

**CARSON WATER SUBCONSERVANCY DISTRICT
FINANCE COMMITTEE MEETING
March 4, 2015, 8:30 A.M.**

Meeting Minutes

Directors Present:

Brad Bonkowski, Carson City
Ray Fierro, Lyon County
Greg Lynn, Douglas County
Mary Rawson, Alpine County
Ernie Schank, Churchill County

Staff Present:

Edwin James, General Manager
Toni Leffler, Secretary

Others Present:

Dave Berger, USGS
Steve Berris, USGS
Jackie Bogdanovicz, Lahontan Conservation District (LCD)
Linda Conlin, River Wranglers
Eaton Dunkelberger, Sierra Nevada Journeys
Shane Fryer, Alpine Watershed Group
Mike Hayes, Carson Valley Conservation District (CVCD)
Rob Holley, Dayton Valley Conservation District (DVCD)
Eleanor Lockwood, Churchill County
Chris Mahannah, Mahannah & Associates (for Churchill County)
Dessie Redmond, Storey County
Carl Ruschmeyer, Douglas County Public Works
Mike Workman, Lyon County Utilities/Public Works

The meeting was called to order at 8:37 a.m. by Director Lynn. The meeting was held in the Conference Room of the Carson Water Subconservancy District, 777 E. William St., #110, Carson City, Nevada. A quorum of the Finance Committee was present.

Item #2 - Public comment. None

Item #3 - Discussion for possible action regarding approval of the minutes from the Finance Committee meeting on July 29, 2014. Director Fierro made the motion to approve the minutes of the Finance Committee meeting on July 29, 2014. The motion was seconded by Director Rawson which was unanimously approved, with Directors Schank and Bonkowski abstaining for not being present at that meeting.

Item #3 - Discussion regarding the tentative General Fund FY 2015-16 budget and presentations for proposed projects. Ed James explained that the proposed tentative FY 2014-15 budget is shown in the left column, the FY 2013-14 final budget is the middle column, and the right column reflects the projected actual FY 2013-14 income and expenses.

GENERAL FUND Income: Mr. James explained that income from Alpine County is based on an estimate of what would be like the \$0.03/\$100 that is collected in Nevada. Due to the small tax assessment in *Alpine County*, the contribution is calculated to be \$9,000 for this coming year (*account #5008-00*). Staff just used last year's Ad Valorem tax income reflected in the tentative budget until staff gets the exact numbers from the Tax Department at the end of March, which will be reflected in the final budget. CWSD gets interest from investment in various CDs. Most of the money is invested in the Local Government Investment Pool which is not paying very much interest, so staff tries to diversify by investing in bank CDs. There is water lease income from Carson City for *Mud Lake water (#5022-00)*. Mr. James went over the grant income which is comprised of pass-through income accounts with expense accounts to offset them. We have a little money left over in the Carson River Conservation Tour grant. FEMA MAS #3 is going to end by June 30, 2015, and MAS #4 should be completed in FY 2015-16. Director Rawson asked to explain the Nevada Recreational Trails Grant. Mr. James explained that this was the grant we used to install rumble pits and signage on several motorized trails. We will probably be submitting an application for MAS #6 funding in FY 2015-16, but Mr. James didn't put anything in the budget for it until we receive the grant. Overall, Mr. James' tentative budget has an estimated \$1.6 million in income.

Administrative budget: Mr. James explained that the increases in *Salaries (#7015-00)* and *Benefits (#7020-00)* are based on the recently approved increases in salary for Brenda Hunt and Courtney Walker, along with merit and COLA increases for employees who qualify. We do get reimbursed for staff time from each grant in an amount of about 25% of the salaries account budget. The budget for *Workers Comp (#7021-00)* is going up a little bit to reflect salary increases. *Director fees (#7101-00)* are budgeted the same as last year. *Insurance (#7102-00)* shows a slight increase over last year. The budget for *office supplies (#7103-00)* is decreased from last year, and *postage (#7104-00)* is slightly higher to accommodate postage rate changes. The *rent (#7105-00)* is based on our contract, and we are in the third year of a three-year contract. When the contract ends we will renegotiate. We like the office location, but the biggest issue is internet speeds since the cost of bringing the Charter cable to this building is very high. The budget for *telephone (#7106-00)* is increased to reflect a price increase. The budget for *travel (#7106-00)* is increased, as is *dues and publications (#7108-00)* and *seminars and education (#7110-00)*, to cover ongoing training. The budget for *office equipment (#7111-00)* is increased significantly in anticipation of needing a new copier. Director Lynn suggested getting a reconditioned one from High Sierra Business Systems for a fraction of the cost. Mr. James explained that this is just an estimate, and he'd rather estimate high than fall short. The budget for *accounting (#7115-00)* assumes the need for a single audit if we get over \$500k in federal grants. *Legal fees (#7116-00)* are staying the same.

Mr. James explained the list of new projects and the amounts budgeted for *Preliminary Planning (#8008-00)*, with no transfers anticipated to *Floodplain Fund (#8009-00)* or *Acquisition/Construction (A/C) Fund (#8002-00)*. He explained that the A/C Fund is for regional water systems. It can only be increased by transfers from General Fund and investment income. At one point it was up to almost \$2 million, but it currently down to about \$660,000 because we have funded several construction projects. We may want to consider transferring funds into the account if our ad valorem income is higher than expected. The list of potential regional projects would cost about \$1,500,000.

Director Bonkowski asked if Lyon County has ever requested funding to put Mound House on a sewer system. Mr. James responded that years ago CWSD helped fund a study, but nothing has been requested about proceeding with a sewer system.

Director Schank asked if there is anything we need to do at Mud Lake and Lost Lakes to improve those areas. With funding in the budget this year, it would be good to take care of those things instead of giving all the money away for outside projects. Mr. James responded that he is still working on getting the dam fees reduced, possibly by changing our status to agricultural water user.

Director Schank asked about putting money in a fund to improve Lost Lakes. Mr. James replied that we could possibly grade the road to Lost Lakes regularly.

Multi-Year and Ongoing Projects:

Professional Outside Services (#7114-00) – This account covers CWSD web and internet services and other unknown projects that may come up over the next fiscal year.

Lost Lakes and Mud Lake Expenses (#7117-00 & #7118-00) – Mr. James explained that CWSD is trying to use the water from Lost Lakes and Mud Lake to enhance river flows and for municipal uses. We have to take a 7% transportation loss down to Lahontan. The Carson City water lease may soon be concluding and need to be renegotiated.

Integrated Watershed Projects (#7120-00, -07, -08, , -10, -25) - Mr. James went over each program. Most of these projects are pass-through grants.

Water Conservation Program/BMP (#7122-00) - Mr. James explained that these funds could be used for match if CWSD decides to go after a BOR Water Conservation grant.

Environmental Education Coordinator Program (#7125-00) - Mr. James explained that this is a very valuable program, and Linda Conlin will give a presentation on it later in the meeting.

Carson River Conservation Tours (#7210-00) - Mr. James explained that there is \$1,800 remaining in the NDEP grant for that program.

Noxious Weeds Control (#7404-00) - Mr. James pointed out that budgeting \$75,000 would give each county \$15,000 for noxious weed control.

208 Water Quality East Fork Algae Study (#7406-00) and *208 LID Program (7405-00)* - The two 208 Plan projects should be completed in June 2015, so there is no budget for those programs in FY 2015-16.

FEMA Floodplain Mapping Program MAS #3 (#7419-00) - FEMA MAS #3 to extend the floodplain modeling through the Carson Valley is expected to be completed by June 2015, so it has no FY 2015-16 budget.

FEMA Floodplain Mapping Program MAS #4 (#7420-00) - This phase of the FEMA project is for mapping the floodplain in the Carson Valley and is anticipated to conclude by September 2016.

BOR Basin Plan of Study (#7508-00) – The budget of \$250.00 covers our expenses for completing the Plan of Study.

Watershed Literacy Grant (#7424-00) - This new grant is a pass-through of \$15,000.

USGS - Water Quality and Level Data Collection in Churchill County - Project proposal #2 - This is a two and a half year project with the request for \$8,900 in FY 2014-15, \$10,200 in FY 2015-16, and \$8,800 in FY 2016-17. David Berger of the USGS explained that this is a continuation of USGS's water quality and water level monitoring in Churchill Valley.

Alpine County CASGEM (#7600-09) - The California Statewide Groundwater Elevation Monitoring (CASGEM) is a program that California has initiated to monitor groundwater levels.

Regional Pipeline Payment to Douglas County/Carson City (#7610-10 & #7620-11) - Mr. James explained that CWSD committed \$125,000/yr. for 20 years to both Douglas County and Carson City toward the debt service on the Douglas County/Carson City Regional Pipeline Intertie. These accounts are for payment to Douglas County and Carson City.

Churchill County - Water Dedication Tracking Database (#7640-14) - Project proposal #1 – This is an ongoing two-year agreement with Churchill County to track water right dedication.

The committee took a break at 9:26 a.m. and resumed meeting at 9:40 a.m.

County and Carson River Projects

Alpine County - Watershed Coordinator (#7600-05) – Project proposal #4 –Shane Fryer explained that funding from CWSD is at the core of the AWG program and used as leverage for bigger grants. Last year CWSD's \$23,000 grant brought \$500,000 worth of funding into Alpine County. They have 14 active restoration sites, ambient monitoring, and studies with American Rivers. Forty-eight (48) volunteers came out to work on the Hope Valley project last year. They have a fuels management grant. They are doing work in riparian areas along the East Fork with willow placement and bank stabilization, along with camp site and trail interpretation signs to educate the public. The Alpine Aspen Festival brought in \$19,000 for environmental work, netting a \$3,500 profit. It had 350 participants despite bad weather. Asking for \$23,000 this year.

Carson Valley Conservation District/Douglas County - Project proposal #5 – Mike Hayes explained that there are a lot of vertical and concave banks along the Carson River in Douglas County. Willow planting stops material sloughing into river and improves water quality. He is asking for funds to work on east side of Cradlebaugh Bridge. Mr. Hayes uses hand crews and no heavy equipment for their bank stabilization work.

Dayton Valley Conservation District (#7337-03) – Project proposal #6 – Rob Holley explained that Dayton Valley Conservation District (DVCD) is asking to carry over funds for bank stabilization projects from FY 2014-15.

A second request from DVCD (proposal proposal #7) is for \$75,000 for two river restoration projects. One project is on Ft. Churchill Road to stabilize the outer bank with tiered bank stabilization. RO Anderson is helping with the design of the Ft. Churchill project using quarried rock which will stay in place better. They have secured \$150,000 in NDEP funds and will be asking the Carson Truckee Water Conservancy District (CTWCD) for \$50,000. The second project is on the Minor Ranch and is an extension of a previous project.

Lahontan Conservation District (#7337-04) and Lahontan Conservation District Lower River Channel Clearance (#7640-12) - Project proposals #8 and #9 - Jackie Bogdanovicz explained that the Lower Carson River Task Force is where the Lahontan Conservation District (LCD) works with TCID and Churchill County Emergency and Planning Departments to go along the river to remove sediment and islands in the river and stabilize the bank. They have done two areas of the original six areas, with four areas left. It is important to reduce flooding risks. Project #9 is requesting funding for clearing vegetation and beaver dams.

Carson River Work Days (#7332-00) – (Project proposal #3) - Ms. Conlin explained that River Wranglers has had a contract with CWSD to conduct Carson River Work Days and provide additional support to conservation districts in the watershed. Their request this year is for \$26,000, \$2,000 over last year to provide travel expense and management coverage. They conducted 11 work days involving all the counties in the watershed. Though she does not specifically work in Alpine County, they work cooperatively and River Wranglers helped to fund Aspen Festival this year.

New Projects

USGS Stream Flow Monitoring Program (#7500-00) – Project proposal #11 – Steve Berris explained that this is a continuation of many years of cooperation with CWSD. Currently the USGS operates nine stream flow gages with CWSD. CWSD and the USGS currently have a two-year agreement ending on June 30, 2015. The new agreement expected to be for another two years. Mr. James noted that the gages would not be able to exist without CWSD funding. Mr. Berris mentioned that he and Mr. James have close communication whenever manual measurements are needed. The discharges measurements are on their web page real time every hour and are collected every 15 minutes.

USGS Douglas/Lyon Co. GW Monitoring Program - Project proposal #12 – Steve Berris explained that this program takes place in the Douglas County area. The USGS currently takes water level measurements in 20 wells four times a year, with an annual program of six wells for water quality constituents. They also run field parameters of temperature, pH, acid balance, etc., as well. There is also a network of five wells which are monitored twice a year. Mr. Berris explained that Mr. James has asked for a proposal to measure water levels in impacted areas around Fish Springs and Silver Springs areas for an additional 10 wells monitored once or twice a year. Mr. James explained that this was a request from water purveyors.

USGS Phase 1 Carson Valley Arsenic Study - Project proposal #10 – Dave Berger explained that the proposal is only for the first phase of the Carson Valley Arsenic Study to keep costs down. This study is to simulate what arsenic data is available and determine where there are data gaps. There is concern about pumping drawing arsenic into the Minden wells. This study is to begin looking at modeling this for future planning.

Douglas County Regional Water System for Sierra Country Estates - Project proposal #13 – Carl Ruschmeyer, Director of Public Works in Douglas County, explained that the request is for oversizing a pipeline as part of the project for the Sierra Country Estates. Douglas County is asking for \$25,000 for materials costs to upsize the pipe from 6" to 8". Mr. Ruschmeyer noted that this is consistent with the policies of CWSD for the integrity of water systems. The connection would tie into the regional concept between various water systems within Carson Valley. Director Fierro asked if an increase to an 8" pipeline is a large enough increase in capacity to accommodate the additional capacity for future regionalization. Mr. Ruschmeyer noted that the additional capacity is significant and should be sufficient because it is driven by the capacity of the wells in the area.

Sierra Nevada Journeys - Project proposal #14 – Eaton Dunkelberger explained that Sierra Nevada Journeys (SNJ) works with 12,000 children throughout the watershed. Their focus is on third through sixth grades but they are expanding to first grade and kindergarten. Their program is for building awareness of watershed science and creating a sense of ownership of the local watershed. Five family science nights with pizza and five-seven stations explaining the watershed. They are currently working with five schools serving 500 students and families. Mr. Dunkelberger said that he is in close contact with Linda Conlin to not overlap with projects that already exist. They work with the school and teachers to bring high quality science into the classroom.

Lyon County Middle Carson Imagery Project - Project proposal #15 – Mike Workman, Public Works Director for Lyon County, explained that this is an ongoing project. They work with CWSD and other organizations to update GIS in their county departments. Lyon County has a contract with Douglas County to maintain their GIS database, and Farr West Engineering does their sewer modeling. They are linking to the water right database. Lyon County wants to fly the Hwy. 50 corridor to use tools to measure elevations, etc. This information would also be useful for water, sewer, and storm drainage efforts. Lyon County is working with CWSD, NDEP, and Resource Concepts Inc. (RCI) for source water protection, storm water programs, and ordinances. The project would identify discharge points to the Carson River, elevations, slope, etc. They plan to fly from the Carson City/Lyon County line to Lahontan Reservoir. The project would include the Hwy, 50 corridor and developed property.

Storey County Noxious Weeds - Project proposal #16 – Dessie Redmond, Planner for Storey County., explained that they are requesting \$5,000 for weed abatement at Gold Hill and Six and Seven Mile Canyons. Their budget of \$27,000 for entire project. Storey County is doing an in-kind match of \$5,000. This is to continue efforts to control noxious weeds and invasive species. They were not able to do treatment last year, but these are the same areas treated in 2012-13. Mr. James noted that even though Storey County isn't a CWSD contributor, it is to the advantage of the member counties to treat the weeds before they invade other counties. DVCD and Storey County Public Works are going to work together. Storey County works with the mining company to coordinate weed management in disturbed areas. Director Schank noted that there may not be funding available from CTWCD. Ms. Redmond noted that if those funds are not available, Storey County can narrow down the project area to treat as much as possible.

Lahontan Valley Water Level Program (#7640-09) – Project proposal #17 – Eleanor Lockwood thanked the District for CWSD support. Chris Mahannah, with Mahannah and Associates, explained that this water level program jointly funded with Churchill County started in 2011 and will be ending

on June 30, 2015. The request is to continue the program for another three years. Mr. Mahannah handed out maps and explained monitoring wells. They have been collecting data since early 2012. Some wells have been part of the Churchill County program since 2003 on the Wild Goose Farm. The hydrology of Lahontan Valley includes three aquifers which are connected. The USGS is primarily monitoring the shallow aquifer. The monitoring started when Fish and Wildlife was acquiring water rights for Stillwater Wildlife Refuge. The focus is on the growth pattern in the northwest portion of the valley. The request is for \$60,000 over three years with Churchill County's \$20,000 match.

Director Schank suggested funding the Sierra Nevada Journeys request with the caveat that the money is to be used only in the Carson River watershed schools.

The committee took a break for lunch at 12:05 p.m. and resumed at 12:33 p.m.

Item #4 - Discussion regarding the tentative Acquisition/Construction and tentative Floodplain Management Funds FY 2015-16 budgets. Mr. James explained that the Acquisition/Construction Fund is for regional projects. In the Floodplain Management Fund, \$40,000 earmarked for the Minden project is ongoing until the project either goes forward or not. The \$360,000 is not earmarked yet, but to get FEMA funding we may need that as cash match.

In the Acquisition/Construction Fund, we don't have any projects requesting funding to date. We have approximately \$660,000 in the account. The five-year projection of expenditures includes the Douglas County Fair Ground pipeline upsizing when it connects to the Ruhstroth system. The Lyon County to Stagecoach pipeline is anticipating to move forward when the parkway goes through. Most of the list represents place holders of potential projects.

If there is additional money from ad valorem taxes when the numbers are firmed up, Mr. James proposed that money be moved to the Acquisition/Construction Fund for future projects.

Item #5 - Discussion for possible action regarding recommendations for the tentative General Fund, Acquisition/Construction Fund, and Floodplain Management Fund FY 2015-16 budgets. *Director Schank made the motion that the Finance Committee recommend that the tentative budget General Fund budget be approved with stipulation for Sierra Nevada Journeys to use the funds in the Carson River Watershed. Director Bonkowski seconded the motion for discussion.*

Director Bonkowski questioned the Sierra Nevada Journeys' (SNJ) request as being high for the first year, especially in light of the other educational efforts that are already happening. He noted that CWSD needs to ask for reporting.

Also, Director Bonkowski pointed out that Lyon County is requesting that CWSD pay 81% of the project. Director Lynn noted that it is not unusual for CWSD to fund a disproportionate amount of the project costs/benefit because it may benefit the entire watershed.

Director Rawson asked if the GIS is only for use by Lyon County. Mr. James noted it might be a good match for FEMA grants. He explained that it's a balancing act between accomplishing the project and staying within what the county budget will allow. We would fund more if the project was at risk

of not being accomplished. Director Rawson suggested funding \$24,879.60, which is 45% of the total project budget.

Director Bonkowski suggested funding \$3,380, which is half of SNJ's request and move some of the funds to the Acquisition/Construction Fund to make more funds available to Storey County if they don't receive CTWCD funding. He also suggested granting \$27,644 to the Lyon County High Resolution Imagery which is half of budget and moving \$18,000 to the Acquisition/Construction Fund.

Director Schank amended his motion to reflect the changes discussed. Director Bonkowski seconded the amended motion, which was unanimously approved by the Finance Committee.

There was no public present and therefore no comment. There being no further business to come before the Finance Committee, Director Bonkowski made the motion to adjourn, seconded by Director Rawson, and the meeting was adjourned at 1:00 p.m.

Respectfully submitted,

Toni Leffler
Secretary