

**SOUTHERN NEVADA WATER AUTHORITY  
BOARD OF DIRECTORS  
REGULAR MEETING  
MAY 23, 2019  
MINUTES**

CALL TO ORDER 1:01 p.m., Colorado River Conference Rooms, Southern Nevada Water Authority, 100 City Parkway, Seventh Floor, Las Vegas, Nevada

BOARD MEMBERS PRESENT Marilyn Kirkpatrick, Chair  
Bob Coffin, Vice Chair  
Scott Black  
Jim Gibson  
Justin Jones  
Peggy Leavitt (by telephone)  
John Marz

BOARD MEMBERS ABSENT None

STAFF PRESENT John Entsminger, Dave Johnson, Greg Walch, Kevin Bethel, Colby Pellegrino

OTHERS PRESENT

*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](http://snwa.com)*

Chair Kirkpatrick recognized Vice Chair Coffin for his service on the Authority's Board of Directors.

**ITEM NO.**

1. ***For Possible Action: Approve agenda with the inclusion of tabled and/or reconsidered items, emergency items and/or deletion of items, and approve the minutes from the regular meetings of March 21, 2019, and April 25, 2019.***

Staff recommended that item 10 be moved up in the agenda to be taken before item 8.

FINAL ACTION: Director Gibson made a motion to approve the agenda for this meeting with moving item 10 up in the agenda to be taken before item 8, and to approve the minutes from the regular meetings of March 21, 2019, and April 25, 2019. The motion was approved.

2. ***For Possible Action: Conduct a Public Hearing on the Tentative Budget for the Authority and subsequently adopt a Final Budget for Fiscal Year 2019/20.***

John Entsminger, General Manager, gave a summary presentation on the tentative budget for Fiscal Year 2019/20. A copy of his presentation is attached to these minutes.

After the presentation, Chair Kirkpatrick opened the public hearing. As there were no speakers, she closed the public hearing.

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

3. ***For Possible Action: Receive a presentation from the Authority's Youth Advisory Council and direct staff accordingly.***

Jasmine Abad and Cameron Austin, Youth Advisory Council members, gave an overview presentation of the Council and its project, the Youth Water Summit held at the Springs Preserve. A copy of their presentation is attached to these minutes.

Chair Kirkpatrick recognized the Youth Advisory Council members for their efforts and congratulated them for their successful project.

NO ACTION REQUIRED

**CONSENT AGENDA**

4. ***For Possible Action:*** Adopt the 2019 Las Vegas Wash Capital Improvements Plan.
5. ***For Possible Action:*** Approve and authorize the Chair to sign an interlocal agreement among the City of Henderson, the City of Las Vegas, the City of North Las Vegas, Clark County, the Clark County Regional Flood Control District, the Clark County Water Reclamation District, and the Authority to establish funding allocations and the budget for Las Vegas Wash activities in Fiscal Year 2019/20 and to approve the Authority's allocation of \$299,097.
6. ***For Possible Action:*** Approve and authorize the General Manager to sign, in substantially the same form as attached hereto, an amendment to the existing agreement between Carollo Engineers, Inc., and the Authority to provide professional engineering design and construction support services for sodium hypochlorite system upgrades at the River Mountains Water Treatment Facility for an increase of \$290,952, resulting in a total amount not to exceed \$965,850.

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

**BUSINESS AGENDA**

7. ***For Possible Action:*** Award a bid for the Contract for Rebuild of Large Electric Motors to Koffler Electrical Mechanical Apparatus Repair, Inc., for an amount not to exceed \$1,150,000, authorize renewals for up to four additional one-year periods with annual increases of up to 3 percent for products and 10 percent for maintenance costs, and authorize the General Manager to sign the purchase agreement.

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

10. ***For Information Only:*** Receive an update from staff on water resources including, but not limited to, drought conditions in the Colorado River Basin, conservation programs and activities, activities on the Colorado River, and water resource acquisition and development.

Colby Pellegrino, Director of Water Resources, gave a water resources and conservation programs update presentation. A copy of her presentation is attached to these minutes.

Vice Chair Coffin asked about Colorado River water use compared to Las Vegas Valley groundwater use. Mr. Entsminger said that the 90 percent Colorado River water use and 10 percent groundwater use referred to the water available to community for consumptive use. The ratio of actual use of Colorado River water and groundwater varies year to year.

Director Marz asked how the increased snowpack and cooler temperatures this year would impact lake levels. Ms. Pellegrino said that the Basin would need to receive several years of above-average run-off to raise lake levels.

**NO ACTION REQUIRED**

8. ***For Possible Action:*** Approve and authorize the General Manager to sign an interlocal agreement between the City of Henderson and the Authority to convert more than one million square feet of cool-season turfgrass to warm-season turfgrass through the Authority's Water Efficient Technology Program for an amount not to exceed \$1,066,764.

Vice Chair Coffin said he supported removing turfgrass and replacing it with low water use plants, but he did not support replacing grass with other types of grass. Mr. Entsminger said that no changes were made to the Water Smart Landscapes rebate program, which promotes converting turf to water efficient plants. The proposed project for the Board's consideration fell under the Water Efficient Technology Program, which promotes innovative water-saving projects. Research has shown that converting the proposed areas from cool-season turfgrass to warm-season turfgrass would save approximately 22 million gallons per year.

Director Marz said that the community needed parks and that the proposal was an innovative concept to be able to continue to provide play areas while reducing water use. Ms. Pellegrino said that the City of Henderson had previously converted smaller areas of cool-season turf to warm-season turf and was able to demonstrate water savings in those areas.

Director Gibson said the Authority needed to continue to promote water conservation throughout the community. He said that the proposed project demonstrated a significant return on investment by saving water and continuing to provide valuable play areas for residents. He said that as the Authority encourages residents to convert turf at their homes, the

community needs to continue to provide play areas in parks as an alternative to residential turf.

FINAL ACTION: Director Marz made a motion to approve staff's recommendation. The motion was approved with Vice Chair Coffin voting "no."

9. ***For Possible Action: Approve and authorize the General Manager to sign an interlocal agreement between the City of North Las Vegas and the Authority to convert approximately 129,000 square feet of turfgrass through the Water Smart Landscapes Program for an amount not to exceed \$208,380.***

Chair Kirkpatrick thanked Mr. Entsminger for participating in an event in North Las Vegas, which led to the proposed conversion project. Director Black said that he was optimistic that the proposed project would be the first of many commercial conversion projects to remove non-functional turf in the City of North Las Vegas.

Vice Chair asked if the proposed project would convert turf to rocks and water-efficient plants. Chair Kirkpatrick and Director Black confirmed that the project would convert non-functional turf to rocks and water-efficient plants.

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

#### **Public Comment**

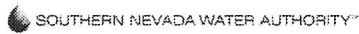
There were no speakers.

#### **Adjournment**

There being no further business to come before the Board, the meeting adjourned at 1:50 p.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.**

## 2019-20 Budget Hearing



## 2018-19 HIGHLIGHTS

- First state to approve Drought Contingency Plan documents in Colorado River Basin
- Treatment plants awarded AWWA's Partnership for Safe Water Excellence in Water Treatment
- Successful debt refundings, saving more than \$250 million in net present value savings over the past 5 years
- Completed the 21<sup>st</sup> and final weir in the Upper Las Vegas Wash

## 2018-19 HIGHLIGHTS, CONT.

- Removed bulkhead from Low Lake Level Pumping Station project using a remotely operated vehicle, effectively connecting it to Intake 3
- Completed the electrical substation at L3PS project and began placement of submersible pumps
- Purchased properties adjacent to Warm Springs Natural Area to further protect Moapa dace habitat
- Implemented Board-approved conservation initiatives to achieve further water savings

## 2019-20 BUDGET OVERVIEW

Total Budget: \$620 million

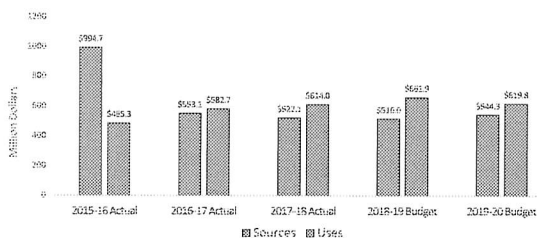
Sources of funds are up 5%; uses of funds are down 6% over last year's budget

Capital and debt payments represent more than 65% of the budget

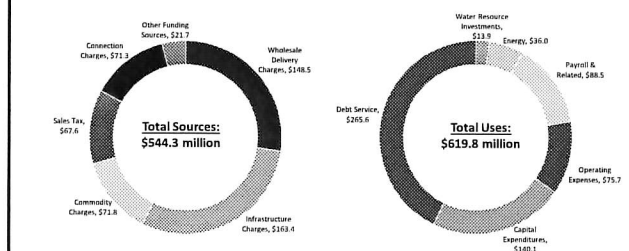
The 2019-20 Proposed Budget drivers include:

- Community-wide economic growth
- Continued commitment to conservation
- L3PS construction activities winding down

## SOURCES AND USES: 5 YEAR REVIEW



## 2019-20 SOURCES AND USES SUMMARY



## SOURCES OF FUNDS

Sources	Actual 2017-18	Budget 2018-19	Proposed Budget 2019-20	Budget to Budget Variance
Wholesale Delivery Charge	\$ 134.5	\$ 141.2	\$ 148.5	\$ 7.3
Infrastructure Charge	151.9	158.6	163.4	4.8
Commodity Charge	70.6	69.8	71.8	1.9
Connection Charge	76.3	62.3	71.3	9.0
Reliability Surcharge	5.6	5.6	5.9	0.3
Sales Tax	63.6	65.5	67.6	2.1
Investment Income	6.3	5.9	8.8	2.9
Groundwater Management Fees	0.9	0.9	0.9	(0.0)
LV Wash Program Fees	0.4	0.4	0.4	0.0
Grant Proceeds	3.7	0.4	0.3	(0.1)
Other Sources	8.3	5.4	5.5	0.1
Subtotal	\$ 522.1	\$ 516.0	\$ 544.3	\$ 28.3
Debt Issuance Proceeds	-	-	-	-
<b>Total Sources</b>	<b>\$ 522.1</b>	<b>\$ 516.0</b>	<b>\$ 544.3</b>	<b>\$ 28.3</b>

Amounts in millions dollars. Totals may not equal.

## USES OF FUNDS

Uses	Actual 2017-18	Budget 2018-19	Proposed Budget 2019-20	Budget-to- Budget Variance
Water Resource Investments	\$ 5.5	\$ 19.0	\$ 13.9	\$ (5.1)
Energy	36.2	35.7	36.0	0.3
Payroll & Related	77.1	83.1	88.5	5.4
Operating Expenses	53.1	69.3	75.7	6.4
Capital Expenditures	182.8	188.2	140.1	(48.1)
Debt Service	259.2	266.6	265.6	(1.0)
<b>Total Uses</b>	<b>\$ 614.0</b>	<b>\$ 661.9</b>	<b>\$ 619.8</b>	<b>\$ (42.2)</b>

Amounts in millions dollars. Totals may not equal.

## SNWA Budget Summary

Sources	Actual 2017-18	Budget 2018-19	Proposed Budget 2019-20	Budget-to-Budget Variance
Wholesale Delivery Charge	\$ 134.5	\$ 141.2	\$ 148.5	\$ 7.3
Infrastructure Charge	151.9	158.6	163.4	4.8
Commodity Charge	70.6	69.8	71.8	1.9
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Uses				
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Debt Service	259.2	266.6	265.6	(1.0)
<b>Total Uses</b>	<b>\$ 614.0</b>	<b>\$ 661.9</b>	<b>\$ 619.8</b>	<b>\$ (42.2)</b>
<b>Total Net Surplus/(Deficit)</b>	<b>\$ (91.9)</b>	<b>\$ (146.0)</b>	<b>\$ (75.5)</b>	

Amounts in millions dollars. Totals may not equal.

## RESERVES TARGET

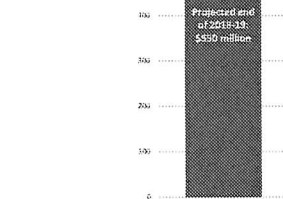
## Reserve Policy Elements:

- Maintain 180 days of operating and maintenance expenses
- Fund one year of maximum annual debt service
- Fund one year of average annual capital expenditures
- Fund 1 percent of depreciable assets

The Rate Stabilization Fund is projected to be \$252 million at the end of 2018-19.

Target Fund Balance:

\$494 million



## 2019-20 BUDGET SUMMARY

- Total uses are down \$42 million (6%)
- Total revenues are up \$28 million (5%)
- The SNWA maintains its ability to respond to threats to supplies (drought and climate change) and demands (system expansion)
- Integrated Resource Planning Advisory Committee (IRPAC) funding models and recommendations are meeting expectations; recommendations are implemented and working as anticipated
- No new debt issuances

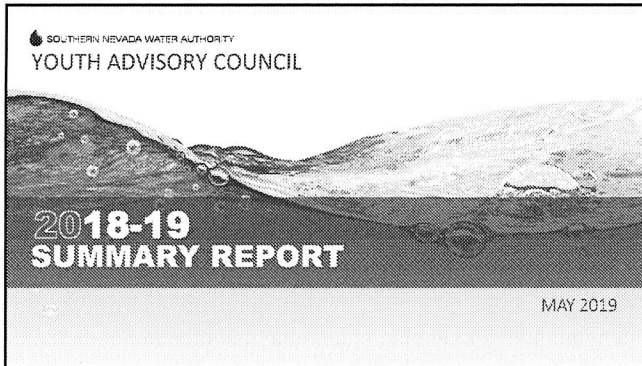
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## 2019-20 INITIATIVES

- Continue conservation initiatives to drive down demands
- Implement the Drought Contingency Plans
- Complete construction of L3PS
- Move the Eastern Nevada Transmission Project forward
- Begin scoping study on new transmission line

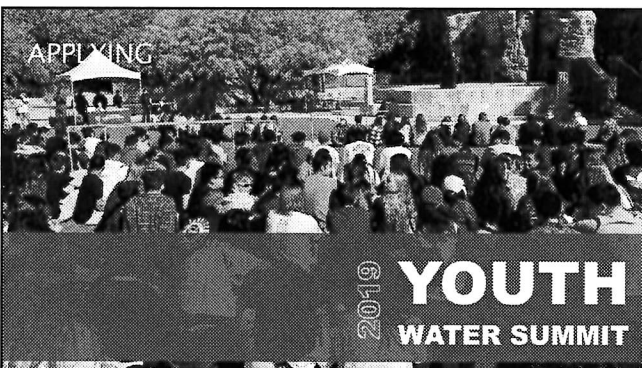
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### YOUTH ADVISORY COUNCIL

- Created in 1999 by the SNWA Board of Directors
- Forum for high school students to explore, research, and address water issues in Southern Nevada
- Receive expert instruction on local and regional water issues
- Learn more about SNWA and its major responsibilities
- Tour essential water facilities and Springs Preserve
- Apply knowledge to educate others



### SUMMIT GOALS

- Understand community's relationship to the Colorado River
- Recognize drought in the Colorado River Basin
- Southern Nevada addressing water issues

WHERE THE WATER GOES

HOW WE USE WATER

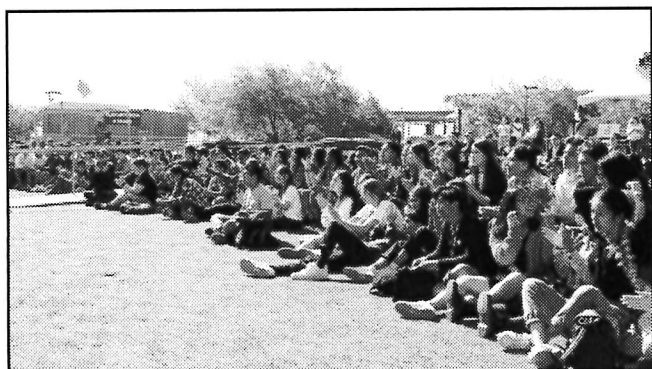
60% AGRICULTURE

40% OTHER USES

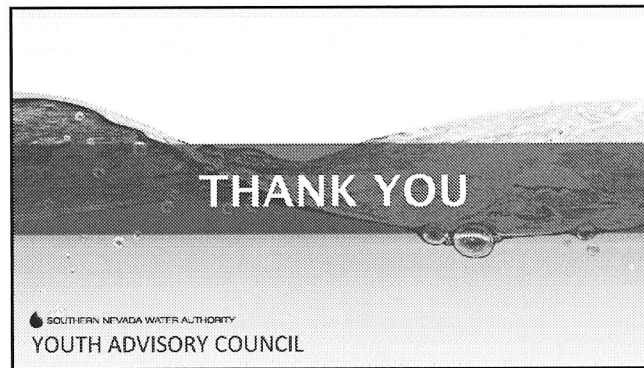
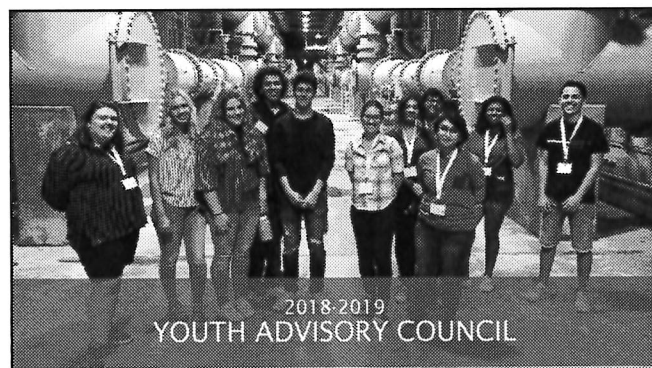
## SUMMIT ACTIVITIES



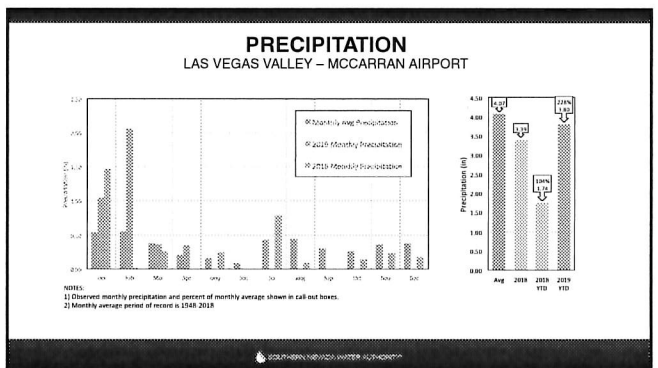
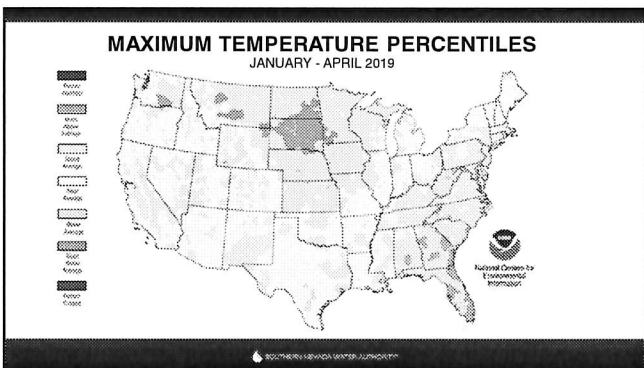
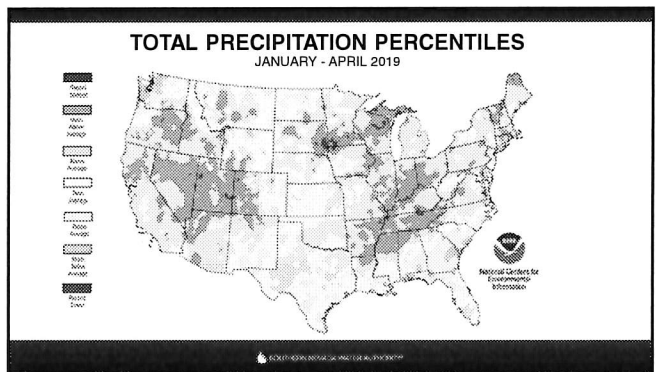
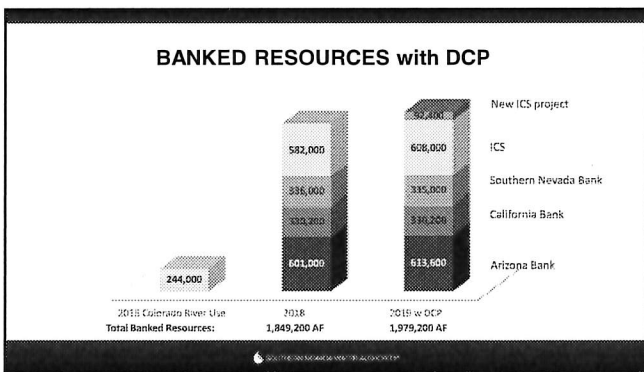
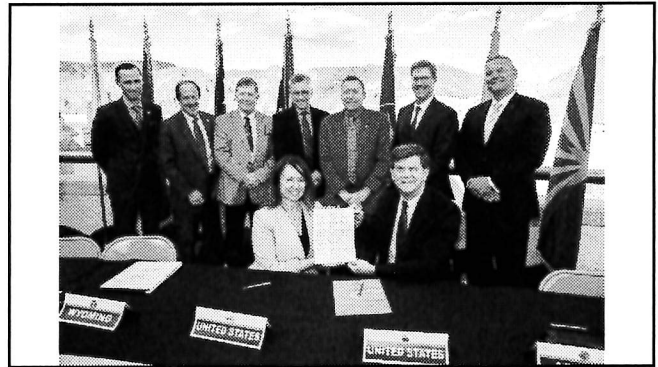
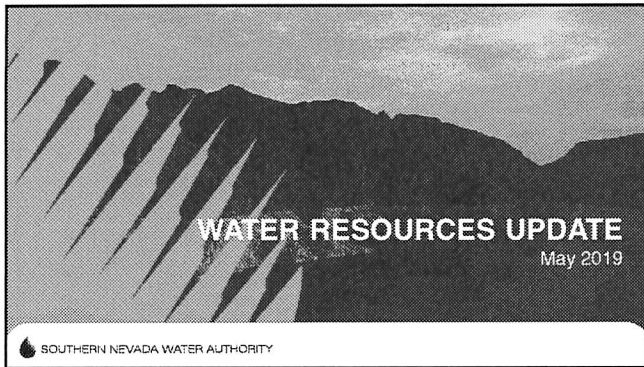
## SUMMIT TOURS AND BOOTHS



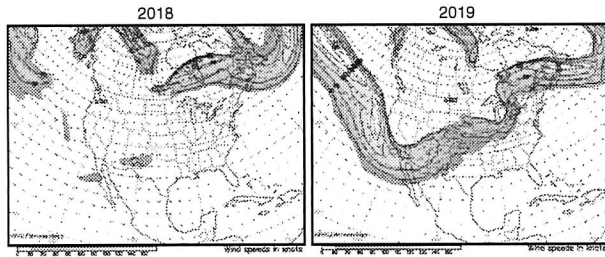
## RESULTS







### JET STREAM DEPICTION



### UPPER BASIN SNOW CONDITIONS

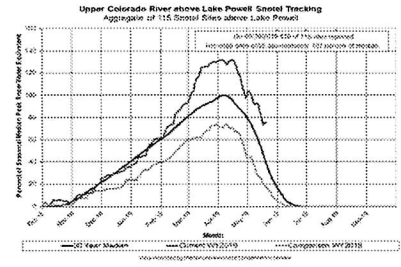
#### Water Supply

- Precipitation to date: 119% of average
- Snowpack to date: 193%

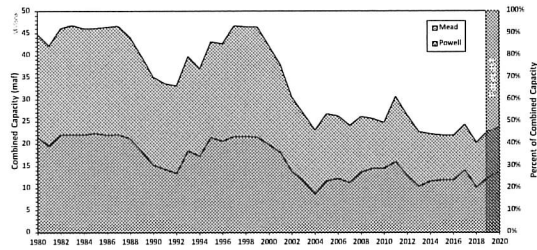
#### Forecasted inflow to Lake Powell

- WY 2019: 112% of average
- Apr-Jul: 129% of average (8.2 maf: 3<sup>rd</sup> highest AJ runoff since 1997)

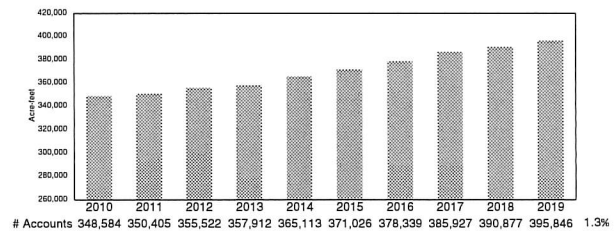
(As of May 20, 2019)



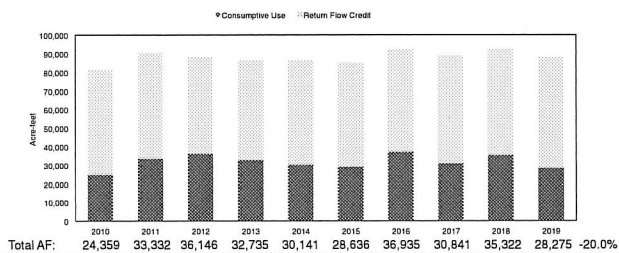
### RESERVOIR STATUS COMBINED EOY STORAGE



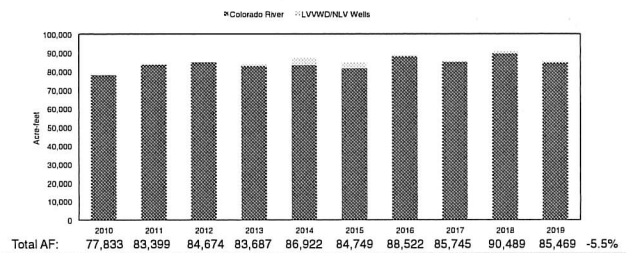
### LVVWD ACTIVE ACCOUNTS March 2019

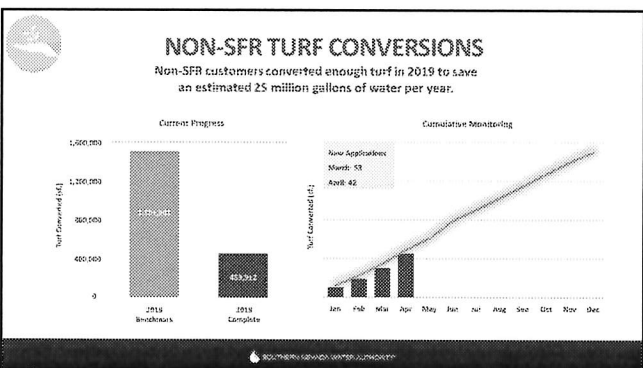
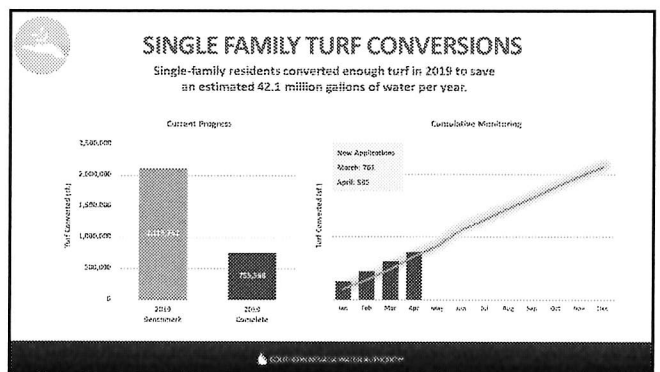
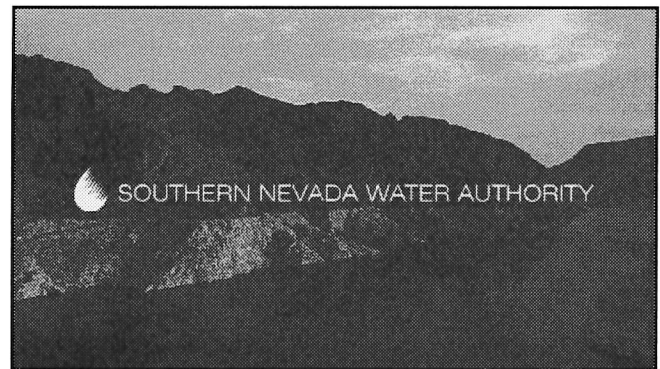
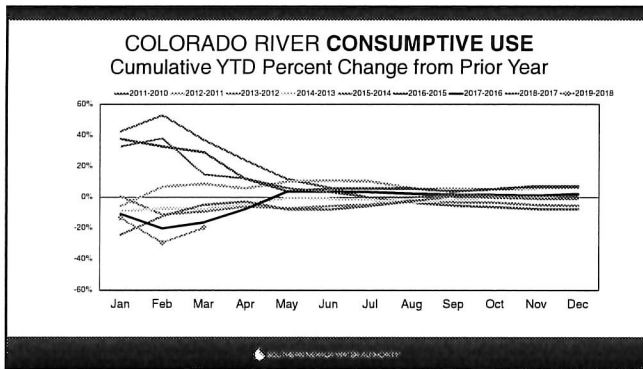


### COLORADO RIVER CONSUMPTIVE USE January-March 2019

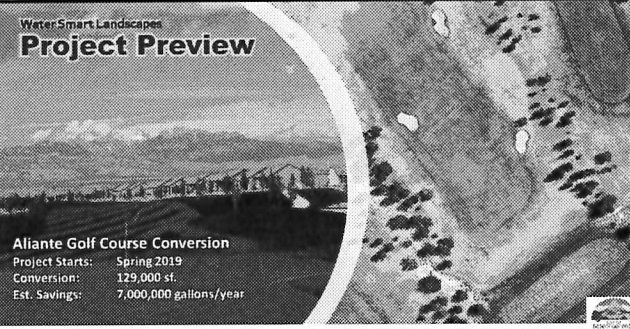


### SNWA Water Use January-March 2019






### Water Smart Landscapes Project Preview



**Aliante Golf Course Conversion**  
 Project Starts: Spring 2019  
 Conversion: 129,000 sf.  
 Est. Savings: 7,000,000 gallons/year

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### Water Smart Landscapes Project Preview




SNWA uses technology to help golf courses identify turf removal opportunities:

- GPS trackers were used at the Aliante course to record the movements of 105 players over a three-day period.
- Handicap information and GPS signals were used to create player tracks
- Data was overlaid on course imagery to generate an illustration of high-traffic and low- or no-traffic areas
- This technology helps courses identify turf removal opportunities.

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### WATER SMART LANDSCAPES

Advertising and Outreach Efforts (through April)



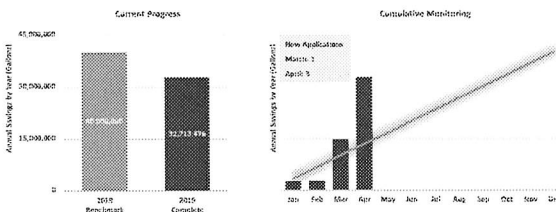
**Water Smart Landscapes Rebate**

<b>Ads</b>
2,200 ad placements 17.8 million impressions
<b>Social Media</b>
reposts 215,000 times likes 1,200 (engagement)
<b>HOA Support</b>
4-8 hour calls 25 in-person meetings
<b>Community Associations</b>
234 other community association contacts

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### WATER EFFICIENT TECHNOLOGIES

7 projects completed with more than \$231,000 paid out in 2019.



**Current Progress**

Year	Amount
2018 (Benchmark)	\$1,000,000
2019 (Completed)	\$2,713,496

**Cumulative Monitoring**

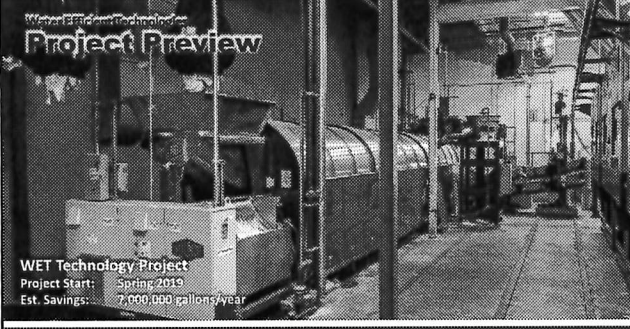
New Applications: March 1, April 5

Annual Savings by Year (Estimated):

Month	Estimated Savings
Jan	\$100,000
Feb	\$200,000
Mar	\$300,000
Apr	\$400,000
May	\$500,000
Jun	\$600,000
Jul	\$700,000
Aug	\$800,000
Sep	\$900,000
Oct	\$1,000,000
Nov	\$1,100,000
Dec	\$1,200,000

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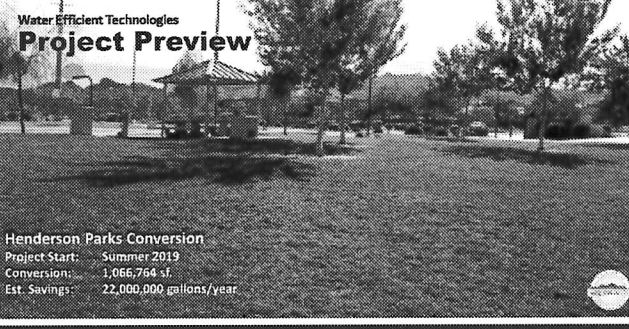
### Water Efficient Technologies Project Preview



**WET Technology Project**  
 Project Start: Spring 2019  
 Est. Savings: 7,000,000 gallons/year

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### Water Efficient Technologies Project Preview



**Henderson Parks Conversion**  
 Project Start: Summer 2019  
 Conversion: 1,066,764 sf.  
 Est. Savings: 22,000,000 gallons/year

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