

## Ruhenstroth Water Planning Steering Committee

Meeting Minutes – September 11, 2007

Members of the Ruhenstroth Water Planning Steering Committee met at 4:00PM at the Ruhenstroth Volunteer Fire Department Training Room with Douglas County Personnel. Committee members present were Jim Liles, Rick Oliver, Tom Stanley, Mike Morley, Pat Hawks, Mark Gonzales and Stephanie Hicks. Douglas County representatives present were Doug Johnson, Carl Ruschmeyer and Michael Brown.

The agenda followed the list of questions that was forwarded to Carl on September 7, 2007. The questions were as follows:

- 1) The committee would like to see a written estimate of your preliminary breakdown of costs you ascertained to reach the estimated \$12M figure for a complete water system servicing the area.
- 2) How much of this cost would be eligible for grants or loans based on what little information you have in respect to the median household income? What are the particular programs (besides AB198) and funding sources you anticipate using and could you give us any kind of a timetable for applications, funding, approval, design and construction, etc. Will our data collection efforts in tracking water levels be anticipated as being useful in procuring such funding and is there more we could do in these regards?
- 3) Can they give us some figures for comparison of what other water systems in the county have paid for connection fees so that we may get used to the sticker shock ahead of time?
- 4) How many vacant lots remain in the area that would be eligible for a domestic well thru either of several methods to obtain a building permit that would add to the total pumpage from our aquifer?
- 5) What method and who does the median household income estimates used to determine our minimum water rates? Can this be determined long before we gain a consensus in favor of the project or what point in time is that set?
- 6) Can they include the committee members on a regular mailing of the pumpage reports submitted to the state engineer for the Fairgrounds well?
- 7) What is the going rate for an acre-foot of agricultural and quasi-municipal water in the valley between willing sellers and buyers?

- 8) What legal avenues does the county have to mandate connections by all homeowners in order to spread and justify the costs for a water system? Has this been done before? How difficult will that be?
- 9) Was the county prepared to fund the feasibility study proposed earlier for groundwater recharge from either surface or other groundwater? Due to the major sentiment against a water system and large number of requests for "more information" on this subject, we would like to hold this item open for further discussion. Is there any outside funding that could be obtained to fund this?
- 10) Since the committee has taken on a large task with volunteer efforts, can the county provide any financial assistance as we foresee future expenses that we have no way to cover except out of our own pockets?
- 11) We mentioned at the last meeting the necessity of consolidating ownership of our Carson River water rights in order to get a large enough block to make a transfer of these rights viable to a new downstream user. Can you give us any idea of your anticipation of the county's need for this water at some foreseeable time if this could become feasible given all the issues involved with this? If so, can these rights be used to offset some of the out of pocket hook-up fees in some form or another?
- 12) As we are planning a Saturday in late October or November to start collecting preliminary data on our water levels, is the county able to provide any of the needed equipment for our use, and manpower if possible?
- 13) Is the County willing to participate with our committee to jointly send a letter of concern to the Nevada State Engineer's Office regarding excessive pumpage within the Ruhenstroth/Smelter Creek basin? We suggest this might also ask their office for enforcement of the maximum pumpage allowable under a domestic well of 1800 gal/day or 2.0 AF/year. The letter of concern should include a ban on transfer of further ground water rights into this basin to promote future parceling of land. Only allow existing water rights within the basin to be used.
- 14) Would it be possible for your office to provide us a map, such as you did previously that has the well log numbers, to add the current APN numbers and the street address numbers to make our field work much easier to cross reference with the mailing list information? With so many addresses having PO Boxes and not street numbers, it is somewhat cumbersome to coordinate everything between what would take three maps and a large mailing list printout. If possible, we could use about four copies, one for

each measurement crew. If you can provide it in a digital format that would be helpful as well.

Item #1: Carl Ruschmeyer provided the Committee Members with a copy of an estimate of a regional water system, not just Ruhenstroth, that totaled \$12,478,000. Carl advised that Committee that the numbers provided were just budget numbers at this time. Contingences were built in to cover any unknown costs. It's unknown what portions of these costs would be Ruhenstroth only. The total project cost includes engineering, permits, etc. The estimate is a big rough number for planning and budgeting purposes.

Carl also provided the Committee with a breakdown of who in the area would be part of the water system. At full build out of Ruhenstroth, we could expect 555 wells based on current land use and zoning. Carl provided breakdowns of what other communities would be part of the regional water system, including the proposed Settlemeyer Planned Development, Sunrise Estates, and the Riverview Mobile Home Park. There are limitations on lots that can be served based on elevation and topography. A 1 million gallon tank would be added next to the existing tank at the Fairgrounds.

Item #2: Carl provided a copy of the actual grant application packet to the Committee. He also provided the Committee with a copy of the Board for Financing Water Project's Policy on determining grant amounts, the Project Letter of Intent Packet and the Douglas County Master Plan's Median Household Income. Carl explained that process for grant funding is complicated. First the County would have to file a Letter of Intent. Once the Board for Financing Water Project's makes a finding that the project is eligible for financing, then the County would be able to file a grant application. The Board would evaluate each application on a scale or point system to determine funding. The total process can be six months to a year long.

Carl also provided a copy of the policy that the Board for Financing Water Project's established for reasonable water rates. An average monthly water bill is calculated between 1.5 and 2% of the median income of the area. According to the Master Plan Annual Report, the median income for Douglas County is \$65,800. This would amount to a monthly water rate between \$82 AND \$105. A community survey could be done and the County would recommend it be done to establish the median income just for the Ruhenstroth Community. This would be done by an independent organization such as the USDA and would follow certain standards to perform the survey.

Carl also explained some of the elements that would result in lower scores such as our low rate of property tax and some that would result in higher scores, such as the small size of the project, having a Conservation Plan for the County, having a phasing plan, and if the project were on meters. Carl indicated that the County would most likely require the water system to be on meters. Lastly, Carl

advised that an additional requirement of the grant application is that the County must identify and apply for all other funding sources first.

Doug mentioned that his experience at the Legislature, whenever Douglas County asks for funding, the attitude is that we don't tax ourselves (sales tax) and our property tax rate is the lowest in the State. This often closes the door on us for State funding of projects. We have the highest median income in the State, the highest property values and therefore our projects are subsidized by Clark County's higher rates. The state feels like they give Douglas County too much money already.

If we can demonstrate health related water quality problems then that will help justify our grants. It is really a water quality issue, not a quantity issue that the State looks at. The County feels our data collection efforts in tracking water levels will be useful information and will get the community involved and interested in accepting the best solution.

Item # 3: Connection fees vary from \$1,250 to \$17,500 throughout the County. The median range is \$5,000 to \$6,000.

Item #4: There are approximately 94 vacant lots in Ruhenstroth itself based on current land use and zoning. The question was asked whether someone can be prevented from putting a well on their property and the answer is no, providing their parcel was in existence prior to about 1983. Due to the 1-acre minimum lot size requirement, in approving any further parcel splits, it likely would be required by the county that existing water rights in the area be purchased and then relinquished to the groundwater basin or dedicated to the county to avoid adding to existing pumpage. Due to already high density of septic systems and domestic wells in Ruhenstroth, some owners are finding it difficult to further subdivide large parcels and with the public health laws, the state Division of Environmental Protection takes an interest in preventing county approval. (At eventual build out, with some 94 additional straws in the ground, one can easily foresee the eventuality of some kind of water supply enhancement-Rick)

Item #5: This was addressed in Item #2.

Item #6: The records that are sent to State Engineer are public records and anyone can call and ask for a copy. However, there is no mechanism in place to do periodic mailouts of the pumpage reports. An Annual report is also published by the State Engineer and is available to the public. The Committee was satisfied that they could obtain this information independently of the County. Rick mentioned the S.E. office is planning on a website improvement that will allow submittal and access to pumpage reports in the near future.

Item #7: The going rate for an acre-foot of water varies between sources. Carl provided a handout with different rates paid by the county in the Valley. The

average rate is \$12,000 for quasi-municipal groundwater in Carson Valley and Topaz. The rate for decreed surface water (Carson River) is only \$2000. These rates were approved by the county commission in May of this year. (This difference helps to put a perspective on the real value of our appurtenant surface water rights from the Carson River that have a junior priority and amount to only about 2.5 acre-feet per acre on about 200 acres for 500 acre-feet total. That's roughly \$1,000, 000 that would quickly get burned up in legal and administrative costs in trying to move them downstream.-Rick)

Item #8: The County has never mandated anyone to connect to a water system. Typically, if a water quality problem arises then there would be State requirements to connect. As development comes in, the County will require connections and contributions to the system. That is exactly how the County obtained the backbones to the regional water system through the Sawmill Project. Any governmental mandates require a "failed system" of either a well or septic system first before hookups are required.

Item #9: Per Doug, he felt this item was already put to bed since our conversation with Ed James from the Water Subconservancy. Speaking for the County, he believes and based on Ed James' recommendation, the costs would likely far outweigh the benefit for a recharge system. Since the area is so big and there may be different water tables; it would require many infiltration or injection points. The infrastructure to bring in the wells and water for a recharge would be quite expensive and then ultimately may not work and you would essentially have a water system but still likely have to deal with the nitrate concentrations. It is ultimately up to the committee to ask the county commissioners for funding approval, however, Doug was reluctant for us even to ask, knowing that there are so many competing funding requests throughout the county, he thought it unlikely to be approved. The committee felt it would be justifiable, seeing that a \$33,000 study seems small compared to a \$12M water system. Doug also mentioned how he had a dislike of studies in general as they don't accomplish much in and of themselves. And, he thought why not just use that savings to pay for the water system instead of postponing the eventuality. Carl didn't know of any outside funding available to be used to pay for the study. (My conversations with our state hydrologist indicated that the firm, ECO-LOGIC, has an excellent reputation for this kind of study and that similar projects in the western Nevada area have been successful using surface water but through an induction well to avoid treatment requirements as the recharge water source. For this reason, I thought it might be worthwhile to gather a second opinion before dismissing the option.-Rick) Doug suggested we might ask Ed James for an official written response. as a followup.

Carl did say that funding was more possible for a public water supply system than for a recharge system, which may be the ultimate deciding factor of which way to go, however, his office is the one that originally proposed the feasibility study which was presented to us in June.

(This topic should be discussed further at our next meeting-Rick)

Item #10: The County cannot provide any financial assistance as we foresee future expenses. They are willing to help with postage but cannot commit to more than that without going to the Board of Commissioners.

Item #11: The County has not actively purchased any surface water rights since Carl has been with the County. They do not currently have a program for this but maybe in the future. Surface water rights get complicated once you start moving them around between decreed segments of the river and then trying to determine what priorities are served as the river comes under summer time regulation. (Note: The county is only one potential purchaser of our surface rights. A more likely one would be an agricultural user or downstream municipality.-Rick)

Item #12: The County has 2 sounders, one of which could be available to us with advanced notice. The County cannot commit manpower.

Item #13: Carl thinks a letter to the State Engineer could be a good idea if the survey shows us there really is a problem, where more intensive administration or regulation can help mitigate things. If we can identify a real problem, then the County can help us. Maybe it would be appropriate at this level to ask the State Engineer to come down and meet with us. To date the State Engineer has not placed any restrictions on this area. As we go through the process and collect data it may be worthwhile to meet with the State Engineer or one of the deputies.

Item #14: Carl brought us a map with the information we requested. This is a service that the County can provide to us at no cost. The map will be instrumental in planning our measurement program.

Meeting adjourned at approximately 6:00PM.