



MEETING MINUTES

April 30, 2020 – 9:00 AM REGULAR MEETING - TELECONFERENCE

Members: Richard W. Carver - Area 1 (Currant Creek/Smoky Valley)
Joe Westerlund - Area 2 (Tonopah/Manhattan)
James Weeks - Area 3 (Beatty /Armargosa Valley)
Walt Kuver- Area 4, Position 1 (Pahrump Valley)
William Knecht- Area 4, Position 2 (Pahrump Valley)
Dennis Gaddy -Vice Chair- Area 4, Position 3 (Pahrump Valley)
Dave Hall - At Large - Chair

Legal: Sev Carlson

Board of County
Commissioners: Debra Strickland

Finance: Savannah Rucker

Staff:
Oz Wichman
John Klenke
Christal Behrends

Acronyms: AG - Attorney General
AVSTP - Armargosa 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

1. **9:05 AM Call to Order – Pledge of Allegiance**
2. **09:06 AM Roll Call –Present:** Dave Hall, Dennis Gaddy, RW Carver, Jim Weeks, Walt Kuver, Bill Knecht. Absent: Joe Westerlund.
3. **09:07 AM Mission Statement – “Provide, protect and preserve water resources within Nye County.”**
4. **09:08 AM 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.**

Commissioner Strickland (Board liaison) asked that participants use their own phones to mute themselves during meeting, following BoCC practices. Also, she asked that the Water District Governing Board and herself are left unmuted to speak when necessary.

Helene Williams stated that there is a community misconception that all public gatherings are cancelled. She feels that most people do not know how to engage via teleconference, stating that the community has a right to know what the Water District Governing Board is doing. She requested that this meeting be cancelled immediately.

Herman Lewis agreed with Helene Williams stating that not enough people know what's being talked about today and there is no opportunity for them to comment without knowledge. In appearance of 100% transparency, he requested that the Water District Governing Board cancel and reschedule today's meeting.

Commissioner Koenig addressed that this meeting, in teleconference format, is following the Governor's directive.

Commissioner Blundo encouraged the Water District Governing Board to listen to the public comment and to collaborate in finding a solution to our water issues.

5. **09:17 AM Approval or modifications of the Agenda for the Water District Meeting of April 30, 2020 (Non-action item).**

Commissioner Strickland recommended that Item 10 be pulled from the agenda as it's too much material to be heard on a teleconference.

Walt Kuver interjected that the presentation in Item 10 is dealing with the Pahrump Master Plan under control of the Planning Department. The Water District is merely stating what the levels of growth are, based on sustainable water supplies. The venue for debating the details is the Pahrump Regional Planning Commission, then subsequently the Board of County Commissioners.

Darrell Lacy wanted to clarify that Item 10 is just a presentation that would have to come back as an action item before decisions could be made.

Oz Wichman, General Manager asked Water District Governing Board Member Walt Kuver if he would be available to speak if we rescheduled Item 10 to July or beyond. Walt would

have to do this as a non-board member, as he is retiring. Receiving confirmation, Oz suggested that we reschedule when we can have a public meeting in Pahrump.

Chairman Dave Hall stated he would also like to see in presentation format and made the recommendation that we pull Item 10 from today's agenda. He encouraged Commissioner Strickland to gather feedback being received on this item in the meantime.

Hearing no disagreement from the Board, agenda Item 10 will be heard at a later date.

6. 09:28 AM For Possible Action – Discussion, deliberation and decision regarding Approval of Minutes for February 14, 2020.

Bill Knecht made a motion to approve the minutes from February 14, 2020 as presented. Dennis Gaddy seconded the motion. **The vote was approved 6-0.**

7. 09:32 AM Correspondence and Announcements.

None

8. 09:33 AM Ex-Parte Communications and Conflict of Interest Disclosure Statements.

Commissioner Strickland disclosed in addition to this Board's liaison and a County Commissioner, she is also the owner of Strickland Construction, T&M Group Realty and Lakeside Storage. She has been a licensed well drilling, pump setting, septic contractor as well as a broker who brokers water rights for 26 years. She will not be voting on items during this meeting. Although she will be able to influence this Board, she does not find this to be a conflict of interest. It is her hope that her knowledge base is of value.

TIMED ITEM – 09:00 AM

9. 09:36 AM For Possible Action- Deliberation, discussion and decision regarding:

- 1. Nye County Water District Tentative Budget Worksheet for FY 2020/2021.**
- 2. To set date, time and location of Public Hearing on the Final FY 2020/2021 Nye County Water District Budget. Proposed date Friday, May 22, 2020, 9am.**

Backup includes a budget worksheet produced by Oz Wichman, General Manager. It will be discussed in more detail at the formal budget hearing. Starting with Revenue Projections, Total Coffers represents the money that will be available in FY 20/21. It is \$680,500. The budget worksheet contains two columns of numbers: 1. FY Budget and 2. FY Projection. For FY 2019, there are a few items over budgeted at this time. It appears we will be over budget by approximately 10k in Nye County Staff Assistance at the end of this fiscal year. Staff Assistance includes John Klenke, Savannah Rucker and other Nye County staff under the MOU with the Water District. Water District Staff is also projected to be over budget for FY 19. The main reason for this is the Administrative Assistant (Christal Behrends) has worked more hours than anticipated. Due largely to the work that's been delegated to her, providing a cost savings in Oz's billable hours. Oz's billing is projected to be approximately 12k for the year (versus 50k budgeted).

Speaking directly to FY 20/21 Budget Projections, the Nye County Staff Assistance line item has been increased to reflect increases in wages. Also at the 5/22/20 Budget Hearing, there will be a formal agenda item asking to make Water District Staff Christal Behrends, a full-time employee. Again, this would ultimately result in a cost savings, directly evident by a decrease in Oz's billable hours (which will be decreased not-to exceed 40k).

For FY 20/21 there is a Contract Staff addition (Jamie Walker). John Klenke, Geoscientist, would like to have some technical assistance added. Jamie Walker is a Hydro Geologist and has worked in the larger Southern Nye County area for many years. Another line item added to the budget spreadsheet (under Operation) is Insurance. This is a new expenditure for the Water District. The Board of County Commissioner's is back charging all departments. It is based on a cost-sharing approach. Questions regarding the Insurance line item should be directed to Savannah Rucker.

In conclusion, at the end of FY 20/21 we should roll over approximately \$388,450. We will be consistent as in years past of rolling over money, ending with a surplus.

Walt Kuver stated that he would like Oz to consider increasing the Water District Staff to include a Junior Level Geoscientist. He feels this person would be needed to handle the detailed work that is going to be required to implement the GWMP and Master Plan. He feels there is enough surplus in the budget presented to actually do that.

Commissioner Strickland asked Savannah Rucker if there are contributions from the Water District in relation to OPEB (Other Post-Employment Benefits). Currently there is no OPEB for the Water District, only PERS is being paid on behalf of Christal Behrends position.

Savannah Rucker stated that she and Oz did go through the budget worksheet in its entirety. The Water District budget as summarized on worksheet, meets all of the needs of County Finance as well as the Water District.

Dave Hall asked Savannah to explain the new 11k Insurance expenditure. She explained that the Water District has been on the County policy (POOL PACT) for many years. This has previously been funded by the Nye County General Fund. As the policy cost increases, the General Fund can no longer support 100% of the cost. The cost share calculation is based on 4% of projected revenues of the Water District and other department / entities.

Herman Lewis (public member) wanted to remind the Board that we are facing a major financial upheaval and cautioned them before they increase any budget line items or staff, thinking twice, until we know what the economy is going to do.

John Bosta (public member) read the comments attached to these minutes.

Dennis Gaddy motioned to approve the Nye County Tentative Budget Worksheet for Fiscal Year 2020 / 2021. Bill Knecht seconded the motion. **The vote was approved 6-0.**

Bill Knecht motioned to set May 22, 2020 at 9am (teleconference) as the Public Hearing date and time on the Final FY 2020/2021 Nye County Water District Budget. Dennis Gaddy seconded the motion. **The vote was approved 6-0.**

John Bosta asked what NRS is being used to call for a Public Hearing for the FY 2020/2021 Nye County Water District Budget. Savannah Rucker stated she would research and forward directly to Mr. Bosta.

11. 10:02 AM District Member, Staff and Liaison Reports/Comments:

a. Finances

I. FY 19-20 Budget Status

Starting with the Expense Status Report as of 3/31/2020, Savannah Rucker summarized that we are 68% of budget used in Staff. The offset to this is Oz's billed labor and other Contract Staff (only at 9% total used). This puts the Staff budget well within range. Total of Operation utilization is 55% of budget. Baseline Programs has utilized 42% of budget. Lastly Interim Programs have only utilized 6% of budget. Overall, total expenditures for the Water District fall within 35% utilization of budget year-to-date. This shows that the Water District operates well within their means.

The Fund Balance Report provides the legal snapshot that goes to the State. It confirms that the Water District is in good fiscal health.

b. Board Reports

I. LVVWD/SNWA

II. CNRWA – John Koenig

c. Staff Reports

I. Oz Wichman

Oz attended a portion of the last CNRWA meeting. He was asked to present some information on Basin 162 (Pahrump Basin). Jeff Fontaine the Executive Director for CNRWA, is looking ahead to the next legislative session. There is lots of discussion on land use planning. At the previous CNRWA meeting in Carson City, Oz presented at Jeff's request, information on the Nye County Water Resources Plan. Our Water Resources plan meets all criteria with one minor exception being that we don't have an effluent sewage recharge count for every town, only for the Pahrump Basin.

As mentioned previous, Oz will be coming to the Board with a formal agenda item next meeting (May) to make Christal Behrends a full-time employee. If approved, he would like her to start full-time status at the beginning of FY 2020/2021 (July 1, 2020).

II. John Klenke

John went on a 3-day field trip with DRI personnel to observe subsidence in the Pahrump Valley. They visited locations previously identified by NWRPO in 2013 and to quantify any renewed activity. The range of declines are -.3 centimeters to -.9 centimeters annually. Hai Pham (DRI) will share his latest report, which we should have by year end.

Two reports have recently been published. The first being the USGS Death Valley Regional Report (DV3). Report focuses on *Groundwater Characterizations and the Effects of Groundwater Pumping in the Death Valley Regional Groundwater Flow System of Nevada, California with Special Reference to Devils Hole*. It is an important model and report as it

will be used by federal agencies to evaluate water and municipality impact by use in the Pahrump and Amargosa Valleys.

An interim, technical report on the DRI model, *Revised Ground Water Modeling Assessment of Pahrump Valley Nevada*, describes configurations and results of the model up to Fall of 2019. The Nye County Water District can use this report / model to evaluate water budgets and localize effects of pumping. This model has a higher resolution than the USGS model, so it is better suited for analysis.

III. Christal Behrends

Back in February, the Water District was invited to participate in the Nevada Water Resources Association's annual conference. We were asked to serve on a panel that was titled *The Trials & Tribulations of Rural Water Districts*. Others panelists included Carson Valley Water Shed and Virgin Valley Water (Mesquite). Being rural, there are different challenges faced. Those highlighted included staffing and infrastructure. We focused on the size of Nye County and our water level measurement programs across the County. Emphasis was made on the declining water levels and density of domestic wells in Basin 162. We received good feedback and have been invited to return next year.

There was an order hearing facilitated by NDWR in March on Basin 10-161 (Indian Springs). The Basin's Perennial Yield is 500 AFA. It is over-allocated but not over-pumped. The biggest consumers of Basin 10-161 water include: the utility, Creech Air Force Base and Cold Creek Homeowner Association. The hearing was to expand the boundary of the Basin. There have been filings made by SNWA in excess of 30,000 AFA on the Basin.

d. Projects Status Report

I. Staff

Oz mentioned that we have recently added 2 Volunteer Domestic Metering Wells to our program. We also funded some water quality sampling for the USGS monitoring wells that were recently drilled (close to CA border). John Klenke is in possession of the water quality information. Regarding the samples, nothing was above the Safe Drinking Water standards or alarming.

e. Board Liaison Reports

I. Commissioner Debra Strickland

Commissioner Strickland stated that she has been receiving letters of dissolution asking that the Board of County Commissioners dissolve the Water District Governing Board. As NRS governs this Board, the only thing the BoCC can do is appoint, remove or replace Water District Governing Board members.

f. Report from other individuals, groups and or agencies regarding water-related issues; for informational purposes only.

12. **10:28 AM For Possible Action- Discussion, deliberation and decision concerning future Water District Governing Board Meetings. Proposed schedule to include:**
- | | |
|-------------------|---|
| 5/22/2020 | Pahrump Budget Hearing 9am |
| 7/27/2020 | Tonopah Regular Meeting 9am |
| 10/26/2020 | Railroad Valley Regular Meeting (time TBD) |

Dennis Gaddy motioned that we approve the meeting schedule as presented making appropriate changes as needed. Walt Kuver seconded the motion. The vote was approved 5-0-1 (James Weeks was disconnected / unavailable).

13. 10: 34 AM General Public Comment (Second)

Herman Lewis complemented the Board for the smoothness of teleconference, stating this is how Government is supposed to operate. He asked where the copy of audio will be located. Samantha Tackett verified it would be available on the Nye County Website (Meeting Center).

Commissioner Koenig thanked the Board for removing agenda Item 10 to be heard at a later date.

14. 10:41 AM Adjourn

Attachment (see next page)

Public .Comment

John Bosta <bostajohn@gmail.com>

Thu 4/30/2020 6:41 AM

To: Christal L. Behrends;

I request that my comments are reflected in the minutes and I submit a copy of my prepared written remarks for inclusion in the minutes.

9. For Possible Action- Deliberation, discussion and decision regarding: 1. Nye County Water District Tentative Budget Worksheet for FY 2020/2021. 2. To set date, time and location of Public Hearing on the Final FY 2020/2021 Nye County Water District Budget. Proposed date Friday, May 22, 2020, 9am.

Comment on 1:

- a) In preparing the tentative budget, the Water District has not determined the amount of revenue to be received from taxes ad valorem during the ensuing fiscal year.
- b) Section 8(h) of the Nye County Water District Act; to develop and adopt, subject to approval by the Commission, ordinances, rules, regulations and bylaws necessary for the exercise of the powers and conduct of the affairs of the Board and District.
- c) Section 10(2) of the Nye County Water District Act; the Board shall determine the amount of money necessary to be raised by taxation for a particular year in addition to other sources of revenue of the District. The Board then shall fix a rate of levy which, when applied to the assessed valuation of all taxable property within the District, will produce an amount, when combined with other revenues of the District, sufficient to pay, when due, all principal of and interest on general obligations of the District and any defaults or deficiencies relating thereto.
- d) On June 7, 2010 the Nye County Water District adopted Bill No. WD 2010-01: a Bill proposing to adopt an Ordinance to Impose a Fee on each Taxable Parcel of Land in Nye County, Nevada to Support Operations. Mr. Cameron made a motion to adopt the Bill WD 2010-01 was seconded by Mr. McCall. Ms. Webster asked if the bill needed to be read back into record again. Mr. Cameron read the entire title into record. Motion passes 7-0.
- e) On June 15, 2010 the BoCC rejected the Nye County Resolution No. 2010-37 to ratify Nye County Water District Ordinance No. WD 2010-01 to impose a eight (\$8.00) dollar fee on each taxable parcel of land in Nye County. Commissioner Eastley made a motion to ratify Resolution No. 2010-37; seconded by Commissioner Wichman; 2 yeas. Commissioner Quitevis, Hollis and Borasky voted no.
- f) On June 18, 2012 the Nye County Water District adopted a Resolution No. 2012-001 to impose a fee on each taxable parcel of land in Nye County by a vote of 3-2. This annual fee will remain in effect for each subsequent year until changed or canceled.
- g) Whereas the Water District provides no adequate and efficient water service to the residents of Nye County as utility to collect a \$5 fee for service.
- h) The Ending Balance of the \$5 fee as of March 31, 2020 is \$378,049 which is enough money to fund the FY 2020-2021.
- i) The Water District **should not** collect a \$5 fee per parcel on the 1st Quarter Tax Bill for the Tax Bill for FY 2020-2021.

Comment on 2:

- a) What Nevada Revised Statute (NRS) is the Water District using for a "Public Hearing" on the Final FY 2020/2021 Nye County Water District Budget?

Respectfully submitted,

John F. Bosta