

**CARSON WATER SUBCONSERVANCY DISTRICT
FINANCE COMMITTEE MEETING
February 25, 2013, 8:30 A.M.**

Meeting Minutes

Directors Present:

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

Staff Present:

Edwin James, General Manager
Toni Leffler, Secretary

Others Present:

Steve Bellis, USGS
Dave Berger, USGS
Linda Conlin, River Wranglers
Rick Felling, Nevada Dept. of Water Resources
Sarah Green, Alpine Watershed Group
Mike Hayes, CVCD
Eric Morway, USGS
Rich Niswonyer, USGS
Paul Pugsley, Carson Valley Conservation District (CVCD)
Tim Russell, Resource Concepts Inc.
Marlea Stout, Lahontan Conservation District (LCD) (by teleconference)
Rich Wilkinson, Dayton Valley Conservation District (DVCD) (by teleconference)

The meeting was called to order at 8:45 a.m. by Director McKenna. 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 regarding the tentative General Fund FY 2013-14 budget and presentations for proposed projects. Ed James went over the tentative budget for FY 2013-14. We will need to cut about \$500,000 from the budget as presented. He noted that his Ad Valorem taxes estimate maybe a little low, but we don't get the final numbers until after the Board meeting. He suggests that the Finance Committee identify projects to fund in case we have more income than anticipated. Mr. James explained that the proposed tentative FY 2013-14 budget is shown in the left column, the FY 2012-13 final budget is the middle column, and the right column reflects the projected actual FY 2012-13 income and expenses.

Director McKenna asked which USGS projects we need to fund. Mr. James responded that the stream gauges are very important because we need long-term records, they are important for agriculture, and the Federal Water Master uses them. He acknowledged that \$85,000 is a lot of money, but keeping the gauges in good order is critical for flood warning and tracking water supply as

it goes through the system. It is important to have all gauges functioning in case one is in error, then it can be detected and fixed more quickly. These gauges measure water height, not flow. The USGS goes out and measures the velocity and creates a rating curve. Changes in the bed bottom or debris buildup can give false readings. Director McKenna asked if it would save CWSD funding if staff manned gauges without the USGS. Mr. James responded that the USGS has stringent quality control measures and staff doesn't have the time or experience to maintain the gauges.

The USGS Nitrate Groundwater Model grant (#7522-00) for \$53,500 is on-going, as is the USGS Groundwater Level Monitoring in Churchill County grant (#7524-00) for \$21,375 for this year. The Nitrate grant includes in-kind credit for Lyon County collecting data, and the Churchill County grant is covered in part by money from Churchill County.

Director Schank asked about impact of the Congressional sequester on USGS funding. Mr. Berger responded that no one would know for sure until it takes effect on March 1; however, in his many years with USGS, there have been numerous times of budget cuts, and the USGS has proven important enough to survive them all. Mr. James mentioned every third year we get \$40,000 in 208 funding, but he didn't include in budget in case it is cut. Otherwise, no impact expected.

Director McKenna asked if we can assume a status quo for the next few years. Mr. James explained that since we fund projects, we are able to cut back as needed. We also get grants which are pass through; therefore, if we do not get the funding, we will not do the project. Director Fierro asked if some projects can accept less funding than requested. Mr. James responded that we will ask each presenter what their lowest funding need is to continue project.

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 \$8,500 for this coming year. The Ad Valorem tax income reflected in the tentative budget is a best guess 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. Mr. James went over the grant income which is comprised of pass-through income accounts with expense accounts to offset them. He emphasized that if the grant funds exceed \$500,000, we have to do a single audit. Director Fierro asked if we can use a portion of each grant to pay for a single audit. Mr. James responded that last year was the first time we've had to do a single audit, but we may want to look at that in the future.

Administrative budget: Mr. James explained that the increases in Salaries and Benefits are based on hiring a Watershed Assistant and merit increases for employees who qualify. We do get reimbursed for staff time from each grant. All the other accounts in the Administrative budget, except for Workers Comp Insurance (#7021-00), were reduced. Staff re-negotiated the office lease agreement for the next three years, so the Rent (#7105-00) budget is reduced by \$2,475. Telephone expenses (#7106-00) are being reduced because Mr. James plans to switch to a smart phone and pay for his cell phone privately.

Mr. James explained that the accounting budget (#7115-00) is lower for next year because we don't expect to have to do a single audit for receiving over \$500,000 in federal grants, and he would like to trim an additional \$2,000 from the accounting budget beyond that. Also, Legal (#7116-00) has been reduced to reflect the projected actual budget for FY 12-13. The legal retainer is set at \$36,000/yr. Director McKenna asked if we need an attorney. Mr. James noted that having legal representation is for the district's protection. Mr. Benesch has not increased his legal fees to the district for the last eight years.

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. This year we are having the CWSD website redesigned.

Lost and Mud Lake Expenses (#7117-00 & #7118-00) – Mr. James explained that the budget for Lost Lakes is a little higher than last year to cover increases in California fees. Mud Lake O&M is a soft number and may be less. We bought Lost Lakes in 2002 and the dam safety fees have gone up considerably.

Integrated Watershed Projects (#7120-00, -03, -07, -08, -09, -10, -18) - Mr. James went over each program. Most of these projects are pass-through grants. Mr. James noted that the majority of the Watershed Coordinator expenses are covered under Salaries but the small amount shown under Watershed Coordinator and Clear Creek expenses are incidentals like copies. Director McKenna explained that it is important to keep invasive species from spreading. Noxious weeds treatment is also very important to keep on top of infestations so they don't spread because it is more expensive to treat spread.

Water Conservation Program/BMP (#7122-00) - Mr. James explained that the Water Conservation Program/BMP is budgeted the same as last year but may be an area which can be reduced.

Carson River Conservation Tours (#7210-00) - Mr. James pointed out that the Watershed Tour expense has been reduced from last year.

CR Project Protection/Conservation District Support (#7339-00) - Mr. James noted that river projects/maintenance/repair has been an area of great need for funding aid to the conservation districts. This year's budget is \$20,000 more than last year.

Noxious Weeds Control (#7404-00) - Mr. James pointed out that budgeting \$75,000 would give each county \$15,000. This is the majority of funding the weed districts receive, and they accomplish a lot with a little funding.

208 Water Quality East Fork Algae Study (#7406-00) - NDEP is talking about extending the data gathering another year.

FEMA Floodplain Mapping Program MAS #3 (#7419-00) - The FEMA MAS #2 mapping to the Carson City/Douglas County line (#7414-00) will be completed this year. FEMA MAS #3 is to

extend the floodplain mapping/modeling to the Carson Valley. FEMA MAS #3 expenses are primarily for the consultant.

USGS Stream Gage (#7500-00) –Steve Berris and David Berger of the USGS gave a brief presentation. Gauge costs haven't gone up in last three years because the cost of labor is stable. USGS does additional measurements at Woodfords and Gardnerville in the summer. The USGS has strict quality control of measurements. Director Schank noted that it is useful to be able to look at a graph of flows at the gauges over time. Measurements on the Carson River near Genoa are taken for water quality for NDEP because of phosphorus and algae issues. Measurements at Clear Creek are also for water quality.

USGS Douglas Co. GW Collection Data (#7508-00) – Project #2 - For over 15 years the USGS has been collecting groundwater and water quality data in Carson Valley. Mr. James asked if their program can be reduced this year, how much reduction could be tolerated. Mr. Berger responded that the lab expenses for water quality samples is the greatest expense. Water level data is basic data for the fewest dollars, but nitrates are showing up in some areas, so that's important. USGS samples 13 well basis on a bi-annual basis, eight wells annually, and the network on a rotating basis. He will work with Michael Rosen to determine the wells for which a reduced frequency of sampling will have the least impact. Director Schank asked if sampling can be cut back to every two years or would that wreck the integrity of study. Mr. Berger explained that sampling every two years would still show the trend. He referred to Doug Mauer's presentation on the Carson Valley groundwater flow model and noted that we might want to make sure the current network of wells are in areas of water draw down. He will ask the USGS engineers if taking measurements every two years would suffice. Director McKenna asked what effect the government's sequestration would have on the USGS. Mr. Berger responded that furlows are expected.

USGS Nitrate/GW Model-Dayton & Churchill Valleys (#7522-00) - The USGS will continue to collect groundwater data in Dayton and Silver Springs groundwater basins. Lyon County is providing in-kind work but is not a funding party. Director Schank noted that if these programs are very important to the counties, they should partner in funding. Mr. James explained that the study has a regional benefit because it will tie into the overall modeling.

USGS GW Level & Water Quality Monitoring in Churchill County (#7524-00) - CWSD receives \$8,000 from Churchill County (#5085-00) to help offset expenses for the Churchill County Groundwater Study (#7524-00).

Alpine County CASGEM (#7600-09) and Alpine County Mesa Groundwater Study (#7600-10) - These are two studies funded by Alpine County. The California Statewide Groundwater Elevation Monitoring (CASGEM) (#7600-09) is a program that California has initiated to monitor groundwater levels. At this point Alpine County is not interested in pursuing the Mesa study, so the project is being removed from next year's budget.

Regional Pipeline Payment to Douglas County (#7610-10) - CWSD committed \$125,000/yr. to both Douglas County and Carson City toward the debt service on the Douglas County/Carson City Regional Pipeline Intertie.

NDEP Carson City Stormwater BMP Project (#7620-09) - This is the expense side of the NDEP grant.

Regional Pipeline Payment to Carson City (#7620-11) – This is an on-going debt service payment to Carson City for the Douglas County/Carson City pipeline intertie.

Lahontan Valley Water Level Program (#7640-09) – Project #5 - This is the third year of a three-year agreement with Churchill County to collect water levels Lahontan Valley.

The committee took a break from 10:00 to 10:05 a.m.

Carson River Projects

Carson River Work Days (#7332-00) – Linda Conlin explained that the Conserve Carson River Work Days began in 1995. The request is for \$24,000, of which \$9,600 goes directly to the work days (\$2,400/county in Nevada). Of the \$6,000/county, the other \$3,600 pays for work crews for river restoration and extends the work that the conservation districts do. River Wranglers took over CRWD grant when Western Nevada Resource Conservation and Development (WNRC&D) disbanded. The money from this grant is very well spent. There are three Carson River Work Days in Douglas County is involving a new elementary school. There are four events in Lyon County, including an elementary school that had lost contact. The events in Churchill County and Carson City are held in the spring. Expenses for work day include materials, toilet rental, etc. Hundreds of kids involved each season. As the Environmental Education Coordinator, Ms. Conlin goes into the classrooms. Fourth graders work with high schoolers to learn what a watershed is and about non-point source (NPS) pollution. Ms. Conlin noted that it is gratifying to go back into the classrooms to see how much kids have learned.

Carson Valley Conservation District/Douglas County (#7337-11) – Project proposal #7 – Mike Hayes explained Carson Valley Conservation District's request for \$40,000 to work with The Nature Conservancy (TNC) and \$5,000 for control of 100 beavers. If cut, they would do two \$12,000 projects on Brockliss Slough instead of the \$40,000 at TNC. There are several more sites on the Brockliss being done.

Carson Valley Conservation District/Carson City (#7337-02) – Project proposal #8 - Mr. Pugsley explained that the Carson Valley Conservation District's project in Carson City is at Buzzy Ranch on the right side boundary where the river is imposing into that ground, specifically treating 600' using willow barbs as structure instead of rock. He has already worked to pare down this project as much as he thinks it will still be viable. He noted that a similar structure done in 2003 is still intact today. The overall project cost is \$112,000, with \$40,000 from CWSD and the rest from elsewhere. The cut in bank has occurred because there used to be a return ditch which started the erosion, giving the river the opportunity to do more. Another cut bank is the result of a beaver dam. Carson City is funding beaver removal in Carson City through the Open Space Program. Director McKenna asked about the result on the area if no treatment is done. Mr. Pugsley responded that the river will continue to cut into pasture land but the only thing to lose is fencing.

Dayton Valley Conservation District (#7337-03) – Project proposal #9 - Rich Wilkinson explained that in the Dayton Valley Conservation District (DVCD/CWSD partnership, CWSD has been the

most consistent funding source. Last year DVCD received \$80,000 from CWSD, giving them the ability to leverage an additional \$495,000 in funding. He is seeking the same this year. He has started permitting process on the projects. Mr. Wilkinson identified the three project locations where they are consistently seeing severe erosion due to a lack of native vegetation. The goals are to minimize or stop erosion, improve water quality, re-establish native vegetation, and enhance wildlife habitat. The projects are at the Morse Family Farm, the Itel Ranch, and at the boundary of the Quilici and Minor Ranches. He anticipates generating an additional \$421,000 in funding. He is hoping to start the project in April with construction as soon as the water recedes and they can get in river. Partners include CWSD, CTWCD, NDEP 319 (\$200,000), Lyon County, US Fish and Wildlife for reseeding in the floodplain, and landowners for willows and labor. Mr. James asked what would happen if only two projects were done. Mr. Wilkinson noted that project MCR047 shouldn't be cut because MCR045 could make MCR047 worse. Bioengineering will save in long run. The numbers reflect doing the projects inexpensively as possible without the normal 10% contingency. He noted that they will probably have to pay prevailing wage. Mr. James asked if MCR046 could be delayed. Mr. Wilkinson responded that they are losing trees in that area in low flows. There are fewer contractor bids for projects than a few years ago so projects cost more now. Director McKenna asked if other funding is dependent on CWSD funding. Mr. Wilkinson responded that CWSD and CTWCD funds are matched.

Lahontan Conservation District (#7337-04) - Project proposal #10 - Marlea Stout made her presentation by teleconference. Lahontan Conservation District (LCD) plans to continue with their long-term clearing and snagging program combined with a bank stabilization project. Understanding CWSD's budget limits, she believes she can include some channel clearing in the \$20,000 and withdraw her Lower River Channel Clearance funding request.

Lahontan Conservation District Lower River Channel Clearance (new) - Project proposal #11 is a new project for sediment removal. If combined with project #10, they can eliminate their request for #11.

Alpine County - Watershed Coordinator (#7600-05) – Project proposal #12 – Sarah Green explained that Alpine Watershed Group (AWG) has restoration, monitoring, and outreach programs in Alpine County. Funding is match for other grants and is necessary to leverage other grants. Their request of \$20,000 is a small percentage of total budget but crucial to leveraging grants. The total project cost of \$239,000 includes \$100,000 specifically for environmental consulting. The organization's budget is not that high. The project is the Markleeville Creek Restoration Grant with the grant they have now. AWG has developed good partnerships with the Markleeville Public Utility District (PUD) for upgrading sewer lines through the floodplain. AWG is also partnered with Sierra Nevada Alliance for the Americorp program which leverages funding more to provide more education and outreach for six months.

Ms. Green stressed that the request for \$20,000 is crucial for lab fees of \$1,500, monitoring supplies of \$500, travel of \$2,000, and staff time of \$10,000, so \$14,000 would be the minimum CWSD grant with which the program could continue.

Director Rawson asked if AWG coordinates with the USGS for flow monitoring. Ms. Green responded that they haven't but they would be happy to coordinate. Mr. Berger noted that the QA/QC

for USGS is stringent. They might be able to work together on lab work, but the USGS sends out lab samples which may be more expensive than the lab that AWG uses. Mr. James noted that CWSD integrates services as much as possible and gets credit with the USGS for a lot. Ms. Green noted that the Lahontan Water Quality Control Board at Lake Tahoe has processed bacteria samples from Indian Creek for AWG.

Other Projects

State Engineer - GW & Stream Gauging (#7211-00) – Project proposal #13 – Rick Felling, NDWR, explained that the State Engineer has received CWSD grant funding in the past. They are asking for \$30,000 to completed the groundwater pumpage inventories and get publications out in a timely fashion. The inventories are a detailed summary of the groundwater usage in the Carson, Eagle, Dayton, and Churchill Valleys with detailed records for the past 10-20 years. They include a list of all the water rights in those areas, an estimate of pumping, irrigated acreage, and groundwater versus surface water applied to irrigated acres. The State Engineer's office has a staff engineer for each basin who does much of the work. Preparation of reports is by his staff. The project will cost an estimated \$70,000 but they are asking CWSD for \$30,000 and will cover the balance. They monitor many wells and want to add 6-10 wells in the Carson Desert in Hazen area, etc. This is important because all basins are over-appropriated for groundwater recharge. There are legal issues in applications for change of diversion and appeals to Courts. The State Supreme Court ruled on the Tracy Segment that as long as it is within perennial yields of the basin, water can be appropriate and surface water is not impacted. Some surface water rights are senior to groundwater rights and must be protected. The basins are over-appropriated but not over-pumped. Detailed pumpage inventories are used for water planning, USGS studies, and models. It is the key for tracking for how water use changes depending on climate change. The inventory has documented all pumping changes corresponding to river water flow. Mr. Felling noted that the State Engineer's office provided a letter of support for CWSD's Water SMART because we must know the current water use and have an analysis of how existing water power and supplies perform with changes in water supplies. This study would be for water year 2013 with work starting at end of this calendar year.

Director Schank asked if the State Engineer plans to expand water level collection into the Carson Desert area below Lahontan. He knows they collect data east of Lahontan but identified an area of possible concern in domestic wells from here on the Carson River east of Lahontan extending up to Hazen. The issue that there is a lot of water use and little water supply, esp. without use of Truckee Canal. They are looking at domestic wells and county wells used to run pivots and need to look for areas of need and availability to choose. Wells that are for irrigation and some not pumped are measured once or twice a year, after irrigation system and before starting up again. Baseline data is important to watch the progression. Director Schank asked if the State Engineer's monitoring overlaps with USGS well monitoring in the Fallon area. Mr. Felling responded that they try not to duplicate wells that USGS are using. They try to keep a long-term inventory a couple times a year.

Mr. James noted that this is data that he uses all the time. If not funded, the data would be collected, but report would not be produced. Mr. Felling noted that the State Engineer's office has collected data but is behind in being able to produce the reports which are important to make the information available for everyone to use the data. Data collections happen, but the compilation of the data and reporting sometimes doesn't happen. To be usable it has to be compiled, and for use by everyone it has to be in a publication.

Regional MS4 Stormwater Management Plan - Project proposal #14 – Tim Russell from Resource Concepts Inc. (RCI) explained that development of a Stormwater Management Plan is mandated by EPA Permit 2 requirements and managed by NDEP. Areas with 50,000 people or more, i.e., Indian Hills, a portion of Dayton Valley, Churchill Valley and Douglas County, must comply. There are new areas where NDEP has backed off. This program suggests doing a plan for everyone which is consistent throughout watershed. The grant request may be able to cut back from \$40,000 to \$20,000-30,000. It is important to get something started to provide something tangible for everyone to use. Mr. James pointed out that a regional process is more cost effective.

USGS - Simulating Shifts in Snowmelt Pulse - Project proposal #15 – Rich Niswonyer explained that he has been a part of GS Flow development, a state of art model monitoring groundwater and surface water together. If stream flows are coming earlier than in past, there is a large impact to all stakeholders. The USGS would like to use an hydrologic model to project the latest climate models for three periods over the next 100 years. They amended the budget already as part of proposal because the USGS will be working with the Desert Research Institute (DRI) to do the surface water component through a different grant, so USGS only needs additional funding to do the groundwater portion of model which would cut budget in half to \$75,000. This would include projections of daily streamflow for all tributaries and flows from the East and West Forks of the Carson River over the next 100 years. This work is one component to a larger project to create a surface water/groundwater model of the entire Carson River basin to use as a tool throughout watershed. This would focus on upper catchment areas in Hope Valley, etc., basically where most snow occurring and is not monitored. Mr. James mentioned that he is looking at this issue long-term for a management tool. This study may not have to be done this year but is needed to be done in the future. It is an important concept.

Director Lynn commented that he would like a program to look at a major recharge facility, gravel basins to hold recharge. Mr. Niswonyer said USGS needs models to effectively design infiltration basins to accommodate hydrology and climate. Mr. James noted that this also points out the importance of the modeling we are doing with BOR. Director McKenna asked why not study the whole watershed. Mr. Niswonyer responded that studying the upper catchment of snow packs is important because they effect everything below. Eric Morway explained that studies are leading to documentation for making decisions. Some basins have been modeled and documented, but we don't have complete coverage of the upper catchment above the Woodfords gage and above the Markleeville gage.

Director McKenna asked whether the study would still be valuable next year if it was not started this year. Mr. Niswonyer noted that the surface water study with DRI will be started this year. Mr. Berger noted that the predominant water source is surface water which then infiltrates into the groundwater in Carson Valley. The groundwater component makes up the lower flow of hydrograph. The model needs the quick runoff of snow melt and the low flow component from groundwater to project spring and late spring/early summer flows. This would serve as the foundation for 20-40 year planning. Mr. Berger noted that we have models in various areas of the Carson River watershed which may be able to be linked to simulate the entire watershed and overlay with the Alpine Decree management of water. Mr. Niswonyer showed a graph of seasonal streamflow which shows a shift in snowmelt earlier with flows lowered later in season. This information is important to stakeholders. He

explained that "weather" is effected by local atmospheric patterns annually. "Climate" is more long-term related to ocean currents and large climate patterns over the poles of planet which tend to impact over decades.

Director Schank mentioned CWSD's limitations with the overall budget this year and the fact that we must show loyalty to the county governments who give ad valorem funding. Mr. Berger responded that the USGS expected this but wants CWSD to know the long-term plan.

USGS - Arsenic Distribution in Carson Valley - Project proposal #16 – Douglas County wells near airport are off because of the arsenic in the water. If the arsenic distribution in Carson Valley isn't studied, the Minden wells may begin pumping arsenic. This study is to understand the distribution of arsenic in the system around the Minden area in lateral and vertical sense. The USGS could cut the program to sample in 20 wells instead of 40 wells. The Bureau of Mines has money to look at arsenic in the state that may be able to be funneled to this project. Phase 1 is to get a look at the distribution of arsenic. The second phase is to model transport of arsenic when pumping in various areas. Cutting number of samples may reduce cost from \$52,500 but may not be in half. The USGS may be able to leverage other funding.

Director McKenna asked if the USGS will be reduced or expanded over next five years. Mr. Berger mentioned that USGS is a very small agency and they may try to cut training instead of science. If so, academia, the university and flood agencies, will complain to Congress that USGS stay whole for the information they need.

Douglas County Lands Bill - Floodplain Protection - Project proposal #17 – Mr. James explained that part of Lands Bill may protect the floodplain. Director Lynn explained that it is to transfer land into Douglas County's control, like lands in Pine Nuts for flood attenuation.

Lyon County Water Rights GIS Database - Project proposal #18 – Director Lynn noted that this program helps Lyon County in management of water resource planning. Mike Workman said this has regional benefits in knowing where water is going to go related to other studies.

Lyon County EPA Sampling Project - Project proposal #19 – We don't know where the EPA will be coming from with regards to new contamination rules, so Lyon County is trying to get ahead of curve. The cost to treat pharmaceuticals in the water would be astronomical. There are programs to burn pharmaceuticals. Mr. James will talk with Mike Workman to determine the importance of this project to Lyon County.

Director McKenna asked if the committee will be able to come up with a tentative budget for the March Board meeting. Mr. James noted that the budget before the committee is the tentative budget. The committee is charged with the duty of choosing the most valuable projects and balancing the budget for approval by the entire Board. We are required to show that all funds are going to be used. Mr. James explained that under other expenses, Preliminary Planning (#8008-00) is a rainy-day fund of between \$400k-\$500k in case of emergencies.

Item #4 - Discussion regarding the tentative Acquisition/Construction and tentative Floodplain Management Funds FY 2013-14 budgets. Mr. James explained that the Acquisition/Construction

Fund is for regional projects. The booster stations in Minden and in Carson City will come out of the Acquisition/Construction Fund.

The Floodplain Management Fund has \$40,000 earmarked for the Hwy. 88 project contingent upon FEMA funding.

The committee took a break for lunch from 12:00 to 12:25 p.m.

Item #5 - Discussion for possible action regarding recommendations for the tentative General Fund, Acquisition/Construction Fund, and Floodplain Management Fund FY 2013-14 budgets.

Mr. James handed out a tentative FY 2013-14 General Fund budget with some suggested changes to balance the budget . Mr. James mentioned that the Finance Committee needs to cut about \$550,000 from the draft Tentative Budget.

Multi-Year and On-Going Projects:

Mr. James noted that account #7508-00 for USGS Groundwater Collection Data in Douglas County may be able to be cut in half to \$15,000.

Mr. James noted that project proposal #13 (acct. #7211-00), the State Engineer Groundwater Pumping Inventory, is important. Perhaps if \$15,000 is cut from account #7508-00, we could move the funds to this. A delaying in funding this project may not hurt. Director Fierro asked about the process the State Engineer goes through with the pumping inventory and why they can't make the raw data available instead of having to compile it into a report. Mr. James explained that State Engineer staff time has to be used to enter the data which is gathered and analyze it. Without the funding, they don't have the budget for that staff time, so the data is just left in collection books and not broadly available for analysis. Director Rawson asked if UNR students in this field of study could get credit for inputting the data and gain experience in doing so. Mr. James mentioned that CWSD has helped fund part-time students' help in the past, and it has been a very positive program. Director McKenna suggested putting this project on a "will fund" list if funding becomes available.

When the conservation district river projects were discussed, Director McKenna asked whose responsibility it is to do these projects, the counties or CWSD, and where the funding has come from in the past. Mr. James responded that there are projects in each county for which the counties do not have funding. CWSD does have a responsibility because of regional impacts to the river and water quality. In the past, some of the repairs on larger reaches were done using Question 1 (Q1) funding. However, with no Q1 funding available now, only less expensive projects on smaller reaches can be addressed. There was a discussion about the productivity of the Dayton Valley Conservation District (DVCD) in getting projects done in the middle river area. Director McKenna asked if the counties or landowners should be held responsible for funding these projects, to which Mr. James noted that State Lands owns river bottom so it's not up to the landowners. Director Schank mentioned that from the standpoint from someone who uses the river, beavers are the biggest contributing factor to the river not working as it is supposed to. Director Lynn noted that CWSD is charged with oversight of the water resources in the Carson River Basin, not just the river. Director Fierro mentioned that he has personally noticed the improvement in water clarity following the completion of one of the DVCD projects. Due to budget constraints, it was recommended that all the river projects be cut back a little.

New Projects:

Regional MS4 can be reduced to \$20,000 to get the process started. This would streamline the process so that each county won't have to do separate plan and provides point person.

USGS simulating shifts in snowmelt pulse is a helpful tool for future planning but does not need to be funded this year. The same with the Arsenic Distribution study.

The Douglas County Lands Bill request would be reduced by \$2,000. The Lyon County EPA Sampling will be eliminated, and the Water Rights Database will be reduced by \$5,000.

Director Schank asked if it would be fair to cut funding to the Carson River Work Days since so many of the other requests were reduced. Mr. James noted that CWSD uses the Carson River Work Days grant to match the Environmental Education Coordinator grant from NDEP so we don't have to cut it.

To balance the budget an additional \$20,000 will be reduced from the Preliminary Planning account (#8008-00) with the understanding that this account will be reimbursed as soon as funds are available.

Director Schank made the motion that the Finance Committee recommend adopting the tentative balanced budget with modifications shown in red on the Revised Tentative Budget and as noted above. The motion was seconded by Director Fierro and unanimously approved by the Finance Committee.

Director Schank made a motion that the Finance Committee recommend to the Board that the Floodplain Management Fund and Acquisition/Construction Fund budgets be approved as presented. Director Fierro seconded the motion which was unanimously approved by the Finance Committee.

No public comment. There being no further business to come before the Finance Committee, the meeting was adjourned at 1:25 p.m.

Respectfully submitted,

Toni Leffler
Secretary