6. “SNWA’s rate structure attributes are ‘equitable and fair’, ‘stable’, ‘simple’, ‘predictable’, ‘understandable’, and ‘sufficient to cover costs’”: Does anyone “understand” the 100+ categories of rates which have varied with each of the 7 increases (93% total increase) during the past decade. Is it fair or equitable that its poor and small customers subsidize its wealthy and huge water consumers? How is today’s 8th increase of \$49,000,000 dictated by SNWA “sufficient” to cover the \$106,000,000 gap occurring in 2017 due its politically motivated debt-financing schedule? The most important attributes of SNWA rate are, in reality, “deception” and “politics”.
7. “The SNWA educated the public about the rate ‘changes’”: Only the City of North Las Vegas made a proactive effort to inform its affected businesses by sending 2700 letters. Even though CNLV comprises only 10% of the users, I believe it received 75% of the written responses (all opposed). The SNWA hid from everyone—until its first presentation to LVVWD on November 5—its contention that the current increase is simultaneously a ratification of the \$90,000,000 increase in 2012, which resulted **from** a series of carefully planned lapse in following proper legal procedures in its 2012 process. This resulted **in** a public outcry that “confined” the final increase to \$78,000,000. Only since November 1 has SNWA revealed its contention that this current increase represents a ratification of yesterday’s increase and, therefore, a vindication of the illegal and surreptitious tactics SNWA employed in 2012. (see Bait and Switch below) SNWA has disclosed nothing of its plans for tomorrow’s increase, which is tentatively based on automatic cost of living adjustments, or of the need for additional rate increases to address the built-in shortfall planned for 2022 under the terms of this increase.
8. “The Business Impact Statement addresses the concerns of affected customers”: Operating, as it does, in a kind of perpendicular universe, SNWA addresses exactly ZERO of the “Adverse Effects” expressed by the letter-writing customers (see “Silliness” below). Undeterred by this shortcoming,

- the officious, let-them-eat-cake apparatchiks of SNWA actually have the chutzpa to list four “Beneficial Effects”! (see “Silliness” below)
9. “SNWA and IRPAC did all they could to reduce the impact of the rate increase on businesses”: Both institutions refused to consider 1) equalizing rates and tiers to all families; b) charging more for outdoor consumption/waste than indoor/recycled/credited use; c) using market stimuli to double or triple indoor/recycled water use, **FOR WHICH SNWA HAS AN UNLIMITED SUPPLY**, even though it is able to mark-up the price paid by its customers 10 times it’s cost of pumping and treating the water it gets for free; d) administrative economies, even though SNWA’s personnel costs are 40% of operating expenses (vs. about 20% in Henderson and CNLV); e) contracting with one of many private, profit-making companies with a track record of turning around troubled and/or inefficient monopoly operations. Any one of the of the combination “stick and carrot” approaches above would have met the \$106 million needed in 2017 and (e) would make it possible additionally to eliminate last year’s increase AND the inappropriate sales tax which SNWA deceived voters into accepting about 15 years ago. Not only would the alternatives be relatively painless, but also they would put up to 225,000,000 additional dollars (\$25,000,000 in CNLV alone) into the hands of customers and taxpayers and create nearly 20,000 jobs. (See Bait and Switch below)
 10. “The rate “changes” do not impose a direct and significant burden on businesses and are not likely to restrict the formation, operation or expansion of a business”: Utter nonsense as reflect in the six letters written by customers to CNLV. Of course, SNWA reached the same conclusions last year. It would be interesting to compare the number of fire-line permits taken out during the 12 months of increased rates vs. the number granted in previous years.

Basically, SMWA is inflicting six million dollars worth of pain on the people of CNLV to avoid its statutory duty of dealing with its outlandish payrolls and borrowings. SNWA is the poster child of runaway bureaucracies monopolies. Prior to its formation two decades ago, the local water agencies were able to pay their employees, maintain their infrastructures, provide high pressure and high volume water to fight fires, finance new construction, and still contribute to the operations of their respective governments—even though rates to their customers were less than half those of today. Since its creation, the cost of SNWA’s raw product has not increased one penny. Water from Lake Mead costs exactly zero today and 25 years ago., but, today, retail customers pay a minimum of 10 times, up to 140 times , SNWA’s cost of pumping and treating its water. And SNWA assaults its customers with frequent “emergencies”, which the latter always **have** to solve—or face “the end of water and life as we know it in Southern Nevada. The solution is **always** more money! Even worse, SNWA has borrowed \$3.5 billion, or nearly an amount corresponding to nearly half of what it has taken in revenues during its lifetime—and that’s **added** to the \$50 million undeserved dollars from sales taxes (unlike any other utility) and additional

millions, sometimes tens of millions, from Federal Government land sales! While high costs and inferior service (it is still baffled by the universal “technique” of extracting water upstream, rather than downstream, from sewer effluent, something aborigines mastered about 3000 years ago!).

The Board of SNWA has not wanted to butt heads with the politically and bureaucratically astute leadership of SNWA, choosing instead to rubber-stamp every nest-feathering scheme its bureaucrats can design. Some say we should be thankful that our predicament is not worse, but I would suggest that the local agencies and their customers must refuse to tolerate this treatment and insist on conduct that is more businesslike, less greedy and, for the first time, responsive to the needs of the customers and cities first—not to the employees of SNWA and the demands of Wall Street.

BAIT AND SWITCH:

While “the IRPAC suggested gradually increasing the rates in 2014, 2015, and 2016 to provide the community time to adjust to the new rates” and prevent “sticker shock”, SNWA has indicated that it will impose the full rate on January 2014 and “reduce” the actual bill which customers receive. This is an important distinction, because it exposes customers to the stick that SNWA is always wont to use, while cloaking SNWA with an image of “caring for its customers”, which is a) in direct contrast with reality, b) gives SNWA a foothold from which it can stage another new “emergency” that “requires immediate implementation of the entire 2017 increase”. IRPAC hardly has clean hands, as it giddily went along with the stepped increases so customers “wouldn’t realize the full impact of the increases”. Of course, the real “switch” that SNWA will employ is the creation in 2014 of a slush fund from which they can spend money for reasons, which coincide with the letter of IRPAC mandates, but not the spirit. In another Bait and Switch tactic, SNWA wants to collect money starting in 2014, which, by its own words, it does not need until 2017. **That is the schedule that the City of North Las Vegas should demand for its own protection and the protection of its customers.**

All of us, mostly unwittingly, have already been subjected to this same “rodeo”: Around 2010 SNWA leadership inveigled its Board to raise the commodity charge \$10 per acre foot each year (about \$4.5 million) “to prepare for energy increases, which would occur in 2014”. Well, today there are no such increases planned and, of course, there is no money saved for that purpose. SNWA never even bothered setting up a separate account and presented this year’s bill to all the water purveyors, including CNLV, in June as if it had nothing to do with electric rates (which it never did) with an imperious wave of the hand as if the agencies had already pre-agreed to this year’s \$10 increase (making a total so far of \$30 which SNWA now collects). Certainly the agencies will be expected to pony up another \$10 increase next summer, even as SNWA makes all of the funds thereby collected

disappear (along with its highly touted \$50,000,000 power savings and more than \$100,000,000 it will save by its abrogation this year of the storage agreement with Arizona) into its budget “mush” which this year already and inappropriately combines operational **and** bond revenues and operational **and** capital expenditures—in order to make its personnel costs **appear** smaller.

While the slush fund is being touted as the reason that this increase of \$49M only covers less than half the amount needed in 2017 and subsequent years until Wall Street is paid, this approach represents a switch from the mandate given to IRPAC 18 months ago that “the increase be sufficient to cover a gap of \$106M which occurs in 2017”. Rather than achieving a comprehensive increase, SNWA will be “compelled” to raise rates (an event already planned to be rolled out as another “emergency”) again by 2021, when the slush fund will run out. Worse and more likely is that there will be multiple rate increases by that time.

While IRPAC was adamant that SNWA not borrow more money (one of the few times it took a stand), there is an item on Thursday’s SNWA Board meeting to borrow about \$10M. There is another item that calls for an extension of the tunnel project deadline for another year and, while no costs are attached to that astounding change, one can surmise that, by the next meeting of the Board, that will be **switched** to some very large dollar figure.

SILLINESS:

The customers of SNWA, who took the time to submit letters in preparation for today’s consideration of the BIS, wrote seriously about being affected by losing renters and income, lost profits, more overhead costs, potential lay-offs, inability to pay COLA increases to employees, being frightened by abandoned shopping centers and businesses, increased criminal activity and bad business climate both **before** and **due** to this increase, escalating costs of insurance, power and water (already and especially), low rents paid by tenants, struggles to keep the doors open, prevalence of short sales by other property owners, damaged tenants, lost clients, decisions not to expand, fewer jobs created, imposition of extreme costs against those who already were trapped into putting in sprinklers, multiple charges related to the water for the sprinklers, etc.,

In stark contrast to these real-life pleas for help, the out-of-touch bureaucrats at SNWA **not only failed their legal obligation to address all of the concerns articulated by business, but they intentionally failed to mention even one concern on this list!** Worse, they contrived the following concerns that only an insular and uncaring government agency could dream up:

- 1) How the business “may” adjust consumption to balance its budget!
- 2) The “short-term” effect of that adjustment.

- 3) How the business “may not” be able to save as much as needed to expand, operate and plan!
- 4) How the increase “may affect” the “timing” (!) of expansion of “some” businesses.

And those are the “adverse effects”! The four “benefits” of the increase are listed:

- 1) The business can “take advantage” of the phased-in increases to plan for operating needs!
- 2) They can know beforehand what the fixed monthly Infrastructure Charge will be—regardless of how much water they consume!
- 3) The fixed charge can be anticipated and managed in the annual business budget.
- 4) The business may adjust consumption to balance its annual operating budget!

This mockery of SNWA’s own customers and of the BIS process is sufficient reason, by itself, to reject this nonsensical exercise and demand that businesses, not government bureaucracies, be assigned the task of writing the Business Impact Statements in the future.

Please do the “right thing” and 1) decline approval of this “Government Impact Statement”, which SNWA parades as a “Business Impact Statement”; 2) demand that SNWA cease putting such misleading and confidence-destroying nonsense into the mouth of your city employee(s); 3) insist that rates increases for debt service be delayed until 2017, when they are actually needed; 4) demand that, between now and 2017, a comprehensive rate structure, which is functionally “fair”, “equitable”, “predictable”, “understandable”, “stable”, “simple”, and promotes conservation, be implemented; 5) demand that IRPAC, if allowed to continue, be composed of a more accurate cross-section of water customers and be charged with a truly comprehensive study of alternatives to rate increases per se. I request that you include this letter in the minutes of your meeting.

Thank you.

Ed Uehling

Email: evu2@cox.net

Cell: 702.808.6000\

From the Desk of Edmund Uehling

November 21, 2013

To: Mary Beth Scow, Chairperson, Southern Nevada Water Authority
From: Ed Uehling, evu2@cox.net and 702.808.6000
Re: Agenda for the meeting of November

Dear Chairperson Scow and Members of the Board:

I submit the following for inclusion in the minutes of today's meeting:

1. The minutes of your September meeting state that I testified in favor of "reduced water deliveries": One of the points of everything that I speak about at the various water meetings around the valley is that SNWA should avoid hitting people and cities over the head with rate increases and instead, if it needs more money, SNWA should first figure out how to sell far more (not less) water that it generates through return credits. I AM IN FAVOR OF INCREASING WATER DELIVERIES and would appreciate having the minutes reflect that.
2. With regard to increasing water deliveries for water **consumption**, not mere **use**, I am indifferent. Today, Southern Nevada **consumes** about 220,000 acre-feet of its 300,000 acre-foot allocation. I don't know whether it would be better to sell more of that water or less, except in the circumstance where the only alternative is to ship that **unconsumed** water off to the highly wasteful State of California as your director informed you several meetings ago. It seems a "no-brainer" to make the decision to choose to sell the 80,000 surplus/conserved acre-feet for \$110,000,000 or even half that amount to your customers in Southern Nevada before SNWA ship it off to California in exchange for a promissory note, so those water-wasters can grow more alfalfa in the middle of the desert. Even my "half-price" suggestion would produce more income today (\$55,00,000) than the \$49,000,000 that the rate increase you approved in September will produce in 2017.
3. I would like to speak with the person who makes the decisions regarding the optimum amount of usage of Nevada's allocation, particularly because the issue arose at last night's North Las Vegas City Council meeting. They Council asked point blank whether the 80,000 acre-feet was removed from Lake Mead and shipped to California, as stated by your Executive, or whether it is still sitting in the Lake. The answer given by SNWA's representative was the opposite of that given to you: I.e., "the water is still in the Lake". Before your executives re-enact their "Chicken Little" drama about the catastrophic dropping levels of Lake Mead at today's meeting, I think it is important that everyone understand the role of SNWA in this ecological disaster unfolding.