

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
JULY 18, 2019
MINUTES**

CALL TO ORDER	9:00 a.m., Board Chambers, Southern Nevada Water Authority, 100 City Parkway, Seventh Floor, Las Vegas, Nevada
BOARD MEMBERS PRESENT	Marilyn Kirkpatrick, Chair Scott Black Claudia Bridges Cedric Crear Jim Gibson Justin Jones Dan Stewart
BOARD MEMBERS ABSENT	None
STAFF PRESENT	John Entsminger, Julie Wilcox, 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

Chair Kirkpatrick asked the new board members to introduce themselves. Director Crear, City of Las Vegas Councilman, introduced himself and disclosed that his spouse worked for the Authority. Director Stewart, City of Henderson Councilman, introduced himself. Director Bridges, Boulder City Councilwoman, introduced herself.

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 meeting of May 23, 2019.

FINAL ACTION: Director Gibson made a motion to approve the agenda for this meeting, and to approve the minutes from the regular meeting of May 23, 2019. The motion was approved.

2. ***For Possible Action:*** Appoint a chairman and vice chairman to preside over the Board of Directors for Fiscal Year 2019/20.

FINAL ACTION: Director Black made a motion to reappoint Marilyn Kirkpatrick as Chair and to appoint Dan Stewart as Vice Chair. The motion was approved.

3. ***For Possible Action:*** Appoint one director to serve as a commissioner of the Colorado River Commission of Nevada for the remainder of the existing two-year term.

FINAL ACTION: Director Gibson made a motion to appoint Dan Stewart to serve as a commissioner of the Colorado River Commission of Nevada for the remainder of the existing two-year term. The motion was approved.

4. ***For Possible Action:*** Conduct a public hearing regarding an ordinance proposed for adoption by the Clark County Board of County Commissioners related to the cessation of the quarter-cent sales tax for water and wastewater infrastructure projects.

John Entsminger, General Manager, gave a presentation regarding the quarter-cent sales tax for water and wastewater infrastructure projects. A copy of his presentation is attached to these minutes.

Director Crear asked about the procedure for removing the sunset on the quarter-cent sales tax. Mr. Entsminger said that after the Authority holds the required public hearing being conducted at this meeting, the Clark County Board of Commissioners would need to introduce an ordinance and then hold a public hearing and vote to remove the sunset. The ordinance would need to be approved by two-thirds of the County Commissioners.

Director Jones asked if any quarter-cent sales tax revenues would be used for the proposed pipeline to bring water from eastern Nevada into Clark County. Mr. Entsminger said that 100 percent of the sales tax revenues would be dedicated to either defeasing debt for projects within Clark County or possibly the Colorado River Basin, but that no sales tax revenues would be used for the groundwater project if the Board recommended doing so.

Chair Kirkpatrick said that she supported the commitment to use sales tax revenues for projects within Clark County. Mr. Entsminger said that significant future capital projects in the Las Vegas Valley support the need for continuing the quarter-cent sales tax.

Chair Kirkpatrick opened the public hearing.

Kyle Roerink, Great Basin Water Network, said that he hoped that sales tax revenues stayed in Clark County and were not used for the groundwater project.

Priscilla Howell, City of Henderson, said that she supported the continuation of the quarter-cent sales tax for the benefit of the City of Henderson water customers.

Patrick Donnelly, Center for Biological Diversity, said that he hoped the proposed restriction on using quarter-cent sales tax revenues for the groundwater pipeline was written into the County's ordinance.

Tom Morley, Local 872, said he supported the continuation of the sales tax. He said that discontinuing the sales tax would have a negative impact on working families.

Gary Milliken, Nevada Contractors, said that the sales tax provided a steady revenue stream for essential infrastructure and allowed for tourists to help fund infrastructure.

Terry Murphy, Las Vegas, said that she had served on several Authority advisory committees and that she understood the value of water. She said that she supported the continuation of the sales tax for water and wastewater projects. She also submitted written comments for the record.

Paul Moradkhan, Las Vegas Metro Chamber of Commerce, said that the Authority's prior citizen processes were open and transparent and that the committees had discussed the need for the sales tax continuing. He supported the continuation of the sales tax. He also said that the business community pays its share for water infrastructure and is not subsidized by residents.

Angie Sullivan, Las Vegas, said that water was a concern for schools and teachers. She said that some school water and wastewater infrastructure needed to be improved. She said that if tax revenues could be used to fund water infrastructure, she wanted to know how sales tax revenues could be used to increase funding for public schools.

Randy DeVaul, City of North Las Vegas, supported removing the sunset on the quarter-cent sales tax. He said that the City of North Las Vegas used the sales tax to pay for infrastructure, such as its wastewater reclamation facility.

Sonny Vinuya said that the Asian Chamber of Commerce supported the continuation of the quarter-cent sales tax.

Jennifer Lewis said that she supported the removal of the sunset on the quarter-cent sales tax.

Dennis Porter, Boulder City, said that he supported the continuation of the quarter-cent sales tax. He said that Boulder City had benefitted from using sales tax revenues for infrastructure projects.

Mackenzie Warren said that the Southern Nevada Home Builders Association supported the continuation of the sales tax.

Guy Hobbs said that in reference to the question of residents subsidizing resorts, approximately 60 percent of water rates are paid by residential customers with the remaining 40 percent of water rates being paid by commercial users.

Nick DiFranco said that Operating Engineers Local 12 supported the removal of the sunset on the quarter-cent sales tax. The sales tax was paid by tourists and residents and was critical in funding needed infrastructure.

Ed Uehling said that the fourth richest gold deposit in the world had been handed over to one or two companies. He said Nevada's share of Colorado River water benefits one agency and its 1,000 employees. He spoke concerning employee salary increases and the Authority's spending on infrastructure project construction and maintenance. He provided additional written comments for the record.

Rusty McAllister said that the Nevada State AFL-CIO supported the continuation of the quarter-cent sales tax.

Thomas G. said that he was a publisher working with Ed Uehling. He read into the record a statement from Mr. Uehling on four replacements of sales tax revenues. A copy of his comments are attached to these minutes.

Additional comments were submitted in writing from Peter Guzman and Warren Hardy. A copy of their comments are attached.

Chair Kirkpatrick closed the public hearing. She asked for clarification on what water projects would be funded with sales tax revenues. Mr. Entsminger said that sales tax revenues would be used for projects within Clark County or potentially on the Colorado River. He used the example of funding for the Drop 2 (Brock) Reservoir on the Colorado River, located in California, which benefitted Nevada.

Director Gibson suggested that the Board send its recommendations on the sales tax to the Board of County Commissioners. Director Crear said that he supported the continuation of the sales tax to fund future, essential water and wastewater projects throughout the valley. Vice Chair Stewart said water infrastructure in Southern Nevada was vital to the health of the community and that he supported removing the sunset clause. Director Black said he had visited some of the infrastructure currently under construction and that it made logical sense to remove the sunset clause.

FINAL ACTION: Director Gibson made a motion to support the recommendation by staff, agree to petition the Clark County Commission to take action to lift the sunset provision on the quarter-cent sales tax for water and wastewater projects, and exclude sales tax proceeds from funding all future expenditures associated with the SNWA's Groundwater Development Project, and that the Board memorialize these actions by formal letter sent to the Clark County Commission. The motion was approved.

CONSENT AGENDA

Chair Kirkpatrick requested that Item 5 be removed from the Consent Agenda and taken separately.

6. ***For Possible Action:*** Approve and authorize the General Manager to sign an interlocal agreement between Clark County and the Authority for modification of water facilities as part of the Relocation of the North Las Vegas Lateral Project: Hollywood Boulevard.
7. ***For Possible Action:*** Approve and authorize the General Manager to sign Change Order No. 4 to the contract with MMC, Inc., for sodium hypochlorite system upgrades at the River Mountains Water Treatment Facility, which extends the substantial and final completion dates by 165 calendar days, and authorize the General Manager to utilize an additional change order contingency of 150 calendar days for future needs.
8. ***For Possible Action:*** Approve and authorize the General Manager to sign Change Order No. 3 to the contract with Barnard of Nevada, Inc., for construction of the Low Lake Level Pumping Station electrical substation, increasing the contract amount by \$344,965 and extending the final completion date by 42 calendar days.
9. ***For Possible Action:*** Ratify the approval of a five-year assistance agreement between the Bureau of Reclamation and the Authority to receive grant funding in the amount of \$1,375,000 to address the long-term management of the Las Vegas Wash with the Authority providing up to \$3,030,944.49 of in-kind contributions, and authorize the General Manager to approve future modifications only if the future modifications do not fiscally impact the Authority.
10. ***For Possible Action:*** Ratify the approval of a sub-grant agreement between the Nevada Division of Environmental Protection and the Authority to receive grant funding in the amount of \$37,000 for regional water quality activities and related public outreach initiatives with the Authority providing up to \$50,000 of in-kind contributions.

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

BUSINESS AGENDA

5. ***For Possible Action:*** Approve and authorize the General Manager to sign an interlocal agreement among Clark County, the City of Henderson, City of Las Vegas, City of North Las Vegas and the Authority, through which the Authority would reimburse each entity for the purchase of fire-department training simulators, for a total amount not to exceed \$280,000.

Mr. Entsminger said that in line with the Authority's efforts to conserve water in all sectors, the proposed agreement would reimburse local jurisdictions for the purchase of fire-department training simulators. These simulators allow fire departments to continue to conduct essential training, while reducing the amount of water used in those trainings. Chair Kirkpatrick recognized the firefighters in attendance at the meeting.

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

11. ***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 Faiss Foley Warren and the Authority to provide one additional year of integrated communication and support services related to the Water Conservation Coalition, water quality, water resources, and environmental initiatives, in an amount not to exceed \$900,000.**

Director Crear asked if professional services agreement were put out to bid. Mr. Entsminger said that standard practice was to issue a Request for Proposals (RFP) to secure professional services. Julie Wilcox, Deputy General Manager - Administration, said that the proposed amendment with Faiss Foley Warren sought to capitalize on the current communication campaigns that were underway and that an RFP would be issued for services next year. Director Crear noted that he could not support the item because it was not bid out. Chair Kirkpatrick committed to working with staff to ensure a more transparent process. Vice Chair Stewart noted the advantage of maintaining communication and messaging continuity with the contract.

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

12. ***For Possible Action:* Adopt a resolution consenting to the refunding of certain Las Vegas Valley Water District General Obligation (Limited Tax) Bonds (the "Bonds") that are additionally secured by SNWA Pledged Revenues and requesting the Board of Directors of the Las Vegas Valley Water District to issue general obligation (limited tax) (additionally secured by SNWA Pledged Revenues) refunding bonds in the maximum principal amount of \$105,260,000 in one or more series to refinance all or any portion of the Bonds.**

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

13. ***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.

NO ACTION REQUIRED

14. ***For Possible Action:* Approve a resolution in support of preventing the installation of non-functional turf in Southern Nevada through updates to municipal codes.**

Ms. Pellegrino gave a presentation on the resolution. A copy of her presentation is attached to these minutes.

Director Black said that staff had provided an overview of potential turf conversions and water saving initiatives for his ward in North Las Vegas and encouraged the other Board members to work with staff in their own jurisdictions.

Director Jones said that additional conservation was needed from commercial businesses and asked for support in finding incentives to encourage businesses to convert non-functional turf. Mr. Entsminger said that staff would continue to work with the Board and with planning staff on developing incentives.

Director Crear asked that staff work with him on identifying conservation opportunities in his ward.

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

Public Comment

Ed Uehling spoke concerning Faiss Foley Warren leasing space from the Authority in the Molasky Corporate Center. He said that the community needs water infrastructure but suggested that there were other means for funding the infrastructure rather than through sales taxes.

Adjournment

There being no further business to come before the Board, the meeting adjourned at 10:36 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.



July 18th, 2019


To Whom It May Concern:

I am writing in support of not letting the current quarter-cent sales tax to sunset. As President of the largest Hispanic Business Organization, I am very concerned that if this were to sunset, the ratepayers would bear the brunt on funding very critical new water infrastructure and we know that this would mean significant increases in rates for both residential and commercial ratepayers. Many of the people we represent cannot afford this to happen and certainly we do not want to slow down the current momentum we are seeing on the commercial side. Please accept this letter is your process.

Peter Guzman

President

Latin Chamber of Commerce, NV



Hardy Consulting Group

July 17, 2019

Chairwoman Marilyn Kirkpatrick & Board of Directors
Southern Nevada Water Authority
100 City Parkway, Suite 700
Las Vegas, NV 89106

Dear Chairwoman Kirkpatrick and Board,

I regret that I am unable to attend the board meeting in person to express my support for the proposal to remove the sunset requiring the cessation of the quarter-cent sales tax for water and wastewater infrastructure projects in Southern Nevada.

On behalf of my clients, the Virgin Valley Water District and the Moapa Valley Water District, I respectfully request the board take advantage of Senate Bill 432 of the 2011 session and remove the sunset on this tax and permit the continuation of this critical revenue source.

The revenue generated by this tax has had a significant impact on our ability to fund the capital projects that are so vital to providing clean, reliable water resources to our ratepayers. As small water districts, this revenue represents a significant portion of the funding dedicated to these critical projects.

Thank you for considering our request. Should you have questions or require additional detail, please do not hesitate to contact me personally. Thank you for your service to your community.

Regards,



Warren B Hardy

President

5841 E. Charleston Blvd, Suite 230-475 • Las Vegas, Nevada 89142

Mr. John Entsminger, General Manager
Southern Nevada Water Authority
100 City Parkway Suite 700
Las Vegas, Nevada

Dear Mr. Entsminger,

Please accept my apologies for not being able to attend today's important hearing. Below are my comments for your board:

My name is Terry Murphy and I've lived in southern Nevada since 1979. Since 1989, I've been involved in almost every citizens committee, rate analysis, and water resource planning committee that's been held, and there have been many.

Each time I've served, I've learned, but I've also gained an exponential amount of respect for the power of water in our lives. Just think for one minute how many times you've taken the availability of water and wastewater for granted just this morning.

From brushing my teeth, to making my coffee, to feeding my cat, washing last night's dishes, throwing some clothes in the washer, and of course flushing the toilet, most people don't even think about what it takes to be able to do these things. To me though, they're one more thing for me to be grateful for every day because I know what it takes in this desert community for us to be able to do these things. I also know, and I've said before, that on any summer day if we were to lose these deceptively simple abilities, people would die. There's no doubt about that. Water is life.

I worked in the Clark county managers office when the residents of Clark county voted for the 1/4 cent sales tax to ensure the safe and effective delivery of clean and safe drinking water to our residents and visitors. It was a very big deal. The voters said yes, the legislature said yes, and the County commissioners said yes. Just like I said yes when I signed the dotted line on my mortgage. If I go back on that, I lose my house.

More recently, I served as a facilitator to a citizens committee that recommended a new rate structure for waste water services going into the future. Not everybody knows that every drop of water that's used indoors, in hotels, in our homes and restaurants and even from some of the attractions on the strip, goes back to the lake after it's treated to near potable quality. We re-use nearly every drop of water that's used indoors. Since the quarter cent is part of the existing rate structure, the waste water committee considered it very carefully as part of the increase they proposed. One member in particular struck me as she was a senior citizen living in a manufactured home community. She came to every meeting, using a walker as she was overcoming multiple surgeries but this was important to her. Retaining the quarter cent sales tax in the water and sewer rates was very important to her because it kept the rate at something that was affordable for her for the foreseeable future. She considered this very carefully and came to the conclusion that she could not do without water and wastewater, but she could make choices on other things.

It's easy for me to be a "policy wonk" and not have to face the voters based on my decisions. It's not easy for you as policymakers to make these choices. If you choose to do away with the quarter cent for water and wastewater, you will absolutely have to replace it with something else. That something else logically would have to be an increase in water and wastewater rates which would touch every citizen in

southern Nevada. Not unlike almost every decision you make, but these decisions have been made over the years in consultation with so many segments of the community. The obligation to pay for our infrastructure is much like our obligation to pay for our mortgages or our rent. It's not really an option. It's not something that's nice to have, it's something that we need to sustain every human life in our community.

That is not to diminish the importance of things like public safety and education and the environment. But what I've found over the years is if something is important enough, and we use a public involvement process like the authority and the district have used over the years, people get it, and they step up and realize that there's no such thing as a free lunch, and they find ways to recommend paying for them.

I sincerely hope we don't decide to rob Peter to pay Paul without significant, responsible and deep thought about the consequences.

Thank you for your service, and your time to allow for my comments.

Terry Murphy
www.strategicsolutionsnv.com

FOUR REPLACEMENTS OF SALES TAX REVENUES

Attached is a list of four things that anyone with a business mind would come up with in order to earn multiples of that \$25 million and, at the same time, become the first natural resource to actually benefit the people of Nevada.

NOTE: I really hesitate to give these ideas to the bureaucrats at SNWA, because I have observed this institution for many years and know that all the money generated will eventually find its way into the very pockets of this clique:

- 1) **STOP RUNNING ADS THAT CONFLATE INDOOR USE WITH OUTDOOR CONSUMPTION.**
- 2) **Encourage more indoor use and even “waste” because all that “used” and “wasted” water ends up back in Lake Mead and can be re-sold for \$1300 per acre-ft at a pumping and processing cost of only \$300. By incentivizing indoor “water wasters”, instead of demonizing them, the sale of an additional 100,000 acre-ft of water would produce \$100,000,000 for government and users—4 times the \$25 million stolen from consumers through the sales tax.**
- 3) **Instead of selling the 80,000 acre-ft of water to California for a paltry \$300/acre-ft, so it can grow hay, auction it off to outdoor users here in Southern Nevada. I bet many companies would**

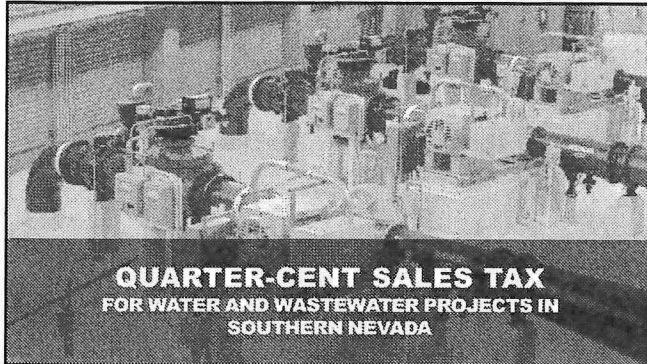
love to pay \$2000 per acre-ft. totaling
\$160,000,000/year.

- 4) Instead of subsidizing wealthy home owners, who want to pour large amounts of water on their estate lawns (some use as much as 300,000 gallons/month), at approximately \$4/1000 gallons, remove the tier cap so that that users would be paying about \$300 for his or her last 10000 gallons, instead of \$40. That person's total bill would be \$4500 instead of \$1200.

ED UEHLING

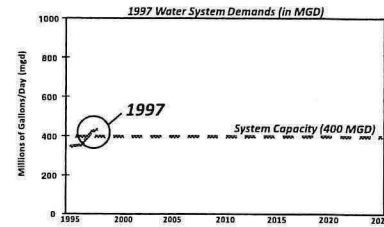
Ed.uehling@yahoo.com

702-808-6000

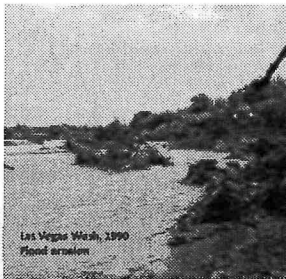


BACKGROUND

In the mid 1990s, Clark County was experiencing explosive growth. Utilities required new infrastructure to meet projected capacity and demand requirements.



BACKGROUND



In the 1990s, Southern Nevada was facing other water resource challenges:

- New water resource development
- Improving drinking water quality
- Wastewater treatment
- Watershed management
- Las Vegas Wash
- Funding

BACKGROUND

In the mid-1990s, the Southern Nevada Water Authority established a citizens advisory committee to evaluate critical issues facing the water system.

Issues Discussed:

- Facility needs (reliability and demand)
- Conservation programs and demand management
- Revenue
- Water Quality

BACKGROUND

The advisory committee made recommendations to address capacity and demand issues facing the system:

- Expand the existing Southern Nevada Water System from its capacity of 400 million gallons per day (MGD) to its ultimate capacity of 600 MGD as soon as possible
- Build a new treatment and transmission facility as soon as possible that is big enough to be reliable, avoid shortages, and provide backup capability in the event of a catastrophic failure
- Construct a new intake to increase reliability

BACKGROUND

In 1995, the SNWA Board of Directors and its member agencies approved a Capital Improvement Plan that totaled \$2 billion in major water treatment and transmission improvements:

- Alfred Merritt Smith Treatment Facility (AMS) improvements
- Construction of new treatment plant
- New intake at Lake Mead
- New pumping stations and reservoirs
- Major laterals
- Other transmission improvements

BACKGROUND

The committee evaluated a variety of revenue source options to fund the improvements:

- Standby Charge (vacant land assessment)
- Excise Tax
- Property Tax
- Sales and Use Tax
- Real Property Transfer Tax
- Turn-On Fees
- Room Tax
- Federal Participation

BACKGROUND

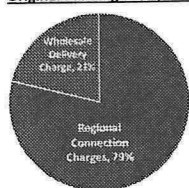
Why Sales Tax?

- Provides a single source for multiple needs (water and wastewater, large utilities and rural utilities)
- Allows tourists to pay their fair share for infrastructure they require
- Moderates increases to rates and connection fees
- Helps stabilize the funding plan
- Funds critical water infrastructure projects with useful lives of 50-100 years

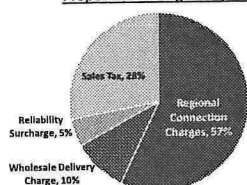
BACKGROUND

In 1995, the committee recommended that SNWA pursue a portion of sales tax proceeds to fund capital improvements.

Regional Water System
Original Funding Plan (1992)



Regional Water System
Proposed Funding Plan (1995)



BACKGROUND

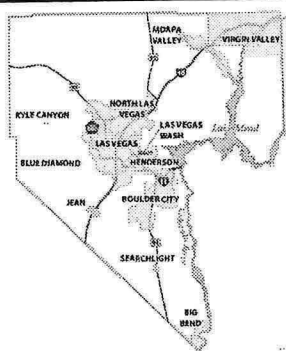
1997 Nevada State Legislature authorized the Clark County Commission to implement a quarter-cent tax to fund water/wastewater improvements

1998 Voters overwhelmingly supported (72%) a ballot initiative to increase the sales tax to fund water and wastewater improvements

1999 Sales tax went into effect and revenues were shared among Southern Nevada's water and wastewater agencies

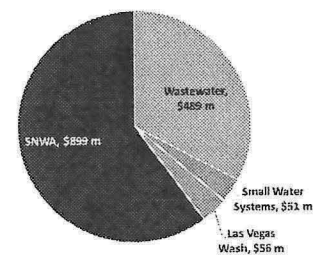
DISBURSEMENTS

- Blue Diamond
- Boulder City
- Kyle Canyon
- Laughlin / Big Bend
- Moapa Valley
- Searchlight
- Jean
- Virgin Valley
- Las Vegas Wash
- City of Las Vegas
- City of Henderson
- City of North Las Vegas
- Clark County Water Reclamation District
- Southern Nevada Water Authority



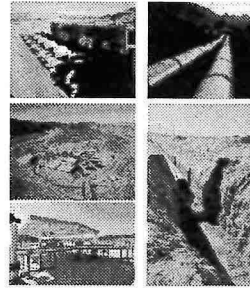
PROCEEDS (1999 - JUNE 2018)

Sales Tax proceeds have helped fund more than \$1.4 billion in water and wastewater infrastructure essential for our community.



PROCEEDS (1999 - JUNE 2018)

Community / Agency	Disbursement (\$)
Blue Diamond	246,937
Boulder City	13,320,693
Kyle Canyon	908,801
Laughlin	10,026,369
Big Bend	3,498,822
Moapa Valley	5,513,314
Searchlight	499,010
Jean	213,872
Virgin Valley	16,550,737
Las Vegas Wash	55,506,811
Clark County Water Reclamation District	247,033,971
City of Las Vegas	152,066,650
City of Henderson	73,589,519
City of North Las Vegas	15,908,360
Southern Nevada Water Authority	898,601,862

SNWA CIP PROJECTS

- Lake Mead Intake No. 2
- Intake No. 2 Pumping Station
- East Valley Lateral
- Transmission System Improvements
- Pumping Stations
- River Mountains Tunnel
- South Valley Lateral
- AMS Ozonation Upgrade
- AMS Filter Upgrades
- River Mountains Water Treatment Facility
- West Valley Lateral
- River Mountains Pumping Station
- North Valley Lateral
- AMS Power Facilities

CLARK COUNTY CAPITAL IMPROVEMENTS

Clark County Water Reclamation District's treatment plant

CLARK COUNTY WATER RECLAMATION DISTRICT

The CCWRD relies on sales tax proceeds to fund new treatment facilities or the improvement/expansion of existing treatment facilities.

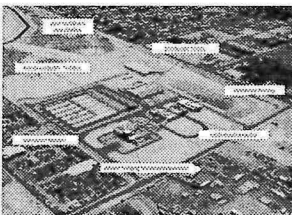
CLARK COUNTY CAPITAL IMPROVEMENTS

Henderson's Southwest Water Reclamation Facility

CITY OF HENDERSON

The City of Henderson began construction on its first satellite wastewater treatment plant, which began operations in 2012.

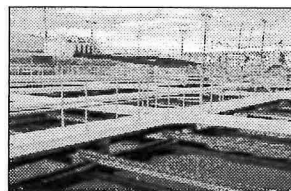
Sales tax proceeds are funding debt obligations.

CLARK COUNTY CAPITAL IMPROVEMENTS

NLV Water Reclamation Facility Site Plan

CITY OF NORTH LAS VEGAS

Sales tax proceeds are funding the debt service of North Las Vegas' Water Reclamation Facility, which opened in 2011.

CLARK COUNTY CAPITAL IMPROVEMENTS

City of Las Vegas sewer & sanitation improvements

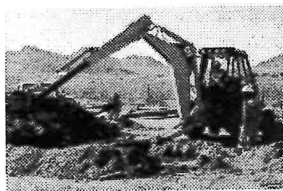
CITY OF LAS VEGAS

Sewer and sanitation improvements are funded exclusively through Service Fees and quarter-cent proceeds.

The City of Las Vegas' Five Year CIP estimates that \$202 million is needed to fund sewer improvements, which are paid for exclusively through service fees and quarter-cent.

- Sewage collection
- Sewer improvements
- Extension of sewer lines
- Treatment Plant improvements

CLARK COUNTY CAPITAL IMPROVEMENTS

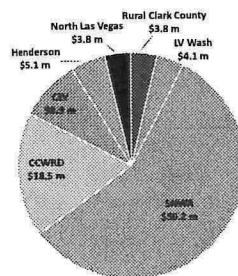


Boulder City's raw water line under construction

BOULDER CITY

Boulder City uses quarter-cent proceeds to pay the debt service for a raw water line that connects the city to the River Mountains Water Treatment Plant.

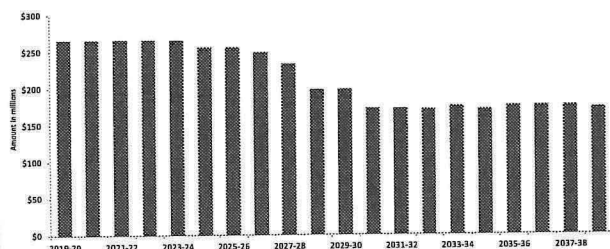
2017-18 SALES TAX DISTRIBUTIONS



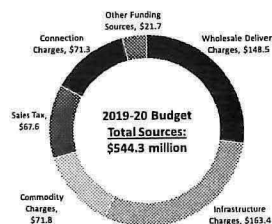
Sales tax proceeds represent an important funding source to local water systems.

Per NRS, Sales Tax proceeds can only be used to construct water and wastewater infrastructure projects.

SNWA DEBT SERVICE

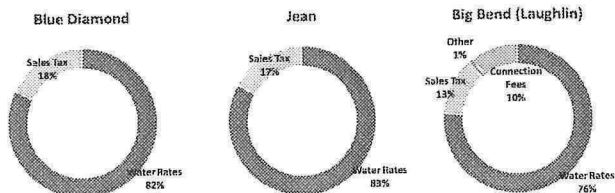


SNWA REVENUES



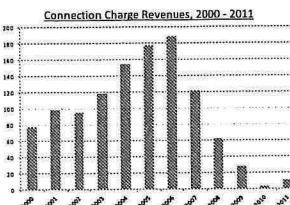
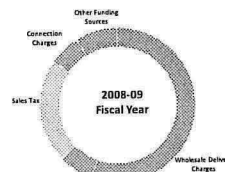
Sales tax proceeds represent 12% of SNWA's revenues.

RURAL SYSTEM REVENUES



SNWA REVENUES

In times of economic uncertainty, Sales Tax helped maintain revenue.



LAS VEGAS WASH

The Las Vegas Wash receives 4% of Sales Tax proceeds to fund improvements necessary for water quality.

The Lower Las Vegas Wash is experiencing high rates of erosion, worsened by declining lake levels. Six new weirs and the reconstruction of two existing weirs is required to reduce erosion, maintain water quality and protect infrastructure.

If current rates of erosion are not addressed:

- Water quality impacts (sediments and phosphates)
- May jeopardize discharge permit compliance
- Further degradation in Wash channel
- Threats to integrity of Wash infrastructure upstream

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SUNSET CLAUSE

Collection of Sales Tax is set to expire June 30, 2025, or when \$2.3 billion has been collected; whichever is earlier.

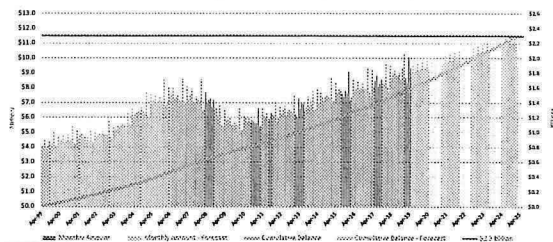
Clark County is the only county in Nevada subject to a sunset clause within the legislation.

In 2011, the Nevada Legislature voted overwhelmingly to allow the Board of County Commissioners the authority to remove the Sunset Clause.

28

SUNSET CLAUSE

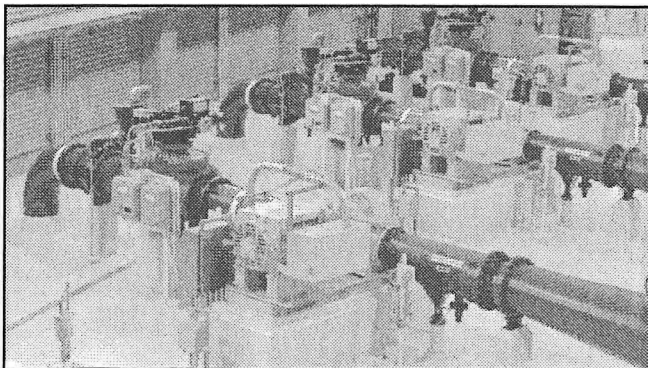
Collections are anticipated to reach \$2.3 billion by 2025.

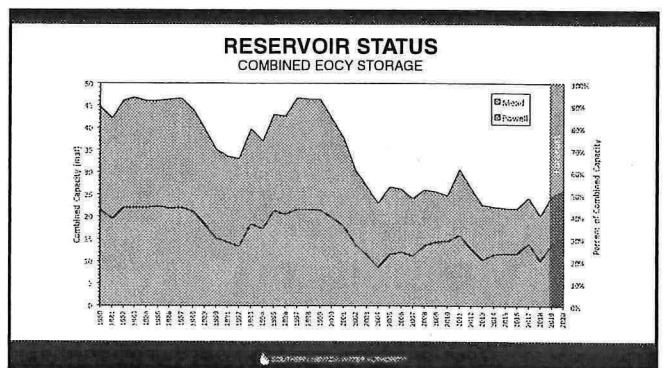
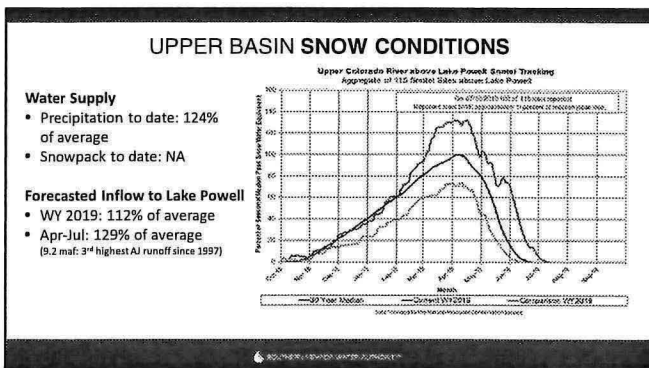
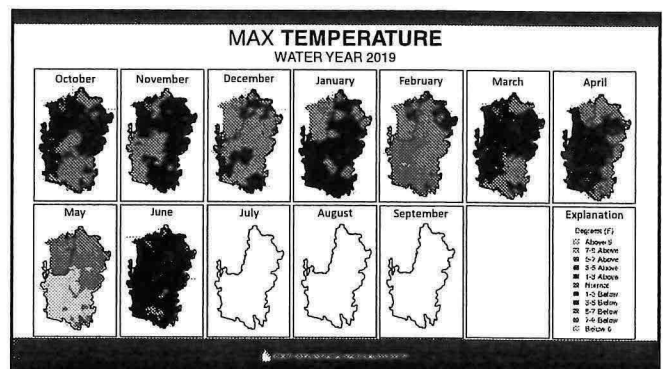
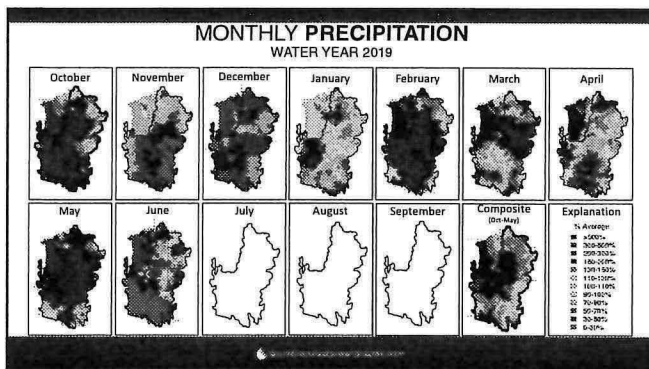
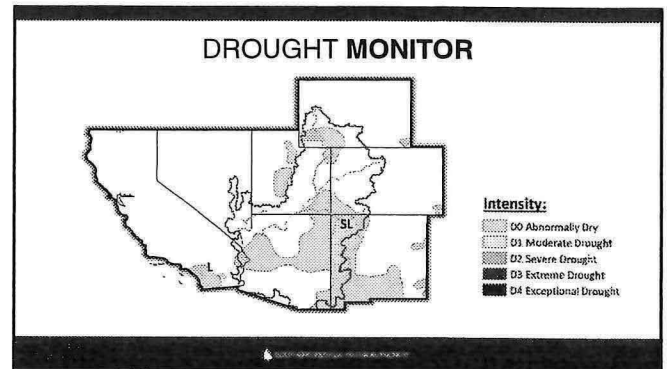
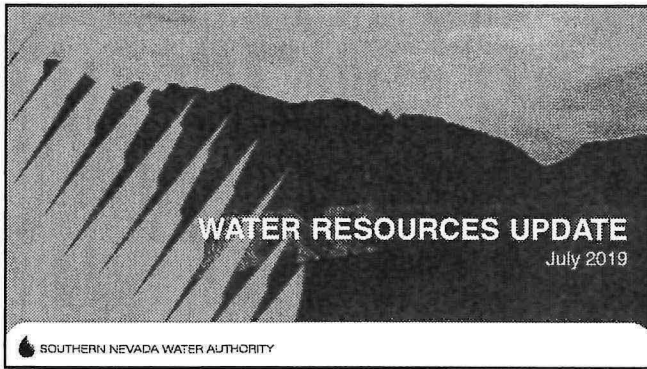


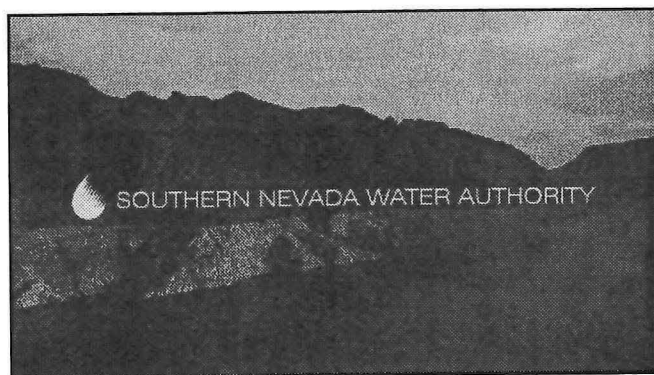
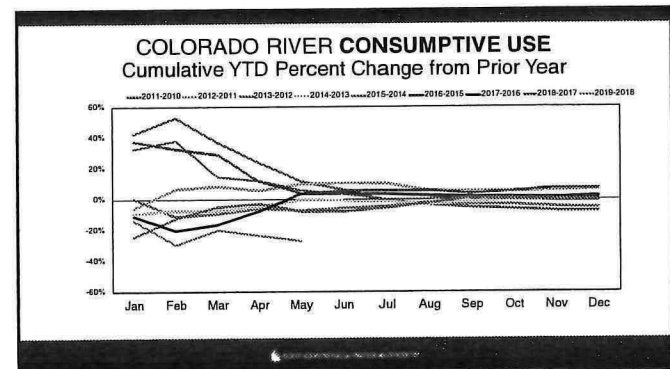
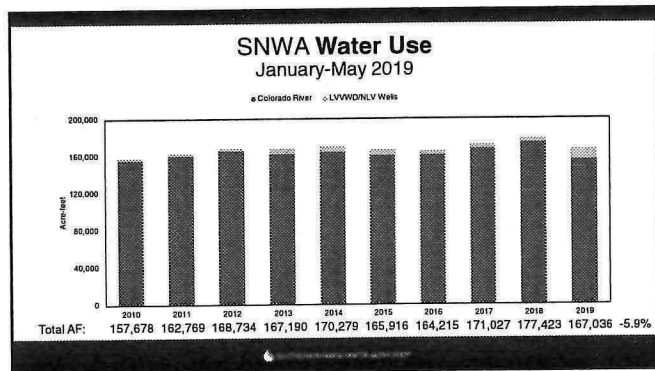
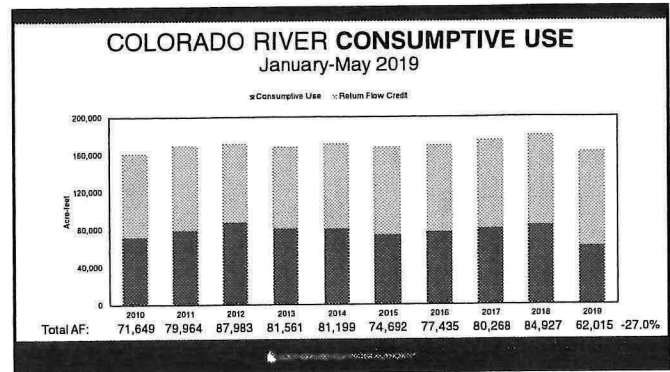
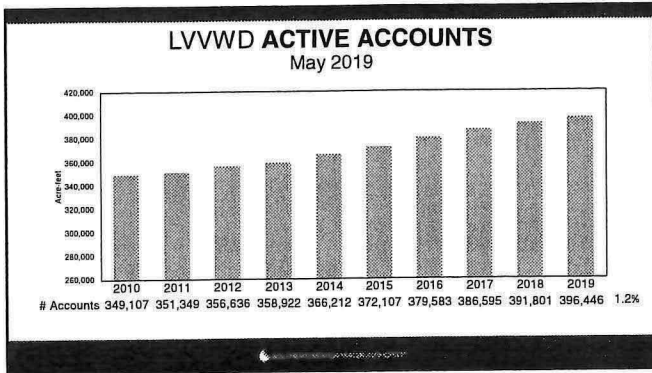
29

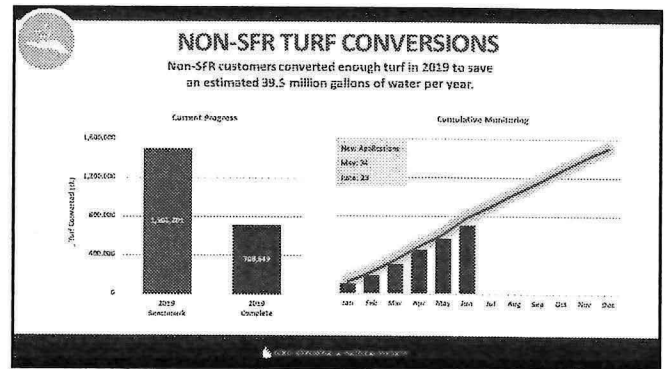
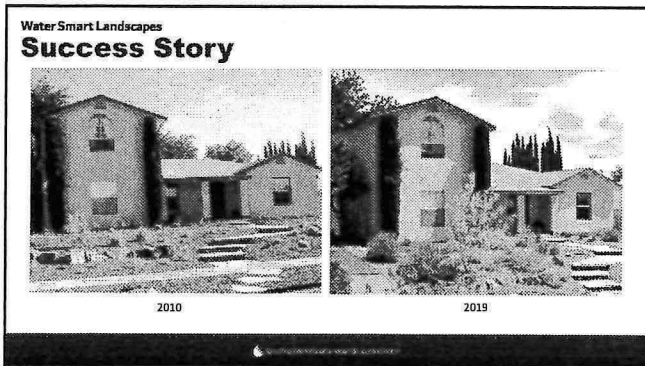
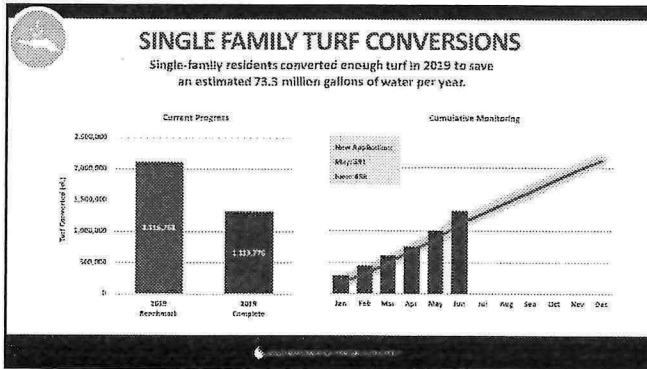
WHY NOW

- Minimize impacts to water rates
- Maintain stability among funding sources
- Ensures the 40 million annual tourists fund their share of infrastructure
- Maintain strong municipal credit ratings
- Provide a mechanism to fund Lower Las Vegas Wash improvements
- Take advantage of money-saving debt refinancing activities







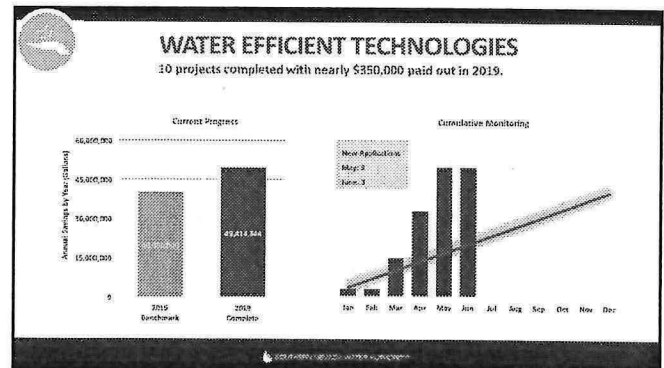


WATER SMART LANDSCAPES

Advertising and Outreach Efforts (through June)

Water Smart Landscapes Rebate

Ads
675 ad placements 5.2 million impressions
Social Media
Shared 85,000 times Awarded 100 engagements
HOA Support
6 HOA member committees 123 forms, campaigns, materials to members



Water Efficient Technologies Project Preview

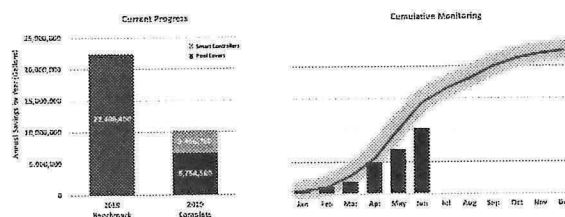
Clark County School District Cooling Tower Replacements

Project Start: Summer 2019
Est. Savings: 1 to 5 million gallons per school/year



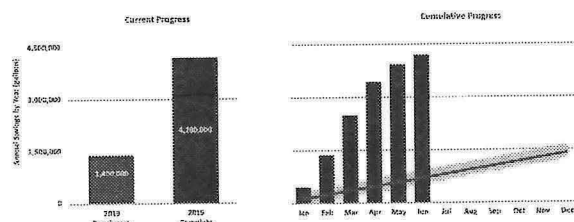
COUPON PROGRAMS

Nearly 1,100 participants and more than \$99,000 paid out in 2019.



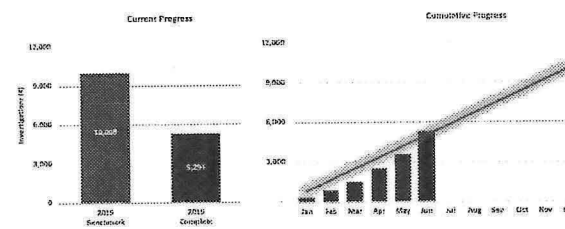
TARGETED SITE EVALUATIONS

SNWA has conducted 120 site evaluations.



LVVWD WATER WASTE INVESTIGATIONS

LVVWD has ramped up water waste investigations.



LVVWD WATER WASTE ENFORCEMENT

Efforts through June 2019

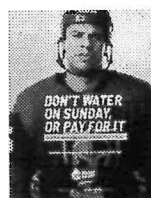


Investigations
5,292 investigations completed
Notifications
122 San Antonio Right-of-Way (ROW) notices issued
1,163 ROW notices issued
Fines
As many as \$25,000 in fines assessed
Outreach
24,000 Sunday watering notices issued
Approx. 22,000 landscape watering notices issued
2.6 million gallons of water saved



LANDSCAPE WATERING COMPLIANCE

Advertising and outreach efforts through June



Ads
2,400 in 2019 print ads
More than 31,000 in 2019 print ads
Social Media
More than 2,500,000 views
More than 1,000 engagements
Website
More than 1.1 million visits
Other Communications
More than 22,000 direct mail letters issued
800,000+ gallons of water saved using savings

ORDINANCE UPDATES

Last November, the SNWA Board directed staff to work with municipal planning agencies to prohibit non-functional turf.



ORDINANCE UPDATES

Southern Nevada's municipalities came together to discuss how ornamental turf gets permitted and how to eliminate it.

- Two in-person meetings
- Planning department and utility representatives
- Developed and refined draft guidelines
- Passed for reviews and comment
- Separate meetings with Planning and Public Works departments

ORDINANCE UPDATES

Key Principles*:

- Turf on public/private parks and schools limited to the active or programmed recreation areas
- Turf cannot be less than 30 feet in any dimension
- Turf cannot be installed in areas less than 1,500 contiguous square feet
- Turf cannot be installed closer than 10 feet to a street

*Development codes for Single-Family Residential development unchanged

ORDINANCE UPDATES

Key Principles, con't.:

- Turf cannot be installed in front of entryways to residential neighborhoods or subdivisions
- Turf in recreation areas should utilize water-efficient species
- Future developer agreements will be negotiated in a way to ensure compliance with present-day turf codes and drought ordinances

ORDINANCE UPDATES

Implementation

Every jurisdiction is different

- ✓ Codes/ordinances are different
- ✓ Planning needs are different

Most will be incorporated as part of larger master planning effort (2020)

MAINTAINING A SUSTAINABLE NEVADA

