



MEETING MINUTES

May 21, 2018 – 9:00 AM

BOCC Chambers Pahrump, NV

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: John Koenig

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. **(00:00:03) Call to Order**
2. **(00:00:13) Roll Call – Present:** Richard Carver, Walt Kuver, Dennis Gaddy and Jim Weeks
3. **(00: 00:28) Mission Statement – “Provide, protect and preserve water resources within Nye County.”**
4. **(00:00:33) 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.**

None

5. **(00:00:42) Approval or modifications of the Agenda for the Water District Meeting of May 21, 2018.**

On recommendation of Vice-Chair Dennis Gaddy, and with no objection, timed item #9 will be heard next.

6. **(00:13:30) For Possible Action – Discussion, deliberation and decision regarding Approval of Minutes for March 26, 2018.**

Jim Weeks made a motion to approve the Minutes from the March 26, 2018 Governing Board Meeting. Walt Kuver seconded the motion. **The vote was approved 4-0.**

7. **(00:14:35) Correspondence and Announcements.**

None

8. **(00:14:50) Ex-Parte Communications and Conflict of Interest Disclosure Statements.**

None.

9. **(00:01:20) TIMED ITEM 9:00AM For Possible Action – Public Hearing on the Fiscal Year 2018-2019 tentative budget for the Nye County Water District; and discussion and deliberation to adopt or amend and adopt the Final Budget for the Nye County Water District for Fiscal Year 2018-2019**

The budget spreadsheet was presented by Oz Wichman. Attention was given to those highlighted areas relating to the website. To be discussed in more detail during Item 14 of Agenda, these highlighted figures encompass the cost if a Master Service Agreement with Civic Plus to redesign and maintain our website is approved. If so approved, this would increase our projected website spending to \$7,200 from the budgeted \$2,500. A budget transfer from the Water Quality Sampling / Studies line item can be made, as it contains a budget of \$20,000, with a projection of less than \$1,000.

Continuing the discussion, Savannah Rucker presented the Department of Taxation examined tentative budget for fiscal year 2019. The cover letter states that the budget conforms to the Nevada Administrative Code / NRS, making it a legal document. The Nye County Water District cover sheet summarizes the anticipated expenditures within the fund. Board member Walt Kuver commented that the spreadsheet included in the back-up (prepared by Oz), is different from the final budget. It was clarified the spreadsheet represents a working budget with tentative and projected amounts.

Schedule A- Estimated Revenues & Other Resources is a summary showing beginning fund balance for the Water District fund used for reconciliation purposes. Scheduled A-1 is formatted under the same premise, relating to expenditures. The Revenue Summary highlights 4 columns with number data to include: Actual Prior Year Ending 6/30/2017-representing the audited revenues generated by the Water District, Estimated Current Year Ending 6/30/2018-which is what is projected to be collected in FY18 and columns 3 & 4 which are the tentative and final approved numbers. We are anticipating revenues in the amount of \$285,000 in assessment fees and interest income of \$1,000 for the Water District.

Page 7 provides a summary of revenues. In 6/30/2017 revenues for the Nye County Water District were \$288,272. In fiscal year 2019 we are anticipating \$286,000. As you can see based on previous years, we are somewhat conservative with that number. Given that parcel counts do not change, this is a good budget number. Scanning to the bottom of the page, you can see the Beginning Fund Balance for FY 19 is \$292,691. The beginning fund balance is basically your carry over (coffers) from the previous fiscal year. Total available resources are \$578,691.

Moving onto Expenditures by Function & Activity. In fiscal year 2017, we ended the year with an audited total expenditure of \$324,016. In fiscal year 2018, we're anticipating \$284,549. And in fiscal year 2019, we are budgeting \$532,000. The reason we are budgeting the legal document higher than anticipated program expenses as proposed by Oz, is to insure we have budget available to cover any expenses that may arrive without violating the NRS. In the middle of the page you will see a line item named Contingency. This is not something the Water District has budgeted in the past, but does provide a buffer of additional resources. Even though this is not anticipated, Total Expenditures & Contingency total \$547,960, leaving us with an ending fund balance of \$30,731. Again, this is all based on building in buffers to take care of unanticipated expenditures. Ending fund balance will carry over into FY 2020.

The Schedule of Existing Contracts (page 10), is not in binding form. The Board can approve and cancel any contracts as needed.

Final page of budget document is the Lobbying Expense Estimate. At this point, we are not anticipating any lobbying expenses from the Water District.

Water District Governing Board Member Walt Kuver asked a question regarding salaries and what comprises the \$90,000 figure. Savannah stated this included the Administrative Assistant, as well as any Nye County employee that contributes time to the Water District. For example, John Klenke and Savannah herself (covering the MOU in place).

Jim Weeks motioned to approve the budget as presented. Walt Kuver seconded the motion. **The vote was approved 4-0.**

10. (00:15:02) For Possible Action-Discussion, deliberation, revisions, rejection and / or recommended action for approval of a Professional Services Agreement (PSA) between the Nye County Water District Governing Board and Oscar Wichman.

As presented by Oz, this is an identical contract to last year (dates changed). Historically, we budget more than we spend. It is estimated for fiscal year 2018, cost will be approximately \$40,000. Most of this year's activity was focused around the Ground Water Management Plan. It is anticipated that fiscal year 19 will be even less, depending on what will be required for the legislative sessions.

Walt Kuver motioned to approve the Professional Services Agreement as presented. Jim Weeks seconded the motion. **The vote was approved 4-0.**

11. (00:17:58) For Possible Action-Discussion, deliberation, revisions, rejection and / or approval of continued engagement for legal representation with the law firm of Kaempfer Crowell, Severin A. Carlson.

Per Oz Wichman, same contact, same rates, different dates. The Water District needs counsel. It is not anticipated that the budgeted \$50,000 will be spent. Sev (Severin) is consulted on a variety of items, including today's agenda contracts.

Jim Weeks motioned to approve the contract for legal representation as presented. Walt Kuver seconded the motion. **The vote was approved 4-0.**

12. (00:19:40) For Possible Action-Presentation on existing services provided and discussion, deliberation, revisions, rejection and / or approval of a Professional Services Agreement (PSA) between the Nye County Water District and Shaw Engineering for a not-to-exceed amount of \$50,000.

Dwight Smith of Interflow Hydrology provided a brief overview of the tests they have been working on, and a program funding plan to look at alternative water resources in the carbonate aquifer. The general plan is to move to the southwest of basin (Trout Canyon south to basin boundary), pursuing development of groundwater resources. Focus of presentation was breaking this program into phases. In Phase I, it is proposed to use geophysical surveys (including detailed gravity). Also, electromagnetic surveys to identify fracture zones in bedrock. Phases 2-4 include deep exploratory boreholes. Like the exploration work that is done in mining, but incorporates hydrology to investigate water yield and sampling.

Each phase is broken down with an estimated cost / budget. Phase 2 is estimated at 1.4 million. Phase 3 which would involve casing a well and drilling into depths of 2000-2,500 feet, has a substantial cost of approximately 2.1 million. Lastly, Phase 4 would be a groundwater modeling phase. Discoveries would be entered in the DRI model with an estimated cost of \$138,000. Yielding successful, there would also be a Phase 5 and 6, which would encompass preliminary engineering and stakeholder cooperative agreements.

In terms of a DRI model update, John Klenke is assisting with integration of model data with information from driller's well logs, additional water level data incorporation and refinements on water balances in the model. The updated model should be ready for presentation by the end of the year. Majority of model funding has been provided by the BLM and some internal DRI funds.

Oz summarized Susan Dudley's funding efforts. She is currently reviewing the following grant programs with:

Bureau of Reclamation: Drought Response Program, Water Marketing Strategy, Water & Energy Efficiency, Small Scale Water Efficiency, Water Shed Management Program.

On Federal Level: Water Infrastructure Finance & Innovation, USGS Grants, Corp of Engineers, National Science Foundation, Drinking Water State Revolving Fund, USDA.

Susan has attended 4 webinars conducted by funding agencies. The 2 obstacles she's running into: 1. We are not currently a purveyor of water and 2. Pre-development costs are not eligible for some of the funding options.

As cautioned by Oz before, he again stated grants are a journey.

Walt Kuver asked for a total estimated cost (for all phases) of Shaw Engineering's program, which Dwight answered to be approximately 4 million.

Oz expects that for fiscal year 2019, projected expenditures for Shaw's services / contract will be approximately \$35,000 (\$50,000 budgeted). This contract includes Dwight and Susan's work. How much we engage with proposed program is dependent on grant funding.

Jim Weeks motioned to approve the contract as presented. Walt Kuver seconded the motion. **The vote was approved 4-0.**

13. (00:38:17) For Possible Action – Discussion, deliberation, revisions, rejection and/or approval of a Professional Services Agreement (PSA) with Kathy Gilmore (Quality Assurance Officer) for a not-to-exceed amount of \$7,500.

In fiscal year 2018, Kathy has only billed \$412 so far. Although scaled back from years past, proposed contract is not to exceed \$7,500 to assist John Klenke's work and possible technical issues with the Water Level Management Program. This contract is necessary for quality assurance and quality control, so all the data that John collects on water levels is acceptable for use with the USGS, Division of Water Resources and everyone who's working on groundwater models.

Walt Kuver mentioned we also need to think about expanding the Water Level Management Program once updates to the DRI model have been made. Oz stated that if program is to be expanded, we need to look at lower Smokey Valley and Northern Nye. Solar Reserve's presentation at upcoming July meeting will provide more info on this.

Jim Weeks motioned to approve contract as presented. Walt Kuver seconded the motion. **The vote was approved 4-0.**

14. (00:42:02) For Possible Action – Discussion, deliberation, revisions, rejection and / or approval of a Master Services Agreement with Civic Plus for the re-design of the Nye County Water District Website at an initial cost of \$6,997 FY 2017-2018 and beginning Fiscal Year 2018-2019, a hosting, security and maintenance cost of \$1,800 annually.

As presented by Christal Behrends, the current website was built in a program called Premium Web Builder which is now obsolete. As a result, no edits or adds can be made. For us to have a functional website, we must re-design. Civic Plus is the web-development / maintenance organization that Nye County uses. They have 20+ years in business, over 2,500 government / municipality clients (which is the only client base they work with). Key features we'll see as an upgrade include: website will be more user friendly, it will include a document center so we can upload docs like the latest adopted Groundwater Management Plan, it will have a "notify me" option so the public can sign up to receive notification when updates and adds have been made and it will have a downloadable and fillable Forms Center (perfect for items like the Volunteer Well Metering form).

Page 16 of Civic Plus's proposal shows the 5 template designs we can choose from. The design timeline is approximately 16 weeks, but with the preliminary work we have already done (some mapping & data collection), we may be able to shorten that a bit. If we were going to do a custom vs. a template design, timeline would double. Initial cost for re-design is \$6,997 (to be budgeted in FY 2017-2018) and an annual hosting fee not to exceed \$1,800 every fiscal year after.

Special thanks to Arnold Knightly Nye County's Public Information Officer, who helped connect us with Civic Plus. Arnold mentioned that Nye County has had a good relationship with Civic Plus over the years. The recent re-design Nye County did with them went well. They are great to work with, give you control of your website, and are priced very competitively. Oz confirmed that Nye County Administration stated we were within purchasing requirements, to Dennis Gaddy's question re: competitive quotes.

Jim Weeks motioned to approve proposal and Master Services Agreement as presented. Walt Kuver seconded the motion. **The vote was approved 4-0.**

15. (00:51:02) District Member, Staff and Liaison Reports / Comments:

a. Finances

- I. FY 17-18 Budget Status – Savannah Rucker

Previously covered (see Item 9).

b. Board Reports

- I. LVVWD/SNWA
II. CNRWA – John Koenig

No present members.

c. Staff Reports

I. Oz Wichman

Recently attended Central Nevada Regional Water Authority (CNRWA) meeting in Eureka, NV. They are going to form some committees to discuss items coming up in the legislative session. Oz requested that any committee they form include Doug Busselman, Executive Vice-President of the Nevada Farm Bureau Federation. He has an extensive understanding of the State's agricultural waters.

Oz continues to stay in touch with the Nevada Nature Conservancy, who has been showing increased interest in Pahrump. They have asked Oz to participate in a forum during their next annual conference. The subject will be on ground water management plans.

The first hearing has been held on Order 1293. The Order stands for now. A final ruling will be made in early September (2018).

Lastly, Oz is delegating as much as possible to Christal. It keeps her engaged and learning.

Board member Walt Kuver asked Oz if he can update his 1-page budget spreadsheet to match Savannah's Finance figures. Oz explained Finance's work is built off the spreadsheet. The variances come from the projections that are presented. Oz will add a version date to the spreadsheet.

II. John Klenke

Recently working on 2 different items. First is looking for pump test data to support the DRI modeling effort. Second is analyzing driller logs across the valley to understand where the water is moving in relation to depth and location. Using locations that have had previous data (seismic data or geological cross-sections) for research.

Oz reinforced our goal for "one" water model for Pahrump. As the BLM and DRI continue to press on with their efforts and John's assistance, we're getting closer to that goal. The Nevada Division of Water Resources is currently using DRI's water model for their administrative process.

III. Christal Behrends

In efforts to become more of an education and resource partner with the local community, we have been engaged in a variety of activities. Recently we were invited to participate in the community's Earth Day celebration. We designed a water conservation brochure (copies available at the public desk). Also, as Ordinance 514-Water Conservation for New Homes was adopted over a year ago, compliance efforts are about to ramp up. We have developed a list of: builders, developers, landscapers, realtors, nurseries and even the chamber of commerce. Christal has been reaching out to these folks to inform them that enforcement is taking place and offering them packets for their information. These packets (in clear door hanger bag), contain: a copy of the actual ordinance, landscape plans and recommendations, as well as, a drought friendly plant / tree list. They are also available in electronic format.

Christal is partnering with Building & Safety. As they issue new Certificates of Occupancy, they leave one of these doorhanger packets for the occupants. We will be using aerial photography to see if there are any perceived turf violations. Process shows there is a presence and an appetite to enforce the Ordinance.

d. Projects Status Reports

I. Staff

Covered Above

e. Board Liaison Reports

I. Commissioner John Koenig

Not Present

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

None

16. (01:07:22) Discussion, deliberation and possible decision concerning future meetings and workshops.

Oz reminded the Board that the July meeting will be held in Tonopah. It will involve an election of officers. Also hoping for presentations by Round Mountain Gold and Solar Reserve. If interested, Oz can arrange a tour of Solar Reserve for the Board. All present expressed interest. Being the case, Oz asked Christal to make sure that July's Agenda is published noting tour and that a quorum will be present, with no decisions to be made.

17. (01:12:27) General Public Comment (Second)

None

18. (01:13:04) Adjourn