

Flood Project Coordinating Committee

Final Minutes

Friday – May 9, 2008 – 8:30 a.m.
Washoe County Administration Complex
Building A – Commission Chambers
1001 East Ninth Street, Reno, Nevada

1. CALL TO ORDER AND ROLL CALL – *Determination of a Quorum*

Chair Larkin called the meeting to order at 8:33 a.m.

VOTING MEMBERS PRESENT:

Robert Dickens, Dan Gustin, David Humke, Robert Larkin, Geno Martini, Jessica Sferrazza and Ron Smith.

VOTING MEMBERS EXCUSED:

Milton Glick.

VOTING ALTERNATES PRESENT:

Ron Zurek.

VOTING ALTERNATES EXCUSED:

Dave Aiazzi, Mike Carrigan, and Kitty Jung.

NON-VOTING MEMBERS PRESENT:

Shaun Carey, Neil Mann, Dennis Miller, John Sherman and Katy Singlaub. Dan St. John joined the meeting at 8:61 a.m.

NON-VOTING MEMBERS EXCUSED:

Franco Crivelli, Andrew Green, John Jackson, Troy Miller, Tom Minton, Burnham Moffat, Dean Schultz, and Wayne Siedel.

NON-VOTING ALTERNATES PRESENT:

Mary Hill, JoAnn Meacham, Jeanne Ruefer and Todd Welty

NON-VOTING ALTERNATES EXCUSED:

Connie Butts, David Childs and Dennis Ghiglieri.

FLOOD PROJECT STAFF PRESENT:

Doug DuBois, Mimi Fujii-Strickler, Danielle Henderson, Susie Kapahee, Greg Salter and Paul Urban. Naomi Duerr joined the meeting at 8:35 a.m.

2. APPROVAL OF MINUTES – A. *Provisional Minutes of FPCC Meeting of April 11, 2008; and B. Provisional Minutes of Finance Subcommittee April 8, 2008*

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Member Martini asked that paragraph 7 of page 14 be amended to indicate that the City of Sparks will only seek reimbursement of the \$272,600.00 in the original HDR contract.

It was moved by Member Martini, seconded by Member Smith, to approve the April 11, 2008, minutes as amended. The motion carried unanimously.

3. ANNOUNCEMENTS *

Member Jessica Sferrazza asked that action items be heard first as she and Member Gustin would be attending the 10:00 a.m. Peace Officers Memorial.

4. PUBLIC COMMENT *

There were no public comments.

Naomi Duerr – joined meeting at 8:35 a.m.

5. FINANCE SUBCOMMITTEE ITEMS

5-B. LEASE AGREEMENT WITH BRISTLECONE FAMILY RESOURCES, INC., FOR 1725 SOUTH MCCARRAN BOULEVARD – *Possible action to modify the terms of the current month-to-month lease agreement with Bristlecone Family Resources, to consider extending the term by one year to March 31, 2009 and continuing to waive the rent of \$7500 per year.*

Doug Dubois - Land Acquisition Manager, provided an update on the request to extend the month-to-month Bristlecone lease by one (1) additional year and to continue to waive the monthly rent of \$7,500.00. Mr. Dubois explained the Finance Subcommittee's recommendation to continue the matter until the June FPCC meeting while he explores the possibility of Bristlecone beginning to pay some rent, rather than waive it entirely.

It was moved by Member Sferrazza, seconded by Member Smith, to accept the Finance Subcommittee recommendation to continue the matter until the June 13, 2008, meeting. The motion carried unanimously.

5-C. UPDATE ON CITY OF SPARKS' NEW TRUCKEE RIVER FLOOD PROJECT "Rate Component" – *Update on the City of Sparks' Truckee River Flood Project rate component increase for the North Truckee Drain and Flood Control Project. Possible action to provide input into implementation of the rate component and interface of the rate with the Flood Funding Study results.*

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JoAnn Meacham, Utility Manager, narrated a PowerPoint presentation (copy on file) and explained the public review process used in the review and development of a proposed river flood protection rate.

Member Humke left the meeting at 8:39 a.m.

Ms. Meacham noted that the Sparks City Council had supported the proposal and emphasized that the revenue generated would be earmarked for the North Truckee Drain, with remaining proceeds being used for other river flood project features. Ms. Meacham outlined the projected revenue stream noting variables that may affect the total bonding capacity currently estimated to generate up to \$100 million. Ms. Meacham noted that the new rate is \$5.41 per residential unit per month, with commercial users at \$0.64 (cents) per thousand gallons of water used, and \$200 per new connection.

Chair Larkin left the meeting at 8:46 a.m.

Ms. Meacham explained that the North Truckee Drain has been an unfunded project on the City of Sparks' CIP (Capital Improvement Program) for several years and that the City had adopted a proactive position to protect the City from future flood damage, whether it is from river flooding or from the drain itself flooding. The North Truckee Drain serves as the primary storm water conduit for the City of Sparks and most of the unincorporated Spanish Springs area to the Truckee River. The proposed realignment of the drain will permit the flows to enter the Truckee River downstream of Vista Narrows, thus helping to mitigate flooding issues in the Sparks Industrial area without increasing downstream flows.

Chair Larkin rejoined the meeting at 8:48 a.m.

Ms. Meacham then summarized the public outreach and stakeholder process that resulted in the recommendation that was ultimately adopted by the Sparks City Council. It is her belief that the approach used by the City of Sparks may provide a model for other agencies to consider when evaluating ways to meet their share of the flood project. Ms. Meacham emphasized that the actions taken by the City of Sparks in no way represent that this is the full City of Sparks' cost share of the overall project, but rather, just one potential revenue stream among many that will be needed to fully fund the flood project. Ms. Meacham noted that the City of Sparks would continue to work with the Flood Project and the Corps (U. S. Army Corps of Engineers) to assure that the early TRAction project receives Section 104 approval prior to construction, and thus full credit for cost sharing. The City has delivered a draft Section 104 application for the County to review and forward to the Corps. Ms. Meacham also noted that the City of Sparks will advocate preserving local timing and local project management of the North Truckee Drain Realignment Project.

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Member Martini expressed his appreciation to Shawn Gooch and Ms. Meacham for their work on behalf of the City of Sparks, and the Sparks City Council for stepping up for the project.

Chair Larkin concurred, commenting that, in his opinion, Ms. Meacham did an excellent job. Mr. Larkin also congratulated the City of Sparks for making the first large step in the direction of a contribution to the funding of the flood project.

Dan St. John – Washoe County, joined the meeting at 8:51 a.m.

Responding to Member Sferrazza's inquiry about the more simplistic approach and rate structure used by Sparks, Ms. Meacham explained that the precedent had already been set in the City of Sparks for using a sewer fee to pay for drainage improvements, and that the fees are based on existing rate setting processes already used by the City of Sparks. The fee schedule is based on a flat residential rate, a per 1,000 gallon commercial charge and a per unit connection fee.

It was moved by Member Smith, seconded by Member Martini, to accept the report, as presented. The motion carried unanimously.

5-D. 102 RANCH FUNDING AGREEMENT – TRAction Project – Possible action to enter into a TRAction Project Agreement with The Nature Conservancy for \$3.1-million (using State AB 5 funds) to restore the 102 Ranch site in the East Truckee Canyon as part of the Flood Project's restoration efforts, and to endorse The Nature Conservancy's application for Desert Terminal Lakes program funding from the Bureau of Reclamation to support additional restoration work at the 102 Ranch.

Danielle Henderson - Natural Resources Manager, narrated a PowerPoint presentation (copy on file) of the funding agreement and drew attention to the map of the eleven (11) restoration sites reaching from the Reno/Sparks area to Wadsworth to the east. The intent of the restoration project is to not only enhance aquatic and terrestrial wildlife and vegetation habitat but also improve water quality and allow for flood attenuation. Of the AB5 grant of \$4.775-million, \$3.1-million will be used for Phase 1 of The Nature Conservancy restoration project with Phase 2 being funded using the Bureau of Reclamation Desert Terminal Lakes funds.

Dan St. John left the meeting at 8:57 a.m.

Ms. Henderson explained that staff suggests the FPCC (Flood Project Coordinating Committee) recommend approval of the Phase 1 contract to the Board of County Commissioners and authorize the Chair to sign a letter of

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support for the Bureau of Reclamation Desert Terminal Lakes funds in Phase 2. Ms. Henderson stated that none of the proposed funding is coming from the existing 1/8-cent sales tax.

Member Sferrazza commended staff for their work in seeking creative funding sources and in attempting to obtain Corps (U. S. Army Corps of Engineers) credit for the Flood Project.

Naomi Duerr – Flood Project Director, commented that the reason staff are seeking additional funding from the Bureau of Reclamation is due, in part, to the fact that the current AB 5 legislation sunsets the AB 5 funds prior to the time that Phase 2 of the project will begin.

Mr. St. John rejoined the meeting at 9:01 a.m.

It was moved by Member Sferrazza, seconded by Member Gustin, to accept the staff report as presented. The motion carried unanimously.

5-E. PROPERTY SPECIALISTS AGREEMENT AMENDMENT – *Possible action to amend the existing Agreement with Property Specialists, Inc. for specialized relocation services to increase the amount of the contract by \$19,000 (for a new total contract amount not to exceed \$69,000), and to extend the term of the contract by 6 months.*

Naomi Duerr – Flood Project Director, commented that the RFP (Request for Proposal) for relocation services has been issued and that the request before the FPCC is to extend the current relocation services contract with Property Specialists, Inc. (PSI) until a new contract is awarded.

Chair Larkin noted that Finance Subcommittee had asked for additional information on the RFP process which was provided prior to initiating the RFP.

Doug DuBois - Land Acquisition Manager, narrated a PowerPoint presentation (copy on file) noting the federal, local and state requirements for relocation expense reimbursement. Mr. DuBois outlined the scope of work in the current PSI contract that is either completed or nearing completion. The next task will be to assist in the determination of tenant eligibility for relocation of Bristlecone. Mr. DuBois then drew attention to and provided an overview of the spreadsheet of Property Specialists work to date.

Ms. Duerr noted that Property Specialists maintains a daily call log of activities including a detailed diary of tenant discussions. Ms. Duerr noted that the FPCC could direct that the relocation assistance be held in abeyance until a new contractor is hired in about six (6) months, or move forward with amending the PSI contract.

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Mr. DuBois outlined the staff recommendation to accept the report and authorize an extension to the current PSI contract in an amount not to exceed \$19,000.00.

Chan Modini - Corps Project Manager, joined the meeting at 9:11 a.m.

There was some discussion about the appeal process that accompanies the relocation program. It was noted that while there are no pending or known appeals, if an appeal were to materialize, the staff decision as to relocation eligibility and payment amount would first be reviewed by the Director, with a right of appeal to the FPCC for final resolution. Other discussion suggested a cost analysis of current and potential relocation expenditures on the Bristlecone tenant. In response to a question, Ms. Duerr commented that there would be no cost savings to the project if the existing contract with Property Specialists were just allowed to expire. The work needs to be done now or at a later time. It is more of a matter of keeping the program rolling and meeting tenant expectations of continued contact with a relocation firm. Alternatively, the relocation program could be suspended until such time as a new consultant is engaged.

It was moved by Member Sferrazza, seconded by Member Martini, to accept the staff report and recommendations as presented.

Responding to Member Gustin's inquiry about the contract extension, Mr. DuBois stated that PSI bills on a time/materials basis, and that the full \$19,000 will probably not be utilized.

Ms. Duerr emphasized that staff's direction to the consultant was to perform a minimal amount of work—just enough to keep the program going and the tenant's needs met - over the next four months so that the full contract amount is not expended.

The motion carried unanimously.

5-F. MONTHLY REPORT ON FLOOD PROJECT FINANCIAL STATUS AND FINANCIAL RELATED ACTIVITIES – *Update on monthly and year-to-date revenues and expenditures and related activities of the flood project. Possible action to accept the report.*

Naomi Duerr – Flood Project Director, provided a brief overview of the report.

It was moved by Member Smith, seconded by Member Gustin, to accept the report as presented. The motion carried unanimously.

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6. PARCEL ADDITION TO THE FLOOD PROJECT PARCEL LIST –
Possible action to amend the Flood Project Parcel List to include the parcel located at 115 Coney Island Drive.

Doug DuBois - Land Acquisition Manager, outlined the proposed amendment to add 115 Coney Island Drive to the parcel list, a property which is currently being offered for sale/lease. Mr. DuBois explained that the property owner had not been contacted and that the request would allow staff to further evaluate the possible purchase of the property.

Naomi Duerr – Flood Project Director, pointed out that the property would be the site of a flood project levee and recalled previous FPCC direction to study any and all properties that may be needed for the future flood project. Although the subject site is not developed, it is currently used for truck parking. A delay in acquisition could result in the property becoming more developed.

The Flood Project Parcel list included in the FPCC (Flood Project Coordinating Committee) Packet will be updated. Ms. Duerr explained that the 2003 offer to purchase a former golf driving range had been rejected by the owner and that staff would reevaluate the current list to ascertain which parcels should continue to be pursued. Ms. Duerr cautioned that a letter of offer to purchase a property could trigger the start date for the relocation entitlements, even if the offer was not accepted right away. She also explained under what circumstances a new tenant (one starting tenancy after a purchase offer is made or a property is actually purchased) might not be eligible for relocation benefits.

It was moved by member Sferrazza, seconded by Member Smith, to accept the report and recommendations as presented. The motion carried unanimously.

7, WORKING GROUP MONTHLY REPORT – *Report on the Working Group meetings of April 30, 2008. Includes draft minutes of the meeting, as well as approved minutes of the March 26 meeting. Possible action to accept report.*

Naomi Duerr – Flood Project Director, outlined the April 30, 2008, WG (Working Group) meeting noting the low attendance. Ms. Duerr noted that one reason offered by an attendee at the meeting was that the agenda items had shifted to more updates and less technical evaluation of issues. It is Ms. Duerr's belief that the focus of the Working Group will continue to shift as the planning process starts to wind down, the flood project is authorized, and construction begins.

Ms. Duerr then summarized the WG's recommendation on the flood mitigation ordinance noting that the WG continues to endorse the concept of no adverse impact and no net increase in fill in the floodplain. Of some concern to the WG

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and legal counsel is the Washoe County policy which allows 50-cubic yards of fill without a permit. Such amounts of fill, considered de minimus before, could have a negative cumulative effect over time. It is anticipated that a draft ordinance can be brought to the FPCC (Flood Project Coordinating Committee) on June 13, 2008.

Member Sferrazza asked for an update on the conceptual recreational plan being developed in response to the EIS (Environmental Impact Study), including elements from each of the jurisdictions.

Member Dickens concurred with Member Sferrazza's recommendation.

Ms. Duerr commented that the recreational plan encompassed only elements within the footprint of the flood project and that a meeting with the Parks Directors and Parks Planners was set for the following week (May 12 through 16, 2008).

Member Sferrazza asked that Ms. Duerr also included Reno Redevelopment Administrator Mark Lewis in the discussions.

Danielle Henderson – Natural Resources Manager, noted that she would invite Mr. Lewis to participate in the process and that NDOW (Nevada Department of Wildlife), and the Great Basin Institute, as well as Parks directors and planner have been involved in the flood project's recreation planning process.

Ms. Duerr noted that staff will be presenting a conceptual plan that will be used as a basis for the Corps to develop sample costs and enable recreation related costs to be included in the Congressional authorization.

It was moved by Member Martini, seconded by Member Zurek, to accept the report as presented. The motion carried unanimously.

Members Dan Gustin and Jessica Sferrazza left the meeting at 9:39 a.m.

8. TECHNICAL ADVISORY COMMITTEE – *Report on the Technical Advisory Committee (TAC) meeting of April 25, 2008. Includes approved minutes of March 28, 2008 and April 25, 2008 meeting and TAC attendance sheet.*

Naomi Duerr – Flood Project Director, summarized the special 4-hour TAC meeting on April 25, 2008 that included a presentation on the Flood Funding Study from the consultants. A similar presentation was made to the Finance Subcommittee on May 7, 2008. Ms. Duerr pointed out that the TAC (Technical Advisory Committee) had also discussed the flood storage mitigation model, the hydraulic model used by the Corps (U. S. Army Corps of Engineers) and the

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hydrologic model soon to be developed which will be used to determine the effect of future and existing development on the flood project. The regional model would be used to ensure new development avoids negative impacts on the flood project, which is a mandatory Corps' requirement before federal funding can be used.

Dan St. John noted that the TAC had discussed at some length how credit for planned and already built mitigation could be encompassed in the Flood Funding Study.

It was moved by Member Martini, seconded by Member Smith, to accept the report as presented. The motion carried unanimously.

5-A. FLOOD FUNDING AREA STUDY UPDATE – *Update on the progress of the Flood Funding Area study. Detailed presentations by consulting firms FCS Group and CH2M Hill. Possible action to provide direction on the study and/or to accept the report.*

Naomi Duerr - Flood Project Director, drew attention to the consultant schedule on the third page of the report and noted that the flood funding study should be coming to completion this summer, with a final report due in August 2008. The study will include information on how the flood project will reduce flood insurance costs and will provide other ancillary cost savings such as avoided flood damages and compare those savings to the project's overall cost. Additionally, a sensitivity study as to the effect implementation of a new fee would have on existing homeowners and businesses will be included. It is anticipated that the consultant will make additional presentations to the Finance Subcommittee and in June 2008.

It was moved by Member Dickens, seconded by Member Smith, to accept the report, as presented. The motion carried unanimously.

9. FLOOD PROJECT MONTHLY REPORTS – *Presentation on flood project events, activities, and schedules during February 2008. Possible action to accept reports.*

9-A. MONTHLY ACTIVITIES REPORT – *1. Monthly Reports for March 2008; and 2. Clippings*

9-B. PROJECT TIMELINE REPORT; and

10. ARMY CORPS OF ENGINEER'S MONTHLY REPORT – *Report on activities related to the Truckee River Flood Management Project including project scheduling and funding. Will include update on documents and process for Internal Technical Review currently underway. Possible action to accept the report and provide direction to staff related to Truckee*

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River Flood Management Project scheduling and funding items as set forth in the report.

Naomi Duerr – Flood Project Director, noted that the Corps (U. S. Army Corps of Engineers) was completing the EIS (Environmental Impact Study) which is currently scheduled for release on August 1, 2008.

Chan Modini – Corps Project Manager, outlined the Corps' requirement to have a defensible EIS. A component of the EIS includes a technical component being completed by the Vicksburg office. Mr. Modini noted that the Flood Project and the Corps had engaged consulting firm HDR to begin a portion of the work to keep the process on track with the AFB (Alternative Formulation Briefing) currently set for June 5 or 6, 2008. Mr. Modini explained that he had the Commander of the Sacramento Office contact the Vicksburg, Virginia Commander to resolve timing issues. Based on current information, it appears that the EIS will be released on August 1, 2008. However, that date may be subject to change due to unforeseen circumstances. Mr. Modini stated that there were adequate resources available to conduct the project.

Ms. Duerr then noted that as directed by the board, staff has already engaged HDR to assist with other Corps related matters. Recently the City of Sparks completed their Section 104 application for the North Truckee Drain and will be forwarded to the Corps. Other activities include the use of a consultant to assist in the development of a draft recreation plan for inclusion in the GRR and continuing public outreach.

Staff are planning a special tour of the flood project is for Senior Corps staff from San Francisco (California) and Washington, DC. Ms. Duerr reminded those present of the May 19 through 23, 2008, Association of State Floodplain Managers conference being held in Sparks. She noted that staff from Sparks and the flood project are taking an active roll in planning and supporting the conference. Ms. Duerr noted that the recruitments for the licensed engineer position and fiscal compliance officer had recently concluded, and recruitment for the deputy director position was beginning.

11. COMMITTEE MEMBER COMMENTS, REQUESTS AND FUTURE AGENDA ITEMS – *Possible action to approve items for future agendas.*

No new items were identified.

12. ADJOURNMENT

Chair Larkin adjourned the meeting at 10:07 a.m.