

CARSON WATER SUBCONSERVANCY DISTRICT
BOARD OF DIRECTORS MEETING
November 12, 2014, 6:30 P.M.
Minutes

Directors present:

Karen Abowd
Carl Erquiaga
Ray Fierro
Don Frensdorff
Doug Johnson
Greg Lynn, Vice Chairman
John McKenna, Treasurer
Austin Osborne, Storey County
Mary Rawson
Fred Stodieck

Directors not present:

Don Jardine
Barry Penzel
Joe Ricci
Ernie Schank, Chairman

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:

Beth Farley, Kohn & Co.
Charlie Lawson, private citizen

Vice Chairman Lynn called the meeting to order at 6:30 p.m. in Room #1214 of the Nevada State Legislative Building, 401 S. Carson St., Carson 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 McKenna.

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

Item #6 - Approval of the Board Meeting Minutes from October 15, 2014. - *Director McKenna made the motion to approve the Minutes of the Board Meeting on October 15, 2014. The motion was seconded by Director Abowd and unanimously approved by the Board.*

Item #7 - Public Comment. Charlie Lawson, a former CWSD Board member, explained his newspaper column stating that the CWSD Board was worthless. His comment was in response to

Joe Ricci's statement that upstream storage "ain't gonna happen" on the Carson River. He noted that the CWSD Board has done good work in protecting the river but nothing toward storing any water. There are many complexities built into this Board by way of each Board member who is representing an entity. No one seems to go back to their Boards and say "we need to work on storage." Mr. Lawson wants to know why it "ain't gonna happen." This Board is a conservancy but everyone has their own interests beyond the Carson River. Last week he walked in the dry Carson River bed which is a shame. Mr. Lawson noted that the Truckee River has more special interests than the Carson River but they have managed to come together to keep water in the Truckee River. We have ranching communities who will fight against storing water because of their concern that the water would be taken away from them. Mr. Lawson suggested a series of small dams on the Carson River which the main delivery system for the whole area.

Mr. Benesch asked Mr. Lawson what water he was proposing to store. Mr. Lawson suggested that storing flood water. If you have a good system in place, then the downstream communities won't get flooded. He suggested that each Board member go back to their individual Boards and talk about flood water storage. He noted that CWSD has a good General Manager and encouraged the Board to utilize him to help solve this problem. We must think about this river; must have water stored by a series of dams to keep water in the river during droughts.

Mr. James explained that he recently gave a presentation to the Board about water storage options for the Carson River Watershed and invited Mr. Lawson to come into the office to go over that presentation.

Director Rawson joined the meeting at 6:40 p.m.

CONSENT AGENDA

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

Item #9 - Payment of Bills for October 2014.

Item #10 - Discussion for possible action to ratify the Chairman's approval for Director Barry Penzel to attend the American Water Works Association Annual Fall Conference which was held on October 21, 2014.

Item #11 - Discussion for possible action regarding approval for the General Manager to attend the 2015 NWRA Annual Conference on "Water Resources in Drought" in Reno on January 26-29, 2015.

Item #12 - Discussion for possible action regarding approval for Board members and CWSD staff to attend the 2015 NWRA Annual Conference in Reno on January 26-29, 2015.

Item #13 - Discussion for possible action regarding disposal of non-functioning office equipment.

Item #14 - Discussion for possible action regarding approval to apply for the Nevada Division of State Parks (NDSP) Recreational Trails grant.

Director Fierro made the motion to approve the consent agenda items #8-14. The motion was seconded by Director Abowd and unanimously approved by the Board. There was no public comment.

****END OF CONSENT AGENDA****

Item #15 - Discussion for possible action regarding the fiscal year 2013-14 audit. Beth Farley, a partner of Kohn and Company, gave a summary of CWSD's fiscal year 2013-14 audit. She explained what each section of the audit represented and that CWSD received an unmodified opinion with no material deficiencies. There are no exceptions in accordance with the Nevada Revised Statutes (NRS).

Mr. James explained that the FEMA expenses will probably create the need for a single audit for FY 2014-15. Kohn and Company staff went over the single audit procedures with the CWSD staff to be proactive about the possible single audit. Ms. Farley complemented the CWSD staff on a clean audit.

Director Fierro made the motion to accept the FY 2013-14 audit as presented. The motion was seconded by Director McKenna and unanimously approved by the Board.

Item #16 - Discussion for possible action regarding entering into a contract with R.O. Anderson Engineering, Inc. to conduct an engineering feasibility study for flood relief methods for the Carson River downstream from Lahontan Reservoir. Mr. James explained that we did get the FEMA MAS #5 grant to deal with flooding below the Lahontan Reservoir and three other projects. Since R.O. Anderson Engineering is already going to be working with Churchill County, it makes sense to hire them to do our portion. Mr. James explained that Fallon area development has encroached on their floodplain area so if there is another 1986-type event, Churchill County wants to shunt the water off toward the Sheckler Reservoir.

Director Abowd made a motion to authorize the General Manager to enter into an agreement with ROA to conduct a feasibility study to divert flood waters below Lahontan Dam to the Sheckler Reservoir area. Director McKenna seconded the motion which was unanimously approved by the Board.

Item #17 - Discussion for possible action regarding the possibility of requesting a separate Federal Water Master to administer the Alpine Decree. Mr. James explained that the original Truckee River Operating Agreement (TROA) was introduced in Public Law (PL) 101-618 in 1990. TROA is designed to change how the water is stored and released on the Truckee River. CWSD was involved in the TROA negotiations in the early 1990's, before current staff was hired, but has not been involved since.

In 2002, CWSD expressed a concern that the Administrator created by TROA will also be the Federal Water Master. The Administrator will administer water on Truckee River and report to the signatories to TROA which are the State of Nevada, the State of California, the Federal Government, and the Pyramid Lake Paiute Tribe (PLPT). If the focus is on the Truckee, what will happen to administration on the Carson River? With the connection between the Truckee River and the Carson River via the Truckee Canal to Lahontan Reservoir, it is important that the Federal Water Master be unbiased. In 2002, Mr. James went to various entities to talk with them about a separate Federal Water Master for the Carson River.

The first Administrator for TROA is the current Federal Water Master Todd Blanchard. Mr. James pointed out the provisions for the Water Master in the Order for TROA on p. 102 of the Board package. Director Schank has been very involved in TROA. Mr. James noted that he is not recommending any action but suggesting that it might be worthwhile to go back to talk with the various entities in the Carson River watershed and hear what their concerns might be now that TROA is closer to being implemented.

Mr. Benesch noted that TROA is a federal regulation which has been negotiated for 13 years. Negotiators had to go to Federal Court and get the Orr Ditch Decree modified. TROA is very complicated with about 20 different categories of water delineated. Mr. Benesch explained that he talked with Roland Westergard to understand TROA but it's not going to be an easy program to work through.

Director Abowd asked about the 58% administration fee increase for a separate Water Master for the Carson River. Mr. James responded that having a separate water master on the Carson River would most likely cost the water users more.

Mr. Benesch mentioned that there are numerous references to how incomprehensible the TROA document is and it will be difficult for water users to come up with a decisive direction. An hearing officer is on retainer to hear issues before it gets to the Court. Director McKenna noted that there is a big unknown about the consequences of actions at this time and we don't want to wander into something that could make things worse. We need to figure out what the actual situation is first, then make a decision.

Director Lynn noted that the one member of the CWSD Board who is the most involved with TROA, Director Schank, is unhappy with it and he should be part of this conversation before a decision is made about what CWSD should do. Director Lynn suggested continuing this item.

Director Johnson made the motion to continue this item to a later date, but noted that CWSD does need to take a strong position. The motion was seconded by Director Fierro and unanimously approved by the Board.

Public comment: Mr. Lawson clarified that TROA isn't what he thinks is a good idea; but having water in the river is a good idea.

Item #18 - Discussion for possible action regarding a presentation on the Water Resources Study for the Truckee River. Ed James explained that he has attended several workshops on the U.S. Bureau of Reclamation (USBR) WaterSMART project. He reported on the Water Resources Study for the Truckee River. A map of the California/Nevada SNOTEL current snow water equivalent percentage of normal showed the Carson River watershed at 61% of normal. The Carson River time series monthly snowpack summary graph showed that the 2014 peak was about April 1. A USGS graph of the water level in Lahontan Reservoir showed an increase of about 400 af since they stopped releasing water from the reservoir, without any water from the Carson River. It seems to be coming from groundwater.

Mr. James gave the history of the USBR Basin Study program and its focus on climate change. The Carson-Truckee area was identified as one of the areas to be studied. The assessments were

reconnaissance-level water supply and demand analyses in eight Reclamation river basins. The USBR did projections of climate change impacts to water supply and demand and baseline risk assessments to evaluate impacts of climate change to water uses.

The assessments consider the range of potential future hydrologic conditions resulting from climate change including hotter drier, warmer drier, hotter wetter, and warmer wetter scenarios based on 100 years of projected climatic conditions in the Truckee and Carson basins. A comparison was made in consumptive future demands in a robust economy versus existing trends. The model looked at 10 various scenario components. The study showed that the impacts to Pyramid Lake are driven more by future precipitation (wetter vs. drier) than by growth. Temperature increases reduces water supplies at Lake Tahoe by increasing evaporation, which would in turn reduce the outflow into the Truckee River.

Over 140 individual suggested options for the Basin Study from the Technical Advisory Group (TAG) were organized thematically by "adaptive strategy" into three categories:

1. Institutional change strategy options to "operate what we have better" include: adapt reservoir operations, adapt OCAP storage targets, and consolidate Newlands Project agricultural water rights.
2. Supply augmentation strategy options to "obtain more water" include: forest management, rehabilitate the Truckee Canal, Truckee Basin storage, and Carson Basin storage
3. Demand Management strategy option to "shift or reduce demands" is to adapt flow regimes.

It was noted that irrigation demands will increase with temperatures. Adapting the Operating Criteria and Procedures (OCAP) for the operation of the Lahontan Reservoir storage targets allows earlier Truckee River diversions for meeting storage targets in Lahontan Reservoir, which are met less frequently in the future because of seasonality shifts. OCAP will have to be modified with either hotter or drier scenarios. This option has mixed results. For example, in the hotter drier scenario, 19 years meet targets in April & May, but fail to meet in June.

Consolidation of Newlands Project agricultural water rights allows water rights from multiple acres to be applied on a smaller total acreage and for a longer irrigation season. It addresses increases in crop demand due to lengthening agricultural season (related to increases in temperatures). It was represented in the model as a reduction in acreage and increases in growing season and water applied per acre but with no change in the sum of all water right volumes for all acreages in production.

Truckee Canal rehabilitation. Repairs the Truckee Canal's urbanized section to allow conveyance of 600 cfs to Lahontan Reservoir. It addresses reductions in precipitation and seasonality shift and allows adequate diversion of water supply when available from the Truckee River. It would be expected that canal rehabilitation would improve refill of Lahontan Reservoir and preserve reliability for the Newlands Project. Delivery of full water rights would reduce lake levels at Pyramid Lake relative to without action scenarios.

Another alternative was evaluating the possibility of raising Lahontan Dam to capture flood waters on the Carson River. The studies looked at increasing Lahontan Reservoir by 200,000 AF. This storage would only increase the water supply on the Carson River by 0.5-4% during wetter conditions. It does address seasonality shifts and reductions in precipitation. OCAP storage target limitations are retained and met more frequently by Carson River inflows, thereby reducing demand

for Truckee River diversions. This scenario reduces Truckee River diversion for the Newlands Project by 2 – 20 percent, having higher reductions in wetter conditions.

Forest management by removing overly dense small trees and brush in selected areas of the Lake Tahoe Basin and Tahoe National Forests would reduce forest water consumption. By reducing forest cover from an estimated 90% to 60% the model estimates a 21,000 AF annual increase in surface flows.

Director Lynn commented that he is alarmed by the 75-year window for study as being too narrow. Mr. James noted that climate change has always happened and models will help determine a trend. He will try to give the Board the best information possible so that the Board can make better decisions.

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

Item #19 - Staff Reports

General Manager - Mr. James reported: 1) CWSD received two 319 grants, one for the Watershed Coordinator and the second for the Environmental Education Coordinator, but did not receive the grant for the Municipal Separate Sewer Stormwater System (MS4) planning that Resource Concepts Inc. (RCI) is doing for Indian Hills GID. 2) Mr. James will be meeting with the middle Carson River water purveyors in mid-December. 3) Director Schank proposed that the CWSD Legislative Committee meet with the legislators within the Carson River Watershed: Ben Kieckhefer, James Settlemeyer, Robin Titus, Jim Wheeler, and P.K. O'Neil, as well as Pete Goicoechea who will be Chairman of the Senate Government Committee.

Brenda Hunt reported: 1) October 17 was the annual Snap Shot Day on the Carson River. Folks from 11 different agencies, 216 students, 37 teachers and 37 parents took various water measurements at 11 sites throughout the watershed. 2) This is Flood Awareness Week for northern Nevada. Community events are listed at www.nevadafloods.org. 3) The middle Carson River is a proposed critical habitat for the Western Yellow-Billed Cuckoo which was recently been listed on the Endangered Species list.

Legal –Mr. Benesch had nothing to report, but thanked Director McKenna for his service on this Board since he will be going off the CWSD Board in December.

Correspondence – As included in the Board package and handed out.

Item #20 - Directors' Reports

Director Rawson mentioned that Alpine County representatives are taking the Lost Lakes dam issue to California Assemblyman Frank Bigelow during the first part of December and invited Mr. James to coordinate the date with them so he could be present.

Director Fierro asked if we get interim reports on projects which we fund. Mr. James explained that the staff and Board we try to go to see projects during summer but he could request a summary of where they are from each grantee. Mr. James reported that the Carson Valley Conservation District (CVCD) is just starting work on their projects because they were waiting for when river got low.

Similarly, the Dayton Valley Conservation District (DVCD) is working on their projects, but he hasn't heard from Lahontan Conservation District (LCD) recently.

Director Johnson reported that he recently took a self tour of upper Carson River watershed.

Director Abowd reported that she was recently approached by young man who is concerned about climate control, cloud seeding and contrails from aircraft. It would be nice to have someone talk to CWSD about other issues that pertain to controlling our climate. Mr. James noted that there are a variety of opinions and said he will follow up.

Directors Frensdorff, Osborne, McKenna, Lynn, Erquiaga, and Stodieck had nothing specific to report

There being no further business to come before the Board, Director Abowd made the motion to adjourn, seconded by Director Johnson, and the meeting was adjourned at 7:55 p.m.

Respectfully submitted,

Toni Leffler
Secretary