

CARSON WATER SUBCONSERVANCY DISTRICT
BOARD OF DIRECTORS MEETING
August 20, 2014, 7:00 P.M.
Minutes

Directors present:

Karen Abowd
Carl Erquiaga
Ray Fierro
Don Frensdorff
Don Jardine
Greg Lynn, Vice Chairman
John McKenna, Treasurer
Austin Osborne, Storey County
Barry Penzel
Mary Rawson
Ernie Schank, Chairman
Fred Stodieck

Directors not present:

Doug Johnson
Joe Ricci

Staff present:

George Benesch, Legal Counsel
Brenda Hunt, Watershed Coordinator
Edwin James, General Manager
Toni Leffler, Administrative Assistant/Board Secretary
Debbie Neddenriep, Water Resource Specialist

Also present:

Carmen Schank, visitor

Chairman Schank called the meeting to order at 7:10 p.m. in the District Courtroom of the Storey County Courthouse, 26 South "B" Street, Virginia City, Nevada. The CWSD/Alpine County Joint Powers Board was convened. Roll call was taken and a quorum was determined to be present. The Pledge of Allegiance was lead by Director Osborne.

Item #5 - Approval of Agenda. *Director Lynn made the motion to approve the agenda. The motion was seconded by Director Jardine and unanimously approved by the Board.*

Item #7 - Approval of Minutes of the Board Meeting on July 16, 2014. *- Director Lynn made the motion to approve the Minutes of the Board Meeting on July 16, 2014. The motion was seconded by Director Rawson and unanimously approved by the Board.*

Item #7 - Public Comment. Debbie Neddenriep announced that there was cake in honor of Toni Leffler's birthday last week. The Board and staff sang "Happy Birthday" to Ms. Leffler.

CONSENT AGENDA

Item #8 - Approval of Treasurer's Report for July 2014.

Item #9 - Payment of Bills for July 2014.

Item #10 - Discussion for possible action regarding providing funding for the Alpine County Aspen Festival.

Item #11 - Discussion for possible action regarding establishing a policy related to the General Manager's authority to approve pre-authorized budget items.

Director Fierro made the motion to approve the consent agenda items #8-11. The motion was seconded by Director Abowd and unanimously approved by the Board. There was no public comment.

END OF CONSENT AGENDA

Item #12 - Discussion for possible action regarding applying for NDEP 319 grants for Watershed Coordinator and Environmental Education Coordinator. Brenda Hunt explained that the NDEP has put out their request for grant proposals for 319 grants. CWSD staff would like to apply for a three-year grant for the Watershed Coordinator position which she holds and a two-year grant for the Environmental Education Coordinator which is held by Linda Conlin through River Wranglers.

Ms. Hunt also explained that the Carson River Stormwater Management Plan is being put together by Resource Concepts Inc. (RCI) to finalize the Municipal Separate Stormwater and Sewer Systems (MS4) Stormwater Plan for Douglas County, Indian Hills GID, Carson City, and Lyon County. Within the watershed, Dayton Valley Conservation District (DVCD) is going to put in a grant request for projects in the DVCD region, Paul Pugsley may be putting in a request for funding for a Carson Valley Conservation District (CVCD) project, and Kay Bennett may be putting in a grant request related to the Silver Springs Airport.

Proposed match for the Environmental Education Coordinator grant would be funds provided by CWSD to River Wranglers for Carson River Work Day and volunteers' time. Match for the CRC/Watershed Coordinator position is staff time and in-kind through volunteer time, Get on the Bus Tour, and other projects that we are already are doing.

The match for the Stormwater grant is the \$20,000 CWSD is currently paying to Resource Concepts, Inc. (RCI) to work on the MS4 project. CWSD will also get reimbursed administrative costs covered in the MS4 grant.

Director Penzel noted that we need to come up with a plan for stormwater runoff catchment. Ms. Hunt pointed out the benefit of a regional approach and knowledge exchange between counties. Mr. James explained that Douglas County, IHGID, Carson City, and Lyon County already are required to meet MS4 permitting requirements. This regional plan will allow for the counties to use a similar plan. There is synergy in bringing all the counties together to have the same message and deal with things the same way. Director Lynn explained that addressing stormwater this way is much better than by individual project. Director Osborne pointed out that having similar MS4 permitting requirements in the watershed would make it easier on companies to our area. He commended the CWSD Board and staff for pursuing this as a regional effort.

Director Abowd made a motion authorize staff to pursue Clean Water Act Section 319(h) grant funding for the Environmental Education Program, the CRC/Watershed Coordinator, and the Carson River Stormwater Management Plan. Director Penzel seconded the motion which was unanimously approved by the Board.

Item #13 - Discussion for possible action regarding a presentation on water supply studies and storage opportunities. Ed James explained the history of the Carson River watershed. In 1956, Congress authorized Public Law (PL) 858 to create the Washoe Project which consisted of Watasheamu Dam and Diversion Project. The goals of the Watasheamu Project were to provide supplemental water for irrigation, relieve drainage problems in the Carson Valley, provide electrical power, and provide flood control.

In 1961, the Bureau of Reclamation (BOR) did an analysis of the Watasheamu Project. It was expected to have a storage capacity of 160,000 AF which would increase the water to 44,000 AF (24,500 AF of supplemental irrigation in Carson Valley, 4,500 AF of supplemental irrigation in Dayton Valley, and 15,000 AF of salvage water from drainage). In the benefit to cost analysis the direct benefits ratio was 0.9 to 1, total benefits ratio was 1.3 to 1, and the total benefits included indirect and public benefits. No environmental costs were considered. Municipal and Industrial (M&I) water demands were not considered. In 1965, BOR stopped work on the project because of litigation concerns about Pyramid Lake and limited commitment of repayment by farmers. Some of the larger farmers in Carson Valley brought up the question of why they should pay for something they were currently getting for free.

In mid-1970s, local governments requested BOR to reevaluate the Watasheamu Project. In 1983, BOR evaluated storage options in the Upper Carson River Basin. The analysis included other storage options: Watasheamu had a capacity of 160,000 AF with a yield of 34,500 AF; Hope Valley had the capacity of 100,000 with a yield of 4,000 AF; and Comstock had a capacity of 55,000 AF with a yield of 1,000 AF. The alternative analysis included water for M&I and environmental costs were included in the analysis. The Watasheamu benefit/cost for irrigation was 0.25:1; Watasheamu benefit/cost for M&I was 0.39:1; Hope Valley benefit/cost was 0.38:1; and Comstock benefit/cost was 0.55:1. None of the projects met the criteria for BOR to pursue them. The report did not include any discussion regarding water rights.

In 1989, the Legislature restructured CWSD. Carson City was added to Douglas County and Lyon County as members of the Board. The goal was no longer to negotiate with farmers but to create a regional water plan. The focus was on upstream storage. Funding for the district is three (3) cents per \$100 Ad Valorem taxes for administration and an additional seven (7) cents per \$100 Ad Valorem taxes for capital projects. However, with the tax cap implemented several years ago, the seven cents would be very difficult to implement as it would take from other bodies also receiving the tax to stay within the cap.

The 1997 flood event changed the need for CWSD. At the 1998 Carson River Conference integrated watershed planning was emphasized and the Carson River Coalition (CRC) was formed. CWSD was asked to coordinate this effort and CWSD staff was hired. Previously the only CWSD staff was a part-time consultant, primarily focusing on studies and not river restoration projects.

CWSD activities include:

- Coordinated the Integrated Water Resource Planning (CRC)
- Coordinated flood repairs (FEMA)
- River restoration projects
- Coordinated the AB 380 project
- Purchased Lost Lakes for in-stream flow enhancement
- Received ARRA fund for weed control
- Regional Floodplain Plan
- Regional water supply projects.

CWSD has met regional water needs by:

- Identifying water supplies vs. demands
- Worked with the State Engineer on groundwater inventories to determine the actual water supply available
- Conducting the Marlette/Hobart Water System analysis
- Balancing water needs between agriculture, the environment, and M&I
- 2004 - USGS Carson Valley Arsenic Study.
- 2012 - completed the Comprehensive Regional Water Supply Plan
- Working with BOR on the Basin Plan and the National Science Foundation (NSF) Water Sustainability Study.

Current and future water supply picture shows:

- Currently every major water purveyor is able to meet their water demands.
- For some water purveyors the total water and peaking demands are less today than they were eight years ago.
- Future water demands will come from growth and/or water quality issues.

Groundwater assessment:

- Overall the groundwater basins in the watershed are not being over drafted.
- There are areas of concern: Ruhenstroth, Fish Springs, Johnson Lane, Kings Canyon, Mark Twain, Stagecoach, and South Silver Springs.

When considering storage it is important to know the where, why, who, how, and what:

- Where is water needed and where is it going to be stored?
- Why is this storage being developed?
- Who is going to use this storage?
- How is this storage going to be used?
- What water will be placed in this storage?

Director Abowd noted that floodplain management should include flood water storage and storm water. Mr. James explained that flood water and storm water are very different, and he would go into this more in the next presentation.

Director Osborne asked if Mr. James hears discussion in any communities about putting restrictions on landscaping. Mr. James mentioned he is not aware of any but noted that CWSD doesn't tell communities what their lifestyles should be. We are trying to make wise water use the focus and offer options.

Director Penzel asked if there is a flood situation and 100,000 AF of water is stored, how does that impact down river flows for people who have dedicated water rights? Mr. James explained that the Carson River is unique. In the wintertime Lahontan has a call on the water until it is filled. US Fish and Wildlife has a right to floodwaters over Lahontan to put into Stillwater. Director Schank mentioned that farmers used to be able to take water during floods, but today if they spread the water, it goes against their allocation.

Director Schank commented that Mr. James gave a great presentation which should be used in public relations presentations to service clubs and other organizations throughout the watershed. This would help communities understand what CWSD is trying to do for the watershed communities. Also, he explained that the Truckee River has an organized system of flood protection reservoirs, but whenever they store floodwaters in the flood capacity of any reservoir, as soon as the river gets down to take additional water, it must be released from the reservoir because people have water right priorities. It is also important to release the water to provide for the flood capacity again. As additional historical information, Director Schank recalled that in parallel with 1980s study, Governor List created the Governor's Select Committee on which he served to investigate water storage sites. The conclusion of that committee was that creating storage wasn't cost effective, there wasn't a place for storage, and the water rights were fully appropriated. When the Washoe Project was authorized there was not a final Alpine Decree. The Pyramid Lake Paiute Tribe (PLPT) began to file litigation. Director Schank expressed his belief that our best opportunity for flood protection is open space in the floodplain.

Director McKenna agreed that Mr. James gave a good presentation but he didn't feel it addressed question of how to get water in this area for economic development which was the focus of Mr. Lawson in his recent newspaper article. Director McKenna thinks that the only answer is reclaimed water. Mr. James pointed out that reclaimed water is fully utilized. The good news is we are not mining our current resources. We know that Lyon County will need more water to meet their future growth. Director Schank suggested that supply and demand operates economy. The State has laws regarding water. The big thing is conservation and someone will figure out how to take the conserved water to build more. Director Schank noted that some people don't understand why they don't have a right to the water that runs through their community. We need to educate about water law.

No action was required on this item; receive and file.

Item #14 - Discussion for possible action regarding a presentation on the flooding in the Johnson Lane area on July 20, 2014. Mr. James showed a video of how quickly water moved down a gully and across a road in Fish Springs. This water never made it to the river. Video like this emphasizes the fact that we need to address flooding in the alluvial fans. Director McKenna noted that the road in the video was designed to handle a water flow like the arroyos do in Colorado. Mr. James mentioned that staff will be talking about this with the county Floodplain Managers. Our focus on flooding has been on the Carson River, but now we need to start working on alluvial fan flooding. Preparing for alluvial fan flooding will be more expensive than flooding along the Carson River. Each drainage will have to be addressed separately. These are not large drainages but a lot of damage can be done if there building is done in these areas.

Director Penzel mentioned in the Johnson Lane area there are planned unit development and homesteads which created different scenarios for flooding. We need a complete flood plan, not just

for stormwater or floodwater. Mr. James agreed that we need to start discussions. Ms. Hunt is setting up a CRC Carson River Corridor Working Group meeting to talk with all the Floodplain Administrators in September. Director Lynn noted regarding Director Penzel's comment about older homes vs. recent development, that this is the point for analyzing pre- and post-development consequences.

No action was required on this item; receive and file.

Item #15 - Discussion for possible action regarding the possibility of changing the Carson Water Subconservancy District name. George Benesch, CWSD's legal counsel, explained that the dictionary defines "conservancy" as "an association dedicated to the protection of the environment and its resources." The issue of potentially changing CWSD's name came from the fact that the word "subconservancy" in our name has created confusion to the Carson Truckee Water Conservancy District (CTWCD) in thinking that CWSD is subordinate to CTWCD. Mr. Benesch asked whether CWSD even wants to change the name. The organization has a stellar reputation as CWSD. It will take an act of the Legislature to change the name. He explained that if the Nevada Revised Statutes (NRS) 539.60 applied, CWSD could to go back to its county of origin with a unanimous resolution from CWSD Board can change name. However, NRS Chapter 539 addresses irrigation districts and, as such, has problems with application to CWSD. In Mr. Benesch's opinion, the only way to have the name changed is to put a bill before the Legislature. He expressed his concern about going to the Legislature for just a name change. The underlying question is: Does this group have any interest in changing the name?

Director Schank noted that if Storey County requests to become part of the CWSD, the name change could be thrown in. In the current climate it is probably best to leave well enough alone until such time as we need to go to the Legislature for some other reason. Director McKenna noted that the counties would have to change their property tax bills to reflect any name change, and people don't like change. He receives questions and complaints about taxes when people see changes on their tax bills.

No motion was offered on this item; receive and file.

Item #16 - Staff Reports

General Manager - Mr. James reported: 1) CWSD can only have its Christmas dinner at Red's Old 395 Grill the week before its normal meeting, which would be Dec. 10 instead of Dec. 17. Staff would like to receive suggestions from the Board for other restaurant possibilities, even outside of Carson City. Mr. James requested that suggestions be given to Ms. Leffler. 2) Ms. Neddenriep explained that staff is working on the website. Staff would like recommendations from the Board about favorite recreational areas for the Recreation page.

Legal –Mr. Benesch had nothing to report.

Correspondence – As in the Board package.

Item #17 - Directors' Reports

Director McKenna reported that the tour was great and so were the driving skills of those driving the rough road.

Director Schank thanked Storey County for its hospitality in allowing us to use the Courthouse for our meeting.

Director Osborn thanked the Board and staff for participating in the educational tour of what's on the Virginia City side of the Marlette System.

Director Jardine reported that: 1) The US Forest Service and California Fish and Game did the Silver King Creek rotenone neutralization project. The Lahontan Regional Water Quality Control Board (LRWQCB) sent him to monitor the event which should be completed this week. 2) In his capacity on the LRWCB Board he is going to the South Tahoe PUD (STPUD) meeting regarding Harvey Place Reservoir to build relationship between the two entities.

Director Rawson reported that last week she attended the Sierra Nevada Conservancy meeting. The water bond went through to the Legislature, and Sierra Nevada Conservancy only received \$59 million when they were expecting \$200 million. 2) She and Director Jardine have been working with California legislators to get the designation for Lost Lakes reservoirs changed from M&I to a designation equivalent to agricultural use which has lower safety fees. She noted that once water rights are transferred the designation automatically gets transferred into municipal water supply, and it may take a couple years to fight to get the irrigation status back. Assemblyman Bigelow will try to help Alpine County and CWSD with this.

Directors Lynn, Stodieck, Erquiaga, Fierro, Abowd, Penzel, and Frensdorff had nothing specific to report but joined the rest of the Board in thanking Storey County for hosting the very informative tour of Virginia City's water treatment plant and water system.

There being no further business to come before the Board, Director Erquiaga made the motion to adjourn, seconded by Director Abowd, and the meeting was adjourned at 8:55 p.m.

Respectfully submitted,

Toni Leffler
Secretary