

**SOUTHERN NEVADA WATER AUTHORITY  
BOARD OF DIRECTORS  
REGULAR MEETING  
APRIL 21, 2016  
MINUTES**

CALL TO ORDER 9:05 a.m., Colorado River Conference Rooms, Southern Nevada Water Authority, 100 City Parkway, Seventh Floor, Las Vegas, Nevada

BOARD MEMBERS PRESENT Mary Beth Scow, Chair  
Sam Bateman, Vice Chair  
Marilyn Kirkpatrick  
Bob Coffin  
Steve Sisolak  
Anita Wood

BOARD MEMBERS ABSENT Duncan McCoy

STAFF PRESENT John Entsminger, Greg Walch, Julie Wilcox, Dave Johnson, Gina Neilson

OTHERS PRESENT Guy Hobbs, Hobbs Ong & Associates

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

**COMMENTS BY THE GENERAL PUBLIC**

*For complete comments, audio is available online at snwa.com*

Ed Uehling, Las Vegas, referred to Item 4 of the agenda. He spoke about the Apex budget and the Authority's intent to borrow money. Mr. Uehling suggested that the Authority should have sold its 150 acre feet of water to Clark County residents, which would have resulted in cost savings rather than leasing the rights to California for \$300 per acre foot.

Gary Perea, White Pine County Commissioner, referred to Item 6 of the agenda, noting he was interested in discussion on the Authority's ranches in Spring Valley and their budget.

**1. For Possible Action: Approval of Agenda & Minutes**

FINAL ACTION: A motion was made by Director Sisolak to approve the meeting's agenda and the meeting minutes of March 17, 2016. The motion was approved.

**CONSENT AGENDA: The following items are considered routine and were taken in one motion.**

**2. For Possible Action: Approve the award of Bid No. 2311-16, Contract for Fluorosilicic Acid, to BHS Marketing, LLC, in an estimated amount of \$546,345 for a period of one year from date of award, with an option to renew for four additional one-year periods, and authorize an increase in an amount not to exceed 5 percent for each renewal term.**

**3. For Possible Action: Approve a resolution authorizing the submission of grant proposal to the Bureau of Reclamation WaterSMART: Drought Resiliency Project Grant.**

FINAL ACTION: Vice Chair Bateman made a motion to approve staff's recommendations. The motion was approved.

**BUSINESS AGENDA:**

**4. For Possible Action: Approve and authorize the General Manager to sign, in substantially the same form, the Water Service Agreement between Robin Prop Holdco, LLC, and the Authority; the Apex Phase I Infrastructure Design Agreement between Robin Prop Holdco, LLC, and the Authority; and the Escrow Agreement Regarding Infrastructure Development among Robin Prop Holdco, LLC, First American Title Insurance Company, and the Authority, for construction water and preliminary design of infrastructure development in the Apex area.**

Chair Scow asked if ratepayer money was used to fund the terms within these agreements. Mr. Entsminger confirmed that this agreement did not have a fiscal impact as it requires the developer to fund activities.

Director Coffin asked how much water the car manufacturer was planning to utilize, and Mr. Entsminger replied that the initial quantity of water Faraday would use would be approximately 660 acre feet of water to operate the manufacturing facility.

FINAL ACTION: Director Wood made a motion to approve staff's recommendations. The motion was approved.

**5. For Possible Action: Approve and authorize the General Manager to sign an agreement between MWH Americas, Inc., and the Authority to provide professional services for the design of a potable water system to be located within Garnet Valley for an amount not to exceed \$1,261,000.**

Director Wood stated that she wanted it on record that the City of North Las Vegas will be allowed to input information into the engineer's assumptions regarding the 30 percent design so that the project is a cost-effective system with the Special Improvement District (SID) limits. Mr. Entsminger committed to continue to work with the City of North Las Vegas staff and will continue with the established weekly meetings. He noted that designs may not always line up with estimates; however, the Authority is committed to construct a safe and reliable water system.

Directors Kirkpatrick and Sisolak agreed with Director Wood in being more engaged in this project. Director Kirkpatrick wants residents to understand the two agencies are working together. Director Sisolak asked if all decisions will be made by the Authority. Mr. Entsminger confirmed that the Authority has a statutory responsibility to sign, build, and operate a water system that meets all applicable laws and agency standards, and will be ensuring that the design will meet those standards.

Following additional questions from Board members regarding the legislation that funds the SID, Guy Hobbs with Hobbs Ong & Associates stated that legislation provided a cap of \$175 million for the project, partly funded through an SID and partly funded through a Tax Incremental Area (TIA). He went on to discuss other specifics within the legislation, but noted that project numbers will size the SID area.

Director Coffin said that there are good reasons North Las Vegas is a part of the project. He said that even if the numbers aren't finalized yet, he knows that North Las Vegas will benefit greatly from the project. Director Wood reaffirmed that the City of North Las Vegas wants to be part of this process on behalf of its ratepayers.

FINAL ACTION: Director Wood made a motion to approve staff's recommendations. The motion was approved.

**6. For Information Only: Receive an overview and discuss the Fiscal Year 2016/2017 Tentative Budget.**

Mr. Entsminger gave a presentation outlining the 2016/17 Tentative Budget, which is attached to these minutes.

Chair Scow asked if Mr. Entsminger can provide any information about the ranch budget. Mr. Entsminger said that as in years past, revenue being derived from the ranches covers the operating costs of those ranches.

Director Kirkpatrick asked if there was any follow up on the creation of a mission statement regarding the Authority's Reserve Policy. Mr. Entsminger committed to bringing a draft policy to the Board for review.

Director Sisolak asked when the sales tax expires. Mr. Entsminger said it will expire in 2025 and that the Legislature has acted so that the Board of County Commissioners can remove it at any time if action is needed. Director Sisolak also asked how much the Authority earns on the \$400 million reserve policy. Mr. Entsminger said it is approximately 1 percent. He said that the policy itself is of prioritization of use, with the first being preserve principal, followed by preserve liquidity. Mr. Sisolak asked if there are any high interest maturities that Authority did not fund and consider paying off, and expressed his concern about the refund rate. Guy Hobbs said that they look at the debt portfolio on a regular basis and anything that can be funded will be brought to the Board.

NO ACTION REQUIRED.

**Public Comment**

Ed Uehling spoke about the Authority's ownership of the ranches, increasing employee salaries, and water rate increases. Mr. Uehling said that he thinks that the SNWA is not saving any money with the debt, and utilized the Authority's Molasky purchase agreement as an example.

**Adjournment**

There being no further business to come before the board, the meeting adjourned at 9:50 a.m.

**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.**