

MEETING MINUTES

January 27, 2014 – 10:00 AM BOCC Chambers, Pahrump, NV

Members: Jay Dixon – Area 1 (Currant Creek/Smoky Valley)

James Eason, Vice Chair – Area 2 (Tonopah/Manhattan) James Weeks – Area 3 (Beatty/Amargosa Valley) John MacLaughlin, Area 4, Position 1 (Pahrump Valley) Donna Lamm, Chair - Area 4, Position 2 (Pahrump Valley)

Michael Lach – Area 4, Position 3 (Pahrump Valley)

John Bosta - At Large

Legal: Nathan Gent

Dan Schinhofen

Board of County

Commissioners: Frank Carbone

Finance: Susan Paprocki

Staff: Darrell Lacy

Oz Wichman Levi Kryder Teddi Osburn

Acronyms: AG - Attorney General

AVSTP - Amargosa Valley Science & Technology Park

BOCC - Board of County Commissioners

BOR - Bureau of Reclamation

CSWP- Community Source Water Protection

CNRWA - Central Nevada Regional Water Authority

DOA - Department of Agriculture DOI - Department of Interior

EPA - Environmental Protection Agency GID - General Improvement District

GM - General Manager

GWE- Groundwater Evaluation Grant GWMP – Groundwater Management Plan HUD - Housing and Urban Development

IRWMP - Inter Regional Water Management Program

MOU - Memorandum of Understanding

NTS - Nevada Test Site

NCWDGB - Nye County Water District Governing Board

NRWA – Nevada Rural Water Association NWRA - Nevada Water Resources Association

RFP - Request for Proposals

RNWA - Rural Nevada Water Authority

ROW - Right of Way

SNWA - Southern Nevada Water Authority USDA - United States Department of Agriculture

UGTA - Underground Test Area

USGS - United States Geological Survey

WD - Water District

WATER DISTRICT GOVERNING BOARD

- 1. (00:00:00) Call to Order Pledge of Allegiance
- 2. (00:00:46) Roll Call Present: Jay Dixon, John MacLaughlin, Donna Lamm, John Bosta, James Weeks, Michael Lach Absent: James Eason
- 3. (00:01:31) Approval or Modifications of the Agenda for the Water District meeting of January 27, 2014

No modifications

4. (00:02:08) General Public Comment (first): Three-minute time limit per person. Action will not be taken on the matters considered during this period until specifically included on an agenda as an action item.

No Comment

- 5. (00:02:55) For Possible Action Discussion and deliberation regarding election of new Board Officers for FY 2013/2014 due to recent resignations.
 - a. Chair
 - b. Vice Chair

John Bosta nominated Jay Dixon for the Chair position. Jay quickly declined as he felt that he needed more experience as a Board Member. Jay then nominated Donna Lamm for that position. Donna accepted the nomination and James Weeks seconded the motion. The motion passed with a vote of 5-0. John Bosta cast the only dissenting vote.

Donna Lamm nominated James Eason for the Vice Chair position. Since Mr. Eason was not present to decline the motion, his nomination stood. James Weeks seconded the motion. The motion passed with a unanimous vote of 6-0.

- 6. (00:05:44) For Possible Action Approval of Minutes for December 16, 2013

 John Bosta was reassured by Nathan Gent, legal counsel, that he could vote upon approving the minutes even though he was not present at the last meeting because he had ample time to review he document which was included in his back-up packet. There were no corrections to the minutes. John MacLaughlin moved to accept the minutes for December 16, 2013 and the motion was seconded by Jay Dixon. The Minutes were approved with a vote of 5 in favor and 1 abstention by James Weeks.
- 7. (00:08:19) Correspondence and Announcements

Darrell Lacy related that he has received a letter from Jack Osburn, Water Superintendent with Nye County Public Works Department, regarding problems that have occurred within the Beatty Water and Sanitation District. Jack has been providing support and direction to the Beatty Staff in resolving those problems. Darrell explained that some of those issues included a violation citation issued by the Nevada Department of Environmental Protection due to sewage spilling into the Amargosa River.

James Weeks related that the Beatty community was aware of the problem. Since then clean-up has occurred and the system is now in compliance with NDEP regulations.

8. (00:07:42) Ex Parte Communications and Conflict of Interest Disclosure Statements

None

- 9. (00:12:08) Presentation, discussion, deliberation, and possible direction to Staff concerning the following proposed Nye County Code amendment: (Continued from the December 16, 2013 NCWD Meeting)
 - d. Major Master Plan Amendment Applications Water Impact Report Submittal: Proposed amendment to Nye County Code Title 17 (Pahrump Zoning Ordinance) relating to the application submittal requirements for amending the Pahrump Regional Planning District Master Plan, to include adding a requirement for the submittal of a water impact report.

Darrell Lacy related that he has worked together with Steve Osborne from Nye County Planning to incorporate changes suggested by the Board during the last few meetings when this item was presented.

Steve Osborne explained that the requirement for Water Reports to be prepared by a licensed engineer or architect have been removed. Under Water Supply assessment report, Paragraph 5, if the proposed water supply is not from a utility company then one must provide evidence of water rights and assure adequacy of the proposed water source. In Paragraph 6 a sentence was added to say that a Water Report is not required if a Major Master Plan Amendment does not show an increase in water demand.

John MacLaughlin asked that fire flow be addressed in Item 2. Steve noted that if an application was deemed incomplete it would not be accepted for consideration by the Planning Department. Steve also related that water requirements for individual properties were determined on a case by case basis as the type of use had to be considered in the review process. Darrell Lacy felt that determining appropriate quantities for usage will need to be addressed at a later date in the evolving Master Plan Amendment process. It is an important component due to the water crisis that now exists. Currently Staff makes the final decision. Michael Lach noted that water requirements on a particular property can change over the years. Darrell related that zoning law can be used to address water usage issues for a particular property.

John Bosta felt that applicants needed to provide evidence of the type of water right that they would be utilizing. Steve Osborne stated that this is addressed in Paragraph 5. Darrell Lacy related that right now we were only developing a general ordinance and that refinement can occur at a later date. We must also coordinate with decisions made by the State Engineer. Applicants generally do not have all of the fine details worked out when they initially apply for a Major Master Plan Amendment. These are worked out in coordination with the Planning Department at various stages in the planning and review process. Darrell felt that it would be more appropriate to put such requirements in the Water District Guidelines which will be developed over the next few months.

Walt Kuver related that Paragraph 5 did not clarify whether a report was required in a utility service area. During discussion it was noted that the Water District makes its recommendations regarding amendments to the PRPC. John Bosta continued to request that there be a requirement to attach perfected water rights to a Master Plan Amendment proposal at the earliest stages. Darrell Lacy explained that it often takes years before a project gets to the final approval stage and those water rights may expire due to inactivity in the meantime. The State Engineer must also review any subdivision plan with regards to water usage and make his recommendation before finalizing a project. Darrell reiterated that at this stage of planning it is premature to define what specific water rights the applicant may have.

Frank Carbone stressed that the Water Board was only making a recommendation at this point.

John MacLaughlin moved to accept the corrections as submitted and make those recommendations to the PRPC. Michael Lach seconded the motion. There was no further discussion. The motion was approved with a unanimous vote of 6-0.

10. (00:39:13) For Possible Action - Discussion, deliberation, and possible decision to recommend perennial yield and sustainable yield numbers to the Master Plan Steering Committee for use in updating the Pahrump Master Plan.

Darrell Lacy noted that there have been many ongoing discussions with various groups over the last 50 yrs. related to determining what the perennial yield may be in the Pahrump Valley. He wanted to clarify some of the terminology that is used by various studies as it can be difficult to understand. Frank Carbone felt that the new Basin 162 Groundwater Management Plan Advisory Committee may be the group to address this issue rather the Water Board. Darrell wanted to at least initiate this discussion with the Water Board today. It was noted that the figure of 12,000 acre feet perennial yield for this basin comes from the Department of Water Resources. Whether or not this figure is accurate needs to be determined. There are methods to potentially increase the annual yield which should be discussed, as well as doing a more thorough evaluation of current water usage. There have been other studies done in the past that show much higher projections for future water availability.

John Bosta felt that the Water Board should not be recommending yield amounts to the GWMP Advisory Committee as it defeats the purpose that committee. Donna Lamm and Michael Lach both felt that a current "state of the basin" report needs to be conducted immediately before any conclusions can be made regarding the perennial yield. John Bosta felt that the only way to get an accurate assessment was to conduct a new study using current state-of-the art technology.

During public comment, Kenny Bent discussed modeling the aquifer to define its condition and that static water levels need to be monitored.

Discussion ensued regarding companies that may be able to conduct such an assessment. John Bosta wanted to table this item until more information is gathered about companies that can perform this type of study.

Walt Kuver, during public comment, suggested that a range of perennial yields be considered by the Planning Department and the Master Plan Committee for use in projecting various development scenarios. John MacLaughlin, who is also a member of the Master Plan Steering Committee, related that they have thoroughly discussed this matter and have come up with a number in the 15,000-37,000 AF range and have supported these numbers with various scenarios that include water importation, reuse, conservation, etc.

Darrell noted that none of the reports that have been conducted in the past came up with a number as high as 37,000 AF. He emphasized that we need obtain better data in order to support some of those numbers.

Walt Kuver emphasized the dire state of the aquifer and wants the Steering Committee to stop using "fantasy" figures which are above the DWR perennial yield.

11. (01:00:27) Presentation, discussion and deliberation regarding fracking as it relates to water usage and its potential impact upon Nye County.

Darrell Lacy discussed information that was presented at a recent meeting of the CNRWA by the BLM and Nevada State Department of Minerals that dealt with hydrologic fracturing in the oil and gas basins in Nevada of which northern Nye County is included. Water requirements and water quality concerns were addressed in the presentation. Currently fracking has not been utilized in Nye County. There are several exploratory wells being drilled in northern Nye County which may eventually require fracking. Most of these are on public lands and will require permits from various government agencies. Darrell wanted to make the Board aware that fracking may become a major issue in the near future.

There were questions from the Board regarding the volume of water needed per well and disposal of waste water. Some regions of the country re-inject water back into the deep aquifer. There are concerns with this technique. State and Federal agencies regulate these types of activities issues. Darrell will inform the Board of any proposals for Nye County so that they may be able to evaluate and make comment to the various entities. Some members of the Board had concerns over potential effect upon seismic activity in the vicinity of re-injection.

Jay Dixon felt this was an exciting opportunity in terms of economic development for Nevada. The Department of Minerals is in the process of adopting regulations for fracking, and hearings will be held during March and April of this year.

12. (01:13:02) For Possible Action - Discussion, deliberation, and possible decision to authorize up to \$6,960 for additional water chemistry analysis for domestic wells, to be conducted in concert with the USGS nitrate study.

Levi Kryder related that the Board had previously approved a Nitrate Study for Nye County in concert with the USGS. He is requesting additional monies in order to perform a more detailed analysis of the wells included in the study. He included cost estimates from Sierra Monitoring which could handle the additional testing.

Jay Dixon questioned the ability to trace the source of contamination through these tests. Levi Kryder felt that the additional testing would provide the domestic well owner with a better idea as to the quality of their drinking water. John MacLaughlin stressed the importance of public participation in the study. It was explained that the wells in the nitrate study are completely separate from that of the Volunteer Well Metering Program.

Some Board Members felt that nitrate study participants should also be required to participate in the current Water District Well Monitoring program. Levi felt that would set the entire program up for failure. This could be offered as an option, though.

Going back to the original intent of this Agenda Item, John Bosta made a motion that the Board approves an additional \$4,080 (Plan "B") to finance the inclusion of additional testing of water samples in the nitrate study being conducted by the USGS. John MacLaughlin seconded the motion.

Upon questioning by Kenny Bent, it was confirmed that 4 wells from the original study will be retested and there will be an additional 20 new wells added to the program. John MacLaughlin stated that the additional testing provided by the Water District serves as an incentive for domestic well owners to volunteer to have their drinking water tested. Levi noted that the USGS will decide which areas of the valley need to be tested.

The motion passed unanimously with a vote of 6-0 in favor.

- 13. (01:34:08) For Possible Action Presentation, discussion, deliberation, and possible direction to Staff concerning AB419 and its potential impact upon water rights and usage in the Pahrump Valley.
 - 1. Prioritization of Basins
 - 2. Area of Active Management vs. Critical Management designations
 - 3. Committee for Groundwater Management Plan input from community

Darrell Lacy talked about setting up the Groundwater Management Advisory Committee. Oz Wichman briefly talked about changes that had been implemented in the draft version of the notebook containing Pahrump Basin information that will be given to the GWMP Advisory Committee for use in their deliberations. He noted that water level trend data is now included in this compilation of data. The purpose of this notebook is to provide information only.

John Bosta asked that the Water District request the DWR to call for the "Proof of Beneficial Use" for all wells in the Pahrump Valley. Donna Lamm noted that current "Pumpage Inventory" for the valley is available online on the DWR website. Darrell Lacy noted that this issue will be addressed by the GWMP Advisory Committee. To do this now could have adverse effects upon all water users in the valley.

John Bosta made a motion to adopt the Groundwater Management Plan compilation of Pahrump Basin information as compiled by Oz Wichman. Jay Dixon seconded the motion. The motion passed unanimously with a vote of 6-0 in favor.

Oz Wichman related that a Table of Contents is forthcoming for inclusion in the notebook.

14. (01:44:32) For Possible Action – Discussion, deliberation, possible decision and direction to adjust budget amounts allocated to project items currently shown as over budget.

Susan Paprocki pointed out that the line item for "Travel" has gone over budget but that there is sufficient money available in "Rent and Utilities" that can be redirected to cover "Travel" expenses for the remainder of the year. She recommends that \$4,000 be redirected to cover "Travel." The "Grant Match" line item also needs additional funding of \$653.00 which can be redirected from the "Contractor for the Water Resources Plan" that has not been used. This is enough to cover additional charges incurred by Glorieta Geoscience and would be a one-time charge as their PSA is now complete.

Levi Kryder noted that there may be some additional charges from Glorieta Geoscience involving closing out the Bureau of Reclamation Grant. That can be addressed when it occurs. Susan stressed that none of these changes have any effect upon the overall budget.

John Bosta moved to accept the transfer of monies as recommended by Susan Paprocki. John MacLaughlin seconded the motion. The motion passed unanimously with a vote of 6-0 in favor.

15. (01:48:50) District Member, Staff and Liaison Reports/Comments a. (01:49:00) Finances

I. FY 14 Budget Status Report

Susan Paprocki presented the latest financial reports for the Water District. She noted that the Water District has been extremely conservative with their spending.

b. (01:50:13) Board Reports

I. LVVWD/SNWA - Darrell Lacy

Darrell related that Pat Mulroy, General Manager for the SNWA, will be replaced by John Entsmnger. John has worked for the SNWA for nearly 20 yrs. and most recently served as Assistant General Manager.

II. Desert Tortoise Advisory Committee - Levi Kryder

A new member from the Water Board needs to be appointed to replace Tim McCall.

c. (01:52:39) Staff Reports:

I. Darrell Lacy

No additional information to report.

II. Oz Wichman

Oz spent most of the last month working on the GWMP Advisory Committee notebook compilation of information. He will be attending the NWRA Conference in Las Vegas next month.

III. Levi Kryder

None

d. (02:00:48) Project Status Report

Levi Kryder related that the Bureau of Reclamation is in the process of reviewing the Water Supply Appraisal Investigation Report and that the term of the grant has been extended to September 30, 2014.

e. (02:01:06) Board Liaison Report

I. Frank Carbone

Frank related that Dan Schinhofen has been appointed as back-up liaison to the NCWDGB by the BOCC. He noted that he participated in a meeting with the State Engineer regarding issues involving Basin 162 and it was very productive. Seven members for the Basin 162 Groundwater Management Plan Advisory Committee were appointed along with three alternates. The first meeting is being planned for February 5th, 2014, time as yet to be determined.

- f. (01:56:21) Report from other individuals, groups and or agencies regarding water-related issues: For informational purposes only.

 None
- 16. (01:56:36) For Possible Action Discussion, Direction and Possible Decision Concerning Future Meetings/Workshops. (The next meeting of the Nye County Water District Governing Board is scheduled for February 24th, 2014 at 10 AM.)

A meeting is currently scheduled for March 24th, 2014 at 10 AM. At the February 24th meeting the Board will discuss the scheduling of meetings for the next quarter. Susan Paprocki related that the Final Budget Hearing for FY15 should be scheduled for either May 15th or 16th.

John MacLaughlin requested that a Budget Workshop be scheduled to coincide with the February 24th meeting. Susan said that she will supply a draft tentative budget to be presented to the Board at the next meeting in February so they will have adequate time to review the proposal.

Michael Lach noted that the Water District needs to move forward in getting a perennial yield report for the Basin right now. Oz Wichman felt that we need to work in conjunction with the DWR in order to get the report properly executed. Nathan Gent suggested that this discussion needs to take place outside of the meeting so that an Agenda item addressing this issue can be prepared.

17. (02:05:24) General Public Comment (second)

Walt Kuver wanted to know more about the Water and Sewer project proposed for the Spring Mountain Raceway. There was no comment regarding that issue.

18. (02:06:40) Adjourn

John MacLaughlin moved to adjourn. John Bosta seconded the motion. The vote was 6-0 in favor of adjournment.

