

The meeting was held at 1:00 p.m. on Tuesday, March 10, 2009, at the Clark County Commission Chambers, 500 South Grand Central Parkway, Las Vegas, Nevada.

COMMISSIONERS IN ATTENDANCE

Chairman	Jay D. Bingham
Vice Chairman	Ace I. Robison
Commissioner	Andrea Anderson
Commissioner	Marybel Batjer
Commissioner	Tom Collins
Commissioner	Lois Tarkanian

COMMISSIONERS NOT IN ATTENDANCE

Commissioner	George F. Ogilvie III
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DEPUTY ATTORNEYS GENERAL

Senior Deputy Attorney General	Jennifer T. Crandell
Senior Deputy Attorney General	Ann C. Pongracz

COMMISSION STAFF IN ATTENDANCE

Executive Director	George M. Caan
Deputy Executive Director	James D. Salo
Chief of Finance and Administration	Douglas N. Beatty
Assistant Director of Engineering and Operations	Robert Reese
Manager, Natural Resources Group	McClain L. Peterson
Natural Resource Analyst	Nicole Everett
Natural Resource Analyst	Esther Valle
Natural Resource Analyst	Jason Thiriot
Office Manager	Judy K. Atwood
Administrative Assistant IV	Brenda Haymore

OTHERS PRESENT; REPRESENTING

Boulder City, City of	Ned Shamo
Clean Water Coalition	Chip Maxfield
Consultant	Sara Price, Esq.
Overton Power District No. 5	Delmar Latham
Overton Power District No. 5	Mendis Cooper
PAR Electrical Contractors, Inc.	Jimmy Skinner

**COLORADO RIVER COMMISSION
OF NEVADA
MEETING OF MARCH 10, 2009**

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The Colorado River Commission meeting was called to order by Chairman Bingham at 1:00 p.m.

A. Conformance to Open Meeting Law.

Executive Director Caan confirmed that the meeting was in compliance with the Open Meeting Law.

B. Approval of minutes of the February 10, 2009 meeting.

Commissioner Anderson moved for approval of the minutes. The motion was seconded by Vice Chairman Robison and approved by a unanimous vote.

C. Consideration of and possible action to approve Amendment No. 2 to the Agreement for Operation and Maintenance Engineering Support Services with Burns & McDonnell Engineering Company, Inc.

Bob Reese, Assistant Director of Engineering and Operations, explained that an agreement for Operation and Maintenance Engineering Support services between the Colorado River Commission of Nevada and Burns & McDonnell Engineering Company, Inc. (Burns & McDonnell) was approved on October 8, 2007, and amended on August 12, 2008. The contract supports the Commission's Power Delivery Project operation and maintenance functions. The Commission also utilizes Burns & McDonnell to assist with the preparation of designs and specifications on capital projects such as the IPS-3 Substation and the Clean Water Coalition (CWC) interconnection projects. An increase to the Burns & McDonnell contract amount is necessary to complete the tasks of developing the designs, engineering and specifications for those projects.

Under the contract, the services of Burns & McDonnell are authorized by Commission staff as needed through the development and execution of written task authorizations. This amendment will result in an increase to the maximum aggregate cost of services by an additional \$125,000.00 to a not-to-exceed contract total of \$1,115,000.00 over the term of the contract. A prorated portion of the contract amount is included in the budgets for operation and maintenance and capital improvements for the Commission's Power Delivery Project, the CWC, and the Basic Substation Project.

Staff believes Burns & McDonnell is well qualified and fully capable of providing the needed engineering support to the Commission and recommended approval of this amendment.

Vice Chairman Robison asked if the March 19 tour of the Power Delivery facilities will include a tour of area where the IPS-3 and CWC projects will be built.

Mr. Reese said he will point out the areas where the work will take place. However, it is now just vacant land.

In response to several questions about the tour, Mr. Caan said that a tour of the Commission's power facilities is available to any Commissioner who is interested. Several Commissioners have previously taken the tour.

Vice Chairman Robison moved to approve the contract amendment. The motion was seconded by Commissioner Tarkanian and approved by a unanimous vote.

D. Consideration of and possible action to approve a contract for services of an independent contractor with Parsons Constructors, Inc.

Mr. Reese explained that a Project Labor Agreement (PLA) is a specific collective bargaining agreement setting employment terms and conditions for all craft persons working on a construction project. The agreement is open to both union and non-union contractors and is non-discriminatory. PLAs are designed to provide labor stability and are commonly used in time critical construction projects.

PLAs have been successfully utilized on Phase I, Phase II, RMPS-B, and the River Mountains Project of the Commission's Power Delivery Project. The current IPS-3 Substation and CWC Substation projects are similar in nature to previous phases of the Power Delivery Project. Therefore, a coordinated decision with the Southern Nevada Water Authority (SNWA) and the CWC was reached to again develop and implement a PLA.

Parsons Constructors, Inc. (PCI) developed the Commission's first PLA and has provided labor relations and management services to the Commission since March 1997. Since its first adoption, the Commission has constructed in excess of \$100 million of electrical facilities under the provisions of the CRC PLA without any labor disputes or disturbances.

PCI has agreed to provide the required labor relations and management services for the IPS-3 and CWC projects for a not-to-exceed amount of \$433,488.90 which is included in the operations and maintenance and capital budgets for the Commission's Power Delivery Project and the CWC. The contract term extends through June 30, 2011. Staff recommended approval of the contract with PCI.

Chairman Bingham asked if PLAs have been successful over the years.

Commissioner Collins said the SNWA and airport projects completed under the PLA have employed 38% non-union employees, so the fear that only union employees would get the work did not happen. The report was that millions of dollars were saved over the ten years that the PLA has been used.

Commissioner Collins moved to approve the contract with Parson Constructors, Inc. The motion was seconded by Commissioner Anderson and approved by a unanimous vote.

E. Consideration of and possible action on award of Contract No. CRCPDP-41 for the CWC Temporary Substation Construction Project.

Mr. Reese said that at its May 13, 2008 meeting, the Commission approved Contract No. CRCPDP-100 to interconnect the Commission's electric system with the CWC's proposed hydroelectric generating facility (Hydro Plant). Concurrent with the CWC's Hydro Plant Project is the plan for the Commission to construct Intake Pumping Station No. 3 (IPS-3) in conjunction with the SNWA.

Extension and modification of the Commission's electric system is required to serve both the CWC Hydro Plant and IPS-3. The Commission has studied numerous system extensions and modifications to serve both facilities. Under the current plan, the Commission will construct a new underground, 69-kV transmission line to the CWC Hydro Plant site and will continue on to the new IPS-3 substation at Saddle Island. Contract No. CRCPDP-100 also obligates the Commission to provide construction power to the Hydro Plant site during the three-year construction period.

Contract No. CRCPDP-41 provides for the construction of a temporary substation necessary for the projects and to provide temporary construction power.

On February 2, 2009, Contract No. CRCPDP-41 was released for bid. By bid closing on February 25, 2009, the Commission had received two bids. The bid amounts are shown below.

BIDDER NAME	TOTAL BID
Martin Harris Construction	\$593,880.00
PAR Electrical Contractors, Inc.	\$462,654.65

The Commission's staff and engineers evaluated the bids. The evaluation involved a two-step process. The first step included a review of each bid to ensure compliance with the requirements of the technical specifications and contract documents. The second step involved an evaluation of each proposal to consider factors such as price, schedule, quality, and service.

The evaluation confirmed that the PAR Electrical Contractors, Inc. bid was the lowest responsive bid. Staff therefore recommended award of Contract No. CRCPDP-41 for the CWC Temporary Substation Construction to PAR Electrical Contractors, Inc. Staff is requesting contract authority of \$508,920.11 which includes a 10 percent contingency for quantity adjustments and change orders.

Chairman Bingham asked if PAR is a local contractor.

Mr. Reese said PAR is local. They have worked on several of the Commission's construction projects and have done an extremely good job.

Commissioner Tarkanian moved to accept staff's recommendation. The motion was seconded by Commissioner Collins and approved by a unanimous vote.

<p>F. Status update on the hydrologic conditions, drought, and climate of the Colorado River Basin and Nevada's consumptive use of Colorado River water.</p>

Nicole Everett, Natural Resource Analyst for the Commission, provided a report on the following:

- Unregulated inflow into Lake Powell
- Storage conditions on the Colorado River
- Precipitation in the Colorado River Basin
- Lake Powell elevation projections
- Drought conditions in the West
- Seasonal drought outlook
- Monthly temperature deviations
- Monthly precipitation in the Colorado River Basin
- Mountain Snowpack Comparisons
- Streamflow Forecasts
- Water use in southern Nevada
- Colorado River Water Banked in Nevada, Arizona, and California

A copy of the report is attached and made a part of the minutes. (See Attachment A.)

Chairman Bingham asked if there was a cap on the amount of water that can be banked in each state.

Mrs. Everett said that banking in Arizona is limited to 1.25 million acre-feet.

McClain Peterson, Manager of the Natural Resources Group, said there is a physical limitation in Nevada on how much water the aquifer can store and the upper limit is close to being reached.

Commission Batjer asked if there were other aquifers available.

Mr. Peterson said there were.

Chairman Bingham asked if banked water will be used in the event of a declared shortage on the river.

Mr. Caan explained that there are limitations on when water can be withdrawn. During a shortage, only water from the Arizona Water Bank and our local water bank can be used. Each water bank has different requirements that must be followed.

Chairman Bingham said it appears the banked water will go a long way to supplement water use in the valley. For example, if 100,000 acre-feet were needed annually to supplement Nevada's Colorado River entitlement, that would provide for 10 years worth of supplemental water based on the amount that is currently banked in the three states.

Mr. Peterson said that amount of water available for use would be even higher if return flow credits were factored in.

Vice Chairman Robison asked if water from rivers such as the Virgin and Muddy could be considered "extra" water that is not included in Nevada's 300,000 acre-feet per year entitlement of Colorado River water.

Mr. Caan explained that under new guidelines, water from those rivers can be used under certain conditions. However, Nevada's 300,000 acre-feet per year entitlement has not increased.

Commissioner Collins asked for clarification regarding when Muddy and Virgin River water can be used.

Mr. Caan said during a declared shortage on the Colorado River, which is triggered by certain Lake Mead elevations, Muddy and Virgin River water can be used once those resources are developed.

Vice Chairman Robison asked if Coyote Springs water falls into the same category.

Jennifer Crandell, Senior Deputy Attorney General, said that it does.

G. Comments and questions from the public and discussion. (No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken.)

Chairman Bingham asked if there were any comments or questions from the public. There were none.

H. Comments and questions from the Commission members.

Chairman Bingham asked if there were any comments or questions from the Commission members.

Regarding the March 19 tour of the power facilities, Commissioner Collins pointed out that he

has a SNWA meeting at 9:00 a.m. and expressed concern over meeting the 10:00 a.m. departure time for the tour.

He was assured that the tour would not leave without him. The tour participants will gather at the Commission office in the Grant Sawyer Building.

I. Selection of the next possible meeting date.

The next meeting was tentatively scheduled for 1:00 p.m. on April 14, 2009 in the Clark County Commission Chambers.

J. Adjournment.

The meeting adjourned at 1:27 p.m.

George M. Caan, Executive Director

APPROVED:

Jay D. Bingham, Chairman