

A meeting of the Walker River Irrigation District (WRID) Board of Directors was held on September 7, 2018. The meeting was called to order at 10:00 AM at the District Board Room, 410 N. Main St, Yerington, Nevada by President Jim SNYDER.

Present:

Jim SNYDER	President
David GIORGI	Vice President
Richard NUTI	Treasurer
Dennis ACCIARI	Director
Marcus MASINI	Director
Robert BRYAN	General Manager
Gordon DEPAOLI	Legal Counsel
Jessica SMITH	Bookkeeper

Public Present:

George Lindesmith	Silas Adams, WBC	Frank McDonough, DRI
Chad Walling, NSE	Sarah Fitchner, NSE	Jim Sciarani

1. **Public Comment:**

None presented.

2. **Roll Call and Determination of Quorum:**

All Board Members were present.

3. **Consideration of Minutes of the August 7, 2018 Regular meeting.**

One correction needed; change Judge Morandeaux to Judge Miranda Du. Treasurer NUTI made a motion to approve the minutes with the correction. Director ACCIARI seconded the motion. The motion was voted on and passed unanimously.

4. **Water Master's Report:**

GM BRYAN reported in the Water Master's absence. As of September 4, 2018, the decree has been set at 1859 on all stretches of the river and satisfying only the Tribe's duty. President SNYDER questioned whether there will be problems with getting the water to the Tribe; GM BRYAN advised he is trying to avoid any problems and the District is doing sediment removal to help with the low flows.

5. **Staff Reports:**

A. **Treasurer's Report**

Treasurer NUTI gave the Treasurer's report as of August 31, 2018:

Cash in Checking:	\$119,698.53
Cash in Money Market	\$1,342,841.05
Cash in CDs	<u>\$1,242,660.75</u>
Total	\$2,705,200.33

B. Consideration of Bills and Payroll for payment.

Bills & Payroll for August 2018

<u>Check Number</u>	<u>Effective Date</u>	<u>Vendor Name</u>	<u>Check Amount</u>
120348	8/7/2018	AFLAC	265.93
120349	8/7/2018	Ameritas Life Insurance Corp	787.40
120350	8/7/2018	Sticks and Stones Buildings	91.49
120351	8/7/2018	AT&T Mobility	173.92
120352	8/7/2018	The Paul Laxalt Group	6,500.00
120353	8/7/2018	NAPA AUTO & TRUCK PARTS	336.31
120354	8/7/2018	Mason Valley Quicknet	415.00
120355	8/7/2018	True Value	25.99
120356	8/7/2018	O'Reilly Automotive, Inc.	88.43
120357	8/7/2018	Purchase Power / Pitney Bowes	604.50
120358	8/7/2018	Jim Menesini Petroleum	1,149.22
120359	8/7/2018	NV Energy	332.39
120360	8/7/2018	Southwest Gas Corporation	37.38
120361	8/7/2018	D & S Waste Removal	25.00
120362	8/7/2018	O.A.K. CUSTOMS	723.70
120363	8/7/2018	Walker River Mechanical	74.46
120364	8/14/2018	Farm-Assist, Inc.	1,023.40
120365	8/14/2018	Giomi, Inc.	88.05
120366	8/14/2018	AT&T	133.58
120367	8/14/2018	Lyon County Recorder	48.20
120368	8/14/2018	Verizon Wireless	443.43
120369	8/14/2018	Wild West Chevrolet	22.50
120370	8/14/2018	City of Yerington	136.44
120371	8/14/2018	Sierra Office Solutions	114.81
120372	8/28/2018	Farm-Assist, Inc.	664.00
120373	8/28/2018	MBK Engineers	552.50
120374	8/28/2018	MF Barcellos	1,900.53
120375	8/28/2018	Quill	392.81
120376	8/28/2018	NV Energy	4,948.92
120377	8/28/2018	Alhambra	608.80
120378	8/28/2018	Standard Insurance Company	164.16
120379	8/28/2018	Tyres International	1,003.81
120380	8/28/2018	Vision Service Plan - Nevada	129.70
120381	8/28/2018	Xerox Financial Services	139.44
120382	8/28/2018	HomeTown Health	4,279.04
120383	8/28/2018	CT Corp.	368.00
120384	8/28/2018	ABC Fire	102.50
120385	8/28/2018	Sage Designs, Inc.	495.00
120386	8/28/2018	Sierra Office Solutions	89.00

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33,640.42

Total Bills & Payroll**63,120.16**

GM BRYAN advised the NRS 539.487 Annual Financial Publication has been completed on time. Director MASINI made a motion to pay the bills as presented. Vice President GIORGI seconded the motion. The motion was voted on and passed unanimously.

C. Manager's Report

GM BRYAN advised the current reservoir pools are:

Bridgeport 21,170 acre-feet (50% capacity)

Topaz 27,820 acre-feet (46% capacity)

There is still 13,259.03 acre-feet to be served from Topaz and 12,578.31 acre-feet to be served from Bridgeport. California Division of Forestry called and requested to use water from each reservoir to fight area fires, if needed. The amount of water they have used in the past has been very low and did not impact the reservoir levels by more than a couple acre-feet at most. GM BRYAN reported that the current flow at the Weir is 51 cfs and Wabuska is 39cfs so the Tribe's rights are being satisfied. The shop crew has been performing regular repair and maintenance. WRID rented a tractor and mower from Renner Equipment to perform maintenance on the Saroni, Plymouth, High and the drains to keep the vegetation under control. The District had the long reach excavator at the weir assisting with the dredge operations; unfortunately, the dredge pumps water but does not pump sand. Conversation with Dr. Styles points towards the problem that the dredge is stationary, and it needs to be mobile to work efficiently. The long reach is currently off Mason Road and is removing sediment and sand bars to help with the river flow. Some of the off-season projects will be gear toward sediment removal and control as budgeted.

GM BRYAN reported the Nevada Copper legal team and WRID legal team has been in communication and the District has okayed the site assessment to start. Nevada Copper has hired Resource Concepts out of Carson City to complete the assessment. GM BRYAN advised he and Gordon are working on lease language. The investors have indicated they want to purchase the property, but the particulars of the lease are still being evaluated. BRYAN will report any changes and/or progress to the Board.

GM BRYAN advised the Saroni Annual Board Meeting is being scheduled; the Smith Valley Library is going to be the location this year and the meeting should start at 8:00am. When the date is finalized, agendas will be posted.

GM BRYAN reported the Saroni WaterSMART Grant Phase I time extension was granted by BOR. The environmental studies are being performed; the firm from Carson City has indicated their portion will be completed by the end of September. Once that is complete, BOR will finish their part and hopefully the project can start.

GM BRYAN reported that Dr. Styles from ITRC was at the District from August 23rd - 31st. Dr. Styles surveyed the East and Main Drains and will create a report on how to improve the conveyance at the end of the drains. On August 28th & 29th, the Flow

Measurement & Canal Operations Class was held; there were over 30 people each day. The class seemed to be well received and a positive class. If the Board is interested, the District has a manual of what was reviewed.

GM BRYAN advised the City of Yerington has contacted him for permission to put a 2" water line along the East Drain from the cemetery to Cremetti Lane. As soon as information is received, GM BRYAN will advise the Board and get information distributed.

D. Legal Counsel's Report:

Counsel DEPAOLI advised the 9th Circuit Court issued an amended order certifying a second question to the Nevada Supreme Court (NSC). The second question is, 'If the Public Trust Doctrine applies and allows for reallocation of rights settled in the doctrine of prior appropriation, does the aggregation of such adjudicated or vested rights constitute the taking under the Nevada Constitution requiring payment of just compensation?' That question came out on August 20th; so far, the NSC has not reacted to the certification. They have not stated whether they will or will not accept it. In the meantime, he has requested that the NSC continue with the current briefing schedule until they decide what they are going to do with the second question. President SNYDER confirmed the Appeals Court is stating the question of takings needs to be decided by the NSC; DEPAOLI reminded the Board that the 9th Circuit had the second question in the footnote, the NSC responded that they accepted the first question, but the second question was not certified. The NSC advised the 9th Circuit that they could certify that second question, but the NSC has not indicated whether they will accept the second question. Treasurer NUTI questioned whether the 9th Circuit must accept the decision of the NSC no matter how they feel; DEPAOLI advised the 9th Circuit must go with the decision of the NSC.

Counsel DEPAOLI advised an order was received from the Judge in the Tribe/United States case. A status conference has been set for October 15th at 10:00am; DEPAOLI advised this will probably be the first of many in that particular case.

E. Review and Approval of Monthly Storage Transfers.

Vice President GIORGI made a motion to approve the monthly storage transfers. Director MASINI seconded the motion. The motion was voted on and passed unanimously.

6. Update from the Division of Water Resources regarding groundwater pumping and upcoming fieldwork schedules.

Chad WALLING reported groundwater pumping through the beginning of August is 10,450 acre-feet in Smith Valley and 24,900 acre-feet in Mason Valley. Both figures are within expectations as the decree has fallen. WALLING thanked GM BRYAN for the opportunity to attend the Flow Measurement Class; there was a large group from the NDWR and it was well received. WALLING reminded the District that dam safety inspections are coming up. WALLING advised there are a few personnel changes within the division; Calvin Hickenbottom is retiring with a last day of September 14, Tim Wilson has been chosen to fill the position; State Engineer Jason King has announced his retirement effective January 11, 2019.

7. **Update by Walker Basin Conservancy on activities related to the Walker Basin Restoration Program, including Acquisitions and Conservation and Stewardship Activities.**

Silas ADAMS reported the storage water lease is still in effect; water is available from Bridgeport only.

8. **Update by Bridgeport Ranchers Organization (BRO) on activities related to the Bridgeport Watershed Approach.**

No representative was present. GM BRYAN advised last he heard they were waiting for reports from NRCS and Dr. Tate.

9. **Presentation and Consideration of FY 2017-2018 Audit Report by Sciarani & Co.**

Jim SCIARANI reported the District requested less than \$750,000 in grant reimbursements so no single audit was needed. In looking at the graphs supplied, cash decreased by approximately \$166,000 but the District made equipment and vehicle purchases; assessments increased by approximately \$60,000; change of net position indicated a net loss of approximately \$40,058; operating expenses showed a slight increase of approximately \$40,000; legal expenses decreased.

In reference to the Financial Report, SCIARANI presented:

Pages 1-3: Unmodified opinion stating there were no irregularities or problems; internal procedures have improved dramatically; there were changes in GASB requirements in how post-employment benefits are reported; an actuarial valuation was completed and is included in the report.

Page 9: Statement of Net Position- Cash decreased by \$166,000; Delinquent Ditch Assessments \$48,000 this year vs \$52,000 last year; Pipeline Inventory \$81,280 purchased for the Saroni Canal.

Page 10: Liabilities: Long-term Liability \$139,000 is the required reporting for the post-employment benefits; Net Pension Liability \$509,506 vs \$414,895 due to WRID's contribution being increased in accordance with the PERS contribution requirements. Vice President GIORGI questioned why we are paying into retiree's health insurance; SCIARANI advised if an employee retired prior to a certain date, they could opt into the PEBS program and the District must pay into their healthcare.

Page 33: Net Pension and OPEB Liability Restatement- GASB 75 and GASB 82 required a restatement of the District's pension liability percentage.

Pages 11-12: Profit & Loss Statement- District Well Expense increased a bit; Lease Income decreased due to the Wabuska Lease being uncollectable from the evicted tenant; Legal Fees decreased; Emergency Action Plan was a new charge in the Reservoir Fund.

Page 13: Cash Flow Statement- Actual Assessments collected increased approximately \$40,000; Treasurer NUTI inquired how long entities are allowed to not pay assessments, DEPAOLI advised the assessments billed through the County are under the stipulations of the County, for the government agencies, the District just needs to be persistent at this point. Director MASINI questioned whether the District has the authority to not deliver water; GM BRYAN advised the Water Master has that authority.

Pages 50-51: Internal Control Report- SCIARANI advised in years prior, there have been multiple findings and weaknesses to report- this year there are no findings or weaknesses to report.

Vice President GIORGI made a motion to accept the FY 2017-2018 Financial Audit. Treasurer NUTI offered a second. The motion was voted on and passed unanimously.

10. Consideration and possible action on Walker River Irrigation District commitment to contribute \$30,000 to augment the State of Nevada funding for cloud seeding by aircraft in the Walker River Basin headwaters for the winter of 2018-2019.

Frank McDONOUGH with Desert Research Institute gave a brief history of cloud seeding programs in the Walker Basin. Several years ago, the State of Nevada funded a statewide cloud seeding program, but the program was suspended in 2008. Bureau of Reclamation then funded a program from 2010-2015 in effort to get more water to Walker Lake. The State of Nevada then funded a program in 2017 (which coincided with the wet winter) and the money is now going to be used this winter. Most of the State of Nevada money is being used to get the aircraft operable, securing an aircraft hangar, and to reestablish the infrastructure of the project. DRI is requested WRID partner with the project and contribute the budgeted \$30,000 to the cloud seeding program. GM BRYAN advised \$30,000 has already been budgeted, but this item is a formality to ensure the District wants to proceed with the partnership. Treasurer NUTI questioned whether the Tribe, Lyon County, City of Yerington, or any other entities have been approached for funding. GM BRYAN advised, to his knowledge, no other entities have been approached. Treasurer NUTI asked McDONOUGH if the Carson River is cloud seeded; McDONOUGH stated the Carson River does not participate, but the east legs of the Carson River will be seeded with the State money. NUTI inquired whether it would be easy to seed the Walker Basin, Carson River, and Truckee if they elected to participate. McDONOUGH advised the Truckee Basin would be a far stretch, but the Walker and Carson Basins could easily be seeded via aircraft. McDONOUGH advised the aircraft will be stationed in Minden instead of Sacramento, therefore saving money. McDONOUGH estimated that the expected SWE is 15-20,000 acre-feet for the winter. Treasurer NUTI suggested that more entities need to be approached and included in the project; McDONOUGH agreed and stated he would like to expand the participation and is accepting of contacts that he could reach out to. Counsel DEPAOLI suggested reaching out to Ed James with the Carson City Sub Conservancy. President SNYDER asked if the Tribes have been approached; McDONOUGH advised they have not. LINDESMITH advised he will contact the Tribes and will attempt to get them on board. GM BRYAN advised Jerry Emm with Bureau of Indian Affairs would be a good contact.

Director MASINI made a motion to fund the cloud seeding project for the 2018-2019 season with the budgeted funds. Treasurer NUTI offered a section. The vote was called for and passed unanimously.

11. Discussion and consideration of Walker River Irrigation District letters of support urging the Nevada System of Higher Education (NSHE) to include cloud seeding in

its proposed budget to be submitted to the Nevada Legislature and urging the Nevada Legislature to continue financial support for the NSHE cloud seeding program.

McDONOUGH reported the project is funding through Nevada System of Higher Education (NSHE) / Desert Research Institute (DRI). NSHE submits an annual budget to the State of Nevada and it was expected that the cloud seeding project would not be included in the draft budget. However, the budget did in fact include the project as an enhancement. Initially, DRI was requesting a letter of support from WRID to NSHE to show local support of the cloud seeding program. With the program being included in the draft budget, MCDONOUGH is now requesting a future letter to the Legislature showing WRID's support.

Director ACCIARI made a motion to submit a letter of support to the Nevada Legislature when necessary. Vice President GIORGI offered a second. The motion was voted on and passed unanimously.

12. Discussion and consideration for the adoption of Job Descriptions for District Equipment Laborer similar to job descriptions for State of Nevada and Lyon County employees in similar positions to become compliant with POOL/PACT as well as previous recommendations from District auditors.

GM BRYAN advised last month the Equipment Laborer position was vacant; that position is being filled this month and the job description must be approved. The Equipment Laborer job description is in alignment with the previous descriptions and only the description is being voted on.

Treasurer NUTI made a motion to accept the Equipment Laborer job description. Director MASINI offered a second. The motion was voted on and passed unanimously.

13. Discussion and consideration for the adoption of standardized pay-scale for all current District employee positions similar to pay schedules for State of Nevada and Lyon County employees.

GM BRYAN reported the District had a pay scale in place but voted to eliminate it and proceed with a merit-based increase in December 1999. GM BRYAN advised he gives all employees an annual review that reviews an employee's performance over the prior year. The pay increase is then based on merit and accomplishments, training, skills, etc. GM BRYAN invited the Board to review the employee reviews or to sit in on the review itself. The current merit increase is 2.5%, unless an employee has gone above and beyond what is expected of them, in which case, the General Manager has the authority to adjust that percentage. Going to a pay scale would hold the General Manager to what is printed on the approved scale. GM BRYAN advised he is not entirely comfortable with a set pay-scale. Treasurer NUTI inquired on whether POOL/PACT required the District to set the scale. GM BRYAN explained that POOL/PACT does not require a set pay-scale, they just recommended it. The pay-scale presented was compiled by taking the starting wages of the State of Nevada and Lyon County positions, calculating for the cost of insurance benefits, and setting the scale in the middle of the two entities. Director MASINI advised he sees benefits of having a set pay scale, but one problem with a pay scale is that it implies that an employee will get a set raise regardless of their performance; that creates problems when

an under-performing employee receives the same raise as an employee who has performed above and beyond their normal duties. GM BRYAN advised that was one reason for eliminating the scale in 1999. President SNYDER advised WRID has a great staff and not one position is overpaid; GM BRYAN agreed.

Treasurer NUTI advised the District has an 80,000-acre assessment base and if the budget increases so do the assessments. GM BRYAN advised an optional revenue source is for individual ditch companies to turn over operations, maintenance and assessments to the District. By doing that, the District's revenue would increase, and ditches would be regularly maintained.

Treasurer NUTI made a motion to table the wage scale topic and research other options. Director ACCIARI offered a second. The motion was voted on and passed unanimously.

14. Discussion and consideration for the adoption of pay grade scales for each adopted District Employee Job Description.

Director MASINI made a motion to table the item until further options are presented. Director ACCIARI offered a second. The motion was voted on and passed unanimously.

15. Discussion and consideration of revisions to Section 4, Performance Standards, Payroll, Compensation and Benefits, of the WRID Policy Manual to allow the General Manager to be paid for unused annual leave or for District to purchase and equivalent amount time in PERS.

GM BRYAN advised the Personnel Policy Section 4 language has been reviewed by Ellen with Woodburn and Wedge to include an option for full-time salary positions to purchase PERS service credits or pay out of unused vacation time in excess of 240 hours at the employee's annual hire date.

Director MASINI made a motion to approve the revision to Section 4 of the Employee Personnel Manual. Treasurer NUTI offered a second. The motion was voted on and passed unanimously.

16. Director Comments:

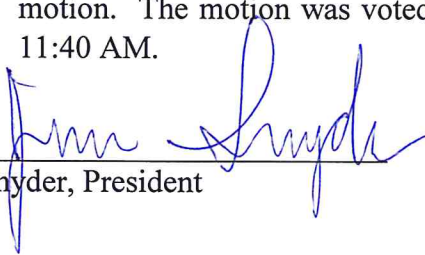
None presented.

17. Public Comment:

None presented.

10. Adjournment:

Director ACCIARI made a motion to adjourn the meeting. Director MASINI seconded the motion. The motion was voted on and passed unanimously. Meeting was adjourned at 11:40 AM.


Jim Snyder, President


David Giorgi, Vice President


Richard Nuti, Treasurer
Dennis Acciari, Director
Marcus Masini, Director