

TMWA Subcommittee Members:

- Chair Kristopher Dahir
- Vice Chair Naomi Duerr
- Alexis Hill
- Alternate Paul Anderson
- Alternate Jenny Brekhus

**Legislative Subcommittee of the Truckee Meadows Water Authority (TMWA)
AGENDA**

Thursday, November 17, 2022 at 1:00 p.m.

Independence Room, TMWA, 1355 Capital Blvd., Reno, NV**Notes:**

1. The announcement of this meeting has been posted at the following locations: Truckee Meadows Water Authority (1355 Capital Blvd., Reno), at <http://www.tmwa.com>, and State of Nevada Public Notice Website, <https://notice.nv.gov/>.
2. In accordance with NRS 241.020, this agenda closes three working days prior to the meeting. We are pleased to make reasonable accommodations for persons who are disabled and wish to attend meetings. If you require special arrangements for the meeting, please call (775) 834-8002 at least 24 hours before the meeting date.
3. Staff reports and supporting material for the meeting are available at TMWA and on the TMWA website at <http://www.tmwa.com/meeting/>. Supporting material is made available to the general public in accordance with NRS 241.020(6).
4. The Committee may elect to combine agenda items, consider agenda items out of order, remove agenda items, or delay discussion on agenda items. Arrive at the meeting at the posted time to hear item(s) of interest.
5. Asterisks (*) denote non-action items.
6. Public comment is limited to three minutes and is allowed during the public comment periods. The public may sign-up to speak during the public comment period or on a specific agenda item by completing a "Request to Speak" card and submitting it to the clerk. In addition to the public comment periods, the Chairman has the discretion to allow public comment on any agenda item, including any item on which action is to be taken.
7. In the event the Chairman and Vice-Chairman are absent, the remaining Committee members may elect a temporary presiding officer to preside over the meeting until the Chairman or Vice-Chairman are present (**Standing Item of Possible Action**).
8. Notice of possible quorum of Western Regional Water Commission: Because several members of the Truckee Meadows Water Authority Board of Directors are also Trustees of the Western Regional Water Commission, it is possible that a quorum of the Western Regional Water Commission may be present, however, such members will not deliberate or take action at this meeting in their capacity as Trustees of the Western Regional Water Commission.

1. Roll call*
2. Public comment (limited to no more than three minutes per speaker)*
3. Approval of agenda (**For Possible Action**)
4. Approval of the TMWA Legislative Subcommittee minutes of October 18, 2021 (**For Possible Action**)
5. Supreme Court Water Commission update — John Zimmerman*
6. Federal Funding update — Stefanie Morris*
7. Anti-Degradation Regulations – EAW update — Kara Steeland*
8. State Engineer Regulations update — Stefanie Morris*
9. 2023 Legislative Forecast
 - a. High level overview of BDR numbers and topics — Sonia Folsom*
 - b. Election update — Leo Drozdoff*
 - c. Update on topics likely to arise — Stefanie Morris and Leo Drozdoff*
10. Committee comments*
11. Staff comments*
12. Public comment (limited to no more than three minutes per speaker)*
13. Adjournment (**For Possible Action**)

**DRAFT MINUTES OF THE OCTOBER 18, 2021
MEETING OF THE LEGISLATIVE SUBCOMMITTEE OF
THE TRUCKEE MEADOWS WATER AUTHORITY**

The meeting of the Legislative Subcommittee of the Truckee Meadows Water Authority (TMWA) was held via Teleconference. Chair Dahir called the meeting to order at 8:35 a.m.

1. ROLL CALL

TMWA Subcommittee Members Present: Kristopher Dahir, Naomi Duerr and Alexis Hill, and Alternate Paul Anderson

TMWA Legal Counsel: Michael Pagni

TMWA Staff Present: Mark Foree, Stefanie Morris, Laura Rader, Kara Steeland, John Zimmerman, and Leo Drozdoff (TMWA Lobbyist)

A quorum of the TMWA Legislative Subcommittee was present.

2. PUBLIC COMMENT

There was no public comment.

3. APPROVAL OF THE AGENDA

Upon motion duly made by Member Duerr and seconded by Member Hill, and carried unanimously, the TMWA Subcommittee approved the agenda.

4. APPROVAL OF THE TMWA SUBCOMMITTEE MINUTES OF MAY 17, 2021.

Upon motion duly made by Member Duerr and seconded by Member Hill, and carried unanimously, the TMWA Subcommittee approved the minutes of the May 17, 2021 meeting.

5. DISCUSSION, ACTION AND POSSIBLE DIRECTION TO STAFF ON ACTIVITIES OF JOINT SPECIAL COMMITTEE TO CONDUCT A STUDY CONCERNING INNOVATION ZONES (SCR 11) AND TMWA PARTICIPATION IN SAME

Stef Morris, TMWA Water Resources Manager, informed the Subcommittee that there was an interim legislative committee on Innovation Zones meeting scheduled, which would discuss water, but the meeting had been cancelled and Leo Drozdoff, TMWA Lobbyist, will provide further detail.

Mr. Drozdoff reported that the CEO of Blockchains sent a letter to the Governor indicating Blockchains would not be pursuing the Innovation Zone concept a. They have not received any further information from Nevada State Legislature with regards to whether or not the innovation zone committee would continue.

Vice Chair Duerr asked if the committee will hold another meeting to discuss Innovation Zones and was there an amount of water rights identified beyond the 4,000 acre feet of treated effluent. Mr. Drozdoff replied not at this time and no, they did not publicly state how much would be needed.

Chair Dahir stated he has heard that others are now interested in the Innovation Zone idea o. It is important for TMWA to understand the concept, discussions and direction, and staff to stay informed and report back to the Subcommittee and TMWA Board.

Ms. Morris added staff have been discussing their concern about keeping Truckee River water resources in the area to serve TMWA's customers.

No action taken.

6. DISCUSSION, ACTION AND POSSIBLE DIRECTION TO STAFF ON ACTIVITIES OF NEVADA SUPREME COURT COMMISSION TO STUDY THE ADJUDICATION OF WATER AND TMWA PARTICIPATION IN SAME

John Zimmerman, TMWA Assistant General Manager, provided a bit of background and update to Subcommittee.

Vice Chair Duerr asked who would teach if lawyers are not allowed to teach at the judicial college training. Mr. Zimmerman replied both lawyers professors have presented in the past.

Member Hill asked how TMWA can position itself to support its operations and support those the State's goals. Member Hill requested more background about the commission. Mr. Zimmerman replied that recommendations will likely be part of the next legislative session. The Commission may be asked to support concepts or possibly new legislation.

Chair Dahir stated it is important to ensure we are staying informed and agrees with the concept of having someone who specializes in water to educate judges.

Mr. Zimmerman added not many water law cases go before District Court judges, but in general District Court Judges take time to understand the technical issues and did their best to make good decisions. TMWA staff supports any improvement about how water cases are decided. The Commission should provide some advance notice of any potential program and staff can bring any questions back to the Subcommittee.

Member Hill appreciated the details but would like additional information. Mr. Zimmerman replied the petition creating the commission would be provided and staff provide additional updates as they are made available.

No action taken.

7. DISCUSSION, ACTION AND POSSIBLE DIRECTION TO STAFF ON PROPOSED REGULATIONS OF THE STATE ENGINEER CONCERNING HEARINGS, MEETINGS AND PRACTICE AND PROCEDURE, AND APPLICATIONS FOR EXTENSION OF TIME AND TMWA PARTICIPATION IN SAME

Ms. Morris, TMWA Water Resources Manager, provided a brief background regarding the State Engineer's proposed regulations on practice and procedures and water right extension of time requests, These proposed regulations for extension of time would create additional staff time to comply but would

also discourage others from holding water rights that are not being put to beneficial use. The practice and procedure proposed regulations would provide more clarity to the State Engineer office a. Mr. Zimmerman added this process arose out of AB62 from the 2019 Legislative Session.

Vice Chair Duerr asked for staff to send them a copy of the letters and any future public comment provided regarding AB62. Ms. Morris replied she would include the draft regulations and a summary report of activities. Mr. Drozdoff added all regulations need to be approved by the legislative committee.

Chair Dahir thanked staff for the clarification, and it helps to have all the information prior to bringing items to the TMWA Board as a whole.

No action taken.

8. DISCUSSION, ACTION AND POSSIBLE DIRECTION TO STAFF ON PROPOSED REGULATIONS OF NEVADA DIVISION OF ENVIRONMENTAL PROTECTION ON ANTIDegradation AND ECOLOGICAL AND AESTHETIC WATERS AND TMWA PARTICIPATION IN SAME

Kara Steeland, TMWA Hydrologist, presented on the proposed Antidegradation and Ecological and Aesthetic Waters regulations that staff have been monitoring since 2020. Ms. Steeland provided an overview of the history, technical workshops, and TMWA, collaboration with partner agencies (City of Reno and Sparks, Washoe County, and TMWA). As drafted, the regulations are vague and staff believe they require further clarification and more specificity, but at this time are composed of two components: (1) extraordinary ecological and aesthetic waters (which is new for Nevada); and (2) anti-degradation regulations.

Chair Dahir asked about implications to the Truckee River Operating Agreement (TROA). Ms. Morris replied the proposed regulations relate to water quality and TROA deals with quantity and flow rates, but staff is closely monitoring to ensure there are no conflicts.

Vice Chair Duerr agreed with Chair Dahir in that water quality and quantity issues intersect and is pleased to see this issue being addressed now; she's looking forward to future updates.

No action taken.

9.. DISCUSSION, ACTION AND POSSIBLE DIRECTION TO STAFF ON EFFORTS TO SECURE STATE OR FEDERAL FUNDING FOR STUDYING OR DEVELOPING GROUNDWATER RESOURCES THROUGH ACTIVE AND/OR PASSIVE RECHARGE AND EFFLUENT REUSE PROJECTS

Ms. Morris stated she and Mr. Drozdoff have been working to secure federal and state, funding for TMWA projects. Ms. Morris provided an overview of federal legislation that may provide funding for water, wastewater, energy, transportation, broadband, wildfire and drought resiliency with possible passage on October 29th. Staff is hopeful the bill will pass and TMWA will obtain funding for infrastructure, drought resiliency, wildfire and watershed protection.

Chair Dahir asked about the passage of the infrastructure bill and if the funds could potentially go to TMWA or the jurisdictions. Ms. Morris replied the money will come to the state and jurisdictions. Mr.

Drozdoff added in addition to the potential federal funding which could be significant, the state has taken advantage of bond formulas to essentially earmark money for infrastructure projects.

Vice Chair Duerr confirmed there will be an established process or committee to process the federal funds in addition to the state revolving loan program for water and wastewater. She suggested that we engage Western Regional Water Commission (WRWC) since they have a broader mandate. Mr. Drozdoff replied that they are talking to both Cities of Reno and Sparks and Washoe County to best understand their priorities and engaging with state regulators to identify how they will handle funds from the infrastructure bill at the state and regional levels.

Mr. Foree added that not much has been done with the state infrastructure bank (no loan or principal forgiveness) and it is in competition with the State Revolving Fund, which has limited funding, and the first priority is grant funding. Mr. Drozdoff agreed, and the infrastructure bank comes from a good place with the state treasurer's office, and recognizes the state can be doing more in taking advantage of the state's credit program; coordination between the Department of Conservation and Natural Resources and the Treasurer's Office will be essential.

No action taken.

10. COMMITTEE COMMENTS

Member Duerr thanked staff for scheduling this meeting with all the activities happening in the interim. It is incumbent on staff to educate them as members of TMWA Board on water topics for general knowledge and to be able to make informed decisions.

11. STAFF COMMENTS

Mr. Foree added that with the information requests we've heard, we'll come up with a cheat sheet format. Ms. Morris added they will be added to this agenda and emailed to the Subcommittee.

12. PUBLIC COMMENT

There was no public comment.

13. ADJOURNMENT

With no further business, to discuss, Chair Dahir adjourned the meeting at 9:54 a.m.

Approved by the Legislative Subcommittee of the Truckee Meadows Water Authority on _____.

Submitted by,

Sonia Folsom, Recording Clerk