

**CARSON WATER SUBCONSERVANCY DISTRICT  
BOARD OF DIRECTORS  
AND CARSON RIVER WATERSHED COMMITTEE**

**NOTICE OF PUBLIC MEETING**

**DATE:** November 18, 2020

**TIME:** 6:30pm

**LOCATION:** Video Conference ZOOM Meeting

**NOTICE TO PUBLIC:** The State of Nevada and Carson City are currently in a declared State of Emergency in response to the global pandemic caused by the coronavirus (COVID-19) infectious disease outbreak.

In accordance with the Governor's Declaration of Emergency Directive 006, which has suspended the provisions of NRS 241.020 requiring the designation of a physical location for meetings of public bodies where members of the public are permitted to attend and participate, public meetings of Carson Water Subconservancy District will NOT have a physical location open to the public until such time this Directive is removed.

Members of the public who wish to participate during a public meeting may do so by providing public comment during the two designated public comment periods, indicated on the agenda, via telephone.

To join by telephone, you must call **(712)451-0750** and then enter **Access Code: 411219**. You may also provide public comment in advance of a meeting by written submission to the following email address: [catrina@cwsd.org](mailto:catrina@cwsd.org). For inclusion or reference in the minutes of a meeting, your public comment must include your full name and be submitted via e-mail by not later than 3pm the day before the date of the meeting.

**AGENDA**

**Please Note:** The Carson Water Subconservancy District (CWSD) Board may: 1) take agenda items out of order; 2) combine two or more items for consideration; and/or 3) remove an item from the agenda or delay discussion related to an item at any time. All votes will be conducted by CWSD Board of Directors. Reasonable efforts will be made to assist and accommodate individuals with disabilities who wish to attend the meeting. Please contact Catrina Schambra at (775)887-7450 ([catrina@cwsd.org](mailto:catrina@cwsd.org)), at least two business days in advance so that arrangements can be made.

1. Call to Order the CWSD Board of Directors/Carson River Watershed Committee
2. Roll Call
3. Pledge of Allegiance
4. For Discussion Only: Public Comment - Action may not be taken on any matter brought up under public comment until scheduled on an agenda for action at a later meeting.
5. For Possible Action: Approval of Agenda
6. For Possible Action: Approval of the Board Meeting Minutes of October 21, 2020

**CONSENT AGENDA**

**Please Note:** All matters listed under the consent agenda are considered routine and may be acted upon by the Board of Directors with one action and without an extensive hearing. Any member of the Board or any citizen may request that an item be taken from the consent agenda, discussed, and acted upon separately during this meeting.

7. For Possible Action: Approval of Treasurer's Report for October 2020

8. For Possible Action: Approval of Payment of Bills for October 2020
9. For Possible Action: Extend Agreement #2019-13 with River Wranglers to Dec.31, 2020
10. For Possible Action: Renew the General Manager's Employment Contract

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

11. For Possible Action: Presentation by Eide Bailly on the CWSD FY 2019-20 Audit
12. For Possible Action: Modify the process for selecting Officers & Committee Members for 2021
13. For Possible Action: Modify CWSD Procurement Policy
14. For Possible Action: Revision to Contractor Agreement Template when using Federal Funds
15. For Discussion Only: Staff Reports - General Manager
  - Legal
  - Correspondence
16. For Discussion Only: Directors Reports
17. For Discussion Only: Update on activities in Alpine County
18. For Discussion Only: Update on activities in Storey County
19. For Discussion Only: Public Comment - Action may not be taken on any matter brought up under public comment until scheduled on an agenda for action at a later meeting.
20. For Possible Action: Adjournment

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*Supporting material for this meeting may be requested from Catrina Schambra at 775-887-7450 ([catrina@cwsd.org](mailto:catrina@cwsd.org)) and is available on the CWSD website at [www.cwsd.org](http://www.cwsd.org).*

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**In response to COVID-19 Emergency Directive:**

Posting in public buildings in accordance with NRS 241.020 has been waived by COVID-19 Emergency Directive #6 of Governor Sisolak. Therefore, this notice and agenda of video conference meeting has been posted on or before 9am on Nov. 10, 2020 on the following websites for the Nov. 18, 2020 regular meeting of the Carson Water Subconservancy District and the Carson River Watershed Committee, in accordance with NRS 241.020:

**Carson Water Subconservancy District Website:** <http://www.cwsd.org>

**State of Nevada Public Meetings Website:** <http://notice.nv.gov>

**AGENDA ITEM #6**

**MINUTES OF LAST  
BOARD MEETING**

CARSON WATER SUBCONSERVANCY DISTRICT  
BOARD OF DIRECTORS AND  
CARSON RIVER WATERSHED COMMITTEE MEETING  
October 21, 2020

**Draft Minutes**

***The CWSD October 21, 2020 Board of Directors meeting was held via Zoom Videoconference and teleconference due to Governor Sisolak's statewide Emergency Directive in response to the COVID-19 Pandemic.***

Director Thaler called the meeting of the Carson Water Subconservancy District (CWSD) to order at 6:30 pm. Roll call of the CWSD Board was taken and a quorum was determined to be present.

**CWSD Directors present:**

Stacey Giomi, Director  
Ken Gray, Director  
Jack Jacobs, Director  
Barry Penzel, Director  
Ernie Schank, Director  
Steve Thaler, Director  
Larry Walsh, Director  
Mike Workman, Director

**Absent Directors:** Brad Bonkowski, Carl Erquiaga & Fred Stodieck.

Roll call of the Caron River Watershed Committee was taken which included CWSD Directors and Committee Members Kathy Canfield and David Griffith.

**CWSD Staff present:**

Brenda Hunt, Watershed Program Manager  
Edwin James, General Manager  
Patrick King, CWSD Attorney  
Debbie Neddenriep, Water Resource Specialist II  
Catrina Schambra, Administrative Assistant/Secretary to the Board

*The Pledge of Allegiance was led by Director Thaler.*

**Item #4 – Discussion Only: Public Comment** – None

**Item #5 – For Possible Action: Approval of Agenda**

*Director Thaler proposed moving items 9-12 from the Consent Agenda for further discussion. Director Schank made a motion to approve the agenda as amended. The motion was seconded by Director Walsh and unanimously approved by the Board.*

**Item #6 – For Possible Action: Approval of the Board Meeting Minutes of Sept. 16, 2020**

*Director Jacobs made a motion to approve the Board Meeting Minutes of September 16, 2020. The motion was seconded by Director Giomi and unanimously approved by the Board.*

**\*\*CONSENT AGENDA\*\***

**Item #7 - For Possible Action: Approval of Treasurer's Report for September 2020**

**Item #8 - For Possible Action: Approval of Payment of Bills for September 2020**

*Director Schank made a motion to approve Consent Agenda (items 7 & 8 only) as presented. The motion was seconded by Director Penzel and unanimously approved by the Board.*

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

**Item #9 - For Possible Action: Approval of Contract #2020-15 CARDNO - Clear Creek Floodplain Restudy and Remap in an amount not to exceed \$161,360.**

**Item #10 - For Possible Action: Approval of Contract #2020-16 JE FULLER - Ruhenstroth ADMP Phase 2 in an amount not to exceed \$89,284.**

**Item #11 - For Possible Action: Approval of Contract #2020-17 NHC - Smelter Creek LOMR study in an amount not to exceed \$59,930.**

**Item #12 - For Possible Action: Approval of Contract #2020-18 HDR - Emergency Response Modeling Project for the Carson Valley in an amount not to exceed \$44,683.**

Items 9-12 were moved from the Consent Agenda for further discussion. Director Thaler read items 9-12 into the record. Mr. James reported an issue has been brought up by our current auditor regarding FEMA MAS contractor selections and CWSD's procurement procedures. The process of moving forward with these agreements will be on hold until the issue is resolved.

*Director Giomi made a motion to approve the General Manager signing Contracts #2020-15, #2020-16, #2020-17 & #2020-18 as presented, contingent on approval from FEMA to proceed. The motion was seconded by Director Penzel and unanimously approved by the Board.*

**Item#13 - For Discussion Only: Update on the Carson River Watershed Webinar Workshop**

Mr. James reported on CWSD's first Webinar, which was a great success given the participation and great reviews received. There were 113 registrations, 16 speakers/panelists and the CWSD staff participating in the 8-hour workshop.

Director Workman and Director Jacobs were among the attendees and commented that they really enjoyed the chat feature and Q & A. Director Jacobs thought it was really well done and has great educational value for the public. He will encourage Douglas County Planning to view the presentations. Outstanding job kudos to all involved!

Committee Member Griffith was able to attend two of the presentations and thought they were very good, too.

Director Thaler gave kudos to the staff and is looking for to the links being sent to the Board for viewing on the website and on YouTube.

*No action taken.*

**Item#14 - For Discussion Only: Update on the 2020 Water Year**

Mr. James gave a slide presentation on the 2020 Water Year to the Board.

*No action taken.*

**Item #15 – For Discussion Only: Staff Reports –**

Mr. James reported on the following:

- Updated on the Single Audit which currently in progress. The report will be presented at the November 18 meeting.
- He released 130AF water at Lost Lakes. The access road is getting worse every year. He is still looking into moving the water right, but it is a 3-4-year process. He will keep the Board advised.

Brenda Hunt reported on the following:

- Staff received a notices today that CWSD has been selected by GREENevada, greenUP!, and the Reno + Sparks Chamber of Commerce, to be the recipient of a **2020 Golden Pinecone Award!** CWSD is being recognized our “outstanding work towards sustainability.” CWSD will receive a Golden Pinecone Award under the Safeguard Water Resources / Ecosystem Preservation category. The Golden Pinecone awards have been an environmentalists' tradition in Northern Nevada since 1988. There were over 60 nominations this year — it is an honor and a prestige to be nominated and selected for this award. There will be a virtual celebration during the Golden Pinecone Ceremony on December 3rd, from 10:30-12:30.

**Legal –**

Patrick King reported on the following:

- The Walker Lake court case that has been before the Nevada Supreme Court has concluded and the position adopted was an opinion consistent with our Amicus Brief. He is very proud and happy with this decision. The Nevada Supreme Court (NVSC) is the highest court in Nevada. The Ninth Circuit now needs to dismiss the lawsuit based on this NVSC decision. Public Trust is being followed. All waters in Nevada (Public Water Rights) are owned by the people of Nevada. This is a good decision for us!

**Correspondence –** Hobart Dam Grant support letter. (Handout posted.)

*No action was taken.*

**Item #16 – For Discussion Only: Directors Reports –**

- Director Penzel announced he received the CWSD letter for January Director appointments.
- Director Jacobs announced he has decided to sell his farm and move closer to the grandkids. He will be around for another year and then the family is moving.
- Director Gray mentioned that there is a person living in an RV next to the river and is dumping his raw sewage into the river. He has been involved in reporting it to code enforcement and is seeking criminal charges.

*No action was taken.*

**Item #17 – For Discussion Only: Update on activities in Alpine County –**

- Committee Member Griffith reported that hazardous algal blooms have been bad this year. It keeps getting worse. This will sicken or kill dogs, so he warns everyone to be careful with their pets around the river.
- Sewage dumping is a national problem, especially now.

*No action was taken.*

**Item #18– For Discussion Only: Update on activities in Storey County –**

- Kathy Canfield reported the Storey County Water Tank Replacement and Gold Hill Treatment projects are still moving forward.
- At the November Boarding meeting Storey County will be addressing ways to implement the Dayton ADMP.

*No action was taken.*

**Item #16 – For Discussion Only: Public Comment – None**

There being no further business to come before the Board, Director Thaler adjourned the meeting at 7:14pm.

Respectfully submitted,

*Catrina Schambra,*

Secretary to the Board

## **AGENDA ITEM #7**

### **TREASURER'S REPORT**



**Floodplain Management Fund**  
**Balance Sheet**  
As of October 31, 2020

	Oct 31, 20
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
1013-03 · LGIP - Floodplain	406,107.95
Total Checking/Savings	406,107.95
Total Current Assets	406,107.95
<b>TOTAL ASSETS</b>	<b>406,107.95</b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
32000 · Retained Earnings	405,127.18
Net Income	980.77
Total Equity	406,107.95
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>406,107.95</b>

1:31 PM  
11/01/20  
Cash Basis

# Floodplain Management Fund

## Profit & Loss Budget vs. Actual

July through October 2020

	Jul - Oct 20	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income				
5032-03 · Int. Inc.-LGIP-Floodplain	980.77	3,025.06	-2,044.29	32.4%
<b>Total Income</b>	<b>980.77</b>	<b>3,025.06</b>	<b>-2,044.29</b>	<b>32.4%</b>
Expense				
8009-01 · Reg. Flood Preliminary Planning	0.00	300,000.00	-300,000.00	0.0%
8009-02 · Flood Project Along SR88-Minden	0.00	40,000.00	-40,000.00	0.0%
8009-03 · CVCD- 2017 Flood Permit/Repairs	0.00	0.00	0.00	0.0%
8009-04 · DVCD -2017 Flood Permit/Repairs	0.00	0.00	0.00	0.0%
8009-06 · TCID Flood Project	0.00	35,000.00	-35,000.00	0.0%
<b>Total Expense</b>	<b>0.00</b>	<b>375,000.00</b>	<b>-375,000.00</b>	<b>0.0%</b>
<b>Net Ordinary Income</b>	<b>980.77</b>	<b>-371,974.94</b>	<b>372,955.71</b>	<b>-0.3%</b>
<b>Other Income/Expense</b>				
Other Income				
8000-03 · Beginning Equity	0.00	403,341.00	-403,341.00	0.0%
8001-03 · Trans. In- General Fund	0.00	0.00	0.00	0.0%
<b>Total Other Income</b>	<b>0.00</b>	<b>403,341.00</b>	<b>-403,341.00</b>	<b>0.0%</b>
Other Expense				
8002-03 · Trans.Out-General Fund	0.00	0.00	0.00	0.0%
<b>Total Other Expense</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>Net Other Income</b>	<b>0.00</b>	<b>403,341.00</b>	<b>-403,341.00</b>	<b>0.0%</b>
<b>Net Income</b>	<b>980.77</b>	<b>31,366.06</b>	<b>-30,385.29</b>	<b>3.1%</b>

**Floodplain Management Fund**  
**Profit & Loss YTD Comparison**  
October 2020

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	Oct 20	Jul - Oct 20
Ordinary Income/Expense		
Income		
5032-03 · Int. Inc.-LGIP-Floodplain	189.79	980.77
Total Income	189.79	980.77
Net Ordinary Income	189.79	980.77
Net Income	<u>189.79</u>	<u>980.77</u>

## CARSON WATER SUBCONSERVANCY DISTRICT - GENERAL FUND

11/01/20

## Balance Sheet

Cash Basis

As of October 31, 2020

	Oct 31, 20
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
1013-00 · Cash in Checking - U. S. Bank	246,971.31
1014-00 · Local Gov't Inv. Pool-Regular	678,382.57
1030-00 · Petty Cash	105.76
Total Checking/Savings	925,459.64
Other Current Assets	
1055-00 · Payroll Deposit - Carson City	500.00
Total Other Current Assets	500.00
Total Current Assets	925,959.64
<b>TOTAL ASSETS</b>	<b>925,959.64</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Other Current Liabilities	
3360-00 · Accrued Vacation	31,478.76
3362-00 · Accrued sick leave	60,630.90
Total Other Current Liabilities	92,109.66
Total Current Liabilities	92,109.66
Total Liabilities	92,109.66
Equity	
4000-00 · Fund Balance	569,853.62
Net Income	263,996.36
Total Equity	833,849.98
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>925,959.64</b>

## CARSON WATER SUBCONSERVANCY DISTRICT - GENERAL FUND

11/01/20

## Profit &amp; Loss Budget vs. Actual

Cash Basis

July through October 2020

	Jul - Oct 20	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
5008-00 · Alpine Co. Joint Powers contrib	10,897.74	10,897.74		100.0%
5009-00 · Churchill County Ad Valorem		218,984.88	-218,984.88	
5010-00 · Lyon County Ad Valorem	76,972.22	187,253.01	-110,280.79	41.1%
5011-00 · Douglas County Ad Valorem	295,446.41	617,790.62	-322,344.21	47.8%
5012-00 · Carson City Ad Valorem	159,196.39	458,361.52	-299,165.13	34.7%
5022-00 · Water Lease - Mud Lake		51,765.00	-51,765.00	
5023-00 · Water Lease-Lost Lakes	804.00		804.00	100.0%
5031-00 · Interest Income-LGIP Reg.	1,637.70	4,821.36	-3,183.66	34.0%
5050-00 · Watershed Coordinator Grant				
5050-13 · NDEP-WS Coord IV 2019-2022		164,800.00	-164,800.00	
Total 5050-00 · Watershed Coordinator Grant		164,800.00	-164,800.00	
5058-00 · 208 Water Quality Plan				
5058-04 · NDEP-LID Implementation 2018-20		3,900.00	-3,900.00	
Total 5058-00 · 208 Water Quality Plan		3,900.00	-3,900.00	
5060-00 · Misc. Income	9.40	6,000.00	-5,990.60	0.2%
5082-00 · Alpine Co.-CASGEM Grant		400.00	-400.00	
5100-00 · NDEP -Drone Grant		18,165.00	-18,165.00	
6003-00 · FEMA-MAS #9	34,851.56	81,420.00	-46,568.44	42.8%
6004-00 · BOR WaterSMART Grant	13,681.50	53,078.00	-39,396.50	25.8%
6005-00 · FEMA - MAS # 10	85,238.59	319,590.00	-234,351.41	26.7%
6006-00 · FEMA-MAS #11	4,406.77		4,406.77	100.0%
Total Income	683,142.28	2,197,227.13	-1,514,084.85	31.1%
<b>Expense</b>				
7015-00 · Salaries & Wages	112,740.54	413,300.00	-300,559.46	27.3%
7020-00 · Employee Benefits	44,662.71	172,217.00	-127,554.29	25.9%
7021-00 · Workers Comp Ins.		2,300.00	-2,300.00	
7101-00 · Director's Fees				
7101-01 · Director Benefits	34.80	100.00	-65.20	34.8%
7101-02 · Director's Fees-Alpine Co.	240.00	2,800.00	-2,560.00	8.6%
7101-00 · Director's Fees - Other	2,400.00	13,100.00	-10,700.00	18.3%
Total 7101-00 · Director's Fees	2,674.80	16,000.00	-13,325.20	16.7%
7102-00 · Insurance	4,934.79	5,100.00	-165.21	96.8%
7103-00 · Office Supplies	312.92	2,100.00	-1,787.08	14.9%
7104-00 · Postage	476.05	1,050.00	-573.95	45.3%
7105-00 · Rent	12,584.00	37,752.00	-25,168.00	33.3%
7106-00 · Telephone/Internet	1,760.72	5,000.00	-3,239.28	35.2%
7107-00 · Travel-transport/meals/lodging				
7107-02 Staff Indirect Mileage	122.53		122.53	100.0%
7107-01 · Car Allowance	283.21		283.21	100.0%
7107-00 · Travel-transport/meals/lodging - Other	103.50	16,000.00	-15,896.50	0.6%
Total 7107-00 · Travel-transport/meals/lodging	509.24	16,000.00	-15,490.76	3.2%
7108-00 · Dues & Publications	210.00	1,100.00	-890.00	19.1%
7109-00 · Miscellaneous Expense		1,000.00	-1,000.00	
7110-00 · Seminars & Education	64.99	1,500.00	-1,435.01	4.3%
7111-00 · Office Equipment	184.95	3,000.00	-2,815.05	6.2%
7112-00 · Bank Charges	25.00	50.00	-25.00	50.0%
7114-00 · Outside Professional Services	1,217.90	30,000.00	-28,782.10	4.1%
7115-00 · Accounting		16,800.00	-16,800.00	
7116-00 · Legal	6,000.00	32,000.00	-26,000.00	18.8%
7117-00 · Lost Lakes Expenses	804.00	13,500.00	-12,696.00	6.0%
7118-00 · Mud Lake O & M		1,200.00	-1,200.00	
7120-00 · Integrated Watershed Programs				
7120-07 · Watershed Tour		6,000.00	-6,000.00	
7120-33 · Watershed Coord IV 2019-22				

2:14 PM

11/01/20

Cash Basis

## CARSON WATER SUBCONSERVANCY DISTRICT - GENERAL FUND

## Profit &amp; Loss Budget vs. Actual

July through October 2020

	Jul - Oct 20	Budget	\$ Over Budget	% of Budget
7120-34 · WS Coord Grant MATCH 2019-21				
7120-37 · WS COORD MATCH - NEON	4,500.00		4,500.00	100.0%
7120-34 · WS Coord Grant MATCH 2019-21 - Other		9,900.00	-9,900.00	
Total 7120-34 · WS Coord Grant MATCH 2019-21	4,500.00	9,900.00	-5,400.00	45.5%
7120-38 · WS COORD-REIMBURSABLE				
7120-39 · WS COORD REIMB - Travel	62.10		62.10	100.0%
Total 7120-38 · WS COORD-REIMBURSABLE	62.10		62.10	100.0%
7120-33 · Watershed Coord IV 2019-22 - Other	50.49	49,200.00	-49,149.51	0.1%
Total 7120-33 · Watershed Coord IV 2019-22	4,612.59	59,100.00	-54,487.41	7.8%
Total 7120-00 · Integrated Watershed Programs	4,612.59	65,100.00	-60,487.41	7.1%
7126-00 · NDEP Drone Sub-Grant 2020	365.14	305.00	60.14	119.7%
7215-00 · Sierra NV Journeys-Family Night				
7215-01 · SNJ 2020-21		3,279.00	-3,279.00	
Total 7215-00 · Sierra NV Journeys-Family Night		3,279.00	-3,279.00	
7332-00 · Carson River Work Days				
7332-06 · CR Work Days 2020-21		26,000.00	-26,000.00	
Total 7332-00 · Carson River Work Days		26,000.00	-26,000.00	
7337-00 · Carson River Restoration				
7337-01 · Carson Valley Conserv District				
7337-20 · CVCD Genoa Bank EXTENDED		70,000.00	-70,000.00	
7337-25 · CVCD - Bioengineering 2020-21		65,000.00	-65,000.00	
7337-26 · CVCD - Westwood Channel 2020-21		100,000.00	-100,000.00	
Total 7337-01 · Carson Valley Conserv District		235,000.00	-235,000.00	
7337-03 · Dayton Valley Conserv				
7337-34 · DVCD Bank Stab/Dayton Br (EXT)		40,000.00	-40,000.00	
7337-36 · DVCD - Fort Churchill 2020-21		75,000.00	-75,000.00	
Total 7337-03 · Dayton Valley Conserv		115,000.00	-115,000.00	
7337-04 · Lahontan Conserv.Dist				
7337-43 · LCD- Clearing & Snagging 20-21		20,000.00	-20,000.00	
Total 7337-04 · Lahontan Conserv.Dist		20,000.00	-20,000.00	
Total 7337-00 · Carson River Restoration		370,000.00	-370,000.00	
7404-00 · Noxious Weeds Control-CR Wtrshd		75,000.00	-75,000.00	
7406-00 · 208 Water Quality Mgmt. Plan				
7406-03 · LID Implementation 2018-12/2020	3,433.10		3,433.10	100.0%
7406-00 · 208 Water Quality Mgmt. Plan - Other		1,210.00	-1,210.00	
Total 7406-00 · 208 Water Quality Mgmt. Plan	3,433.10	1,210.00	2,223.10	283.7%
7437-00 · FEMA MAS #9				
7437-01 · South Dayton Valley ADMP(JEF)	9,061.86		9,061.86	100.0%
7437-02 · North CC ADMP (MB)	3,939.07		3,939.07	100.0%
7437-03 · Pinenut Cr. Restudy-Remap.(HDR)	10,629.15		10,629.15	100.0%
7437-04 · Flood Awareness 2019				
7437-41 · River Wranglers-FAW	410.99		410.99	100.0%
Total 7437-04 · Flood Awareness 2019	410.99		410.99	100.0%
7437-00 · FEMA MAS #9 - Other	97.57	66,824.00	-66,726.43	0.1%
Total 7437-00 · FEMA MAS #9	24,138.64	66,824.00	-42,685.36	36.1%
7438-00 · BOR WaterSMART Market Program				
7438-01 · Water Mktg Study-LUMOS 2019-21				
7438-02 · BOR WaterSmart-LUMOS MATCH	4,135.55		4,135.55	100.0%

For internal &amp; discussion purposes only.

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## CARSON WATER SUBCONSERVANCY DISTRICT - GENERAL FUND

11/01/20

## Profit &amp; Loss Budget vs. Actual

Cash Basis

July through October 2020

	Jul - Oct 20	Budget	\$ Over Budget	% of Budget
7438-01 · Water Mktg Study-LUMOS 2019-21 - Other	13,681.50	53,078.00	-39,396.50	25.8%
Total 7438-01 · Water Mktg Study-LUMOS 2019-21	17,817.05	53,078.00	-35,260.95	33.6%
Total 7438-00 · BOR WaterSMART Market Program	17,817.05	53,078.00	-35,260.95	33.6%
7439-00 · FEMA MAS #10				
7439-01 · Carson Valley Flood Model (HDR)	5,600.06		5,600.06	100.0%
7439-02 · West CC Study (Kimley-Horn)	37,115.00		37,115.00	100.0%
7439-03 · RuhenStroth ADMP (Fuller)	25,097.35		25,097.35	100.0%
7439-04 · Ch Cty Flood Maps (Precision)	1,107.50		1,107.50	100.0%
7439-05 · Ch Cty Flood Maps (HDR)	9,746.65		9,746.65	100.0%
7439-00 · FEMA MAS #10 - Other	637.18	297,642.00	-297,004.82	0.2%
Total 7439-00 · FEMA MAS #10	79,303.74	297,642.00	-218,338.26	26.6%
7440-00 · FEMA - MAS #11	24.55		24.55	100.0%
7500-00 · USGS Stream Gage Contract				
7500-03 · USGS Stream Flow Gauges 2019-21	19,601.00		19,601.00	100.0%
7500-00 · USGS Stream Gage Contract - Other		78,405.00	-78,405.00	
Total 7500-00 · USGS Stream Gage Contract	19,601.00	78,405.00	-58,804.00	25.0%
7508-00 · USGS Do.Co.WQ & GW Monitoring				
7508-03 · DoCo WQ/GW Mon. 2019-21	4,222.50	16,890.00	-12,667.50	25.0%
Total 7508-00 · USGS Do.Co.WQ & GW Monitoring	4,222.50	16,890.00	-12,667.50	25.0%
7524-00 · USGS-GW Lvl & WQ in Ch.Co.				
7524-02 · USGS-GW Lvl & WQ-ChCo 2018-22	1,465.00	5,680.00	-4,215.00	25.8%
Total 7524-00 · USGS-GW Lvl & WQ in Ch.Co.	1,465.00	5,680.00	-4,215.00	25.8%
7526-01 · USGS Middle Carson GW 2020-21		15,250.00	-15,250.00	
7600-00 · Alpine County Projects				
7600-09 · Al.Co.-CASGEM		5.00	-5.00	
7600-12 · AWG Programs 2020-21	12,500.00	25,000.00	-12,500.00	50.0%
Total 7600-00 · Alpine County Projects	12,500.00	25,005.00	-12,505.00	50.0%
7610-00 · Douglas County Projects				
7610-10 · Do.Co.Reg.Pipeline Debt Service	62,500.00	125,000.00	-62,500.00	50.0%
Total 7610-00 · Douglas County Projects	62,500.00	125,000.00	-62,500.00	50.0%
7620-00 · Carson City Projects				
7620-11 · CC Reg.Pipeline Debt Service		125,000.00	-125,000.00	
Total 7620-00 · Carson City Projects		125,000.00	-125,000.00	
7640-00 · Churchill County Projects				
7640-09 · Lahontan Vly.Wtr.Lvl. 2018-21		20,000.00	-20,000.00	
7640-18 · Dixie Vlt Wtr Lvl Meas 2019-22		21,000.00	-21,000.00	
7640-19 · TCID-Diversion Dam Gates 20-21		15,000.00	-15,000.00	
Total 7640-00 · Churchill County Projects		56,000.00	-56,000.00	
Total Expense	419,145.92	2,176,637.00	-1,757,491.08	19.3%
Net Ordinary Income	263,996.36	20,590.13	243,406.23	1,282.2%
Other Income/Expense				
Other Income				
8005-00 · Beginning Equity		642,848.30	-642,848.30	
Total Other Income		642,848.30	-642,848.30	
Other Expense				
8002-00 · Transfer Out-Acq/Const Fund		145,000.00	-145,000.00	
8008-00 · Preliminary Planning		385,000.00	-385,000.00	

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11/01/20

Cash Basis

**CARSON WATER SUBCONSERVANCY DISTRICT - GENERAL FUND**

**Profit & Loss Budget vs. Actual**

July through October 2020

	Jul - Oct 20	Budget	\$ Over Budget	% of Budget
Total Other Expense		530,000.00	-530,000.00	
Net Other Income		112,848.30	-112,848.30	
Net Income	263,996.36	133,438.43	130,557.93	197.8%



## CARSON WATER SUBCONSERVANCY DISTRICT - GENERAL FUND

11/01/20

## Profit &amp; Loss YTD Comparison

Cash Basis

October 2020

	Oct 20	Jul - Oct 20
Ordinary Income/Expense		
Income		
5008-00 · Alpine Co. Joint Powers contrib		10,897.74
5009-00 · Churchill County Ad Valorem		
5010-00 · Lyon County Ad Valorem	76,972.22	76,972.22
5011-00 · Douglas County Ad Valorem	78,173.86	295,446.41
5012-00 · Carson City Ad Valorem	133,879.45	159,196.39
5022-00 · Water Lease - Mud Lake		
5023-00 · Water Lease-Lost Lakes	804.00	804.00
5031-00 · Interest Income-LGIP Reg.	270.29	1,637.70
5050-00 · Watershed Coordinator Grant		
5050-13 · NDEP-WS Coord IV 2019-2022		
Total 5050-00 · Watershed Coordinator Grant		
5058-00 · 208 Water Quality Plan		
5058-04 · NDEP-LID Implementation 2018-20		
Total 5058-00 · 208 Water Quality Plan		
5060-00 · Misc. Income		9.40
5072-00 · Al.Co.Groundwtr Monitoring		
5082-00 · Alpine Co.-CASGEM Grant		
5096-00 · NFWF-Weed Mgmt.		
5100-00 · NDEP -Drone Grant		
6003-00 · FEMA-MAS #9	8,635.50	34,851.56
6004-00 · BOR WaterSMART Grant	13,681.50	13,681.50
6005-00 · FEMA - MAS # 10	29,438.09	85,238.59
6006-00 · FEMA-MAS #11	4,406.77	4,406.77
Total Income	346,261.68	683,142.28
Expense		
7015-00 · Salaries & Wages	31,352.62	112,740.54
7020-00 · Employee Benefits	12,401.67	44,662.71
7021-00 · Workers Comp Ins.		
7101-00 · Director's Fees		
7101-01 · Director Benefits	10.44	34.80
7101-02 · Director's Fees-Alpine Co.		240.00
7101-00 · Director's Fees - Other	720.00	2,400.00
Total 7101-00 · Director's Fees	730.44	2,674.80
7102-00 · Insurance		4,934.79
7103-00 · Office Supplies	-2.05	312.92
7104-00 · Postage	85.25	476.05
7105-00 · Rent	3,146.00	12,584.00
7106-00 · Telephone/Internet	518.43	1,760.72
7107-00 · Travel-transport/meals/lodging		
7107-02 Staff Indirect Mileage		122.53
7107-01 · Car Allowance		283.21
7107-00 · Travel-transport/meals/lodging - Other		103.50
Total 7107-00 · Travel-transport/meals/lodging		509.24
7108-00 · Dues & Publications		210.00
7110-00 · Seminars & Education		64.99
7111-00 · Office Equipment		184.95
7112-00 · Bank Charges		25.00
7114-00 · Outside Professional Services	957.88	1,217.90
7116-00 · Legal	2,000.00	6,000.00
7117-00 · Lost Lakes Expenses	624.00	804.00
7120-00 · Integrated Watershed Programs		
7120-33 · Watershed Coord IV 2019-22		
7120-34 · WS Coord Grant MATCH 2019-21		
7120-37 · WS COORD MATCH - NEON		4,500.00
Total 7120-34 · WS Coord Grant MATCH 2019-21		4,500.00
7120-38 · WS COORD-REIMBURSABLE		
7120-39 · WS COORD REIMB - Travel		62.10
Total 7120-38 · WS COORD-REIMBURSABLE		62.10
7120-33 · Watershed Coord IV 2019-22 - Other	18.07	50.49

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11/01/20

Cash Basis

## CARSON WATER SUBCONSERVANCY DISTRICT - GENERAL FUND

## Profit &amp; Loss YTD Comparison

October 2020

	Oct 20	Jul - Oct 20
Total 7120-33 · Watershed Coord IV 2019-22	18.07	4,612.59
Total 7120-00 · Integrated Watershed Programs	18.07	4,612.59
7126-00 · NDEP Drone Sub-Grant 2020		365.14
7215-00 · Sierra NV Journeys-Family Night		
7332-00 · Carson River Work Days		
7332-05 · CR Work Days 2019-20		
Total 7332-00 · Carson River Work Days		
7337-00 · Carson River Restoration		
7337-01 · Carson Valley Conserv District		
7337-20 · CVCD Genoa Bank EXTENDED		
Total 7337-01 · Carson Valley Conserv District		
7337-03 · Dayton Valley Conserv		
7337-33 · DVCD--Restoration 2017-20 EXT		
7337-34 · DVCD Bank Stab/Dayton Br (EXT)		
Total 7337-03 · Dayton Valley Conserv		
Total 7337-00 · Carson River Restoration		
7404-00 · Noxious Weeds Control-CR Wtrshd		
7404-01 · Noxious Weed Control-Alpine Co.		
7404-02 · Noxious Weed Control-Douglas Co		
7404-03 · Noxious Weed Control-CarsonCity		
7404-04 · Noxious Weed Control-Lyon Co.		
7404-05 · Noxious Weed Control-Churchill		
Total 7404-00 · Noxious Weeds Control-CR Wtrshd		
7406-00 · 208 Water Quality Mgmt. Plan		
7406-03 · LID Implementation 2018-12/2020	3,432.58	3,433.10
Total 7406-00 · 208 Water Quality Mgmt. Plan	3,432.58	3,433.10
7437-00 · FEMA MAS #9		
7437-01 · South Dayton Valley ADMP(JEF)		9,061.86
7437-02 · North CC ADMP (MB)	441.36	3,939.07
7437-03 · Pinenut Cr. Restudy-Remap.(HDR)	1,555.35	10,629.15
7437-04 · Flood Awareness 2019		
7437-41 · River Wranglers-FAW	410.99	410.99
Total 7437-04 · Flood Awareness 2019	410.99	410.99
7437-00 · FEMA MAS #9 - Other	14.11	97.57
Total 7437-00 · FEMA MAS #9	2,421.81	24,138.64
7438-00 · BOR WaterSMART Market Program		
7438-01 · Water Mktg Study-LUMOS 2019-21		
7438-02 · BOR WaterSmart-LUMOS MATCH	4,135.55	4,135.55
7438-01 · Water Mktg Study-LUMOS 2019-21 - Other		13,681.50
Total 7438-01 · Water Mktg Study-LUMOS 2019-21	4,135.55	17,817.05
Total 7438-00 · BOR WaterSMART Market Program	4,135.55	17,817.05
7439-00 · FEMA MAS #10		
7439-01 · Carson Valley Flood Model (HDR)	467.52	5,600.06
7439-02 · West CC Study (Kimley-Horn)	14,225.00	37,115.00
7439-03 · RuhenStroth ADMP (Fuller)	4,392.50	25,097.35
7439-04 · Ch Cty Flood Maps (Precision)		1,107.50
7439-05 · Ch Cty Flood Maps (HDR)	406.95	9,746.65
7439-00 · FEMA MAS #10 - Other	19.96	637.18
Total 7439-00 · FEMA MAS #10	19,511.93	79,303.74
7440-00 · FEMA - MAS #11	16.44	24.55
7500-00 · USGS Stream Gage Contract		
7500-03 · USGS Stream Flow Gauges 2019-21		19,601.00
Total 7500-00 · USGS Stream Gage Contract		19,601.00
7508-00 · USGS Do.Co.WQ & GW Monitoring		
7508-03 · DoCo WQ/GW Mon. 2019-21		4,222.50

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## CARSON WATER SUBCONSERVANCY DISTRICT - GENERAL FUND

11/01/20

## Profit &amp; Loss YTD Comparison

Cash Basis

October 2020

	Oct 20	Jul - Oct 20
Total 7508-00 · USGS Do.Co.WQ & GW Monitoring		4,222.50
7524-00 · USGS-GW Lvl & WQ in Ch.Co.		
7524-02 · USGS-GW Lvl & WQ-ChCo 2018-22		1,465.00
Total 7524-00 · USGS-GW Lvl & WQ in Ch.Co.		1,465.00
7526-00 · USGS-Eagle/Dayt/Ch.Vly. 2016-20		
7600-00 · Alpine County Projects		
7600-12 · AWG Programs 2020-21	12,500.00	12,500.00
Total 7600-00 · Alpine County Projects	12,500.00	12,500.00
7610-00 · Douglas County Projects		
7610-10 · Do.Co.Reg.Pipeline Debt Service	62,500.00	62,500.00
Total 7610-00 · Douglas County Projects	62,500.00	62,500.00
7620-00 · Carson City Projects		
7620-16 · CC Reuse Master Plan 2019-20		
Total 7620-00 · Carson City Projects		
7640-00 · Churchill County Projects		
7640-09 · Lahontan Vly.Wtr.Lvl. 2018-21		
7640-18 · Dixie Vlt Wtr Lvl Meas 2019-22		
Total 7640-00 · Churchill County Projects		
Total Expense	156,350.62	419,145.92
Net Ordinary Income	189,911.06	263,996.36
Net Income	189,911.06	263,996.36

**Balance Sheet**

As of October 31, 2020

	Oct 31, 20
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
1013-01 · Local Gov't Inv.Pool-Reserve	783,375.04
Total Checking/Savings	783,375.04
Total Current Assets	783,375.04
<b>TOTAL ASSETS</b>	<b>783,375.04</b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
4000-01 · Fund Balance - Capital Project	781,483.15
Net Income	1,891.89
Total Equity	783,375.04
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>783,375.04</b>

## Profit &amp; Loss Budget vs. Actual

July through October 2020

	Jul - Oct 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
5032-01 · Interest Income - LGIP Res.	1,891.89	5,723.24	-3,831.35	33.1%
Total Income	1,891.89	5,723.24	-3,831.35	33.1%
Expense				
8015-03 · Upstream Storage Evaluation		33,648.00	-33,648.00	
8015-04 · Construction Projects		715,000.00	-715,000.00	
8015-05 · Right-A-Way Lyon Cty Utility SS		125,000.00	-125,000.00	
Total Expense		873,648.00	-873,648.00	
Net Ordinary Income	1,891.89	-867,924.76	869,816.65	-0.2%
Other Income/Expense				
Other Income				
8000-01 · Beginning Equity		763,099.00	-763,099.00	
8001-01 · Transfer In-General Fund		145,000.00	-145,000.00	
Total Other Income		908,099.00	-908,099.00	
Net Other Income		908,099.00	-908,099.00	
Net Income	1,891.89	40,174.24	-38,282.35	4.7%

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**CARSON WTR SUBCONSERVANCY DIST - ACQUISITION/CONSTRUCTION**

11/01/20

**Profit & Loss YTD Comparison**

Cash Basis

October 2020

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	Oct 20	Jul - Oct 20
Ordinary Income/Expense		
Income		
5032-01 · Interest Income - LGIP Res.	366.09	1,891.89
Total Income	366.09	1,891.89
Net Ordinary Income	366.09	1,891.89
Net Income	<u>366.09</u>	<u>1,891.89</u>

## **AGENDA ITEM #8**

### **PAYMENT OF BILLS**

2:13 PM  
11/01/20  
Cash Basis

CARSON WATER SUBCONSERVANCY DISTRICT - GENERAL FUND

Transaction Detail by Account

October 2020

Type	Date	Num	Name	Memo	Paid Amount	Balance
<b>1013-00 · Cash in Checking - U. S. Bank</b>						
Check	10/01/2020	10088	Division of Water Resources	Application 90010T	-624.00	-624.00
Check	10/01/2020	10094	Euronev, Ltd.	October 2020 Rent	-3,146.00	-3,770.00
Deposit	10/03/2020			Deposit	133,879.45	130,109.45
Check	10/04/2020	10095	King & Russo, Ltd.	Professional Services Sept 2020	-2,000.00	128,109.45
Check	10/04/2020	10096	JE Fuller Hydrology & Geomorpholog...	Inv.#P3247.01-10	-4,392.50	123,716.95
Check	10/04/2020	10097	Robert Loveberg	Inv#P18030101-11 Jul-Sep 2020	-3,432.00	120,284.95
Check	10/04/2020	10098	Carson City	CWSD Payroll #20	-23,357.58	96,927.37
Check	10/10/2020	10099	Konica Minolta Business Solutions U...	Acct#3091	-61.75	96,865.62
Check	10/10/2020	10100		VOID		96,865.62
Check	10/10/2020	10101	Geeks of Nevada	Invoice #3166	-139.88	96,725.74
Check	10/10/2020	10103	Kimley-Horn & Associates, Inc.	Inv.#17442450 Project #291417000.1	-14,225.00	82,500.74
Check	10/10/2020	10102		VOID		82,500.74
Check	10/10/2020	10104	HDR Engineering, Inc.	Inv. #1200296147	-2,429.82	80,070.92
Check	10/17/2020	10105	Carson City	CWSD Payroll #21	-21,127.15	58,943.77
Check	10/17/2020	10106	River Wranglers	FAW Inv #6	-410.99	58,532.78
Check	10/17/2020	10107	Michael Baker International, Inc.	Inv#1097171 NCC ADMP	-441.36	58,091.42
Check	10/17/2020	10108	Douglas County Treasurer	INV# 2021-1-CWSD Semi-Annual Douglas County ...	-62,500.00	-4,408.58
Check	10/17/2020	10109	Local Govt Investment Pool	for investment in CCWSD	-100,000.00	-104,408.58
Deposit	10/23/2020			Deposit	38,073.59	-66,334.99
Check	10/24/2020	10110	Lumos & Assoc., Inc.	Inv#106281 Proj#9834	-4,135.55	-70,470.54
Check	10/24/2020	10111	Alpine Watershed Group	Inv#2020-4-1	-12,500.00	-82,970.54
Check	10/24/2020	10112	MacLeod Watts, Inc.	Inv#201019CWSD	-818.00	-83,788.54
Check	10/24/2020	10113	Charter Communications	Acct#8354110010917880	-309.94	-84,098.48
Check	10/24/2020	10114	Office Depot Business Credit	Acct #6011 5685 11775 7761	-5.36	-84,103.84
Check	10/24/2020	10115	Bank of America	OCT 2020; Acct. #4024 4910 0003 3949	-293.74	-84,397.58
Deposit	10/26/2020			Deposit	155,950.08	71,552.50
Deposit	10/26/2020			Deposit	13,681.50	85,234.00
Deposit	10/29/2020			Deposit	4,406.77	89,640.77
Total 1013-00 · Cash in Checking - U. S. Bank					89,640.77	89,640.77
<b>1014-00 · Local Gov't Inv. Pool-Regular</b>						
Deposit	10/01/2020			Interest	270.29	270.29
Check	10/17/2020	10109	Local Govt Investment Pool	for investment in CCWSD	100,000.00	100,270.29
Total 1014-00 · Local Gov't Inv. Pool-Regular					100,270.29	100,270.29
<b>3307-00 · CC Payroll Due</b>						
General Jo...	10/04/2020			Payroll #20 (9/11/2020-9/24/2020)	-23,357.58	-23,357.58
Check	10/04/2020	10098	Carson City	Payroll #20 (9/11/20-9/24/20)	23,357.58	
General Jo...	10/17/2020			Payroll #21 (9/25/2020-10/8/2020)	-21,127.15	-21,127.15
Check	10/17/2020	10105	Carson City	Payroll #21 (9/25/20-10/8/20)	21,127.15	
Total 3307-00 · CC Payroll Due						
<b>5010-00 · Lyon County Ad Valorem</b>						
Deposit	10/26/2020	00149...	Lyon County	1st Qtr FY 2020-21 Ad Valorem Taxes	-76,972.22	-76,972.22
Total 5010-00 · Lyon County Ad Valorem					-76,972.22	-76,972.22
<b>5011-00 · Douglas County Ad Valorem</b>						
Deposit	10/26/2020	710174	Douglas County	Sept Ad Valorem Taxes	-78,173.86	-78,173.86
Total 5011-00 · Douglas County Ad Valorem					-78,173.86	-78,173.86
<b>5012-00 · Carson City Ad Valorem</b>						
Deposit	10/03/2020	92030...	Carson City	August Ad Valorem Taxes	-133,879.45	-133,879.45
Total 5012-00 · Carson City Ad Valorem					-133,879.45	-133,879.45
<b>5023-00 · Water Lease-Lost Lakes</b>						
Deposit	10/26/2020	90308...	Carson City	Lost Lakes Permit & Filing Fees	-804.00	-804.00
Total 5023-00 · Water Lease-Lost Lakes					-804.00	-804.00
<b>5031-00 · Interest Income-LGIP Reg.</b>						
Deposit	10/01/2020			Interest	-270.29	-270.29
Total 5031-00 · Interest Income-LGIP Reg.					-270.29	-270.29
<b>6003-00 · FEMA-MAS #9</b>						
Deposit	10/23/2020		FEMA	Draw 20	-8,635.50	-8,635.50
Total 6003-00 · FEMA-MAS #9					-8,635.50	-8,635.50
<b>6004-00 · BOR WaterSMART Grant</b>						
Deposit	10/26/2020		Bureau of Reclamation	Inv#5 (7/1/20-9/30/20)	-13,681.50	-13,681.50
Total 6004-00 · BOR WaterSMART Grant					-13,681.50	-13,681.50
<b>6005-00 · FEMA - MAS # 10</b>						



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## CARSON WATER SUBCONSERVANCY DISTRICT - GENERAL FUND

11/01/20

## Transaction Detail by Account

Cash Basis

October 2020

Type	Date	Num	Name	Memo	Paid Amount	Balance
Deposit	10/23/2020		FEMA	Draw 11	-29,438.09	-29,438.09
Total 6005-00 · FEMA - MAS # 10					-29,438.09	-29,438.09
<b>6006-00 · FEMA-MAS #11</b>						
Deposit	10/29/2020		FEMA	Draw 1	-4,406.77	-4,406.77
Total 6006-00 · FEMA-MAS #11					-4,406.77	-4,406.77
<b>7015-00 · Salaries &amp; Wages</b>						
General Jo...	10/04/2020			Salary Payroll #20 Fryer	3,213.04	3,213.04
General Jo...	10/04/2020			Salary Payroll #20 Hunt	2,846.37	6,059.41
General Jo...	10/04/2020			Salary Payroll #20 James	5,643.70	11,703.11
General Jo...	10/04/2020			Salary Payroll #20 Neddenriep	2,153.33	13,856.44
General Jo...	10/04/2020			Salary Payroll #20 Schambra	2,432.71	16,289.15
General Jo...	10/17/2020			Salary Payroll #21 Fryer	2,484.68	18,773.83
General Jo...	10/17/2020			Salary Payroll #21 Hunt	2,489.31	21,263.14
General Jo...	10/17/2020			Salary Payroll #21 James	5,643.70	26,906.84
General Jo...	10/17/2020			Salary Payroll #21 Neddenriep	2,013.08	28,919.92
General Jo...	10/17/2020			Salary Payroll #21 Schambra	2,432.70	31,352.62
Total 7015-00 · Salaries & Wages					31,352.62	31,352.62
<b>7020-00 · Employee Benefits</b>						
General Jo...	10/04/2020			Benies Payroll #20 Fryer	514.28	514.28
General Jo...	10/04/2020			Benies Payroll #20 Hunt	1,418.02	1,932.30
General Jo...	10/04/2020			Benies Payroll #20 James	2,295.28	4,227.58
General Jo...	10/04/2020			Benies Payroll #20 Neddenriep	1,063.86	5,291.44
General Jo...	10/04/2020			Benies Payroll #20 Schambra	1,046.55	6,337.99
General Jo...	10/17/2020			Benies Payroll #21 Fryer	392.64	6,730.63
General Jo...	10/17/2020			Benies Payroll #21 Hunt	1,308.40	8,039.03
General Jo...	10/17/2020			Benies Payroll #21 James	2,295.28	10,334.31
General Jo...	10/17/2020			Benies Payroll #21 Neddenriep	1,020.81	11,355.12
General Jo...	10/17/2020			Benies Payroll #21 Schambra	1,046.55	12,401.67
Total 7020-00 · Employee Benefits					12,401.67	12,401.67
<b>7101-00 · Director's Fees</b>						
<b>7101-01 · Director Benefits</b>						
General Jo...	10/04/2020			Director Benies Payroll #20 Bonkowski	1.16	1.16
General Jo...	10/04/2020			Director Benies Payroll #20 Erquiaga	1.16	2.32
General Jo...	10/04/2020			Director Benies Payroll #20 Gioni	1.16	3.48
General Jo...	10/04/2020			Director Benies Payroll #20 Gray	1.16	4.64
General Jo...	10/04/2020			Director Benies Payroll #20 Jacobs	1.16	5.80
General Jo...	10/04/2020			Director Benies Payroll #20 Penzel	1.16	6.96
General Jo...	10/04/2020			Director Benies Payroll #20 Schank		6.96
General Jo...	10/04/2020			Director Benies Payroll #20 Stodieck	1.16	8.12
General Jo...	10/04/2020			Director Benies Payroll #20 Thaler	1.16	9.28
General Jo...	10/04/2020			Director Benies Payroll #20 Walsh		9.28
General Jo...	10/17/2020			Director Benies Payroll #20 Workman	1.16	10.44
General Jo...	10/17/2020			Director Benies Payroll #21 Bonkowski		10.44
General Jo...	10/17/2020			Director Benies Payroll #21 Erquiaga		10.44
General Jo...	10/17/2020			Director Benies Payroll #21 Gioni		10.44
General Jo...	10/17/2020			Director Benies Payroll #21 Gray		10.44
General Jo...	10/17/2020			Director Benies Payroll #21 Jacobs		10.44
General Jo...	10/17/2020			Director Benies Payroll #21 Penzel		10.44
General Jo...	10/17/2020			Director Benies Payroll #21 Schank		10.44
General Jo...	10/17/2020			Director Benies Payroll #21 Stodieck		10.44
General Jo...	10/17/2020			Director Benies Payroll #21 Thaler		10.44
General Jo...	10/17/2020			Director Benies Payroll #21 Walsh		10.44
General Jo...	10/17/2020			Director Benies Payroll #1 Workman		10.44
Total 7101-01 · Director Benefits					10.44	10.44
<b>7101-00 · Director's Fees - Other</b>						
General Jo...	10/04/2020			Director Fee Payroll #20 Bonkowski	80.00	80.00
General Jo...	10/04/2020			Director Fee Payroll #20 Erquiaga	80.00	160.00
General Jo...	10/04/2020			Director Fee Payroll #20 Gioni	80.00	240.00
General Jo...	10/04/2020			Director Fee Payroll #20 Gray	80.00	320.00
General Jo...	10/04/2020			Director Fee Payroll #20 Jacobs	80.00	400.00
General Jo...	10/04/2020			Director Fee Payroll #20 Penzel	80.00	480.00
General Jo...	10/04/2020			Director Fee Payroll #20 Schank		480.00
General Jo...	10/04/2020			Director Fee Payroll #20 Stodieck	80.00	560.00
General Jo...	10/04/2020			Director Fee Payroll #20 Thaler	80.00	640.00
General Jo...	10/04/2020			Director Fee Payroll #20 Walsh		640.00
General Jo...	10/04/2020			Director Fee Payroll #20 Workman	80.00	720.00
General Jo...	10/17/2020			Director Fee Payroll #21 Bonkowski		720.00
General Jo...	10/17/2020			Director Fee Payroll #21 Erquiaga		720.00
General Jo...	10/17/2020			Director Fee Payroll #21 Gioni		720.00
General Jo...	10/17/2020			Director Fee Payroll #21 Gray		720.00

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11/01/20

Cash Basis

## CARSON WATER SUBCONSERVANCY DISTRICT - GENERAL FUND

## Transaction Detail by Account

October 2020

Type	Date	Num	Name	Memo	Paid Amount	Balance
General Jo...	10/17/2020			Director Fee Payroll #21 Jacobs		720.00
General Jo...	10/17/2020			Director Fee Payroll #21 Penzel		720.00
General Jo...	10/17/2020			Director Fee Payroll #21 Schank		720.00
General Jo...	10/17/2020			Director Fee Payroll #21 Stodieck		720.00
General Jo...	10/17/2020			Director Fee Payroll #21 Thaler		720.00
General Jo...	10/17/2020			Director Fee Payroll #21 Walsh		720.00
General Jo...	10/17/2020			Director Fee Payroll #21 Workman		720.00
Total 7101-00 · Director's Fees - Other					720.00	720.00
Total 7101-00 · Director's Fees					730.44	730.44
<b>7103-00 · Office Supplies</b>						
Check	10/10/2020	10099	Konica Minolta Business Solutions U...	September Copies	61.75	61.75
Check	10/24/2020	10114	Office Depot Business Credit	computer camera extention cords	5.36	67.11
General Jo...	10/31/2020			October Copies	-69.16	-2.05
Total 7103-00 · Office Supplies					-2.05	-2.05
<b>7104-00 · Postage</b>						
Check	10/24/2020	10115	Bank of America	OCT-Postage	85.25	85.25
Total 7104-00 · Postage					85.25	85.25
<b>7105-00 · Rent</b>						
Check	10/01/2020	10094	Euronev, Ltd.	October 2020 Rent	3,146.00	3,146.00
Total 7105-00 · Rent					3,146.00	3,146.00
<b>7106-00 · Telephone/Internet</b>						
Check	10/24/2020	10113	Charter Communications	OCT Phone/Internet Svcs.	309.94	309.94
Check	10/24/2020	10115	Bank of America	OCT ZOOM.US (upgrade for Webinar)	140.99	450.93
Check	10/24/2020	10115	Bank of America	OCT-Microsoft Internet	5.00	455.93
Check	10/24/2020	10115	Bank of America	OCT- Microsoft 365	62.50	518.43
Total 7106-00 · Telephone/Internet					518.43	518.43
<b>7107-00 · Travel-transport/meals/lodging</b>						
<b>7107-01 · Car Allowance</b>						
General Jo...	10/04/2020			Car Allowance Payroll #20 James		
General Jo...	10/17/2020			Car Allowance Payroll #21 James		
Total 7107-01 · Car Allowance						
Total 7107-00 · Travel-transport/meals/lodging						
<b>7114-00 · Outside Professional Services</b>						
Check	10/10/2020	10101	Geeks of Nevada	IT Support/Sandisk 1 TB Hard Drive - Cat's Computer	139.88	139.88
Check	10/24/2020	10112	MacLeod Watts, Inc.	OPEB Actuarial Analysis FYE 2020	818.00	957.88
Total 7114-00 · Outside Professional Services					957.88	957.88
<b>7116-00 · Legal</b>						
Check	10/04/2020	10095	King & Russo, Ltd.	Professional Services Sept 2020	2,000.00	2,000.00
Total 7116-00 · Legal					2,000.00	2,000.00
<b>7117-00 · Lost Lakes Expenses</b>						
Check	10/01/2020	10088	Division of Water Resources	Lost Lakes Permit Fee	624.00	624.00
Total 7117-00 · Lost Lakes Expenses					624.00	624.00
<b>7120-00 · Integrated Watershed Programs</b>						
<b>7120-33 · Watershed Coord IV 2019-22</b>						
General Jo...	10/31/2020			October Copies	18.07	18.07
Total 7120-33 · Watershed Coord IV 2019-22					18.07	18.07
Total 7120-00 · Integrated Watershed Programs					18.07	18.07
<b>7406-00 · 208 Water Quality Mgmt. Plan</b>						
<b>7406-03 · LID Implementation 2018-12/2020</b>						
Check	10/04/2020	10097	Robert Loveberg	Jul-Sep 2020 LID Implementation	3,432.00	3,432.00
General Jo...	10/31/2020			October Copies	0.58	3,432.58
Total 7406-03 · LID Implementation 2018-12/2020					3,432.58	3,432.58
Total 7406-00 · 208 Water Quality Mgmt. Plan					3,432.58	3,432.58
<b>7437-00 · FEMA MAS #9</b>						
<b>7437-02 · North CC ADMP (MB)</b>						
Check	10/17/2020	10107	Michael Baker International, Inc.	NCC ADMP thru 9/29/2020	441.36	441.36

2:13 PM

11/01/20

Cash Basis

## CARSON WATER SUBCONSERVANCY DISTRICT - GENERAL FUND

## Transaction Detail by Account

October 2020

Type	Date	Num	Name	Memo	Paid Amount	Balance
Total 7437-02 · North CC ADMP (MB)					441.36	441.36
<b>7437-03 · Pinenut Cr. Restudy-Remap.(HDR)</b>						
Check	10/10/2020	10104	HDR Engineering, Inc.	Pinenut Creek LOMR 8/30/20-9/26/20	1,555.35	1,555.35
Total 7437-03 · Pinenut Cr. Restudy-Remap.(HDR)					1,555.35	1,555.35
<b>7437-04 · Flood Awareness 2019</b>						
<b>7437-41 · River Wranglers-FAW</b>						
Check	10/17/2020	10106	River Wranglers	INV#6 7/1/2020-9/30/2020	410.99	410.99
Total 7437-41 · River Wranglers-FAW					410.99	410.99
Total 7437-04 · Flood Awareness 2019					410.99	410.99
<b>7437-00 · FEMA MAS #9 - Other</b>						
General Jo...	10/31/2020			October Copies	14.11	14.11
Total 7437-00 · FEMA MAS #9 - Other					14.11	14.11
Total 7437-00 · FEMA MAS #9					2,421.81	2,421.81
<b>7438-00 · BOR WaterSMART Market Program</b>						
<b>7438-01 · Water Mktg Study-LUMOS 2019-21</b>						
<b>7438-02 · BOR WaterSmart-LUMOS MATCH</b>						
Check	10/24/2020	10110	Lumos & Assoc., Inc.	Professional Services 9/5/20-10/2/20	4,135.55	4,135.55
Total 7438-02 · BOR WaterSmart-LUMOS MATCH					4,135.55	4,135.55
Total 7438-01 · Water Mktg Study-LUMOS 2019-21					4,135.55	4,135.55
Total 7438-00 · BOR WaterSMART Market Program					4,135.55	4,135.55
<b>7439-00 · FEMA MAS #10</b>						
<b>7439-01 · Carson Valley Flood Model (HDR)</b>						
Check	10/10/2020	10104	HDR Engineering, Inc.	Carson Valley Flood Model 8/30/20-6/26/20	467.52	467.52
Total 7439-01 · Carson Valley Flood Model (HDR)					467.52	467.52
<b>7439-02 · West CC Study (Kimley-Horn)</b>						
Check	10/10/2020	10103	Kimley-Horn & Associates, Inc.	FEMA 10-West CC ADP- Svcs thru Sept 30, 2020	14,225.00	14,225.00
Total 7439-02 · West CC Study (Kimley-Horn)					14,225.00	14,225.00
<b>7439-03 · RuhenStroth ADMP (Fuller)</b>						
Check	10/04/2020	10096	JE Fuller Hydrology & Geomorpholog...	Ruhenstroth ADMP 9/1/20-9/30/20	4,392.50	4,392.50
Total 7439-03 · RuhenStroth ADMP (Fuller)					4,392.50	4,392.50
<b>7439-05 · Ch Cty Flood Maps (HDR)</b>						
Check	10/10/2020	10104	HDR Engineering, Inc.	Churchill Cty Flood Maps 8/30/20-9/26/20	406.95	406.95
Total 7439-05 · Ch Cty Flood Maps (HDR)					406.95	406.95
<b>7439-00 · FEMA MAS #10 - Other</b>						
General Jo...	10/31/2020			October Copies	19.96	19.96
Total 7439-00 · FEMA MAS #10 - Other					19.96	19.96
Total 7439-00 · FEMA MAS #10					19,511.93	19,511.93
<b>7440-00 · FEMA - MAS #11</b>						
General Jo...	10/31/2020			October Copies	16.44	16.44
Total 7440-00 · FEMA - MAS #11					16.44	16.44
<b>7600-00 · Alpine County Projects</b>						
<b>7600-12 · AWG Programs 2020-21</b>						
Check	10/24/2020	10111	Alpine Watershed Group	AWG 2020-4 Inv#1	12,500.00	12,500.00
Total 7600-12 · AWG Programs 2020-21					12,500.00	12,500.00
Total 7600-00 · Alpine County Projects					12,500.00	12,500.00
<b>7610-00 · Douglas County Projects</b>						
<b>7610-10 · Do.Co.Reg.Pipeline Debt Service</b>						
Check	10/17/2020	10108	Douglas County Treasurer	Semi-Annual Douglas County Pipeline Debt Service	62,500.00	62,500.00
Total 7610-10 · Do.Co.Reg.Pipeline Debt Service					62,500.00	62,500.00
Total 7610-00 · Douglas County Projects					62,500.00	62,500.00
<b>TOTAL</b>						

For internal &amp; discussion purposes only.

## **AGENDA ITEM #9**

## CARSON WATER SUBCONSERVANCY DISTRICT

**TO:** BOARD OF DIRECTORS

**FROM:** EDWIN D. JAMES

**DATE:** November 18, 2020

**SUBJECT:** Agenda Item #9 – For Possible Action: Addendum to River Wranglers Contract #2019-13

---

**DISCUSSION:** Contract #2019-13 with River Wranglers (FEMA 9 FAW) needs to be extended to December 31, 2020 for completion due to Covid-19 delays. The attached addendum to #2019-13 also has new required language for federally funded grants which took effect in 2020.

**STAFF RECOMMENDATION:** Approve the Addendum to River Wranglers Contract #2019-13 as presented.





## **ADDENDUM TO AGREEMENT #2019-13**

### **Addressing Time Extension from Carson Water Subconservancy District to River Wranglers for Flood Awareness Outreach to Schools and Communities Located in the Carson River Watershed**

WHEREAS, on August 19, 2019, the CARSON WATER SUBCONSERVANCY DISTRICT (hereinafter referred to "CWSD") and River Wranglers (hereinafter "RW") entered into an Agreement (hereinafter "Agreement #2019-13") addressing funding from CWSD to RW for Flood Awareness Outreach to Schools and Communities Located in the Carson River Watershed; and

WHEREAS, it has been determined that Agreement #2019-13 needs to be extended to December 31, 2020, in order for RW to complete the project.

NOW, THEREFORE IT IS AGREED:

1. Agreement #2019-13 shall be extended to December 31, 2020.
2. All other terms of Agreement #2019-13 shall remain in full force and effect.
3. The following is added to the agreement as required by CFR Part 200 Appendix II.

As an Independent Contractor under Federal Award funding see CFR Part 200 Appendix II below:

#### **Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards**

[Link to an amendment published at 85 FR 49577, Aug. 13, 2020.](#)

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council

and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be affected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40

U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in



connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.322 Procurement of recovered materials.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75888, Dec. 19, 2014]

IN WITNESS WHEREOF, the parties have executed this Addendum on the day and year written below.

DATED: \_\_\_\_\_

RIVER WRANGLERS

\_\_\_\_\_  
Eric Johnson, Chairperson

ATTEST:

\_\_\_\_\_  
Linda Conlin, Secretary

DATED: \_\_\_\_\_

CARSON WATER  
SUBCONSERVANCY DISTRICT

\_\_\_\_\_  
Carl Erquiaga, Chairman

ATTEST:

\_\_\_\_\_  
Catrina Schambra, Secretary to the Board

## **AGENDA ITEM #10**

## CARSON WATER SUBCONSERVANCY DISTRICT

**TO:** BOARD OF DIRECTORS

**FROM:** EDWIN D. JAMES

**DATE:** November 18, 2020

**SUBJECT:** Agenda Item #10 – For Possible Action: Renewal of the General Manager's Employment Contract

---

**DISCUSSION:** Every three years the General Manager's employment contract is up for renewal. It was last renewed in 2017. There are no proposed changes to the contract.

Attached is the proposed General Manager's Employment Contract.

**STAFF RECOMMENDATION:** Approve the General Manager Contract as presented.

## **EMPLOYMENT AGREEMENT**

This Agreement is entered into this 18th day of November, 2020, between the CARSON WATER SUBCONSERVANCY DISTRICT, a political subdivision of the State of Nevada and through a Joint Powers Agreement with Alpine County, California, by and through its duly constituted Board of Directors (CWSD) and EDWIN D. JAMES (General Manager) both of whom understand and agree to the following provisions:

1. **EMPLOYMENT.** CWSD hereby agrees to employ Mr. James as General Manager of CWSD to perform the duties specified herein and the duties the Board of Directors shall from time to time assign.

2. **DUTIES.** The General Manager shall perform those duties necessary to carry out the directions of the Board of Directors, including, but not limited to, the duties listed in the job description of the General Manager, as adopted by the Board of Directors and attached hereto as Exhibit "A".

3. **TERM OF AGREEMENT.** This Agreement supersedes the Agreement between CWSD, and General Manager dated October 18, 2017, and shall be reviewed every three (3) years.

4. **SALARY.** CWSD shall pay the General Manager for services rendered based upon a salary range set by the Board of Directors, plus a monthly automobile allowance established by the Board of Directors. Cost of living and/or merit raises or increased monthly automobile allowance in addition to the foregoing may be considered on an annual basis.

5. **BENEFITS.** The General Manager is entitled to all benefits as specified in the CWSD Personnel Manual, which include medical, annual, management, and sick leave, and Public Employees Retirement System benefits.

6. **TERMINATION AND SEVERANCE PAY.** In the event the General Manager is terminated by the Board of Directors during such time as the General Manager is willing and able to perform his duties under this agreement, CWSD agrees to pay the General Manager, and the General Manager agrees to accept, a lump sum cash payment equal to six (6) months base salary in full settlement of such termination. The General Manager shall also be paid for accrued and unused annual, management, and sick leave as set forth in the Personnel Policy Manual.

In the event the General Manager is terminated because of conviction of any felony or any offense involving a violation of his official duties or moral turpitude, or because he has violated any provision of this Agreement, CWSD shall have no obligation to pay any severance pay, but the General Manager, nonetheless, shall be compensated in a lump sum for accrued and unused annual, management, and sick leave as set forth in the Personnel Policy Manual.

7. RESIGNATION. Unless otherwise agreed, if the General Manager voluntarily resigns his position with CWSD, he shall give CWSD at least thirty (30) days advance written notice. In the event of voluntary resignation, CWSD shall not be required or obligated to pay the General Manager any severance pay, but the General Manager shall be paid for accrued and unused annual, management, and sick leave as set forth in the Personnel Policy Manual.

8. PERFORMANCE EVALUATION. The Board of Directors shall review and evaluate the performance of General Manager at least once annually, near or around June of each year. Said review and evaluation shall be in accordance with specific criteria developed jointly by CWSD and the General Manager.

9. BINDING ARBITRATION. Any dispute over the validity of this Agreement, a breach of this Agreement, or enforcement of the provisions of this Agreement shall be submitted to binding arbitration with the American Arbitration Association.

10. MISCELLANEOUS TERMS AND CONDITIONS. The Board of Directors, in consultation with the General Manager, shall fix such other terms and conditions of employment as it may determine from time to time, relating to the performance of the General Manager, provided such terms and conditions are not inconsistent or in conflict with the provisions of this Agreement or other controlling legal authority.

11. OUTSIDE SERVICES. The General Manager shall be in the exclusive employ of CWSD, focusing his time and attention on CWSD business, except that he may engage in non-conflicting outside consulting services only with specific written approval of the Board of Directors.

12. INDEMNIFICATION. CWSD shall indemnify, defend and hold the General Manager harmless against any and all claims, losses, liabilities and damages, including attorneys' fees and costs, that arise from or relate to (i) the General Manager's duties under this Agreement, and (ii) the General Manager's acts and omissions as an employee of CWSD, provided that such acts or omissions were done or omitted in good faith. Such indemnification shall not include the General Manager's bringing an action or other proceeding in his own name and in his own right.

13. GENERAL PROVISIONS.

a) Entire Agreement. This Agreement expresses the entire agreement of the parties hereto and supersedes all prior promises, representations, understandings, arrangements, and agreements between the parties with respect to the subject matter hereof. The parties further acknowledge and agree that neither of them has made any representation to induce the execution of this Agreement, except as specifically set forth herein.

b) Amendment. This Agreement may only be amended by consent of both parties. Any amendments must be written and executed with the same formality as this Agreement.

c) Controlling Law. This Agreement shall be interpreted under Nevada Law.

d) Severability of Provisions. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid, or unenforceable, the remainder of this Agreement or portion thereof shall be deemed severable, shall not become affected, and shall remain in full force and effect.

IN WITNESS WHEREOF, the Carson Water Subconservancy District has caused this Agreement to be signed and executed in its behalf by its Chairman, and the General Manager has signed and executed this Agreement, both in duplicate, on the date and year first above written.

CARSON WATER  
SUBCONSERVANCY DISTRICT

GENERAL MANAGER

By: \_\_\_\_\_  
Carl Erquiaga, Chairman

\_\_\_\_\_  
Edwin D. James

ATTEST:

\_\_\_\_\_  
Catrina Schambra, Secretary to the Board

## **AGENDA ITEM #11**

## CARSON WATER SUBCONSERVANCY DISTRICT

**TO:** BOARD OF DIRECTORS

**FROM:** EDWIN D. JAMES

**DATE:** November 18, 2020

**SUBJECT:** Agenda Item #11 – For Possible Action: Presentation by Eide Bailly on the CWSD FY 2019-20 audit

---

**DISCUSSION:** Attached is a copy of the FY 2019-20 audit and the Correction Action Plan. The auditor from Eide Bailly will give a brief overview of the audit and their findings.

Starting on page 40 the auditor lists the various deficiencies that they found in their audit process. The Correction Action Plan spells out my proposals to correct these deficiencies.

**STAFF RECOMMENDATION:** Approve the audit as submitted.



Financial Statements  
June 30, 2020

Carson Water Subconservancy District

DRAFT

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## **Independent Auditor's Report**

To the Board of Directors  
Carson Water Subconservancy District  
Carson City, Nevada

### **Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of the Carson Water Subconservancy District (District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Carson Water Subconservancy District as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension information on pages 4-7, 27-29 and 30-31, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the management's discussion and analysis and pension information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The statement of revenue, expenditures and change in fund balance – budget and actual for the Capital Projects Fund, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the financial statements.

The statement of revenue, expenditures and change in fund balance – budget and actual for the Capital Projects Fund is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statement of revenue, expenditures and change in fund balance – budget and actual for the Capital Projects Fund and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### **Report on Summarized Comparative Information**

We have previously audited Carson Water Subconservancy District's June 30, 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 25, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated **Date Pending**, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Reno, Nevada

**Date Pending**

Management's Discussion and Analysis  
June 30, 2020

## Carson Water Subconservancy District

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CARSON WATER SUBCONSERVANCY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020

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This section of the Carson Water Subconservancy District's (District) annual financial report presents management's analysis of the District's financial performance during the fiscal year that ended on June 30, 2020. The Management's Discussion and Analysis should be read in conjunction with the District's basic financial statements.

**FINANCIAL HIGHLIGHTS –**

1. In FY 2019/20, the fund balance for the General Fund decreased by \$18,804. The main reason for the decrease was due to several river projects budgeted for last fiscal year were completed in this fiscal year.
2. In FY 2019/20, the fund balance for the Capital Projects Fund increased by \$13,633. The increase was due to investment income.
3. In FY 2019/20, Floodplain Fund balance increased by \$7,086. The increase was due to investment income.

**Overview of the Financial Statements**

The financial statements presented herein include all of the activities of the District using the integrated approach as prescribed by GASB Statement No. 34.

Government-wide financial statements: The government-wide financial statements present the financial picture of the District from the economic resources measurement focus using the accrual basis of accounting.

*The statement of net position* presents information on all of the District's assets, deferred outflows, liabilities, and deferred inflows. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the District is improving or deteriorating.

*The statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in a future fiscal period (e.g., uncollected taxes and earned but unused vacation/sick leave).

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related requirements. The District only has governmental fund types.

*Governmental funds:* The District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and other financial assets that can readily be converted to cash. The governmental fund statement provides a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's projects. Both the governmental funds balance sheet and the statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

CARSON WATER SUBCONSERVANCY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020

**Government-wide Financial Analysis**

Statement of Net Position

	2020	2019
ASSETS		
Current and other assets	\$ 2,110,529	\$ 2,172,350
Capital assets, net of accumulated depreciation	5,888,448	5,890,430
Total assets	<u>7,998,977</u>	<u>8,062,780</u>
DEFERRED OUTFLOWS OF RESOURCES	100,619	102,221
	<u>8,099,596</u>	<u>8,165,001</u>
LIABILITIES		
Current liabilities, excluding bond payments	321,865	372,720
Bond payments due to other governments	2,153,252	2,357,124
Accrued compensated absences	32,200	36,900
Net pension liability	763,898	766,760
Total liabilities	<u>3,271,215</u>	<u>3,533,504</u>
DEFERRED INFLOWS OF RESOURCES	66,819	49,983
	<u>3,338,034</u>	<u>3,583,487</u>
NET POSITION		
Net investment in capital assets	3,735,196	3,533,306
Unrestricted	1,026,366	1,048,208
	<u>\$ 4,761,562</u>	<u>\$ 4,581,514</u>

Statements of Activities

	2020	2019
REVENUE		
Program revenue		
Operating grants and contributions	\$ 955,063	\$ 762,647
General revenue		
Ad valorem taxes	1,379,557	1,319,834
Investment income	33,384	46,610
Leases	47,250	53,451
Miscellaneous	2,122	9,176
Total revenue	<u>2,417,376</u>	<u>2,191,718</u>
EXPENSES		
General government	2,237,328	1,910,674
Total expenses	<u>2,237,328</u>	<u>1,910,674</u>
CHANGE IN NET POSITION	180,048	281,044
BEGINNING NET POSITION BALANCE	4,581,514	4,300,470
ENDING NET POSITION BALANCE	<u>\$ 4,761,562</u>	<u>\$ 4,581,514</u>

The change in Net Position from 2019 to 2020 was an increase of \$180,048.



# CARSON WATER SUBCONSERVANCY DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

### Fund Financial Statements

#### Governmental Activities

### GENERAL FUND:

#### REVIEW OF REVENUE

	2020	2019
Intergovernmental revenue		
Ad valorem taxes	\$ 1,379,557	\$ 1,319,834
Grants	944,663	737,847
County project revenue	-	15,000
Total intergovernmental revenue	<u>2,324,220</u>	<u>2,072,681</u>
Miscellaneous revenue		
Contributions	10,400	9,800
Investment income	12,665	18,092
Water lease	47,250	53,451
Miscellaneous	2,122	9,176
Total miscellaneous revenue	<u>72,437</u>	<u>90,519</u>
Total revenue	<u>\$ 2,396,657</u>	<u>\$ 2,163,200</u>

The change in revenues to the General Fund from 2019 to 2020 was due to an increase in grants and an increase in taxes and a decrease in county project revenue.

#### REVIEW OF EXPENSES

	2020	2019
Operating expenses		
Services and supplies	\$ 1,613,430	\$ 1,306,810
Administrative services	550,531	535,687
Intergovernmental expenses		
Services and supplies	250,000	250,000
Transfer to other funds	-	-
Capital outlay	1,500	639
Total expenses	<u>\$ 2,415,461</u>	<u>\$ 2,093,136</u>

The increase in expenses was due to the number of grants that CWSD administered.

### CAPITAL PROJECT FUND

#### CHANGE IN FUND BALANCE

	2020	2019
Miscellaneous revenue		
Interest income	\$ 13,633	\$ 18,697
Transfer from other fund	-	50,000
Total revenue	<u>13,633</u>	<u>68,697</u>
Expenditures		
Services and supplies	-	-
Change in fund balance	<u>\$ 13,633</u>	<u>\$ 68,697</u>

The increase in the Capital Project Fund was due to investment income.

CARSON WATER SUBCONSERVANCY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020

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**FLOODPLAIN FUND**

**CHANGE IN FUND BALANCE**

	2020	2019
Miscellaneous revenue		
Interest income	\$ 7,086	\$ 9,821
Transfer from other fund	-	50,000
Total revenue	<u>7,086</u>	<u>59,821</u>
Expenditures		
Services and supplies	<u>-</u>	<u>14,227</u>
Change in fund balance	<u>\$ 7,086</u>	<u>\$ 45,594</u>

In FY 2019/20, the Floodplain Fund balance increased by \$7,086 due to investment income.

**DONATED FUNDS**

In fiscal year 2009/10 there was an anonymous donation of \$3,000 to the Clear Creek Council and \$3,000 to the Carson River Coalition (CRC) to promote both these programs. Since then additional funds were donated to the Clear Creek Council and CRC. These funds are used to cover expenses that promote the activities of the Clear Creek Council and the CRC. As of June 30, 2020, the funds remaining for the Clear Creek Council and the CRC are \$2,716.89 and \$574.48, respectively.

**CAPITAL OUTLAY AND LONG-TERM OBLIGATIONS**

Capital outlay during the year ended June 30, 2020 related to small office equipment. Additional detail regarding capital assets is provided in note 4 to the financial statements.

Long term obligations relate to obligations with Carson City and Douglas County for construction of large diameter pipelines, in which the District agreed to reimburse the counties' semi-annual payments for the term of the bond and in exchange the District received upsized capacity amount of the pipelines and the District can charge for such capacity if utilized by a private party. Additional information is provided in note 6 to the financial statements.

**ANALYSIS OF POTENTIAL FINANCIAL CHANGES IN THE FUTURE**

It is anticipated that in fiscal year 2020/21 the fund balance in the General Fund will increase slightly. The increase of funds will come from additional grants that CWSD anticipates receiving that were not available when the 2020/21 budget was approved. It is anticipated that the Floodplain Fund will decrease slightly to cover costs to complete the repairs to the TCID Diversion Dam. The Capital Project Fund will increase due to the transfer of funds from the General Fund. These funds will be used to pay for future regional water systems.

# Carson Water Subconservancy District

## Statement of Net Position

June 30, 2020

	Governmental Activities
Assets	
Cash and investments	\$ 1,896,898
Due from grantors	142,992
Due from other governments	70,639
Capital assets	
Water rights and water usage capacity	5,883,357
Other capital assets, net of accumulated depreciation	5,091
Total assets	7,998,977
Deferred Outflows of Resources - Pension Requirement	100,619
Total assets and deferred outflows of resources	8,099,596
Liabilities	
Current liabilities	
Accounts payable	261,955
Current portion of bond payment obligations due to other governments	207,970
Accrued compensated absences	59,910
Total current liabilities	529,835
Long-term liabilities	
Net pension liability	763,898
Accrued compensated absences, net	32,200
Bond payment obligations due to other governments, net of current portion	1,945,282
Total liabilities	3,271,215
Deferred Inflows of Resources - Pension Requirement	66,819
Total liabilities and deferred inflows of resources	3,338,034
Net Position	
Net position	
Net investment in capital assets	3,735,196
Unrestricted	1,026,366
Total Net Position	\$ 4,761,562

Carson Water Subconservancy District

Statement of Activities

Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Primary government				
Governmental activities				
General government	\$ 2,237,328	\$ -	\$ 955,063	\$ (1,282,265)
	General Revenue			
	Ad valorem taxes			1,379,557
	Investment income			33,384
	Water lease			47,250
	Miscellaneous			2,122
	Total general revenue			1,462,313
	Change in Net Position			180,048
	Net Position, Beginning of Year			4,581,514
	Net Position, End of Year			\$ 4,761,562

# Carson Water Subconservancy District

Balance Sheet – Governmental Funds

June 30, 2020

	General Fund	Floodplain Fund	Acquisition Construction Fund	Total Governmental Funds
<b>Assets</b>				
Cash and investments	\$ 710,288	\$ 405,127	\$ 781,483	\$ 1,896,898
Due from grantors	142,992	-	-	142,992
Due from other governments	70,639	-	-	70,639
<b>Total assets</b>	<b>\$ 923,919</b>	<b>\$ 405,127</b>	<b>\$ 781,483</b>	<b>\$ 2,110,529</b>
<b>Liabilities</b>				
Accounts payable	\$ 261,955	\$ -	\$ -	\$ 261,955
<b>Total liabilities</b>	<b>261,955</b>	<b>-</b>	<b>-</b>	<b>261,955</b>
<b>Fund Balance</b>				
Committed				
Capital projects fund	-	-	781,483	781,483
Special revenue fund	-	405,127	-	405,127
Assigned				
Designated for subsequent year's expenditures	509,410	-	-	509,410
Unassigned	152,554	-	-	152,554
<b>Total fund balance and other credits</b>	<b>661,964</b>	<b>405,127</b>	<b>781,483</b>	<b>1,848,574</b>
<b>Total Liabilities, Fund Balance and Other Credits</b>	<b>\$ 923,919</b>	<b>\$ 405,127</b>	<b>\$ 781,483</b>	<b>\$ 2,110,529</b>

Carson Water Subconservancy District  
Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Funds  
June 30, 2020

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Amounts reported for governmental activities in the statement of net position are different because:

Fund Balance and Other Credits - Governmental Funds		\$ 1,848,574
Capital assets used in governmental activities are not financial resources and, therefore, are not in the governmental funds		
Governmental capital assets	\$ 5,909,143	
Less accumulated depreciation	<u>(20,695)</u>	5,888,448
Deferred outflows of resources - pension requirements are not financial resources, and, therefore, are not in the governmental funds		100,619
Current and long-term liabilities which are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Accrued compensated absences	(92,110)	
Net pension liability	(763,898)	
Bond payment obligations due to other governments	<u>(2,153,252)</u>	(3,009,260)
Deferred inflows of resources - pension requirements are not financial resources, and, therefore, are not in the governmental funds		<u>(66,819)</u>
Net Position of Governmental Activities		<u><u>\$ 4,761,562</u></u>

Carson Water Subconservancy District  
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds  
Year Ended June 30, 2020

	General Fund	Floodplain Fund	Acquisition Construction Fund	Total Governmental Funds
Revenue				
Intergovernmental revenue				
Ad valorem taxes	\$ 1,379,557	\$ -	\$ -	\$ 1,379,557
Grants	944,663	-	-	944,663
Total intergovernmental revenue	<u>2,324,220</u>	<u>-</u>	<u>-</u>	<u>2,324,220</u>
Miscellaneous				
Contributions	10,400	-	-	10,400
Investment income	12,665	7,086	13,633	33,384
Water lease	47,250	-	-	47,250
Miscellaneous	2,122	-	-	2,122
Total miscellaneous revenue	<u>72,437</u>	<u>7,086</u>	<u>13,633</u>	<u>93,156</u>
Total revenue	<u>2,396,657</u>	<u>7,086</u>	<u>13,633</u>	<u>2,417,376</u>
Expenditures				
Current				
General government				
Salaries	452,966	-	-	452,966
Benefits	97,565	-	-	97,565
Service and supplies	1,613,430	-	-	1,613,430
Debt service				
Principal	203,872	-	-	203,872
Interest	46,128	-	-	46,128
Capital outlay	1,500	-	-	1,500
Total expenditures	<u>2,415,461</u>	<u>-</u>	<u>-</u>	<u>2,415,461</u>
Excess (Deficiency) of Revenue over (under) Expenditures	(18,804)	7,086	13,633	1,915
Fund Balance, Beginning of Year	<u>680,768</u>	<u>398,041</u>	<u>767,850</u>	<u>1,846,659</u>
Fund Balance, End of Year	<u>\$ 661,964</u>	<u>\$ 405,127</u>	<u>\$ 781,483</u>	<u>\$ 1,848,574</u>

Carson Water Subconservancy District  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of  
Activities – Governmental Funds  
Year Ended June 30, 2020

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Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balance and Other Credits - Governmental Funds	\$ 1,915
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.	
Capital outlay	1,500
Less current year depreciation expense	(3,482)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Principal payment of bond payment obligations due to other governments	203,872
Pension expense - actuarial liability in excess of actual contributions made	(15,576)
Change in long-term accrued compensated absences	(8,181)
Change in Net Position of Governmental Activities	<u>\$ 180,048</u>

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**Note 1 - Summary of Significant Accounting Policies****Reporting Entity**

Carson Water Subconservancy District (District) was formed in 1959 to contract with local ranchers and the Bureau of Reclamation for reimbursement for the construction of Watasheamu Dam. This dam was to be constructed on the East Fork of the Carson River. The proposed purpose of the dam was to enhance water supply for irrigation, for flood control, and for water supply protection.

Although the Watasheamu Dam Project was abandoned by the Federal government in the 1980's, the District has continued to play a key role in the study and management of the Carson River. In 1989, the Nevada Legislature charged the District with the responsibility of "management and development of the water resources in the upper Carson River to alleviate reductions and loss of water supply, of the fragmented responsibilities for conservation and supply of water, and of any threats to the health, safety and welfare of the people of the upper Carson River Basin." The legislation also established a nine-member board comprised of representatives from Douglas County, Carson City, and Lyon County.

In 1999, another exciting change for the District took place when the Legislature adopted a recommendation to expand the District Board of Directors to include members from Churchill County. In 2001, Alpine County, California joined the District through a Joint Power Agreement, and in 2018 Storey County became a member of the Carson River Watershed Committee.

The District has no component units that are required to be combined in the financial statements.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Expenses reported for functional activities include allocated indirect expenses. Program revenue includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenue are reported as general revenue.

The fund financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The District has only governmental fund types.

**Basis of Presentation**

The funds of the financial reporting entity are described below:

**Governmental Fund Types**

General Fund – The General Fund is the general operating fund of the District and accounts for all financial resources except those required to be accounted for in other funds.

Capital Projects Funds – Capital Projects Funds are used to account for financial resources for the acquisition of capital facilities by the District. The Acquisition/Construction Fund is used to account for purchases of capital assets, including water rights owned by the District, and capital water projects for local governments along the Carson watershed area.

Special Revenue Fund – The Floodplains Fund is used to provide funding to projects that will protect or enhance the floodplain along the Carson watershed area.

**Measurement Focus/Basis of Accounting**

The government-wide statements are reported using the economic resources measurement focus of the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred regardless of the timing of cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. This method provides for recognizing expenditures at the time liabilities are incurred, while revenue is recorded when measurable and available to finance expenditures of the fiscal period. Available is defined as being due and collected within the current period or within 60 days after fiscal year-end.

**Budgets and Budgetary Accounting**

The District adheres to the Local Government Budget Act incorporated within Statutes of the State of Nevada. These Statutes provide for the preparation, filing, notice, public hearing, and adoption in connection with the budgetary process for Nevada local governments. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budget amendments must be approved by the Board of Directors. All annual appropriations lapse at year-end.

On or before April 15, the Board of Directors files a tentative budget with the Nevada Department of Taxation. Public hearings on the tentative budget are held and a final budget must be prepared and adopted no later than June 1.

**Cash and Investments**

The District's cash and investments include cash on deposit at two commercial banks and in the State Treasurer's Local Government Investment Pool.

Investments are recorded at fair value, which is the same as the value of the pool shares. The State of Nevada Local Government Investment Pool is an unrated external investment pool that does not provide information on realized or unrealized gain or loss activity. Accordingly, changes in the investment pool are reflected as net investment income in the accompanying financial statements.

**Due from Grantor**

Contract and grant funds that were expended, but not yet received, are reported as “due from grantor.”

**Due from Other Governments**

Tax revenues which have been received from the individual counties within the first 60 days after the end of the fiscal year are reported as due from other governments in the fund financial statements. Tax revenues due to the District from the individual counties for the period ended June 30, 2020 are reported as due from other governments in the government-wide financial statements, regardless of when they are received. There are no differences between fund and government-wide financial statements in amounts due from other governments at June 30, 2020.

**Capital Assets**

Capital assets which include water rights and office furniture and equipment are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$500 and an estimated useful life of at least one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets which are depreciated consist of equipment, using the straight-line method over the estimated useful lives of 3-5 years. The water rights and water usage owned by the District are not considered to be depreciable assets.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income for the period. The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. The District has determined there were no indicators of asset impairment during the year ended June 30, 2020.

**Accrued Compensated Absences**

All regular, permanent employees are granted vacation and sick benefits in varying amounts to specified maximum amounts depending on tenure with the District. In the governmental funds, vested or accumulated vacation leave and sick leave that is expected to be liquidated with expendable available financial resources is

reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave and sick leave that are not expected to be liquidated with expendable available financial resources are not reflected in the governmental fund statements.

### **Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of Nevada (PERS) and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### **Deferred Outflows and Inflows of Resources**

In addition to assets, a separate section is reported for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The changes in proportion and differences between employer contributions and the proportionate share of contributions as well as contributions made after the measurement period for pensions qualify for reporting in this category.

In addition to liabilities, a separate section is reported for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Differences between expected and actual experience and between projected and actual investment earnings on pension plan investments qualify for reporting in this category.

### **Equity Classifications**

In the government-wide financial statements, equity is classified as net position and displayed as follows:

Net investment in capital assets – consists of capital assets, net of accumulated depreciation and bond payment obligations.

Restricted net position – consists of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The District has no items that are considered to be restricted net position.

Unrestricted net position – all other net position that does not meet the definition of “net investment in capital assets” or “restricted.”

In the governmental fund financial statement, fund balances are classified as follows:

Nonspendable – represents amounts that are either not in a spendable form or are legally or contractually required to remain intact. The District includes fund balances that have been prepaid for expenses in this category. The District has no nonspendable fund balances.

Restricted – represents amounts which can be spent only for specific purposes because of state or federal laws, or externally imposed conditions. The District has no restricted fund balances.

Committed – represents amounts which can be used only for specific purposes determined by the members of the District's governing board's formal action through a resolution or action. The District's committed fund balances include the capital projects and special revenue funds.

Assigned – represents amounts that are intended by the District for specific purposes but do not require action by the governing Board. The District's assigned balances are due to amounts designated for the subsequent year expenditures based upon approved budgets.

Unassigned – represents all amounts not included in other classifications.

The District's policy is to first apply expenditures against non-spendable fund balances and then unassigned balances. On an annual basis assigned fund balances are determined based upon available resources.

### **Tax Abatements**

The District receives ad valorem taxes on real property that is collected by Carson City, Churchill County, Douglas County and Lyon County. The taxes are subject to certain abatements based on state statute requirements and may reduce the tax amounts available to the District.

### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### **Total Columns on Supplemental Statements**

Total columns on the supplemental statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position in conformity with generally accepted accounting principles. This data is derived from the District's 2019 financial statements and in the report dated November 25, 2019, the audit expressed an unmodified opinion on those financial statements.

### **Note 2 - Compliance with Nevada Revised Statutes and the Nevada Administrative Code**

The District conformed to all significant statutory constraints on its financial administration.

**Note 3 - Cash and Investments**

The following schedule summarizes cash and investments at June 30, 2020:

Cash in Bank	8,543
Local Government Investment Pool	<u>1,888,355</u>
	<u><u>\$ 1,896,898</u></u>

The District maintains its checking accounts in commercial banks located in Nevada. By provisions of statutes, the District is required to deposit all money in banks or savings and loans associations located in the state of Nevada. The bank balances at June 30, 2020 totaled \$74,974. Custodial credit risk is the risk that in the event of a bank or brokerage failure, the Board's deposits may not be returned. District's bank deposits are covered by Federal Deposit Insurance Corporation (FDIC) insurance.

Interest rate risk is the risk that changes in interest rates will adversely affect the value of the LGIP. The District does not have a formal policy regarding interest rate risk. The Districted is invested in the Local Government Investment Pool as of June 30, 2020. The LGIP operates under NRS and is administered by the Office of the State Treasurer. The LGIP invest in securities as allowed by statute. The LGIP is valued at NAV and therefore is not valued according to the hierarchy. At June 30, 2020, the LGIP had a weighted average maturity of 130 days. The District does not have a formal policy regarding credit risk or concentration of credit risk.

**Note 4 - Capital Assets**

Capital assets activity for the year ended June 30 is as follows:

	<u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u>
Capital assets, not being depreciated				
Water rights	\$ 1,371,000	\$ -	\$ -	\$ 1,371,000
Water usage capacity	<u>4,512,357</u>	<u>-</u>	<u>-</u>	<u>4,512,357</u>
Total capital assets, not being depreciated	<u>5,883,357</u>	<u>-</u>	<u>-</u>	<u>5,883,357</u>
Capital assets, being depreciated				
Office equipment	<u>24,286</u>	<u>1,500</u>	<u>-</u>	<u>25,786</u>
Less accumulated depreciation and amortization				
Office equipment	<u>17,213</u>	<u>3,482</u>	<u>-</u>	<u>20,695</u>
Total depreciable assets, net	<u>7,073</u>	<u>(1,982)</u>	<u>-</u>	<u>5,091</u>
Net capital assets	<u><u>\$ 5,890,430</u></u>	<u><u>\$ (1,982)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,888,448</u></u>

**Note 5 - Accrued Compensated Absences**

The following schedule summarizes the changes in accrued compensated absences at June 30, 2020:

Balance, beginning of year	\$ 83,929
Additions	41,794
Uses	<u>(33,613)</u>
Balance, end of year	<u>\$ 92,110</u>
Current Portion	<u>\$ 59,910</u>

The compensated absences liability attributable to the governmental activities will be liquidated by the General Fund.

**Note 6 - Long-Term Obligations**

During the year ended June 30, 2011, the District entered into two contracts with Carson City and Douglas County. The counties issued bonds for the construction of large diameter pipelines. The District has agreed to reimburse the counties' semi-annual payments for the term of the bond in order to have the counties increase the capacity size of the pipeline to be constructed. In exchange for the reimbursement, the District received the upsized capacity amount of the pipelines and the District can charge for such capacity if utilized by a private party. The District makes semi-annual principal payments, with the final payments to be made in 2029. There is no interest charged to the District; however, an estimated rate of 2% was utilized to calculate the present value of the principal amount. Following is a summary of the activity for the year ended June 30, 2020:

Principal Outstanding July 1, 2019	Additions/ Issued	Payments	Principal Outstanding June 30, 2020	Current Portion June 30, 2020
<u>\$ 2,357,124</u>	<u>\$ -</u>	<u>\$ 203,872</u>	<u>\$ 2,153,252</u>	<u>\$ 207,970</u>

The annual requirements to amortize the obligation are as follows:

Fiscal Years Ending June 30,	Principal	Interest	Total Payment
2021	\$ 207,970	\$ 42,030	\$ 250,000
2022	212,150	37,850	250,000
2023	216,414	33,586	250,000
2024	220,764	29,236	250,000
2025	225,201	24,799	250,000
2026-2029	946,990	53,010	1,000,000
2030	123,763	1,237	125,000
	<u>\$ 2,153,252</u>	<u>\$ 221,748</u>	<u>\$ 2,375,000</u>

Total interest expense of \$46,128 is included as a direct expense for the governmental activity in the accompanying statement of activities for the year ended June 30, 2020.

#### **Note 7 - Lease Transactions**

The District has an extended agreement to lease office space in Carson City, Nevada through June 30, 2022. Payments were \$3,054 per month at June 30, 2020 and subject an annual escalation. Minimum future rental payments under the non-cancelable operating lease for the remaining term of the lease are as follows:

<u>Fiscal Years Ending June 30,</u>		
2021		\$ 37,752
2022		38,880

The District entered into a five-year lease agreement, commencing October 1, 2015, with Carson City (City) to lease to the City 526.25-acre feet of water rights, including storage rights in Mud Lake Reservoir. The City paid \$103 per acre foot during the first water delivery season, and that amount is adjusted each year determined by and equal to the percentage change in the Consumer Price Index for All Urban Consumers. Lease income from the City included in the financial statements was \$47,250 for the year ended June 30, 2020.

#### **Note 8 - Pensions**

##### **General Information About the Pension Plan**

###### *Plan Description*

PERS (PERS or System) administers a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both Regular and Police/Fire members. The System was established by the Nevada Legislature in 1947, effective July 1, 1948. The System is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability.

###### *Benefits Provided*

Benefits, as required by the Nevada Revised Statutes (NRS or statute), are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010 and for members entering the System on or after July 1, 2015. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.



Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% multiplier and for regular members entering the system on or after July 1, 2015, there is a 2.25% multiplier. The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

Post-retirement increases are provided by authority of NRS 286.575 – 286.579.

#### *Vesting*

Regular members entering the system prior to January 1, 2010 are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty years of service. Regular members who entered the System on or after July 1, 2015 are eligible for retirement at age 65 with 5 years of service, or at age 62 with 20 years of service, or at age 55 with 30 years of service, or at any age with 33 1/3 years of service.

The normal ceiling limitation on monthly benefits allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

#### *Contributions*

The authority for establishing and amending the obligation to make contributions and member contribution rates is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983 have the option of selecting one of two contribution plans. One plan provides for matching employee and employer contributions and the other plan provides for employer-pay only.

The System's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

The System receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

The actuary funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

For the fiscal years ended June 30, 2020, the Statutory Employer/employee matching rate was 15.25% for Regular employees.

The Employer-pay contribution (EPC) rate was 29.25% each year for the years ended June 30, 2020.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2020, the District reported a liability of \$763,898 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on total contributions due on wages paid during the measurement period. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the periods ended June 30, 2019. At June 30, 2019 the District's proportion was .00555%, which was a decrease of .00014% from its proportion measured at June 30, 2019.

For the year ended June 30, 2020, the District recognized pension expense of \$72,935. Amounts resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

At June 30, 2020 the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,576	\$ -
Changes of assumptions	30,920	-
Net difference between projected and actual investment earnings on pension plan investments	-	37,797
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,764	29,022
Contributions subsequent to the measurement date	57,359	-
	<u>\$ 100,619</u>	<u>\$ 66,819</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, without regard to the contributions subsequent to the measurement date, will be recognized in pension expense as follows:

Years Ending June 30,	
2021	\$ (3,151)
2022	(20,198)
2023	(1,600)
2024	(191)
2025	1,332
2026	249
	<u>\$ (23,559)</u>

The net difference between projected and actual investment earnings on pension plan investments will be recognized over five years, all the other above deferred outflow and deferred inflows will be recognized over the average expected remaining services lives, which was 6.18 years for the measurement period ending June 30, 2019.

Reconciliation of the net pension liability at June 30, 2020 is as follows:

Beginning net pension liability	\$ 766,760
Pension expense	72,935
Employer contributions	(53,422)
Current year net deferred (inflows) and outflows	<u>(22,375)</u>
Ending net pension liability	<u>\$ 763,898</u>

#### Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.75%
Payroll growth	5.00%, including inflation
Investment rate of return	7.50%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.25% to 9.15%, depending on service Rates include inflation and productivity increases
Consumer price index	2.75%
Other assumptions	Same as those used in the June 30, 2019 funding actuarial valuation

Actuarial assumptions used in the June 30, 2019 valuation were based on the results of the experience review completed in 2019.

The discount rate used to measure the total pension liability was 7.50% and 7.50%, respectively, as of June 30, 2019 and June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2019, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2019 and June 30, 2018.

**Investment Policy**

The System's policies which determine the investment portfolio target asset allocation are established by the Nevada PERS Retirement Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System. The following was the Retirement Board's adopted policy target asset allocation as of June 30, 2019:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
Domestic Equity	42%	5.50%
International Equity	18%	5.75%
Domestic Fixed Income	28%	0.75%
Private Markets	12%	6.65%

\*As of June 30, 2019, PERS' long-term inflation assumption was 2.75%.

**Discount Rate and Pension Liability Discount Rate Sensitivity**

The following presents the net pension liability of the PERS as of June 30, 2019, calculated using the discount rate of 7.50%, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.50%) or 1 percentage-point higher (8.50%) than the current discount rate:

	1% Decrease in Discount Rate (6.50%)	Discount Rate (7.50%)	1% Increase in Discount Rate (8.50%)
Net pension liability	\$ 1,171,807	\$ 763,898	\$ 411,817

**Pension Plan Fiduciary Net Position**

Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the PERS Comprehensive Annual Financial Report (CAFR) available on the PER's website at [www.nvpers.org](http://www.nvpers.org) under Quick Links – Publications.

**Note 9 - Other Post Employment Retirement Benefits (OPEB)**

The District provides other post-employment benefits (OPEB) for eligible retired employees through Carson City's health insurance programs as detailed in the District's and Carson City's personnel policies.

*Plan Description*

The District's plan provides medical, vision, dental, and life insurance benefits to eligible retired District employees and beneficiaries. Under NRS 287.023, eligible retirees are able to participate in the plan at the same rates as active employees, thereby benefiting from an implicit subsidy. All retirees are required to pay 100% of their premiums under the plan.

*Funding Policy*

Retirees pay 100% of their premiums based on a rate that blends active participants and retirees. The District's contribution requirements for those retirees relate to the implicit and premium subsidies that result from using the blended rates and are determined in actuarial studies contracted for by the District.

The District's actuarial calculation did not result in a net OPEB obligation as of June 30, 2020. There are no retirees currently receiving benefits.

**Note 10 - Contingencies and Risk Management**

There were no claims pending or unresolved disputes involving the District at June 30, 2020.

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District.

The District has entered into several agreements for various projects through Federal grants. The costs that have been committed by the District are approximately \$2,015,428, of which the District has expended approximately \$1,056,245.

During 2020, the world-wide Coronavirus pandemic impacted National and Global economies. The District is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, while the District's programs have continued operations under current funding arrangements, the overall current and future impact to the District as a result of this pandemic is unknown.

Required Supplementary Information  
June 30, 2019

## Carson Water Subconservancy District

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**Carson Water Subconservancy District**  
**Statement of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund**  
**Year Ended June 30, 2020**  
**(with Comparative Actual Amounts for Year Ended June 30, 2019)**

	2020				2019
	Budgeted Amounts		Actual	Variance	Actual (Memorandum Only)
	Original	Final			
Revenue					
Intergovernmental revenue					
Ad valorem taxes	\$ 1,412,942	\$ 1,412,942	\$ 1,379,557	\$ (33,385)	\$ 1,319,834
Grants	736,919	644,059	944,663	300,604	737,847
County project revenue	-	-	-	-	15,000
Total intergovernmental revenue	2,149,861	2,057,001	2,324,220	267,219	2,072,681
Miscellaneous					
Contributions	10,100	10,400	10,400	-	9,800
Investment income	16,219	14,985	12,665	(2,320)	18,092
Water lease	51,000	51,000	47,250	(3,750)	53,451
Miscellaneous	22,752	6,000	2,122	(3,878)	9,176
Total miscellaneous revenue	100,071	82,385	72,437	(9,948)	90,519
Total revenue	2,249,932	2,139,386	2,396,657	257,271	2,163,200
Expenditures					
Current					
General government					
Salaries	446,000	452,400	452,966	(566)	436,776
Benefits	103,000	103,000	97,565	5,435	94,307
Service and supplies	1,932,831	1,826,930	1,613,430	213,500	1,306,810
Debt service					
Principal	203,872	203,872	203,872	-	199,854
Interest	46,128	46,128	46,128	-	50,146
Capital outlay	-	-	1,500	(1,500)	639
Total expenditures	2,731,831	2,632,330	2,415,461	216,869	2,088,532
Other Financing Sources (Uses)					
Transfers to other funds	-	-	-	-	(100,000)
Excess (Deficiency) of Revenue over (under) Expenditures	(481,899)	(492,944)	(18,804)	474,140	(25,332)
Fund Balance, Beginning of Year	609,764	599,388	680,768	81,380	706,100
Fund Balance, End of Year	\$ 127,865	\$ 106,444	\$ 661,964	\$ 555,520	\$ 680,768

**Carson Water Subconservancy District**

Statement of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Revenue Fund

Year Ended June 30, 2020

(with Comparative Actual Amounts for Year Ended June 30, 2019)

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	Floodplain			
	2020			2019
	Final Budget	Actual	Variance	Actual (Memorandum Only)
Revenue				
Miscellaneous				
Investment income	\$          7,760	\$          7,086	\$          (674)	\$          9,821
Expenditures				
Current				
General government				
Services and supplies	375,000	-	375,000	14,227
Other Financing Sources				
Transfers from other funds	-	-	-	50,000
Excess (Deficiency) of Revenue over (under) Expenditures	(367,240)	7,086	374,326	45,594
Fund Balance, Beginning of Year	387,972	398,041	10,069	352,447
Fund Balance, End of Year	\$      20,732	\$      405,127	\$      384,395	\$      398,041



**Note 1 - Budgets and Budgetary Accounting**

The District adheres to the Local Government Budget Act incorporated within the Statutes of the State of Nevada. These Statutes provide for the preparation, filing, notice, public hearing, and adoption in connection with the budgetary process of Nevada local government. Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at year-end. Budget augmentations, amendments, and transfers of appropriations must be approved by the Board of Directors. In accordance with the Statutes, expenditures may not legally exceed budgeted appropriations at the function level.

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Carson Water Subconservancy District  
Schedule of Changes in Net Pension Liability  
Last Ten Fiscal Years

	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability	0.00555%	0.00569%	0.00585%	0.00551%	0.00537%	0.00509%
Proportionate share of the net pension liability	\$ 763,898	\$ 766,760	\$ 778,457	\$ 741,110	\$ 614,923	\$ 530,303
Covered payroll	\$ 381,586	\$ 376,885	\$ 376,689	\$ 275,660	\$ 268,404	\$ 253,728
Proportionate share of the net pension liability as a percentage of its covered payroll	200.19%	203.45%	206.66%	268.85%	229.10%	209.00%
Plan fiduciary net position as a percentage of the total pension liability	76.46%	75.24%	74.40%	72.20%	75.10%	76.30%

\* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until ten years of data is available, the District will present information only for those years for which information is available.

Carson Water Subconservancy District  
Schedule of Contributions  
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 57,359	\$ 53,422	\$ 52,745	\$ 52,736	\$ 38,593	\$ 34,557
Contributions in relation to the contractually required contribution	\$ (57,359)	\$ (53,422)	\$ (52,745)	\$ (86,250)	\$ (77,185)	\$ (69,114)
District's covered payroll	\$ 392,591	\$ 381,586	\$ 376,885	\$ 376,689	\$ 275,660	\$ 268,404
Contributions as a percentage of covered payroll	14.61%	14.00%	13.99%	14.00%	14.00%	12.87%

\* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until ten years of data is available, the District will present information only for those years for which information is available.

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Supplementary Information  
June 30, 2020

Carson Water Subconservancy District

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**Carson Water Subconservancy District**  
**Statement of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual – Capital Projects Fund**  
**Year Ended June 30, 2020**  
**(with Comparative Actual Amounts for Year Ended June 30, 2019)**

	Acquisition/Construction Fund			
	2020			2019
	Final Budget	Actual	Variance	Actual (Memorandum Only)
Revenue				
Miscellaneous				
Investment income	\$ 15,286	\$ 13,633	\$ (1,653)	\$ 18,697
Expenditures				
Current				
General government				
Services and supplies	747,000	-	747,000	
Capital outlay	-	-	-	-
Total expenditures	747,000	-	747,000	-
Other Financing Sources				
Transfers from other funds	-	-	-	50,000
Excess (Deficiency) of Revenue over (under) Expenditures	(731,714)	13,633	745,347	68,697
Fund Balance, Beginning of Year	764,253	767,850	(3,597)	699,153
Fund Balance, End of Year	\$ 32,539	\$ 781,483	\$ 748,944	\$ 767,850

Compliance Section

June 30, 2020

Carson Water Subconservancy District

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**Independent Auditors' Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

To the Board of Directors  
Carson Water Subconservancy District  
Carson City, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Carson Water Subconservancy District (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated **DATE PENDING**.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified.

We did identify certain deficiencies in internal controls, described in the accompanying schedule of findings and responses as item 2019-001, that we consider to be a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### **Carson Water Subconservancy District's Response to Finding**

The District's response to the finding identified in our Audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Reno, Nevada

Date Pending



**Independent Auditor's Report on Compliance for the Major Federal Program;  
Report on Internal Control Over Compliance Required by the Uniform Guidance**

The Board of Directors  
Carson Water Subconservancy District  
Carson City, Nevada

**Report on Compliance for the Major Federal Program**

We have audited Carson Water Subconservancy District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Carson Water Subconservancy District's major federal program for the year ended June 30, 2020. Carson Water Subconservancy District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the compliance for the Carson Water Subconservancy District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Carson Water Subconservancy District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Carson Water Subconservancy District's compliance.

**Basis for Qualified Opinion on the Major Federal Program**

As described in the accompanying schedule of findings and questioned costs, Carson Water Subconservancy District did not comply with requirements regarding CFDA 97.045 – Cooperating Technical Partners as described in finding number 2020-003 for procurement, suspension, and debarment. Compliance with such requirements is necessary, in our opinion, for Carson Water Subconservancy District to comply with the requirements applicable to that program.

### **Qualified Opinion**

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, Carson Water Subconservancy District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major Federal program identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2020.

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2020-003.

Carson Water Subconservancy District's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and corrective action plan. Carson Water Subconservancy District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control over Compliance**

Management of Carson Water Subconservancy District is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered Carson Water Subconservancy District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Carson Water Subconservancy District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2020-003 to be a material weakness.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2020-002 to be a significant deficiency.

Carson Water Subconservancy District's response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and corrective action Carson Water Subconservancy District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Eide Bailly Signature

Reno, Nevada

Report Date

DRAFT

Carson Water Subconservancy District  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2020

Federal Grantor/ Pass-Through Grantor Program Title	Pass-Through Entity Identifying Number	CFDA Number	Federal Expenditures
United States (U.S.) Environmental Protection Agency			
Passed through Nevada Department of Environmental Protection			
Nonpoint Source Implementation Grants	DEPs 18-016	66.460	\$ 48,250
Nonpoint Source Implementation Grants	DEPs 20-058	66.460	37,177
Nonpoint Source Implementation Grants	DEPs 17-021	66.460	45,798
			<u>131,225</u>
Water Quality Management Planning	DEPs 18-022	66.454	15,302
Water Pollution Control State Program Support	DEPs 20-066	66.419	20,530
			<u>167,057</u>
Total U.S. Environmental Protection Agency			
			<u>167,057</u>
U.S. Department of Homeland Security			
Cooperating Technical Partners	EMF-2017-CA-00002-S01	97.045	64,814
Cooperating Technical Partners	EMF-2018-CA-00005-S01	97.045	382,684
Cooperating Technical Partners	EMF-2019-CA-00018-S01	97.045	237,330
			<u>684,828</u>
Total U.S. Department of Homeland Security			<u>684,828</u>
U.S. Department of Agriculture			
Passed through National Fish and Wildlife Foundation			
National Fish and Wildlife Foundation	FA.A067	10.683	40,000
			<u>40,000</u>
U.S. Department of the Interior			
WaterSMART	R18AP00206	15.507	45,032
Passed through National Fish and Wildlife Foundation			
NFWF-USFWS Conservation Partnership	FA.A069	15.663	5,415
Fish, Wildlife, and Plant Conservation Resource Management	FA.A068	15.231	2,331
			<u>7,746</u>
Total U.S. Department of the Interior			<u>52,778</u>
Total Expenditures of Federal Awards			<u>\$ 944,663</u>

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Carson Water Subconservancy District under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Carson Water Subconservancy District, it is not intended to and does not present the financial position, changes in net assets of Carson Water Subconservancy District.

**Note 2 - Summary of Significant Accounting Policies**

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

No federal financial assistance has been provided to a subrecipient.

**Note 3 - Indirect Cost Rate**

Carson Water Subconservancy District has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**Section I – Summary of Auditors’ Results**

**Financial Statements**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major program:	
Material weaknesses identified	Yes
Significant deficiency identified not considered to be material weaknesses	Yes
Type of auditor's report issued on compliance for major programs	Qualified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516	Yes

**Identification of major programs:**

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Cooperating Technical Partners	97.045
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

## Section II – Financial Statement Findings

### Finding 2020-001: Financial Reporting Material Weakness

*Criteria:* Management is responsible for establishing and maintaining an effective system of internal control over financial statement reporting. One of the components of an effective system of internal control over financial reporting is the preparation of full disclosure financial statements in accordance with all appropriate GASB statements.

*Condition:* As auditors, we assisted in the preparation of the full disclosure financial statements. District personnel does not possess the experience to prepare the District's full disclosure financial statements in accordance with generally accepted accounting principles without assistance.

*Cause:* Procedures have not been implemented to ensure District personnel possess the experience to prepare the District's full disclosure financial statements in accordance with generally accepted accounting principles.

*Effect:* Financial information prepared by the District may not comply with generally accepted accounting principles.

*Recommendation:* We understand that the Organization has determined that it is not cost efficient for staff to monitor and adopt all GASB updates. We recommend they continue to provide staff or management with the appropriate skills, knowledge and experience to oversee the services in connection with the preparation of governmental financial statements in accordance with generally accepted accounting principles.

*Views of Responsible Officials:*

Carson Water Subconservancy District has determined that it is not cost efficient for staff to monitor and adopt all GASB updates during the year due to their size.

**Section III – Federal Award Findings and Questioned Costs**

**2020-002: U.S. Department of Homeland Security  
Cooperating Technical Partners, CFDA 97.045**

**Allowable Costs/Cost Principles  
Significant Deficiency in Internal Control over Compliance**

<i>Criteria:</i>	The <i>OMB Compliance Supplement</i> requires that non-federal entities receiving federal awards establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements. Accurate reconciliation of expenditures is a key component of effective internal controls.
<i>Condition:</i>	Carson Water Subconservancy District charged a lower rate than actual on one employee.
<i>Cause:</i>	Carson Water Subconservancy District did not have adequate internal controls to review the rates utilized.
<i>Effect:</i>	Carson Water Subconservancy District did not draw the full amount of funds that it was entitled to draw for the transaction noted as an exception.
<i>Questioned Costs:</i>	None.
<i>Context/Sampling:</i>	We sampled four grant draws out of a population of 12 grant draws where payroll was drawn.
<i>Repeat Finding from Prior Year:</i>	No
<i>Recommendation:</i>	We recommend Carson Water Subconservancy District enhance internal controls for review and approval of draw requests which include the underlying support and calculations utilized.
<i>Views of Responsible Officials:</i> Carson Water Subconservancy District agrees with this finding.	



**2020-003: U.S. Department of Homeland Security  
Cooperating Technical Partners, CFDA 97.045**

**Procurement, Suspension, and Debarment  
Material Weakness in Internal Control over Compliance and Material Noncompliance**

<i>Criteria:</i>	<p>Title 2 U.S. Code of Federal Regulations Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (Uniform Guidance) requires the following:</p> <ul style="list-style-type: none"><li>• All contracts contain the applicable provisions described in Appendix II to Part 200 for contracts under federal awards.</li><li>• Procurement processes as described in Appendix II to Part 200 take place prior to entering into any covered contract transaction.</li><li>• A procurement policy is required that addresses the items described within 2 CFR 200.318.</li></ul>
<i>Condition:</i>	<p>Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required. Procurement procedures were not always performed prior to entering into any covered contract transaction. Additionally, Carson Water Subconservancy District's procurement policy does not address various items required by 2 CFR 200.318.</p>
<i>Cause:</i>	<p>Carson Water Subconservancy District did not have adequate internal controls to ensure contracts under federal awards contained all of the applicable provisions, to ensure procurement procedures were always performed prior to entering into all covered transactions, and to ensure its procurement policy addressed all items required by Uniform Guidance.</p>
<i>Effect:</i>	<p>Contractors may not be aware of required terms and conditions involved with Federally funded projects, the entity is not analyzing all Federally-required procurement factors prior to entering into contracts, and the entity's procurement policy is missing certain items required by Uniform Guidance that may cause incomplete procurement procedures to take place.</p>
<i>Questioned Costs:</i>	<p>None</p>
<i>Context/Sampling:</i>	<p>A nonstatistical sample of 20 procurement transactions out of approximately 119 was selected for testing. All of the contracts were missing certain applicable provisions and procurement procedures described in Uniform Guidance were not performed for any of the individual contracts.</p>
<i>Repeat Finding from Prior Year:</i>	<p>No.</p>

*Recommendation:*

We recommend Carson Water Subconservancy District enhance internal controls to ensure all contracts under federal awards contain the applicable provisions, ensure all applicable procurement procedures are performed prior to entering into all covered transactions, and ensure its procurement policy addresses all items required by Uniform Guidance.

*Views of Responsible  
Officials:*

Carson Water Subconservancy District agrees with this finding.

DRAFT

## **Auditor's Comments**

To the Board of Directors  
Carson Water Subconservancy District  
Carson City, Nevada

In connection with our audit of the financial statements of the Carson Water Subconservancy District (District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, nothing came to our attention that caused us to believe that the District failed to comply with the specific requirements of Nevada Revised Statutes cited below. However, our audit was not directed primarily toward obtaining knowledge of noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the requirements of Nevada Revised Statutes cited below, insofar as they relate to accounting matters.

### **Current Year Statute Compliance**

The required disclosure on compliance with the Nevada Revised Statutes and the Nevada Administrative Code is contained in Note 2 to the financial statements.

### **Progress on Prior Year Statute Compliance**

The District monitored all significant constraints on its financial administration during the year ended June 30, 2020.

### **Current Year Recommendations**

No material weaknesses or significant deficiencies reported over Nevada Revised Statutes.

### **Progress on Prior Year Recommendations**

No material weaknesses or significant deficiencies were reported.

**Nevada Revised Statute 354.6241**

In connection with our audit, nothing came to our attention that caused us to believe that the District had not complied in all material respects with NRS 354.6241, including:

- Use of funds established
- Use of generally accepted accounting principles
- Limitations on reserves
- Recording sources of revenue and transfers available
- Statutory and regulatory requirements applicable to the fund
- Ending retained earning amounts

Reno, Nevada

Date Pending

DRAFT

Carson Water Subconservancy District  
777 E. William St., Suite 110A  
775-887-7456

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**Yellow Book**

*Finding 2018-001*

*Initial Fiscal Year Finding Occurred: 2018*

*Finding Summary:* Eide Bailly LLP assisted in the preparation of the full disclosure financial statements. District personnel does not possess the experience to prepare the District's full disclosure financial statements in accordance with generally accepted accounting principles without assistance.

*Status:* Ongoing, Carson Water Subconservancy District has determined that it is not cost efficient for staff to monitor and adopt all GASB updates during the year due to their size.

*Responsible Individual:* Edwin James, General Manager

*Corrective Action Plan:* Carson Water Subconservancy District has determined that it will need to hire an Auditing Firm that will notify staff of any GASB updates.

*Anticipated Completion Date:* January 20, 2021

CORRECTIVE ACTION PLAN FOR AUDIT FINDINGS

**Yellow Book**

**Finding: 2020-001:**

*Finding Summary:* Eide Bailly LLP assisted in the preparation of the full disclosure financial statements. District personnel does not possess the experience to prepare the District's full disclosure financial statements in accordance with generally accepted accounting principles without assistance.

*Responsible Individual:* Edwin James, General Manager

*Corrective Action Plan:* Carson Water Subconservancy District has determined that it will need to hire an Auditing Firm that will notify staff of any GASB updates.

*Anticipated Completion Date:* January 20, 2021

## **Single Audit**

### **Finding 2020-002:**

#### **U.S. Department of Homeland Security Cooperating Technical Partners, CFDA 97.045**

*Finding Summary:* Carson Water Subconservancy District charged a lower rate than actual on one employee.

*Responsible Individual:* Edwin James, General Manager

*Corrective Action Plan:* Carson Water Subconservancy District will have two people review the invoice spreadsheet to ensure the data is accurate.

*Anticipated Completion Date:* Immediately

### **Finding 2020-002:**

#### **U.S. Department of Homeland Security Cooperating Technical Partners, CFDA 97.045**

*Finding Summary:* Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required. Procurement procedures were not always performed prior to entering into any covered contract transaction. Additionally, Carson Water Subconservancy District's procurement policy does not address various items required by 2 CFR 200.318.

*Responsible Individual:* Edwin James, General Manager

*Corrective Action Plan:* Carson Water Subconservancy District will update its Procurement Policy to include Appendix II of Part 200 and 2 CFR 200.318 language. This language will be included in all future contracts.

*Anticipated Completion Date:* November 18, 2020

### **This corrective action plan is respectfully submitted by:**

Edwin James, General Manager  
Carson Water Subconservancy District  
777 E. William St., Suite 110A  
775-887-7456  
edjames@cwsd.org

## **AGENDA ITEM #12**

## CARSON WATER SUBCONSERVANCY DISTRICT

**TO:** BOARD OF DIRECTORS

**FROM:** EDWIN D. JAMES

**DATE:** November 18, 2020

**SUBJECT:** Agenda Item #12 – For Possible Action: Modify the process for selecting Officers & Committee Members for 2021

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**DISCUSSION:** According to our policies for selecting Officers and Committee members (see attached policies), the Administrative Committee will meet prior to the January Board meeting to review and make a recommendation to the full board for Officers and Committee Members. Next year there will be several new CWSD Board Members (the total can be between 5 to 7). Most likely we will not know who all the new board members will be in time for us to set up an Administrative Committee meeting prior to CWSD Board meeting. Staff is proposing CWSD waive the need to hold an Administrative Committee meeting prior to the January CWSD Board meeting and that the selections for Officers and Committee Members be made at the January Board meeting.

**STAFF RECOMMENDATION:** The Board waive the need for the Administrative Committee meeting to discuss proposed Officers and Committee Members, and the selection of the Officers and Committee Members be made at the January CWSD Board meeting.



# CARSON WATER SUBCONSERVANCY DISTRICT POLICY FOR SELECTING COMMITTEE MEMBERS

(Revised 10/18-17)

## **Policy Purpose and Objective:**

The purpose of this policy is to establish a process of selecting individuals to serve on Carson Water Subconservancy District Committees. The objective of the committees is to review information and make recommendations to the full CWSD Board.

## **General Procedures and Guidelines:**

Currently, CWSD has four committees:

1. **Administrative Committee** - This committee deals with personnel issues, contracts, policies, and other administrative issues.
2. **Finance Committee** - This committee reviews proposed budget and budget augmentations, funding requests, and requests for potential water rights purchases. The Treasurer serves on this committee.
3. **Legislative Committee** - This committee reviews proposed legislation. (NOTE: This committee does not have an Alpine County representative because it is primarily dealing with Nevada legislation. However, Alpine County representatives are encouraged to bring any California or federal issues to the attention of the General Manager/Board.)
4. **Regional Water System & Flood Committee** - This committee focuses on the regional programs, recharge projects, future construction, water quality, and flood projects and studies.

The committees will be set at the January CWSD Board meeting each year. To ensure a broad perspective, CWSD will include a representative from each county on each committee. If a committee member is not available to attend a committee meeting, the General Manager or his designee may select an alternate Board member to attend the meeting in their place. Staff will strive to set up meetings based on the availability of the majority of the committee members.

## **Committee Selection:**

In November or December, CWSD staff will contact each county representative to ask on which committees they would like to serve. A list of committee preferences will be brought forward to the Administrative Committee who will review the list and make recommendations to the full board. If two representatives from one county wish to serve on the same committee, the Administrative Committee will weigh the assets each brings to their committee of choice and their availability to attend the meetings and chose one representative to recommend serving on that committee. The recommendation will be brought to the full board at the January Board meeting.

## **AGENDA ITEM #13**

## CARSON WATER SUBCONSERVANCY DISTRICT

**TO:** BOARD OF DIRECTORS

**FROM:** EDWIN D. JAMES

**DATE:** November 18, 2020

**SUBJECT:** Agenda Item #13 – For Possible Action: Modify CWSD Procurement Policy

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**DISCUSSION:** Based on findings from the auditors, staff is proposing that CWSD modify its Procurement Policy to include the Code of Federal Regulations Part 200 (see attachment).

**STAFF RECOMMENDATION:** Approve the modification to the CWSD Procurement Policy.

# Carson Water Subconservancy District PURCHASING POLICIES AND PROCEDURES

## **1. PURPOSE**

To establish uniform policies and procedures to be used by CWSD employees in the procurement of supplies, services, equipment, public works projects, and professional services.

To establish uniform policies and procedures for vendors who wish to do business with CWSD.

To provide additional controls in the expenditure of public funds.

To ensure that all CWSD employees know and conduct all purchasing-related activities strictly in accordance with all applicable laws, best procurement practices and ethical standards in their acquisition of the goods and services necessary for CWSD operations.

## **2. POLICY:**

For CWSD to purchase goods and services needed to accomplish its mission. The policy is for all CWSD employees who perform any part of the purchasing function to procure needed goods and services in a timely and efficient manner, obtaining the best and most suitable product at least cost to CWSD and in accordance with applicable laws, policies and procedures. CWSD will not enter into any contract where there may be a conflict of interest with an employee, Board Member, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. (See CFR § 200.318)

CWSD will not contract with any entity that is currently on the Federal Debarment and Suspension status. Debarment and Suspension status will be determined before a grant contract is awarded. This status can be verified on the Excluded Parties List System (EPLS) on the System for Award Management (SAM) website (<https://www.sam.gov/>). Debarment and Suspension will also be check annually. When The debarment verification is conducted, documentation of the status check will be included in the grant file.

## **3. PROCEDURES:**

The following procedures will be followed for the purchase of supplies, services, public works, and professional services.

The Nevada Revised Statutes describe, and CWSD engages in, three categories of purchasing and related activities:

- A. Supplies and Services
- B. Public Works
- C. Professional Services

Procedures will be described below for each type.

**A. Supplies and Services**

**1. Purchases of \$0 - \$5,000**

These individual purchases are left to the discretion of the General Manager, as long as the expense is included in the budget. There is no legal requirement to secure more than one price. However, most items in this price range are readily available and competition must be sought when available.

**2. Purchases of \$5,000- \$49,999**

Written price quotations must be secured from at least two vendors capable of providing the commodity or performing the service, if two vendors are available, unless the purchase is otherwise exempted. The quotations must be documented in the contract file.

All purchases or contractual services which will be paid from local government, State or Federal funds must be made in compliance with Federal, State, and local laws.

As described in NRS 332.115, some contracts by their nature are not adapted to award by competitive bidding and therefore exempt from competitive bidding.

None of the statutory exceptions preclude CWSD from seeking price quotations, Requests for Proposal, or negotiating with providers should there be more than one possible source.

**3. Purchases in excess of \$50,000**

Written quotations will be secured from at least three vendors capable of performing the service or providing the commodity, if three vendors are available, unless the purchase is otherwise exempted. The quotations must be documented in the contract file.

Except as otherwise provided by law, notice to bid shall be given in the form of an advertisement published in a newspaper of general circulation within the County on all proposed contracts and purchases having an estimated aggregate amount of more than \$50,000. Such advertisements may be published in adjoining counties or states, as necessary, to ensure competitive bidding. (See NRS 332.045.)

The notice must state the nature, character or object of the contract, the time and place where bids will be received and opened and (if applicable) where plans and specifications may be seen. The notice must appear at least once and not less than seven (7) days before the opening of bids. Pending bids shall be available for public inspection and preparation.

Except as otherwise provided, procurement of items or services of \$50,000 or more which are not adaptable to competitive bidding, and where time is not a factor, shall have prior approval by the CWSD Board of Directors at a regularly scheduled meeting.

If more than one qualified supplier is solicited, but only one responsive bid is received, the procurement can be considered competitive. Furthermore, negotiations may then be conducted with the one responding bidder.

**B. Public Works**

**I. Projects \$0-\$25,000**

Projects below \$25,000 require the solicitation of at least one written proposal from a properly licensed contractor.

**2. Projects between \$25,000 and \$100,000**

If the proposed project is between \$25,000 and \$100,000, CWSD shall solicit at least three informal proposals from properly licensed contractors. Although the law permits informal proposals, approved plans and specifications must be on hand. A public opening of the three proposals is strongly recommended; especially at the higher end of the dollar threshold. The appearance of propriety, honesty, ethics, and openness far outweigh the inconvenience of a brief public opening meeting.

Notice to bid may be given in the form of an advertisement published in a newspaper of general circulation within the County on a proposed contract having an estimated aggregate amount of less than \$100,000. Such advertisements may also be published in adjoining counties or states, as necessary, to ensure competitive bidding.

**3. Projects over \$100,000**

If the proposed project exceeds an estimated aggregate sum of \$100,000, CWSD shall conduct a formal advertised bid. For projects estimated at over \$100,000, the notice to bid shall be advertised as described above, in accordance with NRS 338.143.

The award recommendation will be presented by CWSD based upon a written recommendation, analysis, and tabulation of the bids submitted. Bid awards will be approved for award by CWSD Board of Directors as they require at a regularly scheduled meeting as a published agenda item.

All projects which will be paid in whole or part from local government, State or Federal funds must comply with Federal, State, and local laws.

The bid plans and specifications shall be prepared in such a manner as to not limit or restrict, directly or indirectly, to one specific concern.

If more than one qualified contractor is solicited, but only one responsive bid is received, the procurement can be considered competitive. Furthermore, negotiations may then be

conducted with the one responding bidder.

The notice must state the nature, character or object of the contract, the time and place where bids will be received and opened and (if applicable) where plans and specifications may be seen and obtained. The notice must appear at least once and not less than seven days before the opening of bids. Pending bids shall be available in CWSD office for public inspection and preparation.

If no responsive bids received CWSD may elect to re-bid.

### **C. Professional Services**

Professional services generally consist of work performed by individuals licensed or certified to do that work. They may work independently or within a company, but the certification is of the individual.

The work, training and expertise distinguish one individual from another and therefore one individual in that profession cannot be accurately compared to another of the same profession and certification. Examples include doctors, dentists, attorneys, architects, engineers, certified public accountants, certain types of consultants and others who are professionally licensed or certified.

Professional services are exempt from competitive bidding by NRS 332.115 (1) (b). Generally, their services should not be solicited competitively because of the difficulty in comparing and evaluating competing bids.

Note that, according to NRS 625.530, "The selection of a professional engineer, professional land surveyor or registered architect... must be made on the basis of competence and qualifications... and not on the basis of competitive fees."

It is CWSD policy to select the most qualified professional individual for the job that is required and then attempt to negotiate a fee acceptable to both parties for the work be done.

### **4. FOLLOWING Code of Federal Requirements (CFR) PART 200 (Uniform Guidance)**

When utilizing Federal funds CWSD will follow the more restrictive standards under NRS or OMB Uniform Guidance Procurement Standards (§§ 200.317 - 200.326).

#### **PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS (See §§ 200.317 - §§200.326, and Appendix II below.)**

##### **Procurement Standards**

##### **§200.317 Procurements by states.**

When procuring property and services under a Federal award, a state must follow the same policies

and procedures it uses for procurements from its non-Federal funds. The state will comply with §200.322 Procurement of recovered materials and ensure that every purchase order or other contract includes any clauses required by section §200.326 Contract provisions. All other non-Federal entities, including subrecipients of a state, will follow §§200.318 General procurement standards through 200.326 Contract provisions.

**§200.318 General procurement standards.**

(a) The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws, and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.

(b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(c)(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

(2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

(d) The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(e) To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, the non-Federal entity is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for



procurement or use of common or shared goods and services.

(f) The non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(g) The non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(h) The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also §200.213 Suspension and debarment.

(i) The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(j)(1) The non-Federal entity may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to a non-Federal entity is the sum of:

(i) The actual cost of materials; and

(ii) Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

(2) Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

(k) The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014; 80 FR 43309, July 22, 2015]

**§200.319 Competition.**

(a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- (1) Placing unreasonable requirements on firms in order for them to qualify to do business;
- (2) Requiring unnecessary experience and excessive bonding;
- (3) Noncompetitive pricing practices between firms or between affiliated companies;
- (4) Noncompetitive contracts to consultants that are on retainer contracts;
- (5) Organizational conflicts of interest;
- (6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- (7) Any arbitrary action in the procurement process.

(b) The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(c) The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:

- (1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and

(2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(d) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

**§200.320 Methods of procurement to be followed.**

The non-Federal entity must use one of the following methods of procurement.

(a) Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (§200.67 Micro-purchase). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction if the conditions in paragraph (c)(1) of this section apply.

(1) In order for sealed bidding to be feasible, the following conditions should be present:

- (i) A complete, adequate, and realistic specification or purchase description is available;
- (ii) Two or more responsible bidders are willing and able to compete effectively for the business; and
- (iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(2) If sealed bids are used, the following requirements apply:

- (i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;
- (ii) The invitation for bids, which will include any specifications and pertinent attachments, must define

the items or services in order for the bidder to properly respond;

(iii) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;

(iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(v) Any or all bids may be rejected if there is a sound documented reason.

(d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

(2) Proposals must be solicited from an adequate number of qualified sources;

(3) The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;

(4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(5) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated, and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(e) [Reserved]

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

(1) The item is available only from a single source;

(2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or

(4) After solicitation of a number of sources, competition is determined inadequate.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014; 80 FR 54409, Sept. 10, 2015]

**§200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.**

(a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(b) Affirmative steps must include:

(1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

(5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

(6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

**§200.322 Procurement of recovered materials.**

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

**§200.323 Contract cost and price.**

(a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.

(b) The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and, in all cases, where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(c) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.

(d) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

**§200.324 Federal awarding agency or pass-through entity review.**

(a) The non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(b) The non-Federal entity must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:

(1) The non-Federal entity's procurement procedures or operation fails to comply with the procurement standards in this part;

(2) The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;

(3) The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a "brand name" product;

(4) The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

(c) The non-Federal entity is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part.

(1) The non-Federal entity may request that its procurement system be reviewed by the Federal awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding, and third-party contracts are awarded on a regular basis;

(2) The non-Federal entity may self-certify its procurement system. Such self-certification must not limit the Federal awarding agency's right to survey the system. Under a self-certification procedure, the Federal awarding agency may rely on written assurances from the non-Federal entity that it is complying with these standards. The non-Federal entity must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

#### **§200.325 Bonding requirements.**

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

(a) A bid guarantee from each bidder equivalent to five percent of the bid price. The “bid guarantee” must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

(b) A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(c) A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

#### **§200.326 Contract provisions.**

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to



Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

**Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards**

[Link to an amendment published at 85 FR 49577, Aug. 13, 2020.](#)

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be affected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he



or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or

attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.322 Procurement of recovered materials.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75888, Dec. 19, 2014]

DRAFT

## **AGENDA ITEM #14**

# CARSON WATER SUBCONSERVANCY DISTRICT

**TO:** BOARD OF DIRECTORS

**FROM:** EDWIN D. JAMES

**DATE:** November 18, 2020

**SUBJECT:** Agenda Item #14 – For Possible Action: Revision to Contractor Agreement Template when using Federal Funds

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**DISCUSSION:**

Per the auditor recommendation, attached in the CWSD revised contractor agreement template to incorporate the language of ***Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards*** under our Section 7: Independent Contractor. The new language is highlighted in yellow.

**STAFF RECOMMENDATION:** Approve the revised Contractor Agreement Template as presented.

**DRAFT**

# Agreement

Carson Water Subconservancy District (hereinafter "CWSD") and **Orangetree Productions** (hereinafter "**ORANGETREE**") hereby enter into an agreement whereby **ORANGETREE** will **develop a CWSD Video** in accordance with and subject to the following terms and conditions:

1) **ASSIGNMENT**

**ORANGETREE**'s assignment shall relate to the following product(s) or service(s):

**Develop a CWSD Video**, which is further identified and described in Exhibit "A," the compensation paid to **ORANGETREE** for the CWSD Video shall not exceed **\$9,850**.

2) **INDEMNITIES**

- (a) To the fullest extent permitted by law **ORANGETREE** shall indemnify, hold harmless and defend, not excluding the CWSD's right to participate, the CWSD from and against all liability, claims, actions, damages, losses, and expenses, including, without limitation, reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of **ORANGETREE**, its officers, employees and agents.
- (b) CWSD will indemnify and hold **ORANGETREE** harmless with respect to any claims or actions instituted by third parties which result from the use by **ORANGETREE** of material furnished by CWSD or where material created by **ORANGETREE** is substantially changed by CWSD. Information or data obtained by **ORANGETREE** from CWSD to substantiate claims made in advertising shall be deemed to be "materials furnished by CWSD."
- (c) In the event of any proceeding against CWSD by any regulatory agency or in the event of any court action or self-regulatory action challenging any advertising prepared by **ORANGETREE**, **ORANGETREE** shall assist in the preparation of the defense of such action or proceeding and cooperate with CWSD and CWSD's attorneys. CWSD will reimburse **ORANGETREE** any out-of-pocket costs **ORANGETREE** may incur in connection with any such action or proceeding.
- (d) Neither party waives any right or defense to indemnification that may exist in law or equity.

3) **INSURANCE**

Unless otherwise required in this Agreement, the CWSD and **ORANGETREE** shall, during the performance of the services as provided herein, maintain insurance of the types and amounts specified, and with insurers satisfactory to the other party as follows:

- a) Comprehensive General Liability including \$1,000,000 per occurrence for bodily injury and property damage; \$1,000,000 Products/Completed Operations Aggregate; \$1,000,000 General Aggregate over all interests.
- b) Comprehensive Automobile Liability including coverage for owned, non-owned, and hired vehicles: \$1,000,000 Bodily Injury, \$1,000,000 Property Damage.
- c) **ORANGETREE** shall name CWSD as an additional insured and deliver a certificate to CWSD.

4) **TERM OF AGREEMENT**

- a) The term of this Agreement will commence on the date of the last signature executed hereon and will continue in full force and effect until **12/31/2020**, unless extended by written agreement of the parties.
- b) **ORANGETREE** will submit monthly invoices with a description of activities preformed.
- c) In the event of termination of this Agreement, the rights, duties, and responsibilities of **ORANGETREE** shall continue in full force during the period of notice.
- d) If circumstances arise that require a time extension to complete the project, the CWSD Board grants the General Manager authority to do so in a written notice to **ORANGETREE**.

5) **PERFORMANCE**

Should **ORANGETREE** fail to perform any of the services provided for in Exhibit "A", CWSD shall notify



## DRAFT

**ORANGETREE** of such non-performance and allow thirty (30) days for **ORANGETREE** to remedy the performance. If the performance has not been satisfied within thirty days, CWSD may withhold payment only for the services not performed in accordance with this Agreement.

6) **SUPPLEMENTS TO AGREEMENT**

The following Exhibits are an integral part of this Agreement:

(a) **Exhibit A ORANGETREE Scope of Work**

7) **INDEPENDENT CONTRACTOR**

**ORANGETREE** acknowledges that it is furnishing the services contemplated by this Agreement hereto as an independent contractor, and not as an employee, or agent of CWSD or any of its affiliates.

As an Independent Contractor under Federal Award funding see CFR Part 200 Appendix II below:

### **Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards**

[Link to an amendment published at 85 FR 49577, Aug. 13, 2020.](#)

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be affected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the

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acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235),

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"Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.322 Procurement of recovered materials.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75888, Dec. 19, 2014]

8) **OWNERSHIP**

Any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which are intended to be considered under this Agreement), or any other documents or drawings, prepared, or in the course of preparation, by **ORANGETREE** (or its subcontractors) in performance of its obligations under this Agreement shall be the exclusive property of CWSD and all such materials shall be delivered into CWSD's possession by **ORANGETREE** upon completion, termination, or cancellation of this Agreement. **ORANGETREE** shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of **ORANGETREE's** obligations under this Agreement without the prior written consent of CWSD.

9) **AGREEMENT TERMINATION**

- (a) Termination Without Cause. Any discretionary or vested right of renewal notwithstanding, this Agreement may be terminated upon written notice by mutual consent of both parties or unilaterally by either party without cause.
- (b) Cause Termination for Default or Breach. A default or breach may be declared with or without termination. This Agreement may be terminated by either party upon written notice of default or breach to the other party as follows:
  - (1) If **ORANGETREE** fails to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or services called for by this Agreement within the time requirements specified in this Agreement or within any granted extension of those time requirements; or
  - (2) If any State, county, city, or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by **ORANGETREE** to provide the goods or services required by this Agreement is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or
  - (3) If **ORANGETREE** becomes insolvent, subject to receivership, or becomes voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; or
  - (4) If CWSD materially breaches any material duty under this Agreement and any such breach impairs **ORANGETREE's** ability to perform; or
- (c) Time to Correct. Termination upon declared default or breach may be exercised only after service of formal written notice and the subsequent failure of the defaulting party within thirty (30) calendar days of receipt of that notice to provide evidence, satisfactory to the aggrieved party, showing that the declared default or breach has been corrected.





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- (d) Winding Up Affairs Upon Termination. In the event of termination of this Agreement for any reason, the parties agree that the provisions of this Section survive termination:
- (1) The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Agreement. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination;
  - (2) **ORANGETREE** shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if so requested by the CWSD;
  - (3) **ORANGETREE** shall execute any documents and take any actions necessary to effectuate an assignment of this Agreement if so requested by the CWSD; and
  - (4) **ORANGETREE** shall preserve, protect, and promptly deliver into CWSD possession all information in accordance with Section 8, Ownership.

10) **RIGHTS UPON TERMINATION**

Upon termination of this Agreement, **ORANGETREE** shall transfer, assign and make available to CWSD or CWSD's representative, all property and materials in their possession or control belonging to and paid for by CWSD, subject, however, to any rights of third parties of which **ORANGETREE** has informed CWSD.

11) **BREACH REMEDIES.**

Failure of either party to perform any obligation of this Agreement shall be deemed a breach. Except as otherwise provided for by law or this Agreement, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including but not limited to actual damages. If the court awards reasonable attorney's fees to the prevailing party, in an amount to be determined by the Court.

The parties acknowledge or agree that the contract was written and agreed by both parties.

Prior to the initiation of any litigation the parties agree to mediate.

12) **PUBLIC RECORDS**

Pursuant to NRS 239.010, information or documents received from **ORANGETREE** may be open to public inspection and copying. CWSD has a legal obligation to disclose such information unless a particular record is made confidential by law. **ORANGETREE** may label specific parts of an individual document as a "trade secret" or "confidential" in accordance with NRS 333.333, provided that **ORANGETREE** thereby agrees to indemnify and defend CWSD for honoring such a designation. The failure to so label any document that is released by CWSD shall constitute a complete waiver of any and all claims for damages caused by any release of the records.

13) **NOTICES**

Any notice pursuant to this Agreement will be addressed to the following parties:

**Attn.: Edwin James**  
**Carson Watershed Subconservancy District**  
**777 E William Street, Suite 110 A**  
**Carson City, NV 89701**

**Attn.: Mark Carey**  
**Orangetree Productions**  
**4050 S. McCarren Blvd., Suite D**  
**Reno, NV 89502**

14) **FORCE MAJEURE**

Neither party shall be held responsible for any delay or failure in performance of any part of this Agreement to the extent such delay or failure is caused by fire, flood, explosion, war, embargo, government requirement, civil or military authority, act of God, pandemic, or other similar causes beyond its control and without the fault or negligence of the delayed or non-performing party. The affected party will notify the other party in writing within ten (10) days after the beginning of any such cause that would affect its performance. Notwithstanding, if a party's performance is delayed for a period exceeding thirty (30) days from the date the other party receives notice under this paragraph, the non-affected party will



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have the right, without any liability to the other party, to terminate this agreement.

15) **HEADINGS**

Headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, and conditions of this Agreement.

16) **ENTIRE AGREEMENT**

This Agreement constitutes the whole agreement between the parties with respect to the subject matter contained herein, and there are no terms other than those contained herein. No modification or amendment of this Agreement shall be valid unless in writing and signed by the parties hereto.

17) **SEVERABILITY**

Each provision of this Agreement shall be considered separable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable, or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Letter that are valid, enforceable and legal.

18) **GOVERNING LAW**

This Agreement shall be interpreted in accordance with the laws of the State of Nevada pertaining to contracts made and performed entirely therein. If the above accords with the parties' understanding and agreement, kindly indicate consent hereto by signing in the place provided below.

Accepted and Agreed on behalf of:  
**Carson Water Subconservancy District**

Accepted and Agreed on behalf of:  
**Orangetree Productions**

\_\_\_\_\_  
*Signature* *Date*  
Edwin D. James  
General Manager

\_\_\_\_\_  
*Signature* *Date*  
**Mark Carey**  
**Director/Owner**



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## Exhibit A

### **ORANGETREE Scope of Work:**

**Develop a CWSD Overview Video.** Orangetree Productions will create a 10 to 15-minute overview video of the Carson Water Subconservancy District (CWSD). Orangetree will review and edit CWSD script, shoot b-roll, design appropriate animated motion graphic, post-production editing, and provide voiceover artist. Orangetree will have a draft video completed by November 1, 2020 and a final copy by December 17, 2020.

## **STAFF REPORTS**

## CARSON WATER SUBCONSERVANCY DISTRICT

**TO:** BOARD OF DIRECTORS

**FROM:** EDWIN D. JAMES

**DATE:** November 18, 2020

**SUBJECT:** Agenda Item #15 - For Information Only: Staff Report

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**DISCUSSION:** The following is a list of meetings/activities (mostly virtual) attended by Ed James and staff since the last Board meeting on October 21, 2020:

- 10/22/20 – Brenda and Shane met with NEON to coordinate a video shoot
- 10/26/20 – Ed attended meeting re: Stream Flow Summary and Forecast by DWR
- 10/27/20 – STAFF MEETING
- 10/27//20 – Ed & Debbie attended meeting re: BRIC FY2020 Weekly Q&A Meeting
- 10/28/20 – Ed attended Nevada Silver Jackets meeting
- 10/29/20 – Shane attended meeting re: Flood Risk Video with NOAA
- 10/29/20 – Ed, Brenda, Catrina met with Patrick King re: Procurement Revisions
- 11/2/20 – Ed attended COP Bi-Annual General meeting
- 11/3/20 – Ed and Debbie attended FAW meeting
- 11/3/20 - Shane attended meeting re: Flood Risk Video with NOAA
- 11/3/20 – Ed attended meeting re: BRIC FY2020 Weekly Q&A Meeting
- 11/3/20 – Ed attended meeting re: Ruhenstroth ADMP Data Tour
- 11/4/20 – Debbie attended MIP meeting with JE Fuller
- 11/5/20 – STAFF MEETING
- 11/6/20 – Brenda and Debbie met with USACE on Carson River Story
- 11/10/20 – All Staff host CRC Floodplain Management Working Group meeting
- 11/10/20 – Ed attended CTWCD Board meeting
- 11/10/20 – Ed attended meeting re: BRIC FY2020 Weekly Q&A Meeting
- 11/10/20 – Ed attended meeting re: Partner Call – Final CFPW/ DWR
- 11/10/20 – Brenda and Shane filming Pinecone Award Acceptance Speech in Reno
- 11/12/20 – Brenda and Shane conduct interviews for new AmeriCorps Intern
- 11/13/20 – Shane applied for NV State Parks Non-Motorized Trail Grant
- 11/17/20 - Ed attended meeting re: BRIC FY2020 Weekly Q&A Meeting
- 11/17/20 – Brenda attended GREENevada meeting

**STAFF RECOMMENDATION:** Receive and file.

# **CORRESPONDENCE**



## CARSON WATER SUBCONSERVANCY DISTRICT

777 East William Street, Suite 110A

Carson City, NV 89701

(775)887-7450 • FAX 775/887-7457 • [www.cwsd.org](http://www.cwsd.org)

October 19, 2020

### Re: Letter of Support

Dear United States Bureau of Reclamation,

This is a letter of support for the Washoe Tribe of Nevada and California and their submittal for the project proposal "East Fork Carson River Bank Stabilization and Restoration". This project is of great importance to the Washoe Tribe as it seeks to restore a severely degraded and modified section of the Carson River for the purpose of mitigating erosion, restoring riparian vegetation, and promoting tribal stewardship of the river. Furthermore, this project will positively impact the greater Carson River system through nonpoint source pollution reduction and floodplain improvement.

As CWSD General Manager, I support this project as it adheres closely to the Carson River Adaptive Stewardship Plan and enhances both the tribal and environmental quality of the region.

Respectfully,

A handwritten signature in black ink that reads "Edwin D. James".

Edwin D. James  
General Manager  
Carson Water Subconservancy District

EJ:cat  
Via Email

**CARSON WATER SUBCONSERVANCY DISTRICT**

**777 East William Street, Suite 110A**

**Carson City, NV 89701**

**775/887-7450, fax 775/887-7457**

October 29, 2020

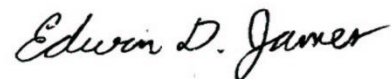
Mike Plaziak  
Acting Executive Officer  
Lahontan Regional Water Quality Control Board  
2501 Lake Tahoe Blvd  
South Lake Tahoe, CA 96150

Re: Pending Action for Board Order No. R6T-2020-XXXX, Clean Water Act Section 401 Water Quality Certification and Exemption to Waste Discharge Prohibition for the Faith Valley Meadow Restoration Project, Alpine County.

Dear Mr. Plaziak:

The Carson Water Subconservancy District (CWSD) owns water rights in Lost Lakes which is located upstream of the proposed Faith Valley Meadow Restoration Project. Although in concept CWSD supports restoring the meadows in Faith Valley using beaver dam analogs, CWSD is looking for some assurances that the project will not adversely impact our ability to utilize the Lost Lakes water rights. CWSD is in conversations with American Rivers and the Humboldt-Toiyabe National Forest to discuss methods to protect our water rights.

Sincerely,

A handwritten signature in cursive script that reads "Edwin D. James".

Edwin D. James  
General Manager





November 2, 2020

Dear NSF Proposal Review Committee:

If the proposal submitted by Dr. Anne Nolin [PI] entitled **Enhancing Resilience in the Mountain-to-Dryland-Continuum: Co-Developing Adaptation Pathways through Transdisciplinary Practices and Social-Environmental Systems Modeling** is selected for funding by the NSF, it is my intent to collaborate and/or commit resources as detailed in the Project Description or the Facilities, Equipment and Other Resources section of the proposal.

Sincerely,

A handwritten signature in black ink that reads "Edwin D. James".

Edwin James  
General Manager

EJ:cat  
Via email