

**CLEAN WATER COALITION
MANAGEMENT BOARD
MINUTES
May 21, 2009**

I. CALL TO ORDER

The meeting of the Clean Water Coalition Management Board was called to order at 1:14 p.m., at the Clean Water Coalition, 150 N. Stephanie Street, Suite #130, Henderson, Nevada 89074.

II. CONFIRMATION OF POSTING AND ROLL CALL

Mr. Marshall confirmed the meeting had been posted in accordance with the Open Meeting Law by posting the agenda three working days prior to the meeting at Clark County Library District, Clark County Water Reclamation District, Clark County Government Center, Las Vegas City Hall Plaza, Court Clerk's Office Bulletin Board at the City of Las Vegas, Las Vegas Senior Citizens Center, City of Henderson Fire Station, City of Henderson City Hall, Paseo Verde Library, North Las Vegas Library, North Las Vegas City Clerk, and Clean Water Coalition office.

BOARD MEMBERS

PRESENT

Chairman Larry Brown
Vice Chairman Steven Kirk
Secretary Michael Montandon
2nd Alternate Board Member Steven Wolfson

STAFF

PRESENT

Chip Maxfield, Clean Water Coalition
Bob Marshall, Legal Counsel
Jim Devlin, Clean Water Coalition
Lynn Orphan, Clean Water Coalition
John Brumley, Clean Water Coalition
Martha Jones, Clean Water Coalition

III. ACCEPTANCE OF AGENDA

Mr. Maxfield requested that after the Consent Agenda Items, Agenda Item #20 be heard first, then Agenda Item #19 and then Agenda Item #18.

(Motion) Mr. Kirk made a motion to accept the amended agenda. The vote favored approval. Mr. Kirk declared the motion carried.

IV. APPROVAL OF MINUTES OF 03/24/09

Mr. Wolfson requested clarification as whether he is allowed to participate on the voting on the motion due to his non attendance at the March 24, 2009 Board meeting.

Mr. Marshall stated Mr. Wolfson is allowed to participate in that motion since he is an appointed alternate member of the Board, even though he was not present for the meeting.

(Motion) Mr. Montandon moved to approve the amended minutes of March 24, 2009. The vote was unanimous for approval. Mr. Kirk declared the motion carried.

V. NEW BUSINESS

Consent Agenda (Items 1 - 17 are routine and can be taken in one motion, unless a Board Member requests that an item be taken separately)

1. **Approval of the Second Amendment to the Agreement with HDR Engineering Inc. to Lower the Agreement Cost Ceilings for Basic and Supplemental Services for the Reach 0 - Effluent Interceptor Design and Bidding Services and the Reach 2 Pipeline Services During Construction.**
2. **Approval of the First Amendment to the Agreement with Kimley-Horn and Associates, Inc. to Lower the Agreement Cost Ceilings for Basic and Supplemental Services for the Wetlands Park Trail Design and Bidding Services, and Services During Construction.**
3. **Approval of the Second Amendment to the Agreement with MWH Americas Inc. to Lower the Agreement Cost Ceilings for Basic and Supplemental Services for the Reach 3 Tunnel and the Boulder Islands Outfall Design and Bidding Services.**
4. **Approval of the First Amendment to the Agreement with the Black & Veatch Corporation to Lower the Agreement Cost Ceilings for Basic and Supplemental Services for the Reach 4 (River Mountains Tunnel No. 3) and the Pressure Reducing/Power Generation Station Design and Bidding Services.**
5. **Approval of the Second Amendment to the Agreement with Westin Engineering Inc. to Lower the Agreement Cost Ceilings for Basic Services for the SCOP SCADA Project.**
6. **Approval of the First Amendment to the Agreement with the**

J.W. Zunino & Associates, LLC to Lower the Agreement Cost Ceilings for Basic Services for the SCOP Landscape Salvage, Storage, and Restoration Project.

7. **Approval of the First Amendment to the Agreement with the Black & Veatch Corporation to Increase Agreement Cost Ceilings for Basic and Supplemental Services In Order to Extend the Schedule and to Provide Reach 0 Design and Bidding support for the SCOP Project Lead Design Engineer (LDE).**
8. **Approval of the First Amendment to the Agreement with the CH2M Hill, Inc. to Lower the Agreement Cost Ceilings for Basic and Supplemental Services for the SCOP Project Construction Manager (CM).**
9. **Approval of the First Amendment to the Agreement with Dr. Gregg E. Korbin (PhD) to extend the Schedule for Basic and Supplemental Services with increased total cost for the SCOP Project Senior Review Panel Member.**
10. **Approval of the First Amendment to the Agreement with the W.D. Wightman & Company to extend the Schedule for Basic and Supplemental Services at no increase in total cost for the SCOP Project Senior Review Panel Member.**
11. **Approval of the First Amendment to the Agreement with Dr. Ronald Franklin Ott (PhD) to extend the Schedule for Basic and Supplemental Services at no increase in total cost for the SCOP Project Senior Review Panel Member.**
12. **Approval of the First Amendment to the Agreement with the Dayton & Knight to extend the Schedule for Basic and Supplemental Services at no increase in total cost for the SCOP Project Senior Review Panel Member.**
13. **Consider and Approve the Las Vegas Valley Watershed Advisory Committee's (LVVWAC) Regional Water Quality Plan.**
14. **Approval of Agreement for Financial Consulting Services with Hobbs, Ong & Associates (CWC Project No. 2009-05).**
15. **Approval of an Interlocal Agreement with Member Agencies to Provide Services to the CWC.**
16. **Approval of One-Year Extension of Agreement #2008-13 between CWC and H2Outreach for Public Education and Support Services.**

17. Approval of One-Year Extension of Agreement #2008-15 between CWC and Alpha Communications for Public Education and Support Services.

Mr. Maxfield noted Agenda Items #1 - #12 refer to Consultant re-negotiations of existing contracts. Mr. Maxfield reported that the Consultants as well as Jim Devlin and Dave Evans have worked hard to save the CWC over \$1.2 Million.

(Motion) Mr. Kirk moved to approve the Consent Agenda (Items #1 - #17). The Consent Agenda Items #1 - #17 were unanimously approved.

20. Role of CWC in Response to Board Direction at the March 2009 Board Meeting; possible Board direction to Staff.

A slide presentation was made to the Board outlining the Board's areas of inquiries which were grouped as follows:

-Adaptive Role of CWC

- Coordinate all wastewater uses.
- Regional management of wastewater.
- Optimize plant capacities.
- Single point of contact for all Federal, State, Local Agencies regarding water quality.
- Be a regional voice.
- Peer with SNWA, RTC, CCRFCD.
- Review and possibly amend the CWC Cooperative Interlocal Agreement.
- CWC should follow best practices model of CCRFCD, RTC and SNWA.

-Management of 208 Regional Water Quality Plan

- Should CWC manage any portion of the 208 Plan?

-Funding

- How to Fund expanded role – Source?

-Fold into SNWA

- Become part of SNWA.

The requirements and approvals needed to implement the Board's areas of inquiry were presented by Staff. To implement the first grouping would require amending the Interlocal Cooperative

Agreement. Amending the 208 Regional Water Quality Plan would require approval of the CWC Board, the Clark County Board of Commissioners, NDEP, the Governor, EPA and the governing boards of all Member Agencies. A funding inquiry would entail a review of current funding sources, discussion of funding sources with the Member Agencies such as regional charges, surcharges, user fees, connection fees, sales tax revenue, property tax, possible cost sharing and regional wholesale treatment costs/credits. Folding the CWC into the SNWA would require extensive approvals including approval by CWC's bondholders.

The Staff recommended that the CWC remain an independent agency and that the Board direct Staff to move forward exploring the issues raised by the Board at its March 2009 meeting and report back to the Board within six months.

There followed a discussion by Members of the Board with respect to this Agenda Item.

With respect to possibly amending the 208 Plan, Mayor Montandon felt that the EPA might not favor a new agency being responsible for administering part of the plan.

Mr. Brown expressed support for the six months time period recommended by Staff because it would give time for discussions with the Member Agencies regarding their views on the future role of the CWC and how fast to move on the SCOP project, given the changed economic circumstances in Southern Nevada at the present time. Mr. Brown expressed appreciation of the work done by Staff on this issue.

Mr. Marshall indicated that Board direction to Staff could be given without a motion.

Whereupon the Board directed Staff to pursue the issues presented by this Agenda Item, with the CWC to remain an independent agency, and to report back to the Board within six (6) months.

19. SCOP Analysis and Future Funding; Possible Board Direction to Staff.

Lynn Orphan first presented a slide analysis showing the effect on Lake Mead water quality with and without SCOP. The presentation showed high chlorophyll concentrations at the surface, trending from Las Vegas Bay if SCOP is not built and very low surface concentrations after SCOP is built and treated effluent is diffused at depth. The presentation was based on inflow of 300 MGD. In response to a question by Mr. Kirk, Mrs. Orphan indicated that

current inflow is about 180 MGD.

Mr. Kirk asked if modeling had been done based on the current flow of 180 MGD, assuming a lake level of 1000 feet, given current treatment levels, and whether or not an algae bloom was expected to occur this year.

Mrs. Orphan indicated that Staff had done model runs for a lot of different scenarios and did not anticipate an algae bloom to occur this year.

Mr. Maxfield presented an analysis, on slides, showing the benefits of starting the SCOP project now and the ultimate benefits once the project is completed. Initial benefits include connection of treatment plants, job creation (estimated at 502 jobs), a current favorable bidding environment and demonstration of a firm commitment to move forward to Federal, State and Downstream Stakeholders.

Mr. Maxfield next presented on slides, an organizational analysis showing 4 new positions needed for managerial depth and water quality work whether or not SCOP moves ahead now, and 5 positions needed if SCOP construction commences.

Finally, Mr. Maxfield presented, on slides, a funding analysis showing the original funding assumptions, with heavy reliance on connection fees, and current funding conditions which, with the drop in new construction, show a substantial shortfall in revenue. Mr. Maxfield's presentation showed a current shortfall of between \$30 and \$50 Million annually from that projected, with current revenue estimated at \$15 Million annually, sufficient to support \$150 Million debt, sufficient to commence the initial phases of SCOP.

Mr. Maxfield recommended that the Financial Task Force and the Citizens Advisory Committee be convened regarding timing and funding of the SCOP project, with the recommendations of Staff, the Financial Task Force and the Citizens Advisory Committee to be brought back to the Board within 180 days.

Mr. Wolfson asked if there were other alternatives to SCOP when SCOP was selected that should be looked at now that economic times have changed. In other words, is this the best project now for the money?

Mr. Maxfield indicated that in the EIS process, as expressed in the Records of Decision, out of all of the alternatives reviewed, SCOP was selected as the best. However, what Staff is recommending is that we review all present alternatives, identify what the issues are, what funding is available and come up with the best solution.

Mr. Wolfson asked, "If I understand what your recommendation on this Agenda Item is; you're not asking the Board to do anything that would commit any of the Member Agencies financially at all?"

Mr. Maxfield answered, "That is correct." He further stated that Staff's recommendation is to go back and discuss what all the timing issues are, being sensitive to water quality issues, with all of the Member Agencies and make sure everyone is on board before we move forward on SCOP.

Mr. Montandon stated that although Southern Nevada/Las Vegas are currently in a downturn, this will not always be the case, that Southern Nevada is a growing concern and that something will have to be done in the future.

Mr. Montandon made the following points:

- "Do nothing" is not an alternative.
- Las Vegas area is a growing concern.
- We will need something at some point in the future.

Mr. Marshall indicated that since the Board recommendation to Staff would involve the convening of two separate independent Task Forces, he would recommend that direction to Staff be done by motion.

(Motion) Whereupon, by motion duly made, seconded and unanimously carried, the Board directed the CWC Staff to convene both the Citizen's Advisory Committee (CAC) and the Financial Task Force (FTF) to analyze the matters presented by this Agenda Item and to report back to the Board within 180 days.

18. Conduct a Public Hearing on the Tentative Budget for FY 2009-2010 and Adopt the Tentative Budget as the Final Budget.

Mr. Maxfield requested approval of the Tentative Budget for FY 2009-2010 and adopt the Tentative Budget as the Final Budget.

Mr. Maxfield recommended that all budgeted items remain, but that capital expenditures for construction and additional staffing requests not be implemented without further direction from the Board.

On a question from Mr. Wolfson, Mr. Maxfield confirmed that even though 9 additional positions are in the budget, no expenditures would occur until personnel are hired to fill those positions.

Mr. Maxfield also confirmed that even though CIP items are in the

budget, that does not mean that the funds have to be spent. He also pointed out that no additional commitments are involved with respect to the Member Agencies beyond the current hook-up fees and current user fees. Mr. Maxfield indicated that the CIP is a planning tool and, until funds are authorized for expenditure and actually spent, no obligation is incurred merely by virtue of the CIP.

Mr. Kirk confirmed that although the budget contains 9 new positions, the Board doesn't want Staff to hire any additional persons until the staffing plan is brought back to the Board.

(Motion) Mr. Montandon moved to accept the Tentative Budget for FY 2009-2010 and adopt the Tentative Budget as the Final Budget with specific direction to Staff that actual construction expenditures on the CIP be held until the Board receives the report and additional expenditures on the operational side for additional staffing be held in abeyance until a staffing plan is brought back to the Board. The motion was unanimously approved and Mr. Brown declared the budget adopted in accordance with the motion.

VI. PUBLIC COMMENT

There was no public comment.

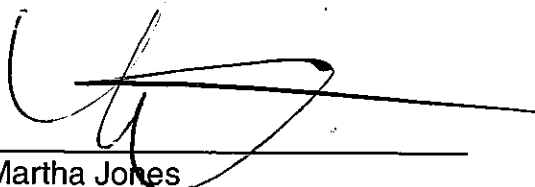
VII. SET NEXT MEETING

The date for the next Clean Water Coalition Management Board was set for June 23, 2009 at 1:00 p.m.

VIII. ADJOURNMENT

There being no further business to be discussed, the meeting was adjourned at 2:45 p.m.

Respectfully Submitted,



Martha Jones
Clean Water Coalition