

Tuesday, January 2, 2018

The regular meeting of the Humboldt County Board of Commissioners was called to order on Tuesday, January 2, 2018 at 9:30 a.m. in the regular place of meeting at the Courthouse, Winnemucca, Nevada. Those present were Chairman Mike Bell (Commissioner Cerri assumed the duties of Chairman at 10:47 a.m.), Commissioners Jim French, Marlene Brissenden, Ron Cerri and Ken Tipton, District Attorney Michael Macdonald, County Manager Dave Mendiola and Clerk of the Board Tami Rae Spero.

PUBLIC COMMENTS: Chairman Bell asked for public comments. Shawn Nelson appeared before the Commission and voiced concern about comments made by a Commissioner regarding that, if the complaints made about the library had come from an out-of-state miner, he wouldn't care but because the complaints were coming from real, salt of the earth local families he was concerned; Mr. Nelson stated that he has been in the community for 20 plus years and he is just as equal in the County as anybody else, that he pays his taxes and that the out-of-state miners have been a part of this community for years and, while he respects the local families that started this community, he believes he should be held to the same standards, so if he comes to the Commission with a complaint he wants it to be as equal as the guy that is born and raised here. Mr. Nelson continued voicing concerns about actions taken by the County Manager related to the Library Board and the Library Director and Assistant Director at a Library Board meeting on August 15th including lack of sufficient notification to the Director about what would be discussed and lack of authority over the Board and Directors; he requested that the Commission review the minutes and record of the meeting. Mr. Nelson continued commenting on actions taken by the County Manager and Human Resources Director on December 21st related to contacting a Library Board member and directing her to cancel a Manpower contract where a prior employee had been hired to do a report which was a violation of the Open Meeting Law and again he requested that the Commission review the minutes and record of the Library Board meeting at which the issue was discussed. Mr. Nelson closed his comments by discussing comments made by the County Manager to Cyndi O the Library Director about her responsibilities in keeping the Library Board out of legal issues and how he had intimidated the Director and again asked the Commission to look into the situation. Chairman Bell asked for further public comments; none offered.

ANNUAL SERVICE AWARDS PRESENTATION TO HUMBOLDT COUNTY OFFICIALS AND

EMPLOYEES: Chairman Bell presented annual service awards to the following employees:

<u>30 YEAR PLAQUE:</u>	Building & Safety Dept.	Karen Johnson
<u>25 YEAR PLAQUE:</u>	Assessor	Jeff Johnson (not present)
<u>20 YEAR PLAQUE:</u>	Convention Ctr/Fairgrounds	Ramon Vaca

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District Attorney
Juvenile Probation

Nancy Jurad
Colette Hansen

Road Department
Sheriff

Tim Grady
Sonny Bengoa
Jacqueline Lynn

15 YEAR PLAQUE:

County Clerk
District Attorney
Road Department

Jody Clark
Sonia Ramirez (not present)
Don Johnson, Sr. (not present)
Darrin Quilici (not present)
Allen Armstrong
Trish Baker (not present)

Sheriff

Angel Cardenas
David Milton

10 YEAR PLAQUE:

Buildings & Grounds
Convention Ctr/Fairgrounds

Enoc Gaitan
Michelle Hammond-Urain

Public Defender

Brenda Keating
Matthew Stermitz (not present)

Sheriff

Maureen Macdonald

5 YEAR CERTIFICATE:

District Attorney
Justice Court
Juvenile Probation
Library
Sheriff

Hellie Casey (not present)
Richard Haas (not present)
Sasha Zurcher (not present)
Karrie Garcia
Kyle Ebert
Chris Sjoblom

Stevan Radmanovich (not present)

EMPLOYEE OF THE MONTH: County Manager Mendiola read the nomination form nominating Christina Berish of the Juvenile Probation Department as employee of the month for December of 2017. Chairman Bell presented Ms. Berish with a plaque.

APPROVAL OF MINUTES - Discussion and action on correction/approval of minutes for February 1, 2016, March 21, 2016, March 28-29, 2016, April 4, 2016, April 18, 2016, May 2, 2016, May 16, 2016, June 6, 2016, July 11, 2016, July 12, 2016, August 1, 2016, August 15, 2016, August 31, 2016, September 6, 2016, September 19, 2016, October 3, 2016, October 17, 2016, October 27,

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2016, November 15, 2016, November 28, 2016, December 12, 2016, January 3, 2017, January 17, 2017, January 30, 2017, February 6, 2017, February 21, 2017, March 6, 2017, March 20, 2017, March 27, 2017, April 3, 2017, April 10, 2017, April 17, 2017, May 1, 2017, May 15, 2017, June 5, 2017, June 19, 2017, July 10, 2017, August 7, 2017, August 21, 2017, September 18, 2017, October 9, 2017, October 23, 2017 and December 11, 2017: No minutes submitted for consideration.

CONSENT AGENDA: The following items were presented under the consent agenda for consideration:

1. Tax Roll Adjustment - Grauvogel refund of \$135.80 for tax year 2017-2018
2. Tax Roll Adjustment - Grauvogel credit of \$50.65 for tax year 2017-2018

The following motion was made by Commissioner Brissenden and passed unanimously:

To approve the consent agenda as presented.

GOLCONDA GENERAL IMPROVEMENT DISTRICT MATTERS: Chairman Bell convened the meeting of the Golconda General Improvement District Board at 9:59 a.m. Chairman Bell asked for public comment; none offered.

CONSIDERATION OF, DISCUSSION AND POSSIBLE APPROVAL OF EXPENSES FOR THE TIME PERIOD FROM DECEMBER 7, 2017 THROUGH DECEMBER 29, 2017 RELATED TO THE OPERATION OF THE GOLCONDA GENERAL IMPROVEMENT DISTRICT FOR THE EXPRESS PURPOSE OF MAINTAINING AND IMPROVING THE WATER SYSTEM:

County Manager Mendiola reviewed the expenses for the period. The following motion was made by Commissioner Brissenden and passed unanimously:

To approve the Golconda GID expenses for \$1,873.38.

With no further business to come before the Golconda General Improvement District Board, Chairman Bell adjourned the meeting at 9:59 a.m.

MCDERMITT GENERAL IMPROVEMENT DISTRICT MATTERS: Chairman Bell convened the meeting of the McDermitt General Improvement District Board at 9:59 a.m. Chairman Bell asked for public comment; none offered.

CONSIDERATION OF, DISCUSSION AND POSSIBLE APPROVAL OF EXPENSES FOR THE TIME PERIOD FROM DECEMBER 7, 2017 THROUGH DECEMBER 29, 2017 RELATED TO THE OPERATION OF THE MCDERMITT GENERAL IMPROVEMENT DISTRICT FOR THE EXPRESS PURPOSE OF MAINTAINING AND IMPROVING THE WATER OR SEWER SYSTEMS:

County Manager Mendiola reviewed the expenses for the period. The following motion was made by Commissioner Bell and passed unanimously:

To approve the expenses for the McDermitt General Improvement District for

\$15,376.53.

With no further business to come before the McDermitt General Improvement District Board, Chairman Bell adjourned the meeting at 10:00 a.m.

PARADISE VALLEY SEWER DISTRICT MATTERS: Chairman Bell convened the meeting of the Paradise Valley Sewer District Board at 10:00 a.m. Chairman Bell asked for public comment; none offered.

CONSIDERATION OF DISCUSSION AND POSSIBLE APPROVAL OF EXPENSES FOR THE TIME PERIOD FROM DECEMBER 7, 2017 THROUGH DECEMBER 29, 2017 RELATED TO THE OPERATION OF THE PARADISE VALLEY SEWER DISTRICT FOR EXPRESS PURPOSE OF MAINTAINING AND IMPROVING THE WATER OR SEWER SYSTEMS:

County Manager Mendiola stated that there were no expenses for consideration for the Paradise Valley Sewer District.

With no further business to come before the Paradise Valley Sewer District Board, Chairman Bell adjourned the meeting at 10:01 a.m.

MISCELLANEOUS REPORTS AND CORRESPONDENCE:

OTHER INFORMATION AND UPCOMING MEETINGS: Upcoming meetings were included on the on-line agenda for review. Manager Mendiola noted that the January 16th and February 5th Commission meetings as well as the January 29th retreat would be taking place at the City Council Chambers as the County Meeting Room is being painted.

REPORTS FROM COMMISSIONERS REGARDING OTHER BOARDS AND COMMITTEES

THEY SERVE ON: Commissioners Brissenden and French discussed a teleconference that had occurred with Andy Reiber related to the County Water Plan and integrating it with the County's Master Plan as well as including language related to out of county water transfers. Commissioner Brissenden reported on a Humboldt Development Authority meeting she had attended and noted the upcoming Winnemucca Futures meeting. Commissioner French provided an update on the status of both the PILT and Secured Rural Schools federal funding noting that SRS is currently dead which creates an issue with the formula for PILT which will result in a reduction in allocations; he continued discussing changes/issues with the BLM Interim Management Policy for Greater Sage Grouse. Commissioner Cerri reported on a Winnemucca Convention and Visitors Authority meeting he had attended at which it had been noted that room taxes are continuing to increase, that grants for various community events/organizations had been approved and discussion had occurred about naming the west hall of the convention center for Bill Macdonald but Mr. Macdonald had respectfully declined so the matter had been tabled. Commissioner

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Tipton reported on a hospital board meeting he had attended at which the hospital's financial report had been presented, an update on the construction had been given and discussion had occurred about the opioid crisis. Discussion ensued related to the opioid crisis including the new restrictions, the numbers of issues in the County and the class action suit filed by the State. Chairman Bell offered no report.

APPROVAL EXPENDITURES FOR HUMBOLDT COUNTY FOR 12-7-2017 THROUGH 12-29-

17: A copy of the expenditures for the identified period was provided to the Commission for review. The following motion was made by Commissioner French and passed unanimously:

To approve as presented.

LIBRARY: Library Board Member Georgette Olsen and Interim Library Director Jessica Anderson appeared before the Commission.

APPROVAL TO HIRE TWO FULL-TIME LIBRARY ASSISTANTS: Consideration, discussion and possible approval to hire two full-time Library Assistants for the Humboldt County Library as the 120-day waiting period has expired and currently the positions have been filled through Manpower. Interim Director Anderson reviewed the request to fill two full-time library assistant positions that have been vacant for 120 days. Commissioner French asked if, given that the positions had been vacant for 120 days, the opinion is that the positions are essential or can the library get by without the positions. Interim Director Anderson stated that the positions are essential as they have had to use Manpower temporary personnel to cover the duties. Commissioner Brissenden questioned whether these positions should be filled before the new Director is hired. Interim Director Anderson noted that the prior Director had interviewed the Manpower people and they will be able to apply for the positions; she noted that it seemed unfair to keep them in their current capacity without any benefits. Commissioner Brissenden asked what the positions being filled are and questioned if any management positions are going to be filled. Manager Mendiola stated that the two positions being requested are entry level positions. Interim Director Anderson noted that there are currently four regular employee positions open not including management positions. Commissioner French asked what the status was for hiring the new Director. Mrs. Olsen responded that the Library Board has not started the process yet, that it would begin at the next Board meeting; she continued commenting on the difficulties of operating the library when staff is down four so they are using a skeleton crew which is requiring overtime use, that the positions are included in the current budget and they had waited the 120 days as required by the Attrition Policy. Manager Mendiola suggested that this is not the place to cut back on people, that his opinion is that they are operating with a skeleton crew and this is a vital hire. Commissioner Brissenden questioned the use of overtime when Manpower people are being used. Interim Director Anderson explained the necessary

coverage required for the programs offered especially on Saturdays. Manager Mendiola noted that the plan would be to hire two and to continue to use two from Manpower to cover. After discussion the following motion was made by Commissioner French and passed with Chairman Bell and Commissioners Cerri, French and Tipton voting aye and Commissioner Brissenden voting nay:

To approve the request to fill the two temporarily filled entry level positions at the Library as requested.

Commissioner Brissenden offered the following comment stating that she has been in public office since 2012 and served on several different boards with directors, CEOs, County Administrators and she has had a very good experience with all of those folks being manipulators but even though they are manipulators it is the trustees duty to take care of that, they are the bosses of each one of these and they are here to be the voice of the people on this Board, they are not here to be the voice of that person that they are the boss of, they are the voice of people they are representing on these boards; that when she heard that the Library Board was given two legal opinions/recommendations to not keep the past Library Director and they went against that advice, that really disappointed her and while the Commission has no control over the Director of the Library, they do over every one of the board members and she is completely disappointed that the board went against the legal advice which has left the County in a very high liability state right now and it is completely inappropriate and makes her really sad to have heard that the Library Board did this. She continued stating that it had made her even more sad when she heard that the Library Board went against everything, all that was right, when an employee was fired by our County Manager, the Board went, it was like a slap in the face to the County, and hired the employee back, it doesn't matter that it was through Manpower, what was the Library Board saying to the County? What was being said was "take this County". Audience Member Susan Putnam asked (from the audience) if this item is included on the agenda. Commissioner Brissenden responded that it doesn't matter, she is able to say this at this point and she is saying it and she does not want any responses, this is her final say on this, that she is very disappointed and that as Commissioners they have every right to appoint and replace the Library Board. Audience member Mary Beene (from the audience) asked if the Commission wants their resignation. Commissioner Brissenden stated that she was not saying anything more. Audience member Susan Putnam (from the audience) commented that she would be happy to appear at a meeting but that she did not think that Commissioner Brissenden had the right at this public meeting to make these comments. Commissioner Brissenden stated that she is a Commissioner and this is a library agenda item and she said it and it is done. Audience member Susan Putnam (from the audience) inquired of the District Attorney. District Attorney Macdonald responded that the Board cannot take any action.

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Audience Member Susan Putnam (from the audience) stated that she is happy to discuss the issue as the Library Board and the Commission is welcome to attend their next meeting but this is not on the agenda and so she is asking Mr. Macdonald for a comment. Chairman Bell stated that this is not on the agenda but that Commission Brissenden as a Commissioner has the right to express her opinion at this time, there will be no action taken upon that opinion and what was said, was said.

ACCEPT THE ANNUAL STATE COLLECTION DEVELOPMENT AWARD OF \$11,078.00

APPROVED FOR SUBMISSION ON SEPTEMBER 19, 2017: Interim Director Anderson explained the purpose of this grant. After discussion the following motion was made by Commissioner French and passed unanimously:

To approve.

ACCEPT THE ANNUAL STATE BOOKMOBILE AWARD OF \$22,520: Interim Director Anderson spoke in support of this request. The following motion was made by Commissioner French and passed unanimously:

To approve.

INFORMATION UPDATE: THE LIBRARY BOARD WILL UTILIZE POOL/PACT TO BEGIN

THE LIBRARY DIRECTOR SEARCH AND RECRUITMENT: Mrs. Olsen explained that as the other companies that handle recruitment were costly, the Library Board had decided to go ahead with POOL/PACT for the search and recruitment of a new Director.

The Commission took a 5 minute recess.

FIX THE TERM OF THE CHAIR AND VICE-CHAIR, NOMINATE AND ELECT CHAIR AND

VICE-CHAIR: Consideration, discussion and possible action to set the term of the office of chairman and vice-chairman of the Board for the Humboldt County Commission to possibly include nomination and election of chairman and vice-chairman of the board and fix term of each appointment for one year or longer pursuant to NRS 244.040. The following motion was made by Commissioner French and passed unanimously:

To set the term of the Chairman and Vice Chairman at one year.

The following motion was made by Commissioner French and passed unanimously:

To nominate Commissioner Cerri as Chair for 2018.

The following motion was made by Commissioner Brissenden and passed unanimously:

To nominate Jim French as Vice-Chair.

Commissioner Ron Cerri assumed the duties as Chairman.

DETERMINATION OF COMMISSION ASSIGNMENTS FOR 2018: Consideration of, discussion

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and possible approval of the specific assignments for individual Commissioners regarding other Boards and Committees on which they serve including the Nevada Association of Counties (NACO), Regional Airport Board, Humboldt River Basin Water Authority (HRBWA), Western Interstate Region (WIR), Legislative Interim Land Council, Humboldt Development Authority (HDA), Winnemucca Convention & Visitors Authority (WCVA), Hospital Board, Humboldt Foundation, Northeastern Nevada Regional Development Authority (NNRDA), Humboldt County Elk Planning Steering Committee and the State Land Use Planning Advisory Council (SLUPAC). Commissioner Tipton asked if there would be an opening on the NACO Board given Commissioner French's appointment to the WIR. Commissioner French responded that technically there would be but because he has been selected as the second vice-president of NACO he would have to remain on the executive board for NACO which would make appointing a second Commissioner difficult; additionally he noted concerns about creating the appearance that the rurals are trying to grab control from the urban areas. After further discussion the following motion was made by Commissioner French and passed unanimously:

To continue the assignments as they were for another year.

COMPTROLLER: Comptroller Gina Rackley appeared before the Commission.

APPROVAL OF PETITION AND RESOLUTION FOR EXEMPTION FOR THE GENERAL IMPROVEMENT DISTRICTS: Consideration, discussion and possible approval of a petition and resolution for exemption to the State of Nevada Department of Taxation for Golconda Water District, McDermitt General Improvement District and Paradise Valley Sewer - filing a tentative budget for the 2018-2019 fiscal year, filing an independent audit report for the 2017-2018 fiscal year, publishing requirements of the Local Government Budget and Finance Act, other than the annual publication of a notice of budget adoption and filing, maintaining account records on an accrual or modified accrual basis. Copies of the proposed Petitions and Resolutions for Exemption for Golconda Water District, McDermitt General Improvement District and Paradise Valley Sewer District were included on the on-line agenda for review. Comptroller Rackley reviewed this request for the Commission. The following motion was made by Commissioner Bell and passed unanimously:

To approve the petitions and resolutions for exemption for the General Improvement Districts.

(Resolutions No. 01-02-18/01-02-18a/01-02-18b)

2018 BOARD OF COMMISSIONERS RETREAT PLANNING: Consideration, discussion and possible approval of the date, location and time allotment for the annual Commissioners retreat to include topics for the Commission to discuss including but not limited to: revenue shortfall and milestones for

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action to cut expenditures, infrastructure updates for 2018-19, 911 service fee increase to cover 911 costs, update on Sage Grouse Supplemental Environmental Impact Statement (SEIS), budget goals for the Management Team, grants/contributions process, ADS conversion update and net proceeds/PILT expectations. Manager Mendiola reviewed the items currently set to be included on the retreat agenda and asked if the Commission had any additions. Commissioner French requested that discussion occur with the Planning Department about reviewing the County Master Plan related to including the new Water Plan language and public lands language. Commissioner Brissenden requested that discussion occur regarding the issues with the Compensated Absences Fund and the purchase of credits prior to retirement and that discussion occur with Lynn Zong of RCI regarding a waste water plan for Grass Valley. After discussion the following motion was made by Commissioner Bell and passed unanimously:

To approve the topics provided and to include the topics requested by Commissioners Brissenden and French.

COOPERATING AGENCY STATUS REQUEST FOR BLACK ROCK CITY, LLC: Consideration, discussion and possible action to request Cooperating Agency Status with the Department of Interior, Bureau of Land Management, for the new permit proposal for the 2019-2028 Burning Man event. Manager Mendiola informed the Board that he had received a letter from the BLM asking if Humboldt County would like to be involved with the Burning Man event as a Cooperating Agency and commented that the event does impact Humboldt County so it would be appropriate to be involved; he noted that he can represent the County but that a Commissioner could be appointed as well. Commissioner Brissenden volunteered to serve. The following motion was made by Commissioner French and passed unanimously:

To request Cooperating Agency Status with the Department of the Interior, Bureau of Land Management, for new permit proposal for the 2019-2028 Burning Man event and to appoint Dave Mendiola and Marlene Brissenden as point.

ROAD DEPARTMENT: Road Superintendent Ben Garrett appeared before the Commission.

GENERAL ROAD PROJECTS: Superintendent Garrett reported on the following Road Department projects: update on crushing in North Valley, Reinhart and Jungo/Blue Mountain; road grating; culvert installations; the chlorinator installation in Golconda; sewer line cleaning in McDermitt; hydrant replacement in McDermitt and water leak repairs in both McDermitt and Golconda. Superintendent Garrett continued discussing the status of the Eden Valley Bridge Project. Commissioner French asked what the price change has been over the nine years this project has been under consideration. Superintendent Garrett reviewed the costs over the years but noted that the cost will not really be known until the project goes out to bid; he further stated that the biggest hold up has been the need to secure the

necessary right-of-ways and suggested that if the County were ever to look at this type of project again it would be better to secure the right-of-way themselves noting that the right-of-way is a huge investment. Commissioner Cerri asked about the pump failure with the water system in McDermitt and why the alert had not worked and if replacement would be necessary. Superintendent Garrett stated that the issue is still being looked at to determine what exactly occurred. Discussion ensued regarding how the situation could be addressed.

ADMINISTRATION: Human Resources Director/Assistant County Manager Abel Del Real-Nava appeared before the Commission.

REQUEST TO RENAME THE HUMBOLDT COUNTY ROAD DEPARTMENT THE HUMBOLDT COUNTY PUBLIC WORKS DEPARTMENT: Consideration, discussion and possible approval to rename the Humboldt County Road Department the Humboldt County Public Works Department to better represent the varying responsibilities this department now holds since the takeover of the Golconda and McDermitt water systems and the McDermitt and Paradise Valley Sewer Systems. Included on the on-line agenda for review was a letter from Director Del Real-Nava reviewing the recommendation to rename the Humboldt County Road Department. Director Del Real-Nava reviewed the proposal for the Commission noting the additional responsibilities taken on by the Road Department related to the General Improvement Districts. Commissioner Cerri asked if there would be four different departments given that each District has its own Fund and the Road Department is also a separate Fund. Director Del Real-Nava explained that the financial aspects would not be combined. Superintendent Garrett commented on the funding for each of the entities and noted that this would just be defining the functions of the Department. Commissioner Bell asked if the job descriptions would need to be changed and if this would result in any additional costs. Director Del Real-Nava stated that a compensation study is being done but that it appears that salaries would be similar. Commissioner Cerri stated that he had some reservations about this proposal as he would hate to see the Road Department lose its identity as the maintenance of the roads is a large part of the responsibility for the Department. Director Del Real-Nava explained that a public works department deals with infrastructure including roads. Commissioner Cerri continued suggesting that this type of change should not occur until the Department is spending more time on the Districts. Superintendent Garrett responded that the duties currently equal one full-time person or two part-time positions, and that as they move forward with more of the deferred maintenance that will increase; he explained how the proposal could work. Commissioner French observed that if this is done the costs of the employees would need to be offset by the GIDs. Superintendent Garrett explained how both employee time/costs and equipment usage is being tracked. Discussion ensued as to how other

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counties handle this department, that the Road Superintendent position would need to be reclassified as the Public Works Director with a new job description and that a job study will be done but there would not be a significant fiscal impact. After discussion the following motion was made by Commissioner Brissenden and passed unanimously:

To re-name the Humboldt County Road Department to the Humboldt County Public Works Department.

TRAP RANGE POLLUTION INSURANCE POLICY: Consideration, discussion and possible approval of a renewal pollution insurance policy between USI Insurance Services and Humboldt County Trap Range to cover the Humboldt County Trap Range for either a three-year (\$38,884.58) or a five-year (\$57,723.73) term. This policy is required to be in force as part of the settlement with the adjacent property owners to the trap range. District Attorney Macdonald noted that this requirement is part of a settlement previously entered after it was discovered that part of the operation of the trap range was extending into the adjacent property owners property; that part of the settlement included the County obtaining some additional property as well as the County acquiring this insurance policy that protects against any possible pollution that may result from the use of the County's property as a trap range; he further noted that there is periodic reclamation done but it is not an exact science and the discussion previously had been to the cost of testing the property for contamination could be high so the Board agreed to both obtain the additional property and obtain this policy to cover any claims in the future. District Attorney Macdonald recommended that the Commission choose the five-year policy due to the cost savings and further noted that while liability coverage is available through POOL/PACT it does not cover pre-existing pollution issues so that is why the separate policy is required. Commissioner French stated his understanding of the need for this but wondered whether these costs could be passed on to the trap range users rather than born by the taxpayers noting that the shooting range is self-sufficient. Manager Mendiola responded that he could research that possibility. District Attorney Macdonald suggested that the lease agreement could also be reviewed to see if there might be the ability to recoup some of the costs through that. Manager Mendiola stated that he could look at it. The following motion was made by Commissioner French and passed unanimously:

To accept the five year insurance term with USI Insurance in the amount of \$57,723.73 and direct the County Manager to start discussions with the Trap Club to try and recover some of the expenses for those premiums.

PROTEST OF WATER APPLICATION #87492 TO DIVERT UNAPPROPRIATED WATER FROM HUMBOLDT RIVER: Consideration, discussion and possible approval to protest an

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application to the State Water Engineer by US Water & Land, LLC to appropriate 4.4.4 c.f.s. and divert approximately 300,000 acre feet of unappropriated water from the Humboldt River at potentially four specific sites along the Humboldt River per NRS 533.365. A copy of the Application for Permit to Appropriate the Public Waters of the State of Nevada filed by US Water and Land, LLC with the State Engineer's Office on November 21, 2017 was attached to the on-line agenda for review. Manager Mendiola noted that this item was placed on the agenda following a notice which was published in the Humboldt Sun as there is a specific period of time during which a protest can be filed if the Commission would choose to do so; he noted that there are both good things and concerns with the proposal so that is why he felt a dialog related to it would be good. Chairman Cerri read the purpose of the project from the application and noted that this may be thinking outside the box and may have some real benefits. Sam Routson, Chief Administrative Officer for Winnemucca Farms appeared before the Commission and explained the plan which proposes to create an aquifer storage and recovery project discussing the time line, the benefits, the financial investment and the need for water storage during plentiful water years to cover drought years. Commissioner Brissenden referred to a pipeline proposal which would send water to Fernley and Las Vegas and asked if this proposal would enable that to happen and how does it play into the plan. Mr. Routson responded that these are two separate proposed projects and discussed how this aquifer-recovery project could assist with issues related to senior and junior water right holders on the Humboldt; he continued commenting on the need to think outside the box and the need to address Nevada's future water needs. Commissioner Cerri asked if it was correct that the water being stored would not only be for Winnemucca Farms agricultural use but would also be used to augment river flows in dry years. Mr. Routson stated that would be one possible use and that the State Engineer has indicated his support of this approach because they believe that water storage projects particularly surface water is not going to come about and if Nevada is going to have any type of water storage it will probably be an Aquifer Storage and Recovery (ASR) site. Commissioner French referred to calls he had received from constituents related to concerns that this proposal would effect the water which goes into the Humboldt Sink, which has value and is used for the wildlife management area and so he would not support a policy that would effect the end stream flows and the wildlife in the Humboldt River system; he noted that he is not stating this as a statement of opposition but rather as a concern that we would put or ask for a policy that would or could circumvent the long term storage or any junior right storage for a wildlife management area or end flow on a stream that has wildlife and fisheries value. Mr. Routson stated that the wildlife and fisheries have a right of their own for a certain amount of water and this request would not impact that right; he noted that the State engineer has the means and experience to regulate the water

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flows and the access proposed, to any water coming down the river which would be subject to any surface or sub-surface rights. Commissioner French stated his appreciation of that but that there is a recognition of end stream flow on the river that could be, by policy, impacted over time and that is why he wants to make sure there is conversation about that. Commissioner Tipton questioned if pumping out the proposed acre feet of water in a flood year would reduce the flood plane to go into the proposed ASR, then it would not really make the river system whole again after a drought. Mr. Routson responded commenting on how the ASR would be used in a flood year to store water that would be otherwise wasted. Commissioner Tipton asked about the cost of water that could be released to the downstream users given the cost of the ASR and the status of a volcanic dam that had been referred to in prior presentations that kept the waters in Paradise Valley from creeping into the Humboldt. Mr. Routson responded noting that the cost of the ASR Project is currently unknown but will be determined by the engineering studies, that the figures quoted are just place holders however an ASR Project will be expensive. Mr. Routson continued responding to Commissioner Tipton's question about the structure explaining that those findings were based on prior studies however subsequent studies have shown that the structure is permeable to some degree which allows water to go between the basins, at least minimally. Commissioner Bell asked if other users have been approached about this plan and are they willing support it and share the costs. Mr. Routson responded that not many are willing to look out of the box and not many are willing to be involved due to the cost but that he does foresee that some individuals will want to become involved in the future. Discussion ensued regarding the possible use of this plan for anyone found to be impacting senior water rights and the benefits of this project to other water right holders in Humboldt. Commissioner Brissenden stated that if the Commission does not protest this proposal it is negligent as she does not trust that this water will not be shipped out to Las Vegas or somewhere as was indicated by the other proposal. Chairman Cerri noted that the application does not say that. Commissioner Brissenden agreed that it doesn't but questioned what would keep them from doing exactly what she said. Commissioner Bell commented on the benefits that he sees with the proposal plus he noted that there is still a lot that needs to be vetted with the proposal; he suggested that it may be premature to protest though if this were an out-of-basin transfer he would be opposed. Discussion ensued regarding whether once the water is acquired what would be needed for it to transfer out-of-basin, how would the storage of water be triggered and the ability of moving the water from a basin to the river. Chairman Cerri commented that this project could assist in addressing issues that could result in the State Engineer curtailing wells in Humboldt County which would have a severe economic impact on Humboldt County. Commissioner Brissenden asked whether this type of process has been done and if so if it

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worked effectively. Mr. Routson responded noting that ASR is a proven science/technology and that no one else is doing anything to address the problem; he commented on the benefits of this proposal and noted that a certain set of circumstances must occur for ASR to occur. Discussion occurred regarding ASR and how it works. Commissioner French stated that he is all for injecting water and actually trying to mitigate some of the effects of ground water pumping has for the senior holders in Pershing County but where he departs from the plan is when they begin talking about utilizing that water in another location especially if it leaves this county and its economic benefit leaves the County, he cannot support that. Chairman Cerri stated that would be another application and further commented that it is key to this project will not be infringing on anybody's water rights, any water right that has water coming will be served. Commissioner Brissenden stated that she does not believe that and she feels that if the Commission does not protest this application, it makes it very easy for them to do another application, so if the Commission protests now it will nip it in the bud, that water is very important to this County and she feels it needs to be protected so the Commission needs to protest this application. Manager Mendiola asked Mr. Routson, if this project proceeds and the water is injected, who would administer those waters. Mr. Routson responded that the State Water Engineer's personnel will make the determination when water is available to place in the ASR and that he would expect the State Engineer and their personnel to be deeply involved in the decisions and administration of the water. Discussion occurred regarding how the water injected is credited to holders and how it can be used, the beneficial use and possible uses the water could go to including agricultural based on what the State allows. Commissioner Brissenden noted her understanding that US Water is a water broker and that this water and project could improve Winnemucca Farms sale price; that she does not see this benefitting the County and she is very concerned. Commissioner Cerri asked if another application would be required for the storage. Mr. Routson responded that a number of State agencies will be involved with this project and it may be possible that storage may require State approval depending on how everything works out. Commissioner Tipton asked about the point of diversion. Mr. Routson responded that they are working with not only Desert Mountain Surveying but also the Crawford and Piquet families as their properties would be involved. John H. Milton, III of Desert Mountain Surveying reviewed the four locations selected and noted that if there was to be a change of point of diversion or of use a new application would be needed and the process would start over. Commissioner French noted the figures indicated in the application related to acre feet of water and asked if Winnemucca Farms is intending to farm additional land to use the additional amount. Mr. Routson responded that they were not. Commissioner French asked if they would then need to have either a storage permit or permission to move the water out of the basin? Mr.

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