

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
JULY 15, 2021
MINUTES**

CALL TO ORDER 9:06 a.m.

BOARD MEMBERS PRESENT Marilyn Kirkpatrick, Chair
Dan Stewart, Vice Chair (by telephone)
James Adams
Jim Gibson
Justin Jones
John Lee

BOARD MEMBERS ABSENT Cedric Crear

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

OTHERS PRESENT None

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

COMMENTS BY THE GENERAL PUBLIC

For full public comment, visit snwa.com/apps/snwa-agendas/index.cfm

Ed Uehling submitted written comments for the record. A copy of his comments are attached to these minutes. He spoke concerning item 5, and said that the item was an effort for Governor Sisolak to extend his influence over the Authority. He said that other contracts under consideration by the board involved father / son relationships. He also said that the bond issuance for \$350 million lacked definition for which capital projects would be funded by the bond issuance.

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 20, 2021.***

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 20, 2021. The motion was approved.

2. ***For Possible Action: Appoint a chairman and vice chairman to preside over the Board of Directors for Fiscal Year 2021/22.***

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

CONSENT AGENDA

3. ***For Possible Action: Approve and authorize the General Manager to sign an interlocal agreement between the City of North Las Vegas and the Authority for an amount not to exceed \$3,025,000 for the conversion of approximately 1,712,870 square feet of turfgrass and authorize the General Manager to sign any ministerial documents necessary to effectuate the transaction.***
4. ***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 ten parks to artificial turf and alternate sporting surfaces with an estimated rebate of up to \$976,000 through the Water Efficient Technologies Program and authorize the General Manager to sign any ministerial documents necessary to effectuate the transaction.***
5. ***For Possible Action: Approve a professional services agreement with Hobbs, Ong & Associates, Inc., for independent financial advisory services for an amount not to exceed \$250,000 per fiscal year, with the option to renew for six additional one-year periods.***

FINAL ACTION: Director Jones made a motion to approve staff's recommendations. The motion was approved with Director Lee abstaining from item 5.

BUSINESS AGENDA

6. ***For Possible Action:*** Approve and authorize the General Manager to execute a Funding Agreement, in substantially the same form as attached hereto, for the Creation of Colorado River System Water among the Bureau of Reclamation, Central Arizona Water Conservation District, Metropolitan Water District of Southern California, and the Authority through which the Authority will contribute a maximum of \$2,020,354 per year, subject to Consumer Price Index adjustments, to create Colorado River System Water that will bolster Lake Mead elevations under a fallowing program with the Palo Verde Irrigation District; and to execute documents as necessary to effectuate the agreement.

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

7. ***For Possible Action:*** Approve and authorize the General Manager to execute an Agreement for the Lease of Decreed Muddy River Rights between Nevada Power Company dba NV Energy and the Authority that will allow the Authority to create up to 247.68 acre-feet annually of Intentionally Created Surplus by maintaining the good standing of such water rights and authorize the General Manager to sign ancillary or ministerial documents as necessary.

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

8. ***For Possible Action:*** Approve and authorize the General Manager to sign an agreement between GCW Engineering, Inc., and the Authority to provide preliminary engineering design services on the Garnet Valley Wastewater System Project for an amount not to exceed \$7,871,344.

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

9. ***For Possible Action:*** Approve and authorize the General Manager to sign an agreement between HDR Engineering, Inc., and the Authority to provide preliminary engineering design services on the Garnet Valley Water Transmission System Project for an amount not to exceed \$6,454,639.

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

10. ***For Possible Action:*** Approve and authorize the General Manager to sign an agreement between Stantec Consulting Services Inc. and the Authority to provide preliminary engineering design services on the Stage II Reliability Upgrades Project for an amount not to exceed \$3,363,569.

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

11. ***For Possible Action:*** Approve and authorize the General Manager to execute the Garnet Valley Water Resources Management Agreement among the City of North Las Vegas, Nevada Power Company dba NV Energy, and the Authority that allows for limited short-term groundwater pumping in the Apex area, requires the development of a long-term sustainable groundwater management plan, resolves protests to change applications impacting the area, and provides that if the change applications are approved, the Authority and NV Energy will terminate the Authority's lease of Garnet Valley groundwater rights to NV Energy and the Authority will not make further use of the water under certain conditions; and authorize the General Manager to sign all ministerial documents necessary to effectuate the transaction.

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

12. ***For Possible Action:*** Adopt a resolution requesting the refunding of certain Clark County General Obligation (Limited Tax) Bond Bank Bonds that are additionally secured by SNWA Pledged Revenues, and requesting that the Clark County Board of Commissioners issue general obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues) refunding bonds in the maximum principal amount of \$70,000,000, 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 Possible Action:*** Adopt a resolution requesting the Board of Directors of the Las Vegas Valley Water District to issue bonds in the maximum principal amount of \$350,000,000 to finance the cost of water projects for the Authority; declaring the official intent of the Authority to reimburse certain costs related to such water projects with the proceeds of such bonds; and providing the effective date thereof.

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

14. ***For Possible Action: Appoint nine individuals in accordance with Nevada Assembly Bill 356 (2021) to serve on the Nonfunctional Turf Removal Advisory Committee and make recommendations for the removal of nonfunctional turf in the Las Vegas Valley.***

John Entsminger, General Manager, gave a brief presentation on Assembly Bill 356 and the Nonfunctional Turf Removal Advisory Committee (NTRAC). A copy of his presentation is attached to these minutes. Staff recommended appointment of Mauricia Baca, Scott Black, Stephanie Bressler, Tom Burns, Tena Cameron, Larry Fossan, Dale Hahn, David Strickland, and Brian Walsh to the NTRAC.

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

15. ***For Possible Action: Authorize the General Manager or his designee to make changes to the current Water Smart Landscapes Program, including: 1) removing the \$500,000 annual incentive cap for non-single-family residential projects effective August 1, 2021; 2) eliminating the ability for a non-single-family residential project to obtain \$3.00 for the first 10,000 square feet of turf converted annually; 3) modifying program incentive rates, structure, and annual cap after January 1, 2024; and 4) eliminating, waiving, or modifying program easement requirements; and to execute documents as necessary to effectuate the program.***

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

16. ***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 initiatives, activities on the Colorado River, and water resource acquisition and development.***

Colby Pellegrino, Deputy General Manager, Resources, gave a water resources and conservation update presentation. A copy of her presentation is attached to these minutes.

Director Lee asked when was the deadline for nonfunctional turf to be removed under AB 356. Mr. Entsminger said that nonfunctional turf at non-residential properties under AB 356 needed to be removed by December 31, 2026. Director Lee asked if municipalities could do something to encourage compliance earlier than the deadline. Ms. Pellegrino said that the law allows for interim deadlines or phases, and that staff would be willing to work with city staff to investigate incentives. Mr. Entsminger added that the Authority was committed to working with the purveyor members and jurisdictions to successfully implement AB 356, including providing incentives for early adopters.

Director Jones asked about whether Washington County, Utah's plan to construct a pipeline to Lake Powell was impacted by recent declines in Colorado River Basin hydrology. Mr. Entsminger said southern Utah's applications for right-of-way and amended contract with Bureau of Reclamation were still active and pending action by the U.S. Department of the Interior.

NO ACTION REQUIRED

Public Comment

John Hiatt spoke concerning Las Vegas Valley groundwater. He said that in the late 1980s, many well owners began to notice declining water levels at their wells. From the mid-1990s until 2012, the Authority pumped Colorado River water into the aquifer to stabilize well levels and store the water for future use. Mr. Hiatt said that since the valley is still overappropriated and the Authority has ceased recharging the aquifer with Colorado River water, well owners will once again experience issues with water levels. He said that areas of the valley will also experience ground subsidence.

Ed Uehling said that the fallowing agreement with Palo Verde Irrigation District was a good idea. However, releasing 8.1 million acre-feet of water from Lake Mead to California and Arizona when Lake Mead will receive only 7.5 million acre-feet of water means that lake levels will continue to decline. Diversions out of the Colorado River Basin into the Missouri Basin further contribute to problems. Also, Southern Nevada continues to approve the building of subdivisions, despite the drought. If the community built taller residential complexes with little landscaping, instead of homes with yards, all the homes' water use would be recycled.

Adjournment

There being no further business to come before the Board, the meeting adjourned at 9:56 a.m.

15July2021

To: Marilyn Kirkpatrick, Chairperson, SNWA Board of Directors

From: Ed Uehling, ed.uehling@yahoo.com, 702-808-6000

Re: Questionable Items in today's meeting

Your board is being asked to approve the following questionable items some of which I have signaled to the Board during the last year:

- Contract with the wife of the former Chairman of the SNWA and current governor lasting as long as 6 years in which her company is being paid to justify borrowing unnecessary and massive sums of money from Wall Street (250,000 per year) AND receive, in addition, commissions for the placement of these borrowings!
 - The LVVWD last week entered into a similar \$150,000 contract with the same company.
 - Already the second largest item of the deficit ridden SNWA budget, it would seem imprudent to increase payments to Wall Street
- At least two contracts involving father-son relationships between the employees of SNWA and principals of the contract awardees.
- Bond issue for "capital improvements" totaling \$350,000,000 involving
 - No definition of which capital projects is providing
 - The Board has only approved one project of the 22 IRPAC recommendations—a \$400,000 design of a building to be constructed for the purposes of the Lateral to be constructed in undefined future years
 - The SNWA 2022 Fiscal Year budget calls for this money to be comingled with operation expenses
 - \$350,000,000 is the approximate loss in operations of SNWA for the last 3 years
 - Will the company of the wife of the governor collect the Commissions for the placement of this bond?
- No specific accounting is provided for the \$70,000,000 in bond refunding
- All of the above are being done without establishing separate accounts for capital operations and for operating income and expenses.



1

ASSEMBLY BILL 356

- On June 4, 2021, Governor Sisolak signed Assembly Bill 356
- AB 356 directs SNWA Board of Directors to develop a plan for the removal of nonfunctional turf in the Las Vegas Valley
- To support development of the plan, the legislation also created the Nonfunctional Turf Removal Advisory Committee (NTRAC) to be appointed by the Board
- NTRAC must be comprised of nine voting members, representing office parks, businesses, industrial or commercial businesses, golf courses, two common-interest communities, multifamily housing facilities, environmental organizations, and local governments










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NTRAC

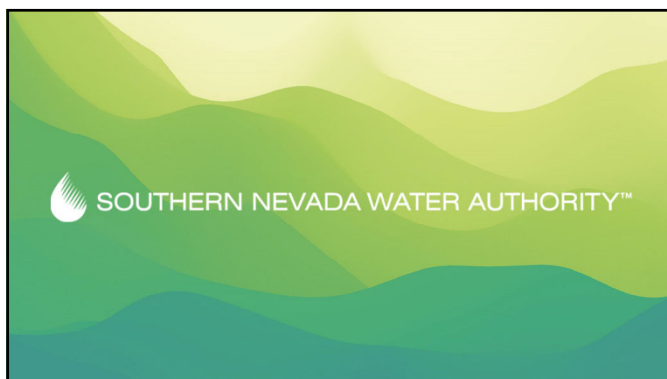
- The Nonfunctional Turf Removal Advisory Committee (NTRAC) will **evaluate phases and deadlines for the removal of nonfunctional turf** and consider recommendations regarding **waivers or exemptions** to the nonfunctional turf provisions
- NTRAC's meetings will be **open to the public** and noticed in accordance with Nevada Open Meeting Law
- It is anticipated that the committee will **meet monthly** over the next four to five months
- Ultimately, these meetings will result in the NTRAC's development of formal **recommendations for Board consideration**

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2021 NONFUNCTIONAL TURF REMOVAL ADVISORY COMMITTEE (NTRAC) RECOMMENDED APPOINTEES

 Mauricia Baca Environmental Organization	 Larry Fossan Common-interest Community
 Scott Black Local Government	 Dale Hahn Golf Course
 Stephanie Bressler Multifamily Housing	 David Strickland Industrial/Commercial
 Thomas Burns Business	 Brian Walsh Common-interest Community
 Tena Cameron Office Park	

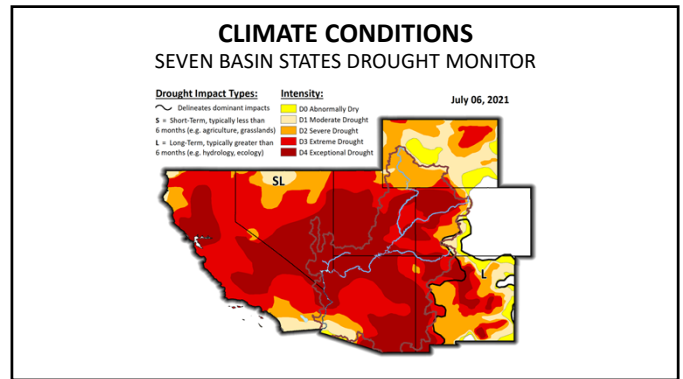
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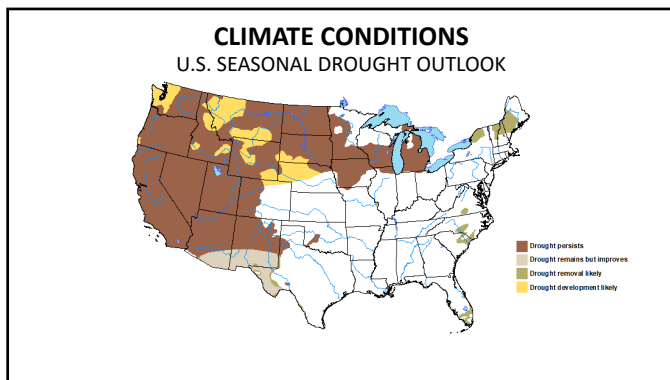
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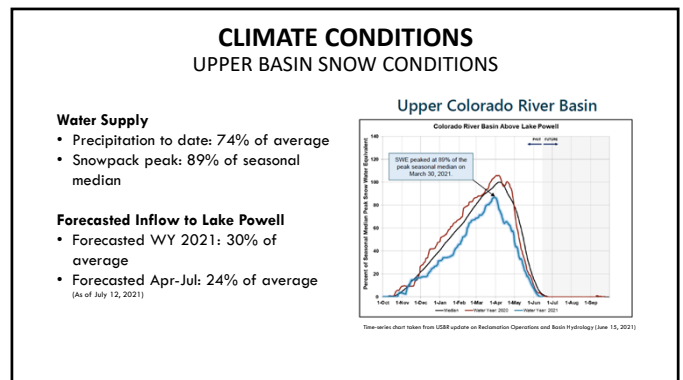
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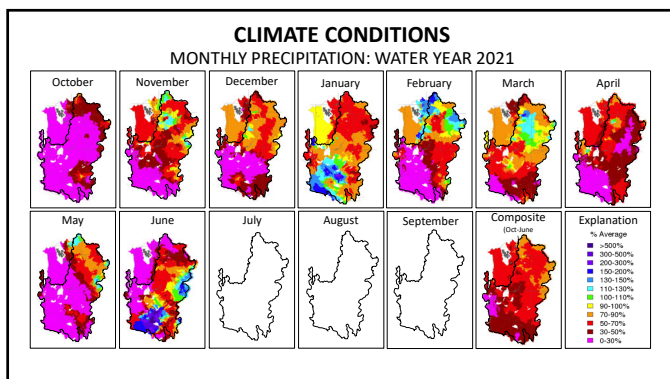
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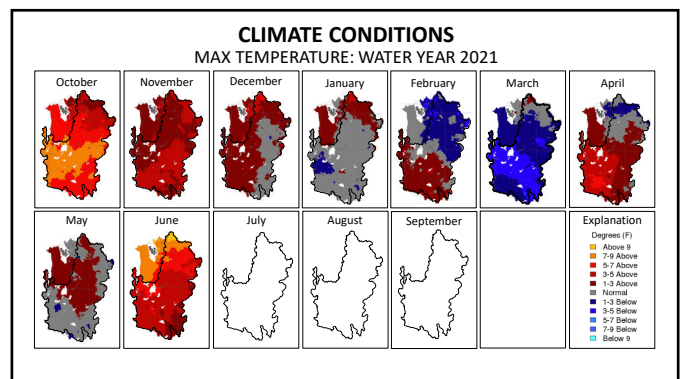
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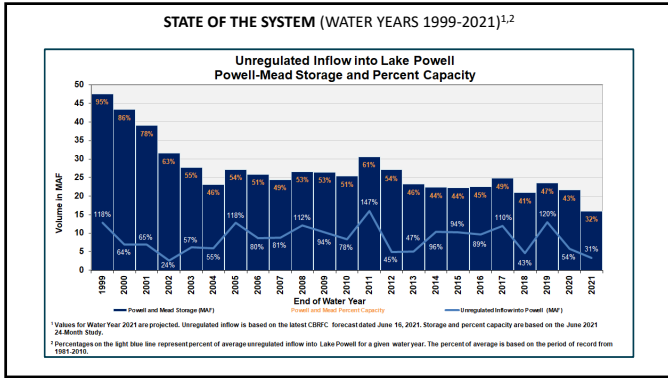
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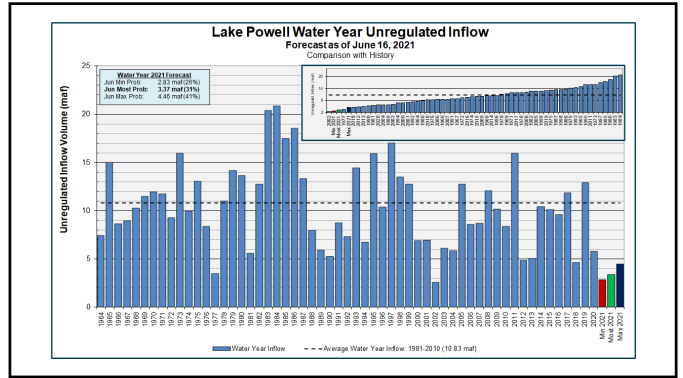
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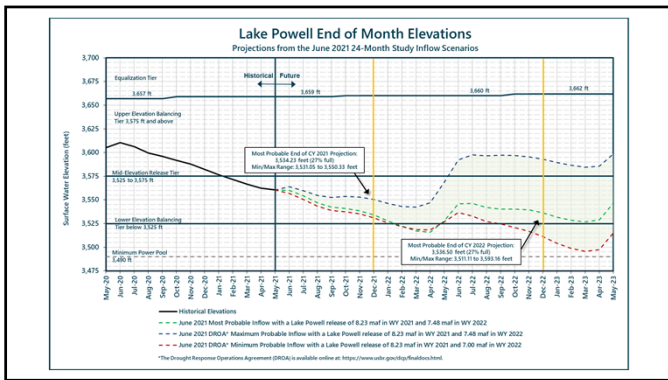
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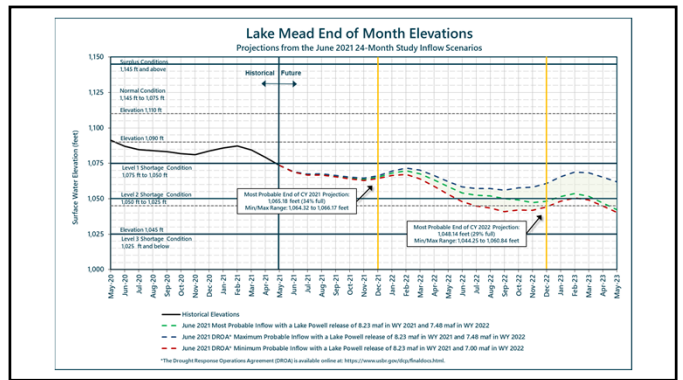
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5-YEAR PROJECTED LB OPERATIONS

Lower Basin – Lake Mead Percent of Traces with Event or System Condition Results from June 2021 CRMM-ESP/CRSS using the Full Hydrology and Stress Test Hydrology (values in percent)

Event or System Condition	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Surplus Condition – any amount (Mead > 1,145 ft)	0	0	0	<1	4	0	0	0	0	0
Surplus – Flood Control	0	0	0	0	0	0	0	0	0	0
Normal or ICS Surplus Condition (Mead > 1,145 and > 1,075 ft)	100	0	3	12	15	100	0	5	3	1
Recovery of DCP ICS / Mexico's Water Savings (Mead > 1,110 ft)	0	0	0	3	7	0	0	0	0	0
DCP Contribution / Mexico's Water Savings (Mead > 1,090 and > 1,075 ft)	100	0	3	9	9	100	0	5	3	1
Shortage Condition – any amount (Mead < 1,075 ft)	0	>99	97	88	81	0	>99	95	97	99
Shortage / Reduction – 1" level (Mead < 1,075 and > 1,050 ft)	0	>99	74	31	23	0	>99	60	30	28
DCP Contribution / Mexico's Water Savings (Mead < 1,075 and > 1,050 ft)	0	>99	74	31	23	0	>99	60	30	28
Shortage / Reduction – 2" level (Mead < 1,050 and > 1,025 ft)	0	0	23	54	39	0	0	34	65	32
DCP Contribution / Mexico's Water Savings (Mead < 1,050 and > 1,045 ft)	0	0	17	9	8	0	0	26	4	7
DCP Contribution / Mexico's Water Savings (Mead < 1,045 and > 1,040 ft)	0	0	5	10	7	0	0	8	10	8
DCP Contribution / Mexico's Water Savings (Mead < 1,040 and > 1,035 ft)	0	0	0	13	8	0	0	<1	12	4
DCP Contribution / Mexico's Water Savings (Mead < 1,035 and > 1,030 ft)	0	0	0	13	10	0	0	0	22	9
DCP Contribution / Mexico's Water Savings (Mead < 1,030 and > 1,025 ft)	0	0	0	6	5	0	0	0	16	5
Shortage / Reduction – 3" level (Mead < 1,025 ft)	0	0	0	3	20	0	0	0	2	38
DCP Contribution / Mexico's Water Savings (Mead < 1,025 ft)	0	0	0	3	20	0	0	0	2	38

Notes:
 1. Assumed operations include the 2021 Interim Guidelines, Upper Basin Drought Response Operations, Lower Basin Drought Contingency Plan, and Mexico 2021 Interim Guidelines.
 2. Reported conditions from June 2021 to June 2022 were simulated using the June 2021 CRMM-ESP/CRSS model. Reported conditions from June 2023 to June 2025 were simulated using the June 2021 CRMM-ESP/CRSS model.
 3. Total of 1,000 years analyzed and with 12 hydrology inflow sequences from the Stress Test Hydrology that represent the observed inflow from 1980-2019 for a total of 1,120 traces analyzed.
 4. Percentages shown in the table may not be representative of the full range of future possibilities that could occur with different modeling assumptions.
 5. Percentages shown may not sum to 100% due to rounding to the nearest percent.
 6. Values at DCP/DCP-ESP operations from June 2021 to June 2022, December 1, 2021, operations falling below 1,075 ft, the August 2021 24-Month Study will set the 2022 Lower Basin operating level.

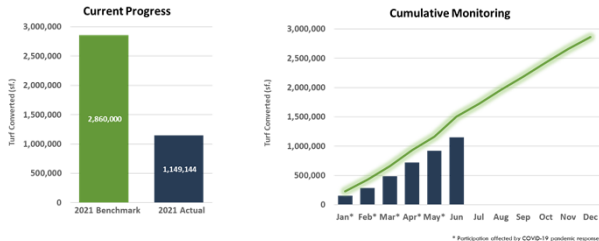
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WATER SMART LANDSCAPES

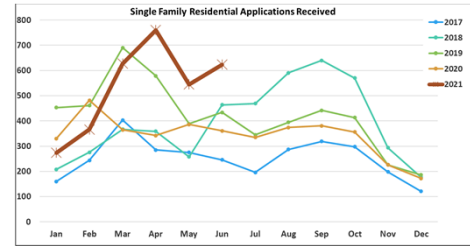
Homeowners have converted more than 1.1 million sf. of turf in 2021, saving an estimated 64 million gallons of water annually.



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WATER SMART LANDSCAPES

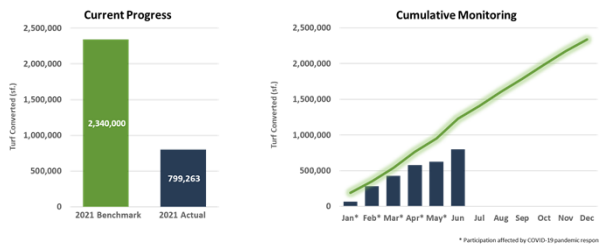
Single Family Residential WSL applications are on the rise, far outpace progress in recent prior years.



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WATER SMART LANDSCAPES

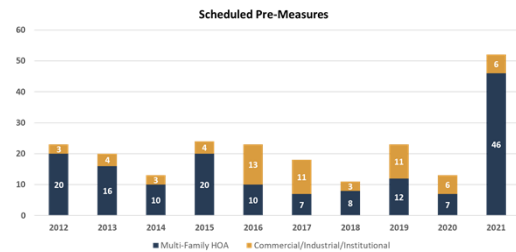
Non-SFR customers have converted more than 799,000 sf. of turf in 2021, saving an estimated 44 million gallons of water annually.



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WATER SMART LANDSCAPES

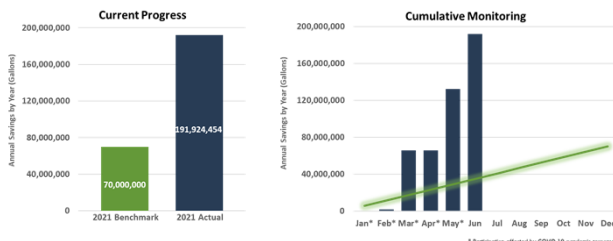
Program interest among the Non-SFR water users is on the rise.



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WATER EFFICIENT TECHNOLOGIES

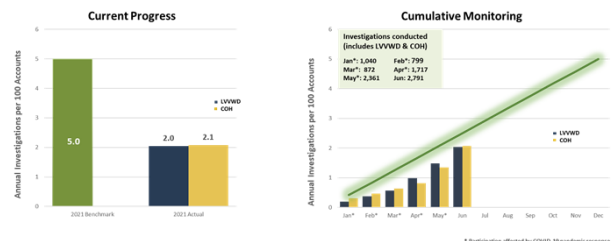
WET program participants have already saved nearly 192 million gallons of water.



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WATER WASTE INVESTIGATIONS

Water waste investigations are still trending below benchmark, but we are picking up pace with staffing additions.

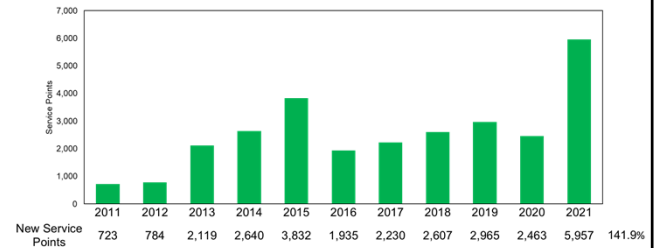


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WATER USE TRENDS

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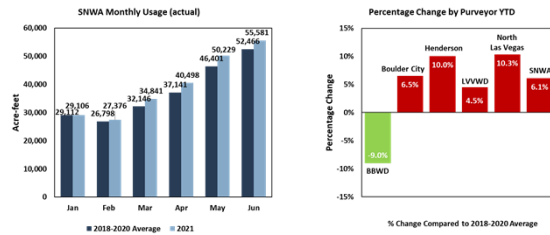
LVVWD NEW SERVICE POINTS JANUARY - JUNE 2021



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SNWA WATER USE

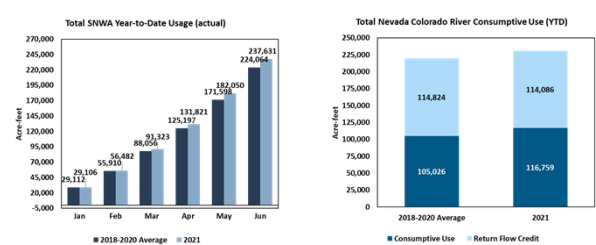
2021 water use continues to trend upwards.



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SNWA WATER USE

2021 water use is on track to exceed our 3-year average.



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 SOUTHERN NEVADA WATER AUTHORITY™

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