

**BOARD OF TRUSTEES
SOUTH TRUCKEE MEADOWS GENERAL IMPROVEMENT DISTRICT
WASHOE COUNTY, NEVADA**

TUESDAY

5:00 P.M.

JUNE 26, 2007

PRESENT:

Bob Larkin, Chairman
Bonnie Weber, Vice Chairman
Jim Galloway, Trustee
David Humke, Trustee
Pete Sferrazza, Trustee

Amy Harvey, County Clerk
Katy Singlaub, County Manager
Melanie Foster, Legal Counsel
Rosemary Menard, Water Resources Director

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:

07-22STM AGENDA

In accordance with the Open Meeting Law, on motion by Trustee Humke, seconded by Trustee Weber, which motion duly carried, Chairman Larkin ordered that the agenda for the June 26, 2007 meeting be approved.

07-23STM MINUTES

On motion by Trustee Humke, seconded by Trustee Weber, which motion duly carried, Chairman Larkin ordered that the minutes of the regular meeting of April 24, 2007 and the special meeting of May 21, 2007 be approved.

**07-024STM PROFESSIONAL SERVICES AGREEMENT – LEGISLATIVE
INTERIM AND LEGISLATIVE SESSION SERVICES**

Steve Cohen, Local Managing Board (LMB) Chairman, said the LMB was very happy with Kathleen Laxalt's representation and felt that having representation was a prudent move.

Upon recommendation of Paul Orphan, Water Resources Engineering Manager, on motion by Trustee Humke, seconded by Trustee Weber, which motion duly carried, it was ordered that the Agreement for Professional Services for Legislative

Interim and Legislative Session Services with Kathleen “Neena” Laxalt in an amount not to exceed \$35,000 be approved and the Chairman be authorized to execute the same.

07-25STM ORDINANCE – DELEGATING ADDITIONAL POWERS TO THE LOCAL MANAGING BOARD

Rosemary Menard, Water Resources Director, explained there were several editorial changes and an addition to give the Local Managing Board (LMB) the same authority and same provisions County departments had for purchasing.

Steve Cohen, LMB Chairman, explained further that this would allow the LMB to follow suit if the County went up to \$100,000, which would put them on a level playing field with other County departments.

Upon recommendation of Paul Orphan, Water Resources Engineering Manager, on motion by Trustee Humke, seconded by Trustee Sferrazza, which motion duly carried, it was ordered that the ordinance amending the powers of the Local Managing Board (LMB) by delegating additional powers to the LMB be approved and staff be directed to bring the ordinance to the Board of County Commissioners for introduction and first reading and to set a date for a second reading and public hearing of the amendment.

07-26STM QUITCLAIM DEEDS

Rosemary Menard, Water Resources Director, said the Water Resources Department held title to a number of properties owned by STMGID and this was part of the process to transfer those properties back to STMGID.

Upon recommendation by the Local Managing Board (LMB), on motion by Trustee Humke, seconded by Trustee Weber, which motion duly carried, it was ordered that the Quitclaim Deeds on APN’s 049-401-08, 049-401-09, 150-162-04, 016-730-46, 049-281-01, 150-111-18, 152-020-05, and 160-794-03, currently under title to Washoe County, be approved and staff be directed to take the actions necessary for execution of the Quitclaim Deeds by Washoe County.

07-27STM MANAGEMENT REPORTS

Trustee Galloway said the water balance tables contained in the staff report showed if there was more production than consumption, which could vary from month to month. He stated the Division of Service Agreement called for a periodic settlement of who owed what, and he asked if that was ever done.

Steve Cohen, Local Managing Board (LMB) Chairman, said at the last meeting the LMB discussed where things stood, and he believed the end of the first year of the agreement was June 30th. He said the next LMB agenda would include a running balance of were things stood.

Trustee Galloway felt it was important the settlement be honored either way as a prerequisite to increasing the powers of the LMB. He said if there was to be a fight regarding who owed what, then let us have it now so any disagreements could be ironed out.

No action was taken on this item.

PUBLIC COMMENTS

There was no response to the call for public comment.

BOARD, LOCAL MANAGING BOARD AND STAFF COMMENTS

Steve Cohen, Local Managing Board (LMB) Chairman, said the LMB was close to abandoning Well No. 9 because the report received showed it could cost upwards of \$6 per 1,000 gallons to produce water when it costs less than a \$1 currently. He indicated the Environmental Protection Agency (EPA) project was not working. At the last meeting, he said John Buzzone, Water Resources Licensed Engineer, had indicated a recent study addressed the coagulation with filtration process. He explained for a \$100,000 investment and with the equipment currently in place, the cost for 1,000 gallons could be around a \$1, which made gaining back the use of Well No. 9 a real possibility. He said the LMB authorized a \$10,000 study to address the exact costs.

In response to Chairman Larkin, Rosemary Menard, Water Resources Director, clarified the media being used by the EPA project was expensive and was not very effective because there was a very short time cycle before it had to be renewed. She said the new media looked like it would last longer, be more effective, and produce the desired results.

Regarding Well No. 12, Mr. Cohen said Water Resources determined a waiver from the State Engineer would be needed to drill exploratory wells. He said they were waiting to hear from the State Engineer before sending out to bid. He indicated everything else was ready to go.

In response to Chairman Larkin, Ms. Menard said she did not know the details of the delays. She confirmed Water Resources was responsible for working with the State Engineer and there was a consultant from ECO:LOGIC, LLC, who was doing the actual technical work. Chairman Larkin said it appeared the technical work was done and it was hung up in the State Engineer's Office. Mr. Cohen said a letter was received from the State Engineer on June 11th that stated ECO:LOGIC submitted monitoring well waivers in March 2007, but Water Resources had determined exploratory well waivers were needed, which was what was being waited on. He understood the waivers were going from ECO:LOGIC to Water Resources to the State Engineer.

Trustee Galloway said the original discussion on Well No. 12 involved the ability to put one more well on the fan. Mr. Cohen replied STMGID needed to spread out

on the fan, which they already had water rights for. He stated a new source on the fan further from the other wells would make them less reliant on one or two major wells.

In response to Trustee Galloway, Mr. Cohen said he did not know why the well had to be authorized, because technically it was not a new well. He stated existing rights were being used; and, during informal discussions with the State Engineer, he indicated everything was completely in line with what STMGID was doing.

Trustee Galloway said he would call the State Engineer to see what was happening. Mr. Cohen said an item would be added for Well No. 12 to next month's Trustee's agenda, because he hoped there would be more details available by then.

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

ROBERT M. LARKIN, Chairman
South Truckee Meadows General
Improvement District

ATTEST:

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

*Minutes Prepared By:
Jan Frazzetta
Deputy County Clerk*