

A meeting of the Walker River Irrigation District (WRID) Board of Directors was held on March 22, 2019. 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
Jessica HALTERMAN	Secretary
Dale FERGUSON	Legal Counsel

Public Present:

Angela Bezzone, MBK	Darron Cordova, MBK	Chad Walling, NSE
Silas Adams, WBC	Jeff Page, Lyon County	Isaac Metcalf, NDOW
Joanne Sarkisian, USBWC	Steve Tomac, WBC	Steven Fulstone
Gary Godde	Robert Cooper	

1. Public Comment:

Jeff PAGE, Lyon County Manager, stated the Board of Commissioners has authorized \$150,000 of contingency funds to aid in the river cleaning. Comptroller Foli has requested tighter control and documentation of how the money will be used, so Lyon County will contract with WRID to provide the cleaning services. PAGE stated WRID will be compensated for their services such as operator expenses and machine rental expenses. Due to new accounting standards, Lyon County cannot simply give WRID the money without knowing exactly how the money was spent and they cannot justify giving WRID money to fix a person's ditch. PAGE stated the Lyon County Road Crew will drop all low priority tasks this spring and summer and will be focusing on keeping the river water in the banks. The City of Yerington's contribution will be in-kind manpower due to the financial situation they are in. All three entities will be meeting on Monday to outline a plan. PAGE stated he understands WRID incurred costs during the 2017 high water event, but Lyon County also incurred approximately \$500,000 in costs and did not receive reimbursement from FEMA either. President SNYDER asked if there is any way to get the State of Nevada to assist with costs. PAGE stated the Division of Emergency Management and Nevada Division of Environmental Protection are primarily funded by federal funds, so there are not funds available from them until the water spills over the banks and damages a house. There is a State Disaster Relief account, but until there is a disaster, no funds are available there. PAGE stated there is a focus to get a portion of the disaster funds pushed back to the mitigation fund since it is cheaper to perform mitigation efforts rather than clean up a disaster. The delegation of funds is competitive, and the funds are then distributed to those who have the greatest risk (i.e. Truckee Meadows, Clark County, etc.). John Porter is a

lobbyist representing rural NV Counties and is trying to get the money into the mitigation fund.

2. Roll Call and Determination of Quorum:

All five board members present.

3. Accept report and presentation on details of implementation of water leasing demonstration program (the “Stored Water Program”) as provided for in the Grant Agreement between the Walker River Irrigation District and the National Fish and Wildlife Foundation dated April 28, 2011, as subsequently amended.

GM BRYAN stated Angela BEZZONE with MBK has prepared a presentation. BEZZONE presented an overview of the Stored Water Program (the Program). Per the April 28, 2011 grant agreement with NFWF, the Walker River Irrigation District is to administer a three-year water leasing program. The objective of the Stored Water Program is to increase Walker Lake inflows. The District has obtained necessary approvals for the first year of the potential three-year demonstration program. The limit has been set at a combined 25,000 acre-feet from both reservoirs. Landowner participation is completely voluntary. The District will solicit applications after the meeting, if approved. A summary of participating landowners and the quantities enrolled will be submitted to the Nevada State Engineer’s Office following the application period. The Nevada State Engineer will consider water enrolled in the Program as water used for determining quantities to which a water user is entitled, so it will count toward the 4.0 acre-feet per acre limit from all sources of water. Participants in the Program will not be able to apply for water from the District Well during the 2019 Irrigation Season but will be able to use other surface water for irrigation. The intent is not to necessarily to take land out of production, but rather to enroll a portion of the stored water into the Program. The District will mail a package to each landowner including a letter explaining the Program, a summary of eligibility requirements and application process, a Program application and a draft version of a Participant Agreement. The intent is for a landowner to apply and express initial enrollment interest, after the application is reviewed by the District, the landowner will complete a Participant Agreement. Until the Agreement is completed, the applicant can change the volume or decide to not participate. Payments to the participants will be made for each acre-foot enrolled in the Program and the water in the Program is considered released when it leaves the reservoirs. At this time, NFWF has commissioned a third-party appraisal and the current proposed 2019 payment is \$90 per acre-foot. There are still discussions between the District and NFWF so the amount could change. The grant agreement does state that in the event there is insufficient participation in the Program, the District may utilize a reverse auction or other means of procurement; those processes could potentially change the dollar amount. The proposed timeline for the application period will begin once the application package is mailed out. The hope is that final enrollment commitments can be made by April 30, 2019. If the participation is insufficient or a reverse auction is needed, the timeline would need to be altered. Once the application period is closed, the District will submit a temporary application for release of the stored water to the Nevada State Engineer along with the participant information. The District is required to submit a release plan that details the anticipated or proposed releases from the Reservoirs to the California State Water Resources Control Board at least 30 days before the releases begin. The plan for releases

is to begin August 1st. From August 1st, the District will monitor the release and delivery of the storage program water and maintain daily records. The District has a tool that will track the water from the Reservoirs to Wabuska. From Wabuska, the Program water will be monitored and tracked through a Lower Walker River Conveyance Protocol between NFWF and Walker River Paiute Tribe.

Vice President GIORGI inquired how the reverse auction works. BEZZONE advised a target goal for acre-feet would be set. People would submit blind bids stating how much they are willing to offer per acre-foot. All the bids would be lined up according to dollar amount and whatever bid gets you to the volume set, everyone in the Program would be given that amount. Counsel FERGUSON added that no matter what the price is, NFWF would still need to approve it. President SNYDER asked if those who signed up for the \$90/acre-foot would also get the higher amount; Counsel FERGUSON confirmed the original participants would also get the higher amount. GM BRYAN stated the reimbursements will be paid at the end of the Program year. Treasurer NUTI asked if the reverse auction would only take place if there is not enough participation; GM BRYAN confirmed. Counsel FERGUSON stated there have been discussions on the amount being more than \$90 so by the end, the number could be higher. Treasurer NUTI confirmed this Program would satisfy one year of the three-year requirement and that this year's program is a temporary program and does not commit the District to further; Counsel FERGUSON confirmed and stated if the Program were to continue next year; the District would need to go through the same approval process as they did for this year. President SNYDER asked if the application would explain what a reverse auction would be and when it would be needed; GM BRYAN stated it would explain the process. Treasurer NUTI asked if the water would be tracked by water card or user number; GM BRYAN stated it would be tracked based on the user number. All water leased to the Program will show on the Storage Balance Reports and will be reported to the State Engineer's Office. BEZZONE stated the amount released from the Reservoir(s) will be dependent on the review by the State Engineer's Office. If someone does exceed the 4.0 duty, that overage amount would be subtracted from their Program water and the dollar amount would be taken from the Program payment. Treasurer NUTI asked if a person with supplemental storage rights participates in the Program, would they still get their full decree; GM BRYAN confirmed that the decree would continue, but the user would still be held to the 4.0 duty from all sources of water. Director MASINI asked Chad WALLING how the State Engineer's Office was going to account for the water usage in real time and account for the 4.0 duty. WALLING stated he plans to have a presentation at the April Board Meeting, but he has been working with the delivery records from WRID and can now display the usage on the web app to show the surface water deliveries. The data will be forced onto the system and will show who is participating and what amount has gone toward the duty. Director MASINI stated he concerned that the State Engineer's Office is going to immediately get back logged due to limited resources already. He would like to know how the State Engineer's Office is going to monitor those who sell their storage water but end up pumping more because of it. Director MASINI is looking long term and would like to ensure the underground source is available in the future. WALLING stated the turnaround time for putting data onto the website is approximately one month; they receive the monthly water usage summary and it takes about a week to get it onto the website. Kerry

take monthly irrigation well readings and that information will be put onto the site. The well readings will be the way to track if compensation pumping is happening. Vice President GIORGI asked if shrink will be applied to the Program water. WALLING stated the participation in the program is at the Reservoir. The user is getting paid for the full amount of water, so there will be no shrink allowance. GM BRYAN stated there is no trans evaporation component with Program water and will be treated the same is if a user turns on the well. WALLING stated it is their first time in the Program as well, so there will be learning along the way, but they will do the best they can. The priority will be to ensure that pumping to compensate for the Program water does not happen. GM BRYAN stated the District will have all the participation amounts reported to the State Engineer's Office, so the Program amounts will be entered against the user at the August 1 date. Director MASINI stated farmers are resourceful, and there are so many different sources of water within the valley, that he wants to ensure that the District is not [inadvertently making a situation worse]. Treasurer NUTI suggested to include a caution to the farmers when sending out the packets. GM BRYAN stated when the user comes in to sign up, it will be explained to them that the 4.0 duty is in place and the program water will be treated as if they turned on their well. BEZZONE stated if a user goes over the duty, they will not be paid. Treasurer NUTI inquired on when the payment will occur; GM BRYAN stated at the end of the Program year. BEZZONE stated the State Engineer's Office will need to confirm a user has not gone over the duty before any payment is rendered. GM BRYAN reminded that the Program is completely voluntary. President SNYDER asked what data would be made available regarding the Program; GM BRYAN stated the participation information will be like the storage water transfers. A monthly report would be included in the Board Meeting packet and will be on the website. BEZZONE stated the State Engineer's website will include all participant amounts and locations. Treasurer NUTI made a motion to accept the Stored Water Program report and presentation; Director Acciari offered a second. The vote was called for and passed with 3 aye, 1 nay and 1 abstain.

4. Director Comments:

None presented.

5. Public Comment:

None presented.

6. Adjournment:

Director MASINI made a motion to adjourn the meeting; Treasurer NUTI offered a second. The motion was voted on and passed unanimously. Meeting was adjourned at 10:38 AM.

Jim Snyder, President

David Giorgi, Vice President

Richard Nuti, Treasurer

Dennis Acciari, Director

Marcus Masini, Director

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