

**SOUTH TRUCKEE MEADOWS GENERAL IMPROVEMENT DISTRICT
WASHOE COUNTY, NEVADA**

TUESDAY

2:00 P.M.

MAY 27, 2003

PRESENT:

David Humke, Chairman
Jim Shaw, Vice Chairman
Jim Galloway, Commissioner
Pete Sferrazza, Commissioner*
Bonnie Weber, Commissioner

Amy Harvey, County Clerk
Nancy Parent, Chief Deputy Clerk
Katy Singlaub, County Manager
Madelyn Shipman, Legal Counsel
Paul Orphan, Engineering Manager

The Board met in regular session in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada, and conducted the following business:

03-13STM AGENDA

In accordance with the Open Meeting Law, on motion by Commissioner Shaw, seconded by Commissioner Weber, which motion duly carried with Commissioner Sferrazza temporarily absent, Chairman Humke ordered that the agenda for the May 27, 2003 meeting be approved.

03-14STM ACCEPT TRUCKEE RIVER WATER RIGHTS – H. WILLIAM BROOKS

H. William Brooks, owner of the parcels in question, stated he does not have a problem buying water rights in the market, but was concerned with the ratio of 3.19 to 1.0 acre-feet. He said he was concerned he was being asked to provide 1,914 gallons per equivalent residential unit (eru), which is almost 20 times the actual daily use. He further said he is being asked to buy water rights, turn them over to the South Truckee Meadows General Improvement District (STMGID), run his water through STMGID's pipes and back to him through a water meter and pay for the water again. He questioned where the additional 1,700 gallons are going that he is buying, because he is using only a couple hundred gallons per day per eru based on national and County data.

Paul Orphan, Engineering Manager, said the ratio is not based on water usage, but on economics. He further said groundwater rights in the market are worth approximately \$12,000, if you can find them in the south Truckee Meadows, whereas surface water rights are \$3,950, which was the basis to put groundwater and surface water

rights on an even economical footing. He stated in several cases the dedication of surface water rights have been accepted in lieu of groundwater, but in different ratios. For example, the Del Monte Ranch Trade Center was at a 3 to 1 ratio and the proposed commercial development next to Galena High School at 3.19 to 1, but that development found groundwater rights at the last minute. In response to Commissioner Galloway, Mr. Orphan said if Mr. Brooks had provided groundwater rights, he would need to provide 1.12 acre-feet per newly created parcel connecting to the STMGID system. Mr. Orphan then explained this idea was not initiated by staff or STMGID, but by Mr. Brooks and comes as a surprise at this late time because staff worked on this for a few months to accommodate Mr. Brooks. In response to Commissioner Shaw, Mr. Orphan stated there was no discussion when the STMGID Local Managing Board passed this at their April meeting. Jim Covert, Vice Chairman, STMGID Local Managing Board, said he was extremely shocked this was coming up at this time and confirmed the Board worked to accommodate Mr. Brooks' request. He also stated the Board had been criticized in the past for accepting surface water rights in a ratio that was not equivalent to the economic value of groundwater rights. In response to Chairman Humke, Mr. Orphan stated approximately three years ago the 3 to 1 ratio was used for the Damonte Ranch Trade Center and around November, 2002, the 3.19 to 1 ratio was first calculated.

***3:56 p.m.** Commissioner Sferrazza arrived at the STMGID meeting.

Mr. Brooks said he thinks it is unjust and inequitable to require him to acquire almost a 20 to 1 ratio of excess water above what the parcels would be using. He further stated water is considered a commodity, and staff has chosen to make this factor on the basis of economics, which he does not think is correct; and he feels it should be on the basis of actual useage through a meter. He then asked the Board to take into consideration his family and that he has paid for Washoe County services once already and he would like a break.

In response to Commissioner Galloway, Mr. Orphan said Mr. Brooks is being requested to provide water rights for only the parcels being created.

Chairman Humke stated he is not sure water rights are a commodity and feels they are more like real property. He further said staff has done a reasonable job in determining the economic analysis.

Upon recommendation of the Local Managing Board, on motion by Commissioner Galloway, seconded by Commissioner Shaw, which motion duly carried with Commissioner Sferrazza abstaining, Chairman Humke ordered that Truckee River water rights, in the ratio of 3.19 acre-feet of river rights to 1.0 acre-foot of groundwater rights, for service to parcels APN 49-372-28 and 49-372-29, per parcel map PM03-006, be accepted. It was noted Commissioner Sferrazza abstained because he was not present for a majority of the discussion.

03-15STM REFUND ANNEXATION AND CONNECTION FEES – LEWIS LAND COMPANY OF NEVADA – CURTI RANCH II, UNIT 3

Upon recommendation of the Local Managing Board, on motion by Commissioner Galloway, seconded by Commissioner Shaw, which motion duly carried, Chairman Humke ordered that staff be directed to refund the annexation fees and connection fees in the amount of \$22,900 to Lewis Land Company of Nevada for Curti Ranch II, Unit 3.

03-16STM INTERLOCAL AGREEMENT – WASHOE COUNTY – WATER FOR THE NELL J. REDFIELD TRUST

Upon recommendation of the Local Managing Board, on motion by Commissioner Shaw, seconded by Commissioner Galloway, which motion duly carried, it was ordered that an agreement between Washoe County and the South Truckee Meadows General Improvement District (STMGID), concerning allowing Redfield to utilize the approved groundwater rights and facilities to serve the Redfield campus, APN 144-070-05, be approved and Chairman Humke be authorized to execute the same on behalf of the STMGID Board of Trustees.

03-17STM MANAGEMENT REPORTS – MAY, 2003

In response to Commissioner Galloway, Paul Orphan, Engineering Manager, explained the Average Gallons per Customer per Day is for that particular month and the Average Customer Use Previous 12 Months is the total use for the 12 previous months divided by 12, to arrive at a monthly average for the year.

On motion by Commissioner Shaw, seconded by Commissioner Galloway, which motion duly carried, Chairman Humke ordered that receipt of the District's management and financial reports for the month of May, 2003 be acknowledged.

PUBLIC COMMENTS

There was response to the call for public comments.

BOARD/STAFF COMMENTS

Commissioner Shaw said he appreciated that James Covert, Vice Chairman, South Truckee Meadows General Improvement District Local Managing Board, was present at the meeting.

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There being no further business to come before the Board, the meeting adjourned.

DAVID E. HUMKE, Chairman
South Truckee Meadows General
Improvement District

ATTEST:

AMY HARVEY, Washoe County Clerk
and Ex Officio Secretary, South Truckee
Meadows General Improvement District

Minutes Prepared By:
Melissa M. Ayrault, Deputy County Clerk