

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
MARCH 17, 2022
MINUTES**

CALL TO ORDER 9:02 a.m.

BOARD MEMBERS PRESENT Marilyn Kirkpatrick, Chair
Dan Stewart, Vice Chair
James Adams
Scottt Black
Jim Gibson
Justin Jones

BOARD MEMBERS ABSENT Cedric Crear

STAFF PRESENT John Entsminger, Dave Johnson, Doa Ross, Kevin Bethel, and Tabitha Simmons

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 spoke concerning item 5 to increase the Wholesale Delivery Charge. He said that he thought a business impact statement should be required before the Wholesale Delivery Charge was increased.

Bob Coffin spoke concerning item 5. He said he was concerned with the Authority's plan to build the Horizon Lateral. He said that he did not think it appropriate to raise additional money to move more water to some areas of the Valley at a time when the Authority was also telling the public that watering some applications of grass was illegal. He did not think it was appropriate to build additional infrastructure when there was not water to put in the infrastructure.

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 February 17, 2022.**

FINAL ACTION: Vice Chair Stewart made a motion to approve the agenda for this meeting, and to approve the minutes from the regular meeting of February 17, 2022. The motion was approved.

BUSINESS AGENDA

2. ***For Possible Action:* Approve and authorize the General Manager to sign an interlocal agreement among the Clark County Water Reclamation District, Clark County, the City of Las Vegas, and the Authority, establishing funding allocations for the Clark County Aerial LiDAR Project through March 31, 2023, and authorize the Authority's contribution for an amount not to exceed \$88,980.**

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

3. ***For Possible Action:* Approve and authorize the General Manager to sign the Federal Demonstration Partnership Cost Reimbursement Subaward Agreement between the Authority and the University of Nevada, Las Vegas, for the Southern Nevada Wastewater Surveillance Program for High-Risk and Underserved Populations project and accept funds for an amount not to exceed \$908,381.**

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

4. ***For Possible Action:* Adopt the 2022 Revenue Refunding Bond Resolution, providing for the issuance of its "Southern Nevada Water Authority Water, Revenue Refunding Bonds, Series 2022," in the maximum principal amount of \$85,000,000 to refinance certain outstanding Authority Bonds held by the Clark County municipal bond bank.**

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

5. ***For Possible Action: Approve an increase to the Wholesale Delivery Charge of 6.8 percent, effective July 1, 2022, and authorize an increase to the ceiling for future annual adjustments from 4.5 percent to 7.0 percent.***

John Entsminger, General Manager, said that the Wholesale Delivery Charge funds Authority operations to treat and deliver water to the purveyoy members. The charge funds the purchase of chemicals to treat the water, electricity to operate the pumps, and salaries for staff that operate the treatment plants. The Wholesale Delivery Charge is not charged to customers. The purveyors, including the Las Vegas Valley Water District, City of North Las Vegas, City of Henderson and City of Boulder City, pay the charge. Therefore, there is no Business Impact Statement required since there is not a direct impact to customers.

Beyond the inflationary impacts from the pandemic on the supply chain, the Authority is seeing other impacts that are driving the proposed Wholesale Delivery Charge increase. The Authority expects to see its chemical costs increase by \$5 million in the next year. As an example, the chemical cost increases were being driven by manufacturing disruptions in China, Europe, Utah and Texas. The Authority also expects its energy costs to increase by \$10 million next year. While increasing the Wholesale Delivery Charge by 6.8 percent this year will help mitigate inflationary challenges, the increase will not completely offset the operational cost increases the Authority anticipates.

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

6. ***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.***

Mr. Entsminger gave an update on water resources and conservation initiatives. A copy of his presentation is attached to these minutes.

Director Jones asked what impact a new 2,000 square-foot single-family residence with minimal landscaping would have on Southern Nevada's water resources. Mr. Entsminger said that the consumptive use impact could be calculated by taking the drip-irrigated, water smart landscaping area of the home and multiplying that by 17 gallons per square foot. Other wise, the indoor uses of the home would be recycled, as long as the home was connected to a municipal sewer system and not on a septic system.

Chair Kirkpatrick asked what was driving the higher use numbers (by percentage) in North Las Vegas and Henderson. Mr. Entsminger said that he did not have details explaining the increases, but he thought the increases could be the result of construction in those jurisdictions. He said that because those areas make up less of the overall usage in Southern Nevada, the percentage of usage will increase as their service areas expand. He said that the Las Vegas Valley Water District had 9,000 new connections in 2021, while North Las Vegas and Henderson combined also had 9,000 new connections in 2021, demonstrating that those areas were currently growing faster than the rest of the Valley.

NO ACTION REQUIRED

Public Comment

Bob Coffin said that he was concerned about the construction of a new lateral in the south part of the Valley and the costs associated to tunnel and construct the lateral. He was concerned about the potential impact to rate payers from a new, large capital project. He questioned the need for the new project.

Ed Uehling expressed appreciation for the explanation of why a Business Impact Statement was not required to increase the Wholesale Delivery Charge. He also said that while climate change was evaporating more ocean water and increasing river flows in the world by 30 percent, climate change was reducing flows in the Colorado River Basin. He said that the Basin had two options: Either reduce diversions or connect to the Snake River or Missouri River to increase flows. He said that instead of spending \$15 billion on a pipeline from eastern Nevada, as the Authority had once proposed, Southern Nevada should spend that money on connecting the Coloardo River to the Snake River.

Chair Kirkpatrick asked Mr. Entsminger to give some background on the Horizon Lateral project. Mr. Entsminger said that the Authority Board approved a feasibility study for the project in 2019 to be performed by Black&Veatch. The project was also part of a proposed capital program that was reviewed and discussed in detail by the Integrated Resouce Planning Advisory Committee (IRPAC). Ultimately, the IRPAC members recommended that the project be included in the Authority's capital program, which included other projects such as the Apex water and wastewater system, and the cooperative water recycling project in Southern California. The IRPAC also discussed and developed funding

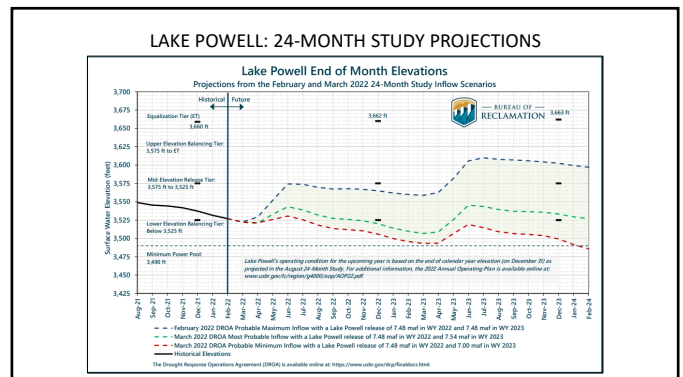
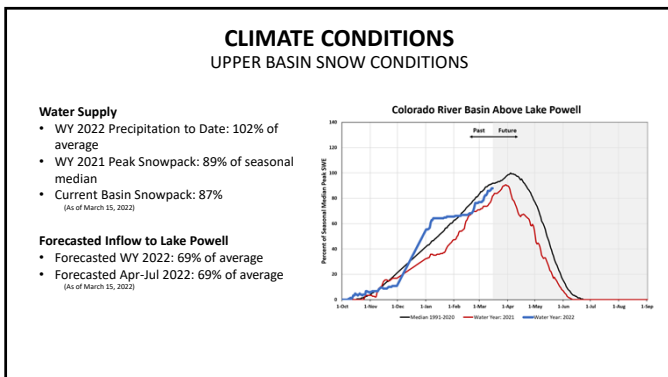
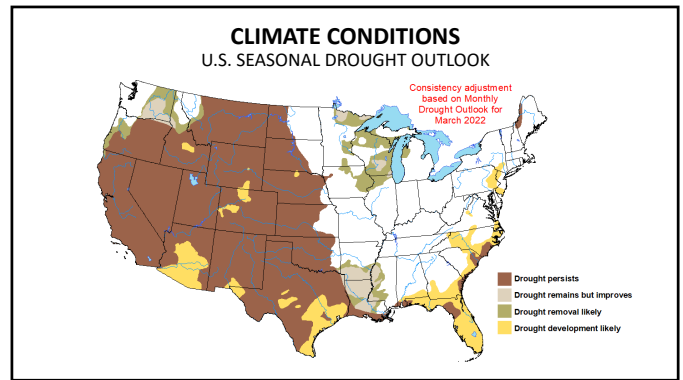
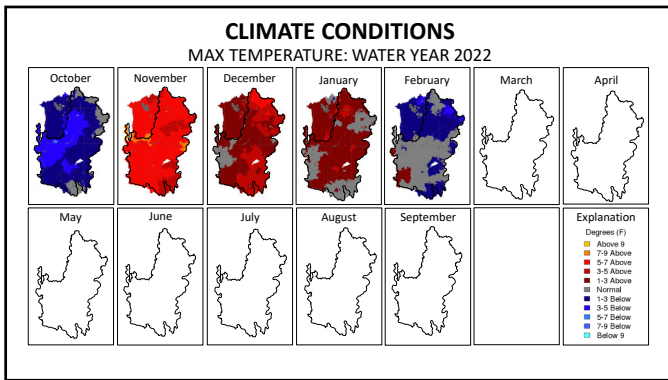
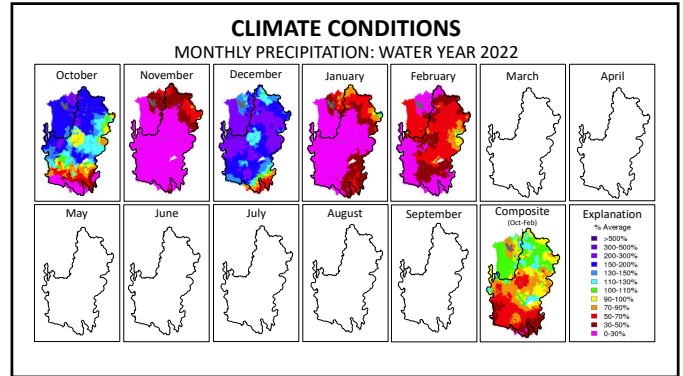
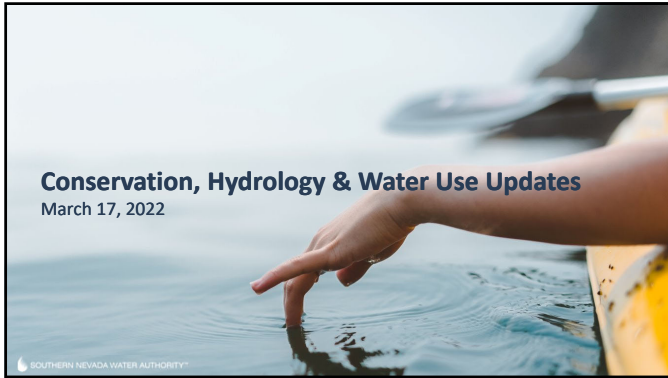
recommendations for the capital program. After the Authority approved the IRPAC's recommendations and the capital program, the respective member agency boards also approved the Authority's capital program.

Vice Chair Stewart expressed the need for the Horizon Lateral to provide water security for the southern Valley, and to pursue the proposed tunneling alignment to reduce traffic and business impacts in Henderson.

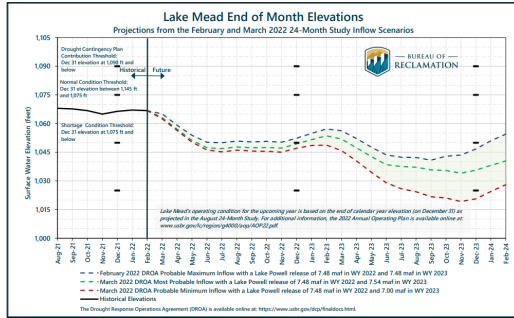
Adjournment

There being no further business to come before the Board, the meeting adjourned at 9:45 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.

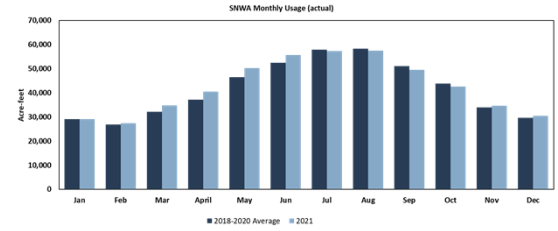


LAKE MEAD: 24-MONTH STUDY PROJECTIONS



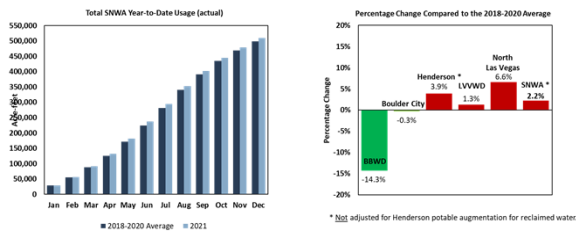
SNWA WATER USE AND NEVADA COLORADO RIVER USE

2021 SNWA water use was higher than the prior year.



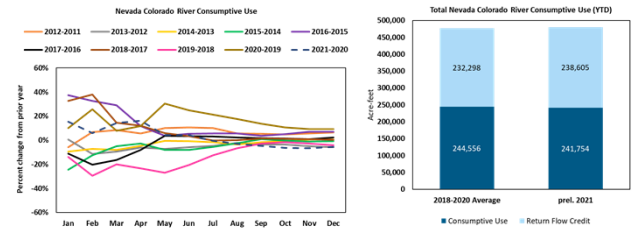
SNWA WATER USE

2021 SNWA water use was higher than the prior year.



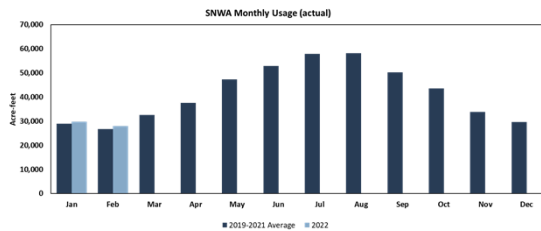
NEVADA COLORADO RIVER USE

2021 Colorado River consumptive use was below our 3-year average.

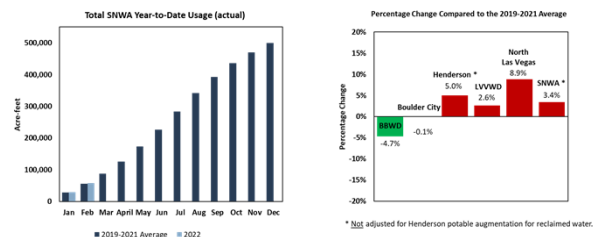


SNWA WATER USE AND NEVADA COLORADO RIVER USE

2022 SNWA water use is higher than the 3-year average.

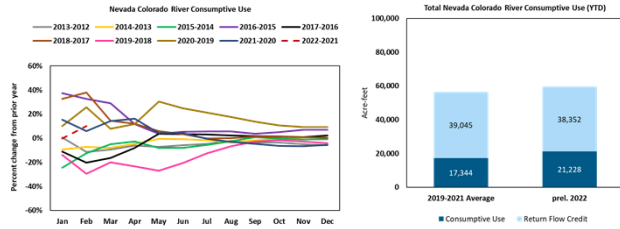


January-February 2022 SNWA water use was higher than the 3-year average.



NEVADA COLORADO RIVER USE

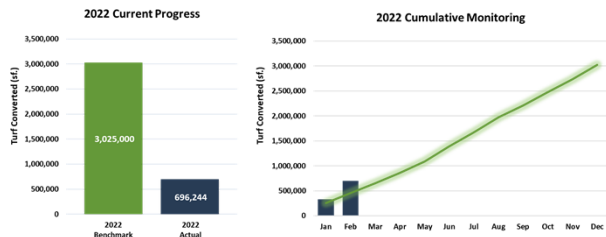
January - February 2022 Colorado River consumptive use is above the 3-year average.



WATER CONSERVATION UPDATE

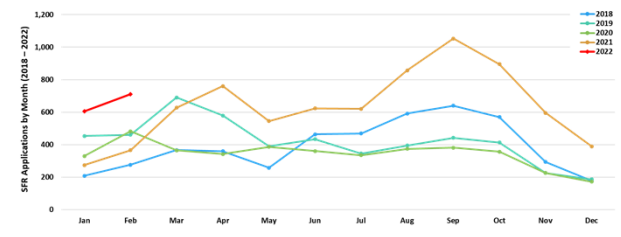
WATER SMART LANDSCAPES

Homeowners converted nearly 700,000 sf. of turf in 2022, saving an estimated 38.8 million gallons of water annually.



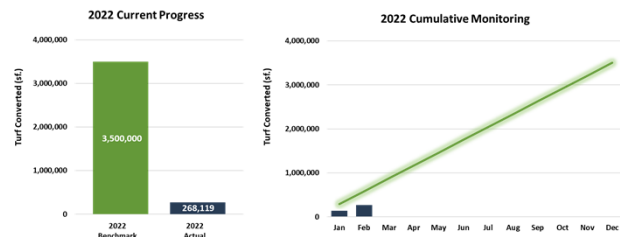
WATER SMART LANDSCAPES

Single Family Residential WSL applications continue to outpace progress in recent prior years.



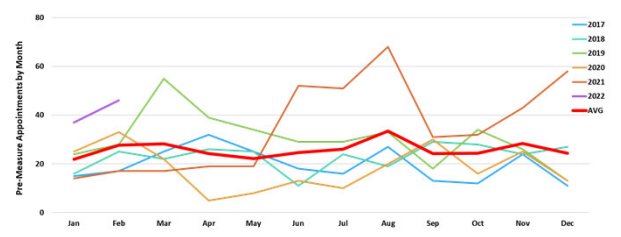
WATER SMART LANDSCAPES

Non-SFR customers have converted more than 268,000 million sf. of turf in 2022, saving more than an estimated 14.9 million gallons of water annually.



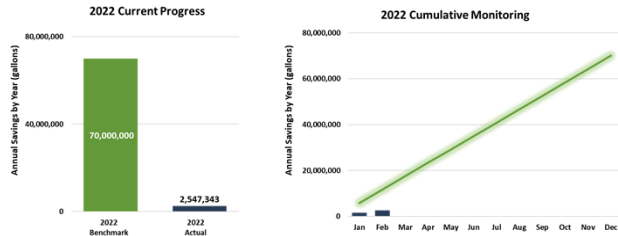
WATER SMART LANDSCAPES

Program interest among the Non-SFR water users continues to outpace prior recent years.



WATER EFFICIENT TECHNOLOGIES

WET program participants completed 10 projects in 2022, saving an estimated 2.5 million gallons of water.



WATER WASTE INVESTIGATIONS

Water waste investigations are on track.

