

**SOUTHERN NEVADA WATER AUTHORITY  
BOARD OF DIRECTORS  
REGULAR MEETING  
MAY 19, 2022  
MINUTES**

CALL TO ORDER 9:09 a.m.

BOARD MEMBERS PRESENT Marilyn Kirkpatrick, Chair  
Dan Stewart, Vice Chair  
James Adams  
Scott Black  
Cedric Crear  
Jim Gibson  
Justin Jones (Entered at Item 16)

BOARD MEMBERS ABSENT

STAFF PRESENT John Entsminger, Dave Johnson, 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](http://snwa.com/apps/snwa-agendas/index.cfm)*

Chair Kirkpatrick said that she would be allowing public comment separately on Item 14 and said that those wishing to speak on that item could speak now or wait for the item to be heard. There were no speakers for the first public comment period.

**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 April 21, 2022.

Staff requested that Item 16 be moved up in the agenda to be heard as the first item of the Business Agenda.

FINAL ACTION: Vice Chair Stewart made a motion to approve the agenda for this meeting with moving Item 16 to the beginning of the Business Agenda, and to approve the minutes from the regular meeting of April 21, 2022. The motion was approved.

**CONSENT AGENDA**

2. ***For Possible Action:*** Approve and authorize the General Manager to sign Amendment No. 1 to the interlocal agreement between the County of White Pine, d/b/a Tri-County Weed Control, and the Authority, in an amount not to exceed \$50,000 per contract year.
3. ***For Possible Action:*** Approve and authorize the Chair to sign, in substantially the same form as attached hereto, an interlocal agreement among the City of Henderson, the City of Las Vegas, the City of North Las Vegas, Clark County, the Clark County Regional Flood Control District, the Clark County Water Reclamation District, and the Authority to establish funding allocations and the budget for Las Vegas Wash activities in Fiscal Year 2022/23 and approve the Authority's allocation of \$762,743.
4. ***For Possible Action:*** Approve the Amended and Restated Agreement of the Las Vegas Valley Watershed Advisory Committee among Clark County, the Clark County Regional Flood Control District, the Clark County Water Reclamation District, the City of Henderson, the City of Las Vegas, the City of North Las Vegas, the Las Vegas Valley Water District, and the Authority.
5. ***For Possible Action:*** Approve and authorize the General Manager to sign an interlocal agreement between the City of Henderson and the Authority for the conversion of approximately 740,000 square feet of turfgrass and authorize the General Manager to sign any ministerial documents necessary to effectuate the agreement in an amount not to exceed \$1,240,000.

6. ***For Possible Action:*** Approve and authorize the General Manager to sign an interlocal agreement between the Clark County School District and the Authority for the conversion of approximately 4.3 million square feet of live turfgrass and authorize the General Manager to sign any ministerial documents necessary to effectuate the agreement in an amount not to exceed \$10.4 million.
7. ***For Possible Action:*** Approve a resolution authorizing the submission of a grant proposal to the Bureau of Reclamation's WaterSMART Small-Scale Water Efficiency Projects grant program, seeking \$95,000 and authorizing the General Manager to sign the implementing funding agreement provided that the Authority's obligations do not exceed \$111,000.
8. ***For Possible Action:*** Approve a resolution authorizing the submission of a grant proposal to the Bureau of Reclamation's WaterSMART Applied Science Grants program for Fiscal Year 2022 and authorizing the General Manager to sign the implementing funding agreement provided the Authority's obligations do not exceed \$347,280.
9. ***For Possible Action:*** Approve and authorize the General Manager to sign an interlocal agreement among the Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Las Vegas, and the Authority to complete a research project on evaporative cooling technology for an amount not to exceed \$50,000.
10. ***For Possible Action:*** Approve and authorize the General Manager to sign an interlocal agreement among the Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Las Vegas, Center for Business and Economic Research, Southern Nevada Regional Transportation Commission, and the Authority for the preparation of Clark County population forecasts over a three-year period for an amount not to exceed \$20,250 annually and a total cost not to exceed \$60,750.
11. ***For Possible Action:*** Approve and authorize the General Manager to sign, in substantially the same form as attached hereto, five amended and restated interlocal agreements to include the purchase of energy from the Boulder Flats solar photovoltaic facility and the reporting of Portfolio Energy Credits, each between the Authority and its member agencies: the Las Vegas Valley Water District, Clark County Water Reclamation District, City of Henderson, City of Las Vegas, and City of North Las Vegas.
12. ***For Possible Action:*** Approve and authorize the General Manager or designee to acquire easements, subject to the attached term sheets, which are necessary to construct, operate and maintain facilities for the Garnet Valley Water Distribution System in a combined fair market value not to exceed \$44,750.

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

### **BUSINESS AGENDA**

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.

John Entsminger, General Manager, gave an update on water resources and conservation. A copy of his presentation is attached to these minutes.

Chair Kirkpatrick asked Mr. Entsminger to explain why it was important to protect Lake Powell water elevations. Mr. Entsminger said that below elevation 3,490 ft. at Lake Powell, Glen Canyon Dam can no longer produce power. The loss of power production impacts the entire western power grid. Also, the Bureau of Reclamation is concerned about the impact of lower lake levels on the bypass tunnels at Glen Canyon Dam.

Vice Chair Stewart asked about the protections put in place by the 500+ plan. Mr. Entsminger said that the efforts by the Lower Basin States to protect Lake Mead levels are helping to keep water in Lake Mead but hydrology remains poor.

### **NO ACTION REQUIRED**

13. ***For Possible Action:*** Authorize the General Manager to participate in legal actions—as a plaintiff, intervenor, or otherwise—arising from final determinations of the Nevada State Engineer, or brought in the district courts, where it is reasonably foreseeable that the Authority's senior water rights on the Muddy River could be impacted, including authorization to appeal a recent district court order that erodes protections of the Authority's Muddy River water rights.

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

14. ***For Possible Action: Adopt a resolution (1) supporting a reduction of golf course water budgets from 6.3 acrefeet of water annually per irrigated acre to 4.0 acre-feet of water annually per irrigated acre for all golf courses that use Colorado River water effective January 1, 2023; and (2) urging the immediate revision of applicable regulatory codes, ordinances, and policies by Authority members to effectuate the resolution.***

Mr. Entsminger gave a presentation regarding the proposed resolution. A copy of his presentation is attached to these minutes.

Vice Chair Stewart asked about the implementation of the resolution should it pass. Mr. Entsminger said the resolution represents a united recommendation from the Board to the member agencies and regulatory jurisdictions. He said that for the resolution to be implemented, the Authority members would need to revise their applicable regulatory codes and rules.

Director Jones asked about the difference between irrigated acres and total acres. Mr. Entsminger said that in the Las Vegas Valley Water District service rules, irrigated acres are defined as areas with turf and include water features.

After additional Board discussion, Chair Kirkpatrick opened the item for public comment.

Jason Cheney, Southen Highlands Golf Club/Golf Industry Alliance, said that the golf industry is aware of the drought and lowering Lake Mead water levels. However, the golf industry needs to be a partner as new water budgets are established to avoid unintended consequences. He said that the industry was not aware of the proposed changes to water budgets until the agenda was posted a week ago. He said that the golf industry stands ready to be a part of the discussion.

James Symons, Anthem Country Club, said that he was representing golf course superintendents. He said that superintendents' goal was conservation and being good stewards of the resource. He said that turf reduction was already happening at many golf courses in Southern Nevada, and he appreciated working with SNWA on turf conversion projects. He said that financial assistance and incentives were needed to help golf courses implement technology and reduce water consumption. He said that reducing golf course water budgets to four acre-feet in six months will be a challenge to some courses. He would like to partner with the industry and staff to safely reduce water budgets over time to protect these ecosystems.

Eric Dutt, Reflection Bay Golf Club/Nevada Golf Alliance, said that the economic impact of the golf industry in Nevada is \$1.981 billion per year. He said that the industry is committed to helping address the challenges posed by the drought. He cautioned that if the industry attempts to reduce water use too much too fast there could be unintended economic impacts. He offered to help reach out to golfers in Southern Nevada to educate them on water conservation.

Bob Gronauer, Southern Highlands, said that his goal was to ask that the resolution be held to allow for further conversation and discussion with the golf industry. He said that there needs to be further discussion on what the golf course water budget should be set at. He said that golf courses using six acre-feet of water per irrigated acre would be extremely challenged with reducing their consumption to four acre-feet in only six months time. Following Mr. Gronauer's comments, Chair Kirkpatrick turned the discussion back over to the Board.

Director Crear said that he believed that further discussion was needed with the industry to determine what the golf course water budget should be set at and to discuss implementation timelines. He also said that it appeared that the industry had not been fully briefed. He said that he supported reducing the water budgets, but that it might be appropriate to delay implementation to allow for further conversation. Mr. Entsminger said that since the resolution is non-binding, he suggested that the resolution could be passed today which would start the discussion at the member agency level with the industry.

Chair Kirkpatrick recommended that the Board take action immediately so that the conversation can move forward to reduce water consumption. With hard conversations and decisions needed, the Board can not hold off on making these important decisions.

Director Jones said that a progress report was needed at future meetings so that the Board can hold itself accountable to ensure that water conservation measures were being implemented at each of the member agencies. He suggested that the Board change the effective date of the resolution to April 1, 2023, to allow the discussion to move forward and give the industry more time to implement the new water budgets. Mr. Entsminger said that he thought it was fair to change the effective date of the resolution.

Director Gibson did not support delaying the decision on the item. He said that action was needed now to help meet the Authority's conservation goals. Director Adams and Director Black agreed that action was needed.

FINAL ACTION: Director Gibson made a motion to approve the resolution with a change to the effective date to April 1, 2023, and to approve staff's other recommendations. The motion was approved.

15. ***For Possible Action: Conduct a Public Hearing on the Tentative Budget for the Authority and subsequently adopt a Final Budget for Fiscal Year 2022/23.***

Mr. Entsminger gave a presentation regarding the tentative budget. A copy of his presentation is attached to these minutes.

Director Adams spoke regarding the Horizon Lateral project. He said that his community was concerned with potential growth in southeast Henderson that could be facilitated by the project that could possibly impact Boulder City especially in light of the current drought. Chair Kirkpatrick said that the community needed to work together to conserve water and urged the residents of Boulder City, which has a high per capita water use, to do more to conserve water. She said that the Horizon Lateral was needed to help ensure water service to a large number of residents in the south area of the Valley.

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

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

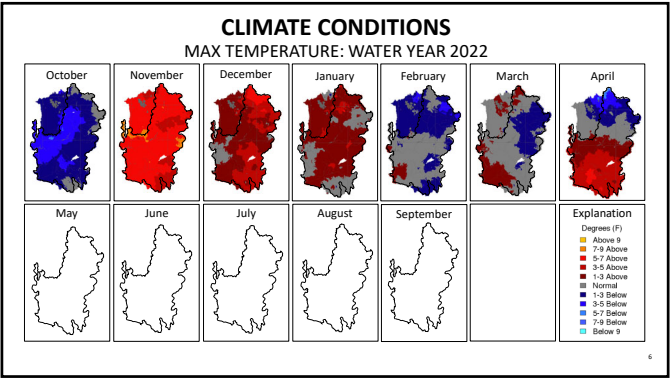
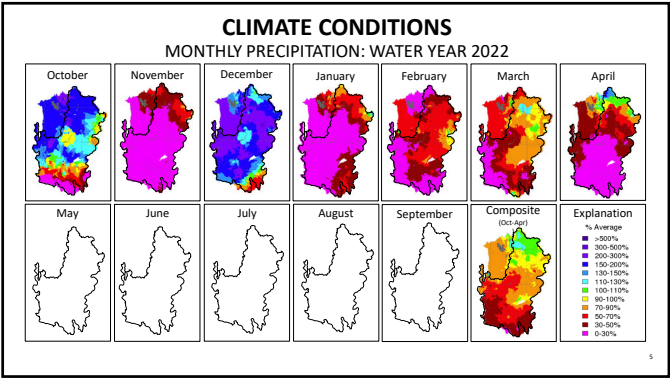
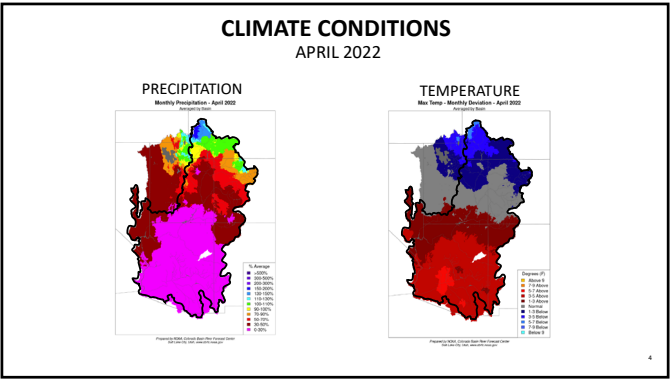
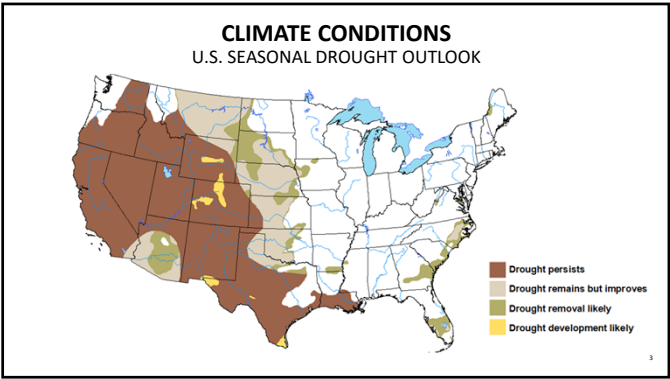
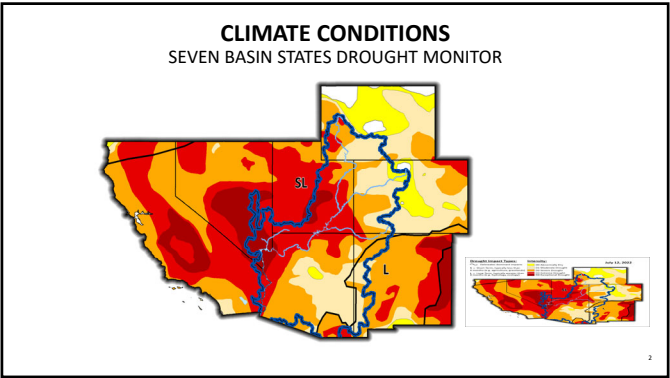
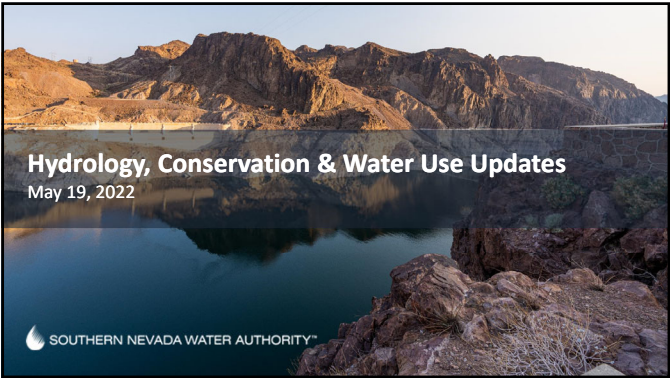
#### **Public Comment**

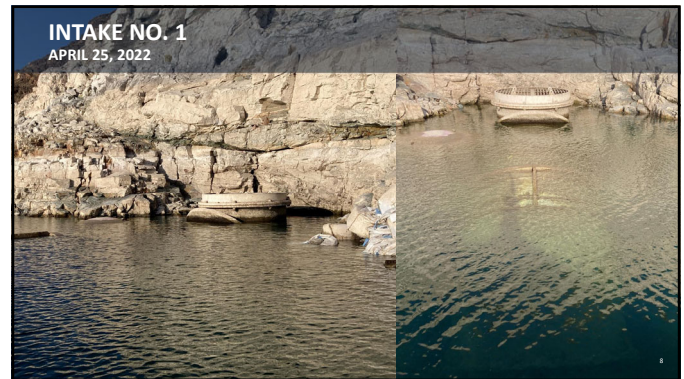
There were no speakers.

#### **Adjournment**

There being no further business to come before the Board, the meeting adjourned at 11:00 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.**






## INTERIOR TAKES ACTION TO PROTECT LAKE POWELL

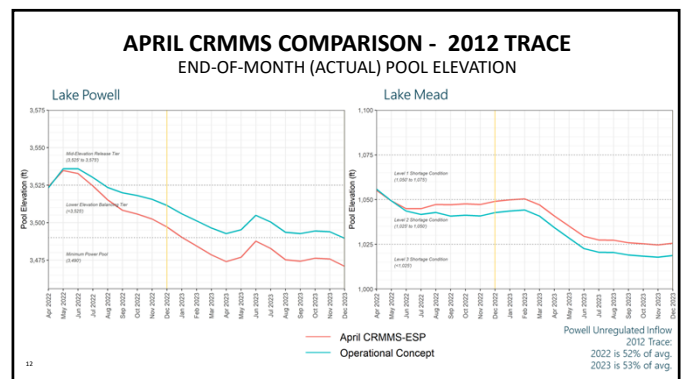

Increased operational uncertainty as Lake Powell declines toward elevation 3,490

- Water supply for Paige, AZ and the Le Chee Chapter of the Navajo Nation
- Power supply and regulation impacts
- Ability to make minimum releases to Lake Mead
- Integrity of the dam
- Health and human safety



## INTERIOR TAKES ACTION TO PROTECT LAKE POWELL

- Assistant Secretary sought Seven States' input on additional actions to protect Lake Powell
- Releases from Powell to Mead will be decreased by 480,000 acre-feet in 2022
- Additional 500,000 acre-feet of water will be released from Flaming Gorge under the Upper Basin's Drought Response Operations Agreement
- Operational neutrality





WATER USE  
UPDATE

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SNWA WATER USE AND NEVADA COLORADO RIVER USE

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

SNWA Monthly Usage (actual)

Month	2019-2021 Average	2022
Jan	28,000	28,000
Feb	28,000	28,000
Mar	32,000	32,000
Apr	38,000	38,000
May	42,000	48,000
Jun	48,000	52,000
Jul	52,000	58,000
Aug	52,000	58,000
Sep	48,000	50,000
Oct	42,000	45,000
Nov	32,000	35,000
Dec	28,000	30,000

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SNWA WATER USE

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

Total SNWA Year-to-Date Usage (actual)

Month	2019-2021 Average	2022
Jan	28,000	28,000
Feb	28,000	28,000
Mar	32,000	32,000
Apr	38,000	38,000
May	42,000	48,000
Jun	48,000	52,000
Jul	52,000	58,000
Aug	52,000	58,000
Sep	48,000	50,000
Oct	42,000	45,000
Nov	32,000	35,000
Dec	28,000	30,000

Percentage Change Compared to the 2019-2021 Average

Entity	Percentage Change
SNWA	6.6%
North Las Vegas	10.5%
Henderson	7.0%
LVWWD	6.1%
Boulder City	1.9%
SNWA	6.6%

\* Not adjusted for Henderson potable augmentation for reclaimed water.

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NEVADA COLORADO RIVER USE

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

Nevada Colorado River Consumptive Use

Year	Consumptive Use
2012-2013	45,736
2013-2014	45,736
2014-2015	45,736
2015-2016	45,736
2016-2017	45,736
2017-2018	45,736
2018-2019	45,736
2019-2020	45,736
2020-2021	45,736
2021-2022	45,736

Total Nevada Colorado River Consumptive Use (YTD)

Category	Consumptive Use
2019-2021 Average	49,736
2022	77,692

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WATER CONSERVATION  
UPDATE

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WATER SMART LANDSCAPES

Homeowners converted more than 1.4 million sf. of turf in 2022, saving an estimated 80.2 million gallons of water annually.

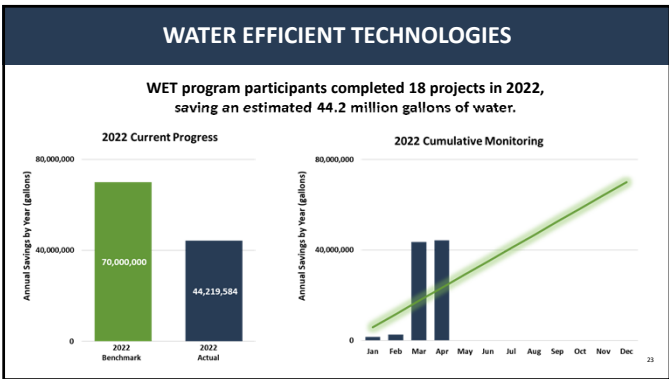
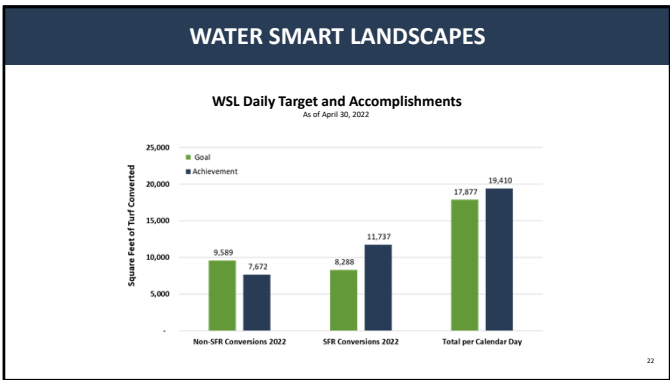
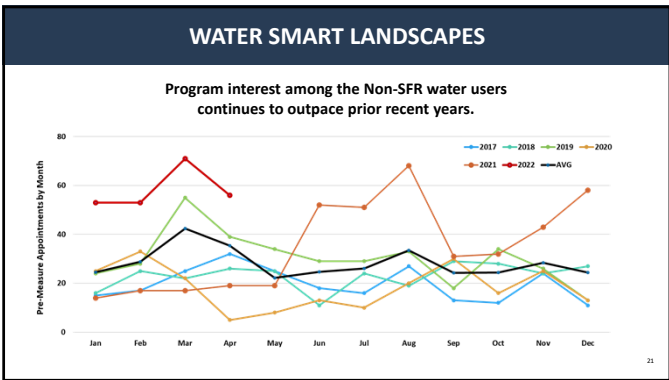
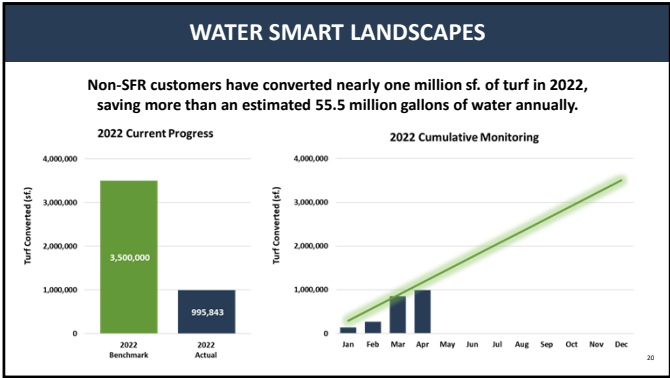
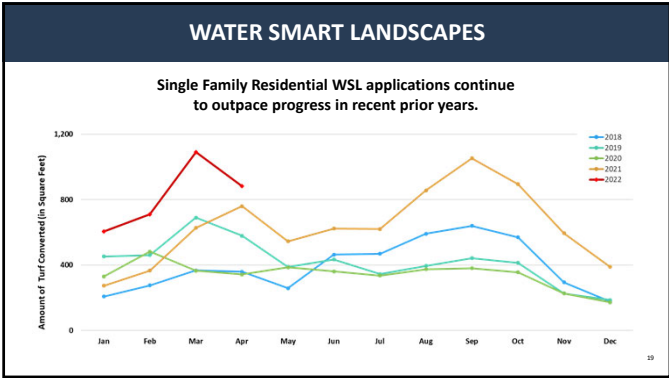
2022 Current Progress

Category	Turf Converted (sf)
2022 Benchmark	3,025,000
2022 Actual	1,438,086

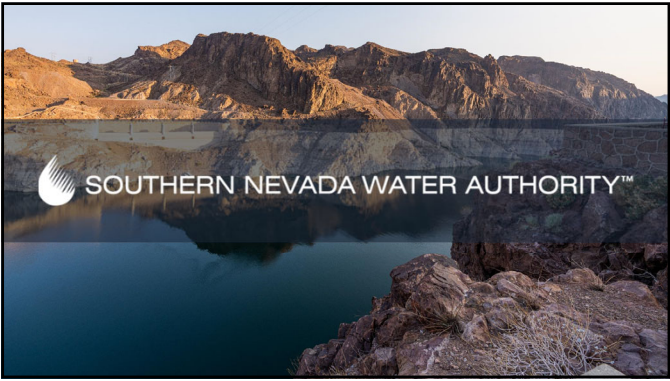
2022 Cumulative Monitoring

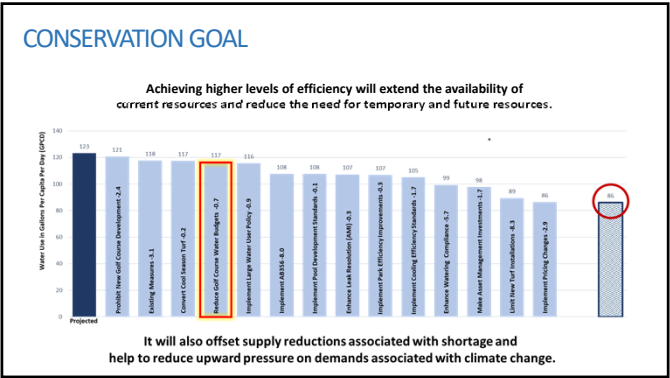
Month	Turf Converted (sf)
Jan	200,000
Feb	400,000
Mar	600,000
Apr	800,000
May	1,000,000
Jun	1,200,000
Jul	1,400,000
Aug	1,600,000
Sep	1,800,000
Oct	2,000,000
Nov	2,200,000
Dec	2,400,000

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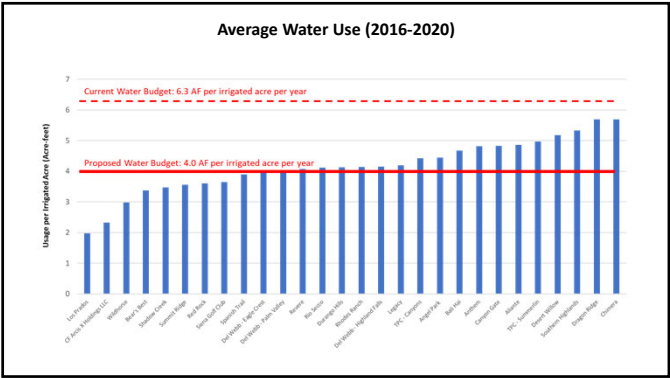
### BACKGROUND

- Following regional approval of the SNWA Drought Plan in 2002, a water budget was enacted on golf courses to make golf course water uses more efficient
- In 2003, the water budget was initially established at 6.5 acre-feet per irrigated acre, targeting the top 10% of golf course users
- In 2005 it was reduced to 6.3 acre-feet per irrigated acre (top 20% of users)
- Today's water budget: 6.3 acre-feet per irrigated acre

Today's golf courses are more efficient.

Between 2016-2020, Southern Nevada's golf courses used on average, **4.16 acre-feet** per irrigated acre

COURSE_NAME	Average 2016-20 AF
Los Prados	1.97
CF Arcis X Holdings LLC	2.32
Wildhorse	2.98
Bear's Best	3.38
Shadow Creek	3.47
Summit Ridge	3.56
Red Rock	3.61
Siena Golf Club	3.64
Spanish Trail	3.89
Del Webb - Eagle Crest	3.98
Del Webb - Palm Valley	4.03
Revere	4.07
Rio Secco	4.12
Durango Hills	4.13
Rhodes Ranch	4.14
Del Webb - Highland Falls	4.15
Legacy	4.19
TPC - Canyons	4.42
Angel Park	4.45
Rail Hall	4.67
Anthem	4.81
Canyon Gate	4.83
Hilante	4.86
TPC - Summerlin	4.97
Desert Willow	5.18
Southern Highlands	5.33
Dragon Ridge	5.69
Chimera	5.70



### IMPLEMENTATION

Target Effective Date: January 1, 2023

Golf course water budgets are embedded within the Service Rules and Municipal Codes of SNWA purveyor members

Passage will require approval at all purveyor governing boards and a Business Impact Statement


Targeted outreach will be conducted through the fall





### 2021-22 HIGHLIGHTS

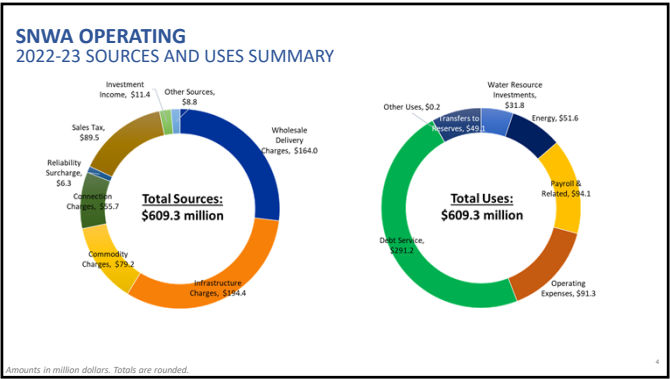
- New Water Resource Plan approved that outlines water conservation initiatives
- New 86 GPCD conservation goal approved
- AB 356 signed into law; NTRAC convened and provided recommendations for non-functional turf
- Amended water conservation programs to make more efficient uses of water
- Participated in Basin-wide actions/agreements to protect Lake Mead elevations
- Continued progress on the SNWA's Major Capital Improvement Program
- Submitted for and received more than \$600,000 in grant funding; nearly \$4 million in additional requests pending
- 2021 refunding activities will save \$92.0 million for a total cumulative savings of \$479.4 million since 2015



### 2022-23 BUDGET OVERVIEW

This year's budget is presented as an Operating and Capital budget.

- SNWA Operating Budget reflects increases to treatment and energy costs, and increases in water resource expenditures (500+ Plan)
- Payroll expenses remain relatively flat
- Capital expenses up 50 percent, reflecting increasing work efforts on major construction activities including Horizon Lateral Project
- SNWA Reserves remain healthy and stable



SNWA OPERATING 2022-23 SOURCES OF FUNDS				
	Actual 2020-21	Budget 2021-22	Budget 2022-23	Variance \$
Sources				
Wholesale Delivery Charge	\$ 150.8	\$ 150.3	\$ 164.0	\$ 13.7
Infrastructure Charge	171.1	175.2	194.4	19.2
Commodity Charge	71.8	73.6	79.2	5.6
Connection Charge	104.0	35.6	55.7	20.0
Reliability Surcharge	5.9	6.0	6.3	0.2
Sales Tax	71.2	75.4	89.5	14.0
Investment Income	1.2	9.8	11.4	1.6
Other Sources	9.2	7.3	8.8	1.6
Total Operating Sources	\$ 585.1	\$ 533.2	\$ 609.3	\$ 76.1

Amounts in million dollars. Totals are rounded.

SNWA OPERATING 2022-23 USES OF FUNDS				
	Actual 2020-21	Budget 2021-22	Budget 2022-23	Variance \$
Water Resource Investments	\$ 4.7	\$ 14.6	\$ 31.8	\$ 17.2
Energy	38.6	41.6	51.6	10.0
Payroll & Related	73.9	91.9	94.1	2.2
Operating Expenses	62.9	73.0	91.3	18.2
Debt Service	265.4	298.1	291.2	(6.9)
Other Uses	2.1	2.5	0.2	(2.2)
Transfers To Reserves	137.5	11.5	49.1	37.6
Total Operating Uses	\$ 585.1	\$ 533.2	\$ 609.3	\$ 76.1

Amounts in million dollars. Totals are rounded.

SNWA CAPITAL  
2022-23 SOURCES AND USES SUMMARY



Amounts in million dollars. Totals are rounded.

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SNWA CAPITAL  
2022-23 SOURCES OF FUNDS

	Actual 2020-21	Budget 2021-22	Budget 2022-23	Variance \$
Grant Funds	\$ 0.0	\$ 2.7	\$ 10.0	\$ 7.3
Debt Issuance Proceeds	0.0	348.8	0.0	(348.8)
Other Sources	0.8	0.0	0.0	0.0
Transfers From Reserves	58.5	0.0	260.3	260.3
<b>Total Capital Sources</b>	<b>\$ 59.3</b>	<b>\$ 351.5</b>	<b>\$ 270.3</b>	<b>\$ (81.2)</b>

Amounts in million dollars. Totals are rounded.

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SNWA CAPITAL  
2022-23 USES OF FUNDS

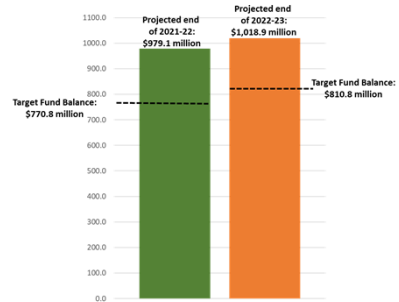
	Actual 2020-21	Budget 2021-22	Budget 2022-23	Variance \$
Capital Expenditures	\$ 59.3	\$ 179.7	\$ 270.3	\$ 90.6
Transfers To Reserves	0.0	171.8	0.0	(171.8)
<b>Total Capital Uses</b>	<b>\$ 59.3</b>	<b>\$ 351.5</b>	<b>\$ 270.3</b>	<b>\$ (81.2)</b>

Amounts in million dollars. Totals are rounded.

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RESERVES TARGET

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



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2022-23 BUDGET SUMMARY

- The budget reflects continued progress towards SNWA's Major Capital and Construction Program
- Recent adjustments to SNWA Charges helped mitigate impacts from increasing construction costs and inflation
- SNWA Reserves remain healthy and stable
- Conservation remains a top priority



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