



INTEGRATED RESOURCE PLANNING ADVISORY COMMITTEE 2020 MEETING SUMMARY

March 4, 2020, 3:00 p.m.

*Colorado River Conference Rooms, Southern Nevada Water Authority
100 City Parkway, 7th Floor, Las Vegas, Nevada*

IRPAC members present:	Ken Evans Andy Maggi Tom Morley Jonas Peterson	Carol Jefferies Paul Moradkhan Bob Murnane Phil Ralston
IRPAC members absent:	Peter Guzman Virginia Valentine	John Restrepo
Staff present:	John Entsminger Julie Wilcox Andy Belanger Peter Jauch Colby Pellegrino Jordan Bunker	Dave Johnson Kevin Bethel Tabitha Fiddymment Doa Meade Katie Horn
Others present:	Terry Murphy, Facilitator Guy Hobbs, Financial Consultant	

PUBLIC COMMENT

Ed Uehling stated that the 50-year population outlook of one million additional residents to Southern Nevada can be accommodated with the surplus of water that is currently available with Nevada's annual allocation and there is no need to spend money on additional water resources. He suggested expanding the tiered water system to help conserve water and bring in additional funds.

Kevin Keating, H&R Real Estate Investment Trust, manages the recently purchased 900 acres at the old Faraday Future site in North Las Vegas. He expressed gratitude to the SNWA and IRPAC for its commitment to supporting North Las Vegas and stated that the Apex development will help bring thousands of jobs to the local economy.

SUMMARY OF ACTIVITIES

The Southern Nevada Water Authority's (SNWA) Integrated Resource Planning Advisory Committee 2020 (IRPAC 2020) met on Wednesday, March 4, 2020. The meeting began at 3:10 p.m.

#1 Approve agenda and minutes from the February 12, 2020 meeting.

Tom Morley motioned to approve the agenda and minutes from the February 12th meeting. The agenda and minutes were approved.

#2 Review all draft recommendations and make any changes or additions.

John Entsminger, General Manager, reviewed the committee's draft Recommendations Report, noting a change to one of the recommendations which is highlighted below in *italics*.

General

- Work with community stakeholders to implement IRPAC recommendations.

MCCP and Facilities

- Maintain current asset management funding levels and practices to ensure reliable water treatment and transmission in Southern Nevada.
- Pursue projects to meet the Nevada Renewable Portfolio Standard.
- Include the candidate projects presented to IRPAC 2020, totaling \$3.166 billion, in the SNWA's Major Construction and Capital Plan (MCCP).

Water Resources

- Pursue emerging water resource opportunities with Colorado River partners to increase Nevada's water supplies, *as presented to IRPAC on December 18, 2019.*

Andy Maggi made the suggested change to refer to the specific partnership opportunities that were presented at that meeting.

- Require out-of-valley development to return wastewater to Lake Mead and embed the principles of the SNWA's Out of Valley Water Use Policy within municipal codes and LVVWD Service Rules.

Conservation

- Pursue changes necessary to achieve the SNWA's current water conservation goal of a minimum of 105 GPCD by 2035 and further efforts to achieve additional conservation thereafter.
- Reduce existing non-functional turf acreage by 50 percent by 2035.
- Embed the principles of the SNWA's Non-Functional Turf Resolution in municipal codes and LVVWD Service Rules.
- Limit future installations of cool-season turf in public spaces and expedite the conversion of cool-season turf to warm-season turf at existing public facilities.
- Implement smart controller technology to automate landscape watering compliance and increase outreach and enforcement efforts.
- Pursue implementation of advanced metering infrastructure and develop partnerships and programs to improve the speed of customer leak repairs.
- Evaluate changes necessary to reduce current and future consumptive water losses associated with evaporative cooling technology.
- Establish an efficiency review policy and process for new large water users to encourage efficient development and minimize consumptive use.

- Continue to make investments that will maintain or improve the existing water loss rates among wholesale and retail water purveyors.
- Continue outreach efforts to engage the public and effectuate the changes needed to meet the community's regional conservation goal.

Funding

- Fund the MCCP with a combination of debt capital and pay-go to manage unrestricted reserve balances at adequate levels consistent with the Reserve Policy.
- Implement a six-year annual increase to SNWA charges effective January 2021 to:
 - 1) Phase-in an inflationary catch up, and
 - 2) Adjust for subsequent annual inflation within the six-year period:
 - Increase the Connection Charge by 9.0% annually for six years
 - Increase the Infrastructure Charge by 4.3% annually for six years
 - Increase the Commodity Charge by 4.5% annually for six years
- Implement an indexed rate component to the SNWA Infrastructure and Commodity charges annually, effective January 2027, and limit future increases to a floor of 1.5% and a ceiling of 4.5% each year.
 - Infrastructure Charge in accordance with Engineering News Record (ENR) index
 - Commodity Charge in accordance with the Consumer Price Index (CPI)

Do not implement inflationary increases in a year in which the five-year forecast unrestricted reserve balance is projected to be greater than 150% of targeted reserve balances.

- Implement an indexed rate component to the SNWA Connection Charge annually in accordance with the Engineering News Record (ENR) index, effective January 2027.
- Eliminate the \$16.1 million Connection Charge threshold, require SNWA Connection Charge revenues to fund the pay-go portion of capital expenditures and related debt service, and exclude from funding recurring operating expenses.
- Provide IRPAC 2020 with an annual update of the funding model and convene the committee as necessary.

#3 Discuss, finalize and, if appropriate, approve Recommendations Report.

Terry Murphy read statements from those committee members that were unable to attend the meeting. Their statements are attached to these minutes.

Phil Ralston, representing commercial real estate, stated that while NAIOP does not oppose any of the recommendations, there is a concern that the SNWA is one of many public entities that imposes fees on the development community. He stated that there is no regional consideration of the whole of rate increases that affect the cost to commercial real estate and development.

Bob Murnane agreed with Mr. Ralston's comments as it also relates to the homebuilder community. He expressed that the SNWA has been conservative in its projections and aggressive in its conservation and understands the need for system reliability.

Paul Moradkhan stated that the Las Vegas Chamber is philosophically in support of the recommendations but will not meet as a group to discuss them until Monday, March 9, 2020. Because of that, Mr. Moradkhan abstained from voting.

Jonas Peterson stated that the committee and the SNWA has done a thorough job at looking at all available options and has created a path to continue to support development and growth. Mr. Peterson made a motion to approve the Recommendations Report. Tom Morley seconded the motion.

Ken Evans stated that the Urban Chamber of Commerce agrees with the committee and supports the recommendations. He stated that the SNWA has done a great job with its water conservation efforts and in seeking additional water resources.

Carol Jefferies stated that she is impressed with the SNWA's forward-thinking approach to planning.

Andy Maggi praised SNWA for its work with conservation programs and its efforts to reduce the use of water throughout the region, keeping more water in Nevada and reducing demand from other potential resources.

The motion to approve the Recommendations Report was approved, with Mr. Moradkhan's abstention.

On behalf of the SNWA staff, Mr. Entsminger thanked the committee for its participation. He stated that these approved recommendations will go before the SNWA Board of Directors for approval on March 19th. He noted that public outreach activities will continue throughout the year and that, if approved by the Board, the recommended rate scenario would take effect on January 1, 2021.

With no additional comments, Ms. Murphy closed the meeting.

PUBLIC COMMENT

There were no speakers.

ADJOURNMENT

The meeting was adjourned at 3:34 p.m.

From: [peter guzman](#)
To: [John Restrepo](#)
Cc: [Jason Bailey](#); [Terry Murphy](#); [Carol Jefferies](#); [kevans@urbanchamber.org](#); [pmoradkhan@lvchamber.com](#); [Andy Maggi](#); [Tom Morley](#); [bmurnane@gcwengineering.com](#); [Jonas Peterson](#); [Phil Ralston](#); [valentine@nevadaresorts.org](#); [sabrina@nevadaresorts.org](#); [Heather.Senn@amnev.com](#); [Christine Dominguez](#); [Jordan Bunker](#); [Melissa Trammell](#); [Katie Horn](#)
Subject: {EXTERNAL} Re: SNWA IRPAC Agenda & Minutes
Date: Saturday, February 29, 2020 5:24:55 PM

As I mentioned, I will be in D.C. at the White House, on a panel on Economic Development. I could call I if given a call in number.
I support the committees recommendations.

Thank You
Peter Guzman

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On Feb 29, 2020, at 5:13 PM, John Restrepo <jrestrepo@rcgl.com> wrote:

I will not be able to attend the meeting. But j agrees with and support the Committee recommendations.

JR

Sent via the Samsung Galaxy S9+, an AT&T 5G Evolution capable smartphone

----- Original message -----

From: Jason Bailey <jason.bailey@lvvwd.com>
Date: 2/25/20 4:40 PM (GMT-08:00)

March 3, 2020

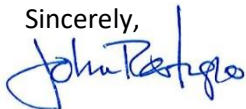
Mr. John Entsminger
General Manager-SNWA
100 City Parkway 6th Floor
Las Vegas, 89106

Re: SNWA IRPAC Recommendations

Dear John:

As we discussed, I will not be able to attend the March 4, 2020 Integrated Resource Planning Advisory Committee ("IRPAC") meeting. Accordingly, I wanted to inform you in writing that I agree with and support the IRPAC's recommendations detailed in the draft *"Recommendations Report, March 2020"* provided by the SNWA on February 20, 2020 via email.

Sincerely,



John Restrepo

From: [Terry Murphy](#)
To: [Katie Horn](#); [John Entsminger](#); [Julie Wilcox](#); [Jordan Bunker](#); [Andrew Belanger](#); [Kevin Bethel](#); [Dave Johnson](#); [Guy Hobbs](#); [Colby Pellegrino](#)
Subject: {EXTERNAL} Fwd: IRPAC
Date: Wednesday, March 04, 2020 1:45:55 PM

FYI...

Terry Murphy
Strategic Solutions

Begin forwarded message:

From: Virginia Valentine <valentine@nevadaresorts.org>
Date: March 4, 2020 at 1:44:19 PM PST
To: Terry Murphy <tmurphy@strategicsolutionsnv.com>, Terry Murphy <tmurphy951@aol.com>, Dawn Christensen <dawn@nevadaresorts.org>
Subject: IRPAC

Hi Terry,

Unfortunately my flight from Reno to Las Vegas this afternoon has been canceled and I will miss the IRPAC meeting this afternoon. The Association supports the recommendations that were provided in the backup material distributed today.

We also strongly support the recommendations regarding follow up meeting with the IRPAC to review the progress and performance of the rate increases and related programs.

Thank you,
Virginia