

Committee Meeting Minutes

Friday, September 22, 2017 at 9 am

TMWA Conference Rooms, 1355 Capital Blvd, Reno, NV



1. Call to Order

- A. Roll Call and Establishment of Quorum** - Chair LaRiviere called the meeting to order at 9:00 am. A quorum was established with voting members: Tray Abney, Dave Aiazzi (arrived at 9:04), Andrew Diss, Marge Frandsen, Mike Kazmierski (arrived at 9:02), Bob LaRiviere, Dick Mills, Julia Ratti (arrived at 9:07), George Robison, Scott Smith, Mike Sprinkle, Lea Tauchen, and Rod Young. Non-Voting Members Jay Aldean and Dean Schultz were also present. Matthew Duplantis was absent.

TRFMA staff present: Laura Bayer, Ed Evans, Danielle Henderson, Eric Scheetz, Lori Williams, and Michael Wolz.

- B. Public Comment** - Chair LaRiviere called for Public Comment and hearing none, he closed this item.

Member Kazmierski arrived at 9:02 am

- C. Approval of Agenda for September 22, 2017 (For Possible Action)**
Motion 2017.9.22.1C to approve the agenda for September 22, 2017.
Moved: Member Scott Smith Seconded: Member Andrew Diss
Passed Unanimously with those present.

- D. Approval of Draft Minutes of September 6, 2017 Meeting (For Possible Action)**
Dick Mills asked about downtown Reno not being in the 100-year floodplain. Aldean corrected the record to state that the flood project is not designed for a 100-year flood in downtown.
Motion 2017.9.22.1D to approve the draft minutes for September 6, 2017 as corrected.
Moved: Member Tray Abney Seconded: Member Mike Kazmierski
Passed Unanimously with those present ; Member Sprinkle abstained.

Member Aiazzi arrived at 9:04 am.

- E. Announcements:**
Jay Aldean announced that the map included in the members' binders is a future baseline 100-year condition map. This map includes all of the improvements made to the Truckee River and projects that have been performed on the Truckee River up to today's date.

Aldean also announced that TRFMA staff had a good meeting with Corps of Engineers discussing moving forward on a common features project which would occur between Rock Mill and McCarran.

Members

Bob LaRiviere, Chair
Tray Abney, Vice Chair
Dave Aiazzi
Jay Aldean
Andrew Diss
Matthew Duplantis
Marge Frandsen
Mike Kazmierski
Dick Mills
Julia Ratti
George Robison
Dean Schultz
Scott Smith
Mike Sprinkle
Lea Tauchen
Rod Young

Member Ratti arrived at 9:07 am.

2. Presentation and discussion regarding the need for, and usefulness of, public opinion polling to assist the Truckee River Flood Control Project Needs Committee in accomplishing the mandates of Assembly Bill 375. Possible action to give direction to TRFMA staff. (For Possible Action)

Aldean introduced this item, stating staff brought this issue forward now so the committee members can think about the future use of polling.

Greg Ferraro, The Ferraro Group, addressed the issue of research for polling. He has worked with pollsters for 30+ years on market research. Polls don't answer questions; they only illuminate the pathway to reaching decisions. Until the committee can put concrete items before the public, it would not be useful to do a poll.

In response to an inquiry from Scott Smith, Michael Wolz, General Counsel, stated that TRFMA pays for administrative support for this committee and the poll would fall into that category.

Mike Kazmierski stressed that timing is crucial because the committee may get information from poll that will cause changes to the ballot question and the staff needs to build time in for fine tuning after polling; the work needs to be done by January 1.

George Robison asked staff to put together a schedule backing up from the April 1 deadline with time for iteration and bring back to the next meeting.

3. Responses to requests for information from previous Flood Control Project Needs Committee Meetings

A. Presentation of a summary of financial activity for TRFMA for the fiscal years 2004 to 2016 and a list of properties purchased and structures demolished by TRFMA for the Truckee River Flood Protection Project (requested by Frandsen).

Michael Wolz, TRFMA General Counsel, provided information in the agenda packet in response to a request by member Frandsen to get more history of the expenditures for the flood project since 2004. TRFMA was formed in 2011; prior to that it was a County department. The second document is a summary of the real estate acquisitions; does not include the cost of demolitions.

B. Presentation and discussion regarding the possibility of contributions by other entities toward the construction of project elements (requested by Aiazzi).

Jay Aldean, TRFMA Executive Director stated NDOT has committed to contributing some funds for Sierra Street bridge replacement; other agencies have been approached but there were no funds available for future projects.

Danielle Henderson, Natural Resource Manager added that TRFMA has received contributions from a variety of agencies in the past.

4. **Presentation and discussion regarding project cost demands and financing including, but not limited to, current revenue, sources of funding, cost modifiers, matching annual revenue requirements with construction period, forecasting revenues and costs, project funding gap for ASAP construction period, and project financing using of debt and/or cash.**

John Sherman, Fiscal Solutions, LLC, presented a PowerPoint (copy on file).

Chair LaRiviere inquired if there's a parallel path to secure the \$180 million. Jay Aldean replied that staff is following a strategy adequate to make that \$180 million secure. TRFMA has to commit certain amounts of money i.e., common features project, to secure the federal funding. Aldean also noted that HDR Engineering used prevailing wages in their calculations.

Aldean commented that the maintenance costs of the flood control project are minimal and the 1/8 cent sales tax will be used for maintenance (through contracts with Reno, Sparks, and Washoe County). The expensive item is replacement of features as they age. He further explained that the federal government will provide funds for emergency fixes to project elements.

Andrew Diss inquired if this committee comes up with a fund which sunsets in 2033, will existing sales tax provide enough for ongoing maintenance? Sherman replied yes because this is a cash option only; it will be different with bonding. With a 30-year bond scenario, for every \$1 in payment, you need to have \$1.75 coming in. Sherman also noted that bonding funds must be spent within three years. He suggested including on the ballot question that the tax will only be in place until debt is paid off. He also noted that the debt/cash financing option costs \$60 million more than cash only.

In response to a question from Dave Aiazzi regarding spreading out construction, Michael Wolz stated the ten years was a planning assumption; the other variable is that the longer the construction period, the more likely we will have another flood event before construction is complete.

Dean Schultz noted that since the 1/8 cent never sunsets, it appears there is an excess being collected above and beyond what is needed once the construction is completed.

Members Ratti and Kazmierski left at 11:05 am

Jay Aldean explained that the Corps goes thru the project using a benefits model and it has to be positive for any federal project to happen. Aldean noted that staff purposely did not include any infusion of any federal money into this analysis because we have no idea of when the federal funding may happen. Staff established this analysis so that this community could pay for the project given the absence of any participation of the federal government.

In response to a question from Mike Sprinkle, Aldean stated that this ballot question will be to raise money to fund the entire project. Sprinkle stated for the record that this was not what was presented to him when he presented this bill to the legislature. Bob LaRiviere agreed that he was under that assumption as well. Aldean replied that if we complete the

common features project, the federal government will be on the hook for the money, but we don't know when or how it will come. Sprinkle reiterated that what he presented to the legislature about this committee was that we were coming up with matching funds to get federal dollars.

Tray Abney asked what happens if we put something on the ballot for the total amount, then we get the \$180 million? John Sherman replied TRFMA could pay down the debt.

Dave Aiazzi wants a list of the projects and asked staff to go to RTC and other agencies to get a commitment from them early on. Aiazzi also asked what the difference is between the fee and the new sources of revenue; Sherman responded we will go through scenarios of that with the Direct Benefit Area consultants in a future meeting.

Member Sprinkle left at 11:18 am.; Member Young left at 11:20 am.

5. Committee Member Comments, Requests, and Future Agenda Items

Jay Aldean asked if the Committee would like to televise or record these meetings. Aiazzi commented the meetings would have to be moved somewhere else where it is set up for video recording. Aldean will bring an item back on the next agenda.

Dick Mills asked that a discussion of the \$180 million in federal funding be on the next agenda; specifically whether federal funding should be included in these calculations or not.

6. Public Comment - Chair LaRiviere called for Public Comment and hearing none, he closed this item.

7. Adjournment (For Possible Action) – The meeting adjourned at 11:23 am.

Summary of Committee Member Requests from September 22nd Meeting

- A. Put together a schedule backing up from the April 1 deadline with time for iteration and bring back to the next meeting (requested by Robison).
- B. Discuss moving meetings to have them televised and videotaped (requested by Aldean).
- C. Discuss \$180 million in federal funding being used in calculations or not (requested by Mills).

Respectfully submitted,
Laura J. Bayer, FCPNC Liaison

Approved in Session on October 5, 2017.