

## Central Nevada Regional Water Authority

Churchill County    Elko County    Esmeralda County    Eureka County  
Lander County    Nye County    Pershing County    White Pine County

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### Meeting Minutes

The Central Nevada Regional Water Authority (Authority) held a public meeting at 10:02 a.m., December 1, 2017 in the Commission Chambers, Churchill County Administration Building, 155 North Taylor Street, Fallon, Nevada. In attendance were:

#### **Directors:**

Churchill County: Norman Frey, Commissioner Pete Olsen and Bjorn Selinder

Elko County: Commissioner Demar Dahl and Commissioner Rex Steninger

Esmeralda County:

Eureka County: Jim Gallagher, Marty Plaskett and Jake Tibbitts, Eureka County Natural Resources Manager

Lander County: Frank Whitman

Nye County: Midge Carver and Commissioner John Koenig

Pershing County: James Evans, Director, Pershing County Planning & Building Dept., Roger Mancebo and Commissioner Rob McDougal

White Pine County: Gary Perea, Vice Chairman and Bill Butts, White Pine County Water Advisory Board

#### **Others:**

Jeff Fontaine, Executive Director, CNRWA

Wilma Mansfield, Executive Assistant, CNRWA

Kim Borgzinner, Nevada Department of Environmental Protection

Bob Foerster, Executive Director, Nevada Rural Water Association

Jill Sutherland, Resource Concepts, Inc.

James Ferrigan, Joe Saval Co. LLC, Managing Partner

Chaunsey Chau-Duong, Southern Nevada Water Authority

Susan Lynn, Great Basin Water Network

**Call to Order.** Vice Chair Gary Perea called the meeting to order at 10:02 a.m. He notified the Authority that Chair Joni Eastley's mother passed away and therefore Joni is not in attendance. A sympathy card was signed by those present which will be sent to Joni's family. A quorum of the Board was determined to be present. Vice Chair Gary Perea welcomed those present. The Authority and those present cited the pledge of allegiance.

**Public Comment.** James Ferrigan, Joe Saval Co., a century old ranch located in Battle Mountain, Nevada stated that for the last two years they have been involved in adjudication with the Nevada Division of Water Resources (NDWR) who has yet to render a decision. In April, he

asked Lander County for a letter of support asking the NDWR to speed up the adjudication because no decision is affecting their ability to manage their allotment. He is asking for a letter of support from the CNRWA also asking NDWR to speed up the adjudication. He has an example letter from Lander County. Vice Chair Gary Perea indicated that this item is not on the agenda and therefore action cannot be taken. Mr. Ferrigan asked the Authority to consider it in the future as an agenda item. Vice Chair Gary Perea thanked Mr. Ferrigan for his comment. There being no further public comments, this item is closed.

**Approval of Agenda.** Director Jeff Fontaine requested that items 6 and 7 be moved to the end of the agenda. Around 12:15 p.m. a closed session will be held with Simeon Herskovits to receive updates. There were no changes to the agenda. Commissioner Pete Olsen made a motion to approve the December 1, 2017 agenda. Norman Frey seconded the motion which carried unanimously.

**Approval of Minutes.** Commissioner Rex Steninger indicated that he was not present at the September 26<sup>th</sup> meeting. Director Jeff Fontaine noted that there was an error in the meeting packet wherein page 10 (the signature page) of the September 26<sup>th</sup> meeting minutes is not included. Jeff Fontaine noted the items that were on that page. Motion was made by Commissioner John Koenig to approve the minutes for the September 26, 2017 as corrected and October 20, 2017 Authority meetings respectively. Commissioner Rob McDougal seconded the motion, which carried by unanimous vote.

**Financial Report and Quarterly Expenditures – Recommendation to approve the Central Nevada Regional Water Authority financial report and quarterly expenditures.** Jeff Fontaine presented the Revenue Report, Detail Budget Report by Category, Account Activity Listing and the Budget Detail received from Elko County and CNRWA staff invoices for the month of October 2017. He expressed appreciation to Elko County for providing the reports. Motion was made by Bjorn Selinder and seconded by Roger Mancebo to approve the financial report and quarterly expenditures. The motion carried by unanimous vote. Jeff Fontaine said that Nye Pennington will present his report on well monitoring at the Authority's spring meeting.

**Presentation on the Technical Assistance and Training Programs provided by the Nevada Rural Water Association.** Bob Forester, Executive Director, Nevada Rural Water Association was present. He thanked the Authority for the opportunity to talk about their programs and what they do. He said they are an industry professional association and they support sustainable water and wastewater systems through technical assistance and training. They're a not-for-profit corporation. They focus on the smaller wastewater systems. Their board is comprised of elected officials and staff from different water/wastewater systems and an associate non-voting member on the board from Western Nevada Supply. They are a non-government organization and are currently running six different contracts with EPA, USDA and the State of Nevada. Their funding is received from dues paid by members and registration fees at their annual conference. He said there are about 56,000 water systems throughout the country. A total of 95% serve populations less than 10,000. A few large water systems serve most of the large population. About 31,000 of those systems are members of water associations in their state. They serve as a resource to small system operators. They're under the National Water Association who negotiates federal contracts with USDA and EPA, then contracting with each state association.

National is also looking out for the interest of small systems. Each state association maintains a relation with their congressional delegation. The USDA recognizes that they needed to keep their borrowers in good financial condition and in good technical condition. Failures are costly. Out of that came water and wastewater technical assistance programs and source water protection programs. The thrust of source water protection is to prevent contamination because it's much more cost effective to do it on that end than on the cleanup end. EPA also has competitive bid programs for training small system operators. They field one of those in Nevada. The State Revolving Loan Fund was set up by U.S. Congress and is executed through state agencies a portion of the funding is designated for "capacity development." There are eight full-time employees in the field. They bring assistance and training to the systems. They train using video conferencing. Their overall objective is to make the systems more capable so that they are providing assistance rather than doing things for them. They provide many services including mapping, which is a free service and asset management, one-on-one classroom training, board training, capacity evaluation surveys so that systems could benchmark their status against industry standards, sustainable utility management training, help systems with public relations, help systems understand water quality and wastewater regulations and the reporting requirements and they help with setting up and running equipment and troubleshooting. There are several plans that are required of water systems in the State Regulations and require approval of the State. They developed a template that water systems may utilize and conform to their systems that can be submitted to the State. They also have valve turning plans to ensure that they work in an emergency, help systems do water audits routinely to help manage systems and rate setting, sanitary surveys. Systems can be triggered to do level 1 and level 2 assessments. They help with level 1 and the State helps with level 2 assessments. They also help with emergency disinfection procedures with the system. Other services include well sounding, PH field testing, help certify operators on their chlorine residual testing which is required by the State. They also have pressure logging equipment. He encouraged member counties to contact his office for any water system needs and a resource. He said they need water systems membership. The benefits from membership include a quarterly magazine and discounts on their conference registration. Sometimes they will request letters from systems telling the story of how they helped them with any problems as well as request donations from individuals with water systems to help further support national efforts. He said they work with privately-owned water systems. Some of the programs allow for that. As far as infrastructure replacement, every component of a water system has a service life and eventually a planned replacement has to take place. There are funding mechanisms to give low interest loans both at USDA and State Revolving Loan Fund. They help systems through the process of understanding what a project is all about and how it flows and how to get the funding and put them in touch with the right people at the agencies. On cross connection control, it has been a requirement since the 1990s which is well recognized that cross connections are the major source of contamination of water supplies. The SRF and USDA said if someone has a larger water project, they would be happy to entertain the idea of funding the installation of the needed backflow prevention devices within that project which could be paid back over a period of time. Jeff Fontaine asked if there will be any regulations that would duly burden small water systems. Bob Foerster said there is a bill in the house (H.R.3387) which contains a few provisions that are a little concerning. They're not new regulations but one of them is a mechanism for the state primacy agencies to command water systems be taken over by an adjoining system (mandatory consolidation). This is in case a water system is unable to meet the Safe Drinking Water Act. Another provision requires a study be

done at a project and it's being pushed by the plastic pipe industry. Vice Chair Gary Perea thanked Mr. Foerster for his presentation and asked him to provide the link to their webpage to the Authority.

**Presentation on the Nevada Integrated Source Water Protection Program.** Jeff Fontaine introduced Kim Borgzinner, Staff Engineer, Safe Drinking Water, Nevada Division of Environmental Protection and Jill Sutherland, Resource Concepts, Inc., a contractor with NDEP in this program. Kim Borgzinner said she grew up in Gardnerville, Nevada stating that she understands the local needs and political climate. She stated she met Nancy Boland, CNRWA member ten years ago who helped her realize the need for this program to get out and meet the people and make a program work for the communities that we live in. Kim Borgzinner stated that she has received support public water system staff, county commissioners and planning commissioners as recognize the value in looking at where their water resources are and protecting them, using that as a tool. Integrated Source Water Protection Program is under the Bureau of Safe Drinking Water. The program is a way to look at where are your drinking water sources. Are you using surface water, wells or groundwater and scientifically modeling these capture zones where water is being drawn in and create some zones above the land surface where they can look at what's going on in those areas. Are there activities going on in those areas that could potentially into the future, if there was an event cause a contamination problem for your well, pollute your well or negatively impact your drinking water? This is a way for them to look at the potential of it happening and decide what can be done to prevent it from happening or be aware of it and what is the plan? Public water systems in small rural communities, not managed properly, could become the responsibility of the county. At the county commission, planning commission level, these are the people making the decisions. She said this is a voluntary program wherein they provide and information and tools so that the counties can make decisions for the community on how to manage the land. The program is 100% funded through the Nevada Division of Environmental Protection (NDEP). Kim Borgzinner stated they spend much time in each community emphasizing the relationship building and the stakeholder development. She said plans are developed and they want to expand it. They work with boards to notify them that they are going to be working on planning efforts in their communities. They work with the stakeholders to evaluate what the risks are in each community. They develop the county-wide plan utilizing a third-party contractor who does all the administrative work to put the plan together. There is no grant process. An action plan is the end result in a fundable project. Resource Concepts, Inc. is the current contractor for this planning effort. They initiate all the facilitation of bringing the stakeholders together. She's very engaged in the planning teams, attending all the planning team meetings, assuring that they are staying on track, understanding what's going on in other communities. She said they used to have consultants that would come and compete for funding for specific water systems to do a wellhead protection plan in the past. They weren't reaching the decision makers and planners. They went to a regional wide type plan and were dedicating all of their contract funds into a single community engaging public water systems and planning agencies creating a congruent approach in those communities. They wanted the boards to be committed to the process. They don't address water rights or deal with any mandated requirement such as existing contamination. Arsenic or corrective action sites are not eligible to be addressed under this program. They can't be funded to do projects for those types of things. They don't do any type of infrastructure projects as they don't have sufficient funds for this. Their program focuses on planning. An overview of their planning schedule was

presented which was implemented nine years ago, beginning in White Pine County. They endorsed their plan within the first couple of years NDEP took over the program. She stated the plan time-frame for implementing the plans varies from community to community. They completed 7 county-wide plans that include every public water system. She said there are a few communities on the CNRWA that they're trying to engage in their program, referring to Pershing County, Lander County and Elko County. Jill Sutherland, Resource Concepts, Inc., project manager for the source water protection contact since 2012 made her presentation. Their role as the contractor is to assist in plan development process starting with forming a team which guides the process from start to finish, gather water system information, map groundwater capture zones around wellheads and inventory activities near wells that might release pollutants. Develop strategies and action plan to decide how you want to protect the quality of the local drinking water sources. The local planning team meetings are held on a 6-8 week basis over a period of 18 months to guide the process. The goal is to have an approved plan by the local communities which is endorsed by NDEP. She presented a map showing water systems that are overseen by federal regulations that supply drinking water to the public throughout the state. They range from large municipal water systems to small water systems. She noted that White Pine, Nye and Churchill Counties have already participated in the new county-wide approach. There are also water systems in all the other counties that have the older wellhead protection plans. She said if the counties have plans they can have NDEP and RCI help implement the plan. She presented examples of the variety of creative actions that communities have come up with. These include county-wide strategies that focus on education and outreach. Churchill County focused on household hazardous waste disposal that's available on their website or hardcopy. RCI can help draft water quality protection components to the master plan, land use plan, water resources plan or to local code. They can also update plans in place with new information and tools developed through this process. Nye County was interested in emergency responder training so that their volunteers would know where the high risk areas were in cleaning up chemical spills, etc. They can do well and septic maintenance for private homeowners. They can also help with specific strategies such as a new infrastructure project, providing funding for a study. They also can close out unused wells. Commissioner Rob McDougal stated Pershing County is working with Farr West Engineering on a county-wide water resource plan. He asked what the relationship would be with NDEP, RCI on this project. Kim Borgzinner's recommendation would be to have Brent Farr draft a very short paragraph in their water resource plan stating their interest and support. Vice Chair Gary Perea stated it was very educational going through the process in the viewpoint of water quality. Gary Perea thanked Kim and Jill for their presentation.

**Discussion and Possible Action Regarding Water Rights Filings with the Nevada State Engineer.**

A task of the Central Nevada Regional Water Authority Executive Director is to monitor proposals for development and use of water resources in rural Nevada, and in particular, member counties and allowing the CNRWA Board an opportunity to formulate a position on the proposals. Jeff Fontaine said in reviewing the function, activities and priorities of the Authority and meeting with the Humboldt River Basin Water Authority, he put together something similar to what the Humboldt River Basin Water Authority does. They review applications to the State Engineer for water rights. Jeff Fontaine stated he went to the State Engineer's website for October/November to date and obtained a copy of the monthly filings report. Jeff Fontaine highlighted the filings in the various basins with the central Nevada hydrographic region. He reviewed the filings list. He said that is what this agenda item is all about. He asked the board

for their input on how this report should be presented in future meetings. Gary Perea encouraged member counties to have their advisory board review the filings at their meetings. He said the Authority used to review the filings but stopped. If any individual counties have concerns with the water right filings, they should bring it to this board for any possible action. Commissioner Rob McDougal stated that the Humboldt River Basin Water Authority reviews the filings. They ask questions and occasionally justify a letter or objection from the organization to the department regarding the applications. He said he finds it useful and helpful. Gary Perea said the Authority would like to have it on the agenda and encouraged member counties to review the reports and get feedback from their county and if needed, have the CNRWA take a stand or send a letter on a specific filing. Jeff Fontaine said Chair Joni Eastley was interested in tracking the filings to see if there are any trends. He agreed that this is important. He gave an example on a lot of filings from Sandstone Solar Energy in November. Member counties expressed agreement in reviewing the filings report. This item will be included on future agendas.

**Discussion and Possible Action to Solicit Associate Membership and Government Partner Membership of the Central Nevada Regional Water Authority.**

Pursuant to Section 2., Article III of the Central Nevada Regional Water Authority Bylaws there are three classes of membership; member counties, associate members and government partners. The CNRWA Board set \$1,000 as the annual dues to be paid by a CNRWA associate member and a CNRWA government partner. Jeff Fontaine said in reviewing the background on this item, the bylaws include a government partner member which means any county or city that is not a member county that has been approved by membership by the board. Associate member which is any entity, company, organization or individual that is not a member county or government partner that has been approved by membership by the board is in the bylaws. Neither of these members would have the ability to vote on the board. The board approved a membership fee of \$1,000 for an associate member or government partner. He requested input from members on possible associate members in member communities, how to go about approaching those entities. He would then create a membership form including information about the CNRWA, information about why it would be beneficial for these associate members and other government partners to be a part of the Authority. Norman Frey suggested communicating with the cities that are within the Authority's area. He said they have just as much at stake in our protection of our groundwater as the counties do. He suggested corporate sponsors and engineering firms that deal in water. Bjorn Selinder mentioned previous discussion on possible membership by surrounding states such as Inyo County, Ca. dealing with issues of similar interest. Commissioner Demar Dahl stated that the Authority needs to be careful who they have as members. The Authority needs to stay within what they're meant to do. Midge Carver stated that the Authority should include counties as a government partner that can't participate at the full level membership to ensure that they are involved. Jake Tibbitts agreed with Demar Dahl stating that if it's not going to further the mission, that the Authority shouldn't pursue it. Roger Mancebo said associate membership could be by "invitation only." Commissioner Rex Steninger also expressed concern regarding associate memberships and by "invitation only." Jake Tibbitts stated that the Authority should pursue memberships for the next fiscal year. Vice Chair Gary Perea asked Jeff Fontaine to draft a membership form with a cover letter with the mission of this group and its accomplishments. This item will be placed on the next meeting agenda for further discussion.

**Update on the Activities of the Great Basin Water Network.** Susan Lynn, Great Basin Water Network provided an update on their activities. Susan Lynn reported that GBWN held a meeting in Baker, Nevada. Several issues that came out of that meeting include a number of people requesting to be on their list serve. Jeff Fontaine can forward appropriate articles to Authority members if they so wish. She discussed issues coming before the next Legislative Session indicating that the Southern Nevada Water Authority will be proposing changes to Nevada Water Law. She encouraged member counties to be involved starting with the interim Public Lands Committee. The first meeting is January 12, 2018 in Las Vegas with teleconferencing capabilities in Carson City. She said they hold 6 meetings around the state and suggested members request a copy of their meeting agendas from the Legislative Counsel Bureau. Water issues will be an agenda item. She said the GBWN is going to need the Authority's support. She said water is a hot issue and there are many proposed changes. She encouraged full participation in the upcoming Legislative Session regarding water and suggested contacting local organizations. The Southern Nevada Water Authority will be bringing out the labor unions, the construction industry and the gaming industry. The GBWN needs all the support it can get on all water issues. A brief discussion was held on the need for desalination. Susan Lynn said desalination is a tool in the water conservation box. GBWN is trying to provide alternatives to any pipeline. Susan Lynn discussed Nevada Water Law and the issues that go with it. Their intent is to inform people about potential changes to Nevada Water Law. Gary Perea stated that Authority members should review the final version to AB298 between now and the next meeting. The Authority needs to address AB298. Commissioner Demar Dahl suggested inviting Mike Dunbar to the next meeting to provide an update on water desalination. Norman Frey suggested also including proposed activities of the Legislative Committee. Authority members were encouraged to attend the Legislative Committee meeting January 12, 2018 with Jeff Fontaine.

**Discussion and Possible Action on the Central Nevada Regional Water Authority Functions, Mission, Activities and Priorities.** The Authority's Board of Directors will follow up on the facilitated discussion at their September 26, 2017 meeting and possibly amend Central Nevada Regional Water Authority's functions, mission, activities and priorities. This item was tabled and will be put on the next meeting agenda.

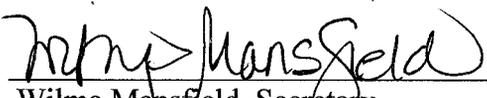
**Board Member/Executive Director Comments – Board members and the Executive Director can make announcements, request information and discuss topics for future agendas.** Jake Tibbitts, Eureka County stated the Nevada Supreme Court issued its Opinion affirming the Nevada District Court's March 2016 Order regarding General Moly, Inc. which vacated the water permits concerning the Mt. Hope Project. In the meantime, in waiting for the decision, General Moly, Inc. re-filed new applications. Eureka County received notice from the State Engineer that a pre-hearing conference has been scheduled in January. They're on the third round of the same applications which will result in the same issues (conflicts with existing rights). Jake Tibbitts will report back on when the water rights hearing will be held. Jeff Fontaine referred to a presentation at the September 26, 2017 meeting by Tori Sundheim, NACO Public lands and Natural Resource Coordinator about the lawsuit in California regarding federally reserved water rights for Agua Caliente Band of Cahuilla Indians v. Coachella Valley Water District. They were successful in getting water which will impact water agencies in California and there was an appeal to the U.S. Supreme Court. Nevada led the filing of Amicus

Briefs on behalf of a number of western states. The Supreme Court has declined to take that case. Jake Tibbitts stated it happens to be about the federally reserved rights for an Indian tribe, but the implications are on all federally reserved water rights. The second phase of the litigation in California will be to define what quantity the tribe is entitled to under that federally reserved right. Jeff Fontaine informed the Authority that he is also working for the Humboldt River Basin Water Authority. His contract was effective November 13, 2017. There was concern by the Humboldt River Basin Water Authority about potential conflicts. It was suggested that a joint subcommittee be formed between both Authorities to work on some of those issues. Effective today Jeff Fontaine is moving his office from his home to an office in downtown Carson City called the Adams Hub on Carson Street, across from city hall. He said there are conference facilities available and office support. In regard to the meeting packets, Jeff Fontaine asked how much information does the Authority want. He said it is costly to make copies of the meeting packets. Norman Frey suggested contacting Eleanor Lockwood, Churchill County Manager and possibly having Churchill County sponsor the copying costs. Vice Chair Gary Perea stated Authority members notify Jeff Fontaine if an electronic copy is fine or if they would like a hard copy of the meeting packet. Jeff Fontaine said he would send an e-mail to members asking them what their preference is. Gary Perea referred to the Legislative Session and what is the strategy. He suggested a couple of members from the Humboldt River Basin Water Authority and the Central Nevada Regional Water Authority communicate with Jeff Fontaine during the Legislative Session as it moves forward. Commissioner Rob McDougal suggested appointing members to a subcommittee that don't sit on both the HRBWA & CNRWA. Gary Perea suggested maybe one member from each that sits on both boards. This item will be discussed at the next meeting.

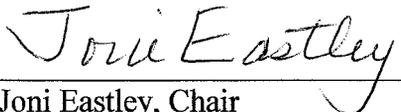
**Next Meeting.** The next meeting will be held Friday, March 16, 2018 at 10:00 a.m. in Eureka, Nevada. Motion was made by Commissioner Rob McDougal and seconded by James Evans to meet in Eureka Friday, March 16, 2018. Motion carried.

**Public Comment.** There was no public comment.

**Adjourn.** Vice Chair Gary Perea adjourned the meeting at 12:11 p.m.

Respectfully submitted:   
Wilma Mansfield, Secretary

Approved this 27 day of APRIL, 2018.

  
Joni Eastley, Chair